

Disclaimer



This presentation contains certain statements that may be deemed to be "forward-looking statements" within the meaning of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future, including, without limitation, the outlook for fleet utilization and shipping rates, general industry conditions including bidding activity, future operating results of the Company's vessels, future operating revenues and cash flows, capital expenditures, vessel market values, asset sales, expansion and growth opportunities, bank borrowings, financing activities and other such matters, are forward-looking statements. Although the Company believes that its expectations stated in this presentation are based on reasonable assumptions, actual results may differ from those projected in the forward-looking statements. Important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include the impact of the COVID-19 pandemic and efforts throughout the world to contain its spread, the strength of world economies, general market conditions, including charter rates and vessel values, counterparty performance under existing charters, changes in operating expenses, ability to obtain financing and comply with covenants in financing arrangements, including the terms of its new credit facilities and agreements entered into in connection with the refinancing, the affects of the refinancing transactions and the Company's ability to achieve the benefits of the refinancing, actions taken by regulatory authorities, potential liability from litigation and international political conditions. Danaos Corporation has filed with the SEC for more complete information about the company. You may get these documents for free by visiting EDGAR on the SEC Website at www.sec.gov or via www.danaos.com

Readers of this presentation should review our Annual Report on Form 20-F filed with the SEC on March 4, 2021, including the section entitled "Key Information – Risk Factors", and our other filings with the SEC for a discussion of factors and circumstances that could affect our future financial results and our ability to realize the expectations stated herein.

EBITDA, Adjusted EBITDA, Adjusted EPS and Free Cash Flow may be included in our presentations. EBITDA, Adjusted EBITDA, Adjusted EBITDA, Adjusted EPS and Free Cash Flow are presented because they are used by management and certain investors to measure a company's financial performance and underlying trends as they exclude certain items impacting overall comparability. EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted EPS and Free Cash Flow are "non-GAAP financial measures" and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States or as a measure of profitability or liquidity. Reconciliations to GAAP measures are included in the Appendix to this presentation.

Certain shipping industry information, statistics and charts contained herein have been derived from industry sources. You are hereby advised that such information, statistics and charts have not been prepared specifically for inclusion in this presentation and the Company has not undertaken any independent investigation to confirm the accuracy or completeness of such information.



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Leading
Containership Owner
& Operator



Business Model
Provides Strong &
Stable Cash Flow
Profile



Diverse & High Quality Fleet





Strong Container
Vessel Demand &
Supply Side
Dynamics



Robust Capital
Structure &
Conservative
Financial Strategy



Pioneers in
Digitalisation &
Champion of ESG
Principles

Key Business Highlights





Leading Containership
Owner and Operator

- One of the **largest publicly-listed owners** of modern containerships with 40+ year history in the shipping market
- One of the most efficient operators in the industry with highly competitive breakeven levels
- Business Model Provides
 Strong and Stable Cash
 Flow Profile
- Charter backlog of \$2.1 billion through to 2028¹ with world leading liner companies provides good cash flow visibility
- Strong operating days contract coverage of 100% for the remainder of 2021 and 90% for 2022 limits downside risk and provides potential for further upside in the current market environment

Diverse and High Quality Fleet

- Ownership of vessels, across all core segments from 2,100 TEU 13,100 TEU to meet diverse set of customer needs
- Pioneers in Digitization & Longstanding Champion of ESG Principles
- A leader in ship management innovation, through the award-winning WAVES data analytics platform
- Danaos met the IMO 2030 carbon intensity targets 11 years ahead of requirements in 2019 and continues to meet the target with a **45% reduction** in CO2 emissions per ton miles for year 2020 compared with base year 2008.
- Healthy and Robust
 Capital Structure and
 Conservative Financial
 Strategy
- Adjusted Net Debt / LTM EBITDA ratio of 3.1x and consistent reduction in leverage
- Existing robust capital structure combined with the contractual cash flows can support the Company to pursue value adding growth opportunities, maximizing the stockholders' value.
- F Strong Container Vessel
 Demand & Supply Side
 Dynamics
- Current strong market is expected to continue through 2022 and we expect that even if the market normalizes charter rates will still be above historical averages.
- The current order-book of about 23.5% involves deliveries through 2025 is expected to be mitigated by continued demand growth and anticipated speed reduction of the fleet due to environment regulations from 2023 onward.



\$2.1bn

Contracted revenue through 2028 (1)

3.1x

Net Debt / LTM Adjusted EBITDA⁽²⁾

~\$2.8bn

Enterprise value⁽³⁾

\$433mn

LTM Adjusted EBITDA

 \sim 4.2x

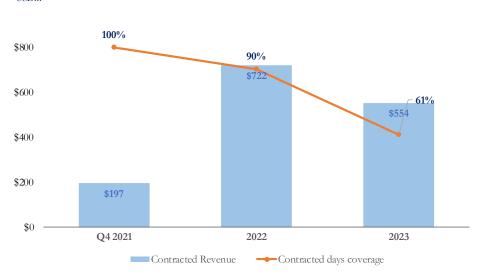
Reduction in leverage since end 2017

Summary of Contracted Revenue and Fleet

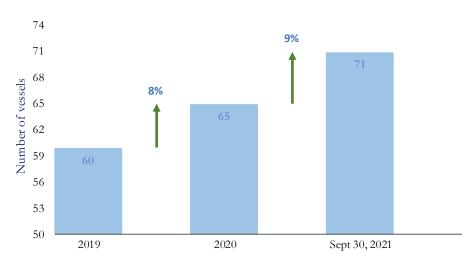








Number of vessels(1)



- Opportunistic acquisition of vessels after careful evaluation of technological risk and risk adjusted returns acquired 6 x 5,466 TEU 2014-015 built Wide Beam "Eco" vessels in 2021
- On July 1, 2021, Danaos exercised its option to acquire 51% the remaining equity interest in Gemini Shipholdings Corporation ("Gemini").

Third Quarter 2021 Highlights



Summary of Results

USDm

Operating Revenue



Adjusted Net Income



Adjusted EBITDA



Free Cash Flow



Third Quarter 2021 Earnings



Summary of Results

(thousands \$, expect per share figures)

| | | ee Months eptember 30 | Oth, | | ne Months September 3 | LTM Ended September 30th, | | |
|--------------------------------------|-----------|-----------------------|--------|-----------|--------------------------|---------------------------|-----------|--|
| | 2021 | 2020 | % yoy | 2021 | 2020 | % yoy | 2021 | |
| Operating Revenue | \$195,915 | \$118,932 | 64.7% | \$474,467 | \$341,952 | 38.8% | \$594,109 | |
| Adjusted EBITDA | \$149,621 | \$83,331 | 79.6% | \$349,639 | \$235,322 | 48.6% | \$432,648 | |
| Free Cash Flow | \$61,263 | \$23,430 | 161.5% | \$170,759 | \$56,635 | 201.5% | \$192,593 | |
| Adjusted Net Income | \$109,547 | \$47,303 | 131.6% | \$236,418 | \$123,078 | 92.1% | \$284,228 | |
| Adjusted Earnings per Share, diluted | \$5.32 | \$1.91 | 178.7% | \$11.49 | \$4.96 | 131.5% | \$13.77 | |

Third Quarter Highlights

- Operating Revenues increase of \$77.0 million was a result of higher charter rates, the contribution of additional acquired vessels and non-cash revenue recognition and amortization of assumed time charters.
- Increase in Adjusted Net income is mainly attributable to a \$77.0 million increase in operating revenues, a \$12.3 million dividend received from ZIM, which were partially offset by a \$17.3 million increase in total operating expenses, a \$8.3 million increase in net finance expenses, and a \$1.5 million decrease in equity income from investment in Gemini due to its acquisition and full consolidation by Danaos since July 1, 2021.

Substantial Fleet Employment and Charter Coverage





denotes firm charter period 1

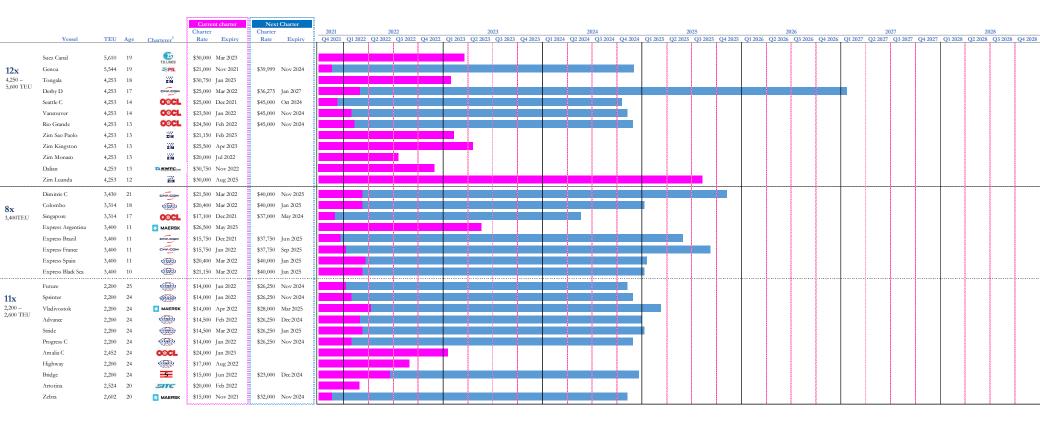
denotes firm charter period 2

denotes firm charter period at prevailing market charter rate at that time

denotes charterer's option expected to be exercised

Substantial Fleet Employment and Charter Coverage





denotes firm charter period 1

denotes firm charter period 2

denotes firm charter period at prevailing market charter rate at that time

denotes charterer's option expected to be exercised



Dr. John Coustas, President & CEO



- CEO since 1987
- Over 30 years of experience in the shipping industry
- Vice Chairman of the board of directors of The Swedish Club; member of the board of directors of the Union of Greek Shipowners and the DNV Council

Iraklis Prokopakis, Senior Vice President, Treasurer & COO



- Joined Danaos in 1998
- Over 40 years of experience in the shipping industry
- Member of the Board of the Hellenic Chamber of Shipping and the Owners' Committee of the Korean Register of Shipping

Evangelos Chatzis, Chief Financial Officer



- Joined Danaos in 2005
- Over 26 years of experience in corporate finance and the shipping industry
- Formerly CFO of Globe Group of Companies

Dimitris Vastarouchas, Technical Director & Deputy COO

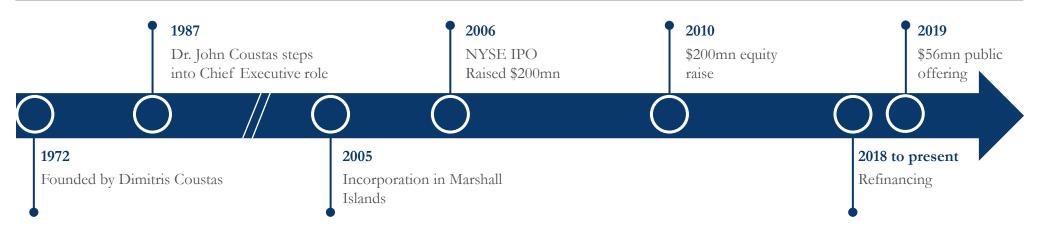


- Danaos Technical Manager since 2005
- Has over 20 years of experience in the shipping industry
- Formerly New Buildings Projects and Site Manager supervising the construction of 4,250, 5,500 and 8,500 TEU containerships

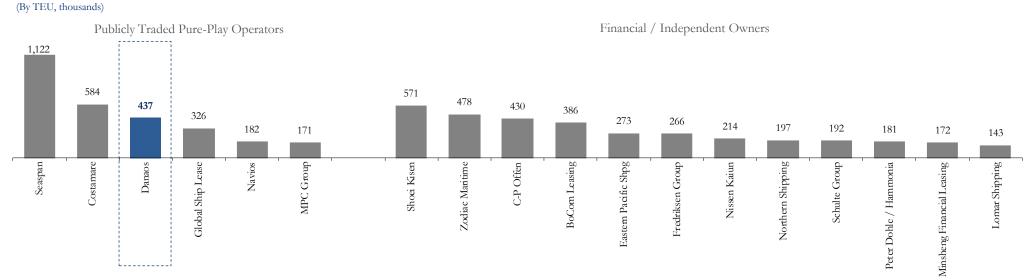


40+ Year Legacy of Leadership in Container Shipping



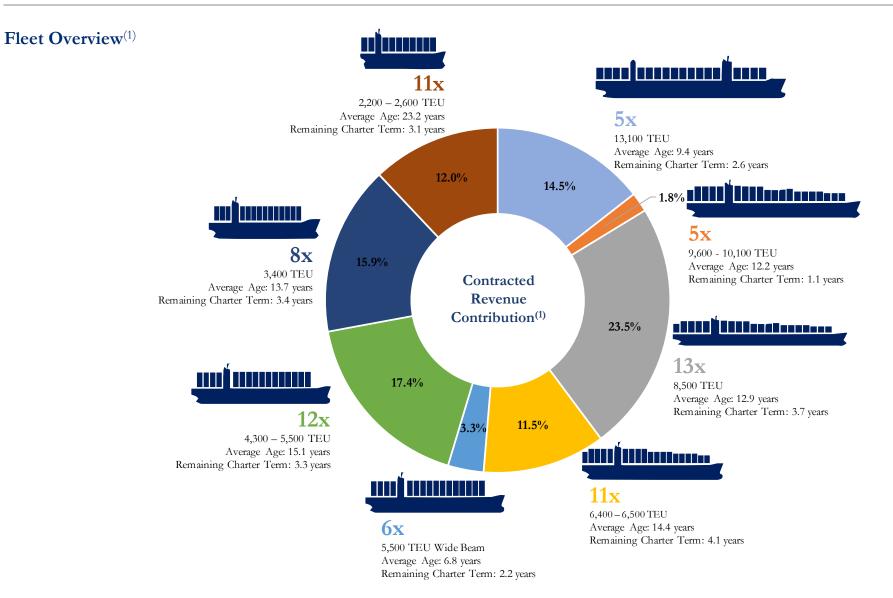


Market Share 1,2 Among Top Public Containership Owners Globally



A Diverse & High-Quality Fleet



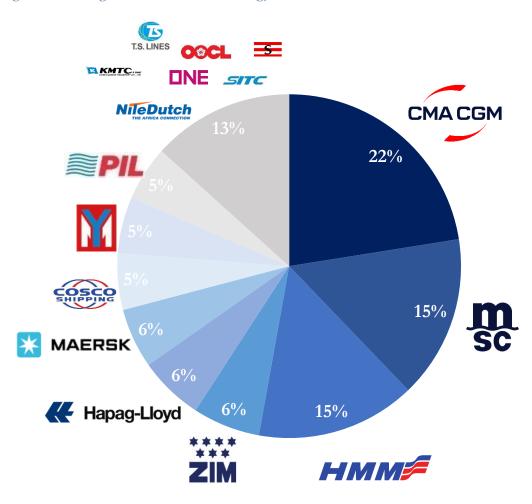


Charter Backlog to Leading Container Operators



Charter Backlog (1)

(TEU-weighted remaining duration of charter backlog)



Charter backlog of \$2.1 billion through to 2028 (1)

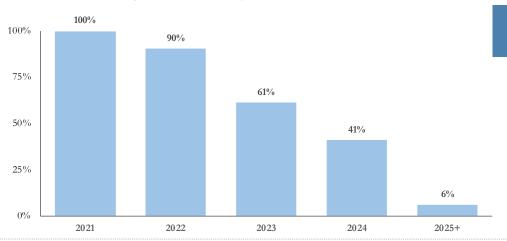
Average charter duration of 3.3 years (weighted by aggregate contracted charter hire)

Fleet utilization for LTM Q3 2021 98.3%



...with the flexibility for further upside

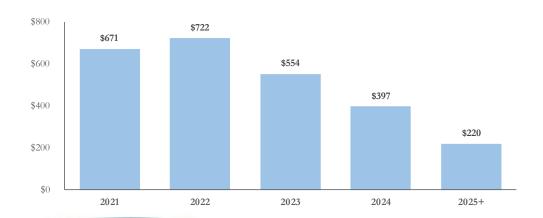




Shorter charter durations limited to vessels in more liquid chartering markets

Contracted Revenue by Year(1)

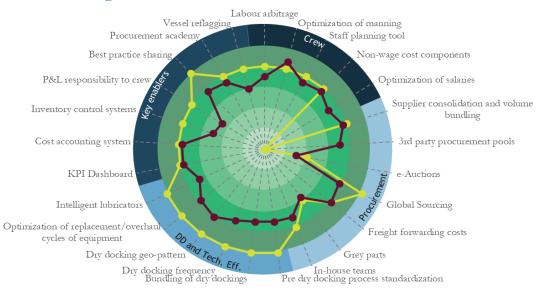
USDm



Track Record of Operational Excellence



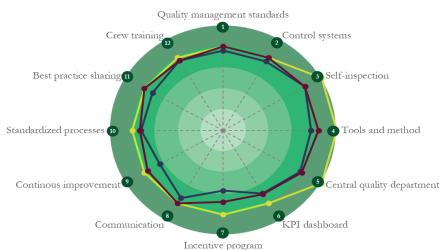
Danaos' Management Practice Performance⁽¹⁾ Relative to Peers



As part of a benchmarking exercise conducted by a global management consulting firm, Management Practice Performance and Safety & Quality Performance was assessed across a number of metrics and benchmarked against 24 companies (with a total of 924 vessels) in the Container Segment.

In almost all metrics, Danaos has outperformed the benchmark average, highlighting the best in class operating management of Danaos' Fleet

Danaos' Safety and Quality Performance⁽¹⁾ – Compared to Benchmark & peer average



Customer Testimonial



"Danaos Corporation is one of the first class ship owner in the container shipping industry and one of the preferred ship owner for CMA CGM.

With 20 vessels on Time Charter, Danaos is largest ship provider for CMA CGM Group. For more than 15 years, Danaos has been providing the Group with modern and reliable vessels and has gained a reputation for strong Ship management that has proven its efficiency even in critical situations.

We have been enjoying a great cooperation from top to bottom in Danaos organization allowing us to realize a number of innovative projects on newbuildings and vessels' retrofit. With its experience and corporate values, Danaos is improving the standards of the industry which benefits to other ship owners/ship managers who apply Ship management practices."

Source: Benchmark from a global management consulting firm.

(1) Based on a self-assessment of participating companies – a zero indicates that N/A was submitted

Pioneers in Digitization Supporting Danaos' Class Leading Operational Excellence



Early innovator in utilising technology in optimising operations:

1995 2004 2015

International Safety Management Certification of its container fleet Lloyd's List Technical Innovation Award

- Advances in internet-based

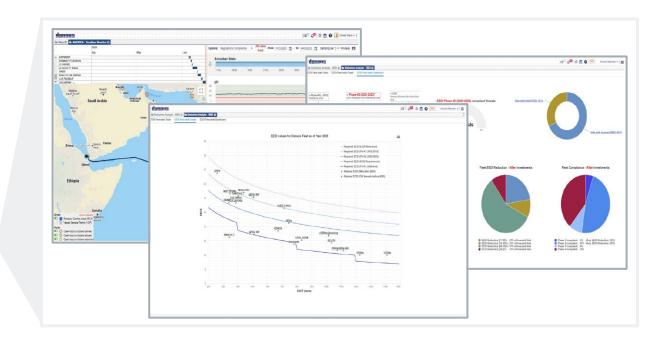
Advances in internet-based telecommunication methods for vessels

Lloyd's List Intelligence Big Data Award

- "WAVES" fleet performance system

An ongoing focus in developing a best in class vessel management platform supporting an effective utilisation of data

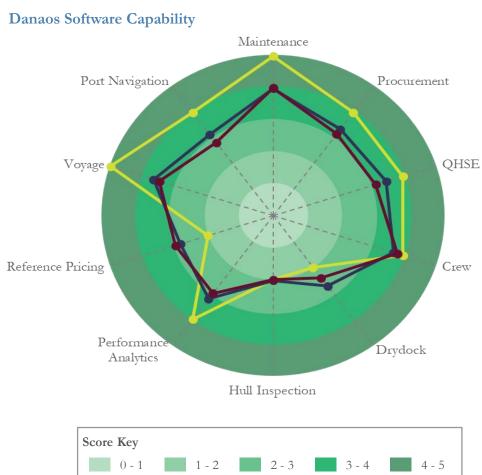
- \$87mn invested in energy efficiency initiative and technology over the last decade, with c. \$45mn dedicated to optimizing consumption and the reduction of emissions
- The study of 38 energy efficiency improvement measures
- The development of the WAVES data analytics
 platform to take advantage of both office and shipgenerated data to bring added value in an
 environment where data flows are constantly
 increasing



Leading Digitization Performance



Danaos utilises its leading management software capability, aiding in the optimal management of its fleet



| Score Key | | | | | |
|-----------|-------|--------------|-------|-----------|--|
| 0 - 1 | 1 - 2 | 2 - 3 | 3 - 4 | 4 - 5 | |
| Danaos | F | Benchmark Av | rg. | Peer Avg. | |

| System | Description |
|--------------------------|--|
| Planned Maintenance | Manages maintenance jobs, schedules counter-based and condition- based tasks, and automatically updates stock counts of spare parts consumed for maintenance |
| Digital Procurement | Facilitates the procurement of spare parts, lubes, paints, and provisions. Also performs real-time-budgeting and manages supplier contacts |
| QHSE Reporting | Reports and follows up on audits/inspections, be it by external inspectors (PSC, Charterer, SIRE, etc.) or by internal auditors (ISM, Technical, etc.) |
| Crew Management | Schedules fleet wide crew processes and optimizes crew deployment. May also provide the crew with on-board training |
| Drydock | Collects work items to be performed in drydock, creates templates for different ship types or dry docking tasks, and manages quotations from yards and suppliers |
| Hull Inspection | Plans hull inspections and employs a digital model for easy identification of problem areas |
| Performance Analytics | Automates data collection and processing tasks for reports/statistics, shows drill downs for in-depth analysis, and formulates conclusions about fleet performance |
| Reference Pricing | Displays reference prices and indexes for the optimal negotiation of commercial deals |
| Voyage Management | Gives real time updates on vessel positions, updates on distances/ETAs for future ports, and captures the cost/quality of bunker purchases |
| Port Navigation | Provides up to date port information with the latest vessel arrival/departure checklists |

Longstanding Champion of ESG Principles



Danaos Management is keenly focused on maintaining a strong ESG framework for company operations

danans

Environmental

- Advanced solutions to reduce emissions through fuel efficiency optimization
- Scrubber installation on select vessels
- Low-sulfur fuel oil to be procured
- Ballast water system compliance
- Partnership with founders of Poseidon Principles

Social

- Code of ethics and compliance policies published for Directors / Officers
- Accredited by Global Reporting Initiative (GRI) for sustainability best practices and socially responsible management

Governance

- ✓ Independent Board
- Clear reporting of transactions with Danaos Shipping (Manager)
 - Amounts approved by independent board members
- Arms length cost
 arrangements, which
 are amongst lowest
 in industry and fixed through
 2024

Last 2 Years Progress

- 75.8% decrease in the use of Heavy Fuel Oil
- 1622% increase in the use of Low Sulphur Fuel Oil
- 5.3% decrease in CO2 emissions
- 83.6% decrease in SO2 emissions and 6.5% decrease in NOx emissions

Danaos met the IMO 2030 carbon intensity targets 11 years ahead of requirements in 2019 and continues to meet the target with a 45% reduction in CO2 emissions per ton miles for 2020 compared with the base year of 2008





Balanced Chartering Strategy
Supported by Continued Operational
Excellence

- Continue to deploy assets on long-term charters to ensure cash flow visibility
- Maintain high fleet utilization

Prudent Capital Allocation Policy

- Excess cash flow once leverage targets are met could be used for fleet expansion, dividends, or enhancing overall liquidity
- New vessel acquisitions carefully evaluated considering risk-adjusted returns

Enhance Financial Strength and Flexibility

- Diversify funding sources to capital markets via recent issuance of unsecured bond and 11/2019 re-IPO of company
- Recently concluded \$1.25 bn re-financing to provide more flexibility

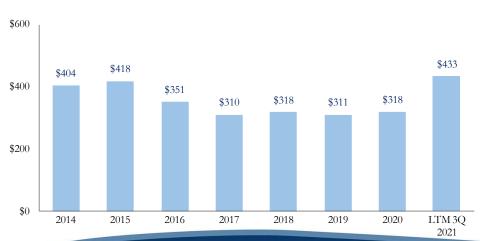
Historical Financial Highlights







Adjusted EBITDA USDm

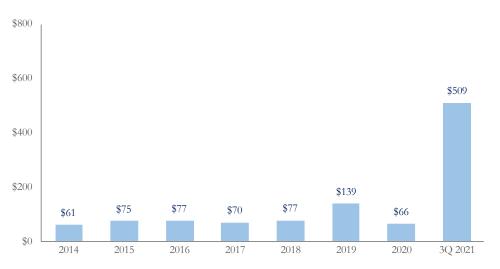


Net Income and Adjusted Net Income USDm

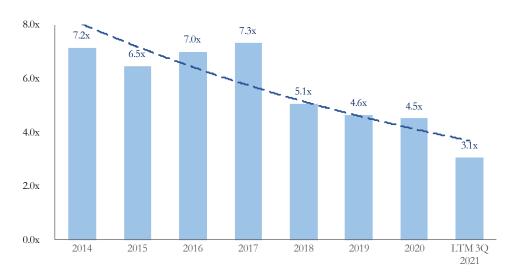








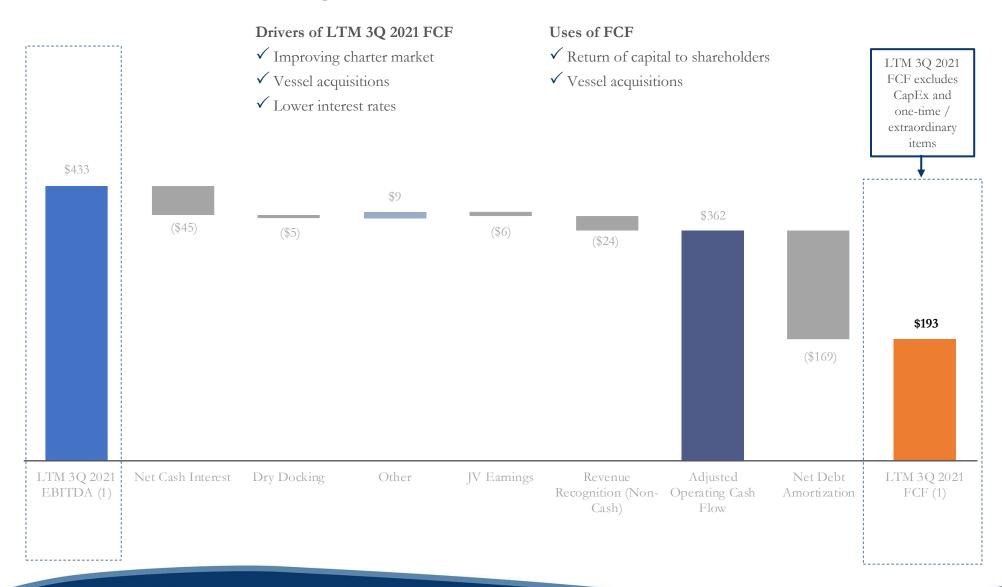
Net Leverage



Strong Free Cash Flow Visibility & Great Conversion to OCF



Illustrative Walk to Last Twelve Months ended September 30, 2021 Free Cash Flow⁽¹⁾



Focused on Maintaining Conservative Capital Structure



Net Adjusted Debt and Adjusted EBITDA Multiple(1) **USD**



A robust deleveraging profile...

- Successfully concluded a \$2.2bn debt refinancing in 2018 with support from key lender group leading to a reduction in net leverage of 4.2x since end 2017
- Following successful completion of a \$1.25 billion refinancing in April 2021, the continued debt amortization combined with strong free cash-flow generation provides significant deleveraging potential over the next 5 years

...supported by charter backlog

Charter backlog of \$2.1bn from strong and improving container operators supports cash flow generation



Container Trade: Robust Growth Expected in 2021 and 2022



221 Mn Teu

2021(F) World Container Trade

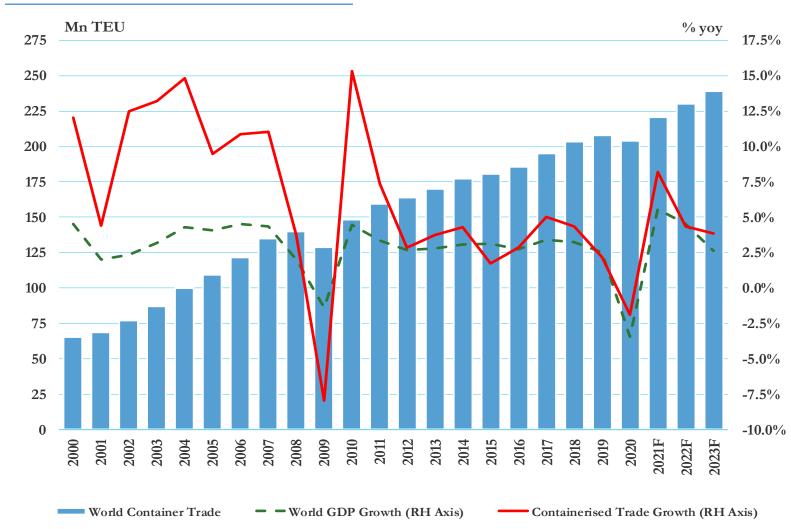
8.2%

230 Mn Teu

2022(F) World Container Trade

4.3%
2022(F) Trade yoy Growth

World Container Trade & GDP, 2000 – 2023F



Time charter Market Reached Unprecedented Heights in Q3 2021





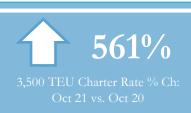
8,500 TEU Charter Rate % Ch Oct 21 vs. Oct 20



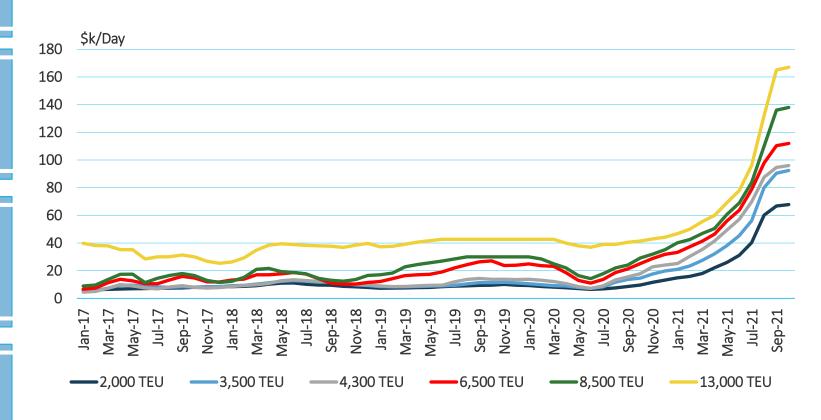
6,500 TEU Charter Rate % Ch: Oct 21 vs. Oct 20



4,300 TEU Charter Rate % Ch Oct 21 vs. Oct 20



1-Year Timecharter Market Rates, January 2017 – October 2021



Orderbook and Age Dynamics Promise Limited Mid-Size Fleet Growth



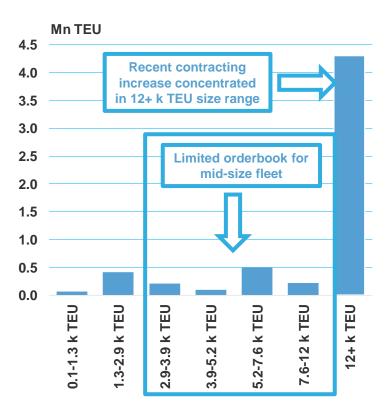
23.5%

8.6%

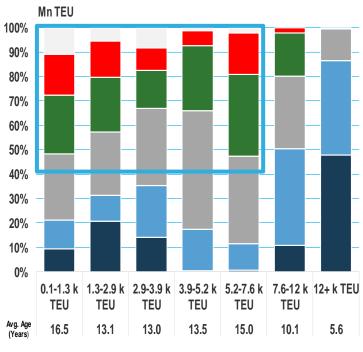
14.0 Years

5.6 Years

Containership Orderbook, End October 2021



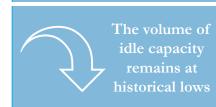
Age Profile of Fleet: Smaller Vessel Fleet Ageing



25+ Years 20-24 Years 15-19 Years 10-14 Years 5-9 Years 0-4 Years

Idle Capacity: Strong Markets Mean All Available Tonnage Is Employed



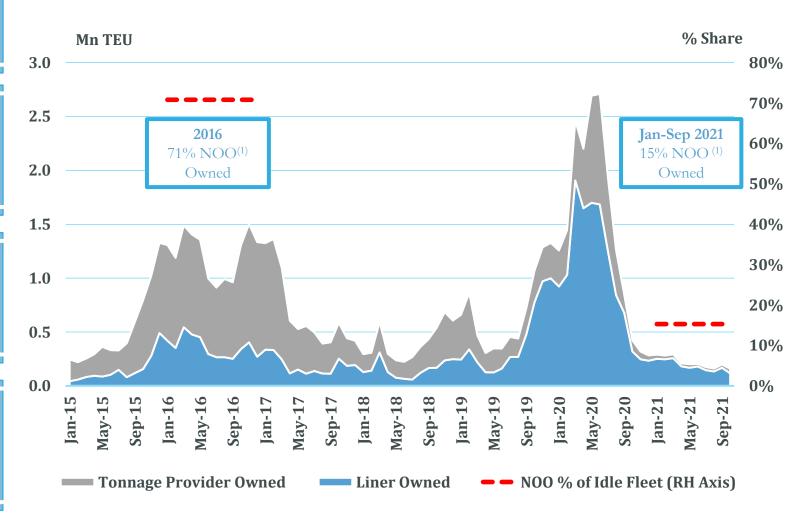


Idle Containership Capacity: Liner Company Owned vs Tonnage Provider Owned

0.6%

71%

15%



fleet segments

provide

85%

of

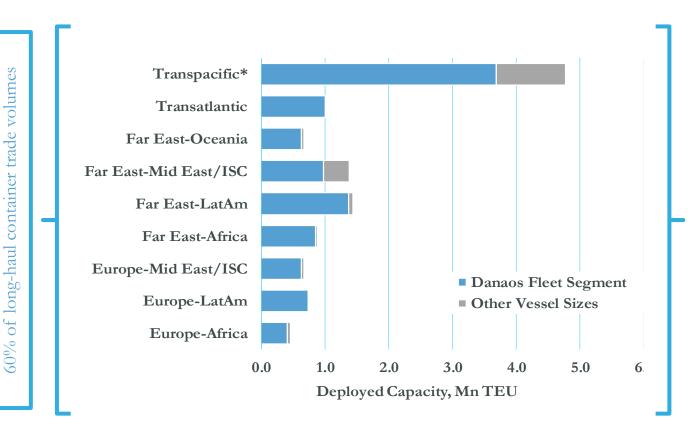
capacity

9.9%

85%

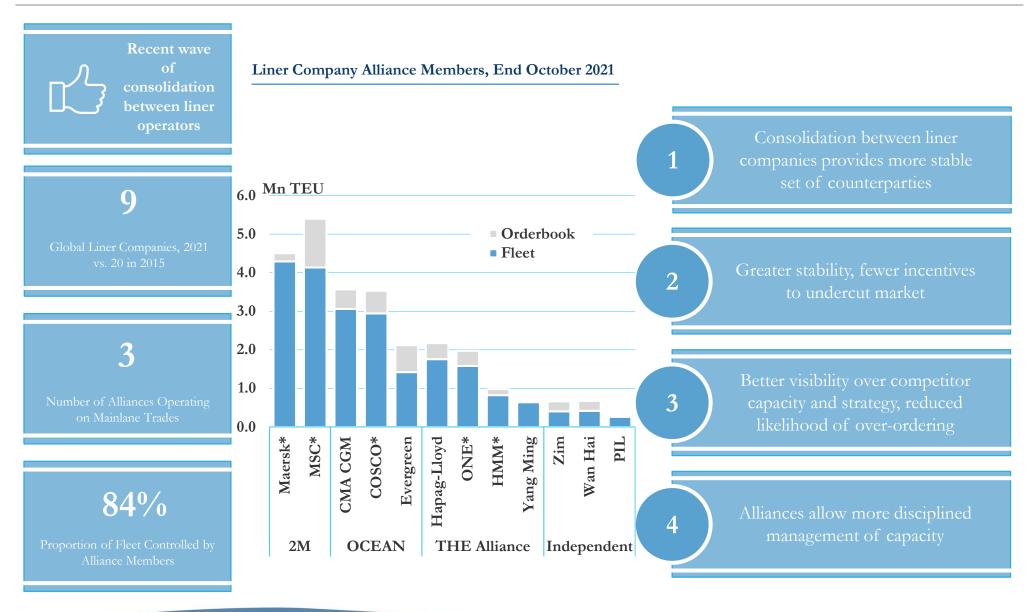
26%

Danaos Fleet Segment Share of Long-Distance Trade Deployment



Consolidated Liner Landscape Provides Stable Counterparties





The Freight Rate Environment Remains Supportive for our Liner Clients **Manager**



Freight rates continued to perform strongly in Q3 21, again registering

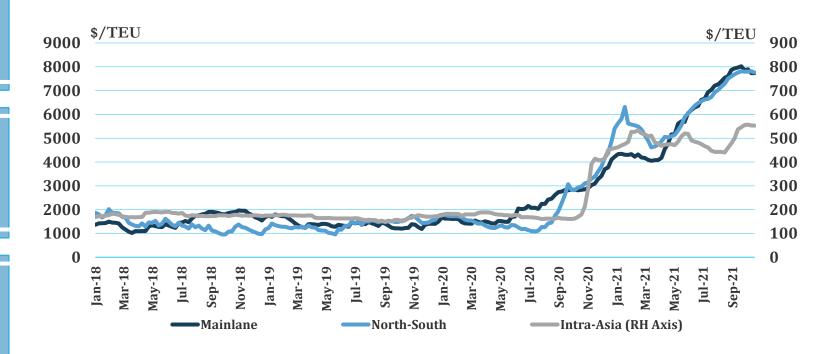
- Freight rates on mainlane and north-south trades continued to climb throughout Q3 21. A combination of healthy peak season demand volumes, extensive port congestion, equipment imbalances and shippers facing order backlogs and the risk of empty shelves during the holiday season drove spot freight rate assessments on key trades to new historic highs.
- Despite a slight correction in the middle of the year, the benchmark Intra-Asian freight rate index resumed an upward trajectory in Q3 21, registering new highs over October 2021.







Freight Rate Indices⁽¹⁾, January 2018 – October 2021



Port Congestion: Over 5% of Containership Fleet Tied Up in Ports

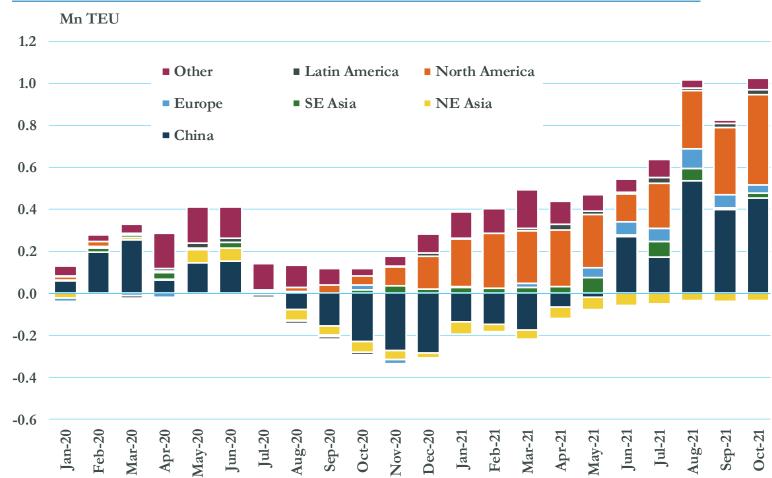




Container Port Congestion: Containership Idle at Port Anchorages, Relative to 2016-19 Average Level

9.0%

 $4.8^{\circ}/_{\circ}$





Adjusted Net Income



Reconciliation of Adjusted Net Income

USD thousands

| | LTM | Three M | | Nine M | | | | | | | | | | |
|---|------------------------------|---------------------|----------|---------------------|-----------|------------------------------|-----------|------------|-----------|---------------------|-----------|-----------|----------|-------------|
| Reconciliation of Net Income / (Loss) to Adjusted Net Income / (Loss) | Ended September 30, | Ended September 30, | | Ended September 30, | | | | | Year l | Year Ended December | | | | |
| | 2021 | 2021 | 2020 | 2021 | 2020 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
| | in thousands of U.S. dollars | | | | | in thousands of U.S. dollars | | | | | | | | |
| Net Income | \$930,023 | \$217,227 | \$42,786 | \$886,844 | \$110,371 | \$153,550 | \$131,253 | \$(32,936) | \$83,905 | \$(366,195) | \$117,016 | \$(3,920) | \$37,523 | \$(105,204) |
| Adjustments | | | | | | | | | | | | | | |
| Amortization of finance costs | 12,072 | 2,743 | 2,941 | 8,961 | 8,015 | 11,126 | 10,795 | 11,771 | 11,153 | 12,652 | 14,038 | 15,070 | 15,431 | 14,314 |
| Finance costs accrued (Exit Fees under our Bank Agreements) | 279 | - | 134 | 149 | 392 | 522 | 556 | 2,059 | 3,169 | 3,447 | 3,639 | 3,745 | 3,763 | 2,762 |
| Debt discount amortization | 4,859 | 879 | 1,442 | 3,469 | 4,300 | 5,690 | 6,071 | 3,186 | - | - | - | - | - | - |
| Impairment loss | - | - | - | - | - | - | - | 210,715 | - | 415,118 | 41,080 | 75,776 | 19,004 | 129,630 |
| Change in fair value of investments | (491,404) | (47,239) | - | (491,404) | - | - | - | - | - | - | - | - | - | - |
| One-off equity gain on investments | (64,063) | (64,063) | - | (64,063) | - | - | - | - | - | - | - | - | - | - |
| Gain on debt extinguishment | (111,616) | _ | - | (111,616) | - | - | - | (116,365) | - | - | - | - | - | - |
| Re-financing professional fees | - | - | - | - | - | - | - | 51,313 | 14,297 | - | - | - | - | - |
| Accelerated amortization of accumulated other comprehensive loss | - | - | - | - | - | - | - | 1,443 | - | 7,706 | - | - | - | - |
| Unrealized (Gain) / Loss on fair value of derivatives | - | - | - | - | - | - | - | - | - | (4,649) | (16,285) | (24,915) | (22,121) | 739 |
| Realized loss on over-hedging portion of derivatives | - | - | - | - | - | - | - | - | - | - | - | - | - | 19,042 |
| Bad debt expense | - | - | - | - | - | - | - | - | - | 15,834 | - | - | - | - |
| Stock based compensation | 4,078 | - | - | 4,078 | - | - | - | - | - | - | - | - | - | - |
| Impairment loss component of equity loss on investments | - | - | - | - | - | - | - | - | - | 14,642 | - | - | - | - |
| Loss on sale of HMM securities | - | - | - | - | - | - | - | - | 2,357 | 12,906 | - | - | - | - |
| Impairment loss on securities | - | - | - | - | - | - | - | - | - | 29,384 | - | - | - | - |
| (Gain) / Loss on sale of vessels | - | - | - | - | - | - | - | - | - | 36 | - | (5,709) | 449 | (830) |
| Adjusted Net Income | \$284,228 | \$109,547 | \$47,303 | \$236,418 | \$123,078 | \$170,888 | \$148,675 | \$131,186 | \$114,881 | \$140,881 | \$159,488 | \$60,047 | \$54,049 | \$60,453 |
| Diluted weighted average number of shares adjusted for 14:1 reverse split (thousands) | 20,647 | 20,598 | 24,789 | 20,571 | 24,789 | 23,805 | 16,221 | 10,623 | 7,845 | 7,843 | 7,842 | 7,834 | 7,832 | 7,829 |
| Adjusted Earnings per share | \$13.77 | \$5.32 | \$1.91 | \$11.49 | \$4.96 | \$7.18 | \$9.17 | \$12.35 | \$14.64 | \$17.96 | \$20.34 | \$7.66 | \$6.90 | \$7.72 |

Adjusted EBITDA



Reconciliation of Net Income to EBITDA and Adjusted EBITDA

USD thousands

| | LTM | Three M | onths | Nine M | onths | | | | | | | | | |
|---|---|-------------|-----------|-------------|-----------|-----------|-----------|------------|-----------|----------------|-----------|-----------|-----------|-------------|
| | Ended September 30, | Ended Septe | ember 30, | Ended Sept | ember 30, | | | | Year 1 | Ended December | er 31, | | | |
| Reconciliation of Net Income / (Loss) to EBITDA and Adjusted EBITDA | 2021 | 2021 | 2020 | 2021 | 2020 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
| | in thousands of U.S. dollars in thousands of U.S. dollars | | | | | | | | | | | | | |
| Net Income | \$930,023 | \$217,227 | \$42,786 | \$886,844 | \$110,371 | \$153,550 | \$131,253 | \$(32,936) | \$83,905 | \$(366,195) | \$117,016 | \$(3,920) | \$37,523 | \$(105,204) |
| Adjustments | | | | | | | | | | | | | | |
| Depreciation | 108,836 | 31,011 | 25,765 | 82,909 | 75,604 | 101,531 | 96,505 | 107,757 | 115,228 | 129,045 | 131,783 | 137,061 | 137,414 | 143,938 |
| Amortization of deferred drydocking & special survey costs | 10,234 | 2,573 | 3,174 | 7,627 | 8,425 | 11,032 | 8,733 | 9,237 | 6,748 | 5,528 | 3,845 | 4,387 | 5,482 | 6,070 |
| Amortization of assumed time-charters | (9,318) | (9,318) | - | (9,318) | - | - | - | - | - | - | - | - | - | - |
| Amortization of deferred realized losses on cash flow interest rate swaps | 3,622 | 913 | 913 | 2,709 | 2,719 | 3,632 | 3,622 | 3,694 | 3,694 | 4,028 | 4,017 | 4,016 | 4,017 | 3,524 |
| Amortization of finance costs and debt discount | 16,931 | 3,622 | 4,383 | 12,430 | 12,315 | 16,816 | 16,866 | 14,957 | 11,153 | 12,652 | 14,038 | 15,070 | 15,431 | 14,314 |
| Finance costs accrued (Exit Fees under our Bank Agreements) | 279 | - | 134 | 149 | 392 | 522 | 556 | 2,059 | 3,169 | 3,447 | 3,639 | 3,745 | 3,763 | 2,762 |
| Interest Income | (13,347) | (152) | (1,650) | (11,661) | (4,952) | (6,638) | (6,414) | (5,781) | (5,576) | (4,682) | (3,419) | (1,703) | (2,210) | (1,642) |
| Interest Expense | 46,114 | 14,471 | 7,525 | 38,978 | 29,551 | 36,687 | 55,203 | 70,749 | 75,403 | 70,314 | 70,397 | 79,980 | 91,185 | 87,340 |
| EBITDA | \$1,093,374 | \$260,347 | \$83,030 | \$1,010,667 | \$234,425 | \$317,132 | \$306,324 | \$169,736 | \$293,724 | \$(145,863) | \$341,316 | \$238,636 | \$292,605 | \$151,102 |
| Adjusted for: | | | | | | | | | | | | | | |
| Stock based compensation | 6,357 | 576 | 301 | 6,055 | 897 | 1,199 | 4,241 | 1,006 | - | 76 | 88 | 638 | 75 | 139 |
| Impairment loss | - | - | - | - | - | - | - | 210,715 | - | 415,118 | 41,080 | 75,776 | 19,004 | 129,630 |
| Change in fair value of investments | (491,404) | (47,239) | - | (491,404) | - | - | - | - | - | - | - | - | - | - |
| One-off equity gain on investments | (64,063) | (64,063) | - | (64,063) | - | - | _ | - | - | - | - | - | - | - |
| Gain on debt extinguishment | (111,616) | - | - | (111,616) | - | - | - | (116,365) | - | - | - | - | - | - |
| Re-financing professional fees | - | - | - | - | - | - | - | 51,313 | 14,297 | - | - | - | - | _ |
| Accelerated amortization of accumulated other comprehensive loss | - | - | - | - | - | - | - | 1,443 | - | 7,706 | - | - | - | _ |
| Realized (Gain) / Loss on derivatives | - | - | - | - | - | - | - | - | - | 5,397 | 52,125 | 119,612 | 144,254 | 150,910 |
| Unrealized (Gain) / Loss on fair value of derivatives | - | - | - | - | - | - | _ | - | - | (4,649) | (16,285) | (24,915) | (22,121) | 739 |
| Bad debt expense | - | - | - | - | - | - | - | - | - | 15,834 | - | _ | - | _ |
| Impairment loss component of equity loss on investments | - | - | - | - | - | - | - | - | - | 14,642 | - | - | - | - |
| Loss on sale of HMM securities | - | - | - | - | - | - | - | - | 2,357 | 12,906 | - | - | - | - |
| Impairment loss on securities | - | - | - | - | - | - | - | - | - | 29,384 | - | - | - | - |
| (Gain) / Loss on sale of vessels | <u>-</u> | | | | | | | | _ | 36 | | (5,709) | 449 | (830) |
| Adjusted EBITDA | \$432,648 | \$149,621 | \$83,331 | \$349,639 | \$235,322 | \$318,331 | \$310,565 | \$317,848 | \$310,378 | \$350,587 | \$418,324 | \$404,038 | \$434,266 | \$431,690 |

Free Cash Flow



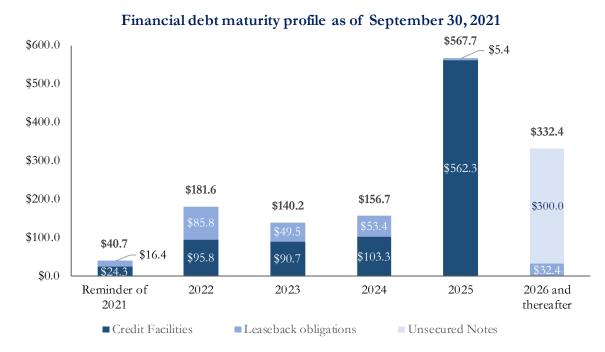
Reconciliation of Free Cash Flow to Net Increase / (Decrease) in Cash, cash equivalents and restricted cash

USD thousands

| | LTM | Three Mo | onths | Nine M | ionths | Year Ended | | |
|---|---------------------|--------------|-------------|--------------------|-------------|-------------|-------------|--|
| | Ended September 30, | Ended Septer | ember 30, | Ended Septe | ember 30, | Decemb | ıber 31, | |
| Reconciliation of Free Cash Flow | 2021 | 2021 | 2020 | 2021 | 2020 | 2020 | 2019 | |
| | | <u> </u> | in thousand | ds of U.S. dollars | <u></u> | | | |
| Adjusted EBITDA | \$432,648 | \$149,621 | \$83,331 | \$349,639 | \$235,322 | \$318,331 | \$310,565 | |
| Net Interest Expense | (31,366) | (14,319) | (5,189) | (26,591) | (22,363) | (27,138) | (45,414) | |
| Equity income on investments | (5,544) | - | (1,464) | (3,965) | (4,729) | (6,308) | (1,602) | |
| Revenue recognition (non-cash) | (23,722) | (22,645) | (1,190) | (23,217) | (4,998) | (5,501) | (27,682) | |
| Other working capital | 8,905 | (8,800) | (6,307) | 1,889 | (3,803) | 3,211 | (8,832) | |
| Payments for dry-docking & special survey costs deferred | (5,134) | (460) | (17) | (1,615) | (13,397) | (16,916) | (7,157) | |
| Net Cash provided by Operating Activities | \$375,787 | \$103,397 | \$69,164 | \$296,140 | \$186,032 | \$265,679 | \$219,878 | |
| Adjust for: | | | | | | | | |
| Accumulated accrued interest | (13,743) | (1,532) | (5,284) | (8,890) | (20,786) | (25,639) | (35,358) | |
| Adjusted Operating Cash Flow | \$362,044 | \$101,865 | \$63,880 | \$287,250 | \$165,246 | \$240,040 | \$184,520 | |
| Less: Net Debt Payments | | | | | | | | |
| Payments of long-term debt | (1,366,423) | (24,400) | (34,573) | (1,319,425) | (99,749) | (146,747) | (262,572) | |
| Payments of leaseback obligation | (43,339) | (16,202) | (5,877) | (37,377) | (147,942) | (153,904) | (8,309) | |
| Proceds from long-term debt to refinance existing obligations | 1,105,311 | - | - | 1,105,311 | - | - | - | |
| Proceeds from sale-leaseback to refinance existing obligations | 135,000 | <u> </u> | | 135,000 | 139,080 | 139,080 | 146,523 | |
| Net Debt Payments Total | \$(169,451) | \$(40,602) | \$(40,450) | \$(116,491) | \$(108,611) | \$(161,571) | \$(124,358) | |
| Free Cash Flow | \$192,593 | \$61,263 | \$23,430 | \$170,759 | \$56,635 | \$78,469 | \$60,162 | |
| Proceeds from long-term debt | 33,150 | - | 13,300 | - | 36,700 | 69,850 | | |
| Vessels additions & advances for vessels additions | (4,761) | (956) | (7,403) | (2,767) | (31,101) | (33,094) | (18,853) | |
| Vessel acquisitions & advances for vessel acquisitions | (323,829) | (261,311) | - | (261,311) | (75,048) | (137,567) | (2,507) | |
| Finanœ œsts | (18,509) | (3,950) | (7,914) | (18,459) | (19,913) | (19,963) | (30,474) | |
| Net proceeds from redemption of notes | 69,477 | - | - | 69,477 | - | - | - | |
| Net proceeds from sale of Zim equity securities | 76,400 | - | - | 76,400 | (75) | (75) | - | |
| Cash and restricted cash acquired from Gemini | 14,388 | 14,388 | - | 14,388 | - | - | - | |
| Dividends paid | (20,593) | (10,295) | - | (20,593) | - | - | - | |
| Repurchase of common stock | (31,127) | - - | - | - | - | (31,127) | - | |
| Share issuanœ costs | · - | - | - | - | - | , – | (873) | |
| Paid-in capital | - | - | - | _ | - | - | 54,440 | |
| Net Increase / (Decrease) in Cash, cash Equivalents and restricted cash | \$(12,811) | \$(200,861) | \$21,413 | \$27,894 | \$(32,802) | \$(73,507) | \$61,895 | |



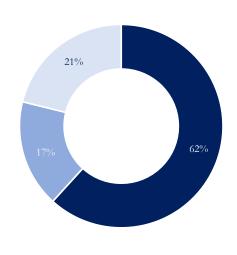
Well-balanced repayment profile^{1, 2} USDm



Credit position

- BB- (Positive) and B1 (Positive), upgrade from B+ and B2, credit ratings from S&P and Moody's, respectively
- Liquid financial assets of \$508 million³ as of September 30, 2021
- Outstanding-debt weighted average term of maturity > 4 years

Break-down of Total Debt \$1,419m



Credit Facilities
 Leaseback obligations
 Unsecured Notes

Oct 2020



Oct 2021



—Danaos —Atlas —Costamare —GSL

Apr 2021

Jul 2021

Jan 2021

0% -200%

Jul 2020

