

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

(Mark One)

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

OR

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

For the fiscal year ended December 31, 2023

OR

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

OR

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

Date of event requiring this shell company report

For the transition period from _____ to _____

Commission file number 001-39237

ATLAS CORP.

(Exact Name of Registrant as Specified in Its Charter)

Republic of the Marshall Islands

(Jurisdiction of Incorporation or Organization)

23 Berkeley Square

London, United Kingdom

W1J 6HE

(Address of Principal Executive Offices)

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

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

| Title of Each Class | Trading Symbol | Name of Each Exchange on which Registered |
|--|----------------|---|
| Series D Preferred Shares, par value of \$0.01 per share | ATCO-PD | New York Stock Exchange |
| Series H Preferred Shares, par value of \$0.01 per share | ATCO-PH | New York Stock Exchange |
| 7.125% Notes due 2027 | ATCOL | The Nasdaq Stock Market LLC |

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

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

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

204,328,277 Common Shares, par value \$0.01 per share

5,093,728 Series D Preferred Shares, par value of \$0.01 per share

9,025,105 Series H Preferred Shares, par value of \$0.01 per share

12,000,000 Series J Preferred Shares, par value of \$0.01 per share

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

Yes No

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

Yes No

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

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

Yes No

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

Yes No

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

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

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

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

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

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

Indicate by check mark whether any of those error correction are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

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

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

Item 17 Item 18

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

Yes No

ATLAS CORP.
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PART I

Our disclosure and analysis in this Annual Report concerning our operations, cash flows, and financial position, including, in particular, the likelihood of our success in developing and expanding our business, include 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. Although these statements are based upon assumptions we believe to be reasonable based upon available information, including projections of revenues, operating margins, earnings, cash flow, working capital and capital expenditures, they are subject to risks and uncertainties that are described more fully in this Annual Report in the section titled “Risk Factors.”

These forward-looking statements represent our estimates and assumptions only as of the date of this Annual Report 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 Annual Report. These statements include, among others:

- future operating or financial results;
- future growth prospects;
- our business strategy and capital allocation plans, and other plans and objectives for future operations;
- potential acquisitions, financing arrangements and other investments, and our expected benefits from such transactions;
- our primary sources of funds for our short, medium and long-term liquidity needs;
- the future valuation of our vessels, power generation assets and goodwill;
- future time charters and vessel deliveries, including replacement charters and future long-term charters for certain existing vessels;
- estimated future capital expenditures needed to preserve the operating capacity of our containership fleet and power generation assets and to comply with regulatory standards, our expectations regarding future operating expenses, including dry-docking and other ship operating expenses and expenses related to performance under our contracts for the supply of power generation capacity, and general and administrative expenses;
- the impact of the conflict between Israel and Hamas beginning October 2023 (the “Israel-Hamas Conflict”) and the subsequent attacks by Houthi Rebels from Yemen on commercial vessels traversing the Red Sea, Gulf of Aden and the Bab-el-Mandeb Strait (the “Red Sea Attacks”);
- number of off-hire days and dry-docking requirements;
- global economic and market conditions and shipping and energy market trends, including charter rates and factors affecting supply and demand for our containership and power generation solutions;
- our financial condition and liquidity, including our ability to borrow funds under our credit facilities, our ability to obtain waivers or secure acceptable replacement charters under certain of our credit facilities, our ability to refinance our existing facilities and notes and to obtain additional financing in the future to fund capital expenditures, acquisitions and other general corporate activities;
- our continued ability to maintain, enter into or renew primarily long-term, fixed-rate time charters of our vessels and leases of our power generation assets with our existing customers or new customers;
- the potential for early termination of long-term contracts and our potential inability to enter into, renew or replace long-term contracts;
- changes in governmental rules and regulations or actions taken by regulatory authorities, and the effect of governmental regulations on our business;
- our continued ability to meet specified restrictive covenants in our financing and lease arrangements, our notes and our preferred shares;
- the financial condition of our customers, lenders and other counterparties and their ability to perform their obligations under their agreements with us;
- our ability to leverage to our advantage our relationships and reputation in the containership industry;

- changes in technology, prices, industry standards, environmental regulation and other factors which could affect our competitive position, revenues and asset values;
- disruptions and security threats to our technology systems;
- taxation of our company, including our exemption from tax on our U.S. source international transportation income, and taxation of distributions to our shareholders;
- the continued availability of services, equipment and software from subcontractors or third-party suppliers required to provide our power generation solutions;
- our ability to protect our intellectual property and defend against possible third-party infringement claims relating to our power generation solutions;
- potential liability from future litigation; and
- other factors detailed in this Report and from time to time in our periodic reports.

Forward-looking statements in this Annual Report 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 our control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Accordingly, these forward-looking statements should be considered in light of various important factors, including, but not limited to, those set forth in “Item 3. Key Information—D. Risk Factors.”

We do not intend to revise any forward-looking statements in order to reflect any change in our expectations or events or circumstances that may subsequently arise except as required by law or regulation. 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, or otherwise. You should carefully review and consider the various disclosures included in this Annual Report and in our other filings made with the Securities and Exchange Commission, or the SEC, that attempt to advise interested parties of the risks and factors that may affect our business, prospects and results of operations.

Merger with Poseidon Acquisition Corp.

On March 28, 2023, pursuant to an Agreement and Plan of Merger (the “Merger Agreement”), dated as of October 31, 2022, by and among Atlas Poseidon Acquisition Corp. (“Poseidon”), an entity formed by certain affiliates of Fairfax Financial Holdings Limited (“Fairfax”), certain affiliates of the Washington Family (“Washington”), David Sokol, Chairman of the Board of Directors of the Company (the “Chairman”), Ocean Network Express Pte. Ltd., (“ONE”) and certain of their respective affiliates (collectively, the “Consortium”), and Poseidon Merger Sub, Inc., a wholly-owned subsidiary of Poseidon (“Merger Sub”), Merger Sub merged with and into the Company with the Company continuing as the surviving corporation and a wholly-owned subsidiary of Poseidon (other than with respect to the Company’s preferred shares) (the “Merger”). Each common share outstanding prior to the Merger, other than common shares contributed to Poseidon immediately prior to the consummation of the Merger by Fairfax, Washington, the Chairman and the Company’s chief executive officer, was converted into the right to receive \$15.50 per common share in cash. Accordingly, as of such date, all of the Company’s common shares are owned by Poseidon.

Glossary

Unless we otherwise specify or the context otherwise requires, when used in this Annual Report, (i) the terms “Atlas,” the “Company,” “we,” “our” and “us” refer to Atlas Corp. and its subsidiaries, (ii) the term “Seaspan” refers to Seaspan Corporation and its subsidiaries and (iii) the term “APR Energy” refers to Apple Bidco Limited, its subsidiary APR Energy Limited, and APR Energy Limited’s subsidiaries.

References to Seaspan's customers are as follows:

| Customer⁽¹⁾ | Reference |
|---|------------------|
| CMA CGM S.A. | CMA CGM |
| China COSCO Holdings Company Limited | COSCO |
| Hapag-Lloyd AG | Hapag-Lloyd |
| Maersk Line A/S | Maersk |
| MSC Mediterranean Shipping Company S.A. | MSC |
| Ocean Network Express Pte. Ltd. | ONE |
| Yang Ming Marine Transport Corp. | Yang Ming Marine |
| ZIM Integrated Shipping Services Ltd. | ZIM |
| Hyundai Glovis Co., Ltd. | Glovis |
| Evergreen Logistics Co., LTD | Evergreen |

⁽¹⁾ Contracts may be with subsidiaries of the listed customers.

We use the term "twenty-foot equivalent unit," or TEU, the international standard measure of containers, in describing the capacity of our containerships, which are also referred to as "our vessels". We identify the classes of our containerships by the approximate average TEU capacity of the containership in each class. However, the actual TEU capacity of a containership may differ from the approximate average TEU capacity of the containership in such containership's class.

In October 2023, we entered the car carrier market through entry into shipbuilding contracts for the construction of eight Pure Car Truck Carrier ("PCTC") newbuilds. We use the term "car equivalent unit", or CEU, to describe the size of PCTC's and the number of cars they have the capacity to transport. Collectively, we refer to containerships and PCTC's as "our vessels".

We use the term "megawatts", representing a unit of energy, to describe the power generation capacity of our power assets. The actual megawatts that can be generated from our power assets, individually or in aggregate may differ from the approximate amount disclosed.

We also use a variety of operational terms and concepts in this Annual Report. These include the following:

Bareboat Charter. A charter of a vessel under which the shipowner is usually paid a fixed amount for a certain period of time during which the charterer is responsible for the vessel operating expenses, including crewing, and voyage expenses of the vessel and for the management of the vessel. A bareboat charter is also known as a "demise charter" or a "time charter by demise."

CEU. Car equivalent unit. Unit of measurement indicating the car carrying capacity of a vessel.

Charter. The hire of a vessel for a specified period of time or a particular voyage to carry a cargo from a loading port to a discharging port. The contract for a charter is commonly called a charterparty.

Charterer. The party that charters a vessel.

Charter hire. A sum of money paid to the shipowner by a charterer for the use of a ship.

Classification society. An independent organization that certifies that a vessel has been built and maintained according to the organization's rules for that type of vessel and complies with the applicable rules and regulations of the flag state and the international conventions of which that country is a member. A vessel that receives its certification is referred to as being "in-class."

Dry-docking. The removal of a vessel from the water for inspection and, if needed, repair of those parts of a vessel that are below the water line. During dry-dockings, which are required to be carried out periodically, certain mandatory classification society inspections are carried out and relevant certifications are issued. Dry-dockings for containerships are generally required once every five years, which must be a "special survey."

Flag State. The country of a vessel's registry.

Hire rate. The payment to the shipowner from the charterer for the use of the vessel.

Hull. Shell or body of a vessel.

IMO. International Maritime Organization, a United Nations agency that issues international standards for shipping.

Megawatts. A unit of energy generated by power assets.

Newbuilding. A new ship under construction.

Off-charter. The period in which a vessel is not under charter and, accordingly, we do not receive hire.

Off-hire. The period in which a vessel is not available for service under a time charter and, accordingly, the charterer generally is not required to pay the hire rate. Off-hire periods can include days spent on repairs, dry-docking and surveys, whether or not scheduled. For all other assets, the period in which the asset is not available for service under a lease agreement.

On-hire. The period in which an asset is available for service under a lease agreement.

Protection and indemnity insurance. Insurance obtained through a mutual association formed by shipowners to provide liability indemnification protection from various liabilities to which they are exposed in the course of their business, and which spreads the liability costs of each member by requiring contribution by all members in the event of a loss.

Ship operating expense. The costs of operating a vessel, primarily consisting of crew wages and associated costs, insurance premiums, management fees, lubricants and spare parts, and repair and maintenance costs. Ship operating expenses exclude fuel cost, port expenses, agents' fees, canal dues and extra war risk insurance, as well as commissions, which are included in "voyage expenses."

Special survey. The inspection of a vessel by a classification society surveyor that takes place every five years, as part of the recertification of the vessel by a classification society.

Spot market. The market for immediate chartering of a vessel, usually for single voyages.

TEU. Twenty-foot equivalent unit, the international standard measure for containers and containership capacity.

Time charter. A charter under which the shipowner hires out a vessel for a specified period of time. The shipowner is responsible for providing the crew and paying vessel operating expenses, while the charterer is responsible for paying the voyage expenses and additional voyage insurance. The shipowner is paid the hire rate, which accrues on a daily basis.

Voyage expenses. Expenses incurred due to a ship's traveling from a loading port to a discharging port, such as fuel (bunkers) cost, port expenses, agents' fees, canal dues, extra war risk insurance and commissions.

We use the term "Notes" to refer, collectively, to the 3.75% exchangeable senior notes due 2025 (the "Exchangeable Notes"), the 6.5% senior unsecured sustainability-linked bonds due 2024 (the "2024 NOK Bonds"), the 6.5% senior unsecured sustainability-linked bonds due 2026 (the "2026 NOK Bonds" and together with the 2024 NOK Bonds, the "NOK Bonds"), the sustainability-linked senior secured notes (the "Senior Secured Notes") and the blue transition 5.5% senior unsecured notes due 2029 (the "5.5% 2029 Notes"), in each case issued by Seaspan, as well as the 7.125% senior unsecured notes due 2027 of Atlas (the "Atlas Notes").

We use the term "Fairfax Notes" to refer, collectively, to our 5.50% senior notes due 2025 (the "2025 Fairfax Notes"), 5.50% senior notes due 2026 (the "2026 Fairfax Notes") and 5.50% senior notes due 2027 (the "2027 Fairfax Notes"), which were held by certain affiliates of Fairfax Financial Holdings Limited ("Fairfax"). All of the Fairfax Notes were repaid prior to December 31, 2021.

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Some of the following risks relate principally to our businesses and our business strategy. Other risks relate principally to regulation, our indebtedness and to ownership of our securities. The occurrence of any of the events described in this section could significantly and negatively affect our business, financial condition, operating results, ability to pay dividends on our preferred shares, ability to redeem our preferred shares or the trading price of our preferred shares.

Summary of Risk Factors

The following is a summary of some of the principal risks we face. The list below is not exhaustive, and investors should read this “Risk Factors” section in full.

Risk relating to our business as a whole

- We expect acquisitions of new assets and lines of business to be a significant part of our growth strategy. Our acquisitions will involve numerous risks and if we are unable to identify suitable acquisition candidates or successfully integrate the businesses or assets we acquire, our growth strategy may not succeed.

Risks related to our vessel leasing business

- We derive our charter revenue from a limited number of customers, and the loss of any one customer or the long-term charters we have with them, further increases in the number of vessels on short-term charter or any material decrease in payments under our customer contracts could materially harm our business.
- The profitability and growth of our containership business is subject to world and regional demand for containership chartering, which is impacted by factors outside our control, including developments in international trade, regulatory developments, geopolitical conflicts and pandemics.
- If a more active short-term or spot containership market develops, we may have more difficulty entering into long-term, fixed-rate time charters and our existing customers may begin to pressure us to reduce charter rates.
- The business and activity levels of our charterers, shipbuilders and third parties with which we do business and their respective abilities to fulfill their obligations under agreements with us may be hindered by any deterioration in the shipping industry, credit markets or other negative developments.
- We will be required to make substantial capital expenditures to acquire additional vessels, which may increase financial leverage or decrease our ability to redeem or pay dividends on our preferred shares. Delays in deliveries of our newbuild vessels could materially harm our business and, results of operations.
- We must make substantial capital expenditures over the long-term to preserve the operating capacity of our fleet, and such expenditures are likely to increase as our fleet ages.
- Our business may continue to be negatively impacted by heightened inflation.

Risks related to our power generation business

- Our competitive position, revenues and asset values could be adversely affected by changes in technology, prices, industry standards, environmental regulation and other factors.

Legal, regulatory and litigation risks

- Failure to comply with applicable anti-bribery and corruption or economic sanctions and trade embargo laws and regulations could have a material adverse effect on our business.
- Our business is subject to extensive governmental regulation, including environmental, in a number of different jurisdictions, and our inability to comply with applicable regulations or requirements may have a negative impact on our business. We are also exposed to risks more prevalent in emerging markets and in China.

Risks related to tax

- We intend that our business be conducted and operated in a manner that minimizes income taxes imposed upon us; however, there is a risk that we will be subject to additional income tax in one or more jurisdictions.

Risks related to financing and indebtedness

- We have substantial debt, which may limit our flexibility to pursue other business opportunities. We may not have sufficient cash flow from operations or otherwise to timely pay, or to refinance, amounts owed under such debt.
- Disruptions in global capital markets and economic conditions or changes in lending practices may harm our ability to obtain financing on acceptable terms, which could hinder or prevent us from meeting our capital needs. Exposure to interest rate fluctuations may result in fluctuations in our results of operations and financial condition.
- Charterparty-related defaults under certain of our secured credit facilities and vessel lease and other financing arrangements could permit the counterparties thereto to accelerate our obligations and terminate such facilities or leases, which could materially adversely affect our financial condition.

Risks related to an investment in our securities

- We may not have sufficient cash from our operations to pay dividends on our preferred shares or redeem our preferred shares. The amount of cash we use to declare dividends and redeem our preferred shares is also subject to the discretion of our directors and the requirements of Marshall Islands law, among other factors.
- The NYSE and the Nasdaq Stock Market do not require an issuer with only publicly traded preferred stock and notes like us to comply with certain of its corporate governance requirements.
- Our approach to corporate governance may lead us to take actions that conflict with our preferred shareholders' interests as preferred shareholders and our creditors' interests as holders of our debt securities.

Risks from geopolitical conflicts

- Ongoing geopolitical conflicts such as the Israel-Hamas Conflict, Red Sea Attacks, and Russia-Ukraine conflict may create significant negative impacts on our business

General risk factors

- Disruptions and security threats to our technology systems could negatively impact our business.

Risks related to our business as a whole

Acquisitions of new assets and lines of business have formed a significant part of our growth strategy in the past and are expected to continue to do so. If we are unable to identify suitable acquisition candidates or successfully integrate the businesses or assets we acquire, our growth strategy may not succeed.

We intend to seek acquisition opportunities both to expand into new lines of business and to enhance our position in our existing lines of business. This may entail the acquisition of new businesses, assets to contribute to our existing lines of business, including new or secondhand vessels, or vessels carrying other types of cargo, such as cars, and power generation assets, or both. However, our ability to do so will depend on a number of factors, including our ability to:

- obtain financing that we may need to complete proposed acquisitions;
- identify suitable acquisition candidates;
- negotiate appropriate acquisition terms; and
- complete the proposed acquisitions.

If we fail to achieve any of these steps, our growth strategy may not be successful, which could materially harm our business, results of operations and financial condition.

Acquisitions involve numerous risks, notably integration challenges and the potential failure to achieve expected benefits. Acquisitions may also result in significant integration costs and exposure to unanticipated liabilities.

Acquisitions involve risks such as potential difficulties in the assimilation of the operations, systems, controls, technologies, personnel, services and products of an acquired company, the potential loss of key employees, customers and distributors of an acquired company. We may not accurately anticipate all of the changing demands that any future acquisition may impose on our company. The failure to successfully integrate acquired businesses or assets in a timely manner, or at all, could have an adverse effect on our business, financial condition and results of operations.

Integration efforts associated with our acquisitions may require significant capital and operating expense. Such expenses may include information technology integration fees, legal compliance costs, facility closure costs and other

restructuring expenses. Unexpected integration expenses may materially harm our business, results of operations and financial condition. Failure to realize the anticipated benefits and synergies within a reasonable time could adversely impact our business, financial condition and results of operations.

Risks related to our vessel leasing business

We derive our charter revenue from a limited number of customers. The loss of any one customer or our long-term charters that we have with them, further increases in the number of vessels on short-term charter or any material decrease in payments under our customer contracts could materially harm our business, results of operations and financial condition.

As of December 31, 2023, we had eight customers of which four customers contributed over 10% of total revenue during 2023. Under some circumstances, we could lose a time charter or payments under the charter if:

- the customer fails to make charter payments because of financial inability or distress, disagreements with us, defaults on a payment or otherwise;
- at the time of delivery, the vessel subject to the time charter differs in its specifications from those agreed upon under the shipbuilding contract; or
- the customer exercises certain limited rights to terminate the charter, including (1) if the ship fails to meet certain guaranteed speed and fuel consumption requirements and we are unable to rectify such failure and (2) under some charters if the vessel is off-hire or unavailable for operation for a specified period of time or if delivery of a newbuilding vessel is delayed for a prolonged period of time.

The majority of our vessels are chartered under long-term charters, and customer payments are the source of nearly all of our operating cash flow. An over-supply of containership capacity and low freight rates have resulted in liner companies (including some of our customers) incurring losses in past business cycles. A reduction in cash flow resulting from low freight rates, a reduction in borrowing bases under reserve-based credit facilities, a limited or lack of availability of debt or equity financing, or a combination of such events, may reduce the ability of our customers to make charter payments to us. If we lose one of our large liner customers due to financial distress, bankruptcy or certain other events, such circumstance could likely lead to significant reductions in our revenues, commercial disputes, receivable collection issues, and other negative consequences that could have a material adverse impact on our results of operations, financial condition and cash flows.

Further, as liner companies (including our existing customers) consolidate through merger, joint ventures or alliances, our risk relative to the concentration of our customers may increase and they may also seek to renegotiate the rates payable for the remaining terms of their charters. The loss of any of these long-term charters, further increases in the number of vessels on short-term charters or any material decrease in payments under our customer contracts could materially harm our business, results of operations and financial condition.

A decrease in the export of goods from the regions served by our customers, including that caused by the maintenance or escalation of trade protectionism, could materially harm our business.

Governments have used, and may continue to use, trade barriers in order to protect their domestic industries against foreign imports, or for other purposes. Most of our containership customers' business revenue is derived from the shipment of goods from the Asia Pacific region, primarily China. In recent years, increased trade protectionism affecting China and other markets our customers serve, has caused increases in the cost of goods exported, in delivery times and in export risks, as well as a decrease in the quantity of goods shipped.

China's imports and export of goods may continue to be negatively affected by trade protectionism, specifically the ongoing U.S.-China trade dispute, which has been characterized by escalating tariffs between the U.S. and China, and has also impacted trade relations among other countries. While a trade agreement was reached between China and the U.S. in January 2020 aimed at easing the dispute, there can be no assurance that there will not be any further escalation.

The Chinese government's policies to boost domestic consumption may limit the supply of goods for export and may in turn lower cargo shipping demand.

A global or regional economic downturn could also reduce supply and demand for Chinese-made goods available for export. Any hindrance to Chinese exporters, as a result of tariffs or government policies, could harm our customers' businesses and in turn, materially damage our business.

On January 1, 2021, following the United Kingdom's (the "U.K.") withdrawal from the European Union (the "EU") (also known as "Brexit"), a new trade deal between the EU and the U.K. went into effect. Additionally, the end of free

movement could significantly disrupt the exchange of people and services between the U.K. and the EU, resulting in the imposition of impediments to trade.

Any increased trade barriers or restrictions on global trade resulting from Brexit could harm our customers' business and in turn could materially harm our business, results of operations and financial condition.

The profitability and growth of our containership business is subject to world and regional demand for containership chartering.

The container shipping industry is both dynamic and volatile in terms of charter hire rates and profitability. Containership charter rates have fluctuated significantly in the past and are expected to continue to fluctuate in the future. Fluctuations in containership charter rates result from changes in the supply and demand for vessel capacity, which are driven by global fleet capacity and utilization and changes in the supply and demand for the major products internationally transported by containerships. The factors affecting the supply and demand for containerships are outside of our control, and the nature, timing and degree of changes in industry conditions are largely unpredictable.

Factors that influence demand for containership capacity include, among others:

- supply and demand for products suitable for shipping in containers;
- changes in global production of products transported by containerships;
- seaborne and other transportation patterns;
- developments in international trade; and
- environmental and other regulatory developments.

Factors that influence the supply of containership capacity include, among others:

- the number of vessels that are out of service;
- the number of newbuilding orders and deliveries;
- the extent of newbuilding vessel deferrals;
- the scrapping rate of containerships;
- newbuilding prices and access to capital;
- charter rates and the price of steel and other raw materials;
- changes in environmental and other regulations that may limit the useful life of containerships;
- the number of containerships that are slow-steaming or extra slow-steaming to conserve fuel; and
- port and canal infrastructure and congestion.

Our ability to recharter our containerships upon the expiration or termination of their current time charters and the charter rates under any renewal or replacement charters will depend upon, among other things, the then current state of the containership market. If charter rates are low when our existing time charters expire, we may not be able to recharter our vessels at profitable rates or at all, which could materially harm our business, results of operations and financial condition.

Containership values and charter rates may fluctuate substantially over time.

Containership values can fluctuate substantially over time due to a number of different factors, including, but not limited to:

- prevailing economic conditions in the market in which the containership trades;
- a substantial or extended decline in world trade;
- increases or decreases in containership capacity; and
- the cost of retrofitting or modifying existing ships, as a result of technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, or otherwise.

If a charter terminates, we may be unable to re-deploy the vessel at attractive rates, or at all, and rather than continue to incur costs to maintain and finance the vessel, may seek to dispose of it. Our inability to dispose of the containership at a reasonable price, or at all, could result in a loss on its sale. For our vessels that are or will be off-charter, there is no assurance that replacement charters will be secured and if secured, at what rates or for what duration. If replacement

charters are not secured on satisfactory terms, it could materially harm our business, results of operations, financial condition and ability to pay dividends on our equity securities.

If a more active short-term or spot containership market develops, we may have more difficulty entering into long-term, fixed-rate time charters and our existing customers may begin to pressure us to reduce charter rates.

One of the principal strategies of our containership business is to enter into long-term, fixed-rate time charters. As more vessels become available for the short-term or spot market, we may have difficulty entering into additional long-term, fixed-rate time charters for our vessels due to the increased supply of vessels. As a result, our cash flow may be subject to instability in the long-term.

A more active short-term or spot containership market may require us to enter into charters based on changing market prices, rather than on a long-term, fixed-rate, which could lower our cash flow in periods when the market price for containerships is depressed or insufficient funds are available to cover our financing costs for related vessels. In addition, the development of an active short-term or spot containership market could cause our customers to pressure us to reduce our rates under our existing charters. Besides the risk of charter rate fluctuations, there is also the inherent risks of lost revenue due to idling vessels and/or additional mobilization costs in between short-term charters. This variability in our cash flow and earnings could materially harm our business, results of operations and financial condition.

The business and activity levels of shipbuilders and other third parties with which we do business, and their respective abilities to fulfill their obligations under agreements with us, may be hindered by any deterioration in the shipping industry, credit markets or other negative developments.

Shipbuilders that we engage to construct newbuild vessels may be affected by future instability of the financial markets and other market conditions or developments, including the fluctuating price of commodities and currency exchange rates and global disruptions to markets, supply chains and shipbuilders' operations, such as those caused by the ongoing Russia-Ukraine Conflict, Israel-Hamas Conflict, and the Red Sea Attacks. In addition, the refund guarantors under shipbuilding contracts (which are banks, financial institutions and other credit agencies that guarantee, under certain circumstances, the repayment of installment payments we make to the shipbuilders) may also be negatively affected by adverse market conditions and, as a result, may be unable or unwilling to meet their obligations due to their own financial condition. If our shipbuilders or refund guarantors are unable or unwilling to meet their obligations to us, this could materially harm our business, results of operations and financial condition.

The containership industry is highly competitive, and we may not be able to expand relationships with existing customers, establish relationships with new customers and obtain new time charters.

The process of obtaining new time charters is highly competitive and generally involves an intensive screening process and competitive bids, and often extends for several months in regard to newbuilding containerships. Containership charters are awarded based upon a variety of factors relating to the vessel operator, including, among others:

- shipping industry relationships and reputation for customer service and safety;
- container shipping experience and quality of ship operations, including cost effectiveness;
- quality and experience of seafaring crew;
- the ability to finance containerships at competitive rates and the shipowner's financial stability generally;
- relationships with shipyards and the ability to get suitable berths when needed; and
- competitiveness of the bid in terms of overall price.

Competition for providing new containerships for chartering purposes comes from several experienced shipping companies, including from other independent charter owners and from state-sponsored and other major entities with their own or leased fleets. Some of our peers have significantly greater financial resources than we do and may be able to offer better charter rates.

An increasing number of marine transportation companies have entered the containership sector, including many with strong brand recognition and extensive resources and experience in the marine transportation industry. This increased competition may cause greater price competition for time charters. As a result of these factors, we may be unable to expand our relationships with existing customers or develop relationships with new customers in order to secure charters on a profitable basis, if at all, which could materially harm our business, results of operations and financial condition.

We will be required to make substantial capital expenditures to complete the acquisition of our newbuilding vessels and any additional vessels we acquire in the future, which may result in increased financial leverage or dilution of our equity holders' interests or decreased ability to redeem our preferred shares.

As at December 31, 2023, we had contracted to purchase 40 newbuilding vessels, comprised of 36 containerships and four PCTCs, with scheduled delivery dates through 2027. The total purchase price of the 40 newbuilding vessels is estimated to be approximately \$3.8 billion. Although we have secured financing for all such containerships, not all of these financings are available prior to delivery. We are in the process of obtaining financing for the PCTCs. Further, we may add to our newbuild program. The acquisition of additional newbuild or existing vessels or businesses will require significant additional capital expenditures.

To fund existing and future capital expenditures, we intend to use cash from operations, incur borrowings, draw on existing sale-leaseback or other financing arrangements, or use a combination of these methods. Use of cash from operations may reduce cash available to pay dividends to our shareholders, including holders of our preferred shares, or to redeem our preferred shares. Incurring additional debt may significantly increase our interest expense and financial leverage, and may restrict our ability to borrow. Our ability to obtain or access bank financing for future debt may be limited by our financial condition at the time of any such financing and covenants in our credit facilities, as well as by adverse market conditions. Where we enter into newbuilding or other vessel acquisition contracts prior to entering into charters for such vessels, our ability to obtain new financing for such vessels may be limited and we may be required to fund all or a portion of the cost of such acquisitions with our existing capital resources. Our failure to obtain funds for our capital expenditures at attractive rates, if at all, could materially harm our business, results of operations and financial condition.

Delays in deliveries of our newbuilding vessels could materially harm our business, results of operations and financial condition.

The delivery of the vessels we have ordered, or any other vessels we may order, could be delayed, which would delay our receipt of revenue under the charters for the vessels and, if the delay is prolonged, could permit our customers to terminate the newbuilding vessel charter. The occurrence of any of such events could materially harm our business, results of operations and financial condition.

The delivery of the vessels could be delayed because of:

- work stoppages or other labor disturbances that disrupt any of the shipyards' operations;
- quality or engineering problems;
- changes in governmental regulations or maritime self-regulatory organization standards;
- bankruptcy or other financial crisis of any of the shipyards;
- a backlog of orders at any of the shipyards;
- hostilities, or political or economic disturbances in South Korea or China, where the containerships and PCTCs are being built;
- weather interference or catastrophic event, such as a major earthquake, fire or tsunami;
- disruptions due to an outbreak of disease;
- our requests for changes to the original containership specifications;
- shortages of or delays in the receipt of necessary construction materials, such as steel, or key parts that are supplied by third parties to the shipyard, such as engines;
- our inability to obtain requisite permits or approvals;
- a dispute with any of the shipyards;
- our failure to obtain financing for the vessels, or any failure of our banks to provide debt financing; or
- a disruption to the financial markets.

In addition, each of the shipbuilding contracts for our newbuilding vessels contains "force majeure" provisions whereby the occurrence of certain events could delay delivery or possibly result in termination of the contract. If delivery of a containership is materially delayed or if a shipbuilding contract is terminated, it could materially harm our business, results of operations and financial condition.

Because each existing and newbuilding vessel in our contracted fleet is or will be built in accordance with standard designs and uniform in all material respects to other vessels in its class, any material design defect likely will affect all vessels in such class.

Each existing and newbuilding vessel in our fleet is built, or will be built, in accordance with standard designs and uniform in all material respects to other vessels in its class. As a result, any latent design defect discovered in one of our vessels will likely affect all of our other vessels in that class. We have only recently begun to commission vessels of a certain size, specification, or cargo type (in the case of PCTCs) and therefore may be more susceptible to additional design and operational challenges. Any disruptions in the operation of our vessels resulting from these defects, and particularly if such disruptions would constitute grounds for a customer to cancel or terminate a charter, could materially harm our business, results of operations and financial condition.

Excess supply of global containership capacity may limit our ability to operate our vessels profitably.

As of February 1, 2024, newbuilding containerships representing approximately 24.6% of the existing global fleet capacity as of that date were under construction. Notwithstanding that some orders may be cancelled or delayed, the substantial orderbook may expand the world containership fleet over the next few years. This potential increase could lead to lower charter rates or extended periods of low charter rates, which may negatively impact our ability to secure profitable charters upon the expiration or termination of our containerships' current time charters, if at all. Until such capacity is fully absorbed by the container shipping market, the industry may experience ongoing downward pressure on freight rates and such prolonged pressure could have a material adverse effect on our financial condition, results of operations and liquidity.

Increased technological innovation in competing vessels could reduce our charter hire rates and the value of our vessels.

Various factors influence charter rates, vessel value, and operational lifespan, encompassing efficiency (speed, fuel economy, loading and unloading speed), flexibility (ability to enter harbor or through canals, or to access docking facilities), and physical longevity tied to design, maintenance, and operational stress. If newly promoted fuel-efficient ship designs or future containerships with better efficiency, flexibility, and longevity emerge, they could impact our vessels' charter hire income once their initial contracts end and vessel resale value, which could materially harm our business, results of operations and financial condition.

Risks inherent in the operation of ocean-going vessels could materially harm our reputation, business, results of operations and financial condition.

Operating ocean-going vessels inherently carries risks such as marine disasters, collisions, environmental accidents, and disruptions due to factors like mechanical failure, human error, weather, war, or strikes. Such risks could result in death or injury to persons, property losses or environmental damage, delays in delivery, loss of revenue from or termination of charter contracts, regulatory penalties or restrictions, higher insurance rates, and damage to our reputation and customer relationships. The involvement of our vessels in an environmental disaster could harm our reputation as a safe and reliable vessel owner and operator. Any of these circumstances or events could materially harm our business, results of operations and financial condition.

Piracy is an inherent risk that has historically affected the operation of vessels trading in certain regions of the world. We may not be adequately insured to cover losses from these incidents, which could materially harm our business, results of operations and financial condition. The loss of use of a vessel due to piracy may harm our customers, impairing their ability to make payments to us under our charters, which could materially harm our business, results of operations and financial condition.

We expect that our vessels will call in ports in South America and other areas where smugglers attempt to hide drugs and other contraband on vessels, with or without the knowledge of crew members. If our vessels are found with contraband, whether with or without the knowledge of any of our crew, we may face governmental or other regulatory claims, which could have an adverse effect on our business, results of operations and financial condition.

Since January 2024, all of the containerships owned and operated by us have been diverted from the Red Sea in response to the ongoing Red Sea Attacks. See *"Effects of the Israel-Hamas Conflict and Red Sea Attacks"*.

We maintain insurance for our fleet against risks commonly insured against by vessel owners and operators, including hull and machinery insurance, war risks insurance and protection and indemnity insurance (which includes environmental damage and pollution insurance). We cannot guarantee that such insurance coverage is, or will be, sufficient to cover all of the possible losses that would normally be covered by such policies. If we were to incur a serious uninsured loss, the resulting costs could have a material adverse effect on our business, financial condition and results of operations. Furthermore, we do not carry loss-of-hire insurance, which covers the loss of revenue during extended vessel off-hire periods, such as those that occur during an unscheduled dry-docking due to damage to the vessel from accidents. Accordingly, any loss of a vessel or extended vessel off-hire, due to an accident or otherwise, could materially harm our business, results of operations and financial condition.

Over the long-term, we will be required to make substantial capital expenditures to preserve the operating capacity of our fleet.

We must make substantial capital expenditures over the long-term to preserve the operating capacity of our fleet, including to, among other things, meet future environmental regulatory standards. If we do not retain funds in our business in amounts necessary to preserve the operating capacity of our fleet, over the long-term, our fleet and related charter revenues may diminish, and we will not be able to continue to refinance our indebtedness. As our fleet ages, we will likely need to retain additional funds, on an annual basis, to provide reasonable assurance of maintaining the operating capacity of our fleet over the long-term. To the extent we use or retain available funds to make capital expenditures to preserve the operating capacity of our fleet, there will be less funds available to pay interest and principal on our Notes, pay dividends on our equity securities or redeem our preferred shares.

Our vessels' mortgagees or other maritime claimants could arrest our vessels, which could interrupt our charterers' or our cash flow.

If we default under our credit facilities that are secured by mortgages on our vessels, the lenders that hold those mortgages could arrest some or all of the vessels encumbered by those mortgages and cause them to be sold. We would not receive any proceeds of such sales unless all amounts outstanding under such indebtedness had been repaid in full. In addition, crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against the applicable vessel for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lienholder may enforce its lien by arresting a vessel through foreclosure proceedings. In addition, in some jurisdictions, such as South Africa, under the "sister ship" theory of liability, a claimant may arrest both the vessel that is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. Claimants could try to assert "sister ship" liability against one vessel in our fleet for claims relating to another of our ships. The arrest or attachment of one or more of our vessels could interrupt our charterers' or our business and cash flow and require the charterers or us or our insurance to pay significant amounts to have the arrest lifted, which could materially harm our business, results of operations and financial condition.

Our business may continue to be negatively impacted by inflation

Continued or increased inflation may have a negative impact on our business. Current and future inflationary effects may be driven by, among other things, supply chain disruptions, governmental stimulus or fiscal policies, the Russia-Ukraine Conflict, the Israel-Hamas Conflict and the Red Sea Attacks.

As a result of the heightened inflation experienced in 2023, we have incurred higher vessel operation expenses (including higher crewing cost and victualling budget) and higher cost of steel used for dry-docking. To curtail sustained levels of high inflation, the Federal Reserve in the United States and central banks in other countries have raised, and may continue to raise, interest rates, which in turn caused, and may continue to cause, the interest expenses on our debt to increase. In an inflationary environment, our cost of capital, labor and materials may increase further and the purchasing power of our cash resources may decline. In addition, heightened inflation has adversely affected the businesses of shipbuilders, which has resulted in and may continue to result in renegotiations for the delivery date of newbuild vessels and for additional costs for the construction of our newbuild vessels. If our shipbuilders are unable or unwilling to meet their obligations to us, this could materially harm our business, results of operations and financial condition.

All of the above-mentioned factors have had and could continue to have a negative impact on our business, financial position, results of operations and profitability.

To the extent inflation adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Risks related to our power generation business

Our competitive position, revenues and asset values could be adversely affected by changes in technology, prices, industry standards, environmental regulation and other factors.

The markets in which we operate change rapidly because of technological innovations and changes in prices, industry standards, environmental and other regulations, customer requirements (including demand for more environmentally friendly solutions), product introductions and the economic environment. New technology or changes in industry, regulations and customer requirements may render our existing power generation solutions obsolete, excessively costly or otherwise unmarketable. As a result, we must continuously enhance the efficiency and reliability of our existing technologies and seek to develop new technologies to remain at the forefront of industry standards and customer requirements. If we are unable to introduce and integrate new technologies into our power generation solutions in a timely and cost-effective manner, our competitive position will suffer and our prospects for growth will be impaired.

Further, if technological advances render our existing power generation assets obsolete or otherwise unmarketable, competition from third parties offering more technologically advanced solutions could adversely affect our ability to extend or secure new power purchase contracts and the resale value of our assets. As a result, our business, reputation, results of operations and financial condition could be materially harmed.

Legal, regulatory and litigation risks

Failure to comply with applicable anti-bribery and corruption laws and regulations could result in fines and criminal penalties, terminations of charters, financing arrangements and other significant contracts, and a material adverse effect on our business.

We operate in a number of countries throughout the world, including countries where there is an elevated risk of corruption. We are committed to doing business in accordance with applicable anti-bribery and corruption laws and have adopted a Standards of Business Conduct Policy which is consistent and in full compliance with the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act of 1977 (the “FCPA”). We train our personnel concerning anti-bribery and corruption laws and issues, and also inform our partners, subcontractors, suppliers, agents and others who work for us or on our behalf that they must comply with anti-bribery and corruption law requirements. We are subject, however, to the risk that we, our affiliated entities or our or their respective officers, directors, employees and agents, or the third parties with which we do business, may take actions determined to be in violation of such anti-bribery and corruption laws, including the UK Bribery Act and FCPA. Any violation of anti-bribery and corruption laws and regulations could result in substantial fines, sanctions, civil and/or criminal penalties, as well as breaches of our material contracts, which would have a material adverse effect on our business, financial condition and results of operations. In addition, actual or alleged violations could cause us to breach the terms of our financings and damage our reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management.

If we are found to be in violation of sanctions, there could be a material adverse effect on our reputation, business, financial condition or results of operations, or the market for our securities.

We are subject to U.S. and EU economic sanctions and trade embargo laws and regulations as well as equivalent economic sanctions laws of other relevant jurisdictions. These laws and regulations vary across jurisdictions, targeting different entities and activities. The sanctions and embargo laws and regulations can change over time and the lists of sanctioned persons and entities are amended frequently. Moreover, sanctions often extend to entities owned or controlled by the persons or entities designated in such lists. The U.S. and EU have enacted new sanctions programs in recent years. Additional countries or territories, as well as additional persons or entities within or affiliated with those countries or territories have been the target of sanctions. The U.S. has increased its focus on sanctions enforcement with respect to the shipping sector. Any violation of sanctions and embargo laws and regulations could result in substantial sanctions and penalties and defaults under our financing and other material contracts, all of which would materially adversely affect our reputation, business, financial condition and results of operations.

As a result of Russian actions in the Russia-Ukraine Conflict, the U.S., EU and U.K., together with numerous other countries, have imposed significant sanctions on persons and entities associated with Russia and Belarus, as well as comprehensive sanctions on certain areas within the Donbas region of Ukraine, and such sanctions apply to entities owned or controlled by such designated persons or entities. These sanctions adversely affect our ability to trade to this region. Moreover, a significant number of our crew are Ukrainian. The ongoing situation in Russia-Ukraine Conflict and the sanctions being imposed may adversely affect our ability to hire and/or pay our crew for our vessels.

Any additional sanctions imposed on certain persons, entities and regions in response to the Israel-Hamas Conflict and Red Sea Attacks may also adversely affect our ability to conduct our business.

We are subject to stringent environmental regulation that could require significant expenditures and affect our operations.

Our business and operations are materially affected by environmental regulations, including international, national, state and local laws, regulations, conventions and treaties and standards in force in jurisdictions in which we do business, including those governing the management and disposal of hazardous substances and wastes, the cleanup of oil spills and other contamination, air emissions, water discharges and, in respect of our vessels, ballast water management and vessel recycling. These regulations require us to obtain regulatory licenses, permits and other approvals and to comply with the requirements of such licenses, permits and other approvals, which can carry substantial costs. There can be no assurance that:

- governmental authorities will approve the issuance of such licenses, permits and other approvals or that such licenses, permits or approvals will be timely renewed or sufficient for our operations;

- in respect of our power generation business, public opposition will not result in delays, modifications to or cancellation of any proposed project or license; or
- laws or regulations will not change or be interpreted in a manner that increases our costs of compliance or materially or adversely affects our operations or plants.

We cannot guarantee ongoing compliance with such regulations. Violation of such regulations may give rise to significant liability, including fines, damages, fees and expenses, as well as closures of our power plants, detention of our vessels or denial of access to ports. Generally, relevant governmental authorities are empowered to clean up and remediate releases of environmental damage and to charge the costs of such remediation and cleanup to the owners or occupiers of the property, the persons responsible for the release and environmental damage, the producer of the contaminant and other parties, or to direct the responsible parties to take such action. These governmental authorities may also impose a tax, financial assurance requirements or other liens on the responsible parties to secure the parties' reimbursement obligations. We could also become subject to personal injury or property damage claims relating to the release of hazardous materials associated with our operations.

Environmental regulation has changed rapidly in recent years, and it is possible that we will be subject to even more stringent environmental standards in the future. Such environmental standards may affect the resale value or useful lives of our assets, require modifications to our vessels or power generation assets or operational changes or restrictions, or lead to decreased availability of insurance coverage for environmental matters. We cannot predict the amounts of any increased capital expenditures or any increases in operating costs or other expenses that we may incur to comply with applicable environmental or other regulatory requirements. For additional information about the environmental regulations to which we are subject, please read "Item 4. Information on the Company—B. Business Overview—Environmental and Other Regulations".

Climate change and greenhouse gas restrictions may adversely affect our operating results.

Many governmental bodies have adopted, or are considering the adoption of treaties or national, state and local laws, regulations and frameworks to reduce greenhouse gas emissions due to concerns about climate change. The Paris Agreement, in which almost 200 countries pledged to reduce their greenhouse gas emissions and set firm target reduction goals, was signed in 2016. Recently, the push for both governments and businesses to adopt zero net carbon targets has been reinvigorated, with the COP26 summit in November 2021 resulting in the Glasgow Climate Pact, pursuant to which over 140 countries pledged to reach net-zero carbon emissions. Additionally, more than 450 private firms, managing \$130 trillion, approximately 40% of the world's financial assets, pledged to reach net-zero carbon emissions by 2050, and to set interim goals for 2030. Compliance with laws, regulations and obligations relating to climate change, including those promulgated as a result of such international pledges and negotiations, as well as the efforts by non-governmental organizations and investors, could increase our costs related to operating and maintaining our assets, and require us to install new emission controls, acquire allowances or pay taxes related to our greenhouse gas emissions, or administer and manage a greenhouse gas emissions program. Revenue generation and strategic growth opportunities may also be adversely affected. For example, the IMO has introduced initiatives to reduce greenhouse emissions from the shipping industry with specified targets using the Energy Efficiency Existing Vessel Index ("EEXI") and a Carbon Intensity Indicator ("CII"). It could adversely affect us if we fail to adopt and implement EEXI and/or CII measures for our vessels.

The European Union has also adopted a set of measures to reduce greenhouse gas emissions from the shipping industry and as of January 1, 2024, the European Union's Emission Trading Scheme ("EU ETS") has been extended to cover greenhouse gas emissions from vessels of 5,000 gross tonnage and above entering EU ports. Under EU ETS, we intend to assume responsibility as "shipping company" (as defined in EU ETS Directive 2003/87/EC (the "ETS Directive")) for some or all of the vessels we manage. The application of EU ETS would require us, as "shipping company" to obtain and surrender emission allowances to cover emissions for voyages in and out of Europe. This application may have a significant cost impact to us if our customers do not assume responsibility for the cost of the emission allowances and the increased administrative and compliance costs. The ETS Directive provides that EU Member States shall take necessary measures to ensure that the party who bears ultimate responsibility for the purchase of the fuel or operation of the vessel (or both) is the entity who bears ultimate responsibility for the cost of emissions and that the "shipping company" is entitled to reimbursement from that entity (in other words, the charterer of the vessel) for the costs arising from the surrender of allowances. There is, however, remaining uncertainty as to how each EU Member State will enshrine this principle in its national legislation (if at all). The ultimate responsibility for compliance will, in any event, always rest with the "shipping company". See "Item 4. Information on the Company—B. Business Overview— Other Greenhouse Gas Legislation"

Compliance with safety and other vessel requirements imposed by flag states may be costly and could harm our business, results of operations and financial condition.

The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the IMO, International Convention for the Safety of Life at Sea (“SOLAS”). In addition, a vessel generally must undergo annual, intermediate and special surveys to maintain classification society certification. If any vessel does not maintain its class or fails any annual, intermediate or special survey, the vessel will be unable to trade between ports and will be unemployable and we could be in violation of certain covenants in our credit facilities and our lease agreements. This could materially harm our business, results of operations and financial condition.

Increased inspection procedures, tighter import and export controls and new security regulations could cause disruption of our business.

International containership traffic is subject to security and customs inspection and related procedures in countries of origin, destination and trans-shipment points. These inspections can result in cargo seizure, delays in the loading, offloading, trans-shipment or delivery of containers and the levying of customs duties, fines or other penalties against exporters or importers and, in some cases, customers.

Since the events of September 11, 2001, U.S. and Canadian authorities have increased container inspection rates. Governments increased investment in non-intrusive container scanning technology and they are interested in electronic monitoring technology for remote, centralized monitoring of containers during shipment. Also, additional vessel security requirements have been imposed, including the installation of security alert and automatic identification systems on board vessels. Potential future changes to existing inspection and security procedures are uncertain and could impose additional financial and legal obligation on carriers. This may render the shipment of certain types of goods by container uneconomical or impractical. Additional costs that may arise from current or future inspection procedures may not be fully recoverable from customers through higher rates or security surcharges. Any of these effects could materially harm our business, results of operation and financial condition.

The operation of our vessels is also affected by the requirements set forth in the International Ship and Port Facilities Security Code (the “ISPS Code”). The ISPS Code requires vessels to develop and maintain a ship security plan that provides security measures to address potential threats to the security of ships or port facilities. Although each of our containerships is ISPS Code-certified, any failure to comply with the ISPS Code or maintain such certifications may subject us to increased liability and may result in denial of access to, or detention in, certain ports. Furthermore, compliance with the ISPS Code requires us to incur certain costs. Although such costs have not been material to date, if new or more stringent regulations relating to the ISPS Code are adopted by the IMO and the flag states, these requirements could require significant additional capital expenditures or otherwise increase the costs of our operations.

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

The vast majority of our vessels are registered and flagged in Hong Kong. The government could requisition for title or seize our containerships. Requisition for title occurs when a government takes control of a ship and becomes the owner. Also, a government could requisition our containerships for hire. Requisition for hire occurs when a government takes control of a ship and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency. Government requisition of one or more of our containerships could materially harm our business, results of operations and financial condition.

The legal system in China has inherent uncertainties that could limit the legal protections available to us, and the legal and geopolitical risks associated with our activities could materially harm our business, results of operations and financial condition.

We conduct a substantial amount of business in China and with Chinese counterparties. As of March 1, 2024, a total of 23 of the 161 vessels in our current fleet were chartered to Chinese customers and in 2023 our revenues from Chinese customers represented 22.1% of our total revenue from our containership segment. Many of our vessels regularly call to ports in China. In addition, we have entered into financing arrangements with certain Chinese financial institutions.

The Chinese legal system is based on written statutes and their legal interpretation by the standing Committee of the National People’s Congress. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, the Chinese government has been developing a comprehensive system of laws and regulations dealing with economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, because these laws and regulations are relatively new, and because of the limited volume of published cases and their non-binding nature, interpretation and enforcement of these laws and regulations involve uncertainties.

Our vessels that are chartered to Chinese customers are subject to various risks as a result of uncertainties in Chinese law, including (1) the risk of loss of revenues, property or equipment as a result of expropriation, nationalization, changes in laws, exchange controls, war, insurrection, civil unrest, strikes or other political risks and (2) being subject to foreign laws and legal systems and the exclusive jurisdiction of Chinese courts and tribunals.

While many of our charter agreements and financing arrangements are governed by English law, enforcing any judgment rendered by an English court (or other non-Chinese court) against China based customers, charter guarantors or lenders with respect to charters, charter guarantees or credit agreements in China may be challenging. Similarly, our shipbuilders based in China provide warranties against certain defects for the vessels and we have refund guarantees from Chinese financial institutions for installment payments that we will make to the shipbuilders. Although the shipbuilding contracts and refund guarantees are governed by English law, enforcing judgments against these shipbuilders or against the refund guarantors in China may also be difficult.

Our agreements with Chinese counterparties, including our charters, shipbuilding agreements and financing agreements may be subject to new regulations in China that may require us to incur new or additional compliance or administrative costs, and pay new taxes or other fees to the Chinese government. In addition, China has enacted a tax for non-resident international transportation enterprises engaged in the provision of services of passengers or cargo, among other items, in and out of China using their own, chartered or leased vessels, including any stevedore, warehousing and other services connected with the transportation. The laws and regulations may reduce our operating results and may also result in an increase in the cost of goods exported from China and the risks associated with exporting goods from China, as well as a decrease in the quantity of goods to be shipped from or through China, which would have an adverse impact on our charterers' business, operating results and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us.

Changes in laws and regulations, including with regards to tax matters, and their implementation by local authorities could affect our vessels chartered to Chinese customers as well as our vessels calling to Chinese ports, our vessels being built at Chinese shipyards and the financial institutions with whom we have entered into financing agreements, and could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flows, including cash available for dividends to our shareholders.

Risks related to tax

We, or any of our subsidiaries, may become subject to income tax in jurisdictions in which we are organized or operate, including the U.S., the U.K., Hong Kong and China, which would reduce our earnings.

There is a risk that we will be subject to income tax in one or more jurisdictions, including the U.S., the U.K., Hong Kong and China, if under the laws of any such jurisdiction, we or such subsidiary is considered to be carrying on a trade or business there or earn income that is considered to be sourced there and we do not or such subsidiary does not qualify for an exemption or reduced taxation under local taxation rules or applicable tax treaties. Please read "Item 4. Information on the Company—B. Business Overview—Taxation of the Company."

Changes to tax laws and tax treaties could have an adverse impact on our business, results of operation and financial condition.

Any change in tax law, interpretation or practice, or in the terms of tax treaties, in a jurisdiction where we are subject to tax could increase the amount of tax payable by us. In addition, the U.K. government, the Organization for Economic Co-operation and Development (the "OECD"), and other government agencies in jurisdictions where we do business have had an extended focus on issues related to the taxation of multinational corporations. Recently, the OECD has published guidance aimed at reforming the profit allocation and nexus rules for taxing the profits of, and achieving a global minimum level to taxation for, certain multinational corporations. Effective for tax years beginning on or after December 31, 2023, U.K. companies with consolidated revenue in excess of EUR 750 million will be subject to a multinational top-up tax ("MTT") and a domestic top-up tax ("DTT") as codified in Part 3 and Part 4 of the Finance (No. 2) Act 2023, respectively. These measures constitute the U.K.'s adoption of a qualifying income inclusion rule and a qualifying domestic minimum top-up tax as defined in the OECD's Global Anti-Base Erosion Model Rules. The application of the MTT and DTT could have an adverse impact on our business, results of operation and financial condition.

Certain of our credit facilities and vessel lease and other financing arrangements, including for the financing of our newbuild vessels, contain customary provisions that could impact our cost of financing or our financiers' obligations to fund in the event of changes to applicable tax laws.

U.S. tax authorities could treat us as a "passive foreign investment company," which could have adverse U.S. federal income tax consequences to U.S. shareholders.

A non-U.S. corporation will be treated as a “passive foreign investment company” (“PFIC”) for U.S. federal income tax purposes in any taxable year for which either (1) at least 75% of its gross income consists of “passive income” or (2) at least 50% of the average value of the corporation’s assets is attributable to assets that produce, or are held for the production of, “passive income.” For purposes of these tests, “passive income” includes dividends, interest, gains from the sale or exchange of investment property, and rents and royalties (other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business) but does not include income derived from the performance of services.

There are legal uncertainties involved in determining whether the income derived from our time chartering activities constitutes rental income or income derived from the performance of services, including the decision in *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), which held that income derived from certain time chartering activities should be treated as rental income rather than services income for purposes of a foreign sales corporation provision of the Internal Revenue Code of 1986, as amended (the “Code”). However, the Internal Revenue Service (the “IRS”), stated in an Action on Decision (AOD 2010-01) that it disagrees with, and will not acquiesce to, the way that the rental versus services framework was applied to the facts in the *Tidewater* decision, and in its discussion stated that the time charters at issue in *Tidewater* would be treated as producing services income for PFIC purposes. The IRS’s statement with respect to *Tidewater* cannot be relied upon or otherwise cited as precedent by taxpayers. Consequently, in the absence of any binding legal authority specifically relating to the statutory provisions governing PFICs, there can be no assurance that the IRS or a court would not follow the *Tidewater* decision in interpreting the PFIC provisions of the Code. Nevertheless, based on the current composition of our assets and operations (and those of our subsidiaries), we intend to take the position that we are not now and have never been a PFIC. No assurance can be given, however, that this position would be sustained by a court if contested by the IRS, or that we would not constitute a PFIC for any future taxable year if there were to be changes in our assets, income or operations.

If the IRS were to determine that we are or have been a PFIC for any taxable year during which a U.S. Holder (as defined below under “Item 10. Additional Information—E. Taxation—Material U.S. Federal Income Tax Considerations”) held shares, such U.S. Holder would face adverse U.S. federal income tax consequences. For a more comprehensive discussion regarding our status as a PFIC and the tax consequences to U.S. Holders if we are treated as a PFIC, please read “Item 10. Additional Information—E. Taxation—Material U.S. Federal Income Tax Considerations—U.S. Federal Income Taxation of U.S. Holders—PFIC Status and Significant Tax Consequences.”

Atlas Corp. is a U.K. tax resident. If Atlas’ U.K. tax residency is not maintained, the amount of tax payable by us could increase, which could have a material adverse impact on the business, results of operation and financial condition.

As a company incorporated in the Republic of the Marshall Islands, Atlas is not automatically treated as a U.K. resident for tax purposes. Our directors intend to meet all requirements of U.K. tax residency for Atlas by establishing that central management and control is carried out in the U.K. If tax residency is not maintained solely in the U.K. or if Atlas does not meet the conditions for the exemptions from U.K. corporation tax in respect of dividends, the amount of tax payable by us could increase, which could have a material adverse impact on our business, results of operation and financial condition. In addition, were Atlas to be treated as tax resident in an alternative and/or additional jurisdiction, this could increase the aggregate tax burden of us and our shareholders.

Risks related to financing and indebtedness

We may not be able to timely pay, or be able to refinance, amounts owed under our credit facilities, Notes, vessel leases and other financing arrangements.

We have significant normal course payment obligations under our credit facilities, Notes, and vessel leases (operating and finance) and other financing arrangements, both prior to and at maturity, of approximately \$0.6 billion in 2024 and an additional \$7.8 billion through to maturity, which extends to 2038. In addition, under our credit facilities, vessel leases, and other financing arrangements, a payment may be required in certain circumstances as a result of events such as the sale or loss of a vessel, a termination or expiration of a charter (where we do not enter into a replacement charter acceptable to the lenders within a specified grace period) or termination of a shipbuilding contract. The amount that must be paid may be calculated based on the loan to market value ratio or some other ratio that takes into account the market value of the relevant asset (with the repayment amount increasing if asset values decrease), or may be the entire amount of the financing in regard to a credit facility or a pre-determined termination sum in the case of vessel lease arrangements.

Our ability to make payments under our credit facilities, Notes, vessel leases and other financing arrangements will depend on our ability to generate cash in the future. This is, to a certain extent, subject to general economic, financial, competitive and other factors that are beyond our control. Our business may not be able to generate sufficient cash flow

from operations and future borrowings may not be available to us in an amount sufficient to enable us to pay our debts as they come due or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness on or before maturity.

If we are able to obtain financing and refinancing, it may not be on commercially reasonable terms. If we are not able to refinance outstanding amounts at interest rates and other terms acceptable to us, or at all, we will have to dedicate a significant portion of our cash flow from operations to repay such amounts, which could reduce our ability to satisfy our payment obligations, or require us to delay certain business activities, capital expenditures or investments or cease paying dividends. If we are not able to satisfy these obligations (whether or not refinanced) with cash flow from operations, we may have to seek to restructure our debt, vessel leases and other arrangements, undertake alternative financing plans (such as additional debt or equity capital) or sell assets, which may not be available on terms attractive to us or at all.

The market values of our vessels and power generation assets fluctuate with market conditions. A reduction in our net assets could result in a breach of certain financial covenants applicable to our credit, leases and other facilities and our Notes which could limit our ability to borrow additional funds or require us to repay outstanding amounts. Further, declining containership values could affect our ability to raise cash by limiting our ability to refinance vessels or use unencumbered vessels as collateral for new loans or result in mandatory prepayments under certain of the credit facilities or our Notes.

If we are unable to meet or otherwise default on our debt, and vessel leases and other financing obligations, the holders of our debt or our lessors could declare all outstanding indebtedness to be immediately due and payable. Holders of our secured debt would also have the right to proceed against the collateral granted to them that secures the indebtedness. Additionally, most of our debt instruments contain cross-default provisions, which generally cause a default or event of default under each instrument upon a qualifying default or event of default under any other debt instrument.

Under the terms of our Notes, upon the occurrence of a change of control (as defined in the relevant indentures) and/or certain other events, we may be required to purchase all or a portion of such Notes then outstanding at a purchase price equal to (in the case of our Senior Secured Notes) 100.0% or (in the case of our other Notes) 101.0% of the principal amount thereof plus accrued and unpaid interest. In addition, under the Subscription and Exchange Agreement (the "Subscription and Exchange Agreement") entered into with certain affiliates of Fairfax pursuant to which we exchanged \$300.0 million of Fairfax Notes for 12,000,000 Series J preferred shares and 1,000,000 warrants, upon the occurrence of a change of control (as defined in such agreement), we may be required to purchase all or a portion of the Series J preferred shares held by affiliates of Fairfax for an amount equal to the liquidation preference set forth in the Statement of Designation for the Series J preferred shares, plus any accrued and unpaid dividends. If a change of control were to occur, we may not have sufficient funds to pay the purchase price for the Notes and/or Series J preferred shares tendered and, in such case, expect that we would require third-party financing; however, we may not be able to obtain such financing on favorable terms, if at all. In addition, the occurrence of a change of control may result in an event of default under, or require us to purchase, our other existing or future senior indebtedness. Moreover, the exercise by the holders of their right to require us to purchase the Notes could cause a default under our existing or future senior indebtedness, even if the occurrence of a change of control itself does not, due to the financial effect of such purchase on us and our subsidiaries. Our failure to purchase tendered Notes at a time when the purchase is required by the indenture would constitute an event of default under the indenture, which, in turn, may constitute an event of default under future debt.

Our substantial debt levels and vessel leases and other financing obligations may limit our flexibility in obtaining additional financing and in pursuing other business opportunities.

As of December 31, 2023, we had \$3.3 billion aggregate principal amount of debt outstanding under our credit facilities and Notes, and vessel leases (operating and finance) and other financing arrangements of approximately \$5.1 billion. The amounts outstanding under our credit facilities and our vessel leases (operating and finance) and other financing arrangements will increase following the delivery of the 40 newbuild vessels, including four PCTCs that we have contracted to purchase.

Our level of debt and vessel leases and other financing obligations could have important consequences to us, including the following:

- our ability to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes, may be impaired or such financing may not be available on favorable terms, or at all;
- we may need to use a substantial portion of our cash from operations to make principal and interest payments on our debt or make our lease payments, reducing the funds that would otherwise be available for operation and future business opportunities;
- our debt level could make us more vulnerable to competitive pressures, a downturn in our business or the economy generally than our competitors with less debt; and

- our debt level may limit our flexibility in responding to changing business and economic conditions.

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

Disruptions in global capital markets and economic conditions or changes in lending practices may harm our ability to obtain financing on acceptable terms, which could hinder or prevent us from meeting our capital needs.

We rely on the global capital markets, especially the credit markets, to satisfy a significant portion of our capital requirements. Significant instability or disruptions of the capital markets or deterioration of our financial position due to internal or external factors could restrict or eliminate our access to, and/or significantly increase the cost of, various financing sources, including bank credit facilities and issuance of corporate bonds. This could occur because our lenders could become unwilling or unable to meet their funding obligations or we may not be able to obtain funds at the interest rate agreed to in our credit facilities due to market disruption events or increased funding costs. Such instability or disruptions in the capital markets may also cause lenders to be unwilling to provide us with new financing to the extent needed to fund our ongoing operations and growth.

Instability or disruptions of the capital markets and deterioration of our financial position, alone or in combination, could also result in a reduction in our credit rating, which could prohibit or restrict us from accessing external sources of short and long-term debt financing and/or significantly increase the associated costs.

If financing or refinancing is not available when needed, or is available only on unfavorable terms, we may be unable to meet our obligations as they come due which could negatively impact our business, results of operations and financial condition. See also —“*Our business may continue to be negatively impacted by inflation*” above.

Exposure to interest rate fluctuations may result in fluctuations in our results of operations and financial condition.

As of December 31, 2023, we had an aggregate of approximately \$3.3 billion outstanding under our credit facilities and our Notes, and vessel leases (operating and finance) and other financing arrangements of approximately \$5.1 billion. The majority of our credit facilities and vessel leases and other financing arrangements are variable rate facilities and leases, under which our payment obligations will increase as interest rates increase. While we have entered into interest rate swaps to manage some of our interest rate risk, interest rate fluctuations and their impact on the fair value of our interest rate swaps may have a negative effect on the results of our operations and financial condition. Please read “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Interest Rate Risk.”

Restrictive covenants applicable to our credit facilities, Notes and vessel leases and other financing arrangements impose financial and other restrictions on us, which may limit, among other things, our ability to borrow funds under such financing and lease arrangements and our ability to pay dividends on our shares or redeem our preferred shares.

To borrow funds under our existing credit facilities and vessel leases and other financing arrangements, we must, among other things, meet specified financial covenants. We are prohibited under certain of our existing credit facilities and vessel leases and other financing arrangements from incurring total borrowings in an amount greater than 75.0% of our total assets (as defined in the applicable agreement). In addition, we must also ensure that certain interest coverage, and interest and principal coverage ratios are met. Total borrowings and total assets are terms defined in such credit facilities and vessel leases and other financing arrangements and differ from those used in preparing our consolidated financial statements, which are prepared in accordance with U.S. GAAP. To the extent we are unable to satisfy such requirements, we may be unable to borrow additional funds or may be in breach, which could require us to repay outstanding borrowings. We may also be required to prepay amounts borrowed under some or all of our credit facilities, our Notes and vessel leases and other financing agreements if we experience a change of control (as defined in the relevant agreement, lease or indenture). These events may result in financial penalties to us under our leases.

In addition, our financing and lease arrangements limit our ability to, among other things:

- pay dividends if an event of default has occurred and is continuing under one of our credit facilities and capital and operating lease arrangements or if the payment of the dividend would result in an event of default;

- incur additional indebtedness under the credit facilities or otherwise, including through the issuance of guarantees;
- create liens on our assets;
- sell our vessels without replacing such vessels or prepaying a portion of our loan or lease arrangements; or
- merge or consolidate with, or transfer all or substantially all our assets to, another person.

Accordingly, we may need to seek consent from our lenders, lessors or holders of our Notes in order to engage in some corporate actions. The interests of our lenders, lessors and holders of our Notes may be different from ours, and we may be unable to obtain our lenders', lessors' or Note holders' consent when and if needed. In addition, we are subject to covenants applicable to our preferred shares. If we do not comply with the restrictions and covenants applicable to our credit facilities, Notes, or vessel leases and other financing arrangements, results of operations and financial condition and ability to pay dividends on our shares or redeem our preferred shares will be negatively impacted.

Charterparty-related defaults under certain of our secured credit facilities and vessel leases and other financing arrangements could permit the counterparties thereto to accelerate our obligations and terminate such facilities or leases, which could subject us to termination penalties.

Most of our vessel financing credit facilities and other financing arrangements, as well as our finance and operating leases, are secured by, among other things, payments from the charterers for the applicable vessels and contain default provisions relating to non-payment. The prolonged failure of a charterer to pay in full under the charter or the termination or repudiation of the charter without our entering into a replacement charter contract within a specified period of time constitutes an event of default under certain of our financing agreements. If such a default were to occur, our outstanding obligations under the applicable financing agreements may become immediately due and payable, and the lenders' commitments under the financing agreements to provide additional financing, if any, may terminate. This could also lead to cross-defaults under other financing agreements and result in obligations becoming due and commitments being terminated under such agreements. A default under any financing agreement could also result in foreclosure on certain applicable vessels and other assets securing related loans or financings.

Risks related to an investment in our securities

We may not have sufficient cash from our operations to enable us to pay dividends on our preferred shares or redeem our preferred shares following the payment of expenses.

Atlas Corp. itself has no earnings from operations and relies on payments from its subsidiaries to meet its obligations. We pay quarterly dividends on our shares from funds legally available for such purpose when, as and if declared by and in the discretion of our board of directors. We may not have sufficient cash available each quarter to pay dividends. In addition, we may have insufficient cash available to redeem our preferred shares. The amount of dividends we can pay or the amount we can use to redeem the preferred shares depends upon the amount of cash we generate from and use in our operations, which may fluctuate significantly based on, among other things:

- our continued ability to maintain, enter into or renew charters for vessels and leases of our power generation assets with our existing customers or new customers;
- the rates we obtain for such charters and leases and the ability of our customers to perform their obligations thereunder;
- the level of our operating costs;
- the number of off-charter or unscheduled off-hire days for our fleet and the timing of, and number of days required for, dry-docking of our containerships;
- prevailing global and regional economic and political conditions;
- the effect of governmental regulations and maritime self-regulatory organization standards on the conduct of our business;
- changes in the basis of taxation of our activities in various jurisdictions;
- our ability to service and refinance our current and future indebtedness;
- our ability to raise additional debt and equity to satisfy our capital needs;
- dividend and redemption payments applicable to other senior or parity equity securities; and
- our ability to draw on our existing credit facilities and the ability of our lenders and lessors to perform their obligations under their agreements with us.

The amount of cash we have available to pay dividends on our shares or to redeem our preferred shares will not depend solely on our profitability, but is also subject to the discretion of our directors and the requirements of Marshall Islands law, among other factors.

The actual amount of cash we will have available to pay dividends on our shares or to redeem our preferred shares depends on many factors, including, among others:

- changes in our operating cash flow, capital expenditure requirements, debt and lease repayment requirements, working capital requirements and other cash needs;
- restrictions under our existing or future credit facilities, Notes, or vessel leases or other financing arrangements may impact our ability to declare or pay dividends if an event of default has occurred and is continuing or if the payment of the dividend would result in an event of default or would violate any restricted payments covenant under the Notes;
- the amount of any reserves established by our board of directors; and
- restrictions under Marshall Islands law, which generally prohibits the payment of dividends other than from surplus (i.e., retained earnings and the excess of consideration received for the sale of shares above the par value of the shares) or while a company is insolvent or would be rendered insolvent by the payment of such a dividend.

The amount of cash we generate from our operations may differ materially from our net income or loss for the period, which is affected by non-cash items, and our board of directors in its discretion may elect not to declare any dividends. As a result of these and the other factors mentioned above, we may pay dividends during periods when we record losses and may not pay dividends during periods when we record net income.

Our board of directors periodically assesses our need to retain funds rather than pay them out as dividends. Our board of directors may decide to further reduce, or possibly eliminate, our dividend in order to retain funds necessary to preserve our capital base.

The NYSE and the Nasdaq Stock Market do not require an issuer with only publicly traded preferred stock and notes like us to comply with certain of its corporate governance requirements.

Our Series D Preferred Shares and Series H Preferred Shares are listed on the NYSE and the Atlas Notes are listed on the Nasdaq Global Select Market. Because we only have preferred shares and notes that are publicly traded, the NYSE and the Nasdaq Stock Market do not require us to have, and we do not intend to have, a majority of independent directors on our Board of Directors or to establish a nominating and corporate governance committee. Accordingly, holders of our preferred shares and notes will not have the same protections afforded to certain corporations that are subject to all of the NYSE and Nasdaq Stock Market corporate governance requirements.

Our approach to corporate governance may lead us to take actions that conflict with our preferred shareholders' interests as preferred shareholders and our creditors' interests as holders of our debt securities.

All of our common shares are owned by Poseidon. Poseidon has no obligation to contribute additional funds (directly or indirectly) to Atlas. Accordingly, Poseidon can appoint the members of our Board of Directors and the outcome of corporate actions requiring stockholder approval, including mergers, consolidations and the sale of all or substantially all of our assets. The interests of Poseidon could conflict with those of our preferred shareholders and public debt holders. For example, if we encounter financial difficulties or are unable to pay our debts as they come due, the interests of Poseidon might conflict with the interests of our preferred shareholders and noteholders.

Risks from Geopolitical conflicts may negatively affect and have significant impacts our business

Geopolitical conflicts (such as the ongoing Russia-Ukraine Conflict and the escalating Israel-Hamas Conflict and Red Sea Attacks) have created instability to macro-economic conditions in recent years, including high volatility in the price of commodities, global economic uncertainty, reduced global trade and downward financial market conditions.

Escalating tensions, increasing military involvement and actions and growing sanctions caused by such conflicts may bring continued volatility and disruptions, and in turn may cause, directly and indirectly, deterioration in the global economy, financial and credit markets and disruptions to the supply chain, which in turn, may have a material adverse effect on our business, financial and liquidity conditions, as well as the business of our customers.

Impacts of the Israel-Hamas Conflict and Red Sea Attacks

On October 7, 2023, Hamas, a U.S.-designated terrorist organization, launched a series of coordinated attacks from the Gaza Strip onto Israel. On October 8, 2023, Israel formally declared war on Hamas, and the armed conflict is ongoing

as of the date of this filing (the “Israel-Hamas Conflict”). Hostilities between Israel and Hamas could escalate and involve surrounding countries in the Middle East.

Following the commencement of the escalating Israel-Hamas Conflict, Houthi rebels from Yemen boarded and hijacked the vehicle carrier vessel Galaxy Leader on November 19, 2023. Houthi rebels have attacked and continue to attack numerous other commercial vessels travelling to the Red Sea through the Bab-el-Mandeb Strait (the “Red Sea Attacks”) including vessels operated by us, which did not sustain damage. In response to the ongoing Red Sea Attacks, a multinational coalition led by the United States launched Operation Prosperity Guardian, a military operation aimed at ensuring freedom of navigation and safety of maritime traffic through the deployment of military vessels to escort commercial vessels passing through the Red Sea, Bab-el-Mandeb Strait and the Gulf of Aden. In January 2024, the U.S. States and U.K carried out strikes against Houthi targets in Yemen.

While some commercial vessels continue to travel through the Red Sea and Bab-el-Mandeb Strait, the Red Sea Attacks have caused many vessel operators to divert their vessels away from the Red Sea routes and around Africa’s Cape of Good Hope. Since January 2024, all of the containerships owned and operated by us have been diverted from the Red Sea. Diverting vessels via the Cape of Good Hope lengthens the overall vessel journey by approximately 1,900 nautical miles on Asia-North Europe routes, which has resulted in increased operating costs for our customers, and delays in shipping times.

The intensity and duration of both the Israel-Hamas Conflict and the Red Sea Attacks are difficult to predict and their impact on the global economy, the shipping industry and our business is uncertain. Such conflicts may exacerbate market volatility, cause inflation in consumer goods, and may impact access to and pricing of capital.

Impacts of the Russia-Ukraine conflict

The Russia-Ukraine conflict, which began in February 2022, has created volatility and disruption to the global economy (including the prices of commodities, and the capital markets). In our containership business, costs increased due to the war’s impact on supply chains, on the availability of workers, on our ability to conduct crew transfers and on our customers’ businesses. It remains difficult to predict the long-term effect the Russia-Ukraine conflict may have on our seafarers and other operations. The Russia-Ukraine conflict may continue to exacerbate market volatility and impact access to and pricing of capital, which may continue to disrupt global credit and financial market and in turn negatively impact our business, results of operations, financial condition and profitability.

General risk factors

Disruptions and security threats to our technology systems could negatively impact our business.

In the ordinary course of business, we rely on the security of information and operational technology systems, including those of our business partners and other third parties, to manage or support a variety of business activities including operating and navigating our containership fleet and operating our power generation equipment; tracking container contents and delivery; maintaining vessel and power plant infrastructure; communicating with personnel, management, customers and business partners; collecting, processing, transmitting and storing electronic information, including personal, employee, business, financial and operational data; facilitating business and financial transactions; and providing services to our customers. A successful cyber-attack on us, or our business partners, could significantly disrupt these and other commercial activities and business functions resulting in a loss of revenue and customer relationships. For operational technology in particular, a successful cyber-attack could result in physical damage to assets and infrastructure, injury or loss of life and environmental harm.

Our global technology network faces many threats from criminal hackers and competitors who may use phishing emails, unauthorized network intrusions, electronic communications or portable electronic devices to distribute computer viruses and ransomware, enable fraudulent transactions, or otherwise alter the confidentiality, integrity and availability of our information and information systems. Due to our continuing efforts to secure our technology network infrastructure, protect our critical data and systems, and ensure operational resiliency, attempted cyber-attacks against the Company have been unsuccessful to date. However, cyber-attacks may continue to occur and a successful cyber-attack could have a material impact on our financial performance, reputation and continuous operations. Cyber-attacks are becoming increasingly common and more sophisticated, and may be perpetrated by computer hackers, cyber-terrorists or others engaged in corporate espionage. Further, as the methods of cyber-attacks continue to evolve, we may be required to expend additional resources to enhance and supplement our existing protective measures. A successful cyber-attack could also result in significant costs associated with the investigation and remediation of our technology systems, as well as increased regulatory and legal liability.

Currency exchange rate fluctuations and controls affect our results of operations.

Although all of our charter revenues are earned in U.S. dollars and a significant portion of our operating and general and administrative costs are incurred in U.S. dollars, we conduct operations in many countries involving transactions denominated in a variety of currencies. We are subject to currency exchange rate risk to the extent that our costs are denominated in currencies other than those in which we earn revenues. We monitor exchange rate fluctuations on a continuous basis and seek to reduce our exposure in certain circumstances by denominating charter-hire revenue, ship building contracts, purchase contracts and debt obligations in U.S. dollars when practical to do so; however, we do not currently fully hedge movements in currency exchange rates. As a result, currency fluctuations may have a negative effect on our results of operations and financial condition.

We also face risks arising from the imposition of exchange controls and currency devaluations. Exchange controls may limit our ability to convert foreign currencies into U.S. dollars or to remit dividends and other payments by our foreign subsidiaries or businesses located in or conducted within a country imposing controls. Currency devaluations result in a diminished value of funds denominated in the currency of the country instituting the devaluation.

Item 4. Information on the Company

A. History and Development of the Company

Atlas Corp. is a Republic of the Marshall Islands corporation incorporated under the Marshall Islands *Business Corporations Act* on October 1, 2019 for the purpose of facilitating a holding company reorganization. On February 28, 2020, after the reorganization, Atlas completed the acquisition of all the issued and outstanding common shares of Apple Bidco Limited, which owns 100% of APR Energy. Atlas Corp. is a holding company and its sole assets are its interests in Seaspan and APR Energy and their respective subsidiaries. We maintain our principal executive offices at 23 Berkeley Square, London, United Kingdom, W1J 6HE, and our telephone number is +44 20 7788 7819. We maintain an Internet site at <https://atlascorporation.com>. The information contained on our website or information about us that can be accessed through our website will not be deemed to be incorporated into this Form 20-F.

The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. All of the SEC filings made electronically by Atlas are available to the public on the SEC website at www.sec.gov (commission file number 001-39237).

In connection with the Merger (as defined below), all of Atlas' common shares are held by Poseidon.

B. Business Overview

General

Atlas Corp. is a global asset manager and the parent company of Seaspan and APR Energy. We have two reportable segments: vessel leasing and mobile power generation. Our vessel leasing segment, which is conducted through Seaspan, owns and operates a fleet of vessels which it charters to major liner companies. Our power generation segment, which is conducted through APR Energy, owns and operates a fleet of power generation assets, including gas turbines and other equipment, and provides power solutions to customers through various contracts. In March 2021, Atlas entered into a joint venture with Zhejiang Energy Group ("ZE") and executed a shareholders' agreement with ZE to form the joint venture ("ZE JV"). The purpose of the joint venture is to develop business in relation to container vessels, LNG vessels, environmental protection equipment and power equipment supply.

Poseidon Acquisition of Atlas

On March 28, 2023, pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of October 31, 2022, by and among Atlas, Poseidon Corp. (then known as Poseidon Acquisition Corp., "Poseidon"), an entity formed by certain affiliates of Fairfax Financial Holdings Limited ("Fairfax"), certain affiliates of the Washington Family ("Washington"), David Sokol, Chairman of the board of directors of the Company, Ocean Network Express Pte. Ltd., and certain of their respective affiliates, and Poseidon Merger Sub, Inc., a wholly-owned subsidiary of Poseidon ("Merger Sub"), Merger Sub merged with and into the Company with the Company continuing as the surviving corporation and a wholly-owned subsidiary of Poseidon (other than with respect to the Company's preferred shares) (the "Merger").

In connection with the consummation of the Merger, the Company's common shares were suspended from trading from the New York Stock Exchange (the "NYSE") on March 28, 2023 and were delisted from the NYSE on April 10, 2023 (the "Delisting"). Atlas' preferred shares remain outstanding and continue to trade on the NYSE.

The foregoing description of the Merger and the transactions contemplated thereby is not complete, and is subject to, and qualified in its entirety by reference, to the full text of the Merger Agreement, which is incorporated herein by reference as Exhibit 2.1

Resignation of Members of the Board of Directors and Changes to Committees

In connection with the closing of the Merger and in accordance with the terms of the Merger Agreement, on March 28, 2023, each of Lawrence Chin, John Chi Hung Hsu, Nicholas Pitts-Tucker, Stephen Wallace and Katie Wade resigned as members of the Board of Directors of the Company and each of its subsidiaries. The remaining members of the Board of Directors of the Company are David L. Sokol, chair, Bing Chen and Lawrence Simkins. The Board of Directors appointed Messrs. Sokol and Simkins, who are considered independent directors under the requirements of Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) as the members of the audit committee. Under the listing standards of the NYSE, as the Company has only preferred shares listed for trading, the Company is not subject to other corporate governance requirements, including the requirement to have a compensation committee or a nominating/corporate governance committee comprised of directors who are independent under the listing standards of the NYSE.

Vessel Leasing

Through Seaspan, we are a leading independent charter owner and manager of containerships, which we charter primarily pursuant to long-term, fixed-rate time charters with eight major container liner companies, of which four customers each contributed over 10% of total revenue for the year ended December 31, 2023. We primarily deploy our vessels on long-term, fixed-rate time charters to take advantage of the stable cash flow and high utilization rates that are typically associated with long-term time charters. As at March 1, 2024, we operated a fleet of 161 vessels, totaling 1,648,700 TEU, that have an average age of approximately seven years, on a TEU weighted basis. As at March 1, 2024, we have 31 newbuild vessels under construction delivering through to December 2027.

Our primary objective for Seaspan is to continue to grow our vessel leasing business through accretive vessel acquisitions as market conditions allow. Most of our customers’ business revenues are derived from the shipment of goods from the Asia Pacific region, primarily China, to various overseas export markets in the United States and in Europe.

Seaspan Fleet

The following table summarizes key facts regarding our 153 containership vessels as of December 31, 2023:

| Vessel Class (TEU) | Operating Vessels | | | | | Newbuild Vessels | |
|------------------------------|-------------------------|---------------------------------------|---------------------|---|--|------------------|---------------------------|
| | # Vessels (Total fleet) | # Vessels (of which are unencumbered) | Average Age (Years) | Average Remaining Charter Period (Years) ⁽¹⁾ | Average Daily Charter Rate (in thousands of USD) | # Vessels | Average Length of Charter |
| 2,500-3,500 | 14 | 6 | 15.6 | 1.1 | \$ 14.4 | — | — |
| 4,250-5,100 ⁽²⁾ | 19 | 12 | 15.0 | 2.3 | 31.7 | — | — |
| 7,000-9,600 ⁽³⁾ | 25 | 12 | 11.8 | 4.0 | 39.6 | 20 | 11 |
| 10,000-11,000 ⁽⁴⁾ | 33 | 6 | 8.2 | 3.5 | 33.2 | — | — |
| 11,800-13,100 ⁽⁵⁾ | 27 | 1 | 6.7 | 5.6 | 39.2 | — | — |
| 14,000 - 15,000 | 28 | 2 | 4.7 | 5.4 | 46.4 | — | — |
| 15,000-16,000 ⁽⁶⁾ | 5 | — | 0.2 | 10.9 | 38.2 | 16 | 11 |
| 24,000+ ⁽⁷⁾ | 2 | — | 0.3 | 17.7 | 41.9 | — | — |
| Total/Average | 153 | 39 | 7.3 | 4.4 | \$ 36.1 | 36 | 11 |

⁽¹⁾ Excludes options to extend charter.

⁽²⁾ Includes 1 vessel classified as asset held for sale.

⁽³⁾ Includes 3 vessels on bareboat charter.

⁽⁴⁾ Includes 8 vessels on bareboat charter.

⁽⁵⁾ Includes 6 vessels on bareboat charter.

⁽⁶⁾ Includes 2 vessels on bareboat charter.

⁽⁷⁾ Includes 2 vessels on bareboat charter.

In addition, the Company has entered into shipbuilding contracts for four 10,800 CEU PCTC newbuild vessels as of December 31, 2023. For more information, please read “Item 5. Recent Developments in 2023 and 2024—Vessel Acquisitions and Deliveries”.

Charters

We charter our vessels primarily under long-term, fixed-rate time charters.

Time Charters and Bareboat Charters

A time charter is a contract for the use of a vessel with crew for a fixed period of time at a specified daily rate. A bareboat charter is a contract for the use of a vessel without crew where the charterer also assumes responsibility for dry-docking of the vessel, if needed. See “Glossary.”

The initial term for a time or bareboat charter commences when the charterer obtains the right to use the asset under the relevant lease arrangement. Under all of our time charters, the charterer may also extend the term for periods in which the vessel is off-hire. A summary of average remaining charter periods is included above under “—Seaspan Fleet.”

Hire Rate

Under all of our long-term time charters, charter hire is payable in U.S. dollars, as specified in the charter. The hire rate is a fixed daily amount that, for some contracts may increase, or decrease at varying intervals during the term of the charter and any extension to the term. Payments generally are made in advance on a monthly or semi-monthly basis. The hire rate may be reduced in certain instances as a result of added cost to the charterer due to vessel performance deficiencies in speed or fuel consumption.

Operations and Expenses

We operate our vessels on time charter and are responsible for vessel operating expenses. See “Glossary.” The charterer generally pays the voyage expenses. See “Glossary.”

Off-hire

When a vessel is “off-hire,” or not available for service, the charterer generally is not required to pay the hire rate, and we are responsible for all costs, including the fuel cost, unless the charterer is responsible for the circumstances giving rise to the vessel’s lack of availability. A vessel generally will be deemed to be off-hire when there is an event preventing the full working of the vessel due to, among other things:

- operational deficiencies not due to actions of the charterers or their agents;
- dry-docking for repairs, maintenance or inspection;
- equipment or machinery breakdowns, abnormal speed and construction conditions;
- delays due to accidents for which the vessel owner, operator or manager is responsible, and related repairs;
- crewing strikes, labor boycotts caused by the vessel owner, operator or manager, certain vessel detentions or similar problems; or
- a failure to maintain the vessel in compliance with its specifications and contractual standards or to provide the required crew.

Under most of our time charters, if a vessel is off-hire for a specified number of consecutive days or for a specified aggregate number of days during a 12-month period, the charterer has the right to cancel the time charter with respect to that vessel. Under some charter contracts, if a vessel is off-hire for specified reasons for a prolonged period, we are obligated to charter a substitute vessel and to pay any difference in hire cost of the charter for the duration of the substitution. The periods of off-hire that trigger such termination rights exclude, in addition to any other specific exclusions in the charter, off-hire for routine dry-dockings or non-compliance with regulatory obligations. Our charter contracts generally provide for hire adjustments for vessel performance deficiencies such as those in speed or fuel consumption, with prolonged performance deficiencies giving the charterer a termination right under some charters.

Ship Management and Maintenance

Under each of our time charters, we are responsible for the operation and management of each vessel, including maintaining the vessel, periodic dry-docking, cleaning and painting and performing work required by regulations.

We focus on risk reduction, operational reliability and safety. We believe we achieve high standards of technical ship management by, among other methods:

- developing a minimum competency standard for seagoing staff;
- standardizing equipment used throughout the fleet, thus promoting efficiency and economies of scale;
- implementing a voluntary vessel condition and maintenance monitoring program;

- maintaining a high retention rate for the senior officers on our vessels;
- a cadet training program; and
- recruiting and retaining highly skilled and talented people in our technical ship management offices in Vancouver and Hong Kong.

Our staff has skills in all aspects of ship management and experience in overseeing new vessel construction, vessel conversions and general marine engineering, and has previously worked in various companies in the international ship management industry. A number of senior managers also have sea-going experience, having served aboard vessels at a senior rank. In all training programs, we place an emphasis on safety and regularly train our crew members and other employees to meet our high standards. Shore-based personnel and crew members are trained to be prepared to respond to emergencies related to life, property or the environment.

Sale and Purchase of Vessels

Under some of our time charters, the customer has the right to prior notice of or consent to any proposed sale of the applicable vessel, which consent cannot be unreasonably withheld. A limited number of charters provide the charterer with a right of first refusal for the proposed vessel sale, which would require us to offer the vessel to the charterer prior to selling it to another entity. Sub-charters do not affect our ability to sell our time-chartered vessels. Certain of our bareboat charters have purchase obligations and require the charterer to purchase the vessel upon termination of the bareboat charter. The purchase obligation may be at a pre-determined amount or at a purchase price equivalent to the fair value within a pre-determined range depending on the charter.

Inspection by Classification Societies

Every seagoing vessel must be certified as seaworthy by a classification society. The classification society certifies that the vessel has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the vessel's country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake the surveys on application or by official order, acting on behalf of the authorities concerned.

Each vessel is inspected by a surveyor of the classification society in three surveys of varying frequency and thoroughness: every year for annual surveys, every two to three years for intermediate surveys, and every five years for special surveys. If any defects are found, the classification surveyor will issue a "condition of class" or a "requirement" for appropriate repairs that have to be made by the shipowner within the time limit prescribed. Vessels may be required, as part of the annual and intermediate survey process, to be dry-docked for inspection of the underwater portions of the vessel and for necessary repair stemming from the inspection. Special surveys always require dry-docking. The classification society also undertakes on request other surveys and inspections that are required by regulations and requirements of the flag state. These surveys are subject to agreements made in each individual case or to the regulations of the country concerned.

Power Generation

Through APR Energy, we also operate a fleet of power generation assets (gas turbines and other power generation equipment), providing electricity to customers including large corporations in the oil and gas, mining and other industries and both government backed and private utilities. As of March 1, 2024, we operated a fleet of 30 gas turbines and 274 diesel generators. The average age of the turbines is 10 years and the average age of our diesel generators is 12.5 years.

Our primary objective is to drive sustained growth and optimize cash flow by delivering operational excellence and providing a broad range of innovated technologies and offerings to generate customer value. Our revenues are primarily derived from offering customized power solutions that include flexible plant design, fast-tracked installation of generating equipment and balance of plant, plant operation and around-the-clock service and maintenance.

Insurance

Containership leasing. We maintain marine hull and machinery, and war risks insurances, which covers the risk of actual or constructive total loss and partial loss, for all of our vessels. Each of our vessels is covered up to at least fair market value with certain deductibles, per vessel, per claim. We achieve this overall loss coverage by maintaining, as included, nominal increased value coverage for each of our vessels, under which coverage, in the event of total loss of a vessel, we will be entitled to recover amounts not recoverable under the hull and machinery policy beyond partial loss. We have not obtained, and do not intend to obtain, loss-of-hire insurance covering the loss of revenue during extended off-hire periods. We believe that this type of coverage is not economical and is of limited value to us. However, we evaluate the need for such coverage on an ongoing basis, taking into account insurance market conditions and the employment of our

vessels. The charterer generally pays extra war risk insurance and broker commissions when the vessel is ordered by the charterer to enter a notified war exclusion trading area.

Protection and indemnity insurance is provided by mutual protection and indemnity associations (“P&I associations”), which insure our third-party pollution, wreck removal and crew liabilities in connection with our shipping activities. Coverage includes third-party liability, crew liability and other related expenses resulting from the abandonment, injury or death of crew, and other third parties, the loss or damage to cargo, claims arising from collisions with other vessels, damage to other third-party property, pollution arising from oil or other substances and salvage, towing and other related costs, including wreck removal. Protection and indemnity insurance is a form of mutual indemnity insurance, extended by P&I associations. Subject to a limit, our coverage is nearly unlimited, but subject to the rules of the particular protection and indemnity insurer.

The 12 P&I associations that comprise the International Group insure approximately 90% of the world’s commercial blue-water tonnage and have entered into a pooling agreement to reinsure each association’s liabilities. As a member of a mutual P&I association, which is a member or affiliate of the International Group, we are subject to calls payable to the associations based on the International Group’s claim records as well as a proportioned impact of claim records of all other members of the individual associations.

Power generation. APR Energy maintains customary insurances for its industry, including cover for transportation of its equipment, machinery breakdown, losses due to fire and natural disasters and business interruption. In certain jurisdictions coverage against political risk is also in place. We evaluate the need for cover, limits and deductibles on an ongoing basis in consultation with our insurance brokers and other subject matter experts.

Competition

Containership Leasing. We operate in markets that are highly competitive and based primarily on supply and demand of containerships. We compete for charters based upon price, customer relationships, operating and technical performance, professional reputation and size, age and condition of the vessel.

Competition for providing new containerships for chartering purposes comes from a number of experienced shipping companies, including direct competition from shipping and lease financing companies, other independent charter owners and indirect competition from state-sponsored and other major entities with their own fleets. Some of our competitors may have greater financial resources than we do and can operate larger fleets and may be able to offer better charter rates. An increasing number of marine transportation companies have entered the containership sector, including many with positive reputations and extensive resources and experience. This increased competition may cause greater price competition for time charters.

Power Generation. Competition for APR Energy comes from power generation equipment manufacturers (OEMs), regional and global IPPs, fuel companies, and other specialty power generation companies including local and regional power rental companies. Barriers to entry in our market space remain high, but there are new and expanding entrants competing with APR Energy with different solutions and technologies, including renewables. This may create pricing pressure in the market, slower contracting of our gas turbine solutions, and lead to reduced margins.

Seasonality

Containership Leasing. Our vessels primarily operate under long-term charters and are generally not subject to the effect of seasonal variations in demand.

Power Generation. A portion of APR Energy’s demand is subject to seasonality as it pertains to customers with increased power demand due to either hot temperatures in the summertime or cold temperatures in the wintertime. The exigent events that drive some of APR Energy’s response driven projects are seasonal such as hurricane or drought driven demand but can easily occur any time of year, such as power plant failures, earthquakes or tsunamis. The bulk of APR Energy’s demand results from a lack of planning, electricity demand outstripping supply in general, political events or delays in investment, none of which are driven by seasonality.

Environmental and Other Regulations

Government regulation significantly affects our business and the operation of our vessels and power plants. We are subject to international conventions and codes, and national, state, provincial and local laws and regulations in the jurisdictions in which our businesses operate or where our vessels are registered, including, among others, those governing the generation, management and disposal of hazardous substances and wastes, the cleanup of oil spills and other contamination, air emissions, water discharges and noise abatement.

A variety of government, quasi-government and private entities require us to obtain permits, licenses or certificates for our business operations. Failure to maintain necessary permits or approvals could require us to incur substantial costs or temporarily suspend the operation of one or more of our power plants or our vessels in one or more ports.

Increasing environmental concerns have created a demand for vessels that conform to the strictest environmental standards. We are required to maintain operating standards for all of our vessels that emphasize operational safety, quality maintenance, continuous training of our officers and crews and compliance with United States, Canadian and international regulations and with flag state administrations.

The following is an overview of certain material governmental regulations that affect our business and the operation of our vessels. It is not a comprehensive summary of all government regulations to which we are subject.

International Maritime Organization

The IMO is the United Nations' agency for maritime safety. The IMO has negotiated international conventions that impose liability for pollution in international waters and a signatory's territorial waters. For example, the IMO's International Convention for the Prevention of Pollution from Ships ("MARPOL"), imposes environmental standards on the shipping industry relating to, among other things, pollution prevention and procedures, technical standards, oil spills management, transportation of marine pollutants and air emissions. Annex VI of MARPOL, which regulates air pollution from vessels, sets limits on sulfur oxide, nitrogen oxide and particulate matter emissions from vessel exhausts and prohibits deliberate emissions of ozone depleting substances. We believe all of our vessels currently are Annex VI compliant, as applicable.

In 2018, the IMO adopted measures to reduce Green House Gases ("GHG") emission from international shipping, which measures are consistent with the Paris Agreement goals. To comply with the new requirements, existing vessels will have to take measures to align with the design index applicable to IMO's phase 3 design criteria for new ships. Several vessels in our fleet will go through the process of limiting engine power to achieve compliance by due date. There are other ongoing initiatives to improve operational efficiency of our vessels such as hydrodynamic modifications, selection of high performance hull coatings and cargo loadability improvements, amongst other measures to improve carbon footprint from our vessels. We may be subject to significant costs and expenses if we fail to meet these new requirements and any of our ships is non-compliant. The IMO also requires ships of 5,000 gross tonnage or more to record and report their fuel consumption to their flag state at the end of each calendar year. We currently report and report fuel consumption to flag state pursuant to these requirements.

The IMO's International Convention on Civil Liability for Bunker Oil Pollution Damage (the "Bunker Convention"), imposes, subject to limited exceptions, strict liability on vessel owners for pollution damage in jurisdictional waters of ratifying states, which does not include the United States, caused by discharges of "bunker oil." The Bunker Convention also requires owners of registered vessels over a certain size to maintain insurance for pollution damage in an amount generally equal to the limits of liability under the applicable national or international limitation regime. We believe our vessels comply with the Bunker Convention.

The IMO's Ballast Water Management Convention requires ships to manage their ballast water in such a way that aquatic organisms and pathogens are removed or rendered harmless before discharging the water. The compliance deadline for installation of ballast water treatment ("BTW") systems is September 2024. We adopted the BTW technology for our newbuild vessels in the early stages and are on track to complete installation of approved BWT systems before the IMO compliance date.

The IMO also regulates vessel safety. The International Safety Management Code (the "ISM Code"), provides an international standard for the safe management and operation of ships and for pollution prevention. Failure to comply with the ISM Code may subject a party to increased liability, may decrease available insurance coverage for the affected vessels, and may result in a denial of access to, or detention in, certain ports. All of the vessels in our fleet are ISM Code-certified.

Increasingly, various regions are adopting additional, unilateral requirements on the operation of vessels in their territorial waters. These regulations, such as those described below, apply to our vessels when they operate in the relevant regions' waters and can add to operational and maintenance costs, as well as increase the potential liability that applies to violations of the applicable requirements.

United States

The United States Oil Pollution Act of 1990 and CERCLA

The United States Oil Pollution Act of 1990 ("OPA"), establishes an extensive regulatory and liability regime for the protection and cleanup of the environment from oil spills. The Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), governs spills or releases of hazardous substances other than petroleum or petroleum

products. Under OPA and CERCLA, vessel owners, operators and bareboat charterers are jointly and, subject to limited exceptions, strictly liable for all containment and clean-up costs and other damages arising from discharges or threatened discharges of oil or hazardous substances, as applicable, from their vessels. OPA and CERCLA define these damages broadly to include certain direct and indirect damages and losses, including the assessment of damages, remediation, damages to natural resources such as fish and wildlife habitat, and agency oversight costs.

Vessel owners and operators must establish and maintain with the U.S. Coast Guard evidence of financial responsibility sufficient to meet their potential aggregate liabilities under OPA and CERCLA. Evidence of financial responsibility may be demonstrated by showing proof of insurance, surety bonds, self-insurance or guarantees. We have obtained the necessary U.S. Coast Guard financial assurance certificates for each of our vessels currently in service and trading to the United States. Owners or operators of certain vessels operating in U.S. waters also must prepare and submit to the U.S. Coast Guard a response plan for each vessel, which plan, among other things, must address a “worst case” scenario environmental discharge and describe crew training and drills to address any discharge. Each of our vessels has the necessary response plans in place.

Clean Water Act and Ballast Water Regulation

The Clean Water Act (“CWA”), establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters. Civil and criminal penalties are expressly authorized by the CWA for discharges of pollutants without a permit and the failure to satisfy permit requirements. The CWA also authorizes citizens to bring claims against alleged violators under its citizen suit provisions. The CWA also authorizes the Environmental Protection Agency (“EPA”) to impose on responsible parties costs associated with the removal, and remediation of hazardous substances, as well other damages. We believe we are in compliance with all regulatory requirements in respect of ballast water discharge.

Compliance with these and other regulations could require the installation of ballast water treatment equipment or the implementation of the other port facility disposal procedures at potentially significant costs. Non-compliance with these regulations may result in fines, penalties or other sanctions.

Additional Ballast Water Regulations

The United States National Invasive Species Act (“NISA”), and certain regulation enacted by the U.S. Coast Guard (“USCG”) under NISA, impose mandatory ballast water management practices for all vessels equipped with ballast water tanks entering U.S. waters, including a limit on the concentration of living organisms in ballast water discharged in such waters. Some of our vessels which adopted the BWT technology in an early stage were in the process of upgrading the treatment systems to meet the standards set by USCG. As of date of filing, our vessels are in compliance with these standards.

The USCG regulations also require vessels to maintain a vessel-specific ballast water management plan that addresses training and safety procedures, fouling maintenance and sediment removal procedures. Individual U.S. states have also enacted laws to address invasive species through ballast water and hull cleaning management and permitting requirements.

Clean Air Act

The Clean Air Act (the “CAA”), and its implementing regulations impose requirements on our vessels regarding vapor control and establish recovery requirements for cleaning fuel tanks and conducting other operations in regulated port areas. In addition, the EPA has adopted standards pursuant to the CAA concerning air emissions that apply to certain engines installed on U.S. vessels and to marine diesel fuels produced and distributed in the United States.

The CAA also requires states to draft State Implementation Plans (“SIPs”), designed to attain national health-based air quality standards in primarily major metropolitan and industrial areas. Several SIPs regulate emissions from degassing operations by requiring the installation of vapor control equipment on vessels. These, and potential future federal and state requirements may increase our capital expenditures and operating costs while in applicable ports. As with other U.S. environmental laws, failure to comply with the CAA may subject us to enforcement action, including payment of civil or criminal penalties and citizen suits.

Canada

Canada has established a complex regulatory enforcement system under the jurisdiction of various ministries and departments for preventing and responding to a marine pollution incident. The principal statutes of this system prescribe measures to prevent pollution, mandate remediation of marine pollution, and create civil, administrative and quasi-criminal liabilities for those responsible for a marine pollution incident.

Canada Shipping Act, 2001

The Canada Shipping Act, 2001 (“CSA 2001”), is Canada’s primary legislation governing marine transport, pollution and safety. CSA 2001 applies to all vessels operating in Canadian waters and in the Exclusive Economic Zone of Canada. CSA 2001 provides the authorities with broad discretionary powers to enforce its requirements, and violations of CSA 2001 requirements can result in significant administrative and quasi-criminal penalties. CSA 2001 authorizes the detention of a vessel where there are reasonable grounds for believing that the vessel caused marine pollution or that an offense has been committed. Canada’s Department of Transport has also enacted regulations on ballast water management under CSA 2001. Each of our vessels is currently CSA 2001 compliant.

Canadian Environmental Protection Act, 1999

The Canadian Environmental Protection Act (the “CEPA”), regulates water pollution, including disposal at sea and the management of hazardous waste. Contravention of CEPA can result in administrative and quasi-criminal penalties, which may be increased if damage to the environment results and the person acted intentionally or recklessly. A vessel also may be seized or detained for contravention of CEPA’s prohibitions. Costs and expenses of measures taken to remedy a condition or mitigate damage resulting from an offense are also recoverable. CEPA establishes liability to the Canadian government authorities that incur costs related to restoration of the environment, or to the prevention or remedying of environmental damage, or an environmental emergency. Limited defenses are provided but generally do not cover violations arising from ordinary vessel operations.

Marine Liability Act

The Marine Liability Act (“MLA”), is the principal legislation dealing with liability of shipowners and operators in relation to passengers, cargo, pollution and property damage. The MLA implements various international maritime conventions and creates strict liability for a vessel owner for damages from oil pollution from a ship, as well as for the costs and expenses incurred for clean-up and preventive measures. Both governments and private parties can pursue vessel owners for damages sustained or incurred as a result of such an incident. Although the act does provide some limited defenses, they are generally not available for spills or pollution incidents arising out of the routine operation of a vessel. The act limits the overall liability of a vessel owner to amounts that are determined by the tonnage of the containership. The MLA also provides for the creation of a maritime lien over foreign vessels for unpaid invoices to ship suppliers operating in Canada.

Wildlife Protection

The Migratory Birds Convention Act (“MBCA”), implements Canada’s obligations under a bilateral treaty between the United States and Great Britain (on behalf of Canada) designed to protect migrating birds that cross North American land and water areas. The MBCA prohibits the deposit of any substance that is harmful to migratory birds in any waters or area frequented by migratory birds. A foreign vessel involved in a violation may be detained within Canada’s Exclusive Economic Zone with the consent of the attorney general. The Fisheries Act prohibits causing the death of fish or the harmful alteration, disruption or destruction of fish habitat or the deposit of a deleterious substance in waters frequented by fish. The owner of a deleterious substance, the person having control of the substance and the person causing the spill must report the spill and must take all reasonable measures to prevent or remedy adverse effects resulting from a spill. The Species at Risk Act protects endangered aquatic species and migratory birds and their designated critical habitat. Violations of these Acts can be committed by a person or a vessel and may result in significant administrative and quasi-criminal penalties.

China

Prior to our vessels entering any ports in the PRC, we are required to enter into pollution clean-up agreements with pollution response companies approved by the PRC. Through a local agency arrangement, we have contracted with approved companies.

China has established a coastal emission control area and inland emission control areas that cap sulfur content of marine fuels.

Authorities in Hong Kong and Taiwan have also imposed similar cap on sulfur content of fuels consumed by vessels calling ports in their respective territories.

China has introduced its own regulation to monitor energy consumption from ships operating in Chinese ports. All our vessels trading in Chinese ports are currently complying with the local regulatory requirements.

European Union Requirements

In waters of the EU, our vessels are subject to regulation by EU-level legislation, including directives implemented by the various member states through laws and regulations of these requirements. These laws and regulations prescribe measures, among others, to prevent pollution, protect the environment and support maritime safety. If deficiencies are found that are clearly hazardous to safety, health or the environment, the state is required to detain the vessel or stop loading or unloading until the deficiencies are addressed. Member states are also required to implement their own separate systems of proportionate penalties for breaches of these standards.

The EU's directive on the sulfur content of fuels (Directive (EU) 2016/802, which consolidates Directive 1999/32/EC and its various amendments) restricts the maximum sulfur content of marine fuels used in vessels operating in EU member states' territorial seas, exclusive economic zones and pollution control zones. Under this directive, we have made necessary upgrades to comply with the sulfur fuel content limits in the marine fuel our vessels use in order to avoid delays or other obstructions to their operations, as well as any enforcement measures which may be imposed by the relevant member states for non-compliance with the provisions of the directive. We have also made expenditures (such as expenditures related to washing or filtering exhaust gases) to comply with relevant sulfur oxide emissions levels. The directive has been amended to bring the above requirements in line with Annex VI of MARPOL. It also makes certain of these requirements more stringent. As of date of filing, our vessels are compliant with these requirements.

Through Directive 2005/35/EC (as amended by Directive 2009/123/EC and as further amended and supplemented from time to time), the EU requires member states to cooperate to detect pollution discharges and impose criminal sanctions for certain pollution discharges committed intentionally, recklessly or by serious negligence and to initiate proceedings against ships at their next port of call following the discharge. Penalties may include fines and civil and criminal penalties. Ships may be subject to an inspection for verification of their compliance with the requirements of the directive and penalties may be imposed for their breach.

The EU also authorizes member states to adopt the IMO's Bunker Convention, discussed above, that imposes strict liability on shipowners for pollution damage caused by spills of oil carried as fuel in vessels' bunkers and requires vessels of a certain size to maintain financial security to cover any liability for such damage. Most EU member states have ratified the Bunker Convention.

The EU has adopted a regulation (EU Ship Recycling Regulation (1257/2013)) which sets forth rules relating to vessel recycling and management of hazardous materials on vessels. The EU has adopted an Integrated Maritime Policy for the purposes of achieving a more coherent approach to maritime issues through coordination between different maritime sectors and integration of maritime policies.

Other Greenhouse Gas Legislation

The Paris Agreement, which was adopted in 2015 by a large number of countries and entered into force in November 2016, deals with greenhouse gas emission reduction measures and targets from 2020 to limit the global average temperature increase to well below 2° Celsius above pre-industrial levels. International shipping was not included in this agreement, but it is expected that its adoption may lead to regulatory changes in relation to curbing greenhouse gas emissions from shipping.

The IMO, EU, Canada, the United States and other individual countries, states and provinces are evaluating various measures to reduce greenhouse gas emissions from international shipping, which may include some combination of market-based instruments, a carbon tax or other mandatory reduction measures. The EU adopted Regulation (EU) 2015/757 concerning the monitoring, reporting and verification of emissions from vessels (the "MRV Regulation"), which entered into force in July 2015 (as amended by Regulation (EU) 2016/2071). The MRV Regulation applies to most vessels over 5,000 gross tonnage, irrespective of flag, in respect of carbon dioxide, methane and nitrous oxide emissions released during voyages within the EU as well as EU incoming and outgoing voyages. As at January 1, 2024 the MRV Regulation covers carbon dioxide, methane and nitrous oxide emissions. The EU has determined that maritime shipping will be included in the EU Emissions Trading System as from 2024 in the absence of a comparable system operating under the IMO. This will result in additional costs to us as ship owners if the commercial operators of our ships (i.e., the charterer or party responsible for the purchase of fuel, choice of cargo, route and speed) are not held responsible for these costs under the EU legislation, as implemented by the relevant EU Member State.

The European Commission has launched a "Fit for 55" package of proposals intended to reduce the EU's total GHG emissions by 55% by 2030, with the ultimate goal to achieve full EU decarbonization by 2050. As a result, shipping is likely to face new stringent EU regulations. The proposal includes following:

- *The European Trading System Directive* - As of January 1, 2024, shipping has become subject to the Emission Trading Scheme ('EU ETS'), with the ships presently reporting emissions under the MRV Regulation being

required to purchase emission allowances. As at January 1, 2024 EU ETS will apply to carbon dioxide emissions and from January 1, 2026 methane and nitrous oxide emissions will be included. Under the EU ETS, for every year companies must purchase enough allowances in order to cover the total amount of their emissions in that year. In the subsequent calendar year they must surrender those allowances, with the first date for surrender of allowances being September 30, 2025. Each allowance (EUA) corresponds to 1 tonne of CO₂ emissions and the price of 1 EUA was approximately EUR 56 to EUR 58 on March 1, 2024. By including the shipping sector in the EU ETS the EU intends to signal that investments in energy efficiency are more cost-efficient than paying for the price of carbon emissions and hence support decarbonization. All intra-EU emissions will be included, but only 50% of the emissions for voyages from and to a third country when arriving in or departing from the EU, respectively. Non-compliance is punishable by fines and could eventually lead to a ban from EU waters (which could extend to the entire fleet). Shipping companies, particularly those, such as ourselves, whose administering bodies are based outside the EU, will face increased administrative and compliance costs with respect to EU ETS. The relevant enactments are the MRV Regulation and Directive 2003/87/EC, which provides for a gradual introduction of obligations for shipping companies. Specifically, shipping companies will be obliged to surrender allowances corresponding to only 40% of their verified emissions for 2024, 70% for 2025 and 100% as from 2026. The relevant MRV Regulation and Directive will be implemented into national legislation by each EU Member State.

- *The Fuel EU Maritime Regulation* - This is a new regulation coming into effect in 2025, imposing life cycle GHG footprint requirements on the energy used onboard ships. The GHG intensity of the energy used will be required to improve by 2% in 2025 relative to 2020, ramping up to 80% by 2050. The regulation will also require container and passenger vessels to connect to shore power from 2030 for stays longer than two hours. Non-compliance with the regulation may lead to fines and being banned from entry into EU ports. The required GHG intensity reduction target will be 14.5% as of 2035, 31 % from 2040, 62 % as of 2045 and 80% as of 2050. The regulation may also introduce a target of 2% for the use of renewable fuels of non-biological origin from 2034.
- *The Alternative Fuels Infrastructure* - This regulation is an update of an existing directive and will require EU member states to ramp up the availability of LNG by 2025 and onshore electrical power supply by 2030 in core EU ports.
- *The Energy Taxation Directive* - This directive is being revised to remove the tax exemption for conventional fuels used between EU ports as of 1 January 2023 resulting in a significant increase in their price. International bunker for extra-EU voyages remains tax exempt. For heavy fuel oil, the new tax rate will be approximately €37 per tonne.

Any passage of climate control legislation or other regulatory initiatives by the IMO, EU, Canada, the United States or other individual jurisdictions where we operate, that restrict emissions of greenhouse gases from vessels, could require us to make significant capital expenditures and may materially increase our operating costs.

Other Regions

We may be subject to environmental and other regulations that have been or may become adopted in other regions of the world that may impose obligations on our containership and/or power generation businesses and may increase our costs to own and operate them. Compliance with these requirements may require significant expenditures on our part and may materially increase our operating costs.

Vessel Security Regulations

Since September 2001, there have been a variety of initiatives intended to enhance vessel security. In November 2002, the Maritime Transportation Security Act of 2002 (the "MTSA"), came into effect. The new chapter imposes various detailed security obligations on vessels and port authorities, most of which are contained in the International Ship and Port Facilities Security Code ("ISPS Code"). Our existing vessels have implemented the various security measures addressed by the MTSA, SOLAS and the ISPS Code. Any failure to maintain such certifications may subject us to increased liability and may result in denial of access to, or detention in, certain ports. Furthermore, compliance with the ISPS Code requires us to incur certain costs. Although such costs have not been material to date, if new or more stringent regulations relating to the ISPS Code are adopted by the IMO and the flag states, these requirements could require significant additional capital expenditures or otherwise increase the costs of our operations.

Currency control regulations

APR Energy operates in a number of developing jurisdictions which may, from time to time, impose currency controls such that APR's ability to repatriate revenue from that jurisdiction is substantially delayed and can result in significant increased costs. Market conditions may not provide APR with the opportunity to cover such conditions in its

contracts. APR closely monitors government policies relating to currency controls and mitigates the effects whenever possible.

Taxation of the Company

United States Taxation

The following is a discussion of the expected material U.S. federal income tax considerations applicable to us. This discussion is based upon the provisions of the Code, applicable U.S. Treasury Regulations promulgated thereunder, legislative history, judicial authority and administrative interpretations, as of the date of this Annual Report, all of which are subject to change, possibly with retroactive effect or are subject to different interpretations. Changes in these authorities may cause the U.S. federal income tax considerations to vary substantially from those described below.

The following discussion is for general information purposes only and does not purport to be a comprehensive description of all of the U.S. federal income tax considerations applicable to us. No ruling has been requested from the IRS regarding any matter affecting us. The statements made herein may not be sustained by a court if contested by the IRS.

Taxation of Operating Income

We expect that substantially all of our gross income will be attributable to the transportation of cargo. For this purpose, gross income attributable to transportation (“Transportation Income”), includes income from the use (or hiring or leasing for use) of a vessel to transport cargo and the performance of services directly related to the use of any vessel to transport cargo and, thus, includes time charter and bareboat charter income.

Fifty percent (50%) of Transportation Income attributable to transportation that either begins or ends, but that does not both begin and end, in the United States (“U.S. Source International Transportation Income”), is considered to be derived from sources within the United States. Transportation Income attributable to transportation that both begins and ends in the United States (“U.S. Source Domestic Transportation Income”), is considered to be 100% derived from sources within the United States. Transportation Income attributable to transportation exclusively between non-U.S. destinations is considered to be 100% derived from sources outside the United States. Transportation Income derived from sources outside the United States generally is not subject to U.S. federal income tax.

We believe that we have not earned any U.S. Source Domestic Transportation Income, and we expect that we will not earn any such income in future years. However, certain of our activities give rise to U.S. Source International Transportation Income, and future expansion of our operations could result in an increase in the amount of our U.S. Source International Transportation Income. Unless the exemption from tax under Section 883 of the Code (the “Section 883 Exemption”), applies, our U.S. Source International Transportation Income generally will be subject to U.S. federal income taxation under either the net basis and branch profits tax or the 4% gross basis tax, each of which is discussed below.

The Section 883 Exemption

In general, the Section 883 Exemption provides that if a non-U.S. corporation satisfies the requirements of Section 883 of the Code and the Treasury Regulations thereunder (the “Section 883 Regulations”), it will not be subject to the net basis and branch profits taxes or the 4% gross basis tax described below on its U.S. Source International Transportation Income. The Section 883 Exemption does not apply to U.S. Source Domestic Transportation Income.

A non-U.S. corporation will qualify for the Section 883 Exemption if, among other things, it (1) is organized in a jurisdiction outside the United States that grants an exemption from tax to U.S. corporations on international Transportation Income (an “Equivalent Exemption”), (2) satisfies one of three ownership tests (“Ownership Tests”), described in the Section 883 Regulations and (3) meets certain substantiation, reporting and other requirements.

We are organized under the laws of the Republic of the Marshall Islands. The U.S. Treasury Department has recognized the Republic of the Marshall Islands as a jurisdiction that grants an Equivalent Exemption. We also believe that we will be able to satisfy all substantiation, reporting and other requirements necessary to qualify for the Section 883 Exemption. Consequently, our U.S. Source International Transportation Income should be exempt from U.S. federal income taxation provided we satisfy the Ownership Tests and provided we file a U.S. federal income tax return to claim the Section 883 Exemption. We believe that we currently should satisfy the qualified shareholder test of the Ownership Tests on the basis that our stock is ultimately more than 50% owned (by value) by foreign public corporations that otherwise satisfy the requirements of the qualified shareholder test. In addition, we believe that we satisfy the controlled foreign corporation test of the Ownership Tests. We can give no assurance, however, that changes in the trading, ownership or value of our common shares will permit us to continue to qualify for the Section 883 Exemption.

The Net Basis and Branch Profits Tax

If the Section 883 Exemption does not apply, our U.S. Source International Transportation Income may be treated as effectively connected with the conduct of a trade or business in the United States “Effectively Connected Income”, if we have a fixed place of business in the United States and substantially all of our U.S. Source International Transportation Income is attributable to regularly scheduled transportation or, in the case of bareboat charter income, is attributable to a fixed place of business in the United States.

Generally, we believe that we do not have a fixed place of business in the United States. As a result, we believe that substantially none of our U.S. Source International Transportation Income would be treated as Effectively Connected Income. While we do not expect to acquire a fixed place of business in the United States, there is no assurance that we will not have, or will not be treated as having, a fixed place of business in the United States in the future, which may, depending on the nature of our future operations, result in our U.S. Source International Transportation Income being treated as Effectively Connected Income.

Any income we earn that is treated as Effectively Connected Income would be subject to U.S. federal corporate income tax (the highest statutory rate currently is 21%) and a 30% branch profits tax imposed under Section 884 of the Code. In addition, a 30% branch interest tax could be imposed on certain interest paid, or deemed paid, by us.

If we were to sell a vessel that has produced Effectively Connected Income, we generally would be subject to the net basis and branch profits taxes with respect to the gain recognized up to the amount of certain prior deductions for depreciation that reduced Effectively Connected Income. Otherwise, we would not be subject to U.S. federal income tax with respect to gain realized on the sale of a vessel, provided the sale is not considered to occur in the United States under U.S. federal income tax principles.

The 4% Gross Basis Tax

If the Section 883 Exemption does not apply and we are not subject to the net basis and branch profits taxes described above, we generally will be subject to a 4% U.S. federal income tax on our gross U.S. Source International Transportation Income without the benefit of deductions. We estimate that the U.S. federal income tax on such U.S. Source International Transportation Income would be approximately \$2 million if the Section 883 Exemption and the net basis and branch profits taxes do not apply, based on the amount of our gross U.S. Source International Transportation Income we have earned in prior years. However, many of our time charter contracts contain provisions in which the charterers would be obligated to bear this cost. The amount of such tax for which we would be liable for in any year will depend upon the amount of income we earn from voyages into or out of the United States in such year, however, which is not within our complete control.

Hong Kong Taxation

The following is a discussion of the expected material Hong Kong profits tax considerations applicable to us. This discussion is based upon the provisions of the Inland Revenue Ordinance (Cap. 112) (the “IRO”) as of the date of this Annual Report, all of which are subject to change, possibly with retroactive effect, and subject to different interpretations by the Inland Revenue Department of Hong Kong (the “IRD”). Changes to the IRO or other relevant authorities may cause the Hong Kong profits tax considerations to vary substantially from those described below.

The following discussion is for general information purposes only and does not purport to be a comprehensive description of all of the Hong Kong profits tax considerations applicable to us. We believe Seaspan’s central management and control is in Hong Kong.

Profits tax

In general, the IRO provides that profits tax shall be charged for each year of assessment on every person (which includes corporations) carrying on a trade, profession or business in Hong Kong in respect of such person’s assessable profits arising in or derived from Hong Kong for that year from such trade, profession or business (excluding profits arising from the sale of capital assets) as ascertained in accordance with the IRO. In ascertaining the chargeable profits, applicable deductions are allowed for all costs and expenses to the extent they are incurred by that person during the relevant basis period in the production of chargeable profits.

Under the two-tiered profits tax rates regime in Hong Kong, for corporations, the prevailing profits tax rate for the first HK\$2 million of assessable profits will be 8.25% and assessable profits above HK\$2 million will continue to be subject to the rate of 16.5%.

There are specific provisions in the IRO in relation to the ascertainment of the assessable profits of a ship-owner carrying on business in Hong Kong.

A person is deemed to be carrying on business as an owner of ships in Hong Kong if the business is normally controlled or managed in Hong Kong or the person is a corporation incorporated in Hong Kong, or any ship owned by that person calls at any location within the waters of Hong Kong (except where the IRD is convinced that the call is of a casual nature). In this context, “business as an owner of ships” means a business of chartering or operating ships.

If a corporation is deemed to be carrying on business as an owner of ships in Hong Kong, certain sums received by the corporation will be considered as relevant sums when ascertaining the assessable profits in accordance with the IRO. The relevant sums include, but are not limited to, all the sums derived from any charter hire in respect of the operation of a ship navigating solely or mainly within the waters of Hong Kong and half of the sums derived from any charter hire in respect of the operation of a ship navigating between any location within the waters of Hong Kong and any location within river trade waters.

The IRO also provides that certain sums will be considered as exempted sums, which are exempted from the determination of the relevant sums. In particular, if a ship is registered in Hong Kong, its income from the relevant carriage abroad proceeding to sea from any location within the waters of Hong Kong or any other location within those waters will be exempted.

In June 2020, the Inland Revenue (Amendment) (Ship Leasing Tax Concessions) Ordinance 2020 (the “Ship Leasing Amendment Ordinance”) was enacted to provide tax concessions for qualifying ship leasing and ship leasing management businesses. Under the Ship Leasing Amendment Ordinance, a qualifying ship lessor is entitled to have its qualifying profits charged at a concessionary profits tax rate (currently set at 0% for the year of assessment commencing on or after 1 April 2020). Such tax concession applies to a corporation for a year of assessment only if (i) during the basis period for that year of assessment, (a) the central management and control of the corporation is exercised in Hong Kong, (b) the activities that produce its qualifying profits for that year are carried out in Hong Kong by the corporation; or arranged by the corporation to be carried out in Hong Kong, and (c) those activities are not carried out by a permanent establishment outside Hong Kong, and (ii) the corporation has made an election in writing, which is irrevocable, that the tax concession applies to it.

If we and/or Seaspan are deemed to be carrying on business as owners of ships in Hong Kong, and if our ships are navigating solely or mainly within the waters of Hong Kong and/or navigating between any location within the waters of Hong Kong and any location within river trade waters, the relevant sums falling within the definition of the IRO are subject to the profits tax, with the exception of the exempted sums. The same will apply to our other vessel-holding subsidiaries that are registered as non-Hong Kong companies in Hong Kong (the “vessel-holding subsidiaries”) under the Hong Kong’s Companies Ordinance (Cap. 622) (the “Companies Ordinance”). Based on our operation and our understanding of the relevant provisions of the IRO, we do not believe that our charter hire income is, nor do we expect our charter hire income to be, subject to the profits tax under the IRO, because the ships owned by us, Seaspan and/or our other vessel-holding subsidiaries are not navigating solely or mainly within the waters of Hong Kong and/or are not navigating between any location within the waters of Hong Kong and any location within river trade waters. While currently the ships owned by us, Seaspan and/or our other vessel-holding subsidiaries are not navigating solely or mainly within the waters of Hong Kong and/or are not navigating between any location within the waters of Hong Kong and any location within river trade waters, there is no assurance that these ships will not be operating within the said waters in the future, depending on the nature of our future operations.

In the event that the ships owned by us, Seaspan and/or our other vessel-holding subsidiaries do navigate solely or mainly within the waters of Hong Kong and/or navigate between any location within the waters of Hong Kong and any location within river trade waters and our charter hire income does not fall within the definition of exempted sums under the IRO, we are likely to be subject to the profits tax in respect of such income. In such circumstances, for the purpose of ascertaining the profits tax payable, the assessable profits will be calculated as the sum bearing the same ratio to the aggregate of the relevant sums earned by or accrued to the relevant company during the basis period for that year of assessment as that relevant company’s total shipping profits for the basis period bear to the aggregate of the total shipping income earned by or accrued to that relevant company during that basis period for that year of assessment. However, instead of calculating the assessable profits based on the above, the IRD may assess the profits on a fair percentage of the aggregate of the relevant sums of the relevant basis period.

In respect of other service-providing subsidiaries (which are registered as non-Hong Kong companies under the Companies Ordinance), if the services are performed in Hong Kong, the service fee income will be considered as being arising in or derived from Hong Kong and the corresponding profits will be subject to the profits tax. The profits tax payable will be calculated using the then prevailing profits tax rate.

The People's Republic of China Taxation

The following is a discussion of the expected material China tax considerations applicable to us. This discussion is based upon the provisions of the laws and regulations described below as in effect as of the date of this Annual Report, all of which are subject to change, possibly with retroactive effect, and subject to different interpretations by the relevant Chinese tax authorities. Changes to these laws and regulations may cause the Chinese tax considerations to vary substantially from those described below.

The following discussion is for general information purposes only and does not purport to be a comprehensive description of all of the Chinese tax considerations applicable to us.

Corporation Income Tax ("CIT")

The relevant China tax regulation in respect of the China taxation of our voyage charter and time charter revenue is "Provisional Measures on the Collection of Tax on Non-Resident Taxpayers Engaged in International Transportation Business" (Bulletin of the State Administration of Taxation 2014, No. 37) ("Provisional Measures").

China imposes CIT on non-resident shipping companies that operate international transportation business with China. Effective from August 1, 2014, non-resident shipping companies are subject to CIT at the rate of 25% on their China-sourced taxable income derived from the provision of international transportation services. Such services are defined to include transportation of passengers, goods, mail or other items into and out of China via owned or leased ships, airplanes and shipping spaces, as well as the provision of services such as loading and unloading, warehousing and related services. Non-resident shipping companies are required to register with Chinese tax authorities and maintain sound accounting records relating to the calculation of taxes.

China-sourced income derived by us and our vessel-owning subsidiaries from voyage charter and time charter of vessels may be treated as international transportation service income and therefore would be subject to the imposition of CIT under the Provisional Measures, unless exempted from China taxation based on the China/HK Tax Treaty (as defined below).

Value-added Tax ("VAT")

Under the current Chinese VAT regulation, non-resident enterprises that derive income from provision of international transportation services to Chinese customers are subject to VAT, unless exempted under the applicable tax treaty. The applicable VAT rate is 9% for transportation services and 6% for storage and loading/unloading services. VAT is generally withheld by the Chinese customers but non-resident shipping companies may also perform their own VAT filings if they have already registered with the competent tax authorities.

Tax exemption

Article 8(1) of the Arrangement between Mainland and Hong Kong for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and its Fourth Protocol ("China/HK Tax Treaty") provide exemptions from CIT and VAT for qualifying taxpayers. Specifically, according to the China/HK Tax Treaty, China exempts from tax (including CIT and VAT) income and profits derived by a Hong Kong tax resident conducting international transportation business in China.

The IRD issued us tax residency certificates in Hong Kong with respect to the tax year ending December 31, 2020, which means we should be treated as a qualifying taxpayer under the China/HK Tax Treaty and qualify for exemptions for the tax years ending December 31, 2020, 2021 and 2022. We are in the process of obtaining tax residency certificates for future tax years.

C. Organizational Structure

Please read Exhibit 8.1 to this Annual Report for a current list of our significant subsidiaries.

D. Property, Plant and Equipment

For information on our assets, please read "Item 4. Information on the Company—B. Business Overview—General—Seaspan Fleet for containership leasing segment and APR Energy Fleet for power generation segment." For information on environmental issues that may affect the company's utilization of the assets, please read "Item 4. Information on the Company—B. Business Overview—Environmental and Other Regulations."

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our consolidated financial statements and notes included elsewhere in this Annual Report.

Please see "Item 5. Operating and Financial Review and Prospects—A. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2022 Annual Report for a discussion related to the 2021/2022 comparative period.

Overview

We are Atlas Corp., a global asset manager and the parent company of Seaspan and APR Energy.

Seaspan is a leading independent owner and manager of containerships. We primarily deploy our vessels on long-term, fixed-rate time charters to take advantage of the stable cash flow and high utilization rates that are typically associated with long-term time charters. As of March 1, 2024, we operated a fleet of 161 vessels that have an average age of approximately seven years, on a TEU weighted basis.

Customers for our operating fleet as of March 1, 2024, were CMA CGM, COSCO, Hapag-Lloyd, Maersk, MSC, ONE, Yang Ming Marine, ZIM, and Evergreen.

APR Energy is a global leasing business that owns and operates a fleet of capital-intensive assets (gas turbines and other power generation equipment), providing power solutions to customers including large corporations and government backed utilities. APR Energy focuses on deploying its assets to optimize cash flows across its lease portfolio. APR Energy is the global leader in its market and offers a unique integrated platform to both lease and operate its assets.

Recent Developments in 2023 and 2024

Vessel Acquisitions and Deliveries

During the year ended December 31, 2023, we took delivery of 22 vessels and increased our total operating capacity by 312,950 TEU. The additions to our fleet range from 7,000 TEU to 24,000 TEU. As at December 31, 2023, we have 40 newbuild vessels under construction delivering through to December 2027. These vessels will commence long-term charters with leading global liner companies, some of which are subject to vessel purchase options or obligations at the conclusion of their respective charters.

During the year ended December 31, 2023, the Company completed the purchase of two secondhand 8,100 TEU vessels from one of the joint owners of ONE for an aggregate purchase price of \$54.4 million.

In January and February of 2024, the Company took delivery of nine newbuild vessels that range from 7,000 to 16,000 TEU. Each vessel commenced a long-term charter upon delivery, except for one vessel which will commence a long-term charter in the second quarter of 2024.

Shipbuilding Contracts for Pure Car Truck Carriers

In October 2023, the Company entered into shipbuilding contracts for the construction of eight 10,800 CEU dual-fuel liquefied natural gas PCTC newbuilds. Of the eight shipbuilding contracts, two were novated to a customer in February 2024. In relation to two of the remaining six newbuilds, the Company provided an option to the customer to novate the shipbuilding contracts in respect of such newbuilds or enter into a long term charter with the Company upon delivery of such newbuilds to the Company, and in February 2024, the customer decided to novate the contracts. For the remaining four newbuild vessels, the vessels will be delivered to the Company in the last quarter of 2026 and throughout 2027. Upon delivery, these four newbuilds will commence long term charters with a leading logistics company.

In March 2024, the Company entered into shipbuilding contracts for the construction of two 10,800 CEU dual-fuel liquefied natural gas PCTC newbuilds. Upon delivery, these two newbuilds will commence long term charters with a leading logistics company.

Vessel Sales

During the year ended December 31, 2023, Seaspan sold three vessels for gross proceeds of \$64.9 million and recognized a gain on sale of \$3.7 million. Seaspan continues to manage the ship operations of each vessel pursuant to management agreements entered into in connection with the sales. As of December 31, 2023, Seaspan was also in negotiations for one additional vessel sale. The sale closed in February 2024 for gross proceeds of \$29.8 million.

Financing Developments

In January through September 2023, Seaspan purchased four 10,000 TEU vessels at a predetermined purchase price of \$52.7 million per vessel in relation to purchase options that were exercised in 2022. During the year ended December 31, 2023, and in February 2024, Seaspan exercised its option to purchase two 14,000 TEU vessels at a predetermined purchase price of \$61.6 million per vessel.

On March 3, 2023, the Company entered into amendments and restatements of the senior secured loan facilities and intercreditor and proceeds agreement that comprise its vessel portfolio financing program to, among other things, (i) increase the commitments under the bank loan facilities by \$250.0 million, \$200.0 million of which was drawn immediately, and \$50.0 million which was drawn by the Company in September, 2023, (ii) increase the amount of total borrowing permitted relative to total assets from 65% to 75%, (iii) replace the London Interbank Offered Rate with the Secured Overnight Financing Rate as the reference interest rate, and (iv) extend the maturities of tranches due in 2026 and 2027 by approximately two years.

In 2023, as a result of the merger, the Company exchanged all outstanding Exchangeable Notes, and repurchased some of its 2024 NOK bonds and 2026 NOK Bonds. In 2023 and in February 2024, we repaid an aggregate of \$482.7 million and \$25.7 million in connection with the maturity of the 2024 NOK Bonds and the repurchase of the remaining 2026 NOK Bonds. For more information, please see “B. Liquidity and Capital Resources” below.

In October 2023, the Company redeemed all of its outstanding 8.00% Series I Cumulative Redeemable Preferred Shares for \$150.0 million.

In October 2023, the Company repaid one of its outstanding term loans with a principal amount of \$89.3 million.

In March 2024, the Company amended and extended an existing revolving credit facility to increase the borrowing capacity by \$50.0 million and extending the maturity date from February 2025 to March 2027.

In March 2024, the Company completed sale-leaseback financings of two vessels in the aggregate amount of \$54.0 million.

Fairfax Warrant Exercise

In January 2023, Fairfax exercised warrants to purchase 6.0 million common shares of Atlas for gross aggregate proceeds of \$78.7 million.

Changes in Senior Management

In June 2023, Peter Curtis resigned as Chief Commercial Officer of Seaspan and in June 2023 Kun Li was appointed Chief Commercial Officer of Seaspan.

In July 2023, Graham Talbot resigned as Chief Financial Officer of Atlas and Seaspan. Bing Chen was appointed as interim Chief Financial Officer of Atlas and Seaspan, effective July 7, 2023.

In December 2023, Andrew E. Derksen resigned as General Counsel and Corporate Secretary of Atlas and as the General Counsel of Seaspan.

In January 2024, Benjamin Church resigned as Chief Executive Officer of APR Energy.

Poseidon Acquisition of Atlas

For additional information, please read “Item 4. Information on the Company—B. Business Overview—Poseidon Acquisition of Atlas”.

Market Conditions

Containership leasing. Containerships play an integral role in global trade, facilitating the movement of goods around the world. GDP is an important measure of global trade, and global GDP growth is positively correlated with growth in container throughput. Container throughput has varied significantly since 2000 and was greater than 10% per annum in most years prior to the global credit crisis. In 2009, global container throughput declined by over 8% compared to the prior year, and after growing sharply in 2010 and 2011, ranged between 1.4% and 5.7% per annum between 2012 and 2017, as the global economy gradually recovered. In 2020, due to the impact of COVID-19, global economic expansion was halted in the first half of the year, but swiftly recovered in the latter half of the year and into 2021. The International Monetary Fund estimated global GDP growth rate to be 3.0% in 2023. Meanwhile, container throughput growth rate is estimated to be (1.2%), lower than the previous year. With the recovery from COVID-19, both charter rates and idle rates improved significantly. The idle fleet at the end of December 2023 was approximately 1.8% of the global fleet, as measured by TEU, compared to approximately 2.5% of the global fleet at the end of December 2022. Charter rates

for 4,250 TEU Panamax vessels, for example, were approximately \$17,000 per day in December 2023, compared to approximately \$27,000 per day in December 2022.

The orderbook to global fleet rate was 25.7% at the end of December 2023, compared with 29.3% at the end of December 2022. Approximately 72% (in terms of TEU capacity) of the current containership orderbook is for vessels 10,000 TEU and greater in size. Vessels less than 4,000 TEU represent approximately 9% of the global containership orderbook, with 183 vessels being on-order in the segments between 4,000 TEU and 9,999 TEU.

Power Generation. APR Energy's market is influenced by global political and economic conditions. Declines in economic activity, slowing of growth rates and customer access to funding could impact the growth strategies of the business. Factors such as election cycles, economic downturns, fuel price variability, reliance on renewable energy and political instability all impact customer decision making in addressing their power needs, creating a certain degree of volatility. Additionally, changes in political regimes or political unrest pose potential risk to existing contracts and/or the timing of potential new contract opportunities.

Although supply chain constraints still persist, global power demand and global investment in energy projects is forecasted to continue increasing over the next few decades, driven by the increasing global middle-class and its desire for reliable access to electricity and a transition to renewable energy sources from aging technologies. The cost of natural gas remains high, but fossil fuel and electricity consumption is forecasted to increase in 2024.

Impact of the Israel-Hamas Conflict and Red Sea Attacks

As a result of the attacks by Hamas militants against Israel's population on October 7, 2023, Israel declared war against Hamas, and the armed conflict is ongoing as of the date of this filing. Following the commencement of the escalating Israel-Hamas Conflict, Houthi rebels from Yemen launched the Red Sea Attacks, hijacking the vehicle carrier vessel *Galaxy Leader* and conducting attacks on numerous other commercial vessels travelling to the Red Sea through the Bab-el-Mandeb Strait including vessels operated by us, which did not sustain damage. In response to these Red Sea Attacks, a multinational coalition led by the United States launched Operation Prosperity Guardian, a military operation aimed at ensuring freedom of navigation and safety of maritime traffic in the Red Sea, Bab-el-Mandeb Strait and the Gulf of Aden.

The Red Sea Attacks have caused many vessel operators to divert their vessels away from the Red Sea routes and around Africa's Cape of Good Hope. Since January 2024, all of the containerships owned and operated by us have been diverted from the Red Sea. Diverting vessels via the Cape of Good Hope lengthens the overall vessel journey by approximately 1,900 nautical miles on Asia-North Europe routes, which has resulted in increased operating costs for our customers, and delay in shipping times. The Israel-Hamas Conflict and Red Sea Attacks may exacerbate market volatility, cause inflation in consumer goods, and may impact access to and pricing of capital. For more information regarding the risks relating to economic sanctions as a result of the Israel-Hamas Conflict and the Red Sea Attacks, see "Item 3. Key Information—D. Risk Factors."

Impacts of the Russia-Ukraine Conflict

The Russia-Ukraine Conflict, which began in February 2022, has created volatility and disruption to the global economy (including the price of commodity, and the capital markets). In our containership business, costs increased due to the war's impact on supply chains, on the availability of workers, on our ability to conduct crew transfers and on our customers' businesses. It remains difficult to predict the long-term effect the Russia-Ukraine Conflict may have on our seafarers and other operations. For more information regarding the risks relating to economic sanctions as a result of the Russia-Ukraine Conflict as well as the impact on retaining and sourcing our crew, see "Item 3. Key Information—D. Risk Factors."

Inflation. For further discussion on inflation, please read "Liquidity and Capital Resources – Capital Commitments."

Foreign Currency Fluctuations. For further discussion on inflation, please read "Item 11. Quantitative and Qualitative Disclosures About Market Risk"

A. Results of Operations**Year Ended December 31, 2023 Compared with Year Ended December 31, 2022**

The following discussion of our financial condition and results of operations is for the years ended December 31, 2023, 2022 and 2021.

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and, except where otherwise specifically indicated, all amounts are expressed in millions of U.S. dollars.

| Year Ended December 31, | 2023 | 2022 | 2021 |
|--|-------------|-------------|-------------|
| Statement of operations data (in millions of U.S. dollars): | | | |
| Revenue | \$ 1,820.7 | \$ 1,697.4 | \$ 1,646.6 |
| Operating expenses (income): | | | |
| Operating expenses | 376.9 | 353.4 | 351.0 |
| Depreciation and amortization | 420.8 | 379.1 | 366.7 |
| General and administrative | 124.1 | 108.1 | 79.2 |
| Operating leases | 120.3 | 123.0 | 146.3 |
| Indemnity claim under acquisition agreement | — | (21.3) | (42.4) |
| Loss (Gain) on sale | (3.7) | 3.7 | (16.4) |
| Operating earnings | 782.3 | 751.4 | 762.2 |

| Year Ended December 31, | 2023 | 2022 | 2021 |
|---|-----------------|-----------------|-----------------|
| Other expenses (income): | | | |
| Interest expense | 375.6 | 235.4 | 197.1 |
| Interest income | (13.2) | (6.5) | (3.1) |
| Loss on debt extinguishment | 10.3 | 9.4 | 127.0 |
| Income from equity investment | (3.9) | (0.3) | — |
| Gain on derivative instruments ⁽¹⁾ | (16.7) | (120.6) | (14.1) |
| Other expenses ⁽²⁾ | 18.9 | 9.3 | 21.8 |
| Net earnings before income tax | 411.3 | 624.7 | 433.5 |
| Income tax expense | 8.3 | 2.4 | 33.0 |
| Net earnings | <u>\$ 403.0</u> | <u>\$ 622.3</u> | <u>\$ 400.5</u> |

Statement of cash flows data (in millions of U.S. dollars):

| | | | |
|--|----------------|------------------|------------------|
| Cash flows provided by (used in): | | | |
| Operating activities | \$ 1,023.8 | \$ 856.3 | \$ 944.0 |
| Investing activities | (2,941.3) | (1,022.6) | (1,693.9) |
| Financing activities | 2,014.4 | 130.5 | 734.2 |
| Net (decrease) increase in cash and cash equivalents and restricted cash | <u>\$ 96.9</u> | <u>\$ (35.8)</u> | <u>\$ (15.7)</u> |

Selected balance sheet data (at year end, in millions of U.S. dollars):

| | | | |
|--|--------------------|--------------------|--------------------|
| Cash and cash equivalents | \$ 385.3 | \$ 280.0 | \$ 288.6 |
| Property, plant and equipment ⁽³⁾ | 9,379.6 | 7,156.9 | 6,952.2 |
| Other assets | 3,948.1 | 3,865.5 | 3,328.8 |
| Total assets | <u>\$ 13,713.0</u> | <u>\$ 11,302.4</u> | <u>\$ 10,569.6</u> |
| Current liabilities | \$ 1,083.8 | \$ 1,038.5 | \$ 1,175.5 |
| Long-term debt | 3,161.4 | 3,453.4 | 3,731.8 |
| Operating lease liabilities | 271.1 | 391.7 | 562.3 |
| Other financing arrangements | 4,305.3 | 1,940.3 | 1,239.3 |
| Derivative instruments ⁽¹⁾ | 1.3 | 1.5 | 28.5 |
| Other long-term liabilities | 177.3 | 51.2 | 17.7 |
| Shareholders' equity | 4,415.9 | 4,128.9 | 3,517.6 |
| Cumulative redeemable preferred shares | 296.9 | 296.9 | 296.9 |
| Total liabilities and shareholders' equity | <u>\$ 13,713.0</u> | <u>\$ 11,302.4</u> | <u>\$ 10,569.6</u> |

⁽¹⁾ All of our interest rate swap agreements are marked to market and the changes in the fair value of these instruments are recorded in "Gain on derivative instruments".

⁽²⁾ Other expenses include foreign exchange gain or loss, loss on repatriation of currency from a foreign jurisdiction and undrawn credit facility fees.

⁽³⁾ Property, plant and equipment include the net book value of vessels in operation, power generating equipment and other equipment.

Segmented Financial Summary (in millions of USD)

The following tables summarize Atlas's segmental financial results, for the year ended December 31, 2023 and 2022.

Segment Financial Summary

| | Year ended December 31, 2023 | | | |
|---------------------------------------|------------------------------|-------------------------|--------------------------------------|------------|
| | Vessel Leasing | Mobile Power Generation | Elimination and Other ⁽¹⁾ | Total |
| Revenue | \$ 1,702.8 | \$ 117.9 | \$ — | \$ 1,820.7 |
| Operating expense | 347.3 | 29.6 | — | 376.9 |
| Depreciation and amortization expense | 375.1 | 45.7 | — | 420.8 |
| General and administrative expense | 81.9 | 41.0 | 1.2 | 124.1 |
| Operating lease expense | 116.7 | 3.6 | — | 120.3 |
| Loss (Gain) on sale | (3.7) | — | — | (3.7) |
| Interest expense | 364.6 | 8.9 | 2.1 | 375.6 |
| Interest income | (9.5) | (2.1) | (1.6) | (13.2) |
| Income tax expense | 2.0 | 6.3 | — | 8.3 |

Segment Financial Summary

| | Year ended December 31, 2022 | | | |
|---------------------------------------|------------------------------|-------------------------|--------------------------------------|------------|
| | Vessel Leasing | Mobile Power Generation | Elimination and Other ⁽¹⁾ | Total |
| Revenue | \$ 1,543.0 | \$ 154.4 | \$ — | \$ 1,697.4 |
| Operating expense | 309.2 | 44.2 | — | 353.4 |
| Depreciation and amortization expense | 327.5 | 51.6 | — | 379.1 |
| General and administrative expense | 76.6 | 33.5 | (2.0) | 108.1 |
| Operating lease expense | 120.3 | 2.7 | — | 123.0 |
| Gain on sale | 4.0 | (0.3) | — | 3.7 |
| 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 |

⁽¹⁾ Elimination and Other includes amounts relating to change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

Asset Utilization

Vessel Leasing Segment

Vessel Utilization represents the number of ownership days on-hire as a percentage of total ownership days, including bareboat ownership days. The following table summarizes Seaspan's Vessel Utilization for year ended December 31, 2023, and its comparative quarters:

| | 2022 | | | | 2023 | | | | Year Ended | |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|------------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | 2022 | 2023 |
| Vessel Utilization | 98.5 % | 98.3 % | 98.6 % | 98.5 % | 97.6 % | 95.3 % | 98.2 % | 98.3 % | 98.5 % | 97.4 % |

Vessel Utilization decreased for the year ended December 31, 2023 compared to 2022. The decrease was primarily due to an increase in the number of Scheduled Dry-Docking days.

During the year ended December 31, 2023, we completed 44 dry-dockings, compared to 14 dry-dockings in 2022.

Mobile Power Generation Segment

Average megawatt capacity is the average maximum megawatts that can be generated by the power fleet. The primary driver of average megawatt capacity is the increase or decrease in the number of power generating units in the power fleet. Average megawatt on-hire is the amount of capacity that is under contract and available to the customer for use. Power fleet utilization represents average megawatt on-hire as a percentage of average megawatt capacity.

The following table summarizes the Power Fleet Utilization, for the year ended December 31, 2023, and its comparative quarters:

| | 2022 | | | | 2023 | | | | Year Ended | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|------------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | 2022 | 2023 |
| Power Fleet Utilization ⁽³⁾ | 61.9 % | 68.8 % | 80.0 % | 62.8 % | 62.2 % | 58.9 % | 39.2 % | 29.9 % | 68.4 % | 47.6 % |

⁽¹⁾ Power fleet utilization in comparative periods has been adjusted to reflect average utilization during the quarter.

Power Fleet Utilization decreased for the year ended December 31, 2023, compared with the year ended December 31, 2022. The decrease is primarily due to expiration of contracts in 2022 and 2023 along with fewer deployments in 2023.

Financial Results Summary

Revenue

Revenue increased by 7.3% to \$1,820.7 million for the year ended December 31, 2023 compared to 2022. Revenue from the vessel leasing segment increased 10.4% for the twelve months ended December 31, 2023 largely driven by delivery of 22 newbuild vessels in the current year and a full year impact of nine newbuild deliveries from 2022, offset by three vessel sales during the year. The increase in the vessel leasing segment was offset by decreased revenue in the mobile power generation segment from lower asset utilization.

Operating Expense

Operating expense increased by 6.6% to \$376.9 million for the year ended December 31, 2023 compared to 2022. The increase in the vessel leasing segment was primarily due to the increase in our fleet due to 22 newbuild deliveries, a full year impact of nine newbuild deliveries from 2022, and the acquisition of two secondhand vessels in the year. This increase was partially offset by a decrease in our mobile power generation segment driven by site demobilizations and an associated decrease in repair expenses.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by 11.0% to \$420.8 million for the year ended December 31, 2023 compared to 2022. The increase was primarily due to the delivery of 22 newbuild vessels, a full year impact of nine newbuild deliveries from 2022, offset by the impact of three vessel sales in the year.

General and Administrative Expense

General and administrative expense increased by 14.8% to \$124.1 million for the year ended December 31, 2023 compared to 2022. The increase was primarily due to an increase in general corporate expenses including non-cash share-based compensation and expenses related to the Merger transaction.

Operating Lease Expense

Operating lease expense decreased by 2.2% to \$120.3 million for the year ended December 31, 2023 compared to 2022. The decrease was primarily due to a lease reclassification from operating to financing as a result of pre-existing purchase options being exercised in the year for one vessel.

Interest Expense

Interest expense increased by \$140.2 million to \$375.6 million for the year ended December 31, 2023 compared to 2022 primarily due to higher interest rates and higher balances related to other financing arrangements from vessel deliveries.

Gain on Derivative Instruments

The change in fair value of financial instruments resulted in a gain of \$16.7 million for the year ended December 31, 2023 compared to a gain of \$120.6 million for the year ended December 31, 2022. The gains for these periods were primarily due to an increase in the forward curve of the benchmark rates and offset by swap settlements.

The fair value of our interest rate swaps are subject to change based on our company specific credit risk included in the discount factor and current swap curve, including its relative steepness. In determining the fair value, these factors are based on current information available to us. These factors are expected to change through the life of the instruments, causing the fair value to fluctuate significantly due to the large notional amounts and long-term nature of our derivative instruments. As these factors may change, the fair value of the instruments is an estimate and may deviate significantly from the actual cash settlements realized during the term of the instruments. Our valuation techniques have not changed, and we believe that such techniques are consistent with those followed by other valuation practitioners.

The fair value of our interest rate swaps is most significantly impacted by changes in the yield curve. Based on the current notional amount and tenor of our interest rate swap portfolio, a one percent parallel shift in the overall yield curve is expected to result in a change in the fair value of our interest rate swaps of approximately \$98.9 million. Actual changes in the yield curve are not expected to occur equally at all points and changes to the curve may be isolated to periods of time. This steepening or flattening of the yield curve may result in greater or lesser changes to the fair value of our financial instruments in a particular period than would occur had the entire yield curve changed equally at all points.

The fair value of our interest rate swaps is also impacted by changes in our company-specific credit risk included in the discount factor. We discount our derivative instruments with reference to the corporate Bloomberg industry yield curves. Based on the current notional amount and tenor of our swap portfolio, a one percent change in the discount factor is expected to result in a nominal change in fair value.

Our derivative instruments, including interest rate swap and put instruments were marked to market with all changes in the fair value of these instruments recorded in “Gain on Derivative Instruments” in our Consolidated Statement of Operations.

Please read “Item 11. Quantitative and Qualitative Disclosures About Market Risk” for further discussion.

B. Liquidity and Capital Resources

Liquidity

The Company’s business model is focused on generating stable long-term cash flows, and using that predictability to reduce overall cost of capital. Maintaining strong liquidity is a core pillar of the Company’s financial strategy, allowing it to take advantage of attractive opportunities to deploy capital quickly as they arise through economic and industry cycles. A strong base of liquidity also allows the Company to mitigate short-term market shocks and maintain consistent distributions to its shareholders. The Company’s primary sources of liquidity are cash and cash equivalents, undrawn credit facilities, committed financings for its newbuild vessels, cash flows from operations, capital recycling, as well as access to public and private capital markets.

Consolidated liquidity as of December 31, 2023 and 2022 was comprised of the following:

| (in millions of U.S. dollars) | December 31, | | Change | |
|--|-------------------|-------------------|---------------------|----------------|
| | 2023 | 2022 | \$ | % |
| Cash and cash equivalents | \$ 385.3 | \$ 280.0 | \$ 105.3 | 37.6 % |
| Undrawn revolving credit facilities ⁽¹⁾ | 380.0 | 700.0 | (320.0) | (45.7)% |
| Total liquidity | \$ 765.3 | \$ 980.0 | \$ (214.7) | (21.9)% |
| Total committed and undrawn newbuild financings | \$ 3,334.6 | \$ 6,120.9 | \$ (2,786.3) | (45.5)% |
| Total liquidity including newbuild financings | \$ 4,099.9 | \$ 7,100.9 | \$ (3,001.0) | (42.3)% |

⁽¹⁾ Undrawn revolving credit facilities as of December 31, 2023 included \$330.0 million (2022 - \$650.0 million) available from Seaspan and \$50.0 million (2022 - \$50.0 million) available from APR Energy.

As of December 31, 2023, consolidated liquidity was sufficient to meet near-term requirements. As of December 31, 2023, the Company had consolidated liquidity of \$765.3 million, excluding \$3.3 billion of committed but undrawn financings related to our newbuild vessels, which represents a decrease from \$980.0 million in the prior 2022 period.

Unencumbered Assets

Growing the Company’s base of unencumbered assets is a fundamental objective in order to achieve an investment grade credit rating, as well as a potential source of liquidity through secured financing or asset sales. Over the long-term, the Company expects its unencumbered asset base to grow as it enhances its presence in the unsecured credit markets, and also naturally as secured borrowings mature or are prepaid.

In the short-term, the Company expects that its unencumbered asset base may fluctuate as unencumbered assets may be sold or financed from time to time, as part of normal course management of assets and liquidity.

The following table provides a summary of our unencumbered fleet and net book value over time:

| (in millions of U.S. dollars) | As at December 31, | | | | |
|-------------------------------|--------------------|----------|----------|----------|----------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| Number of Vessels | 28 | 31 | 36 | 38 | 39 |
| Net Book Value | \$ 859 | \$ 1,109 | \$ 1,369 | \$ 1,847 | \$ 1,923 |

Contracted Cash Flows

The Company's focus on long-term contracted cash flows provides predictability and reduces liquidity risk through economic cycles. As of December 31, 2023, the Company had total gross contracted cash flows of \$18.2 billion, which includes components that are accounted for differently, including i) minimum future revenues relating to operating leases with customers, ii) minimum cash flows to be received relating to financing leases with certain customers, and iii) contracted cash flows underlying leases for newbuild vessels which have not yet been delivered to customers. The following table provides a summary of gross contracted cash flows.

| (in millions of U.S. dollars) | Operating lease revenue ⁽¹⁾ | Lease receivable on financing leases | Gross contracted cash flows for newbuilds |
|-------------------------------|--|--------------------------------------|---|
| 2024 | \$ 1,870.0 | \$ 160.1 | \$ 536.5 |
| 2025 | 1,738.7 | 154.1 | 505.9 |
| 2026 | 1,423.3 | 151.6 | 507.3 |
| 2027 | 969.2 | 151.6 | 532.8 |
| 2028 | 570.7 | 152.0 | 569.7 |
| Thereafter | 1,933.0 | 1,947.6 | 4,360.6 |
| | \$ 8,504.9 | \$ 2,717.0 | \$ 7,012.8 |

⁽¹⁾ Minimum future operating lease revenue includes payments from signed charter agreements on operating vessels that have not yet commenced.

Minimum future revenues relating to operating leases with customers assume that, during the term of the lease, i) there will be no unpaid days, ii) extensions included only if exercise is our unilateral option, and iii) no lease extensions. Minimum future revenues do not reflect signed charter agreements for undelivered vessels.

The Company's commitment to growth in recent years was achieved in line with its capital structure objectives, focusing on strengthening its balance sheet and increasing cash flows to become a platform for growth and consolidation in the containership and power generation industries.

The Company lengthened and diversified the maturity profile of its debt and diversified its sources of capital, including through innovative export credit agency (ECA) backed lease financings, bi-lateral lease financings with Chinese leasing houses and multiple notes issuances in the U.S., as well as long duration secured notes issued to life insurance investors. This supported the Company's initiative to successfully achieve committed financings for its newbuild vessels program. In conjunction with its newbuild strategy and associated debt financing, the Company dramatically increased its long-term gross contracted cash flows, primarily through increasing charter lengths for its existing containership fleet and acquiring attractive second-hand containership assets coupled with long-term charter contracts.

The Company is focused on continuing to allocate capital selectively into opportunities that enhance the long-term value of the business and provide attractive risk-adjusted returns on capital, including evaluating synergistic and value-additive opportunities within the Maritime or Energy sectors to diversify and strengthen cash flow drivers.

The Company intends to focus on continuing successful deliveries of its newbuild vessels, while assessing new growth opportunities in a measured way. In conjunction, the Company intends to maintain and grow its robust liquidity position primarily through capital recycling and enhancements to its existing capital base. This capital strategy will include maintaining diverse sources of capital for financial flexibility while managing leverage in alignment with its long-term targets, and growing the value of its unencumbered asset base.

The Company's primary liquidity needs include funding our investments in assets including our newbuild vessels under construction, scheduled debt and lease payments, vessel purchase commitments, potential future exercises of vessel purchase options, and dividends on our common and preferred shares.

Borrowings, Including Reconciliation of Long-term Debt to Total Borrowing and Operating Borrowing

The following table summarizes our borrowings:

| (in millions of U.S. dollars) | As of December 31, | | Change | |
|---|--------------------|-------------------|-------------------|----------------|
| | 2023 | 2022 | \$ | % |
| Long-term debt: | | | | |
| Revolving credit facilities | \$ 320.0 | \$ — | \$ 320.0 | 0.0 % |
| Term loan credit facilities | 1,175.6 | 1,233.0 | (57.4) | (4.7)% |
| Senior Unsecured Notes | 828.1 | 1,302.4 | (474.3) | (36.4)% |
| Senior Unsecured Exchangeable Notes | — | 201.3 | (201.3) | (100.0)% |
| Senior Secured Notes | 1,000.0 | 1,000.0 | — | 0.0 % |
| Deferred financing fees on long term debt | (32.9) | (44.9) | 12.0 | (26.7)% |
| Long term debt | 3,290.8 | 3,691.8 | (401.0) | (11)% |
| Other financing arrangements | 4,656.5 | 2,119.7 | 2,536.8 | 119.7 % |
| Deferred financing fees on other financing arrangements | (52.7) | (31.9) | (20.8) | 65.2 % |
| Other financing arrangement | 4,603.8 | 2,087.8 | 2,516.0 | 120.5 % |
| Finance leases | 66.5 | 222.2 | (155.7) | (70.1)% |
| Total deferred financing fees | 85.6 | 76.8 | 8.8 | 11.5 % |
| Total borrowings⁽¹⁾ | 8,046.7 | 6,078.6 | 1,968.1 | 32.4 % |
| Vessels under construction | (1,315.0) | (1,422.5) | 107.5 | (7.6)% |
| Operating borrowings⁽¹⁾ | \$ 6,731.7 | \$ 4,656.1 | \$ 2,075.6 | 44.6 % |

⁽¹⁾ Total borrowings is a non-GAAP financial measure which comprises long-term debt, other financing arrangements and finance leases and excludes deferred financing fees. The Company's total borrowings include amounts related to vessels under construction, consisting primarily of amounts borrowed to pay installments to shipyards. The interest incurred on borrowings related to the vessels under construction are capitalized during the construction period. Total borrowings and operating borrowings are non-GAAP financial measures that are not defined under or prepared in accordance with U.S. GAAP. Disclosure of total borrowings and operating borrowings is intended to provide additional information and should not be considered a substitute for financial measures prepared in accordance with U.S. GAAP. Management believes these measures are useful in consolidating and clearly presenting Atlas' financings. Management also believes that these metrics can be useful to facilitate assessment of leverage and debt service obligations of the Company. Management believes operating borrowings is a useful measure to assess interest expense related to vessels that are in operation and generating revenue.

The Company's approach is to target a total borrowings-to-asset ratio of 50-60%, and to mitigate credit risk by diversifying its maturity profile over as long a term as economically feasible, while maintaining or reducing its cost of capital. The Company's debt-to-asset ratio was 58.7% as of December 31, 2023 compared to 53.8% at December 31, 2022.

The consolidated weighted average interest rate for December 31, 2023 was 6.85% compared to 5.97% at December 31, 2022. The weighted average interest rates for the vessel leasing segment, power generation segment, and Atlas Corp. (on an unconsolidated basis) were 6.85%, nil, and 7.13%, respectively, for the year ended December 31, 2023 (December 31, 2022: 6.12%, 5.57%, and 7.1%, respectively).

We anticipate that market uncertainty surrounding quantitative tightening and interest rates intended to combat inflation may continue to cause volatility in the equity and credit markets near-term, impacting the pricing of our traded securities and potential new issuances, notwithstanding strong and stable underlying performance and asset values.

Credit Facilities

The Company's credit facilities are primarily secured by assets, including first-priority mortgages granted on 53 of its vessels and substantially all of its power generation assets, together with other related security.

As of December 31, 2023, the Company had \$1.2 billion principal amount outstanding under its term credit facilities, all of which was related to the containership leasing business. A total of \$320.0 million was outstanding under our revolving credit facilities as at December 31 2023. A total of \$380.0 million was undrawn, of which \$330.0 million was available to the containership leasing business, and \$50.0 million was available to the power generation business.

On a consolidated basis as of December 31, 2023, scheduled principal repayments on our credit facilities were as follows:

| <i>(in millions of U.S. dollars)</i> | Scheduled Amortization | Bullet Due on Maturity | Total Future Minimum Repayments | Additional Vessels Unencumbered Upon Maturity | Net Book Value of Vessels Unencumbered |
|--------------------------------------|-------------------------------|-------------------------------|--|--|---|
| 2024 | \$ 103.9 | \$ — | \$ 103.9 | — | \$ — |
| 2025 | 103.9 | — | 103.9 | — | — |
| 2026 | 103.9 | — | 103.9 | — | — |
| 2027 | 103.9 | — | 103.9 | — | — |
| 2028 | 53.7 | 710.3 | 764.0 | — | — |
| 2029 | 8.8 | 302.8 | 311.6 | — | — |
| 2030 | 4.4 | — | 4.4 | 2 | 168.5 |
| 2031 | — | — | — | — | — |
| 2032 | — | — | — | — | — |
| 2033 | — | — | — | — | — |
| Thereafter | — | — | — | 51 | 3,080.9 |
| Total | \$ 482.5 | \$ 1,013.1 | \$ 1,495.6 | 53 | \$ 3,249.4 |

Other Financing Arrangements

As part of the Company's strategy to diversify its financing sources, it enters into sale-leaseback financing arrangements with financial leasing companies, which under U.S. GAAP are considered "failed-sales". This accounting treatment requires that the vessel asset remain on the Company's balance sheet, along with the associated lease liability.

As of December 31, 2023, the Company has 60 vessels financed under these sale-leaseback financing arrangements. As of December 31, 2023, these arrangements provided for borrowings of approximately \$4.7 billion.

On a consolidated basis as of December 31, 2023, scheduled repayments on our other financing arrangements were as follows:

| <i>(in millions of U.S. dollars)</i> | Scheduled Amortization | Bullet Due⁽¹⁾ on Maturity | Total Future Minimum Repayments | Additional Vessels Unencumbered Upon Maturity | Net Book Value of Vessels Unencumbered⁽²⁾⁽³⁾ |
|--------------------------------------|-------------------------------|---|--|--|--|
| 2024 | \$ 300.0 | \$ — | \$ 300.0 | — | \$ — |
| 2025 | 301.6 | — | 301.6 | — | — |
| 2026 | 302.3 | — | 302.3 | — | — |
| 2027 | 306.3 | — | 306.3 | — | — |
| 2028 | 310.4 | — | 310.4 | — | — |
| 2029 | 307.0 | 27.0 | 334.0 | 2 | 181.3 |
| 2030 | 282.3 | 299.5 | 581.8 | 9 | 771.3 |
| 2031 | 260.4 | 133.6 | 394.0 | 4 | 346.7 |
| 2032 | 225.2 | 457.8 | 683.0 | 10 | 1,200.9 |
| 2033 | 124.5 | 382.7 | 507.2 | 8 | 961.8 |
| Thereafter | 243.5 | 392.4 | 635.9 | 16 | 1,670.6 |
| Total | \$ 2,963.5 | \$ 1,693.0 | \$ 4,656.5 | 49 | \$ 5,132.6 |

⁽¹⁾ Amounts do not include interest to be accreted and paid at final maturity.

⁽²⁾ Excludes newbuild vessels that had not been delivered as at December 31, 2023.

⁽³⁾ Includes unencumbered vessels that are included in the balance sheet as "Vessels" and as "Net Investment in Lease".

Notes

As of December 31, 2023, we had an aggregate of \$1.8 billion outstanding under notes, \$0.8 billion of which was unsecured, with the remaining \$1.0 billion secured by assets held by our containership segment. We expect to continue to

access the debt capital markets and issue additional series of notes similar to those described below, the proceeds of which may be used to repay other indebtedness, for capital expenditures, or for other general corporate purposes. The Company's notes outstanding during 2023 are summarized below.

7.125% 2027 Atlas Notes

As of December 31, 2023, we had \$52.4 million outstanding under the Atlas Notes which were issued in May 2021 pursuant to an exchange of Atlas Notes for Seaspan's then outstanding, substantially similar 7.125% senior unsecured notes due 2027. The Atlas Notes are callable at par plus accrued and unpaid interest, if any, at any time after May 2023. In the event of certain changes in withholding taxes, at our option, we may redeem the notes, in each case in whole, but not in part, at a redemption price equal to 100.0% of the outstanding principal amount, plus accrued and unpaid interest, if any. Upon the occurrence of a change of control (as defined in the Atlas Notes, which definition did not include the Merger), each holder of such notes will have the right to require us to purchase all or a portion of such holder's notes at a purchase price equal to 101.0% of the principal amount thereof plus accrued and unpaid interest, if any.

3.75% 2025 Exchangeable Notes

On March 28, 2023, in connection with the completion of the Merger, the Company entered into a supplemental indenture providing the holders of our 3.75% exchangeable senior notes due 2025 (the "Exchangeable Notes") the right to exchange each \$1,000 principal amount of such Exchangeable Note into a number of units based on a defined exchange rate. Each holder had the right, at its option, to exchange all or any portion of its Exchangeable Notes at any time from during the make-whole exchange period (beginning at the effective time of the Merger and ending on May 22, 2023) at an increased exchange rate on account of the Merger and the Delisting, which were considered a "Make-Whole Fundamental Change". During the make-whole exchange period, all of the outstanding Exchangeable Notes were exchanged by the holders of the Exchangeable Notes representing a total settlement of \$253.1 million.

In connection with the Delisting and the exchange of the Exchangeable Notes, the Company terminated all capped call transactions entered into concurrently with the issue of Exchangeable Notes.

Sustainability-Linked NOK Bonds

As a result of the Merger and the Delisting, each holder of the 2024 NOK Bonds and the 2026 NOK Bonds had a right to require the Company to purchase all or some of the bonds held by such holder (a "NOK Put Option") at a price equal to 101% of the principal amount plus accrued interest. Each holder could exercise their NOK Put Option during the exercise period which ended on May 3, 2023. On May 10, 2023, the Company repurchased \$179.4 million of 2024 NOK Bonds and \$294.9 million of the 2026 NOK Bonds. In each case, the Company purchased from holders who exercised their NOK Put Options, representing 101% of the principal amount plus accrued interest for a total payment of \$482.7 million. The remaining 2024 NOK Bonds totaling \$20.6 million matured on February 5, 2024. On May 22, 2023, as a result of having repurchased more than 90% of the outstanding 2026 NOK Bonds, the Company exercised its option to repurchase all remaining outstanding 2026 NOK Bonds from holders. The repurchase, requiring a payment of \$25.7 million, occurred on February 5, 2024.

Blue Transition 5.50% 2029 Notes

As of December 31, 2023, we had \$750.0 million outstanding under our 5.5% 2029 Notes. The 5.5% 2029 Notes were issued in July 2021, bear interest at 5.5% per annum, payable semi-annually beginning on February 1, 2022, and mature in 2029. The blue transition structure includes designated uses of proceeds for carbon mitigating projects, and were developed to align with the Company's sustainability efforts.

Sustainability-Linked Senior Secured Notes

As of December 31, 2023, we had \$1.0 billion outstanding under our Senior Secured Notes. In 2021, \$500.0 million of the notes were issued pursuant to a U.S. private placement with life insurance companies and comprise four series. The Series A, Series C and Series D senior secured notes, totaling \$450.0 million, were issued in May 2021, with interest rates ranging from 3.91% to 4.26% and maturities from June 2031 to June 2036. The Series B senior secured notes, totaling \$50.0 million, were issued in August 2021, with an interest rate of 3.91%, and mature in 2031. The senior secured notes contain certain sustainability features, and are subject to adjustment based on Seaspan's achievements relative to certain key performance indicators.

In May 2022, Seaspan entered into a note purchase agreement to issue \$500.0 million of sustainability-linked, senior secured notes in a U.S. private placement and comprise three series, each ranking pari passu with Seaspan's existing and future portfolio vessel financing program. The Series A, Series B and Series C Senior Secured Notes were issued in August 2022, with interest rates ranging from 5.15% to 5.49% and maturities from September 2032 to September 2037.

The Senior Secured Notes contain certain sustainability features, and are subject to adjustment based on Seaspan's achievements relative to certain key performance indicators.

Operating Leases

As of December 31, 2023, there were nine vessel operating lease arrangements. Under eight of the operating lease arrangements, the Company may purchase the vessels for a predetermined purchase price. As of December 31, 2023, there were total commitments, excluding purchase options, under vessel operating leases from 2024 to 2029 of approximately \$419.9 million. As at December 31, 2023, these purchase option prices were \$449.0 million in aggregate for the eight vessels, and if exercised, such purchases will be completed between December 2024 and November 2026. If exercised, the term of the operating leases will shorten, and the amount paid by the Company under the operating leases (excluding the purchase option price) will be less than the total commitment outlined below.

At December 31, 2023, the commitment under operating leases relating to vessels was \$419.9 million for 2024 to 2029, and for other leases it was \$6.0 million for 2024 to 2031.

Finance Leases

In November 2023, the Company exercised its option to purchase one 14,000 TEU vessel and the lease has been re-assessed as a financing lease for the remainder of its term until the purchase is completed in December 2024 at the predetermined purchase price of \$61.6 million.

As at December 31, 2023, the total remaining commitments related to financial liability of the one vessel under finance leases was \$70.7 million (December 31, 2022 - \$225.1 million), including imputed interest of \$4.2 million (December 31, 2022 - \$2.9 million), repayable in December 2024.

Capital Commitments

As of December 31, 2023, the Company had 40 newbuild vessels under construction (December 31, 2022 – 58 vessels). Please refer to note 21 in our financial statements for the year ended December 31, 2023, contained herein, for the outstanding commitments related to the remaining installment payments.

Certain Terms under our Long-Term Debt, Lease Arrangements, Other Financing Arrangements and Notes

We are subject to customary conditions before we may borrow under our credit, lease and other financing arrangements, including, among others, that no event of default is outstanding and that there has been no material adverse change in our ability to make all required payments under the arrangements.

Our credit, lease and other financing arrangements and our Notes also contain various covenants limiting our ability to, among other things:

- allow liens to be placed on the collateral securing the facility;
- enter into mergers with other entities;
- conduct material transactions with affiliates; or
- change the flag, class or management of the vessels securing the facility.

The Company's credit, lease and other financing arrangements also contain certain financial covenants, including, among others, covenants requiring the relevant entities to maintain minimum tangible net worth, interest coverage ratios, interest and principal coverage ratios, and debt to assets ratios, as defined. Seaspan's 5.5% 2029 Notes contain incurrence-based covenants which may subject us to additional specified limitations, including limitations on dividend payments in excess of a specified amount, subject to a specified calculation which may increase or decrease over time. To the extent the Company is unable to satisfy the requirements under its credit facilities and lease and other financing arrangements, the Company may be unable to borrow additional funds under the facilities, and if it is not in compliance with specified financial ratios or other requirements under our credit, lease and other financing arrangements or our Notes, we may be in breach of the facilities and lease and other financing arrangements or our Notes, which could require us to repay outstanding amounts. We may also be required to prepay amounts under our credit facilities, operating leases, other financing arrangements, or our Notes if we experience a change of control, and may also result in financial penalties. We were in compliance with these covenants as at December 31, 2023.

Cash Flows

The following table summarizes our sources and uses of cash for the periods presented:

| (in millions of U.S. dollars) | Year Ended December 31, | |
|---|-------------------------|-----------|
| | 2023 | 2022 |
| Net cash flows from operating activities | \$ 1,023.8 | \$ 856.3 |
| Net cash flows used in investing activities | (2,941.3) | (1,022.6) |
| Net cash flows from financing activities | 2,014.4 | 130.5 |

Operating Cash Flows

Net cash flows from operating activities were \$1,023.8 million for the year ended December 31, 2023, an increase of \$167.5 million compared to 2022. The increase in net cash flows from operating activities for the year ended December 31, 2023, compared to the prior year, was primarily due to net cash flows from the full year impact of nine vessels delivered in 2022 and the delivery of 22 newbuild vessels in the year, offset by the impact of three vessel sales.

For further discussion of changes in revenue and expenses, please read “Financial Results Summary.”

Investing Cash Flows

Net cash flows used in investing activities were \$2,941.3 million for the year ended December 31, 2023, an increase of \$1,918.7 million compared to 2022. The increase in cash used was primarily due to the increase in expenditures related to installments on vessels under construction and an decrease in proceeds from vessel sales in the year ended December 31, 2023, compared to the same period in 2022.

Financing Cash Flows

Net cash flows from financing activities were \$2,014.4 million for the year ended December 31, 2023, compared to net cash flows from financing activities of \$130.5 million in 2022. This represents a net increase of \$1,883.9 million in cash flows from financing activities for the year ended December 31, 2023, compared to 2022. The increase was primarily due to proceeds received from long-term debt and other financing arrangements related to newbuild financing as well as the redemption of the Series I preferred shares, offset by repayments.

Ongoing Capital Expenditures and Dividends

The average age of the vessels in our operating fleet is approximately seven years, on a TEU-weighted basis. Capital expenditures for our containership fleet primarily relate to our regularly scheduled dry-dockings. During the year ended December 31, 2023, we completed 44 dry-dockings, compared to 14 dry-dockings in 2022.

The average age of the turbines is 10 years and the average age of our diesel generators is 12 years. Capital expenditures for these assets primarily relate to mobilization and decommissioning requirements included in substantially all lease contracts. During the year ended December 31, 2023, we mobilized and decommissioned two and three sites, respectively.

We must make substantial capital expenditures over the long-term to preserve our capital base, which is comprised of our net assets, to continue to refinance our indebtedness and to maintain our dividends. We will likely need to retain additional funds at some time in the future to provide reasonable assurance of maintaining our capital base over the long-term. We believe it is not possible to determine now, with any reasonable degree of certainty, how much of our operating cash flow we should retain in our business and when it should be retained to preserve our capital base. The amount of operating cash flow we retain in our business will affect the amount of our dividends. Factors that will impact our decisions regarding the amount of funds to be retained in our business to preserve our capital base, include the following, many of which are currently unknown and are outside our control:

- (1) the remaining lives of our property plant and equipment;
- (2) the returns that we generate on our retained cash flow, which will depend on the economic terms of any future asset acquisitions and lease terms;
- (3) future contract rates for our assets after the end of their existing leases agreements;
- (4) future operating and financing costs;
- (5) our future refinancing requirements and alternatives and conditions in the relevant financing and capital markets at that time;

- (6) capital expenditures to comply with environmental regulations and asset retirement obligations; and
- (7) unanticipated future events and other contingencies.

Our board of directors periodically considers these factors in determining our need to retain funds rather than pay them out as dividends. Unless we are successful in making acquisitions with outside sources of financing that add a material amount to our cash available for retention in our business, or unless our board of directors concludes that we will likely be able to re-deploy our fleet upon expiration of existing leases at rates higher than the rates in our current leases, our board of directors may determine at some future date to reduce, or possibly eliminate, our dividend for reasonable assurance that we are retaining the funds necessary to preserve our capital base.

The following dividends were paid or accrued for the periods indicated:

| (in millions of USD, except per share amounts) | Year Ended December 31, | |
|--|-------------------------|-----------|
| | 2023 | 2022 |
| Dividends on common shares | | |
| Paid in cash | \$ 148.00 | \$ 119.30 |
| Reinvested in common shares through our dividend reinvestment plan | 0.1 | 0.3 |
| | \$ 148.1 | \$ 119.6 |
| Dividends on preferred shares | | |
| Paid in cash | \$ 60.9 | \$ 60.8 |

For more information on our dividend policy, please read “Item 8. Financial Information—A. Financial Statements and Other Financial Information—Dividend Policy.”

For 2023, dividends on our Series D, H, I and J preferred shares accrued at rates per annum of 7.95%, 7.875%, 8.00% and 7.0%, respectively. On October 30, 2023, we redeemed all of our outstanding Series I preferred shares for cash.

C. Research and Development, Patents and Licenses

Not applicable.

D. Trend information

See Item 5 “Operating and Financial Review and Prospects” for information on the following trend information:

- a. “Recent Developments in 2023 and 2024” for detail on recent material events;
- b. “Market Conditions” for information on the containership leasing and power generation markets;
- c. “Impact of the Israel-Hamas Conflict and Red Sea Attacks” for information on how these conflicts may impact our business;
- d. “Impact of the Russia-Ukraine Conflict” for information on how this conflict may impact our business.

See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources” for detail on our commitments with respect to contracted lease payment receipts as well as credit and other material obligations.

E. Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP, which requires us to make estimates in the application of our accounting policies based on our best assumptions, judgments and opinions. Our estimates affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosures. We base our estimates on historical experience and anticipated results and trends and on various other assumptions that we believe are reasonable under the circumstances. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. Accounting estimates and assumptions discussed in this section are those that we consider to be the most critical to an understanding of our financial statements because they inherently involve significant judgments and uncertainties.

Senior management has discussed with our audit committee the development, selection and disclosure of accounting estimates used in the preparation of our consolidated financial statements.

Amortization of Vessel Dry-Docking Activities

We defer costs incurred for dry-docking activities until the next scheduled dry-docking. Dry-docking of our vessels is generally performed every five years and includes major overhaul activities that are comprehensive and all encompassing. We have adopted the deferral method of accounting for dry-dock activities whereby costs incurred are deferred and amortized on a straight-line basis over the period until the next scheduled dry-dock activity.

The major components of routine dry-docking costs include: (i) yard costs, which may include riggers, pilot/tugs, yard fees, hull painting service, deck repairs (such as steel work, anchors, chains, valves, tanks, and hatches) and engine components (such as shafts, thrusters, propeller, rudder, main engine and auxiliary machinery); (ii) non-yard costs which include the paint, technician service costs and parts ordered specifically for dry-dock; and (iii) other costs associated with communications, pilots, tugs, survey fees, port fees, fuel costs for mobilizing the vessel to and from the dry-dock and classification fees.

Repairs and maintenance normally performed on an operational vessel either at port or at sea are limited to repairs to specific damages caused by a particular incident or normal wear and tear, or minor maintenance to minimize the wear and tear to the vessel. Above the water line repairs, minor deck maintenance and equipment repairs may be performed to the extent the operations and safety of the crew and vessel are not compromised. All repairs and maintenance costs are expensed as incurred.

Useful lives property, plant and equipment

Vessels

The carrying value of each of our vessels represents its original cost at the time of delivery or purchase, including acquisition costs directly attributable to the vessel and expenditures made to prepare the vessel for its initial voyage, less accumulated depreciation. We depreciate our vessels using the straight-line method over their estimated useful lives. Second-hand vessels are depreciated from their date of acquisition over their remaining estimated useful life. We review the estimate of our vessels' useful lives on an ongoing basis to ensure they reflect current technology, service potential, and vessel structure. We estimate that the useful life of the vessels will be 30 years from the date of initial completion. Should certain factors or circumstances cause us to revise our estimate of vessel service lives in the future, depreciation expense could be materially lower or higher. Such factors include, but are not limited to, the extent of cash flows generated from future charter arrangements, changes in international shipping requirements, and other factors, many of which are outside of our control.

Power generating equipment

The carrying value of our power generating equipment represents its original cost at the time of purchase, less accumulated depreciation. We depreciate our power generating equipment using the straight-line method over their estimated useful lives. Costs incurred to mobilize and install power-generating equipment pursuant to a contract for the provision of power-generation services are also recorded in property, plant and equipment and are depreciated on a straight-line basis over the non-cancellable lease term to which the power-generating equipment relates. In estimating the useful lives of power generating equipment, we make certain judgments relating to expected usage, expected wear and tear, residual values and technological and commercial obsolescence of the turbines and generators.

Impairment of Long-lived Assets

We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable, which occurs when the assets' carrying value is greater than the undiscounted future cash flows the asset is expected to generate over its remaining useful life. Examples of such events or changes in circumstances related to our long-lived assets include, among others: a significant adverse change in the extent or manner in which the asset is being used or in its physical condition; a significant adverse change in legal factors or in the business climate that could affect the asset's value, including an adverse action or assessment by a foreign government that impacts the use of the asset; or a current-period operating or cash flow loss combined with a history of operating or cash flow losses, or a projection or forecast that demonstrates continuing losses associated with the asset's use. If there has been a general decline in the market value of assets, we analyze our assets for impairment to the extent that the decline in market value is expected to impact the future cash flows of the asset. In cases where our assets being analyzed are under long-term contracts, a decline in the current market value of the asset may not impact the recoverability of its carrying value. The determination of whether impairment indicators exist requires significant judgment in evaluating underlying significant assumptions including charter rates, utilization rates, operating costs and current vessel market values.

If an indicator is identified, and the estimated undiscounted future cash flows of an asset, excluding interest charges, expected to be generated by the use of the asset over its useful life exceeds the asset's carrying value, no impairment is recognized even though the fair value of the asset may be lower than its carrying value. If the estimated undiscounted

future cash flows are less than its carrying amount, an impairment charge is recorded for the amount by which the net book value of the asset exceeds its fair value.

Vessels

When an indicator of impairment is identified for our vessels, our estimates of future cash flows involve assumptions about future charter rates, vessel utilization, operating and dry-docking expenditures, vessel residual values, inflation and the remaining estimated useful lives of our vessels. If undiscounted future cash flows are less than its carrying value, fair value is calculated as the net present value of estimated future cash flows, which in certain circumstances may approximate the estimated market value of the vessel.

Revenue assumptions are based on contracted time charter rates up to the end of the life of the current contract of each vessel, as well as an estimated time charter rate, adjusted for future inflation, for the remaining life of the vessel after the completion of its current contract. The estimated time charter rates for non-contracted revenue days are based on 10-year average time charter rates incorporating historical time charter rate data from an independent third-party maritime research service provider, as well as recent market charter rates relevant to future periods. We consider 10-year historical average rates to be a reasonable estimation of expected future charter rates over the remaining useful life of our vessels since such historical average generally represents a full shipping cycle that captures the highs and lows of the market.

Our estimates of vessel utilization, including estimated off-hire time for dry-docking, off-hire time between time charters and equipment or machinery breakdown, are based on historical experience.

Our estimates of operating, dry-docking expenses and capital expenditures are based on historical and budgeted operating and dry-docking costs and our expectations of future inflation and operating requirements. Expenses, including dry-dock expenses, are impacted by the economic conditions of our industry, including, among other things, crewing costs, insurance and bunker costs and availability of shipyards for dry-docking.

Vessel residual values are a product of a vessel's lightweight tonnage and an estimated scrap rate which takes into consideration historical average scrap prices based on information from third-party maritime research services. Although we believe that the assumptions used to determine the scrap rate are reasonable and appropriate, such assumptions are highly subjective because of the cyclical nature of future demand for scrap steel.

The remaining lives of our vessels used in our estimates of future cash flows are consistent with those used in our calculations of depreciation.

In our experience, certain assumptions relating to our estimates of future cash flows are more predictable by their nature, including estimated revenue under existing contract terms and remaining vessel life. Certain assumptions relating to our estimates of future cash flows require more judgment and are inherently less predictable, such as future charter rates beyond the firm period of existing contracts, ongoing operating costs and vessel residual values. We assess these assumptions on a continuous basis and believe those used to estimate future cash flows of our vessels are reasonable at the time they are made. We can make no assurances however, as to whether our estimates of future cash flows, particularly future vessel charter rates or vessel values, will be accurate.

For the year ended December 31, 2023 and December 31, 2022, based on our analysis, we have not identified any events or changes in circumstances indicating that the carrying amount of the assets may not be recoverable and accordingly, no impairment was recorded.

During 2023, Seaspan entered into agreements to sell a total of 3 vessels. Under current market conditions for our vessel leasing segment, we intend to continue to hold and operate our core vessels. Time charter rates reached record highs in 2022 and although they have since decreased, charter rates remain above historical levels. Future time charter rates impact our average estimated daily time charter rate used in future impairment analyses and if this declines, this may result in estimated undiscounted future operating net cash flows being less than the carrying value of certain of our Panamax-size vessels or below and may require us to recognize non-cash impairment charges in the future equal to the excess of the impacted vessels' carrying value over their fair value. The determination of the fair value of vessels will depend on various market factors and our reasonable assumptions at that time, including time charter rates, operating expenses, capital expenditures, inflation, fleet utilization, residual value, remaining useful life and discount rates. The amount, if any, and timing of any impairment charges we may recognize in the future will depend upon then current assumptions, which may differ materially from period to period.

The following table presents information with respect to the carrying amount of the vessels owned by us and indicates whether their estimated charter-free market values are below their carrying values as of December 31, 2023. The charter-free valuations assume that our vessels are in good and seaworthy condition without need for repair, and, if inspected, they would be certified in class without notations of any kind. Because vessel values can be highly volatile, these charter-free valuations may not be indicative of either the current or future prices that we could achieve if we were to sell

any of the vessels. We would not record an impairment charge for any vessels for which the charter-free market value is below its carrying value unless we determine that the vessel's carrying amount is not recoverable. For those vessels that have carrying values in excess of their charter-free market values as of December 31, 2023, we have not identified any events or changes in circumstances indicating that the carrying amount may not be recoverable. Accordingly, we have not recorded an impairment charge related to those vessels as of December 31, 2023.

| Vessel Class (TEU) (table in millions of U.S. dollars) | Vessel carrying value at December 31, | |
|---|---------------------------------------|-------------------|
| | 2023 ⁽¹⁾ | 2022 |
| 2,500-3,500 | \$ 203.8 | \$ 206.9 |
| 4,250-5,100 ⁽²⁾ | 693.9 | 786.3 |
| 7,000 | 498.9 | — |
| 3,100-9,600 | 1,165.1 | 1,158.8 |
| 10,000-11,000 | 1,616.9 | 1,431.5 |
| 11,800-13,100 | 2,028.0 | 2,101.9 |
| 14,000 - 15,000 | 2,857.2 | 1,137.4 |
| Total | \$ 9,063.8 | \$ 6,822.8 |

⁽¹⁾ As at December 31, 2023, 59 vessels have a lower charter-free market than its carrying value. The aggregate carrying value of these 59 vessels is \$3.4 billion and the estimated charter-free market value is \$2.3 billion. Although the charter-free market values are lower than the carrying values of the vessels, we expect the difference would be less using charter-attached values since the majority of those vessels are on long-term time charters.

⁽²⁾ Includes one vessel classified as asset held for sale.

Power generation equipment

We acquired the assets of APR Energy on February 28, 2020. When an indicator of impairment is identified for our power generation equipment, our estimates of future cash flows used to determine fair value involve assumptions related to future lease rates, asset utilization, off-hire and re-deployment periods, and the remaining estimated useful lives of our assets. If undiscounted future cash flows are less than its carrying value, fair value is calculated as the net present value of estimated future cash flows, which in certain circumstances may approximate the estimated market value of the assets.

Revenue assumptions are based on lease rates up to the end of the current contract for each asset, as well as estimated future lease rates, for the remaining life of the asset after completion of its current contract. The estimated future lease rates for non-contracted revenue periods are based on adjusted historical averages. Our estimates of asset utilization, including estimated off-hire periods for decommissioning, re-deployment and mobilization are also based on historical experience.

The remaining lives of our power generation equipment used in our estimates of future cash flows are consistent with those used in our calculations of depreciation.

For the year ended December 31, 2023, we concluded that the low asset utilization could be considered an indicator that the carrying value of the power generation assets may not be recoverable. As a result, we performed an impairment test of the power generation assets at December 31, 2023 and determined that the undiscounted future cash flows for the group of power generation asset was expected to generate over its remaining useful life was greater than its carrying value, and concluded no impairment charge was required.

Based on our experience, we recognize that key assumptions, including future lease rates and asset utilization require significant judgement and are inherently volatile, given the unpredictable nature of our power generation segment. We assess these assumptions on a continuous basis and believe those used to estimate future cash flows of our assets are reasonable at the time they are made. We can make no assurances however, as to whether our estimates of future cash flows will be accurate.

Based on current market conditions for our mobile power generation segment, we intend to continue to hold and operate our assets. If we are unable to deploy our power generation equipment at rates consistent with historical averages, due to a shift in market demand future lease revenue and utilization rates will decline, resulting in estimated undiscounted future operating net cash flows which may be less than the carrying value of certain of our assets and requiring us to recognize non-cash impairment charges in the future equal to the excess of the impacted asset's carrying value over its fair value. The determination of the fair value of the assets will depend on various market factors and our reasonable assumptions at that time. The amount, if any, and timing of any impairment charges we may recognize in the future will depend upon then current assumptions, which may differ materially from period to period.

Goodwill

We allocate the cost of acquired companies to the identifiable tangible and intangible assets and liabilities acquired, with the remaining amount being classified as goodwill. Our future operating performance may be affected by the potential impairment charges related to goodwill. Accordingly, the allocation of the purchase price to goodwill may significantly affect our future operating results. Goodwill is not amortized, but reviewed for impairment annually, in the fourth quarter or more frequently if impairment indicators arise. The process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment at many points during the analysis.

The allocation of the purchase price of acquired companies requires management to make significant estimates and assumptions, including estimates of future cash flows expected to be generated by the acquired assets and the appropriate discount rate to value these cash flows. In addition, the process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment at many points during the analysis. The fair value of our reporting unit is estimated based on discounted expected future cash flows using a weighted-average cost of capital rate. The estimates and assumptions regarding expected cash flows and the appropriate discount rates require considerable judgment and are based upon existing contracts, historical experience, financial forecasts and industry trends and conditions.

Our goodwill comprising of \$75.3 million from our January 2012 acquisition of Seaspan Management Services Limited, allocated to the containership leasing segment, and was tested for impairment on November 30, 2023. We have the option to assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit, is less than its carrying amount, including goodwill. Alternatively, we may bypass this step and use a fair value approach to identify potential goodwill impairment and, when necessary, measure the amount of impairment.

On November 30, 2023, we performed a qualitative assessment to identify potential impairment. We evaluated factors that would impact the discounted cash flow, including the time charter rates, vessel utilization rates, ship operating expenses, operating life of our vessels, the inflation rate and our cost of capital and concluded that our goodwill was not impaired. The amount, if any, and timing of any goodwill impairment charges that we may recognize in the future will depend upon then current assumptions, which may differ materially from those used on November 30, 2023.

Derivative Instruments

Our hedging policies permit the use of various derivative financial instruments to manage interest rate risk. Interest rate swap have been entered into to reduce our exposure to market risks from changing interest rates. We recognize the interest rate swap agreements on the balance sheet at their fair values.

The fair values of the interest rate swap agreements have been calculated by discounting the future cash flows of both the fixed rate and variable rate interest rate payments. The interest rate payments and discount rates were derived from a yield curve created by nationally recognized financial institutions adjusted for the associated credit risk related to the credit risk of the counterparties or our non-performance risk. The inputs used to determine the fair values of these agreements are readily observable. Accordingly, we have classified the fair value of the interest rate swap Level 2 in the fair value hierarchy as defined by U.S. GAAP. Changes in the fair value of our interest rate swaps are recorded in earnings.

Asset Retirement Obligations

We record a provision and a corresponding long-lived asset for asset retirement obligations (“ARO”) as it relates to our mobile power generation segment, when there is a legal obligation associated with the retirement of long-lived assets and the fair value of the liability can be reasonably estimated. The fair value of the ARO is measured using expected future cash flows discounted at our credit-adjusted risk-free interest rate. The liability is accreted up to the cost of retirement through interest expense over the non-cancellable lease term. The long-lived asset is depreciated over the same period.

We use judgment in determining the amount and timing of settlements, which may change materially in response to factors including, but not limited to changes in laws and regulations, the emergence of new technology, and changes to the timing and scope of work. Changes in the amount or timing of the estimated ARO are recorded as an adjustment to the related asset and liability or to depreciation expense if the asset is fully depreciated.

Item 6. Directors and Senior Management**A. Directors and Senior Management**

Our directors and executive officers as of March 1, 2024, and their ages as of December 31, 2023, are listed below.

| Name | Age | Position |
|------------------------|------------|--|
| David Sokol | 67 | Director and Chairman of the Board of Directors |
| Bing Chen | 57 | Director, President, Chief Executive Officer & Interim Chief Financial Officer |
| Lawrence Simkins | 62 | Director |
| Torsten Holst Pedersen | 53 | Chief Operating Officer |
| Kun Li | 39 | Chief Commercial Officer |
| Stefan Hockley | 52 | Head of Human Resources |
| Krista Yeung | 43 | Vice President, Accounting & Tax |
| Peter Li | 40 | Head of Legal |

David Sokol. David Sokol was appointed a director and chairman of the Company in November 2019 and serves as a director and chairman of Poseidon Corp. Mr. Sokol also served as a director and chairman of Seaspan from 2017 to 2020. Mr. Sokol is a member of the audit committee. Mr. Sokol has founded three companies in his career to date, taken three companies public and as Chairman and CEO of MidAmerican Energy Holdings Company, he sold the company to Berkshire Hathaway, Inc. in 2000. Mr. Sokol continued with Berkshire Hathaway, Inc., until he retired in March 2011, when he left in order to manage his family business investments, Teton Capital, LLC, as Chairman and CEO. Teton Capital, LLC is headquartered in Fort Lauderdale, Florida and is a family holding company which oversees investments in the banking, manufacturing, consumer products, energy, real estate and technology businesses. Mr. Sokol is a member of the board of directors of the Horatio Alger Association of Distinguished Americans. Over Mr. Sokol's 40 year career, he has chaired five corporate boards and over a dozen charitable or community boards. David L. Sokol's business philosophy, based upon vision, strategy and six operating principles, is described in a book he authored in 2008, *Pleased But Not Satisfied*. It is a simple business model with a definite focus on developing future leaders.

Bing Chen. Bing Chen was appointed as a director and President and Chief Executive Officer of the Company in November 2019, and as a director and President and Chief Executive Officer of Seaspan in January 2018. Mr. Chen also serves as a director and Chief Executive Officer of Poseidon Corp. Through a career spanning over 25 years, Mr. Chen's experiences comprise executive roles in Asia, Europe and North America. Before joining the Company and Seaspan, he served as Chief Executive Officer of BNP Paribas (China) Ltd., leading the bank's growth strategy in China. As Director and General Manager for Trafigura Investment (China), Mr. Chen was responsible for the P&L of domestic and international commodities trading in the country. He led the buildup of the greater China investment banking practice at Houlihan Lokey, Inc. as Managing Director and Head of Asia financial advisory. Mr. Chen served as Chief Executive Officer and Chief Financial Officer at industrial leasing and aircraft chartering businesses across Europe. In North America, he worked as Director, Business Strategy at Deutsche Bank in New York. Mr. Chen is a Certified Public Accountant (inactive) and received a B.S. (Magna Cum Laude and Honors) in Accountancy from Bernard Baruch College and MBA (Honors) from Columbia Business School.

Lawrence Simkins. Larry Simkins was appointed as a director of the Company in November 2019 and served as a director of Seaspan from April 2017 to March 2020. Mr. Simkins is chair of the audit committee. Since 2001, Larry Simkins was President and CEO of The Washington Companies, an affiliate of Seaspan's second largest shareholder until he retired in September 2022. As President and CEO, Mr. Simkins provided leadership and strategic direction to the enterprise by serving as a member of the board of directors of each individual company. The Washington Companies consist of privately owned companies and select public company investments in the sectors of rail and marine transportation, shipyards, mining, environmental construction, heavy equipment sales and aviation products. Mr. Simkins is a former director of the Federal Reserve Bank of Minneapolis, completing his second term in December of 2016. Mr. Simkins currently serves on the Board of Trustees of Gonzaga University and the National Executive Board of the Boy Scouts of America. He is a certified public accountant (inactive), and received a B.S., Business Administration (Accounting) from the University of Montana.

Torsten Holst Pedersen. Torsten Holst Pedersen was appointed Chief Operating Officer of Seaspan in June 2020. Mr. Pedersen was Seaspan's Executive Vice President, Ship Management since November 2018 to June 2020. Mr. Pedersen has over 20 years of experience in shipping, logistics and infrastructure, during which he held senior leadership roles and board positions across Europe, Asia, Middle East and Africa. He started his career with the Maersk Group in

1996 and worked in several of the group's business entities, holding C-level positions in Finance and HR. In 2016, Mr. Pedersen joined Inchcape Shipping Service as Regional CEO for Middle East, Africa and South Asia. He then worked as Head of Operations for V Group, leading the transformation of the global operations organization of more than 45,000 employees. Prior to joining Seaspan, Mr. Pedersen worked as a strategy consultant, assisting companies with strategy execution and M&A due diligence in the Middle East and South Asia. He holds a Master of Economics from Aalborg University, Denmark, and a Master of International Economics (with Distinction) from University of Essex, U.K. These have been complemented by executive programs at Wharton and London Business School.

Kun Li. Kun Li joined Seaspan in 2018. Before assuming the role of Chief Commercial Officer in June 2023, Kun Li held various positions at Seaspan, including Director, Vice President, and Senior Vice President of Corporate Development – APAC Operations. From 2014 to 2018, he held management positions at a subsidiary of a significant commodity state-owned enterprise in China, where he was responsible for domestic and international commodity trading and asset management. From 2006 to 2014, he worked at Shanghai Waigaoqiao Free Trade Zone United Development Co., Ltd. and Shanghai Free Trade Zone United Development Co., Ltd., focusing on land development, commercial negotiation, and government investment projects. Kun Li graduated from Shanghai International Studies University in 2006.

Stefan Hockley. Stefan Hockley is Head of Human Resources of Seaspan Corporation. Mr. Hockley has over 20 years of leadership experience in senior international People & Culture roles with employee bases in North America, Europe and Asia Pacific. Prior to joining Seaspan, Mr. Hockley was Vice President, Global Human Resources for 6 years at Sierra Wireless Inc., a global leader in IoT products and services with 1,500 global employees in 12 locations where he was responsible for both Human Resources and Facilities. Previously, Mr. Hockley spent 11 years at Ballard Power Systems, a global provider of hydrogen fuel cell products and systems, in progressive Human Resources roles. Mr. Hockley has a bachelor's degree in economics from Lancaster University in UK and holds the Certified Human Resources Professional designation.

Krista Yeung. Krista Yeung was appointed as the Company's Vice President, Accounting and Tax in October 2020 and prior to that was Vice President, Finance from March 2020. Ms. Yeung is a seasoned executive with over 20 years of experience. Since 2006, she has served in various roles with Seaspan, including Corporate Controller. She graduated with a Bachelor of Commerce from the University of British Columbia. Ms. Yeung is a Chartered Professional Accountant (CPA, CA) and prior to joining Seaspan she articulated at KPMG LLP.

Peter Li. Peter Li is Head of Legal and Corporate Secretary of the Company and also serves as Head of Legal and Corporate Secretary of Seaspan. Mr. Li's prior positions since joining Seaspan in September 2019 include Associate General Counsel and Corporate Counsel. Prior to joining the Company, Mr. Li practiced in the areas of corporate commercial law, mergers & acquisitions, and financings in the Vancouver and Hong Kong offices of DLA Piper, an international law firm. Mr. Li was called to the bar in Alberta, Canada in 2010 and is licensed to practice law in British Columbia, Canada. Mr. Li holds a Juris Doctor from the University of Alberta and a Bachelor of Science from the University of British Columbia.

B. Compensation

Compensation of Directors and Officers

Our non-employee directors receive cash and, as described below under “—Equity Incentive Plan,” equity-based compensation.

In 2023, each non-employee member of the Board, other than Mr. Sokol, received the following annual retainers and fees, which were pro-rated for the period up to the closing of the Merger. Each non-employee director received an annual cash retainer of \$80,000. The chair of the audit committee received an annual payment of \$20,000 and each other member of the audit committee received an annual payment of \$10,000 for their committee service, including attendance at regular quarterly committee meetings. The chair of the compensation and governance committee received an annual payment of \$20,000 and each other member of the Compensation and Governance committee received an annual payment of \$10,000 for their committee service, including attendance at regular quarterly committee meetings. Each audit committee member and each compensation and governance committee member also received a payment of \$1,500 for each additional committee meeting (i.e., other than regularly scheduled quarterly meetings) attended during the calendar year. Additionally, non-employee directors, other than Mr. Sokol, who attended committee meetings (other than the regularly scheduled quarterly meetings) at the invitation of the chair of the committee, but who were not members of such committee, also received a payment of \$1,500 per meeting. All annual cash retainers and payments were paid in equal quarterly installments. In August 2022, the Board established a special committee consisting of independent directors of the Board (being Mr. Pitts-Tucker, Mr. Hsu, and Ms. Wade) to, among other things, review, evaluate and negotiate the Merger and alternatives thereto. In 2023, each member of the special committee received monthly cash compensation of \$30,000 up until the closing of the merger.

Officers who also serve as directors do not receive compensation for their service as directors. Each director is reimbursed for reasonable out-of-pocket expenses incurred while attending any meeting of our board of directors or any committee.

For services during the year ended December 31, 2023, Atlas directors and management (15 persons) received aggregate cash compensation of approximately \$8.6 million. We do not have a retirement plan for members of our management team or our directors. The compensation amounts set forth above exclude equity-based compensation paid to our directors and management as described below.

Employment Agreements with Senior Management

Mr. Bing Chen serves as President & Chief Executive Officer of Atlas Corp. and each of its portfolio companies pursuant to an executive employment agreement between Mr. Chen and Seaspan Corporation, initially entered into in October 2017 and most recently amended and restated in June 2020, with an effective date of January 1, 2021. Executive officers of the Company other than Mr. Chen, including Messrs. Torsten Pedersen, Peter Li, Kun Li and Stefan Hockley and Ms. Krista Yeung, have employment arrangements with Seaspan Ship Management Limited, a wholly owned subsidiary of the Company.

Equity Incentive Plan

Prior to the Merger, the Company maintained equity incentive plans (the “Plans”), which were administered by the Board and under which officers, employees and directors of the Company and its subsidiaries could be granted Options, Restricted Shares, restricted stock units (“RSUs”), phantom share units and other stock-based awards as determined by the Board.

Through 2022, the Company issued Options, RSUs and phantom share units to Mr. Sokol, its chief executive officer, non-employee directors and other executive officers.

Under the terms of the Merger Agreement, at the closing of the Merger, other than certain Rollover Equity (as defined in the Merger Agreement), each of the Options, RSUs and phantom share units was exchanged for a current payment or, in the case of unvested awards, a payment at such time at which the award would have otherwise vested.

Following the closing of the Merger, there are no options, RSUs or performance share units outstanding and no additional equity compensation has been granted.

C. Board Practices

General

As of March 1, 2024, the board of directors consisted of three members. Each member of our board is elected to hold office until the next succeeding annual meeting of shareholders and until such director’s successor is elected and has been qualified. The chairman of our board of directors is David Sokol.

Our board of directors has determined that each of the current members of our board of directors, other than Bing Chen, has no material relationship with us, either directly or as a partner, shareholder or officer of an organization that has a material relationship with us, and is therefore independent from management.

The board of directors considered the independence of Mr. Simkins, in light of his relationship with Dennis Washington, who controls entities that together represent a significant shareholder of Poseidon, and determined that Mr. Simkins is an independent director in accordance with our independent director standards.

Committees

The board of directors currently has one committee, the audit committee. The membership of the audit committee and prior to March 28, 2023, the compensation and governance committee, and the function of each of the committees are described below. The audit committee operates under a written charter adopted by the board, which is available under “Corporate Governance” in the Investor Relations section of our website at www.atlascorporation.com.

During the year ended December 31, 2023, the board of directors held five meetings, the audit committee held four meetings, and the compensation and governance committee held one meeting.

The audit committee of the board is composed entirely of directors who currently satisfy applicable NYSE and SEC audit committee independence standards. From March 28, 2023 onwards, the audit committee has been comprised of Lawrence Simkins (Chair) and David Sokol. Until the closing of the Merger on March 28, 2023, the audit committee members were Nicholas Pitts-Tucker (chair), John Hsu, Stephen Wallace and Katie Wade (who became a member of the audit committee in February 2022). All current members of the committee are financially literate, and our board of directors has determined that Mr. Simkins qualifies as an audit committee financial expert. The audit committee assists our

board of directors in fulfilling its responsibilities for general oversight of: (1) the integrity of our consolidated financial statements; (2) our compliance with legal and regulatory requirements; (3) the independent auditors' qualifications and independence; (4) the performance of our internal audit function and independent auditors; and (5) potential conflicts and related party transactions.

Following the Merger, the Company no longer has a compensation and governance committee. Until March 28, 2023, the compensation and governance committee of the board consisted of Lawrence Simkins (chair), David Sokol and Lawrence Chin. The compensation and governance committee was tasked with: (1) reviewing, evaluating and approving our agreements, plans, policies and programs to compensate our officers and directors; (2) reporting on executive compensation, which is included in our proxy statement; (3) otherwise discharging the board's responsibilities relating to the compensation of our officers and directors; (4) assisting the board with corporate governance practices, evaluating director independence and conducting periodic performance evaluations of the members of the board; (5) overseeing our approach and disclosures relating to environmental, social and governance ("ESG") matters; and (6) performing such other functions as the board may assign to the committee from time to time.

Exemptions from NYSE and Nasdaq Stock Market Corporate Governance Rules

As a foreign private issuer with no common shares listed on the NYSE and only notes listed on the Nasdaq Stock Market, we are exempt from most corporate governance rules that apply to U.S. domestic companies under NYSE listing standards and the Nasdaq listing rules.

Unlike domestic companies listed on the NYSE, foreign private issuers are not required to have a majority of independent directors and the standard for independence applicable to foreign private issuers may differ from the standard that is applicable to domestic issuers. Our board of directors has determined that all of our directors, other than Bing Chen, satisfy the NYSE's independence standards for domestic companies.

D. Employees

As of December 31, 2023, we employed approximately 6,400 employees (2022 – 6,200, 2020 – 5,300) on a consolidated basis. Seaspan had approximately 6,000 seagoing staff (2022 – 5,600, 2020 – 4,800) serve on the vessels that we manage and approximately 300 staff (2022 – 300, 2020 – 300) serve on shore in technical, commercial and administrative roles in Canada, Hong Kong and India. APR Energy had approximately 85 (2022 - 100) employees serving at the various plant sites serving in technical, commercial and administrative roles in various locations in the US.

In accordance with Maritime Labour Convention and Hong Kong employment regulations, all Seaspan seagoing staff are covered under a Collective Bargaining Agreement with the Hong Kong Seafarers Co-ordination Committee which is a consolidation of three Hong Kong seagoing staff unions, Merchant Navy Officers Guild (MNOG), Hong Kong Seamans Union (HKSU) and Amalgamated Union of Seafarers (AUS). These unions are duly recognized members of the International Traders Federation (ITF).

E. Share ownership

As a result of the Merger, 100% of our common shares are owned by Poseidon Corp.

F. Disclosure of a registrant's action to recover erroneously awarded compensation

None.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

As a result of the Merger, 100% of our common shares are owned by Poseidon Corp.

B. Related Party Transactions

From time to time, we have entered into agreements and have consummated transactions with certain related parties. These related party agreements and transactions have included Seaspan's private placements with affiliates of Fairfax Financial Holdings Limited (the transactions by which they became a related party), our acquisition of APR Energy, the Merger and other matters. We may enter into related party transactions from time to time in the future. Our board has an audit committee, comprised entirely of independent directors, which must review, and if applicable, approve all proposed material related party transactions.

Lawrence Chin, one of our former directors, serves as a managing director of Hamblin Watsa Investment Counsel Ltd., a wholly-owned subsidiary of Fairfax. Fairfax is a shareholder of Poseidon Corp, the sole shareholder of Atlas. Mr. Chin was one of the appointees to our board by the holders of the Series J Preferred Shares.

Stephen Wallace, one of our former directors, was the other appointee to our board by the holders of the Series J Preferred Shares. Mr. Wallace has no employment relationship with Fairfax. Mr. Wallace served as a director of APR Energy prior to the APR Energy acquisition.

Fairfax Warrant Exercise

In January 2023, Fairfax exercised warrants to purchase 6.0 million common shares of Atlas for gross aggregate proceeds of \$78.7 million. Following this exercise, Fairfax has no outstanding warrants.

Purchase and sale of vessels to ONE or related parties of ONE

In 2023, we completed the purchase of two 8,100 TEU vessels from one of the joint owners of ONE, a shareholder of Poseidon. We also sold one 4,250 TEU vessel to ONE and we continue to manage the ship operations of the vessel.

Poseidon Acquisition of Atlas

For additional information, please read “Item 4. Information on the Company—B. Business Overview—Poseidon Acquisition of Atlas”.

Item 8. Financial Information

A. Financial Statements and Other Financial Information

Please see Item 18 below.

Legal Proceedings

We have not been involved in any legal proceedings that may have, or have had a significant effect on our business, financial position, results of operations or liquidity, and we are not aware of any proceedings that are pending or threatened that may have a material effect on our business, financial position, results of operations or liquidity. From time to time, we may be subject to legal proceedings and claims in the ordinary course of business, including commercial disputes and personal injury and property casualty claims. With respect to personal injury and property casualty claims, we expect that these claims would be covered by insurance, subject to customary deductibles. Any legal proceedings, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

Dividend Policy

As a privately-held company, we do not have a public dividend policy. Atlas Corp. expects to continue to pay dividends to our sole shareholder at such times and in such amounts as approved by our board. Any payment of dividends on our common shares is dependent on our ability to pay the required dividends under our preferred shares.

Our board could modify or revoke our dividend policy at any time. Even if our dividend policy is not modified or revoked, the actual amount of dividends distributed under the policy, and the decision to make any distribution, will remain at all times entirely at the discretion of our board.

Please read “Item 3. Key Information—D. Risk Factors” for a more detailed description of various factors that could reduce or eliminate our ability to pay dividends on our preferred shares.

B. Significant Changes

None.

Item 9. The Offer and Listing

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Our (i) amended and restated articles of incorporation as well as our Series D Statement of Designation, and Series H Statement of Designation were previously filed as Exhibits 3.1, 3.3, and 3.6, respectively, to our Form 6-K furnished to the SEC on February 27, 2020, (ii) amended and restated bylaws were previously filed as Exhibit 1.2 to our Form 20-F filed with the SEC on March 19, 2021, and (iii) Series J Statement of Designation was previously filed as Exhibit 1.1 to our Form 6-K furnished to the SEC on June 14, 2021, and are all hereby incorporated by reference into this Annual Report. In

addition, a summary of the material terms of our common shares and preferred shares is filed herewith. Under the BCA, the Statements of Designation are deemed amendments to our articles of incorporation. Our amended and restated articles of incorporation, and Statements of Designation have also been filed with the Registrar of Corporations of the Republic of the Marshall Islands.

The necessary actions required to change the rights of shareholders, and the conditions governing the manner in which annual general meetings and special meetings of shareholders are convened are described in our bylaws.

C. Material Contracts

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which we are a party, for the two years immediately preceding the date of this Annual Report:

(a) Form of Indemnification Agreement between Atlas Corp. and each of its directors and officers, previously filed as Exhibit 4.1 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(b) Amended and Restated Management Agreement among Seaspan Corporation, Seaspan Management Services Limited, Seaspan Advisory Services Limited, Seaspan Ship Management Ltd. and Seaspan Crew Management Ltd. dated as of May 4, 2007, previously filed as Exhibit 99.1 to Seaspan Corporation's Form 6-K/A, furnished to the SEC on October 10, 2007.

(c) Amendment to Amended and Restated Management Agreement among Seaspan Corporation, Seaspan Management Services Limited, Seaspan Advisory Services Limited, Seaspan Ship Management Ltd. and Seaspan Crew Management Ltd. dated as of August 5, 2008, previously filed as Exhibit 4.9 to Seaspan Corporation's Form 20-F, filed with the SEC on March 30, 2011.

(d) Acquisition Agreement, dated November 20, 2019, by and among the sellers party thereto, Apple Bidco Limited, Seaspan Corporation, Atlas Corp. and Fairfax Financial Holdings Limited, as the seller representative, previously filed as Exhibit 4.2 to Seaspan's Form 6-K, furnished to the SEC on November 22, 2019.

(e) Amendment No. 1 to the Agreement and Plan of Merger, dated December 31, 2019, by and among Seaspan Corporation, Atlas Corp. and Seaspan Holdco V Ltd., previously filed as Exhibit 2.2 to Atlas Corp.'s Amendment No. 1 to Registration Statement on Form 4-F, filed with the SEC on December 31, 2019.

(f) Assignment and Assumption Agreement, dated as of February 5, 2020, by and among Seaspan Corporation, Atlas Corp., the guarantors specified therein and the investors specified therein, previously filed as Exhibit 4.1 to Seaspan Corporation's Form 6-K, furnished to the SEC on February 10, 2020.

(g) Amendment and Waiver to Acquisition Agreement, dated February 21, 2020, by and among Apple Bidco Limited, Atlas Corp., Fairfax Financial Holdings Limited, in its capacity as the "Seller Representative", and the other Parties listed on the signature pages attached hereto, previously filed as Exhibit 4.1 to Seaspan's Form 6-K, furnished to the SEC on February 26, 2020.

(h) Credit Agreement, dated February 28, 2020, by and among, *inter alia*, APR Energy, LLC, as borrower, Citibank, N.A., as administrative agent, and the lenders from time to time party thereto, previously filed as Exhibit 4.44 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(i) Intercreditor and Proceeds Agreement, dated February 28, 2020, by and among APR Energy, LLC, as borrower, certain affiliates of the borrower from time to time party thereto, the other secured parties from time to time party thereto, UMB Bank, National Association and Citibank, N.A., previously filed as Exhibit 4.45 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(j) APR Guaranty, dated February 28, 2020, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee, previously filed as Exhibit 4.46 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(k) Registration Rights Agreement, dated February 28, 2020, by and among Atlas Corp. and the investors specified therein, previously filed as Exhibit 4.47 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(l) Credit Agreement, dated March 6, 2020, by and among, *inter alia*, APR Energy, LLC, as borrower, Citibank, N.A., as administrative agent, and the lenders from time to time party thereto, previously filed as Exhibit 4.48 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(m) APR Guaranty, dated March 6, 2020, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee, previously filed as Exhibit 4.49 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(n) Amendment Side Letter to Credit Agreement, dated as of March 19, 2020, by and among APR Energy, LLC, as Borrower, Atlas Corp., as Parent Guarantor, and Citibank, N.A., as Administrative Agent, previously filed as Exhibit 4.50 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020.

(o) Agreement and Amendment No. 2 to Acquisition Agreement, dated June 30, 2020, by and among Apple Bidco Limited, Atlas Corp., each shareholder listed on the signature pages thereto, and Fairfax Financial Holdings Limited, in its capacity as the Seller Representative, previously filed as Exhibit 10.1 to Atlas's Form 6-K, furnished to the SEC on August 13, 2020.

(p) Indenture, dated March 19, 2021, between Atlas Corp. and The Bank of New York Mellon, as trustee, previously filed as Exhibit 4.1 to Atlas Corp.'s Form F-4, filed with the SEC on March 19, 2021.

(q) Agreement and Amendment No. 3 to Acquisition Agreement, dated as of April 30, 2021, among Atlas Corp., Apple Bidco Limited and Fairfax Financial Holdings Limited, in its individual capacity and in its capacity as Seller Representative, previously filed as Exhibit 4.1 to Atlas Corp.'s Form 6-K, furnished to the SEC on May 3, 2021.

(r) First Supplemental Indenture, dated May 17, 2021, between Atlas Corp. and The Bank of New York Mellon, as trustee, previously filed as Exhibit 4.35 to Atlas Corp.'s Form 20-F, furnished to the SEC on March 24, 2022.

(s) Note Purchase Agreement, dated as of May 21, 2021, among Seaspan Holdco III Ltd., Seaspan Corporation, a group of institutional investors, Citibank N.A. as Note Administrative Agent, Registrar and Paying Agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator, previously filed as Exhibit 4.5 to Atlas Corp.'s Form 6-K, furnished to the SEC on May 27, 2021.

(t) Subscription and Exchange Agreement, among Atlas Corp., Seaspan Corporation and the other signatory parties thereto, dated June 11, 2021, previously filed as Exhibit 4.1 to Atlas Corp.'s Form 6-K, furnished to the SEC on June 14, 2021.

(u) Fifteenth Supplemental Indenture between Seaspan Corporation and The Bank of New York Mellon, as trustee, dated June 11, 2021, previously filed as Exhibit 4.4 to Atlas Corp.'s Form 6-K, furnished to the SEC on June 14, 2021.

(v) Indenture, dated as of July 14, 2021, by and between Seaspan Corporation and The Bank of New York Mellon, as trustee (including form of 5.50% Blue Transition Senior Notes due 2029), previously filed as Exhibit 4.1 to Atlas Corp.'s Form 6-K, furnished to the SEC on July 14, 2021.

(w) Note Purchase Agreement, dated as of May 17, 2022, among Seaspan Holdco III Ltd., Seaspan Corporation, a group of institutional investors, Citibank N.A. as Note Administrative Agent, Registrar and Paying Agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator, previously filed as Exhibit 10.1 to Atlas Corp.'s Form 6-K, furnished to the SEC on August 12, 2022.

(x) First Amended and Restated Credit Agreement, dated as of June 29, 2022, by and among APR Energy, LLC, as US Borrower, APR Energy Holdings Limited, as UK Borrower, Citibank, N.A., as Administrative Agent, Citibank, N.A., as Sole Structuring Agent, Citibank N.A., Export Development Canada, Bank of Montreal, Chicago Branch and Toronto-Dominion Bank, as Mandated Lead Arrangers, and the several lenders from time to time party thereto, previously filed as Exhibit 10.2 to Atlas Corp.'s Form 6-K, furnished to the SEC on August 12, 2022.

(y) First Amended and Restated Intercreditor and Proceeds Agreement, dated as of June 29, 2022, by and among APR Energy, LLC, as US Borrower, APR Energy Holdings Limited, as UK Borrower, certain affiliates of APR Energy, LLC from time to time party thereto, the other secured parties from time to time party thereto, UMB Bank, National Association, as Security Trustee, and Citibank, N.A., as Administrative Agent, previously filed as Exhibit 10.3 to Atlas Corp.'s Form 6-K, furnished to the SEC on August 12, 2022.

(z) First Amended and Restated APR Guaranty, dated June 29, 2022, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee, previously filed as Exhibit 10.4 to Atlas Corp.'s Form 6-K, furnished to the SEC on August 12, 2022.

(aa) Agreement and Plan of Merger, dated as of October 31, 2022, by and among Atlas Corp., Poseidon Acquisition Corp and Poseidon Merger Sub, Inc., previously filed as Exhibit (d)(1) to Atlas Corp.'s Schedule 13E-3/A furnished to the SEC on January 9, 2023.

(bb) Second Amended and Restated Credit Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Credit Agreement dated as of May 19, 2021, among (inter alios) Seaspan Holdco III Ltd., as borrower, Seaspan Corporation, as guarantor, the several lenders from time to time party thereto, Citibank, N.A., as administrative agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator, filed herewith.

(cc) Second Amended and Restated Credit Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Credit Agreement dated as of May 19, 2021, among (inter alios) Seaspan Holdco III Ltd., as borrower, Seaspan Corporation, as guarantor, the several lenders from time to time party thereto, Citibank, N.A., as administrative agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator, filed herewith.

(dd) Second Amended and Restated Intercreditor and Proceeds Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Intercreditor and Proceeds Agreement dated as of May 19, 2021, among Seaspan Holdco III Ltd., Seaspan Corporation, certain subsidiaries of Seaspan Holdco III Ltd. from time to time party thereto, as subsidiary guarantors, the other secured parties from time to time party thereto, UMB Bank, National Association, as security trustee, and Citibank, N.A., as administrative agent, filed herewith.

D. Exchange Controls

We are not aware of any governmental laws, decrees or regulations in the Republic of the Marshall Islands that restrict the export or import of capital, including foreign exchange controls, or that affect the remittance of dividends, interest or other payments to non-resident holders of our securities.

We are not aware of any limitations on the right of non-resident or foreign owners to hold or vote our securities imposed by the laws of the Republic of the Marshall Islands or our articles of incorporation and bylaws.

E. Taxation

Material U.S. Federal Income Tax Considerations

The following is a discussion of certain material U.S. federal income tax considerations that may be relevant to our shareholders. This discussion is based upon the provisions of the Code, applicable U.S. Treasury Regulations promulgated thereunder, legislative history, judicial authority and administrative interpretations, as of the date of this Annual Report, all of which are subject to change, possibly with retroactive effect, or are subject to different interpretations. Changes in these authorities may cause the U.S. federal income tax considerations to vary substantially from those described below.

This discussion applies only to beneficial owners of our shares that own the shares as “capital assets” (generally, for investment purposes) and does not comment on all aspects of U.S. federal income taxation that may be important to certain shareholders in light of their particular circumstances, such as shareholders subject to special tax rules (*e.g.*, financial institutions, regulated investment companies, real estate investment trusts, insurance companies, traders in securities that have elected the mark-to-market method of accounting for their securities, persons liable for alternative minimum tax, broker-dealers, tax-exempt organizations, shareholders that own, directly, indirectly or constructively, 10% or more of our shares (by vote or value), or former citizens or long-term residents of the United States) or shareholders that hold our shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes, all of whom may be subject to U.S. federal income tax rules that differ significantly from those summarized below. If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our shares, the tax treatment of its partners generally will depend upon the status of the partner and the activities of the partnership. Partners in partnerships holding our shares should consult their own tax advisors to determine the appropriate tax treatment of the partnership’s ownership of our shares.

No ruling has been requested from the IRS regarding any matter affecting us or our shareholders. Accordingly, statements made herein may not be sustained by a court if contested by the IRS.

This discussion does not address any U.S. estate, gift or alternative minimum tax considerations or tax considerations arising under the laws of any state, local or non-U.S. jurisdiction. This discussion does not address any U.S. federal income tax consequences of the status, or potential status, of the company as a “controlled foreign corporation” under the Code. Each shareholder is urged to consult its tax advisor regarding the U.S. federal, state, local, non-U.S. and other tax consequences of owning and disposing of our shares.

U.S. Federal Income Taxation of U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of our shares that is for U.S. federal income tax purposes: (a) a U.S. citizen or U.S. resident alien (or a U.S. Individual Holder); (b) a corporation, or other entity taxable as a corporation that was created or organized under the laws of the United States, any state thereof, or the District of Columbia; (c) an estate whose income is subject to U.S. federal income taxation regardless of its source or (d) a trust that either is subject to the supervision of a court within the United States and has one or more U.S. persons with authority to control all of its substantial decisions or has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions

Subject to the discussion of passive foreign investment companies (“PFICs”), below, we believe that we are a “qualified foreign corporation” and therefore any distributions made by us to a U.S. Holder of our preferred equity generally will constitute dividends, which may be taxable as ordinary income or “qualified dividend income” as described in more detail below, to the extent of our current and accumulated earnings and profits allocated to the U.S. Holder’s shares, as determined under U.S. federal income tax principles. Distributions in excess of our current and accumulated earnings and profits allocated to the U.S. Holder’s shares will be treated first as a nontaxable return of capital to the extent of the U.S. Holder’s tax basis in our shares and thereafter as capital gain, which will be either long-term or short-term capital gain depending upon whether the U.S. Holder has held the shares for more than one year. U.S. Holders that are corporations generally will not be entitled to claim a dividends received deduction with respect to any distributions they receive from us. For purposes of computing allowable foreign tax credits for U.S. federal income tax purposes, dividends received with respect to our shares should be treated as foreign source income.

Under current law, subject to holding-period requirements and certain other limitations, dividends received with respect to our publicly traded shares by a U.S. Holder who is an individual, trust or estate, or a Non-Corporate U.S. Holder, generally will be treated as qualified dividend income that is taxable to such Non-Corporate U.S. Holder at preferential capital gain tax rates (provided we are not classified as a PFIC for the taxable year during which the dividend is paid or the immediately preceding taxable year). Any dividends received with respect to our publicly traded shares not eligible for these preferential rates will be taxed as ordinary income to a Non-Corporate U.S. Holder.

Special rules may apply to any “extraordinary dividend” paid by us. Generally, an extraordinary dividend is a dividend with respect to a share of stock if the amount of the dividend is equal to or in excess of 5% of a preferred shareholder’s adjusted tax basis (or fair market value in certain circumstances) in such share. In addition, extraordinary dividends include dividends received within a one-year period that, in the aggregate, exceed 20% of a shareholder’s adjusted tax basis (or fair market value in certain circumstances). If we pay an extraordinary dividend on our shares that is treated as qualified dividend income, then any loss recognized by a Non-Corporate U.S. Holder from the sale or exchange of such shares will be treated as long-term capital loss to the extent of the amount of such dividend.

Sale, Exchange or Other Disposition of Our Shares

Subject to the discussion of PFICs below, a U.S. Holder generally will recognize capital gain or loss upon a sale, exchange or other disposition of our shares in an amount equal to the difference between the amount realized by the U.S. Holder from such sale, exchange or other disposition and the U.S. Holder’s tax basis in such shares.

Subject to the discussion of extraordinary dividends above, such gain or loss generally will be treated as (a) long-term capital gain or loss if the U.S. Holder’s holding period is greater than one year at the time of the sale, exchange or other disposition, or short-term capital gain or loss otherwise, and (b) U.S. source income or loss, as applicable, for foreign tax credit purposes. Non-Corporate U.S. Holders may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. A U.S. Holder’s ability to deduct capital losses is subject to certain limitations.

This disclosure does not address any U.S. federal income tax consequences of the status, or potential status, of the company as a “controlled foreign corporation” under the Code.

PFIC Status and Significant Tax Consequences

Special and adverse U.S. federal income tax rules apply to a U.S. Holder that holds stock in a non-U.S. corporation classified as a PFIC for U.S. federal income tax purposes. In general, we will be treated as a PFIC for any taxable year in which either (a) at least 75% of our gross income (including the gross income of certain of our subsidiaries) consists of passive income or (b) at least 50% of the average value of our assets (including the assets of certain of our subsidiaries) is attributable to assets that produce, or are held for the production of, passive income. For purposes of these tests, passive income includes dividends, interest, gains from the sale or exchange of investment property and rents and royalties (other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business) but does not include income derived from the performance of services.

There are legal uncertainties involved in determining whether the income derived from our time chartering activities constitutes rental income or income derived from the performance of services, including legal uncertainties arising from the decision in *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), which held that income derived from certain time chartering activities should be treated as rental income rather than services income for purposes of a foreign sales corporation provision of the Code. However, the IRS stated in an Action on Decision (AOD 2010-01) that it disagrees with, and will not acquiesce to, the way that the rental versus services framework was applied to the facts in the *Tidewater* decision, and in its discussion stated that the time charters at issue in *Tidewater* would be treated as producing services income for PFIC purposes. The IRS’s statement with respect to *Tidewater* cannot be relied upon or otherwise cited as

precedent by taxpayers. Consequently, in the absence of any binding legal authority specifically relating to the statutory provisions governing PFICs, there can be no assurance that the IRS or a court would not follow the *Tidewater* decision in interpreting the PFIC provisions of the Code. Nevertheless, based on the current composition of our assets and operations (and that of our subsidiaries), we intend to take the position that we are not now and have never been a PFIC. Further, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC with respect to any taxable year, there can be no assurance that the nature of our operations, and therefore the composition of our income and assets, will remain the same in the future. Moreover, the market value of our stock may be treated as reflecting the value of our assets at any given time. Therefore, a decline in the market value of our stock (which is not within our control) may impact the determination of whether we are a PFIC. Because our status as a PFIC for any taxable year will not be determinable until after the end of the taxable year, there can be no assurance that we will not be considered a PFIC for the current or any future taxable year.

As discussed more fully below, if we were to be treated as a PFIC for any taxable year, a U.S. Holder generally would be subject to one of three different U.S. income tax regimes, depending on whether the U.S. Holder makes certain elections.

If we were to be treated as a PFIC and you are a U.S. Holder, unless you make an effective “qualified electing fund” (“QEF”) election, gain realized on the sale or other disposition of your shares would in general not be treated as capital gain. Instead, unless you effectively elect to be taxed annually on a mark-to-market basis with respect to your shares, you would be treated as if you had realized such gain and certain “excess distributions” ratably over your holding period for the shares and would be taxed at the highest tax rate in effect for each previous year to which the gain was allocated in which we were a PFIC with respect to you, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, your shares will be treated as stock in a PFIC if we were a PFIC at any time during your holding period in your shares. Dividends that you receive from us will not be eligible for the special tax rates applicable to qualified dividend income if we are a PFIC or are treated as a PFIC with respect to you either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income. If you own shares during any year that we are a PFIC with respect to you, you may be required to file IRS Form 8621. The QEF election is conditioned upon our furnishing you annually with certain tax information. We may not take the action necessary for a U.S. shareholder to make a QEF election in the event our company is determined to be a PFIC.

Taxation of U.S. Holders Not Making a Timely QEF Election or Mark-to-Market Election

Finally, if we were to be treated as a PFIC for any taxable year and if a U.S. Holder did not make either a QEF election or a mark-to-market election for that year, the U.S. Holder would be subject to special rules resulting in increased tax liability with respect to (a) any excess distribution (*i.e.*, the portion of any distributions received by the U.S. Holder on our shares in a taxable year in excess of 125% of the average annual distributions received by the U.S. Holder in the three preceding taxable years, or, if shorter, the U.S. Holder’s holding period for our shares) and (b) any gain realized on the sale, exchange or other disposition of our shares. Under these special rules:

- the excess distribution or gain would be allocated ratably over the U.S. Holder’s aggregate holding period for our shares;
- the amount allocated to the current taxable year and any taxable year prior to the taxable year we were first treated as a PFIC with respect to the U.S. Holder would be taxed as ordinary income in the current taxable year;
- the amount allocated to each of the other taxable years would be subject to U.S. federal income tax at the highest rate of tax in effect for the applicable class of taxpayers for that year, and
- an interest charge for the deemed deferral benefit would be imposed with respect to the resulting tax attributable to each such other taxable year.

Additionally, for each year during which (a) a U.S. Holder owns shares, (b) we are a PFIC and (c) the total value of all PFIC stock that such U.S. Holder directly or indirectly owns exceeds certain thresholds, such U.S. Holder will be required to file IRS Form 8621 with its annual U.S. federal income tax return to report its ownership of our shares. In addition, if a U.S. Individual Holder dies while owning our shares, such U.S. Individual Holder’s successor generally would not receive a step-up in tax basis with respect to such shares.

U.S. Holders are urged to consult their own tax advisors regarding the PFIC rules, including the PFIC annual reporting requirements, as well as the applicability, availability and advisability of, and procedure for, making QEF or mark-to-market elections and other available elections with respect to us, and the U.S. federal income tax consequences of making such elections.

Medicare Tax on Unearned Income

Certain Non-Corporate U.S. Holders are subject to a 3.8% tax on certain investment income, including dividends and gain from the sale or other disposition of our shares. Non-Corporate U.S. Holders should consult their advisors regarding the effect, if any, of this tax on their ownership and disposition of our shares.

U.S. Return Disclosure Requirements for U.S. Individual Holders

Generally, U.S. Individual Holders who hold certain specified foreign financial assets, including stock in a foreign corporation that is not held in an account maintained by a financial institution, with an aggregate value in excess of \$50,000 on the last day of a taxable year, or \$75,000 at any time during that taxable year, may be required to report such assets on IRS Form 8938 with their U.S. federal income tax return for that taxable year. This reporting requirement does not apply to U.S. Individual Holders who report their ownership of our shares under the PFIC annual reporting rules described above. Penalties apply for failure to properly complete and file IRS Form 8938. Investors are encouraged to consult with their tax advisors regarding the possible application of this disclosure requirement to their investment in our shares.

U.S. Federal Income Taxation of Non-U.S. Holders

A beneficial owner of our shares (other than a partnership or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder is a non-U.S. Holder.

Distributions

In general, a non-U.S. Holder is not subject to U.S. federal income tax on distributions received from us with respect to our shares unless the distributions are effectively connected with the non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment that the non-U.S. Holder maintains in the United States). If a non-U.S. Holder is engaged in a trade or business within the United States and the distributions are deemed to be effectively connected to that trade or business, the non-U.S. Holder generally will be subject to U.S. federal income tax on those distributions in the same manner as if it were a U.S. Holder.

Sale, Exchange or Other Disposition of Our Shares

In general, a non-U.S. Holder is not subject to U.S. federal income tax on any gain resulting from the disposition of our shares unless (a) such gain is effectively connected with the non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment that the non-U.S. Holder maintains in the United States) or (b) the non-U.S. Holder is an individual who is present in the United States for 183 days or more during the taxable year in which those shares are disposed of (and certain other requirements are met). If a non-U.S. Holder is engaged in a trade or business within the United States and the disposition of shares is deemed to be effectively connected to that trade or business, the non-U.S. Holder generally will be subject to U.S. federal income tax on the resulting gain in the same manner as if it were a U.S. Holder.

Information Reporting and Backup Withholding

In general, payments of distributions with respect to, or the proceeds of a disposition of our shares to a Non-Corporate U.S. Holder will be subject to information reporting requirements. These payments to a Non-Corporate U.S. Holder also may be subject to backup withholding if the Non-Corporate U.S. Holder:

- fails to timely provide an accurate taxpayer identification number;
- is notified by the IRS that it has failed to report all interest or distributions required to be shown on its U.S. federal income tax returns; or
- in certain circumstances, fails to comply with applicable certification requirements.

Non-U.S. Holders may be required to establish their exemption from information reporting and backup withholding on payments made to them within the United States, or through a U.S. payor, by certifying their status on an IRS Form W-8BEN, W-8BEN-E, W-8ECI, W-8EXP or W-8IMY, as applicable.

Backup withholding is not an additional tax. Rather, a shareholder generally may obtain a credit for any amount withheld against its liability for U.S. federal income tax (and obtain a refund of any amounts withheld in excess of such liability) by accurately completing and timely filing a U.S. federal income tax return with the IRS.

Material Marshall Islands Tax Considerations

Because we do not, and we do not expect that we will, conduct business or operations in the Republic of the Marshall Islands, under current Marshall Islands law our shareholders will not be subject to Marshall Islands taxation or withholding on distributions, including upon a return of capital, we make to our shareholders. In addition, our shareholders

will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, ownership or disposition of shares, and our shareholders will not be required by the Republic of the Marshall Islands to file a tax return relating to the shares.

Each prospective shareholder is urged to consult its tax counsel or other advisor with regard to the legal and tax consequences, under the laws of pertinent jurisdictions, including the Marshall Islands, of its investment in us. Further, it is the responsibility of each shareholder to file all state, local and non-U.S., as well as U.S. federal tax returns that may be required of it.

Material U.K. Tax Considerations

The following discussion is a summary of the material U.K. tax considerations under current U.K. tax law and HM Revenue & Customs (“HMRC”) published practice applying as at the date of this Annual report (both of which are subject to change at any time, possibly with retrospective effect) relating to the holding of Atlas shares by non-U.K. tax resident holders of Atlas shares. It does not constitute legal or tax advice to any particular shareholder and does not purport to be a complete analysis of all U.K. tax considerations relating to the holding of shares, or all of the circumstances in which holders of Atlas shares may benefit from an exemption or relief from U.K. taxation. It is understood that Atlas does not (and will not) derive 75% or more of its qualifying asset value from U.K. land, and that, Atlas is solely resident in the U.K. for tax purposes and will therefore be subject to the U.K. corporation tax regime.

This guide may not relate to certain classes of shareholders, such as (but not limited to):

- persons who are connected with the company;
- financial institutions;
- insurance companies;
- charities or tax-exempt organizations;
- collective investment schemes;
- pension schemes;
- market makers, intermediaries, brokers or dealers in securities;
- persons who have (or are deemed to have) acquired their shares by virtue of an office or employment or who are or have been officers or employees of the company or any of its affiliates; and
- individuals who are subject to U.K. taxation on a remittance basis.

THESE PARAGRAPHS ARE A SUMMARY OF MATERIAL U.K. TAX CONSIDERATIONS RELATING TO THE HOLDING OF ATLAS SHARES AND ARE INTENDED AS A GENERAL GUIDE ONLY. IT IS RECOMMENDED THAT ALL HOLDERS OF ATLAS SHARES OBTAIN ADVICE AS TO THE CONSEQUENCES OF OWNERSHIP AND DISPOSAL OF ATLAS SHARES IN THEIR OWN SPECIFIC CIRCUMSTANCES FROM THEIR OWN TAX ADVISORS. IN PARTICULAR, NON-U.K. RESIDENT OR DOMICILED PERSONS ARE ADVISED TO CONSIDER THE POTENTIAL IMPACT OF ANY RELEVANT DOUBLE TAXATION AGREEMENTS.

Dividends; Withholding Tax

Dividends paid by Atlas will not be subject to any withholding or deduction for or on account of U.K. tax.

Income Tax

An individual holder of Atlas shares who is not resident for tax purposes in the U.K. will not be chargeable to U.K. income tax on dividends received from Atlas unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the U.K. through a branch or agency to which the shares are attributable. There are certain exceptions for trading in the U.K. through independent agents, such as some brokers and investment managers.

Corporation Tax

A corporate holder of shares who is not resident for tax purposes in the U.K. will not be chargeable to U.K. corporation tax on dividends received from Atlas unless it carries on (whether solely or in partnership) a trade in the U.K. through a permanent establishment to which the shares are attributable.

Chargeable Gains

A holder of Atlas shares who is not resident for tax purposes in the U.K. will not generally be liable to U.K. capital gains tax or corporation tax on chargeable gains on a disposal (or deemed disposal) of Atlas shares unless the person is

carrying on (whether solely or in partnership) a trade, profession or vocation in the U.K. through a branch, agency or permanent establishment to which the shares are attributable. However, an individual holder of Atlas shares who has ceased to be resident for tax purposes in the U.K. for a period of less than five years and who disposes of Atlas shares during that period may be liable, on his or her return to the U.K., to U.K. tax on any capital gain realized (subject to any available exemption or relief).

Stamp duty and stamp duty reserve tax (SDRT)

No U.K. stamp duty or stamp duty reserve tax (“SDRT”) will be payable on the issuance of Atlas shares. U.K. stamp duty will generally not need to be paid on a transfer of Atlas shares, and no U.K. SDRT will be payable in respect of any agreement to transfer Atlas shares unless they are registered in a register kept in the U.K. by or on behalf of Atlas. It is not intended that such a register will be kept in the U.K. The statements in this paragraph summarize the current position on stamp duty and SDRT and are intended as a general guide only. Special rules apply to agreements made by, amongst others, intermediaries and certain categories of person may be liable to stamp duty or SDRT at higher rates. In particular, this paragraph does not consider where shares are issued or transferred to clearance services or depository receipt issuers.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

Documents concerning us that are referred to herein may be inspected at the offices of Seaspan Ship Management Ltd. at 2600-200 Granville Street, Vancouver, British Columbia. Those documents electronically filed with the SEC may be obtained from the SEC’s website at www.sec.gov or from the SEC public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Further information on the operation of the public reference rooms may be obtained by calling the SEC at 1-800-SEC-0330.

I. Subsidiary Information

Not applicable.

J. Annual Report to Securities Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in interest rates and foreign currency fluctuations. We use interest rate swaps to manage interest rate price risks. We enter into capped call transactions to manage exposures to changes in the price of our common shares. We do not use these financial instruments for trading or speculative purposes.

Interest Rate Risk

As of December 31, 2023, our variable-rate credit facilities totaled \$1.5 billion, of which we had entered into nine interest rate swap agreements to fix the rates on a notional principal amount of \$1.5 billion. These interest rate swaps swap mature between 2024 and 2032 and have a fair value of \$86.1 million in our favor, on a net basis. Counterparties to these financial instruments may expose us to credit-related losses in the event of non-performance. As of December 31, 2023, these financial instruments are in our favor. We have considered and reflected the risk of non-performance by us in the fair value of our financial instruments as of December 31, 2023. As part of our consideration of non-performance risk, we perform evaluations of our counterparties for credit risk through ongoing monitoring of their financial health and risk profiles to identify funding risk or changes in their credit ratings.

Counterparties to these agreements are major financial institutions, and we consider the risk of loss due to non-performance to be minimal. We do not require collateral from these institutions. We do not hold and will not issue interest rate swaps for trading purposes.

The tables below provide information about our financial instruments at December 31, 2023 that are sensitive to changes in interest rates. Please see note 12 – “Long term debt”, note 13 – “Operating lease liabilities”, note 14 – “Finance lease liabilities” and note 15 – “Other financing arrangements” to our consolidated financial statements included in this

Annual Report, which provides additional information with respect to our existing credit and lease facilities.

| In Millions of USD | Principal Payment Dates | | | | | | | Total |
|--|-------------------------|----------|----------|----------|----------|------------|------------|-------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | | |
| Credit facilities ⁽¹⁾ | \$ 103.9 | \$ 103.9 | \$ 103.9 | \$ 103.9 | \$ 764.0 | \$ 316.0 | \$ 1,495.6 | |
| Vessel Operating Leases ⁽²⁾ | 102.4 | 105.9 | 105.6 | 75.6 | 24.7 | 5.8 | 420.0 | |
| Vessel Finance Leases ⁽³⁾ | 66.5 | — | — | — | — | — | 66.5 | |
| Sale-Leaseback Facilities ⁽⁴⁾ | 277.8 | 279.3 | 300.6 | 306.3 | 310.4 | 3,182.1 | 4,656.5 | |

⁽¹⁾ Represents principal payments on amounts drawn on our credit facilities that bear interest at variable rates. We have entered into interest rate swap agreements under certain of our credit facilities to swap the variable interest rates for fixed interest rates. For the purposes of this table, principal payments are determined based on contractual repayments in commitment reduction schedules for each related facility.

⁽²⁾ Represents payments under our operating leases. Payments under the operating leases have a variable component based on underlying interest rates.

⁽³⁾ Represents payments under our finance leases. Payments under the finance leases have a variable component based on underlying interest rates.

⁽⁴⁾ Represents payments, excluding amounts representing interest payments, on amounts drawn on our sale-leaseback facilities where the vessels remain on our balance sheet and that bear interest at variable rates.

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), management of Atlas has evaluated, with the participation of each of Atlas’s chief executive officer and interim chief financial officer, the effectiveness of Atlas’s disclosure controls and procedures as of the end of the period covered by this Annual Report. Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and the management of each Atlas was required to apply its judgment in evaluating and implementing possible controls and procedures.

Based on the foregoing, the chief executive officer and interim chief financial officer of Atlas has concluded that, as of December 31, 2023, the end of the period covered by this Annual Report, Atlas’s disclosure controls and procedures were effective.

Management’s Report on Internal Control Over Financial Reporting

The management of Atlas is responsible for establishing and maintaining adequate internal control over financial reporting.

Internal control over financial reporting refers to a process designed by, or under the supervision of, the chief executive officer and interim chief financial officer of Atlas and effected by the board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and members of the board of directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of assets that could have a material effect on our financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process, and it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Management evaluated the effectiveness of Atlas’s internal control over financial reporting as of December 31, 2023 using the framework set forth in the 2013 report of the Treadway Commission’s Committee of Sponsoring Organizations.

Based on the foregoing, management has concluded that Atlas's internal control over financial reporting was effective as of December 31, 2023.

Changes in Internal Control over Financial Reporting

Management has evaluated, with the participation of the chief executive officer and interim chief financial officer of Atlas, whether any changes in Atlas's internal control over financial reporting that occurred during our last fiscal year have materially affected, or are reasonably likely to materially affect, Atlas's internal control over financial reporting.

There was no change to Atlas's internal control over financial reporting that occurred during the last fiscal year that has materially affected, or is reasonably likely to materially affect, Atlas's internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

The board of directors has determined that Lawrence Simkins qualifies as an audit committee financial expert and is independent under applicable NYSE, Nasdaq Stock Market and SEC standards.

Item 16B. Code of Ethics

We have adopted a Standards of Business Conduct for all employees and directors. This document is available under "Corporate Governance" in the Investor Relations section of our website (www.atlascorporation.com). We also intend to disclose any waivers to or amendments of our Standards of Business Conduct and Ethics for the benefit of our directors and executive officers on our website. In 2023, we amended our Standards of Business Conduct to reflect completion of the Merger, and replacement of our Business Conduct Hotline with our whistleblower channel accessible through our website. We will provide a hard copy of our Standards of Business Conduct and Ethics free of charge upon written request of a shareholder. Please contact our legal department for any such request at 23 Berkeley Square, London, Fax Line: +44 843 320 5270.

Item 16C. Principal Accountant Fees and Services

Our principal accountant for 2023 was KPMG LLP, Chartered Professional Accountants, Vancouver, BC, Canada, Auditor Firm ID:85.

In 2023 and 2022, the fees billed and accrued to us by the accountants for services rendered were as follows:

| (in millions of USD) | 2023 | 2022 |
|----------------------|---------------|---------------|
| Audit Fees | \$ 3.0 | \$ 3.5 |
| Tax Fees | 1.2 | 1.6 |
| | <u>\$ 4.2</u> | <u>\$ 5.1</u> |

Audit Fees

Audit fees for 2023 include fees related to our annual audits for Atlas and certain wholly owned subsidiaries, quarterly reviews for Atlas and Seaspan Corporation, and accounting discussions. The 2023 fees also include audit related fees for limited assurance reports related to our sustainability linked financings.

Audit fees for 2022 include fees related to our annual audit, quarterly reviews, and accounting discussions. The 2022 fees also include audit related fees for various registration statements, securities offerings and limited assurance reports related to our sustainability linked financings. The fees for 2022 include the audits of certain wholly owned subsidiaries and quarterly reviews for Seaspan Corporation.

Tax Fees

Tax fees for 2023 and 2022 were primarily for tax consultation services related to general tax consultation services and tax compliance, including preparation of corporate income tax returns.

The audit committee has the authority to pre-approve permissible audit-related and non-audit services not prohibited by law to be performed by our independent auditors and associated fees. Engagements for proposed services either may be separately pre-approved by the audit committee or entered into pursuant to detailed pre-approval policies and procedures established by the audit committee, as long as the audit committee is informed on a timely basis of any engagement entered into on that basis. The audit committee separately pre-approved all engagements and fees paid to our principal accountant in 2023 and 2022.

In fiscal 2023, the Company's audit committee did not approve any audit-related, tax or other services pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of Regulation S-X, with the exception of financial statement preparation services relating to the statutory audits of certain of the Company's subsidiaries the fees for which represented less than 5% of total audit-related fees for fiscal 2023.

Other Fees

None.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not applicable.

Item 16F. Change in Registrants' Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

The following are the significant ways in which our corporate governance practices differ from those followed by domestic companies:

- We are not required to obtain shareholder approval prior to the adoption of equity compensation plans or certain equity issuances, including, among others, issuing 20% or more of our outstanding common shares or voting power in a transaction.
- Our board of directors, rather than a nominating committee of independent directors, evaluates and approves director nominees.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

Not applicable.

Item 16K. Cybersecurity

In the ordinary course of business, we rely on the security of information and our operational technology systems, including those of our business partners and other third parties, to manage or support a variety of business activities including operating and navigating our containership fleet; operating our power generation equipment; tracking container contents and delivery; maintaining vessel and power plant infrastructure; communicating with personnel, management, customers and business partners; collecting, processing, transmitting and storing electronic information, including personal, employee, business, financial and operational data; facilitating business and financial transactions; and providing services to our customers. A successful cyber-attack on us, or our business partners, could significantly disrupt these and other commercial activities and business functions resulting in a loss of revenue and customer relationships. For operational technology in particular, a successful cyber-attack could result in physical damage to assets and infrastructure, particularly on our vessels, and could result in injury or loss of life and environmental harm.

Our global technology network faces many threats from criminal hackers and competitors who may use phishing emails, unauthorized network intrusions, electronic communications or portable electronic devices to distribute computer viruses and ransomware, enable fraudulent transactions, or otherwise alter the confidentiality, integrity and availability of our information and information systems. Due to our continuing efforts to secure our technology network infrastructure, protect our critical data and systems, and ensure operational resiliency, attempted cyber-attacks against the Company have been unsuccessful to date. However, cyber-attacks may continue to occur and a successful cyber-attack could have a material impact on our financial performance, reputation and day-to-day operations. Cyber-attacks are becoming

increasingly common and more sophisticated, and may be perpetrated by computer hackers, cyber-terrorists or others engaged in corporate espionage. Further, as the methods of cyber-attacks continue to evolve, we may be required to expend additional resources to enhance and supplement our existing protective measures. A successful cyber-attack could also result in significant costs associated with the investigation and remediation of our technology systems, as well as increased regulatory and legal liability.

We have processes in place to identify, assess and mitigate cybersecurity threats, including email and web browser security, security configuration standards. We also utilize cybersecurity policy enforcement mechanisms for our endpoints and network, network detection and remediation, continuous vulnerability scanning and updating of systems, 24-hour managed security monitoring and response, periodic network penetration testing, and access control measures with multi factor authentication and zero-trust security. We further conduct mandatory security awareness training for our current and new employees, and engage in phishing simulations. In many of these processes, we engage external consultants and assessors, or use third-party tools or services. Our information technology team reviews the adequacy of cybersecurity and privacy controls of all new third-party providers of cloud and other technology-related services prior to entering into contracts with third parties that could affect the integrity of our information systems, and periodically conducts similar risk-based reviews on existing third-party providers by, for example, obtaining and reviewing Service Organization Control audit reports. We regularly upgrade and maintain our information technology systems and infrastructure, and invest in our cybersecurity program, in order to mitigate cybersecurity threats. If such processes and programs were insufficient to prevent or mitigate such threats, we have backup and recovery processes designed to restore our operations to a functional state.

We manage cybersecurity risks within our overall enterprise risk management program, which provides a risk governance framework for identifying, analyzing, prioritizing, and responding to enterprise risks, and defining roles and responsibilities for managing such risks. This integrated framework enables us to assess how cybersecurity risks might interact with and impact other enterprise risks, and affect our business strategy, results of operations, or financial condition. The framework also enables us to communicate and collaborate cross-functionally to mitigate cybersecurity risks effectively and efficiently, where needed. Cybersecurity risks and risk mitigations are subject to monitoring and oversight by our enterprise risk management function, and assurance activities conducted by the internal audit function.

Our Board, through the audit committee, oversees cybersecurity risk management. The audit committee, on a quarterly basis, receives and reviews management's reporting on cybersecurity risks and the steps that management has taken to mitigate such risks, and the internal audit function's reporting on any findings of significance, including those related to cybersecurity risks. The audit committee also receives and reviews annually guidelines and policies governing management of enterprise risks (including cybersecurity risks).

Our Vice President, Information Technology, with support from the cybersecurity team, is responsible for assessing and managing cybersecurity risks. The Vice President, Information Technology, routinely reports to the audit committee on cybersecurity risks and risk mitigation updates, as well as any cybersecurity incidents. Our Cybersecurity Manager reports to the Vice President, Information Technology, and leads our in-house cybersecurity team which is augmented by a managed security operations center (SOC) that monitors for cybersecurity events and incidents to proactively defend against cybersecurity threats. Our Cybersecurity Manager has over 15 years of information technology systems and infrastructure, and cybersecurity experience working for large companies in various industries. The Cybersecurity Manager holds an Honors Bachelor of Technology degree in Informatics and Security and holds various industry-leading certificates in information technology infrastructure cybersecurity. We have established a cybersecurity incident response plan that sets forth clear protocols and related responsibilities, and is incorporated into the managed SOC platform. An incident response team, comprised of our information technology, legal, corporate communications and investor relations departments, and external technical experts, will execute the incident response plan should a cybersecurity incident occur.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

The following financial statements, together with the report of KPMG LLP, Chartered Professional Accountants thereon, are filed as part of this Annual Report:

ATLAS CORP.

| | |
|---|------|
| Report of Independent Registered Public Accounting Firm | F-1 |
| Consolidated Balance Sheets as of December 31, 2023 and 2022 | F-3 |
| Consolidated Statements of Operations for the Years Ended December 31, 2023, 2022 and 2021 | F-4 |
| Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2023, 2022 and 2021 | F-5 |
| Consolidated Statements of Preferred Shares and Shareholders' Equity for the Years Ended December 31, 2023, 2022 and 2021 | F-6 |
| Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021 | F-9 |
| Notes to the Consolidated Financial Statements | F-10 |

All other schedules for which provision is made in the applicable accounting regulations of the SEC are not required, are inapplicable or have been disclosed in the notes to the consolidated financial statements and therefore have been omitted.

Item 19. Exhibits

The following exhibits are filed as part of this Annual Report:

| Exhibit Number | Description |
|-----------------------|---|
| 1.1 | Amended and Restated Articles of Incorporation of Atlas Corp. (incorporated herein by reference to Exhibit 3.1 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.2 | Second Amended and Restated Bylaws of Atlas Corp. (incorporated herein by reference to Exhibit 1.2 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on March 19, 2021). |
| 1.3 | Statement of Designation of the 7.95% Cumulative Redeemable Perpetual Preferred Shares—Series D of Atlas Corp., dated February 27, 2020 (incorporated herein by reference to Exhibit 3.3 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.4 | Statement of Designation of the 7.875% Cumulative Redeemable Perpetual Preferred Shares—Series H of Atlas Corp., dated February 27, 2020 (incorporated herein by reference to Exhibit 3.6 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.5 | Statement of Designation of the Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Shares—Series I of Atlas Corp, dated February 27, 2020 (incorporated herein by reference to Exhibit 3.7 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.6 | Statement of Designation of the 7.00% Cumulative Redeemable Perpetual Preferred Shares—Series J of Atlas Corp., dated June 11, 2021 (incorporated herein by reference to Exhibit 1.1 to Atlas Corp's Form 6-K (File No. 001-39237), furnished to the SEC on June 14, 2021). |
| 1.7 | Specimen of Share Certificate of Atlas Corp. (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.8 | Specimen of Share Certificate of 7.95% Cumulative Redeemable Perpetual Preferred Shares—Series D of Atlas Corp. (incorporated herein by reference to Exhibit 4.2 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 1.9 | Specimen of Share Certificate of 7.875% Cumulative Redeemable Perpetual Preferred Shares—Series H of Atlas Corp. (incorporated herein by reference to Exhibit 4.5 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 2.0 | Specimen of Share Certificate of Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Shares—Series I of Atlas Corp (incorporated herein by reference to Exhibit 4.6 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 2.1 | Specimen of Share Certificate of 7.00% Cumulative Redeemable Perpetual Preferred Shares—Series J of Atlas Corp. (incorporated herein by reference to Exhibit 1.2 to Atlas Corp's Form 6-K (File No. 001-39237), furnished to the SEC on June 14, 2021). |
| 2.2* | Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, incorporated herein by reference to Exhibit 2.2 to Atlas Corp.'s Form 20-F (File 333-229312), filed with the SEC on March 24, 2021. |
| 4.1 | Form of Indemnification Agreement between Atlas Corp. and its directors and officers (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form 20-F, filed with the SEC on April 13, 2020). |
| 4.2 | Amended and Restated Management Agreement among Seaspan Corporation, Seaspan Management Services Limited, Seaspan Advisory Services Limited, Seaspan Ship Management Ltd. and Seaspan Crew Management Ltd. dated as of May 4, 2007 (incorporated herein by reference to Exhibit 99.1 to Seaspan Corporation's Form 6-K/A (File No. 001-32591), furnished to the SEC on October 10, 2007). |
| 4.3 | Amendment to Amended and Restated Management Agreement among Seaspan Corporation, Seaspan Management Services Limited, Seaspan Advisory Services Limited, Seaspan Ship Management Ltd. and Seaspan Crew Management Ltd. dated as of August 5, 2008 (incorporated herein by reference to Exhibit 4.9 to Seaspan Corporation's Form 20-F (File No. 001-32591), filed with the SEC on March 30, 2011). |

| Exhibit Number | Description |
|-----------------------|---|
| 4.4 | Agreement and plan of merger, dated as of March 13, 2018, by and among Seaspan Corporation, Seaspan Investments III LLC, Greater China Intermodal Investments LLC and Greater China Industrial Investments LLC (incorporated by reference to Exhibit 4.1 to Seaspan Corporation's Report of Foreign Private Issuer on Form 6-K (File No. 001-32591), furnished to the SEC on March 14, 2018). |
| 4.5 | Acquisition Agreement, dated as of November 20, 2019, among Seaspan Corporation, Atlas Corp., Fairfax Financial Holdings Limited and certain affiliated companies, Albright Capital Management LLC, certain other shareholders of Apple Bidco Limited, Apple Bidco Limited, Atlas Corp. and Fairfax Financial Holdings Limited, as representative of sellers (incorporated by reference to Exhibit 4.2 to Seaspan Corporation's Form 6-K (File No. 001-32591), furnished to the SEC on November 22, 2019). |
| 4.6 | Assignment and Assumption Agreement, dated as of February 5, 2020, by and among Seaspan Corporation, Atlas Corp., the guarantors specified therein and the investors specified therein (incorporated by reference to Exhibit 4.1 to Seaspan Corporation's Form 6-K (File No. 001-32591), furnished to the SEC on February 10, 2020). |
| 4.7 | Amendment and Waiver to the Acquisition Agreement, dated February 21, 2020, by and among Apple Bidco Limited, Atlas Corp., the entities listed on Exhibit A thereto, including Fairfax Financial Holdings Limited in its capacity as the Seller Representative, ACM Energy Holdings I Ltd., ACM Apple Holdings I, LP, JCLA Cayman Limited and Seaspan Corporation (incorporated by reference to Exhibit 4.1 to Seaspan Corporation's Form 6-K (File No. 001-32591), furnished to the SEC on February 26, 2020). |
| 4.8 | Atlas Corp. Stock Incentive Plan, as amended and restated on February 27, 2020 (incorporated herein by reference to Exhibit 4.7 to Atlas Corp's Form 6-K (File No. 001-39237), furnished to the SEC on February 27, 2020). |
| 4.9 | Credit Agreement, dated as of February 28, 2020, by and among APR Energy, LLC, as Borrower, Citibank, N.A., as Administrative Agent, Citigroup Global Markets Inc., as Sole Structuring Agent, Citibank N.A., Export Development Canada, Bank of Montreal, Chicago Branch and Toronto-Dominion Bank, as Mandated Lead Arrangers, and the several lenders from time to time party thereto (incorporated herein by reference to Exhibit 4.44 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.10 | Intercreditor and Proceeds Agreement, dated as of February 28, 2020, by and among APR Energy, LLC, as Borrower, certain affiliates of APR Energy, LLC from time to time party thereto, the other secured parties from time to time party thereto, UMB Bank, National Association, as Security Trustee, and Citibank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 4.45 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.11 | APR Guaranty, dated February 28, 2020, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee (incorporated herein by reference to Exhibit 4.46 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.12 | Credit Agreement, dated as of March 6, 2020, by and among APR Energy, LLC, as Borrower, Citibank, N.A., as Administrative Agent, Citigroup Global Markets Inc., as Sole Structuring Agent, Citibank N.A., as Mandated Lead Arrangers, and the several lenders from time to time party thereto (incorporated herein by reference to Exhibit 4.48 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.13 | APR Guaranty, dated March 6, 2020, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee (incorporated herein by reference to Exhibit 4.49 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.14 | Amendment Side Letter to Credit Agreement, dated as of March 19, 2020, by and among APR Energy, LLC, as Borrower, Atlas Corp., as Parent Guarantor, and Citibank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 4.50 to Atlas Corp.'s Form 20-F (File No. 333-229312), filed with the SEC on April 13, 2020). |
| 4.15 | Agreement and Amendment No. 2 to Acquisition Agreement, dated June 30, 2020, by and among Apple Bidco Limited, Atlas Corp., each shareholder listed on the signature pages thereto, and Fairfax Financial Holdings Limited, in its capacity as the Seller Representative (incorporated herein by reference to Exhibit 10.1 to Atlas Corp.'s Form 6-K (File No. 333-229312), furnished to the SEC on August 13, 2020). |
| 4.16 | Indenture, dated March 19, 2021, between Atlas Corp. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form F-4 (File No. 333-254537), filed with the SEC on March 19, 2021). |

| Exhibit Number | Description |
|-----------------------|--|
| 4.17 | Agreement and Amendment No. 3 to Acquisition Agreement, dated as of April 30, 2021, among Atlas Corp., Apple Bidco Limited and Fairfax Financial Holdings Limited, in its individual capacity and in its capacity as Seller Representative (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form 6-K (File No. 333-229312), furnished to the SEC on May 4, 2021). |
| 4.18 | First Supplemental Indenture, dated May 17, 2021, between Atlas Corp. and The Bank of New York Mellon, as trustee, incorporated herein by reference to Exhibit 4.35 to Atlas Corp.'s Form 20-F (File 333-229312), filed with the SEC on March 24, 2021. |
| 4.19 | Note Purchase Agreement, dated as of May 21, 2021, among Seaspan Holdco III Ltd., Seaspan Corporation, a group of institutional investors, Citibank N.A. as Note Administrative Agent, Registrar and Paying Agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator (incorporated by reference to Exhibit 4.5 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on May 27, 2021). |
| 4.20 | Subscription and Exchange Agreement, among Atlas Corp., Seaspan Corporation and the other signatory parties thereto, dated June 11, 2021 (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on June 14, 2021). |
| 4.21 | Indenture, dated as of July 14, 2021, by and between Seaspan Corporation and The Bank of New York Mellon, as trustee (including form of 5.50% Blue Transition Senior Notes due 2029) (incorporated herein by reference to Exhibit 4.1 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on July 14, 2021). |
| 4.22 | Note Purchase Agreement, dated as of May 17, 2022, among Seaspan Holdco III Ltd., Seaspan Corporation, a group of institutional investors, Citibank N.A. as Note Administrative Agent, Registrar and Paying Agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator (incorporated herein by reference to Exhibit 10.1 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on August 12, 2022). |
| 4.23 | First Amended and Restated Credit Agreement, dated as of June 29, 2022, by and among APR Energy, LLC, as US Borrower, APR Energy Holdings Limited, as UK Borrower, Citibank, N.A., as Administrative Agent, Citibank, N.A., as Sole Structuring Agent, Citibank N.A., Export Development Canada, Bank of Montreal, Chicago Branch and Toronto-Dominion Bank, as Mandated Lead Arrangers, and the several lenders from time to time party thereto (incorporated herein by reference to Exhibit 10.2 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on August 12, 2022). |
| 4.24 | First Amended and Restated Intercreditor and Proceeds Agreement, dated as of June 29, 2022, by and among APR Energy, LLC, as US Borrower, APR Energy Holdings Limited, as UK Borrower, certain affiliates of APR Energy, LLC from time to time party thereto, the other secured parties from time to time party thereto, UMB Bank, National Association, as Security Trustee, and Citibank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 10.3 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on August 12, 2022). |
| 4.25 | First Amended and Restated APR Guaranty, dated June 29, 2022, by and between Atlas Corp. and UMB Bank, National Association, in its capacity as security trustee (incorporated herein by reference to Exhibit 10.4 to Atlas Corp.'s Form 6-K (File No. 001-39237), furnished to the SEC on August 12, 2022). |
| 4.26 | Agreement and Plan of Merger, dated as of October 31, 2022, by and among Atlas Corp., Poseidon Acquisition Corp and Poseidon Merger Sub, Inc. (incorporated herein by reference to Exhibit (d)(1) to Atlas Corp.'s Schedule 13E-3/A (File No. 005-91452), furnished to the SEC on January 9, 2023). |
| 4.27 | Second Amended and Restated Credit Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Credit Agreement dated as of May 19, 2021, among (inter alios) Seaspan Holdco III Ltd., as borrower, Seaspan Corporation, as guarantor, the several lenders from time to time party thereto, Citibank, N.A., as administrative agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator. |
| 4.28 | Second Amended and Restated Credit Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Credit Agreement dated as of May 19, 2021, among (inter alios) Seaspan Holdco III Ltd., as borrower, Seaspan Corporation, as guarantor, the several lenders from time to time party thereto, Citibank, N.A., as administrative agent, and Société Générale, Hong Kong Branch, as lead sustainability coordinator. |
| 4.29 | Second Amended and Restated Intercreditor and Proceeds Agreement, dated as of March 3, 2023, amending and restating that certain First Amended and Restated Intercreditor and Proceeds Agreement dated as of May 19, 2021, among Seaspan Holdco III Ltd., Seaspan Corporation, certain subsidiaries of Seaspan Holdco III Ltd. from time to time party thereto, as subsidiary guarantors, the other secured parties from time to time party thereto, UMB Bank, National Association, as security trustee, and Citibank, N.A., as administrative agent. |
| 8.1* | Subsidiaries of Atlas Corp. |

| Exhibit Number | Description |
|-----------------------|--|
| 12.1* | Rule 13a-14(a)/15d-14(a) Certification of Atlas Corp.'s Chief Executive Officer. |
| 13.1** | Atlas Corp. Certification of Bing Chen, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 97* | Atlas Corp. Policy for the Recovery of Erroneously Awarded Compensation |
| 101 | The following financial information from Atlas Corp.'s Report on Form 20-F for the year ended December 31, 2022, formatted in Extensible Business Reporting Language (XBRL): (a) Consolidated Balance Sheets as of December 31, 2022 and December 31, 2021; (b) Consolidated Statements of Operations for each of the years in the three-year period ended December 31, 2022; (c) Consolidated Statements of Shareholder's Equity for each of the years in the two-year ended December 31, 2022; (d) Consolidated Statements of Cash Flows for each of the years in the three year period ended December 31, 2022; (e) Notes to the Consolidated Financial Statements |

* Filed herewith

** Furnished herewith

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors Atlas Corp.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Atlas Corp. (the “Company”) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income, shareholders’ equity and cumulative redeemable preferred shares, and cash flows for each of the years in the three-year period ended December 31, 2023, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of indicators of impairment for vessels

As discussed in Note 2(f) to the consolidated financial statements, property, plant and equipment that are held for use are evaluated for impairment when events or circumstances indicate that their carrying amounts may not be recoverable from future undiscounted cash flows. Examples of such events or changes in circumstances for vessels (“impairment indicators”) include, among others, a significant adverse change in the extent or manner in which the asset is being used or in its physical condition; a significant adverse change in legal factors or in the business climate that could affect the asset’s value, including an adverse action or assessment by a foreign government that impacts the use of the asset; or a current-period operating or cash flow loss combined with a history of operating or cash flow losses, or a projection or forecast that demonstrates continuing losses associated with the asset’s use. The determination of whether impairment indicators exist requires significant judgment in evaluating underlying significant assumptions including charter rates, utilization rates, operating costs and current vessel market values. The Company has not identified any events or changes in circumstances indicating that the carrying amount of the assets may not be recoverable for the year ended December 31, 2023. As discussed in Note 7 and Note 9, the total carrying value of the Company’s vessels, including right-of-use vessels, was \$9,476.9 million as of December 31, 2023.

We identified the assessment of indicators of impairment for vessels as a critical audit matter. A higher degree of subjective auditor judgment was required to assess the Company’s determination of whether an indicator of impairment existed, based

on the Company's evaluation of the significant assumptions. Changes in these significant assumptions could have changed the Company's conclusion that no indicators of impairment were identified.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's impairment indicator assessment process. This included controls related to the identification and evaluation of indicators of impairment and underlying significant assumptions. We evaluated significant assumptions used in the Company's evaluation by comparing current charter rates to existing customer contracts and estimates of future charter rates to third-party industry publications for vessels with similar characteristics. We evaluated the Company's anticipated future utilization rates and operating costs assumptions by comparing to the Company's historical utilization rates and operating costs including impacts of inflation. For utilization rates, we also compared anticipated supply and demand conditions that would impact utilization to third party industry publications. We evaluated the Company's assessment of current market values of vessels by comparing to recent vessel purchases and third-party industry publications.

/s/ KPMG LLP

Chartered Professional Accountants

We have served as the Company's auditor since 2000.

Vancouver, Canada

March 14, 2024

ATLAS CORP.

Consolidated Balance Sheets

(Expressed in millions of United States dollars, except number of shares and par value amounts)

December 31, 2023 and 2022

| | 2023 | 2022 |
|---|--------------------|--------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 385.3 | \$ 280.0 |
| Accounts receivable | 79.2 | 98.6 |
| Inventories | 52.2 | 50.0 |
| Prepaid expenses and other | 36.1 | 44.4 |
| Asset held for sale (note 7) | 21.4 | 19.4 |
| Net investment in lease (note 6) | 33.7 | 21.0 |
| Derivative instruments - current (note 22(c)) | 2.2 | — |
| Acquisition related assets (note 5(a)) | 72.3 | 79.8 |
| | <u>682.4</u> | <u>593.2</u> |
| Property, plant and equipment (note 7) | 9,379.6 | 7,156.9 |
| Vessels under construction (note 8) | 1,315.0 | 1,422.5 |
| Right-of-use assets (note 9) | 438.0 | 746.7 |
| Net investment in lease (note 6) | 1,395.1 | 887.4 |
| Goodwill (note 10) | 75.3 | 75.3 |
| Deferred tax assets (note 17) | 1.8 | 0.5 |
| Derivative instruments (note 22(c)) | 85.2 | 107.1 |
| Other assets (note 11) | 340.6 | 312.8 |
| | <u>\$ 13,713.0</u> | <u>\$ 11,302.4</u> |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities (note 20) | \$ 317.2 | \$ 204.3 |
| Deferred revenue | 74.7 | 25.2 |
| Income tax payable | 77.6 | 72.3 |
| Long-term debt - current (note 12) | 129.4 | 238.4 |
| Operating lease liabilities - current (note 13) | 101.1 | 115.3 |
| Finance lease liabilities - current (note 14) | 66.5 | 222.2 |
| Other financing arrangements - current (note 15) | 298.5 | 147.5 |
| Other liabilities - current (note 16) | 18.8 | 13.3 |
| | <u>1,083.8</u> | <u>1,038.5</u> |
| Long-term debt (note 12) | 3,161.4 | 3,453.4 |
| Operating lease liabilities (note 13) | 271.1 | 391.7 |
| Other financing arrangements (note 15) | 4,305.3 | 1,940.3 |
| Derivative instruments (note 22(c)) | 1.3 | 1.5 |
| Other liabilities (note 16) | 177.3 | 51.2 |
| Total liabilities | <u>9,000.2</u> | <u>6,876.6</u> |
| Cumulative redeemable preferred shares, \$0.01 par value; 12,000,000 issued and outstanding (2022 – 12,000,000) (note 18 (e)) | 296.9 | 296.9 |
| Shareholders' equity: | | |
| Share capital (note 18): | | |
| Preferred shares; \$0.01 par value; 150,000,000 shares authorized (2022 – 150,000,000); 14,118,833 shares issued and outstanding (2022 – 20,118,833) | | |
| Common shares; \$0.01 par value; 400,000,000 shares authorized (2022 – 400,000,000); 204,328,277 shares issued and outstanding (2022 – 281,565,472); nil shares held in treasury (2022 – 727,351) | 1.9 | 2.8 |
| Additional paid in capital | 3,876.3 | 3,724.2 |
| Retained earnings | 554.8 | 420.0 |
| Accumulated other comprehensive loss | (17.1) | (18.1) |
| | <u>4,415.9</u> | <u>4,128.9</u> |
| | <u>\$ 13,713.0</u> | <u>\$ 11,302.4</u> |
| Commitments and contingencies (note 21) | | |
| Subsequent events (note 23) | | |

See accompanying notes to consolidated financial statements.

ATLAS CORP.

Consolidated Statements of Operations
(Expressed in millions of United States dollars)
Years ended December 31, 2023, 2022 and 2021

| | 2023 | 2022 | 2021 |
|---|-----------------|-----------------|-----------------|
| Revenue (note 4) | \$ 1,820.7 | \$ 1,697.4 | \$ 1,646.6 |
| Operating expenses: | | | |
| Operating expenses | 376.9 | 353.4 | 351.0 |
| Depreciation and amortization | 420.8 | 379.1 | 366.7 |
| General and administrative | 124.1 | 108.1 | 79.2 |
| Indemnity claim under acquisition agreement | — | (21.3) | (42.4) |
| Operating leases (note 13) | 120.3 | 123.0 | 146.3 |
| (Gain) Loss on sale (note 7) | (3.7) | 3.7 | (16.4) |
| | <u>1,038.4</u> | <u>946.0</u> | <u>884.4</u> |
| Operating earnings | 782.3 | 751.4 | 762.2 |
| Other expenses (income): | | | |
| Interest expense | 375.6 | 235.4 | 197.1 |
| Interest income | (13.2) | (6.5) | (3.1) |
| Loss on debt extinguishment (note 12) | 10.3 | 9.4 | 127.0 |
| Income from equity investment | (3.9) | (0.3) | — |
| Gain on derivative instruments (note 22(c)) | (16.7) | (120.6) | (14.1) |
| Other expenses | 18.9 | 9.3 | 21.8 |
| | <u>371.0</u> | <u>126.7</u> | <u>328.7</u> |
| Net earnings before income tax | 411.3 | 624.7 | 433.5 |
| Income tax expense (note 17) | 8.3 | 2.4 | 33.0 |
| Net earnings | <u>\$ 403.0</u> | <u>\$ 622.3</u> | <u>\$ 400.5</u> |

See accompanying notes to consolidated financial statements.

ATLAS CORP.

Consolidated Statements of Comprehensive Income
(Expressed in millions of United States dollars)
Years ended December 31, 2023, 2022 and 2021

| | 2023 | 2022 | 2021 |
|---|-----------------|-----------------|-----------------|
| Net earnings | \$ 403.0 | \$ 622.3 | \$ 400.5 |
| Other comprehensive income: | | | |
| Amounts reclassified to net earnings during the period relating to cash flow hedging instruments (note 22(c)) | 1.0 | 1.0 | 1.2 |
| Comprehensive income | <u>\$ 404.0</u> | <u>\$ 623.3</u> | <u>\$ 401.7</u> |

See accompanying notes to consolidated financial statements.

ATLAS CORP.

 Consolidated Statements of Shareholders' Equity and Cumulative Redeemable Preferred Shares
 (Expressed in millions of United States dollars, except number of shares and per share amounts)

Years ended December 31, 2023, 2022 and 2021

| | Series J cumulative redeemable | | Number of common shares | Number of preferred shares | Common shares | Preferred shares | Additional paid-in capital | Retained Earnings / (Deficit) | Accumulated other comprehensive loss | Total shareholders' equity |
|--|-----------------------------------|----------|-------------------------------|----------------------------------|------------------|---------------------|----------------------------------|-------------------------------------|---|----------------------------------|
| | Shares | Amount | | | | | | | | |
| Balance, December 31, 2020 carried forward | — | \$ — | 246,277,338 | 33,335,570 | \$ 2.1 | \$ 0.3 | \$ 3,842.7 | \$ (199.2) | \$ (20.3) | \$ 3,625.6 |
| Net earnings | — | — | — | — | — | — | — | 400.5 | — | 400.5 |
| Other comprehensive income | — | — | — | — | — | — | — | — | 1.2 | 1.2 |
| Issuance of common shares from unissued acquisition related equity consideration (note 2) | — | — | 350,138 | — | — | — | — | — | — | — |
| Series J preferred shares issued (note 12(f) and 18(e)) | 12,000,000 | 296.9 | — | — | — | — | — | — | — | — |
| Redemption of preferred shares (note 18(b)) | — | — | — | (13,216,737) | — | — | (330.4) | — | — | (330.4) |
| Warrants for Fairfax Notes | — | — | — | — | — | — | 3.0 | — | — | 3.0 |
| Dividends on common shares (\$0.50 per share) | — | — | — | — | — | — | — | (126.3) | — | (126.3) |
| Dividends on preferred shares (Series D - \$2.00 per share; Series E - \$1.38 per share; Series G - \$1.37 per share; Series H - \$1.97 per share; Series I - \$2.00 per share; Series J - \$0.68 per share) | — | — | — | — | — | — | — | (66.2) | — | (66.2) |
| Shares issued through dividend reinvestment program | — | — | 24,803 | — | — | — | 0.3 | (0.3) | — | — |
| Share-based compensation expense | — | — | 372,420 | — | — | — | 11.2 | (1.0) | — | 10.2 |
| Balance, December 31, 2021 | 12,000,000 | \$ 296.9 | 247,024,699 | 20,118,833 | \$ 2.1 | \$ 0.3 | \$ 3,526.8 | \$ 7.5 | \$ (19.1) | \$ 3,517.6 |

See accompanying notes to consolidated financial statements.

ATLAS CORP.
Consolidated Statements of Shareholders' Equity and Cumulative Redeemable Preferred Shares (Continued)
 (Expressed in millions of United States dollars, except number of shares and per share amounts)

Years ended December 31, 2023, 2022 and 2021

| | Series J cumulative redeemable | | Number of common shares | Number of preferred shares | Common shares | Preferred shares | Additional paid-in capital | Retained earnings / (Deficit) | Accumulated other comprehensive loss | Total shareholders' equity |
|--|-----------------------------------|----------|-------------------------------|----------------------------------|------------------|---------------------|----------------------------------|-------------------------------------|---|----------------------------------|
| | Shares | Amount | | | | | | | | |
| Balance, December 31, 2021, carried forward | 12,000,000 | \$ 296.9 | 247,024,699 | 20,118,833 | \$ 2.1 | \$ 0.3 | \$ 3,526.8 | \$ 7.5 | \$ (19.1) | \$ 3,517.6 |
| Impact of accounting policy change (note 2(s)) | — | — | — | — | — | — | — | (5.1) | — | (5.1) |
| Adjusted balance, December 31, 2021 | 12,000,000 | 296.9 | 247,024,699 | 20,118,833 | 2.1 | 0.3 | 3,526.8 | 2.4 | (19.1) | 3,512.5 |
| Net earnings | — | — | — | — | — | — | — | 622.3 | — | 622.3 |
| Other comprehensive income | — | — | — | — | — | — | — | — | 1.0 | 1.0 |
| Issuance of common shares from unissued acquisition related equity consideration | — | — | 92,444 | — | — | — | — | — | — | — |
| Exercise of Warrants (note 18(f)) | — | — | 25,000,000 | — | 0.3 | — | 201.0 | — | — | 201.3 |
| Cancellation of Holdback Shares (note 5(a)) | — | — | — | — | — | — | (27.3) | (4.9) | — | (32.2) |
| Issuance of common shares related to release of Holdback Shares (note 5(a)) | — | — | 2,749,898 | — | — | — | — | — | — | — |
| Dividends on common shares (\$0.50 per share) | — | — | — | — | — | — | — | (137.6) | — | (137.6) |
| Dividends on preferred shares (Series D - \$2.00 per share; Series H - \$1.96 per share; Series I - \$2.00 per share; Series J - \$1.76 per share) | — | — | — | — | — | — | — | (60.8) | — | (60.8) |
| Shares issued through dividend reinvestment program | — | — | 27,586 | — | — | — | 0.3 | (0.4) | — | (0.1) |
| Share-based compensation expense (note 19) | — | — | 6,670,845 | — | 0.1 | 0.0 | 23.4 | (1.0) | — | 22.5 |
| Balance, December 31, 2022 | 12,000,000 | \$ 296.9 | 281,565,472 | 20,118,833 | \$ 2.5 | \$ 0.3 | \$ 3,724.2 | \$ 420.0 | \$ (18.1) | \$ 4,128.9 |

See accompanying notes to consolidated financial statement.

ATLAS CORP.
Consolidated Statements of Shareholders' Equity and Cumulative Redeemable Preferred Shares (Continued)
 (Expressed in millions of United States dollars, except number of shares and per share amounts)

Years ended December 31, 2023, 2022 and 2021

| | Series J cumulative redeemable preferred shares | | Number of common shares | Number of preferred shares | Common shares | Preferred shares | Additional paid-in capital | Retained earnings/(Deficit) | Accumulated other comprehensive loss | Total shareholders' equity |
|---|---|----------|-------------------------------|----------------------------------|------------------|---------------------|----------------------------------|--------------------------------|---|----------------------------------|
| | Shares | Amount | | | | | | | | |
| Balance, December 31, 2022, carried forward | 12,000,000 | \$ 296.9 | 281,565,472 | 20,118,833 | \$ 2.5 | \$ 0.3 | \$ 3,724.2 | \$ 420.0 | \$ (18.1) | \$ 4,128.9 |
| Net earnings | — | — | — | — | — | — | — | 403.0 | — | 403.0 |
| Other comprehensive income | — | — | — | — | — | — | — | — | 1.0 | 1.0 |
| Issuance of common shares from unissued acquisition related equity consideration | — | — | 727,351 | — | — | — | — | — | — | — |
| Exercise of Warrants (note 18(f)) | — | — | 6,000,000 | — | — | — | 78.7 | — | — | 78.7 |
| Settlement of Exchangeable Notes | — | — | — | — | — | — | (29.4) | — | — | (29.4) |
| Issuance / (redemption) of preferred shares (note 18) | — | — | — | (6,000,000) | — | (0.1) | (149.9) | — | — | (150.0) |
| Adjustment to share- based compensation (note 19) | — | — | — | — | — | — | (11.6) | — | — | (11.6) |
| Shares retired upon Merger and capital contribution from Poseidon (note 1) | — | — | (84,171,724) | — | (0.8) | — | 246.5 | — | — | 245.7 |
| Shares of Poseidon Merger Sub, Inc. becoming shares of Atlas Corp upon Merger | — | — | 1,000 | — | — | — | — | — | — | — |
| Dividends on common shares (\$0.25 per share) | — | — | — | — | — | — | — | (194.6) | — | (194.6) |
| Dividends on preferred shares (Series D - \$2.49 per share; Series H - \$2.45 per share; Series I - \$2.00 per share; Series J - \$2.20 per share) | — | — | — | — | — | — | — | (73.2) | — | (73.2) |
| Shares issued through dividend reinvestment program | — | — | 6,178 | — | — | — | 0.1 | (0.1) | — | — |
| Share-based compensation expense (note 19) | — | — | 200,000 | — | — | — | 17.7 | (0.3) | — | 17.4 |
| Balance, December 31, 2023 | 12,000,000 | \$ 296.9 | 204,328,277 | 14,118,833 | \$ 1.7 | \$ 0.2 | \$ 3,876.3 | \$ 554.8 | \$ (17.1) | \$ 4,415.9 |

See accompanying notes to consolidated financial statement.

ATLAS CORP.
Consolidated Statements of Cash Flows

(Expressed in millions of United States dollars)

Years ended December 31, 2023, 2022 and 2021

| | 2023 | 2022 | 2021 |
|---|-----------|-----------|-----------|
| Cash from (used in): | | | |
| Operating activities: | | | |
| Net earnings | \$ 403.0 | \$ 622.3 | \$ 400.5 |
| Items not involving cash: | | | |
| Depreciation and amortization | 420.8 | 379.1 | 366.7 |
| Change in right-of-use asset | 93.9 | 99.6 | 125.8 |
| Non-cash interest expense and accretion | 28.9 | 21.2 | 38.2 |
| Non-cash adjustment purchase option finance lease | 30.1 | — | — |
| Unrealized change in derivative instruments | 19.5 | (127.9) | (40.6) |
| Amortization of acquired revenue contracts | 38.6 | 12.4 | 15.0 |
| Loss on debt extinguishment | 10.3 | 9.4 | 127.0 |
| Equity income on investment | (3.9) | (0.3) | — |
| Loss (Gain) on sale | (3.7) | 3.7 | (16.4) |
| Other | (8.7) | 7.0 | 26.2 |
| Change in other operating assets and liabilities (note 20) | (5.0) | (170.2) | (98.4) |
| Cash from operating activities | 1,023.8 | 856.3 | 944.0 |
| Investing activities: | | | |
| Expenditures for property, plant and equipment and vessels under construction | (3,010.9) | (1,239.7) | (1,577.0) |
| Prepayment on vessel purchase | — | — | (132.3) |
| Receipt (Payment) on settlement of interest swap agreements | 34.4 | (12.7) | (26.8) |
| Gain (Loss) on foreign currency repatriation | — | 4.0 | (13.9) |
| Receipt from contingent consideration asset | 18.6 | 12.5 | 30.5 |
| Other assets and liabilities | 83.9 | 259.5 | 41.3 |
| Capitalized interest relating to newbuilds | (67.3) | (46.2) | (15.7) |
| Cash used in investing activities | (2,941.3) | (1,022.6) | (1,693.9) |
| Financing activities: | | | |
| Repayments of long-term debt and other financing arrangements | (1,608.5) | (1,221.3) | (1,474.9) |
| Issuance of long-term debt and other financing arrangements | 3,658.0 | 1,367.4 | 3,152.6 |
| Capital contribution from Poseidon | 245.7 | — | — |
| Redemption of Fairfax Notes | — | — | (300.0) |
| Capped call settlement | 25.3 | — | — |
| Proceeds from exercise of warrants | 78.7 | 201.3 | — |
| Redemption of preferred shares | (150.0) | — | (330.4) |
| Payment of lease liabilities | (13.7) | (16.6) | — |
| Financing fees | (12.2) | (20.2) | (122.2) |
| Share issuance cost | — | — | (0.1) |
| Dividends on common shares | (148.0) | (119.3) | (124.6) |
| Dividends on preferred shares | (60.9) | (60.8) | (66.2) |
| Cash from financing activities | 2,014.4 | 130.5 | 734.2 |
| Increase (Decrease) in cash and cash equivalents | 96.9 | (35.8) | (15.7) |
| Cash and cash equivalents and restricted cash, beginning of year | 291.0 | 326.8 | 342.5 |
| Cash and cash equivalents and restricted cash, end of year | \$ 387.9 | \$ 291.0 | \$ 326.8 |

Supplemental cash flow information (note 20(b))

See accompanying notes to consolidated financial statements.

ATLAS CORP.

Notes to Consolidated Financial Statements

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

1. General:

Atlas Corp. (the “Company” or “Atlas”) owns, leases and operates a fleet of vessels and power generation assets through its vessel leasing and mobile power generation segments, respectively. It is a Republic of the Marshall Islands corporation.

On March 28, 2023, pursuant to an Agreement and Plan of Merger (the “Merger Agreement”), dated as of October 31, 2022, by and among Atlas, Poseidon Acquisition Corp. (since renamed Poseidon Corp., “Poseidon”), an entity formed by certain affiliates of Fairfax Financial Holdings Limited (“Fairfax”), certain affiliates of the Washington Family (“Washington”), David Sokol, Chairman of the Board of Directors of the Company (the “Chairman”), Ocean Network Express Pte. Ltd., (“ONE”) and certain of their respective affiliates, and Poseidon Merger Sub, Inc., a wholly-owned subsidiary of Poseidon (“Merger Sub”), Merger Sub merged with and into the Company with the Company continuing as the surviving corporation and a wholly-owned subsidiary of Poseidon (other than with respect to the Company’s preferred shares) (the “Merger”). Each common share outstanding prior to the Merger, other than common shares contributed to Poseidon immediately prior to the consummation of the Merger by Fairfax, Washington, the Chairman and the Company’s chief executive officer, was converted into the right to receive \$15.50 per common share in cash.

2. Significant accounting policies:

(a) Basis of preparation:

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the following accounting policies have been consistently applied in the preparation of the consolidated financial statements.

(b) Principles of consolidation :

The accompanying consolidated financial statements include the accounts of Atlas Corp. and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated upon consolidation.

The Company also consolidates any variable interest entities (“VIEs”) of which it is the primary beneficiary. The primary beneficiary is the enterprise that has both the power to make decisions that most significantly affect the economic performance of the VIE and has the right to receive benefits or the obligation to absorb losses that in either case could potentially be significant to the VIE. The impact of the consolidation of these VIEs is described in note 15.

The Company accounts for its investment in companies in which it has significant influence by the equity method. The Company’s proportionate share of earnings is included in earnings and added to or deducted from the cost of the investment.

(c) Foreign currency translation:

The functional and reporting currency of the Company is the United States dollar. Transactions involving other currencies are converted into United States dollars using the exchange rates in effect at the time of the transactions. At the balance sheet date, monetary assets and liabilities that are denominated in currencies other than the United States dollar are translated into United States dollars using exchange rates at that date. Exchange gains and losses are included in net earnings.

(d) Cash equivalents:

Cash equivalents include highly liquid securities with terms to maturity of three months or less when acquired.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

(e) Inventories:

Inventories consist primarily of spare parts and consumables. Inventories are stated at the lower of cost or net realizable value. Inventory cost is primarily determined using average or weighted average cost method, depending on the nature of the inventory.

Net realizable value is the estimated selling price in the ordinary course of business less costs to complete, disposal and transportation.

(f) Property, plant and equipment:

Vessels

Except as described below, vessels are recorded at their cost, which consists of the purchase price, acquisition and delivery costs, less accumulated depreciation.

Vessels purchased from Seaspan's predecessor upon completion of Seaspan's initial public offering in 2005 were initially recorded at the predecessor's carrying value.

Depreciation is calculated on a straight-line basis over the estimated useful life of each vessel, which is 30 years from the date of completion. The Company calculates depreciation based on the estimated remaining useful life and the expected salvage value of the vessel.

Vessels under construction

Vessels under construction include deposits, installment payments, interest, financing costs, transaction fees, construction design, supervision costs, and other pre-delivery costs incurred during the construction period.

Power generating equipment

Power generating equipment are recorded at their cost, which represent their original cost at the time of purchase, less accumulated depreciation. Costs incurred to mobilize and install power-generating equipment pursuant to a contract for the provision of power generation services are recorded in property, plant and equipment and are depreciated on a straight-line basis over the non-cancellable lease term to which the power generating equipment relates.

A summary of the useful lives used for calculating depreciation and amortization is as follows:

| | |
|--------------|----------|
| Turbines | 25 years |
| Generators | 15 years |
| Transformers | 15 years |

Property, plant and equipment that are held for use are evaluated for impairment when events or circumstances indicate that their carrying amounts may not be recoverable from future undiscounted cash flows. Such evaluations include the comparison of current and anticipated operating cash flows, assessment of future operations and other relevant factors. If the carrying amount of the property, plant and equipment exceeds the estimated net undiscounted future cash flows expected to be generated over the asset's remaining useful life, the carrying amount of the asset is reduced to its estimated fair value.

(g) Vessel dry-dock activities:

Classification society rules require that vessels be dry-docked for inspection including planned major maintenance and overhaul activities for ongoing certification. The Company generally dry-docks its vessels once every five years. Dry-docking activities include the inspection, refurbishment and replacement of steel, engine components, electrical, pipes and valves, and other parts of the vessel. The Company uses the deferral method of accounting for dry-dock activities whereby capital costs incurred are deferred and amortized on a straight-line basis over the period until the next scheduled dry-dock activity.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

(h) Goodwill:

Goodwill represents the excess of the purchase price of an acquired enterprise over the fair value assigned to assets acquired and liabilities assumed in a business combination. Goodwill is not amortized, but reviewed for impairment annually or more frequently if impairment indicators arise. When goodwill is reviewed for impairment, the Company may elect to assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. Alternatively, the Company may bypass this step and use a fair value approach to identify potential goodwill impairment and, when necessary, measure the amount of impairment. The Company uses a discounted cash flow model to determine the fair value of reporting units, unless there is a readily determinable fair market value.

(i) Asset retirement obligations:

The Company records a provision and a corresponding long-lived asset for asset retirement obligations (“ARO”) when there is a legal obligation associated with the retirement of long-lived assets and the fair value of the liability can be reasonably estimated. The fair value of the ARO is measured using expected future cash flows discounted at the Company’s credit-adjusted risk-free interest rate. The liability is accreted up to the cost of retirement through interest expense over the non-cancellable lease term. The long-lived asset is depreciated straight-line over the same period. Changes in the amount or timing of the estimated ARO are recorded as an adjustment to the related asset and liability or to depreciation expense if the asset is fully depreciated.

(j) Deferred financing fees:

Deferred financing fees represent the unamortized costs incurred on issuance of the Company’s credit facilities and other financing arrangements and are presented as a direct deduction from the related debt liability when available. Amortization of deferred financing fees on credit facilities is provided on the effective interest rate method over the term of the facility based on amounts available under the facilities. Amortization of deferred financing fees on other financing arrangements is provided on the effective interest rate method over the term of the underlying obligation. Amortization of deferred financing fees is recorded as interest expense.

(k) Revenue:

Vessel leasing revenue

The Company derives revenue from the charter of its vessels. Each charter agreement is evaluated and classified as an operating lease or financing lease based on the lease term, fair value associated with the lease and any purchase options or obligations. The assessment is done at lease commencement and reassessed only when a modification occurs that is not considered a separate contract.

Charters classified as operating leases include a lease component associated with the use of the vessel and a non-lease component related to vessel management. Total consideration in the lease agreement is allocated between the lease and non-lease components based on their relative standalone selling prices. For arrangements where the timing and pattern of transfer to the lessee is consistent between the lease and non-lease components and the lease component, if accounted for separately, would be classified as an operating lease, the Company has elected to treat the lease and non-lease components as a single lease component. Revenue is recognized each day the vessels are on-hire, managed and performance obligations are satisfied.

For charters that are classified as direct financing leases and sales-type leases, the present value of minimum lease payments and any unguaranteed residual value are recognized as net investment in lease. The discount rate used in determining the present values is the interest rate implicit in the lease. The lower of the fair value of the vessel based on information available at lease commencement date and the present value of the minimum lease payments computed using the interest rate implicit specific to each lease, represents the price, from which the carrying value of the vessel and any initial direct costs are deducted in order to determine the selling profit or loss.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

(k) Revenue (continued):

For financing leases that are classified as direct financing leases, the unearned lease interest income including any selling profit and initial direct costs are deferred and amortized to income over the period of the lease so as to produce a constant periodic rate of return on the net investment in lease. Any selling loss is recognized at lease commencement date.

For financing leases that are classified as sales-type leases, any selling profit or loss is recognized at lease commencement date. Initial direct costs are expensed at lease commencement date if the fair value of the vessel is different from its carrying amount. If the fair value of the vessel is equal to its carrying amount, initial direct costs are deferred and amortized to income over the term of the lease.

Power generation revenue

The Company also derives revenue from lease and service contracts that provide customers with comprehensive power generation services that include leasing of the power generation equipment, installation and dismantling services, operations and maintenance of the power generating equipment (“O&M”), operations monitoring and logistical support.

The Company earns a fixed portion of revenue on these contracts by providing megawatt capacity to its customers. Each power equipment lease contract may, depending on its terms, contain a lease component, a non-lease component or both. Lease classification is determined on a contract-specific basis. Total consideration in contracts that include a lease component associated with the use of the power-generation equipment and a non-lease component related to O&M is allocated between the lease and non-lease components based on their relative standalone selling prices. For arrangements where the timing and pattern of transfer to the lessee is consistent between the lease and non-lease components and the lease component, if accounted for separately, would be classified as an operating lease, the Company has elected to treat the components as a single lease component. Revenue is recognized over the period in which the equipment is available to the customer for use and service is provided to the customer.

Certain contracts provide for mobilization and decommissioning payments. Mobilization revenue received up front is deferred and recognized as revenue on a straight-line basis over the term of the contract. Decommissioning revenue is recognized ratably over the term of the contract, as it is earned.

(l) Leases:

Leases classified as operating leases, where the Company is the lessee, are recorded as lease liabilities based on the present value of minimum lease payments over the lease term, discounted using the lessor’s rate implicit in the lease for each individual lease arrangement or the Company’s incremental borrowing rate, if the lessor’s implicit rate is not readily determinable. The lease term includes all periods covered by renewal and termination options where the Company is reasonably certain to exercise the renewal options or not to exercise the termination options. Corresponding right-of-use assets are recognized consisting of the lease liabilities, initial direct costs and any lease incentive payments.

Lease liabilities are drawn down as lease payments are made and right-of-use assets are depreciated over the term of the lease. Operating lease expenses are recognized on a straight-line basis over the term of the lease, consisting of interest accrued on the lease liability and depreciation of the right-of-use asset, adjusted for changes in index-based variable lease payments in the period of change.

Lease payments on short-term operating leases with lease terms of 12 months or less are expensed as incurred.

Transactions are accounted for as sale-leaseback transactions when control of the asset is transferred. For sale-leaseback transactions, where the Company is the seller-lessee, any gains or losses on sale are recognized upon transfer.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

(m) Derivative financial instruments:

From time to time, the Company utilizes derivative financial instruments. All of the Company's derivatives are measured at their fair value at the end of each period. Derivatives that mature within one year are classified as current. For derivatives not designated as accounting hedges, changes in their fair value are recorded in earnings.

The Company's hedging policies permit the use of various derivative financial instruments to manage interest rate risk.

The Company had previously designated certain of its interest rate swaps as accounting hedges and applied hedge accounting to those instruments. By September 30, 2008, the Company de-designated all of the interest rate swaps it had accounted for as hedges to that date. Subsequent to their de-designation dates, changes in their fair value are recorded in earnings.

(n) Income taxes:

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the anticipated future tax effects of temporary differences between the accounting basis and the tax basis of the Company's assets and liabilities using the applicable jurisdictional tax rates. A valuation allowance for deferred tax assets is recorded when it is more likely than not that some or all of the benefit from the deferred tax asset will not be realized. The Company recognizes the tax benefits of uncertain tax positions only if it is more-likely-than-not that a tax position taken or expected to be taken in a tax return will be sustained upon examination by the taxing authorities, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense in the Company's consolidated statements of operations.

(o) Share-based compensation:

The Company grants phantom share units, restricted shares, restricted stock units and stock options to certain of its officers, members of management and directors as compensation. Compensation cost is measured at the grant date fair values as follows:

- Restricted shares, phantom share units and restricted stock units are measured based on the quoted market price of the Company's common shares on the date of the grant.
- Stock options are measured at fair value using the Black-Scholes model.

The fair value of each grant is recognized on a straight-line basis over the requisite service period. The Company accounts for forfeitures in share-based compensation expense as they occur. If share compensation arrangements are amended such that they are considered an accounting modification, the Company determines whether there is a change in accounting classification and whether any additional compensation cost should be recognized. Liability based arrangements are re-measured at fair value each reporting period until settlement.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

(p) Fair value measurement:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the “exit price”) in an orderly transaction between market participants at the measurement date. The hierarchy is broken down into three levels based on the observability of inputs as follows:

- Level 1 — Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 — Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

(q) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the:

- reported amounts of assets and liabilities,
- disclosure of contingent assets and liabilities at the balance sheet dates; and
- reported amounts of revenue and expenses during the reporting fiscal periods.

Areas where accounting judgments and estimates are significant to the Company and where actual results could differ from those estimates, include, but are not limited to the:

- assessment of going concern;
- assessment of property, plant and equipment useful lives;
- expected salvage values;
- recoverability of the carrying value of property, plant and equipment and intangible assets with finite lives which are subject to future market events;
- recoverable value of goodwill;
- fair values of assets acquired and liabilities assumed from business combination;
- fair value of asset retirement obligations; and
- fair value of interest rate swaps, other derivative financial instruments and contingent consideration asset.

(r) Comparative information:

Certain information has been reclassified to conform to the financial statement presentation adopted for the current year.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

2. Significant accounting policies (continued):

- (s) Recently adopted accounting pronouncements:

Discontinuation of LIBOR

The Company adopted ASU 2020-04, “Reference Rate Reform (Topic 848)”, prospectively to contract modifications. The guidance provides optional relief for the discontinuation of LIBOR resulting from rate reform. Contract terms that are modified due to the replacement of a reference rate are not required to be remeasured or reassessed under FASB’s relevant U.S. GAAP Topic. The election is available by Topic. The Company has elected to apply the optional relief for contracts under ASC 470, “Debt”, ASC 840 and 842, “Leases”, and ASC 815, “Derivatives and Hedging”. There was no impact to the Company’s financial statements upon initial adoption. The LIBOR replacement modifications for Debt contracts were accounted for by prospectively adjusting the effective interest rate in the agreements. Existing lease and derivative contracts were not reassessed. Transition activities were focused on the conversion of existing LIBOR based contracts to the Secured Overnight Financing Rate (“SOFR”).

Debt with conversion and other options

Effective January 1, 2022, the Company adopted ASU 2020-06, “Debt – Debt with Conversion and Other Options (Subtopic 470-20)” (“ASU 2020-06”), using the modified retrospective method, whereby the cumulative effect adjustment was made as of the date of the initial application. Accordingly, financial information and disclosures in the comparative period were not restated. The impact of the adoption of ASU 2020-06 resulted in an adjustment of \$5,073,000 to opening retained earnings at January 1, 2022 related to the unamortized debt discount that was initially recorded when the convertible notes were issued. Under ASU 2020-06, the accounting for convertible debt instruments is simplified by reducing the number of accounting models and circumstances when embedded conversion features are separately recognized.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

3. Segment reporting:

For management purposes, the Company is organized based on its two leasing businesses and has two reportable segments, vessel leasing and mobile power generation. The Company's vessel leasing segment owns and operates a fleet of vessels which are chartered primarily pursuant to long-term, fixed-rate charters. The Company's mobile power generation segment owns and operates a fleet of power generation assets, including gas turbines and other equipment, and provides power solutions to customers.

The Company's chief operating decision makers monitor the operating results of the leasing businesses separately for the purpose of making decisions about resource allocation and performance assessment based on adjusted EBITDA, which is computed as net earnings before interest expense, income tax expense, depreciation and amortization expense, impairments, 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 the Company believes are not representative of its operating performance.

The following table includes the Company's selected financial information by segment:

| Year ended December 31, 2023 | Vessel Leasing | Mobile Power Generation | Elimination and Other | Total |
|---------------------------------------|-----------------------|--------------------------------|------------------------------|--------------|
| Revenue | \$ 1,702.8 | \$ 117.9 | \$ — | \$ 1,820.7 |
| Operating expense | 347.3 | 29.6 | — | 376.9 |
| Depreciation and amortization expense | 375.1 | 45.7 | — | 420.8 |
| General and administrative expense | 81.9 | 41.0 | 1.2 | 124.1 |
| Operating lease expense | 116.7 | 3.6 | — | 120.3 |
| Gain on sale | (3.7) | — | — | (3.7) |
| Interest income | (9.5) | (2.1) | (1.6) | (13.2) |
| Interest expense | 364.6 | 8.9 | 2.1 | 375.6 |
| Income tax expense | 2.0 | 6.3 | — | 8.3 |

| Year ended December 31, 2022 | Vessel Leasing | Mobile Power Generation | Elimination and Other | Total |
|--|-----------------------|--------------------------------|------------------------------|--------------|
| Revenue | \$ 1,543.0 | \$ 154.4 | \$ — | \$ 1,697.4 |
| Operating expense | 309.2 | 44.2 | — | 353.4 |
| Depreciation and amortization expense | 327.5 | 51.6 | — | 379.1 |
| General and administrative expense | 76.6 | 33.5 | (2.0) | 108.1 |
| Indemnity claim (income) under acquisition agreement | — | (21.3) | — | (21.3) |
| Operating lease expense | 120.3 | 2.7 | — | 123.0 |
| Loss (Gain) on sale | 4.0 | (0.3) | — | 3.7 |
| Interest income | (5.5) | (0.7) | (0.3) | (6.5) |
| Interest expense | 219.4 | 16.7 | (0.7) | 235.4 |
| Income tax expense | 1.9 | 0.5 | — | 2.4 |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

3. Segment reporting (continued):

| | Year ended December 31, 2023 | Year ended December 31, 2022 |
|---|------------------------------|------------------------------|
| Vessel leasing adjusted EBITDA | \$ 1,157.0 | \$ 1,036.9 |
| Mobile power generation adjusted EBITDA | 43.7 | 97.1 |
| Total segment adjusted EBITDA | 1,200.7 | 1,134.0 |
| Eliminations and other | (4.8) | (1.4) |
| Depreciation and amortization expense | 420.8 | 379.1 |
| Interest income | (13.2) | (6.5) |
| Interest expense | 375.6 | 235.4 |
| Gain on derivative instruments | (16.7) | (120.6) |
| Loss on debt extinguishment | 10.3 | 9.4 |
| Other expenses | 18.9 | 7.1 |
| Loss (Gain) on contingent consideration asset | 2.2 | (0.9) |
| Loss on foreign currency repatriation | — | 4.0 |
| (Gain) Loss on sale | (3.7) | 3.7 |
| Consolidated net earnings before taxes | \$ 411.3 | \$ 624.7 |

⁽¹⁾ The calculation of adjusted EBITDA does not include the Indemnity claim under acquisition agreement as an adjustment for the mobile power generation segment. Although the revenue reported for this segment is lower due to an injunction at one of the sites, the losses are recoverable through an indemnification agreement (note 5).

| Total Assets | December 31, 2023 | December 31, 2022 |
|-------------------------|--------------------------|--------------------------|
| Vessel Leasing | \$ 13,105.8 | \$ 10,584.2 |
| Mobile Power Generation | 764.9 | 838.9 |
| Elimination and Other | (157.7) | (120.7) |
| Total | \$ 13,713.0 | \$ 11,302.4 |

| Capital expenditures by segment | Year ended December 31, 2023 | Year ended December 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Vessel leasing | \$ 2,997.0 | 1,219.5 |
| Mobile power generation | 13.9 | 20.2 |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

4. Revenue:

The Company generates revenue by leasing and operating its fleet of vessels and power generation assets, largely through operating leases, direct financing leases and sales-type leases. Revenue disaggregated by segment and by type for the year ended December 31, 2023, December 31, 2022 and December 31, 2021 is as follows:

| | Year ended December 31, 2023 | | |
|------------------------------|-------------------------------|-------------------------|-------------------|
| | Vessel Leasing ⁽¹⁾ | Mobile Power Generation | Total |
| Operating lease revenue | \$ 1,598.7 | \$ 103.5 | \$ 1,702.2 |
| Interest income from leasing | 84.0 | — | 84.0 |
| Other | 20.1 | 14.4 | 34.5 |
| | <u>\$ 1,702.8</u> | <u>\$ 117.9</u> | <u>\$ 1,820.7</u> |
| | Year ended December 31, 2022 | | |
| | Vessel Leasing ⁽¹⁾ | Mobile Power Generation | Total |
| Operating lease revenue | \$ 1,457.0 | \$ 136.4 | \$ 1,593.4 |
| Interest income from leasing | 73.8 | — | 73.8 |
| Other | 12.2 | 18.0 | 30.2 |
| | <u>\$ 1,543.0</u> | <u>\$ 154.4</u> | <u>\$ 1,697.4</u> |
| | Year ended December 31, 2021 | | |
| | Vessel Leasing ⁽¹⁾ | Mobile Power Generation | Total |
| Operating lease revenue | \$ 1,409.9 | \$ 179.7 | \$ 1,589.6 |
| Interest income from leasing | 46.1 | — | 46.1 |
| Other | 4.4 | 6.5 | 10.9 |
| | <u>\$ 1,460.4</u> | <u>\$ 186.2</u> | <u>\$ 1,646.6</u> |

⁽¹⁾ Vessel leasing revenue includes both bareboat charter and time charter revenue.

As at December 31, 2023, the minimum future revenues to be received on committed operating leases, interest income to be earned from direct financing leases and other revenue are as follows:

| | Operating lease revenue | Direct financing leases ⁽¹⁾ | Total committed revenue |
|------------|-------------------------|--|-------------------------|
| 2024 | \$ 1,889.8 | \$ 115.6 | \$ 2,005.4 |
| 2025 | 1,758.5 | 111.1 | 1,869.6 |
| 2026 | 1,443.0 | 107.7 | 1,550.7 |
| 2027 | 987.2 | 104.1 | 1,091.3 |
| 2028 | 583.2 | 100.4 | 683.6 |
| Thereafter | 2,015.9 | 725.6 | 2,741.5 |
| | <u>\$ 8,677.6</u> | <u>\$ 1,264.5</u> | <u>\$ 9,942.1</u> |

⁽¹⁾ Minimum future interest income includes direct financing leases currently in effect.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

4. Revenue (continued):

As at December 31, 2023, the minimum future revenues to be received based on each segment are as follows:

| | Vessel Leasing ⁽¹⁾ | Mobile Power Generation | Total committed revenue |
|------------|-------------------------------|-------------------------|-------------------------|
| 2024 | \$ 1,921.0 | \$ 84.4 | \$ 2,005.4 |
| 2025 | 1,791.8 | 77.8 | 1,869.6 |
| 2026 | 1,550.7 | — | 1,550.7 |
| 2027 | 1,091.3 | — | 1,091.3 |
| 2028 | 683.6 | — | 683.6 |
| Thereafter | 2,741.5 | — | 2,741.5 |
| | <u>\$ 9,779.9</u> | <u>\$ 162.2</u> | <u>\$ 9,942.1</u> |

⁽¹⁾ Minimum future interest income includes direct financing leases currently in effect.

Minimum future revenues assume 100% utilization, extensions only at the Company's unilateral option and no renewals. It does not include signed charter agreements on undelivered vessels.

The Company's revenue during the years was derived from the following customers:

| | 2023 | 2022 | 2021 |
|------------------|-------------------|-------------------|-------------------|
| COSCO | \$ 379.3 | \$ 454.8 | \$ 492.2 |
| ONE | 379.1 | 254.3 | 255.2 |
| Yang Ming Marine | 236.0 | 241.7 | 249.9 |
| ZIM | 189.2 | 65.8 | 19.9 |
| Other | 637.1 | 680.8 | 629.4 |
| | <u>\$ 1,820.7</u> | <u>\$ 1,697.4</u> | <u>\$ 1,646.6</u> |

5. Related party transactions:

The income or expenses with related parties relate to amounts paid to or received from individuals or entities that are associated with the Company or with the Company's directors or officers and these transactions are governed by pre-arranged contracts.

(a) Transactions with Fairfax:

Over the course of 2018, 2019 and 2020, Seaspan issued to Fairfax Financial Holdings Limited and certain of its affiliates ("Fairfax") an aggregate \$600,000,000 of 5.50% senior notes due in 2025, 2026 and 2027 (the "Fairfax Notes") and warrants to purchase an aggregate 101,923,078 common shares of Seaspan. Two tranches of warrants, each for 38,461,539 common shares, were exercisable at a price of \$6.50 per share. One tranche of warrants, for 25,000,000 common shares, was exercisable at a price of \$8.05 per share. All such warrants have been exercised.

In April 2021, in connection with an amendment to the APR Energy acquisition agreement, the Company issued to Fairfax warrants to purchase 5,000,000 common shares of the Company at an exercise price of \$13.00 per share.

In June 2021, the Company and Seaspan exchanged and amended \$300,000,000 of the Fairfax Notes for (i) 12,000,000 Series J 7.00% Cumulative Redeemable Perpetual Preferred Shares of the Company (the "Series J Preferred Shares"), representing total liquidation value of \$300,000,000, and (ii) warrants to purchase 1,000,000 common shares at an exercise price of \$13.71 per share. The exchanged Fairfax Notes were subsequently cancelled and, in August 2021, Seaspan redeemed for cash the remaining Fairfax Notes at a redemption price equal to 100% of the principal amount plus any accrued and unpaid interest.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

5. Related party transactions (continued):

(a) Transactions with Fairfax (continued):

In January 2023, Fairfax exercised warrants to purchase 6,000,000 common shares of Atlas for gross aggregate proceeds to the Company of \$78,700,000. Following this exercise, Fairfax has no outstanding warrants.

For the year ended December 31, 2021, interest expense related to the Fairfax Notes, excluding amortization of the debt discount, was \$19,204,000. For the year ended December 31, 2021, amortization of debt discount was \$14,188,000.

For the year ended December 31, 2023, the dividends paid on Series J Preferred Shares were \$21,000,000 (2022 – \$21,000,000).

On February 28, 2020, in connection with the acquisition of APR Energy, Fairfax received common shares of Atlas as consideration for its equity interests in APR Energy and as settlement of indebtedness owing to Fairfax by APR Energy. In addition, Atlas reserved for issuance Holdback Shares for Fairfax. Fairfax remains a counterparty to certain indemnification and compensation arrangements related to the acquisition of APR Energy. In June 2022, 2,576,014 of the Holdback Shares were cancelled to cover losses related to certain indemnified claims that had been realized.

The indemnification obligation related to the cash repatriation from a foreign jurisdiction expired in April 2022. Prior to the expiration of this indemnification, 92,444 Holdback Shares were issued in 2022. These Holdback Shares were released from the holdback of the minority sellers and purchased by Fairfax. Upon expiration of this indemnification, the remaining Holdback Shares of 2,749,898 were released and issued to the minority sellers in June 2022. Prior to the expiration of this indemnification, Fairfax paid \$6,265,000 during the year ended December 31, 2022. In March 2023, in relation to the expiry of an indemnification obligation, 727,351 common shares reserved in treasury were issued out of Holdback Shares to the APR sellers. Following the expiration of this indemnification obligation, all Holdback Shares have been released.

During the year ended December 31, 2023 and December 31, 2022, the Company received \$3,836,000 and \$5,239,000, respectively, from Fairfax for the settlement of an indemnification related to losses realized on sale or disposal of certain property, plant and equipment and inventory items. Fairfax remains a counterparty to certain indemnification and compensation arrangements related to the acquisition of APR Energy recorded as Acquisition Related Assets and Contingent Consideration Asset (note 11(d)).

(b) Transactions with ONE:

In June 2023, the Company completed the sale of one 4,250 TEU vessel to ONE for gross proceeds of \$17,250,000. The Company continues to manage the ship operations of this vessel and during the year ended December 31, 2023, the Company earned revenue of \$1,154,000 (2022 - nil) and incurred expenses of \$1,182,000 (2022 - nil) in connection with the ship management of the vessel.

In June 2023, the Company completed the purchase of two secondhand 8,100 TEU vessels from one of the joint owners of ONE for an aggregate purchase price of \$54,400,000 (note 7).

Since the closing of the Merger, the Company earned revenue of \$312,768,000 from ONE in connection with the time charter of 24 vessels and management of one vessel as described above.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

5. Related party transactions (continued):

(c) Transactions with ZE JV:

In March 2021, the Company entered into a joint venture with Zhejiang Energy Group (“ZE”) and executed a shareholders’ agreement with ZE to form the joint venture (“ZE JV”). The Company owns 50% of the ZE JV. The purpose of the joint venture is to develop business in relation to container vessels, LNG vessels, environmental protection equipment and power equipment supply. In October 2021, through a series of transactions with a wholly owned subsidiary of the ZE JV as the ultimate purchaser, the Company sold one 4,250 TEU vessel for an aggregate purchase price of \$38,280,000 (note 7). Additionally, in May 2022, through a series of transactions with wholly owned subsidiaries of the ZE JV as the ultimate purchaser, the Company sold four 4,250 TEU vessels for an aggregate purchase price of \$138,975,000 (note 7). The Company continues to manage the ship operations of these vessels.

During the year ended December 31, 2023, the Company earned revenue of \$10,839,000 (2022 – \$7,035,000) and incurred expenses of \$9,759,000 (2022 – \$6,776,000) in connection with the ship management of the vessels. As at December 31, 2023, the Company has invested \$1,000,000 (December 31, 2022 – \$1,000,000) in the ZE JV.

During the year ended December 31, 2023, the Company entered into agreements with the ZE JV to purchase equipment for vessel upgrades and incurred \$32,322,000 under these agreements.

(d) Transactions with Poseidon:

Poseidon is the ultimate parent company of Atlas following the closing of the Merger as described in note 1.

During the year ended December 31, 2023, Atlas declared dividends of \$124,670,000 to Poseidon. As at December 31, 2023, \$48,582,000 of the dividends declared remain outstanding.

6. Net investment in lease:

| | 2023 | 2022 |
|--|-------------------|-----------------|
| Undiscounted lease receivable | \$ 2,706.5 | \$ 1,724.4 |
| Unearned interest income | (1,277.7) | (816.0) |
| Net investment in lease | <u>\$ 1,428.8</u> | <u>\$ 908.4</u> |
| | 2023 | 2022 |
| Net investment in lease | \$ 1,428.8 | \$ 908.4 |
| Current portion of net investment in lease | (33.7) | (21.0) |
| Long-term portion of net investment in lease | <u>\$ 1,395.1</u> | <u>\$ 887.4</u> |

During the year ended December 31, 2022, the Company accepted delivery of two 12,000 TEU newbuild vessels, each of which commenced an 18-year fixed rate bareboat charter upon delivery.

During the year ended December 31, 2023, the Company accepted delivery of two 16,000 TEU and two 24,000 TEU newbuild vessels, each of which commenced an 18-year fixed rate bareboat charter upon delivery. The bareboat charters have been classified as a sales-type lease and no gain or loss was recognized on the commencement dates.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

6. Net investment in lease (continued):

At December 31, 2023, the minimum lease receivable from direct financing leases are as follows:

| | | |
|------------|-----------|----------------|
| 2024 | \$ | 152.0 |
| 2025 | | 151.6 |
| 2026 | | 151.6 |
| 2027 | | 151.6 |
| 2028 | | 152.0 |
| Thereafter | | 1,947.7 |
| | \$ | 2,706.5 |

7. Property, plant and equipment:

| December 31, 2023 | Cost | Accumulated depreciation | Net book value |
|-------------------------------|--------------------|---------------------------------|-----------------------|
| Vessels | \$ 12,072.4 | \$ (3,028.5) | \$ 9,043.9 |
| Equipment and other | 566.5 | (230.8) | 335.7 |
| Property, plant and equipment | <u>\$ 12,638.9</u> | <u>\$ (3,259.3)</u> | <u>\$ 9,379.6</u> |
| | | | |
| December 31, 2022 | Cost | Accumulated depreciation | Net book value |
| Vessels | \$ 9,610.7 | \$ (2,805.6) | \$ 6,805.1 |
| Equipment and other | 542.9 | (191.1) | 351.8 |
| Property, plant and equipment | <u>\$ 10,153.6</u> | <u>\$ (2,996.7)</u> | <u>\$ 7,156.9</u> |

During the year ended December 31, 2023, depreciation and amortization expense relating to property, plant and equipment was \$365,974,000 (2022 – \$334,121,000; 2021 – \$345,164,000).

During the year ended December 31, 2022, the Company accepted delivery of one 15,000 and six 11,800 TEU newbuild vessels, each of which commenced a five-year charter upon delivery.

During the year ended December 31, 2022, the Company completed the sale of 10 vessels. The Company received gross proceeds of \$257,075,000 for the 10 vessel sales and recognized loss on sale of \$3,973,000 in aggregate.

In December 2022, the Company entered into an agreement to sell one 4,250 TEU vessel for gross proceeds \$21,600,000, subject to closing conditions. As at December 31, 2022 this vessel was classified as asset held for sale. The sale was completed in January 2023 and recognized a gain on sale of \$2,744,000.

During the year ended December 31, 2023, the Company entered into agreements to sell two 4,250 TEU vessels for gross proceeds of \$43,250,000, resulting in a net gain on sale of \$920,000.

During the year ended December 31, 2023, the Company completed the purchase of two secondhand 8,100 TEU vessels from ONE for an aggregate purchase price of \$54,400,000 (note 5).

During the year ended December 31, 2023, the Company took delivery of 18 newbuild vessels. The vessels range in size from 7,000 to 15,500 TEU and each commenced a long-term charter upon delivery. The aggregate purchase price for the newbuild vessels delivered during the year ended December 31, 2023 was \$2,118,139,000.

As at December 2023, the Company has one 4,250 TEU vessel classified as asset held for sale. The sale was completed in February 2024 for gross proceeds \$29,800,000 (note 23).

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

8. Vessels under construction

As at December 31, 2023, the vessels under construction balance includes \$66,628,000 of capitalized interest for the year ended December 31, 2023 (December 31, 2022 – \$49,022,000).

9. Right-of-use assets:

| <u>December 31, 2023</u> | Cost | Accumulated amortization | Net book value |
|--------------------------|-------------------|--------------------------|-----------------|
| Vessel operating leases | \$ 740.8 | \$ (376.4) | \$ 364.4 |
| Vessel finance leases | 69.1 | (0.5) | 68.6 |
| Other operating leases | 17.0 | (12.0) | 5.0 |
| Right-of-use assets | <u>\$ 826.9</u> | <u>\$ (388.9)</u> | <u>\$ 438.0</u> |
| | | | |
| <u>December 31, 2022</u> | Cost | Accumulated amortization | Net book value |
| Vessel operating leases | \$ 835.5 | \$ (335.5) | \$ 500.0 |
| Vessel finance leases | 246.6 | (7.9) | 238.7 |
| Office operating leases | 15.6 | (7.6) | 8.0 |
| Right-of-use assets | <u>\$ 1,097.7</u> | <u>\$ (351.0)</u> | <u>\$ 746.7</u> |

During the year-ended December 31, 2022, the Company exercised options under existing lease financing arrangements to purchase four 10,000 TEU vessels. Each of the four purchases were completed in January through September 2023 at the pre-determined purchase price of \$52,690,000 per vessel.

In November 2023, the Company exercised its option under an existing lease financing arrangements to purchase one 14,000 TEU vessel. The purchase is expected to complete in December 2024 at the pre-determined purchase price of \$61,600,000.

During the year ended December 31, 2023, the amortization in right-of-use assets were \$93,790,000 (2022 – \$99,600,000; 2021 – \$125,800,000, respectively).

10. Goodwill:

| | Vessel leasing | Mobile power generation |
|----------------------------|----------------|-------------------------|
| Balance, December 31, 2022 | \$ 75.3 | \$ — |
| Balance, December 31, 2023 | <u>\$ 75.3</u> | <u>\$ —</u> |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

11. Other assets:

| | 2023 | 2022 |
|--|-----------------|-----------------|
| Intangible assets ^(a) | \$ 61.0 | \$ 75.7 |
| Deferred dry-dock ^(b) | 166.0 | 86.9 |
| Restricted cash ^(c) | 2.6 | 11.0 |
| Contingent consideration asset ^(d) | 36.8 | 39.5 |
| Indemnity claim under acquisition agreement ^(e) | — | — |
| Deferred financing fees on undrawn financings ^(f) | 28.1 | 57.3 |
| Other | 46.1 | 42.4 |
| | <u>\$ 340.6</u> | <u>\$ 312.8</u> |

(a) Intangible assets:

| December 31, 2023 | Cost | Accumulated Amortization | Net book value |
|--------------------|-----------------|--------------------------|----------------|
| Customer contracts | \$ 129.9 | \$ (104.7) | \$ 25.2 |
| Trademark | 27.4 | (5.3) | 22.1 |
| Other | 28.7 | (15.0) | 13.7 |
| | <u>\$ 186.0</u> | <u>\$ (125.0)</u> | <u>\$ 61.0</u> |

| December 31, 2022 | Cost | Accumulated Amortization | Net book value |
|--------------------|-----------------|--------------------------|----------------|
| Customer contracts | \$ 129.9 | \$ (92.3) | \$ 37.6 |
| Trademark | 27.4 | (3.9) | 23.5 |
| Other | 25.2 | (10.6) | 14.6 |
| | <u>\$ 182.5</u> | <u>\$ (106.8)</u> | <u>\$ 75.7</u> |

As part of the acquisition of APR Energy on February 28, 2020, the Company recorded \$27,400,000 related to the fair value of a trademark. The trademark is amortized on a straight-line basis over its estimated useful life of 20 years.

Acquired customer contracts are amortized on a straight-line basis over their remaining useful lives. As of December 31, 2023, the weighted average remaining useful lives of acquired customer contracts was 2.4 years (2022 – 3.4 years; 2021 – 3.9 years).

During the year ended December 31, 2023, the Company recorded \$18,198,000 of amortization related to intangible assets (2022 – \$23,200,000; 2021 – \$20,910,000).

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

11. Other assets (continued):

(a) Intangible assets (continued):

Future amortization of intangible assets is as follows:

| | | |
|------------|----|-------------|
| 2024 | \$ | 14.1 |
| 2025 | | 9.7 |
| 2026 | | 4.4 |
| 2027 | | 2.7 |
| 2028 | | 2.2 |
| Thereafter | | 27.9 |
| | \$ | <u>61.0</u> |

(b) Deferred dry-dock:

During the years ended December 31, 2023 and 2022, changes in deferred dry-dock were as follows:

| | | |
|--------------------------------------|----|--------------|
| December 31, 2021 | \$ | 79.4 |
| Costs incurred | | 42.4 |
| Vessel Sales | | (11.3) |
| Amortization expensed ⁽¹⁾ | | (23.6) |
| December 31, 2022 | | <u>86.9</u> |
| Costs incurred | | 124.4 |
| Vessel sales ⁽²⁾ | | (6.9) |
| Amortization expensed ⁽¹⁾ | | (38.4) |
| December 31, 2023 | \$ | <u>166.0</u> |

⁽¹⁾ Amortization of dry-docking costs is included in depreciation and amortization.⁽²⁾ Includes one vessel classified as asset held for sale as at December 31, 2023.

(c) Restricted cash:

Restricted cash consists primarily of amounts held in reserve accounts related to the Company's debt facilities.

(d) Contingent consideration asset:

As a part of the acquisition of APR Energy on February 28, 2020, the Company is compensated by the Sellers for certain losses that may be incurred on future cash repatriation from a foreign jurisdiction until the earlier of (1) reaching the maximum cash flows subject to compensation, (2) termination of specified contracts, (3) sustaining the ability to repatriate cash without losses and (4) April 30, 2022. The amount of compensation depends on the Company's ability to generate cash flows on specific contracts in the foreign jurisdiction and the magnitude of losses incurred on repatriation. The maximum amount of cash flows subject to compensation is \$110,000,000. This indemnification obligation related to the cash repatriation from a foreign jurisdiction expired in April 2022 (note 5(a)).

In February 2021, Fairfax additionally agreed to compensate the Company for future losses realized on sale or disposal of certain property, plant and equipment and inventory items calculated as the difference between the proceeds on sale or disposal and the book value of the respective assets at February 28, 2020, prior to acquisition. The maximum amount of losses subject to compensation under the February 2021 agreement is \$64,000,000. There is no expiration or end date related to this indemnification.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

11. Other assets (continued):

(d) Contingent consideration asset (continued):

| | | |
|--|----|--------|
| Contingent consideration asset, December 31, 2021 | \$ | 55.3 |
| Change in fair value | | 0.9 |
| Compensation received | | (12.5) |
| Contingent consideration asset, December 31, 2022 | | 43.7 |
| Change in fair value | | (2.2) |
| Compensation received | | (3.8) |
| Contingent consideration asset | | 37.7 |
| Current portion included in prepaid expenses and other | | (0.9) |
| Contingent consideration asset, December 31, 2023 | \$ | 36.8 |

(e) Indemnity claim under acquisition agreement

As a part of the acquisition of APR Energy on February 28, 2020, the Company is compensated by the Sellers for losses resulting from an ongoing injunction on certain sites in Argentina, which losses are settled through a combination of cancellation of Holdback Shares and cash. In May 2022, 2,576,014 of the Holdback Shares were cancelled and in 2022 the Company received a total of \$31,602,000 cash compensation, of which \$21,247,000 was received in December 2022 and was recorded as acquisition related asset. As at December 31, 2022, the indemnification for the losses related to the injunction were fully settled.

(f) Deferred financing fees on undrawn financings

The Company has entered into financing arrangements for certain of its vessels under construction. As the financing arrangements are undrawn as at December 31, 2023, the amounts incurred have been capitalized and recorded as long-term asset. As the financing is drawn, the amounts are reclassified and presented as a direct deduction from the related debt liability.

12. Long term debt:

| | December 31, 2023 | December 31, 2022 |
|--|-------------------|-------------------|
| Long-term debt: | | |
| Revolving credit facilities ^{(a) (d)} | \$ 320.0 | \$ — |
| Term loan credit facilities ^{(b) (d)} | 1,175.6 | 1,233.0 |
| Senior unsecured notes ^(e) | 828.1 | 1,302.4 |
| Senior unsecured exchangeable notes ^(g) | — | 201.3 |
| Senior Secured Notes ^(e) | 1,000.0 | 1,000.0 |
| | 3,323.7 | 3,736.7 |
| Deferred financing fees | (32.9) | (44.9) |
| Long-term debt | 3,290.8 | 3,691.8 |
| Current portion of long-term debt | (129.4) | (238.4) |
| Long-term debt | \$ 3,161.4 | \$ 3,453.4 |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

12. Long term debt (continued):

(a) Revolving credit facilities:

As at December 31, 2023, the Company had three revolving credit facilities available (December 31, 2022 – three revolving credit facilities) which provided for aggregate borrowings of up to \$700,000,000 (December 31, 2022 – \$700,000,000), of which \$380,000,000 (December 31, 2022 – \$700,000,000) was undrawn.

In February 2022, the Company closed a new \$250,000,000, 3-year unsecured revolving credit facility which replaced a \$150,000,000 2-year unsecured revolving credit facility.

In June 2022, the Company entered into an amended and restated credit facility which comprises a \$50,000,000 revolving credit facility and a \$108,000,000 term loan facility. The credit facility matures on June 2025 and is secured by the Company's power generation assets. As of December 31, 2023, the revolving credit facility is committed but undrawn.

As at December 31, 2023, the Company has \$320,000,000 (December 31, 2022 – nil) drawn on its revolving credit facilities.

The Company is subject to commitment fees ranging between 0.45% and 1.0% (December 31, 2022 – 0.45% and 0.5%) calculated on the undrawn amounts under the various facilities.

(b) Term loan credit facilities:

As at December 31, 2023, the Company has entered into \$2,367,516,000 (December 31, 2022 – \$3,751,731,000) of term loan credit facilities, of which \$1,191,936,000 (December 31, 2022 – \$2,518,743,000) was undrawn.

In May and July 2021, the Company entered into two \$6,500,000 term loan credit facilities, which each bear a fixed interest rate of 3.8% per annum and mature on May 30, 2024 and July 2, 2024, respectively. In September 2022, both the term loan credit facilities were early repaid.

In October 2021, the Company entered into a \$633,088,000 term loan credit facility for eight vessels, which bore an initial interest rate of three month LIBOR plus 1.4% margin. During the years ended December 31, 2022 and December 31, 2023, five and three of the vessels secured under this credit facility, respectively, were delivered and the Company transitioned the financing under the term loan credit facility related to these vessels with sale-leaseback arrangements (note 15(xiii)).

In December 2021, the Company entered into a \$1,077,137,000 term loan credit facility for 10 vessels, which bore an initial interest rate of three month LIBOR plus 3.39% margin. During the year ended December 31, 2023, seven of the vessels secured under this credit facility delivered and the Company transitioned the financing under the term loan credit facility related to these seven vessels with sale-leaseback arrangements (note 15(xiv)). As a result, the remaining term loan credit financing available for the three vessels is \$255,246,000, which is undrawn as of December 31, 2023.

In May 2022, the Company voluntarily prepaid a term loan facility with an outstanding balance of \$100,000,000.

In June 2022, the Company entered into an amended and restated credit facility which comprises a \$50,000,000 revolving credit facility and a \$108,000,000 term loan facility (note 12(a)). In October 2023, the Company early repaid \$89,250,000 under this term loan credit facility.

In August 2022, the Company voluntarily prepaid \$240,000,000 of a term loan facility under its vessel portfolio financing program.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

12. Long term debt (continued):

(b) Term loan credit facilities (continued):

In October 2022, the Company entered into a \$1,170,918,000 term loan credit facility for 15 vessels, which bears an initial interest rate of daily SOFR plus 1.4% margin. During the year ended December 31, 2023, three of the vessels secured under this credit facility delivered and the Company transitioned the financing under the term loan credit facility related to these three vessels with sale-leaseback arrangements (note 15(xv)). As a result, the remaining term loan credit financing available for 12 vessels is \$936,690,000, which is undrawn as of December 31, 2023.

In March 2023, the Company entered into amended and restated senior secured loan facilities which (i) increased the commitments under the bank loan facilities by \$250,000,000, of which \$200,000,000 was drawn immediately and \$50,000,000 of which was drawn in September 2023, (ii) increase the amount of total borrowing permitted relative to total assets from 65% to 75%, (iii) replace the London Interbank Offered Rate with the Secured Overnight Financing Rate as the reference interest rate, and (iv) extend the maturities of tranches due in 2026 and 2027 by approximately two years.

Term loan credit facilities drawn mature between March 3, 2028 and January 21, 2030.

For the Company's floating rate term loan credit facilities, interest is calculated based on three month or six month benchmark rates, plus a margin per annum, dependent on the interest period selected by the Company. The three month and six month average benchmark rate was 5.4% and 5.4%, respectively (December 31, 2022 – 4.8% and 3.5%). The margins ranged between 1.9% and 2.4% as at December 31, 2023 (December 31, 2022 – 0.4% and 2.5%).

The weighted average rate of interest, including the applicable margin, was 7.4% as at December 31, 2023 (December 31, 2022 – 6.4%) for the Company's term loan credit facilities. Interest payments are made in monthly, quarterly or semi-annual payments.

Repayments under term loan credit facilities are made in quarterly or semi-annual payments. For those related to newbuilding containerships, payments commence three, six or thirty-six months after delivery of the associated newbuilding containership, utilization date or the inception date of the term loan credit facilities.

The Company is subject to commitment fees ranging between 0.44% and 0.49% (December 31, 2022 – 0.25% and 0.58%) calculated on the undrawn amounts under the various facilities.

The following is a schedule of future minimum repayments under the Company's term loan credit facilities as of December 31, 2023:

| | | |
|------------|----|----------------|
| 2024 | \$ | 103.9 |
| 2025 | | 103.9 |
| 2026 | | 103.9 |
| 2027 | | 103.9 |
| 2028 | | 444.0 |
| Thereafter | | 316.0 |
| | \$ | <u>1,175.6</u> |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

12. Long term debt (continued):

(c) Sustainability-Linked Senior Secured Notes:

In May 2021, the Company entered into a note purchase agreement to issue \$500,000,000 of sustainability-linked, senior secured notes (the “Senior Secured Notes”) in a US private placement. The Senior Secured Notes comprise four series, each ranking pari passu with the Company’s existing and future debt financing program. The Series A, Series C and Series D Senior Secured Notes were issued in May 2021, with interest rates ranging from 3.91% to 4.26% and maturities from June 2031 to June 2036. The Series B Senior Secured Notes, which bear interest at 3.91% per annum and mature in 2031, were issued in August 2021. The Senior Secured Notes contain certain sustainability features, and are subject to adjustment based on Seaspan’s achievements relative to certain key performance indicators.

On May 17, 2022, the Company entered into a note purchase agreement to issue, in a private placement, \$500,000,000 aggregate principal amount of fixed-rate, sustainability-linked senior secured notes. The notes comprise three series, with interest rates ranging from 5.15% to 5.49% and maturities ranging from September 5, 2032 to September 5, 2037. The notes were issued and proceeds received on August 3, 2022.

(d) Credit facilities – other:

As at December 31, 2023, the Company’s credit facilities were secured by first-priority mortgages granted on most of its power generation assets and 53 of its vessels together with other related security. The security for each of the Company’s current secured credit facilities includes:

- A first priority mortgage on collateral assets;
- An assignment of the Company’s lease agreements and earnings related to the related collateral assets;
- An assignment of the insurance policies covering each of the collateral assets that are subject to a related mortgage and/or security interest;
- An assignment of the Company’s related shipbuilding contracts and the corresponding refund guarantees;
- A pledge over shares of various subsidiaries; and
- A pledge over the related retention accounts.

As at December 31, 2023, \$1,518,381,000 principal amount of indebtedness under the Company’s term loan and revolving credit facilities, together with \$1,000,000,000 of sustainability-linked fixed rate notes with maturities from June 2031 to September 2037, was secured by a portfolio of 51 vessels, the composition of which can be changed, and is subject to a borrowing base and portfolio concentration requirements, as well as compliance with financial covenants and certain negative covenants.

The Company may prepay certain amounts outstanding without penalty, other than breakage costs in certain circumstances, with the exception of one term loan credit facility, where the Company may prepay borrowings up to March 6, 2023 with penalties and thereafter without penalty. A prepayment may be required as a result of certain events, including change of control and, where applicable, the sale or loss of assets or a termination or expiration of certain lease agreements (and the inability to enter into a lease replacing the terminated or expired lease suitable to lenders within a specified period of time). The amount that must be prepaid may be calculated based on the loan to market value. In these circumstances, valuations of the Company’s assets are conducted on a “without lease” and/or “orderly liquidation” basis as required under the credit facility agreement.

Each credit facility contains a mix of financial covenants requiring the borrower and/or guarantor of the facility to maintain minimum liquidity, tangible net worth, interest and principal coverage ratios, and debt-to-assets ratios, as defined. Each of Atlas and Seaspan are guarantors under certain facilities.

Some of the facilities also have an interest and principal coverage ratio, debt service coverage and vessel value requirement for the subsidiary borrower. The Company was in compliance with these covenants as at December 31, 2023.

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Notes to Consolidated Financial Statements (Continued)

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Years ended December 31, 2023, 2022 and 2021

12. Long term debt (continued):

(e) Senior unsecured notes:

In February 2021, the Company issued \$200,000,000 of 6.5% senior unsecured sustainability-linked bonds in the Nordic bond market (“2024 Bonds”). In April 2021, the Company issued a further \$300,000,000 of senior unsecured sustainability-linked bonds in the Nordic bond market (the “2026 Bonds” and together with the 2024 Bonds, the “Bonds”). The Bonds mature in February 2024 and April 2026, respectively, and bear interest at 6.5% per annum. If the sustainability performance targets are not met during the term of the Bonds, the Bonds will be settled at maturity at 100.5% of the initial principal. The Bonds are listed on the Oslo Stock Exchange.

As a result of the Merger (note 1(b)), the Company’s common shares were de-listed on April 10, 2023 (the “De-listing”). The Company has notified the holders of the 2024 NOK Bonds and the 2026 NOK Bonds of this de-listing event and that each holder of the 2024 NOK Bonds and the 2026 NOK Bonds had a right to require the Company to purchase all or some of the bonds held by such holder (a “NOK Put Option”) at a price equal to 101% of the principal amount plus accrued interest. Each holder could exercise a NOK Put Option during the exercise period which ended on May 3, 2023. On May 10, 2023, the Company repurchased \$179,400,000 of 2024 NOK Bonds and \$294,900,000 of the 2026 NOK Bonds. In each case, the Company purchased 2024 and 2026 NOK Bonds from holders who exercised their NOK Put Options, at a purchase price equal to 101% of the principal amount plus accrued interest for a total payment of \$482,706,000. The remaining 2024 NOK Bonds totaling \$20,600,000 matured on February 5, 2024. On May 22, 2023, as a result of having repurchased more than 90% of the outstanding 2026 NOK Bonds, the Company exercised its option to repurchase all remaining outstanding 2024 and 2026 NOK Bonds from holders. The repurchase, requiring a payment of \$25,700,000, occurred on February 5, 2024 (note 23).

In May 2021, the Company exchanged an aggregate principal amount of \$52,198,825 7.125% senior notes due 2027 of its wholly owned subsidiary, Seaspan Corporation (the “Seaspan Notes”), for an equivalent amount of its 7.125% senior notes due 2027 (the “Atlas Notes”), registered under the Securities Act of 1933, as amended, and listed on the Nasdaq Global Market. In July 2021, the Company exchanged an additional \$151,000 of Seaspan Notes for Atlas Notes, and redeemed all remaining Seaspan Notes.

On July 14, 2021, the Company issued \$750,000,000 of senior unsecured notes. These notes mature in 2029 and accrue interest at 5.5% per annum, payable semi-annually beginning on February 1, 2022. The notes are a blue transition bond developed to further the Company’s sustainability efforts.

(f) Fairfax Notes:

Pursuant to the Fairfax Exchange as described in note 5(a), the Company exchanged \$200,000,000 aggregate principal amount of the 2026 Fairfax Notes and all \$100,000,000 aggregate principal amount of the 2027 Fairfax Notes for (i) 12,000,000 Series J 7.00% Cumulative Redeemable Perpetual Preferred Shares, and (ii) 1,000,000 five year warrants to purchase an equal number of Atlas common shares at an exercise price of \$13.71 per share. The exchanged 2026 Fairfax Notes and 2027 Fairfax Notes were subsequently cancelled.

In connection with the Fairfax Exchange, the Fairfax Holders also agreed to amend the terms of the \$300,000,000 aggregate principal amount of the Fairfax Notes that remain outstanding following the Fairfax Exchange, which includes all 2025 Fairfax Notes and 2026 Fairfax Notes. The Amendment, among other things, eliminated the Fairfax Holders’ mandatory redemption and put rights and released and discharged all outstanding guarantees and liens on collateral thereunder. The Fairfax Holders also agreed to terminate Seaspan’s Amended and Restated Pledge and Collateral Agent Agreement and to release and discharge all liens on collateral thereof. The Company had the option to redeem the amended notes, in whole or in part, at any time at a redemption price equal to 100% of the principal amount plus any accrued and unpaid interest.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

12. Long term debt (continued):

(f) Fairfax Notes (continued):

In August 2021, the remaining 2025 Fairfax Notes and 2026 Fairfax Notes were redeemed for cash at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest. As a result of the Fairfax Exchange and subsequent redemption of the 2025 Fairfax Notes and 2026 Fairfax Notes, the Company recorded a loss on debt extinguishment of nil for the year ended December 31, 2023 (2022 – nil; 2021 – \$121,715,000), representing the write-off of the existing associated debt discount and deferred financing fees.

(g) Senior Unsecured Exchangeable Notes:

On December 21, 2020, the Company, through its wholly-owned subsidiary, Seaspan Corporation issued \$201,250,000 aggregate principal amount of 3.75% exchangeable senior unsecured notes due 2025 (the “Exchangeable Notes”) in a private placement. Upon issuance, the proceeds from the Exchangeable Notes were allocated between debt, measured at fair value of \$195,000,000 and equity of \$6,250,000 representing the residual value related to the conversion feature. The difference between the face value and carrying value of the debt reflects the debt discount, which is amortized through interest expense using an effective interest rate of 4.5%, over the remaining life of the debt. Interest payment is semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2021.

The Exchangeable Notes are exchangeable at the holders’ option into an aggregate of 15,474,817 Atlas common shares at an initial exchange price of \$13.01 per share, in equivalent cash or a combination of Atlas common shares and cash, as elected by the Company, on or after September 15, 2020, or earlier in the following circumstances:

- After December 31, 2020, if the last reported price of an Atlas common share is at least 130% of the exchange price then in effect over a specified measurement period;
- If the trading price per \$1,000 principal amount of Exchangeable Notes during a specified measurement period is less than 98% of the last reported sale price on Atlas common shares multiplied by the applicable exchange rate; and
- Upon the occurrence of certain significant corporate events, or in response to early redemption elected by the Company.

The exchange price is subject to anti-dilution and make-whole clauses.

The holders may require the Company to redeem the Exchangeable Notes held by them upon the occurrence of certain corporate events qualifying as a fundamental change in the business. The Merger (note 1(b)) and subsequent de-listing of the Company’s common shares on April 10, 2023 constituted a “Make-Whole Fundamental Change” under the terms of the Exchangeable Notes. On March 28, 2023, the Company entered into a supplemental indenture providing the holders of the Exchangeable Notes the right to exchange each \$1,000 principal amount of such Exchangeable Note into a number of units based on a defined exchange rate. In connection with the Make-Whole Fundamental Change, each holder had the right, at its option, to exchange all or any portion of its Exchangeable Notes at any time from during the make-whole exchange period at an increased exchange rate on account of a Make-Whole Fundamental Change. During the make-whole exchange period, which ended on May 22, 2023, all of the outstanding Exchangeable Notes were exchanged by the Holders representing a total settlement of \$253,139,000.

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Notes to Consolidated Financial Statements (Continued)

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12. Long term debt (continued):

(g) Senior Unsecured Exchangeable Notes (continued):

Capped Call Transactions

In connection with the issuance of the Exchangeable Notes, the Company entered into capped call transactions with affiliates of certain of the initial purchasers of the Exchangeable Notes and other financial institutions, using \$15,536,000 in proceeds from the issuance, to reduce the potential dilution to Atlas common shares upon any exchange of notes and/or offset any cash payments the Company was required to make upon exchange of the Exchangeable Notes, in excess of the principal amount. They may have been settled in cash, shares, or a combination of cash and shares as determined by the settlement method of the Exchangeable Notes, at a strike price with underlying shares equal to that of the Exchangeable Notes and subject to anti-dilution adjustments substantially similar to those applicable to the Exchangeable Notes. The capped calls were exercisable up to a maximum price of \$17.85 per share, subject to certain adjustments. The instruments were to expire on December 15, 2025. In connection with the exchange of the Exchangeable Notes, the Company terminated all capped call transactions entered into concurrently with the issue of Exchangeable Notes.

13. Operating lease liabilities:

| | December 31, 2023 | December 31, 2022 |
|--|-------------------|-------------------|
| Operating lease commitments | \$ 425.9 | \$ 581.6 |
| Impact of discounting | (38.5) | (66.3) |
| Impact of changes in variable rates | (15.2) | (8.3) |
| Operating lease liabilities | 372.2 | 507.0 |
| Current portion of operating lease liabilities | (101.1) | (115.3) |
| Operating lease liabilities | <u>\$ 271.1</u> | <u>\$ 391.7</u> |

Operating lease liabilities relate to vessel sale-leaseback transactions and other operating leases. Vessel sale-leaseback transactions under operating lease arrangements are in part, indexed to three month benchmark rate, reset on a quarterly basis. For one of the Company's vessel operating leases, an option to repurchase the vessel exists at the end of its lease term. For all other arrangements, the lease may be terminated prior to the end of the lease term, at the option of the Company, by repurchasing the respective vessels on a specified repurchase date at a pre-determined fair value amount. For one of these arrangements, if the Company elects not to repurchase the vessel, the lessor may choose not to continue the lease until the end of its term. Each sale-leaseback transaction contains financial covenants requiring the Company to maintain certain tangible net worth, interest coverage ratios and debt-to-assets ratios, as defined. These vessels are leased to customers under time charter arrangements.

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Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

13. Operating lease liabilities (continued):

Operating lease costs related to vessel sale-leaseback transactions and other leases are summarized as follows:

| | Year ended December 31, 2023 | Year ended December 31, 2022 |
|--|------------------------------|------------------------------|
| Lease costs: | | |
| Operating lease costs | \$ 116.8 | \$ 128.5 |
| Variable lease adjustments | 4.7 | (4.8) |
| Other information: | | |
| Operating cash outflow used for operating leases | 113.3 | 116.5 |
| Weighted average discount rate ⁽¹⁾ | 4.8 % | 4.8 % |
| Weighted average remaining lease term | 4 years | 5 years |

⁽¹⁾ The weighted average discount rate is based on a fixed rate at the time the lease was entered into and is adjusted quarterly as each lease payment is made.

14. Finance lease liabilities:

| | December 31, 2023 | December 31, 2022 |
|--|-------------------|-------------------|
| Finance lease liabilities | \$ 66.5 | \$ 222.2 |
| Current portion of finance lease liabilities | (66.5) | (222.2) |
| Long-term finance lease liabilities | \$ — | \$ — |

During the year ended December 31, 2022, the Company exercised options under existing lease financing arrangements to purchase four 10,000 TEU vessels. Each of the four purchases were completed in January through September 2023 at the pre-determined purchase price of \$52,690,000 per vessel.

In November 2023, the Company exercised its option under an existing lease financing arrangement to purchase one 14,000 TEU vessel. The purchase is expected to complete in December 2024 at the pre-determined purchase price of \$61,600,000.

As at December 31, 2023, the total remaining commitments related to financial liabilities of these vessels were approximately \$70,701,000 (December 31, 2022 – \$225,117,000), including imputed interest of \$4,242,000 (December 31, 2022 – \$2,875,000), repayable through 2024.

The weighted average interest rate on obligations related to finance leases as at December 31, 2023 was 7.3%.

15. Other financing arrangements:

| | 2023 | 2022 |
|---|------------|------------|
| Other financing arrangements | \$ 4,656.5 | \$ 2,119.7 |
| Deferred financing fees | (52.7) | (31.9) |
| Other financing arrangements | 4,603.8 | 2,087.8 |
| Current portion of other financing arrangements | (298.5) | (147.5) |
| Other financing arrangements | \$ 4,305.3 | \$ 1,940.3 |

The Company, through certain of its wholly-owned subsidiaries, has entered into non-recourse or limited recourse sale-leaseback arrangements with financial institutions to fund the acquisition of vessels.

Under these arrangements, the Company has agreed to transfer the vessels to the counterparties and lease the vessels back from the counterparties over the applicable lease term as a financing lease arrangement. In the arrangements where the shipbuilding contracts are novated to the counterparties, the counterparties assume responsibility for the remaining payments under the shipbuilding contracts.

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Notes to Consolidated Financial Statements (Continued)

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Years ended December 31, 2023, 2022 and 2021

15. Other financing arrangements (continued):

In certain of the arrangements, the counterparties are companies whose only assets and operations are to hold the Company's leases and vessels. The Company operates the vessels during the lease term, supervises the vessels' construction before the lease term begins, if applicable, and/or is required to purchase the vessels from the counterparties at the end of the lease term. As a result, in most cases, the Company is considered to be the primary beneficiary of the counterparties and consolidates the counterparties for financial reporting purposes. In all cases, these arrangements are considered failed-sales. The vessels are recorded as an asset and the obligations under these arrangements are recorded as a liability. The terms of the leases are as follows:

(i) Leases for five 11,000 TEU vessels:

Under these arrangements, the counterparty has provided financing of \$420,750,000. The 17-year lease terms began between August 2017 and January 2018, which were the vessels' delivery dates. At delivery, the Company sold and leased the vessels back over the term of the sale-leaseback transactions. At the end of the lease terms, the Company is obligated to purchase the vessels at a pre-determined purchase price. In October 2020, the Company made a prepayment of \$71,084,000 on the remaining principal balance of one of the 11,000 TEU vessels under sales-leaseback financing arrangement (note 15(iv)). Lease payments include interest components based on three month SOFR plus a margin ranging from 2.65% to 3.30%. In January 2021, the Company made a payment of \$69,166,000 to early terminate a sale-leaseback financing arrangement secured by one 11,000 TEU vessel. In March 2021, the Company entered into a new sale-leaseback financing arrangement of \$83,700,000, secured by the same 11,000 TEU vessel.

(ii) Leases for four 12,000 TEU vessels:

Under these arrangements, the counterparty has provided financing of \$337,732,000. The 10-year lease terms began in March and April 2020, which were the vessels' delivery dates. At delivery, the Company sold and leased the vessels back over the term of the sale-leaseback transactions. At the end of the lease terms, the Company is obligated to purchase the vessels at a pre-determined purchase price. Lease payments include interest components based on one month SOFR plus a 2.85% margin.

(iii) Leases for two 13,000 TEU vessels:

Under these arrangements, the counterparty has provided financing of \$138,225,000. The 10-year lease terms began in August and September 2020, which were the vessels' delivery dates. At delivery, the Company sold and leased the vessels back over the term of the sale-leaseback transactions. At the end of the lease terms, the Company is obligated to purchase the vessels at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a 3.01% margin.

(iv) Leases for two 12,000 TEU vessels:

Under these arrangements, the counterparty has provided financing of \$158,400,000. The 10-year and 12-year lease terms began in October and November 2020, respectively, which were the vessels' delivery dates. At delivery, the Company sold and leased the vessels back over the term of the sale-leaseback transactions. The Company has the option to purchase the vessels throughout their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a margin ranging from 2.50% to 2.75%.

(v) Leases for three vessels:

In April 2021, the counterparty provided refinancing of \$235,000,000 in sale-leaseback financing for three vessels ranging in size between 10,000 TEU and 13,100 TEU. The lease terms, ranging between 96 and 162 months, began in April 2021. The Company sold and leased the vessels back over the term of the sale-leaseback transactions. At the end of the lease term, the Company is obligated to purchase the vessels at a pre-determined purchase price. The Company has the option to purchase the vessels after the second anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a 3.01% margin.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

15. Other financing arrangements (continued):

(vi) Leases for three 12,200 TEU vessels

In April 2021, the counterparty provided sale-leaseback financing of \$243,000,000. The 12-year lease term for three of the vessels began in November 2021, April and May 2022, upon delivery of the vessels. At delivery, the Company sells and leases the vessels back over the term of the sale-leaseback transactions. At the end of the lease term, the Company is obligated to purchase the vessels at a pre-determined purchase price. The Company has the option to purchase the vessels after the second anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on one month SOFR plus a 2.6% margin.

(vii) Leases for two 12,200 TEU vessels

In May 2021, the counterparty provided sale-leaseback financing of \$162,000,000. The 10-year lease terms began in September and November 2021, which were the vessels' delivery dates. At delivery, the Company sold and leased the vessels back over the term of the sale-leaseback transactions. The Company has the option to purchase the vessels after the first anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on one month SOFR plus a 2.95% margin.

(viii) Leases for six 7,000 TEU vessels

In October 2021, the counterparty provided sale-leaseback financing of \$445,000,000. At delivery, the Company will sell and lease the vessels back over the term of the sale-leaseback transactions. At the end of the lease term, the Company is obligated to purchase four of the vessels at a pre-determined purchase price. For all six vessels, the Company has the option to purchase the vessels after the first anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a 2.71% margin. During the year ended December 31, 2023, the Company took delivery of two vessels and completed sale-leaseback financing for the two vessels for proceeds of \$148,252,000. At December 31, 2023, an additional \$82,362,000 was drawn on this facility.

(ix) Leases for eight vessels

In June 2021, the counterparty provided sale-leaseback financing of \$895,320,000 for eight vessels ranging in size from 16,000 TEU to 24,000 TEU. At delivery, the Company will sell and lease the vessels back over the term of the sale-leaseback transactions. The Company has the option to purchase the vessels after the second anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a 2.5% margin. During the year ended December 31, 2023, the Company took delivery of four vessels and completed sale-leaseback financing for the four vessels for proceeds of \$471,240,000. At December 31, 2023 an additional \$94,240,000 has been drawn under this facility.

(x) Leases for six 15,500 TEU vessels

In August 2021, the counterparty provided sale-leaseback financing of \$661,826,000. At delivery, the Company will sell and lease the vessels back over the term of the sale-leaseback transactions. The Company has the option to purchase the vessels after the second anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on one month SOFR plus a 2.5% margin. During the year ended December 31, 2023, the company took delivery of three vessels and completed sale-leaseback financing for the three vessels for proceeds of \$325,393,000.

(xi) Leases for six 15,000 TEU and four 7,000 TEU vessels

In November 2021, the counterparty provided sale-leaseback financing of \$889,651,000. At delivery, the Company will sell and lease the vessels back over the term of the sale-leaseback transactions. The Company has the option to purchase the vessels after the first anniversary date of delivery through their respective lease terms at a pre-determined purchase price. Lease payments include interest components based on three month SOFR plus a 2.45% margin. At December 31, 2023, no amounts have been drawn under this facility.

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Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

15. Other financing arrangements (continued):

(xii) Leases for two 12,000 TEU vessels

During the year ended December 31, 2022, the Company completed a sale-leaseback financing for two vessels for proceeds of \$226,000,000. Upon delivery of each vessel, the Company commenced a 13.25 year leaseback. Lease payments include interest components based on three month SOFR plus a credit spread and a 1.8% margin. The Company has the option to purchase each vessel either 5 years or 7 years and 11 months after its delivery date at a pre-determined purchase price.

(xiii) Leases for four 11,800 TEU and four 15,000 TEU vessels

Prior to the sale-leaseback of each vessel, the Company had pre-delivery financing under a secured term loan credit facility (note 12(b)). Upon delivery of each vessel throughout 2022 and 2023, the pre-delivery financing was replaced with sale-leaseback financing for all eight vessels for proceeds of \$818,400,000. Upon delivery of each vessel, which occurred between June 2022 through July 2023, the Company commenced a 14 year leaseback. Lease payments include interest components based on daily SOFR plus a credit spread and margin of 1.4%. The Company has the option to purchase each vessel 9.5 years after its delivery date at a pre-determined purchase price.

(xiv) Leases for seven 15,000 TEU vessel

Prior to the sale-leaseback of each vessel, the Company had pre-delivery financing under a secured term loan credit facility (note 12(b)). Upon delivery of each vessel during 2023, the pre-delivery financing was replaced with sale-leaseback financing for the seven vessels for proceeds of \$950,807,000. Upon delivery of each vessel, the Company commenced a 14 year leaseback. Lease payments include interest components based on daily SOFR plus a credit adjustment spread and margins that range from 1.1% to 1.7%. The Company has the option to purchase each vessel 9.5 years after its delivery date at a pre-determined purchase price. At as December 31, 2023, an additional \$60,930,000 have been drawn under this facility.

(xv) Leases for three 7,000 TEU vessels

Prior to the sale-leaseback of each vessel, the Company had pre-delivery financing under a secured term loan credit facility (note 12(b)). Upon delivery of each vessel during 2023, the pre-delivery financing was replaced with sale-leaseback financing for the three vessels for proceeds of \$303,220,000. Upon delivery of each vessel, the Company commenced a 13.5 year leaseback. Lease payments include interest components based on three month SOFR plus a credit adjustment spread and margin of 1.4%. The Company has the option to purchase each vessel 9.5 years after its delivery date at a pre-determined purchased price.

The weighted average rate of interest, including the margin, was 7.36% at December 31, 2023 (December 31, 2022 – 6.62%).

Based on amounts funded for other financing arrangements, payments due to lessors would be as follows:

| | | |
|------------|----|----------------|
| 2024 | \$ | 300.0 |
| 2025 | | 301.6 |
| 2026 | | 302.3 |
| 2027 | | 306.3 |
| 2028 | | 310.4 |
| Thereafter | | 3,135.9 |
| | \$ | <u>4,656.5</u> |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

16. Other liabilities:

| | 2023 | 2022 |
|--|-----------------|----------------|
| Asset retirement obligations ^(a) | \$ 24.3 | \$ 15.9 |
| Other | 171.8 | 48.6 |
| Other long-term liabilities | 196.1 | 64.5 |
| Current portion of other long-term liabilities | (18.8) | (13.3) |
| Other long-term liabilities | <u>\$ 177.3</u> | <u>\$ 51.2</u> |

(a) Asset retirement obligations:

Asset retirement obligations were assumed as part of the APR Energy acquisition and consist of the contractual requirement to demobilize the Company's mobile power generation sites when there is a legal obligation associated with the demobilization and the fair value of the liability can be reasonably estimated.

| | |
|---|----------------|
| Asset retirement obligations, December 31, 2021 | \$ 37.4 |
| Liabilities acquired | 6.5 |
| Liabilities incurred | (1.2) |
| Liabilities settled | (37.1) |
| Change in estimated cash flow | 1.2 |
| Provision reassessment | 8.9 |
| Accretion expense | 0.2 |
| Asset retirement obligations, December 31, 2022 | 15.9 |
| Liabilities acquired | 10.3 |
| Liabilities incurred | (2.4) |
| Liabilities settled | — |
| Change in estimated cash flows | 0.8 |
| Provision reassessment | (0.7) |
| Accretion expense | 0.4 |
| Asset retirement obligations, December 31, 2023 | <u>\$ 24.3</u> |

17. Income tax:

The Company is tax resident in the United Kingdom and consists of its vessel leasing and mobile power generation segments. The effective tax rate for its containership segment is nominal, primarily due to international shipping reciprocal exemptions. Its mobile power generation segment, acquired on February 28, 2020 through APR Energy, is subject to income taxes in multiple jurisdictions.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

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Years ended December 31, 2023, 2022 and 2021

17. Income tax (continued):

Net earnings before income taxes for the year ended December 31, 2023 relates only to the foreign jurisdictions. Similarly, the Company's income tax expense for the year ended December 31, 2023 related only to foreign jurisdictions and consists of the following:

| | 2023 | | |
|----------------------|-------------|---------------|---------------|
| | Domestic | Foreign | Total |
| Current tax | | | |
| Current tax expense | \$ — | \$ 9.1 | \$ 9.1 |
| Deferred tax | | | |
| Deferred tax expense | — | (0.8) | (0.8) |
| Total tax expense | <u>\$ —</u> | <u>\$ 8.3</u> | <u>\$ 8.3</u> |
| | | | |
| | 2022 | | |
| | Domestic | Foreign | Total |
| Current tax | | | |
| Current tax expense | \$ — | \$ 2.5 | \$ 2.5 |
| Deferred tax | | | |
| Deferred tax expense | — | (0.1) | (0.1) |
| Total tax expense | <u>\$ —</u> | <u>\$ 2.4</u> | <u>\$ 2.4</u> |

As a result of the acquisition of APR Energy, the Company operates in countries that have differing tax laws and rates. Therefore, a consolidated weighted average tax rate will vary from year to year according to the source of earnings or losses by country and the change in applicable tax rates. Prior to the APR Energy acquisition, the Company was subject to nominal income taxes primarily due to international shipping reciprocal exemptions for the vessel leasing segment. For the year ended December 31, 2023 and December 31, 2022, the reconciliation between the effective tax rate of 2.01% and 0.38%, respectively, and the statutory UK income tax rate of 25.00% and 19.00%, respectively, is as follows:

| | 2023 | 2022 |
|---|---------------|---------------|
| <i>Computed "Expected" tax expense:</i> | | |
| Computed tax expense on income from continuing operations | \$ 96.6 | \$ 118.7 |
| <i>Increase (reduction) in income taxes resulting from:</i> | | |
| Certain income from containership leasing segment that is exempt from tax | (99.6) | (109.5) |
| Change in valuation allowance | (4.5) | 23.2 |
| Change in current year uncertain tax positions | (4.6) | (1.9) |
| Change in tax law | (0.5) | 2.5 |
| Foreign rate differential | 1.5 | (2.6) |
| Withholding taxes | (1.0) | (1.1) |
| Other, net | 20.4 | (26.9) |
| | <u>\$ 8.3</u> | <u>\$ 2.4</u> |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

17. Income tax (continued):

The deferred tax assets and liabilities were as follows for the year ended December 31, 2023 and December 31, 2022:

| Deferred tax assets | 2023 | 2022 |
|-----------------------------------|------------------|------------------|
| Decommission provisions | \$ 0.8 | \$ 0.5 |
| Property, plant and equipment | — | — |
| Reserves and accrued expenses | 28.6 | 40.5 |
| Tax losses carried forward | 143.5 | 122.1 |
| Interest allowance | 35.0 | 36.1 |
| Deferred revenue | 0.7 | 0.7 |
| Valuation allowance | (180.0) | (184.4) |
| | <u>\$ 28.6</u> | <u>\$ 15.5</u> |
| | | |
| Deferred tax liabilities | 2023 | 2022 |
| Deferred job costs | \$ (3.3) | \$ (0.7) |
| Accelerated asset costs | (2.0) | (1.4) |
| Inflation adjustment | — | — |
| Depreciation | (17.7) | (8.8) |
| Other timing differences | (6.6) | (6.4) |
| | <u>\$ (29.6)</u> | <u>\$ (17.3)</u> |
| | | |
| Net deferred tax liability | <u>\$ (1.0)</u> | <u>\$ (1.8)</u> |

As at December 31, 2023, the Company has foreign tax losses carried forward of \$591,689,000 (2022 – \$495,765,000), of which \$3,643,000 is recognized as a deferred tax asset. No deferred tax asset is recognised on the remaining balance of \$588,046,000 on the basis that no tax benefit is expected to arise in the jurisdictions where the tax losses occurred. The material tax losses carried forward generally have no expiry date. The Company's ability to utilize the net operating loss and tax credit carry forward may be subject to restriction in the event of past or future ownership changes as defined in Section 382 of the Internal Revenue Code and similar tax law.

Tax years that remain open to examination by some of the major jurisdictions in which the Company is subject to tax range from two to four years.

As at December 31, 2023, the Company had income tax payable of \$77,595,000 (2022 – \$72,252,000). This balance includes cash taxes payable and a reserve for global uncertain tax positions.

The Company's uncertain tax positions relate primarily to items that were acquired as part of the APR Energy acquisition. Substantially all of these items are indemnified and a corresponding indemnification asset has been recorded. The Company does not presently anticipate that its provisions for these uncertain tax positions will significantly increase in the next 12 months. The Company reviews its tax obligations regularly and may update its assessment of its tax positions based on available information at the time.

Certain historical tax matters are under discussion with tax authorities which may result in additional taxes, interest or penalties. As the outcome and amounts related to these discussions are uncertain, the Company has not accrued any amounts as of December 31, 2023.

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Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

17. Income tax (continued):

The following table summarizes the activity related to the Company's unrecognized tax benefits:

| | 2023 | 2022 |
|---|---------|---------|
| Opening balance as at January 1, | \$ 80.3 | \$ 96.4 |
| (Decrease) Increase in unrecognized tax benefit | 1.7 | (16.1) |
| Ending balance as at December 31, | \$ 82.0 | \$ 80.3 |

The Company recognizes interest expense and penalties related to unrecognized tax benefits as income tax expense. The Company had interest or penalties accrued in the consolidated balance sheet at December 31, 2023 and December 31, 2022.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, permits net operating loss ("NOL") carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2022. In addition, the CARES Act allows NOLs incurred in tax years ending before January 1, 2019, 2020, and 2021 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. The Company evaluated the impact of the CARES Act, and determined that on certain amended income tax returns it was able to carryback \$54,459,000 in NOLs from its tax years ended December 31, 2019 and 2020 to partially offset income in the tax year ended December 31, 2018.

18. Preferred shares and share capital:

(a) Common shares:

The Company has 400,000,000 Class A common shares authorized at December 31, 2023 and December 31, 2022, with a par value of \$0.01 per share.

On February 28, 2020, the Company issued 29,891,266 common shares and reserved 6,664,270 common shares for holdback as part of the consideration paid for the acquisition of the shares of APR Energy. Concurrent with the acquisition, the Company issued 775,139 common shares to Fairfax to settle APR Energy's indebtedness to Fairfax at closing.

During the year ended December 31, 2020, the Sellers returned 1,849,641 previously issued common shares to the Company and 557,139 Holdback Shares were cancelled. Of the common shares returned, 1,122,290 shares were permanently forfeited as part of post-closing purchase price adjustments.

During the year ended December 31, 2022, 92,444 (December 31, 2021 – 350,138) shares were released from holdback and issued to the Sellers. Upon expiration of an indemnification, the remaining Holdback Shares of 2,749,898 were released and issued to the minority sellers in June 2022.

In March 2023, the remaining 727,351 Holdback Shares were released and issued to the APR sellers (note 5(a)). Following such release, there were no Holdback Shares outstanding.

As of December 31, 2023, all of the common shares of the Company are held by Poseidon as a result of the Merger that took place on March 28, 2023.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

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18. Preferred shares and share capital (continued):

(b) Preferred shares:

As at December 31, 2023, the Company had the following preferred shares outstanding:

| Series | Shares | | Dividend rate per annum | Redemption by Company permitted on or after ⁽¹⁾ | Liquidation preference | |
|------------------|------------|------------|-------------------------|--|------------------------|-------------------|
| | Authorized | Issued | | | December 31, 2023 | December 31, 2022 |
| D | 20,000,000 | 5,093,728 | 7.95 % | January 30, 2018 | \$ 127.3 | \$ 127.3 |
| H | 15,000,000 | 9,025,105 | 7.875 % | August 11, 2021 | 225.6 | 225.6 |
| I ⁽³⁾ | — | — | 8.00 % | October 30, 2023 | — | 150.0 |
| J ⁽²⁾ | 12,000,000 | 12,000,000 | 7.00 % | June 11, 2021 | 300.0 | 300.0 |

⁽¹⁾ Redeemable by the Company, in whole or in part, at a redemption price of \$25.00 per share plus unpaid dividends. The preferred shares are not convertible into common shares and are not redeemable by the holder.

⁽²⁾ Dividends will be payable on the Series J Cumulative Redeemable Preferred Shares at a rate of 7.0% for the first five years after the issue date, with 1.5% increases annually thereafter to a maximum of 11.5%.

⁽³⁾ On October 30, 2023, the Company redeemed all of its outstanding 8.0% Series I Cumulative Redeemable Preferred Shares for \$150,000,000 cash.

The preferred shares are subject to certain financial covenants. The Company is in compliance with these covenants on December 31, 2023.

(c) Restricted shares:

During the year ended December 31, 2023, the Company granted nil restricted shares, to its board of directors, chairman of the board, and the Company's chief executive officer, of which nil restricted shares were forfeited. During the year ended December 31, 2022, the Company granted 5,556,610 restricted shares, to its board of directors, of which nil restricted shares were forfeited.

(d) Restricted stock units:

During the year ended December 31, 2023, the Company granted nil restricted stock units, to certain members of senior management. During the year ended December 31, 2023, 151,640 restricted stock units were forfeited (2022 – 73,336). The restricted stock units generally vest over two years, in equal tranches.

(e) Cumulative redeemable preferred shares:

Pursuant to the Fairfax Exchange as described in note 5(a), the Company exchanged \$200,000,000 aggregate principal amount of the 2026 Fairfax Notes and all \$100,000,000 aggregate principal amount of the 2027 Fairfax Notes for (i) 12,000,000 Series J 7.00% Cumulative Redeemable Perpetual Preferred Shares, representing total liquidation value of \$300,000,000, and (ii) 1,000,000 five year warrants to purchase an equal number of shares of Atlas common stock at an exercise price of \$13.71 per share. The exchanged 2026 Fairfax Notes and 2027 Fairfax Notes were subsequently cancelled.

Dividends are payable on the Series J Preferred Shares at a rate of 7.0% for the first five years after the issue, with 1.5% increases annually thereafter to a maximum of 11.5%. These warrants may be exercised within a 5-year period. The Company can also elect to require early exercise of the warrants, at any time after June 11, 2025, if the "Fair Market Value" (being defined as the volume-weighted average of the sale prices of common shares over the 20 trading days immediately prior to the day as of which Fair Market Value is being determined) of a common share equals or exceeds two times the exercise price on the third trading day prior to the date on which the Company delivers the forced exercise notice.

(f) Warrants:

In April 2022, Fairfax exercised warrants to purchase 25,000,000 common shares of Atlas. The warrants, which were originally issued on July 16, 2018, had an exercise price of \$8.05 per common share for an aggregate exercise price of \$201,250,000.

In January 2023, Fairfax exercised remaining warrants to purchase 6,000,000 common shares of Atlas. The gross aggregate proceeds for the 6,000,000 warrants was \$78,710,000.

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Notes to Consolidated Financial Statements (Continued)

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19. Share-based compensation:

Under the terms of the Merger Agreement, at the closing of the Merger, other than certain rollover equity (as defined in the Merger Agreement), each of the options, restricted shares, restricted units, and phantom share units was exchanged for a current payment or, in the case of unvested awards, a payment at such time at which the award would have otherwise vested. The modification to each award is described below. Following the closing of the Merger, there are no options, restricted shares, restricted stock units or performance share units outstanding and no additional equity compensation has been granted.

A summary of the Company's outstanding restricted shares, phantom share units, and restricted stock units as of and for the twelve months ended December 31, 2023, 2022, and 2021 are presented below:

| | Restricted shares | | Phantom share units | | Restricted stock units | | Stock options | |
|--------------------------------|-------------------|--------------------|---------------------|--------------------|------------------------|--------------------|-------------------|--------------------|
| | Number of shares | W.A. grant date FV | Number of units | W.A. grant date FV | Number of units | W.A. grant date FV | Number of options | W.A. grant date FV |
| December 31, 2020 | 1,051,492 | \$ 7.84 | 487,001 | \$ 12.76 | 2,008,884 | \$ 7.57 | 2,000,000 | \$ 2.54 |
| Granted | 75,910 | 10.79 | — | — | 819,381 | 13.44 | — | — |
| Vested and exercised | (1,051,492) | 7.84 | — | — | (326,135) | 10.26 | — | — |
| Cancelled | (11,984) | 10.62 | — | — | (35,402) | 12.45 | — | — |
| December 31, 2021 | 63,926 | \$ 10.82 | 487,001 | \$ 12.76 | 2,466,728 | \$ 9.10 | 2,000,000 | \$ 2.54 |
| Granted | 5,556,610 | 14.20 | — | — | 336,313 | 14.45 | — | — |
| Vested and exercised | (5,563,926) | 14.16 | (32,001) | 16.37 | (1,077,081) | 9.41 | — | — |
| Cancelled | — | — | — | — | (73,336) | 13.65 | — | — |
| December 31, 2022 | 56,610 | \$ 14.25 | 455,000 | \$ 12.51 | 1,652,624 | \$ 6.16 | 2,000,000 | \$ 2.54 |
| Granted | — | — | — | — | — | — | — | — |
| Vested and exercised | (56,610) | 14.25 | — | — | (500,000) | 8.61 | — | — |
| Cancelled | — | — | (455,000) | 12.55 | (552,624) | 13.57 | (2,000,000) | 2.54 |
| December 31, 2023 | — | \$ — | — | \$ — | 600,000 | \$ 7.25 | — | \$ — |
| Outstanding, December 31, 2023 | — | \$ — | — | \$ — | — | \$ — | — | \$ — |

During the year ended December 31, 2023, the Company amortized \$17,662,000 (2022 – \$23,492,000; 2021 – \$11,203,000) in share-based compensation expense related to the above share-based compensation awards.

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19. Share-based compensation (continued):

At December 31, 2023, there was \$58,251,000 (2022 – \$81,733,000) of total unamortized compensation costs relating to unvested share-based compensation awards, which are expected to be recognized over a weighted-average period of 28 months.

(a) Restricted shares and phantom share units:

Common shares are issued on a one-for-one basis in exchange for the cancellation of vested and exchanged phantom share units. The restricted shares generally vest over one year and the phantom share units generally vest over three years.

In March 2022, the Company granted 4,000,000 unrestricted, fully vested shares to the chairman of the board with a requisite service period until September 1, 2027. From the grant date to December 31, 2022, if he ceases to act as a director, other than for reason of this death or disability, the shares will be forfeited and must be returned to the Company. From January 1, 2023 to the end of the service period, except in the event of his death or disability, a pro-rated number of shares will be returned for each month less than 56 that he serves.

In June 2022, the Company granted 1,500,000 unrestricted, fully vested shares to the Company's chief executive officer with a requisite service period until December 27, 2027. From the grant date to December 31, 2023, if the chief executive officer resigns without good reason or his employment is otherwise terminated under circumstances, the shares will be forfeited and must be returned to the Company.

In March 2023, in connection with the Merger, the Company converted 455,000 phantom share units into the right to receive a cash payment of \$15.50 per unit. Following such conversion, there were no phantom share units exercisable.

During the year ended December 31, 2022, the Company granted 56,610 restricted shares to its board of directors and the restricted shares vested on January 1, 2023. During the year ended December 31, 2023, no restricted shares were granted as a result of the Merger (note 1).

(b) Restricted stock units:

The restricted stock units generally vested over two or five years, in equal tranches. Upon vesting of the restricted stock units, the participant would receive common shares.

In June 2020, the Company granted the Chief Executive Officer (“CEO”) 1,500,000 restricted stock units. The restricted stock units vest in five tranches annually over five years beginning December 31, 2021 and have a grant date fair value of \$7.25 per unit.

In August 2021, the Company granted certain executive officers 550,000 restricted stock units. The restricted stock units vest in five tranches annually beginning on January 3, 2022 and have a grant date fair value of \$13.44 per unit. Of this, 50,000 restricted stock units were forfeited during 2022.

During the year ended December 31, 2023, the Company granted nil restricted stock units to certain members of senior management. The restricted stock units generally vest over two years, in equal tranches. During the year ended December 31, 2023, 151,640 restricted stock units were forfeited.

In March 2023, in connection with the Merger, the Company converted 400,984 restricted stock units into the right to receive a cash payment of \$15.50 per unit plus interest. In connection with the Merger, the June 2020 grant to the CEO was amended such that the holder will receive a share in Poseidon for each vested restricted stock unit. During the year ended December 31, 2023, 500,000 restricted stock units vested and 600,000 restricted stock units remain outstanding at December 31, 2023.

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19. Share-based compensation (continued):

(c) Stock options:

In March 2023, in connection with the Merger, the outstanding options granted to the CEO were cancelled and the agreement was modified such that the holder would receive a cash payment equal to \$15.50 less the exercise price. As a result, a cash payment was made for 1,100,000 options that were vested and unexercised. At December 31, 2023 there are 600,000 unvested options and at vesting, the holder will receive a cash payment equal to \$15.50 less the exercise price per vested option.

20. Other information:

(a) Accounts payable and accrued liabilities:

The principal components of accounts payable and accrued liabilities are:

| | 2023 | 2022 |
|--|-----------------|-----------------|
| Accrued interest | \$ 68.7 | \$ 60.5 |
| Accounts payable and other accrued liabilities | 248.5 | 143.8 |
| | <u>\$ 317.2</u> | <u>\$ 204.3</u> |

(b) Supplemental cash flow information:

| | 2023 | 2022 | 2021 |
|----------------------------------|----------|----------|----------|
| Interest paid | \$ 372.4 | \$ 232.0 | \$ 149.5 |
| Interest received | 11.2 | 6.1 | 3.1 |
| Undrawn credit facility fee paid | 23.1 | 21.4 | 1.9 |
| Income taxes (recovery) paid | (5.7) | (14.5) | 25.7 |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

20. Other information (continued):

(b) Supplemental cash flow information (continued):

| | 2023 | 2022 | 2021 |
|---|-------------------|-----------------|-----------------|
| Non-cash financing and investing transactions: | | | |
| Change in right-of-use assets and operating lease liabilities | \$ 24.2 | \$ 127.2 | \$ 9.6 |
| Commencement of sales-type lease | — | — | 343.9 |
| Purchase option finance lease | (127.1) | — | — |
| Interest capitalized on vessels under construction | 2.9 | 2.8 | 4.0 |
| Prepayments transferred to vessels upon vessel delivery | — | — | 12.7 |
| | <u>\$ (100.0)</u> | <u>\$ 130.0</u> | <u>\$ 370.2</u> |

| | 2023 | 2022 | 2021 |
|--|-----------------|-------------------|------------------|
| Changes in operating assets and liabilities | | | |
| Accounts receivable | \$ (42.5) | \$ (61.6) | \$ 35.2 |
| Inventories | (4.2) | (3.6) | 0.2 |
| Prepaid expenses and other, and other assets | (1.0) | 29.1 | (54.1) |
| Acquisition related asset | (0.9) | — | — |
| Net investment in lease | 27.5 | 20.5 | 14.9 |
| Accounts payable and accrued liabilities | 119.0 | 17.7 | 16.6 |
| Addition of mobilization assets | (3.5) | — | — |
| Settlement of decommissioning provisions | (2.4) | (36.9) | (6.0) |
| Deferred revenue | 145.6 | 13.7 | 18.1 |
| Income tax payable | (5.7) | (14.5) | (13.5) |
| Major maintenance | (125.0) | (47.5) | (38.7) |
| Other assets | 0.9 | — | — |
| Other liabilities | 5.1 | — | 18.9 |
| Operating lease liabilities | (89.2) | (89.8) | (122.6) |
| Finance lease liabilities | 5.3 | (7.9) | — |
| Derivative instruments | (36.2) | 7.4 | 26.5 |
| Contingent consideration asset | 2.2 | 3.2 | 6.1 |
| | <u>\$ (5.0)</u> | <u>\$ (170.2)</u> | <u>\$ (98.4)</u> |

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:

| | 2023 | 2022 | 2021 |
|---|-----------------|-----------------|-----------------|
| Cash and cash equivalents | \$ 385.3 | \$ 280.0 | \$ 288.6 |
| Restricted cash included in other assets (note 11) | 2.6 | 11.0 | 38.2 |
| Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows | <u>\$ 387.9</u> | <u>\$ 291.0</u> | <u>\$ 326.8</u> |

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

21. Commitments and contingencies:

(a) Operating leases:

As at December 31, 2023, the commitment under operating leases for vessels is \$419,935,000 for 2024 to 2029 and for other leases is \$6,011,000 for 2024 to 2031. Total commitments under these leases are as follows:

| | | |
|------------|----|--------------|
| 2024 | \$ | 104.9 |
| 2025 | | 107.1 |
| 2026 | | 106.0 |
| 2027 | | 76.0 |
| 2028 | | 25.1 |
| Thereafter | | 6.8 |
| | \$ | <u>425.9</u> |

For operating leases indexed to benchmark rates, commitments under these leases are calculated using the benchmark rate in place as at December 31, 2023 for the Company.

(b) Vessels under construction:

As at December 31, 2023, the Company had entered into agreements to acquire 40 vessels (December 31, 2022 – 58 vessels). The Company has outstanding commitments for the remaining installment payments as follows:

| | | |
|-------|----|----------------|
| 2024 | \$ | 2,661.0 |
| 2025 | | 11.9 |
| 2026 | | 142.4 |
| 2027 | | 271.8 |
| Total | \$ | <u>3,087.1</u> |

In October 2023, the Company entered into shipbuilding contracts for the construction of eight 10,800 CEU dual-fuel liquefied natural gas PCTC newbuilds. Of the eight shipbuilding contracts, two were novated to a customer in February 2024. In relation to two of the remaining six newbuilds, the Company provided an option to the customer to novate the shipbuilding contracts in respect of such newbuilds or enter into a long term charter with the Company upon delivery of such newbuilds to the Company, and in February 2024, the customer decided to novate the contracts. The above table includes commitments relating to the four vessels that the Company will acquire and excludes the vessels that were novated in February 2024.

(c) Letter of credit:

As at December 31, 2023, the Company has no amounts outstanding on its letters in support of its mobile power generation business (December 31, 2022 – \$10,350,000).

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

22. Financial instruments:

(a) Fair value:

The carrying values of cash and cash equivalents, short-term investments, restricted cash, accounts receivable, income tax payable, accounts payable and accrued liabilities approximate their fair values because of their short term to maturity.

As of December 31, 2023, the fair value of the Company's revolving credit facilities and term loan credit facilities, excluding deferred financing fees was \$1,333,912,000 (December 31, 2022 – \$1,166,673,000) and the carrying value was \$1,495,581,000 (December 31, 2022 – \$1,232,988,000). As of December 31, 2023, the fair value of the Company's other financing arrangements, excluding deferred financing fees, was \$4,342,424,000 (December 31, 2022 – \$2,061,863,000) and the carrying value was \$4,656,459,000 (December 31, 2022 – \$2,119,657,000). The fair value of the revolving and term loan credit facilities and other financing arrangements, excluding deferred financing fees, was estimated based on expected principal repayments and interest, discounted by relevant forward rates plus a margin appropriate to the credit risk of the Company. Therefore, the Company categorized the fair value of these financial instruments as Level 2 in the fair value hierarchy.

As of December 31, 2023, the fair value of the Company's senior unsecured notes is \$779,487,000 (December 31, 2022 – \$1,284,702,000) and the carrying value is \$828,050,000 (December 31, 2022 – \$1,302,350,000). The fair value of the Company's Senior Secured Notes was \$911,893,000 and the carrying value was \$1,000,000,000. The fair value was calculated using the present value of expected principal repayments and interest discounted by relevant forward rates plus a margin appropriate to the credit risk of the Company. As a result, these amounts were categorized as Level 2 in the fair value hierarchy.

The Company's interest rate derivative financial instruments are re-measured to fair value at the end of each reporting period. The fair values of the interest rate derivative financial instruments have been calculated by discounting the future cash flow of both the fixed rate and variable rate interest rate payments. The discount rate is derived from a yield curve created by nationally recognized financial institutions adjusted for the associated credit risk. The fair values of the interest rate derivative financial instruments are determined based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets. Therefore, the Company categorized the fair value of these derivative financial instruments as Level 2 in the fair value hierarchy.

Unobservable inputs for recurring and non-recurring Level 3 disclosures are obtained from third parties whenever possible and reviewed by the Company for reasonableness.

(b) Interest rate swap derivatives:

The Company uses interest rate derivative financial instruments, consisting of interest rate swaps to manage its interest rate risk associated with its variable rate debt. If interest rates remain at their current levels, the Company expects that \$32,000 and \$30,654,000 would be paid and received in cash, respectively, in the next 12 months on interest rate swaps maturing after December 31, 2023. The amount of the actual settlement may be different depending on the interest rate in effect at the time settlements are made.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

22. Financial instruments (continued):

(b) Interest rate swap derivatives (continued):

As of December 31, 2023, the Company had the following outstanding interest rate derivatives:

| Fixed per annum rate swapped for benchmark rate | Notional amount as of December 31, 2023 | Maximum notional amount ⁽¹⁾ | Effective date | Ending date |
|---|---|--|--------------------|-------------------|
| 1.4340% | \$ 80.0 | \$ 80.0 | September 27, 2019 | May 14, 2024 |
| 1.5580% | 80.0 | 80.0 | November 14, 2019 | May 15, 2024 |
| 5.4200% | 216.8 | 216.8 | September 6, 2007 | May 31, 2024 |
| 1.4900% | 21.8 | 21.8 | February 4, 2020 | December 30, 2025 |
| 0.6350% | 76.0 | 76.0 | January 21, 2021 | October 14, 2026 |
| 0.4590% | 76.0 | 76.0 | February 4, 2021 | October 14, 2026 |
| 1.7574% | 500.0 | 500.0 | January 31, 2022 | February 2, 2032 |
| 2.3875% | 200.0 | 200.0 | July 20, 2022 | July 20, 2032 |
| 2.67%/5.50% ⁽²⁾ | 250.0 | 250.0 | September 1, 2023 | September 1, 2026 |

⁽¹⁾ Over the term of the interest rate swaps, the notional amounts increase and decrease. These amounts represent the peak notional amount over the remaining term of the swap.

⁽²⁾ \$250,000,000 notional amount transaction on daily SOFR with a cap of 5.5% and a floor strike of 2.67%

In July 2022, the Company early terminated a swap with notional amount of \$125,000,000 and fixed rate of 0.7270%.

(c) Financial instruments measured at fair value:

The following table provides information about gains and losses included in net earnings and reclassified from accumulated other comprehensive loss ("AOCL") into earnings:

| | 2023 | 2022 | 2021 |
|--|-----------|------------|-----------|
| (Gain) Loss recognized in net earnings: | | | |
| Gain on interest rate swaps ⁽¹⁾ | \$ (16.7) | \$ (120.6) | \$ (14.0) |
| Gain on derivative put instrument | — | — | (0.1) |
| Loss (Gain) on contingent consideration asset | 2.2 | (0.9) | 5.1 |
| Loss reclassified from AOCL to net earnings ⁽²⁾ | | | |
| Interest expense | — | — | 0.2 |
| Depreciation and amortization | 1.0 | 1.0 | 1.0 |

⁽¹⁾ For the years ended December 31, 2023, 2022 and 2021, cash flows related to actual settlement of interest rate swaps were \$34,386,000, \$12,722,000 and \$26,758,000 respectively. These are included in investing activities on the consolidated statements of cash flows.

⁽²⁾ The effective portion of changes in unrealized loss on interest rate swaps was recorded in accumulated other comprehensive loss until September 30, 2008 when these contracts were voluntarily de-designated as accounting hedges. The amounts in accumulated other comprehensive loss are recognized in earnings when and where the previously hedged interest is recognized in earnings.

The estimated amount of AOCL expected to be reclassified to net earnings within the next 12 months is approximately \$1,019,000.

ATLAS CORP.

Notes to Consolidated Financial Statements (Continued)

(Tabular amounts in millions of United States dollars, except per share amount and number of shares)

Years ended December 31, 2023, 2022 and 2021

23. Subsequent events:

- (a) On January 2, 2024, the Company paid \$38,082,000 in dividends on its common shares.
- (b) On January 30, 2024, the Company paid \$0.496875, \$0.492188, and \$0.437500 per Series D, Series H and Series J preferred share, respectively, representing a total distribution of \$12,223,000.
- (c) Between January and February 2024, the Company accepted the delivery of nine newbuild vessels. Two of these vessels each commenced 18-year bareboat charter while the remaining seven vessels all commenced long-term time charters upon delivery.
- (d) In February 2024, the Company exercised its option under an existing lease financing arrangement to purchase one 14,000 TEU vessel. The purchase is expected to complete in February 2025 at the pre-determined purchase price of \$61,600,000.
- (e) In February 2024 the Company completed the sale of one 4,250 TEU vessel for gross proceeds of \$29,800,000.
- (f) In February 2024, the Company repaid an aggregate of \$25,700,000 in connection with the repurchase of the remaining 2024 and 2026 NOK Bonds.
- (g) In March 2024, the Company amended and extended an existing revolving credit facility to increase the borrowing capacity by \$50,000,000 and extending the maturity date from February 2025 to March 2027.
- (h) In March 2024, the Company completed sale-leaseback financing for two vessels in the aggregate amount of \$54,000,000.
- (i) In March 2024, the Company entered into shipbuilding contracts for the construction of two 10,800 CEU dual-fuel liquefied natural gas PCTC newbuilds. Upon delivery, each vessel will commence a long term charter.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

ATLAS CORP.

Date: March 14, 2024

By: /s/ Bing Chen

Bing Chen

Chief Executive Officer and Interim Chief Financial Officer

(Principal Executive, Financial and Accounting Officer)

**DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO
SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

The following is a summary of the material terms of the registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") of Atlas Corp. ("Atlas"). Because the following is only a summary, it may not contain all the information that is important to you. The following summary is qualified by reference to the Republic of the Marshall Islands Business Corporations Act (the "BCA") and Atlas' Amended and Restated Articles of Incorporation ("Atlas articles of incorporation"), Atlas' Amended and Restated Bylaws ("Atlas bylaws") and the Statement of Designation for each series of Atlas preferred shares.

As of December 31, 2023, Atlas had the following securities registered under Section 12 of the Exchange Act:

- (1) 7.95% Cumulative Redeemable Perpetual Preferred Shares – Series D ("Series D Preferred Shares");
- (2) 7.875% Cumulative Redeemable Perpetual Preferred Shares – Series H ("Series H Preferred Shares");
- (3) 7.125% senior unsecured notes due 2027 (the "ATCO Notes").

Authorized Capital

Under the Atlas articles of incorporation, Atlas' authorized shares consist of 400,000,000 common shares, par value US\$0.01 per share (the "Common Shares"), and 150,000,000 preferred shares, par value US\$0.01 per share.

BCA Rules and Regulations

Dividends

The BCA generally prohibits the payment of dividends other than from paid-in capital in excess of par value and Atlas' earnings or while Atlas is insolvent or would be rendered insolvent on paying the dividend.

No Cumulative Voting

Under the BCA, shareholders are not entitled to the right to cumulate votes in the election of directors unless the articles of incorporation provide otherwise. Atlas articles of incorporation prohibit cumulative voting.

Dissenters' Rights of Appraisal and Payment

Under the BCA, shareholders have the right to dissent from various corporate actions, including any merger or consolidation or sale of all or substantially all of the company's assets not made in the usual course of business, and receive payment of the fair value of their shares. However, the right of a dissenting shareholder to receive payment of the fair value of his or her shares shall not be available under the BCA for the shares of any class or series of stock, which shares, at the record date fixed to determine the shareholders entitled to receive notice of and to vote at the meeting of shareholders to act upon the agreement of merger or consolidation or any sale or exchange of all or substantially all of the assets of the company not made in the usual course of its business were listed on a securities exchange.

In the event of an amendment of the Atlas articles of incorporation, a shareholder also has the right to dissent and receive payment for his or her shares if the amendment alters certain rights in respect of those shares. The dissenting shareholder must follow the procedures set forth in the BCA to receive payment. In the event that Atlas and any dissenting shareholder fail to agree on a price for the shares, the BCA procedures involve, among other things, the institution of proceedings in the high court of the Republic of the Marshall Islands or in any appropriate court in any jurisdiction in which the Common Shares are primarily traded on a local or national securities exchange.

Shareholders' Derivative Actions

Under the BCA, any of Atlas' shareholders may bring an action in Atlas' name to procure a judgment in Atlas' favor, also known as a derivative action, provided that the shareholder bringing the action is a holder of Common Shares both at the time the derivative action is commenced and at the time of the transaction to which the action relates.

Limitations on Liability and Indemnification of Officers and Directors

The BCA authorizes corporations to limit or eliminate the personal liability of directors and officers to corporations and their shareholders for monetary damages for breaches of directors' fiduciary duties. Atlas articles of incorporation include a provision that eliminates the personal liability of directors for monetary damages for any breach of fiduciary duty as a director to the fullest extent permitted by law.

Atlas articles of incorporation provide that Atlas must indemnify its directors and officers to the fullest extent authorized by law. Atlas is also expressly authorized to advance certain expenses (including attorneys' fees and disbursements and court costs) to Atlas' directors and officers and carry directors' and officers' insurance providing indemnification for Atlas' directors, officers and certain employees for some liabilities. Atlas believes that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive officers.

The limitation of liability and indemnification provisions in Atlas articles of incorporation may discourage shareholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit Atlas and its shareholders. In addition, your investment may be adversely affected to the extent Atlas pays the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Anti-Takeover Effects of Certain Provisions of Atlas Articles of Incorporation and Bylaws

Certain provisions of the Atlas articles of incorporation and Atlas bylaws, which are summarized in the following paragraphs, may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that a shareholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by shareholders.

Removal of Directors; Vacancies

The Atlas articles of incorporation and Atlas bylaws provide that directors may be removed for cause upon the affirmative vote of holders of a majority of the outstanding Common Shares entitled to vote in the election of directors. In addition, Atlas articles of incorporation and Atlas bylaws also provide that any vacancies on Atlas board of directors and newly created directorships may be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum is present.

Calling of Special Meetings of Shareholders

Atlas bylaws provide that special meetings of shareholders may be called only by (a) the chairman of Atlas' board of directors, (b) Atlas' board of directors, or (c) any shareholder holding at least a majority of the outstanding Common Shares.

Amendments to Atlas Bylaws

Atlas articles of incorporation and Atlas bylaws grant Atlas board of directors the authority to amend and repeal Atlas bylaws in any manner not inconsistent with the laws of the Republic of the Marshall Islands and subject to the receipt of any shareholder approval required under the Atlas articles of incorporation; provided that Section 11.1 (Amendments By the Shareholders) of the Atlas Bylaws may only be amended by vote of not less than 66 2/3% of the Common Shares entitled to vote and any other approval of the shareholders required by the Atlas articles of incorporation. Holders of Common Shares may amend Atlas bylaws by a vote of not less than 66 2/3% of the shares entitled to vote in addition to any other approval required by the Atlas articles of incorporation.

Business Combinations

Atlas articles of incorporation contain provisions that prohibit it from engaging in a business combination with an interested shareholder for a period of three years following the date of the transaction in which the person became an interested shareholder, unless, in addition to any other approval that may be required by applicable law:

- prior to the date of the transaction that resulted in the shareholder becoming an interested shareholder, Atlas board of directors approved either the business combination or the transaction that resulted in the shareholder becoming an interested shareholder;
- upon consummation of the transaction that resulted in the shareholder becoming an interested shareholder, the interested shareholder owned at least 85% of Atlas' voting shares outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (i) by persons who are directors and officers, and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer;
- after the date of the transaction that resulted in the shareholder becoming an interested shareholder, the business combination is approved by Atlas board of directors and authorized at an annual or special meeting of shareholders, and not by written consent, by the affirmative vote of at least 66 2/3% of Atlas' outstanding voting shares that are not owned by the interested shareholder; or
- the interested shareholder is Dennis Washington, Copper Lion, Inc. or Fairfax Financial Holdings Limited or any of their affiliates, or any person that purchases shares from any of those persons or any of their affiliates, including Poseidon Acquisition Corp.

Generally, a “business combination” includes any merger or consolidation of Atlas or any direct or indirect majority-owned subsidiary of Atlas with (a) the interested shareholder or any of its affiliates or (b) with any corporation, partnership, unincorporated association or other entity if the merger or consolidation is caused by the interested shareholder. Generally, an “interested shareholder” is any person or entity that (a) owns 15% or more of Atlas’ outstanding voting shares, (b) is an affiliate or associate of Atlas and was the owner of 15% or more of Atlas’ outstanding voting shares at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such person is an interested shareholder or (c) the affiliates and associates of any person listed in (a) or (b), except that any person who owns 15% or more of Atlas’ outstanding voting shares as a result of action taken solely by Atlas shall not be an interested shareholder unless such person acquires additional voting shares, except as a result of further action by Atlas, not caused, directly or indirectly, by such person.

Atlas Preferred Shares

General

Atlas articles of incorporation authorize Atlas’ board of directors to establish one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series, including, among other things:

- the designation of the series;
- the number of shares in the series;
- the dividend terms and conditions of the series;
- any redemption rights of, or sinking fund for, the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of Atlas;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of Atlas or any other corporation, and, if so, the terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

American Stock Transfer & Trust Company, LLC is the paying agent (the “Paying Agent”), the registrar and the transfer agent (the “Registrar and Transfer Agent”) for each series of the Atlas preferred shares.

Ranking

Each series of Atlas preferred shares ranks:

- senior to (i) all classes of Common Shares and (ii) any other class or series of capital stock established by Atlas’ board of directors, the terms of which class or series do not expressly provide that it is made senior to or on parity with the Atlas preferred shares as to dividend distributions and distributions upon any liquidation event (collectively referred to with the Common Shares as “Junior Securities”);
- on a parity with (i) each series of Atlas preferred shares and (iv) any other class or series of capital stock established by Atlas’ board of directors, the terms of which class or series are not expressly subordinated or senior to the Atlas preferred shares as to dividend distributions and distributions upon any liquidation event (collectively referred to as “Parity Securities”); and
- junior to any other class or series of capital stock established by Atlas’ board of directors, the terms of which class or series expressly provide that it ranks senior to the Atlas preferred shares as to dividend distributions and distributions upon any liquidation event (collectively referred to as “Senior Securities”).

Under each Statement of Designation of the Atlas preferred shares, Atlas may issue Junior Securities and Parity Securities from time to time in one or more series without the consent of the holders of the Atlas preferred shares. Atlas’ board of directors has the authority to determine the preferences, powers, qualifications, limitations, restrictions and special or relative rights or privileges, if any, of any such series before the issuance of any shares of that series. Atlas’ board of directors will also determine the number of shares constituting each series of securities. Atlas’ ability to issue additional Parity Securities or Senior Securities is limited as described under each of “—Series D Preferred Shares—Voting Rights” and “—Series H Preferred Shares—Voting Rights” below.

Net Worth Covenant

The Statement of Designation related to each series of Atlas preferred shares includes a restrictive covenant that Atlas shall not permit the Net Worth to Preferred Stock Ratio (as defined below) to be less than or equal to 1.00.

Atlas will not declare, pay or set apart for payment any cash dividend on any Junior Securities unless Atlas is in compliance with the foregoing covenant. Compliance with the foregoing covenant shall be measured on the last day of each of Atlas' fiscal quarters. Within 60 days after the end of each fiscal quarter, Atlas shall deliver to the Registrar and Transfer Agent an officer's certificate confirming compliance with the covenant described above. Each such certificate will be made available to the holders of Atlas preferred shares upon request to the Registrar and Transfer Agent. Atlas shall mail, within five Business Days of the discovery thereof, to all holders of Atlas preferred shares and the Registrar and Transfer Agent, notice of any default in compliance with the covenant described above

For purposes of the Net Worth to Preferred Stock Ratio covenant, the following definitions shall apply:

"Cash and Cash Equivalents" means, as of a given date, Atlas' cash and cash equivalents as determined in accordance with U.S. GAAP.

"Common Stock" means any of Atlas' capital stock that is not Preferred Stock.

"Intangible Assets" means, in respect of Atlas as of a given date, the intangible assets of Atlas of the types, if any, presented in Atlas' consolidated balance sheet.

"Net Worth" means, as of a given date, the result of, without duplication:

- (a) Total Assets, less
- (b) Intangible Assets, less
- (c) Total Borrowings (without giving effect to any fair value adjustments pursuant to the Financial Accounting Standards Board Accounting Standards Codification 820).

"Net Worth to Preferred Stock Ratio" means, as of a given date, the result of dividing (x) Net Worth as of such date by (y) the aggregate Preferred Stock Amount as of such date.

"Non-Recourse Liabilities" means, in respect of Atlas as of a given date, the non-recourse liabilities as described in subparts (a)-(h) of the definition of Total Borrowings and of the types, if any, presented in Atlas' consolidated financial statements.

"Preferred Stock" means any of Atlas' capital stock, however designated, which entitles the holder thereof to a preference with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of Atlas' affairs, over shares of Atlas' Common Stock.

"Preferred Stock Amount" means, in respect of any series of Preferred Stock, the sum, without duplication, of (x) the aggregate liquidation preference of the outstanding shares of such Preferred Stock as of the relevant measurement date and (y) the aggregate amount of any accumulated and unpaid dividends or other distributions in respect of the outstanding shares of such Preferred Stock as of the relevant measurement date.

"Total Assets" means, in respect of Atlas on a consolidated basis, as of a given date the aggregate of the following, without duplication:

- (a) all of the assets of Atlas of the types presented on its consolidated balance sheet; less
- (b) Cash and Cash Equivalents; less
- (c) Non-Recourse Liabilities; and less
- (d) assets under any vessel construction or ship purchase agreement (including novation and assignment and assumption agreements) that Atlas is required to record on its books under U.S. GAAP even though Atlas is not the legal owner of the vessel or legally obligated to take delivery of the vessel.

"Total Borrowings" means, in respect of Atlas on a consolidated basis, as of a given date the aggregate of the following, without duplication:

- (a) the outstanding principal amount of any moneys borrowed; plus
- (b) the outstanding principal amount of any acceptance under any acceptance credit; plus
- (c) the outstanding principal amount of any bond, note, debenture or other similar instrument; plus
- (d) the book values of indebtedness under a lease, charter, hire purchase agreement or other similar arrangement which would, in accordance with U.S. GAAP, be treated as a finance or capital lease; plus
- (e) the outstanding principal amount of all moneys owing in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis or which otherwise meet any requirements for de-recognition under U.S. GAAP); plus

- (f) the outstanding principal amount of any indebtedness arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset (except trade payables); plus
- (g) any fixed or minimum premium payable on the repayment or redemption of any instrument referred to in clause (c) above; plus
- (h) the outstanding principal amount of any indebtedness of any person of a type referred to in the above clauses of this definition which is the subject of a guarantee given by Atlas to the extent that such guaranteed indebtedness is determined and given a value in respect of Atlas on a consolidated basis in accordance with U.S. GAAP; less
- (i) Cash and Cash Equivalents; less
- (j) Non-Recourse Liabilities.

Notwithstanding the foregoing, “*Total Borrowings*” shall not include any of the following:

- (a) indebtedness or obligations arising from derivative transactions, such as protecting against interest rate or currency fluctuations; and
- (b) indebtedness under any vessel construction or ship purchase agreement (including novation and assignment and assumption agreements) that Atlas is required to record on its books under U.S. GAAP even though Atlas is not the legal owner of the vessel or legally obligated to take delivery of the vessel.

“*U.S. GAAP*” means generally accepted accounting principles in the United States of America.

No Sinking Fund

None of the Atlas preferred shares have the benefit of any sinking fund.

Exchange Listing

Atlas’ outstanding Series D Preferred Shares and Series H Preferred Shares are listed on the New York Stock Exchange under the symbols “ATCO-PD” and “ATCO-PH,” respectively. For a further description of each series of Atlas preferred shares, see “—Series D Preferred Shares” and “—Series H Preferred Shares” below.

Series D Preferred Shares

The following description of the Series D Preferred Shares does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of Atlas articles of incorporation, including the Series D Statement of Designation designating the Series D Preferred Shares and setting forth the rights, preferences and limitations of the Series D Preferred Shares.

General

There are 20,000,000 Series D Preferred Shares authorized.

The Series D Preferred Shares will entitle the holders thereof to receive cumulative cash dividends when, as and if declared by Atlas’ board of directors out of legally available funds for such purpose. The Series D Preferred Shares will represent perpetual equity interests in Atlas and will not give rise to a claim for payment of a principal amount at a particular date. As such, the Series D Preferred Shares will rank junior to all of Atlas’ indebtedness and other liabilities with respect to assets available to satisfy claims against Atlas.

The Series D Preferred Shares will not be convertible into Common Shares or other of Atlas’ securities and will not have exchange rights or be entitled or subject to any preemptive or similar rights. The Series D Preferred Shares will not be subject to mandatory redemption or to any sinking fund requirements. The Series D Preferred Shares will be subject to redemption, in whole or in part, at Atlas’ option. See “—Redemption.”

Liquidation Rights

The holders of outstanding Series D Preferred Shares will be entitled, in the event of any liquidation, dissolution or winding up of Atlas’ affairs, whether voluntary or involuntary, to receive the liquidation preference of \$25.00 per share in cash plus an amount equal to accumulated and unpaid dividends thereon to the date fixed for payment of such amount (whether or not declared), and no more, before any distribution will be made to the holders of the Common Shares or any other Junior Securities. A consolidation or merger of Atlas with or into any other entity, individually or in a series of transactions, will not be deemed a liquidation, dissolution or winding up of Atlas’ affairs for this purpose. In the event that Atlas’ assets available for distribution to holders of the outstanding Series D Preferred Shares and any Parity Securities are insufficient to permit payment of all required amounts, Atlas’ assets then remaining will be distributed among the Series D Preferred Shares and any Parity Securities, as applicable, ratably on the basis of their relative aggregate liquidation preferences. After payment of all required amounts to the

holders of the outstanding Series D Preferred Shares and Parity Securities, Atlas' remaining assets and funds will be distributed among the holders of the Common Shares and any other Junior Securities then outstanding according to their respective rights.

Voting Rights

The Series D Preferred Shares will have no voting rights except as set forth below or as otherwise provided by the Republic of Marshall Islands law. In the event that six quarterly dividends, whether consecutive or not, payable on the Series D Preferred Shares are in arrears, the holders of the Series D Preferred Shares will have the right, voting as a class together with holders of any other Parity Securities upon which like voting rights have been conferred and are exercisable, at the next meeting of shareholders called for the election of directors, to elect one member of Atlas' board of directors, and the size of Atlas' board of directors will be increased as needed to accommodate such change (unless the size of Atlas' board of directors already has been increased by reason of the election of a director by holders of Parity Securities upon which like voting rights have been conferred and with which the Series D Preferred Shares voted as a class for the election of such director). The right of such holders of Series D Preferred Shares to elect a member of Atlas' board of directors will continue until such time as all dividends accumulated and in arrears on the Series D Preferred Shares have been paid in full, at which time such right will terminate, subject to revesting in the event of each and every subsequent failure to pay six quarterly dividends as described above. Upon any termination of the right of the holders of the Series D Preferred Shares and any other Parity Securities to vote as a class for such director, the term of office of the director then in office elected by such holders voting as a class will terminate immediately. Any director elected by the holders of the Series D Preferred Shares and any other Parity Securities shall be entitled to one vote on any matter before Atlas' board of directors.

Unless Atlas has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series D Preferred Shares, voting as a single class, Atlas may not adopt any amendment to its articles of incorporation that adversely alters the preferences, powers or rights of the Series D Preferred Shares.

In addition, unless Atlas has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series D Preferred Shares, voting as a class together with holders of any other Parity Securities upon which like voting rights have been conferred and are exercisable, Atlas may not: (i) issue any Parity Securities or Senior Securities if the cumulative dividends payable on outstanding Series D Preferred Shares are in arrears; or (ii) create or issue any Senior Securities.

On any matter described above in which the holders of the Series D Preferred Shares are entitled to vote as a class, such holders will be entitled to one vote per share. The Series D Preferred Shares held by Atlas or any of Atlas' subsidiaries or affiliates will not be entitled to vote.

Dividends

General

Holders of Series D Preferred Shares will be entitled to receive, when, as and if declared by Atlas' board of directors out of legally available funds for such purpose, cumulative cash dividends from the original issue date.

Dividend Rate

Dividends on the Series D Preferred Shares will be cumulative, commencing on the original issue date, and payable on each Dividend Payment Date, when, as and if declared by Atlas' board of directors or any authorized committee thereof out of legally available funds for such purpose. Dividends on the Series D Preferred Shares will accrue at a rate of 7.95% per annum per \$25.00 stated liquidation preference per Series D Preferred Share.

Dividend Payment Dates

The "Dividend Payment Dates" for the Series D Preferred Shares will be each January 30, April 30, July 30 and October 30. Dividends will accumulate in each dividend period from and including the preceding Dividend Payment Date or the initial issue date, as the case may be, to but excluding the applicable Dividend Payment Date for such dividend period, and dividends will accrue on accumulated dividends at the applicable dividend rate. If any Dividend Payment Date otherwise would fall on a day that is not a Business Day, declared dividends will be paid on the immediately succeeding Business Day without the accumulation of additional dividends. Dividends on the Series D Preferred Shares will be payable based on a 360-day year consisting of twelve 30-day months.

"Business Day" means a day on which The New York Stock Exchange is open for trading and which is not a Saturday, a Sunday or other day on which banks in New York City are authorized or required by law to close.

Payment of Dividends

Not later than the close of business, New York City time, on each Dividend Payment Date, Atlas will pay those dividends, if any, on the Series D Preferred Shares that have been declared by Atlas' board of directors to the holders of such shares as such holders' names appear on Atlas' stock transfer books maintained by the Registrar and Transfer Agent on the applicable Record Date. The applicable record date, or Record Date, will be the Business

Day immediately preceding the applicable Dividend Payment Date, except that in the case of payments of dividends in arrears, the Record Date with respect to a Dividend Payment Date will be such date as may be designated by Atlas' board of directors in accordance with Atlas bylaws then in effect and the Series D Statement of Designation.

So long as the Series D Preferred Shares are held of record by the nominee of the Securities Depository, declared dividends will be paid to the Securities Depository in same-day funds on each Dividend Payment Date. The Securities Depository will credit accounts of its participants in accordance with the Securities Depository's normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series D Preferred Shares in accordance with the instructions of such beneficial owners.

No dividend may be declared or paid or set apart for payment on any Junior Securities (other than a dividend payable solely in shares of Junior Securities) unless (a) full cumulative dividends have been or contemporaneously are being paid or provided for on all outstanding Series D Preferred Shares and any Parity Securities through the most recent respective dividend payment dates and (b) Atlas is in compliance with the Net Worth to Preferred Stock Ratio described above. Accumulated dividends in arrears for any past dividend period may be declared by Atlas' board of directors and paid on any date fixed by Atlas' board of directors, whether or not a Dividend Payment Date, to holders of the Series D Preferred Shares on the record date for such payment, which may not be more than 60 days, nor less than 15 days, before such payment date. Subject to the next succeeding sentence, if all accumulated dividends in arrears on all outstanding Series D Preferred Shares and any Parity Securities have not been declared and paid, or if sufficient funds for the payment thereof have not been set apart, payment of accumulated dividends in arrears on the Series D Preferred Shares and any Parity Securities will be made in order of their respective dividend payment dates, commencing with the earliest. If less than all dividends payable with respect to all Series D Preferred Shares and any Parity Securities are paid, any partial payment will be made pro rata with respect to the Series D Preferred Shares and any Parity Securities entitled to a dividend payment at such time in proportion to the aggregate amounts remaining due in respect of such shares at such time. Holders of the Series D Preferred Shares will not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative dividends. Except insofar as dividends accrue on the amount of any accumulated and unpaid dividends as described under "—Dividends—Dividend Rate," no interest or sum of money in lieu of interest will be payable in respect of any dividend payment which may be in arrears on the Series D Preferred Shares.

Redemption

Optional Redemption

Atlas may redeem, at its option, in whole or in part, the Series D Preferred Shares at a redemption price in cash equal to \$25.00 per share plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose.

Redemption Procedures

Atlas will give notice of any redemption by mail, postage prepaid, not less than 15 days and not more than 60 days before the scheduled date of redemption, to the holders of any shares to be redeemed as such holders' names appear on Atlas' stock transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (a) the redemption date, (b) the number of Series D Preferred Shares to be redeemed and, if less than all outstanding Series D Preferred Shares are to be redeemed, the number (and the identification) of shares to be redeemed from such holder, (c) the redemption price, (d) the place where the Series D Preferred Shares are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (e) that dividends on the shares to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series D Preferred Shares are to be redeemed, the number of shares to be redeemed will be determined by Atlas, and such shares will be redeemed by such method of selection as the Securities Depository shall determine, with adjustments to avoid redemption of fractional shares. So long as all Series D Preferred Shares are held of record by the nominee of the Securities Depository, Atlas will give notice, or cause notice to be given, to the Securities Depository of the number of Series D Preferred Shares to be redeemed, and the Securities Depository will determine the number of Series D Preferred Shares to be redeemed from the account of each of its participants holding such shares in its participant account. Thereafter, each participant will select the number of shares to be redeemed from each beneficial owner for whom it acts (including the participant, to the extent it holds Series D Preferred Shares for its own account). A participant may determine to redeem Series D Preferred Shares from some beneficial owners (including the participant itself) without redeeming Series D Preferred Shares from the accounts of other beneficial owners.

So long as the Series D Preferred Shares are held of record by the nominee of the Securities Depository, the redemption price will be paid by the Paying Agent to the Securities Depository on the redemption date. The Securities Depository's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If Atlas gives or causes to be given a notice of redemption, then Atlas will deposit with the Paying Agent funds sufficient to redeem the Series D Preferred Shares as to which notice has been given by the close of business, New York City time, no later than the Business Day immediately preceding the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such shares is issued in the name of the Securities Depository or its nominee) of the certificates therefor. If notice of redemption shall have been given, then from and after the date fixed for redemption, unless Atlas defaults in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all dividends on such shares will cease to accumulate and all rights of holders of such shares as Atlas' shareholders will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid dividends through the date fixed for redemption, whether or not declared. Atlas will be entitled to receive from the Paying Agent the interest income, if any, earned on such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the redemption price of the shares to be redeemed), and the holders of any shares so redeemed will have no claim to any such interest income. Any funds deposited with the Paying Agent hereunder by Atlas for any reason, including, but not limited to, redemption of Series D Preferred Shares, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to Atlas upon Atlas' written request, after which repayment the holders of the Series D Preferred Shares entitled to such redemption or other payment shall have recourse only to Atlas.

If only a portion of the Series D Preferred Shares represented by a certificate has been called for redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such shares is registered in the name of the Securities Depository or its nominee), the Paying Agent will issue to the holder of such shares a new certificate (or adjust the applicable book-entry account) representing the number of Series D Preferred Shares represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption, there will be no redemption of any Series D Preferred Shares called for redemption until funds sufficient to pay the full redemption price of such shares, including all accumulated and unpaid dividends to the date of redemption, whether or not declared, have been deposited by Atlas with the Paying Agent.

Atlas and its affiliates may from time to time purchase the Series D Preferred Shares, subject to compliance with all applicable securities and other laws. Neither Atlas nor any of its affiliates has any obligation, or any present plan or intention, to purchase any Series D Preferred Shares. Any shares repurchased and cancelled by Atlas will revert to the status of authorized but unissued preferred shares, undesignated as to series.

Notwithstanding the foregoing, in the event that full cumulative dividends on the Series D Preferred Shares and any Parity Securities have not been paid or declared and set apart for payment, Atlas may not repurchase, redeem or otherwise acquire, in whole or in part, any Series D Preferred Shares or Parity Securities except pursuant to a purchase or exchange offer made on the same terms to all holders of Series D Preferred Shares and any Parity Securities. Common Shares and any other Junior Securities may not be redeemed, repurchased or otherwise acquired unless full cumulative dividends on the Series D Preferred Shares and any Parity Securities for all prior and the then-ending dividend periods have been paid or declared and set apart for payment.

Book-Entry System

All Series D Preferred Shares will be represented by a single certificate issued to The Depository Trust Company (and its successors or assigns or any other securities depository selected by Atlas) or the Securities Depository, and registered in the name of its nominee (initially, Cede & Co.). The Series D Preferred Shares will continue to be represented by a single certificate registered in the name of the Securities Depository or its nominee, and no holder of the Series D Preferred Shares will be entitled to receive a certificate evidencing such shares unless otherwise required by law or the Securities Depository gives notice of its intention to resign or is no longer eligible to act as such and Atlas has not selected a substitute Securities Depository within 60 calendar days thereafter. Payments and communications made by Atlas to holders of the Series D Preferred Shares will be duly made by making payments to, and communicating with, the Securities Depository. Accordingly, unless certificates are available to holders of the Series D Preferred Shares, each holder of Series D Preferred Shares must rely on (a) the procedures of the Securities Depository and its participants to receive dividends, distributions, any redemption price, liquidation preference and notices, and to direct the exercise of any voting or nominating rights, with respect to such Series D Preferred Shares and (b) the records of the Securities Depository and its participants to evidence its ownership of such Series D Preferred Shares.

The Depository Trust Company, the initial Securities Depository, is a New York-chartered limited purpose trust company that performs services for its participants, some of whom (and/or their representatives) own The Depository Trust Company. The Securities Depository maintains lists of its participants and will maintain the positions (*i.e.*, ownership interests) held by its participants in the Series D Preferred Shares, whether as a holder of the Series D Preferred Shares for its own account or as a nominee for another holder of the Series D Preferred Shares.

Series H Preferred Shares

The following description of the Series H Preferred Shares does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of Atlas articles of incorporation, including the Series H Statement of Designation designating the Series H Preferred Shares and setting forth the rights, preferences and limitations of the Series H Preferred Shares.

General

There are 15,000,000 Series H Preferred Shares authorized.

The Series H Preferred Shares will entitle the holders thereof to receive cumulative cash dividends when, as and if declared by Atlas' board of directors out of legally available funds for such purpose. The Series H Preferred Shares will represent perpetual equity interests in Atlas and will not give rise to a claim for payment of a principal amount at a particular date. As such, the Series H Preferred Shares will rank junior to all of Atlas' indebtedness and other liabilities with respect to assets available to satisfy claims against Atlas.

The Series H Preferred Shares will not be convertible into Common Shares or other of Atlas' securities and will not have exchange rights or be entitled or subject to any preemptive or similar rights. The Series H Preferred Shares will not be subject to mandatory redemption or to any sinking fund requirements. The Series H Preferred Shares are subject to redemption, in whole or in part, at Atlas' option. See "—Redemption."

Liquidation Rights

The holders of outstanding Series H Preferred Shares will be entitled, in the event of any liquidation, dissolution or winding up of Atlas' affairs, whether voluntary or involuntary, to receive the liquidation preference of \$25.00 per share in cash plus an amount equal to accumulated and unpaid dividends thereon to the date fixed for payment of such amount (whether or not declared), and no more, before any distribution will be made to the holders of the Common Shares or any other Junior Securities. A consolidation or merger of Atlas with or into any other entity, individually or in a series of transactions, will not be deemed a liquidation, dissolution or winding up of Atlas' affairs for this purpose. In the event that Atlas' assets available for distribution to holders of the outstanding Series H Preferred Shares and any Parity Securities are insufficient to permit payment of all required amounts, Atlas' assets then remaining will be distributed among the Series H Preferred Shares and any Parity Securities, as applicable, ratably on the basis of their relative aggregate liquidation preferences. After payment of all required amounts to the holders of the outstanding Series H Preferred Shares and Parity Securities, Atlas' remaining assets and funds will be distributed among the holders of the Common Shares and any other Junior Securities then outstanding according to their respective rights.

Voting Rights

The Series H Preferred Shares will have no voting rights except as set forth below or as otherwise provided by the Republic of Marshall Islands law. In the event that six quarterly dividends, whether consecutive or not, payable on the Series H Preferred Shares are in arrears, the holders of the Series H Preferred Shares will have the right, voting as a class together with holders of any other Parity Securities upon which like voting rights have been conferred and are exercisable, at the next meeting of shareholders called for the election of directors, to elect one member of Atlas' board of directors, and the size of Atlas' board of directors will be increased as needed to accommodate such change (unless the size of Atlas' board of directors already has been increased by reason of the election of a director by holders of Parity Securities upon which like voting rights have been conferred and with which the Series H Preferred Shares voted as a class for the election of such director). The right of such holders of Series H Preferred Shares to elect a member of Atlas' board of directors will continue until such time as all dividends accumulated and in arrears on the Series H Preferred Shares have been paid in full, at which time such right will terminate, subject to reversion in the event of each and every subsequent failure to pay six quarterly dividends as described above. Upon any termination of the right of the holders of the Series H Preferred Shares and any other Parity Securities to vote as a class for such director, the term of office of the director then in office elected by such holders voting as a class will terminate immediately. Any director elected by the holders of the Series H Preferred Shares and any other Parity Securities shall be entitled to one vote on any matter before Atlas' board of directors.

Unless Atlas has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series H Preferred Shares, voting as a single class, Atlas may not adopt any amendment to its articles of incorporation that adversely alters the preferences, powers or rights of the Series H Preferred Shares.

In addition, unless Atlas has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series H Preferred Shares, voting as a class together with holders of any other Parity Securities upon which like voting rights have been conferred and are exercisable, Atlas may not:

1. issue any Parity Securities or Senior Securities if the cumulative dividends payable on outstanding Series H Preferred Shares are in arrears; or
2. create or issue any Senior Securities.

On any matter described above in which the holders of the Series H Preferred Shares are entitled to vote as a class, such holders will be entitled to one vote per share. The Series H Preferred Shares held by Atlas or any of Atlas' subsidiaries or affiliates will not be entitled to vote.

Dividends

General

Holders of Series H Preferred Shares will be entitled to receive, when, as and if declared by Atlas' board of directors out of legally available funds for such purpose, cumulative cash dividends from the original issue date.

Dividend Rate

Dividends on the Series H Preferred Shares will be cumulative, commencing on the original issue date, and payable on each Dividend Payment Date, when, as and if declared by Atlas' board of directors or any authorized committee thereof out of legally available funds for such purpose. Dividends on the Series H Preferred Shares will accrue at a rate of 7.875% per annum per \$25.00 stated liquidation preference per Series H Preferred Share.

Dividend Payment Dates

The "Dividend Payment Dates" for the Series H Preferred Shares will be each January 30, April 30, July 30 and October 30. Dividends will accumulate in each dividend period from and including the preceding Dividend Payment Date or the initial issue date, as the case may be, to but excluding the applicable Dividend Payment Date for such dividend period, and dividends will accrue on accumulated dividends at the applicable dividend rate. If any Dividend Payment Date otherwise would fall on a day that is not a Business Day, declared dividends will be paid on the immediately succeeding Business Day without the accumulation of additional dividends. Dividends on the Series H Preferred Shares will be payable based on a 360-day year consisting of twelve 30-day months.

"Business Day" means a day on which The New York Stock Exchange is open for trading and which is not a Saturday, a Sunday or other day on which banks in New York City are authorized or required by law to close.

Payment of Dividends

Not later than the close of business, New York City time, on each Dividend Payment Date, Atlas will pay those dividends, if any, on the Series H Preferred Shares that have been declared by Atlas' board of directors to the holders of such shares as such holders' names appear on Atlas' stock transfer books maintained by the Registrar and Transfer Agent on the applicable Record Date. The applicable record date, or Record Date, will be the Business Day immediately preceding the applicable Dividend Payment Date, except that in the case of payments of dividends in arrears, the Record Date with respect to a Dividend Payment Date will be such date as may be designated by Atlas' board of directors. So long as the Series H Preferred Shares are held of record by the nominee of the Securities Depository, declared dividends will be paid to the Securities Depository in same-day funds on each Dividend Payment Date. The Securities Depository will credit accounts of its participants in accordance with the Securities Depository's normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series H Preferred Shares in accordance with the instructions of such beneficial owners.

No dividend may be declared or paid or set apart for payment on any Junior Securities (other than a dividend payable solely in shares of Junior Securities) unless (a) full cumulative dividends have been or contemporaneously are being paid or provided for on all outstanding Series H Preferred Shares and any Parity Securities through the most recent respective dividend payment dates and (b) Atlas is in compliance with the Net Worth to Preferred Stock Ratio described above. Accumulated dividends in arrears for any past dividend period may be declared by Atlas' board of directors and paid on any date fixed by Atlas' board of directors, whether or not a Dividend Payment Date, to holders of the Series H Preferred Shares on the record date for such payment, which may not be more than 60 days, nor less than 15 days, before such payment date. Subject to the next succeeding sentence, if all accumulated dividends in arrears on all outstanding Series H Preferred Shares and any Parity Securities have not been declared and paid, or if sufficient funds for the payment thereof have not been set apart, payment of accumulated dividends in arrears on the Series H Preferred Shares and any Parity Securities will be made in order of their respective dividend payment dates, commencing with the earliest. If less than all dividends payable with respect to all Series H Preferred Shares and any Parity Securities are paid, any partial payment will be made pro rata with respect to the Series H Preferred Shares and any Parity Securities entitled to a dividend payment at such time in proportion to the aggregate amounts remaining due in respect of such shares at such time. Holders of the Series H Preferred Shares will not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative dividends. Except insofar as dividends accrue on the amount of any accumulated and unpaid dividends as described under "—Dividends—Dividend Rate," no interest or sum of money in lieu of interest will be payable in respect of any dividend payment which may be in arrears on the Series H Preferred Shares.

Redemption

Optional Redemption

Atlas may redeem, at its option, in whole or in part, the Series H Preferred Shares at a redemption price in cash equal to \$25.00 per share plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose.

Redemption Procedures

Atlas will give notice of any redemption by mail, postage prepaid, not less than 15 days and not more than 60 days before the scheduled date of redemption, to the holders of any shares to be redeemed as such holders' names appear on Atlas' stock transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (a) the redemption date, (b) the number of Series H Preferred Shares to be redeemed and, if less than all outstanding Series H Preferred Shares are to be redeemed, the number (and the identification) of shares to be redeemed from such holder, (c) the redemption price, (d) the place where the Series H Preferred Shares are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (e) that dividends on the shares to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series H Preferred Shares are to be redeemed, the number of shares to be redeemed will be determined by Atlas, and such shares will be redeemed by such method of selection as the Securities Depository shall determine, with adjustments to avoid redemption of fractional shares. So long as all Series H Preferred Shares are held of record by the nominee of the Securities Depository, Atlas will give notice, or cause notice to be given, to the Securities Depository of the number of Series H Preferred Shares to be redeemed, and the Securities Depository will determine the number of Series H Preferred Shares to be redeemed from the account of each of its participants holding such shares in its participant account. Thereafter, each participant will select the number of shares to be redeemed from each beneficial owner for whom it acts (including the participant, to the extent it holds Series H Preferred Shares for its own account). A participant may determine to redeem Series H Preferred Shares from some beneficial owners (including the participant itself) without redeeming Series H Preferred Shares from the accounts of other beneficial owners.

So long as the Series H Preferred Shares are held of record by the nominee of the Securities Depository, the redemption price will be paid by the Paying Agent to the Securities Depository on the redemption date. The Securities Depository's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If Atlas gives or causes to be given a notice of redemption, then Atlas will deposit with the Paying Agent funds sufficient to redeem the Series H Preferred Shares as to which notice has been given by the close of business, New York City time, no later than the Business Day immediately preceding the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such shares is issued in the name of the Securities Depository or its nominee) of the certificates therefor. If notice of redemption shall have been given, then from and after the date fixed for redemption, unless Atlas defaults in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all dividends on such shares will cease to accumulate and all rights of holders of such shares as Atlas' shareholders will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid dividends through the date fixed for redemption, whether or not declared. Atlas will be entitled to receive from the Paying Agent the interest income, if any, earned on such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the redemption price of the shares to be redeemed), and the holders of any shares so redeemed will have no claim to any such interest income. Any funds deposited with the Paying Agent hereunder by Atlas for any reason, including, but not limited to, redemption of Series H Preferred Shares, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to Atlas upon Atlas' written request, after which repayment the holders of the Series H Preferred Shares entitled to such redemption or other payment shall have recourse only to Atlas.

If only a portion of the Series H Preferred Shares represented by a certificate has been called for redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such shares is registered in the name of the Securities Depository or its nominee), the Paying Agent will issue to the holder of such shares a new certificate (or adjust the applicable book-entry account) representing the number of Series H Preferred Shares represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption, there will be no redemption of any Series H Preferred Shares called for redemption until funds sufficient to pay the full redemption price of such shares, including all accumulated and unpaid dividends to the date of redemption, whether or not declared, have been deposited by Atlas with the Paying Agent.

Atlas and its affiliates may from time to time purchase the Series H Preferred Shares, subject to compliance with all applicable securities and other laws. Neither Atlas nor any of its affiliates has any obligation, or any present plan or

intention, to purchase any Series H Preferred Shares. Any shares repurchased and cancelled by Atlas will revert to the status of authorized but unissued preferred shares, undesignated as to series.

Notwithstanding the foregoing, in the event that full cumulative dividends on the Series H Preferred Shares and any Parity Securities have not been paid or declared and set apart for payment, Atlas may not repurchase, redeem or otherwise acquire, in whole or in part, any Series H Preferred Shares or Parity Securities except pursuant to a purchase or exchange offer made on the same terms to all holders of Series H Preferred Shares and any Parity Securities. Common Shares and any other Junior Securities may not be redeemed, repurchased or otherwise acquired unless full cumulative dividends on the Series H Preferred Shares and any Parity Securities for all prior and the then-ending dividend periods have been paid or declared and set apart for payment.

Book-Entry System

All Series H Preferred Shares will be represented by a single certificate issued to The Depository Trust Company (and its successors or assigns or any other securities depository selected by Atlas), or the Securities Depository, and registered in the name of its nominee (initially, Cede & Co.). The Series H Preferred Shares will continue to be represented by a single certificate registered in the name of the Securities Depository or its nominee, and no holder of the Series H Preferred Shares will be entitled to receive a certificate evidencing such shares unless otherwise required by law or the Securities Depository gives notice of its intention to resign or is no longer eligible to act as such and Atlas has not selected a substitute Securities Depository within 60 calendar days thereafter. Payments and communications made by Atlas to holders of the Series H Preferred Shares will be duly made by making payments to, and communicating with, the Securities Depository. Accordingly, unless certificates are available to holders of the Series H Preferred Shares, each holder of Series H Preferred Shares must rely on (a) the procedures of the Securities Depository and its participants to receive dividends, distributions, any redemption price, liquidation preference and notices, and to direct the exercise of any voting or nominating rights, with respect to such Series H Preferred Shares and (b) the records of the Securities Depository and its participants to evidence its ownership of such Series H Preferred Shares.

The Depository Trust Company, the initial Securities Depository, is a New York-chartered limited purpose trust company that performs services for its participants, some of whom (and/or their representatives) own The Depository Trust Company. The Securities Depository maintains lists of its participants and will maintain the positions (i.e. ownership interests) held by its participants in the Series H Preferred Shares, whether as a holder of the Series H Preferred Shares for its own account or as a nominee for another holder of the Series H Preferred Shares.

ATCO Notes

The ATCO Notes are issued under a base indenture, dated as of March 19, 2021 (the “Base Indenture”), between Atlas Corp., as issuer, and The Bank of New York Mellon, as trustee (in such capacity, the “Trustee”), as supplemented by a first supplemental indenture (the “Supplemental Indenture”), among Atlas Corp. and the Trustee. In this description, unless otherwise specified, the word “Indenture” shall be deemed to refer to the Base Indenture, as supplemented, amended or otherwise modified by the Supplemental Indenture. The terms of the Notes include those expressly set forth in the Indenture and those made a part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the “TIA”).

The following description is only a summary of certain provisions of the ATCO Notes and the Indenture. You should read these documents in their entirety because they, and not this description, define your rights as holders of the ATCO Notes. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the TIA and to all of the provisions of the Indenture and those terms made a part of the Indenture by reference to the TIA.

Definitions of capitalized terms used in this description and not defined elsewhere in this document are under the heading “—Certain Definitions and Interpretations.” For purposes of this section, references to “the Company,” “we,” “our” and “us” refer only to Atlas Corp. and not to its subsidiaries.

The registered holder of an ATCO Note is treated as the owner of it for all purposes. Only such holders have rights under the Indenture.

General

The ATCO Notes are issued under the Indenture.

The ATCO Notes were initially limited to \$80.0 million in aggregate principal amount. The Indenture does not limit the amount of debt securities that we may issue under the Indenture and provides that debt securities may be issued from time to time in one or more series. We may from time to time, without giving notice to or seeking the consent of the holders of the ATCO Notes, issue debt securities having the same interest rate, maturity and other terms (except for the issue date, the issue price and the first interest payment date) as, and ranking equally and ratably with, the ATCO Notes. Any additional debt securities having such similar terms, together with the ATCO Notes, will constitute a single series of debt securities under the Indenture, including for purposes of voting and

redemptions, and any additional debt securities issued as part of the same series as the ATCO Notes will be fungible with the ATCO Notes for United States federal income tax purposes. No such additional debt securities may be issued if an event of default has occurred and is continuing with respect to the ATCO Notes.

Other than as described under “—Certain Covenants,” the Indenture and the terms of the ATCO Notes do not contain any covenants restricting the operation of our business, our ability to incur debt or grant liens on our assets or that are designed to afford holders of the ATCO Notes protection in a highly leveraged or other transaction involving us that may adversely affect holders of the ATCO Notes.

The ATCO Notes will mature on October 30, 2027 and bear interest at an annual rate of 7.125% per year.

Interest on the ATCO Notes began accruing on April 30, 2021. We will make interest payments on the ATCO Notes quarterly on January 30, April 30, July 30 and October 30 of each year (with the first payment having been made on July 30, 2021), to holders of record at the close of business on the January 15, April 15, July 15 or October 15 (whether or not that date is a business day), as the case may be, immediately preceding such interest payment date, and on the maturity date. Interest on the ATCO Notes is computed on the basis of a 360-day year composed of twelve 30-day months.

If any interest payment date would otherwise be a day that is not a business day, that interest payment date will be postponed to the next date that is a business day. If the maturity date of the ATCO Notes falls on a day that is not a business day, the related payment of principal and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day.

The ATCO Notes are not entitled to the benefit of any sinking fund.

The ATCO Notes were issued only in fully registered form without coupons and in minimum denominations of \$25 and integral multiples of \$25 in excess thereof. The ATCO Notes are represented by one or more global securities registered in the name of a nominee of DTC. Except as described under “—Book-entry System; Delivery and Form,” the ATCO Notes are not issuable in certificated form.

Ranking

The ATCO Notes are our unsubordinated unsecured obligations and will rank equally in right of payment with all our existing and future unsubordinated unsecured indebtedness.

The ATCO Notes will rank senior in right of payment to all of our existing and future subordinated indebtedness.

The ATCO Notes will effectively rank junior to our current and any future secured indebtedness incurred by us, to the extent of the value of the assets securing such indebtedness. As of December 31, 2023, we had approximately \$8.0 billion aggregate principal amount of debt outstanding, including other financing arrangements. Of such amount, \$7.2 billion was secured debt and other financing arrangements. The ATCO Notes are unsecured obligations and are effectively subordinated to our secured debt and secured debt of our subsidiaries.

The ATCO Notes are obligations solely of the Company and are not be guaranteed by any of our subsidiaries. Accordingly, the ATCO Notes will effectively rank junior to all liabilities of our subsidiaries. We derive all of our operating income and cash flow from our investments in our subsidiaries. Claims of creditors of our subsidiaries generally will have priority with respect to the assets and earnings of such subsidiaries over the claims of our creditors, including holders of the ATCO Notes. As a result, the ATCO Notes will be effectively subordinated to creditors, including trade creditors and preferred stockholders, if any, other than us, of our subsidiaries.

Exchange Listing

Atlas' outstanding ATCO Notes are listed on The Nasdaq Global Market under the symbol “ATCOL”. Trading in the ATCO Notes began in May 2021.

Trading Characteristics

The ATCO Notes trade at a price that takes into account the value, if any, of accrued but unpaid interest; thus, purchasers will not pay and sellers will not receive accrued and unpaid interest with respect to the ATCO Notes that is not included in the trading price thereof. Any portion of the trading price of an ATCO Note received that is attributable to accrued interest will be treated as ordinary interest income for federal income tax purposes and will not be treated as part of the amount realized for purposes of determining gain or loss on the disposition of the ATCO Note.

Additional Amounts

All payments made by or on behalf of the Company under or with respect to the ATCO Notes are made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) (hereinafter “Taxes”) unless the withholding or deduction of such Taxes is required by law. If any deduction or

withholding for, or on account of, any Taxes imposed or levied by or on behalf of the government of the Republic of Marshall Islands or any political subdivision or any authority or agency therein or thereof having power to tax, or any other jurisdiction in which the Company (including any successor entity) is organized or is otherwise resident for tax purposes, or any jurisdiction from or through which payment is made (including, without limitation, the jurisdiction of each paying agent) (each a "Specified Tax Jurisdiction"), will at any time be required to be made from any payments made under or with respect to the ATCO Notes, the Company will pay such additional amounts (the "Additional Amounts") as may be necessary so that the net amount received in respect of such payments by a holder (including Additional Amounts) after such withholding or deduction will not be less than the amount such holder would have received if such Taxes had not been withheld or deducted; provided, however, that the foregoing obligation to pay Additional Amounts does not apply to:

- (1) any Taxes that would not have been so imposed but for the holder or beneficial owner of the ATCO Notes having any present or former connection with the Specified Tax Jurisdiction (other than the mere acquisition, ownership, holding, enforcement or receipt of payment in respect of the ATCO Notes);
- (2) any estate, inheritance, gift, sales, excise, transfer, personal property tax or similar tax, assessment or governmental charge;
- (3) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the ATCO Notes;
- (4) any Taxes imposed as a result of the failure of the holder or beneficial owner of the ATCO Notes to complete, execute and deliver to the Company any form or document to the extent applicable to such holder or beneficial owner that may be required by law or by reason of administration of such law and which is reasonably requested in writing to be delivered to the Company in order to enable the Company to make payments on the ATCO Notes without deduction or withholding for Taxes, or with deduction or withholding of a lesser amount, which form or document will be delivered within 60 days of a written request therefor by the Company;
- (5) any Taxes that would not have been so imposed but for the beneficiary of the payment having presented a note for payment (in cases in which presentation is required) more than 30 days after the date on which such payment or such note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the holder would have been entitled to Additional Amounts had the note been presented on the last day of such 30-day period);
- (6) any Taxes imposed on or with respect to any payment by the Company to the holder if such holder is a fiduciary or partnership or person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment would not have been entitled to Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such note; or
- (7) any combination of items (1) through (6) above.

If the Company becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the ATCO Notes, the Company will deliver to the Trustee and paying agent at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Company will notify the Trustee and paying agent promptly thereafter but in no event later than two business days prior to the date of payment) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount so payable. The Officer's Certificate must also set forth any other information necessary to enable the paying agent to pay Additional Amounts to holders on the relevant payment date. The Trustee and paying agent will be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary. The Company will provide the Trustee and paying agent with documentation reasonably satisfactory to the Trustee and paying agent evidencing the payment of Additional Amounts.

The Company will make all withholdings and deductions required by law and will remit the full amount deducted or withheld to the relevant governmental authority on a timely basis in accordance with applicable law. As soon as practicable, the Company will provide the Trustee and paying agent with an official receipt or, if official receipts are not obtainable, other documentation reasonably satisfactory to the Trustee and paying agent evidencing the payment of the Taxes so withheld or deducted. Upon request, copies of those receipts or other documentation, as the case may be, will be made available by the Trustee and paying agent to the holders of the ATCO Notes.

Whenever in the Indenture there is referenced, in any context, the payment of amounts based upon the principal amount of the ATCO Notes or of principal, interest or any other amount payable under, or with respect to, the ATCO Notes, such reference will be deemed to include payment of Additional Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Company will indemnify a holder, within 10 business days after written demand therefor, for the full amount of any Taxes paid by such holder to a governmental authority of a Specified Tax Jurisdiction, on or with respect to any

payment by or on account of any obligation of the Company to withhold or deduct an amount on account of Taxes for which the Company would have been obliged to pay Additional Amounts hereunder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant governmental authority. A certificate as to the amount of such payment or liability delivered to the Company by a holder will be conclusive absent manifest error.

The Company will pay any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise in any Specified Tax Jurisdiction from the execution, delivery, enforcement or registration of the ATCO Notes, the Indenture or any other document or instrument in relation thereof, or the receipt of any payments with respect to the ATCO Notes, and the Company will indemnify the holders for any such taxes paid by such holders.

The obligations described under this heading will survive any termination, defeasance or discharge of the Indenture and will apply mutatis mutandis to any jurisdiction in which any successor person to the Company is organized or any political subdivision or authority or agency thereof or therein.

Optional Redemption for Changes in Withholding Taxes

The Company may redeem the ATCO Notes, at its option, at any time in whole but not in part, upon not less than 30 nor more than 60 days' notice (which notice will be irrevocable), at a redemption price equal to 100% of the outstanding principal amount of the ATCO Notes, plus accrued and unpaid interest (if any) to, but not including, the applicable redemption date and all Additional Amounts (if any) then due and which will become due on the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), in the event that the Company determines in good faith that the Company has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the ATCO Notes, Additional Amounts and such obligation cannot be avoided by taking reasonable measures available to the Company (including making payment through a paying agent located in another jurisdiction), as a result of:

- (1) a change in or an amendment to the laws (including any regulations or rulings promulgated thereunder) of any Specified Tax Jurisdiction affecting taxation, which change or amendment is announced or becomes effective on or after the date of the Indenture; or
- (2) any change in or amendment to any official position of a taxing authority in any Specified Tax Jurisdiction regarding the application, administration or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date of the Indenture.

Notwithstanding the foregoing, no such notice of redemption may be given earlier than 60 days prior to the earliest date on which the Company would be obligated to pay Additional Amounts if a payment in respect of the ATCO Notes were then due. Before the Company publishes, mails or delivers notice of redemption of the ATCO Notes as described above, the Company will deliver to the Trustee and paying agent (a) an Officer's Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company to so redeem have occurred and (b) an opinion of independent legal counsel of recognized standing satisfactory to the Trustee and paying agent that the Company has or will become obligated to pay Additional Amounts as a result of the circumstances referred to in clause (1) or (2) of the preceding paragraph.

The Trustee and paying agent will accept and will be entitled to conclusively rely upon the Officer's Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which case they will be conclusive and binding on the holders.

Optional Redemption

In addition to the above, the ATCO Notes are redeemable at the option of the Company, in whole or in part, at any time on or after the second year anniversary of their date of issuance, upon not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of their principal amount, plus accrued and unpaid interest to, but not including, the redemption date.

If fewer than all of the ATCO Notes are to be redeemed, the particular Notes to be redeemed shall be selected: (i) by lot or such other similar method in accordance with applicable procedures of the depository (if the ATCO Notes are global notes), or (ii) if there are no such requirements of the depository, on a pro rata basis and in compliance with any applicable stock exchange rules.

Notice of redemption shall be irrevocable and on the redemption date, the ATCO Notes subject to redemption shall become due and payable at the redemption price, and from and after such date (unless the Company shall default in the payment of the redemption price and accrued interest) such ATCO Notes shall cease to bear interest.

In addition to the foregoing, we or our affiliates may also purchase ATCO Notes from investors who are willing to sell from time to time, either in the open market at prevailing prices or in private transactions at negotiated prices. ATCO Notes that we or they purchase may, at our discretion, be held, resold or canceled.

Certain Covenants

The Indenture includes the following restrictive covenants. Certain defined terms relevant to the covenants are set forth under “—Certain Definitions and Interpretations” below.

- (a) **Limitation on Borrowings.** The Company shall not permit Total Borrowings to equal or exceed 75% of Total Assets.
- (b) **Limitation on Minimum Net Worth.** The Company shall ensure that Net Worth always exceeds four hundred and fifty million dollars (US\$450,000,000).
- (c) **Restricted Payments.** The Company will not, nor will the Company permit any of its subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except (a) the Company may make Restricted Payments payable solely in equity interests issued by the Company and not in cash, (b) a subsidiary of the Company may make Restricted Payments in cash to the Company or another subsidiary of the Company and in each case to other owners of the equity of such subsidiary on a pro rata basis and (c) the Company may make any other Restricted Payments in cash in accordance with applicable law so long as after giving effect thereto no default has occurred and is continuing and no default will result therefrom.
- (d) **Fundamental Changes.** The Company will not, nor will the Company permit any of its subsidiaries (other than an Immaterial Subsidiary) to, merge into or consolidate with any other person, or permit any other person to merge into or consolidate with the Company or its subsidiaries, or sell, transfer, lease (other than leases and charters in the ordinary course of business) or otherwise dispose of (in one transaction or in a series of transactions) all or any substantial part of the assets of the Company, or all or any substantial part of the stock of any of its subsidiaries (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no default shall have occurred and be continuing:
 - (i) any subsidiary may merge into the Company in a transaction in which the Company is the surviving corporation;
 - (ii) any subsidiary may merge into any other subsidiary in a transaction in which the consolidated ownership interest percentage in the surviving subsidiary is no less than the consolidated ownership interest percentage in either predecessor entity;
 - (iii) any subsidiary may sell, transfer, lease or otherwise dispose of its assets to the Company or to another subsidiary;
 - (iv) any subsidiary may liquidate or dissolve if the board of directors of the Company determines in good faith that such liquidation or dissolution is in the Company’s best interests and is not materially disadvantageous to the holders of the ATCO Notes;
 - (v) the Company and any subsidiary may sell, transfer or otherwise dispose of any of the Company’s or its subsidiaries’ assets (in the ordinary course of business or otherwise) in any transaction or series of transactions so long as (A) the aggregate market value of all assets so sold, transferred, leased or otherwise disposed of under this clause (v) during any fiscal year does not exceed 25% of the aggregate market value of all of the Company’s and the Company’s subsidiaries’ assets, on a consolidated basis (excluding intercompany transactions), on the last day of the immediately preceding fiscal year and (B) the Company receives, or the relevant subsidiary receives, consideration at the time of such sale, transfer, lease or other disposition at least equal to the fair market value (including as to the value of all non-cash consideration), as determined in good faith by the board of directors of the Company, of the assets subject to such sale, transfer, lease or other disposition;
 - (vi) the Company and any subsidiary may enter into any sale, transfer or disposition that is followed by the leasing back of the asset sold, transferred or disposed of; and
 - (vii) so long as no Change of Control would result therefrom, the Company and any subsidiary may acquire the assets or interests of any person by way of merger or consolidation.

Compliance with the foregoing covenants is measured on the last day of each of our fiscal quarters. Within 60 days after the end of the first three fiscal quarters each fiscal year and within 120 days after the end of each fiscal year, the Company is required to deliver to the Trustee an officer’s certificate confirming compliance with each of the covenants described above. Each such certificate will be made available to the holders of the ATCO Notes upon

request to the Trustee. The Company shall mail, within 10 Business Days of the discovery thereof, to all holders of the ATCO Notes and Trustee, notice of any default in compliance with the covenants described above.

Certain Definitions and Interpretations

For purposes of the foregoing provisions, the following definitions shall apply:

“*Cash and Cash Equivalents*” means, as of a given date, the Company’s cash and cash equivalents as determined in accordance with U.S. GAAP.

“*Immaterial Subsidiary*” means any subsidiary of Atlas Corp. that is not a Significant Subsidiary.

“*Intangible Assets*” means, in respect of Atlas Corp. as of a given date, the intangible assets of Atlas Corp. of the types, if any, presented in Atlas Corp.’s consolidated balance sheet.

“*Net Worth*” means, as of a given date, the result of, without duplication:

- (a) Total Assets, less
- (b) Intangible Assets, less
- (c) Total Borrowings (without giving effect to any fair value adjustments pursuant to FASB’s Accounting Standards Codification 820).

“*Non-Recourse Liabilities*” means, in respect of Atlas Corp. or any subsidiary thereof as of a given date, the non-recourse liabilities as described in subparts (a)-(h) of the definition of Total Borrowings which neither Atlas Corp. nor any other subsidiary thereof provides any credit support of any kind to or is directly or indirectly liable as a guarantor or otherwise, other than a pledge of the equity interests in the Non-Recourse Subsidiary.

“*Non-Recourse Subsidiary*” means any subsidiary of Atlas Corp. that has only Non-Recourse Liabilities.

“*Restricted Payment*” means any dividend or other distribution (whether in cash, securities or other property) with respect to any shares of any class of capital stock of or other ownership interests in the Company or any subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such shares of capital stock of or other ownership interests in the Company or any subsidiary or any option, warrant or other right to acquire any such shares of capital stock of or other ownership interests in the Company or any subsidiary.

“*Significant Subsidiary*” means the “significant subsidiaries” or any “significant subsidiary” of Atlas Corp., as defined in Rule 1-02(w) of Regulation S-X under the Securities Act.

“*Total Assets*” means, in respect of Atlas Corp. on a consolidated basis, as of a given date the aggregate of the following, without duplication:

- (a) all of the assets of Atlas Corp. of the types presented on its consolidated balance sheet; less
- (b) Cash and Cash Equivalents; less
- (c) Non-Recourse Liabilities; and less
- (d) assets under any vessel construction or ship purchase agreement (including novation and assignment and assumption agreements) that Atlas Corp. is required to record on its books under U.S. GAAP even though Atlas Corp. is no longer the legal owner of the vessel or legally obligated to take delivery of the vessel.

“*Total Borrowings*” means, in respect of Atlas Corp. on a consolidated basis, as of a given date the aggregate of the following, without duplication:

- (a) the outstanding principal amount of any moneys borrowed; plus
- (b) the outstanding principal amount of any acceptance under any acceptance credit; plus
- (c) the outstanding principal amount of any bond, note, debenture or other similar instrument; plus
- (d) the book values of indebtedness under a lease, charter, hire purchase agreement or other similar arrangement which would, in accordance with U.S. GAAP, be treated as a finance or capital lease; plus
- (e) the outstanding principal amount of all moneys owing in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis or which otherwise meet any requirements for de-recognition under U.S. GAAP); plus
- (f) the outstanding principal amount of any indebtedness arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset (except trade payables); plus

- (g) any fixed or minimum premium payable on the repayment or redemption of any instrument referred to in clause (c) above; plus
- (h) the outstanding principal amount of any indebtedness of any person of a type referred to in the above clauses of this definition which is the subject of a guarantee given by Atlas Corp. to the extent that such guaranteed indebtedness is determined and given a value in respect of Atlas Corp. on a consolidated basis in accordance with US GAAP; less
- (i) Cash and Cash Equivalents; less
- (j) Non-Recourse Liabilities.

Notwithstanding the foregoing, “*Total Borrowings*” shall not include any of the following:

- (a) indebtedness or obligations arising from derivative transactions, such as protecting against interest rate or currency fluctuations; and
- (b) indebtedness under any vessel construction or ship purchase agreement (including novation and assignment and assumption agreements) that Atlas Corp. or any of its subsidiaries is required to record on its books under U.S. GAAP even though Atlas Corp. and its subsidiaries are no longer the legal owner of the vessel or legally obligated to take delivery of the vessel.

“*U.S. GAAP*” means generally accepted accounting principles in the United States of America.

For purposes of the foregoing provisions and definitions, any accounting term, phrase, calculation, determination or treatment used, required or referred to in this Certain Covenants section is to be construed in accordance with U.S. GAAP in effect as of December 31, 2016.

Change of Control Permits Holders to Require Us to Purchase Notes

If a Change of Control (as defined below) occurs at any time, you will have the right, at your option, to require us to purchase for cash any or all of your ATCO Notes, or any portion of the principal amount thereof, that is equal to \$25 or multiple of \$25. The price we are required to pay (the “Change of Control Purchase Price”) is equal to 101% of the principal amount of the ATCO Notes to be purchased plus accrued and unpaid interest to but excluding the Change of Control Purchase Date (unless the Change of Control Purchase Date is after a record date and on or prior to the interest payment date to which such record date relates, in which case we will instead pay the full amount of accrued and unpaid interest to the holder of record on such record date and the Change of Control Purchase Price will be equal to 101% of the principal amount of the ATCO Notes to be purchased). The “Change of Control Purchase Date” will be a date specified by us that is not less than 20 or more than 35 calendar days following the date of our Change of Control notice as described below. Any ATCO Notes purchased by us will be paid for in cash. A “Change of Control” will be deemed to have occurred at the time after the ATCO Notes are originally issued if:

- (1) any “Person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, is or becomes the “Beneficial Owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (1) such Person shall be deemed to have “Beneficial Ownership” of all shares that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company;
- (2) the merger or consolidation of the Company with or into another Person or the merger of another Person with or into the Company, or the sale of all or substantially all the assets of the Company (determined on a consolidated basis) to another Person other than (i) a transaction in which the survivor or transferee is a Person that is controlled by the Permitted Holders or (ii) a transaction following which, in the case of a merger or consolidation transaction, holders of securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction) own directly or indirectly at least a majority of the voting power of the Voting Stock of the surviving Person in such merger or consolidation transaction immediately after such transaction and in substantially the same proportion as before the transaction; or
- (3) “Continuing Directors” (as defined below) cease to constitute at least a majority of our board of directors.

“Continuing Director” means a director who either was a member of our board of directors on the issue date of the ATCO Notes or who becomes a member of our board of directors subsequent to that date and whose election, appointment or nomination for election by our stockholders is duly approved by a majority of the continuing directors on our board of directors at the time of such approval, either by a specific vote or by approval of the proxy statement issued by us on behalf of our entire board of directors in which such individual is named as nominee for director.

“Permitted Holders” means (a) any of Kyle Washington, Kevin Washington, Dennis Washington or any of their respective estates, spouses and/or descendants; (b) any trust for the benefit of the persons listed in (a); (c) Fairfax Financial Holdings Limited; (d) an affiliate of any of the persons listed in (a), (b) or (c); or (e) a combination of the foregoing.

On or before the 20th day after the occurrence of a Change of Control, we will provide to all holders of the ATCO Notes, the Trustee and paying agent a notice of the occurrence of the Change of Control and of the resulting purchase right. Such notice shall state, among other things:

- the events causing a Change of Control;
- the date of the Change of Control;
- the last date on which a holder may exercise the repurchase right;
- the Change of Control Purchase Price;
- the Change of Control Purchase Date;
- the name and address of the paying agent; and
- the procedures that holders must follow to require us to purchase their ATCO Notes.

Simultaneously with providing such notice, we will publish a notice containing this information in a newspaper of general circulation in The City of New York or publish the information on our website or through such other public medium as we may use at that time.

To exercise the Change of Control purchase right, you must deliver, on or before the business day immediately preceding the Change of Control Purchase Date, the ATCO Notes to be purchased, duly endorsed for transfer, together with a written purchase notice and the form entitled “Form of Change of Control Purchase Notice” on the reverse side of the ATCO Notes duly completed, to the paying agent. Your purchase notice must state:

- if certificated, the certificate numbers of your ATCO Notes to be delivered for purchase or if not certificated, your notice must comply with appropriate DTC procedures;
- the portion of the principal amount of ATCO Notes to be purchased, which must be \$25 or a multiple thereof; and
- that the ATCO Notes are to be purchased by us pursuant to the applicable provisions of the ATCO Notes and the Indenture.

You may withdraw any purchase notice (in whole or in part) by a written notice of withdrawal delivered to the paying agent prior to the close of business on the business day immediately preceding the Change of Control Purchase Date. The notice of withdrawal shall state:

- the principal amount of the withdrawn Notes;
- if certificated ATCO Notes have been issued, the certificate numbers of the withdrawn ATCO Notes, or if not certificated, your notice must comply with appropriate DTC procedures; and
- the principal amount, if any, which remains subject to the purchase notice.

We will be required to purchase the ATCO Notes on the Change of Control Purchase Date. You will receive payment of the Change of Control Purchase Price on the later of the Change of Control Purchase Date or the time of book-entry transfer or the delivery of the ATCO Notes. If the paying agent holds money or securities sufficient to pay the Change of Control Purchase Price of the ATCO Notes on the Change of Control Purchase Date, then:

- the ATCO Notes will cease to be outstanding and interest, including any additional interest, if any, will cease to accrue (whether or not book-entry transfer of the ATCO Notes is made or whether or not the ATCO Notes are delivered to the paying agent); and
- all other rights of the holder will terminate (other than the right to receive the Change of Control Purchase Price).

In connection with any purchase offer pursuant to a Change of Control purchase notice, we will, if required, comply with the provisions of the tender offer rules under the Exchange Act that may then be applicable; and

- file a Schedule TO or any other required schedule under the Exchange Act.

No ATCO Notes may be purchased at the option of holders upon a Change of Control if the principal amount of the ATCO Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such date.

- The purchase rights of the holders could discourage a potential acquirer of us. The Change of Control purchase feature, however, is not the result of management's knowledge of any specific effort to obtain control of us by any means or part of a plan by management to adopt a series of anti-takeover provisions.

The term Change of Control is limited to specified transactions and may not include other events that might adversely affect our financial condition. In addition, the requirement that we offer to purchase the ATCO Notes upon a Change of Control may not protect holders in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

The definition of Change of Control includes a phrase relating to the conveyance, transfer, sale, lease or disposition of "all or substantially all" of our consolidated assets. There is no precise, established definition of the phrase "substantially all" under applicable law. Accordingly, the ability of a holder of the ATCO Notes to require us to purchase its ATCO Notes as a result of the conveyance, transfer, sale, lease or other disposition of less than all of our assets may be uncertain.

If a Change of Control were to occur, we may not have enough funds to pay the Change of Control Purchase Price. Our ability to repurchase the ATCO Notes for cash may be limited by restrictions on our ability to obtain funds for such repurchase through dividends from our subsidiaries, the terms of our then existing borrowing arrangements or otherwise. If we fail to purchase the ATCO Notes when required following a Change of Control, we will be in default under the Indenture. In addition, we have, and may in the future incur, other indebtedness with similar change in control provisions permitting our holders to accelerate or to require us to purchase our indebtedness upon the occurrence of similar events or on some specific dates.

Consolidation, Merger and Sale of Assets

We may not consolidate with or merge with or into, any other person or sell, assign, convey, transfer, lease our properties and assets as an entirety or substantially as an entirety to any person, unless:

- the successor person is a corporation organized and existing under the laws of the Republic of Marshall Islands, the United States, any state of the United States or the District of Columbia and expressly assumes by supplemental indenture all of our obligations under the ATCO Notes and the Indenture;
- immediately after giving effect to the transaction, no default or event of default shall have occurred and be continuing; and
- other conditions specified in the Indenture are met.

Upon any consolidation, merger, sale, assignment, conveyance, transfer or lease of the properties and assets of the Company in accordance with the foregoing provisions, the successor person formed by such consolidation or into which we are merged or to which such sale, assignment, conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture; and thereafter, except in the case of a lease, the Company shall be released from all obligations and covenants under the Indenture and the ATCO Notes.

Events of Default

The ATCO Notes are subject to the following events of default:

- (1) failure to pay principal of or any premium when due;
- (2) failure to pay any interest when due, continued for 30 days;
- (3) failure to perform or comply with the provisions of the Indenture relating to mergers and similar events;
- (4) failure to provide notice of a Change of Control or to repurchase ATCO Notes tendered for repurchase following the occurrence of a Change of Control in conformity with the covenant set forth under the caption "—Change of Control Permits Holders to Require Us to Purchase Notes;"
- (5) failure to perform any of our other covenants in the Indenture, continued for 60 days after written notice has been given by the Trustee, or the holders of at least 25% in principal amount of the outstanding ATCO Notes, as provided in the Indenture;
- (6) any debt of ourself is not paid upon the demand of its holders and within any applicable grace period or is accelerated by its holders because of a default and, in each case, the total amount of such debt unpaid or accelerated exceeds \$25,000,000 on an unconsolidated basis;
- (7) any judgment or decree for the payment of money in excess of \$25,000,000 is entered against us and remains outstanding for a period of 90 consecutive days following entry of such judgment and is not discharged, waived or stayed; and
- (8) certain events of bankruptcy, insolvency or reorganization affecting us or any Significant Subsidiary.

If an event of default, other than an event of default described in clause (8) above, occurs and is continuing, either the Trustee or the holders of at least 25% in aggregate principal amount of the outstanding ATCO Notes may declare the principal amount of the ATCO Notes to be due and payable immediately. If an event of default described in clause (8) above occurs, the principal amount of the ATCO Notes and accrued and unpaid interest, if any, will automatically become immediately due and payable.

After any such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the ATCO Notes may, under certain circumstances, rescind and annul such acceleration if all events of default, other than the non-payment of accelerated principal and any premium, interest or Additional Amounts which have become due as a result of such acceleration, have been cured or waived.

Notwithstanding the foregoing, if we so elect, the sole remedy under the Indenture for an event of default relating to (i) our failure to file with the Trustee pursuant to Section 314(a)(1) of the Trust Indenture Act any documents or reports that we are required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act or (ii) the failure to comply with our annual and quarterly reporting obligations to the Trustee and the SEC, as described under “—Reports” below, will, after the occurrence of such an event of default, consist exclusively of the right to receive additional interest on the ATCO Notes at an annual rate equal to (i) 0.25% per annum of the outstanding principal amount of the ATCO Notes for each day during the 90-day period beginning on, and including, the date on which such event of default first occurs and on which such event of default is continuing; and (ii) 0.50% per annum of the outstanding principal amount of the ATCO Notes for each day during the 90-day period beginning on, and including, the 91st day following, and including the date on which such event of default first occurs and on which such event of default is continuing. In the event we do not elect to pay the additional interest upon an event of default in accordance with this paragraph, the ATCO Notes will be subject to acceleration as provided above. This additional interest will be payable in arrears on the same dates and in the same manner as regular interest on the ATCO Notes. On the 181st day after such event of default first occurs (if not waived or cured prior to such 181st day), such additional interest will cease to accrue and the ATCO Notes will be subject to acceleration as provided above. The provisions of the Indenture described in this paragraph will not affect the rights of holders of ATCO Notes in the event of the occurrence of any other events of default.

In order to elect to pay additional interest as the sole remedy during the first 180 days after the occurrence of an event of default relating to the failure to comply with the reporting obligations in accordance with the immediately preceding paragraph, we must notify all holders of record of ATCO Notes and the Trustee and paying agent of such election on or before the close of business on the fifth business day prior to the date on which such event of default would otherwise occur. Upon our failure to timely give such notice or pay additional interest, the ATCO Notes will be immediately subject to acceleration as provided above.

The Trustee will not be obligated to exercise any of its rights or powers at the request of the holders unless the holders have offered to the Trustee indemnity or security reasonably satisfactory to it against any loss, liability or expense. Subject to the Indenture, applicable law and the Trustee’s indemnification, the holders of a majority in aggregate principal amount of the outstanding ATCO Notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the ATCO Notes. The Indenture will provide that in the event an event of default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other holder.

No holder will have any right to institute any proceeding under the Indenture, or for the appointment of a receiver or a Trustee, or for any other remedy under the Indenture unless:

- the holder has previously given the Trustee written notice of a continuing event of default;
- the holders of not less than 25% in aggregate principal amount of the ATCO Notes then outstanding have made a written request and have offered indemnity reasonably satisfactory to the Trustee to institute such proceeding as Trustee; and
- the Trustee has failed to institute such proceeding within 60 days after such notice, request and offer and has not received from the holders of a majority in aggregate principal amount of the ATCO Notes then outstanding a direction inconsistent with such request within 60 days after such notice, request and offer.

However, the above limitations do not apply to a suit instituted by a holder for the enforcement of payment of the principal of or interest on any ATCO Note on or after the applicable due date in accordance with the Indenture.

Generally, the holders of not less than a majority of the aggregate principal amount of outstanding ATCO Notes may waive any default or event of default unless:

- we fail to pay the principal of or any interest on any ATCO Note when due;

- we fail to comply with any of the provisions of the Indenture that would require the consent of the holder of each outstanding ATCO Note affected.

The Indenture provides that within 90 days after the Trustee receives written notice of a default, the Trustee shall transmit by mail to all holders, notice of such default hereunder, unless such default shall have been cured or waived. Except in the case of a default in the payment of principal of or interest on any note, the Trustee may withhold notice if and so long as the Trustee in good faith determines that withholding notice is in the best interest of the holders. In addition, we are required to deliver to the Trustee (i) within 120 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any default that occurred during the previous year and whether we, to the officers' knowledge, are in default in the performance or observance of any of the terms, provisions and conditions of the Indenture and (ii) within 30 days after the occurrence thereof, written notice of any events that would constitute defaults, their status and what action we are taking or propose to take in respect thereof.

Each holder shall have the right to receive payment or delivery, as the case may be, of:

- the principal (including the Change of Control Purchase Price, if applicable) of;
- accrued and unpaid interest, if any, on; and
- Additional Amounts, if any, on its ATCO Notes, on or after the respective due dates expressed or provided for in the Indenture, or to institute suit for the enforcement of any such payment or delivery, as the case may be, and such right to receive such payment or delivery, as the case may be, on or after such respective dates shall not be impaired or affected without the consent of such holder.

Modification and Waiver

We and the Trustee may amend or supplement the Indenture with respect to the ATCO Notes with the consent (including consents obtained in connection with any tender offer or exchange offer) of the holders of a majority in aggregate principal amount of the outstanding ATCO Notes. In addition, the holders of a majority in aggregate principal amount of the outstanding ATCO Notes may waive our compliance in any instance with any provision of the Indenture without notice to the other holders of ATCO Notes. However, no amendment, supplement or waiver may be made without the consent of each holder of outstanding ATCO Notes affected thereby if such amendment, supplement or waiver would:

- change the stated maturity of the principal of or any interest on the ATCO Notes;
- reduce the principal amount of or interest on the ATCO Notes;
- change the currency of payment of principal of or interest on the ATCO Notes or change any ATCO Note's place of payment;
- impair the right of any holder to receive payment of principal of and interest on such holder's ATCO Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on, or with respect to, the ATCO Notes;
- modify the provisions with respect to the purchase rights of the holders as described above under "—Change of Control Permits Holders to Require Us to Purchase Notes" in a manner adverse to holders of ATCO Notes;
- change the ranking of the ATCO Notes;
- change our obligation to pay Additional Amounts on any ATCO Note; or
- modify provisions with respect to modification, amendment or waiver (including waiver of events of default), except to increase the percentage required for modification, amendment or waiver or to provide for consent of each affected holder of the ATCO Notes.

We and the Trustee may amend or supplement the Indenture or the ATCO Notes without notice to, or the consent of, the holders of the ATCO Notes to:

- cure any ambiguity, omission, defect or inconsistency that does not adversely affect the rights of any holder of the ATCO Notes in any material respect;
- provide for the assumption by a successor corporation of our obligations under the Indenture;
- secure the ATCO Notes;
- add to our covenants for the benefit of the holders or surrender any right or power conferred upon us; or
- make any change that does not adversely affect the rights of any holder.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. After an

amendment under the Indenture becomes effective, we are required to mail to the holders a notice briefly describing such amendment. However, the failure to give such notice to all the holders, or any defect in the notice, will not impair or affect the validity of the amendment. The Trustee may, but shall not be obligated to, enter into any supplemental indenture which affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

Satisfaction and Discharge

We may satisfy and discharge our obligations under the Indenture by delivering to the registrar for cancellation all outstanding ATCO Notes or depositing with the Trustee or delivering to the holders, as applicable, after all outstanding ATCO Notes have become due and payable, or will become due and payable at their stated maturity within one year, cash sufficient to pay and discharge the entire indebtedness all of the outstanding ATCO Notes and all other sums payable under the Indenture by us. Such discharge is subject to terms contained in the Indenture.

If we satisfy and discharge our obligations under the Indenture, the Company will be released from its obligations in the provisions described under “—Change of Control Permits Holders to Require Us to Purchase Notes.”

Defeasance

We may terminate at any time all our obligations with respect to the ATCO Notes and the Indenture, which we refer to as “legal defeasance,” except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the ATCO Notes, to replace mutilated, destroyed, lost or stolen ATCO Notes and to maintain a registrar and paying agent in respect of the ATCO Notes. We may also terminate at any time our obligations with respect to the ATCO Notes under the covenants described under “—Change of Control Permits Holders to Require Us to Purchase Notes,” “—Certain Covenants” and “—Reports,” and the operation of certain events of default, which we refer to as “covenant defeasance.” We may exercise the legal defeasance option notwithstanding our prior exercise of the covenant defeasance option.

If we exercise our legal defeasance option with respect to the ATCO Notes, payment of the ATCO Notes may not be accelerated because of an event of default with respect thereto. If we exercise the covenant defeasance option with respect to the ATCO Notes, payment of the ATCO Notes may not be accelerated because of an event of default specified in clause (4), clause (5) (with respect to the covenants described under “—Certain Covenants” or “—Reports”), clause (6) or clause (7).

The legal defeasance option or the covenant defeasance option with respect to the ATCO Notes may be exercised only if:

- (1) we irrevocably deposit in trust with the Trustee cash or U.S. Government obligations or a combination thereof for the payment of principal of and interest and Additional Amounts, if any, on the ATCO Notes to maturity,
- (2) such defeasance or covenant defeasance does not constitute a default under the Indenture or any other material agreement or instrument binding us,
- (3) no default or event of default has occurred and is continuing on the date of such deposit and, with respect to defeasance only, at any time during the period ending on the 123rd day after the date of such deposit (other than, if applicable, a default or event of default with respect to the ATCO Notes resulting from the borrowing of funds to be applied to such deposits),
- (4) in the case of the legal defeasance option, we deliver to the Trustee an opinion of counsel stating that:
 - (a) we have received from the IRS a letter ruling, or there has been published by the Internal Revenue Service a Revenue Ruling, or
 - (b) since the date of the Indenture, there has been a change in the applicable U.S. Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of the ATCO Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred,
- (5) in the case of the covenant defeasance option, we deliver to the Trustee an opinion of counsel to the effect that the holders of the ATCO Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such covenant defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred,
- (6) we deliver to the Trustee an opinion of counsel to the effect that, after the 123rd day after the date of deposit, all money and U.S. Government obligations (or other property as may be provided pursuant to the terms of the Indenture) (including the proceeds thereof) deposited or caused to be deposited with the Trustee (or other qualifying trustee) to be held in trust will not be subject to any case or proceeding

(whether voluntary or involuntary) in respect of the Company under any U.S. Federal or State bankruptcy, insolvency, reorganization or other similar law, or any decree or order for relief in respect of the Company issued in connection therewith, and

- (7) we deliver to the Trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent to the defeasance and discharge of the ATCO Notes have been complied with as required by the Indenture.

If we defease our obligations under the Indenture, the Company will be released from its obligations in the provisions described under "Change of Control Permits Holders to Require Us to Purchase Notes."

Transfer and Exchange

We will maintain an office in New York City where the ATCO Notes may be presented for registration of transfer or exchange. This office will initially be an office or agency of the Trustee. No service charge will be imposed by us, the Trustee or the registrar for any registration of transfer or exchange of ATCO Notes, but any tax or similar governmental charge required by law or permitted by the Indenture because a holder requests any shares to be issued in a name other than such holder's name will be paid by such holder. We are not required to transfer or exchange any note surrendered for purchase except for any portion of that note not being purchased.

We reserve the right to:

- vary or terminate the appointment of the security registrar or paying agent;
- appoint additional paying agents; or
- approve any change in the office through which any security registrar or any paying agent acts.

Payment and Paying Agents

Payments in respect of the principal and interest on global notes registered in the name of DTC or its nominee will be payable to DTC or its nominee, as the case may be, in its capacity as the registered holder under the Indenture. In the case of certificated ATCO Notes, payments will be made in U.S. dollars at the office of the Trustee or, at our option, by check mailed to the holder's registered address (or, if requested by a holder of more than \$1,000,000 principal amount of ATCO Notes, by wire transfer to the account designated by such holder). We will make any required interest payments to the person in whose name each note is registered at the close of business on the record date for the interest payment.

The Trustee will be designated as our paying agent for payments on the ATCO Notes. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts.

Subject to the requirements of any applicable abandoned property laws, the Trustee and paying agent shall pay to us upon written request any money held by them for payments on the ATCO Notes that remain unclaimed for two years after the date upon which that payment has become due. After payment to us, holders entitled to the money must look to us for payment. In that case, all liability of the Trustee or paying agent with respect to that money will cease.

Purchase and Cancellation

The registrar and paying agent (if other than the Trustee) will forward to the Trustee any ATCO Notes surrendered to them by holders for transfer, exchange or payment. All ATCO Notes delivered to the Trustee shall be cancelled promptly by the Trustee in the manner provided in the Indenture and may not be reissued or resold. No ATCO Notes shall be authenticated in exchange for any ATCO Notes cancelled, except as provided in the Indenture.

We may, to the extent permitted by law, and directly or indirectly (regardless of whether such ATCO Notes are surrendered to us), purchase ATCO Notes in the open market or by tender offer at any price or by private agreement.

Reports

So long as any ATCO Notes are outstanding, we will (i) file with the SEC within the time periods prescribed by its rules and regulations and applicable to us and (ii) furnish to the Trustee and the holders of the ATCO Notes within 15 days after the date on which we would be required to file the same with the SEC pursuant to its rules and regulations (giving effect to any grace period provided by Rule 12b-25 under the Exchange Act), all quarterly and annual financial information to the extent required of us to be contained in Form 20-F and Form 6-K, with respect to the annual consolidated financial statements only, a report thereon by our independent auditors. We shall not be required to file any report or other information with the SEC if the SEC does not permit such filing, although such reports will be required to be furnished to the Trustee. Documents filed by us with the SEC via the EDGAR system will be deemed to have been furnished to the Trustee and the holders of the ATCO Notes as of the time such documents are filed via EDGAR.

Replacement of Notes

We will replace mutilated, destroyed, stolen or lost ATCO Notes at the expense of the holder upon delivery to the Trustee of the mutilated ATCO Notes, or evidence of the loss, theft or destruction of the ATCO Notes satisfactory to us and the Trustee. In the case of a lost, stolen or destroyed note, indemnity satisfactory to the Trustee and us may be required at the expense of the holder of such note before a replacement note will be issued.

Notices

Except as otherwise described herein, notice to registered holders of the ATCO Notes will be given to the addresses as they appear in the security register. Notices will be deemed to have been given on the date of such mailing or electronic delivery. Whenever a notice is required to be given by us, such notice may be given by the Trustee on our behalf (and we will make any notice we are required to give to holders available on our website).

Governing Law

The Indenture and the ATCO Notes are governed by and will be construed in accordance with the laws of the State of New York without regard to conflicts of laws.

Concerning the Trustee

The Trustee, in its individual and any other capacity, may make loans to, accept deposits from, and perform services for us as if it were not the Trustee; however, if it acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue or resign.

The Indenture will provide that in case an event of default shall occur and be continuing (which shall not be cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of such person's own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of the ATCO Notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

The Bank of New York Mellon will be the Trustee under the Indenture. Initially, the Trustee will also act as the paying agent, registrar and custodian for the ATCO Notes.

Book-entry System; Delivery and Form

Global Notes

We have issued the ATCO Notes in the form of one or more global notes in definitive, fully registered, book-entry form.

The global notes have been deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC.

DTC, Clearstream and Euroclear

Beneficial interests in the global notes is represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may hold interests in the global notes through either DTC (in the United States), Clearstream Banking, société anonyme, Luxembourg, which we refer to as Clearstream, or Euroclear Bank S.A./N.V., as operator of the Euroclear System, which we refer to as Euroclear, in Europe, either directly if they are participants in such systems or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their U.S. depositories, which in turn will hold such interests in customers' securities accounts in the U.S. depositories' names on the books of DTC.

We have obtained the information in this section concerning DTC, Clearstream and Euroclear and the book-entry system and procedures from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

We understand that:

- DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under Section 17A of the Exchange Act.
- DTC holds securities that its participants deposit with DTC and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates.

- Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations.
- DTC is owned by a number of its direct participants and by The New York Stock Exchange, Inc., the American Stock Exchange, LLC and the Financial Industry Regulatory Authority, Inc. (successor to the National Association of Securities Dealers, Inc.).
- Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.
- The rules applicable to DTC and its direct and indirect participants are on file with the SEC.

We understand that Clearstream is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between its customers through electronic book-changes in accounts of its customers, thereby eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Section. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and other organizations. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream customer either directly or indirectly.

We understand that Euroclear was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V., which we refer to as the Euroclear Operator, under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation, which we refer to as the Cooperative. All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers, and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

We understand that the Euroclear Operator is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

We have provided the descriptions of the operations and procedures of DTC, Clearstream and Euroclear in this document solely as a matter of convenience, and we make no representation or warranty of any kind with respect to these operations and procedures. These operations and procedures are solely within the control of those organizations and are subject to change by them from time to time.

We expect that under procedures established by DTC:

- upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants designated by the Exchange Agent with portions of the principal amounts of the global notes; and
- ownership of the ATCO Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the ATCO Notes represented by a global note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in ATCO Notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or that nominee will be considered the sole owner or holder of the ATCO Notes represented by that global note for all purposes under the Indenture and under the ATCO Notes. Except as provided below, owners of beneficial interests in a global note will not be

entitled to have ATCO Notes represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated ATCO Notes and will not be considered the owners or holders thereof under the Indenture or under the ATCO Notes for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of ATCO Notes under the Indenture or a global note.

Neither we nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of ATCO Notes by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the ATCO Notes.

Payments on the ATCO Notes represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. We expect that DTC or its nominee, upon receipt of any payment on the ATCO Notes represented by a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be solely responsible for those payments.

Distributions on the ATCO Notes held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively referred to herein as the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Distributions on the ATCO Notes held beneficially through Euroclear will be credited to the cash accounts of its participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for Euroclear.

Clearance and Settlement Procedures

Initial settlement for the ATCO Notes was made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable, and will be settled using the procedures applicable to conventional Eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the U.S. depository. Such cross-market transactions, however, will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depository to take action to effect final settlement on its behalf by delivering or receiving the ATCO Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their U.S. depositories.

Because of time-zone differences, credits of the ATCO Notes received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in the ATCO Notes settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of the ATCO Notes by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures to facilitate transfers of the ATCO Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.

Certificated Notes

We will issue certificated ATCO Notes to each person that DTC identifies as the beneficial owner of the ATCO Notes represented by a global note upon surrender by DTC of the global note if:

- DTC notifies us that it is no longer willing or able to act as a depository for such global note or ceases to be a clearing agency registered under the Exchange Act, and we have not appointed a successor depository within 90 days of that notice or becoming aware that DTC is no longer so registered;
- an event of default under the Indenture has occurred and is continuing, and DTC requests the issuance of certificated ATCO Notes; or
- we determine not to have the ATCO Notes represented by a global note.

Neither we nor the Trustee will be liable for any delay by DTC, its nominee or any direct or indirect participant in identifying the beneficial owners of the ATCO Notes. We and the Trustee may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the certificated ATCO Notes to be issued.

List of Entities as at December 31, 2023

| | COMPANY NAME | INCORPORATION JURISDICTION | OWNERSHIP 100% UNLESS NOTED |
|-----|---|------------------------------|--|
| 1. | Atlas Corp. | Republic of Marshall Islands | Poseidon Corp. |
| 2. | Atlas Ventures Corp. | Republic of Marshall Islands | Atlas Corp. |
| 3. | Seaspan Corporation | Republic of Marshall Islands | Atlas Corp. |
| 4. | Seaspan Management Services Limited | Bermuda | Seaspan Corporation |
| 5. | Seaspan Advisory Services Limited | Bermuda | Seaspan Management Services Limited |
| 6. | Seaspan Ship Management Ltd. | British Columbia | Seaspan Management Services Limited |
| 7. | Seaspan Capital Ltd. | British Columbia | Seaspan Ship Management Ltd. |
| 8. | Seaspan Crew Management Ltd. | Bahamas | Seaspan Ship Management Ltd. |
| 9. | Seaspan Crew Management India Private Limited | India | Seaspan Ship Management Ltd. owns 0.01% and Seaspan Crew Management Ltd. owns 99.99% |
| 10. | Seaspan Investment I Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 11. | Seaspan YZJ 983 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 12. | Seaspan YZJ 985 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 13. | Seaspan 1037 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 14. | Seaspan Holding 140 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 15. | Seaspan 140 Ltd. | Republic of Marshall Islands | Seaspan Holding 140 Ltd. |
| 16. | Seaspan (Asia) Corporation | Republic of Marshall Islands | Seaspan Corporation |
| 17. | Seaspan Containership 2180 Ltd. | Republic of Marshall Islands | Seaspan (Asia) Corporation |
| 18. | Seaspan Containership 2181 Ltd. | Republic of Marshall Islands | Seaspan (Asia) Corporation |
| 19. | Seaspan Containership S452 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 20. | Seaspan Holdco II Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 21. | Seaspan Holdco III Ltd. Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 22. | Seaspan Holdco VI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 23. | Seaspan Holdco VII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 24. | Seaspan Holdco VIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 25. | Seaspan Holdco IX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 26. | Seaspan Holdco X Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 27. | Seaspan Holdco XI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 28. | Seaspan Holdco XII Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 29. | Seaspan Holdco XIII Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 30. | Seaspan Holdco XIV Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 31. | Seaspan Holdco XV Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 32. | Seaspan Holdco XVI Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 33. | Seaspan Holdco XVII Pte. Ltd. | Singapore | Seaspan Holdco III Ltd. |
| 34. | Seaspan Holdco XVIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |

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| 35. | Seaspan Holdco XIX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 36. | Seaspan Holdco XX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 37. | Seaspan Holdco XXI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 38. | Seaspan Holdco XXII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 39. | Seaspan Holdco XXIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 40. | Seaspan Holdco XXIV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 41. | Seaspan Holdco XXV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 42. | Seaspan Holdco XXVI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 43. | Seaspan Holdco XXVII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 44. | Seaspan Holdco XXVIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 45. | Seaspan Holdco XXIX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 46. | Seaspan Holdco XXX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 47. | Seaspan Holdco XXXI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 48. | Seaspan Holdco XXXII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 49. | Seaspan Holdco XXXIII Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 50. | Seaspan Holdco XXXIV Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 51. | Seaspan Holdco XXXV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 52. | Seaspan Holdco XXXVI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 53. | Seaspan Holdco XXXVII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 54. | Seaspan Holdco XXXVIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 55. | Seaspan Holdco XXXIX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 56. | Seaspan Holdco XL Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 57. | Seaspan Holdco XLI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 58. | Seaspan Holdco XLII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 59. | Seaspan Holdco XLIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 60. | Seaspan Holdco XLIV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 61. | Seaspan Holdco XLV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 62. | Seaspan Holdco XLVI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 63. | Seaspan Holdco XLVII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 64. | Seaspan Holdco XLVIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 65. | Seaspan Holdco XLIX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 66. | Seaspan Holdco L Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 67. | Seaspan Holdco LI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 68. | Seaspan Holdco LII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 69. | Seaspan Holdco LIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 70. | Seaspan Holdco LIV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 71. | Seaspan Holdco LV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 72. | Seaspan Holdco LVI Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |

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| 73. | Seaspan Holdco LVII Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 74. | Seaspan Holdco LVIII Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 75. | Seaspan Holdco LIX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 76. | Seaspan Holdco LX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 77. | Seaspan Holdco LXI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 78. | Seaspan Holdco LXII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 79. | Seaspan Holdco LXIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 80. | Seaspan Holdco LXIV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 81. | Seaspan Holdco LXV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 82. | Seaspan Holdco LXVI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 83. | Seaspan Containership 145 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 84. | Seaspan Containership 146 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 85. | Seaspan Containership 147 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 86. | Seaspan Containership I Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 87. | Seaspan Containership II Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 88. | Seaspan Containership III Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 89. | Seaspan Containership IV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 90. | Seaspan Containership V Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 91. | Seaspan Containership VI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 92. | Seaspan Containership VII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 93. | Seaspan Containership VIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 94. | Seaspan Containership IX Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 95. | Seaspan Containership X Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 96. | Seaspan Containership XI Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 97. | Seaspan Containership XII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 98. | Seaspan Containership XIII Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 99. | Seaspan Containership XIV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 100. | Seaspan Containership XV Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 101. | Seaspan Containership 2049 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 102. | Seaspan Containership 2050 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 103. | Seaspan Containership 1344 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 104. | Seaspan Containership 1345 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 105. | Seaspan Containership 1346 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 106. | Seaspan Containership 1347 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 107. | Seaspan Containership 1369 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 108. | Seaspan Containership 1370 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 109. | Seaspan Containership 1371 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 110. | Seaspan Containership 1372 Ltd. | Republic of Marshall Islands | Seaspan Corporation |

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| 111. | Seaspan Containership 1373 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 112. | Seaspan Containership 1384 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 113. | Seaspan Containership 1385 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 114. | Seaspan Containership 1386 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 115. | Seaspan Containership 1387 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 116. | Seaspan Containership 1388 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 117. | Seaspan Containership 1389 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 118. | Seaspan Containership 1390 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 119. | Seaspan Containership 1394 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 120. | Seaspan Containership 1395 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 121. | Seaspan Containership 1396 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 122. | Seaspan Containership 1397 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 123. | Seaspan Containership 1398 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 124. | Seaspan Containership H1562 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 125. | Seaspan Containership H1563 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 126. | Seaspan Containership H1564 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 127. | Seaspan Containership H1565 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 128. | Seaspan Containership H1566 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 129. | Seaspan Containership H1567 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 130. | Seaspan Containership H1568 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 131. | Seaspan Containership H1569 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 132. | Seaspan Containership H1570 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 133. | Seaspan Containership H1571 Ltd. | Republic of Marshall Islands | Seaspan Corporation |
| 134. | Seaspan 696C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 135. | Seaspan 716C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 136. | Seaspan 717C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 137. | Seaspan 718C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 138. | Seaspan 719C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 139. | Seaspan 720C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 140. | Seaspan 721C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 141. | Seaspan 722C Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 142. | Seaspan 993 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 143. | Seaspan 1105 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 144. | Seaspan 1539 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 145. | Seaspan 1540 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 146. | Seaspan 1541 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 147. | Seaspan 1542 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 148. | Seaspan 1543 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |

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| 149. | Seaspan 1550 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 150. | Seaspan 1551 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 151. | Seaspan 1552 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 152. | Seaspan 1566 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 153. | Seaspan 1568 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 154. | Seaspan 1854 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 155. | Seaspan 1855 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 156. | Seaspan 2177 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 157. | Seaspan 2638 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 158. | Seaspan 2640 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 159. | Seaspan 2180 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 160. | Seaspan 2181 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 161. | Seaspan 3278 Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 162. | Greater China Intermodal Investments LLC | Republic of Marshall Islands | Seaspan Investment I Ltd. |
| 163. | GC Intermodal Holding Company I, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 164. | GC Intermodal Intermediate Holding Company I, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company I, Ltd. |
| 165. | GC Intermodal I, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 166. | GC Intermodal Holding Company II, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 167. | GC Intermodal Intermediate Holding Company II, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company II, Ltd. |
| 168. | GC Intermodal II, Ltd. | Republic of Marshall Islands | GC Intermodal Intermediate Holding Company II, Ltd. |
| 169. | GC Intermodal Holding Company III, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 170. | GC Intermodal Intermediate Holding Company III, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company III, Ltd. |
| 171. | GC Intermodal III, Ltd. | Republic of Marshall Islands | GC Intermodal Intermediate Holding Company III, Ltd. |
| 172. | GC Intermodal Holding Company IV, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 173. | GC Intermodal Intermediate Holding Company IV, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company IV, Ltd. |
| 174. | GC Intermodal IV, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 175. | GC Intermodal Holding Company V, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 176. | GC Intermodal Intermediate Holding Company V, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company V, Ltd. |
| 177. | GC Intermodal V, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 178. | GC Intermodal Holding Company VI, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 179. | GC Intermodal Intermediate Holding Company VI, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company VI, Ltd. |
| 180. | GC Intermodal VI, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 181. | GC Intermodal Holding Company IX, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 182. | GC Intermodal Intermediate Holding Company IX, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company IX, Ltd. |
| 183. | GC Intermodal IX, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 184. | GC Intermodal Holding Company X, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 185. | GC Intermodal Intermediate Holding Company X, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company X, Ltd. |
| 186. | GC Intermodal X, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |

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| 187. | GC Intermodal Holding Company XI, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 188. | GC Intermodal Intermediate Holding Company XI, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XI, Ltd. |
| 189. | GC Intermodal XI, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 190. | GC Intermodal Holding Company XII, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 191. | GC Intermodal Intermediate Holding Company XII, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XII, Ltd. |
| 192. | GC Intermodal XII, Ltd. | Republic of Marshall Islands | GC Intermodal Intermediate Holding Company XII, Ltd. |
| 193. | GC Intermodal Holding Company XIV, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 194. | GC Intermodal Intermediate Holding Company XIV, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XIV, Ltd. |
| 195. | GC Intermodal XIV, Ltd. | Republic of Marshall Islands | GC Intermodal Intermediate Holding Company XIV, Ltd. |
| 196. | GC Intermodal Holding Company XV, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 197. | GC Intermodal Intermediate Holding Company XV, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XV, Ltd. |
| 198. | GC Intermodal XV, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 199. | GC Intermodal Holding Company XVI, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 200. | GC Intermodal Intermediate Holding Company XVI, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XVI, Ltd. |
| 201. | GC Intermodal XVI, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 202. | GC Intermodal Holding Company XVII, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 203. | GC Intermodal Intermediate Holding Company XVII, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XVII, Ltd. |
| 204. | GC Intermodal XVII, Ltd. | Republic of Marshall Islands | GC Intermodal Intermediate Holding Company XVII, Ltd. |
| 205. | GC Intermodal Holding Company XIX, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 206. | GC Intermodal Intermediate Holding Company XIX, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XIX, Ltd. |
| 207. | GC Intermodal XIX, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 208. | GC Intermodal Holding Company XX, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 209. | GC Intermodal Intermediate Holding Company XX, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XX, Ltd. |
| 210. | GC Intermodal XX, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. owns 100% |
| 211. | GC Intermodal Holding Company XXI, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 212. | GC Intermodal Intermediate Holding Company XXI, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XXI, Ltd. |
| 213. | GC Intermodal XXI, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 214. | GC Intermodal Holding Company XXIV, Ltd. | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 215. | GC Intermodal Intermediate Holding Company XXIV, Ltd. | Republic of Marshall Islands | GC Intermodal Holding Company XXIV, Ltd. |
| 216. | GC Intermodal XXIV, Ltd. | Republic of Marshall Islands | Seaspan Holdco III Ltd. |
| 217. | GC Intermodal Operating Company | Republic of Marshall Islands | Greater China Intermodal Investments LLC |
| 218. | GC Intermodal Operating (HK) Limited | Hong Kong | GC Intermodal Operating Company |
| 219. | Apple Bidco Limited | England | Atlas Corp. owns 100% |
| 220. | APR Energy Limited | England | Apple Bidco Limited owns 100% |
| 221. | APR Energy Holdings Limited | England | APR Energy Limited owns 100% |
| 222. | APR Energy, USA | Florida | APR International, LLC owns 100% |
| 223. | Power Rental Asset Co LLC | Florida | APR Energy Holdings Limited owns 100% |
| 224. | Power Rental Asset Co Two LLC | Delaware | Power Rental Asset Co LLC owns 100% |

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| 225. | Power Rental Op Co Australia LLC | Delaware | Power Rental Asset Co LLC owns 100% |
| 226. | Power Rental Op Co LLC | Florida | APR Energy Holdings Limited owns 100% |
| 227. | APR Energy (Singapore) Private Limited | Singapore | APR Energy Holdings Limited owns 100% |
| 228. | APR International, LLC | Florida | APR Energy Holdings Limited owns 100% |
| 229. | APR Energy FZE | (Dubai) Jafza | APR International, LLC owns 100% |
| 230. | APR Energy Bangladesh Limited | Bangladesh (Dhaka) | APR Energy Holdings Limited owns 99%, and APR International, LLC owns 1% |
| 231. | APR Energy Spain S.L.U. | Madrid | APR Energy Holdings Limited owns 100% |
| 232. | Falconbridge Services, LLC | Florida | APR International, LLC 100% |
| 233. | APR Energy, LLC | Florida | APR International, LLC owns 100% |
| 234. | APR Energy II LLC | Florida | APR International, LLC owns 100% |
| 235. | APR Energy Guatemala S.A. | Guatemala City | APR Energy, LLC owns 50% and APR International, LLC owns 50% |
| 236. | PT APR Indonesia | Jakarta | APR Energy, LLC owns 0.95%; APR International owns 94.05%; and PT Karya Cemerlang Semanan owns 5% |
| 237. | APR Energy MEX S. de R.L. de C.V. | Mexico | APR Energy, LLC owns 99%; and APR International, LLC owns 1% |
| 238. | Power Rental Op Puerto Rico LLC | Puerto Rico | APR Energy Holdings owns 100% |
| 239. | APR Energy B.V. | Amsterdam, the Netherlands | APR Energy Holdings owns 100% |
| 240. | APR Energy do Brasil Ltda. | Brasil | APR Energy B.V. Netherlands owns 100% |
| 241. | APR Energy Holdings Ltd Libya Branch | Libya | APR Energy Holdings Limited (UK) owns 100% |
| 242. | Power Rental Op Co LLC USVI Branch | Florida | Power Rental Op Co LLC (Florida) owns 100% |
| 243. | Power Rental Op Co Australia LLC Australia Branch | Delaware | Power Rental Op Co Australia LLC (Delaware) owns 100% |
| 244. | APR Energy, LLC Botswana Branch | Botswana | APR Energy, LLC (Florida) owns 100% |
| 245. | APR Project One DMCC | Dubai | APR Energy Holdings Limited 100% |
| 246. | APR Holdco Two DMCC | Dubai | APR International, LLC owns 100% |

CERTIFICATION

I, Bing Chen, Chief Executive Officer and Interim Chief Financial Officer of Atlas Corp. (the "Company"), certify that:

1. I have reviewed this report on Form 20-F of the Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial report; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial report which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Dated: March 14, 2024

By: /s/ Bing Chen
Bing Chen
Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Atlas Corp. (the “**Company**”) on Form 20-F for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “**Form-20-F**”), I, Bing Chen, Chief Executive Officer and Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Form 20-F fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 14, 2024

By: /s/ Bing Chen
Bing Chen
Chief Executive Officer and
Interim Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

ATLAS CORP.**POLICY FOR THE RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION**

1. **Purpose.** The purpose of this Policy is to describe the circumstances in which Executive Officers will be required to repay or return Erroneously Awarded Compensation to the Company in accordance with the Clawback Rules. Each Executive Officer shall be required to sign and return to the Company the Acknowledgement and Acceptance Form attached hereto as Exhibit A pursuant to which such Executive Officer will acknowledge that he or she is bound by the terms of this Policy; provided, however, that this Policy shall apply to, and be enforceable against, any Executive Officer and his or her successors (as specified in Section 11 of this Policy) regardless of whether or not such Executive Officer properly signs and returns to the Company such Acknowledgement and Acceptance Form and regardless of whether or not such Executive Officer is aware of his or her status as such.

2. **Administration.** Except as specifically set forth herein, this Policy shall be administered by the Administrator. Any determinations made by the Administrator shall be final and binding on all affected individuals and need not be uniform with respect to each individual covered by this Policy. Subject to any limitation under applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

3. **Definitions.** For purposes of this Policy, the following capitalized terms shall have the meanings set forth below.

(a) **“Accounting Restatement”** shall mean an accounting restatement: (i) due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a “Big R” restatement); or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a “little r” restatement).

(b) **“Administrator”** shall mean the Compensation and Governance Committee of Poseidon Corp., or any other committee designated by the Board to administer the Policy, and in the absence of such designation, the Board.

(c) **“Board”** shall mean the Board of Directors of the Company.

(d) **“Clawback Eligible Incentive Compensation”** shall mean, with respect to each individual who served as an Executive Officer at any time during the applicable Performance Period, all Incentive-based Compensation Received by such individual: (i) on or after the Effective Date; (ii) after beginning service as an Executive Officer; (iii) while the Company has a class of securities listed on the Listing Exchange; and (iv) during the applicable Clawback Period. Incentive Compensation does not include any base salaries (except with respect to any salary increases earned wholly or in part based on the attainment of a Financial Reporting Measure performance goal); bonuses paid solely at the discretion of the Administrator or Board that are not paid from a “bonus pool” that is determined by satisfying a Financial Reporting Measure performance goal; bonuses paid solely upon satisfying one or more subjective standards and/or completion of a specified employment period; non-equity incentive plan awards earned solely upon satisfying one or more strategic measures or operational measures; and equity awards that vest solely based on the passage of time and/or attaining one or more non-Financial Reporting Measures.

(e) “**Clawback Period**” shall mean, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date and any transition period (that results from a change in the Company’s fiscal year) of less than nine months within or immediately following those three completed fiscal years.

(f) “**Clawback Rules**” shall mean Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC thereunder (including Rule 10D-1 under the Exchange Act) or the Listing Exchange pursuant to Rule 10D-1 under the Exchange Act (including Section 303A.14 of the New York Stock Exchange Listed Company Manual), in each case as may be in effect from time to time.

(g) “**Committee**” shall mean the Compensation and Governance Committee of Poseidon Corp.

(h) “**Company**” shall mean Atlas Corp. (and as the Administrator determines is applicable, together with each of its direct and indirect subsidiaries).

(i) “**Effective Date**” shall mean December 1, 2023. The Policy will apply to incentive-based compensation received by Executive Officers on or after December 1, 2023.

(j) “**Erroneously Awarded Compensation**” shall mean, with respect to each Executive Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Clawback Eligible Incentive Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid.

(k) “**Executive Officer**” shall mean any individual who is or was an executive officer as determined by the Administrator in accordance with the definition of “executive officer” as set forth in the Clawback Rules and any other senior executive, employee or other personnel of the Company who may from time to time be deemed subject to the Policy by the Administrator. For the avoidance of doubt, the Administrator shall have full discretion to determine which individuals in the Company shall be considered an “Executive Officer” for purposes of this Policy. A list of (i) executive officers and (ii) individuals who are not “executive officers” within the meaning of the Clawback Rules, but whom the Administrator has determined are “Executive Officers” for purposes of this policy, is set forth in Exhibit B, which may be revised from time to time at the sole discretion of the Administrator.

(l) “**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(m) “**Financial Reporting Measures**” shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measures that are derived wholly or in part from such measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented within the Company’s financial statements or included in a filing with the SEC.

(n) “**Incentive-based Compensation**” shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

(o) “**Impracticable**” shall mean, in accordance with the good faith determination of the Committee, or if the Committee does not consist of independent directors, a majority of the independent directors serving on the Board, that either: (i) the direct expenses paid to a third party to assist in enforcing the Policy against an Executive Officer would exceed the amount to be recovered, after the Company has made a reasonable attempt to recover the applicable Erroneously Awarded Compensation, documented such reasonable attempt(s) and provided such documentation to the Listing Exchange; (ii) recovery would violate home country law of the jurisdiction of incorporation of the Company where that law was adopted prior to November 28, 2022, provided that the Company has obtained an opinion of home country counsel, acceptable to the Listing Exchange, that recovery would result in such a violation and a copy of the opinion is provided to the Listing Exchange; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

(p) “**Listing Exchange**” shall mean the New York Stock Exchange or such other U.S. national securities exchange or national securities association on which the Company’s securities are listed.

(q) “**Method of Recovery**” shall include, but is not limited to: (i) requiring reimbursement of Erroneously Awarded Compensation; (ii) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards; (iii) offsetting the Erroneously Awarded Compensation from any compensation otherwise owed by the Company to the Executive Officer; (iv) cancelling outstanding vested or unvested equity awards; and/or (v) taking any other remedial and recovery action permitted by applicable law, as determined by the Administrator.

(r) “**Performance Period**” shall mean, the period during which each individual who served as an Executive Officer was entitled to any Incentive-based Compensation (whether or not such individual is serving as an Executive Officer at the time the Erroneously Awarded Compensation is required to be repaid to the Company).

(s) “**Policy**” shall mean this Policy for the Recovery of Erroneously Awarded Compensation, as the same may be amended and/or restated from time to time.

(t) “**Received**” shall, with respect to any Incentive-based Compensation, mean deemed receipt and Incentive-based Compensation shall be deemed received in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-based Compensation award is attained, even if the payment or grant of the Incentive-based Compensation occurs after the end of that period. For the avoidance of doubt, Incentive-Based Compensation that is subject to both a Financial Reporting Measure vesting condition and a service-based vesting condition shall be considered received when the Financial Reporting

Measure is achieved, even if the Incentive-Based Compensation continues to be subject to the service-based vesting condition.

(u) “**Restatement Date**” shall mean the earlier to occur of: (i) the date the Board, a committee of the Board or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement; or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

(v) “**SEC**” shall mean the U.S. Securities and Exchange Commission.

4. Repayment of Erroneously Awarded Compensation.

(a) In the event the Company is required to prepare an Accounting Restatement, the Administrator shall reasonably promptly (in accordance with the applicable Clawback Rules) determine the amount of any Erroneously Awarded Compensation for each Executive Officer in connection with such Accounting Restatement and shall reasonably promptly thereafter provide each Executive Officer with written notice containing the amount of Erroneously Awarded Compensation and a demand for repayment or return, as applicable. For Clawback Eligible Incentive Compensation where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement, the amount shall be determined by the Administrator based on a reasonable estimate of the effect of the Accounting Restatement (in which case, the Company shall maintain documentation of such determination of that reasonable estimate and provide such documentation to the Listing Exchange). The Administrator is authorized to engage on behalf of the Company any third-party advisors it deems advisable in order to perform any calculations contemplated by this Policy. For the avoidance of doubt, recovery under this Policy with respect to an Executive Officer shall not require the finding of any misconduct by such Executive Officer or such Executive Officer being found responsible for the accounting error leading to an Accounting Restatement.

(b) In the event that any repayment of Erroneously Awarded Compensation is owed to the Company, the Administrator shall recover reasonably promptly the Erroneously Awarded Compensation through any Method of Recovery it deems reasonable and appropriate in its discretion based on all applicable facts and circumstances and taking into account the time value of money and the cost to shareholders of delaying recovery. For the avoidance of doubt, except to the extent permitted pursuant to the Clawback Rules, in no event may the Company accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of an Executive Officer’s obligations hereunder. Notwithstanding anything herein to the contrary, the Company shall not be required to take the actions contemplated in this Section 4(b) if recovery would be Impracticable. In implementing the actions contemplated in this Section 4(b), the Administrator will act in accordance with the listing standards and requirements of the Listing Exchange and with the applicable Clawback Rules.

5. Reporting and Disclosure. The Company shall file all disclosures with respect to this Policy in accordance with the requirements of U.S. federal securities laws, including any disclosure required by applicable SEC rules.
6. Indemnification Prohibition. The Company shall not be permitted to indemnify any Executive Officer against the loss of any Erroneously Awarded Compensation that is repaid, returned or recovered pursuant to the terms of this Policy and/or pursuant to the Clawback Rules or to pay or reimburse any Executive Officer for the cost of third-party insurance purchased by an Executive Officer to cover any such loss under this Policy and/or pursuant to the Clawback Rules. Further, the Company shall not enter into any agreement that exempts any Incentive- based Compensation from the application of this Policy or that waives the Company's right to recovery of any Erroneously Awarded Compensation and this Policy shall supersede any such agreement (whether entered into before, on or after the Effective Date). Any such purported indemnification (whether oral or in writing) shall be null and void.
7. Interpretation. The Administrator is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of the Clawback Rules. The terms of this Policy shall also be construed and enforced in such a manner as to comply with applicable law, including the Sarbanes-Oxley Act of 2002, the Dodd- Frank Wall Street Reform and Consumer Protection Act, and any other law or regulation that the Administrator determines is applicable. In the event any provision of this Policy is determined to be unenforceable or invalid under applicable law, such provision shall be applied to the maximum extent permitted by applicable law and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to any limitations required by applicable law.
8. Effective Date. This Policy shall be effective as of the Effective Date.
9. Amendment; Termination. The Administrator may modify or amend this Policy, in whole or in part, from time to time in its discretion and shall amend any or all of the provisions of this Policy as it deems necessary. The Administrator may terminate this Policy at any time.
10. Other Recoupment Rights; No Additional Payments. The Administrator intends that this Policy will be applied to the fullest extent permitted by applicable law. The Administrator may require that any employment agreement, equity award agreement, or any other agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder,

require an Executive Officer to agree to abide by the terms of this Policy. Executive Officers shall be deemed to have accepted continuing employment on terms that include compliance with the Policy, to the extent of its otherwise applicable provisions, and to be contractually bound by its enforcement provisions. Executive Officers who cease employment or service with the Company shall continue to be bound by the terms of the Policy with respect to Clawback Eligible Incentive Compensation. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company under applicable law, regulation, or rule or pursuant to the terms of any similar policy in any employment agreement, cash-based bonus plan, equity award agreement or similar agreement and any other legal remedies available to the Company. To the extent that an Executive Officer has already reimbursed the Company for any Erroneously Awarded Compensation Received under any duplicative recovery obligations established by the Company or applicable law, it shall be appropriate for any such reimbursed amount to be credited to the amount of Erroneously Awarded Compensation that is subject to recovery under this Policy, as determined by the Administrator in its sole discretion. Nothing in this Policy precludes the Company from implementing any additional clawback or recoupment policies with respect to Executive Officers or any other service provider of the Company. Application of this Policy does not preclude the Company from taking any other action to enforce any Executive Officer's obligations to the Company, including termination of employment or institution of civil or criminal proceedings or any other remedies that may be available to the Company with respect to any Executive Officer.

11. Successors. This Policy shall be binding and enforceable against all Executive Officers and their beneficiaries, estates, heirs, executors, administrators, or other legal representatives to the extent required by the Clawback Rules or as otherwise determined by the Administrator.

Exhibit A

**ATLAS CORP.
POLICY FOR THE RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION**

ACKNOWLEDGEMENT AND ACCEPTANCE FORM

Capitalized terms used but not otherwise defined in this Acknowledgement and Acceptance Form shall have the meanings ascribed to such terms in the Atlas Corp. Policy for the Recovery of Erroneously Awarded Compensation (the “*Policy*”). By signing below, the undersigned executive officer (the “*Executive Officer*”) acknowledges and confirms that the Executive Officer has received and reviewed a copy of the Policy, and, in addition, the Executive Officer acknowledges and agrees as follows:

(a) the Executive Officer is and will continue to be subject to the Policy and that the Policy will apply both during and after the Executive Officer’s employment with the Company;

(b) to the extent necessary to comply with the Policy, the Policy hereby amends any employment agreement, equity award agreement or similar agreement that the Executive Officer is a party to with the Company;

(c) the Executive Officer shall abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Compensation to the Company to the extent required by, and in a manner permitted by, the Policy;

(d) any amounts payable to the Executive Officer, including any Incentive-based Compensation, shall be subject to the Policy as may be in effect and modified from time to time in the sole discretion of the Administrator or as required by applicable law or the requirements of the Listing Exchange, and that such modification will be deemed to amend this acknowledgment;

(e) the Company may recover compensation paid to the Executive Officer through any Method of Recovery the Administrator deems appropriate, and the Executive Officer agrees to comply with any request or demand for repayment by the Company in order to comply with the Policy; and

(f) the Company may, to the greatest extent permitted by applicable law, reduce any amount that may become payable to the Executive Officer by any amount to be recovered by the Company pursuant to the Policy to the extent such amount has not been returned by the Executive Officer to the Company prior to the date that any subsequent amount becomes payable to the Executive Officer.

Exhibit B

**LIST OF EXECUTIVE OFFICERS AND INDIVIDUALS WHO ARE NOT
“EXECUTIVE OFFICERS” YET DETERMINED BY THE ADMINISTRATOR TO BE SUBJECT TO THE CLAWBACK RULES POLICY**

1. Chief Executive Officer
2. Chief Financial Officer
3. Chief Operating Officer
4. Chief Commercial Officer, Seaspan
5. General Counsel and Corporate Secretary
6. Vice President, Accounting & Tax
7. Chief Executive Officer, APR Energy