COSTAMARE INC.

2021 ANNUAL REPORT

NO NAKED LIGHT
NO SMOKING
6P

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COMPANY OVERVIEW

HISTORY

After 20 years of sailing experience on merchant ships, Capt. Vasileios Konstantakopoulos establishes Costamare Group and acquires the first 2,000 ton general cargo ship.

1975

1980s

Diversification into container shipping with the purchase of its first five containerships. The first Greek company to enter the container market.

Costamare disposes of remaining bulk carriers and becomes a dedicated containership owner / operator.

1992

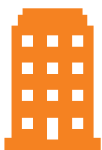
1998

Management passes on to Mr. Konstantinos V. Konstantakopoulos.

November 2010, Costamare successfully completes its initial public offering (NYSE: CMRE).

2010

SNAPSHOT



Long track record of **48+** years

Uninterrupted dividend payments since going public, **never** suspended dividends due to financing restrictions

No forced equity dilutions caused by liquidity stress

Strong support by sponsor family (**57%** ownership), with **$130MM** reinvested by the sponsors through the DRIP program to date.

Notes:

[(1)] As of May 5, 2022, excluding dry bulk vessels, and incuding our ownership percentage of contracted revenues for four vessels owned with York

[(2)] Source: Alphaliner May 2022 monthly report, excluding Liner Companies and newbuildings

2012

Costamare successfully completes follow-on common equity offerings, raising $204mm.

2014-2018

Three preferred shares offerings raising $315mm total.

Two follow-on common equity offerings raising $168mm total.

2011

Costamare embarks on a $1.2bn fleet renewal program acquiring 17 S/H vessels and contracting 10 N/Bs.

2013

Preferred shares offering raising $50mm.

Costamare signs a joint venture agreement with York Capital Management, pursuant to which 12 NBs ($1.1bn) are contracted and six S/H vessels are acquired in the following five years.

2021-2022

Issuance of the first Corporate Shipping Bond in the Greek Capital Markets (by its subsidiary Costamare Participations Plc), raising €100mm, with a low coupon rate.

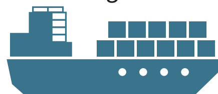
Re-entry into dry bulk sector at an opportune time in the cycle with the purchase of 46 vessels.

Contracted Revenues[1] of **$3.3BN**

Expansion into dry bulk:

46 vessels, **2.5MM** DWT since first purchase in June 2021

One of the three largest



independent containership[2] owners worldwide

High growth potential;

Total Assets of **$4.6BN**[3]

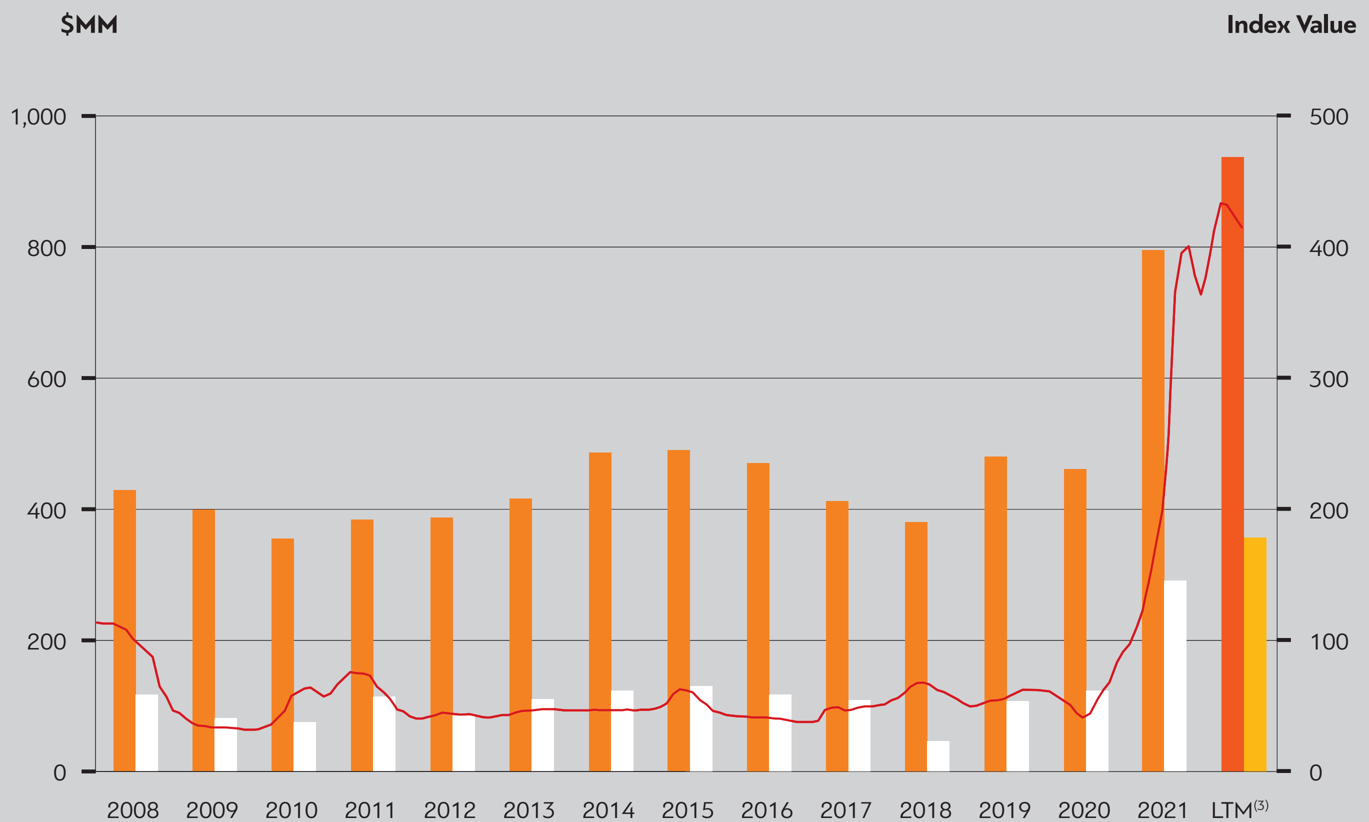
Cash of **$491MM**[4]

Proven access to bank debt and lease financing.

[3] Costamare Inc. March 31, 2022 quarterly financial statements as filed in form 6-K with the U.S. Securities and Exchange Commission (SEC)
[4] Cash as of March 31, 2022 includes cash and cash equivalents (incl. restricted cash) and our share of cash held in companies co-owned with York ($3.2mm)

LONG-TERM PERFORMANCE

Historical Financial Performance vs. Containership Time Charter Rate Index [1]



Revenue   Adjusted Net Income available to Common Stockholders [2]   Containership Time Charter Rate Index [1]

[1] Source: Clarksons June 2022, Company filings   [2] Non-GAAP item, see p.12 for reconciliation   [3] LTM: 12 months to 31 March 2022

LETTER FROM THE CEO

Dear Fellow Shareholders,

I hope that everybody has managed to come out stronger following the challenges presented to us by the pandemic. Our thoughts remain with our seafarers who, in spite of pressures from the pandemic crisis, continue to navigate our diverse fleet of vessels around the world safely and efficiently.

Following a record 2021, we continued at the start of 2022 to reap the rewards of the strong containership and dry bulk markets. In the first quarter of 2022, we continued to be profitable, as adjusted net income increased year on year by 175% to $105 million.

We have taken advantage of the strong market by chartering our container vessels for longer periods and increased contracted revenues to $3.3 billion with a remaining TEU-weighted time charter duration of about 4.1 years, as of May 5, 2022.

Our approach to capital allocation remains balanced and focused on growing our business while returning excess capital to our shareholders and maintaining low levarage.

We decided to take advantage of the historically strong cash flows we generated to renew our container fleet by buying quality second hand container vessels while prices were still favorable and to diversify into the dry bulk sector where fundamentals and expected returns compared to the then - prevailing prices were attractive.

In summary, during 2021 we acquired 16 container vessels with an average capacity of 8,146 TEU and an average age of about 10 years. In addition, we acquired 43 dry bulk vessels, namely 8 Panamax, 5 Ultramax, 14 Supramax and 16 Handysize, with an average age of about 10 years.

Following our record financial results for 2021, our Board decided to increase our regular dividend by 15%, declared a special dividend of $0.50 per share and approved a share repurchase program of up to a maximum $150 million for each of our common shares and our preferred shares. Our cash flows from operations and strong liquidity position provides us with the ability to return cash to our shareholders without any impact on our growth plans.

Finally, members of the founding family, who in the aggregate own about 57% of our own stock as of May 5, 2022, have continued to reinvest in full or in part their cash dividends which total over $130 million since the introduction of our dividend reinvestment plan back in July 2016.

Thank you for your interest and support.

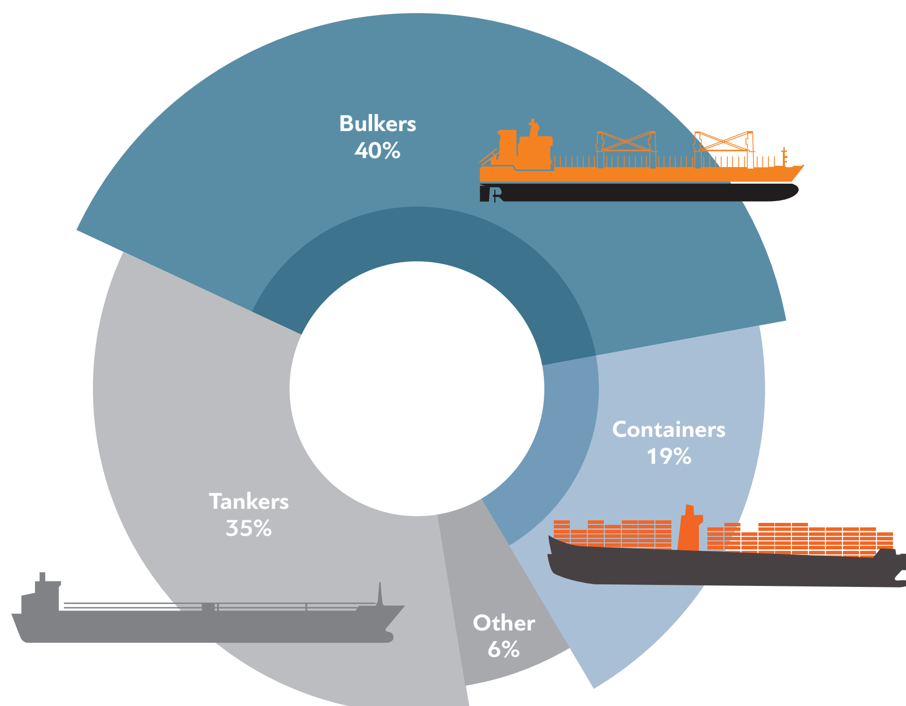
Sincerely,

Konstantinos V. Konstantakopoulos

Chairman & CEO

Mainstream Shipping Sectors

(calculated on the basis of gross tonnage)



Source: Clarksons, June 2022

CORPORATE PROFILE

Costamare Inc. is one of the world's leading owners and providers of containerships and dry bulk vessels for charter. The Company has 48 years of history in the international shipping industry and a fleet of:

- 76 containerships in the water, with a total capacity of approximately 557,000 TEU including five vessels that we have agreed to sell. Four of our containerships have been acquired pursuant to the Framework Deed with York by vessel-owning joint venture companies in which we hold a minority equity interest.
- 46 dry bulk vessels with a total capacity of approximately 2,493,500 DWT including one vessel that we have agreed to sell.

Our strategy is to time-charter our containerships to a geographically diverse, financially strong and loyal group of leading liner companies. Our aim is to operate our containerships under multi-year time charters which are not subject to the effect of seasonal variations in demand. On the other hand, our strategy is to operate our dry bulk fleet in the spot market.

We are continuously evaluating opportunities to create shareholder value by growing our fleet prudently. We follow a portfolio approach on our chartering strategy in order to ensure that we meet our obligations, without limiting potential upside.

Our common shares are listed on the New York Stock Exchange under the symbol "CMRE".

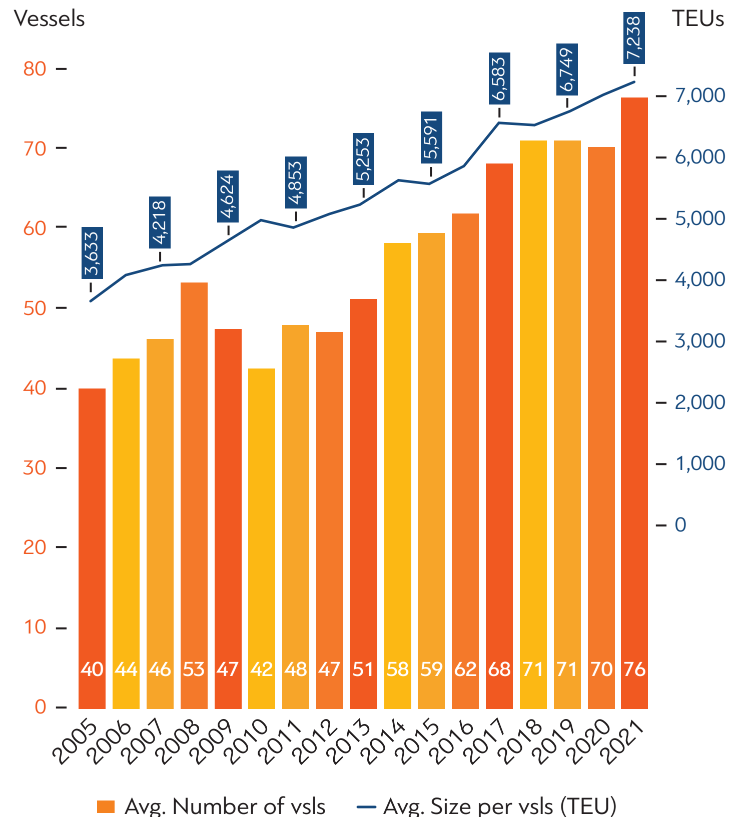
Our Series B Preferred Stock is listed on the New Stock Exchange under the symbol "CMRE PR B".

Our Series C Preferred Stock is listed on the New Stock Exchange under the symbol "CMRE PR C".

Our Series D Preferred Stock is listed on the New Stock Exchange under the symbol "CMRE PR D".

Our Series E Preferred Stock is listed on the New Stock Exchange under the symbol "CMRE PR E".

Average Number of Container Vessels & Average Size per Vessel in the Water[1]



Fleet Profile

(As at May 5, 2022)

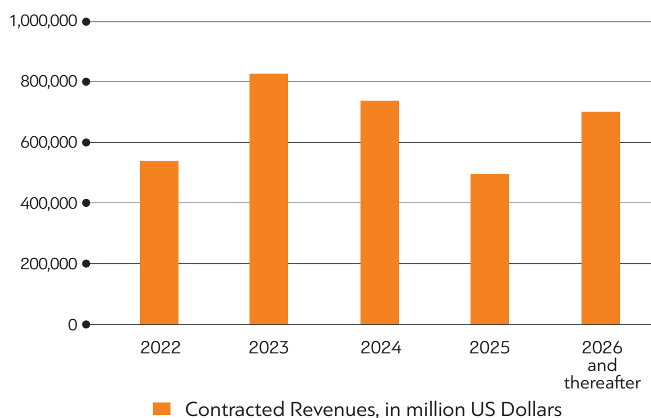
Container Vessels[1]	Capacity (TEU)	Fleet
VLCS	8,500-14,500	31
Post Panamax[2]	3,500-8,500	25
Panamax (Max Beam 32.2m)	3,500-5,100	11
Sub Panamax	2,000-3,500	5
Feeder	up to 2,000	4
Dry Bulk Vessels	**Capacity (DWT)**	**Fleet**
Panamax / Kamsarmax	70,000-100,000	8
Ultramax	60,000-70,000	5
Supramax[3]	40,000-60,000	17
Handysize	20,000-40,000	16

[1] Including four container vessels acquired pursuant to the Framework Deed with York
[2] Including five container vessels that we have agreed to sell
[3] Including one dry bulk vessel that we have agreed to sell

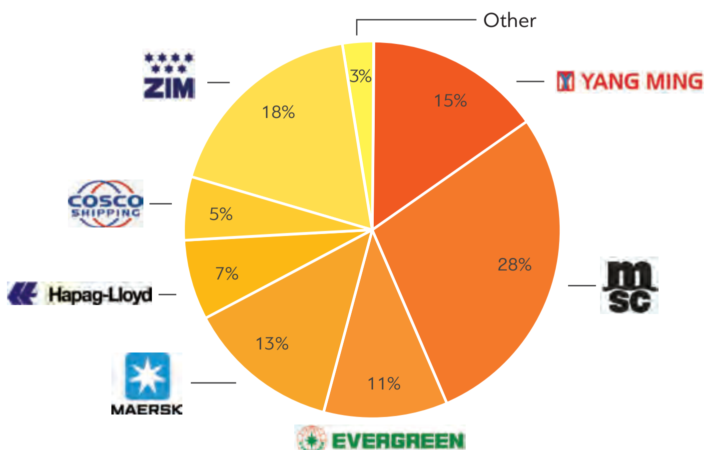
INVESTMENT HIGHLIGHTS

- **Large, established company with a substantial fleet**
  - 76 Container vessels as of May 5th, 2022 (including five vessels that we have agreed to sell). Four of our vessels have been acquired pursuant to the Framework Deed with York by vessel-owning joint venture entities in which we hold a minority equity interest.
  - 46 Dry Bulk vessels as of May 5th, 2022 (including one vessel that we have agreed to sell).
- **Strong track record of value creation throughout business cycles**
  - Maintained profitability and generated positive return on equity over the years, even during the 2008-09 financial crisis.
  - Uninterrupted dividend for forty-six quarters since going public in 2010.
- **Strong, visible & growing cash flows**
  - Total of USD $3.3 billion of Contracted Revenues(1)(2)(3) with a remaining time charter average (weighted by TEU) duration of approximately 4.1 years as of May 5th, 2022.
  - Approximately 58% of loan portfolio is fully hedged from floating to fixed and capped interest rates as of April 30, 2022.
  - Smooth amortization schedule for outstanding indebtedness.
- **High quality customers**
  - Long-term relationships with top tier liner companies, several of which have been maintained for over 20 years.
- **Strong balance sheet**
  - Low leverage combined with a smooth amortization schedule minimizes re-financing risk.
  - No significant debt maturities until 2025.
- **Experienced management team**
  - Led the company safely through the challenges including the global financial crisis in 2008-09 avoiding any bank covenant breaches or defaults while at the same time growing the company's assets and cash flows.

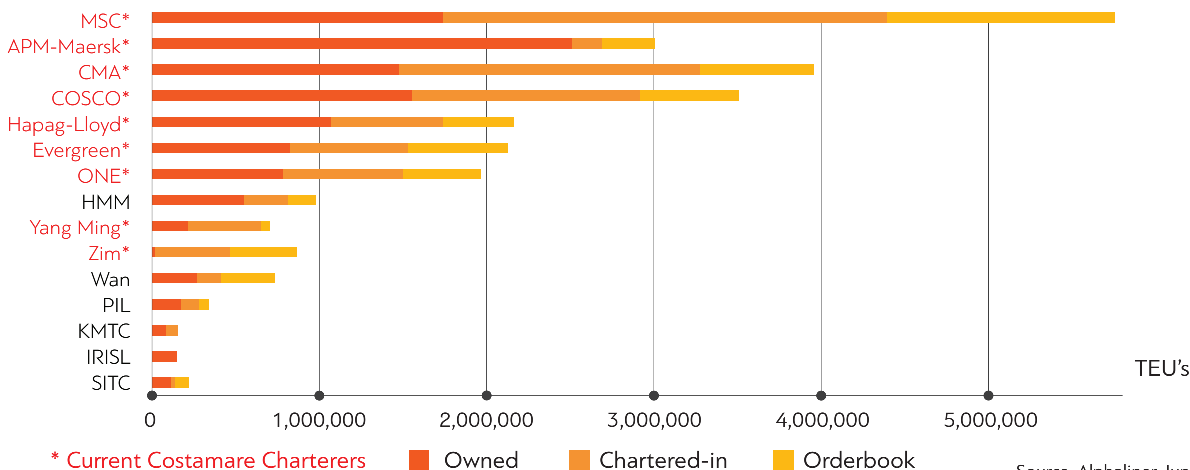
Contracted Revenues as of May 5, 2022(1)(2)(3)



Contracted Revenue Contribution All Vessels (1)(2)(3)



Client Relations



Source: Alphaliner June 2022

(1) Including Costamare Inc. ownership percentage of contracted revenues for the four vessels owned pursuant to the Framework Deed with York and excluding dry bulk vessels contracted revenues
(2) Based on contracted revenues as of May 5, 2022
(3) Assumes earliest re-delivery dates after giving effect to the exercise of any owners' extension options

FLEET PROFILE

(as of May 5, 2022)

CONTAINERS

Vessel Name	Charterer	Year Built	Capacity (TEU)
TRITON	Evergreen	2016	14,424
TITAN	Evergreen	2016	14,424
TALOS	Evergreen	2016	14,424
TAURUS	Evergreen	2016	14,424
THESEUS	Evergreen	2016	14,424
YM TRIUMPH	Yang Ming	2020	12,690
YM TRUTH	Yang Ming	2020	12,690
YM TOTALITY	Yang Ming	2020	12,690
YM TARGET	Yang Ming	2021	12,690
YM TIPTOP	Yang Ming	2021	12,690
CAPE AKRITAS	MSC	2016	11,010
CAPE TAINARO	MSC	2017	11,010
CAPE KORTIA	MSC	2017	11,010
CAPE SOUNIO	MSC	2017	11,010
CAPE ARTEMISIO	Hapag Lloyd	2017	11,010
COSCO GUANGZHOU	COSCO/(**)	2006	9,469
COSCO NINGBO	COSCO/(**)	2006	9,469
YANTIAN	COSCO	2006	9,469
COSCO HELLAS	COSCO	2006	9,469
BEIJING	COSCO	2006	9,469
MSC AZOV	MSC	2014	9,403
MSC AJACCIO	MSC	2014	9,403
MSC AMALFI	MSC	2014	9,403
MSC ATHENS	MSC	2013	8,827
MSC ATHOS	MSC	2013	8,827
VALOR	Hapag Lloyd	2013	8,827
VALUE	Hapag Lloyd	2013	8,827
VALIANT	Hapag Lloyd	2013	8,827
VALENCE	Hapag Lloyd	2013	8,827
VANTAGE	Hapag Lloyd	2013	8,827
NAVARINO	MSC	2010	8,531
MAERSK KLEVEN	Maersk/MSC	1996	8,044
MAERSK KOTKA	Maersk/MSC	1996	8,044
MAERSK KOWLOON	Maersk	2005	7,471
KURE	COSCO/MSC	1996	7,403
METHONI	Maersk	2003	6,724
PORTO CHELI	Maersk	2001	6,712
YORK (***)	Maersk	2000	6,648

Vessel Name	Charterer	Year Built	Capacity (TEU)
ZIM TAMPA	ZIM	2000	6,648
SEALAND WASHINGTON (***)	Maersk	2000	6,648
SEALAND MICHIGAN (***)	Maersk	2000	6,648
SEALAND ILLINOIS (***)	Maersk	2000	6,648
MAERSK KOLKATA	Maersk/ZIM	2003	6,644
MAERSK KINGSTON	Maersk/ZIM	2003	6,644
MAERSK KALAMATA (***)	Maersk	2003	6,644
ARIES	(**)	2004	6,492
ARGUS	(**)	2004	6,492
PORTO KAGIO	Maersk	2002	5,908
GLEN CANYON	ZIM	2006	5,642
PORTO GERMENO	Maersk	2002	5,570
LEONIDIO	Maersk	2014	4,957
KYPARISSIA	Maersk	2014	4,957
MEGALOPOLIS	Maersk	2013	4,957
MARATHOPOLIS	Maersk	2013	4,957
OAKLAND	Maersk	2000	4,890
GIALOVA	ZIM	2009	4,578
DYROS	Maersk	2008	4,578
NORFOLK	Maersk	2009	4,259
VULPECULA	OOCL/ZIM	2010	4,258
VOLANS	ZIM	2010	4,258
VIRGO	Maersk	2009	4,258
VELA	OOCL/ZIM	2009	4,258
ANDROUSA	Maersk	2010	4,256
NEOKASTRO	CMA CGM	2011	4,178
ULSAN	Maersk	2002	4,132
POLAR ARGENTINA (*)	Maersk	2018	3,800
POLAR BRASIL (*)	Maersk	2018	3,800
LAKONIA	COSCO	2004	2,586
SCORPIUS	Hapag Lloyd	2007	2,572
ETOILE	(**)	2005	2,556
AREOPOLIS	COSCO	2000	2,474
MONEMVASIA (*)	Maersk	1998	2,472
ARKADIA (*)	Swire Shipping	2001	1,550
MICHIGAN	MSC	2008	1,300
TRADER	(**)	2008	1,300
LUEBECK	MSC	2001	1,078

(*) Vessels acquired pursuant to the Framework Deed with York Capital. (**) Denotes charterer's identity, which is treated as confidential.
(***) Denotes vessels that we have agreed to sell.

BULKERS

Vessel Name	Year Built	Capacity (DWT)
AEOLIAN	2012	83,478
GRENETA	2010	82,166
HYDRUS	2011	81,601
PHOENIX	2012	81,569
BUILDER	2012	81,541
FARMER	2012	81,541
SAUVAN	2010	79,700
ROSE	2008	76,619
MERCHIA	2015	63,800
SEABIRD	2016	63,553
DAWN	2018	63,530
ORION	2015	63,473
DAMON	2012	63,227
TITAN I	2009	58,090
ERACLE	2012	58,018
PYTHIAS	2010	58,018
NORMA	2010	58,018
ORACLE	2009	57,970
CURACAO	2011	57,937
URUGUAY	2011	57,937
ATHENA	2012	57,809
THUNDER(*)	2009	57,334
SERENA	2010	57,266
LIBRA	2010	56,729
PEGASUS	2011	56,726
MERIDA	2012	56,670
CLARA	2008	56,557
PEACE	2006	55,709
PRIDE	2006	55,705
BERMONDI	2009	55,469
COMITY	2010	37,302
VERITY	2012	37,163
PARITY	2012	37,152
ACUITY	2011	37,149
EQUITY	2013	37,071
DISCOVERY	2012	37,019
TAIBO	2011	35,112
BERNIS	2011	34,627
MANZANILLO	2010	34,426
ADVENTURE	2011	33,755
ALLIANCE	2012	33,751
CETUS	2010	32,527
PROGRESS	2011	32,400
MINER	2010	32,300
KONSTANTINOS	2012	32,178
RESOURCE	2010	31,776

(*) Denotes vessels that we have agreed to sell.

2021 REVIEW

Costamare during 2021 achieved the best financial results in its history.

During the year we took advantage of the historically strong cash flows generated by our container fleet and in addition to renewing our container fleet, we opportunistically invested about $700 million in the dry bulk sector, when prices were still low by acquiring 43 dry bulk vessels.

Adjusted Net Income available to common shareholders[(1)] increased 134% to $289.9 million for the twelve months ended in December 2021.

Average operating expenses per vessel for the container fleet have increased 11% year over year to $5,918 affected by the pandemic restrictions and worldwide inflation while fleet utilization* remained high at 99.4%, excluding scheduled dry docking, as we continued to operate our fleet efficiently. Dry bulk fleet utilization* was at 98.6%, excluding scheduled dry docking, and average operating expenses were $5,786 per day.

We continued to reward our stockholders, with our forty-fifth consecutive quarterly dividend since we went public. In the middle of the year as our cash flows continued to improve the Board increased our quarterly dividend by fifteen percent. In addition, following our record financial results for 2021 coupled with our high cash balance and low leverage, the board declared a special dividend of $0.50 per share and approved a share repurchase program of up to a maximum $150 million for each of our common shares and our preferred shares. Going forward, the Board will continue reviewing our dividend policy based on market conditions and our liquidity requirements.

The reopening of the global economies following the effects of the 2020 pandemic, in combination with the various stimulus economic programs around the world boosted demand to unprecedented levels while supply was still hampered by the measures implemented to contain the pandemic.

Global container demand increased around 6.5% during the year while containership supply increased by around 4.5%, driven mainly by an increase in the delivery of larger vessels and a decrease in demolition activity over the year. At the same time a big portion of the container capacity, estimated by analysts at minimum of 5% of the fleet, was absorbed by the continuing congestion experienced around the global port infrastructure. Looking ahead, the containership orderbook at the end of 2021 increased to 23% of the total fleet, with 72%, consisting of vessels larger than 12,000 TEU, which could put pressure on charter rates once new vessels hit the water.

Liner companies continued to aggressively expand their networks in order to respond to the unprecedented demand that developed during the year as the global economies fully reopened. As a result, demand for containership transportation services, especially for large vessels, increased substantially. The idle fleet was below 1.0% of the fleet for the majority of 2021, meaning that effectively the global containership fleet was fully employed. As a result, liner companies started to enter into time charter agreements for secondhand vessels to commence well into the future.

Independent vessel owners' time charter daily rates for the year increased around 324% on average while secondhand vessel prices increased by 168% on average, compared to the end of the year before. This positive trend was even stronger towards the end of the year as demand exceeded supply.

In 2021 we continued to modernize our fleet by replacing five container vessels with an average capacity of about 4,461 TEUs and an average age of about 20 years, with 16 vessels** with average capacity of 8,146 TEUs and an average age of about 10 years. In addition, we expanded in the dry bulk sector by buying, in total, 43 vessels with an average capacity of 53,971 DWT and an average age of about 10 years.

We will continue to focus on the safety and well-being of our employees in order to satisfy the demands of our customers while we try to grow and diversify our cash flows and fortify our balance sheet for the long-term benefit of our shareholders.

[(1)] Non-GAAP item, see p.12 for reconciliation

* Please refer to page 69 of our 2021 20-F filing for the definition of Utilization

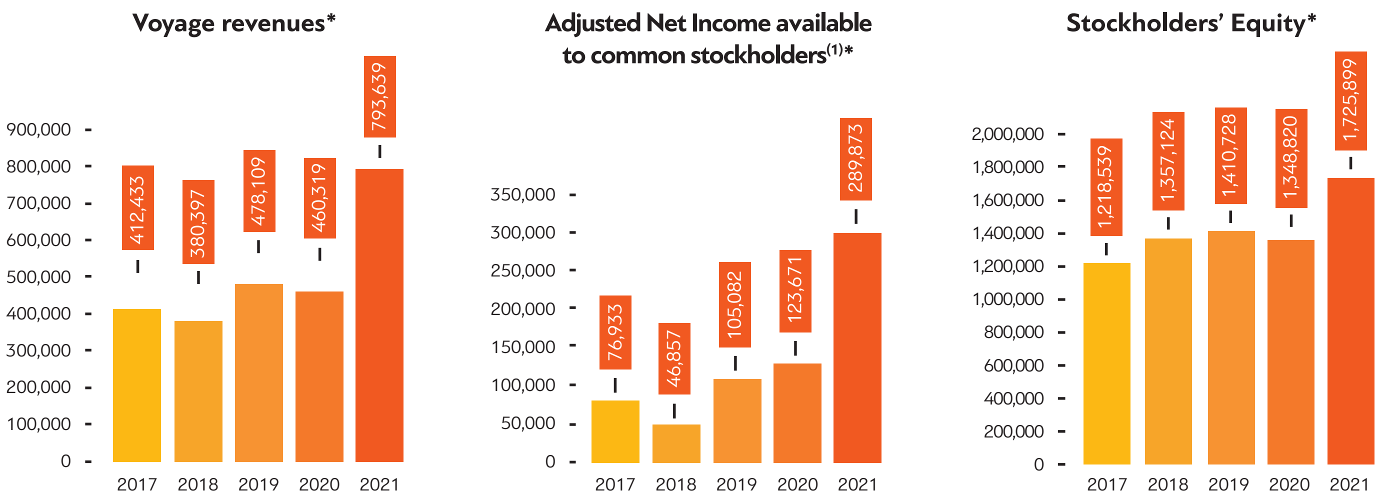
** Including the full acquisition of five second hand vessels owned persuant to the framework deed with York

FINANCIAL HIGHLIGHTS

Income Statement*	2017	2018	2019	2020	2021
Voyage revenues	412,433	380,397	478,109	460,319	793,639
Net Income	72,876	67,239	98,999	8,877	435,121
Net Income/(Loss) available to common stockholders	51,813	36,736	67,730	-21,586	404,053
Adjusted Net Income available to common stockholders(1)	76,933	46,857	105,082	123,671	289,873
Adjusted EPS(1)	0.77	0.42	0.91	1.02	2.36

Balance Sheet*	2017	2018	2019	2020	2021
Total Assets	2,490,298	3,050,811	3,011,958	3,010,516	4,407,041
Total Liabilities	1,271,759	1,693,687	1,601,230	1,661,696	2,681,142
Stockholders' Equity	1,218,539	1,357,124	1,410,728	1,348,820	1,725,899

Fleet Details	2017	2018	2019	2020	2021
Average Number of Vessels	52.7	55.8	60.3	60.0	83.6
Average TEU Capacity Container Fleet	315,263	333,989	403,930	417,980	521,389
Average DWT Capacity Dry Fleet (2)	-	-	-	-	1,252,917



* Expressed in thousands of U.S. Dollars, except share and per share data

(1) Non-GAAP item, see p.12 for reconciliation

(2) Average DWT capacity was calculated based on 201 days (the period from June 14, 2021 to December 31, 2021), given that we did not own any dry-bulk vessels prior to June 14, 2021.

Reconciliation of Net Income to Adjusted Net Income available to common stockholders and Adjusted Earnings per Share

Expressed in thousands of U.S. Dollars, except share and per share data	2017	2018	2019	2020	2021
Net Income	**72,876**	**67,239**	**98,999**	**8,877**	**435,121**
Earnings allocated to Preferred Stock	-21,063	-30,503	-31,269	-31,082	-31,068
Gain on retirement of Preferred Stock	0	0	0	619	0
Net Income/(Loss) available to common stockholders	**51,813**	**36,736**	**67,730**	**-21,586**	**404,053**
Accrued charter revenue	-11,204	-7,294	3,893	21,250	-11,303
(Gain) / Loss on sale / disposal of vessels [1]	4,856	3,071	19,589	79,120	-45,894
Loss on vessels held for sale	2,379	101	2,495	7,665	0
Realized (Gain) / Loss on EURO / USD forward contracts [1]	-765	97	553	-488	460
(Gain) / Loss on derivative instruments [1]	-1,296	162	651	1,759	1,246
Amortization of Prepaid lease rentals	8,429	8,150	0	0	0
Non-recurring, non-cash write-off of loan deferred financing costs	0	0	1,253	521	964
Non-recurring, non-cash write-off of loan deferred financing costs by jointly owned companies with York	0	0	136	0	0
Non-recurring, voyage expenses, tank cleaning costs in order to comply with the global sulphur cap of 0.5% m/m in anticipation of the entry into force on January 1, 2020 of the relevant MARPOL Annex VI regulations	0	0	1,524	0	0
Non-recurring, voyage expenses tank cleaning costs in order to comply with the global sulphur cap of 0.5% m/m in anticipation of the entry into force on January 1, 2020 of the relevant MARPOL Annex VI regulations incurred by jointly owned companies with York	0	0	92	0	0
Swaps' Breakage Costs	0	1,234	16	6	0
General and administrative expenses - non cash component	3,866	3,755	3,879	3,655	7,414
Vessels' Impairment loss	17,959	0	3,042	31,577	0
Vessel impairment loss by a jointly owned company with York included in equity gain on investments	896	0	0	0	0
Amortization of Time charter assumed	0	26	191	192	-424
Gain on sale of equity securities	0	0	0	0	-60,161
Other non-recurring, non-cash items	0	0	0	0	-756
(Gain) / Loss on sale / disposal of vessel by a jointly owned company with York included in equity gain on investments[1]	0	707	38	0	-5,726
Loss on asset held for sale by a jointly owned company with York included in equity gain on investments	0	112	0	0	0
Adjusted Net Income available to common stockholders	**76,933**	**46,857**	**105,082**	**123,671**	**289,873**
Weighted average number of Shares	100,527,907	110,395,134	115,747,452	120,696,130	123,070,730
Adjusted Earnings per Share	**0.77**	**0.42**	**0.91**	**1.02**	**2.36**

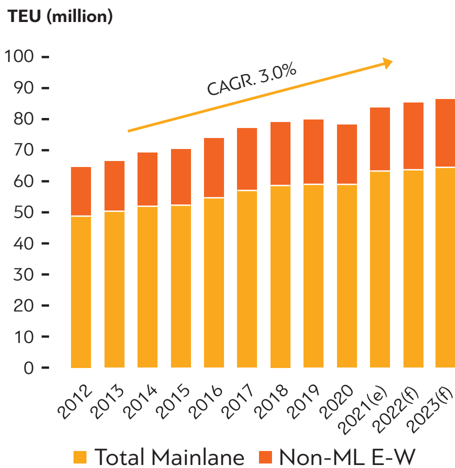
Adjusted Net Income available to common stockholders and Adjusted Earnings per Share represent Net Income / (loss) after earnings allocated to preferred stock and gain on retirement of preferred stock, but before non-cash "Accrued charter revenue" recorded under charters with escalating charter rates, realized (gain)/loss on Euro/USD forward contracts, amortization of prepaid lease rentals, vessels' impairment loss, (gain)/loss on sale / disposal of vessels, loss on vessels held for sale, (gain)/loss on sale / disposal of vessel by a jointly owned company with York included in equity gain on investments, loss on asset held for sale by a jointly owned company with York included in equity gain on investments, vessel impairment loss by a jointly owned company with York included in equity gain on investments, non-recurring, non-cash write-off of loan deferred financing costs, non- recurring, non-cash write-off of loan deferred financing costs by jointly owned companies with York, general and administrative expenses - non-cash component, non-recurring, voyage expenses, tank cleaning costs in order to comply with the global sulphur cap of 0.5% m/m in anticipation of the entry into force on January 1, 2020 of the relevant MARPOL Annex VI regulations, non- recurring, voyage expenses tank cleaning costs in order to comply with the global sulphur cap of 0.5% m/m in anticipation of the entry into force on January 1, 2020 of the relevant MARPOL Annex VI regulations incurred by jointly owned companies with York, swaps' breakage costs, amortization of Time charter assumed, non-cash changes in fair value of derivatives, gain on sale of equity securities and other non-recurring, non-cash items. "Accrued charter revenue" is attributed to the timing difference between the revenue recognition and the cash collection. However, Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are not recognized measurements under U.S. GAAP. We believe that the presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We also believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share generally eliminates the effects of the accounting effects of capital expenditures and acquisitions, certain hedging instruments and other accounting treatments, items which may vary for different companies for reasons unrelated to overall operating performance and liquidity. In evaluating Adjusted Net Income available to common stockholders and Adjusted Earnings per Share, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

[1] Items to consider for comparability include gains and charges. Gains positively impacting Net Income available to common stockholders are reflected as deductions to Adjusted Net Income available to common stockholders. Charges negatively impacting Net Income available to common stockholders are reflected as increases to Adjusted Net Income available to common stockholders.

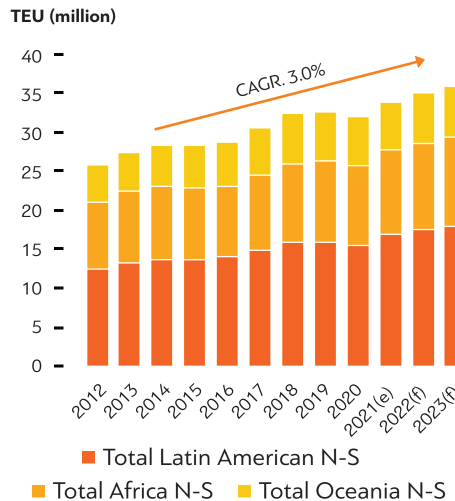
CONTAINER TRADE HIGHWAY

Far East - Europe
24.8m TEU
Europe – N.Am
8.3m TEU
Transpacific
30.2m TEU
Transpacific
30.2m TEU
Intra FE
63.6m TEU
M. East / Indian SC
20.7m TEU
Africa Related
10.9m TEU
Lat. America
16.9m TEU
Oceania
6.0m TEU

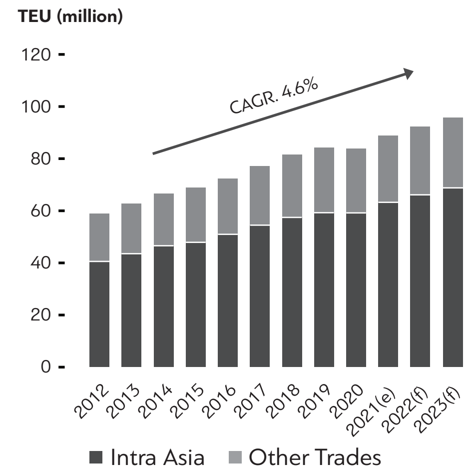
Total East - West



Total North - South



Total Intra Regional & Other



Source: Clarksons, June 2022

Container shipping routes can be divided primarily into three main groups: (a) East-West trades, linking major industrial and consumption centers of North America, Europe and Asia; (b) North- South trades, linking production and consumption centers of Europe, Asia and North America with developing countries in the Southern Hemisphere; and (c) intra-regional trades operating on shorter routes.

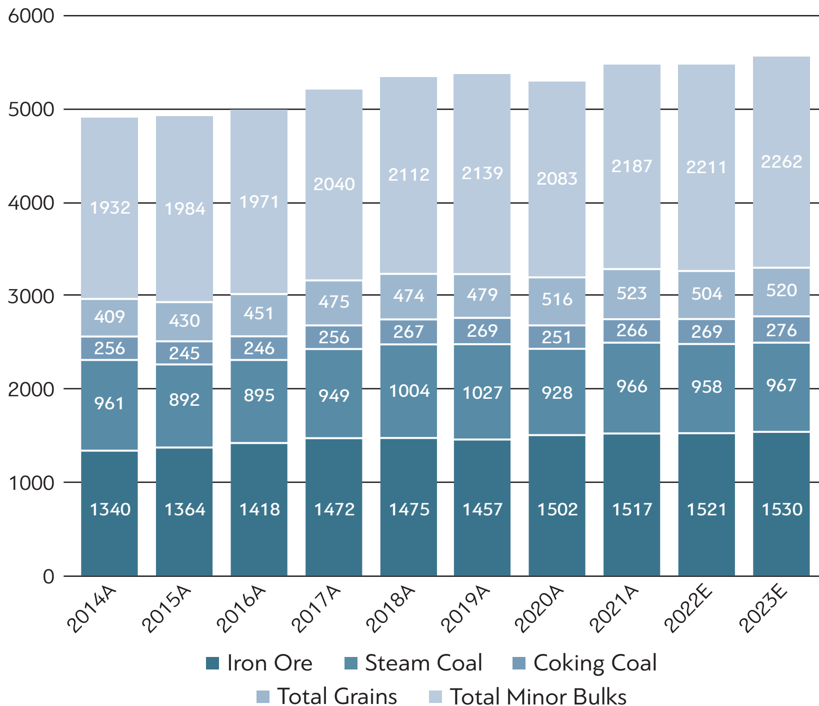
Our high quality fleet, with vessels of various sizes, including feeder, panamax and post-panamax containerships, serves the requirements of our charterers on short, medium and long haul routes across all three of these geographical trade routes.

SEABORNE DRY BULK TRADE

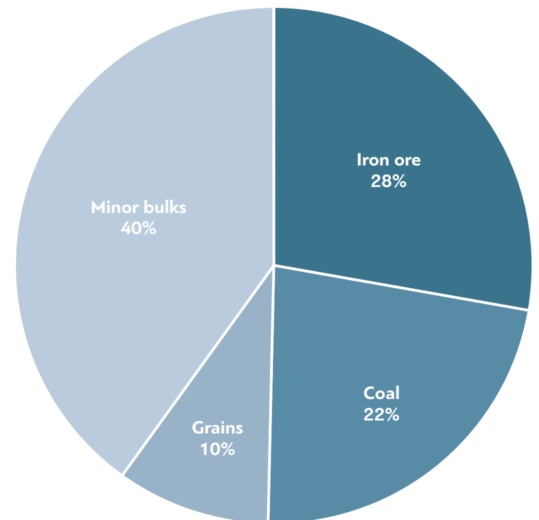
Bulk Carrier Ship Types		Percentage of Global Dry Bulk	Versatility	Main Commodities Carried
Our Focus	**Bulk carriers** with cranes		More Versatile	**Major Bulks:** Grains, Coal, Iron Ore
	Handysize 10,000-40,000 DWT	12%		**Minor Bulks:** Grains, Concentrates, Sugar, Alumina, Fertiliser, Sand & Gypsum, Salt, Logs/Forest Products, Ores, Cement & Clinker, Steel, Coal/Coke, Scrap, Petcoke, Bauxite
	Supramax 40,000-70,000 DWT	23%		
	Bulk carriers without cranes		Less Versatile	
	Panamax and Past-Panamax 70,000-100,000 DWT	25%		
	Capesize and larger 100,000 DWT	40%		

Few ports, few customers, few cargo types, low scope for triangulation ⟷ **Many ports, many customers, many cargo types, high scope for triangulation**

Global Dry Bulk Demand



Global Dry Bulk Breakdown



Source: Clarksons, June 2022

CORPORATE DIRECTORY

Board of Directors and Management

Konstantinos V. Konstantakopoulos
Chairman and Chief Executive Officer

Gregory G. Zikos
Chief Financial Officer and Director

Konstantinos Zacharatos
Director

Vagn Lehd Møller
Director

Charlotte Stratos
Director

Anastassios Gabrielides
General Counsel and Secretary

Corporate Office

COSTAMARE INC.
7 rue du Gabian, MC, 98000, Monaco
Tel: + 377 93 25 09 40
Fax: +377 93 25 09 42

Stock Listing

Costamare's common stock, Series B, Series C, Series D and Series E Preferred Stock trade on the New York Stock Exchange under the ticker symbols "CMRE", "CMRE PR B" "CMRE PR C", "CMRE PR D" and "CMRE PR E".

Transfer Agent and Registrar

American Stock Transfer & Trust Company, LLC
6201 15th Avenue,
Brooklyn, NY 11219
Tel. +1 718 921 8124

External U.S. Legal Counsel

Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019

Independent Auditors

Ernst & Young (Hellas) Certified Auditors Accountants S.A.

Corporate Website

Information about Costamare's continued development, press releases, presentations and other investor related materials can be accessed through our website at: **www.costamare.com**.

FORWARD-LOOKING STATEMENTS

This Annual Report contains "forward-looking statements." In some cases, you can identify these statements by forward-looking words such as "believe", "intend", "anticipate", "estimate", "project", "forecast", "plan", "potential", "may", "should", "could" and "expect" and similar expressions. These statements are not historical facts but instead represent only Costamare's belief regarding future results or events, many of which, by their nature, are inherently uncertain and outside of Costamare's control. It is possible that actual results and events may differ, possibly materially, from those anticipated in these forward-looking statements. For a discussion of some of the risks and important factors that could affect future results and events, see the discussion in the Annual Report on Form 20-F (File No. 001-34934) included herewith under the captions "Forward-Looking Statements" and "Risk Factors".

NON-GAAP MEASURES

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures used in managing the business may provide users of these financial measures additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Tables on page 12 set out supplemental financial data and corresponding reconciliations to GAAP financial measures for the past five years. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. Non-GAAP financial measures include (i) Adjusted Net Income available to common stockholders and (ii) Adjusted Earnings per Share.

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

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED **December 31, 2021**

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

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

Commission File Number: 001-34934

COSTAMARE INC.

(Exact name of Registrant as specified in its charter)
NOT APPLICABLE
(Translation of Registrant's name into English)

Republic of The Marshall Islands
(Jurisdiction of incorporation or organization)

7 Rue du Gabian
MC 98000 Monaco
(Address of principal executive offices)

Anastassios Gabrielides, Secretary
7 rue du Gabian
MC 98000 Monaco
Telephone: +377 93 25 09 40 Facsimile: +377 93 25 09 42
(Name, Address, Telephone Number and Facsimile Number of Company contact person)

SECURITIES REGISTERED OR TO BE REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, $0.0001 par value per share	CMRE	New York Stock Exchange
Preferred stock purchase rights		New York Stock Exchange
Series B Preferred Shares, $0.0001 par value per share	CMRE.PRB	New York Stock Exchange
Series C Preferred Shares, $0.0001 par value per share	CMRE.PRC	New York Stock Exchange
Series D Preferred Shares, $0.0001 par value per share	CMRE.PRD	New York Stock Exchange
Series E Preferred Stock, $0.0001 par value per share	CMRE.PRE	New York Stock Exchange

SECURITIES 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.

123,985,104 shares of Common Stock
1,970,649 Series B Preferred Stock, $0.0001 par value per share
3,973,135 Series C Preferred Stock, $0.0001 par value per share
3,986,542 Series D Preferred Stock, $0.0001 par value per share
4,574,100 Series E Preferred Stock, $0.0001 par value 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 ☒

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. (Check one):

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.Yes ☒ ☐ No

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 ☒

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ABOUT THIS REPORT

In this annual report, unless otherwise indicated:

- ''Costamare'', the ''Company'', ''we'', ''our'', ''us'' or similar terms when used in a historical context refer to Costamare Inc., or any one or more of its subsidiaries or their predecessors, or to such entities collectively, except that when such terms are used in this annual report in reference to the common stock, the 7.625% Series B Cumulative Redeemable Perpetual Preferred Stock (the ''Series B Preferred Stock''), the 8.50% Series C Cumulative Redeemable Perpetual Preferred Stock (the ''Series C Preferred Stock''), the 8.75% Series D Cumulative Redeemable Perpetual Preferred Stock (the ''Series D Preferred Stock'') or the 8.875% Series E Cumulative Redeemable Perpetual Preferred Stock (the ''Series E Preferred Stock'' and, together with the Series B Preferred Stock, the Series C Preferred Stock and the Series D Preferred Stock, the ''Preferred Stock''), they refer specifically to Costamare Inc.;
- currency amounts in this annual report are in U.S. dollars; and
- all data regarding our fleet and the terms of our charters is as of March 18, 2022; four of our 76 containerships in the water have been acquired pursuant to the Framework Deed dated May 15, 2013 (the ''Original Framework Deed''), as amended and restated on May 18, 2015 and as further amended on June 12, 2018 (the ''Framework Deed''), between the Company and its wholly-owned subsidiary, Costamare Ventures Inc. (''Costamare Ventures''), on the one hand, and York Capital Management Global Advisors LLC and an affiliated fund (collectively, ''York''), on the other, by vessel-owning joint venture entities in which we hold a minority equity interest (any such entity, referred to as a ''Joint Venture entity'', and any such jointly-owned vessel, referred to as a ''Joint Venture vessel''); and one of our 46 dry bulk vessels we have acquired or agreed to acquire has not been delivered. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

We use the term ''twenty foot equivalent unit'' (''TEU''), the international standard measure of containers, in describing the capacity of our containerships. We use the term deadweight ton (''dwt'') in describing the size of dry bulk vessels. Dwt, expressed in metric tons, each of which is equivalent to 1,000 kilograms, refers to the maximum weight of cargo and supplies that a vessel can carry.

FORWARD-LOOKING STATEMENTS

All statements in this annual report (and in the documents incorporated by reference herein) that are not statements of historical fact are ‘‘forward-looking statements’’ within the meaning of the United States Private Securities Litigation Reform Act of 1995. The disclosure and analysis set forth in this annual report includes assumptions, expectations, projections, intentions and beliefs about future events in a number of places, particularly in relation to our operations, cash flows, financial position, plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These statements are intended as ‘‘forward-looking statements’’. In some cases, predictive, future-tense or forward-looking words such as ‘‘believe’’, ‘‘intend’’, ‘‘anticipate’’, ‘‘estimate’’, ‘‘project’’, ‘‘forecast’’, ‘‘plan’’, ‘‘potential’’, ‘‘may’’, ‘‘should’’, ‘‘could’’ and ‘‘expect’’ and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. In addition, we and our representatives may from time to time make other oral or written statements which are forward-looking statements, including in our periodic reports that we file with the United States Securities and Exchange Commission (‘‘SEC’’), other information sent to our security holders, and other written materials. We caution that these and other forward-looking statements included in this annual report (and in the documents incorporated by reference herein) represent our estimates and assumptions as of the date of this annual report (and in the documents incorporated by reference herein) or the date on which such oral or written statements are made, as applicable, about factors that are beyond our ability to control or predict, and are not intended to give any assurance as to future results.

Factors that might cause future results to differ include, but are not limited to, the following:

- general market conditions and shipping industry trends, including charter rates, vessel values and the future supply of, and demand for, ocean-going containership and dry bulk shipping services;
- our continued ability to enter into time charters with existing and new customers, and to re-charter our vessels upon the expiry of existing charters;
- business disruptions and economic uncertainty resulting from the continued outbreak of the COVID-19 virus (and variants that may emerge), including possible delays due to quarantine of vessels and crew caused by COVID-19 infection;
- our future financial condition and liquidity, including our ability to make required payments under our credit facilities, and comply with our loan covenants;
- our ability to finance our capital expenditures, acquisitions and other corporate activities;
- our future operating or financial results and future revenues and expenses;
- our cooperation with our joint venture partners and any expected benefits from such joint venture arrangement;
- the effect of a possible worldwide economic slowdown;
- disruption of world trade due to rising protectionism or the breakdown of multilateral trade agreements;
- environmental and regulatory conditions, including changes in laws and regulations or actions taken by regulatory authorities;
- business disruptions due to natural disasters or other disasters outside our control;
- fluctuations in interest rates and currencies, including the value of the U.S. dollar relative to other currencies;
- technological advancements in the design, construction and operations of containerships and dry bulk vessels and opportunities for the profitable operations of our vessels;
- the financial health of our customers, our lenders and other counterparties, and their ability to perform their obligations;
- potential disruption of shipping routes due to accidents, political events, sanctions, piracy or acts by terrorists and armed conflicts;
- future, pending or recent acquisitions of vessels or other assets, business strategy, areas of possible expansion and expected capital spending or operating expenses;

- expectations relating to dividend payments and our ability to make such payments;
- the availability of existing secondhand vessels or newbuild vessels to purchase, the time that it may take to construct and take delivery of new vessels, including our newbuild containerships currently on order, or the useful lives of our vessels;
- the availability of key employees and crew, the length and number of off-hire days, dry-docking requirements and fuel and insurance costs;
- our anticipated general and administrative expenses, including our fees and expenses payable under our management and services agreements, as may be amended from time to time;
- our ability to leverage to our advantage our managers' relationships and reputation within the international shipping industry;
- our ability to maintain long-term relationships with major liner companies;
- expected cost of, and our ability to comply with, governmental regulations and maritime self-regulatory organization standards, as well as requirements imposed by classification societies and standards demanded by our charterers;
- any malfunction or disruption of information technology systems and networks that our operations rely on or any impact of a possible cybersecurity breach;
- risks inherent in vessel operation, including perils of the sea, terrorism, piracy and discharge of pollutants;
- potential liability from future litigation;
- our business strategy and other plans and objectives for future operations; and
- other factors discussed in "Item 3. Key Information—D. Risk Factors" of this annual report.

We undertake no obligation to update or revise any forward-looking statements contained in this annual report, whether as a result of new information, future events, a change in our views or expectations or otherwise. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

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

Risk Factor Summary

Industry Risks

- Our profitability will be dependent on the level of charter rates in the international shipping industry, which may be volatile due to the cyclical nature of the industry;
- The market value of our vessels can fluctuate substantially over time, and if these values are low at a time when we are attempting to dispose of a vessel, we could incur a loss;
- The international dry bulk industry is highly competitive, and we may be unable to compete successfully for charters with established companies or new entrants that may have greater resources and access to capital;
- Our operating results are subject to seasonal fluctuations;
- We may be adversely impacted by disruptions in the global financial markets due to terrorist attacks, regional armed conflict, or geopolitical risk; and
- Decreases in the level of China's export of goods and import of raw materials could have a material adverse impact on our charterers' business, which could adversely impact our operations.

Risks Inherent in Our Business

- Delay in, or cancelation of, the delivery of our newbuild vessels on order, our secondhand vessels, or any future newbuild vessel orders, could adversely affect our earnings;
- Our revenues are heavily dependent on our charterers and other counterparties fulfilling their obligations under agreements with us;
- We may have difficulty properly managing our growth through acquisitions of new or secondhand vessels and we may not realize expected benefits from these acquisitions;
- Our managers may be unable to attract and retain qualified, skilled crews on our behalf necessary to operate our business or may pay rising crew and other vessel operating costs;
- Fuel price fluctuations may have an adverse effect on our cash flows, liquidity and our ability to pay dividends to our stockholders;
- We must make substantial capital expenditures to maintain the operating capacity of our fleet, and these amounts may increase as our fleet ages;
- We are subject to regulation and liability under environmental and operational safety laws that could require significant expenditures;
- Our business depends upon certain members of our senior management who may not necessarily continue to work for us;
- Our chairman and chief executive officer has affiliations with our managers and others that could create conflicts of interest between us and our managers or other entities in which he has an interest;
- Our managers are privately held companies and there is little or no publicly available information about them; and
- Managing multiple fleets requires management to allocate significant attention and resources, and failure to successfully or efficiently manage both fleets may harm our business and operating results.

Risks Relating to Our Securities

- The price of our securities may be volatile and future sales of our equity securities could cause the market price of our securities to decline;
- Holders of Preferred Stock have extremely limited voting rights; and
- Members of the Konstantakopoulos family are our principal existing stockholders and will effectively control the outcome of matters on which our stockholders are entitled to vote; their interests may be different from yours.

Industry Risks

Our profitability will be dependent on the level of charter rates in the international shipping industry. The cyclical nature of the shipping industry may lead to volatile changes in charter rates, which may reduce our revenues and negatively affect our results of operations.

The ocean-going shipping industry is both cyclical and volatile in terms of charter rates and profitability. Our profitability is dependent upon the charter rates we are able to charge for our ships. Fluctuations in charter rates result from changes in the supply of and demand for vessel capacity and changes in the supply of and demand for the consumer goods and major commodities carried by water internationally. We are exposed to changes in charter rates in the containership and dry bulk markets.

During the year ended December 31, 2021, the Containership Timecharter Rate Index (a per TEU weighted average of six to twelve month time charter rates of 1,000 to 5,000 TEU vessels, and three year time charter rates of 6,800 TEU to 9,000 TEU vessels that is published in the Container Intelligence Monthly, calculated on a monthly basis by Clarkson Research Services Limited (''Clarkson Research'') (1993=100)) increased by nearly 300%, from 90.75 points in December 2020 to 361.79 points in December 2021.

According to Clarkson Research, seaborne container trade (in terms of million TEU transported) grew by a compound annual growth rate of 3.7% per annum between 2010 and 2020. In 2020, mainly due to the COVID-19 pandemic, global seaborne container trade volumes decreased by around 2.5 million TEU compared to 2019, whereas in 2021 volumes are estimated to have increased by 11.7 million TEU, reaching approximately 206.1 million TEU. Clarkson Research estimated that in 2021, the demand for seaborne container trade had increased by 6.0% over the year, outpacing the estimated growth in containership supply for 2021 of 4.5%. However, according to Clarkson Research, future supply as represented by the containership order-book as of December 2021 amounted to 23.4% of the existing fleet capacity, which is the highest such percentage since 2014. Furthermore, 73% of the containerships under construction will have a carrying capacity in excess of 12,000 TEU, which both increases the expected future supply of larger vessels and may have a spillover effect on the market segment for smaller vessels. On average, ships on order take 2-3 years to be built. An oversupply in the containership market may negatively affect time charter rates for both short- and long-term periods as well as the box freight rates charged by liner companies to shippers.

Freight rates have become very volatile since the onset of the COVID-19 pandemic. More specifically, during the first half of 2020 Clarksons Containership Timecharter Index decreased by 33% due to the pandemic and the associated disruptions in world trade. However, due to the increase in the demand for consumer goods and the dislocation of empty container boxes away from manufacturing countries during the second half of 2020, the aforementioned index fully recovered during the year, ending at 90.75 points and posting a 47% increase year-on-year. The positive trend in containership charter rates continued throughout 2021, with the Clarksons Containership Timecharter Index reaching 361.79 points in December 2021 (representing a nearly 300% year-on-year increase). Liner companies, to which we seek to charter our containerships, have benefited from consolidation since 2014 either through mergers and acquisition or through the formation of mega alliances. However, liner companies face challenges due to the on-going delivery of very large containerships and future potential negative effects in world trade demand due to higher inflation rates, commodity price increases and the effects of the ongoing pandemic crisis. In addition, the introduction since January 1, 2020 of a global sulphur cap on fuels has led to an increase of their fuel costs and may lead to a two tier market, reducing the demand for vessels either not equipped with exhaust gas scrubbers or with high specific fuel consumption. Low box rates, coupled with an increase in fuel costs due to regulation and the energy crisis which began during the second half of 2021, would negatively affect the profitability of liner companies and could lead to lower charter rates. Weak or volatile conditions in the containership sector may affect our ability to generate cash flows and maintain liquidity, as well as adversely affect our ability to obtain financing.

Additionally, because we charter our dry bulk vessels primarily on short-term time charters, we are exposed to changes in spot market rates, namely to short-term time charter rates and voyage charter rates, for dry bulk vessels; such changes may affect our earnings and the value of our dry bulk vessels at any given time. Conditions in the international dry bulk shipping market can be volatile and cyclical and have varied significantly over the last decade. Earnings across all segments hit record levels across 2007-08 as the global industrial ''super-cycle'' significantly boosted demand for dry bulk commodities, and as China's rapid industrialisation added further momentum. Since the global financial crisis of 2007-08, earnings have been more subdued as oversupply and moderating demand growth led to more typical cyclical patterns. In 2021, however,

rebounding trade after the COVID-19 pandemic, government stimulus, pent-up demand and significant "disruption upside" (*e.g.,* port congestion) have pushed earnings in the sector to the highest levels seen since 2008. However, there is no guarantee that such recovery will be maintained, or that there will be any further growth in charter rates in the future. Weak or volatile conditions in the dry bulk shipping sector may affect our ability to generate cash flows and maintain liquidity, as well as adversely affect our ability to obtain financing.

Since the factors affecting the supply of and demand for containership and dry bulk vessels are outside of our control and are unpredictable, the nature, timing, direction and degree of changes in industry conditions are also unpredictable. A significant decrease in charter rates would adversely affect our profitability and cash flows and could decrease the value of our fleet.

The demand for containerships and dry bulk vessels has generally been influenced by, among other factors:

- supply of and demand for energy resources, commodities, semi-finished and finished consumer and industrial products;
- changes in the exploration or production of energy resources, commodities, semi-finished and finished consumer and industrial products;
- the location of regional and global exploration, production and manufacturing facilities;
- the location of consuming regions for energy resources, commodities, semi-finished and finished consumer and industrial products;
- the globalization of production and manufacturing;
- global and regional economic and political conditions, including armed conflicts, terrorist activities, sanctions, embargoes, strikes, tariffs and "trade wars";
- economic slowdowns caused by public health events such as the continued COVID-19 outbreak;
- natural disasters and other disruptions in international trade;
- disruptions and developments in international trade;
- changes in seaborne and other transportation patterns, including the distance cargo products are transported by sea, competition with other modes of cargo transportation and trade patterns;
- environmental and other regulatory developments;
- currency exchange rates; and
- weather.

Factors that influence the supply of containership and dry bulk vessel capacity include:

- the availability of financing;
- the price of steel and other raw materials;
- the number of newbuilding orders and deliveries, including slippage in deliveries;
- the cost of newbuildings and the time it takes to construct a newbuild;
- the number of shipyards and ability of shipyards to deliver vessels;
- port and canal congestion;
- scrap prices and the time it takes to scrap a vessel;
- speed of vessel operation;
- costs of bunkers and other operating costs;
- vessel casualties;
- the efficiency and age profile of the existing containership and dry bulk fleet in the market;

- the number of vessels that are out of service, namely those that are laid-up, dry-docked, awaiting repairs or otherwise not available for hire;
- the economics of slow steaming;
- government and industry regulation of maritime transportation practices, particularly environmental protection laws and regulations; and
- sanctions (in particular, sanctions on Iran, Russia and Venezuela, amongst others).

These factors influencing the supply of and demand for shipping capacity are outside of our control, and we may not be able to correctly assess the nature, timing and degree of changes in industry conditions.

Our ability to re-charter our vessels upon the expiration or termination of their current charters and to charter our vessels for which we have not yet secured charters and the charter rates payable under any renewal options or replacement or new charters will depend upon, among other things, the prevailing states of the containership and dry bulk charter markets. If the charter markets are depressed when our vessels' charters expire or when we are otherwise seeking new charters, we may be forced to charter our vessels at reduced or even unprofitable rates, or we may not be able to charter them at all and/or we may be forced to scrap them, which may reduce or eliminate our earnings or make our earnings volatile.

Our financial and operating performance may be adversely affected by the continued outbreak of the COVID-19 virus.

Our business may be adversely affected by the continued outbreak of the COVID-19 virus (and variants that may emerge), which has introduced uncertainty into our operational and financial activities and has negatively impacted, and may continue to impact negatively, global economic activity. Average charter rates for containerships and dry bulk vessels, as measured by the Containership Timecharter Rate Index and the Clarksons Average Dry Bulk Vessel Earnings Index, have improved significantly since the second quarter of 2020; however, the underlying reasons for this improvement, such as tight supply lines, increased demand for bulk commodities on the back of firmly rebounding industrial activity, increased demand for containerized cargo due to increased consumption mainly from developed countries, and newbuild construction being put on hold due to the pandemic, could reverse, which could negatively impact our business. As the situation is continuously evolving with further waves of infections across many countries worldwide, the development and distribution of multiple vaccines, and the emergence of new variants of the COVID-19 virus that may undermine such vaccines, it is difficult to predict the ultimate duration, severity and long-term impact of the pandemic on the industry and Costamare at this time. Furthermore, it is difficult to predict what impact the abatement or continuation of the pandemic may have on our business. The duration of scheduled repairs could exceed our estimates, causing our vessels to remain off-hire for longer periods than planned or to miss scheduled employment. We may face increased costs operating our vessels due to travel restrictions and quarantine requirements. Possible delays due to quarantine of our vessels caused by COVID-19 infection of our crew or other COVID-19-related disruptions may lead to the termination of charters leaving our vessels without employment. It is also possible that the companies that charter our vessels may be materially impacted by the effects of the COVID-19 virus outbreak and therefore may default on their charters or seek to restructure the terms of their charters (which, however, are legally binding).

An oversupply of containership or dry bulk vessel capacity may reduce charter rates and adversely affect our ability to charter our vessels at profitable rates or at all.

From 2005 through 2010, the containership order-book was at historically high levels as a percentage of the in-water fleet. Since that time, deliveries of previously ordered containerships increased substantially and new ordering momentum slowed, with the order-book reverting to below average levels and reaching a low in October 2020 of 8.4% of the then-existing fleet capacity (measured in TEU). According to Clarkson Research, as of December 2021, the containership order-book represented 23.1% of the existing fleet capacity, 73% of which was for vessels with carrying capacity in excess of 12,000 TEU. An oversupply of large newbuild vessels and/or re-chartered containership capacity entering the market, combined with any decline in the demand for containerships, may reduce available charter rates and may decrease our ability to charter our containerships when we are seeking new or replacement charters other than for unprofitable or reduced rates, or we may not be able to charter our containerships at all.

Although, the number of dry bulk vessels on order as a percentage of the dry bulk fleet in the water was at a historically low level of 7.3% as of December 2021, such number can quickly increase if multiple orders by industry participants and outside investors are placed. After rising to record levels in the late 2000s on the back of the global economic ''super-cycle'' and rapidly growing Chinese demand, newbuild dry bulk vessel contracting has moderated significantly in recent years. 161 million dwt of dry bulk vessels capacity was ordered in 2007, and a further 102 million dwt in 2008, leaving the orderbook in the sector equivalent to around 80% of capacity on the water by the end of 2008. However, following the global financial crisis of 2007-08 and significant oversupply in the sector, contracting slowed to an average of 42 million dwt per annum across 2011-20, and the orderbook in the sector stood at just 7.3% of fleet capacity by December 2021. While the orderbook has been at historically low levels, the lingering effects of oversupply in the past years may have a negative impact on charter rates. If, due to an oversupply of dry bulk vessels, charter rates decline upon the expiration or termination of our current charters, we may only be able to re-charter those vessels at reduced rates or we may not be able to charter these vessels at all.

Risks inherent in the operation of ocean-going vessels could affect our business and reputation, which could adversely affect our expenses, net income, cash flow and stock price.

The operation of ocean-going vessels carries inherent risks. These risks include the possibility of:

- marine disaster;
- piracy;
- environmental accidents;
- grounding, fire, explosions and collisions;
- cargo and property loss or damage;
- business interruptions caused by mechanical failure, human error, war, terrorism, disease and quarantine, political action in various countries or adverse weather conditions; and
- work stoppages or other labor problems with crew members serving on our vessels, some of whom are unionized and covered by collective bargaining agreements.

Such occurrences could result in death or injury to persons, loss of property or environmental damage, delays in the delivery of cargo, loss of revenues from or termination of charter contracts, governmental fines, penalties or restrictions on conducting business, litigation with our employees, customers or third parties, higher insurance rates, and damage to our reputation and customer relationships generally. Although we maintain hull and machinery and war risks insurance, as well as protection and indemnity insurance, which may cover certain risks of loss resulting from such occurrences, our insurance coverage may be subject to caps or not cover such losses, and any of these circumstances or events could increase our costs and lower our revenues. The involvement of our vessels in an environmental disaster may harm our reputation as a safe and reliable vessel owner and operator. Any of these results could have a material adverse effect on business, results of operations and financial condition, as well as our cash flows, including cash available for dividends to our stockholders.

The market value of our vessels can fluctuate substantially over time, and if these values are low at a time when we are attempting to dispose of a vessel, we could incur a loss.

Containership and dry bulk shipping vessel values can fluctuate substantially over time due to a number of different factors, including:

- prevailing economic conditions in the markets in which our vessels operate;
- reduced demand for containerships or dry bulk vessels, including as a result of a substantial or extended decline in world trade;
- increases in the supply of vessel capacity;
- changes in prevailing charter hire rates;
- the physical condition, size, age and technical specification of the ships;
- the costs of building new vessels;

- changes in technology which can render older vessels obsolete;
- the relative environmental efficiency of the vessel, as compared to others in the markets in which our vessels operate;
- whether the vessel is equipped with an exhaust gas scrubber or not; and
- the cost of retrofitting or modifying existing ships to respond to technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, customer requirements or otherwise.

The risk of realizing a loss on the sale of a vessel is greater during periods when vessel values are low compared to their historical levels. In the future, we may sell vessels under unfavorable conditions resulting in losses in order to maintain sufficient liquidity and to allow us to cover our operating costs. If the market values of our vessels deteriorate, we may be required to record an impairment charge in our financial statements, which could adversely affect our results of operations.

In addition, any such deterioration in the market values of our vessels could trigger a breach of certain covenants under our credit facilities, which could adversely affect our operations. If a charter expires or is terminated, we may be unable to re-charter the vessel at an acceptable rate and, rather than continue to incur costs to maintain the vessel, may seek to dispose of it. Our inability to dispose of the vessel at a reasonable price could result in a loss on its sale and could materially and adversely affect our business, results of operations and financial condition, as well as our cash flows, including cash available for dividends to our stockholders.

The international dry bulk industry is highly competitive, and we may be unable to compete successfully for charters with established companies or new entrants that may have greater resources and access to capital, which may have a material adverse effect on our business, prospects, financial condition, liquidity and results of operations.

The international dry bulk shipping industry is highly competitive, capital intensive and highly fragmented with virtually no barriers to entry. Competition arises primarily from other vessel owners, some of whom may have greater resources and access to capital than we have. In addition, we are a new entrant in the dry bulk industry and some of our competitors may have more experience and more established customer relationships. Competition among vessel owners for the seaborne transportation of dry bulk cargo can be intense and depends on the charter rate, location, size, age, condition and the acceptability of the vessel and its operators to the charterers. Many of our competitors have greater resources and access to capital than we have and operate larger fleets than we may operate, and thus they could be able to offer lower charter rates or higher quality vessels than we are able to offer. If this were to occur, we may be unable to retain or attract new charterers on attractive terms or at all, which may have a material adverse effect on our business, prospects, financial condition, liquidity and results of operations.

Our operating results are subject to seasonal fluctuations, which could affect our operating results and the amount of available cash with which we service our debt or could pay dividends.

We operate our vessels in markets that have historically exhibited seasonal variations in demand and, as a result, in charter rates. This is particularly true for our dry bulk fleet. To the extent we operate vessels on short-term time charters, index-linked time charters and voyage charters obtained in the spot market, this seasonality may result in quarter-to-quarter volatility in our operating results which could affect our ability to pay dividends to our common stockholders. The dry bulk market is typically stronger in the fall and spring months in anticipation of increased consumption of coal and other raw materials in the northern hemisphere during the winter months and increased South American grain shipments during spring. In addition, unpredictable weather patterns in these months tend to disrupt vessel scheduling and supplies of certain commodities. As a result, our revenues may be weaker during the fiscal quarters ended March 31 and September 30, and, conversely, our revenues may be stronger in fiscal quarters ended June 30 and December 31.

The operation of dry bulk vessels entails certain unique operational risks, which could affect our business, financial condition, results of operations and ability to pay dividends.

The operation of certain ship types, such as dry bulk vessels, has certain unique risks. With a dry bulk vessel, the cargo itself and its interaction with the ship can be a risk factor. By their nature, dry bulk cargoes are often heavy, dense, easily shifted, and may react badly to water exposure. In addition, dry bulk vessels are often

subjected to battering treatment during unloading operations with grabs, jackhammers (to pry encrusted cargoes out of the hold), and small bulldozers. This treatment may cause damage to the vessel. Vessels damaged due to treatment during unloading procedures may be more susceptible to breach at sea. Furthermore, any defects or flaws in the design of a dry bulk vessel may contribute to vessel damage. Hull breaches in dry bulk vessels may lead to the flooding of the vessels' holds. If a dry bulk vessel suffers flooding in its holds, the bulk cargo may become so dense and waterlogged that its pressure may buckle the vessel's bulkheads, leading to the loss of the vessel. If we are unable to adequately maintain our vessels, we may be unable to prevent these events.

Any of these circumstances or events could negatively impact our business, financial condition, results of operations and our ability to pay dividends, if any, in the future. In addition, the loss of any of our vessels could harm our reputation as a safe and reliable vessel owner and operator.

Downside risks to the world economy, renewed terrorist activity, the continuance of the pandemic crisis, international hostilities, the refugee crisis and protectionist policies which could affect advanced economies, could have a material adverse effect on our business, financial condition and results of operations.

Global growth is subject to downside economic risks stemming from factors such as fiscal fragility in advanced economies, monetary tightening in certain advanced and emerging economies, high sovereign, corporate and private debt levels, highly accommodative macroeconomic policies and increased volatility in debt and equity markets as well as in the price of fuel and other commodities. Political events such as the continued global trade war between the U.S. and China, the uncertainty surrounding the political and economic effects of the exit of the United Kingdom from the European Union, the economic impact of and global response to the emergence of a pandemic crisis such as the outbreak of the COVID-19 virus (and variants that may emerge), the continuing war in Syria, renewed terrorist attacks around the world and the refugee crisis may disrupt global supply chains and negatively impact globalization and global economic growth, which could disrupt financial markets, and may lead to weaker consumer demand in the European Union, the United States, and other parts of the world which could have a material adverse effect on our business.

The recent escalation of conflicts between Russia and Ukraine may lead to further regional and international conflicts or armed action. It is possible that such conflict could disrupt supply chains and cause instability in the global economy. Additionally, the ongoing conflict could result in the imposition of further economic sanctions by the United States and the European Union against Russia. While much uncertainty remains regarding the global impact of the conflict in Ukraine, it is possible that such tensions could adversely affect our business, financial condition, results of operation and cash flows. Furthermore, it is possible that third parties with whom we have charter contracts may be impacted by events in Russia and Ukraine, which could adversely affect our operations.

In addition, we anticipate that a significant number of port calls made by our vessels will continue to involve the loading or unloading of cargoes in ports in the Asia Pacific region. In recent years, China has been one of the world's fastest growing economies in terms of gross domestic product, which has had a significant impact on shipping demand. However, if China's growth in gross domestic product and especially in industrial production continues to slow and other countries in the Asia Pacific region experience slower or negative economic growth in the future, this may negatively affect the economies of the United States and the European Union, and thus, may negatively impact shipping demand. There may also be long-term adverse impacts from the COVID-19 pandemic crisis in China which negatively affect industrial production. In addition, the continued global trade war between the U.S. and China, including the introduction by the U.S. of tariffs on selected imported goods, mainly from China, may provoke further retaliation measures from the affected countries which has the potential to create new impediments to trade. Furthermore, trade friction could increase the volatility in the foreign exchange markets which could also negatively affect global trade. Such volatile economic conditions 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 stockholders.

Geopolitical risks may affect the ability of certain of our managers and service providers, which have offices in Greece, to operate efficiently.

The location of the offices of our managers and service providers, as well as certain of our third-party managers' offices in Greece exposes them to geopolitical risks facing Greece, including a resurgence of influx of refugees. Although to date, these risks have not affected our managers' operations, a serious regional crisis may

have a material adverse effect on our operations in the future and may limit the ability of our managers and service providers with offices in Greece to operate. These limitations may include the ability of our Greek suppliers to fully perform their contracts, the ability of our Greek-based seafarers or shore employees to travel to and from our vessels and delays or other disruptions in the operation of our fleet, including any vessels in our fleet that may fly the Greek flag.

Disruptions in global financial markets from terrorist attacks, regional armed conflicts, general political unrest and the resulting governmental action could have a material adverse impact on our results of operations, financial condition and cash flows.

Terrorist attacks in certain parts of the world, such as those on the United States on September 11, 2001 or others more recently in cities around the globe, and the continuing response of the United States and other countries to these attacks, as well as the threat of future terrorist attacks, continue to cause uncertainty and volatility in the world financial markets and may affect our business, results of operations and financial condition. In addition, global financial markets and economic conditions remain subject to significant vulnerabilities, such as the deterioration of fiscal balances and the rapid accumulation of public debt. The refugee crisis in the European Union, the continuing unrest in Syria and Iran, advances of ISIS and other terrorist organizations in the Middle East and Africa, confrontation with Iran, the escalation of conflicts between Russia and Ukraine and political tension or conflicts in the Asia Pacific Region such as in the South China Sea and North Korea may negatively impact global credit and equity markets, cause uncertainty and volatility in the global financial markets and may accordingly affect our business, results of operations and financial condition. These uncertainties, as well as future hostilities or other political instability in regions where our vessels trade, could also affect trade volumes and patterns and adversely affect our operations, and otherwise 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 stockholders.

Specifically, these issues, along with the continued volatility experienced by financial institutions, have created, and will likely continue to create uncertainty in the financial markets. Furthermore, certain banks that have historically been significant lenders to the shipping industry have reduced or ceased lending activities in the shipping industry. Any future tightening of capital requirements could further reduce lending activities. If this were to occur, we may experience difficulties obtaining financing commitments or be unable to fully draw on the capacity under our committed term loans in the future if our lenders are unwilling to extend financing to us or unable to meet their funding obligations due to their own liquidity, capital or solvency issues. We cannot be certain that financing will be available on acceptable terms or at all in the future. If financing becomes unavailable when needed, or is available only on unfavorable terms, we may be unable to meet our future obligations as they come due. Our failure to obtain such funds 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 stockholders. In the absence of available financing, we also may be unable to take advantage of business opportunities or respond to competitive pressures.

An increase in trade protectionism and the unravelling of multilateral trade agreements could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.

Our operations expose us to the risk that increased trade protectionism will adversely affect our business. Recently, government leaders have declared that their countries may turn to trade barriers to protect or revive their domestic industries in the face of foreign imports, thereby depressing the demand for shipping.

On January 31, 2020, the United Kingdom withdrew from the European Union (an event commonly referred to as ''Brexit''), opening a standstill transition period during which European Union law still applied in the United Kingdom that remained in effect until December 31, 2020. On December 24, 2020, the United Kingdom government and the European Union agreed to a trade deal, which went into effect on January 1, 2021, replacing the transitional agreements. While the trade agreement reached contemplates zero tariffs and quotas on goods, the end of free movement could disrupt the exchange of people and services between the United Kingdom and the European Union, resulting in the imposition of impediments to trade. While the longer term implications of Brexit are uncertain at this time, it remains possible that there will be increased regulatory and legal complexities, including those relating to tax, trade and employees.

In the United States, there is significant uncertainty about the future relationship between the United States and other exporting countries, including with respect to trade policies, treaties, government regulations and tariffs. The previous U.S. administration announced tariffs on imported steel and aluminum into the United States that could have a negative impact on international trade generally and in January 2019, the United States announced sanctions against Venezuela, which may have an effect on its oil output, and, in turn, affect global oil supply. However, it is not yet clear how the United States administration under President Biden may deviate from the former administration's protectionist foreign trade policies. Protectionist developments, or the perception that they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade.

Restrictions on imports, including in the form of tariffs, could have a major impact on global trade and demand for shipping. Specifically, increasing trade protectionism in the markets that our charterers serve may cause an increase in (i) the cost of goods exported from exporting countries, (ii) the length of time required to deliver goods from exporting countries, (iii) the costs of such delivery and (iv) the risks associated with exporting goods. These factors may result in a decrease in the quantity of goods to be shipped. Protectionist developments, or the perception they may occur, may have a material adverse effect on global economic conditions, and may significantly reduce global trade, including trade between the United States and China. These developments would have an adverse impact on our charterers' business, operating results and financial condition. This could, in turn, affect our charterers' ability to make timely charter hire payments to us and impair our ability to renew charters and grow our business. This 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 stockholders.

A decrease in the level of China's export of goods and import of raw materials could have a material adverse impact on our charterers' business and, in turn, could cause a material adverse impact on our results of operations, financial condition and cash flows.

China exports considerably more finished products than it imports. Our containerships are deployed on routes involving containerized trade in and out of emerging markets, and our charterers' container shipping and business revenue is derived among others from the shipment of goods from the Asia Pacific region, including China, to various overseas export markets including the United States, Europe and Latin America. The ongoing global trade war between the U.S. and China may have contributed to the economic slowdown witnessed in China in recent years. Furthermore, the government of China has implemented economic policies aimed at increasing domestic consumption of Chinese-made goods. This may have the effect of reducing the supply of goods available for export and may, in turn, result in a decrease of demand for container shipping. Many of the reforms, particularly some limited price reforms that result in the prices for certain commodities being principally determined by market forces, are unprecedented or experimental and may be subject to revision, change or abolition.

The employment of our dry bulk vessels and the respective revenues depend on the international shipment of raw materials and commodities primarily to China, Japan, South Korea and Europe from North and South America, India, Indonesia, and Australia. Any reduction in or hindrance to the demand for such materials could negatively affect demand for our vessels and, in turn, harm our business, results of operations and financial condition. For instance, the government of China has implemented economic policies aimed at reducing the consumption of coal which may, in turn, result in a decrease in shipping demand. Similarly, the COVID-19 pandemic resulted in reduced economic activity due to lockdowns and lower demand for movement of raw materials.

The level of imports to and exports from China could be adversely affected by changes to economic reforms by the Chinese government, as well as by changes in political, economic and social conditions or other relevant policies of the Chinese government. A reduction of exports from China or imports to China could cause a material adverse impact on our results of operations, financial condition and cash flows.

We conduct a substantial amount of business in China. The legal system in China has inherent uncertainties that could limit the legal protections available to us and could have a material adverse impact on our business, results of operations, financial condition and cash flows.

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 commercial laws, and considerable progress has been made in introducing 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, there is a general lack of internal guidelines or authoritative interpretive guidance, and because of the limited number of published cases and their non-binding nature, interpretation and enforcement of these laws and regulations involve uncertainties. We conduct a substantial amount of business in China, including through one of our managers V.Ships (Shanghai) Limited (''V.Ships Shanghai''), a Chinese corporation which, as of December 31, 2021, operated 17 vessels (including two vessels purchased under the Framework Deed with York) that were mostly manned by Chinese crews, which exposes us to potential litigation in China. Additionally, many of our vessels regularly call to ports in China, and we have chartered 11 of our containerships and one dry bulk vessel with Chinese charterers and have entered into sale and leaseback transactions in respect of 16 containerships (including two vessels purchased under the Framework Deed) with certain Chinese financial institutions. Furthermore, as of December 31, 2021, we had eight newbuild vessels on order at a Chinese shipyard. We have recently served a notice of termination for two of the shipbuilding contracts due to default by the shipyard. See ''Item 4. Information on the Company -- B. Business Overview''. Although the related charters, shipbuilding agreements and sale and leaseback agreements are governed by English law, we may have difficulties enforcing a judgment rendered by an arbitration tribunal or by an English court (or other non-Chinese court) in China. Such charters, shipbuilding agreements and sale and leaseback agreements, and any additional agreements that we enter into with Chinese counterparties, may be subject to new regulations in China that may require us to incur new or additional compliance or other administrative costs and pay new taxes or other fees to the Chinese government. In addition, China enacted a tax for non-resident international transportation enterprises engaged in the provision of services to 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 law and relevant regulations broaden the range of international transportation companies which may find themselves liable for Chinese enterprise income tax on profits generated from international transportation services passing through Chinese ports. This tax or similar regulations by China 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 built at Chinese shipyards and the financial institutions with whom we have entered into sale and leaseback transactions, 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 stockholders.

Risks Inherent in Our Business

Delay in the delivery of our newbuild vessels on order, our secondhand vessels, or any future newbuild vessel orders, could adversely affect our earnings.

The expected delivery dates under our current shipbuilding contracts for our newbuild vessels on order, secondhand vessels under contract but not yet acquired and any additional shipbuilding contracts or purchase agreements we may enter into in the future, may be delayed or the relevant contract may be cancelled for reasons not under our control, including, among other things:

- quality or engineering problems;
- breach of contract by, or disputes with, our counterparties;
- changes in governmental regulations or maritime self-regulatory organization standards;
- work stoppages or other labor disturbances at the shipyard;
- bankruptcy of or other financial crisis involving the shipyard or other seller;
- a backlog of orders at the shipyard;

- sanctions imposed on the seller, the shipyard, or the vessel;
- political, social or economic disturbances;
- weather interference or a catastrophic event, such as a major earthquake or fire, or other accident;
- disruptions due to the outbreak of COVID-19;
- requests for changes to the original vessel specifications;
- shortages of or delays in the receipt of necessary construction materials, such as steel;
- an inability to obtain requisite permits or approvals;
- financial instability of the lenders under our committed credit facilities, resulting in potential delay or inability to draw down on such facilities; and
- financial instability of the charterers under our agreed time charters for the newbuild vessels, resulting in potential delay or inability to charter the newbuild vessels.

As of March 18, 2022, we had eight newbuild containerships under contract (of which two were subsequently terminated). A delay by the seller or shipyard in the delivery date of a vessel will reduce our expected income from that vessel and, if the vessel is already chartered, may lead the charterer of such vessel to claim damages or to cancel the relevant charter. If the seller of any vessel we have contracted to purchase is not able to build and/or to deliver the vessel to us as agreed, or if we cancel a purchase agreement because a seller has not met his obligations, it may result in 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 stockholders.

We are dependent on our charterers and other counterparties fulfilling their obligations under agreements with us, and their inability or unwillingness to honor these obligations could significantly reduce our revenues and cash flow.

Payments to us by our charterers under charter agreements are and will be our sole source of operating cash flow. Such agreements subject us to counterparty risks. The ability and willingness of each of our counterparties to perform its obligations under a contract with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the maritime and offshore industries, the overall financial condition of the counterparty, charter rates received for specific types of vessels, and various expenses.

These risks are heightened for our containership agreements, as we derive our revenues from the containership sector from a more limited number of customers and through a greater proportion of long-term time charters. Weakness in demand for container shipping services, increased operating costs due to changes in environmental or other regulations and the oversupply of large containerships as well as the oversupply of smaller size vessels due to a cascading effect places our liner company customers under financial pressure. Declines in demand and increases in liner companies' operating costs could result in financial challenges to our liner company customers and may increase the likelihood of one or more of our customers being unable or unwilling to pay us contracted charter rates or going bankrupt, as in the case of Hanjin Shipping Co. Ltd., which was the seventh largest liner company at the time and declared bankruptcy in 2016.

If we lose a time charter because the charterer is unable to pay us or for any other reason, we may be unable to re-deploy the related vessel on similarly favorable terms or at all. Also, we will not receive any revenues from such a vessel while it is not chartered, but we will be required to pay expenses necessary to maintain and insure the vessel and service any indebtedness on it. The combination of any surplus of vessel capacity and the expected entry into service of new technologically advanced vessels may make it difficult to secure substitute employment for any of our ships if our counterparties fail to perform their obligations under the currently arranged time charters, and any new charter arrangements that we may be able to secure could be at lower rates. Furthermore, the surplus of vessels available at lower charter rates and lack of demand for our customers' services could negatively affect our charterers' willingness to perform their obligations under our time charters, particularly if the charter rates in such time charters are significantly above the prevailing market rates. Accordingly, we may have to grant concessions to our charterers in the form of lower charter rates for the remaining duration of the relevant charter or part thereof, or to agree to re-charter vessels coming off charter at reduced rates compared to the charter then ended. While we have agreed in certain cases to charter rate

re-arrangements entailing reductions for specified periods, we have been compensated for these adjustments by, among other things, subsequent rate increases and/or extended charter periods, so that the aggregate payments under the charters are not materially reduced, and in some cases we also have arranged for term extensions. However, there is no assurance that any future charter re-arrangements will be on similarly favorable terms.

The loss of any of our charterers, time charters or vessels, or a decline in payments under our time charters, 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 stockholders.

In addition to charter parties, we may, among other things, enter into shipbuilding contracts, contracts for the sale or purchase of secondhand vessels, provide performance guarantees relating to shipbuilding contracts, to sale and purchase contracts or to charters, enter into credit facilities or other financing arrangements, accept commitment letters from banks, or enter into insurance contracts and interest or exchange rate swaps or enter into joint ventures. Such agreements expose us to counterparty credit risk. The ability and willingness of each of our counterparties to perform its obligations under a contract with us will depend upon a number of factors that are beyond our control and may include, among other things, general economic conditions, the state of the capital markets, the condition of the ocean-going shipping industry and charter hire rates. Should a counterparty fail to honor its obligations under agreements with us, we could sustain significant losses, which in turn 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 stockholders.

A limited number of containership customers operating in a consolidating industry comprise the majority of our revenues. The loss of these customers could adversely affect our results of operations, cash flows and competitive position and further consolidation among our customers will reduce our bargaining power.

Our customers in the containership sector consist of a limited number of liner companies. A.P. Moller-Maersk A/S (''A.P. Moller-Maersk''), Mediterranean Shipping Company, S.A. (''MSC''), members of the Evergreen Group (''Evergreen''), Hapag Lloyd Aktiengesellschaft (''Hapag Lloyd'') and Cosco Shipping Lines Co., Ltd. (''COSCO'') together represented 97%, 91% and 80% of our containership revenue in 2019, 2020 and 2021, respectively. The tough economic conditions faced by these liner companies and the intense competition among them has caused, and may in the future cause, certain liner companies to default and is also leading to a consolidation among liner companies. We expect that the number of leading liner companies which are our client base will continue to shrink and we will depend on an even more limited number of customers to generate a substantial portion of our revenues. The cessation of business with these liner companies or their failure to fulfill their obligations under the time charters for our containerships could have a material adverse effect on our business, financial condition and results of operations, as well as our cash flows, including cash available for dividends to our stockholders. In addition to consolidations, alliances involving our customers could further increase the concentration of our business and reduce our bargaining power.

We could lose a customer or the benefits of our time charter arrangements for many different reasons, including if the customer is unable or unwilling to make charter hire or other payments to us because of a deterioration in its financial condition, disagreements with us or if the charterer exercises certain termination rights or otherwise. If any of these customers terminate its charters, chooses not to re-charter our ships after charters expire or is unable to perform under its charters and we are not able to find replacement charters on similar terms or are unable to re-charter our ships at all, we will suffer a loss of revenues that could have a material adverse effect on our business, results of operations and financial condition and our ability to pay dividends to our stockholders. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

We may have difficulty properly managing our growth through acquisitions of new or secondhand vessels and we may not realize expected benefits from these acquisitions, which may negatively impact our cash flows, liquidity and our ability to pay dividends to our stockholders.

We intend to grow our business by ordering newbuild vessels and through selective acquisitions of secondhand vessels to the extent that they are available. Our future growth will primarily depend on:

- the operations of the shipyards that build any newbuild vessels we may order;
- the availability of employment for our vessels;

- locating and identifying suitable secondhand vessels;
- obtaining newbuild or secondhand contracts at acceptable prices;
- obtaining required financing on acceptable terms;
- consummating vessel acquisitions;
- enlarging our customer base;
- hiring additional shore-based employees and seafarers;
- continuing to meet technical and safety performance standards; and
- managing joint ventures or significant acquisitions and integrating the new ships into our fleet.

Ship values are correlated with charter rates. During periods in which charter rates are high, ship values are generally high as well, and it may be difficult to consummate ship acquisitions or enter into shipbuilding contracts at favorable prices. During periods in which charter rates are low and employment is scarce, ship values are low; however, any vessel acquired without an attached time charter will still incur expenses to operate, insure, maintain and finance, thereby significantly increasing the cash outlay. In addition, any vessel acquisition may not be profitable and may not generate cash flows sufficient to justify the investment. We may not be successful in executing any future growth plans and we cannot give any assurance that we will not incur significant expenses and losses in connection with such growth efforts. Other risks associated with vessel acquisitions that may harm our business, financial condition and operating results include the risks that we may:

- fail to realize anticipated benefits, such as new customer relationships, cost-savings or cash flow enhancements;
- be unable (through our managers) to hire, train or retain qualified shore-based and seafaring personnel to manage and operate our growing business and fleet;
- decrease our liquidity by using a significant portion of available cash or borrowing capacity to finance acquisitions;
- significantly increase our interest expense or financial leverage if we incur additional debt to finance acquisitions;
- incur or assume unanticipated liabilities, losses or costs associated with any vessels or businesses acquired; or
- incur other significant charges, such as impairment of goodwill or other intangible assets, asset devaluation or restructuring charges.

If we fail to properly manage our growth through acquisitions of newbuild or secondhand vessels we may not realize expected benefits from these acquisitions, which may negatively impact our cash flows, liquidity and our ability to pay dividends to our stockholders.

Many of the vessels we have acquired or agreed to acquire are secondhand vessels, which may result in increased operating and maintenance costs.

Many of our containerships and all of the dry bulk vessels we have acquired or agreed to acquire are secondhand vessels. Unlike newbuild vessels, secondhand vessels typically do not carry warranties as to their condition. Depending on market conditions, we may purchase a secondhand vessel on an as-is basis based on the review of its records, but even when we do inspect secondhand vessels prior to purchase, such an inspection would normally not provide us with as much knowledge of a vessel’s condition as we would possess if it had been built for us and operated by us during its life. In addition, if a secondhand vessel is not in the condition promised or warranted by its seller and requires significant repairs, we may find it hard to be indemnified by the respective seller, which is typically a single-vessel shipowning company with no assets, other than their vessel sold, and no continuing operations, and which may even no longer be in existence when the damage or other deficiency is discovered. Repairs and maintenance costs for secondhand vessels are difficult to predict and may be substantially higher than for vessels had we operated such vessels since they were built. In addition,

variability in the age and type of secondhand vessels in our fleet may prevent us from attaining economies of scale in our operations and maintenance of our fleet, which may result in higher costs. These costs could decrease our cash flows, liquidity and our ability to pay dividends to our stockholders.

We may be unable to obtain additional debt financing for future acquisitions of newbuild and secondhand vessels.

Our ability to borrow against the vessels in our existing fleet and any vessels we may acquire in the future largely depends on the existence of continued employment of the vessel and on the value of the vessels, which in turn depends in part on charter hire rates, the creditworthiness of our charterers and the duration of the charter. The actual or perceived credit quality of our charterers, any defaults by them, any decline in the market value of our fleet and the lack of long-term employment of our vessels may materially affect our ability to obtain the additional capital resources that we will require to purchase additional vessels or may significantly increase our costs of obtaining such capital. Our inability to obtain additional financing or committing to financing on unattractive terms 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 stockholders.

Our ability to pay dividends or to redeem our Preferred Stock may be limited by the amount of cash we generate from operations following the payment of fees and expenses, by the establishment of any reserves, by restrictions in our debt instruments and by additional factors unrelated to our profitability.

The declaration and payment of dividends (including cumulative dividends payable to the holders of our Preferred Stock) is subject to the discretion of our board of directors and the requirements of Marshall Islands law. The timing and amount of any dividends declared will depend on, among other things (a) our earnings, financial condition, cash flow and cash requirements, (b) our liquidity, including our ability to obtain debt and/or equity financing on acceptable terms as contemplated by our vessel acquisition strategy, (c) restrictive covenants in our existing and future debt instruments and (d) provisions of Marshall Islands law governing the payment of dividends.

The international shipping industry is highly volatile, and we cannot predict with certainty the amount of cash, if any, that will be available for distribution as dividends or to redeem our Preferred Stock in any period. Also, there may be a high degree of variability from period to period in the amount of cash, if any, that is available for the payment of dividends or the redemption of our Preferred Stock and our obligation to pay dividends to holders of our Preferred Stock will reduce the amount of cash available for the payment of dividends to holders of our common stock. The amount of cash we generate from and use in our operations and the actual amount of cash we will have available for dividends and redemptions may fluctuate significantly based upon, among other things:

- the charter hire payments we obtain from our charters as well as our ability to charter or re-charter our vessels and the charter rates obtained;
- the due performance by our charterers of their obligations;
- our fleet expansion strategy and associated uses of our cash and our financing requirements;
- delays in the delivery of newbuild vessels and the beginning of payments under charters relating to those vessels;
- the level of our operating costs, such as the costs of crews, vessel maintenance, lubricants and insurance;
- the number of unscheduled off-hire days for our fleet and the timing of, and number of days required for, scheduled dry- docking of our vessels;
- disruptions related to the ongoing COVID-19 or future pandemics;
- prevailing global and regional economic and political conditions;
- changes in interest rates;
- currency exchange rate fluctuations;
- the effect of governmental regulations and maritime self-regulatory organization standards on the conduct of our business;

- the requirements imposed by classification societies;
- the level of capital expenditures we make, including for maintaining or replacing vessels and complying with regulations;
- our debt service requirements, including fluctuations in interest rates, and restrictions on distributions contained in our debt instruments;
- fluctuations in our working capital needs;
- our ability to make, and the level of, working capital borrowings;
- changes in the basis of taxation of our activities in various jurisdictions;
- modification or revocation of our dividend policy by our board of directors;
- the ability of our subsidiaries to pay dividends and make distributions to us;
- the dividend policy adopted by Costamare Ventures and the Joint Venture entities; and
- the amount of any cash reserves established by our board of directors.

The amount of cash we generate from our operations may differ materially from our net income or loss for the period, which will be affected by non-cash items. We may incur other expenses or liabilities that could reduce or eliminate the cash available for distribution as dividends or redemptions.

In addition, our credit facilities and other financing agreements prohibit the payment of dividends if an event of default has occurred and is continuing or would occur as a result of the payment of such dividends. For more information regarding our financing arrangements, please read ''Item 5. Operating and Financial Review and Prospects''.

Marshall Islands law generally prohibits the payment of dividends other than from surplus (retained earnings and the excess of consideration received for the sale of shares above the par value of the shares) or if there is no surplus, from the net profits for the current and prior fiscal year, or while a company is insolvent or if it would be rendered insolvent by the payment of such a dividend. We may not have sufficient surplus or net profits in the future to pay dividends, and our subsidiaries may not have sufficient funds, surplus or net profits to make distributions to us. As a result of these and other factors, we may pay dividends during periods when we record losses and may not pay dividends during periods when we record net income. We can give no assurance that dividends will be paid in the future or the amounts of dividends which may be paid.

Our managers may be unable to attract and retain qualified, skilled crews on our behalf necessary to operate our business or may pay rising crew and other vessel operating costs.

Acquiring and renewing time charters with leading companies depends on a number of factors, including our ability to man our vessels with suitably experienced, high-quality masters, officers and crews. Our success will depend in large part on our managers' ability to attract, hire, train and retain suitably skilled and qualified personnel. In recent years, the limited supply of and the increased demand for well-qualified crew, due to the increase in the size of the global shipping fleet, has created upward pressure on crewing costs, which we bear under our time charters. This situation has been exacerbated by the restrictions imposed in response to COVID-19 which effectively reduces available sources of new seafarers for any length of time. Changing conditions in the home country of our seafarers, such as increases in the local general living standards or changes in taxation, may make serving at sea less appealing and thus further reduce the supply of crew and/or increase the cost of hiring competent crew. Unless we are in a position to increase our hire rates to compensate for increases in crew costs and other vessel operating costs such as insurance, repairs and maintenance, and lubricants, our business, results of operations, financial condition and our profitability may be adversely affected. In addition, any inability we experience in the future to attract, hire, train and retain a sufficient number of qualified employees could impair our ability to manage, maintain and grow our business. If we cannot attract and retain sufficient numbers of quality onboard seafaring personnel, our fleet utilization will decrease, which could also 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 stockholders.

Fuel price fluctuations may have an adverse effect on our cash flows, liquidity and our ability to pay dividends to our stockholders.

The price and supply of fuel is unpredictable and fluctuates based on events outside our control, including geo-political developments, supply and demand for oil, actions by members of the Organization of Petroleum Exporting Countries (''OPEC'') and other oil and gas producers, economic or other sanctions levied against oil and gas producing countries, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns and regulations.

The cost of fuel is a significant factor in negotiating charter rates and can affect us in both direct and indirect ways. This cost will be borne by us when our vessels are not employed or are employed on voyage charters or contracts of affreightment. As of March 18, 2022, we have no voyage charters or contracts of affreightment, but we may enter into such arrangements in the future, and to the extent we do so, an increase in the price of fuel beyond our expectations may adversely affect our profitability. Even where the cost of fuel is borne by the charterer, which is the case with all of our existing time charters, that cost may affect the level of charter rates that charterers are prepared to pay.

A decrease in the cost of fuel may lead our charterers to abandon slow steaming, thereby releasing additional capacity into the market and exerting downward pressure on charter rates or may lead our charterers to employ older, less fuel efficient vessels which may drive down charter rates and make it more difficult for us to secure employment for our newer vessels.

In addition, the entry into force on January 1, 2020 of the 0.5% mass by mass (''m/m'') global sulphur cap in marine fuels under the International Convention for Prevention of Pollution from Ships (''MARPOL'') Annex VI has led to a significant increase in the costs for low sulphur fuel used by vessels that are not equipped with exhaust gas scrubbers. Because the cost of fuel is born by our charterers for our vessels employed on a time charter basis, our vessels, which are generally not equipped with scrubbers may be less competitive compared to vessels that are equipped with scrubbers. As of March 18, 2022, we have 15 containerships and two dry bulk vessels in the water that are equipped with scrubbers. Ships not retrofitted with exhaust gas scrubbers to comply with the new emissions standard may become less competitive (compared with ships equipped with exhaust gas scrubbers that can utilize the less expensive high sulphur fuel), have difficulty finding employment, command lower charter hire and/or need to be scrapped, which may negatively impact our revenues and cash flows as well as our future operations.

Reliance on suppliers may limit our ability to obtain supplies and services when needed.

We rely on a significant number of third party suppliers of consumables, spare parts and equipment to operate, maintain, repair and upgrade our fleet of ships. Delays in delivery or unavailability or poor quality of supplies could result in off-hire days due to consequent delays in the repair and maintenance of our fleet or lead to our time charters being terminated. This would negatively impact our revenues and cash flows. Cost increases could also negatively impact our future operations.

We must make substantial capital expenditures to maintain the operating capacity of our fleet, which may reduce or eliminate the amount of cash available for distribution to our stockholders.

We must make substantial capital expenditures to maintain the operating capacity of our fleet and replace, over the long-term, the operating capacity of our fleet and we generally expect to finance these capital expenditures with cash balances or credit facilities. In addition, we will need to make substantial capital expenditures to acquire vessels in accordance with our growth strategy. These expenditures could increase as a result of, among other things: the cost of labor and materials; customer requirements; the size of our fleet; the cost of replacement vessels; the length of charters; governmental regulations and maritime self-regulatory organization standards relating to safety, security or the environment; competitive standards; and the age of our ships. Significant capital expenditures, including expenditures to maintain and replace, over the long-term, the operating capacity of our fleet, may reduce or eliminate the amount of cash available for distribution to our stockholders.

The aging of our fleet may result in increased operating costs in the future, which could adversely affect our earnings.

In general, the cost of maintaining a vessel in good operating condition increases with the age of the vessel. As our fleet ages, we will incur increased costs. Older vessels may require longer and more expensive

dry-dockings, resulting in more off- hire days and reduced revenue. Older vessels are typically less fuel efficient and more costly to maintain than more recently constructed vessels due to improvements in engine technology or design. In addition, older vessels are often less desirable to charterers. Governmental regulations and safety or other equipment standards related to the age of a vessel may also require expenditures for alterations or the addition of new equipment to our vessels and may restrict the type of activities in which our vessels may engage.

As of March 18, 2022, our current fleet of 76 containerships in the water, (including five secondhand vessels that we have agreed to sell and four containerships acquired under the Framework Deed), had an average age (weighted by TEU capacity) of 11.1 years, and our current fleet of 46 dry bulk vessels (including one secondhand vessel that we have agreed to acquire), had an average age (weighted by dwt capacity) of 10.7 years. See ''Item 4. Information on the Company—B. Business Overview B—Our Fleet, Acquisitions and Vessels Under Construction''. We cannot assure you that, as our vessels age, market conditions will justify such expenditures or will enable us to profitably operate our older vessels.

Unless we set aside reserves or are able to borrow funds for vessel replacement, at the end of the useful lives of our vessels our revenue will decline, which would adversely affect our business, results of operations and financial condition.

As noted above, as of March 18, 2022, our current fleet of 76 containerships in the water, (including five secondhand vessels that we have agreed to sell and four containerships acquired under the Framework Deed), had an average age (weighted by TEU capacity) of 11.1 years, and our current fleet of 46 dry bulk vessels (including one secondhand vessel that we have agreed to acquire), had an average age (weighted by dwt capacity) of 10.7 years. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''. Unless we maintain reserves or are able to borrow or raise funds for vessel replacement, we will be unable to replace the older vessels in our fleet. Our cash flows and income are dependent on the revenues earned by the chartering of our containerships and dry bulk vessels. The inability to replace the vessels in our fleet upon the expiration of their useful lives 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 stockholders.

Our growth depends on our ability to expand relationships with existing charterers, establish relationships with new customers and obtain new time charters, for which we will face substantial competition from new entrants and established companies with significant resources.

One of our principal objectives is to acquire additional vessels in conjunction with entering into additional time charters for these vessels. 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. Generally, we compete for charters based upon charter rate, customer relationships, operating expertise, professional reputation and vessel specifications, including size, age and condition.

In addition, as vessels age, it can be more difficult to employ them on profitable time charters, particularly during periods of decreased demand in the charter market. Accordingly, we may find it difficult to continue to find profitable employment for our vessels as they age.

We face substantial competition from a number of experienced companies, including liner companies in the containership sector, state-sponsored entities and financial organizations. Some of these competitors have significantly greater financial resources than we do, and can therefore operate larger fleets and may be able to offer better charter rates. In the future, we may also face competition from reputable, experienced and well-capitalized marine transportation companies, including state-sponsored entities, that do not currently own containerships or dry bulk vessels, but may choose to do so. Any increased competition may cause greater price competition for time charters, as well as for the acquisition of high-quality secondhand vessels and newbuild vessels. Further, since the charter rate is generally considered to be one of the principal factors in a charterer's decision to charter a vessel, the rates offered by our competitors can place downward pressure on rates throughout the charter market. On the other hand, consolidation and the creation of alliances among liner companies have increased their negotiation power when chartering our vessels. As a result of these factors, we may be unable to charter our vessels, expand our relationships with existing customers or establish relationships with new customers on a profitable basis, if at all, which 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 stockholders.

Due to our limited diversification, adverse developments in the international shipping business could reduce our ability to service our debt obligations and pay dividends to our stockholders.

We rely exclusively on the cash flow generated from charters for our vessels. Due to our limited diversification, an adverse development in the international container and dry bulk shipping industry would have a significantly greater impact on our financial condition and results of operations than if we maintained more diverse assets or lines of business. An adverse development could also impair our ability to service debt or pay dividends to our stockholders.

Regarding our containership transportation business, if market conditions do not offer opportunities for long-term, fixed-rate charters, we may be forced to charter our vessels on shorter term charters at less predictable rates, adversely impacting our growth. As of March 18, 2022, the time charters of two of our containerships will expire in 2022 (excluding the five secondhand vessels that we have agreed to sell, but including the four containerships acquired under the Framework Deed). While we generally expect to be able to obtain time charters for our vessels within a reasonable period prior to their time charter expiry or delivery, as applicable, we cannot be assured that this will occur in any particular case, or at all. There is currently more demand for long-term time charters compared to recent years, however the supply of container vessels has increased due to newbuild deliveries of larger vessels and the cascading effect to smaller vessels. If conditions change, despite securing a short-term time charter, it may not be continuous, leaving the vessel idle for some days in between charters. If such a trend occurs, we may then have to charter more of our containerships for shorter periods upon expiration or early termination of the current charters. As a result, our revenues, cash flows and profitability would then reflect fluctuations in the short-term charter market and become more volatile. It may also become more difficult or expensive to finance or refinance vessels that do not have long-term employment at fixed rates. In addition, we may have to enter into charters based on changing market prices, as opposed to contracts based on fixed rates, which would increase the volatility of our revenues, cash-flows and profitability and, during a period of depressed charter rates, could also result in a decrease in our revenues, cash flows and profitability, including our ability to pay dividends to our stockholders. If we are unable to re-charter these containerships or obtain new time charters at favorable rates or at all, it 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 stockholders.

Additionally, because we charter our dry bulk vessels primarily on short-term time charters, we are exposed to changes in spot market rates, namely to short-term time charter rates and voyage charter rates, for dry bulk vessels; such changes may affect our earnings and the value of our dry bulk vessels at any given time. See "Item 3. Key Information—D. Risk Factors - *Our profitability will be dependent on the level of charter rates in the international shipping industry. The cyclical nature of the shipping industry may lead to volatile changes in charter rates, which may reduce our revenues and negatively affect our results of operations*."

We are a holding company and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make dividend payments.

We are a holding company and our subsidiaries conduct all of our operations and own all of our operating assets, including our ships. We have no significant assets other than the equity interests in our subsidiaries. As a result, our ability to pay our obligations and to make dividend payments depends entirely on our subsidiaries and their ability to distribute funds to us. The ability of a subsidiary to make these distributions could be affected by a claim or other action by a third party, including a creditor, or by the law of their respective jurisdiction of incorporation which regulates the payment of dividends. If we are unable to obtain funds from our subsidiaries, our board of directors may exercise its discretion not to declare or pay dividends.

Our credit facilities or other financing arrangements contain payment obligations and restrictive covenants that may limit our liquidity and our ability to expand our fleet. A failure by us to meet our obligations under our credit facilities could result in an event of default under such credit facilities and foreclosure on our vessels.

Our credit facilities impose certain operating and financial restrictions on us. These restrictions in our existing credit facilities generally limit Costamare Inc., and our subsidiaries' ability to, among other things:

- pay dividends if an event of default has occurred and is continuing or would occur as a result of the payment of such dividends;

- purchase or otherwise acquire for value any shares of our subsidiaries' capital;
- make or repay loans or advances, other than repayment of the credit facilities;
- make investments in or provide guarantees to other persons;
- sell or transfer significant assets, including any vessel or vessels mortgaged under the credit facilities, to any person, including Costamare Inc. and our subsidiaries;
- create liens on assets; or
- allow the Konstantakopoulos family's direct or indirect holding in Costamare Inc. to fall below 30% of the total issued share capital.

Our existing drawn credit facilities also require Costamare Inc. and certain of our subsidiaries to maintain the aggregate of (a) the market value, (on a charter free or charter inclusive basis, as applicable), of the mortgaged vessel or vessels and (b) the market value of any additional security provided to the lenders, above a percentage ranging between 100% to 125% of the then outstanding amount of the credit facility and any related swap exposure.

Costamare Inc. is required to maintain compliance with certain financial covenants to maintain minimum liquidity, minimum market value adjusted net worth, interest coverage and leverage ratios, as defined.

- the ratio of our total liabilities (after deducting all cash and cash equivalents) to market value adjusted total assets (after deducting all cash and cash equivalents) may not exceed 0.75:1;
- the ratio of EBITDA over net interest expense must be equal to or higher than 2.5:1;
- the aggregate amount of all cash and cash equivalents may not be less than the greater of (i) $30 million or (ii) 3% of the total debt; and
- the market value adjusted net worth must at all times exceed $500 million.

A failure to meet our payment and other obligations could lead to defaults under our credit facilities. Our lenders could then accelerate our indebtedness and foreclose on the vessels in our fleet securing those credit facilities, which could result in the acceleration of other indebtedness that we may have at such time and the commencement of similar foreclosure proceedings by other lenders. If any of these events occur, we cannot guarantee that our assets will be sufficient to repay in full all of our outstanding indebtedness and we may be unable to find alternative financing. Even if we could obtain alternative financing, such financing may not be on terms that are favorable or acceptable. The loss of these vessels would have a material adverse effect on our operating results and financial condition as well as on our cash flows, including cash available for dividends to our stockholders. For additional information, see "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities, Finance Leases and Other Financing Arrangements".

Substantial debt levels may limit our ability to obtain additional financing and pursue other business opportunities.

As of December 31, 2021, we had outstanding indebtedness of approximately $2.6 billion, including the obligations under our finance leases, other financing arrangements and the unsecured bond loan, and we expect to incur additional indebtedness as we grow our fleet or in order to cover its operational needs. This level of debt 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;
- we may need to use a substantial portion of our cash from operations to make principal and interest payments on our debt, thereby reducing the funds that would otherwise be available for operations, future business opportunities and dividends to our stockholders;
- our debt level could make us more vulnerable than our competitors with less debt to competitive pressures or a downturn in our business or the economy generally; and
- our debt level may limit our flexibility in responding to changing business and economic conditions.

Our ability to service our debt depends upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. We may not be able to refinance all or part of our maturing debt on favorable terms, or at all. If our operating income is not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing or discontinuing dividend payments, 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.

In the future we may change our operational and financial model by replacing amortizing debt in favor of non-amortizing debt with a higher fixed or floating rate without shareholder approval, which may increase our risk of defaulting on our indebtedness if market conditions become unfavorable.

The derivative contracts we have entered into to hedge our exposure to fluctuations in interest rates and foreign currencies can result in higher than market rates and reductions in our stockholders' equity as well as charges against our income, while there is no assurance of the credit worthiness of our counterparties.

We have entered into interest rate swaps and cross currency swaps generally for purposes of managing our exposure to fluctuations in interest rates applicable to indebtedness under our credit facilities which were advanced at floating rates based on LIBOR and to manage our exposure to fluctuations in foreign currencies. Interest rates and currency hedging may result in us paying higher than market rates. As of December 31, 2021, the aggregate notional amount of interest rate swaps relating to our fleet as of such date was $446.8 million. As of December 31, 2021, our obligations under fixed rate loans, finance leases, other financing arrangements and our unsecured bond loan, which were under fixed interest rates amounted to $1,085.4 million. Furthermore, with respect to our unsecured bond loan, we have entered into two cross currency swaps for a notional amount of $122.4 million to hedge the related foreign exchange exposure. From time to time, we also enter into certain currency hedges. As of December 31, 2021, the Company was engaged in six Euro/U.S. dollar contracts totaling $15.0 million. However, there is no assurance that our derivative contracts or any that we enter into in the future will provide adequate protection against adverse changes in interest rates or currency exchange rates or that our bank counterparties will be able to perform their obligations. In addition, as a result of the implementation of new regulation of the swaps markets in the United States, the European Union and elsewhere over the next few years, the cost of interest rate and currency hedges may increase or suitable hedges may not be available.

While we monitor the credit risks associated with our bank counterparties, there can be no assurance that these counterparties would be able to meet their commitments under our derivative contracts or any future derivate contract. Our bank counterparties include financial institutions that are based in European Union countries that have faced and continue to face severe financial stress due to the ongoing sovereign debt crisis. The potential for our bank counterparties to default on their obligations under our derivative contracts may be highest when we are most exposed to the fluctuations in interest and currency rates such contracts are designed to hedge, and several or all of our bank counterparties may simultaneously be unable to perform their obligations due to the same events or occurrences in global financial markets.

To the extent our existing interest rate swaps and cross currency swaps do not, and future derivative contracts may not, qualify for treatment as hedges for accounting purposes we would recognize fluctuations in the fair value of such contracts in our statement of comprehensive income. In addition, changes in the fair value of our derivative contracts are recognized in ''Accumulated Other Comprehensive Loss'' on our balance sheet, and can affect compliance with the net worth covenant requirements in our credit facilities. Changes in the fair value of our derivative contracts that do not qualify for treatment as hedges for accounting and financial reporting purposes affect, among other things, our net income and our earnings per share. For additional information see ''Item 5. Operating and Financial Review and Prospects''.

Fluctuations in exchange rates and interest rates could result in financial losses for us.

We are exposed to a market risk relating to fluctuations in interest rates because the majority of our credit facilities bear interest costs at a floating rate based on London Interbank Offered Rate, or ''LIBOR''. On March 5, 2021, the U.K. Financial Conduct Authority (the ''FCA'') announced the future cessation or loss of representativeness of LIBOR benchmark settings currently published by ICE Benchmark Administration immediately after June 30, 2023 for US-dollar LIBOR settings. In response to the anticipated discontinuation of

LIBOR, working groups are converging on alternative reference rates. The Alternative Reference Rates Committee, a steering committee comprised of U.S. financial market participants, selected and the Federal Reserve Bank of New York started in May 2018 to publish the Secured Overnight Finance Rate (“SOFR”), as an alternative rate to LIBOR. SOFR is a broad measure of the cost of borrowing cash in the overnight U.S. treasury repo market. At this time, it is impossible to predict how markets will respond to SOFR or other alternative reference rates.

Uncertainty surrounding a phase-out of LIBOR may adversely affect the trading market for LIBOR-based agreements, which could negatively affect our operating results and financial condition as well as on our cash flows, including cash available for dividends to our stockholders. We are continuing to evaluate the risks resulting from a termination of LIBOR, and while our credit facilities generally have fallback provisions in the event of the unavailability of LIBOR, those fallback provisions and related successor benchmarks may create additional risks and uncertainties. For additional information, see “Item 5. Operating and Financial Review and Prospects - B. Liquidity and Capital Resources - Credit Facilities, Finance Leases and Other Financing Arrangements”.

Because we generate all of our revenues in United States dollars but incur a significant portion of our expenses in other currencies, exchange rate fluctuations could hurt our results of operations.

Fluctuations in currency exchange rates may have a material impact on our financial performance. We generate all of our revenues in United States dollars, but a substantial portion of our vessels’ operating expenses are incurred in currencies other than United States dollars. This difference could lead to fluctuations in net income due to changes in the value of the United States dollar relative to other currencies, in particular the Euro. Expenses incurred in foreign currencies against which the United States dollar falls in value could increase, thereby decreasing our net income. While we may hedge some of this exposure from time to time, our U.S. dollar-denominated results of operations and financial condition and ability to pay dividends could suffer from adverse currency exchange rate movements. For additional information, see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities, Finance Leases and Other Financing Arrangements”.

Increased competition in technology and innovation could reduce our charter hire income and the value of our vessels.

The charter rates and the value and operational life of a vessel are determined by a number of factors, including the vessel’s efficiency, operational flexibility and physical life. Efficiency includes speed and fuel economy as well as reduced greenhouse gas emissions. Flexibility includes the ability to enter harbors, utilize related docking facilities and pass through canals and straits. Physical life is related to the original design and construction, maintenance and the impact of the stress of operations. If new vessels are built in the future that are more efficient or flexible or have longer physical lives than our vessels, competition from these more technologically advanced vessels could adversely affect our ability to re-charter, the amount of charter hire payments that we receive for our vessels once their current time charters expire and the resale value of our vessels. This could adversely affect our revenues and cash flows, and our ability to service our debt or pay dividends to our stockholders.

We are subject to regulation and liability under environmental and operational safety laws that could require significant expenditures and affect our cash flows and net income.

Our business and the operation of our vessels are materially affected by environmental regulation in the form of international, national, state and local laws, regulations, conventions, treaties and standards in force in international waters and the jurisdictions in which our vessels operate, as well as in the country or countries of their registration, including those governing the management and disposal of hazardous substances and wastes, the cleanup of oil spills and other contamination, air emissions, water discharges, ballast water management and climate change. We may incur substantial costs in complying with these requirements, including costs for ship modifications and changes in operating procedures. Because such conventions, laws and regulations are often revised, it is difficult to predict the ultimate cost of compliance with such requirements or their impact on the resale value or useful lives of our vessels.

Environmental requirements can also affect the resale value or useful lives of our vessels, require a reduction in cargo capacity, vessel modifications or operational changes or restrictions, lead to decreased

availability of, or more costly insurance coverage for, environmental matters or result in the denial of access to certain jurisdictional waters or ports. Under local, national and foreign laws, as well as international treaties and conventions, we could incur material liabilities, including obligations to pay for emissions rights, cleanup obligations and claims for natural resource damages, personal injury and/or property damages in the event that there is a release of petroleum or other hazardous materials from our vessels or otherwise in connection with our operations. Violations of, or liabilities under, environmental requirements can also result in substantial penalties, fines and other sanctions, including criminal sanctions, and, in certain instances, seizure or detention of our vessels. Events of this nature or additional environmental conventions, laws and regulations could have a material adverse effect on our business, results of operations and financial condition, as well as our cash flow, including cash available for dividends to our stockholders.

For example, the International Safety Management Code (the ''ISM Code'') requires vessel managers to develop and maintain an extensive ''Safety Management System'' (''SMS'') and to obtain a Safety Management Certificate (''SMC'') verifying compliance with its approved SMS and a document of compliance with the ISM Code from the government of each vessel's flag state. Failure to comply with the ISM Code may lead to withdrawal of the permit to operate or manage the vessels, subject us to increased liability, decrease or suspend available insurance coverage for the affected vessels, or result in a denial of access to, or detention in, certain ports. Each of the vessels in our fleet, Costamare Shipping and each of our third-party managers is ISM Code-certified. However, there can be no assurance that such certifications can be maintained indefinitely.

Furthermore, on January 1, 2020, the emissions standard under Annex VI to MARPOL for the reduction of sulphur oxides, announced in 2016 by the International Maritime Organization (''IMO''), was phased in. Compliance with this emissions standard requires either the installation of exhaust gas scrubbers, allowing the vessel to use the existing, less expensive, high sulphur content fuel or fuel system modification and tank cleaning, allowing the use of more expensive, low sulphur fuel. It is unclear how the new emissions standard will affect the employment of our vessels in the future, given that the cost of fuel is borne by our charterers when our vessels are on time charter employment. Scrubbers are installed in 15 of our containerships in the water and two of the dry bulk vessels that we have acquired as of March 18, 2022. Ships not equipped with exhaust gas scrubbers to comply with the new emissions standard may become less competitive (compared with ships equipped with exhaust gas scrubber that can utilize the less expensive high sulphur fuel), may have difficulty finding employment, may command lower charter hire and/or may need to be scrapped.

In addition, on December 31, 2018, our European Union Member State-flagged (''EU-flagged'') vessels became subject to Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling (the ''EU Ship Recycling Regulation'' or ''ESRR'') and exempt from the Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste (the ''European Waste Shipment Regulation'' or ''EWSR'') which had previously governed their disposal and recycling. The EWSR continues to be applicable to Non-European Union Member State- flagged (''non-EU-flagged'') vessels. As of December 31, 2021, 34 of our 119 vessels in the water were EU-flagged.

Under the ESRR, commercial EU-flagged vessels of 500 gross tonnage and above may be recycled only at shipyards included on the European List of Authorised Ship Recycling Facilities (the ''European List''). As of December 31, 2021, all our EU-flagged vessels met this weight specification. The European List presently includes eight facilities in Turkey but no facilities in the major ship recycling countries in Asia. The combined capacity of the European List facilities may prove insufficient to absorb the total recycling volume of EU-flagged vessels. This circumstance, taken in tandem with the possible decrease in cash sales, may result in longer wait times for divestment of recyclable vessels as well as downward pressure on the purchase prices offered by European List shipyards. Furthermore, facilities located in the major ship recycling countries generally offer significantly higher vessel purchase prices, and as such, the requirement that we utilize only European List shipyards may negatively impact revenue from the residual values of our vessels.

In addition, the EWSR requires that non-EU-flagged ships departing from European Union ports be recycled only in Organisation for Economic Cooperation and Development (OECD) member countries. In March 2018, the Rotterdam District Court ruled that the sale of four recyclable vessels by third-party Dutch ship owner Seatrade to cash buyers, who then reflagged and resold the vessels to non-OECD country recycling yards, were

effectively indirect sales to non-OECD country yards, in violation of the EWSR. If European Union Member State courts widely adopt this analysis, it may negatively impact revenue from the residual values of our vessels and we may be subject to a heightened risk of non-compliance, due diligence obligations and costs in instances where we sell older ships to cash buyers.

Governmental regulation of the shipping industry, particularly in the areas of safety and environmental requirements, can be expected to become stricter in the future. We believe that the heightened environmental, quality and security concerns of insurance underwriters, regulators and charterers will lead to additional requirements, including enhanced risk assessment and security requirements and greater inspection and safety requirements for vessels. In complying with new environmental laws and regulations and other requirements that may be adopted, we may have to incur significant capital and operational expenditures to keep our vessels in compliance, or even to scrap or sell certain vessels altogether. For additional information see ''Item 4. Information on the Company B. Business Overview—Risk of Loss and Liability Insurance—Environmental and Other Regulations''.

Climate change and related legislation or regulations may adversely impact our business, including potential financial, operational and physical impacts.

Growing concern about the sources and impacts of global climate change has led to the proposal or enactment of a number of domestic and foreign legislative and administrative measures, as well as international agreements and frameworks, to monitor, regulate and limit carbon dioxide and other greenhouse gases (''GHG'') emissions. Although the Paris Agreement, which was adopted under the UN Framework Convention on Climate Change in 2015, does not specifically require controls on GHG emissions from ships, it is possible that countries seek to impose such controls as they implement the Paris Agreement or any new treaty that may be adopted in the future. In the European Union, emissions are regulated under the E.U. Emissions Trading System (the ''E.U. ETS''), an E.U.-wide trading scheme for industrial GHG emissions. While the shipping industry has not been subject to the E.U. ETS in the past, on July 14, 2021, the European Commission formally proposed adding shipping to the list of industries regulated. Under the proposal, the emissions from all voyages between E.U. ports and 50% of those from voyages between the E.U. and elsewhere would be covered by the E.U. ETS. Shipping companies would need to buy allowances that correspond to the emissions covered by the system. In addition, in June 2021, the IMO adopted amendments to MARPOL Annex VI that are expected to enter into force on November 1, 2022 and will require ships to reduce GHG emissions using technological and operational approaches to improve energy efficiency and that provide important building blocks for future GHG reduction measures.

These requirements and any passage of additional climate control legislation or other regulatory initiatives by the IMO, the European Union, the United States or other countries where we operate, or any treaty adopted at the international level, that restrict emissions of GHGs could require us to make significant financial expenditures, including the installation of pollution controls and the purchase of emissions credits, as well as have other impacts on our business or operations, that we cannot predict with certainty at this time. Even in the absence of climate control legislation and regulations, our business and operations may be materially affected to the extent that climate change results in sea level changes or more intense weather events. For additional information see ''Item 4. Information on the Company B. Business Overview—Risk of Loss and Liability Insurance—Environmental and Other Regulations''.

We rely on our information systems to conduct our business, and failure to protect these systems against security breaches could adversely affect our business and results of operations. Additionally, if these systems fail or become unavailable for any significant period of time, our business could be harmed.

The efficient operation of our business is dependent on computer hardware and software systems. Information systems are vulnerable to security breaches by computer hackers and cyber terrorists. We rely on industry-accepted security measures and technology to securely maintain confidential and proprietary information maintained on our information systems. However, these measures and technology may not adequately prevent cybersecurity breaches, the access, capture or alteration of information by criminals, the exposure or exploitation of potential security vulnerabilities, the installation of malware or ransomware, acts of vandalism, computer viruses, misplaced data or data loss. In addition, the unavailability of the information systems or the failure of these systems to perform as anticipated for any reason could disrupt our business and could result in decreased performance and increased operating costs, causing our business and results of operations to suffer. Any

significant interruption or failure of our information systems or any significant breach of security could adversely affect our business, results of operations and financial condition, as well as our cash flows, including cash available for dividends to our stockholders.

Furthermore, any changes in the nature of cyber threats might require us to adopt additional procedures for monitoring cybersecurity, which could require additional expenses and/or capital expenditures. Most recently, the escalation in conflict between Russia and Ukraine has been accompanied by cyber-attacks against the Ukrainian government and other countries in the region. It is possible that these attacks could have collateral effects on additional critical infrastructure and financial institutions globally, which could adversely affect Costamare's operations. It is difficult to assess the likelihood of such threat and any potential impact at this time.

The smuggling of drugs or other contraband onto our vessels may lead to governmental claims against us.

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. To the extent our vessels are found with contraband, whether inside or attached to the hull of our vessel and whether with or without the knowledge of any of our crew, we may face governmental or other regulatory claims or penalties which could have an adverse effect on our business, results of operations, cash flows, financial condition, as well as our cash flows, including cash available for dividends to our stockholders.

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

International shipping is subject to security and customs inspection and related procedures in countries of origin, destination and certain trans-shipment points. These inspection procedures can result in cargo seizure, delays in the loading, offloading, trans-shipment or delivery of containers, and the levying of customs duties, fines and other penalties against us.

Since the events of September 11, 2001, United States authorities have substantially increased container inspections. Government investment in non-intrusive container scanning technology has grown and there is interest in electronic monitoring technology, including so-called ''e-seals'' and ''smart'' containers, that would enable remote, centralized monitoring of containers during shipment to identify tampering with or opening of the containers, along with potentially measuring other characteristics such as temperature, air pressure, motion, chemicals, biological agents and radiation. Also, as a response to the events of September 11, 2001, additional vessel security requirements have been imposed, including the installation of security alert and automatic identification systems on board vessels. Following a number of recent terrorist attacks in cities across the globe, there has been a heightened level of security and new security procedures could be introduced.

It is unclear what additional changes, if any, to the existing inspection and security procedures may ultimately be proposed or implemented in the future, or how any such changes will affect the industry. It is possible that such changes could impose additional financial and legal obligations on us. Furthermore, changes to inspection and security procedures could also impose additional costs and obligations on our customers and may, in certain cases, render the shipment of certain types of goods in containers uneconomical or impractical. Any such changes or developments 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 stockholders.

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 vessels 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 vessels during a period of war or emergency, resulting in loss of earnings.

A government of the jurisdiction where one or more of our vessels are registered could requisition for title or seize our vessels. Requisition for title occurs when a government takes control of a vessel and becomes its owner. Also, a government could requisition our vessels 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, although governments may elect to requisition vessels in other circumstances. Although we would expect to be entitled to compensation in the event of a requisition of one or more of our vessels, the amount and timing of payment, if any, would be uncertain. Government requisition of one or more of our vessels may cause us to breach covenants in certain of our credit facilities, 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 stockholders.

Acts of piracy on ocean-going vessels could adversely affect our business.

Acts of piracy have historically affected ocean-going vessels trading in certain regions of the world, such as the South China Sea and the Gulf of Aden. Piracy continues to occur in the Gulf of Aden, off the coast of Somalia, and increasingly in the Gulf of Guinea. We consider potential acts of piracy to be a material risk to the international shipping industry, and protection against this risk requires vigilance. Our vessels regularly travel through regions where pirates are active. We may not be adequately insured to cover losses from acts of terrorism, piracy, regional conflicts and other armed actions, which could have a material adverse effect on our results of operations, financial condition and ability to pay dividends. Crew costs could also increase in such circumstances.

Our insurance may be insufficient to cover losses that may occur to our property or result from our operations.

The operation of any vessel includes risks such as mechanical failure, collision, fire, contact with floating objects, property loss, cargo loss or damage and business interruption due to political circumstances in foreign countries, hostilities and labor strikes. In addition, there is always an inherent possibility of a marine disaster, including oil spills and other environmental mishaps. There are also liabilities arising from owning and operating vessels in international trade. We procure insurance for our fleet of containerships and dry bulk vessels in relation to risks commonly insured against by vessel owners and operators. Our current insurance includes (i) hull and machinery insurance covering damage to our and third-party vessels' hulls and machinery, (ii) war risks insurance covering losses associated with the outbreak or escalation of hostilities and (iii) protection and indemnity insurance (which includes environmental damage) covering, among other things, third-party and crew liabilities such as expenses resulting from the injury or death of crew members, passengers and other third parties, the loss or damage to cargo, third-party claims arising from collisions with other vessels, damage to other third-party property and pollution arising from oil or other substances.

We can give no assurance that we are adequately insured against all risks or that our insurers will pay a particular claim. Even if our insurance coverage is adequate to cover our losses, we may not be able to obtain a timely replacement vessel in the event of a loss of a vessel. Under the terms of our credit facilities, we are subject to restrictions on the use of any proceeds we may receive from claims under our insurance policies. Furthermore, in the future, we may not be able to obtain adequate insurance coverage at reasonable rates for our fleet. For example, more stringent environmental regulations have led to increased costs for, and in the future may result in the lack of availability of, insurance against risks of environmental damage or pollution. We may also be subject to calls, or premiums, in amounts based not only on our own claim records but also the claim records of all other members of the protection and indemnity associations through which we receive indemnity insurance coverage. There is no cap on our liability exposure for such calls or premiums payable to our protection and indemnity association. Our insurance policies also contain deductibles, limitations and exclusions which, although we believe are standard in the shipping industry, may nevertheless increase our costs. A catastrophic oil spill or marine disaster could exceed our insurance coverage, which could have a material adverse effect on our business, results of operations and financial condition and our ability to pay dividends to our stockholders. Any uninsured or underinsured loss could harm our business and financial condition. In addition, the insurance may be voidable by the insurers as a result of certain actions, such as vessels failing to maintain required certification.

We do not carry loss of hire insurance. Loss of hire insurance 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 any extended period of vessel off-hire, due to an accident or otherwise, could have a material adverse effect on our business, results of operations and financial condition and our ability to pay dividends to our stockholders.

Our charterers may engage in legally permitted trading in locations which may still be subject to sanctions or boycott, such as Iran and Syria. Our insurers may be contractually or by operation of law prohibited from honoring our insurance contract for such trading, which could result in reduced insurance coverage for losses incurred by the related vessels. Furthermore, our insurers and we may be prohibited from posting or otherwise be unable to post security in respect of any incident in such locations, resulting in the loss of use of the relevant vessel and negative publicity for our Company which could negatively impact our business, results of operations, cash flows and share price.

Maritime claimants could arrest our vessels, which could interrupt our cash flows.

Crew members, suppliers of goods and services to a vessel, shippers or receivers of cargo and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages, including, in some jurisdictions, for debts incurred by previous owners. In many jurisdictions, a maritime lien-holder may enforce its lien by arresting a vessel. The arrest or attachment of one or more of our vessels, if such arrest or attachment is not timely discharged, could cause us to default on a charter or breach covenants in certain of our credit facilities, could interrupt our cash flows and could require us to pay large sums of money to have the arrest or attachment lifted. 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 vessels or to other vessels privately owned or controlled by our chairman and chief executive officer, Konstantinos Konstantakopoulos. Any of these occurrences 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 stockholders.

Compliance with safety and other requirements imposed by classification societies may be very costly and may adversely affect our business.

The hull and machinery of every commercial vessel must be classed by a classification society. The classification society certifies that the vessel has been built and maintained in accordance with the applicable rules and regulations of the classification society. Every vessel must comply with all applicable international conventions and the regulations of the vessel's flag state as verified by a classification society and must successfully undergo periodic surveys, including annual, intermediate and special surveys. If any vessel does not maintain its class, it will lose its insurance coverage and therefore will be unable to trade, and the vessel's owner will be in breach of relevant covenants under its financing arrangements. Failure to maintain the class of one or more of our vessels could have a material adverse effect on our financial condition and results of operations, as well as our cash flows, including cash available to pay dividends to stockholders.

Our business depends upon certain members of our senior management who may not necessarily continue to work for us.

Our future success depends to a significant extent upon our chairman and chief executive officer, Konstantinos Konstantakopoulos, certain members of our senior management and our managers and service providers. Mr. Konstantakopoulos has substantial experience in the container shipping industry and has worked with us and our managers for many years. He, our managers and certain of our senior management team are crucial to the execution of our business strategies and to the growth and development of our business. If these individuals were no longer to be affiliated with us or our managers, or if we were to otherwise cease to receive services from them, we may be unable to recruit other employees with equivalent talent and experience, which could have a material adverse effect on our financial condition and results of operations.

Our arrangements with our chief executive officer restrict his ability to compete with us, and such restrictive covenants generally may be unenforceable.

Konstantinos Konstantakopoulos, our chairman and chief executive officer, entered into a restrictive covenant agreement with us on November 3, 2010, which was amended and restated on July 1, 2021, under which, during the period of Mr. Konstantakopoulos' employment or service with us and for six months thereafter, Mr. Konstantakopoulos will agree to restrictions on his ownership and acquisition of interests in any

containership or dry bulk vessels, and any business involved in the ownership of containership or dry bulk vessels, subject to certain exceptions, including (i) pursuant to his involvement with us, (ii) with respect to certain acquisitions for which we are first given the opportunity to make and (iii) interests acquired prior to entering into the restrictive covenant agreement.

Konstantinos Konstantakopoulos has also agreed that if one of our vessels and a vessel majority owned directly or indirectly by him are both available and meet the criteria for an available charter, our vessel will be offered such charter. Such priority chartering obligation currently applies in respect of one containership, and one dry bulk vessel privately owned by Mr. Konstantakopoulos, but does not apply to seven containerships and four dry bulk vessels privately owned by Mr. Konstantakopoulos. This could give rise to a conflict of interest, which could adversely impact our results of operations.

We also cannot rule out the possibility that our board of directors will grant waivers to the restrictive covenant agreement. These restrictions have been waived by the Board of Directors or do not apply with respect to eight container vessels and five dry bulk vessels in which Konstantinos Konstantakopoulos has an interest, with one of such waivers occurring in the year ending December 31, 2021. For more information on the restrictive covenant agreement, see ‘‘Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Konstantinos Konstantakopoulos Restrictive Covenant Agreement’’.

In addition, the restrictive covenant agreement is governed by English law, and English law generally does not favor the enforcement of such restrictions which are considered contrary to public policy and facially are void for being in restraint of trade. Our ability to enforce these restrictions, should it ever become necessary, will depend upon us establishing that there is a legitimate proprietary interest that is appropriate to protect, and that the protection sought is no more than is reasonable, having regard to the interests of the parties and the public interest. We cannot give any assurance that a court would enforce the restrictions as written by way of an injunction or that we could necessarily establish a case for damages as a result of a violation of the restrictive covenants agreement.

Our chairman and chief executive officer has affiliations with our managers and others that could create conflicts of interest between us and our managers or other entities in which he has an interest.

Costamare Shipping Company S.A. (‘‘Costamare Shipping) and Costamare Shipping Services Ltd. (‘‘Costamare Services’’) which provide services to our vessels and/or to our vessel-owning subsidiaries under the Framework Agreement, the Services Agreement and the separate ship management agreements, are directly or indirectly controlled by our chairman and chief executive officer, Konstantinos Konstantakopoulos or his family. Costamare Shipping is also the manager of two vessels privately owned by our chairman and chief executive officer. In addition, our chairman and chief executive officer, Konstantinos Konstantakopoulos, controls 50% of Blue Net Chartering GmbH & Co. KG (‘‘Blue Net’’) which provides charter brokerage services to our containerships under the Brokerage Agreement and of Blue Net Chartering Asia Pte. Ltd. (‘‘Blue Net Asia’’) which provide charter brokerage services to our containerships on a case by case basis. Blue Net does not provide its services to the vessels for which charter brokerage services are being provided by Blue Net Asia. The terms of the Framework Agreement, the Services Agreement, the separate ship management agreements and the Brokerage Agreement were not negotiated at arm’s length by non-related third parties. Accordingly, the terms may be less favorable to the Company than if such terms were obtained from a non-related third party.

Additionally, Konstantinos Konstantakopoulos, our chairman and chief executive officer, is the owner as at March 18, 2022 of approximately 22.7% of our common stock, and this relationship could create conflicts of interest between us, on the one hand, and our affiliated managers or service providers, on the other hand. These conflicts, which are addressed in the Framework Agreement, the Services Agreement, the separate ship management agreements, the Brokerage Agreement and the restrictive covenant agreement between us and our chairman and chief executive officer, may arise in connection with the chartering, purchase, sale and operation of the vessels in our fleet versus vessels owned or chartered-in by other companies, including companies affiliated with our chairman and chief executive officer. These conflicts of interest may have an adverse effect on our results of operations. See ‘‘Item 4. Information on the Company—B. Business Overview—Management of Our Fleet’’ and ‘‘Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Restrictive Covenant Agreements’’.

Our chairman and chief executive officer, Konstantinos Konstantakopoulos, privately owns one container vessel (which is comparable to two of our vessels), and holds a passive interest in certain companies that own

seven containerships comparable to 37 of our vessels (including two vessels acquired under the Framework Deed). Mr. Konstantakopoulos also privately owns one dry bulk vessel comparable to 16 of our vessels and holds a passive interest, together with members of his family and third parties, in a business involved in the ownership of four dry bulk vessels comparable to 22 of our vessels. Mr. Konstantakopoulos may acquire additional vessels. Additionally, one of our non-independent board members, Konstantinos Zacharatos, holds a passive minority interest in one company that owns a containership comparable to four of our vessels (including one vessel acquired under the Framework Deed) and may acquire additional vessels. These vessels may compete with the Company's vessels for chartering opportunities. These investments were entered into following the review and approval of our Audit Committee and Board of Directors. "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Other Transactions".

Certain of our managers are permitted to, and are actively seeking to, provide management services to vessels owned by third parties that compete with us, which could result in conflicts of interest or otherwise adversely affect our business.

Costamare Shipping and Costamare Services have provided in the past and may provide in the future management services and other services in respect of the Joint Venture vessels as well as to containerships and dry bulk vessels owned by entities controlled by our chairman and chief executive officer, Konstantinos Konstantakopoulos, or members of his family and their affiliates that are similar to and may compete with our vessels. V.Ships Greece, V.Ships Shanghai, HanseContor Shipmanagement GmbH & Co. KG ("HanseContor"), Bernhard Schulte Shipmanagement (Cyprus) Ltd. and BSM GR Management Ltd. (together "BSM"), FML Ship Management Limited ("FML"), Blue Net and Blue Net Asia provide and actively seek to provide services to third parties, while F. A. Vinnen & Co. (GmbH & Co. KG) ("Vinnen") provides services to container vessels related to their owners. In addition to providing brokerage services to our vessels and the vessels acquired pursuant to the Framework Deed, Blue Net and Blue Net Asia provide brokerage services to third party vessels, including vessels that are similar to and compete with our vessels. These third party vessels include vessels owned by Peter Döhle Schiffahrts-KG, a German integrated ship owner and manager, which also controls 50% of Blue Net and Blue Net Asia. Our managers' provision of management services to third parties, including related parties, that may compete with our vessels could give rise to conflicts of interest or adversely affect the ability of these managers to provide the level of service that we require. Conflicts of interest with respect to certain services, including sale and purchase and chartering activities, among others, may have an adverse effect on our results of operations.

Our managers are privately held companies and there is little or no publicly available information about them.

The ability of our managers to continue providing services for our benefit will depend in part on their own financial strength. Circumstances beyond our control could impair our managers' financial strength, and because they are privately held companies, information about their financial strength is not publicly available. As a result, an investor in our stock might have little advance warning of problems affecting any of our managers, even though these problems could have a material adverse effect on us. As part of our reporting obligations as a public company, we will disclose information regarding our managers that has a material impact on us to the extent that we become aware of such information.

We depend on our managers to operate and expand our business and compete in our markets.

Pursuant to the Framework Agreement between Costamare Shipping and us dated November 2, 2015, as amended and restated on January 17, 2020 and as further amended and restated on June 28, 2021 (the "Framework Agreement"), the Services Agreement between Costamare Services and our vessel-owning subsidiaries dated November 2, 2015, as amended and restated on June 28, 2021 (the "Services Agreement") and the separate ship-management agreements pertaining to each vessel, our managers provide us with, among other things, commercial, technical and other management services. See "Item 4. Information on the Company—B. Business Overview—Management of Our Fleet" and "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management and Services Agreements". Our operational success and ability to execute our growth strategy depends significantly upon our managers' satisfactory performance of these services. Our business will be harmed if such entities fail to perform these services satisfactorily or if they stop providing these services.

Costamare Shipping, one of our managers, also owns the Costamare trademarks, which consist of the name "COSTAMARE" and the Costamare logo, and has agreed to license each trademark to us on a royalty free basis

for the life of the Framework Agreement. If the Framework Agreement or the Services Agreement were to be terminated or if their terms were to be altered, our business could be adversely affected, as we may not be able to immediately replace such services, and even if replacement services were immediately available, the terms offered could be less favorable than the ones offered by our managers.

Our ability to compete for and enter into new time charters or potential voyage charters and to expand our relationships with our existing charterers depends largely on our relationship with our managers and their reputation and relationships in the shipping industry. If our managers suffer material damage to their reputation or relationships, it may harm the ability of us or our subsidiaries to:

- renew existing charters upon their expiration;
- obtain new charters;
- successfully enter into sale and purchase transactions and interact with shipyards;
- obtain financing and other contractual arrangements with third parties on commercially acceptable terms (therefore potentially increasing operating expenditure for the fleet);
- maintain satisfactory relationships with our charterers and suppliers;
- operate our fleet efficiently; or
- successfully execute our business strategies.

If our ability to do any of the things described above is impaired, it could have a material adverse effect on our financial condition and results of operations, as well as our cash flows.

Managing multiple fleets requires management to allocate significant attention and resources, and failure to successfully or efficiently manage both fleets may harm our business and operating results.

Our fleet consists of both containership and dry bulk vessels following our entry into the dry bulk business in 2021. Containerships and dry bulk vessels operate in different markets with different chartering characteristics and different customer bases. Our management team must devote significant attention and resources to both our containership and dry bulk businesses, and the time spent on each business will vary significantly from time to time depending on various circumstances and needs of each business. Each business requires significant attention from our management and could divert resources away from the day-to-day management of the other business, which could harm our business, results of operations, and financial condition.

Our vessels may call at ports located in countries that are subject to restrictions imposed by the United States government, the European Union, the United Nations and other governments, which could negatively affect the trading price of our shares of common stock.

The United States, the European Union, the United Nations and other governments and their agencies impose sanctions and embargoes on certain countries and maintain lists of countries, individuals or entities they consider to be state sponsors of terrorism, involved in prohibited development of certain weapons or engaged in human rights violations. From time to time on charterers' instructions, our vessels have called and may again call at ports located in countries subject to sanctions and embargoes imposed by the United States, the European Union, the United Nations and other governments and their agencies, including ports in Iran, Syria and Sudan.

The sanctions and embargo laws and regulations vary in their application, as they do not all apply to the same covered persons or proscribe the same activities, and such sanctions and embargo laws and regulations may be amended, strengthened or lifted over time. The United States sanctions administered by the Office of Foreign Assets Control (''OFAC'') of the U.S. Department of the Treasury principally apply, with limited exception, to U.S. persons (defined as any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States, or any person in the United States) only, not to non-U.S. companies. The United States can, however, extend sanctions liability to non-U.S. persons, including non-U.S. companies, such as our Company.

For example, in 2010, the United States enacted the Comprehensive Iran Sanctions Accountability and Divestment Act (''CISADA''), which expanded the scope of the former Iran Sanctions Act. Among other things, CISADA expands the application of the prohibitions to non-U.S. companies, such as the Company, and

introduces limits on the ability of companies and persons to do business or trade with Iran when such activities relate to the investment, supply or export of refined petroleum or petroleum products. In 2012, President Obama signed Executive Order 13608 which prohibits foreign persons from violating or attempting to violate or causing a violation of any sanctions in effect against Iran or facilitating any deceptive transactions for or on behalf of any person subject to U.S. sanctions. The Secretary of the Treasury may prohibit any transactions or dealings, including any U.S. capital markets financing, involving any person found to be in violation of Executive Order 13608. Also in 2012, the U.S. enacted the Iran Threat Reduction and Syria Human Rights Act of 2012 (the ''ITRA''), which created new sanctions and strengthened existing sanctions. Among other things, the ITRA intensifies existing sanctions regarding the provision of goods, services, infrastructure or technology to Iran's petroleum or petrochemical sector. The ITRA also includes a provision requiring the President of the United States to impose five or more sanctions from Section 6(a) of the Iran Sanctions Act, as amended, on a person the President determines is a controlling beneficial owner of, or otherwise owns, operates, or controls or insures a vessel that was used to transport crude oil from Iran to another country and (1) if the person is a controlling beneficial owner of the vessel, the person had actual knowledge the vessel was so used or (2) if the person otherwise owns, operates, or controls or insures the vessel, the person knew or should have known the vessel was so used. Such a person could be subject to a variety of sanctions, including exclusion from U.S. capital markets, exclusion from financial transactions subject to U.S. jurisdiction, and exclusion of that person's vessels from U.S. ports for up to two years. The ITRA also includes a requirement that issuers of securities must disclose to the SEC in their annual and quarterly reports filed after February 6, 2013 if the issuer or ''any affiliate'' has ''knowingly'' engaged in certain sanctioned activities involving Iran during the timeframe covered by the report. Finally, in January 2013, the U.S. enacted the Iran Freedom and Counter-Proliferation Act of 2012 (the ''IFCA''), which expanded the scope of U.S. sanctions on any person that is part of Iran's energy, shipping or shipbuilding sector and operators of ports in Iran, and imposes penalties on any person who facilitates or otherwise knowingly provides significant financial, material or other support to these entities.

The United States can also remove sanctions it has previously imposed. On January 16, 2016, the United States suspended certain sanctions against Iran applicable to non-U.S. companies, such as the Company, pursuant to the nuclear agreement reached between Iran, China, France, Germany, Russia, the United Kingdom, the United States and the European Union. To implement these changes, beginning on January 16, 2016, the United States waived enforcement as to non-U.S. companies of many of the sanctions against Iran's energy and petrochemical sectors described above, among other things, including certain provisions of CISADA, ITRA, and IFCA. However, in May 2018, the United States announced its withdrawal from the Joint Comprehensive Plan of Action and almost all of the U.S. sanctions waived and lifted in January 2016 were reinstated in August 2018 and November 2018, respectively. In addition, in May 2019 and January 2020, additional sectors of the Iranian economy became subject to sanctions. The May 2019 sanctions targeted the iron, steel, aluminum and copper sectors of Iran, and the January 2020 sanctions targeted the construction, mining, manufacturing and textiles sectors of Iran. These sanctions also encompass significant transactions to sell, supply or transfer to Iran goods or services related to the aforementioned sanctioned sectors.

From January 2011 through December 2021, vessels in our fleet made a total of 206 calls to ports in Iran, Sudan and Syria, representing approximately 0.38% of our approximately 54,765 calls on worldwide ports, including calls made by vessels owned pursuant to the Framework Deed with York, and may again call on ports located in countries subject to sanctions and embargoes imposed by the United States government as state sponsors of terrorism. Although we believe that we were and are in compliance with all applicable sanctions and embargo laws and regulations through the implementation of a Company-wide sanctions policy, and intend to continue to maintain such compliance, there can be no assurance that we will be in compliance in the future, particularly as the scope of certain laws may be expanded and subject to changing interpretations. Any such violation could result in fines or other penalties, could limit our ability to trade to the United States and other countries or charter our vessels, could limit our ability to obtain financing and could result in some investors deciding, or being required, to divest their interest, or not to invest, in the Company. In addition, if we have a casualty in sanctioned locations, including Iran, our underwriters may not provide required security which could lead to the detention and subsequent loss of our vessel and the imprisonment of our crew, and our insurance policies may not cover the costs and losses associated with the incident. Additionally, some investors may decide to divest their interest, or not to invest, in the Company simply because we do business with companies that do business in sanctioned countries. Moreover, our charterers may violate applicable sanctions and embargo laws and regulations as a result of actions that may involve our vessels, and could result in fines or other penalties

against the Company for failing to prevent those violations, could limit our ability to trade to the United States and other countries or charter our vessels, could limit our ability to obtain financing and could in turn negatively affect our reputation. Investor perception of the value of our common stock may also be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in these and surrounding countries.

Failure to comply with the U.S. Foreign Corrupt Practices Act and other anti-bribery legislation in other jurisdictions could result in fines, criminal penalties, contract terminations and an adverse effect on our business.

We may operate in a number of countries through the world, including countries known to have a reputation for corruption. We are committed to doing business in accordance with applicable anti-corruption laws and have adopted a code of business conduct and ethics which is consistent and in full compliance with the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"). We are subject, however, to the risk that we, our affiliated entities or our or their respective officers, directors, employees and agents may take actions determined to be in violation of such anti-corruption laws, including the FCPA. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect our business, results of operations or financial condition. In addition, actual or alleged violations could 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.

We are a Marshall Islands corporation, and the Marshall Islands does not have a well-developed body of corporate law or a bankruptcy act, and as a result, stockholders may have fewer rights and protections under Marshall Islands law than under the laws of a jurisdiction in the United States.

Our corporate affairs are governed by our articles of incorporation and bylaws and by the Marshall Islands Business Corporations Act (the "BCA"). The provisions of the BCA are similar to provisions of the corporation laws of a number of states in the United States, most notably Delaware. The BCA also provides that it is to be applied and construed to make it uniform with the laws of Delaware and other states of the United States that have substantially similar legislative provisions or statutory laws. In addition, so long as it does not conflict with the BCA or decisions of the Marshall Islands courts, the BCA is to be interpreted according to the non-statutory law (or case law) of the State of Delaware and other states of the United States that have substantially similar legislative provisions or statutory laws. There have been, however, few court cases in the Marshall Islands interpreting the BCA, in contrast to Delaware, which has a well-developed body of case law interpreting its corporate law statutes. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as the courts in Delaware or such other states of the United States. For example, the rights and fiduciary responsibilities of directors under the laws of the Marshall Islands are not as clearly established as the rights and fiduciary responsibilities of directors under statutes or judicial precedent in existence in the relevant U.S. jurisdictions. Stockholder rights may differ as well. As a result, our public stockholders may have more difficulty in protecting their interests in the face of actions by the management, directors or controlling stockholders than would stockholders of a corporation incorporated in a U.S. jurisdiction.

The Marshall Islands has no established bankruptcy act, and as a result, any bankruptcy action involving our company would have to be initiated outside the Marshall Islands, and our public stockholders may find it difficult or impossible to pursue their claims in such other jurisdictions.

It may be difficult or impossible to enforce service of process and enforcement of judgments against us and our officers and directors.

We are a Marshall Islands corporation and all of our subsidiaries are, and will likely be, incorporated in jurisdictions outside the United States. In addition, our executive offices are located outside of the United States in Monaco. All of our directors and officers reside outside of the United States, and all or a substantial portion of our assets and the assets of most of our officers and directors are, and will likely be, located outside of the United States. As a result, it may be difficult or impossible for U.S. investors to serve legal process within the United States upon us or any of these persons or to enforce a judgment against us for civil liabilities in U.S. courts. In addition, you should not assume that courts in the countries in which we or our subsidiaries are incorporated or where our or our subsidiaries' assets are located (1) would enforce judgments of U.S. courts obtained in actions against us or our subsidiaries based upon the civil liability provisions of applicable U.S. Federal and state securities laws or (2) would enforce, in original actions, liabilities against us or our subsidiaries based on those laws.

There is also substantial doubt that the courts of the Marshall Islands or Monaco would enter judgments in original actions brought in those courts predicated on U.S. Federal or state securities laws.

Risks Relating to our Securities

The price of our securities may be volatile and future sales of our equity securities could cause the market price of our securities to decline.

The price of our equity securities has been and may continue to be volatile and may fluctuate due to various factors including:

- actual or anticipated fluctuations in quarterly and annual results;
- fluctuations in the seaborne transportation industry, including fluctuations in the containership and dry bulk markets;
- our payment of dividends;
- mergers and strategic alliances in the shipping industry;
- changes in governmental regulations or maritime self-regulatory organization standards;
- shortfalls in our operating results from levels forecasted by securities analysts;
- announcements concerning us or our competitors;
- general economic conditions;
- terrorist acts;
- future sales of our stock or other securities;
- investors' perceptions of us and the international shipping industry;
- the general state of the securities markets; and
- other developments affecting us, our industry or our competitors.

The containership and dry bulk sectors of the shipping industry have been highly unpredictable and volatile. Securities markets worldwide are experiencing significant price and volume fluctuations. The market price for our securities may also be volatile. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our securities in spite of our operating performance. Consequently, you may not be able to sell our securities at prices equal to or greater than those at which you pay or paid.

Furthermore, sales of a substantial number of shares of our equity securities in the public market, or the perception that these sales could occur, may depress the market price for our securities. These sales could also impair our ability to raise additional capital through the sale of our equity securities in the future.

On July 6, 2016, we implemented a dividend reinvestment plan (the ''Dividend Reinvestment Plan'') that offers holders of our common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in our common stock. Subject to the rules of the NYSE, in the future, we may issue, in addition to the shares to be issued under our Dividend Reinvestment Plan and the shares to be issued under the Services Agreement, additional shares of common stock, and other equity securities of equal or senior rank, without stockholder approval, in a number of circumstances. On December 5, 2016 and on May 31, 2017, we completed follow-on offerings for the sale of 12 million and 13.5 million shares of our common stock, respectively. On November 12, 2018, we entered into a Share Purchase Agreement with York to acquire its ownership interest in five jointly-owned vessel-owning companies, which had been formed pursuant to the Framework Deed (the ''Share Purchase Agreement''). The Share Purchase Agreement permitted us, upon serving a share settlement notice at any time within six months from February 8, 2019, to elect to pay a portion of the consideration under the Share Purchase Agreement in our common stock. On July 25, 2019, we issued 2,883,015 shares of common stock to York at an effective issuance price of $4.72 per share, which then sold the shares to Kent Maritime Investments S.A. (a company wholly owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos), effective July 26, 2019.

During the year ended December 31, 2021, we have issued 1,226,066 new shares under the Dividend Reinvestment Plan. In addition, during the year ended December 31, 2021, we have issued 598,400 common shares to Costamare Services in payment of services rendered under the Services Agreement.

The issuance by us of additional shares of common stock or other equity securities of equal or senior rank would have the following effects:

- our existing stockholders' proportionate ownership interest in us will decrease;
- the dividend amount payable per share on our securities may be lower;
- the relative voting strength of each previously outstanding share may be diminished; and
- the market price of our securities may decline.

Our major stockholders also may elect to sell large numbers of shares held by them from time to time. The number of shares of common stock and Preferred Stock available for sale in the public market will be limited by restrictions applicable under securities laws, and agreements that we and our executive officers, directors and existing stockholders may enter into with the underwriters at the time of an offering. Subject to certain exceptions, these agreements generally restrict us and our executive officers, directors and existing stockholders from directly or indirectly offering, selling, pledging, hedging or otherwise disposing of our equity securities or any security that is convertible into or exercisable or exchangeable for our equity securities and from engaging in certain other transactions relating to such securities for an agreed period after the date of an offering prospectus without the prior written consent of the underwriters.

Our management is required to devote substantial time to complying with public company regulations.

As a public company, we incur significant legal, accounting and other expenses. In addition, the Sarbanes-Oxley Act of 2002 (''Sarbanes-Oxley'') as well as rules subsequently adopted by the SEC and the New York Stock Exchange (''NYSE''), including the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (''Dodd-Frank''), have imposed various requirements on public companies, including changes in corporate governance practices. Our directors, management and other personnel devote a substantial amount of time to comply with these requirements and compliance with these rules and regulations relating to public companies result in legal and financial compliance costs.

Sarbanes-Oxley requires, among other things, that we maintain and periodically evaluate our internal control over financial reporting and disclosure controls and procedures. In particular, under Section 404 of Sarbanes-Oxley, we are required to include in each of our annual reports on Form 20-F a report containing our management's assessment of the effectiveness of our internal control over financial reporting and a related attestation of our independent auditors. We have undertaken the required review to comply with Section 404, including the documentation, testing and review of our internal controls under the direction of our management. While we did not identify any material weaknesses or significant deficiencies in our internal controls under the current assessment, we cannot be certain at this time that all our controls will be considered effective in future assessments. Therefore, we can give no assurances that our internal control over financial reporting will satisfy the new regulatory requirements in the future.

Investors may view our ownership of multiple fleets negatively, which may decrease the trading price of our securities.

We own and operate both containerships and dry bulk fleets. Historically, companies that own mixed asset classes have tended to trade at levels that suggest lower valuations than ''pure play'' companies. Accordingly, investors may view our stock as relatively less attractive than stocks of pure play companies, which could materially and adversely affect the trading price of our securities.

We are a "foreign private issuer" and "controlled company" under the NYSE rules, and as such we are entitled to exemption from certain NYSE corporate governance standards, and you may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements.

We are a ''foreign private issuer'' under the securities laws of the United States and the rules of the NYSE. Under the securities laws of the United States, ''foreign private issuers'' are subject to different disclosure requirements than U.S. domiciled registrants, as well as different financial reporting requirements. Under the

NYSE rules, a "foreign private issuer" is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the NYSE permit a "foreign private issuer" to follow its home country practice in lieu of the listing requirements of the NYSE. In addition, members of the Konstantakopoulos family continue to own, in the aggregate, a majority of our outstanding common stock. As a result, we are a "controlled company" within the meaning of the NYSE corporate governance standards. Under the NYSE rules, a company of which more than 50% of the voting power is held by another company or group is a "controlled company" and may elect not to comply with certain NYSE corporate governance requirements, including (1) the requirement that a majority of the board of directors consist of independent directors, (2) the requirement that the nominating committee be composed entirely of independent directors and have a written charter addressing the committee's purpose and responsibilities, (3) the requirement that the compensation committee be composed entirely of independent directors and have a written charter addressing the committee's purpose and responsibilities and (4) the requirement of an annual performance evaluation of the nominating and corporate governance and compensation committees.

As permitted by these exemptions, as well as by our bylaws and the laws of the Marshall Islands, we currently have a board of directors with a majority of non-independent directors, an audit committee comprised solely of two independent directors and a combined corporate governance, nominating and compensation committee with one non-independent director serving as a committee chairman. As a result, non-independent directors, including members of our management who also serve on our board of directors, may, among other things, fix the compensation of our management, make stock and option awards and resolve governance issues regarding our company. Accordingly, in the future you may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements.

Our Preferred Stock is subordinated to our debt obligations and pari passu with each other, and your interests could be diluted by the issuance of additional shares of preferred stock, including additional Series B, Series C, Series D and Series E Preferred Stock, and by other transactions.

Our Preferred Stock is subordinated to all of our existing and future indebtedness. As of December 31, 2021, we had outstanding indebtedness, including our lease obligations, other financing arrangements and our unsecured bond loan, of approximately $2.6 billion. Our existing indebtedness restricts, and our future indebtedness may include restrictions on, our ability to pay dividends to preferred stockholders. Our charter currently authorizes the issuance of up to 100 million shares of preferred stock in one or more classes or series. Of this preferred stock, 75.5 million shares remain available for issuance after giving effect to the designation of 10 million shares as Series A Participating Preferred Stock in connection with our adoption of a stockholder rights plan, the issuance of two million shares as Series B Preferred Stock, the issuance of four million shares as Series C Preferred Stock, the issuance of four million shares as Series D Preferred Stock and the issuance of four million six hundred thousand shares as Series E Preferred Stock. The issuance of additional preferred stock on a parity with or senior to our Preferred Stock would dilute the interests of the holders of our Preferred Stock, and any issuance of preferred stock senior to or on a parity with our Preferred Stock or of additional indebtedness could affect our ability to pay dividends on, redeem or pay the liquidation preference on our Preferred Stock. No provisions relating to our Preferred Stock protect the holders of our Preferred Stock in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all our assets or business, which might adversely affect the holders of our Preferred Stock.

Holders of Preferred Stock have extremely limited voting rights.

Our common stock is the only class of our stock carrying full voting rights. Holders of the Preferred Stock generally have no voting rights except (1) in respect of amendments to the Articles of Incorporation which would adversely alter the preferences, powers or rights of the Preferred Stock or (2) in the event that the Company proposes to issue any parity stock if the cumulative dividends payable on outstanding Preferred Stock are in arrears or any senior stock. However, if and whenever dividends payable on the Preferred Stock are in arrears for six or more quarterly periods, whether or not consecutive, holders of Preferred Stock (for this purpose the Series B, Series C, Series D and Series E Preferred Stock will vote together as a single class with all other classes or series of parity stock upon which like voting rights have been conferred and are exercisable) will be entitled to elect one additional director to serve on our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of parity stock upon which like voting rights have

been conferred and with which the Preferred Stock voted as a class for the election of such director). The right of such holders of Preferred Stock to elect a member of our board of directors will continue until such time as all accumulated and unpaid dividends on the Preferred Stock have been paid in full.

The Preferred Stock represents perpetual equity interests and you will have no right to receive any greater payment than the liquidation preference regardless of the circumstances.

The Preferred Stock represents perpetual equity interests in us and, unlike our indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. As a result, holders of the Preferred Stock may be required to bear the financial risks of an investment in the Preferred Stock for an indefinite period of time.

The payment due to a holder of Preferred Stock upon a liquidation is fixed at the redemption preference of $25.00 per share plus accumulated and unpaid dividends to the date of liquidation. If, in the case of our liquidation, there are remaining assets to be distributed after payment of this amount, you will have no right to receive or to participate in these amounts. Furthermore, if the market price for your Preferred Stock is greater than the liquidation preference, you will have no right to receive the market price from us upon our liquidation.

Members of the Konstantakopoulos family are our principal existing stockholders and will control the outcome of matters on which our stockholders are entitled to vote; their interests may be different from yours.

Members of the Konstantakopoulos family own as at March 18, 2022, directly or indirectly, approximately 56.5% of our outstanding common stock, in the aggregate. These stockholders will be able to control the outcome of matters on which our stockholders are entitled to vote, including the election of our entire board of directors and other significant corporate actions. The interests of each of these stockholders may be different from yours.

Anti-takeover provisions in our organizational documents could make it difficult for our stockholders to replace or remove our current board of directors or could have the effect of discouraging, delaying or preventing a merger or acquisition, which could adversely affect the market price of the shares of our common stock.

Several provisions of our articles of incorporation and bylaws could make it difficult for our stockholders to change the composition of our board of directors in any one year, preventing them from changing the composition of our management. In addition, the same provisions may discourage, delay or prevent a merger or acquisition that stockholders may consider favorable.

These provisions:

- authorize our board of directors to issue ‘‘blank check’’ preferred stock without stockholder approval;
- provide for a classified board of directors with staggered, three-year terms;
- prohibit cumulative voting in the election of directors;
- authorize the removal of directors only for cause and only upon the affirmative vote of the holders of a majority of the outstanding stock entitled to vote for those directors;
- prohibit stockholder action by written consent unless the written consent is signed by all stockholders entitled to vote on the action; and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted on by stockholders at stockholder meetings.

We have adopted a stockholder rights plan pursuant to which our board of directors may cause the substantial dilution of the holdings of any person that attempts to acquire us without the approval of our board of directors.

These anti-takeover provisions, including the provisions of our stockholder rights plan, could substantially impede the ability of public stockholders to benefit from a change in control and, as a result, may adversely affect the market price of our common stock and your ability to realize any potential change of control premium.

Tax Risks

In addition to the following risk factors, you should read ‘‘Item 10. Additional Information—E. Tax Considerations—Marshall Islands Tax Considerations’’, ‘‘Item 10. Additional Information—E. Tax Considerations—Liberian Tax Considerations’’ and ‘‘Item 10. Additional Information—E. Tax Considerations—United States Federal Income Tax Considerations’’ for a more complete discussion of the material Marshall Islands, Liberian and U.S. Federal income tax consequences of owning and disposing of our common stock and Preferred Stock.

We may have to pay tax on U.S.-source income, which would reduce our earnings.

Under the United States Internal Revenue Code of 1986, as amended (the ‘‘Code’’), the U.S. source gross transportation income of a ship-owning or chartering corporation, such as ourselves, is subject to a 4% U.S. Federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under Section 883 of the Code and the Treasury Regulations promulgated thereunder. U.S. source gross transportation income consists of 50% of the gross shipping income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States.

We believe that we have qualified and currently intend to continue to qualify for this statutory tax exemption for the foreseeable future. However, no assurance can be given that this will be the case. If we or our subsidiaries are not entitled to this exemption under Section 883 for any taxable year, we or our subsidiaries would be subject for those years to a 4% U.S. Federal income tax on our U.S. source gross transportation income. The imposition of this taxation could have a negative effect on our business and would result in decreased earnings available for distribution to our stockholders. Some of our time charters contain provisions pursuant to which charterers undertake to reimburse us for the 4% gross basis tax on our U.S. source gross transportation income. For a more detailed discussion, see ‘‘Item 10. Additional Information—E. Tax Considerations—United States Federal Income Tax Considerations—Taxation of Our Shipping Income’’.

If we were treated as a "passive foreign investment company", certain adverse U.S. Federal income tax consequences could result to U.S. stockholders.

A foreign corporation will be treated as a ‘‘passive foreign investment company’’ (‘‘PFIC’’), for U.S. Federal income tax purposes if at least 75% of its gross income for any taxable year consists of certain types of ‘‘passive income’’, or at least 50% of the average value of the corporation's assets produce or are held for the production of those types of ‘‘passive income’’. For purposes of these tests, ‘‘passive income’’ includes dividends, interest, and 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. For purposes of these tests, income derived from the performance of services does not constitute ‘‘passive income’’. U.S. stockholders of a PFIC are subject to a disadvantageous U.S. Federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC, and the gain, if any, they derive from the sale or other disposition of their shares in the PFIC. If we are treated as a PFIC for any taxable year, we will provide information to U.S. stockholders who request such information to enable them to make certain elections to alleviate certain of the adverse U.S. Federal income tax consequences that would arise as a result of holding an interest in a PFIC.

Based on our method of operation, we do not believe that we will be a PFIC with respect to any taxable year. In this regard, we intend to treat the gross income we derive or are deemed to derive from our time chartering activities as services income, rather than rental income. Accordingly, we believe that our income from our time chartering activities does not constitute ‘‘passive income’’, and the assets that we own and operate in connection with the production of that income do not constitute passive assets. Our counsel, Cravath, Swaine & Moore LLP, is of the opinion that we should not be a PFIC based on certain assumptions made by them as well as certain representations we made to them regarding the composition of our assets, the source of our income, and the nature of our operations.

There is, however, no legal authority under the PFIC rules addressing our method of operation. Accordingly, no assurance can be given that the U.S. Internal Revenue Service (the ‘‘IRS’’) or a court of law will accept our position, and there is a risk that the IRS or a court of law could determine that we are a PFIC. Moreover, no assurance can be given that we would not constitute a PFIC for any future taxable year if there were to be changes in the nature and extent of our operations.

If the IRS were to find that we are or have been a PFIC for any taxable year, U.S. stockholders would face adverse tax consequences. Under the PFIC rules, unless those stockholders make certain elections available under the Code, such stockholders would be liable to pay U.S. Federal income tax at the then prevailing income tax rates on ordinary income plus interest upon excess distributions and upon any gain from the disposition of our common stock or Preferred Stock, as if the excess distribution or gain had been recognized ratably over the stockholder's holding period. Please read ''Item 10. Additional Information—E. Tax Considerations—United States Federal Income Tax Considerations—Taxation of United States Holders—PFIC Status'' for a more detailed discussion of the U.S. Federal income tax consequences to U.S. stockholders if we are treated as a PFIC.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Costamare Inc. was incorporated in the Republic of the Marshall Islands on April 21, 2008 under the BCA. We are controlled by members of the Konstantakopoulos family, which has a long history of operating and investing in the international shipping industry, including a long history of vessel ownership. We were founded in 1974 and initially owned and operated dry bulk vessels. In 1984, we became the first Greek-owned company to enter the containership market, and from 1992 until our acquisition of dry bulk vessels in June 2021, we focused exclusively on containerships. Since assuming management of our company in 1998, Konstantinos Konstantakopoulos has concentrated on building a large, modern and reliable containership fleet run and supported by highly skilled, experienced and loyal personnel. Under Konstantinos Konstantakopoulos's leadership, we have continued to foster a company culture focusing on excellent customer service, industry leadership and innovation.

In November 2010, we completed an initial public offering of our common stock in the United States and our common stock began trading on the NYSE on November 4, 2010 under the ticker symbol ''CMRE''. On March 27, 2012, October 19, 2012, December 5, 2016 and May 31, 2017, we completed four follow-on public offerings of our common stock. On August 7, 2013, we completed a public offering of our Series B Preferred Stock, on January 21, 2014, we completed a public offering of our Series C Preferred Stock, on May 13, 2015, we completed a public offering of our Series D Preferred Stock and on January 30, 2018, we completed a public offering of our Series E Preferred Stock. On July 6, 2016, we implemented a Dividend Reinvestment Plan that offers holders of our common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in our common stock at a discount to current market price.

Under the Framework Deed entered into in May 2013, as amended and restated in May 2015 and as further amended in June 2018, we agreed with York to invest in newbuild and secondhand container vessels through jointly held companies, thereby increasing our ability to expand our operations while diversifying our risk. After acquiring a number of both newbuild and secondhand container vessels, the commitment period ended on May 15, 2020. The Framework Deed itself, will terminate on May 15, 2024, or upon the occurrence of certain extraordinary events as described therein. On November 12, 2018, we entered into a Share Purchase Agreement with York to acquire its ownership interest in five jointly-owned vessel-owning companies, which had been formed pursuant to the Framework Deed. The Share Purchase Agreement permitted us, upon serving a share settlement notice at any time within six months from February 8, 2019, to elect to pay a portion of the consideration under the Share Purchase Agreement in our common stock. On July 25, 2019, we issued 2,883,015 shares of common stock to York, which then sold the shares to Kent Maritime Investments S.A. (a company wholly owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos), effective July 26, 2019. On March 22, 2021, March 24, 2021 and March 29, 2021, we entered into three share purchase agreements with York to acquire its ownership interest in five additional jointly-owned vessel owning companies, which had initially been formed under the joint venture with York.

On June 14, 2021, we entered into a Share Purchase Agreement with Longshaw Maritime Investments S.A. (''Longshaw''), an entity controlled by our chairman and chief executive officer, Konstantinos Konstantakopoulos (the ''Longshaw Share Purchase Agreement''). Under the Longshaw Share Purchase Agreement, we agreed to acquire all of Longshaw's equity interest in 16 companies which had acquired or had agreed to acquire dry bulk vessels. Following our entry into the Longshaw Share Purchase Agreement, we continued our expansion into the dry bulk shipping sector and invested in growing our fleet of dry bulk vessels. In July 2021, we hired a team of seven former executives and employees of Olympic Vision Maritime Inc., the dry bulk arm of the Onassis Group, to assist with the management of our dry bulk fleet. As of March 18, 2022, our dry bulk fleet has grown to include 46 dry bulk vessels that we have acquired or agreed to acquire.

For more information on the Company's capital expenditures and divestitures, see Note 14 to our consolidated financial statements included elsewhere in this annual report.

We maintain our principal executive offices at 7 rue du Gabian, MC 98000 Monaco. Our telephone number at that address is +377 93 25 09 40. Our registered address in the Marshall Islands is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960. The name of our registered agent at such address is The Trust Company of the Marshall Islands, Inc.

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the ''Exchange Act''). In accordance with these requirements, we file reports and other information as a foreign private issuer with the SEC. You may obtain copies of all or any part of such materials from the SEC upon payment of prescribed fees. You may also inspect reports and other information regarding registrants, such as us, that file electronically with the SEC without charge at a website maintained by the SEC at *http://www.sec.gov*. These documents and other important information on our governance are posted on our website and may be viewed at *http//www.costamare.com*.

B. Business Overview

General

We are an international owner and operator of containerships and dry bulk vessels. We charter our containerships to the world's largest liner companies, providing worldwide transportation of containerized cargoes. We charter our dry bulk vessels to a wide variety of customers, providing worldwide transportation for dry bulk cargoes.

As of March 18, 2022, our containership fleet consisted of 76 vessels in the water, aggregating approximately 557,400 TEU, of which (i) five vessels aggregating approximately 33,200 TEU will be sold and (ii) four vessels, aggregating approximately 11,600 TEU have been acquired pursuant to the Framework Deed by Joint Venture entities in which we hold a minority equity interest. At that date, we also had eight vessels on order at a Chinese shipyard, which are scheduled to be delivered to us during 2023 and 2024. Subsequent to that date, we have served a notice of termination relating to two of the shipbuilding contacts due to default by the shipyard. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

Our strategy is to time-charter our containerships to a geographically diverse, financially strong and loyal group of leading liner companies. We aim to operate our containerships under long-term, fixed-rate time charters, to the extent available, to avoid seasonal variations in demand. Our containerships have low unscheduled off-hire days, with fleet utilization levels, excluding scheduled dry dockings, of 99.5%, 99.6% and 99.4% in 2019, 2020 and 2021, respectively. Over the last three years, our largest customers by revenue were A.P. Moller-Maersk, MSC, Evergreen, Hapag Lloyd and COSCO. The average (weighted by TEU capacity) remaining time-charter duration for our fleet of 76 containerships in the water, including the four vessels acquired under the Framework Deed, was approximately 4.2 years, based on the remaining fixed terms and assuming the exercise of any owner's options and the non-exercise of any charterer's options under our containerships' charters. Our fixed-term charters for our fleet of 76 vessels in the water represented an aggregate of approximately $3.4 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containership (which amount includes our ownership percentage of contracted revenue for the Joint Venture vessels (currently $23.8 million)).

Additionally, as of March 18, 2022, our dry bulk fleet consisted of (i) 45 vessels in the water, with a total carrying capacity of approximately 2,435,500 dwt and (ii) one secondhand vessel that we have agreed to acquire, with a carrying capacity of approximately 58,000 dwt. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''. Our current chartering policy for our dry bulk fleet is to employ our vessels primarily on short-term time charters, which provides us the flexibility to capitalize on any favorable changes in the dry bulk charter rate environment. This policy will be evaluated regularly in light of prevailing market conditions and our view of the market. We will continue to monitor developments in the dry bulk shipping market and, based on market conditions, we may employ our vessels with a mix of short-, medium- and long-term time charters and voyage charters. We believe this policy allows us to obtain attractive charter hire rates for our vessels, while also affording us flexibility to take advantage of a rising charter rate environment without limiting potential upside should the strong market conditions continue. For the year ending December 31, 2021, our dry bulk fleet utilization levels were 98.6%.

As described below, our vessels are managed by Costamare Shipping which is controlled by our chairman and chief executive officer. Costamare Shipping may subcontract certain services to other affiliated managers, or to V.Ships Greece or, subject to our consent, to other third party managers. We believe that having several

management companies, both affiliates and third party, provides us with a deep pool of operational management in multiple locations with market-specific experience and relationships, as well as the geographic flexibility needed to manage and crew our large and diverse fleet so as to provide a high level of service, while remaining cost-effective.

Our Fleet, Acquisitions and Vessels Under Construction

Our Containership Fleet

The tables below provide additional information about our fleet of containerships as of March 18, 2022, which includes the four containerships acquired pursuant to the Framework Deed with York but excludes the two newbuilds for which we subsequently terminated the respective contracts. Some of our vessels, including some of the vessels acquired pursuant to the Framework Deed, are subject to sale and leaseback transactions as indicated here below. Each vessel is a cellular containership, meaning it is a dedicated container vessel.

Current Containership Fleet

	Vessel Name	Charterer	Year Built	Capacity (TEU)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
1	TRITON[ii]	Evergreen	2016	14,424	(*)	March 2026
2	TITAN[ii]	Evergreen	2016	14,424	(*)	April 2026
3	TALOS[ii]	Evergreen	2016	14,424	(*)	July 2026
4	TAURUS[ii]	Evergreen	2016	14,424	(*)	August 2026
5	THESEUS[ii]	Evergreen	2016	14,424	(*)	August 2026
6	YM TRIUMPH[ii]	Yang Ming	2020	12,690	(*)	May 2030
7	YM TRUTH[ii]	Yang Ming	2020	12,690	(*)	May 2030
8	YM TOTALITY[ii]	Yang Ming	2020	12,690	(*)	July 2030
9	YM TARGET[ii]	Yang Ming	2021	12,690	(*)	November 2030
10	YM TIPTOP[ii]	Yang Ming	2021	12,690	(*)	March 2031
11	CAPE AKRITAS	MSC	2016	11,010	33,000	August 2031
12	CAPE TAINARO	MSC	2017	11,010	33,000	April 2031
13	CAPE KORTIA	MSC	2017	11,010	33,000	August 2031
14	CAPE SOUNIO	MSC	2017	11,010	33,000	April 2031
15	CAPE ARTEMISIO	Hapag Lloyd	2017	11,010	36,650	March 2025
16	COSCO GUANGZHOU	COSCO/[*]	2006	9,469	30,900/72,700	April 2025[3]
17	COSCO NINGBO	COSCO/[*]	2006	9,469	30,900/72,700	April 2025[3]
18	YANTIAN	COSCO	2006	9,469	39,600	February 2024
19	COSCO HELLAS	COSCO	2006	9,469	39,600	February 2024
20	BEIJING	COSCO	2006	9,469	39,600	March 2024
21	MSC AZOV	MSC	2014	9,403	46,300	December 2026[4]
22	MSC AMALFI	MSC	2014	9,403	46,300	March 2027[5]
23	MSC AJACCIO	MSC	2014	9,403	46,300	February 2027[6]
24	MSC ATHENS[ii]	MSC	2013	8,827	45,300	January 2026[7]
25	MSC ATHOS[ii]	MSC	2013	8,827	45,300	February 2026[8]
26	VALOR	Hapag Lloyd	2013	8,827	32,400	April 2025
27	VALUE	Hapag Lloyd	2013	8,827	32,400	April 2025
28	VALIANT	Hapag Lloyd	2013	8,827	32,400	June 2025
29	VALENCE	Hapag Lloyd	2013	8,827	32,400	July 2025
30	VANTAGE	Hapag Lloyd	2013	8,827	32,400	September 2025
31	NAVARINO	MSC	2010	8,531	31,000	January 2025
32	MAERSK KLEVEN	Maersk/MSC	1996	8,044	25,000/41,500	June 2026[9]
33	MAERSK KOTKA	Maersk/MSC	1996	8,044	25,000/41,500	June 2026[9]
34	MAERSK KOWLOON	Maersk	2005	7,471	18,500	August 2025[10]

	Vessel Name	Charterer	Year Built	Capacity (TEU)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
35	KURE	COSCO/MSC	1996	7,403	31,000/41,500	March 2026[11]
36	METHONI	Maersk	2003	6,724	46,500	August 2026
37	PORTO CHELI	Maersk	2001	6,712	30,075	June 2026
38	YORK[iii]	Maersk	2000	6,648	21,250	November 2022[12]
39	ZIM TAMPA (ex. KOBE)	ZIM	2000	6,648	45,000	July 2025
40	SEALAND WASHINGTON[iii]	Maersk	2000	6,648	25,000	March 2023[13]
41	SEALAND MICHIGAN[iii]	Maersk	2000	6,648	25,000	October 2022[13]
42	SEALAND ILLINOIS[iii]	Maersk	2000	6,648	25,000	October 2022[13]
43	MAERSK KALAMATA[iii]	Maersk	2003	6,644	25,000	December 2022[13]
44	MAERSK KOLKATA	Maersk/ZIM	2003	6,644	25,000/53,000	October 2025[14]
45	MAERSK KINGSTON	Maersk/ZIM	2003	6,644	25,000/53,000	October 2025[14]
46	ARIES	ONE	2004	6,492	(*)	December 2022
47	ARGUS	ONE	2004	6,492	(*)	January 2023
48	PORTO KAGIO	Maersk	2002	5,908	28,822	June 2026
49	GLEN CANYON	ONE/ZIM	2006	5,642	(*)/62,500	June 2025[15]
50	PORTO GERMENO	Maersk	2002	5,570	28,822	June 2026
51	LEONIDIO[ii]	Maersk	2014	4,957	14,200	December 2024[16]
52	KYPARISSIA[ii]	Maersk	2014	4,957	14,200	November 2024[16]
53	MEGALOPOLIS	Maersk	2013	4,957	13,500	July 2025[17]
54	MARATHOPOLIS	Maersk	2013	4,957	13,500	July 2025[17]
55	OAKLAND	Maersk	2000	4,890	24,500	March 2023
56	GIALOVA	ZIM	2009	4,578	25,500	April 2024
57	DYROS	Maersk	2008	4,578	22,750	January 2024
58	NORFOLK	Maersk	2009	4,259	30,000	May 2023
59	VULPECULA	OOCL/ZIM	2010	4,258	22,700/43,250 (on average)	February 2028[18]
60	VOLANS	ZIM	2010	4,258	24,250	April 2024
61	VIRGO	Maersk	2009	4,258	30,200	February 2024
62	VELA	OOCL/ZIM	2009	4,258	22,700/43,250 (on average)	January 2028[19]
63	ANDROUSA	Maersk	2010	4,256	22,750	May 2023
64	NEOKASTRO	CMA CGM	2011	4,178	39,000	February 2027
65	ULSAN	Maersk	2002	4,132	34,730	January 2026
66	POLAR ARGENTINA[i][ii]	Maersk	2018	3,800	19,700	October 2024[20]
67	POLAR BRASIL[i][ii]	Maersk	2018	3,800	19,700	January 2025[20]
68	LAKONIA	COSCO	2004	2,586	26,500	March 2025[21]
69	SCORPIUS	Hapag Lloyd	2007	2,572	17,750	January 2023
70	ETOILE	(*)	2005	2,556	(*)	February 2023
71	AREOPOLIS	COSCO	2000	2,474	26,500	April 2025[22]
72	MONEMVASIA[i]	Maersk	1998	2,472	9,250	December 2022[12]
73	ARKADIA[i]	Swire Shipping	2001	1,550	21,500	May 2023
74	MICHIGAN	MSC	2008	1,300	18,700	September 2023

	Vessel Name	Charterer	Year Built	Capacity (TEU)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
75	TRADER	(*)	2008	1,300	(*)	October 2024
76	LUEBECK	MSC	2001	1,078	15,000	March 2024[23]

Newbuild Containerships Under Construction

	Vessel	Capacity (TEU)	Expected Delivery[24]	Employment
1	Newbuilding 1	12,690	1Q 2024	Long Term Employment upon delivery from shipyard
2	Newbuilding 2	12,690	2Q 2024	Long Term Employment upon delivery from shipyard
3	Newbuilding 3	15,000	1Q 2024	Long Term Employment upon delivery from shipyard
4	Newbuilding 4	15,000	2Q 2024	Long Term Employment upon delivery from shipyard
5	Newbuilding 5	15,000	2Q 2024	Long Term Employment upon delivery from shipyard
6	Newbuilding 6	15,000	3Q 2024	Long Term Employment upon delivery from shipyard

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(1) Daily charter rates are gross, unless stated otherwise. Amounts set out for current daily charter rate are the amounts contained in the charter contracts.

(2) Charter terms and expiration dates are based on the earliest date charters (unless otherwise noted) could expire.

(3) Upon redelivery of each vessel from *COSCO* between April 2022 and July 2022, each vessel will commence a charter for a period of 36 to 39 months at a daily rate of $72,700. Until then the daily charter rate of *Cosco Guangzhou* and *Cosco Ningbo* will be $30,900.

(4) This charter rate will be earned by *MSC Azov* until December 2, 2023. From the aforementioned date until the expiry of the charter, the daily rate will be $35,300.

(5) This charter rate will be earned by *MSC Amalfi* until March 16, 2024. From the aforementioned date until the expiry of the charter, the daily rate will be $35,300.

(6) This charter rate will be earned by *MSC Ajaccio* until February 1, 2024. From the aforementioned date until the expiry of the charter, the daily rate will be $35,300.

(7) This charter rate will be earned by *MSC Athens* until January 29, 2023. From the aforementioned date until the expiry of the charter, the daily rate will be $35,300.

(8) This charter rate will be earned by *MSC Athos* until February 24, 2023. From the aforementioned date until the expiry of the charter, the daily rate will be $35,300.

(9) The daily rate of each of *Maersk Kleven* and *Maersk Kotka* is a base rate of $17,000, adjusted pursuant to the terms of a 50:50 profit/loss sharing mechanism based on market conditions with a minimum charter rate of $12,000 and a maximum charter rate of $25,000. Upon redelivery of each vessel from *Maersk* between June 2023 and October 2023, each vessel will commence a new charter with *MSC* for a period of 36 to 38 months at a daily rate of $41,500.

(10) This charter rate will be earned by *Maersk Kowloon* from June 12, 2022. Until then the daily charter rate will be $16,000.

(11) Upon redelivery of *Kure* from *COSCO* between March 2023 and July 2023, the vessel will commence a new charter with *MSC* for a period of 36 to 38 months at a daily rate of $41,500. Until then the daily charter rate will be $31,000.

(12) Expiration of charter represents latest redelivery date.

(13) The daily rate for *Sealand Washington, Sealand Michigan, Sealand Illinois* and *Maersk Kalamata* is a base rate of $16,000, adjusted pursuant to the terms of a 50:50 profit/loss sharing mechanism based on market conditions with a minimum charter rate of $12,000 and a maximum charter rate of $25,000. Expiration of charter represents latest redelivery dates.

(14) The current daily rate for *Maersk Kolkata* and *Maersk Kingston* is a base rate of $16,000, adjusted pursuant to the terms of a 50:50 profit/loss sharing mechanism based on market conditions with a minimum charter rate of $12,000 and a maximum charter rate of $25,000. Upon redelivery of each vessel from *Maersk* (estimated on the latest redelivery date) each vessel will commence a new charter with *ZIM* for a period of 36 to 40 months at a daily rate of $53,000.

(15) Upon redelivery of *Glen Canyon* from *ONE* (expected between March 2022 and April 2022), the vessel will commence a charter with *ZIM* at a daily rate of $62,500.

(16) Charterer has the option to extend the current time charter for an additional period of 12 to 24 months at a daily rate of $17,000.

(17) Charterer has the option to extend the current time charter for an additional period of approximately 24 months at a daily rate of $14,500.

(18) The current daily rate for *Vulpecula* is $22,700. Upon expiry of its current employment (estimated on the earliest redelivery date) the

vessel will enter into a new charter with *ZIM* for a period of 60 to 64 months at a daily rate of $43,250, on average. For this new charter, the daily rate will be $99,000 for the first 12 month period, $91,250 for the second 12 month period, $10,000 for the third 12 month period and $8,000 for the remaining duration of the charter.

(19) The current daily rate for *Vela* is $22,700. Upon expiry of its current employment (estimated on the earliest redelivery date) the vessel will enter into a new charter with *ZIM* for a period of 60 to 64 months at a daily rate of $43,250, on average. For this new charter the daily rate will be $99,000 for the first 12 month period, $91,250 for the second 12 month period, $10,000 for the third 12 month period and $8,000 for the remaining duration of the charter.

(20) Charterer has the option to extend the current time charter for three additional one-year periods at a daily rate of $21,000.

(21) This charter rate will be earned by *Lakonia* from April 24, 2022. Until then the daily charter rate will be $17,300.

(22) This charter rate will be earned by *Areopolis* from May 3, 2022. Until then the daily charter rate will be $17,300.

(23) This charter rate will be earned by *Luebeck* from March 19, 2022. Until then the daily charter rate will be $7,750.

(24) Based on latest shipyard construction schedule, subject to change.

(i) Denotes vessels acquired pursuant to the Framework Deed. The Company holds an equity interest of 49% in each of the vessel-owning entities.

(ii) Denotes vessels subject to a sale and leaseback transaction.

(iii) Denotes vessels that we have agreed to sell.

(*) Denotes charterer's identity and/or current daily charter rates and/or charter expiration dates, which are treated as confidential.

Our Dry Bulk Vessel Fleet

The tables below provide additional information, as of March 18, 2022, about our fleet of 46 dry bulk vessels, which includes one secondhand vessel that we have agreed to acquire. Each vessel is a dry bulk carrier, meaning it is a dedicated dry bulk vessel.

Current Dry Bulk Fleet

	Vessel Name	Year Built	Capacity (DWT)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
1	AEOLIAN	2012	83,478	26,000 / 100% participation in the BPI_82 performance[3][4]	June 2022
2	GRENETA	2010	82,166	101% participation in the BPI_82 performance[3]	October 2022
3	EGYPTIAN MIKE	2011	81,601	11,000	March 2022
4	PHOENIX	2012	81,569	26,200[5]	May 2022[6]
5	BUILDER	2012	81,541	100% participation in the BPI_82 performance[3]	September 2022
6	FARMER	2012	81,541	101% participation in the BPI_82 performance[3][7]	October 2022
7	SAUVAN	2010	79,700	21,000[8]	May 2022
8	ROSE	2008	76,619	103% participation in the BPI_82 performance[3] minus $1,336	August 2022
9	MERCHIA	2015	63,800	129% participation in the BSI_58 performance[9][10]	November 2022
10	SEABIRD	2016	63,553	111% participation in the BSI_58 performance[9]	November 2022
11	DAWN	2018	63,530	111% participation in the BSI_58 performance[9]	September 2022
12	ORION	2015	63,473	111.25% participation in the BSI_58 performance[9]	October 2022
13	DAMON	2012	63,227	35,000	March 2022
14	TITAN I	2009	58,090	101% participation in the BSI_58 performance[9]	October 2022
15	ERACLE	2012	58,018	31,500[11]	May 2022
16	PYTHIAS	2010	58,018	22,000	May 2022[12]
17	ORACLE	2009	57,970	16,500	April 2022
18	URUGUAY	2011	57,937	26,000	March 2022

	Vessel Name	Year Built	Capacity (DWT)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
19	CURACAO	2011	57,937	25,000	April 2022
20	ATHENA	2012	57,809	30,500[13]	April 2022
21	THUNDER	2009	57,334	37,000	April 2022
22	SERENA	2010	57,266	98.25% participation in the BSI_58 performance[9]	May 2022
23	LIBRA	2010	56,729	30,000	March 2022
24	PEGASUS	2011	56,726	—	In negotiations for employment
25	MERIDA	2012	56,670	105% participation in the BSI_58 performance[9]	May 2022
26	CLARA	2008	56,557	98% participation in the BSI_58 performance[9]	September 2022
27	PEACE	2006	55,709	98.5% participation in the BSI_5 8 performance[9]	July 2022
28	PRIDE	2006	55,705	97.25% participation in the BSI_58 performance[9]	August 2022
29	BERMONDI	2009	55,469	99% participation in the BSI_58 performance[9][14]	January 2023
30	COMITY	2010	37,302	100% participation in the BHSI_38 performance[15]	July 2022
31	VERITY	2012	37,163	100% participation in the BHSI_38 performance[15]	April 2022
32	PARITY	2012	37,152	102% participation in the BHSI_38 performance[15]	December 2022
33	ACUITY	2011	37,149	102% participation in the BHSI_38 performance[15]	December 2022
34	EQUITY	2013	37,071	102% participation in the BHSI_38 performance[15]	December 2022
35	DISCOVERY	2012	37,019	16,250[16]	April 2022
36	TAIBO	2011	35,112	—	Vessel in drydock
37	BERNIS	2011	34,627	95.5% participation in the BHSI_38 performance[15]	December 2022
38	MANZANILLO	2010	34,426	20,000[17]	May 2022
39	ADVENTURE	2011	33,755	18,200	April 2022
40	ALLIANCE	2012	33,751	14,350	March 2022
41	CETUS (ex. CHARM)	2010	32,527	24,000	April 2022[18]
42	PROGRESS	2011	32,400	26,000	April 2022[19]
43	MINER	2010	32,300	16,000	April 2022
44	KONSTANTINOS	2012	32,178	16,000	March 2022
45	RESOURCE	2010	31,776	16,150	April 2022

Dry Bulk Vessels Agreed to be Acquired

	Vessel Name	Year Built	Capacity (DWT)	Current Daily Charter Rate[1] (U.S. dollars)	Expiration of Charter[2]
1	MAGDA (tbr. NORMA)	2010	58,018	—	—

(1) Daily charter rates are gross, unless stated otherwise.

(2) Charter terms and expiration dates are based on the earliest date charters (unless otherwise noted) could expire.

(3) Gross daily charter rate linked to the Baltic Exchange Panamax Index (“BPI_82”).

(4) After April 20, 2022, the gross daily charter rate of *Aeolian* will be linked to the BPI_82. For this charter, *Aeolian* received a gross ballast bonus of $600,000.

(5) For this charter, *Phoenix* will receive a gross ballast bonus of $1,375,000.

(6) Charter laycan March 20-25, 2022.

(7) For this charter, *Farmer* received a gross ballast bonus of $490,000.

(8) For this charter, *Sauvan* received a gross ballast bonus of $1,050,000.

(9) Gross daily charter rate linked to the Baltic Exchange Supramax Index (“BSI_58”).

(10) After May 1, 2022, the gross daily charter rate of *Merchia* will be linked to the BSI_58 performance with a participation rate of 113%.

(11) For every additional day after May 5, 2022, the gross daily charter rate of *Eracle* will be $34,000.

(12) Expiration of charter represents latest redelivery date.

(13) For every additional day after April 29, 2022, the gross daily charter rate of *Athena* will be $34,000.

(14) For this charter, *Bermondi* received a gross ballast bonus of $421,000.

(15) Gross daily charter rate linked to the Baltic Exchange Handysize Index (“BHSI_38”).

(16) For every additional day after March 27, 2022, the gross daily charter rate of *Discovery* will be $20,000.

(17) The current gross daily charter rate of *Manzanillo* is $18,500. Upon expiry of its current employment (expected on March 20, 2022) the vessel will enter into a new charter at a gross daily charter rate of $20,000 (new charter laycan March 24-28, 2022).

(18) Charter laycan March 20-24, 2022.

(19) Charter laycan March 20-24, 2022.

Framework Deed

Under the Framework Deed entered into on May 15, 2013, as amended and restated on May 18, 2015 and as further amended on June 12, 2018, we have agreed with York to jointly invest in newbuild and secondhand container vessels through jointly held companies. Costamare Shipping provides ship-management services to the Joint Venture vessels, with the right to subcontract to V.Ships Greece. After acquiring a number of both newbuild and secondhand container vessels, the commitment period of the Framework Deed ended on May 15, 2020. The Framework Deed itself will terminate on May 15, 2024 or upon the occurrence of certain extraordinary events. At that time, Costamare Ventures can elect to divide the vessels owned by all such Joint Venture entities between itself and York to reflect their cumulative participation in all such entities. We account for the entities formed under the Framework Deed as equity investments.

Joint Venture entities currently own four vessels, totaling approximately 11,622 TEU. The Company holds an equity interest of 49% in each of the Joint Venture entities.

Chartering of Our Fleet

Container vessels: We aim to deploy our containership fleet principally under long-term, fixed-rate time charters with leading liner companies that operate on regularly scheduled routes between large commercial ports. As of March 18, 2022, the average (weighted by TEU capacity) remaining time-charter duration for our fleet of 76 containerships in the water (including the four vessels acquired pursuant to the Framework Deed and the five vessels that we have agreed to sell), was approximately 4.2 years, based on the remaining fixed terms and assuming the exercise of any owner’s options and the non-exercise of any charterer’s options under our containerships’ charters.

A time charter is a contract to charter a vessel for a fixed period of time at a set daily rate and can last from a few days up to several years. Under our time charters the charterer pays for most voyage expenses, which generally include, among other things, fuel costs, port and canal charges, pilotages, towages, agencies,

commissions, extra war risks insurance and any other expenses related to the cargoes, and we pay for vessel operating expenses, which generally include, among other costs, costs for crewing, provisions, stores, lubricants, insurance, maintenance and repairs, dry-docking and intermediate and special surveys.

Dry bulk vessels: Dry bulk vessels are ordinarily chartered either through a voyage charter or a time charter. Under a voyage charter, the owner agrees to provide a vessel for the transport of dry bulk cargo between specific ports in return for the payment of an agreed freight rate per ton of dry bulk cargo or an agreed dollar lump-sum amount. Voyage costs, such as canal and port charges and bunker expenses, are the responsibility of the owner. Currently our chartering policy is to employ our vessels primarily on short-term time charters, which provides us the flexibility to capitalize on any favorable changes in the dry bulk charter rate environment. We will continue to monitor developments in the dry bulk shipping market and, based on market conditions, we may employ our vessels with a mix of short-, medium- and long-term time charters and voyage charters. We believe this policy allows us to obtain attractive charter hire rates for our vessels, while also affording us flexibility to take advantage of a rising charter rate environment without limiting potential upside should the strong market conditions continue.

Our Customers

For our containership fleet, our customers include many of the leading international liner companies, including the current charterers A.P. Moller- Maersk, COSCO, Evergreen, Hapag Lloyd, MSC, Yang Ming, OOCL, Sealand Maersk Asia, RCL Feeder and ZIM. A.P. Moller-Maersk, MSC, Evergreen, Hapag Lloyd and COSCO together represented 97%, 91% and 80% of our containership revenue in 2019, 2020 and 2021, respectively.

While we currently charter our dry bulk vessels primarily for short term tenors with first-class dry bulk charterers, we aim to establish relationships with some of the world's leading agricultural, mining, manufacturing and commodity trading companies as well as diversified shipping companies. We aim to maintain a diversified group of customers.

Management of Our Fleet

Costamare Shipping serves as the head manager for our containerships and dry bulk fleet and provides us with commercial, technical and other management services pursuant to the Framework Agreement and separate ship management agreements with the relevant vessel-owning subsidiaries. Costamare Shipping is a ship management company established in 1974 and is controlled by our chairman and chief executive officer. Costamare Shipping has over 45 years of experience in managing vessels of various types and sizes, developing specifications for newbuild containerships and supervising the construction of such newbuild vessels in reputable shipyards in the Far East. Costamare Shipping has long established relationships with major liner companies, financial institutions and suppliers and we believe is recognized in the international shipping industry as a leading containership manager.

Costamare Shipping may subcontract certain of its obligations to affiliated managers or to V.Ships Greece or, subject to our consent, to other third party managers or direct that such affiliated or third party managers enter into a direct ship- management contract with the relevant vessel-owning subsidiary. Additionally, our third-party managers may, at our request or subject to our consent, subcontract certain services to certain of their affiliates having regard, for instance, to the nationality of the crew or the area of operations of our vessels. As discussed below, these arrangements will not result in any increase in the aggregate amount of management fees we pay. In return for these services, we pay the management fees described below in this section. Costamare Shipping, itself or together with our third-party managers, V.Ships Greece, Vinnen, HanseContor, BSM and FML, provides our fleet with technical, crewing, commercial, provisioning, bunkering, sale and purchase, accounting, insurance and administrative services pursuant to separate ship-management agreements between each of our vessel- owning subsidiaries and Costamare Shipping and, in certain cases, the relevant sub-manager. V.Ships Greece will at our direction subcontract certain services to and enter into a relevant sub-management agreement with V.Ships Shanghai.

In 2013, Costamare Shipping entered into a Co-operation Agreement with V.Ships Greece, a member of V.Group, one of the largest providers of ship-management services worldwide, pursuant to which the two companies established the Cell within V.Ships Greece to provide management services to certain of our containerships. The Cell also offered ship-management services to third-party owners, including Joint Venture

vessels in our fleet. Costamare Shipping had certain control rights regarding the employment and dismissal of the Cell's personnel, the appointment of the Cell's senior managers and the management of vessels owned by third parties. Costamare Shipping and V.Ships Greece terminated the Co-operation Agreement on October 16, 2020, whereupon V.Ships Greece remained as manager of the Company's containerships previously managed under the Cell.

Shanghai Costamare was established in February 2005 and was initially owned (indirectly) 70% by our chairman and chief executive officer. Shanghai Costamare was established to service the needs of our fleet of containerships when operating in the Far East and South East Asia regions in an efficient and cost-effective manner by providing, among other services, manning services in China, and a valuable interface with Chinese shipyards, charterers, ship-owners, financial institutions and containership service providers. Shanghai Costamare provided these services for a fixed daily fee, pursuant to separate ship-management agreements between Costamare Shipping and Shanghai Costamare. On October 16, 2020, it was agreed that Shanghai Costamare would terminate operations and transfer its personnel and vessels under management to V.Ships Shanghai. V.Ships Greece took over the management of the Company's containerships previously managed by Shanghai Costamare, and appointed V.Ships Shanghai as sub- manager of the containerships. The last containership was transferred to the management of V.Ships Greece/V.Ships Shanghai on January 8, 2021, whereupon Shanghai Costamare terminated operations.

On January 1, 2018, Costamare Shipping entered into the Brokerage Agreement with Blue Net, as amended from time to time. Blue Net provides chartering brokerage services to our containerships and the containerships acquired pursuant to the Framework Deed, as well as to other third party containerships. Our chairman and chief executive officer, Konstantinos Konstantakopoulos, indirectly controls 50% of Blue Net. We believe that the appointment of Blue Net allows us to improve the charter rates at which we charter our containerships. Until August 2021 Blue Net also provided chartering brokerage services in exchange for a fee to all the vessels belonging to a chartering pool which included one of our containerships. In addition, on March 31, 2020, Costamare Shipping agreed, on behalf of the owners of five containerships it manages, to pay Blue Net Asia, a company indirectly 50% controlled by our chairman and chief executive officer, a commission of 1.25% of the gross daily hire earned from the charters arranged by Blue Net Asia for those five vessels. Blue Net does not provide its services to the five vessels for which charter brokerage services are being provided by Blue Net Asia.

Since July 2021, our affiliated managers and service providers have hired a team of seven former executives and employees of Olympic Vision Maritime Inc., the dry bulk arm of the Onassis Group. The team has management experience in international dry bulk shipping, with an aggregate of more than 120 years in the industry. We believe that the team complements the capabilities of our affiliated managers and service providers, and they work closely with our third-party managers as well.

Costamare Services is a service provider which was established in May 2015 and is controlled by our chairman and chief executive officer and members of his family. Costamare Services builds on the long-running relationships established by Costamare Shipping with our charterers. Costamare Services provides our vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services pursuant to the Services Agreement.

Our chairman and chief executive officer and our chief financial officer supervise, in conjunction with our board of directors, the services provided by Costamare Shipping and Costamare Services. Costamare Shipping and Costamare Services report to our board of directors through our chairman and chief executive officer and our chief financial officer, each of whom is appointed by our board of directors.

Having multiple management companies provides us with a deep pool of operational management in multiple locations with market-specific experience and relationships, as well as the geographic flexibility needed to manage and crew our large and diverse fleet so as to provide a high level of service, while remaining cost-effective. For example, V.Ships Shanghai mostly employs Chinese nationals with the language skills and local knowledge we believe are necessary to establish and grow meaningful relationships with Chinese Charterers and suppliers.

We believe that our managers are well regarded in the industry and use state-of-the-art practices and technological advancement to maximize the efficiency of the operation of our fleet of containerships and dry bulk vessels. ISM certification is in place for our fleet of containerships and dry bulk vessels as well as their respective managers. Costamare Shipping and V.Ships Greece are also certified in accordance with ISO

9001-2008 and ISO 14001-2004 relating to quality management and environmental standards. In 2013, the Company received the Lloyd's List Greek shipping award for Dry Cargo Company of the Year. Costamare Shipping received that same award in 2004. Additionally, in 2014, the Company received the Lloyd's List Company of the Year award.

As of March 18, 2022, and excluding the one dry bulk vessel that we have agreed to acquire,

- Costamare Shipping provided commercial and insurance services to all of our containerships and dry bulk vessels, including vessels acquired pursuant to the Framework Deed, as well as technical, crewing, provisioning, bunkering, sale and purchase and accounting services to 25 of our containerships and the newbuild vessels on order;
- V.Ships Greece provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to 24 of our containerships, including two Joint Venture vessels, and 28 of our dry bulk vessels;
- V.Ships Shanghai provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to 16 of our containerships including two Joint Venture vessels, and one of our dry bulk vessels;
- Vinnen provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to five of our containerships;
- HanseContor provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to six of our containerships;
- BSM provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to 10 of our dry bulk vessels; and
- FML provided technical, crewing, provisioning, bunkering, sale and purchase and accounting services to six of our dry bulk vessels.

Costamare Shipping has agreed that during the term of the Framework Agreement, it will not provide any management services to any entity other than our subsidiaries, entities established pursuant to the Framework Deed and entities affiliated with our chairman and chief executive officer or his family, without our prior written approval, which we may provide under certain circumstances. Currently, Costamare Shipping provides management services to one container vessel and one dry bulk vessel privately owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos. Costamare Services has agreed that during the term of the Services Agreement, it will not provide services to any entity other than our subsidiaries, entities established pursuant to the Framework Deed and entities affiliated with our chairman and chief executive officer or his family, without our prior written approval. Currently, Costamare Services provides post fixture services in respect of two container vessels partly privately owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos. V.Ships Greece, V.Ships Shanghai, HanseContor, Blue Net, Blue Net Asia, BSM and FML provide and actively seek to provide services to third parties, and Vinnen provides services to container vessels related to their owners.

Under the restrictive covenant agreement between the Company and Konstantinos Konstantakopoulos, during the period of his employment or service with the Company and for six months thereafter, he has agreed to restrictions on his ownership of any containerships and dry bulk vessels or the acquisition, investment in or control of any business involved in the ownership or operation of containerships or dry bulk vessels, subject to certain exceptions. Konstantinos Konstantakopoulos has also agreed that if one of our vessels and a vessel majority owned by him are both available and meet the criteria for an available charter, our vessel will receive such charter. See "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Restrictive Covenant Agreements".

In the event that Costamare Shipping or Costamare Services decide to delegate certain or all of the services they have agreed to perform under the Framework Agreement or the Services Agreement, respectively, either through (i) subcontracting to a sub-manager or sub-provider or (ii) by directing such sub-manager or sub-provider to enter into a direct agreement with the relevant vessel-owning subsidiary, then, in the case of subcontracting under (i), Costamare Shipping or Costamare Services, as applicable, will be responsible for paying the fee charged by the relevant sub-manager or sub-provider for providing such services and, in the case of a

direct agreement under (ii), the fee received by Costamare Shipping or Costamare Services, as applicable, will be reduced by the fee payable to the sub-manager or sub-provider under the relevant direct agreement. As a result, these arrangements will not result in any increase in the aggregate management fees and services fees that we pay. In addition to management fees, we pay for any capital expenditures, financial costs, operating expenses and any general and administrative expenses, including payments to third parties, including specialist providers, in accordance with the Framework Agreement and the relevant separate ship-management agreements or supervision agreements.

Costamare Shipping received in 2021 and 2020 a fee of $956 per day pro-rated for the calendar days we own each vessel. This fee is reduced to $478 per day in the case of a containership subject to a bareboat charter. We will also pay to Costamare Shipping a flat fee of $787,405 per newbuild vessel for the supervision of the construction of any newbuild vessel that we may contract. Costamare Shipping received in 2021 and 2020, a fee of 0.15% on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each containership in our fleet. Costamare Services received in 2021 and 2020 a fee of 1.10%, on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each vessel in our fleet and a quarterly fee of (i) $625,000 and (ii) an amount equal to the value of 149,600 shares, based on the average closing price of our common stock on the NYSE for the 10 days ending on the 30th day of the last month of each quarter; provided that Costamare Services may elect to receive 149,600 shares instead of the fee under (ii). We have reserved a number of shares of common stock to cover the fees to be paid to Costamare Services under (ii) through December 31, 2022. During the years ended December 31, 2021 and December 31, 2020, Costamare Shipping received in total an ad hoc fee from a third-party ship broker $3,472,399 and $396,798, respectively, for its participation in arranging and negotiating five newbuilding contracts. Over the construction period of these vessels, Costamare Shipping received on average an ad hoc fee of $992,114 per vessel. During the year ended December 31, 2021 and December 31, 2020, Costamare Shipping charged in aggregate to the companies established pursuant to the Framework Deed $2.8 million and $3.6 million, respectively, for services provided in accordance with the relevant management agreements. For each of the years ended December 31, 2021 and December 31, 2020, we paid aggregate fees of $2.5 million and issued in aggregate 598,400 shares to Costamare Services under the Services Agreement.

On December 31, 2021, the terms of the Framework Agreement and the Services Agreement automatically renewed for another one-year period and will automatically renew for three more consecutive one-year periods until December 31, 2025, at which point the Framework Agreement and the Services Agreement will expire. The daily fee for each vessel, the supervision fee in respect of each vessel under construction and the quarterly fee payable to Costamare Shipping under the Framework Agreement and the quarterly fee payable to Costamare Services under the Services Agreement (other than the portion of the fee in clause (ii) above which is calculated on the basis of our share price) will be annually adjusted to reflect any strengthening of the Euro against the U.S. dollar of more than 5% per year and/or material unforeseen cost increases. There has been no increase in 2021. We are able to terminate the Framework Agreement or the Services Agreement, subject to a termination fee, by providing written notice to Costamare Shipping or Costamare Services, as applicable, at least 12 months before the end of the subsequent one-year term. The termination fee is equal to (a) the number of full years remaining prior to December 31, 2025, times (b) the aggregate fees due and payable to Costamare Shipping or Costamare Services, as applicable, during the 12-month period ending on the date of termination (without taking into account any reduction in fees under the Framework Agreement to reflect that certain obligations have been delegated to a sub-manager or a sub-provider, as applicable); provided that the termination fee will always be at least two times the aggregate fees over the 12-month period described above. Information about other termination events under the Management Agreements is set forth in "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management Agreements—Term and Termination Rights".

Pursuant to the terms of the Framework Agreement, the separate ship-management agreements, the supervision agreements and the Services Agreement, liability of Costamare Shipping and Costamare Services to us is limited to instances of gross negligence or willful misconduct on the part of Costamare Shipping or Costamare Services. Further, we are required to indemnify Costamare Shipping and Costamare Services for liabilities incurred by them in performance of the Framework Agreement, separate ship-management agreements, supervision agreements and the Services Agreement respectively, in each case except in instances of gross negligence or willful misconduct on the part of Costamare Shipping or Costamare Services.

Competition

We operate in markets that are highly competitive and based primarily on supply and demand. Generally, we compete for charters based upon charter rate, customer relationships, operating expertise, professional reputation and vessel specifications, size, age and condition. Competition for providing containership and dry bulk services comes from a number of experienced shipping companies. In addition, in recent years, there have been other entrants in the market, such as leasing companies and private equity firms who have significant capital to invest in vessel ownership, which has provided for additional competition in the sector.

Containership vessels: Participants in the container shipping industry include ''liner'' shipping companies, who operate container shipping services and own containerships, containership owners, often known as ''charter owners'', who own containerships and charter them out to liner companies, and shippers who require the seaborne movement of containerized goods. Historically, a significant share of the world's containership capacity has been owned by the liner companies, but since the 1990s, there has been a trend for the liner companies to charter-in a larger proportion of the capacity that they operate as a way of retaining some degree of flexibility with regard to capital spending levels over time given the significant costs associated with purchasing vessels.

We believe that the containership sector of the international shipping industry is characterized by the significant time required to develop the operating expertise and professional reputation necessary to obtain and retain customers. We believe that our development of a large fleet of containerships with varying TEU capacities has enhanced our relationship with our principal charterers by enabling them to serve the East-West, North-South and Intra-regional trade routes efficiently, while enabling us to operate in the different rate environments prevailing for those routes. We also believe that our focus on customer service and reliability enhances our relationships with our charterers. In the past decade, we have had successful chartering relationships with the majority of the top 20 liner companies by TEU capacity.

In the past, we have been able to address the periodic scarcity of secondhand containerships available for acquisition in the open market though the acquisition of containerships mainly from our liner company customers in privately negotiated sales. In connection with these acquisitions, we then typically charter back the vessels to these customers. We believe we have been able to pursue these privately negotiated acquisitions because of our long-standing customer relations, which we do not believe new entrants have.

Dry bulk vessels: Unlike the containership sector, ownership of dry bulk vessels is highly fragmented with the approximately 12,700 vessels in the global fleet. The largest dry bulk vessel owner group is China COSCO Shipping, with a fleet of 343 vessels with an aggregate carrying capacity of approximately 38.2 million dwt, while the rest of the top 5 in terms of total dwt capacity is comprised of Norway's Fredriksen Group (116 vessels with an aggregate carrying capacity of approximately 15.3 million dwt), Japan's NYK (156 vessels with an aggregate carrying capacity of approximately 14.6 million dwt), Greece's Star Bulk Carriers (129 vessels with an aggregate carrying capacity of approximately 14.3 million dwt), , and China Merchants Group (120 vessels with an aggregate carrying capacity of approximately 13.5 million dwt).

Crewing and Shore Employees

We have four shore-based officers, our chairman and chief executive officer, our chief financial officer, our chief operating officer and our general counsel and secretary. We do not pay any compensation to our officers for their services as officers. Our chief executive officer, our chief financial officer, our chief operating officer and our general counsel and secretary are employed by and receive compensation for their services by Costamare Shipping and/or Costamare Services. During the year ended December 31, 2021, Costamare Shipping and Costamare Services employed approximately 120 people in total, all of whom were shore-based. As of December 31, 2021, approximately 2,750 seafarers were serving on our vessels, including vessels acquired under the Framework Deed. Our managers are responsible for recruiting, either directly or through manning agents, the officers and crew for our containerships that they manage. We believe the streamlining of crewing arrangements through our managers ensures that all of our vessels will be crewed with experienced crews that have the qualifications and licenses required by international regulations and shipping conventions. We have not experienced any material work stoppages due to labor disagreements during the past three years.

Seasonality

We will operate our vessels in markets that have historically exhibited seasonal variations in demand and, as a result, in charter hire rates. This seasonality may result in quarter to quarter volatility in our operating results.

In particular, the containership market is typically stronger in the third quarter of the year in anticipation of the holiday season while the dry bulk market is typically stronger in the fall in anticipation of increased consumption of coal in the northern hemisphere during the winter months and the grain export season from North America and in the spring months in anticipation of the South American grain export season due to increased distance traveled known as ton mile effect, as well as increased coal imports in parts of Asia due to additional electricity demand for cooling during the summer months. In addition, unpredictable weather patterns in these months tend to disrupt vessel scheduling and supplies of certain commodities.

Permits and Authorizations

We are required by various governmental and other agencies to obtain certain permits, licenses, certificates and financial assurances with respect to each of our vessels. The kinds of permits, licenses, certificates and financial assurances required by governmental and other agencies depend upon several factors, including the commodity being transported, the waters in which the vessel operates, the nationality of the vessel's crew and the type and age of the vessel. All permits, licenses, certificates and financial assurances currently required to operate our vessels have been obtained (exclusive of cargo-specific documentation, for which charterers or shippers are responsible). Additional laws and regulations, environmental or otherwise, may be adopted which could limit our ability to do business or increase the cost of doing business.

Risk of Loss and Liability Insurance

General

The operation of any vessel includes risks such as mechanical failure, collision, property loss or damage, cargo loss or damage and business interruption due to a number of reasons, including political circumstances in foreign countries, hostilities and labor strikes. In addition, there is always an inherent possibility of marine disaster, including oil spills and other environmental mishaps, as well as other liabilities arising from owning and operating vessels in international trade. The U.S. Oil Pollution Act of 1990 (''OPA 90''), which imposes under certain circumstances, unlimited liability upon owners, operators and demise charterers of vessels trading in the United States exclusive economic zone for certain oil pollution accidents in the United States, has made liability insurance more expensive for ship-owners and operators trading in the United States market.

We maintain hull and machinery marine risks insurance and hull and machinery war risks insurance for our fleet of containerships and dry bulk vessels to cover normal risks in our operations and in amounts that we believe to be prudent to cover such risks. In addition, we maintain protection and indemnity insurance up to the maximum insurable limit available at any given time. While we believe that our insurance coverage will be adequate, not all risks can be insured, and there can be no guarantee that we will always be able to obtain adequate insurance coverage at reasonable rates or at all, or that any specific claim we may make under our insurance coverage will be paid. In addition, our insurers may not be contractually obligated or may be prohibited from posting security or covering costs or losses associated with certain incidents (for example, casualties in sanctioned locations like Iran).

Hull & Machinery Marine Risks Insurance, Hull & Machinery War Risks Insurance and Loss of Hire Insurance

We maintain hull and machinery marine risks insurance and hull and machinery war risks insurance, which cover the risk of particular average, general average, 4/4ths collision liability and actual or constructive total loss in accordance with the Nordic Marine Insurance Plan, except for the war risk insurance, which is in accordance with the rules of the Hellenic Mutual War Risks Association (Bermuda) Ltd. Each of our vessels is insured up to what we believe to be at least its fair market value, after meeting certain deductibles.

We do not and will not obtain loss of hire insurance (or any other kind of business interruption insurance) covering the loss of revenue during off-hire periods, other than due to war risks, for any of our vessels because we believe that this type of coverage is not economical and is of limited value to us, in part because historically our vessels have had a very limited number of off-hire days.

Protection and Indemnity Insurance—Pollution Coverage

Protection and indemnity insurance is usually provided by a protection and indemnity association (a ''P&I association'') and covers third-party liability, crew liability and other related expenses resulting from the injury or

death of crew, passengers and other third parties, the loss or damage to cargo, third-party claims arising from collisions with other vessels (to the extent not recovered by the hull and machinery policies), damage to other third-party property, pollution arising from oil or other substances and salvage, towing and other related costs, including wreck removal.

Our protection and indemnity insurance is provided by a P&I association which is a member of the International Group of P&I Clubs (''International Group''). The 13 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. Insurance provided by a P&I association is a form of mutual indemnity insurance.

Our protection and indemnity insurance coverage is currently subject to a limit of about $1 billion per vessel per incident for pollution.

As a member of a P&I association, which is a member of the International Group, we will be subject to calls payable to the P&I association based on the International Group's claim records as well as the claim records of all other members of the P&I association of which we are a member.

Inspection by Classification Societies

Every seagoing vessel must be ''classed'' by a classification society. The classification society certifies that the vessel is ''in class'', signifying 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 them on application or by official order, acting on behalf of the authorities concerned.

The classification society also undertakes on request other surveys and checks that are required by regulations and requirements of the flag state. These surveys are subject to agreements made in each individual case and/or to the regulations of the country concerned.

For maintenance of the class, regular and occasional surveys of hull and machinery, including the electrical plant and any special equipment classed, are required to be performed as follows:

Annual Surveys. For seagoing ships, annual surveys are conducted for the hull and the machinery, including the electrical plant, and where applicable, on special equipment classed at intervals of 12 months from the date of commencement of the class period indicated in the certificate.

Intermediate Surveys. Extended annual surveys are referred to as intermediate surveys and typically are conducted two and one-half years after commissioning and each class renewal. Intermediate surveys may be carried out on the occasion of the second or third annual survey. According to the type and age of the ship, the examinations of the hull may be supplemented by thickness measurements as specified in the classification society's rules and as deemed necessary by the attending surveyor.

Class Renewal Surveys. Class renewal surveys, also known as special surveys, are carried out on the ship's hull and machinery, including the electrical plant, and on any special equipment classed at the intervals indicated by the character of classification for the ship. During the special survey, the vessel is thoroughly examined, including ultrasonic gauging to determine the thickness of the steel structures. Should the thickness be found to be less than class requirements, the classification society would prescribe steel renewals. Class renewal surveys/special surveys are carried out at five-year intervals. The special survey may be commenced at the fourth annual survey or between the fourth and fifth annual surveys. Consideration may be given by class, in exceptional circumstances, to granting an extension for a maximum period of three months after the due date. Substantial amounts of funds may have to be spent for steel renewals to pass a special survey if the vessel experiences excessive wear and tear. In lieu of the special survey arrangement at which ship's hull and structure, equipment and systems are surveyed at five-year intervals, a ship-owner has the option of arranging with the classification society for the vessel's hull or machinery to be on a continuous survey cycle, in which survey items of the vessel are subject to separate surveys. This process is referred to as continuous class renewal. All areas subject to surveys as defined by the classification society are required to be surveyed at least once per class period, unless shorter intervals between surveys are otherwise prescribed. The period between two consecutive surveys of each area must not exceed five years.

All vessels are also required to be subject to bottom surveys and dry-docking for inspection of their underwater parts and for repairs related to such inspections. Two bottom surveys are required during each five-year period of the classification certificate and the interval between any two successive bottoms surveys is in no case to exceed 36 months. One bottom survey (dry-docking) shall be carried out in conjunction with the special survey. Every alternate bottom survey may be permitted afloat provided certain design conditions are met, except for dry bulk vessels exceeding 15 years of age, which are required to be dry-docked at least every two and a half years, in conjunction with the main class intermediate and the special surveys. If any defects are found, the classification surveyor will issue a ‘‘condition of class or memorandum’’ which must be rectified by the ship-owner within prescribed time limits and at the latest during the next special survey.

Insurance underwriters make it a condition for insurance coverage that a vessel be certified as ‘‘in class’’ by a classification society which is a member of the International Association of Classification Societies (‘‘IACS’’). All of our vessels are certified as being ‘‘in class’’ by members of IACS.

The following table lists the dates by which we expect to carry out the next dry-dockings and special surveys for the vessels in our current vessel fleets (including all vessels that we have acquired or agreed to acquire, whether or not yet delivered):

Dry-docking Schedule[1]

	2022	2023	2024	2025	2026
Number of Containerships	8	19	11	13	20
Number of Dry Bulk Vessels	13	4	6	14	14

(1) Excludes four containerships that have been classified as assets held for sale (one of which was sold in March 2022) and two containerships (*Maersk Kalamata* and *Sealand Washington*) that the Company has agreed to sell.

Environmental and Other Regulations

Government regulation affects the ownership and operation of our vessels in a significant manner. We are subject to international conventions and national, port state and local laws and regulations applicable to international waters and/or territorial waters of the countries in which our vessels may operate or are registered, including those governing the management and disposal of hazardous substances and wastes, the cleanup of oil spills and the management of other contamination, air emissions, and grey water and ballast water discharges. These laws and regulations include OPA 90, the U.S. Comprehensive Environmental Response, Compensation, and Liability Act (‘‘CERCLA’’), the U.S. Clean Water Act (‘‘CWA’’), the U.S. Clean Air Act (‘‘CAA’’) and regulations adopted by the IMO, including MARPOL and the International Convention for Safety of Life at Sea (‘‘SOLAS’’), as well as regulations enacted by the European Union and other international, national and local regulatory bodies. Compliance with these laws, regulations and other requirements entails significant expense, including vessel modifications and implementation of certain operating procedures.

A variety of governmental and private entities subject our vessels to both scheduled and unscheduled inspections. These entities include the local port authorities Port State Control (such as the U.S. Coast Guard, harbor master or equivalent), classification societies, flag state administration (country of registry) and charterers. Several of these entities require us to obtain permits, licenses, financial assurances and certificates for the operation of our vessels. Failure to maintain necessary permits or approvals could require us to incur substantial costs or result in the temporary suspension of operation of one or more of 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 U.S. and international regulations. Our affiliated managers and V.Ships Greece are certified in accordance with ISO 9001-2008 and ISO 14001-2004 (relating to quality management and environmental standards, respectively). Costamare Shipping is also certified to the environmental Standard ISO 50001-2011. We believe that operation of our vessels are in substantial compliance with applicable environmental laws and regulations and that our vessels have all material permits, licenses, certificates and other authorizations necessary for their operation.

IMO Requirements

Our vessels are subject to standards imposed by the IMO, the United Nations agency for maritime safety and the prevention of pollution by ships. The IMO has adopted regulations that are designed to reduce pollution in international waters, both from accidents and from routine operations, and has negotiated international conventions that impose liability for oil pollution in international waters and a signatory's territorial waters. For example, Annex VI to MARPOL sets limits on sulfur oxide and nitrogen oxide emissions from vessel exhausts and prohibits deliberate emissions of ozone depleting substances, such as chlorofluorocarbons. Annex VI also includes a global cap on the sulphur content of fuel oil and introduces requirements for ships to collect data on fuel oil consumption and carbon dioxide emissions. The new mandatory data collection system is intended as the first in a three-step approach in which analysis of the data collected will provide the basis for an objective, transparent and inclusive policy debate in the Marine Environment Protection Committee ("MEPC") of the IMO, under a roadmap (through 2023) for developing a comprehensive IMO strategy on reduction of GHG emissions from ships.

Amendments to Annex VI that entered into force in July 2010, and were phased in on January 1, 2020, seek to reduce air pollution from vessels by, among other things, establishing a series of progressive requirements to further limit the sulphur content of fuel oil and by establishing new tiers of nitrogen oxide emission standards for new marine diesel engines, depending on their date of installation. These requirements include a global sulphur cap of 0.5% m/m in 2020, which is a significant reduction from the 3.5% m/m global limit previously in place. Effective from January 1, 2020, vessels must now either be equipped with exhaust gas scrubbers, allowing the vessel to use the existing, less expensive, high sulphur content fuel or have undertaken fuel system modification and tank cleaning, allowing the use of more expensive, low sulphur fuel. From March 1, 2020, vessels not equipped with exhaust gas scrubbers cannot have high sulphur content fuel on board. We currently have exhaust gas scrubbers in 17 of our vessels (15 containerships and two dry bulk carriers). Our vessels that do not have exhaust gas scrubbers installed are using low sulphur content fuel in compliance with applicable regulations.

Annex VI also provides for the establishment of special areas, known as Emission Control Areas, where more stringent controls on sulphur and other emissions apply. Currently, the Baltic Sea area, the North Sea area, certain coastal areas of North America (off of the United States and Canada) and the U.S. Caribbean Sea area (around Puerto Rico and the United States Virgin Islands) are designated as Emission Control Areas ("ECAs"), and additional ECAs could be established in the future. The IMO has undertaken a study for a new 0.1% m/m low sulphur ECA in the Mediterranean.

IMO NOx Tier III requirements, the most demanding to date, took effect in North American and U.S. Caribbean ECAs from January 1, 2016 for vessels with a keel-laying date on or after January 1, 2016 and an engine output in excess of 130kW. For vessels constructed (keel-laying) on or after January 1, 2021 and operating in the Baltic Sea ECA or the North Sea ECA, any marine diesel engine installed with output in excess of 130 kW shall comply with the Tier III NOx standard. However, if other ECAs for NOx are implemented, the NOx Tier III requirements will not be retroactive and the Tier III emission limits for any new NOx ECAs (e.g., for the North Sea and Baltic Sea) will become applicable to vessels with keel-laying as of the date that the new NOx ECAs go into effect.

Amendments to MARPOL Annex VI, which entered into force on March 1, 2018, require ships of 5,000 gross tonnage and above to collect consumption data for each type of fuel they use, as well as additional data, including proxies for transport work. The aggregated data will be reported to the ship's flag state ("Flag Administration") on an annual basis. All our existing vessels have submitted to their Flag Administration the data required by regulation 22A of Annex VI of the MARPOL Convention, covering ship operations for the years ended December 31, 2019 and 2020. The data was collected and reported in accordance with the methodology and processes set out in the vessels' Ship Energy Efficiency Management Plan and the vessels are now carrying the relevant Statement of Compliance in accordance with the Fuel Oil Data Collection System. For the third reporting period, which is for the year ended December 2021, the necessary data will be submitted to each ship's flag by March 31, 2022.

All our vessels are compliant in all material respects with current Annex VI requirements, however, if new ECAs are approved by the IMO or other new or more stringent air emission requirements are adopted by the IMO or the states where we expect to operate, compliance with these requirements could entail significant additional capital expenditures, operational changes or otherwise increase the costs of our operations.

Amendments to MARPOL Annex V (regulation for the prevention of pollution by garbage from ships) adopted at MEPC 70 entered into force on March 1, 2018. The changes include criteria for determining whether cargo residues are harmful to the marine environment, and a new Garbage Record Book format with a new garbage category for e-waste. As all our existing vessels are compliant with MARPOL Annex V requirements, the amendments could cause us to incur additional operational costs for the handling of garbage produced on our fleet.

In addition, in 2011, the MEPC of the IMO adopted two sets of mandatory requirements to address GHG emissions from ships. The Energy Efficiency Design Index (''EEDI'') requires a minimum energy efficiency level per capacity mile and is applicable to new vessels, and the Ship Energy Efficiency Management Plan is applicable to currently operating vessels. The requirements entered into force in January 2013 and could cause us to incur additional compliance costs. The IMO is also considering the development of a market-based mechanism for greenhouse gas emissions from ships, but it is difficult to accurately predict the likelihood that such a standard might be adopted or its potential impact on our operations at that time.

As a result of the IMO's continuous work to contribute to global efforts against climate change, the initial GHG strategy was adopted in April 2018. This strategy has established levels of ambition that are subject to ongoing reviews by the organization. The ambition levels have considered potential improvements on vessel design and operational performance as well as the immediate need to introduce low/zero carbon fuels. The initial GHG strategy introduced a list of candidate short-term, mid-term and long-term measures to support the IMO's ambition levels. Short- term measures include the evaluation and improvement of vessel energy efficiency requirements, the application of technical efficiency measures for existing ships and the introduction and regulation of carbon intensity for ships in operation.

Mid-term and long-term measures include developing an implementation program for alternative low/zero carbon fuels, adoption of other possible innovative emission reduction mechanism(s) and market-based measures to incentivize GHG emissions reduction. Possible mid-term measures could be measures finalized and agreed by the IMO between 2023 and 2030, whereas possible long-term measures could be finalized and agreed by MEPC beyond 2030. Dates of entry into force and when the measures can effectively start to reduce GHG emissions would be defined for each measure individually.

Meeting in a remote session in June 2021 (MEPC 76), MEPC finalized and adopted amendments to the MARPOL Annex VI that will require ships to reduce their GHG emissions. These amendments combine technical and operational approaches to improve the energy efficiency of ships, and provide important building blocks for future GHG reduction measures. The new measures will require all ships to calculate their Energy Efficiency Existing Ship Index (''EEXI'') following technical means to improve their energy efficiency and to establish their annual operational carbon intensity indicator (''CII'') and CII rating. The amendments are expected to enter into force on November 1, 2022, with the requirements for EEXI and CII certification coming into effect on January 1, 2023.

Attained EEXI shall be calculated for ships of 400 gross tonnage and above, in accordance with the different values set for ship types and size categories and verified by class. This indicates the energy efficiency of the ship compared to a baseline. Ships are required to meet a specific required EEXI (the ''Required EEXI''), which is based on a required reduction factor (expressed as a percentage relative to the EEDI baseline). When a ship's attained EEDI does not meet the Required EEXI threshold, technical modification options may be considered for compliance (e.g., engine/ shaft power limitation, retrofit of energy saving technologies, alternative fuels).

A ship's CII determines the annual reduction factor needed to ensure continuous improvement of the ship's operational carbon intensity within a specific rating level. The actual annual operational CII achieved would be required to be documented and verified against the required annual operational CII. This would enable the operational carbon intensity rating to be determined. The rating would be given on a scale – operational carbon intensity rating A, B, C, D, or E – indicating a major superior, minor superior, moderate, minor inferior, or inferior performance level. The performance level would be recorded in the ship's Ship Energy Efficiency Management Plan. A ship rated D for three consecutive years, or E, would have to submit a corrective action plan, to show how the required index (C or above) would be achieved.

Following a July 14, 2021 European Commission proposal, the European Parliament recently voted to include CO2 emissions from shipping within the EU's Emissions Trading Scheme (''EU ETS''). The scheme is

set to include all voyages by vessels 5,000 gross tonnage and above that start or finish within the EU. It will require vessel operators to purchase carbon permits to cover related emissions. Looking at how other regulations have developed within the industry, schemes to assimilate to the ETS might emerge in different regions over the next decade.

Varying emission requirements will present significant challenges for vessel owners and operators. To address the potential compliance challenges for some of the existing vessels, particularly the older ones, while keeping in line with the IMO strategy's level of ambition 2020 and the EU ETS, we may incur significant capital expenditures to apply efficiency improvement measures and meet the Required EEXI threshold, such as with respect to shaft/engine power limitation (power optimization), fuel change, energy saving devices and ship replacement. The introduction of the EEXI regulatory framework also may accelerate the scrapping of older tonnage, while the adoption of Shaft/ Engine power limitation as measures to comply with the latest amendments may lead to the continuing prevalence of slow steaming to even lower speeds which could result in contracting/ building of new ships that would go into operation to pick up the slack for a reduction in capacity.

The impact of these requirements on our business and operations, including any necessary capital expenditures, are difficult to accurately predict at this time.

Other International Requirements

Concerns surrounding climate change may lead certain international or multinational bodies or individual countries to propose and/or adopt new climate change initiatives. For example, in 2015 the United Nations Framework Convention on Climate Change adopted the Paris Agreement, which establishes a framework for reducing global GHG emissions, with the goal of holding the increase in global average temperature to well below 2 degrees Celsius and pursuing efforts to limit the increase to 1.5 degrees Celsius. In October 2016, the EU formally ratified the Paris Agreement, thus establishing its entry into force on November 4, 2016. Although the Paris Agreement does not specifically require controls on shipping or other industries, it is possible that countries or groups of countries will seek to impose such controls as they implement the Paris Agreement, which may cause us to incur capital expenditures and/or increase our operating costs in the future.

The International Convention on Civil Liability for Bunker Oil Pollution Damage (the "Bunker Convention"), which became effective in November 2008, imposes strict liability on vessel owners for pollution damage in jurisdictional waters of ratifying states caused by discharges of bunker fuel. The Bunker Convention also requires registered owners of vessels over 1,000 gross tons to maintain insurance in specified amounts to cover liability for bunker fuel pollution damage. Each of our containerships has been issued a certificate attesting that insurance is in force in accordance with the Bunker Convention. The IMO also adopted the International Convention for the Control and Management of Ships' Ballast Water and Sediments (the "BWM Convention"), which entered into force on September 8, 2017. Under the BWM Convention, each vessel is required to have on board a valid International Ballast Water Management Certificate, a Ballast Water Management Plan and a Ballast Water Record Book. Compliance with the new standards pertaining to the treatment of the ballast water ("D-2 Standard") requires, in most cases, existing ships to install a ballast water treatment system by the ship's first International Oil Pollution Prevention Certificate ("IOPPC") renewal survey after September 8, 2019, while vessels constructed (keel laying performed) after September 8, 2017 must have an approved BWM system installed on delivery. This implementation schedule is intended to ensure full global implementation by September 8, 2024. For existing vessels we proceed, as required, with the installation of treatment systems to comply with the D-2 standard at the time of the periodical dry-docking of the relevant vessels.

The operation of our vessels is based on the requirements set forth in the ISM Code. The ISM Code requires vessel managers to develop and maintain an extensive SMS that includes the adoption of a safety and environmental protection policy, sets forth instructions and procedures for safe vessel operation and describes procedures for dealing with emergencies. The ISM Code requires that vessel operators obtain a SMC for each vessel they operate from the government of the vessel's flag state. The certificate verifies that the vessel operates in compliance with its approved SMS. No vessel can obtain a certificate unless the flag state has issued a document of compliance with the ISM Code to the vessel's manager. Failure to comply with the ISM Code may lead to withdrawal of the permit to manage or operate the vessels, subject such party to increased liability, decrease or suspend available insurance coverage for the affected vessels, or result in a denial of access to, or detention in, certain ports. Each vessel in our fleet and each of our affiliated managers and third party managers are ISM Code-certified.

United States Requirements

OPA 90 established an extensive regulatory and liability regime for the protection of the environment from oil spills and cleanup of oil spills. OPA 90 applies to discharges of any oil from a vessel, including discharges of fuel and lubricants. OPA 90 affects all owners and operators whose vessels trade in the United States, its territories and possessions or whose vessels operate in U.S. waters, which include the United States' territorial sea and its two hundred nautical mile exclusive economic zone. While we do not carry oil as cargo, we do carry fuel in our containerships, making them subject to the requirements of OPA 90.

Under OPA 90, vessel owners, operators and bareboat charterers are ''responsible parties'' and are jointly, severally and strictly liable (unless the discharge of pollutants results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from discharges or threatened discharges, of pollutants from their vessels, including bunkers. OPA 90 defines these other damages broadly to include:

- natural resource damages and the costs of assessment thereof;
- real and personal property damage;
- net loss of taxes, royalties, rents, fees and other lost revenues;
- lost profits or impairment of earning capacity due to property or natural resource damages; and
- net cost of public services necessitated by a spill response, such as protection from fire, safety or health hazards, and loss of subsistence use of natural resources.

OPA 90 preserves the right to recover damages under other existing laws, including maritime tort law.

U.S. Coast Guard regulations limit OPA 90 liability to the greater of $1,200 per gross ton or $997,000 per incident for non- tank vessels, subject to periodic adjustments of such limits. These limits of liability do not apply if an incident was directly caused by violation of applicable U.S. safety, construction or operating regulations or by a responsible party's gross negligence or willful misconduct, or if the responsible party fails or refuses to report the incident or to cooperate and assist in connection with oil removal activities.

CERCLA applies to spills or releases of hazardous substances other than petroleum or petroleum products whether on land or at sea. CERCLA imposes joint and several liability, without regard to fault, on the owner or operator of a vessel, vehicle or facility from which there has been a release, along with other specified parties. Costs recoverable under CERCLA include cleanup and removal costs, natural resource damages and governmental oversight costs. Liability under CERCLA is generally limited to the greater of $300 per gross ton or $5.0 million for vessels carrying any hazardous substances, such as cargo or residue, or $0.5 million for any other vessel, per release of or incident involving hazardous substances. These limits of liability do not apply if the incident is caused by gross negligence, willful misconduct or a violation of certain regulations, in which case liability is unlimited.

All owners and operators of vessels over 300 gross tons are required to establish and maintain with the U.S. Coast Guard evidence of financial responsibility sufficient to meet their potential liabilities under OPA 90 and CERCLA. Under the U.S. Coast Guard regulations, vessel owners and operators may evidence their financial responsibility by providing proof of insurance, surety bond, guarantee, letter of credit or self-insurance. An owner or operator of a fleet of vessels is required only to demonstrate evidence of financial responsibility in an amount sufficient to cover the vessel in the fleet having the greatest maximum liability under OPA 90 and CERCLA. Under the self-insurance provisions, the vessel owner or operator must have a net worth and working capital, measured in assets located in the United States against liabilities located anywhere in the world, that exceeds the applicable amount of financial responsibility.

U.S. Coast Guard regulations concerning certificates of financial responsibility provide, in accordance with OPA 90, that claimants may bring suit directly against an insurer or guarantor that furnishes certificates of financial responsibility. In the event that such insurer or guarantor is sued directly, it is prohibited from asserting any contractual defense that it may have had against the responsible party and is limited to asserting those defenses available to the responsible party and the defense that the incident was caused by the willful misconduct

of the responsible party. Certain organizations, which had typically provided certificates of financial responsibility under pre-OPA 90 laws, including the major P&I associations, have declined to furnish evidence of insurance for vessel owners and operators if they are subject to direct actions or required to waive insurance policy defenses.

OPA 90 specifically permits individual states to impose their own liability regimes with regard to oil pollution incidents occurring within their boundaries, and some states have enacted legislation providing for unlimited liability for oil spills. In some cases, states which have enacted such legislation have not yet issued implementing regulations defining vessels owners' responsibilities under these laws. We intend to comply with all applicable state regulations in the ports where our vessels call.

We currently maintain, for each of our vessels, oil pollution liability coverage insurance in the amount of $1.0 billion per vessel per incident. In addition, we carry hull and machinery and protection and indemnity insurance to cover the risks of fire and explosion. Although our vessels will only carry bunker fuel, a spill of oil from one of our vessels could be catastrophic under certain circumstances. Losses as a result of fire or explosion could also be catastrophic under some conditions. While we believe that our present insurance coverage is adequate, not all risks can be insured, and if the damages from a catastrophic spill exceeded our insurance coverage, the payment of those damages could have an adverse effect on our business or the results of our operations.

Title VII of the Coast Guard and Maritime Transportation Act of 2004 (the ''CGMTA'') amended OPA 90 to require the owner or operator of any non-tank vessel of 400 gross tons or more that carries oil of any kind as a fuel for main propulsion, including bunker fuel, to prepare and submit a response plan for each vessel. These vessel response plans include detailed information on actions to be taken by vessel personnel to prevent or mitigate any discharge or substantial threat of such a discharge of oil from the vessel due to operational activities or casualties. Where required, each of our vessels has an approved response plan.

The CWA prohibits the discharge of oil or hazardous substances in navigable waters and imposes liability in the form of penalties for any unauthorized discharges. It also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under the more recently enacted OPA 90 and CERCLA, discussed above. The U.S. Environmental Protection Agency (the ''EPA'') regulates the discharge of ballast water and other substances under the CWA. EPA regulations require vessels 79 feet in length or longer (other than commercial fishing vessels) to obtain coverage under a Vessel General Permit (''VGP'') authorizing discharges of ballast waters and other wastewaters incidental to the operation of vessels when operating within the three-mile territorial waters or inland waters of the United States. The VGP requires vessel owners and operators to comply with a range of best management practices and reporting and other requirements for a number of incidental discharge types. The most recent VGP, which became effective in December 2013, expired in December 2018. It contained stringent requirements, including numeric ballast water discharge limits (that generally align with the most recent U.S. Coast Guard standards issued in 2012), to ensure that the ballast water treatment systems are functioning correctly and more stringent effluent limits for oil to sea interfaces and exhaust gas scrubber wastewater. The Vessel Incidental Discharge Act, ''VIDA'', enacted December 4, 2018, requires the EPA and Coast Guard to develop new performance standards and enforcement regulations and extends the 2013 VGP provisions until new regulations are final and enforceable. On December 2, 2016, the Marine Safety Center announced the approval of the first Coast Guard type approved Ballast Water Management System (''BWMS''). Now that type approved BWMS are available, vessels calling at U.S. ports are required to have such systems installed by the first regular dry-docking after January 1, 2016. Vessel owners and operators are alternatively permitted to meet the discharge standard without the use of a BWMS or, apply for an individual, justified extension to the compliance date. We comply with the most recent version of the VGP for all of our vessels that operate in U.S. waters or have received permission from the Coast Guard to perform ballast exchange operations in U.S. waters for a maximum of five years after the compliance date for each vessel. We do not believe that any material costs associated with meeting the requirements under the VGP will be material.

U.S. Coast Guard regulations adopted under the 1996 U.S. National Invasive Species Act (''NISA'') also impose mandatory ballast water management practices for all vessels equipped with ballast water tanks entering or operating in U.S. waters. Amendments to these regulations, which became effective in June 2012, established maximum acceptable discharge limits for various invasive species and/or requirements for active treatment of ballast water. The U.S. Coast Guard ballast water standards are consistent with requirements under the BWM Convention. Several states, including Michigan and California, have adopted legislation or regulations relating to

the permitting and management of ballast water discharges. California has extended its ballast water management program to the regulation of ''hull fouling'' organisms attached to vessels and adopted regulations limiting the number of organisms in ballast water discharges. Other states could adopt similar requirements that could increase the costs of operation in state waters.

The EPA has adopted standards under the CAA that pertain to emissions from vessel vapor control and recovery and other operations in regulated port areas and emissions from the large marine diesel engines from model year 2004 or later. Several states also regulate emissions from vapor control and recovery under authority of State Implementation Plans adopted under the CAA. On April 30, 2010, the EPA promulgated regulations that impose more stringent standards for emissions of particulate matter, sulfur oxides and nitrogen oxides from new Category 3 marine diesel engines on vessels constructed on or after January 1, 2016 and registered or flagged in the U.S. and implement the new MARPOL Annex VI requirements for U.S. and foreign flagged ships entering U.S. ports or operating in U.S. internal waters. The State of California has adopted emission limits for diesel engines of ocean-going vessels operating within 24 miles of the California coast and requires operators to use low sulphur content fuel. The State of California has also mandated that ships, instead of relying on their shipboard power, must use shore power while berthed through a process known as Cold Ironing or Alternative Maritime Power. The regulation was phased in starting in 2014. Our vessels currently affected by the State of California regulations have made the necessary modifications. If this regulation is extended to dry bulk vessels we will have to make the necessary modifications on our vessels. It is expected that the cost of modifications needed for other vessels in our fleet that may call to California in the future will be borne in part by the charterers of each vessel, but it is difficult to predict the exact impact on our operations.

If new or more stringent regulations relating to emissions from marine diesel engines or port operations by ocean-going vessels are adopted by the EPA or states, these requirements could require significant capital expenditures or otherwise increase the costs of our operations.

European Union Requirements

The European Union has adopted legislation that (1) requires member states to refuse access to their ports to certain substandard vessels, according to vessel type, flag and number of previous detentions; (2) obliges member states to inspect at least 25% of foreign vessels using their ports annually and provides for increased surveillance of vessels posing a high risk to maritime safety or the marine environment; (3) provides the European Union with greater authority and control over classification societies, including the ability to seek to suspend or revoke the authority of negligent societies and (4) requires member states to impose criminal sanctions for certain pollution events, such as the unauthorized discharge of tank washings.

The European Union has also adopted Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of November 2013 on ship recycling which brings forward the requirements of the 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships, therefore contributing to its global entry into force (the ''EU Recycling Regulation''). From December 31, 2018, seagoing vessels flying the flag of an EU Member State may be recycled only in ship recycling facilities within the EU or in third countries which comply with a number of safety and environmental requirements and are included in the European List of ship recycling facilities published by the European Commission. In addition, all ships calling to European ports, whether flying the flag of an EU Member State or not, need to have on board an inventory of hazardous materials, such as asbestos and ozone-depleting substances, specifying the location and approximate quantities of those materials certified by the relevant administration or authority.

The European Union has also adopted Regulation (EU) 2015/757 of the European Parliament and of the Council of April 29, 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport (the ''EU MRV Regulation''). This regulation requires large vessels entering European Union ports to monitor, report and verify their carbon dioxide emissions beginning in January 2018. Since June 30, 2019, all vessels calling to ports in the European Union must carry onboard a document of compliance with said requirements.

Data collected is expected to be open to the public, as provided for by the regulations. Significant stakeholders have however questioned this prospect as it will expose trade techniques, or, other sensitive, significant business clues. The provisions of the EU MRV Regulation are similar to MARPOL Annex VI which were adopted by IMO in October 2016.

On September 16, 2020, the European Parliament adopted amendments requiring shipping companies to reduce on a linear basis their annual average CO2 emissions relative to transport work, for all their ships, by at least 40% by 2030, with penalties for non-compliance. In order to obtain data on transport work, the reporting of "cargo carried" per voyage would remain mandatory. In addition, the amendments introduce environmental performance labelling of ships, and calls for inclusion of methane and other greenhouse gases besides CO2, and better supply of shore-side electricity in ports. The European Commission would have to review the regulation in light of future IMO measures. The report would include maritime shipping under the EU Emissions Trading System ("ETS") Directive from 2022. It also calls for an "Ocean Fund" for the 2022-2030 period, financed by revenues from auctioning ETS allowances, which would be used to make ships more energy-efficient, to support investment in innovative technologies and infrastructure for decarbonising maritime transport, and to protect marine ecosystems impacted by climate change. The European Commission would be required to assess any new global market-based emission reduction measures adopted by the IMO with respect to their ambition and environmental integrity.

Marshall Islands Requirements

On January 1, 2019, the Economic Substance Regulations, 2018 (the "ESRs") adopted by the Republic of the Marshall Islands came into force.

The ESRs apply to all Marshall Islands non-resident domestic entities and foreign maritime entities registered in the Marshall Islands that meet the definition of "relevant entity" and which derive income from a "relevant activity." "Relevant Entity" is defined in the ESRs to include a non-resident domestic entity or foreign maritime entity formed under Marshall Islands law that is centrally managed and controlled outside the Marshall Islands and is a tax resident of a jurisdiction other than the Marshall Islands. "Relevant Activity" is limited under the ESRs to certain enumerated activities including "shipping business" and "holding company business" which the Company has determined may be applicable to it and its Marshall Islands subsidiaries and affiliates.

Under the ESRs, for each yearly reporting period, a relevant entity that derives income from a relevant activity must satisfy an economic substance test whereby the entity must show that it (i) is directed and managed in the Marshall Islands in relation to that relevant activity, (ii) carries out core income-generating activity in relation to that relevant activity in the Marshall Islands (although it is being understood and acknowledged by the regulators that income-generated activities for shipping companies will generally occur in international waters) and (iii) has (a) an adequate amount of expenditures in the Marshall Islands, (b) adequate physical presence in the Marshall Islands and (c) an adequate number of qualified employees in the Marshall Islands, having regard to the level of relevant activity carried out in the Marshall Islands.

As of mid-2020, all Marshall Islands non-resident domestic entities and foreign maritime entities are required to submit an Economic Substance Declaration to the Registrar of Corporations (the "Registrar") on a yearly basis. If the Registrar determines that a relevant entity has not met the economic substance test for the relevant reporting period, the Registrar will issue a notice of non-compliance and assess penalties as disclosed in the notice. Penalties can range from fines up to $100,000 and/or revocation of formation documents and dissolution.

The Company intends to comply with all relevant reporting requirements under the ESRs.

Other Regional Requirements

The environmental protection regimes in certain other countries, such as Canada, resemble those of the United States. To the extent we operate in the territorial waters of such countries or enter their ports, our containerships would typically be subject to the requirements and liabilities imposed in such countries. Other regions of the world also have the ability to adopt requirements or regulations that may impose additional obligations on our containerships and may entail significant expenditures on our part and may increase the costs of our operations. These requirements, however, would apply to the industry operating in those regions as a whole and would also affect our competitors.

Of particular importance, due to the trade intensity in these areas, are four ECAs created in Hong Kong and in China (Pearl River Delta, the Yangtze River Delta and Bohai Sea), aiming to reduce the levels of ship-generated air pollution and focus on the sulphur content of fuels. As of January 1, 2017, vessels at berth in a core port within an emission control area are required to use fuel with a maximum sulphur content of 0.5%

m/m—except one hour after arrival and one hour before departure. Since January 1, 2018, all ports within Chinese emission control areas have implemented this standard. As of January 1, 2019, vessels must switch to fuel with a sulphur content not exceeding 0.5% m/m prior to entering China's territorial sea, in defined areas. Vessels capable of receiving shore power must use shore power if they berth for more than three hours in ports in the coastal ECA that have shore power capabilities (or more than two hours in ports with such capabilities in the Inland ECAs). Furthermore, ships of 400 gross tonnage or over, or ships powered by main propulsion machinery greater than 750 kW of propulsion power, calling at a port in China should report energy consumption data of their last voyage to China MSA before leaving port (China Regulation on Data Collection for Energy Consumption of Ships). Hong Kong's current Fuel at Berth Regulation requiring ships to burn fuel with a sulphur content not exceeding 0.5% m/m while at berth are expected to be replaced by a regulation extending the standard to ships operating in Hong Kong waters. Ships not equipped with scrubbers will be required to burn fuel with a sulphur content not exceeding 0.5% m/m within Hong Kong waters, irrespective of whether they are sailing or at berth.

In Taiwan, ships not equipped with exhaust gas scrubbers must burn fuel with a sulphur content not exceeding 0.5% m/m when entering its international commercial port areas.

In connection with the introduction of the ban of high sulphur fuel for vessels not equipped with exhaust gas scrubbers, countries are introducing rules as to the type of exhaust gas scrubber that may be acceptable to be operated on vessels, in effect prohibiting the operation in their waters of open loop type exhaust gas scrubbers and forcing vessels to use the more expensive Diesel Oil fuel when sailing in their waters.

Vessel Security Regulations

A number of initiatives have been introduced in recent years intended to enhance vessel security. On November 25, 2002, the Maritime Transportation Security Act of 2002 (the ''MTSA'') was signed into law. To implement certain portions of the MTSA, the U.S. Coast Guard issued regulations in July 2003 requiring the implementation of certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States. Similarly, in December 2002, amendments to SOLAS created a new chapter of the convention dealing specifically with maritime security. This new chapter came into effect in July 2004 and imposes various detailed security obligations on vessels and port authorities, most of which are contained in the newly created ISPS Code. Among the various requirements are:

- on-board installation of automatic information systems to enhance vessel-to-vessel and vessel-to-shore communications;
- on-board installation of ship security alert systems;
- the development of ship security plans; and
- compliance with flag state security certification requirements.

The U.S. Coast Guard regulations, intended to align with international maritime security standards, exempt non-U.S. vessels from MTSA vessel security measures; provided such vessels have on board a valid ''International Ship Security Certificate'' that attests to the vessel's compliance with SOLAS security requirements and the ISPS Code. We have implemented the various security measures required by the IMO, SOLAS and the ISPS Code and have approved ISPS certificates and plans certified by the applicable flag state on board all our vessels.

C. Organizational Structure

Costamare Inc. is a holding company incorporated in the Republic of the Marshall Islands which, as of March 18, 2022, has 168 subsidiaries, 155 of which are incorporated in Liberia, 12 of which are incorporated in the Republic of the Marshall Islands and one which is incorporated in the Republic of Cyprus. As of that date, 107 of our Liberian subsidiaries own vessels in the water and eight own newbuild containerships under contract (of which two were subsequently terminated), with the remaining subsidiaries dormant. Of our Marshall Islands subsidiaries, 10 own vessels in the water and one holds all our participations in companies formed under the Framework Deed. Our subsidiaries are wholly-owned by us. A list of our subsidiaries as of March 18, 2022 is set forth in Exhibit 8.1 to this annual report.

D. Property, Plant and Equipment

We have no freehold or material leasehold interest in any real property. We occupy office space at 7 rue du Gabian, MC 98000 Monaco. Other than our vessels, we do not have any material property. Our vessels are subject to priority mortgages, which secure our obligations under our various credit facilities. For further details regarding our credit facilities, refer to ''Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Credit Facilities, Finance Leases and Other Financing Arrangements''.

ITEM 4.A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and the notes to those statements included elsewhere in this annual report. This discussion includes forward-looking statements that involve risks and uncertainties. As a result of many factors, such as those set forth under "Item 3. Key Information—D. Risk Factors" and elsewhere in this annual report, our actual results may differ materially from those anticipated in these forward-looking statements. Please see the section "Forward-Looking Statements" at the beginning of this annual report.

Overview

We are an international owner and operator of containerships and dry bulk vessels. We charter our vessels to many of the world's largest liner companies, providing worldwide transportation of containerized cargoes. We charter our dry bulk vessels to a wide variety of customers, providing worldwide transportation for and dry bulk cargoes.

As of March 18, 2022, our containership fleet consisted of 76 vessels in the water, aggregating approximately 557,400 TEU, of which (i) five vessels aggregating approximately 33,200 TEU will be sold and (ii) four vessels aggregating approximately 11,600 TEU have been acquired pursuant to the Framework Deed by Joint Venture entities in which we hold a minority equity interest, making us one of the largest public containership companies in the world based on total TEU capacity. At that date, we also had eight newbuild containerships under contract (two of which were subsequently terminated), which are scheduled to be delivered to us during 2023 and 2024. Additionally, as of the same date, our dry bulk fleet included 46 vessels with a total capacity of approximately 2,493,500 dwt, including one secondhand vessel (with an approximate carrying capacity of 58,000 dwt) that we have agreed to acquire. See "Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction".

As regards our containership business, our strategy is to deploy our containerships on long-term, fixed-rate time charters to take advantage of the stable cash flows and high utilization rates typically associated with long-term time charters. Time-chartered containerships are generally employed on long-term charters to liner companies that charter-in vessels on a long-term basis as part of their business strategies. As of March 18, 2022, the average (weighted by TEU capacity) remaining time-charter duration for our fleet of 76 containerships in the water, including the four vessels acquired under the Framework Deed, was approximately 4.2 years, based on the remaining fixed terms and assuming the exercise of any owner's options and the non-exercise of any charterer's options under our containerships' charters. As of March 18, 2022, our fixed-term charters for our fleet of 76 containerships in the water represented an aggregate of approximately $3.4 billion of contracted revenue, assuming the earliest redelivery dates possible and 365 revenue days per annum per containership (which amount includes our ownership percentage of contracted revenue for the Joint Venture vessels (currently $23.8 million)). See "Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction—Our Fleet".

As regards our dry bulk business, our current chartering policy is to employ our vessels primarily on short-term time charters, which provides us the flexibility to capitalize on any favorable changes in the dry bulk charter rate environment. Based on market conditions, we may employ our vessels with a mix of short-, medium- and long-term time charters and voyage charters. For the year ended December 31, 2021, our dry bulk fleet utilization levels were 98.6%. See "Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction—Our Fleet".

The table below provides additional information about the charter coverage for our fleet of containerships and dry bulk vessels as of December 31, 2021. Except as indicated in the footnotes, it does not reflect events occurring after that date, including any charter contract we entered into after that date. It excludes all days attributable to the operation of the container vessels purchased pursuant to the Framework Deed which includes four vessels in the water. The table assumes the earliest redelivery dates possible under our vessels' charters. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

	2022	2023	2024	2025	2026	2027	2028 - 2031
No. of Vessels whose Charters Expire[1][2]	51	12	11	17	13	3	9
No. of Containerships whose Charters Expire[1]	8	12	11	17	13	3	9
No. of Dry Bulk Vessels whose Charters Expire[2]	43	—	—	—	—	—	—
TEU of Expiring Containership Charters	49,659	58,334	58,371	123,148	128,223	22,984	107,490
DWT of Expiring Dry Bulk Vessel Charters	2,320,751	—	—	—	—	—	—
Contracted Days	28,640	20,467	16,817	11,202	6,332	3,419	9,961
Available Days	13,690	20,413	24,175	29,678	33,874	36,366	146,826
Contracted/Total Days[3]	67.7%	50.1%	41.0%	27.4%	15.7%	8.6%	6.4%
Containership Contracted/Total Containership Days (TEU -adjusted)[4]	94.2%	86.5%	75.9%	57.0%	36.2%	22.0%	16.2%
Dry Bulk Vessel Contracted/Total Dry Bulk Vessel Days (dwt-adjusted)[5]	26.3%	—	—	—	—	—	—

(1) Includes one secondhand containership that we had agreed to acquire, and excludes the newbuild containerships on order.

(2) Includes eight dry bulk vessels with no employment as at December 31, 2021 and excludes two dry bulk vessels that we have agreed to acquire.

(3) Total days are calculated on the assumption that the vessels will continue trading until the age of 30 years old for containerships and 25 years for dry bulk vessels, unless the containership will exceed 30 years of age or the dry bulk vessel will exceed 25 years of age at the expiry of its current time charter, in which case we assume that the vessel continues trading until that expiry date. *Messini*, *Sealand Illinois*, *Sealand Michigan*, and *York* are classified as held for sale and therefore the available days are calculated up to December 31, 2022.

(4) Contracted Days coverage for containerships adjusted by TEU capacity.

(5) Contracted Days coverage for dry bulk vessels adjusted by dwt capacity.

Our containership fleet is currently under time charters with 11 different charterers. For the three years ended December 31, 2021, our largest customers by revenue were A.P. Moller-Maersk, MSC, Evergreen, Hapag Lloyd and COSCO. Chartering in the dry bulk sector tends to be more diversified, and our dry bulk fleet is currently under charters with 22 different charterers.

We dry-dock our vessels when the next survey (dry-dock survey or special survey) is scheduled to become due, every 30 months for dry bulk vessels of 15 years of age or over and every 60 months for other vessels. We have dry-docked 34 vessels over the past three years, including two Joint Venture vessels, and we plan to dry-dock 21 vessels in 2022 and 23 vessels in 2023 including Joint Venture vessels. Information about our fleet dry-docking schedule through 2026 is set forth in a table in ''Item 4. Information on the Company—B. Business Overview—Risk of Loss and Liability Insurance—Inspection by Classification Societies''.

Our Managers and Service Providers

Costamare Shipping provides our subsidiaries with commercial, technical and other management services pursuant to the Framework Agreement. As of March 18, 2022, Costamare Shipping, itself or together with our third-party managers, V.Ships Greece, Vinnen, HanseContor, BSM and FML, provides our fleet with technical,

crewing, commercial, provisioning, bunkering, sale and purchase, accounting, insurance and administrative services pursuant to separate ship-management agreements between each of our vessel-owning subsidiaries and Costamare Shipping and, in certain cases, the relevant sub-manager. V.Ships Greece will at our direction subcontract certain services to and enter into a relevant sub-management agreement with V.Ships Shanghai. Costamare Services provides our vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services pursuant to the Services Agreement. In the event that Costamare Shipping or Costamare Services decide to delegate certain or all of the services they have agreed to perform under the Framework Agreement or the Services Agreement, respectively, either through (i) subcontracting to a sub- manager or sub-provider or (ii) by directing such sub-manager or sub-provider to enter into a direct agreement with the relevant vessel-owning subsidiary, then, in the case of subcontracting under (i), Costamare Shipping or Costamare Services, as applicable, will be responsible for paying the fee charged by the relevant sub-manager or sub-provider for providing such services and, in the case of a direct agreement under (ii), the fee received by Costamare Shipping or Costamare Services, as applicable, will be reduced by the fee payable to the sub-manager or sub-provider under the relevant direct agreement. As a result, these arrangements will not result in any increase in the aggregate management fees and services fees that we pay. In addition to management fees, we pay for any capital expenditures, financial costs, operating expenses and any general and administrative expenses, including payments to third parties, including specialist providers, in accordance with the Framework Agreement and the relevant separate ship-management agreements or supervision agreements. Our chairman and chief executive officer and our chief financial officer supervise, in conjunction with our board of directors, the services provided by Costamare Shipping and Costamare Services.

Costamare Shipping received in 2021 and 2020 a fee of $956 per day pro-rated for the calendar days we own each vessel. This fee is reduced to $478 per day in the case of a containership subject to a bareboat charter. We also pay Costamare Shipping a flat fee of $787,405 per newbuild vessel for the supervision of the construction of any newbuild vessel that we may contract. Costamare Shipping received in 2021 and 2020, a fee of 0.15% on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each containership in our fleet. Costamare Services received in 2021 and 2020 a fee of 1.10%, on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each vessel in our fleet and a quarterly fee of (i) $625,000 and (ii) an amount equal to the value of 149,600 shares, based on the average closing price of our common stock on the NYSE for the 10 days ending on the 30th day of the last month of each quarter; provided that Costamare Services may elect to receive 149,600 shares instead of the fee under (ii). We have reserved a number of shares of common stock to cover the fees to be paid to Costamare Services under (ii) through December 31, 2022. During the years ended December 31, 2021 and December 31, 2020, Costamare Shipping received in total an ad hoc fee from a third-party ship broker $3,472,399 and $396,798, respectively, for its participation in arranging and negotiating five newbuilding contracts. Over the construction period of these vessels, Costamare Shipping received on average an ad hoc fee of $992,114 per vessel. During the year ended December 31, 2021 and December 31, 2020, Costamare Shipping charged in aggregate to the companies established pursuant to the Framework Deed $2.8 million and $3.6 million, respectively, for services provided in accordance with the relevant management agreements. For each of the years ended December 31, 2021 and December 31, 2020, we paid aggregate fees of $2.5 million and issued in aggregate 598,400 shares to Costamare Services under the Services Agreement.

On December 31, 2021, the terms of the Framework Agreement and the Services Agreement automatically renewed for another one-year period, and will automatically renew for three more consecutive one-year periods until December 31, 2025, at which point the Framework Agreement and the Services Agreement will expire. The daily fee for each vessel, the supervision fee in respect of each vessel under construction and the quarterly fee payable to Costamare Shipping under the Framework Agreement and the quarterly fee payable to Costamare Services under the Services Agreement (other than the portion of the fee in clause (ii) above which is calculated on the basis of our share price) will be annually adjusted to reflect any strengthening of the Euro against the U.S. dollar of more than 5% per year and/or material unforeseen cost increases. There has been no increase in 2021. We are able to terminate the Framework Agreement or the Services Agreement, subject to a termination fee, by providing written notice to Costamare Shipping or Costamare Services, as applicable, at least 12 months before the end of the subsequent one-year term. The termination fee is equal to (a) the number of full years remaining prior to December 31, 2025, times (b) the aggregate fees due and payable to Costamare Shipping or Costamare Services, as applicable, during the 12-month period ending on the date of termination (without taking into account any reduction in fees under the Framework Agreement to reflect that certain obligations have been

delegated to a sub-manager or a sub-provider, as applicable); provided that the termination fee will always be at least two times the aggregate fees over the 12-month period described above. Information about other termination events under the Management Agreements is set forth in "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management Agreements—Term and Termination Rights".

Pursuant to the terms of the Framework Agreement, the separate ship-management agreements, the supervision agreements and the Services Agreement, liability of Costamare Shipping and Costamare Services to us is limited to instances of gross negligence or willful misconduct on the part of Costamare Shipping or Costamare Services. Further, we are required to indemnify Costamare Shipping and Costamare Services for liabilities incurred by them in performance of the Framework Agreement, separate ship-management agreements, supervision agreements and the Services Agreement respectively, in each case except in instances of gross negligence or willful misconduct on the part of Costamare Shipping or Costamare Services.

Costamare Shipping provides management services to the Joint Venture vessels under separate management agreements with each Joint Venture entity pursuant to which Costamare Shipping provides technical, crew, crew insurance, commercial, general and administrative and insurance services directly or together with V.Ships Greece directly or, upon being directed to do so by the relevant Joint Venture entity through V.Ships Shanghai. During the year ended December 31, 2021, Costamare Shipping charged in aggregate to Joint Venture vessels the amount of $2.8 million and to the vessel privately owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos, $0.3 million, in each case for services provided in accordance with the respective management agreements.

On January 1, 2018, Costamare Shipping appointed, on behalf of the vessels it manages, Blue Net, a company 50% owned (indirectly) by our chairman and chief executive officer, Konstantinos Konstantakopoulos, to provide charter brokerage services to all vessels under its management (including vessels owned by the Company). Blue Net provides exclusive charter brokerage services to containership owners. Under the Brokerage Agreement, as amended on January 2, 2020, each vessel-owning subsidiary paid a fee of €9,413 for the years ended December 31, 2020 and 2021 in respect of its vessel, prorated for the calendar days of ownership (including as disponent owner under a bareboat charter agreement), *provided* that in respect of vessels chartered on January 1, 2018 which remain chartered under the same charter party, the fee for the duration of such charter was €1,281 for the year ended December 31, 2020. In lieu of said annual fee, in certain cases, some of our vessels have agreed to pay a commission ranging from 0.5 to 1.25% of their revenues from the charter arranged by Blue Net or Blue Net Asia. During the year ended December 31, 2020 and December 31, 2021, we paid $377,982 and $467,407, respectively, in total to Blue Net and $398,575 and $866,543, respectively, in total to Blue Net Asia for charter brokerage services. Until August 2021, Blue Net also provided chartering brokerage services in exchange for a fee to all the vessels belonging to a chartering pool which included one of our vessels, the *Scorpius (ex. JPO Scorpius)*.

A. Operating Results

Factors Affecting Our Results of Operations

Our financial results are largely driven by the following factors:

- *Number of Vessels in Our Fleet*. The number of vessels in our fleet is a key factor in determining the level of our revenues. Aggregate expenses also increase as the size of our fleet increases. Vessel acquisitions and dispositions give rise to gains and losses and other one-time items. Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the sum of the ownership days each vessel was part of our fleet during the period divided by the number of calendar days in that period. As of March 18, 2022, our containership fleet amounted to a total of 76 vessels (including four vessels acquired by Joint Venture entities in which we hold a minority equity interest) and our dry bulk fleet amount to a total of 45 vessels (expected to increase by one additional vessel agreed to be acquired within 2022).

- *Charter Rates*. The charter rates we obtain for our vessels also drive our revenues. Charter rates are based primarily on demand and supply of vessel capacity at the time we enter into the charters for our vessels. Demand and supply can fluctuate significantly over time as a result of changing economic conditions affecting trade flow between ports and the industries which use our shipping services. Vessels operated under long-term charters are less susceptible to cyclical containership charter rates than vessels operated on shorter-term charters, such as spot charters. We are exposed to varying charter

rate environments when our chartering arrangements expire and we seek to deploy our vessels under new charters. As illustrated in the table above under ''—Overview'', we aim to reduce our exposure to any one particular rate environment and point in the shipping cycle on the containership sector by staggering the maturities of our vessels' charters, while in the dry bulk sector we operate our vessels primarily on short term time charters, index-linked time charters, or voyage charters. See ''—Voyage Revenue''.

- *Utilization of Our Fleet*. We calculate utilization of our fleet by dividing the number of days during which our vessels are employed *less* the aggregate number of days that our vessels are off-hire due to any reason other than due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys by the number of days during which our vessels are employed. We use fleet utilization to measure our vessels' condition and efficiency in servicing our clients whilst employed. Historically, our fleet has had a limited number of unscheduled off-hire days during the period of employment. In 2019, 2020 and 2021 our fleet utilization for each year was 99.5%, 99.6% and 99.3%, respectively. More specifically, in 2021 our containerships fleet utilization rate was 99.4% and our dry bulk fleet utilization rate was 98.6%, If the utilization pattern of our fleet changes, our financial results would be affected.

- *Expenses and Other Costs*. Our ability to control our fixed and variable expenses is critical to our ability to maintain acceptable profit margins. These expenses include commission expenses, crew wages and related costs, the cost of insurance and vessel registry, expenses for repairs and maintenance, the cost of spares and consumable stores, lubricating oil costs, tonnage taxes, regulatory fees, vessel scrubbers and Ballast Water Treatment System (''BWTS'') maintenance expenses and other miscellaneous expenses. In addition, factors beyond our control, such as developments relating to market premiums for insurance and the value of the U.S. dollar compared to currencies in which certain of our expenses, primarily crew wages, are paid, can cause our vessel operating expenses to increase. We proactively manage our foreign currency exposure by entering into Euro/dollar forward contracts in an effort to minimize volatility in Euro denominated expenses.

The following table presents selected consolidated financial and other data of Costamare for each of the five years in the five-year period ended December 31, 2021. The table should be read together with the additional information provided in this section. The selected consolidated financial data of Costamare is a summary of and is derived from our audited consolidated financial statements and notes thereto, which have been prepared in accordance with U.S. generally accepted accounting principles (''U.S. GAAP''). Our audited consolidated statements of operations, stockholders' equity and cash flows for the years ended December 31, 2019, 2020 and 2021 and the consolidated balance sheets at December 31, 2020 and 2021, together with the notes thereto, are included in ''Item 18. Financial Statements'' and should be read in their entirety.

	Year Ended December 31,				
	2017	2018	2019	2020	2021
	(Expressed in thousands of U.S. dollars, except for share and per share data)				
STATEMENT OF INCOME					
Revenues:					
Voyage revenue	$ 412,433	$ 380,397	$ 478,109	$ 460,319	$ 793,639
Expenses:					
Voyage expenses	2,649	5,847	5,291	7,372	13,311
Voyage expenses-related parties	3,093	3,201	5,282	6,516	11,089
Vessels' operating expenses	103,799	110,571	116,101	117,054	179,981
General and administrative expenses	5,651	5,408	5,551	7,360	9,405
General and administrative expenses-non-cash component	3,866	3,755	3,879	3,655	7,414
Management fees-related parties	18,693	19,533	21,319	21,616	29,621
Amortization of dry-docking and special survey costs	7,627	7,290	8,948	9,056	10,433
Depreciation	96,448	96,261	113,462	108,700	136,958
Amortization of prepaid lease rentals	8,429	8,150	—	—	—
(Gain) / loss on sale of vessels, net	4,856	3,071	19,589	79,120	(45,894)
Loss on vessel held for sale	2,379	101	2,495	7,665	—
Vessels impairment loss	17,959	—	3,042	31,577	—
Foreign exchange (gains) / losses, net	(31)	51	27	300	(29)
Operating income	$ 137,015	$ 117,158	$ 173,123	$ 60,328	$ 441,350
Other Income / (expenses):					
Interest income	$ 2,643	$ 3,454	$ 3,349	$ 1,827	$ 1,587
Interest and finance costs	(69,840)	(63,992)	(89,007)	(68,702)	(86,047)
Swaps breakage cost	—	(1,234)	(16)	(6)	—
Equity gain / (loss) on investments	3,381	12,051	11,369	16,195	12,859
Gain on sale of equity securities	—	—	—	—	60,161
Dividend income from investment in equity securities	—	—	—	—	1,833
Other, net	593	350	784	1,181	4,624
Loss on derivative instruments, net	(916)	(548)	(603)	(1,946)	(1,246)
Total other expenses	$ (64,139)	$ (49,919)	$ (74,124)	$ (51,451)	$ (6,229)
Net Income	$ 72,876	$ 67,239	$ 98,999	$ 8,877	$ 435,121
Earnings allocated to Preferred Stock	$ (21,063)	$ (30,503)	$ (31,269)	$ (31,082)	$ (31,068)
Gain on retirement of Preferred Stock	—	—	—	619	—
Net income / (loss) available to Common Stockholders	$ 51,813	$ 36,736	$ 67,730	$ (21,586)	$ 404,053
Earnings / (loss) per common share, basic and diluted	$ 0.52	$ 0.33	$ 0.59	$ (0.18)	$ 3.28
Weighted average number of shares, basic and diluted	100,527,907	110,395,134	115,747,452	120,696,130	123,070,730

	Year Ended December 31,				
	2017	2018	2019	2020	2021
	(Expressed in thousands of U.S. dollars, except for share and per share data)				
OTHER FINANCIAL DATA					
Net cash provided by operating activities	$ 191,754	$ 140,784	$ 250,391	$ 274,284	$ 466,494
Net cash used in investing activities	(43,437)	(112,645)	(8,858)	(36,397)	(787,456)
Net cash provided by / (used in) financing activities	(139,995)	(80,533)	(212,153)	(241,862)	482,594
Net increase / (decrease) in cash, cash equivalents and restricted cash	8,322	(52,394)	29,380	(3,975)	161,632
Dividends and distributions paid	(37,758)	(49,143)	(58,655)	(65,470)	(71,263)
BALANCE SHEET DATA (at year end)					
Total current assets	$ 226,635	$ 170,768	$ 197,244	$ 192,050	$ 426,124
Total assets	2,490,298	3,050,811	3,011,958	3,010,516	4,407,041
Total current liabilities	276,708	224,669	266,534	206,974	370,027
Total long-term debt, including current portion	853,572	1,316,554	1,426,162	1,465,619	2,467,321
Common stock	11	11	12	12	12
Total stockholders' equity/net assets	1,218,539	1,357,124	1,410,728	1,348,820	1,725,899

	Average for the Year Ended December 31,				
	2017	2018	2019	2020	2021
FLEET DATA					
Number of vessels	52.7	55.8	60.3	60.0	83.6
TEU capacity (of our containerships)	315,263	333,989	403,930	417,980	521,389
DWT capacity (of our dry bulk vessels)*	—	—	—	—	1,252,917

* Average DWT capacity was calculated based on 201 days (the period from June 14, 2021 to December 31, 2021), given that we did not own any dry bulk vessels prior to June 14, 2021.

Voyage Revenue

Our operating revenues are driven primarily by the number of vessels in our fleet, the amount of daily charter hire or freight rates that our vessels earn under time and voyage charters, respectively, and the number of operating days during which our vessels generate revenues. These factors are, in turn, affected by our decisions relating to vessel acquisitions and dispositions, the amount of time that we spend positioning our vessels, the amount of time that our vessels spend dry-docked undergoing repairs, maintenance and upgrade work, the age, condition and specifications of our vessels and the levels of supply and demand in the containership charter market.

Charter revenues are generated from fixed-rate time charters and are recorded on a straight-line basis over the term of each time charter (excluding the effect of any options to extend the term) or from index-linked time charters where the charter rate is adjusted periodically based on a specific index (such as the Baltic Exchange Handysize Index (''BHSI'')). Revenues do not include any revenues for the Joint Venture vessels. Revenues derived from time charters with escalating rates are accounted for as operating leases and thus are recognized on a straight-line basis as the average revenue over the rental periods of such agreements, as service is performed, by dividing (i) the aggregate contracted revenues until the earliest expiration date of the time charter by (ii) the total contracted days until the earliest expiration date of the time charter. Our revenues will be affected by the acquisition of any additional vessels in the future subject to time charters, as well as by the disposition of any existing vessel in our fleet. Our revenues will also be affected if any of our charterers cancel a time charter or if we agree to renegotiate charter terms during the term of a charter resulting in aggregate revenue reduction. Our time charter arrangements have been contracted in varying rate environments and expire at different times. Generally, we do not employ our vessels under voyage charters under which a ship-owner, in return for a fixed

sum, agrees to transport cargo from one or more loading ports to one or more destinations and assumes all vessel operating costs and voyage expenses, however, we may do so in the future.

The onset of the COVID-19 pandemic led to a 33% drop in containership charter rates during the first half of 2020; however, increased demand for consumer goods during the second half of 2020 coupled with geographical dislocation of empty container boxes away from production/manufacturing countries led to charter rates posting an increase of 47% at the end of 2020 compared to a year ago. This momentum continued during 2021, and according to Clarkson Research the containership market registered its highest reading in history in 2021 due to the combination of a rebound in global gross domestic product (''GDP'') growth, driven by consumer spending, as well as port disruptions and congestion related to the COVID-19 pandemic. While charter rates and the level of demand for containerships are historically volatile and there can be no assurance that either will improve, we believe that any continued improvement in the global economy and demand for containerships should lead to an improvement in charter rates over time.

In 2021, demand for dry bulk commodities rebounded as measured by the Baltic Dry Index (the ''BDI''), which registered a low of 393 during the first half of 2020 as COVID-19 related lockdowns were in full effect, to reach a high of 5,650 during the second half of 2021. The average of the BDI during 2021 was 176% higher year over year when compared to the average for the full-year 2020, driven by a rebound in global GDP growth that drove higher demand for commodities and was helped by increased global port congestion.

Voyage Expenses

Voyage expenses primarily consist of port and canal charges, bunker (fuel) expenses and commissions to counter, third and related parties that are unique to a particular charter. Under our time charter arrangements, charterers bear the voyage expenses other than the commissions. Voyage expenses represent a relatively small portion of our vessels' overall expenses. During 2020 and 2021, commissions charged represented 37% and 84% of voyage expenses, respectively.

These commissions do not include the fees we pay to our manager, which are described below under ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management and Services Agreements''.

Vessels' Operating Expenses

Vessels' operating expenses include crew wages and related costs, the cost of insurance, expenses for repairs and maintenance, the cost of spares and consumable stores, lubricant costs, statutory and classification expenses and other miscellaneous expenses. Aggregate expenses increase as the size of our fleet increases. We expect that insurance costs, dry-docking and maintenance costs will increase as our vessels age. Factors beyond our control, some of which may affect the shipping industry in general—for instance, developments relating to market premiums for insurance and changes in the market price of lubricants due to increases in oil prices—may also cause vessel operating expenses to increase. In addition, a substantial portion of our vessel operating expenses, primarily crew wages, are in currencies other than the U.S. dollar (mainly in Euro), and any gain or loss we incur as a result of the U.S. dollar fluctuating in value against these currencies is included in vessel operating expenses. As of December 31, 2021, approximately 17% of our outstanding accounts payable were denominated in currencies other than the U.S. dollar (mainly in Euro). We fund our managers with the amounts they will need to pay our fleet's vessel operating expenses. Under our time charter arrangements, we generally pay for vessel operating expenses.

General and Administrative Expenses

General and administrative expenses mainly include legal, accounting and advisory fees. We also incur additional general and administrative expenses as a public company. The primary components of general and administrative expenses consist of the expenses associated with being a public company, which include the preparation of disclosure documents, legal and accounting costs, investor relation costs, incremental director and officer liability insurance costs, director and executive compensation and costs related to compliance with the Exchange Act, the Sarbanes-Oxley Act and the Dodd-Frank Act of 2010, and costs related to other corporate functions such as tax and internal audit.

Management Fees

Since January 1, 2015, we have been paying our managers a daily management fee of $956 per day per vessel. The total management fees paid by us to our managers during the years ended December 31, 2019, 2020 and 2021 amounted to $21.3 million, $21.6 million and $29.6 million, respectively. See "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management and Services Agreements" for more information regarding management fees.

Amortization of Dry-docking and Special Survey Costs

All vessels are dry-docked at least once every five years for inspection of their underwater parts and for repairs related to such inspections. For dry bulk vessels that have passed their third special survey, a dry-dock is required every two and a half years thereafter. We follow the deferral method of accounting for special survey and dry-docking costs whereby actual costs incurred (mainly shipyard costs, paints and class renewal expenses) are deferred and amortized on a straight-line basis over the period through the date the next survey is scheduled to become due. If a survey is performed prior to the scheduled date, the remaining unamortized balances are immediately written off. Unamortized balances of vessels that are sold are written off and included in the calculation of the resulting gain or loss in the period of the vessel's sale.

Depreciation

We depreciate our vessels on a straight-line basis over their estimated remaining useful economic lives. The estimated useful lives of our containerships are 30 years from their initial delivery from the shipyard. The estimated useful lives of our dry bulk vessels are 25 years from their initial delivery from the shipyard. Depreciation is based on cost, less the estimated scrap value of the vessels.

Gain / (Loss) on Sale / Disposal of Vessels

The gain or loss on the sale of a vessel is presented in a separate line item in our consolidated statements of income. In each of the years ended December 31, 2019, 2020 and 2021, we sold five vessels.

Foreign Exchange Gains / (Losses)

Our functional currency is the U.S. dollar because our vessels operate in international shipping markets, and therefore transact business mainly in U.S. dollars. Our books of accounts are maintained in U.S. dollars. Transactions involving other currencies are converted into U.S. dollars using the exchange rates in effect at the time of the transactions. The gain or loss derives from the different foreign currency exchange rates between the time that a cost is recorded in our books and the time that the cost is paid. At the balance sheet dates, monetary assets and liabilities, which are denominated in other currencies, are translated into U.S. dollars at the year-end exchange rates.

Resulting gains or losses are reflected as foreign exchange gains / (losses) in our consolidated statement of income.

Other, Net

Other expenses represent primarily non-recurring items that are not classified under the other categories of our consolidated statement of comprehensive income. Such expenses may, for instance, result from various potential claims against our Company, or from payments we are effecting on behalf of charterers that cannot meet their obligations.

Interest Income, Interest and Finance Costs

We incur interest expense on outstanding indebtedness under our existing credit facilities which we include in interest expense. Finance costs also include financing and legal costs in connection with establishing and amending those facilities, which are deferred and amortized to interest and finance costs during the life of the related debt using the effective interest method. Unamortized fees relating to loans repaid or refinanced, meeting the criteria of debt extinguishment, are expensed in the period the repayment or refinancing is made. Further, we earn interest on cash deposits in interest-bearing accounts and on interest-bearing securities, which we include in

interest income. We will incur additional interest expense in the future on our outstanding borrowings and under future borrowings. For a description of our existing credit facilities and our new committed term loan please read "—B. Liquidity and Capital Resources—Credit Facilities, Finance Leases and Other Financing Arrangements".

Equity in Net Earnings of Investments

Per the terms of the Framework Deed, we currently hold a minority interest in the equity of certain ship-owning companies. We account for these entities as equity investments. Equity in net earnings of investments represents our share of the earnings or losses of these entities for the reported period. For a description of the Framework Deed please see "Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction—Framework Deed".

Gain / (Loss) on Derivative Instruments

We enter into interest rate swap contracts to manage our exposure to fluctuations of interest rate risks associated with specific borrowings. All derivatives are recognized in the consolidated financial statements at their fair value. On the inception date of the derivative contract, we designate the derivative as a hedge of a forecasted transaction or the variability of cash flow to be paid ("cash flow hedge"). Changes in the fair value of a derivative that is qualified, designated and highly effective as a cash flow hedge are recorded in Other comprehensive income until earnings are affected by the forecasted transaction or the variability of cash flow and are then reported in earnings. Changes in the fair value of undesignated derivative instruments and the ineffective portion of designated derivative instruments are reported in earnings in the period in which those fair value changes have occurred. For a description of our existing interest rate swaps, please read "Item 11. Quantitative and Qualitative Disclosures About Market Risk—A. Quantitative Information About Market Risk—Interest Rate Risk".

Results of Operations

Year ended December 31, 2021 compared to year ended December 31, 2020

During the years ended December 31, 2021 and 2020, we had an average of 83.6 and 60.0 vessels, respectively, in our fleet.

In the year ended December 31, 2021, (i) we accepted delivery of the newbuild container vessels *YM Target* and *YM Tiptop* with an aggregate TEU capacity of 25,380, the secondhand container vessels *Aries*, *Argus*, *Glen Canyon*, *Androusa*, *Norfolk*, *Porto Cheli*, *Porto Kagio*, *Porto Germeno*, and *Gialova* with an aggregate TEU capacity of 49,909; and we sold the container vessels *Halifax Express*, *Prosper, Venetiko*, *ZIM Shanghai* and *ZIM New York* with an aggregate TEU capacity of 22,306 and (ii) we acquired (a) the 75% equity interest of York in each of the 11,010 TEU container vessels *Cape Kortia* and *Cape Sounio* and (b) the 51% equity interest of York in each of the 11,010 TEU container vessels *Cape Tainaro*, *Cape Artemisio* and *Cape Akritas* and as a result we obtained 100% of the equity interest in each of these five vessels.

Furthermore, in the year ended December 31, 2021, we acquired all of the equity interest of sixteen companies (which owned or had committed to acquire dry bulk vessels) owned by our Chairman and Chief Executive Officer, Konstantinos Konstantakopoulos. We agreed to acquire these companies from Mr. Konstantakopoulos at cost with no mark-up or premium payable to Mr. Konstantakopoulos or his affiliated entities. Mr. Konstantakopoulos did not receive a profit as a result of the acquisition. The sixteen dry bulk vessels (*Pegasus*, *Builder*, *Adventure*, *Eracle*, *Peace*, *Sauvan*, *Pride*, *Alliance*, *Manzanillo*, *Acuity*, *Seabird*, *Aeolian*, *Comity*, *Athena*, *Farmer* and *Greneta*) that were part of the acquisition have an aggregate DWT of 932,329 and were delivered to us during the year ended December 31, 2021. In addition, in the year ended December 31, 2021, we accepted delivery of another twenty-seven secondhand dry bulk vessels (*Bernis*, *Verity*, *Dawn*, *Discovery*, *Clara*, *Serena*, *Merida, Progress*, *Miner*, *Parity*, *Uruguay*, *Resource*, *Konstantinos*, *Taibo*, *Thunder*, *Equity*, *Cetus* (ex. *Charm)*, *Curacao*, *Rose*, *Bermondi*, *Titan I*, *Orion*, *Merchia*, *Damon*, *Pythias*, *Egyptian Mike* and *Phoenix*) with an aggregate DWT of 1,388,422.

In the year ended December 31, 2020, we accepted delivery of the newbuild container vessels *YM Triumph, YM Truth* and *YM Totality* with an aggregate TEU capacity of 38,070 and the secondhand container vessels *Virgo*, *Scorpius* and *Neokastro* with an aggregate TEU capacity of 11,008; and we sold the container vessels *Neapolis*, *Kawasaki, Kokura*, *Zagora* and *Singapore Express* with an aggregate TEU capacity of 22,503.

In the years ended December 31, 2021 and 2020, our fleet ownership days totaled 30,525 and 21,965 days, respectively. Ownership days are one of the primary drivers of voyage revenue and vessels' operating expenses and represent the aggregate number of days in a period during which each vessel in our fleet is owned.

Consolidated Financial Results and vessels' operational data

	Year ended December,			
	2020	2021	Change	Percentage Change
	(Expressed in millions of U.S. dollars, except percentages)			
Voyage revenue	$ 460.3	$ 793.6	$333.3	72.4%
Voyage expenses	(7.4)	(13.3)	5.9	79.7%
Voyage expenses – related parties	(6.5)	(11.1)	4.6	70.8%
Vessels' operating expenses	(117.1)	(180.0)	62.9	53.7%
General and administrative expenses	(7.4)	(9.4)	2.0	27.0%
Management fees – related parties	(21.6)	(29.6)	8.0	37.0%
General and administrative expenses - non-cash component	(3.7)	(7.4)	3.7	100.0%
Amortization of dry-docking and special survey costs	(9.0)	(10.4)	1.4	15.6%
Depreciation	(108.7)	(137.0)	28.3	26.0%
Gain / (loss) on sale / disposal of vessels, net	(79.1)	45.9	125.0	n.m.
Loss on vessels held for sale	(7.7)	—	(7.7)	n.m.
Vessels' impairment loss	(31.6)	—	(31.6)	n.m.
Foreign exchange gains / (losses)	(0.3)	0.1	0.4	n.m.
Interest income	1.9	1.6	(0.3)	(15.8%)
Interest and finance costs	(68.7)	(86.1)	17.4	25.3%
Swaps' breakage cost	—	—	—	n.m.
Gain on sale of equity securities	—	60.2	60.2	n.m.
Income from equity method investments	16.2	12.8	(3.4)	(21.0%)
Dividend income from investment in equity securities	—	1.8	1.8	n.m.
Other	1.2	4.6	3.4	n.m.
Loss on derivative instruments	(1.9)	(1.2)	(0.7)	(36.8%)
Net Income	$ 8.9	$ 435.1		

Vessels' operational data	Year ended December 31,			
	2020	2021	Change	Percentage Change
Average number of vessels	60.0	83.6	23.6	39.3%
Ownership days	21,965	30,525	8,560	39.0%
Number of vessels under dry-docking	11	15	4	

Segmental Financial Summary[(1)]

	Year ended December 31, 2021			
	Container vessels	Dry bulk vessels	Other	Total
Voyage revenue	$ 678.3	$115.3	$—	$ 793.6
Voyage expenses	(7.1)	(6.2)	—	(13.3)
Voyage expenses – related parties	(9.6)	(1.5)	—	(11.1)
Vessels' operating expenses	(151.5)	(28.5)	—	(180.0)
General and administrative expenses	(8.2)	(1.2)	—	(9.4)
Management fees – related parties	(24.9)	(4.7)	—	(29.6)
General and administrative expenses – non-cash component	(6.3)	(1.1)	—	(7.4)
Amortization of dry-docking and special survey costs	(10.3)	(0.1)	—	(10.4)
Depreciation	(125.8)	(11.2)	—	(137.0)
Gain on sale / disposal of vessels, net	45.9	—	—	45.9

	Year ended December 31, 2021			
	Container vessels	Dry bulk vessels	Other	Total
Foreign exchange gains	0.1	—	—	0.1
Interest income	1.6	—	—	1.6
Interest and finance costs	(81.9)	(4.2)	—	(86.1)
Gain on sale of equity securities	—	—	60.2	60.2
Income from equity method investments	—	—	12.8	12.8
Dividend income from investment in equity securities	—	—	1.8	1.8
Other	4.3	0.3	—	4.6
Loss on derivative instruments	(1.1)	(0.1)	—	(1.2)
Net Income	**$303.5**	**$56.8**	**$74.8**	**$435.1**

(1) The results of dry bulk vessels are included from June 14, 2021. Prior to that, our results were attributable to container vessels only.

The Company reports its financial results in accordance with U.S. GAAP. However, management believes that certain non-GAAP financial measures used in managing the business may provide users of these financial measures additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. The table below sets out our Voyage revenue adjusted on a cash basis and the corresponding reconciliation to Voyage revenue for the twelve-month periods ended December 31, 2021 and December 31, 2020. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

	Year ended December 31,			
	2020	2021	Change	Percentage Change
	(Expressed in millions of U.S. dollars, except percentages)			
Voyage revenue	$460.3	$793.6	$333.3	72.4%
Accrued charter revenue[(1)]	21.3	(11.3)	(32.6)	(153.1%)
Amortization of time charter assumed	0.2	(0.4)	(0.6)	n.m.
Voyage revenue adjusted on a cash basis[(2)]	$481.8	$781.9	$300.1	62.3%

(1) Accrued charter revenue represents the difference between cash received during the period and revenue recognized on a straight-line basis. In the early years of a charter with escalating charter rates, voyage revenue will exceed cash received during the period.

(2) Voyage revenue adjusted on a cash basis represents Voyage revenue after adjusting for non-cash ''Accrued charter revenue'' recorded under charters with escalating charter rates. Voyage revenue adjusted on a cash basis is not a recognized measurement under U.S. GAAP. We believe that the presentation of Voyage revenue adjusted on a cash basis is useful to investors because it presents the charter revenue for the relevant period based on the then-current daily charter rates. The increases or decreases in daily charter rates under our charter party agreements are described in the notes to the table in ''Item 4. Information On The Company—Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

Voyage Revenue

Voyage revenue increased by 72.4%, or $333.3 million, to $793.6 million during the year ended December 31, 2021, from $460.3 million during the year ended December 31, 2020. The increase is mainly attributable to (i) revenue earned by six container vessels acquired during the year ended December 31, 2020 as well as revenue earned by 16 container vessels and 41 dry bulk vessels acquired during the year ended December 31, 2021, (ii) increased charter rates in certain of our container vessels during the year ended December 31, 2021 compared to the year ended December 31, 2020, partly off-set by revenue not earned by five container vessels sold during the year ended December 31, 2020 and five container vessels sold during the year ended December 31, 2021.

Voyage revenue adjusted on a cash basis (which eliminates non-cash ''Accrued charter revenue''), increased by 62.3%, or $300.1 million, to $781.9 million during the year ended December 31, 2021, from $481.8 million

during the year ended December 31, 2020. Accrued charter revenue for the years ended December 31, 2021 and 2020 was a negative amount of $11.3 million and a positive amount of $21.3 million, respectively.

Voyage Expenses

Voyage expenses were $13.3 million and $7.4 million for the years ended December 31, 2021 and 2020, respectively. Voyage expenses mainly include (i) off-hire expenses of our vessels, primarily related to fuel consumption and (ii) third party commissions.

Voyage Expenses – related parties

Voyage expenses – related parties were $11.1 million and $6.5 million for the years ended December 31, 2021 and 2020, respectively. Voyage expenses – related parties represent (i) fees of 1.25% in the aggregate on voyage revenues charged by a related manager and a service provider and (ii) charter brokerage fees (in respect of our container vessels) payable to two related charter brokerage companies for an amount of approximately $1.3 million and $0.8 million, in the aggregate, for the years ended December 31, 2021 and 2020, respectively.

Vessels' Operating Expenses

Vessels' operating expenses, which also include the realized gain/(loss) under derivative contracts entered into in relation to foreign currency exposure, were $180.0 million and $117.1 million during the years ended December 31, 2021 and 2020, respectively. Daily vessels' operating expenses were $5,896 and $5,329 for the years ended December 31, 2021 and 2020, respectively. The increase in the daily operating expenses during the year ended December 31, 2021 is mainly attributed to increased one-time predelivery expenses for the acquisition of dry bulk vessels and increased crew costs related to COVID-19 pandemic measures. Daily operating expenses are calculated as vessels' operating expenses for the period over the ownership days of the period.

General and Administrative Expenses

General and administrative expenses were $9.4 million and $7.4 million during the years ended December 31, 2021 and 2020, respectively, and both include $2.5 million paid to a related manager.

Management Fees – related parties

Management fees paid to our related party managers were $29.6 million and $21.6 million during the years ended December 31, 2021 and 2020, respectively.

General and Administrative Expenses – non-cash component

General and administrative expenses – non-cash component for the year ended December 31, 2021 amounted to $7.4 million, representing the value of the shares issued to a related-party manager on March 31, 2021, June 30, 2021, September 30, 2021 and December 30, 2021. General and administrative expenses – non-cash component for the year ended December 31, 2020 amounted to $3.7 million, representing the value of the shares issued to a related-party manager on March 30, 2020, June 30, 2020, September 30, 2020 and December 30, 2020.

Amortization of Dry-Docking and Special Survey

Amortization of deferred dry-docking and special survey costs was $10.4 million and $9.0 million during the year ended December 31, 2021 and 2020, respectively. During the year ended December 31, 2021, 14 vessels underwent and completed their dry-docking and special survey and one vessel was in the process of completing her dry-docking and special survey. During the year ended December 31, 2020, 11 vessels underwent and completed their dry-docking and special survey.

Depreciation

Depreciation expense for the year ended December 31, 2021 and 2020 was $137.0 million and $108.7 million, respectively.

Gain / (loss) on Sale / Disposal of Vessels, net

During the year ended December 31, 2021, we recorded a net gain of $45.9 million from the sale of the container vessels *Prosper* (asset held for sale at March 31, 2021), *Halifax Express* (asset held for sale at December 31, 2020), *Venetiko* (asset held for sale at March 31, 2021 and June 30, 2021), *ZIM Shanghai* (asset held for sale as at June 30, 2021 and September 30, 2021) and *ZIM New York* (asset held for sale as at June 30, 2021 and September 30, 2021). During the year ended December 31, 2020, we recorded an aggregate net loss of $79.1 million from the sale of the container vessels *Neapolis*, *Kawasaki*, *Kokura*, *Zagora* and *Singapore Express. Neapolis* and *Zagora* were classified as assets held for sale at December 31, 2019.

Loss on Vessels Held for Sale

During the year ended December 31, 2021, the container vessels *Messini*, *Sealand Illinois*, *Sealand Michigan* and *York* were classified as vessels held for sale. No loss on vessels held for sale was recorded since each vessel's estimated fair value less costs to sell exceeded each vessel's carrying value. During the year ended December 31, 2020, the container vessel *Halifax Express* was classified as a vessel held for sale and we recorded a loss on vessels held for sale of $7.7 million, which resulted from its estimated fair value measurement less costs to sell, during the year.

Vessels' Impairment Loss

During the year ended December 31, 2021 no impairment loss was recorded. During the year ended December 31, 2020, we recorded an impairment loss related to five of our container vessels of $31.6 million, in aggregate.

Interest Income

Interest income amounted to $1.6 million and $1.9 million for the years ended December 31, 2021 and 2020, respectively.

Interest and Finance Costs

Interest and finance costs were $86.1 million and $68.7 million during the years ended December 31, 2021 and 2020, respectively. The increase is mainly attributable to the increased average loan balances during the year ended December 31, 2021 compared to the year ended December 31, 2020, partly off-set by the decreased financing cost during the year ended December 31, 2021 compared to the year ended December 31, 2020.

Swaps' Breakage Costs

During the year ended December 31, 2020, we terminated two interest rate derivative instruments that qualified for hedge accounting and we paid the counterparties breakage costs of $0.006 million in aggregate.

Gain on Sale of Equity Securities / Dividend Income from Investment in Equity Securities

The gain on sale of equity securities of $60.2 million for the year ended December 31, 2021, represents the difference between the aggregate sale price of 1,221,800 ordinary shares of ZIM compared to the book value of these shares as of December 31, 2020. ZIM completed its initial public offering and listing on the New York Stock Exchange of its ordinary shares on January 27, 2021. Furthermore, in the year ended December 31, 2021, we received a dividend from ZIM in the amount of $1.8 million.

Income from Equity Method Investments

During the year ended December 31, 2021, we recorded income from equity method investments of $12.8 million representing our share of the income in jointly owned companies pursuant to the Framework Deed, with York. Since late March 2021, we have held 100% of the equity interest in five previously jointly owned companies with York, and since then, these five companies are consolidated in our consolidated financial statements. As of December 31, 2021, six companies are jointly owned with York (of which, four companies currently own container vessels). During the year ended December 31, 2020, we recorded income from equity method investments of $16.2 million relating to investments under the Framework Deed. As of December 31, 2020, 13 companies were jointly owned with York (of which, ten companies owned container vessels). The

decreased income from equity method investments in 2021 compared to 2020 is mainly attributable to the decreased number of container vessels jointly owned with York during 2021 compared to 2020; partly off-set by the increased profitability of certain container vessels jointly owned with York during 2021 compared to 2020 and the gain on sale of one container vessel jointly owned with York which was sold in the third quarter of 2021.

Loss on Derivative Instruments

As of December 31, 2021, ten interest rate derivative instruments and two cross currency rate swaps were outstanding and their fair value, in the aggregate, as at that date were a liability of $10.9 million. The change in the fair value of our interest rate derivative instruments and cross currency swaps that qualified for hedge accounting is recorded in OCI and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For the year ended December 31, 2021, a gain of $5.7 million has been included in OCI and a loss of $0.4 million has been included in Loss on derivative instruments in the consolidated statement of income, resulting from the fair market value change of the interest rate derivative instruments during 2021.

Year ended December 31, 2020 compared to year ended December 31, 2019

During the years ended December 31, 2020 and 2019, we had an average of 60.0 and 60.3 vessels, respectively, in our fleet. In the year ended December 31, 2020, we accepted delivery of the newbuild vessels *YM Triumph*, *YM Truth* and *YM Totality* with an aggregate TEU capacity of 38,070 and the secondhand containerships *Virgo*, *JPO Scorpius* and *Neokastro* with an aggregate TEU capacity of 10,962; and we sold the vessels *Neapolis, Kawasaki, Kokura, Zagora* and *Singapore Express* with an aggregate TEU capacity of 22,503. In the year ended December 31, 2019, we accepted delivery of the secondhand containerships *JPO Vulpecula, Volans* and *Vela* with an aggregate TEU capacity of 12,774 and we sold the vessels *Sierra II, Reunion, Namibia II, MSC Pylos* and *Piraeus* with an aggregate TEU capacity of 13,082. In the years ended December 31, 2020 and 2019, our fleet ownership days totaled 21,965 and 22,002 days, respectively. Ownership days are one of the primary drivers of voyage revenue and vessels' operating expenses and represent the aggregate number of days in a period during which each vessel in our fleet is owned.

	Year ended December 31,			Percentage
	2019	2020	Change	Change
Voyage revenue	$ 478.1	$ 460.3	$(17.8)	(3.7%)
Voyage expenses	(5.3)	(7.4)	2.1	39.6%
Voyage expenses-related parties	(5.3)	(6.5)	1.2	22.6%
Vessels' operating expenses	(116.1)	(117.1)	1.0	0.9%
General and administrative expenses	(5.6)	(7.4)	1.8	32.1%
Management fees-related parties	(21.3)	(21.6)	0.3	1.4%
General and administrative expenses-non-cash component	(3.9)	(3.7)	(0.2)	(5.1%)
Amortization of dry-docking and special survey costs	(8.9)	(9.0)	0.1	1.1%
Depreciation	(113.5)	(108.7)	(4.8)	(4.2%)
Loss on sale / disposal of vessels	(19.6)	(79.1)	59.5	n.m.
Loss on vessels held for sale	(2.5)	(7.7)	5.2	n.m.
Vessels' impairment loss	(3.0)	(31.6)	28.6	n.m.
Foreign exchange losses	—	(0.3)	0.3	n.m.
Interest income	3.3	1.9	(1.4)	(42.4%)
Interest and finance costs	(89.0)	(68.7)	(20.3)	(22.8%)
Swaps' breakage costs	—	—	—	—
Income from equity method investments	11.4	16.2	4.8	42.1%
Other	0.8	1.2	0.4	50.0%
Loss on derivative instruments	(0.6)	(1.9)	1.3	n.m.
Net Income	$ 99.0	$ 8.9		

	Year ended December 31,			Percentage
	2019	2020	Change	Change
Average number of vessels	60.3	60.0	(0.3)	(0.5%)
Ownership days	22,002	21,965	(37)	(0.2%)
Number of vessels under dry-docking	6	11	5	

The Company reports its financial results in accordance with U.S. GAAP. However, management believes that certain non-GAAP financial measures used in managing the business may provide users of these financial measures additional meaningful comparisons between current results and results in prior operating periods. Management believes that these non-GAAP financial measures can provide additional meaningful reflection of underlying trends of the business because they provide a comparison of historical information that excludes certain items that impact the overall comparability. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. The table below sets out our Voyage revenue adjusted on a cash basis and the corresponding reconciliation to Voyage revenue for the twelve-month periods ended December 31, 2020 and December 31, 2019. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

	Year ended December 31,			Percentage
	2019	2020	Change	Change
	(Expressed in millions of U.S. dollars, except percentages)			
Voyage revenue	$478.1	$460.3	$(17.8)	(3.7%)
Accrued charter revenue[1]	3.9	21.3	17.4	n.m.
Amortization of Time-charter assumed	0.2	0.2	—	—
Voyage revenue adjusted on a cash basis[2]	$482.2	$481.8	$ (0.4)	(0.1%)

(1) Accrued charter revenue represents the difference between cash received during the period and revenue recognized on a straight-line basis. In the early years of a charter with escalating charter rates, voyage revenue will exceed cash received during the period.

(2) Voyage revenue adjusted on a cash basis represents Voyage revenue after adjusting for non-cash ''Accrued charter revenue'' recorded under charters with escalating charter rates. Voyage revenue adjusted on a cash basis is not a recognized measurement under U.S. GAAP. We believe that the presentation of Voyage revenue adjusted on a cash basis is useful to investors because it presents the charter revenue for the relevant period based on the then-current daily charter rates. The increases or decreases in daily charter rates under our charter party agreements are described in the notes to the table in ''Item 4. Information On The Company—Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

Voyage Revenue

Voyage revenue decreased by 3.7%, or $17.8 million, to $460.3 million during the year ended December 31, 2020, from $478.1 million during the year ended December 31, 2019. The decrease is mainly attributable to revenue not earned by five vessels sold during the year ended December 31, 2019 and five vessels sold during the year ended December 31, 2020, to decreased hire rates in certain of our vessels and to increased idle days of our fleet during the year ended December 31, 2020 compared to the year ended December 31, 2019; partly offset by revenue earned by three vessels acquired during the fourth quarter of 2019, one vessel acquired during the first quarter of 2020, four vessels acquired during the third quarter of 2020 and one vessel acquired during the fourth quarter of 2020.

Voyage revenue adjusted on a cash basis (which eliminates non-cash ''Accrued charter revenue''), decreased by 0.1%, or $0.4 million, to $481.8 million during the year ended December 31, 2020, from $482.2 million during the year ended December 31, 2019. Accrued charter revenue for the years ended December 31, 2020 and 2019, was a positive amount of $21.3 million and $3.9 million, respectively.

Voyage Expenses

Voyage expenses were $7.4 million and $5.3 million for the years ended December 31, 2020 and 2019, respectively. Voyage expenses mainly include (i) off-hire expenses of our vessels, primarily related to fuel consumption and (ii) third party commissions. Voyage expenses for the year ended December 31, 2019, included a cost of $1.5 million relating to our vessels' tank cleaning in order to comply with the global sulphur cap of 0.5% m/m in anticipation of the entry into force on January 1, 2020 of the relevant MARPOL Annex VI regulations.

Voyage Expenses—related parties

Voyage expenses—related parties were $6.5 million and $5.3 million for the years ended December 31, 2020 and 2019, respectively. Voyage expenses—related parties represent (i) fees of 1.25%[1] in the aggregate on voyage revenues charged by a related manager and a service provider and (ii) charter brokerage fees payable to two related charter brokerage companies for an amount of approximately $0.8 million and $0.4 million, in the aggregate, for the years ended December 31, 2020 and 2019, respectively.

Vessels' Operating Expenses

Vessels' operating expenses, which also include the realized gain / (loss) under derivative contracts entered into in relation to foreign currency exposure, were $117.1 million and $116.1 million during the year ended December 31, 2020 and 2019, respectively. Daily vessels' operating expenses were $5,329 and $5,277 for the year ended December 31, 2020 and 2019, respectively. Daily operating expenses are calculated as vessels' operating expenses for the period over the ownership days of the period.

General and Administrative Expenses

General and administrative expenses were $7.4 million and $5.6 million during the year ended December 31, 2020 and 2019, respectively, and both include $2.5 million paid to a related manager.

Management Fees—related parties

Management fees paid to our related managers were $21.6 million and $21.3 million during the year ended December 31, 2020 and 2019, respectively.

General and Administrative Expenses—non-cash component

General and administrative expenses—non-cash component for the year ended December 31, 2020 amounted to $3.7 million, representing the value of the shares issued to a related manager on March 30, 2020, June 30, 2020, September 30 and December 30, 2020. General and administrative expenses—non-cash component for the year ended December 31, 2019 amounted to $3.9 million representing the value of the shares issued to a related manager on March 29, 2019, June 28, 2019, September 30, 2019 and December 30, 2019.

Amortization of Dry-Docking and Special Survey

Amortization of deferred dry-docking and special survey costs was $9.0 million and $8.9 million during the year ended December 31, 2020 and 2019, respectively. During the year ended December 31, 2020, 11 vessels underwent and completed their special survey. During the year December 31, 2019, six vessels underwent and completed their special survey.

Depreciation

Depreciation expense for the year ended December 31, 2020 and 2019 was $108.7 million and $113.5 million, respectively.

Loss on Sale / Disposal of Vessels

During the year ended December 31, 2020, we recorded an aggregate net loss of $79.1 million from the sale of the vessels *Neapolis, Kawasaki, Kokura*, *Zagora* and *Singapore Express. Neapolis* and *Zagora* were classified as assets held for sale as at December 31, 2019. During the year ended December 31, 2019, we recorded an aggregate loss of $19.6 million from the sale of the container 0.75% until June 30, 2019 vessels *Piraeus*, *MSC Pylos*, *Reunion*, *Sierra II* and *Namibia II. MSC Pylos* was classified as asset held for sale as at December 31, 2018.

Loss on Vessels Held for Sale

During the year ended December 31, 2020, we recorded a loss on vessels held for sale of $7.7 million representing the expected loss from sale of the vessel *Halifax Express* during the next twelve-month period. During the year ended December 31, 2019, we recorded a loss on vessels held for sale of $2.5 million representing the expected loss from the sale vessels *Neapolis* and *Zagora* during the next twelve-month period.

[1] 0.75% until June 30, 2019

Vessels' Impairment Loss

During the year ended December 31, 2020, we recorded an impairment loss in relation to five of our vessels in the amount of $31.6 million, in the aggregate. During the year ended December 31, 2019, we recorded an impairment loss in relation to two of our vessels in the amount of $3.0 million, in the aggregate.

Interest Income

Interest income amounted to $1.9 million and $3.3 million for the years ended December 31, 2020 and 2019, respectively.

Interest and Finance Costs

Interest and finance costs were $68.7 million and $89.0 million during the years ended December 31, 2020 and 2019, respectively. The decrease is mainly attributable to the decreased financing cost and the reduced average loan balances during year ended December 31, 2020 compared to the year ended December 31, 2019.

Swaps' Breakage Costs

During the year ended December 31, 2020, we terminated two interest rate derivative instruments that qualified for hedge accounting and we paid the counterparties breakage costs in the amount of $0.006 million in the aggregate. During the year ended December 31, 2019, we terminated eight interest rate derivative instruments that qualified for hedge accounting and three that did not qualify for hedge accounting and we paid the counterparties breakage costs, net in the amount of $0.016 million in the aggregate.

Income from Equity Method Investments

During the year ended December 31, 2020, we recorded an income from equity method investments of $16.2 million representing our share of the income in jointly owned companies pursuant to the Framework Deed dated May 15, 2013, as amended and restated (the ''Framework Deed''), with York. As of December 31, 2020, 13 companies are jointly-owned with York (of which, 10 companies currently own vessels). During the year ended December 31, 2019, we recorded an income from equity method investments of $11.4 million also relating to investments under the Framework Deed.

Loss on Derivative Instruments

The fair value of our seven interest rate derivative instruments which were outstanding as of December 31, 2020 equates to the amount that would be paid by us or to us should those instruments be terminated. As of December 31, 2020, the fair value of these seven interest rate derivative instruments in aggregate amounted to a liability of $7.1 million. The change in the fair value of the interest rate derivative instruments that qualified for hedge accounting is recorded in ''Other Comprehensive Income'' (''OCI'') and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings, and is presented in the same income statement line item as the earnings effect of the hedged item, while the change in the fair value of the interest rate derivatives representing hedge components excluded from the assessment of effectiveness are recognized currently in earnings and are presented in Gain/(Loss) on Derivative Instruments. The change in the fair value of the interest rate derivative instruments that did not qualify for hedge accounting is recorded in Gain/(Loss) on Derivative Instruments. For the year ended December 31, 2020, a net loss of $6.7 million has been included in OCI and a net loss of $2.3 million has been included in Loss on derivative instruments in the consolidated statement of income, resulting from the fair market value change of the interest rate derivative instruments during the year ended December 31, 2020.

B. Liquidity and Capital Resources

Historically, our principal sources of funds have been operating cash flows and long-term financing in the form of bank borrowings, unsecured bond loans or sale and leaseback transactions. Our principal uses of funds have been capital expenditures to establish, grow and maintain our fleet, comply with international shipping standards, environmental laws and regulations, fund working capital requirements and pay dividends. In monitoring our working capital needs, we project our charter hire income and vessels' maintenance and running expenses, as well as debt service obligations, and seek to maintain adequate cash reserves in order to address any budget overruns.

Our primary short-term liquidity needs relate to completing the acquisition of the secondhand dry bulk vessels we have agreed to acquire, making periodic yard installments to the relevant shipyard for our newbuild vessels on order and funding our vessel operating expenses, debt repayment, lease payment and payment of quarterly dividends on our outstanding preferred and common stock. Our long-term liquidity needs primarily relate to additional vessel acquisitions in the containership and dry bulk sectors for fleet renewal or expansion, debt repayments and lease payments. We anticipate that our primary sources of funds will be cash from operations, along with borrowings under new credit facilities and other financing arrangements that we intend to obtain from time to time in connection with vessel acquisitions. We believe that these sources of funds will be sufficient to meet our short-term and long-term liquidity needs, including our agreements, subject to certain conditions, to acquire newbuild vessels, although there can be no assurance that we will be able to obtain future debt financing on terms acceptable to us.

In addition, since our initial public offering in 2010, we have completed several equity offerings. On March 27, 2012, the Company completed a follow-on public equity offering in which we issued 7,500,000 shares of common stock at a public offering price of $14.10 per share. The net proceeds of this offering were $100.6 million. On October 19, 2012, the Company completed a second follow-on public equity offering in which we issued 7,000,000 shares of common stock at a public offering price of $14.00 per share. The net proceeds of this offering were $93.5 million. On August 7, 2013, the Company completed a public equity offering of 2,000,000 shares of Series B Preferred Stock at a public offering price of $25.00 per share. The net proceeds of this offering were $48.0 million. On January 21, 2014, the Company completed a public equity offering of 4,000,000 shares of Series C Preferred Stock at a public offering price of $25.00 per share. The net proceeds of this offering were $96.5 million. On May 13, 2015, the Company completed a public equity offering of 4,000,000 shares of Series D Preferred Stock at a public offering price of $25.00 per share. The net proceeds of this offering were $96.6 million. On December 5, 2016, the Company completed a third follow-on public equity offering in which we issued 12,000,000 shares of common stock at a public offering price of $6.00 per share. The net proceeds of this offering were $69.0 million. On May 31, 2017, the Company completed a fourth follow-on public equity offering in which we issued 13,500,000 shares of common stock at a public offering price of $7.10 per share. The net proceeds of this offering were $91.68 million. On January 30, 2018, the Company completed a public equity offering of 4,600,000 shares of Series E Preferred Stock at a public offering price of $25.00 per share. The net proceeds of this offering were $111.2 million. On November 12, 2018, we entered into a Share Purchase Agreement with York to acquire its ownership interest in five jointly-owned vessel-owning companies, which had been formed pursuant to the Framework Deed. The Share Purchase Agreement permitted us, upon serving a share settlement notice at any time within six months from February 8, 2019, to elect to pay a portion of the consideration under the Share Purchase Agreement in our common stock. On July 25, 2019, we issued 2,883,015 shares of common stock to York at an effective issuance price of $4.72 per share, which then sold the shares to Kent Maritime Investments S.A. (a company wholly owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos), effective July 26, 2019. As of March 18, 2022, we had available $500 million under a Form F-3 shelf registration statement for future issuances of securities in the public market.

As of December 31, 2021, we had total cash liquidity of $353.5 million, consisting of cash, cash equivalents and restricted cash.

As of March 18, 2022, we had four series of preferred stock outstanding, approximately $49.3 million aggregate liquidation preference of the Series B Preferred Stock, approximately $99.3 million aggregate liquidation preference of the Series C Preferred Stock, approximately $99.7 million aggregate liquidation preference of the Series D Preferred Stock and approximately $114.4 million aggregate liquidation preference of the Series E Preferred Stock. The Series B Preferred Stock carry an annual dividend rate of 7.625% per $25.00 of liquidation preference per share and are redeemable by us at any time. The Series C Preferred Stock carry an annual dividend rate of 8.50% per $25.00 of liquidation preference per share and are redeemable by us at any time. The Series D Preferred Stock carry an annual dividend rate of 8.75% per $25.00 of liquidation preference per share and are redeemable by us at any time. The Series E Preferred Stock carry an annual dividend rate of 8.875% per $25.00 of liquidation preference per share and are redeemable by us at any time on or after January 30, 2023.

As of December 31, 2021, we had an aggregate of $2.6 billion of indebtedness outstanding under various credit agreements, including the obligations under our lease agreements, other financing arrangements and our unsecured bond loan.

As of March 18, 2022, we had two unencumbered vessels in the water. Under the Framework Deed there were two secondhand vessels acquired which are free of debt.

Our common stock dividend policy and our preferred stock dividend obligations also impact our future liquidity needs. For more information regarding our dividend payments, please see ''Item 8. Financial Information--A. Consolidated Statements and Other Financial Information''.

On July 6, 2016, we implemented the Dividend Reinvestment Plan and registered 30 million shares for issuance under the Dividend Reinvestment Plan. The Dividend Reinvestment Plan offers holders of our common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in our common stock. Participation in the Dividend Reinvestment Plan is optional, and shareholders who decide not to participate in the Dividend Reinvestment Plan will continue to receive cash dividends, as declared and paid in the usual manner. On February 5, 2021, May 6, 2021, August 5, 2021, November 5, 2021, and February 7, 2022, we issued 362,866 shares, 275,457 shares, 322,274 shares, 265,469 shares and 274,939 shares, respectively, pursuant to the Dividend Reinvestment Plan. Our Chairman and CEO, Konstantinos Konstantakopoulos, reinvested all his cash dividends on the aforementioned dates.

On March 23, 2020, the Board of Directors approved a share repurchase program authorizing total repurchases of us to a maximum of $15 million of our preferred shares in open market transactions until December 31, 2020. During the year ended December 31, 2020, the Company acquired 95,574 preferred shares for a total amount of $1.7 million, with the average purchase price of $17.63 per share. On November 30, 2021, the Board of Directors approved a share repurchase program authorizing total repurchases of us to a maximum of $150 million of our common shares and up to $150 million of our preferred shares. Shares may be purchased from time to time in open market or privately negotiated transactions, or other financial arrangements at times and prices that are considered to be appropriate by the Company. The program may be suspended or discontinued at any time. During the year ended December 31, 2021, the Company had not acquired any common or preferred shares under the program. See ''Item 16.E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers''.

Working Capital Position

We have historically financed our capital requirements with cash flow from operations, equity contributions from stockholders and long-term financing in the form of bank debt, unsecured bond loans or sale and leaseback transactions. Our main uses of funds have been capital expenditures for the acquisition of new vessels, for fleet renewal or expansion, expenditures incurred in connection with ensuring that our vessels comply with international and regulatory standards, repayments of bank loans and payments of dividends. We will require capital to fund ongoing operations, the construction of our new vessels, the acquisition cost of any secondhand vessels we agree to acquire in the future and debt service. Working capital, which is current assets minus current liabilities, including the current portion of long-term debt, was positive $56.1 million at December 31, 2021 and negative $14.9 million at December 31, 2020.

We anticipate that internally generated cash flow will be sufficient to fund the operations of our fleet, including our working capital requirements. See ''—Credit Facilities, Finance Leases and Other Financing Arrangements''.

Cash Flows

Years ended December 31, 2019, 2020 and 2021

	Year ended December 31,		
	2019	**2020**	**2021**
	(Expressed in millions of U.S. dollars)		
Condensed cash flows			
Net Cash Provided by Operating Activities	$ 250.4	$ 274.3	$ 466.5
Net Cash Used in Investing Activities	(8.9)	(36.4)	(787.5)
Net Cash Provided by / (Used in) Financing Activities	(212.2)	(241.9)	482.6

Net Cash Provided by Operating Activities

Net cash flows provided by operating activities for the year ended December 31, 2021, increased by $192.2 million to $466.5 million, from $274.3 million for year ended December 31, 2020. The increase is mainly attributable to increased cash from operations of $300.2 million, partly off-set by the unfavorable change in working capital position, excluding the current portion of long-term debt and the accrued charter revenue (representing the difference between cash received in that period and revenue recognized on a straight-line basis) of $1.3 million, by the increased payments for interest (including swap payments) of $11.8 million during the year ended December 31, 2021 compared to the year ended December 31, 2020 and by the increased dry-docking and special survey costs of $3.4 million during the year ended December 31, 2021 compared to the year ended December 31, 2020.

Net cash flows provided by operating activities for the year ended December 31, 2020, increased by $23.9 million to $274.3 million, from $250.4 million for the year ended December 31, 2019. The increase is mainly attributable to the favorable change in working capital position, excluding the current portion of long-term debt and the accrued charter revenue (representing the difference between cash received in that period and revenue recognized on a straight-line basis) of $11.8 million and to decreased payments for interest (including swap payments) of $16.4 million during the year ended December 31, 2020, compared to the year ended December 31, 2019; partly off-set by decreased cash from operations of $0.4 million and increased special survey costs of $9.2 million during the year ended December 31, 2020, compared to the year ended December 31, 2019.

Net Cash Used in Investing Activities

Net cash used in investing activities was $787.5 million in the year ended December 31, 2021, which mainly consisted of (i) net payments for the acquisition of the 75% equity interest in two companies and of the 51% equity interest in three companies, previously jointly owned with York pursuant to the Framework Deed, (ii) payments for the delivery of two newbuild container vessels, (iii) settlement payments for the acquisition of three secondhand container vessels, (iv) payments for the acquisition of six secondhand container vessels and 41 dry bulk vessels, (v) payment for the acquisition of one secondhand container vessel which was delivered in January 2022, (vi) advance payments for the acquisition of one secondhand dry bulk vessel which was delivered in January 2022, (vii) payments for the acquisition of the equity interest of sixteen companies (which owned or had committed to acquire dry bulk vessels) owned by our Chairman and Chief Executive Officer, Konstantinos Konstantakopoulos in accordance with the Longshaw Share Purchase Agreement and (viii) payments for upgrades for certain of our container and dry bulk vessels; partly off-set by proceeds we received from (i) the sale of 1,221,800 ordinary shares of ZIM that we owned, (ii) the sale of five container vessels and (iii) return of capital we received from one entity jointly-owned with York pursuant to the Framework Deed.

Net cash used in investing activities was $36.4 million in the year ended December 31, 2020, which mainly consisted of payments for upgrades for certain of our vessels and payments for the delivery of three newbuild vessels and three secondhand vessels; partly offset by proceeds we received from the sale of five of our vessels and by return of capital we received from ten entities jointly-owned with York pursuant to the Framework Deed.

Net cash used in investing activities was $8.9 million in the year ended December 31, 2019, which mainly consisted of advance payments for upgrades for certain of our vessels, payments for the acquisition of three secondhand vessels, advance payment for the acquisition of one vessel, which was delivered in January 2020, by return of capital we received from 11 entities jointly-owned with York pursuant to the Framework Deed and proceeds we received from the sale of five vessels.

Net Cash Provided by / (Used in) Financing Activities

Net cash provided by financing activities was $482.6 million in the year ended December 31, 2021, which mainly consisted of (a) $570.0 million net proceeds relating to our debt financing agreements (including proceeds we received (i) from the issuance of €100.0 million unsecured bond on the Athens Exchange and (ii) from our debt financing agreements of an amount of $1,103.1 million), (b) $40.2 million we paid for dividends to holders of our common stock for the fourth quarter of 2020, the first quarter of 2021, the second quarter of 2021 and the third quarter of 2021 and (c) $3.8 million we paid for dividends to holders of our Series B Preferred Stock, $8.5 million we paid for dividends to holders of our Series C Preferred Stock, $8.7 million we paid for dividends to holders of our Series D Preferred Stock and $10.2 million we paid for dividends to holders of our Series E

Preferred Stock for the periods from October 15, 2020 to January 14, 2021, January 15, 2021 to April 14, 2021, April 15, 2021 to July 14, 2021 and July 15, 2021 to October 14, 2021.

Net cash used in financing activities was $241.9 million in the year ended December 31, 2020, which mainly consisted of (a) $165.1 million net payments relating to our debt financing agreements, (b) $34.3 million we paid for dividends to holders of our common stock for the fourth quarter of 2019, the first quarter of 2020, the second quarter of 2020 and the third quarter of 2020 and (c) $3.8 million we paid for dividends to holders of our 7.625% Series B Preferred Stock, $8.5 million we paid for dividends to holders of our 8.500% Series C Preferred Stock, $8.7 million we paid for dividends to holders of our 8.75% Series D Preferred Stock and $10.2 million we paid for dividends to holders of our 8.875% Series E Preferred Stock for the period from October 15, 2019 to January 14, 2020, January 15, 2020 to April 14, 2020, April 15, 2020 to July 14, 2020 and July 15, 2020 to October 14, 2020.

Net cash used in financing activities was $212.2 million in the year ended December 31, 2019, which mainly consisted of (a) $149.6 million of net payments relating to our debt financing agreements (including the prepayments following the sale of five container vessels during the year ended December 31, 2019), (b) $27.4 million we paid for dividends to holders of our common stock for the fourth quarter of 2018, the first quarter of 2019, the second quarter of 2019 and the third quarter of 2019 and (c) $3.8 million we paid for dividends to holders of our Series B Preferred Stock, $8.5 million we paid for dividends to holders of our Series C Preferred Stock, $8.8 million we paid for dividends to holders of our Series D Preferred Stock and $10.2 million we paid for dividends to holders of our Series E Preferred Stock for the period from October 15, 2018 to January 14, 2019, January 15, 2019 to April 14, 2019, April 15, 2019 to July 14, 2019 and July 15, 2019 to October 14, 2019.

Credit Facilities, Finance Leases and Other Financing Arrangements

We operate in a capital-intensive industry, which requires significant amounts of investment, and we fund a portion of this investment through long-term debt, mainly from banks or other financial institutions. We have entered into a number of credit facilities, finance leases and other financing arrangements in order to finance the acquisition of the vessels owned by our subsidiaries and for general corporate purposes. We act either as direct borrower or as guarantor and certain of our subsidiaries act respectively as guarantors or as borrowers. The obligations under our credit facilities, finance leases and other financing arrangements are secured by, among other things, first priority mortgages over the vessels owned by the respective subsidiaries, charter assignments, first priority assignments of all insurances and earnings of the mortgaged vessels and guarantees by Costamare Inc. or the companies owning the financed vessels.

On July 27, 2017, the FCA, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021 (the "FCA Announcement"). The FCA Announcement indicated that the continuation of LIBOR was not guaranteed after 2021. On November 30, 2020 the administrator of LIBOR, ICE Benchmark Administration ("IBA"), announced that it would consult on ceasing to determine one-week and two-month U.S. dollar LIBOR with effect from December 31, 2021 but ceasing to determine the remaining U.S. dollar LIBOR tenors, including three-month LIBOR which most of our loan agreements are based on, on June 30, 2023. The Secured Overnight Financing Rate, or "SOFR", has been proposed by the Alternative Reference Rate Committee, a committee convened by the U.S. Federal Reserve that includes major market participants and on which regulators participate, as an alternative rate to replace U.S. Dollar LIBOR.

As of December 31, 2021 the interest rate on all of our existing credit facilities, finance leases and other financing arrangements is either a fixed rate or based on the three-month LIBOR floating rate. We have already initiated discussions with certain of our financing institutions and we expect that by the June 30, 2023 deadline, all our floating interest rate based credit facilities, finance leases and other financing arrangements will have switched to either SOFR or the three-month Term SOFR rate which is quoted on the Chicago Mercantile Exchange, both of which will be increased by a credit adjustment spread to be negotiated with each individual financing institution.

As of December 31, 2021, we have approximately $336.0 million in undrawn available credit under our credit facilities. For more information on our Credit Facilities, Finance Leases and Other Financing Arrangements, please see Note 11 to our consolidated financial statements included elsewhere in this annual report.

The following table summarizes certain terms of our existing drawn credit facilities, finance leases and other financing arrangements discussed below as at December 31, 2021:

Credit Facilities/Finance Leases and Other Financing Arrangements	Outstanding Principal Amount	Interest Rate[1]	Maturity	Repayment profile
	(Expressed in thousands of U.S. dollars)			
Bank Debt				
Nerida	9,975	LIBOR + Margin[2]	2022	Straight-line amortization with balloon
Tatum et al	37,600	LIBOR + Margin[2]	2025	Straight-line amortization with balloon
November 2018 Facility	30,188	LIBOR + Margin[2]	2023	Straight-line amortization with balloon
Adele Shipping	54,500	LIBOR + Margin[2]	2026	Straight-line amortization with balloon
Cadence et al	98,000	LIBOR + Margin[2]	2027	Variable amortization with balloon
Quentin et al	72,898	LIBOR + Margin[2]	2025	Straight-line amortization with balloon
Raymond et al	123,990	LIBOR + Margin[2]	2025	Straight-line amortization with balloon
Uriza	17,400	LIBOR + Margin[2]	2025	Straight-line amortization with balloon
Kelsen	4,050	LIBOR + Margin[2]	2022	Straight-line amortization
Caravokyra et al	54,400	LIBOR + Margin[2]	2025	Variable amortization with balloon
Capetanissa et al	56,500	LIBOR + Margin[2]	2025	Straight-line amortization with balloon
Bails et al	24,554	LIBOR + Margin[2]	2024	Straight-line amortization with balloon
Berg	11,660	LIBOR + Margin[2]	2026	Straight-line amortization with balloon
Reddick et al	14,900	LIBOR + Margin[2]	2023	Straight-line amortization with balloon
Evantone et al	20,750	LIBOR + Margin[2]	2026	Straight-line amortization with balloon
Ainsley et al	141,964	LIBOR + Margin[2]	2031	Straight-line amortization with balloon
Hyde et al	138,519	Fixed Rate	2028	Variable amortization with balloon
Kemp	70,350	LIBOR + Margin[2]	2029	Variable amortization with balloon
Vernes	12,650	LIBOR + Margin[2]	2026	Straight-line amortization with balloon

Credit Facilities/Finance Leases and Other Financing Arrangements	Outstanding Principal Amount	Interest Rate[1]	Maturity	Repayment profile
	(Expressed in thousands of U.S. dollars)			
Achilleas et al 2	125,360	LIBOR + Margin[2]	2026	Variable amortization with balloon
Novara et al	63,833	LIBOR + Margin[2]	2025	Variable amortization with balloon
Costamare Bulkers (Facility 1)	79,348	LIBOR + Margin[2]	2027	Variable installments with balloon
Costamare Bulkers (Facility 2)	80,228	LIBOR + Margin[2]	2026	Variable installments with balloon
Costamare Bulkers (Facility 3)	59,952	LIBOR + Margin[2]	2026	Variable installments with balloon
Costamare Bulkers (Facility 4)	103,423	LIBOR + Margin[2]	2026	Variable installments with balloon
Costamare Bulkers (Facility 5)	43,480	LIBOR + Margin[2]	2026	Variable installments with balloon
Finance Leases & Other Financing Arrangements				
Sale and Leaseback (Facility 1)	86,845	LIBOR + Margin[2]	2026	Straight-line amortization with balloon
Sale and Leaseback (Facility 2)	29,998	Fixed Rate	2024	Bareboat structure-fixed daily charter with balloon
Sale and Leaseback (Facility 3)	397,232	Fixed Rate	2030-2031	Bareboat structure-fixed daily charter with balloon
Benedict et al Financing arrangements	406,357	Fixed Rate	2028	Variable amortization with balloon
Unsecured Bond Loan				
Bond Loan	113,260	Fixed Rate	2026	Bullet

(1) The interest rates of long-term bank debt at December 31, 2021 ranged from 1.82% to 4.80%, and the weighted average interest rate as at December 31, 2021 was 2.77%. Such calculations have accounted for fixed rate long-term bank debt and interest rate swaps.

(2) The interest rate margin of long-term bank debt at December 31, 2021 ranged from 1.70% to 2.75%, and the weighted average interest rate margin as at December 31, 2021 was 2.1%.

Nerida Loan

On August 1, 2017, our subsidiary, Nerida Shipping Co., as borrower, entered into a five-year, $17.6 million loan with a bank, which we refer to in this section as the ‘‘Nerida Loan’’. The purpose of this loan was to finance general corporate purposes relating to a vessel, the *Maersk Kowloon*.

The obligations under the Nerida Loan are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the vessel*, Maersk Kowloon,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $10.0 million outstanding under the Nerida Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in three quarterly installments of $0.45 million and a balloon payment of $8.6 million payable together with the last installment.

Tatum et al. Loan

On July 17, 2018, our subsidiaries, Tatum Shipping Co. and Singleton Shipping Co., as joint borrowers, entered into a seven-year $48.0 million loan with a bank, which we refer to in this section as the ''Tatum et al. Loan''. The purpose of this loan was to finance general corporate purposes related to *Megalopolis* and *Marathopolis*. The loan was drawn in two equal tranches.

The obligations under the Tatum et al. Loan are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the vessels, *Marathopolis* and *Megalopolis,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $37.6 million outstanding under the Tatum et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount under both tranches is repayable in 15 quarterly installments of $0.8 million and a balloon payment of $25.6 million payable together with the last installment.

November 2018 Facility

On November 27, 2018, Costamare Inc., as borrower, entered into a five-year $55.0 million credit facility comprised of a $28.0 million term loan facility (Tranche A) and a $27.0 million revolving credit facility (Tranche B) with a bank, which we refer to in this section as the ''November 2018 Loan Facility''.

We have used the November 2018 Facility to refinance in full the existing indebtedness of two loan facilities.

The obligations under the November 2018 Loan Facility were initially guaranteed by the owners of nine mortgaged vessels. In 2019 we sold four vessels and prepaid the required amounts under the terms of this facility. In 2020, we drew down an amount of $5.8 million under Tranche B to finance the acquisition of the vessel *Scorpius* (ex. *JPO Scorpius)*. Our obligations are secured by mortgages on *Scorpius* (ex. *JPO Scorpius)* and five vessels (*Trader, Sealand Michigan, Luebeck, Methoni* and *Ulsan*), account charges, charter assignments, a swap assignment and general assignments of earnings, insurances and requisition compensation.

As of December 31, 2021, there was $30.2 million outstanding under the November 2018 Loan Facility, and, as of the same date, there was no undrawn available credit which could be utilized to finance the acquisition cost of new vessels to be mortgaged under this facility. The outstanding loan amount under both tranches is repayable in eight quarterly installments of $1.0 million and a balloon payment of $22.2 million payable together with the last installment.

Adele Shipping Loan

On June 24, 2019, our subsidiary Adele Shipping Co., as borrower, entered into a seven-year $68.0 million credit facility with a bank, which we refer to in this section as the ''Adele Shipping Loan''.

We have used the proceeds from Adele Shipping Loan to refinance a finance lease related to the *MSC Azov* and for general corporate purposes.

The obligations under the Adele Shipping Loan are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the *MSC Azov,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $54.5 million outstanding under the Adele Shipping Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in 19 quarterly installments of $1.5 million and a balloon payment of $26.0 million payable together with the last installment.

Cadence et al. Loan

On June 18, 2019, our subsidiaries Cadence Shipping Co. and Bastian Shipping Co., as joint and several borrowers, entered into an eight-year $136.0 million credit facility with a bank, which we refer to in this section as the ''Cadence et al. Loan''. The loan was drawn in two equal tranches.

We have used the proceeds from the Cadence et al. Loan to refinance finance leases related to the vessels *MSC Amalfi* and *MSC Ajaccio* and for general corporate purposes.

The obligations under the Cadence et al. Loan are guaranteed by Costamare Inc. and are secured by first priority mortgages over the vessels, *MSC Amalfi* and *MSC Ajaccio*, account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $98.0 million outstanding under the Cadence et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount under both tranches is repayable in 10 quarterly installments of $3.8 million, 12 quarterly installments of $2.6 million and a balloon payment of $28.8 million payable together with the last installment.

Quentin et al. Loan

On July 18, 2019, our subsidiaries Quentin Shipping Co. and Sander Shipping Co., as joint and several borrowers, entered into a six-year $94.0 million credit facility with a bank, which we refer to in this section as the ''Quentin et al. Loan''. The loan was drawn in two equal tranches.

We have used the proceeds from the Quentin et al. Loan to refinance a loan with another bank, for the part related to vessels *Valor* and *Valiant*.

The obligations under the Quentin et al. Loan are guaranteed by Costamare Inc. and are secured by first priority mortgages over the vessels, *Valor* and *Valiant*, account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $72.9 million outstanding under the Quentin et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount under both tranches is repayable in 15 quarterly installments of $2.0 million and a balloon payment of $42.7 million payable together with the last installment.

Raymond et al. Loan

On June 28, 2019, Costamare Inc., as borrower, entered into a six-year $150.0 million credit facility with a bank, which we refer to in this section as the ''Raymond et al. Loan''. The loan was drawn in three equal tranches.

We have used the proceeds from the Raymond et al. Loan to refinance two loans with two other banks, for the parts related to vessels *Vantage*, *Value* and *Valence* and for general corporate purposes.

The obligations under the Raymond et al. Loan are guaranteed by the owning companies of the three aforementioned vessels and are secured by first priority mortgages over the vessels, *Vantage*, *Value* and *Valence*, account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $124.0 million outstanding under the Raymond et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount under all three tranches is repayable in 15 quarterly installments of $2.9 million and a balloon payment of $80.6 million payable together with the last installment.

Uriza Loan

On November 10, 2020, our subsidiary, Uriza Shipping S.A., as borrower, entered into a five-year, $20.0 million loan with a bank, which we refer to in this section as the ''Uriza Loan''. The purpose of this loan was to refinance a loan with the same bank relating to a vessel, the *Navarino*.

The obligations under the Uriza Loan are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the vessel*, Navarino,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $17.4 million outstanding under the Uriza Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in 16 quarterly installments of $0.65 million and a balloon payment of $7.0 million that is payable together with the last installment.

Kelsen Loan

On December 15, 2020, our subsidiary, Kelsen Shipping Co., as borrower, entered into a two-year, $8.1 million loan with a bank, which we refer to in this section as the ''Kelsen Loan''. The purpose of this loan was to partially refinance a loan with the same bank relating to a vessel, the *Kure*.

The obligations under the Kelsen Loan are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the vessel*, Kure,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $4.1 million outstanding under the Kelsen Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in two semi-annual installments of $2.0 million.

Caravokyra et al. Loan

On May 29, 2020, our subsidiaries Caravokyra Maritime Corporation, Costachille Maritime Corporation, Kalamata Shipping Corporation, Marina Maritime Corporation, Navarino Maritime Corporation and Merten Shipping Co. entered into a five-year $70.0 million credit facility with a bank, which we refer to in this section as the ''Caravokyra et al. Loan''. The loan was drawn in one tranche, and we have used the proceeds from the Caravokyra et al. Loan to partially refinance a loan with another bank.

The obligations under the Caravokyra et al Loan are guaranteed by Costamare Inc. and are secured by first priority mortgages over the vessels *Cosco Ningbo, Cosco Hellas, Yantian, Maersk Kolkata, Maersk Kingston* and *Maersk Kalamata*, account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $54.4 million outstanding under the Caravokyra et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in 14 quarterly installments of $1.8 million and a balloon payment of $29.2 million that is payable together with the last installment.

Capetanissa et al. Loan

On April 24, 2020, our subsidiaries Capetanissa Maritime Corporation, Christos Maritime Corporation, Costis Maritime Corporation, Joyner Carriers S.A. and Rena Maritime Corporation entered into a five-year $70.0 million credit facility with a bank, which we refer to in this section as the ''Capetanissa et al. Loan''. The loan was drawn in one tranche, and we have used the proceeds from the Capetanissa et al. Loan to refinance two loans with two other banks.

The obligations under the Capetanissa et al. Loan are guaranteed by Costamare Inc. and are secured by first priority mortgages over the vessels *Beijing, Cosco Guangzhou, Sealand Washington, York* and *Messini,* account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $56.5 million outstanding under the Capetanissa et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount is repayable in 14 quarterly installments of $2.3 million and a balloon payment of $25.0 million that is payable together with the last installment.

Bails et al. Loan

On February 13, 2020, Costamare Inc., as borrower, entered into a four-year $30.0 million credit facility with a bank, which we refer to in this section as the ''Bails et al. Loan''. The loan was drawn in four tranches, two of $7.75 million and two of $7.25 million.

We have used the proceeds from the Bails et al. Loan to finance the acquisition cost of the four vessels *Volans, Vulpecula, Virgo* and *Vela*.

The obligations under the Bails et al. Loan are guaranteed by the owning companies of the four aforementioned vessels and are secured by first priority mortgages over the vessels, *Volans, Vulpecula, Virgo* and *Vela*, account pledges, general assignment of earnings, insurances, requisition compensation and charter rights.

As of December 31, 2021, there was $24.6 million outstanding under the Bails et al. Loan, and, as of the same date, there was no undrawn available credit. The outstanding loan amount under all four tranches is repayable in nine quarterly installments of $0.8 million and a balloon payment of $17.6 million that is payable together with the last installment.

Berg Loan

On January 27, 2021, Berg Shipping Co. entered into a loan agreement with a bank for an amount of $12.5 million, in order to finance the acquisition cost of the vessel *Neokastro,* which we refer to in this section as the ''Berg Loan''.

The obligations under the Berg Loan are guaranteed by Costamare Inc., and are secured by a first priority mortgage over the vessel, an account pledge, a general assignment of earnings, insurances, requisition compensation and a charter assignment.

As of December 31, 2021, the outstanding balance of the loan of $11.7 million is repayable in 17 equal quarterly installments of $0.28 million and a balloon payment of $6.9 million that is payable together with the last installment.

Reddick et al. Loan

On March 16, 2021, Reddick Shipping Co. and Verandi Shipping Co. entered into a loan agreement as joint and several borrowers with a bank for an amount of $18.5 million in order to refinance one term loan and for general corporate purposes, which we refer to in this section as the ''Reddick et al. Loan''. The facility was drawn in two tranches.

The obligations under the *Reddick et al. Loan* are guaranteed by Costamare Inc., and are secured by first priority mortgages over the vessels, *Maersk Kleven* and *Maersk Kotka*, account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the outstanding balance of the two tranches of $14.9 million is repayable in seven equal quarterly installments of $1.2 million and a balloon payment of $6.5 million that is payable together with the last installment.

Evantone et al. Loan

On March 18, 2021, Evantone Shipping Co. and Fortrose Shipping Co. entered into a loan agreement as joint and several borrowers with a bank for an amount of $23.0 million for the purpose of financing general corporate purposes, which we refer to in this section as the ''Evantone et al. Loan''. The facility was drawn in one tranche.

The obligations under the *Evantone et al. Loan* are guaranteed by Costamare Inc., and are secured by first priority mortgages over the vessels, *Aries* and *Argus*, account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the outstanding balance of the loan of $20.8 million is repayable in 17 equal quarterly installments of $0.75 million and a balloon payment of $8.0 million that is payable together with the last installment.

Ainsley et al. Loan

On March 19, 2021, Ainsley Maritime Co. and Ambrose Maritime Co. as joint and several Borrowers entered into a loan agreement with a bank for an amount of $150.0 million, in order to refinance two term loans and for general corporate purposes, which we refer to in this section as the ''Ainsley et al. Loan''. The facility was drawn in two tranches.

The obligations under the *Ainsley et al. Loan* are guaranteed by Costamare Inc., and are secured by first priority mortgages over the vessels, *Cape Kortia* and *Cape Sounio*, account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the outstanding balance of the two tranches of $142.0 million is repayable in 37 equal quarterly installments of $2.7 million and a balloon payment of $42.9 million, payable together with the last installment.

Hyde et al. Loan

On March 24, 2021, Hyde Maritime Co. and Skerrett Maritime Co. entered into a loan agreement as joint and several borrowers with a bank for an amount of $147.0 million in order to refinance two term loans and for general corporate purposes, which we refer to in this section as the ''Hyde et al. Loan''. The facility was drawn in two tranches.

The obligations under the *Hyde et al. Loan* are guaranteed by Costamare Inc., and are secured, among others, by first priority mortgages over the vessels, *Cape Tainaro* and *Cape Artemisio*, account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the outstanding balance of tranche A of $69.3 million is repayable in 27 equal quarterly installments of $1.4 million and a balloon payment of $31.1 million payable together with the last installment. As of December 31, 2021, the outstanding balance of tranche B of 69.3 million is repayable in 17 equal quarterly installments of $1.4 million and a balloon payment of $45.2 million payable together with the last installment.

Kemp Loan

On March 29, 2021, Kemp Maritime Co. entered into a loan agreement with a bank for an amount of $75.0 million in order to refinance one term loan and for general corporate purposes, which we refer to in this section as the ''Kemp Loan''.

The obligations under the *Kemp Loan* are guaranteed by Costamare Inc., and are secured by a first priority mortgage over the vessel, *Cape Akritas*, an account pledge, a general assignment of earnings, insurances, requisition compensation and a charter assignment.

As of December 31, 2021, the outstanding balance of the loan of $70.35 million is repayable in one quarterly instalment of $1.55 million, four quarterly installments of $1.5 million, 24 quarterly installments of $1.43 million and a balloon payment of $28.6 million that is payable together with the last installment.

Vernes Loan

On March 29, 2021, Vernes Shipping Co. entered into a loan agreement with a bank for an amount of $14.0 million, in order to finance the acquisition cost of the vessel *Glen Canyon,* which we refer to in this section as the ''Vernes Loan''.

The obligations under the *Vernes Loan* are guaranteed by Costamare Inc. and are secured by a first priority mortgage over the vessel, an account pledge, a general assignment of earnings, insurances, requisition compensation and a charter assignment.

As of December 31, 2021, the outstanding balance of the loan of $12.65 million is repayable in 17 equal quarterly installments of $0.45 million, and a balloon payment of $5.0 million that is payable together with the last installment.

Achilleas et al. Loan 2

On June 1, 2021, subsidiaries of Costamare Inc., including Achilleas Maritime Corporation, Angistri Corporation, Fanakos Maritime Corporation, among others, entered into a loan agreement with a bank for an amount of up to $158.1 million, in order to partly refinance one term loan, which was secured by eight vessels, and to finance the acquisition cost of the vessels *Porto Cheli*, *Porto Kagio* and *Porto Germeno*. We refer to this facility in this section as the ''Achilleas et al. Loan 2''.

The facility was drawn in four tranches and the total amount drawn was $158.1 million. On August 12, 2021, the Company prepaid $7.4 million due to the sale of *Venetiko*, on October 12, 2021 the Company prepaid $6.5 million due to the sale of *ZIM Shanghai*, and on October 25, 2021, the Company prepaid $6.1 million due to the sale of *ZIM New York*.

The obligations under the Achilleas et al. Loan 2 are guaranteed by Costamare Inc., and are secured by first priority mortgages over the vessels, *Sealand Illinois, Zim Tampa, Oakland, Lakonia, Areopolis, Porto Cheli, Porto Germeno,* and *Porto Kagio*, account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the outstanding balance of:

(i) the first tranche is $26.6 million and is repayable in 18 equal quarterly installments of $1.4 million and a balloon payment of $1.6 million that is payable together with the last installment,

(ii) the second tranche is $34.7 million and is repayable in 18 equal quarterly installments of $1.64 million and a balloon payment of $5.3 million that is payable together with the last installment,

(iii) the third tranche is $32.0 million and is repayable in 18 equal quarterly installments of $1.5 million and a balloon payment of $5.0 million that is payable together with the last installment and

(iv) the fourth tranche is $32.0 million and is repayable in 18 equal quarterly installments of $1.5 million and a balloon payment of $5.0 million that is payable together with the last installment.

Novara et al. Loan

On June 7, 2021, Novara Shipping Co., Finney Shipping Co., Alford Shipping Co. and Nisbet Shipping Co. as joint and several borrowers entered into a loan agreement with a bank for an amount of up to $79.0 million in order to finance the acquisition cost of the vessels *Androusa*, *Norfolk*, *Gialova* and *Dyros,* which we refer to in this section as the ''Novara et al. Loan''. As of December 31, 2021 three out of the four tranches under the Novara et al. Loan were drawn.

The obligations under the *Novara et al. Loan* are guaranteed by Costamare Inc., and are (or will be in the case of *Dyros*) secured by first priority mortgages over the vessels, *Androusa, Norfolk, Gialova* and *Dyros,* account pledges, general assignments of earnings, insurances, requisition compensation and charter assignments.

As of December 31, 2021, the aggregate outstanding balance $42.1 million of the first two tranches is repayable in 14 variable quarterly installments and a balloon payment of $24.1 million in the aggregate, that is payable together with the last installment. As of December 31, 2021, the outstanding balance of the third tranche of $21.7 million is repayable in 15 variable quarterly installments with a balloon payment of $11.0 million, that is payable together with the last installment. The last tranche of the facility regarding the vessel *Dyros* was not drawn as of December 31, 2021.

Costamare Bulkers (Facility 1)

On July 16, 2021, Costamare Inc., as borrower, entered into a hunting license facility agreement with a bank for an amount of up to $120.0 million, in order to finance the acquisition cost of the vessels *Bernis, Verity, Dawn, Discovery, Clara, Serena, Parity, Taibo, Thunder, Rose, Equity* and *Curacao*. The facility, which we refer to in this section as the ''Costamare Bulkers (Facility 1)'', has a six-year tenor and may be drawn in multiple tranches, one per each financed vessel.

The obligations under Costamare Bulkers (Facility 1) are guaranteed by the companies which own the vessels and are secured by a first priority mortgage over the vessels, account pledges, a general assignment of earnings, insurances, requisition compensation and charter rights (if applicable).

In December 2021, the Company prepaid $38.8 million, related to the then outstanding balance for the *Clara, Rose, Thunder* and *Equity* tranches of this facility agreement. The balances were repaid with funds provided by the *Costamare Bulkers (Facility 5)* as discussed below.

As of December 31, 2021, the aggregate outstanding balance of $79.3 million is repayable in variable quarterly installments with an aggregate balloon payment of $40.9 million that is payable together with the respective last installments.

Costamare Bulkers (Facility 2)

On July 9, 2021, Costamare Inc., as borrower, entered into a loan agreement with a bank for an amount of up to $81.5 million, in order to finance the acquisition cost of the vessels *Builder*, *Adventure*, *Manzanillo*, *Alliance*, *Seabird*, *Aeolian*, *Farmer* and *Greneta*. The facility, which we refer to in this section as the ''Costamare Bulkers (Facility 2)'', has a five-year tenor and was drawn in eight tranches, one per each financed vessel.

The obligations under the Costamare Bulkers (Facility 2) are guaranteed by the companies which own the vessels and are secured by a first priority mortgage over the vessels account pledges, a general assignment of earnings, insurances, requisition compensation and charter rights (if applicable).

As of December 31, 2021, the aggregate outstanding balance of $80.2 million is repayable in variable quarterly installments with an aggregate balloon payment of $43.9 million that is payable together with the respective last installments.

Costamare Bulkers (Facility 3)

On July 8, 2021, Costamare Inc., as borrower, entered into a loan agreement with a bank for an amount of up to $62.5 million, in order to finance the acquisition cost of the vessels *Pegasus*, *Eracle*, *Peace*, *Sauvan*, *Pride*, *Acuity*, *Comity* and *Athena*. The facility, which we refer to in this section as the ''Costamare Bulkers (Facility 3)'', has a five-year tenor and was drawn in eight tranches, one per each financed vessel.

The obligations under the *Costamare Bulkers (Facility 3)* are guaranteed by the companies which own the vessels and are secured by a first priority mortgage over the vessels, account pledges, a general assignment of earnings, insurances, requisition compensation and charter rights (if applicable).

As of December 31, 2021, the aggregate outstanding balance of $60.0 million is repayable in variable quarterly installments with an aggregate balloon payment of $17.7 million that is payable together with the respective last installments.

Costamare Bulkers (Facility 4)

On July 27, 2021, Amoroto Marine Corp., Bermondi Marine Corp. and Onton Marine Corp. among others, as joint and several borrowers, entered into a hunting license facility agreement with a bank for an amount of up to $125.0 million, in order to finance the acquisition cost of the vessels *Progress*, *Merida*, *Miner*, *Uruguay*, *Resource*, *Konstantinos*, *Cetus (ex. Charm)*, *Titan I*, *Bermondi*, *Orion*, *Merchia* and *Damon* as well as the acquisition of additional vessels. The facility, which we refer to in this section as the ''Costamare Bulkers (Facility 4)'', has a five-year tenor and may be drawn in multiple advances, one per each financed vessel. As of December 31, 2021, eleven tranches under the Costamare Bulkers (Facility 4) were drawn. As of the same date, the tranche for the financing of *Damon* was not yet drawn.

The obligations under the Costamare Bulkers (Facility 4) are guaranteed by Costamare Inc. and are (or will be in the case of *Damon*) further secured by a first priority mortgage over the vessels, account pledges, a general assignment of earnings, insurances, requisition compensation and assignment of charter rights (if applicable).

As of December 31, 2021, there was $103.4 million outstanding under the Costamare Bulkers (Facility 4) and, as of the same date, there were $19.5 million available funds to be drawn. The aggregate outstanding balance of $103.4 million is repayable in variable quarterly installments with an aggregate balloon payment of $54.0 million that is payable together with the respective last installments.

Costamare Bulkers (Facility 5)

On December 10, 2021, Merle Marine Corp., Gassin Marine Corp, Dattier Marine Corp., and Dramont Marine Corp, as borrowers, and Costamare Inc., as guarantor, entered into a loan agreement with a bank for an amount of up to $43.5 million in order to re-finance the then-existing indebtedness of vessels *Clara, Rose*, *Thunder*, and *Equity* (then financed under the Costamare Bulkers (Facility 1)) and for general corporate purposes. The facility, which we refer to in this section as the ''Costamare Bulkers (Facility 5)'', has a five-year tenor and was drawn in four tranches.

The obligations under the Costamare Bulkers (Facility 5) are secured by a first priority mortgage over the four vessels, account pledges, a general assignment of earnings, insurances, requisition compensation and charter rights (if applicable).

As of December 31, 2021, the aggregate outstanding balance of $43.5 million is repayable in 20 quarterly installments of $1.6 million with an aggregate balloon payment of $12.3 million that is payable together with the respective final installments.

Sale and Leaseback (Facility 1)

On June 29, 2016, our subsidiaries, Jodie Shipping Co. and Kayley Shipping Co., entered into bareboat charter agreements with CCBFL (collectively, the ''Sale and Leaseback (Facility 1)''), whereby our subsidiaries agreed to bareboat charter in the vessels upon delivery for a period of seven years. Our subsidiaries used the proceeds from the Sale and Leaseback (Facility 1) to refinance an existing facility and for general corporate purposes.

Under the terms of the Sale and Leaseback (Facility 1), the *MSC Athens* and the *MSC Athos* containership vessels were sold for an amount of $76.0 and $75.8 million, respectively. Pursuant to the initial terms of the Sale and Leaseback (Facility 1), Jodie Shipping Co. and Kayley Shipping Co. would each pay a variable daily charter rate on a quarterly basis for seven years (based on a straight-line amortization schedule) along with a final balloon payment of $28.0 and $27.9 million, respectively. Furthermore and pursuant to the initial terms, upon expiration of the Sale and Leaseback (Facility 1) in 2023, the vessels would be returned to the Company. On May 8, 2019, and on June 4, 2020, Jodie Shipping Co. and Kayley Shipping Co. signed two supplemental agreements, pursuant to which and upon the installation of scrubbers on board each of *MSC Athens* and *MSC* Athos until November 30, 2020, CCBFL will (i) advance an additional amount of $6.0 million for each vessel, (ii) extend the maturity of the Sale and Leaseback (Facility 1) until 2026 and (iii) amend the amortization schedule so that the final balloon payment for each vessel shall be $15.0 million. The scrubbers on board both vessels were installed in 2020 and the relevant provisions of the two supplemental agreements were effected.

As of December 31, 2021, there was $86.8 million outstanding under the Sale and Leaseback (Facility 1).

Sale and Leaseback (Facility 2)

On June 19, 2017, our subsidiaries, Simone Shipping Co. and Plange Shipping Co., entered into bareboat charter agreements with BoComm (the "Sale and Leaseback (Facility 2)"), whereby our subsidiaries agreed to bareboat charter in the vessels upon delivery for a period of seven and a half years. Our subsidiaries used the proceeds from the Sale and Leaseback (Facility 2) for general corporate purposes.

Under the terms of the Sale and Leaseback (Facility 2), both the *Leonidio* and the *Kyparissia* containership vessels were sold and Simone Shipping Co. and Plange Shipping Co. must each pay a fixed daily charter rate on a monthly basis for seven and a half years along with a final balloon payment of $9.8 million, respectively. Upon expiration of the Sale and Leaseback (Facility 2) in 2024, the vessels will be returned to the Company.

As of December 31, 2021, there was $30.0 million outstanding under the Sale and Leaseback (Facility 2).

Sale and Leaseback (Facility 3)

On August 8, 2018, our subsidiaries, Barkley Shipping Co., Harden Shipping Co., Firmino Shipping Co., Longley Shipping Co. and Conley Shipping Co., entered into novation agreements with a financial institution, whereby they novated to the financial institution the shipbuilding contracts for the construction of five ships and entered into bareboat charter agreements with the financial institution, which we refer to in this section as the "Sale and Leaseback (Facility 3)", whereby our subsidiaries agreed to bareboat charter the vessels, which at the time were under construction, upon delivery for a period of ten years. Our subsidiaries used the proceeds from the Sale and Leaseback (Facility 3) for the construction of five vessels.

Under the terms of the Sale and Leaseback (Facility 3), all five containership vessels at that time under construction were sold and Barkley Shipping Co., Harden Shipping Co., Firmino Shipping Co., Longley Shipping Co. and Conley Shipping Co., must each pay a fixed daily charter rate on a monthly basis for ten years along with a final balloon payment of $40.4 million. Upon expiration of the Sale and Leaseback (Facility 3) in 2030-2031, each of the vessels will be returned to the Company. During 2020, the vessels *YM Triumph* (Barkley Shipping Co.)*, YM Truth* (Conley Shipping Co.) and *YM Totality* (Firmino Shipping Co.) were delivered. As of December 31, 2021, the remaining two vessels, the *YM Target* (Harden Shipping Co.) and *YM Tiptop* (Longley Shipping Co.) have been delivered.

As of December 31, 2021, there was $397.2 million outstanding under the Sale and Leaseback (Facility 3) and the facility has been drawn in full.

Benedict et al Financing arrangements

On November 12, 2018, Costamare Inc. became the sole shareholder of five vessel-owning companies: Benedict Maritime Co., Bertrand Maritime Co., Beardmore Maritime Co., Schofield Maritime Co. and Fairbank Maritime Co. and assumed the bareboat charter agreements that each of the five vessel-owning companies had previously entered into with a financial institution, along with the obligation to pay part of the consideration under the provisions of the Share Purchase Agreement within the next 18 months from the date of the transaction (the "Benedict et al Financing arrangements"). Under the bareboat charter agreements, each of the

five vessel-owning companies had agreed to bareboat charter in their respective vessels (*Triton, Titan, Talos, Taurus* and *Theseus*) for a period of twelve years. At the same time we provided our corporate guarantee to the respective demise owner of each vessel.

Under the terms of the Benedict et al Financing arrangements, our subsidiaries must each pay various installments from January 2021 to October 2028 until the expiry of each bareboat charter agreement in 2028. Each of our subsidiaries shall pay simultaneously with the last payment a final installment of $32.0 million, at which time the vessels will be returned to the Company.

As of December 31, 2021, there was $406.4 million outstanding under the Benedict et al Financing arrangements.

Bond Loan

In May 2021, the Company, through its wholly owned subsidiary, Costamare Participations Plc (the ''Issuer''), issued €100,000 of unsecured bonds to investors (the ''Bond Loan'') and listed the bonds on the Athens Exchange. The Bond Loan will mature in May 2026 and carries a coupon of 2.70%, payable semiannually. The Bond Loan is guaranteed by the Company. The bond offering was completed on May 25, 2021. The trading of the Bonds on the Athens Exchange commenced on May 26, 2021. The net proceeds of the offering are intended to be used for the repayment of indebtedness, vessel acquisitions and working capital purposes.

The Bond Loan can be called in part (pro-rata) or in full by Costamare Participations Plc on any coupon payment date, after the second anniversary and until 6 months prior to maturity. If the Bond Loan is redeemed (in part or in full) on i) the 5th and/or 6th coupon payment date, bondholders will receive a premium of 1.5% on the nominal amount of the bond redeemed, ii) the 7th and/or 8th coupon payment date, bondholders will receive a premium of 0.5% on the nominal amount of the bond redeemed; no premium shall be paid for a redemption occurring on the 9th coupon payment date. In case there is a material change in the tax treatment of the Bond Loan for Costamare Participations Plc, then the Issuer has the right, at any time, to fully prepay the Bond Loan without paying any premium. The Issuer can exercise the early redemption right in part, one or more times, by pre-paying each time a nominal amount of bonds equal to at least €10,000, provided that the remaining nominal amount of the bonds after the early redemption is not lower than €50,000.

As of December 31, 2021, the outstanding balance of the bond amounted to $113.3 million.

Facilities Repaid in 2021

Verandi et al. Loan

On October 26, 2018, our subsidiaries, Verandi Shipping Co. and Reddick Shipping Co., as joint borrowers, entered into a $25.0 million loan with a bank, which we refer to in this section as the ''Verandi et al. Loan''. The purpose of this loan was to refinance part of the acquisition costs of the *Maersk Kleven* and *Maersk Kotka*. The loan was drawn in two equal tranches.

The obligations under the Verandi et al. Loan were guaranteed by Costamare Inc. and were secured by a first priority mortgage over the vessels, *Maersk Kleven* and *Maersk Kotka,* an account pledge, a general assignment of earnings, insurances, requisition compensation and charter rights.

The Verandi et al. Loan was repaid in full in March 2021 using proceeds from the Reddick et al. Loan.

Achilleas et al. Loan

On June 11, 2020, our subsidiaries Achilleas Maritime Corporation, Angistri Corporation, Fanakos Maritime Corporation, Fastsailing Maritime Co., Flow Shipping Co., Idris Shipping Co., Leroy Shipping Co., Lindner Shipping Co., Miko Shipping Co., Spedding Shipping Co., Takoulis Maritime Corporation and Timpson Shipping Co. entered into a four-year $70.0 million credit facility with a bank, which we refer to in this section as the ''Achilleas et al. Loan''. The loan was drawn in one tranche, and we have used the proceeds from the Achilleas et al. Loan to partially refinance a loan with another bank.

The obligations under the Achilleas et al. Loan were guaranteed by Costamare Inc and were initially secured by first priority mortgages over the vessels *Sealand Illinois, Zim Tampa* (ex. *Kobe*)*, Zim New York, Zim*

Shanghai, Oakland (ex. *Oakland Express*)*, Halifax Express, Singapore Express, Prosper, Lakonia, Areopolis, Venetiko* and *Zagora,* account pledges, general assignment of earnings, insurances, requisition compensation and charter rights. During 2020, the vessels *Singapore Express* and *Zagora* were sold, and the borrowers prepaid a required amount of $6.3 million. During 2021, the vessels *Halifax Express* and *Prosper* were sold, and the borrowers prepaid a required amount of $5.9 million.

The *Achilleas et al. Loan* was repaid in full in June 2021 using proceeds from the Achilleas et al. Loan 2.

Costamare Revolver

On July 12, 2021, Costamare Inc. entered into a $24.5 million revolving credit facility with a bank, which we refer to in this section as the "*Costamare Revolver*". The purpose of this loan was for general corporate purposes. The loan was drawn in one tranche.

The obligations under the Costamare Revolver were guaranteed by Berg Shipping Co. and were secured by a second priority mortgage over the vessel *Neokastro,* a second priority general assignment of earnings, insurances, requisition compensation and second priority charter rights.

The Costamare Revolver was repaid in full in November 2021.

Covenants and Events of Default

The credit facilities impose certain operating and financial restrictions on us. These restrictions in our existing credit facilities generally limit Costamare Inc. and/or our subsidiaries' ability to, among other things:

- pay dividends if an event of default has occurred and is continuing or would occur as a result of the payment of such dividends;
- purchase or otherwise acquire for value any shares of the subsidiaries' capital;
- make loans or assume financial obligations which are not subordinated to the respective credit facilities;
- make investments in other persons;
- sell or transfer significant assets, including any vessel or vessels mortgaged under the credit facilities, to any person other than as per the provisions of the respective credit facilities;
- create liens on assets; or
- allow the Konstantakopoulos family's direct or indirect holding in Costamare Inc. to fall below 30% of the total issued share capital.

Our existing drawn credit facilities also require Costamare Inc. and certain of our subsidiaries to maintain at all times the aggregate of (a) the market value of the mortgaged vessel or vessels and (b) the market value of any additional security provided to the lenders, above a percentage ranging between 100% to 125% of the then outstanding amount of the credit facility and any related swap exposure.

Costamare Inc. is required to maintain compliance with the following financial covenants to maintain minimum liquidity, minimum market value adjusted net worth, interest coverage and leverage ratios, as defined.

- the ratio of our total liabilities (after deducting all cash and cash equivalents) to market value adjusted total assets (after deducting all cash and cash equivalents) may not exceed 0.75:1;
- the ratio of EBITDA over net interest expense must be equal to or higher than 2.5:1;
- the aggregate amount of all cash and cash equivalents may not be less than the greater of (i) $30 million or (ii) 3% of the total debt;
- the market value adjusted net worth must at all times exceed $500 million; and

Our credit facilities contain customary events of default, including nonpayment of principal or interest, breach of covenants or material inaccuracy of representations, default under other indebtedness in excess of a threshold and bankruptcy.

The Company is not in default under any of its credit facilities.

Capital Expenditures

As of December 31, 2021, we had outstanding equity commitments of $0.8 billion in the aggregate, consisting of payments (i) to the shipyard in relation to the newbuild containerships ordered, payable in installments until the vessels' delivery, expected between the third quarter 2023 and the third quarter of 2024 and (ii) in relation to the acquisition cost of two secondhand dry bulk vessels, of which approximately $19.4 million in total will be financed through an existing hunting license facility.

As of March 18, 2022, we had outstanding equity commitments of $0.8 billion in the aggregate, consisting of payments (i) to the shipyard in relation to the newbuild containerships ordered, payable in installments until the vessels' delivery, expected between the third quarter 2023 and the third quarter of 2024 and (ii) in relation to the acquisition cost of one secondhand dry bulk vessel, of which approximately $10.1 million in total will be financed through a hunting license facility.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

The shipping industry is a capital intensive industry, requiring significant amounts of investment. Much of this investment is provided in the form of long-term debt. Our debt usually contains interest rates that fluctuate with the financial markets. Increasing interest rates could adversely impact future earnings.

Our interest expense is affected by changes in the general level of interest rates, particularly LIBOR. As an indication of the extent of our sensitivity to interest rate changes, an increase of 100 basis points would have decreased our net income and cash flows during the year ended December 31, 2021 by approximately $8.0 million based upon our debt level during 2021.

For more information on our interest rate risk see "Item 11. Quantitative and Qualitative Disclosures About Market Risk—A. Quantitative Information About Market Risk—Interest Rate Risk".

Interest Rate and Cross-currency Swaps

We have entered into interest rate swap agreements converting floating interest rate exposure into fixed interest rates in order to economically hedge our exposure to fluctuations in prevailing market interest rates. For more information on our interest rate swap agreements, refer to Notes 2, 19, 20 and 21 to our consolidated financial statements included elsewhere in this annual report.

Furthermore, as of December 31, 2021, we have entered into two cross-currency swap agreements to hedge our exposure with respect to our unsecured bond loan which is denominated in Euro. For more information on our two cross-currency swap agreements, refer to Notes 2, 19, 20 and 21 to our consolidated financial statements included elsewhere in this annual report.

Foreign Currency Exchange Risk

We generate all of our revenue in U.S. dollars, but a substantial portion of our vessel operating expenses, primarily crew wages, are in currencies other than U.S. dollars (mainly in Euro), and any gain or loss we incur as a result of the U.S. dollar fluctuating in value against those currencies is included in vessel operating expenses. As of December 31, 2021, approximately 17% of our outstanding accounts payable were denominated in currencies other than the U.S. dollar (mainly in Euro). We hold cash and cash equivalents mainly in U.S. dollars.

As of December 31, 2021, we were engaged in six Euro/U.S. dollar contracts totaling $15.0 million at an average forward rate of Euro/U.S. dollar 1.1668, expiring in monthly intervals up to June 2022.

As of December 31, 2020, we were engaged in eight Euro/U.S. dollar contracts totaling $16.0 million at an average forward rate of Euro/U.S. dollar 1.1962, expiring in monthly intervals up to August 2021.

As of December 31, 2019, we were engaged in three Euro/U.S. dollar contracts totaling $6.0 million at an average forward rate of Euro/U.S. dollar 1.1037, expiring in monthly intervals up to March 2020.

We recognize these financial instruments on our balance sheet at their fair value. These foreign currency forward contracts do not qualify as hedging instruments, and thus we recognize changes in their fair value in our earnings.

C. Research and Development, Patents and Licenses, etc.

We incur from time to time expenditures relating to inspections for acquiring new vessels. Such expenditures are insignificant and are expensed as they are incurred.

D. Trend Information

Total seaborne container trade demand increased by around 6.0% in 2021 mainly due to the rebounding global GDP growth and consumer demand around the world, particularly in the United States and the European Union. As a result, global trade continued to build momentum starting early in 2021, which continued through the end of the year.

Total containership supply grew at around 4.3% in 2021 as demolition activity decreased and the market rebounded. Demand growth outweighed supply growth during 2021, as global stimulus spending increased global demand for containerized goods which resulted in the Clarksons Containership Timecharter Index posting a 299% increase year over year and ending in December 2021 at 361.79.

Idle containership fleet represented 0.6% of the total fleet at the end of 2021. Containership ordering in 2021 increased to 4.3 million TEU taking the total orderbook of containership vessels to 5.7 million TEU, representing 23.1% of the total fleet at the end of 2021; 73% of the orderbook consisted of vessels larger than 12,000 TEU. If the improved containership demand is not sustainable there may be negative pressure across the industry.

Total seaborne dry bulk trade demand grew by 4.8% during 2021 as demand for commodities rebounded on the back of global GDP growth and infrastructure spending. The primary drivers of growth during 2021 was an 6.3% year over year increase in seaborne coal demand, coupled with 4.8% year over year growth in minor bulks.

The total supply of dry bulk vessels grew 3.6% during 2021, bringing the total fleet size to 944.8 million dwt, as 38 million dwt of new vessels were delivered during the year. Ordering of new dry bulk vessels remained relatively slow for the entire year, and at the end of 2021, the total dry bulk vessel orderbook was 68.5 million dwt or 7.3% of the total fleet, with expected deliveries between 2022 and 2025.

As demand for dry bulk commodities was strong during 2021, earnings for dry bulk vessels as measured by the Baltic Dry Index increased by 61% year over year driven by demand for commodities and helped by increased global port congestion.

E. Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of those financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosure at the date of our financial statements. Actual results may differ from these estimates under different assumptions and conditions. Critical accounting policies are those that reflect significant judgments of uncertainties and potentially result in materially different results under different assumptions and conditions. We describe below what we believe are our most critical accounting policies, because they generally involve a comparatively higher degree of judgment in their application. For a description of all our significant accounting policies, see Note 2 to our consolidated financial statements included elsewhere in this annual report.

Vessel Impairment

The Company reviews its vessels for impairment whenever events or changes in circumstances indicate that the carrying amount of a vessel might not be recoverable. The Company considers information, such as vessel sales and purchases, business plans and overall market conditions in order to determine if an impairment might exist.

As part of the identification of impairment indicators and Step 1 of impairment analysis, the Company computes estimates of the future undiscounted net operating cash flows for each vessel based on assumptions regarding time charter rates, vessels' operating expenses, vessels' capital expenditures, vessels' residual value, fleet utilization and the estimated remaining useful life of each vessel.

Container vessels: The future undiscounted net operating cash flows are determined as the sum of (x) (i) the charter revenues from existing time charters for the fixed fleet days and (ii) an estimated daily time charter rate for the unfixed days (based on the most recent ten year historical average rates after eliminating outliers and without adjustment for any growth rate) over the remaining estimated life of the vessel, assuming an estimated fleet utilization rate, less (y) (i) expected outflows for vessels' operating expenses assuming an expected increase in expenses of 2.5% over a five-year period, based on management's estimates taking into consideration the Company's historical data, (ii) planned dry-docking and special survey expenditures and (iii) management fees expenditures. Charter rates for container shipping vessels are cyclical and subject to significant volatility based on factors beyond Company's control. Therefore, the Company considers the most recent ten-year historical average, after eliminating outliers, to be a reasonable and fair estimation of expected future charter rates over the remaining useful life of the Company's vessels. The Company defines outliers as index values provided by an independent, third-party maritime research services provider. The salvage value used in the impairment test is estimated at $0.300 per light weight ton in accordance with the container vessels' depreciation policy.

Dry bulk vessels: The future undiscounted net operating cash flows are determined as the sum of (x) (i) the charter revenues from existing time charters for the fixed fleet days and (ii) an estimated daily time charter rate for the unfixed days (using the most recent ten-year average of historical one-year time charter rates available for each type of dry bulk vessel over the remaining estimated life of each vessel, net of commissions), assuming an estimated fleet utilization rate, less (y) (i) expected outflows for vessels' operating expenses assuming an expected increase in expenses of 2.5% over a five-year period, based on management's estimates, (ii) planned dry-docking and special survey expenditures and (iii) management fees expenditures. Charter rates for dry bulk vessels are cyclical and subject to significant volatility based on factors beyond Company's control. Therefore, the Company considers the most recent ten-year average of historical one-year time charter rates available for each type of dry bulk vessel, to be a reasonable estimation of expected future charter rates over the remaining useful life of its dry bulk vessels. The Company believes the most recent ten-year average of historical one-year time charter rates available for each type of dry bulk vessel provide a fair estimate in determining a rate for long-term forecasts. The salvage value used in the impairment test is estimated at $0.300 per light weight ton in accordance with the dry bulk vessels' depreciation policy.

The assumptions used to develop estimates of future undiscounted net operating cash flows are based on historical trends as well as future expectations. If those future undiscounted net operating cash flows are greater than a vessel's carrying value, there are no impairment indications for such vessel. If those future undiscounted net operating cash flows are less than a vessel's carrying value, the Company proceeds to Step 2 of the impairment analysis for such vessel.

In Step 2 of the impairment analysis, the Company determines the fair value of the vessels that failed Step 1 of the impairment analysis, based on management estimates and assumptions, making use of available market data and taking into consideration third party valuations. Therefore, we have categorized the fair value of the vessels as Level 2 in the fair value hierarchy. The difference between the carrying value of the vessels that failed Step 1 of the impairment analysis and their fair value as calculated in Step 2 of the impairment analysis is recognized in the Company's accounts as impairment loss.

The review of the carrying amounts in connection with the estimated recoverable amount of our vessels as of December 31, 2021 resulted in no impairment loss to be recorded in any of our vessels. As of December 31, 2019 and 2020 our assessment concluded that $3.0 million and $31.6 million, respectively, of impairment loss should be recorded.

Charter rates are subject to change based on a variety of factors that we cannot control and we note that charter rates for certain years over the last few years have been, on average, below their historical 10 year average. If, as at December 31, 2020 and 2021, we were to utilize an estimated daily time charter equivalent for our vessels' unfixed days based on the most recent five year, three year or one year historical average rates without adjusting for inflation (or another growth assumption), the impact would be the following:

	December 31, 2020		December 31, 2021	
	No. of Container Vessels(*)	Amount ($ US Million)(**)	No. of Container Vessels(*)	Amount ($ US Million)(**)
5-year historical average rate	2	4.9	1	1.1
3-year historical average rate	2	2.7	1	1.1
1-year historical average rate	3	4.1	—	—

(*) Number of container vessels the carrying value of which would not have been recovered.

(**) Aggregate carrying value that would not have been recovered.

	December 31, 2021	
	No. of Bulker Vessels(*)	Amount ($ US Million)(**)
5-year historical average rate	—	—
3-year historical average rate	—	—
1-year historical average rate	—	—

(*) Number of bulker vessels the carrying value of which would not have been recovered.

(**) Aggregate carrying value that would not have been recovered.

In addition to the two step impairment analysis, the Company also conducts a separate internal analysis. This analysis uses a discounted cash flow model utilizing inputs and assumptions based on market observations as of December 31, 2021, and suggests that none of our 111 vessels in the water may have current market values below their carrying values (18 of our 60 vessels in the water as at December 31, 2020).

Although we believe that the assumptions used to evaluate potential impairment are reasonable and appropriate, such assumptions are highly subjective. There can be no assurance as to how long charter rates and vessel values will remain at their current levels or whether they will improve or deteriorate by any significant degree. It is possible that charter rates may remain at depressed levels for some time which could adversely affect our revenue, profitability and future assessments of vessel impairment.

While the Company intends to continue to hold and operate its vessels, the following table presents information with respect to the carrying amount of the Company's vessels and indicates whether their estimated market values based on our internal discounted cash flow analysis are below their carrying values as of December 31, 2021 and 2020. For the calculation of the estimated market values, the Company used third party valuations and the following methodology. For vessels with charters expiring before December 31, 2022 (*i.e.* within 12 months after the date of the annual financial statements for the year ended December 31, 2021), the Company uses charter free third party valuations as at December 31, 2021. For all other vessels, the Company uses: (A) third party charter free valuations of each vessel at the earliest expiry date of the charter of each vessel (e.g., in determining the residual value of a 5-year old vessel with a time charter having its earliest expiry date five years after the date of the annual financial statements, the third party valuation provides us with the charter free value of a 10-year old vessel with the same technical characteristics and specifications, which is representative of the residual value of the vessel at the earliest expiry date of its respective time charter) discounted to December 31, 2021 plus (B) the discounted future cash flow from the charter of each vessel until the earliest expiry date of that charter.

The carrying value of each of the Company's vessels does not necessarily represent its fair value or the amount that could be obtained if the vessel were sold. The Company's estimates of fair values (under our internal analysis) assume that the vessels are all in good and seaworthy condition without need for repair and, if inspected, would be certified as being in class without recommendations of any kind. In addition, because vessel values are highly volatile, these estimates may not be indicative of either the current or future prices that the Company could achieve if it were to sell any of the vessels. The Company would not record impairment for any of the vessels for which the estimated fair value is below its carrying value unless and until the Company either determines to sell the vessel for a loss or determines that the vessel's carrying amount is not recoverable under Step 2 of the impairment analysis. For the vessels with estimated fair values lower than their carrying values, we believe that such differences will be recoverable throughout the useful lives of such vessels.

Containership Fleet

	Vessel	Capacity (TEU)	Built	Acquisition Date	Carrying Value December 31, 2020 ($ US Million)(1)	Carrying Value December 31, 2021 ($ US Million)(1)(**)
1	*Triton*	14,424	2016	November 2018	111.8	109.0
2	*Titan*	14,424	2016	November 2018	112.4	109.6
3	*Talos*	14,424	2016	November 2018	112.6	109.8
4	*Taurus*	14,424	2016	November 2018	112.6	108.8
5	*Theseus*	14,424	2016	November 2018	112.8	108.9
6	*YM Triumph*	12,690	2020	July 2020	93.1	90.3
7	*YM Truth*	12,690	2020	August 2020	93.1	90.4
8	*YM Totality*	12,690	2020	September 2020	93.7	90.9
9	*YM Target*	12,690	2021	February 2021	—	91.9
10	*YM Tiptop*	12,690	2021	May 2021	—	93.2
11	*Cape Akritas*	11,010	2016	March 2021	—	79.6
12	*Cape Tainaro*	11,010	2017	March 2021	—	79.3
13	*Cape Kortia*	11,010	2017	March 2021	—	79.3
14	*Cape Sounio*	11,010	2017	March 2021	—	78.8
15	*Cape Artemisio*	11,010	2017	March 2021	—	77.6
16	*Cosco Hellas**	9,469	2006	July 2006	55.9	54.6
17	*Cosco Guangzhou**	9,469	2006	February 2006	54.5	53.0
18	*Beijing**	9,469	2006	June 2006	55.2	53.9
19	*Yantian**	9,469	2006	April 2006	55.3	53.6
20	*Cosco Ningbo**	9,469	2006	March 2006	54.9	53.1
21	*MSC Azov*	9,403	2014	January 2014	84.7	81.3
22	*MSC Ajaccio*	9,403	2014	March 2014	85.0	81.6
23	*MSC Amalfi*	9,403	2014	April 2014	85.6	82.1
24	*MSC Athens*	8,827	2013	March 2013	82.6	78.8
25	*MSC Athos*	8,827	2013	April 2013	81.5	77.9
26	*Valor*	8,827	2013	June 2013	76.2	73.1
27	*Value*	8,827	2013	June 2013	76.2	73.2
28	*Valiant*	8,827	2013	August 2013	77.2	74.0
29	*Valence*	8,827	2013	September 2013	77.5	74.4
30	*Vantage*	8,827	2013	November 2013	77.5	74.5
31	*Navarino**	8,531	2010	May 2010	84.0	80.7
32	*Maersk Kleven*	8,044	1996	September 2018	13.7	12.9
33	*Maersk Kotka*	8,044	1996	September 2018	13.4	12.7
34	*Maersk Kowloon*	7,471	2005	May 2017	15.5	14.9
35	*Kure**	7,403	1996	December 2007	11.8	11.5
36	*Methoni (ex. MSC Methoni)**	6,724	2003	October 2011	39.4	36.5
37	*Porto Cheli*	6,712	2001	June 2021	—	36.5
38	*Sealand Michigan(3),**	6,648	2000	October 2000	27.0	—

	Vessel	Capacity (TEU)	Built	Acquisition Date	Carrying Value December 31, 2020 ($ US Million)(1)	Carrying Value December 31, 2021 ($ US Million)(1)(**)
39	*Sealand Illinois*(3),*	6,648	2000	December 2000	26.7	—
40	*York*(3),*	6,648	2000	May 2000	25.3	—
41	*Sealand Washington**	6,648	2000	August 2000	26.5	24.7
42	*Zim Tampa* (ex. *Kobe*)*	6,648	2000	June 2000	25.6	23.7
43	*Maersk Kalamata**	6,644	2003	June 2003	32.7	31.0
44	*Maersk Kingston**	6,644	2003	April 2003	32.8	30.8
45	*Maersk Kolkata**	6,644	2003	January 2003	32.0	30.0
46	*Aries*	6,492	2004	February 2021	—	10.3
47	*Argus*	6,492	2004	March 2021	—	10.3
48	*Venetiko*(2),*	5,928	2003	January 2013	16.6	—
49	Porto Germeno	5,908	2002	June 2021	—	34.3
50	Glen Canyon	5,642	2006	March 2021	—	12.0
51	Porto Kagio	5,570	2002	June 2021	—	33.7
52	*Zim Shanghai*(2),*	4,992	2002	October 2002	23.2	—
53	*Zim New York*(2),*	4,992	2002	September 2002	23.1	—
54	*Leonidio*	4,957	2014	May 2017	18.8	18.1
55	*Kyparissia*	4,957	2014	May 2017	18.8	18.1
56	*Megalopolis*	4,957	2013	July 2018	22.9	22.0
57	*Marathopolis*	4,957	2013	July 2018	23.0	22.1
58	*Oakland* (ex. *Oakland Express*)*	4,890	2000	October 2000	21.1	19.7
59	*Gialova*	4,578	2009	August 2021	—	20.0
60	*Norfolk*	4,259	2009	May 2021	—	26.5
61	*Vulpecula*	4,258	2010	December 2019	10.2	10.2
62	*Volans*	4,258	2010	December 2019	10.2	10.2
63	*Virgo*	4,258	2009	January 2020	9.8	9.7
64	*Vela*	4,258	2009	December 2019	10.4	10.0
65	*Androusa*	4,256	2010	April 2021	—	20.6
66	*Neokastro*	4,178	2011	December 2020	11.0	10.6
67	*Ulsan**	4,132	2002	February 2012	19.5	18.2
68	*Lakonia*	2,586	2004	December 2014	7.5	7.4
69	*Scorpius* (ex. *JPO Scorpius*)	2,572	2007	September 2020	5.0	7.1
70	*Etoile*	2,556	2005	November 2017	9.8	9.4
71	*Areopolis*	2,474	2000	May 2014	5.7	6.7
72	*Messini*(3),*	2,458	1997	August 2012	5.1	—
73	*Prosper*(2),*	1,504	1996	March 2011	3.0	—
74	*Michigan*	1,300	2008	April 2018	5.8	5.7
75	*Trader*	1,300	2008	April 2018	5.8	5.7
76	*Luebeck*	1,078	2001	August 2012	3.2	4.8
				TOTAL	**2,617.8**	**3,165.8**

(1) For impairment test calculation, Carrying Value includes the unamortized balance of dry-docking cost as at December 31, 2020 and 2021.

(2) Vessels sold during 2021.

(3) As of December 31, 2021, the vessel was classified as held for sale.

* Indicates container vessels which we believe, as of December 31, 2020, may have had fair values below their carrying values. As of December 31, 2020, we believe that the aggregate carrying value of these 18 vessels was $118.8 million more than their market value.

** We believe that as of December 31, 2021 all our container vessels had fair values that exceeded their carrying values.

Dry Bulk Fleet

	Vessel	Size (dwt)	Built	Acquisition Date	Carrying Value December 31, 2021 ($ US Million)[(1)(*)]
1	*Aeolian*	83,478	2012	August, 2021	21.0
2	*Greneta*	82,166	2010	December, 2021	18.9
3	*Egyptian Mike*	81,601	2011	December, 2021	18.7
4	*Phoenix*	81,569	2012	December, 2021	19.7
5	*Builder*	81,541	2012	June, 2021	21.9
6	*Farmer*	81,541	2012	September, 2021	21.7
7	*Sauvan*	79,700	2010	July, 2021	16.2
8	*Rose*	76,619	2008	October, 2021	17.8
9	*Merchia*	63,800	2015	December, 2021	23.7
10	*Seabird*	63,553	2016	July, 2021	22.0
11	*Dawn*	63,530	2018	July, 2021	23.2
12	*Orion*	63,473	2015	November, 2021	23.6
13	*Damon*	63,227	2012	December, 2021	22.3
14	*Titan I*	58,090	2009	November, 2021	16.3
15	*Eracle*	58,018	2012	July, 2021	15.3
16	*Pythias*	58,018	2010	December, 2021	17.5
17	*Uruguay*	57,937	2011	September, 2021	18.2
18	*Curacao*	57,937	2011	October, 2021	18.3
19	*Athena*	57,809	2012	September, 2021	15.4
20	*Thunder*	57,334	2009	September, 2021	13.9
21	*Serena*	57,266	2010	August, 2021	14.7
22	*Pegasus*	56,726	2011	June, 2021	14.4
23	*Merida*	56,670	2012	August, 2021	16.4
24	*Clara*	56,557	2008	August, 2021	14.6
25	*Peace*	55,709	2006	July, 2021	12.1
26	*Pride*	55,705	2006	July, 2021	12.1
27	*Bermondi*	55,469	2009	October, 2021	16.1
28	*Comity*	37,302	2010	August, 2021	12.2
29	*Verity*	37,163	2012	July, 2021	13.7
30	*Parity*	37,152	2012	September, 2021	13.8
31	*Acuity*	37,149	2011	July, 2021	14.0
32	*Equity*	37,071	2013	October, 2021	14.9
33	*Discovery*	37,019	2012	July, 2021	13.9
34	*Taibo*	35,112	2011	September, 2021	10.2
35	*Bernis*	34,627	2011	July, 2021	13.3
36	*Manzanillo*	34,426	2010	July, 2021	11.2
37	*Adventure*	33,755	2011	June, 2021	10.0
38	*Alliance*	33,751	2012	July, 2021	10.0
39	*Cetus*	32,527	2010	October, 2021	12.1
40	*Progress*	32,400	2011	August, 2021	13.0
41	*Miner*	32,300	2010	August, 2021	12.5
42	*Konstantinos*	32,178	2012	September, 2021	11.8
43	*Resource*	31,776	2010	September, 2021	12.4
				TOTAL	685.0

(1) For impairment test calculation, Carrying Value includes the unamortized balance of dry-docking cost as at December 31, 2021.

* We believe that as of December 31, 2021 all our dry-bulk vessels had fair values that exceeded their carrying values.

Vessels are stated at cost, which consists of the contract price and any material expenses incurred upon acquisition (initial repairs, improvements and delivery expenses, interest and on-site supervision costs incurred during the construction periods). Subsequent expenditures for conversions and major improvements are also capitalized when they appreciably extend the life, increase the earning capacity or improve the efficiency or safety of the vessels.

Vessel Lives and Depreciation

We depreciate our vessels based on a straight-line basis over the estimated economic lives assigned to each vessel, which is currently 30 years from the date of their initial delivery from the shipyard for containerships and 25 years from the date of their initial delivery for dry bulk vessels, which we believe is within industry standards and represents the most reasonable useful life for each of our vessels. Depreciation is based on the cost of the vessel less its estimated residual value which is equal to the product of vessels' lightweight tonnage and estimated scrap rate ($300 per lightweight ton). Secondhand vessels are depreciated from the date of their acquisition through their remaining estimated useful lives. A decrease in the residual value of the Company's vessels or a decrease in the estimated economic lives assigned to the Company's vessels due to unforeseen events (such as an extended period of weak markets, the broad imposition of age restrictions by the Company's customers, new regulations, or other future events) which could result in a reduction of the estimated useful lives of any affected vessels may lead to higher depreciation charges and/or impairment losses in future periods for the affected vessels. We examine the prospect and the timing of each vessel sale for demolition opportunistically and on a case by case basis. The decision to sell a specific vessel for demolition depends on the prospects of the vessel to secure employment, the estimated cost of maintaining the vessel, the available financing and the price of scrap.

Revenue Recognition

Revenues generated from time charters are usually paid 15 days in advance. Time charters with the same charterer are accounted for as separate agreements according to the terms and conditions of each agreement. Time charter revenues over the term of the time charter are recorded as service is provided, when they become fixed and determinable. Revenues from time charters providing for varying annual rates are accounted for as operating leases and thus recognized on a straight-line basis as the average revenue over the rental periods of such agreements, as service is performed. A voyage is deemed to commence upon the completion of discharge of the vessel's previous cargo and is deemed to end upon the completion of discharge of the current cargo, provided an agreed non-cancelable time charter between the Company and the charterer is in existence, the charter rate is fixed or determinable and collectability is reasonably assured. Unearned revenue includes cash received prior to the balance sheet date for which all criteria to recognize as revenue have not been met, including any unearned revenue resulting from time charters providing for varying annual rates, which are accounted for on a straight-line basis. Unearned revenue also includes the unamortized balance of the liability associated with the acquisition of secondhand vessels with time charters attached that were acquired at values below fair market value at the date the acquisition agreement is consummated.

Derivative Financial Instruments

We enter into interest rate swap contracts to manage our exposure to fluctuations of interest rate risks associated with specific borrowings and into cross-currency swap agreements which convert our Company's variability of the interest and principal payments of specific borrowings in Euro into USD functional currency cash flows in order to hedge our exposure to fluctuations deriving from Euro. Interest rate differentials paid or received under these swap agreements are recognized as part of interest expense related to the hedged debt. All derivatives are recognized in the consolidated financial statements at their fair value. On the inception date of the derivative contract, we designate the derivative as a hedge of a forecasted transaction or the variability of cash flow to be paid. Changes in the fair value of a derivative that is qualified, designated and highly effective as a cash flow hedge are recorded in other comprehensive income until earnings are affected by the forecasted transaction or the variability of cash flow and are then reported in earnings. Changes in the fair value of undesignated derivative instruments and the ineffective portion of designated derivative instruments are reported in earnings in the period in which those fair value changes have occurred. Realized gains or losses on early termination of the derivative instruments are also classified in earnings in the period of termination of the respective derivative instrument. We may redesignate an undesignated hedge after its inception as a hedge but then will consider its non-zero value at redesignation in its assessment of effectiveness of the cash flow hedge.

We formally document all relationships between hedging instruments and hedged terms, as well as the risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as cash flow hedges to specific forecasted transactions or variability of cash flow.

We also formally assess, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow of hedged items. We consider a hedge to be highly effective if the change in fair value of the derivative hedging instrument is within 80% to 125% of the opposite change in the fair value of the hedged item attributable to the hedged risk. When it is determined that a derivative is not highly effective as a hedge or that it has ceased to be a highly effective hedge, we discontinue hedge accounting prospectively, in accordance with ASC 815 ''Derivatives and Hedging''.

We also enter into forward exchange rate contracts to manage our exposure to currency exchange risk on certain foreign currency liabilities. We have not designated these forward exchange rate contracts for hedge accounting.

Recent Accounting Pronouncements

See Note 2 to our consolidated financial statements included elsewhere in this annual report.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information regarding our directors and executive officers. The business address of each of our executive officers and directors listed below is 7 rue du Gabian, MC 98000 Monaco. Our telephone number at that address is +377 93 25 09 40. Our board of directors will be elected annually on a staggered basis, and each elected director will hold office for a three-year term. The following directors or nominees for director have been determined by our board of directors to be independent under the standards of the NYSE and the rules and regulations of the SEC: Vagn Lehd Møller and Charlotte Stratos. Officers are elected from time to time by vote of our board of directors and hold office until a successor is elected and qualified.

Name	Age	Position
Konstantinos Konstantakopoulos	52	Chief Executive Officer, Chairman of the Board and Class III Director
Gregory Zikos	53	Chief Financial Officer and Class II Director
Vagn Lehd Møller	75	Class II Director
Charlotte Stratos	67	Class III Director
Konstantinos Zacharatos	49	Class I Director
Anastassios Gabrielides	57	General Counsel and Secretary

The term of our Class III directors expires in 2022, the term of our Class I director expires in 2023 and the term of our Class II directors expires in 2024.

Konstantinos Konstantakopoulos is our Chief Executive Officer and Chairman of our board of directors. Mr. Konstantakopoulos also serves as President, Chief Executive Officer and a director of Costamare Shipping, our head manager, which he wholly owns. He also controls, together with members of his family, Costamare Services, a service provider to our vessel-owning subsidiaries. Mr. Konstantakopoulos indirectly owns 50% of Blue Net and Blue Net Asia which provide chartering brokerage services to our as well as to third party vessels. Mr. Konstantakopoulos has served on the board of directors of the Union of Greek Shipowners since 2006. Mr. Konstantakopoulos studied engineering at Université Paul Sabatier in France.

Gregory Zikos is our Chief Financial Officer and a member of our board of directors. Prior to joining us in 2007, Mr. Zikos was employed at DryShips, Inc., a public shipping company, as the Chief Financial Officer from 2006 to 2007. From 2004 to 2006, Mr. Zikos was employed with J&P Avax S.A., a real estate investment and construction company, where he was responsible for project and structured finance debt transactions. From 2000 to 2004, Mr. Zikos was employed at Citigroup (London), global corporate and investment banking group, where he was involved in numerous European leveraged and acquisition debt financing transactions. Mr. Zikos practiced law from 1994 to 1998, during which time he advised financial institutions and shipping companies in debt and acquisition transactions. Mr. Zikos holds an M.B.A. in finance from Cornell University, an LL.M. from the University of London King's College, and a bachelor of laws, with merits, from the University of Athens.

Vagn Lehd Møller is a member of our board of directors. From 1963 to 2007, Mr. Møller worked with A.P. Møller-Maersk A/S where he eventually served as Executive Vice President and Chief Operations Officer of the world's largest liner company, Maersk Line. Mr. Møller was instrumental in the purchase and integration of Sea-land Services by A.P. Møller-Maersk A/S in 2000 and of P&O Nedlloyd in 2005. Mr. Møller served as a member of the board of directors (2011-2015) and chairman (2012-2015) of Scan Global Logistics A/S, a Danish based internal logistics company. He has also served as member of the board of directors and chairman of ZITON A/S (2012-2021) and Jack-up InvestCo 2 A/S (2012-2021) and as a member of the board of directors of Jack-up InvestCo 3 Plc. (2012-20121), all being companies investing in jack-up vessels chartered to off-shore windmill companies. Mr. Møller currently serves as chairman of the boards of Navadan A/S (since 2011), a Danish company supplying tank cleaning systems and products and of The Survey Association A/S (since 2015), a Danish based marine surveyor company.

Charlotte Stratos is a member of our board of directors. Since 2008, Ms. Stratos has served as a Senior Advisor to Morgan Stanley's Investment Banking Division-Global Transportation team. From 1987 to 2007, Ms. Stratos served as Managing Director and Head of Global Greek Shipping for Calyon Corporate and Investment Bank of the Credit Agricole Group. From 1976 to 1987, Ms. Stratos served in various roles with

Bankers Trust Company, including Advisor to the Shipping Department and Vice President of Greek shipping finance. From 2007 to 2017, Ms. Stratos also served as an independent director for Hellenic Carriers Ltd. and of the Gyroscopic Fund. Ms. Stratos currently serves as an independent director of the of Okeanis Eco Tankers Corp. a tanker owning company.

Konstantinos Zacharatos is a member of our board of directors. Mr. Zacharatos served as our General Counsel and Secretary until April 2013. Mr. Zacharatos has also served as the Vice Chairman of Shanghai Costamare since its incorporation in 2005. Mr. Zacharatos joined Costamare Shipping in 2000, became a member of the board of directors of Costamare Shipping in June 2010 and has also been responsible for the legal affairs of Costamare Shipping, Costamare Services, CIEL, Shanghai Costamare and C-Man Maritime. Mr. Zacharatos has previously been the legal adviser of Costaterra S.A., a Greek property company. Prior to joining Costamare Shipping and Costaterra S.A., Mr. Zacharatos was employed with Pagoropoulos & Associates, a law firm. Mr. Zacharatos holds an LL.M. and an LL.B. from the London School of Economics and Political Science.

Anastassios Gabrielides is our General Counsel and Secretary. Mr. Gabrielides has served as a director and secretary of Costamare Services since May 2013. From 2004 to 2011, Mr. Gabrielides served at the Hellenic Capital Markets Commission, the Greek securities regulator, first as Vice Chairman (2004 to 2009) and then as Chairman (2009 to 2011). Mr. Gabrielides also worked for the Alexander S. Onassis Foundation from 1991 to 1999 in various posts and was a member of the Executive Committee. Mr. Gabrielides has been a member of the board of supervisors of the European Securities and Markets Authority and has been a member of the Greek Financial Intelligence Unit. Mr. Gabrielides holds LL.M. degrees from Harvard Law School and the London School of Economics, a law degree from Athens University Law School, and a B.A. in economics from the American College of Greece, Deree College.

B. Compensation of Directors and Senior Management

Our independent non-executive directors receive annual fees in the amount of $65,000, plus reimbursement for their out-of- pocket expenses. Our non-independent directors do not receive compensation for their service as directors. We do not have any service contracts with our non-executive directors that provide for benefits upon termination of their services.

We have four shore-based officers, our chairman and chief executive officer, our chief financial officer, our chief operating officer and our general counsel and secretary. We do not pay any compensation to our officers for their services as officers. Our chief executive officer, our chief financial officer and our general counsel and secretary are employed and are compensated for their services by Costamare Shipping and / or Costamare Services.

C. Board Practices

We have five members on our board of directors. The board of directors may change the number of directors to not less than three, nor more than 15, by a vote of a majority of the entire board. Each director shall be elected to serve until the third succeeding annual meeting of stockholders and until his or her successor shall have been duly elected and qualified, except in the event of death, resignation or removal. A vacancy on the board created by death, resignation, removal (which may only be for cause), or failure of the stockholders to elect the entire class of directors to be elected at any election of directors or for any other reason, may be filled only by an affirmative vote of a majority of the remaining directors then in office, even if less than a quorum, at any special meeting called for that purpose or at any regular meeting of the board of directors.

We are a ‘‘foreign private issuer’’ under the securities laws of the United States and the rules of the NYSE. Under the securities laws of the United States, ‘‘foreign private issuers’’ are subject to different disclosure requirements than U.S. domiciled registrants, as well as different financial reporting requirements. Under the NYSE rules, a ‘‘foreign private issuer’’ is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the NYSE permit a ‘‘foreign private issuer’’ to follow its home country practice in lieu of the listing requirements of the NYSE. In addition, members of the Konstantakopoulos family own, in the aggregate, a majority of our outstanding common stock. As a result, we are a ‘‘controlled company’’ within the meaning of the NYSE corporate governance standards. Under the NYSE rules, a company of which more than 50% of the voting power is held by another company or group is a ‘‘controlled company’’ and may elect not to comply with certain NYSE corporate governance requirements, including (1) the requirement that a majority of the board of directors consist of independent directors, (2) the requirement that the nominating

committee be composed entirely of independent directors and have a written charter addressing the committee's purpose and responsibilities, (3) the requirement that the compensation committee be composed entirely of independent directors and have a written charter addressing the committee's purpose and responsibilities and (4) the requirement of an annual performance evaluation of the nominating and corporate governance and compensation committees. As permitted by these exemptions, as well as by our bylaws and the laws of the Marshall Islands, we currently have a board of directors with a majority of non- independent directors and a combined corporate governance, nominating and compensation committee with one non- independent director serving as a committee member. As a result, non-independent directors, including members of our management who also serve on our board of directors, may, among other things, fix the compensation of our management, make stock and option awards and resolve governance issues regarding our company. In addition, we currently have an audit committee composed solely of two independent committee members, whereas a domestic public company would be required to have three such independent members. Accordingly, in the future you may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements.

Corporate Governance

The board of directors and our Company's management engage in an ongoing review of our corporate governance practices in order to oversee our compliance with the applicable corporate governance rules of the NYSE and the SEC.

We have adopted a number of key documents that are the foundation of the Company's corporate governance, including:

- a Code of Business Conduct and Ethics for all officers and employees, which incorporates a Code of Ethics for directors and a Code of Conduct for corporate officers;
- a Corporate Governance, Nominating and Compensation Committee Charter; and
- an Audit Committee Charter.

These documents and other important information on our governance are posted on our website and may be viewed at *http//www.costamare.com*. We will also provide a paper copy of any of these documents upon the written request of a stockholder. Stockholders may direct their requests to the attention of our Secretary, Anastassios Gabrielides, 7 rue du Gabian, MC 98000 Monaco.

Committees of the Board of Directors

Audit Committee

Our audit committee consists of Vagn Lehd Møller and Charlotte Stratos. Ms. Stratos is the chairperson of the committee. The audit committee is responsible for:

- the appointment, compensation, retention and oversight of independent auditors and approving any non-audit services performed by such auditors;
- assisting the board in monitoring the integrity of our financial statements, the independent auditors' qualifications and independence, the performance of the independent accountants and our internal audit function and our compliance with legal and regulatory requirements;
- annually reviewing an independent auditors' report describing the auditing firm's internal quality-control procedures, and any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm;
- discussing the annual audited financial and quarterly statements with management and the independent auditors;
- discussing earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
- discussing policies with respect to risk assessment and risk management;
- meeting separately, and periodically, with management, internal auditors and the independent auditors;

- reviewing with the independent auditors any audit problems or difficulties and management's responses;
- setting clear hiring policies for employees or former employees of the independent auditors;
- annually reviewing the adequacy of the audit committee's written charter, the scope of the annual internal audit plan and the results of internal audits;
- establishing procedures for the consideration of all related-party transactions, including matters involving potential conflicts of interest or potential usurpations of corporate opportunities;
- reporting regularly to the full board of directors; and
- handling such other matters that are specifically delegated to the audit committee by the board of directors from time to time.

Corporate Governance, Nominating and Compensation Committee

Our corporate governance, nominating and compensation committee consists of Konstantinos Konstantakopoulos, Vagn Lehd Møller and Charlotte Stratos. Mr. Konstantakopoulos is the chairman of the committee. The corporate governance, nominating and compensation committee is responsible for:

- nominating candidates, consistent with criteria approved by the full board of directors, for the approval of the full board of directors to fill board vacancies as and when they arise, as well as putting in place plans for succession, in particular, of the chairman of the board of directors and executive officers;
- selecting, or recommending that the full board of directors select, the director nominees for the next annual meeting of stockholders;
- developing and recommending to the full board of directors corporate governance guidelines applicable to us and keeping such guidelines under review;
- overseeing the evaluation of the board and management; and
- handling such other matters that are specifically delegated to the corporate governance, nominating and compensation committee by the board of directors from time to time.

D. Employees

We have four shore-based officers, our chairman and chief executive officer, our chief financial officer, our chief operating officer and our general counsel and secretary. We do not pay any compensation to our officers for their services as officers. Our chief executive officer, our chief financial officer and our general counsel and secretary are employed by and receive compensation for their services by Costamare Shipping and/or Costamare Services. As of December 31, 2021, Costamare Shipping and Costamare Services employed approximately 120 people in total, all of whom were shore-based. As of December 31, 2021, approximately 2,750 seafarers were serving on our vessels, including vessels acquired under the Framework Deed. Our managers are responsible for recruiting, either directly or through manning agents, the officers and crew for our containerships that they manage. We believe the streamlining of crewing arrangements through our managers ensures that all of our vessels will be crewed with experienced crews that have the qualifications and licenses required by international regulations and shipping conventions. We have not experienced any material work stoppages due to labor disagreements during the past three years.

E. Share Ownership

The common stock beneficially owned by our directors and executive officers and/or entities affiliated with these individuals is disclosed in "Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders" below.

Equity Compensation Plans

We have not adopted any equity compensation plans.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table and the footnotes below set forth certain information regarding the beneficial ownership of our outstanding common stock and Preferred Stock as of March 18, 2022 held by:

- each person or entity that we know beneficially owns 5% or more of our common stock;
- each of our officers and directors; and
- all our directors and officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. In general, a person who has voting power or investment power with respect to securities is treated as a beneficial owner of those securities.

Beneficial ownership does not necessarily imply that the named person has the economic or other benefits of ownership. For purposes of this table, shares subject to options, warrants or rights or shares exercisable within 60 days of March 18, 2022 are considered as beneficially owned by the person holding those options, warrants or rights. Each stockholder is entitled to one vote for each share held. The applicable percentage of ownership of each stockholder is based on 124,260,043 shares of common stock, 1,970,649 shares of Series B Preferred Stock, 3,973,135 Series C Preferred Stock, 3,986,542 Series D Preferred Stock and 4,574,100 Series E Preferred Stock outstanding as of March 18, 2022. Information for certain holders is based on their latest filings with the SEC or information delivered to us. Except as noted below, the address of all stockholders, officers and directors identified in the table and the accompanying footnotes below is in care of our principal executive offices.

	Shares of Common Stock Beneficially Held	
Identity of Person or Group	**Number of Shares**	**Percentage**
Officers and Directors		
Konstantinos Konstantakopoulos[(1)]	28,172,743	22.7%
Gregory Zikos	*	
Konstantinos Zacharatos[(2)]	*	
Vagn Lehd Møller	*	
Charlotte Stratos	—	
Anastassios Gabrielides[(3)]	*	
All officers and directors as a group (six persons)	28,792,848	23.2%
5% Beneficial Owners		
Achillefs Konstantakopoulos[(4)]	21,449,984	17.3%
Christos Konstantakopoulos[(5)]	20,601,588	16.6%

(1) Konstantinos Konstantakopoulos, our chairman and chief executive officer, owns 12,470,456 shares of common stock directly and 15,402,287 shares of common stock indirectly through entities he controls and his immediate family owns 300,000 shares of common stock. He also holds 12,800 shares of Series B Preferred Stock, 24,749 shares of Series C Preferred Stock, 63,428 shares of Series D Preferred Stock and 320,000 shares of Series E Preferred Stock through an entity he controls, 0.6%, 0.6%, 1.6% and 7.0%, respectively, of the issued and outstanding shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, respectively.

(2) Konstantinos Zacharatos holds less than 1% of our issued and outstanding Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock.

(3) Anastassios Gabrielides, our General Counsel and Secretary, holds less than 1% of our issued and outstanding Series D Preferred Stock.

(4) Achillefs Konstantakopoulos, the brother of our chairman and chief executive officer, owns 9,789,718 shares of common stock directly and 10,880,266 shares of common stock indirectly through entities he controls and his immediate family owns 780,000 shares of common stock. He also holds 30,203 shares of Series B Preferred Stock, 80,390 shares of Series C Preferred Stock and 102,300 shares of Series D Preferred Stock through an entity he controls, or 1.5%, 2.0% and 2.6% of the issued and outstanding shares of Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock, respectively. His immediate family also holds 31,350 shares of Series B Preferred Stock, or 1.6% of the issued and outstanding shares of Series B Preferred Stock.

(5) Christos Konstantakopoulos, the brother of our chairman and chief executive officer, owns 11,274,356 shares of common stock directly and 9,327,232 shares of common stock indirectly through an entity he controls.

* Owns less than 1% of our issued and outstanding common stock.

In November 2010, we completed a registered public offering of our shares of common stock and our common stock began trading on the NYSE. Our major stockholders have the same voting rights as our other stockholders. As of March 18, 2022, we had approximately 26,513 beneficial owners of our common stock.

Holders of our Preferred Stock generally have no voting rights except (1) in respect of amendments to the Articles of Incorporation which would adversely alter the preferences, powers or rights of the Preferred Stock or (2) in the event that the Company proposes to issue any parity stock if the cumulative dividends payable on outstanding Preferred Stock are in arrears or any senior stock. However, whenever dividends payable on the Preferred Stock are in arrears for six or more quarterly periods, whether or not consecutive, holders of Preferred Stock (voting together as a class with all other classes or series of parity stock upon which like voting rights have been conferred and are exercisable) will be entitled to elect one additional director to serve on our board of directors until such time as all accumulated and unpaid dividends on the Preferred Stock have been paid in full.

B. Related Party Transactions

Management Affiliations

Each of our containerships and dry bulk vessels is currently managed by Costamare Shipping, which may subcontract certain services to other affiliated managers, or to V.Ships Greece or, subject to our consent, other third party managers, pursuant to the Framework Agreement and one or more ship-management agreements between the relevant vessel-owning entity and the relevant manager. Costamare Services provides our vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services pursuant to the Services Agreement. Costamare Shipping and Costamare Services are controlled by our chairman and chief executive officer and members of his family. In addition, Blue Net and Blue Net Asia, charter brokerage companies which are 50% controlled by our chairman and chief executive officer, provides brokerage services to our containership vessels.

Management and Services Agreements

On November 2, 2015, we entered into the Framework Agreement with Costamare Shipping and our vessel-owning subsidiaries entered into the Services Agreement with Costamare Services. On January 17, 2020, we amended and restated the Framework Agreement to allow Costamare Shipping to retain certain relevant payouts from insurance providers On June 28, 2021 we amended and restated the Framework Agreement and our vessel-owning subsidiaries amended the Services Agreement to allow Costamare Shipping and Costamare Services respectively to provide services in relation to other types of vessels (including dry bulk vessels), in addition to container vessels.

Costamare Shipping is the head manager for our containerships and dry bulk vessels, and provides us with commercial, technical and other management services pursuant to the Framework Agreement and to separate ship management agreements with the relevant vessel-owning subsidiaries. As of March 18, 2022, Costamare Shipping, itself or together with V.Ships Greece or, subject to our consent, other third party managers, provides our fleet of containerships and dry bulk vessels with technical, crewing, commercial, provisioning, bunkering, sale and purchase, accounting and insurance services pursuant to separate ship-management agreements between each of our vessel-owning subsidiaries and Costamare Shipping and, in certain cases, the relevant third party manager. Costamare Services provides our vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services pursuant to the Services Agreement. Our managers and third-party managers are responsible for recruiting, either directly or through manning agents, the officers and crew for our containerships that they manage.

Reporting Structure

Our chairman and chief executive officer and our chief financial officer supervise, in conjunction with our board of directors, the management of our operations and the provision of services to our fleet by Costamare Shipping, Costamare Services, as well as any third party managers, including V.Ships Greece, V.Ships Shanghai, Vinnen, HanseContor, BSM or FML. Costamare Shipping and Costamare Services report to us and our board of directors through our chairman and chief executive officer and chief financial officer, each of which is appointed by our board of directors.

Compensation of Our Manager and Services Provider

Costamare Shipping provides us with commercial, technical and other management services including technical, crewing, commercial, provisioning, bunkering, sale and purchase, accounting and insurance services in respect of our vessels. Costamare Services provides our vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services pursuant to the Services Agreement.

In the event that Costamare Shipping or Costamare Services decide to delegate certain or all of the services they have agreed to perform under the Framework Agreement or the Services Agreement, respectively, either through (i) subcontracting to a sub-manager or sub-provider or (ii) by directing such sub-manager or sub-provider to enter into a direct agreement with the relevant vessel-owning subsidiary, then, in the case of subcontracting under (i), Costamare Shipping or Costamare Services, as applicable, will be responsible for paying the fee charged by the relevant sub-manager or sub-provider for providing such services and, in the case of a direct agreement under (ii), the fee received by Costamare Shipping or Costamare Services, as applicable, will be reduced by the fee payable to the sub-manager or sub-provider under the relevant direct agreement. As a result, these arrangements will not result in any increase in the aggregate management fees and services fees that we pay. In addition to management fees, we pay for any capital expenditures, financial costs, operating expenses and any general and administrative expenses, including payments to third parties, including specialist providers, in accordance with the Framework Agreement and the relevant separate ship-management agreements or supervision agreements.

Costamare Shipping received in 2021 and 2020 a fee of $956 per day pro-rated for the calendar days we own each vessel. This fee is reduced to $478 per day in the case of a containership subject to a bareboat charter. We will also pay Costamare Shipping a flat fee of $787,405 per newbuild vessel for the supervision of the construction of any newbuild vessel that we may contract. Costamare Shipping received in 2021 and 2020, a fee of 0.15% on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each containership in our fleet. Costamare Services received in 2021 and 2020 a fee of 1.10%, on all gross freight, demurrage, charter hire and ballast bonus or other income earned with respect to each vessel in our fleet and a quarterly fee of (i) $625,000 and (ii) an amount equal to the value of 149,600 shares, based on the average closing price of our common stock on the NYSE for the 10 days ending on the 30th day of the last month of each quarter; provided that Costamare Services may elect to receive 149,600 shares instead of the fee under (ii). We have reserved a number of shares of common stock to cover the fees to be paid to Costamare Services under (ii) through December 31, 2022. During the year ended December 31, 2021 and December 31, 2020, Costamare Shipping charged in aggregate to the companies established pursuant to the Framework Deed $2.8 million and $3.6 million, respectively, for services provided in accordance with the relevant management agreements. For each of the years ended December 31, 2021 and December 31, 2020, we paid aggregate fees of $2.5 million and issued in aggregate 598,400 shares to Costamare Services under the Services Agreement.

Term and Termination Rights

Subject to the termination rights described below, on December 31, 2021, the terms of the Framework Agreement and the Services Agreement automatically renewed for another one-year period, and will automatically renew for three more consecutive one-year periods until December 31, 2025, at which point the Framework Agreement and the Services Agreement will expire. In addition to the termination provisions outlined below, we are able to terminate the Framework Agreement and Service Agreement, subject to a termination fee, by providing 12 months' written notice to Costamare Shipping or Costamare Services, as applicable, that we wish to terminate the applicable agreement at the end of the then-current term.

Our Manager's Termination Rights. Costamare Shipping or Costamare Services may terminate the Framework Agreement or Services Agreement, respectively, prior to the end of its term if:

- any moneys payable by us under the applicable agreement have not been paid when due or if on demand within 20 business days of payment having been demanded;
- if we materially breach the agreement and we have failed to cure such breach within 20 business days after we are given written notice from Costamare Shipping or Costamare Services, as applicable; or
- there is a change of control of our Company or the vessel-owning subsidiaries, as applicable.

Our Termination Rights. We or our vessel-owning subsidiaries may terminate the Framework Agreement or the Services Agreement, respectively, prior to the end of its term in the following circumstances:

- any moneys payable by Costamare Shipping or Costamare Services under or pursuant to the applicable agreement are not paid or accounted for within 10 business days after receiving written notice from us;
- Costamare Shipping or Costamare Services, as applicable materially breaches the agreement and has failed to cure such breach within 20 business days after receiving written notice from us;
- there is a change of control of Costamare Shipping or Costamare Services, as applicable; or
- Costamare Shipping or Costamare Services, as applicable, is convicted of, enters a plea of guilty or *nolo contendere* with respect to, or enters into a plea bargain or settlement admitting guilt for a crime (including fraud), which conviction, plea bargain or settlement is demonstrably and materially injurious to Costamare, if such crime is not a misdemeanor and such crime has been committed solely and directly by an officer or director of Costamare Shipping or Costamare Services, as applicable, acting within the terms of its employment or office.

Mutual Termination Rights. Either we or Costamare Shipping may terminate the Framework Agreement, and either Costamare Services or our vessel-owning subsidiaries may terminate the Services Agreement if:

- the other party ceases to conduct business, or all or substantially all of the equity interests, properties or assets of the other party are sold, seized or appropriated which, in the case of seizure or appropriation, is not discharged within 20 business days;
- the other party files a petition under any bankruptcy law, makes an assignment for the benefit of its creditors, seeks relief under any law for the protection of debtors or adopts a plan of liquidation, or if a petition is filed against such party seeking to have it declared insolvent or bankrupt and such petition is not dismissed or stayed within 90 business days of its filing, or such party admits in writing its insolvency or its inability to pay its debts as they mature, or if an order is made for the appointment of a liquidator, manager, receiver or trustee of such party of all or a substantial part of its assets, or if an encumbrancer takes possession of or a receiver or trustee is appointed over the whole or any part of such party's undertaking, property or assets or if an order is made or a resolution is passed for Costamare Shipping's, Costamare Services' or our winding up;
- the other party is prevented from performing any obligations under the applicable agreement by any cause whatsoever of any nature or kind beyond the reasonable control of such party respectively for a period of two consecutive months or more ("Force Majeure"); or
- in the case of the Framework Agreement, all supervision agreements and all ship-management agreements are terminated in accordance with their respective terms.

If Costamare Shipping or Costamare Services terminates the Framework Agreement or the Services Agreement, as applicable, for any reason other than Force Majeure, or if we terminate either agreement pursuant to our ability to terminate with 12 months' written notice, we will be obliged to pay to Costamare Shipping or Costamare Services, as applicable, a termination fee equal to (a) the number of full years remaining prior to December 31, 2025, times (b) the aggregate fees due and payable to Costamare Shipping or Costamare Services, as applicable, during the 12-month period ending on the date of termination (without taking into account any reduction in fees under the Framework Agreement to reflect that certain obligations have been delegated to a sub-manager); *provided* that the termination fee will always be at least two times the aggregate fees over the 12-month period described above. In addition, the separate ship-management agreements to which our vessels are subject may be terminated by either us or the applicable manager if the vessel is sold, becomes a total loss or is requisitioned.

Non-competition

Costamare Shipping has agreed that during the term of the Framework Agreement, and Costamare Services has agreed that during the term of the Services Agreement, they will not provide similar services to any entity other than our subsidiaries and entities established pursuant to the Framework Deed and to entities affiliated with our chairman and chief executive officer, without our prior written approval, which we may provide under certain circumstances. We believe we will derive significant benefits from our exclusive relationship with Costamare Shipping and Costamare Services.

Costamare Shipping provides management services in respect of one containership and one dry bulk vessel privately owned by our chairman and chief executive officer Konstantinos Konstantakopoulos. Costamare Services provides post fixture services in respect of two container vessels partly privately owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos.

V.Ships Greece, V.Ships Shanghai, HanseContor, Blue Net, Blue Net Asia, BSM and FML provide and actively seek to provide services to third parties, while Vinnen provides services to container vessels related to their owners.

Restrictive Covenant Agreements

On July 1, 2021, the restrictive covenant agreement we had entered into with Konstantinos Konstantakopoulos was amended and restated, and Mr. Konstantakopoulos agreed to similarly restrict his activities in the dry bulk sector under substantially the same terms as the existing agreement restricting his activities in the containership sector. Under the restrictive covenant agreements entered into with us, during the period of Konstantinos Konstantakopoulos's and Konstantinos Zacharatos's employment or service with us and for six months thereafter, each has agreed to restrictions on his ownership of any containerships and, in the case of Konstantinos Konstantakopoulos, dry bulk vessels (the relevant vessels, the "covered vessels") and on the acquisition of any shareholding in a business involved in the ownership of covered vessels (such activities are referred to here as "the restricted activities"), subject to the exceptions described below.

Each of Konstantinos Konstantakopoulos and Konstantinos Zacharatos are permitted to engage in the restricted activities in the following circumstances: (a) pursuant to his involvement with us, (b) with respect to certain permitted acquisitions (as described below) and (c) pursuant to his passive ownership of up to, in the case of Konstantinos Konstantakopoulos, 19.99% of the outstanding voting securities of any publicly traded company, and in the case of Konstantinos Zacharatos, 20% of the outstanding voting securities of any publicly traded or private company, in each case that is engaged in the containership business.

As noted above, Konstantinos Konstantakopoulos and Konstantinos Zacharatos are permitted to engage in restricted activities with respect to two types of permitted acquisitions, including: (1) the acquisition of a covered vessel or an acquisition or investment in a covered vessel business, on terms and conditions that are not materially more favorable, than those first offered to us and refused by an independent conflicts committee of our directors, and/or (2) the acquisition of a business that includes covered vessels. Under this second type of permitted acquisition, we must be given the opportunity to buy the covered vessel or covered vessel businesses included in the acquisition, in each case for its fair market value plus certain break-up costs.

Each of Konstantinos Konstantakopoulos and Konstantinos Zacharatos has also agreed that if one of our vessels and a covered vessel majority-owned by him are both available and meet the criteria for an available charter, our vessel will be offered such charter. Such priority chartering obligation applies, as of March 18, 2022, with respect to one containership and one dry bulk vessel owned by Konstantinos Konstantakopoulos, but does not apply with respect to seven containerships and four dry bulk vessels where Konstantinos Konstantakopoulos holds a minority interest, one containership where Konstantinos Zacharatos holds a minority interest, and one containership where Konstantinos Konstantakopoulos holds a 50% interest.

As of March 18, 2022, Konstantinos Konstantakopoulos, alone or in one instance with Konstantinos Zacharatos, had an ownership interest in eight containerships and five dry bulk vessels pursuant to waivers to or otherwise in compliance with the respective restrictive covenant agreement. We cannot rule out the possibility that additional such waivers will be granted by our Board of Directors in future periods.

Registration Rights Agreement

We entered into a registration rights agreement with the stockholders named therein (the "Registration Rights Holders") on November 3, 2010, pursuant to which we granted the Registration Rights Holders and their transferees the right, under certain circumstances and subject to certain restrictions to require us to register under the Securities Act shares of our common stock held by those persons. On November 27, 2015, the Company and the Registration Rights Holders entered into an amended and restated registration rights agreement to extend registration rights to Costamare Shipping and Costamare Services, each of which have received or may receive shares of our common stock as fee compensation under the Group Management Agreements (prior to November 2, 2015) or under the Services Agreement. Under the registration rights agreement, the Registration

Rights Holders and their transferees have the right to request us to register the sale of shares held by them on their behalf and may require us to make available shelf registration statements permitting sales of shares into the market from time to time over an extended period. In addition, those persons have the ability to exercise certain piggyback registration rights in connection with registered offerings initiated by us. The Registration Rights Holders own a total of approximately 69 million shares entitled to these registration rights.

Trademark License Agreement

Under the trademark license agreement entered into with us on November 3, 2010 as amended and restated on March 14, 2022, during the term of the Framework Agreement, Costamare Shipping, one of our managers, has agreed to grant us a non-transferable, royalty free license and right to use the Costamare Inc. trademarks, which consist of the name ''COSTAMARE'' and the Costamare logo in connection, among others, with the operation of our containership and dry bulk vessel businesses. We will pay no additional consideration for this license and right. Costamare Shipping retains the right to use the trademarks in its own business or to maintain existing, or grant new, licenses or rights permitting any other person to use the trademarks; *provided* that in all such cases the use, maintenance or grant must be consistent with the license and right granted to us under the licensing agreement.

Longshaw Share Purchase Agreement

On June 14, 2021, we entered into a stock purchase agreement with Longshaw, a related party entity controlled by Konstantinos Konstantakopoulos, our chairman and chief executive officer, for the acquisition of all of Longshaw's equity interests in 16 entities that had each acquired or had agreed to acquire a dry bulk vessel. We acquired said equity interests at cost with no mark-up or premium payable to Mr. Konstantakopoulos or his affiliated entities. The aggregate purchase price of the transaction was $54.5 million.

Grant of Rights and Issuance of Common Stock

On July 14, 2010, the Company offered all stockholders of record as of the close of business on July 14, 2010 (the ''Record Date''), the right (collectively, the ''Rights'') to subscribe for and purchase up to 32 shares of common stock, par value $0.0001 per share, for each share held by such stockholder as of the Record Date. The subscription price for each share purchased pursuant to the exercise of Rights was $0.10 per share.

On March 27, 2012, the Company completed a follow-on public equity offering in which we issued 7,500,000 shares at a public offering price of $14.10 per share. The net proceeds of the follow-on offering were $100.6 million. Members of the Konstantakopoulos family purchased 750,000 shares in the offering.

On October 19, 2012, the Company completed a second follow-on public equity offering in which we issued 7,000,000 shares at a public offering price of $14.00 per share. The net proceeds of the follow-on offering were $93.5 million. Members of the Konstantakopoulos family purchased 700,000 shares in the offering.

On July 6, 2016, we implemented the Dividend Reinvestment Plan. The Dividend Reinvestment Plan offers holders of our common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in our common stock. For each of the quarters from the implementation of the Dividend Reinvestment Plan until March 18, 2022, members of the Konstantakopoulos family have reinvested in full or in part their cash dividends, receiving an aggregate of 16.4 million shares.

On December 5, 2016, the Company completed a follow-on public equity offering in which we issued 12,000,000 shares of common stock at a public offering price of $6.00 per share. The net proceeds of this offering were $69.0 million. Members of the Konstantakopoulos family purchased 1,666,666 shares in the offering.

On May 31, 2017, the Company completed a follow-on public equity offering in which we issued 13,500,000 shares of common stock at a public offering price of $7.10 per share. The net proceeds of this offering were $91.68 million. Members of the Konstantakopoulos family purchased 1,408,451 shares in the offering.

On November 12, 2018, we entered into a Share Purchase Agreement with York to acquire the ownership interest held by York in five Joint Venture entities, which had been formed pursuant to the Framework Deed. The Share Purchase Agreement permitted us, upon serving a share settlement notice at any time within six

months from February 8, 2019, to elect to pay a portion of the consideration under the Share Purchase Agreement in our common stock. On July 25, 2019, we issued 2,883,015 shares of common stock to York at an effective issuance price of $4.72 per share, which then sold the shares to Kent Maritime Investments S.A. (a company wholly owned by our chairman and chief executive officer, Konstantinos Konstantakopoulos), effective July 26, 2019.

Other Transactions

Our chairman and chief executive officer, Konstantinos Konstantakopoulos, owns one containership vessel (which is comparable to two of our vessels) and holds a passive interest in certain companies that own seven containerships comparable to 37 of our vessels (including two vessels acquired under the Framework Deed). Mr. Konstantakopoulos also owns one dry bulk vessel (which is comparable to 16 of our vessels) and holds a minority interest, together with members of his family and third parties, in a business involved in the ownership of four dry bulk vessels (which are comparable to 22 of our vessels). Mr. Konstantakopoulos may acquire additional vessels.

Konstantinos Zacharatos holds a passive minority interest in one company that owns a containership comparable to four of our vessels (including one vessel acquired under the Framework Deed) and may acquire additional vessels.

Other than the containership and dry bulk vessel owned by Konstantinos Konstantakopoulos, which have to give priority chartering to the Company's vessels, these vessels may compete with the Company's vessels for chartering opportunities. These investments were entered into in accordance with the terms of the restrictive covenant agreements referenced above following the review and approval of our Audit Committee and Board of Directors.

On January 7, 2013, Costamare Shipping entered into the Co-operation Agreement with V.Ships Greece, pursuant to which the two companies established the Cell under V.Ships Greece. See ''Item 4. Information on the Company—B. Business Overview—Management of Our Fleet''. The Co-operation Agreement anticipated that the Cell will actively seek to provide ship-management services to third-party owners in order to capitalize on the ship-management expertise of the Cell and the economies of scale brought by the affiliation with V.Group. The Co-operation was terminated on October 16, 2020, whereupon V.Ships Greece remained as manager of the Company's containerships previously managed under the Cell. Additionally, at that time it was decided that V.Ships Greece would gradually take the management of the Company's containerships previously managed by Shanghai Costamare, and that it would appoint V.Ships Shanghai as sub-manager of these containerships. The actual transfer of the management of the 15 out of the 16 vessels that were previously managed by Shanghai Costamare was completed on December 31, 2020. On January 8, 2021, the management of the remaining vessel was fully taken over by V.Ships Shanghai.

Under the Framework Deed entered into in May 2013, as amended and restated in May 2015 and as further amended in June 2018, we agreed with York to invest in newbuild and secondhand container vessels through jointly held companies, thereby increasing our ability to expand our operations while diversifying our risk. After acquiring a number of both newbuild and secondhand container vessels, the commitment period ended on May 15, 2020. The Framework Deed itself, will terminate on May 15, 2024, or upon the occurrence of certain extraordinary events as described therein. As part of the Framework Deed, we hold a minority stake in the Joint Venture vessels. Four of our containerships have been acquired pursuant to the Framework Deed. Each vessel is a cellular containership, meaning it is a dedicated container vessel. See ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction''.

Costamare Shipping has entered into separate management agreements with each Joint Venture entity pursuant to which Costamare Shipping provides technical, crewing, commercial, provisioning, bunkering, accounting, sale and purchase, insurance and general and administrative services directly or together with V.Ships Greece directly or, upon being directed to do so, through V.Ships Shanghai. During the year ended December 31, 2021, Costamare Shipping charged in aggregate to Joint Venture entities the amount of $2.8 million for services provided in accordance with the respective management agreements.

On January 1, 2018, Costamare Shipping entered into the Brokerage Agreement with Blue Net, as amended from time to time, which provides chartering brokerage services to our containerships and to the containerships acquired pursuant to the Framework Deed, as well as to other third party containerships. Our chairman and chief

executive officer, Konstantinos Konstantakopoulos, indirectly controls 50% of Blue Net. Blue Net provided until August 2021 chartering brokerage services in exchange for a fee to the vessels belonging to a chartering pool which included one of our vessels. In addition, on March 31, 2020, Costamare Shipping agreed, on behalf of the owners of five vessels it manages, to pay Blue Net Asia, a company indirectly 50% controlled by our chairman and chief executive officer, a commission of 1.25% of the gross daily hire earned from the charters arranged by Blue Net Asia for such five vessels. Blue Net does not provide its services to the five vessels for which charter brokerage services are being provided by Blue Net Asia.

Procedures for Review and Approval of Related Party Transactions

Related party transactions, which for purposes of review and approval, means transactions in which the Company or one of its subsidiaries is a participant and any of the Company's directors, nominees for director, executive officers, employees, significant stockholders or members of their immediate families (other than immediate family members of employees who are not executive officers) have a direct or indirect interest, will be subject to review and approval or ratification by the board of directors and the audit committee, and will be evaluated pursuant to procedures established by the board of directors.

Where appropriate, such transactions will be subject to the approval of our independent directors, including appropriate matters arising under the Framework Agreement and Services Agreement, such as the amendment and restatement of such agreement, matters arising under the restrictive covenant agreements, such as waivers of the restrictions thereunder, and any other agreements with entities controlled by our chairman and chief executive officer.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See "Item 18. Financial Statements" below.

Legal Proceedings

We have not been involved in any legal proceedings that we believe may have 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, principally property damage and personal injury claims. We expect that these claims would be covered by insurance, subject to customary deductibles. However, those claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

Preferred Stock Dividend Requirements

Dividends on Preferred Stock are payable quarterly on each of January 15, April 15, July 15 and October 15, as and if declared by our board of directors out of legally available funds for such purpose. The dividend rate for the Series B Preferred Stock is 7.625% per annum per $25.00 of liquidation preference per share (equal to $1.90625 per annum per share). The dividend rate for the Series C Preferred Stock is 8.50% per annum per $25.00 of liquidation preference per share (equal to $2.125 per annum per share). The dividend rate for the Series D Preferred Stock is 8.75% per annum per $25.00 of liquidation preference per share (equal to $2.1875 per annum per share). The dividend rate for the Series E Preferred Stock is 8.875% per annum per $25.00 of liquidation preference per share (equal to $2.21875 per annum per share). The dividend rates are not subject to adjustment.

We paid dividends to holders of our Preferred Stock as per the table below:

Payment Date	Preferred Series B amount paid per share	Preferred Series C amount paid per share	Preferred Series D amount paid per share	Preferred Series E amount paid per share
October 15, 2013	$0.365400	—	—	—
January 15, 2014	$0.476563	—	—	—
April 15, 2014	$0.476563	$0.495833	—	—
July 15, 2014	$0.476563	$0.531250	—	—
October 15, 2014	$0.476563	$0.531250	—	—
January 15, 2015	$0.476563	$0.531250	—	—
April 15, 2015	$0.476563	$0.531250	—	—
July 15, 2015	$0.476563	$0.531250	$0.376736	—
October 15, 2015	$0.476563	$0.531250	$0.546875	—
January 15, 2016	$0.476563	$0.531250	$0.546875	—
April 15, 2016	$0.476563	$0.531250	$0.546875	—
July 15, 2016	$0.476563	$0.531250	$0.546875	—
October 17, 2016	$0.476563	$0.531250	$0.546875	—
January 17, 2017	$0.476563	$0.531250	$0.546875	—
April 17, 2017	$0.476563	$0.531250	$0.546875	—
July 17, 2017	$0.476563	$0.531250	$0.546875	—
October 16, 2017	$0.476563	$0.531250	$0.546875	—
January 16, 2018	$0.476563	$0.531250	$0.546875	—
April 16, 2018	$0.476563	$0.531250	$0.546875	$0.462240
July 16, 2018	$0.476563	$0.531250	$0.546875	$0.554688
October 15, 2018	$0.476563	$0.531250	$0.546875	$0.554688
January 15, 2019	$0.476563	$0.531250	$0.546875	$0.554688
April 15, 2019	$0.476563	$0.531250	$0.546875	$0.554688
July 15, 2019	$0.476563	$0.531250	$0.546875	$0.554688

Payment Date	Preferred Series B amount paid per share	Preferred Series C amount paid per share	Preferred Series D amount paid per share	Preferred Series E amount paid per share
October 15, 2019	$0.476563	$0.531250	$0.546875	$0.554688
January 15, 2020	$0.476563	$0.531250	$0.546875	$0.554688
April 15, 2020	$0.476563	$0.531250	$0.546875	$0.554688
July 15, 2020	$0.476563	$0.531250	$0.546875	$0.554688
October 15, 2020	$0.476563	$0.531250	$0.546875	$0.554688
January 15, 2021	$0.476563	$0.531250	$0.546875	$0.554688
April 15, 2021	$0.476563	$0.531250	$0.546875	$0.554688
July 15, 2021	$0.476563	$0.531250	$0.546875	$0.554688
October 15, 2021	$0.476563	$0.531250	$0.546875	$0.554688
January 18, 2022	$0.476563	$0.531250	$0.546875	$0.554688

Our Preferred Stock dividend payment obligations impact our future liquidity needs.

Common Stock Dividend Policy

We paid our first cash dividend since becoming a public company in November 2010 on February 4, 2011 in an amount of $0.25 per share of common stock. We have subsequently paid dividends to holders of our common stock of $0.25 per share on May 12, 2011 and August 9, 2011, $0.27 per share on November 7, 2011, February 8, 2012, May 9, 2012, August 7, 2012, November 6, 2012, February 13, 2013, May 8, 2013, August 7, 2013, November 6, 2013 and February 4, 2014, $0.28 per share on May 13, 2014, August 6, 2014, November 5, 2014 and February 4, 2015, $0.29 per share on May 6, 2015, August 5, 2015, November 4, 2015, February 4, 2016, May 4, 2016 and August 17, 2016 and $0.10 per share on November 4, 2016, February 6, 2017, May 8, 2017, August 7, 2017, November 6, 2017, February 6, 2018, May 8, 2018, August 8, 2018, November 8, 2018, February 7, 2019, May 8, 2019, August 7, 2019, November 7, 2019, February 5, 2020, May 7, 2020, August 7, 2020, November 5, 2020, February 5, 2021 and May 6, 2021, and $0.115 per share on August 5, 2021, November 5, 2021 and February 7, 2022.

On July 6, 2016, we implemented the Dividend Reinvestment Plan. The Dividend Reinvestment Plan offers holders of our common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in our common stock. Participation in the Dividend Reinvestment Plan is optional, and shareholders who decide not to participate in the Dividend Reinvestment Plan will continue to receive cash dividends, as declared and paid in the usual manner. On February 5, 2021, May 6, 2021, August 5, 2021, November 5, 2021, and February 7, 2022, we issued 362,866 shares, 275,457 shares, 322,274 shares, 265,469 shares and 274,939 shares, respectively, pursuant to the Dividend Reinvestment Plan. Our Chairman and CEO, Konstantinos Konstantakopoulos, reinvested all his cash dividends on the aforementioned dates.

We currently intend to pay dividends in amounts that will allow us to retain a portion of our cash flows to fund vessel, fleet or company acquisitions that we expect to be accretive to earnings, and cash flows and for debt repayment and dry—docking costs, as determined by management and our board of directors. Declaration and payment of any dividend is subject to the discretion of our board of directors and the requirements of Marshall Islands law. The timing and amount of dividend payments will be dependent upon our earnings, financial condition, cash requirements and availability, fleet renewal and expansion, restrictions in our credit facilities, the provisions of Marshall Islands law affecting the payment of distributions to stockholders and other factors. We cannot assure you that we will pay regular quarterly dividends in the amounts stated above or elsewhere in this annual report, and dividends may be reduced or discontinued at any time at the discretion of our board of directors. Our ability to pay dividends may be limited by the amount of cash we can generate from operations following the payment of fees and expenses and the establishment of any reserves, as well as additional factors unrelated to our profitability. We are a holding company, and we depend on the ability of our subsidiaries to distribute funds to us in order to satisfy our financial obligations and to make dividend payments.

Set out below is a table showing the dividends and distributions paid in 2017, 2018, 2019, 2020 and 2021.

	Year Ended December 31,					
	2017	2018	2019	2020	2021	Total
	(Expressed in millions of U.S. dollars)					
Common Stock dividends paid	$16.7	$20.9	$27.4	$34.3	$40.2	$139.5
Common Stock dividends paid in shares under the Dividend Reinvestment Plan	22.8	23.1	18.5	13.8	12.6	90.8
Preferred Stock dividends paid	21.1	28.3	31.3	31.2	31.1	143.0
Total	$60.6	$72.3	$77.2	$79.3	$83.9	$373.3

B. Significant Changes

See "Item 18. Financial Statements—Note 22. Subsequent Events" below.

ITEM 9. THE OFFER AND LISTING

Our common stock is listed for trading on the New York Stock Exchange under the symbol "CMRE".

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Under our articles of incorporation, our authorized capital stock consists of 1,000,000,000 shares of common stock, par value $0.0001 per share, of which, as of December 31, 2021, 123,985,104 shares were issued and outstanding, and 100,000,000 shares of preferred stock, par value $0.0001 per share, issuable in series of which, as of December 31, 2021: no shares of Series A Preferred Stock were issued and outstanding, although 10,000,000 shares have been designated Series A Participating Preferred Stock in connection with our adoption of a stockholder rights plan as described below under ''—Stockholder Rights Plan''; 2,000,000 shares of Series B Preferred Stock were issued and 1,970,649 are outstanding; 4,000,000 shares of Series C Preferred Stock were issued and 3,973,135 are outstanding; 4,000,000 shares of Series D Preferred Stock were issued and 3,986,542 are outstanding; and 4,600,000 shares of Series E Preferred Stock were issued and 4,574,100 are outstanding. All of our shares of stock are in registered form.

Please see Note 15 to our consolidated financial statements included elsewhere in this annual report for a discussion of the recent history of our share capital.

B. Memorandum and Articles of Association

Our purpose, as stated in our articles of incorporation, is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the BCA. Our articles of incorporation and bylaws do not impose any limitations on the ownership rights of our stockholders.

Under our bylaws, annual stockholder meetings will be held at a time and place selected by our board of directors. The meetings may be held inside or outside of the Marshall Islands. Special meetings may be called by the chairman of the board of directors, the chief executive officer or a majority of the board of directors. Our board of directors may set a record date between 15 and 60 days before the date of any meeting to determine the stockholders that will be eligible to receive notice and vote at the meeting. Our bylaws permit stockholder action by unanimous written consent.

We are registered in the Republic of the Marshall Islands at The Trust Company of the Marshall Islands, Inc., Registrar of Corporation for non-resident corporations, under registration number 29593.

Directors

Under our bylaws, our directors are elected by a plurality of the votes cast at each annual meeting of the stockholders by the holders of shares entitled to vote in the election. There is no provision for cumulative voting.

Pursuant to the provisions of our bylaws, the board of directors may change the number of directors to not less than three, nor more than 15, by a vote of a majority of the entire board. Each director shall be elected to serve until the third succeeding annual meeting of stockholders and until his or her successor shall have been duly elected and qualified, except in the event of death, resignation or removal. A vacancy on the board created by death, resignation, removal (which may only be for cause), or failure of the stockholders to elect the entire class of directors to be elected at any election of directors or for any other reason may be filled only by an affirmative vote of a majority of the remaining directors then in office, even if less than a quorum, at any special meeting called for that purpose or at any regular meeting of the board of directors. The board of directors has the authority to fix the amounts which shall be payable to the non-employee members of our board of directors for attendance at any meeting or for services rendered to us.

Common Stock

Each outstanding share of common stock entitles the holder to one vote on all matters submitted to a vote of stockholders. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of shares of common stock are entitled to receive ratably all dividends, if any, declared by our board of directors out of funds legally available for dividends. Upon our dissolution or liquidation or the sale of all or substantially all of our assets, after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of our common stock will be entitled to receive pro rata our remaining assets available for distribution. Holders of common stock do not have conversion, redemption or preemptive rights to subscribe to any of our securities. All outstanding shares of

common stock are fully paid and non-assessable. The rights, preferences and privileges of holders of common stock are subject to the rights of the holders of any shares of preferred stock which we may issue in the future. Our common stock is not subject to any sinking fund provisions and no holder of any shares will be required to make additional contributions of capital with respect to our shares in the future. There are no provisions in our articles of incorporation or bylaws discriminating against a stockholder because of his or her ownership of a particular number of shares.

We are not aware of any limitations on the rights to own our common stock, including rights of non-resident or foreign stockholders to hold or exercise voting rights on our common stock, imposed by foreign law or by our articles of incorporation or bylaws.

Preferred Stock

Our articles of incorporation authorize our board of directors, without any further vote or action by our stockholders, to issue up to 100,000,000 shares of blank check preferred stock, of which 10,000,000 shares have been designated Series A Participating Preferred Stock in connection with our adoption of a stockholder rights plan as described below under ''—Stockholder Rights Plan'', 2,000,000 shares have been designated (currently 1,970,649 shares remain outstanding) Series B Cumulative Redeemable Perpetual Preferred Stock, 4,000,000 shares have been designated (currently 3,973,135 shares remain outstanding) Series C Cumulative Redeemable Perpetual Preferred Stock, 4,000,000 shares have been designated (currently 3,986,542 shares remain outstanding) Series D Cumulative Redeemable Perpetual Preferred Stock and 4,600,000 shares have been designated (currently 4,574,100 shares remain outstanding) Series E Cumulative Redeemable Perpetual Preferred Stock, and to determine, with respect to any series of preferred stock established by our board of directors, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series;
- the preferences and relative, participating, option or other special rights, if any, and any qualifications, limitations or restrictions of such series; and
- the voting rights, if any, of the holders of the series.

Stockholder Rights Plan

Each share of our common stock includes a right that entitles the holder to purchase from us a unit consisting of one- thousandth of a share of our Series A participating preferred stock at a purchase price of $25.00 per unit, subject to specified adjustments. The rights are issued pursuant to a stockholder rights agreement between us and American Stock Transfer & Trust Company, as rights agent. Until a right is exercised, the holder of a right will have no rights to vote or receive dividends or any other stockholder rights.

The rights may have anti-takeover effects. The rights will cause substantial dilution to any person or group that attempts to acquire us without the approval of our board of directors. As a result, the overall effect of the rights may be to render more difficult or discourage any attempt to acquire us. Because our board of directors can approve a redemption of the rights for a permitted offer, the rights should not interfere with a merger or other business combination approved by our board of directors. The adoption of the rights agreement was approved by our existing stockholders prior to our initial public offering in November 2010.

We have summarized the material terms and conditions of the rights agreement and the rights below. For a complete description of the rights, we encourage you to read the stockholder rights agreement, which we have filed as an exhibit to this annual report.

Detachment of rights

The rights are attached to all certificates representing our outstanding common stock and will attach to all common stock certificates we issue prior to the rights distribution date that we describe below. The rights are not exercisable until after the rights distribution date and will expire at the close of business on the tenth anniversary date of the adoption of the rights plan, unless we redeem or exchange them earlier as described below. The rights will separate from the common stock and a rights distribution date will occur, subject to specified exceptions, on the earlier of the following two dates:

- 10 days following the first public announcement that a person or group of affiliated or associated persons or an ''acquiring person'' has acquired or obtained the right to acquire beneficial ownership of 15% or more of our outstanding common stock; or
- 10 business days following the start of a tender or exchange offer that would result, if closed, in a person becoming an ''acquiring person''.

Our controlling stockholders are excluded from the definition of ''acquiring person'' for purposes of the rights, and therefore their ownership or future share acquisitions cannot trigger the rights. Specified ''inadvertent'' owners that would otherwise become an acquiring person, including those who would have this designation as a result of repurchases of common stock by us, will not become acquiring persons as a result of those transactions.

Our board of directors may defer the rights distribution date in some circumstances, and some inadvertent acquisitions will not result in a person becoming an acquiring person if the person promptly divests itself of a sufficient number of shares of common stock.

Until the rights distribution date:

- our common stock certificates will evidence the rights, and the rights will be transferable only with those certificates; and
- any new shares of common stock will be issued with rights, and new certificates will contain a notation incorporating the rights agreement by reference.

As soon as practicable after the rights distribution date, the rights agent will mail certificates representing the rights to holders of record of common stock at the close of business on that date. As of the rights distribution date, only separate rights certificates will represent the rights.

We will not issue rights with any shares of common stock we issue after the rights distribution date, except as our board of directors may otherwise determine.

Flip-in event

A ''flip-in event'' will occur under the rights agreement when a person becomes an acquiring person. If a flip-in event occurs and we do not redeem the rights as described under the heading ''—Redemption of rights'' below, each right, other than any right that has become void, as described below, will become exercisable at the time it is no longer redeemable for the number of shares of common stock, or, in some cases, cash, property or other of our securities, having a current market price equal to two times the exercise price of such right.

If a flip-in event occurs, all rights that then are, or in some circumstances that were, beneficially owned by or transferred to an acquiring person or specified related parties will become void in the circumstances which the rights agreement specifies.

Flip-over event

A ''flip-over event'' will occur under the rights agreement when, at any time after a person has become an acquiring person:

- we are acquired in a merger or other business combination transaction; or
- 50% or more of our assets, cash flows or earning power is sold or transferred.

If a flip-over event occurs, each holder of a right, other than any right that has become void as we describe under the heading ''—Flip-in event'' above, will have the right to receive the number of shares of common stock of the acquiring company having a current market price equal to two times the exercise price of such right.

Antidilution

The number of outstanding rights associated with our common stock is subject to adjustment for any stock split, stock dividend or subdivision, combination or reclassification of our common stock occurring prior to the rights distribution date. With some exceptions, the rights agreement does not require us to adjust the exercise price of the rights until cumulative adjustments amount to at least 1% of the exercise price. It also does not require us to issue fractional shares of our preferred stock that are not integral multiples of one one-hundredth of a share, and, instead, we may make a cash adjustment based on the market price of the common stock on the last trading date prior to the date of exercise. The rights agreement reserves us the right to require, prior to the occurrence of any flip-in event or flip-over event that, on any exercise of rights, a number of rights must be exercised so that we will issue only whole shares of stock.

Redemption of rights

At any time until 10 days after the date on which the occurrence of a flip-in event is first publicly announced, we may redeem the rights in whole, but not in part, at a redemption price of $0.01 per right. The redemption price is subject to adjustment for any stock split, stock dividend or similar transaction occurring before the date of redemption. At our option, we may pay that redemption price in cash, shares of common stock or any other consideration our board of directors may select. The rights are not exercisable after a flip-in event until they are no longer redeemable. If our board of directors timely orders the redemption of the rights, the rights will terminate on the effectiveness of that action.

Exchange of rights

We may, at our option, exchange the rights (other than rights owned by an acquiring person or an affiliate or an associate of an acquiring person, which have become void), in whole or in part. The exchange must be at an exchange ratio of one share of common stock per right, subject to specified adjustments at any time after the occurrence of a flip-in event and prior to:

- any person other than our existing stockholder becoming the beneficial owner of common stock with voting power equal to 50% or more of the total voting power of all shares of common stock entitled to vote in the election of directors; or
- the occurrence of a flip—over event.

Amendment of terms of rights

While the rights are outstanding, we may amend the provisions of the rights agreement only as follows:

- to cure any ambiguity, omission, defect or inconsistency;
- to make changes that do not adversely affect the interests of holders of rights, excluding the interests of any acquiring person; or
- to shorten or lengthen any time period under the rights agreement, except that we cannot change the time period when rights may be redeemed or lengthen any time period, unless such lengthening protects, enhances or clarifies the benefits of holders of rights other than an acquiring person.

At any time when no rights are outstanding, we may amend any of the provisions of the rights agreement, other than decreasing the redemption price.

Dissenters' Rights of Appraisal and Payment

Under the BCA, our stockholders have the right to dissent from various corporate actions, including any merger or sale of all, or substantially all, of our assets not made in the usual course of our business, and receive payment of the fair value of their shares. In the event of any amendment of our articles of incorporation, a stockholder 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 stockholder must follow the procedures set forth in the BCA to receive payment. In the event that we and any dissenting stockholder 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 our shares are primarily traded on a local or national securities exchange. The value of the shares of the dissenting stockholder is fixed by the court after reference, if the court so elects, to the recommendations of a court-appointed appraiser.

Stockholders' Derivative Actions

Under the BCA, any of our stockholders may bring an action in our name to procure a judgment in our favor, also known as a derivative action; *provided* that the stockholder bringing the action is a holder of common stock both at the time the derivative action is commenced and at the time of the transaction to which the action relates. A complaint shall set forth with particularity the efforts of the plaintiff to secure the initiation of such action by the Board of Directors or the reasons for not making such effort.

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 stockholders for monetary damages for breaches of directors' fiduciary duties. Our articles of incorporation include a provision that eliminates the personal liability of directors for monetary damages for actions taken as a director to the fullest extent permitted by law.

Our bylaws provide that we must indemnify our directors and officers to the fullest extent authorized by law. We are also expressly authorized to advance certain expenses (including attorneys' fees and disbursements and court costs) to our directors and officers and carry directors' and officers' insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe 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 our articles of incorporation and bylaws may discourage stockholders 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 us and our stockholders. In addition, stockholders' investments may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Anti-Takeover Effect of Certain Provisions of Our Articles of Incorporation and Bylaws

Several provisions of our articles of incorporation and bylaws, which are summarized in the following paragraphs, may have anti-takeover effects. These provisions are intended to avoid costly takeover battles, lessen our vulnerability to a hostile change of control and enhance the ability of our board of directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these anti-takeover provisions could also delay, defer or prevent (a) the merger or acquisition of our company by means of a tender offer, a proxy contest or otherwise that a stockholder might consider in its best interest, including attempts that may result in a premium over the market price for the shares held by the stockholders, and (b) the removal of incumbent officers and directors.

Blank check preferred stock

Under the terms of our articles of incorporation, our board of directors has authority, without any further vote or action by our stockholders, to issue up to 100,000,000 shares of blank check preferred stock, of which 10,000,000 shares have been designated Series A Participating Preferred Stock, in connection with our adoption of a stockholder rights plan as described above under ''—Stockholder Rights Plan'', 2,000,000 shares have been designated Series B Cumulative Redeemable Perpetual Preferred Stock, 4,000,000 shares have been designated Series C Cumulative Redeemable Perpetual Preferred Stock, 4,000,000 shares have been designated Series D Cumulative Redeemable Perpetual Preferred Stock and 4,600,000 shares have been designated Series E Cumulative Redeemable Perpetual Preferred Stock. Our board of directors may issue shares of preferred stock on terms calculated to discourage, delay or prevent a change of control of our company or the removal of our management.

Classified board of directors

Our articles of incorporation provide for a board of directors serving staggered, three-year terms. Approximately one-third of our board of directors will be elected each year. This classified board provision could discourage a third party from making a tender offer for our shares or attempting to obtain control of our company. It could also delay stockholders who do not agree with the policies of the board of directors from removing a majority of the board of directors for two years.

Election and removal of directors

Our articles of incorporation prohibit cumulative voting in the election of directors. Our bylaws require parties other than the board of directors to give advance written notice of nominations for the election of directors. Our articles of incorporation and bylaws also provide that our directors may be removed only for cause. These provisions may discourage, delay or prevent the removal of incumbent officers and directors.

Holders of the Preferred Stock generally have no voting rights except (1) in respect of amendments to the Articles of Incorporation which would adversely alter the preferences, powers or rights of the Preferred Stock or (2) in the event that the Company proposes to issue any parity stock if the cumulative dividends payable on outstanding Preferred Stock are in arrears or any senior stock. However, if and whenever dividends payable on the Preferred Stock are in arrears for six or more quarterly periods, whether or not consecutive, holders of Preferred Stock (for this purpose the Series B, Series C, Series D and Series E Preferred Stock will vote together as a single class with all other classes or series of parity stock upon which like voting rights have been conferred and are exercisable) will be entitled to elect one additional director to serve on our board of directors, and the size of our board of directors will be increased as needed to accommodate such change (unless the size of our board of directors already has been increased by reason of the election of a director by holders of parity stock upon which like voting rights have been conferred and with which the Preferred Stock voted as a class for the election of such director). The right of such holders of Preferred Stock to elect a member of our board of directors will continue until such time as all accumulated and unpaid dividends on the Preferred Stock have been paid in full.

Calling of special meeting of stockholders

Our articles of incorporation and bylaws provide that special meetings of our stockholders may only be called by our chairman of the board of directors, chief executive officer or by either, at the request of a majority of our board of directors.

Advance notice requirements for stockholder proposals and director nominations

Our bylaws provide that stockholders seeking to nominate candidates for election as directors or to bring business before an annual meeting of stockholders must provide timely notice of their proposal in writing to the corporate secretary.

Generally, to be timely, a stockholder's notice must be received at our offices not less than 90 days nor more than 120 days prior to the first anniversary date of the previous year's annual meeting. Our bylaws also specify requirements as to the form and content of a stockholder's notice. These provisions may impede stockholders' ability to bring matters before an annual meeting of stockholders or to make nominations for directors at an annual meeting of stockholders.

C. Material Contracts

The following is a summary of each material contract outside the ordinary course of business to which we are a party. Such summaries are not intended to be complete and reference is made to the contracts themselves, which are exhibits to this annual report.

(a) Restrictive Covenant Agreement dated November 3, 2010, as amended and restated on July 1, 2021 between Costamare Inc. and Konstantinos Konstantakopoulos, please see "Item 7. Major Shareholders and Related Party Transactions—Related Party Transactions—Restrictive Covenant Agreements".

(b) Stockholder Rights Agreement dated October 19, 2010, between Costamare Inc. and American Stock Transfer & Trust Company, LLC, as Rights Agent. For a description of the Stockholder Rights Agreement, please see "Item 10. Additional Information—B. Memorandum and Articles of Association—Stockholder Rights Plan".

(c) Trademark License Agreement dated November 3, 2010 as amended and restated on March 14, 2022 between Costamare Inc. and Costamare Shipping Company S.A., please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Trademark License Agreement''.

(d) Restrictive Covenant Agreement dated July 24, 2012, between Costamare Inc. and Konstantinos Zacharatos, please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Restrictive Covenant Agreements''.

(e) Framework Deed dated May 15, 2013, as amended and restated on May 18, 2015, between Sparrow Holdings, L.P., York Capital Management Global Advisors LLC, Costamare Inc. and Costamare Ventures Inc., please see ''Item 4. Information on the Company—B. Business Overview—Our Fleet, Acquisitions and Vessels Under Construction—Framework Deed''.

(f) Services Agreement dated November 2, 2015, as amended and restated on June 28, 2021, by and between the subsidiaries of Costamare Inc. set out in Schedule A thereto and Costamare Shipping Services Ltd., please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management and Services Agreement''.

(g) Amended and Restated Registration Rights Agreement dated as of November 27, 2015, between Costamare Inc. and the Stockholders named therein, please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Registration Rights Agreement''.

(h) Agreement Regarding Charter Brokerage dated January 1, 2018, by and between Costamare Shipping Company S.A. and Blue Net Chartering GmbH & Co. KG., please see ''Item 4. Information on the Company—B. Business Overview—Chartering of Our Fleet''.

(i) Framework Agreement dated November 2, 2015, as amended and restated on January 17, 2020, and as further amended and restated on June 28, 2021, by and between Costamare Inc. and Costamare Shipping Company S.A., please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Management and Services Agreement''.

(j) Longshaw Agreement dated June 14, 2021, by and between Costamare Inc. and Longshaw Maritime Investments S.A., please see ''Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Longshaw Share Purchase Agreement''.

D. Exchange Controls and Other Limitations Affecting Security Holders

Under Marshall Islands law, there are currently no restrictions on the export or import of capital, including foreign exchange controls or restrictions that affect the remittance of dividends, interest or other payments to non-resident holders of our common stock.

MARSHALL ISLANDS COMPANY CONSIDERATIONS

Our corporate affairs are governed by our articles of incorporation and bylaws and by the BCA. The provisions of the BCA resemble provisions of the corporation laws of a number of states in the United States. For example, the BCA allows the adoption of various anti-takeover measures such as shareholder ''rights'' plans. While the BCA also provides that it is to be interpreted according to the laws of the State of Delaware and other states with substantially similar legislative provisions, there have been few, if any, Marshall Islands' court cases interpreting the BCA. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as United States courts and you may have more difficulty in protecting your interests in the face of actions by the management, directors or controlling shareholders than would shareholders of a corporation incorporated in a United States jurisdiction that has developed a substantial body of case law. The following table provides a comparison between the statutory provisions of the BCA and the Delaware General Corporation Law relating to shareholders' rights.

Marshall Islands	Delaware
Shareholder Meetings	
Held at a time and place as designated in the bylaws.	May be held at such time or place as designated in the certificate of incorporation or the bylaws, or if not so designated, as determined by the Board of Directors.
May be held in or outside of the Marshall Islands.	May be held in or outside of Delaware.
• Whenever shareholders are required to take action at a meeting, written notice shall state the place, date and hour of the meeting, and unless it is the annual meeting, indicates that it is being issued by or at the direction of the person calling the meeting, and if such meeting is a special meeting such notice shall also state the purpose for which it is being called.	• Whenever shareholders are required to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, and the means of remote communication, if any.
• A copy of the notice of any meeting shall be given personally, sent by mail or by electronic transmission not less than 15 nor more than 60 days before the date of the meeting.	• Written notice shall be given not less than 10 nor more than 60 days before the meeting.
Shareholder's Voting Rights	
Any action required to be taken by a meeting of shareholders may be taken without a meeting if consent is in writing, sets forth the action so taken and is signed by all the shareholders entitled to vote or if the articles of incorporation so provide, by holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.	With limited exceptions, shareholders may act by written consent to elect directors.
Any person authorized to vote may authorize another person to act for him or her by proxy.	Any person authorized to vote may authorize another person or persons to act for him or her by proxy.
Unless otherwise provided in the articles of incorporation or bylaws, a majority of shares entitled to vote constitutes a quorum. In no event shall a quorum consist of fewer than one-third of the shares entitled to vote at a meeting.	For stock corporations, the certificate of incorporation or bylaws may specify the number to constitute a quorum, but in no event shall a quorum consist of less than one third of shares entitled to vote at a meeting. In the absence of such specifications, a majority of shares entitled to vote shall constitute a quorum.
When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any shareholders.	When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any shareholders.
The articles of incorporation may provide for cumulative voting in the election of directors.	The certificate of incorporation may provide for cumulative voting.
Any two or more domestic corporations may merge into a single corporation if approved by the board and if authorized by the vote of the majority of holders of outstanding shares entitled to vote at a shareholder meeting.	Any two or more corporations existing under the laws of the state may merge into a single corporation pursuant to a board resolution and upon the majority vote by shareholders of each constituent corporation at an annual or special meeting.

Marshall Islands	Delaware
Any sale, lease, exchange or other disposition of all or substantially all the assets of a corporation, if not made in the corporation's usual or regular course of business, once approved by the board, shall be authorized by the affirmative vote of two-thirds of the shares of those entitled to vote at a shareholder meeting.	Every corporation may at any meeting of the board sell, lease or exchange all or substantially all of its property and assets as its board deems expedient and for the best interests of the corporation when so authorized by a resolution adopted by the holders of a majority of the outstanding stock of a corporation entitled to vote.
Any domestic corporation owning at least 90% of the outstanding shares of each class of another domestic corporation may merge such other corporation into itself without the authorization of the shareholders of any corporation.	Any corporation owning at least 90% of the outstanding shares of each class of another corporation may merge the other corporation into itself and assume all of its obligations without the vote or consent of shareholders; however, in case the parent corporation is not the surviving corporation, the proposed merger shall be approved by a majority of the outstanding stock of the parent corporation entitled to vote at a duly called shareholder meeting.
Any mortgage, pledge of or creation of a security interest in all or any part of the corporate property may be authorized without the vote or consent of the shareholders, unless otherwise provided for in the articles of incorporation.	Any mortgage or pledge of a corporation's property and assets may be authorized without the vote or consent of shareholders, except to the extent that the certificate of incorporation otherwise provides.
Directors	
The board of directors must consist of at least one member.	The board of directors must consist of at least one member.
Number of members can be changed by an amendment to the bylaws, by the shareholders, or by action of the board pursuant to the bylaws.	Number of board members shall be fixed by the bylaws, unless the certificate of incorporation fixes the number of directors, in which case a change in the number shall be made only by amendment of the certificate of incorporation.
If the board of directors is authorized to change the number of directors, it can only do so by a majority of the entire board and so long as no decrease in the number shall shorten the term of any incumbent director.	
Removal:	Removal:
• Any or all of the directors may be removed for cause by vote of the shareholders.	– Any or all of the directors may be removed, with or without cause, by the holders of a majority of the shares entitled to vote unless the certificate of incorporation otherwise provides.
• If the articles of incorporation or the bylaws so provide, any or all of the directors may be removed without cause by vote of the shareholders	• In the case of a classified board, shareholders may effect removal of any or all directors only for cause.
Dissenter's Rights of Appraisal	
With limited exceptions, appraisal rights shall be available for the shares of any class or series of stock of a corporation in a merger or consolidation.	With limited exceptions, appraisal rights shall be available for the shares of any class or series of stock of a corporation in a merger or consolidation.

Marshall Islands	Delaware
A holder of any adversely affected shares who does not vote on, or consent in writing to, an amendment to the articles of incorporation has the right to dissent and to receive payment for such shares if the amendment • alters or abolishes any preferential right of any outstanding shares having preference; • creates, alters, or abolishes any provision or right in respect to the redemption of any outstanding shares; • alters or abolishes any preemptive right of such holder to acquire shares or other securities; or • excludes or limits the right of such holder to vote on any matter, except as such right may be limited by the voting rights given to new shares then being authorized of any existing or new class.	The certificate of incorporation may provide that appraisal rights are available for shares as a result of an amendment to the certificate of incorporation, any merger or consolidation or the sale of all or substantially all of the assets.
Shareholder's Derivative Actions	
An action may be brought in the right of a corporation to procure a judgment in its favor, by a holder of shares or of voting trust certificates or of a beneficial interest in such shares or certificates. It shall be made to appear that the plaintiff is such a holder at the time of bringing the action and that he was such a holder at the time of the transaction of which he complains, or that his shares or his interest therein devolved upon him by operation of law. Complaint shall set forth with particularity the efforts of the plaintiff to secure the initiation of such action by the board of directors or the reasons for not making such effort. Such action shall not be discontinued, compromised or settled, without the approval of the High Court of the Marshall Islands Reasonable expenses, including attorneys' fees, may be awarded if the action is success Corporation may require a plaintiff bringing a derivative suit to give security for reasonable expenses if the plaintiff owns less than 5% of any class of stock and the shares have a value of less than $50,000.	In any derivative suit instituted by a shareholder of a corporation, it shall be averred in the complaint that the plaintiff was a shareholder of the corporation at the time of the transaction of which he complains or that such shareholder's stock thereafter devolved upon such shareholder by operation of law.

E. Tax Considerations

Marshall Islands Tax Considerations

We are a non-resident domestic Marshall Islands corporation. Because we do not, and we do not expect that we will, conduct business or operations in the Marshall Islands, under current Marshall Islands law we are not subject to tax on income or capital gains and our stockholders (so long as they are not citizens or residents of the Marshall Islands) will not be subject to Marshall Islands taxation or withholding on dividends and other distributions (including upon a return of capital) we make to our stockholders. In addition, so long as our stockholders are not citizens or residents of the Marshall Islands, our stockholders will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, holding or disposition of our common stock or Preferred Stock, and our stockholders will not be required by the Republic of the Marshall Islands to file a tax return relating to our common stock or Preferred Stock.

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

Liberian Tax Considerations

The Republic of Liberia enacted a new income tax act effective as of January 1, 2001 (the ‘‘New Act’’). In contrast to the income tax law previously in effect since 1977, the New Act does not distinguish between the taxation of ‘‘non-resident’’ Liberian corporations, such as our Liberian subsidiaries, which conduct no business in Liberia and were wholly exempt from taxation under the prior law, and ‘‘resident’’ Liberian corporations, which conduct business in Liberia and are (and were under the prior law) subject to taxation.

The New Act was amended by the Consolidated Tax Amendments Act of 2011, which was published and became effective on November 1, 2011 (the ‘‘Amended Act’’). The Amended Act specifically exempts from taxation non-resident Liberian corporations such as our Liberian subsidiaries that engage in international shipping (and are not engaged in shipping exclusively within Liberia) and that do not engage in other business or activities in Liberia other than those specifically enumerated in the Amended Act. In addition, the Amended Act made such exemption from taxation retroactive to the effective date of the New Act.

United States Federal Income Tax Considerations

The following discussion of U.S. Federal income tax matters is based on the Code, judicial decisions, administrative pronouncements, and existing and proposed regulations issued by the U.S. Department of the Treasury, all of which are subject to change, possibly with retroactive effect. This discussion does not address any U.S. state or local tax matters. This discussion does not address the tax treatment of U.S. holders (as defined below) which own directly, indirectly or constructively 10% or more of our shares (as measured by vote or value). You are encouraged to consult your own tax advisor regarding the particular United States Federal, state and local and foreign income and other tax consequences of acquiring, owning and disposing of our common stock or Preferred Stock that may be applicable to you.

Taxation of Our Shipping Income

Subject to the discussion of ‘‘effectively connected’’ income below, unless exempt from U.S. Federal income tax under the rules contained in Section 883 of the Code and the Treasury Regulations promulgated thereunder, a non-U.S. corporation is, under the rules of Section 887 of the Code, subject to a 4% U.S. Federal income tax in respect of its U.S. source gross transportation income (without the allowance for deductions).

For this purpose, U.S. source gross transportation income includes 50% of the shipping income that is attributable to transportation that begins or ends (but that does not both begin and end) in the United States. Shipping income attributable to transportation exclusively between non-U.S. ports is generally not subject to any U.S. Federal income tax.

"Shipping income" means income that is derived from:

(a) the use of vessels;

(b) the hiring or leasing of vessels for use on a time, operating or bareboat charter basis;

(c) the participation in a pool, partnership, strategic alliance, joint operating agreement or other joint venture it directly or indirectly owns or participates in that generates such income; or

(d) the performance of services directly related to those uses.

Under Section 883 of the Code and the Treasury Regulations promulgated thereunder, a non-U.S. corporation will be exempt from U.S. Federal income tax on its U.S. source gross transportation income if:

(a) it is organized in a foreign country (or the "country of organization") that grants an "equivalent exemption" to U.S. corporations; and

(b) either

 (i) more than 50% of the value of its stock is owned, directly or indirectly, by individuals who are "residents" of our country of organization or of another foreign country that grants an "equivalent exemption" to U.S. corporations; or

 (ii) its stock is "primarily and regularly traded on an established securities market" in its country of organization, in another country that grants an "equivalent exemption" to U.S. corporations, or in the United States.

We believe that we have qualified and currently intend to continue to qualify for this statutory tax exemption for the foreseeable future. However, no assurance can be given that this will be the case in the future. If we or our subsidiaries are not entitled to this exemption under Section 883 for any taxable year, we or our subsidiaries would be subject for those years to a 4% U.S. Federal income tax on our U.S. source gross transportation income, subject to the discussion of "effectively connected" income below. Since we expect that no more than 50% of our gross shipping income would be treated as U.S. source gross transportation income, we expect that the effective rate of U.S. Federal income tax on our gross transportation income would not exceed 2%. Many of our time charters contain provisions pursuant to which charterers undertake to reimburse us for the 4% gross basis tax on our U.S. source gross transportation income.

To the extent exemption under Section 883 is unavailable, our U.S. source gross transportation income that is considered to be "effectively connected" with the conduct of a U.S. trade or business would be subject to the U.S. corporate income tax currently imposed at a rate of 21% (net of applicable deductions). In addition, we may be subject to the 30% U.S. "branch profits" tax on earnings effectively connected with the conduct of such trade or business, as determined after allowance for certain adjustments, and on certain interest paid or deemed paid attributable to the conduct of our U.S. trade or business.

Our U.S. source gross transportation income would be considered "effectively connected" with the conduct of a U.S. trade or business only if:

(a) we had, or were considered to have, a fixed place of business in the United States involved in the earning of U.S. source gross transportation income; and

(b) substantially all of our U.S. source gross transportation income was attributable to regularly scheduled transportation, such as the operation of a vessel that followed a published schedule with repeated sailings at regular intervals between the same points for voyages that begin or end in the United States.

We believe that we will not meet these conditions because we will not have, or permit circumstances that would result in us having, such a fixed place of business in the United States or any vessel sailing to or from the United States on a regularly scheduled basis.

In addition, income attributable to transportation that both begins and ends in the United States is not subject to the tax rules described above. Such income is subject to either a 30% gross-basis tax or to U.S. Federal corporate income tax on net income currently imposed at a rate of 21% (and the branch profits tax discussed above). Although there can be no assurance, we do not expect to engage in transportation that produces shipping income of this type.

Taxation of Gain on Sale of Assets

Regardless of whether we qualify for the exemption under Section 883 of the Code, we will not be subject to U.S. Federal income taxation with respect to gain realized on a sale of a vessel, provided the sale is considered to occur outside of the United States (as determined under U.S. tax principles). In general, a sale of a vessel will be considered to occur outside of the United States for this purpose if title to the vessel (and risk of loss with respect to the vessel) passes to the buyer outside of the United States. We expect that any sale of a vessel will be so structured that it will be considered to occur outside of the United States.

Taxation of United States Holders

You are a ''U.S. holder'' if you are a beneficial owner of our common stock or our Preferred Stock and you are (i) a U.S. citizen or resident, (ii) a U.S. corporation (or other U.S. entity taxable as a corporation), (iii) an estate the income of which is subject to U.S. Federal income taxation regardless of its source or (iv) a trust if (x) a court within the United States is able to exercise primary jurisdiction over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of that trust or (y) the trust has a valid election in effect to be treated as a U.S. person for U.S. Federal income tax purposes.

If a partnership holds our common stock or Preferred Stock, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner in a partnership holding our common stock or Preferred Stock, you should consult your tax advisor.

Distributions on Our Common Stock and Preferred Stock

Subject to the discussion of PFICs below, any distributions with respect to our common stock or Preferred Stock that you receive from us will generally constitute dividends, which may be taxable as ordinary income or ''qualified dividend income'' as described below, to the extent of our current or accumulated earnings and profits (as determined under U.S. tax principles). Distributions in excess of our earnings and profits will be treated first as a nontaxable return of capital to the extent of your tax basis in our common stock or Preferred Stock (on a dollar-for-dollar basis) and thereafter as capital gain.

If you are a U.S. corporation (or a U.S. entity taxable as a corporation), you will generally not be entitled to claim a dividends-received deduction with respect to any distributions you receive from us.

Dividends paid with respect to our common stock or Preferred Stock will generally be treated as ''passive category income'' for purposes of computing allowable foreign tax credits for U.S. foreign tax credit purposes.

If you are an individual, trust or estate, dividends you receive from us should be treated as ''qualified dividend income''; *provided* that:

(a) the common stock or Preferred Stock, as the case may be, is readily tradable on an established securities market in the United States (such as the NYSE);

(b) we are not a PFIC for the taxable year during which the dividend is paid or the immediately preceding taxable year (see the discussion below under ''PFIC Status'');

(c) you own our common stock or our Preferred Stock for more than 60 days in the 121-day period beginning 60 days before the date on which the common stock or Preferred Stock becomes ex-dividend;

(d) you are not under an obligation to make related payments with respect to positions in substantially similar or related property; and

(e) certain other conditions are met.

Qualified dividend income is currently taxed at a preferential maximum rate of 15% or 20%, depending on the income level of the taxpayer.

Special rules may apply to any ''extraordinary dividend''. Generally, an extraordinary dividend is a dividend in an amount that is equal to (or in excess of) 10% of your adjusted tax basis (or fair market value in certain circumstances) in a share of our common stock (5% in the case of Preferred Stock). If we pay an extraordinary dividend on our common stock or Preferred Stock that is treated as qualified dividend income and if you are an individual, estate or trust, then any loss derived by you from a subsequent sale or exchange of such common stock or Preferred Stock will be treated as long-term capital loss to the extent of such dividend.

There is no assurance that dividends you receive from us will be eligible for the preferential rates applicable to qualified dividend income. Dividends you receive from us that are not eligible for the preferential rates will be taxed at the ordinary income rates.

Sale, Exchange or Other Disposition of Common Stock and Preferred Stock

Provided that we are not a PFIC for any taxable year, you generally will recognize taxable gain or loss upon a sale, exchange or other disposition of our common stock or Preferred Stock in an amount equal to the difference between the amount realized by you from such sale, exchange or other disposition and your tax basis in such stock. Such gain or loss will be treated as long-term capital gain or loss if your holding period is greater than one year at the time of the sale, exchange or other disposition. Such capital gain or loss will generally be treated as U.S. source income or loss, as applicable, for U.S. foreign tax credit purposes. Your ability to deduct capital losses against ordinary income is subject to limitations.

Unearned Income Medicare Contribution Tax

Each U.S. holder who is an individual, estate or trust will generally be subject to a 3.8% Medicare tax on the lesser of (i) such U.S. holder's "net investment income" for the relevant taxable year and (ii) the excess of such U.S. holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual's circumstances). For this purpose, net investment income generally includes dividends on and capital gains from the sale, exchange or other disposition of our common stock or Preferred Stock, subject to certain exceptions. You are encouraged to consult your own tax advisor regarding the applicability of the Medicare tax to your income and gains from your ownership of our common stock or Preferred Stock.

PFIC Status

Special U.S. Federal income tax rules apply to you if you hold stock in a non-U.S. corporation that is classified as a PFIC for U.S. Federal income tax purposes. In general, we will be treated as a PFIC in any taxable year in which, after applying certain look-through rules, either:

(a) at least 75% of our gross income for such taxable year consists of "passive income" (e.g., dividends, interest, capital gains and rents derived other than in the active conduct of a rental business); or

(b) at least 50% of the average value of our assets during such taxable year consists of "passive assets" (i.e., assets that produce, or are held for the production of, passive income).

For purposes of determining whether we are a PFIC, we will be treated as earning and owning our proportionate share of the income and assets, respectively, of any of our subsidiary corporations in which we own at least 25% of the value of the subsidiary's stock. Income we earned, or are deemed to earn, in connection with the performance of services will not constitute passive income. By contrast, rental income will generally constitute passive income (unless we are treated under certain special rules as deriving our rental income in the active conduct of a trade or business).

There are legal uncertainties involved in determining whether the income derived from time chartering activities constitutes rental income or income derived from the performance of services. In *Tidewater Inc. v. United States*, 565 F.2d 299 (5th Cir. 2009), the Fifth Circuit 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. In published guidance, however, the IRS states that it disagrees with the holding in *Tidewater*, and specifies that time charters should be treated as service contracts. Since we have chartered all our vessels to unrelated charterers on the basis of time charters and since we expect to continue to do so, we believe that we are not now and have never been a PFIC. Our counsel, Cravath, Swaine & Moore LLP, has provided us with an opinion that we should not be a PFIC based on certain representations we made to them, including the representation that Costamare Shipping, which manages the Company's vessels, is not related to any charterer of the vessels, and of certain assumptions made by them, including the assumption that time charters of the Company will be arranged in a manner substantially similar to the terms of its existing time charters. However, we have not sought, and we do not expect to seek, an IRS ruling on this matter. As a result, the IRS or a court could disagree with our position. No assurance can be given that this result will not occur. In addition, although we intend to conduct our affairs in a manner to avoid, to the extent possible, being classified as a PFIC with respect to any taxable year, we cannot assure you that the nature of our operations will not change in the future, or that we can avoid PFIC status in the future.

As discussed below, if we were to be treated as a PFIC for any taxable year, you generally would be subject to one of three different U.S. Federal income tax regimes, depending on whether or not you make certain elections. Additionally, starting in 2013, for each year during which you own our common stock, we are a PFIC and the total value of all PFIC stock that you directly or indirectly own exceeds certain thresholds, you will be required to file IRS Form 8621 with your U.S. Federal income tax return to report your ownership of our common stock.

The PFIC rules are complex, and you are encouraged to consult your own tax advisor regarding the PFIC rules, including the annual PFIC reporting requirement.

Taxation of U.S. Holders That Make a Timely QEF Election

If we were a PFIC and if you make a timely election to treat us as a "Qualifying Electing Fund" for U.S. tax purposes (a "QEF Election"), you would be required to report each year your pro rata share of our ordinary earnings and our net capital gain for our taxable year that ends with or within your taxable year, regardless of whether we make any distributions to you. Such income inclusions would not be eligible for the preferential tax rates applicable to qualified dividend income. Your adjusted tax basis in our common stock or Preferred Stock would be increased to reflect such taxed but undistributed earnings and profits. Distributions of earnings and profits that had previously been taxed would result in a corresponding reduction in your adjusted tax basis in our common stock or Preferred Stock and would not be taxed again once distributed. You would generally recognize capital gain or loss on the sale, exchange or other disposition of our common stock or Preferred Stock. Even if you make a QEF Election for one of our taxable years, if we were a PFIC for a prior taxable year during which you held our common stock or Preferred Stock and for which you did not make a timely QEF Election, you would also be subject to the more adverse rules described below under "Taxation of U.S. Holders That Make No Election". Additionally, to the extent any of our subsidiaries is a PFIC, your election to treat us as a "Qualifying Electing Fund" would not be effective with respect to your deemed ownership of the stock of such subsidiary and a separate QEF Election with respect to such subsidiary is required.

You would make a QEF Election by completing and filing IRS Form 8621 with your U.S. Federal income tax return for the year for which the election is made in accordance with the relevant instructions. If we were to become aware that we were to be treated as a PFIC for any taxable year, we would notify all U.S. holders of such treatment and would provide all necessary information to any U.S. holder who requests such information in order to make the QEF Election described above with respect to us and the relevant subsidiaries.

Taxation of U.S. Holders That Make a Timely "Mark-to-Market" Election

Alternatively, if we were to be treated as a PFIC for any taxable year and, as we believe, our common stock or Preferred Stock is treated as "marketable stock", you would be allowed to make a "mark-to-market" election with respect to our common stock or Preferred Stock, provided you complete and file IRS Form 8621 with your U.S. Federal income tax return for the year for which the election is made in accordance with the relevant instructions. If that election is made, you generally would include as ordinary income in each taxable year the excess, if any, of the fair market value of our common stock or Preferred Stock at the end of the taxable year over your adjusted tax basis in our common stock or Preferred Stock. You also would be permitted an ordinary loss in respect of the excess, if any, of your adjusted tax basis in our common stock or Preferred Stock over its fair market value at the end of the taxable year (but only to the extent of the net amount previously included in income as a result of the mark-to-market election). Your tax basis in our common stock or Preferred Stock would be adjusted to reflect any such income or loss amount. Gain realized on the sale, exchange or other disposition of our common stock or Preferred Stock would be treated as ordinary income, and any loss realized on the sale, exchange or other disposition of the common stock or Preferred Stock would be treated as ordinary loss to the extent that such loss does not exceed the net mark-to-market gains previously included by you. However, to the extent any of our subsidiaries is a PFIC, your "mark-to-market" election with respect to our common stock or Preferred Stock would not apply to your deemed ownership of the stock of such subsidiary.

Taxation of U.S. Holders That Make No Election

Finally, if we were treated as a PFIC for any taxable year and if you did not make either a QEF Election or a "mark-to- market" election for that year, you would be subject to special rules with respect to (a) any excess distribution (that is, the portion of any distributions received by you on our common stock or Preferred Stock in

a taxable year in excess of 125% of the average annual distributions received by you in the three preceding taxable years, or, if shorter, your holding period for our common stock or Preferred Stock) and (b) any gain realized on the sale, exchange or other disposition of our common stock or Preferred Stock. Under these special rules:

(i) the excess distribution or gain would be allocated ratably over your aggregate holding period for our common stock or Preferred Stock;

(ii) 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 such U.S. holder who does not make a QEF or a ''mark-to-market'' election would be taxed as ordinary income; and

(iii) the amount allocated to each of the other taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer 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.

If you died while owning our common stock or Preferred Stock, your successor generally would not receive a step-up in tax basis with respect to such stock for U.S. tax purposes.

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

You are a ''non-U.S. holder'' if you are a beneficial owner of our common stock (other than a partnership for U.S. tax purposes) and you are not a U.S. holder.

Distributions on Our Common Stock and Preferred Stock

You generally will not be subject to U.S. Federal income or withholding taxes on a distribution received from us with respect to our common stock or Preferred Stock, unless the income arising from such distribution is effectively connected with your conduct of a trade or business in the United States. If you are entitled to the benefits of an applicable income tax treaty with respect to that income, such income generally is taxable in the United States only if it is attributable to a permanent establishment maintained by you in the United States as required by such income tax treaty.

Sale, Exchange or Other Disposition of Our Common Stock and Preferred Stock

You generally will not be subject to U.S. Federal income tax or withholding tax on any gain realized upon the sale, exchange or other disposition of our common stock or Preferred Stock, unless:

(a) the gain is effectively connected with your conduct of a trade or business in the United States. If you are entitled to the benefits of an applicable income tax treaty with respect to that gain, that gain generally is taxable in the United States only if it is attributable to a permanent establishment maintained by you in the United States as required by such income tax treaty; or

(b) you are an individual who is present in the United States for 183 days or more during the taxable year of disposition and certain other conditions are met.

Gain that is effectively connected with the conduct of a trade or business in the United States (or so treated) generally will be subject to U.S. Federal income tax, net of certain deductions, at regular U.S. Federal income tax rates. If you are a corporate non-U.S. holder, your earnings and profits that are attributable to the effectively connected income (subject to certain adjustments) may be subject to an additional U.S. branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable tax treaty).

United States Backup Withholding and Information Reporting

In general, if you are a non-corporate U.S. holder, dividend payments (or other taxable distributions) made within the United States will be subject to information reporting requirements and backup withholding tax if you:

(1) fail to provide us with an accurate taxpayer identification number;

(2) are notified by the IRS that you have failed to report all interest or dividends required to be shown on your Federal income tax returns; or

(3) in certain circumstances, fail to comply with applicable certification requirements.

If you are a non-U.S. holder, you may be required to establish your exemption from information reporting and backup withholding by certifying your status on IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-8IMY, as applicable.

If you sell our common stock or Preferred Stock to or through a U.S. office or broker, the payment of the sales proceeds is subject to both U.S. backup withholding and information reporting unless you certify that you are a non-U.S. person, under penalties of perjury, or you otherwise establish an exemption. If you sell our common stock or Preferred Stock through a non-U.S. office of a non-U.S. broker and the sales proceeds are paid to you outside the United States, then information reporting and backup withholding generally will not apply to that payment.

However, U.S. information reporting requirements (but not backup withholding) will apply to a payment of sales proceeds, even if that payment is made outside the United States, if you sell our common stock or Preferred Stock through a non-U.S. office of a broker that is a U.S. person or has certain other connections with the United States. Backup withholding tax is not an additional tax. Rather, you generally may obtain a refund of any amounts withheld under backup withholding rules that exceed your income tax liability by accurately completing and timely filing a refund claim with the IRS.

U.S. individuals and certain entities who hold certain specified foreign assets with values in excess of certain dollar thresholds are required to report such assets on IRS Form 8938 with their U.S. Federal income tax return, subject to certain exceptions (including an exception for foreign assets held in accounts maintained by U.S. financial institutions). Stock in a foreign corporation, including our common stock or Preferred Stock, is a specified foreign asset for this purpose. Penalties apply for failure to properly complete and file Form 8938. You are encouraged to consult with your tax advisor regarding the filing of this form.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the Exchange Act. In accordance with these requirements, we file reports and other information as a foreign private issuer with the SEC. You may obtain copies of all or any part of such materials from the SEC upon payment of prescribed fees. You may also inspect reports and other information regarding registrants, such as us, that file electronically with the SEC without charge at a website maintained by the SEC at *http://www.sec.gov.*

I. Subsidiary Information

Following the acquisition of the equity interest of York in relevant joint venture vessels, we do not have any indebtedness outstanding at Joint Venture entities.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

A. Quantitative Information About Market Risk

The shipping industry is a capital intensive industry, requiring significant amounts of investment. Much of this investment is provided in the form of long-term debt. Our debt usually contains interest rates that fluctuate with the financial markets. Increasing interest rates could adversely impact future earnings.

Our interest expense is affected by changes in the general level of interest rates, particularly LIBOR or any successor reference rate. As an indication of the extent of our sensitivity to interest rate changes, an increase of 100 basis points would have decreased our net income and cash flows during the year ended December 31, 2021 by approximately $8.0 million based upon our debt level during 2021.

The following table sets forth the sensitivity of our long-term debt, including the effect on our consolidated statement of income of our derivative contracts to a 100 basis points increase in LIBOR during the next five years on the same basis.

Net Difference in Earnings and Cash Flows (in millions of U.S. dollars):

Year	Amount
2022	(9.8)
2023	(8.0)
2024	(6.5)
2025	(4.7)
2026	(2.1)

Derivative Financial Instruments

According to our long-term strategic plan to maintain stability in our interest rate exposure, we have decided to minimize our exposure to floating interest rates by entering into interest rate swap agreements. To this effect, we have entered into interest rate swap transactions with varying start and maturity dates, in order to proactively and efficiently manage our floating rate exposure. We have not held or issued derivative financial instruments for trading or other speculative purposes. Furthermore, we enter into cross currency swap agreements and foreign currency exchange agreements to manage our exposure to fluctuations of foreign currencies risks.

ASC 815, ''Derivatives and Hedging'', established accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and for hedging activities. All derivatives are recognized in the consolidated financial statements at their fair value. On the inception date of the derivative contract, and an ongoing basis, and after putting in place the formal documentation required by ASC 815 in order to designate these derivatives as hedging instruments, we designate the derivative as a hedge of a forecasted transaction or the variability of cash flow to be paid. Changes in the fair value of a derivative that is qualified, designated and highly effective as a cash flow hedge is recorded in other comprehensive income until earnings are affected by the forecasted transaction or the variability of cash flow and are then reported in earnings. Changes in the fair value of undesignated derivative instruments and the ineffective portion of designated derivative instruments are reported in earnings in the period in which those fair value changes have occurred.

(a) Interest rate swaps that meet the criteria for hedge accounting: These interest rate swaps are designed to hedge the variability of interest cash flows arising from floating rate debt, attributable to movements in three-month or six-month LIBOR. According to our Risk Management Accounting Policy, after putting in place the formal documentation required by ASC 815 in order to designate these swaps as hedging instruments as from their inception, these interest rate swaps qualified for hedge accounting. Accordingly, only hedge ineffectiveness amounts arising from the differences in the change in fair value of the hedging instrument and the hedged item are recognized in earnings. Assessment and measurement of the effectiveness of these interest rate swaps are performed at each reporting period. For qualifying cash flow hedges, the fair value gain or loss associated with the effective portion of the cash flow hedge is recognized initially in ''Other comprehensive income'' within stockholders' equity and recognized in the consolidated statement of income in the periods when the hedged item affects profit or loss. Any ineffective portion of the gain or loss on the hedging instrument is recognized in the consolidated statement of income immediately.

As of December 31, 2020 and 2021, we had interest rate swap agreements with an outstanding notional amount of $257.3 million and $446.8 million, respectively. The fair value of these interest rate swaps outstanding at December 31, 2020 and 2021, amounted to a liability of $7.1 million and a liability of $0.7 million, respectively, and these are included in the related consolidated balance sheets. The maturity of these interest rate swaps range between February 2022 and March 2031.

(b) Interest rate swaps that do not meet the criteria for hedge accounting: As of December 31, 2020 and 2021, we did not hold any interest rate swaps that did not qualify for hedge accounting.

(c) Cross currency swap agreements that meet the criteria for hedge accounting: We have entered into two cross-currency swap agreements, which converted our variability of the interest and principal payments in Euro into USD functional currency cash flows with specific borrowings, in order to hedge our exposure to fluctuations deriving from Euro. The two cross-currency swaps are designated as cash flow hedging instruments for accounting purposes. As of December 31, 2021, we had two cross-currency swap agreements with a total outstanding notional amount of $122.4 million. The fair value of these cross-currency swap agreements outstanding at December 31, 2021 amounted to a liability of $10.2 million. Both mature in November 2025.

(d) Foreign Currency Exchange Agreements: We generate all of our revenue in U.S. dollars, but a substantial portion of our vessel operating expenses, primarily crew wages, are in currencies other than U.S. dollars (mainly in Euro), and any gain or loss we incur as a result of the U.S. dollar fluctuating in value against those currencies is included in vessel operating expenses. As of December 31, 2021, approximately 17% of our outstanding accounts payable were denominated in currencies other than the U.S. dollar (mainly in Euro). We hold cash and cash equivalents mainly in U.S. dollars.

As of December 31, 2021, the Company was engaged in six Euro/U.S. dollar contracts totaling $15.0 million at an average forward rate of Euro/U.S. dollar 1.1668, expiring in monthly intervals up to June 2022. As of December 31, 2020, the Company was engaged in eight Euro/U.S. dollar contracts totaling $16.0 million at an average forward rate of Euro/U.S. dollar 1.1962 expiring in monthly intervals up to August 2021. As of December 31, 2019, the Company was engaged in three Euro/U.S. dollar contracts totaling $6.0 million at an average forward rate of Euro/U.S. dollar 1.1037 expiring in monthly intervals up to March 2020.

We recognize these financial instruments on our balance sheet at their fair value. These foreign currency forward contracts do not qualify as hedging instruments, and thus we recognize changes in their fair value in our earnings.

Inflation

We do not consider inflation to be a significant risk to our business in the current environment and foreseeable future.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Please see ''Item 5—Operating and Financial Review and Prospects—B. Liquidity and Capital Resources''.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

A. Material Modifications to the Rights of Security Holders

We adopted a stockholder rights plan on October 19, 2010, that authorizes the issuance to our existing stockholders of preferred share rights and additional shares of common stock if any third party seeks to acquire control of a substantial block of our common stock. See ''Item 10. Additional Information—B. Memorandum and Articles of Association—Stockholder Rights Plan'' included in this annual report for a description of the stockholder rights plan.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of December 31, 2021. Based on our evaluation, the chief executive officer and the chief financial officer have concluded that our disclosure controls and procedures were effective as of December 31, 2021.

B. Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act and for the assessment of the effectiveness of internal control over financial reporting. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP.

A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with U.S. GAAP, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In making its assessment of our internal control over financial reporting as of December 31, 2021, management, including the chief executive officer and chief financial officer, used the criteria set forth in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (''COSO'').

Management concluded that, as of December 31, 2021, our internal control over financial reporting was effective. Ernst & Young (Hellas) Certified Auditors Accountants S.A., our independent registered public accounting firm, has audited the financial statements included herein and our internal control over financial reporting and has issued an attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2021, which is incorporated by reference into Item 15.C. below.

C. Attestation Report of the Registered Public Accounting Firm

The attestation report on the Company's internal control over financial reporting issued by the registered public accounting firm that audited the consolidated financial statements, Ernst & Young (Hellas) Certified Auditors Accountants S.A., appears under Item 18 and such report is incorporated herein by reference.

D. Changes in Internal Control Over Financial Reporting

During the period covered by this annual report, we have made no changes to our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

ITEM 16.A. AUDIT COMMITTEE FINANCIAL EXPERT

Our Audit Committee consists of two independent directors, Vagn Lehd Møller and Charlotte Stratos, who is the chairperson of the committee. Our board of directors has determined that Charlotte Stratos, whose biographical details are included in ''Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management'', qualifies as an audit committee financial expert as defined under current SEC regulations.

ITEM 16.B. CODE OF ETHICS

We have adopted a Code of Business Conduct and Ethics for all officers and employees of our Company, a copy of which is posted on our website, and may be viewed at *http://www.costamare.com/ethics.*

We will also provide a paper copy of this document free of charge upon written request by our stockholders. Stockholders may direct their requests to the attention of Anastassios Gabrielides, Secretary, Costamare Inc., 7 rue du Gabian, MC 98000 Monaco. No waivers of the Code of Business Conduct and Ethics have been granted to any person during the fiscal year ended December 31, 2021.

ITEM 16.C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Ernst & Young (Hellas) Certified Auditors Accountants S.A., an independent registered public accounting firm, has audited our annual financial statements acting as our independent auditor for the fiscal years ended December 31, 2020 and 2021.

The chart below sets forth the total amount billed and accrued for Ernst & Young services performed in 2021 and 2020 and breaks down these amounts by the category of service.

	2021	2020
Audit fees	€527,000	€495,000
Audit-related fees	€329,000	€ —
Tax fees	€ 8,906	€ 10,017
All other fees	€ —	€ 40,000
Total fees	€864,906	€545,017

Audit Fees

Audit fees represent compensation for professional services rendered for the audit of the consolidated financial statements of the Company, for the audit of internal control over financial reporting as of December 31, 2021 and 2020 and for the review of the quarterly financial information.

Audit-Related Fees

Audit-related fees represent compensation for professional services rendered that are reasonably related to the performance of the audit or review of financial statements and are not included in ''Audit Fees.''

Tax fees

The full amount of tax fees in 2020 and 2021 relates to tax compliance assurance services in respect of the U.S. tax earnings and profits computation for the years ended December 31, 2020 and December 31, 2021.

All other fees

All other fees in 2020 and 2021 amounted to €40,000 and €0, respectively, and relate to permissible non-audit services. All other fees are approved by the Audit Committee.

Pre-approval Policies and Procedures

The audit committee charter sets forth our policy regarding retention of the independent auditors, giving the audit committee responsibility for the appointment, compensation, retention and oversight of the work of the independent auditors. The audit committee charter provides that the committee is responsible for reviewing and approving in advance the retention of the independent auditors for the performance of all audit and lawfully permitted non-audit services. The chairman of the audit committee or, in the absence of the chairman, any member of the audit committee designated by the chairman, has authority to approve in advance any lawfully permitted non-audit services and fees. The audit committee is authorized to establish other policies and procedures for the pre-approval of such services and fees. Where non-audit services and fees are approved under delegated authority, the action must be reported to the full audit committee at its next regularly scheduled meeting.

ITEM 16.D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16.E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On November 30, 2021, the Board of Directors approved a share repurchase program authorizing total repurchases of us to a maximum of $150 million of our common shares and up to $150 million of our preferred shares. Shares may be purchased from time to time in open market or privately negotiated transactions, or other financial arrangements at times and prices that are considered to be appropriate by the Company. The program may be suspended or discontinued at any time.

The Company has not acquired any common or preferred shares under the share repurchase program.

Set forth below are the common shares purchased or received in 2021 by our chief executive officer and chairman, Konstantinos Konstantakopoulos, and entities controlled by Konstantinos Konstantakopoulos.

Period	Total Number of Common Shares Purchased	Average Price Paid per Share ($)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
January 2021				
February 2021	332,582[(1)]			
March 2021	74,800[(2)]			
April 2021				
May 2021	252,716[(1)]			
June 2021	74,800[(2)]			
July 2021				
August 2021	294,148[(1)]			
September 2021	74,800[(2)]			
	300,000	16.31		
October 2021				
November 2021	240,576[(1)]			
December 2021	74,800[(2)]			
Total	1,719,222			

(1) These shares were issued by the Company pursuant to the Dividend Reinvestment Plan.

(2) These shares were issued to Costamare Services by the Company pursuant to the Services Agreement in exchange for services provided to the Company's vessel-owning subsidiaries.

ITEM 16.F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not Applicable.

ITEM 16.G. CORPORATE GOVERNANCE

Statement of Significant Differences Between our Corporate Governance Practices and the New York Stock Exchange Corporate Governance Standards for U.S. Non-Controlled Issuers

Overview

Pursuant to certain exceptions for foreign private issuers and controlled companies, we are not required to comply with certain of the corporate governance practices followed by U.S. and non-controlled companies under the NYSE listing standards. However, pursuant to Section 303A.11 of the NYSE Listed Company Manual and the requirements of Form 20-F, we are required to state any significant differences between our corporate governance practices and the practices required by the NYSE. We believe that our established practices in the area of corporate governance are in line with the spirit of the NYSE standards and provide adequate protection to our stockholders. The significant differences between our corporate governance practices and the NYSE standards applicable to listed U.S. companies are set forth below.

Independent Directors

Pursuant to NYSE Rule 303A.01, the NYSE requires that listed companies have a majority of independent directors. As permitted under Marshall Islands law and our bylaws, our board of directors consists of a majority of non-independent directors.

Corporate Governance, Nominating and Compensation Committee

NYSE Rules 303A.04 and 303A.05 require that a listed U.S. company have a nominating/corporate governance committee and a compensation committee, each composed entirely of independent directors. As permitted under Marshall Islands law, we have a combined corporate governance, nominating and compensation committee, which at present is composed wholly of two independent directors and one non-independent director.

NYSE Rules 303A.02 and 303A.05, contains independence requirements for compensation committee directors and compensation committee advisers for U.S. listed companies, as required by Dodd-Frank. Marshall Islands law does not have similar requirements, therefore we may not adhere to these new requirements.

Audit Committee

Pursuant to NYSE Rule 303A.07, the NYSE requires that the audit committee of a listed U.S. company have a minimum of three members. As permitted under Marshall Islands law, our audit committee consists of two members.

ITEM 16.H. MINE SAFETY DISCLOSURE

Not Applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

Not Applicable.

ITEM 18. FINANCIAL STATEMENTS

Reference is made to pages F-1 through F-50 included herein by reference.

ITEM 19. EXHIBITS

Exhibit No.	Description
1.1	Second Amended and Restated Articles of Incorporation(1)
1.2	First Amended and Restated Bylaws(1)
2.1	Description of Securities
4.1	Restrictive Covenant Agreement dated November 3, 2010, as amended and restated on July 1, 2021 between Costamare Inc. and Konstantinos Konstantakopoulos(5)
4.2	Form of Stockholders Rights Agreement between Costamare Inc. and American Stock Transfer & Trust Company, LLC(2)
4.3	Trademark License Agreement dated November 3, 2010, as amended and restated on March14, 2022, between Costamare Inc. and Costamare Shipping Company S.A.
4.4	Form of Restrictive Covenant Agreement between Costamare Inc. and Konstantinos Zacharatos(2)
4.5	Framework Deed dated May 15, 2013, as amended and restated on May 18, 2015, between Sparrow Holdings, L.P., York Capital Management Global Advisors LLC, Costamare Inc. and Costamare Ventures Inc.(3)
4.6	Services Agreement dated November 2, 2015, as amended and restated on June 28, 2021 by and between the subsidiaries of Costamare Inc. set out in Schedule A thereto and Costamare Shipping Services Ltd.(6)
4.7	Amended and Restated Registration Rights Agreement dated as of November 27, 2015 between Costamare Inc. and the Stockholders named therein(3)
4.8	Agreement Regarding Charter Brokerage dated January 1, 2018, by and between Costamare Shipping Company S.A. and Blue Net Chartering GmbH & Co. KG(4)
4.9	Framework Agreement dated November 2, 2015, as amended and restated on January 17, 2020, and as further amended and restated on June 28, 2021 by and between Costamare Inc. and Costamare Shipping Company S.A.(5)
4.10	Longshaw Agreement dated June 14, 2021, by and between Costamare Inc. and Longshaw Maritime Investments S.A.*
8.1	List of Subsidiaries of Costamare Inc.
12.1	Rule 13a-14(a)/15d-14(a) Certification of Costamare Inc.'s Chief Executive Officer
12.2	Rule 13a-14(a)/15d-14(a) Certification of Costamare Inc.'s Chief Financial Officer
13.1	Costamare Inc. Certification of Konstantinos Konstantakopoulos, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002
13.2	Costamare Inc. Certification of Gregory Zikos, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002
15.1	Consent of Independent Registered Public Accounting Firm
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

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(1) Previously filed as an exhibit to Costamare Inc.'s Annual Report on Form 20-F for the fiscal year ended December 31, 2012, filed with the SEC on March 1, 2013 and hereby incorporated by reference to such Annual Report.

(2) Previously filed as an exhibit to Costamare Inc.'s Registration Statement on Form F-1 (File No. 333-170033), declared effective by the SEC on November 3, 2010 and hereby incorporated by reference to such Registration Statement.

(3) Previously filed as an exhibit to Costamare Inc.'s Annual Report on Form 20-F for the fiscal year ended December 31, 2015, filed with the SEC on April 27, 2016 and hereby incorporated by reference to such Annual Report.

(4) Previously filed as an exhibit to Costamare Inc.'s Annual Report on Form 20-F for the fiscal year ended December 31, 2018, filed with the SEC on March 7, 2019 and hereby incorporated by reference to such Annual Report.

(5) Previously filed as an exhibit to Costamare Inc.'s Report on Form 6-K, filed with the SEC on August 10, 2021 and hereby incorporated by reference to such Form 6-K.

(6) Previously filed as an exhibit to Costamare Inc.'s Report on Form 6-K, filed with the SEC on August 24, 2021 and hereby incorporated by reference to such Form 6-K.

* Certain portions of this exhibit have been redacted pursuant to Instruction 4(a) as to Exhibits of Form 20-F. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the SEC or its Staff upon request.

The registrant hereby agrees to furnish to the SEC upon request a copy of any instrument relating to long-term debt that does not exceed 10% of the total assets of the Company and its subsidiaries.

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.

COSTAMARE INC.,

By /s/ Konstantinos Konstantakopoulos

Name: Konstantinos Konstantakopoulos

Title: Chief Executive Officer

Dated: March 28, 2022

COSTAMARE INC.
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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Costamare Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Costamare Inc. (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the ''consolidated financial statements''). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 28, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the 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 financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the 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 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 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 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 financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the 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.

	Impairment of vessels (including right-of-use assets)
Description of the Matter	At December 31, 2021, the carrying value of the Company's vessels (including right-of-use assets) was $3,841,495 thousand. As discussed in Notes 2 and 7 to the consolidated financial statements, the Company evaluates its vessels for impairment whenever events or changes in circumstances indicate that the carrying value of a vessel might not be recoverable in accordance with the guidance in ASC 360 – Property, Plant and Equipment. As part of the assessment performed, management analyzes the future undiscounted net operating cash flows expected to be generated throughout the remaining useful life of each vessel and compares it to the carrying value to conclude whether indicators of

impairment exist. Where the vessel's carrying value exceeds the undiscounted net operating cash flows, management will recognize an impairment loss equal to the excess of the carrying value over the fair value of the vessel.

Auditing management's recoverability assessment was complex given the judgement and estimation uncertainty involved in determining the assumption of the future charter rates for non-contracted revenue days when forecasting net operating cash flows. These rates are particularly subjective as they involve the development and use of assumptions about the shipping market through the end of the useful lives of the vessels which are forward looking and subject to the inherent unpredictability of future global economic and market conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding of the Company's impairment process, evaluated the design, and tested the operating effectiveness of the controls over management's recoverability assessment, including the review over the determination of future charter rates for non-contracted revenue days.

We evaluated management's impairment methodology for each vessel against the accounting guidance in ASC 360. To test management's undiscounted net operating cash flow forecasts, our procedures included, among others, comparing the future charter rates used by management for non-contracted revenue days to historical market data from external analysts, historical data for vessels, and recent economic and industry changes. In addition, we performed sensitivity analyses to assess the impact of changes to future charter rates for non-contracted revenue days in the determination of the net operating cash flows. We assessed the adequacy of the Company's disclosures in Notes 2 and 7 to the consolidated financial statements.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

We have served as the Company's auditor since 2009.

Athens, Greece
March 28, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Costamare Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Costamare Inc.'s internal control over financial reporting as of December 31, 2021 based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Costamare Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Costamare Inc. as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and our report dated March 28, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.
Athens, Greece
March 28, 2022

COSTAMARE INC.
Consolidated Balance Sheets
As of December 31, 2020 and 2021
(Expressed in thousands of U.S. dollars)

	December 31, 2020	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 2(e))	$ 143,922	$ 276,002
Restricted cash (Note 2(e))	4,998	8,856
Accounts receivable, net (Note 3)	8,249	20,978
Inventories (Note 6)	10,455	21,365
Due from related parties (Note 3)	1,623	—
Fair value of derivatives (Notes 19 and 20)	460	—
Insurance claims receivable	883	3,970
Time charter assumed (Note 13)	191	198
Accrued charter revenue (Note 13)	—	7,361
Prepayments and other assets	8,853	8,595
Vessels held for sale (Note 7)	12,416	78,799
Total current assets	**192,050**	**426,124**
FIXED ASSETS, NET:		
Right-of-use assets (Note 12)	199,098	191,303
Vessels and advances, net (Note 7)	2,450,510	3,650,192
Total fixed assets, net	**2,649,608**	**3,841,495**
OTHER NON-CURRENT ASSETS:		
Equity method investments (Notes 2 and 10)	78,227	19,872
Accounts receivable, net, non-current (Note 3)	3,896	5,076
Deferred charges, net (Note 8)	27,682	31,859
Restricted cash, non-current (Note 2(e))	42,976	68,670
Time charter assumed, non-current (Note 13)	839	667
Accrued charter revenue, non-current (Note 13)	—	8,183
Fair value of derivatives, non-current (Notes 19 and 20)	—	3,429
Debt securities, held to maturity (Net of allowance for credit losses of $569 as of December 31, 2020) (Note 5)	6,813	—
Other non-current assets (Note 5)	8,425	1,666
Total assets	**$3,010,516**	**$4,407,041**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt, net of deferred financing costs (Note 11)	$ 147,137	$ 272,365
Accounts payable	7,582	18,865
Due to related parties (Note 3)	432	1,694
Finance lease liabilities, net (Note 12)	16,495	16,676
Accrued liabilities	17,621	27,304
Unearned revenue (Note 13)	11,893	23,830
Fair value of derivatives (Notes 19 and 20)	3,440	6,876
Other current liabilities	2,374	2,417
Total current liabilities	**206,974**	**370,027**
NON-CURRENT LIABILITIES:		
Long-term debt, net of current portion and deferred financing costs (Note 11)	1,305,076	2,169,718
Finance lease liabilities, net of current portion (Note 12)	116,366	99,689
Fair value of derivatives, non-current portion (Notes 19 and 20)	3,653	7,841
Unearned revenue, net of current portion (Note 13)	29,627	33,867
Total non-current liabilities	**1,454,722**	**2,311,115**

The accompanying notes are an integral part of these consolidated financial statements.

	December 31, 2020	December 31, 2021
COMMITMENTS AND CONTINGENCIES (Note 14)	—	—
STOCKHOLDERS' EQUITY:		
Preferred stock (Note 15)	—	—
Common stock (Note 15)	12	12
Additional paid-in capital (Note 15)	1,366,486	1,386,636
Retained earnings / (Accumulated deficit)	(9,721)	341,482
Accumulated other comprehensive loss (Notes 19 and 21)	(7,957)	(2,231)
Total stockholders' equity	**1,348,820**	**1,725,899**
Total liabilities and stockholders' equity	**$3,010,516**	**$4,407,041**

The accompanying notes are an integral part of these consolidated financial statements.

COSTAMARE INC.Consolidated
Statements of Operations For the years ended
December 31, 2019, 2020 and 2021
(Expressed in thousands of U.S. dollars, except share and per share data)

	For the years ended December 31,		
	2019	**2020**	**2021**
REVENUES:			
Voyage revenue	$ 478,109	$ 460,319	$ 793,639
EXPENSES:			
Voyage expenses	(5,291)	(7,372)	(13,311)
Voyage expenses-related parties (Note 3)	(5,282)	(6,516)	(11,089)
Vessels' operating expenses	(116,101)	(117,054)	(179,981)
General and administrative expenses	(3,051)	(4,103)	(6,872)
General and administrative expenses – related parties (Note 3)	(6,379)	(6,912)	(9,947)
Management fees-related parties (Note 3)	(21,319)	(21,616)	(29,621)
Amortization of dry-docking and special survey costs (Note 8)	(8,948)	(9,056)	(10,433)
Depreciation (Notes 7, 12 and 21)	(113,462)	(108,700)	(136,958)
Gain / (loss) on sale of vessels, net (Note 7)	(19,589)	(79,120)	45,894
Loss on vessels held for sale (Note 7)	(2,495)	(7,665)	—
Vessels impairment loss (Notes 7 and 8)	(3,042)	(31,577)	—
Foreign exchange gains / (losses)	(27)	(300)	29
Operating income	**173,123**	**60,328**	**441,350**
OTHER INCOME / (EXPENSES):			
Interest income	3,349	1,827	1,587
Interest and finance costs (Note 17)	(89,007)	(68,702)	(86,047)
Swaps breakage cost, net (Note 19)	(16)	(6)	—
Income from equity method investments (Note 10)	11,369	16,195	12,859
Gain on sale of equity securities (Note 5)	—	—	60,161
Dividend income (Note 5)	—	—	1,833
Other, net	784	1,181	4,624
Loss on derivative instruments, net (Note 19)	(603)	(1,946)	(1,246)
Total other expenses, net	**(74,124)**	**(51,451)**	**(6,229)**
Net Income	**$ 98,999**	**$ 8,877**	**$ 435,121**
Earnings allocated to Preferred Stock (Note 16)	(31,269)	(31,082)	(31,068)
Gain on retirement of Preferred Stock (Note 16)	—	619	—
Net income / (loss) available to Common Stockholders	**67,730**	**(21,586)**	**404,053**
Earnings / (losses) per common share, basic and diluted (Note 16)	$ 0.59	$ (0.18)	$ 3.28
Weighted average number of shares, basic and diluted (Note 16)	115,747,452	120,696,130	123,070,730

The accompanying notes are an integral part of these consolidated financial statements.

COSTAMARE INC.
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2019, 2020 and 2021
(Expressed in thousands of U.S. dollars)

	For the years ended December 31,		
	2019	**2020**	**2021**
Net income for the year	**$98,999**	**$ 8,877**	**$435,121**
Other comprehensive income:			
Unrealized gain / (loss) on cash flow hedges, net (Notes 19 and 21)	(5,816)	(6,806)	6,799
Effective portion of changes in fair value of cash flow hedges (Notes 19 and 21)	—	—	(1,136)
Amounts reclassified from Net settlements on interest rate swaps qualifying for hedge accounting to Depreciation (Note 21)	63	63	63
Other comprehensive income / (loss) for the year	**$ (5,753)**	**$(6,743)**	**$ 5,726**
Total comprehensive income for the year	**$93,246**	**$ 2,134**	**$440,847**

The accompanying notes are an integral part of these consolidated financial statements.

COSTAMARE INC.
Consolidated Statements of Stockholders' Equity
For the years ended December 31, 2019, 2020 and 2021
(Expressed in thousands of U.S. dollars, except share and per share data)

	Preferred Stock (Series E)		Preferred Stock (Series D)		Preferred Stock (Series C)		Preferred Stock (Series B)		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income / (Loss)	Retained Earnings/ (Accumulated Deficit)	Total
	# of shares	Par value	# of shares	Par value	# of shares	Par value	# of shares	Par value	# of shares	Par value				
BALANCE, January 1, 2019	**4,600,000**	**$—**	**4,000,000**	**$—**	**4,000,000**	**$—**	**2,000,000**	**$—**	**112,464,230**	**$11**	**$1,313,840**	**$ 4,539**	**$ 38,734**	**$1,357,124**
- Net income	—	—	—	—	—	—	—	—	—	—	—	—	98,999	98,999
- Issuance of common stock (Notes 3 and 15)	—	—	—	—	—	—	—	—	6,668,466	1	37,512	—	—	37,513
- Dividends – Common stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(45,887)	(45,887)
- Dividends – Preferred stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(31,268)	(31,268)
- Other comprehensive loss	—	—	—	—	—	—	—	—	—	—	—	(5,753)	—	(5,753)
BALANCE, December 31, 2019	**4,600,000**	**$—**	**4,000,000**	**$—**	**4,000,000**	**$—**	**2,000,000**	**$ -**	**119,132,696**	**$12**	**$1,351,352**	**$(1,214)**	**$ 60,578**	**$1,410,728**
- Net income	—	—	—	—	—	—	—	—	—	—	—	—	8,877	8,877
- Adoption of new accounting policy (Note 5)	—	—	—	—	—	—	—	—	—	—	—	—	(543)	(543)
- Issuance of common stock (Notes 3 and 15)	—	—	—	—	—	—	—	—	3,027,942	—	17,437	—	—	17,437
-Retirement of Preferred Stock (Note 15)	(25,900)	—	(13,458)	—	(26,865)	—	(29,351)	—	—	—	(2,303)	—	619	(1,684)
- Dividends – Common stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(48,127)	(48,127)
- Dividends – Preferred stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(31,125)	(31,125)
- Other comprehensive loss	—	—	—	—	—	—	—	—	—	—	—	(6,743)	—	(6,743)
BALANCE, December 31, 2020	**4,574,100**	**$—**	**3,986,542**	**$—**	**3,973,135**	**$—**	**1,970,649**	**$—**	**122,160,638**	**$12**	**$1,366,486**	**$(7,957)**	**$ (9,721)**	**$1,348,820**
- Net income	—	—	—	—	—	—	—	—	—	—	—	—	435,121	435,121
- Issuance of common stock (Notes 3 and 15)	—	—	—	—	—	—	—	—	1,824,466	—	20,064	—	—	20,064
- Dividends – Common stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(52,850)	(52,850)
- Dividends – Preferred stock (Note 15)	—	—	—	—	—	—	—	—	—	—	—	—	(31,068)	(31,068)
-Gain from common control transaction (Note 3)	—	—	—	—	—	—	—	—	—	—	86	—	—	86
- Other comprehensive income	—	—	—	—	—	—	—	—	—	—	—	5,726	—	5,726
BALANCE, December 31, 2021	**4,574,100**	**$—**	**3,986,542**	**$—**	**3,973,135**	**$—**	**1,970,649**	**$—**	**123,985,104**	**$12**	**$1,386,636**	**$(2,231)**	**$341,482**	**$1,725,899**

The accompanying notes are an integral part of these consolidated financial statements.

COSTAMARE INC.Consolidated
Statements of Cash Flows For the years ended
December 31, 2019, 2020 and 2021
(Expressed in thousands of U.S. dollars)

	For the years ended December 31,		
	2019	2020	2021
Cash Flows From Operating Activities:			
Net income:	$ 98,999	$ 8,877	$ 435,121
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	113,462	108,700	136,958
Credit loss provision	—	26	(324)
Amortization of debt discount	(851)	(933)	(1,280)
Amortization and write-off of financing costs	4,491	3,645	6,704
Amortization of deferred dry-docking and special survey costs	8,948	9,056	10,433
Amortization of assumed time charter	191	192	(424)
Equity based payments	3,879	3,655	7,414
Gain on sale of equity securities	—	—	(60,161)
Loss on derivative instruments, net	651	1,759	1,246
(Gain) / Loss on sale of vessels, net	19,589	79,120	(45,894)
Loss on vessels held for sale	2,495	7,665	—
Vessels impairment loss	3,042	31,577	—
Income from equity method investments	(11,369)	(16,195)	(12,859)
Changes in operating assets and liabilities:			
Accounts receivable	7,417	3,852	(12,828)
Due from related parties	(2,895)	5,953	3,549
Inventories	474	91	(9,917)
Insurance claims receivable	(2,538)	(1,504)	(4,102)
Prepayments and other	(2,072)	(853)	3,133
Accounts payable	(2,371)	1,367	9,639
Due to related parties	277	(41)	1,261
Accrued liabilities	4,133	3,619	11,892
Unearned revenue	811	1,950	11,347
Other current liabilities	(280)	284	(599)
Dividend from equity method investees	6,295	16,653	6,370
Dry-dockings	(6,280)	(15,481)	(18,882)
Accrued charter revenue	3,893	21,250	(11,303)
Net Cash provided by Operating Activities	**250,391**	**274,284**	**466,494**
Cash Flows From Investing Activities:			
Equity method investments	(55)	—	—
Return of capital from equity method investments	24,530	32,996	8,820
Debt securities capital redemption	—	—	8,183
Proceeds from the settlement of insurance claims	7,407	2,228	1,035
Proceeds from sale of equity securities	—	—	63,963
Vessel acquisition and advances/Additions to vessel cost	(61,975)	(101,917)	(992,093)
Proceeds from the sale of vessels, net	21,235	30,296	122,636
Net Cash used in Investing Activities	**(8,858)**	**(36,397)**	**(787,456)**
Cash Flows From Financing Activities:			
Proceeds from long-term debt and finance leases	448,000	285,903	1,225,397
Repayment of long-term debt and finance leases	(597,607)	(451,038)	(655,400)
Payment of financing costs	(3,891)	(7,478)	(16,140)

The accompanying notes are an integral part of these consolidated financial statements.

	For the years ended December 31,		
	2019	2020	2021
Swap termination	—	(2,095)	—
Retirement of preferred stock	—	(1,684)	—
Dividends paid	(58,655)	(65,470)	(71,263)
Net Cash provided by / (used in) Financing Activities	**(212,153)**	**(241,862)**	**482,594**
Net increase / (decrease) in cash, cash equivalents and restricted cash	**29,380**	**(3,975)**	**161,632**
Cash, cash equivalents and restricted cash at beginning of the year	**166,491**	**195,871**	**191,896**
Cash, cash equivalents and restricted cash at end of the year	**$ 195,871**	**$ 191,896**	**$353,528**
Supplemental Cash Information:			
Cash paid during the year for interest, net of capitalized interest	**$ 83,152**	**$ 63,725**	**$ 71,813**
Non-Cash Investing and Financing Activities:			
Dividend reinvested in common stock of the Company	**$ 18,503**	**$ 13,783**	**$ 12,655**

The accompanying notes are an integral part of these consolidated financial statements.

1. Basis of Presentation and General Information:

The accompanying consolidated financial statements include the accounts of Costamare Inc. (''Costamare'') and its wholly-owned subsidiaries (collectively, the ''Company''). Costamare is organized under the laws of the Republic of the Marshall Islands.

On November 4, 2010, Costamare completed its initial public offering (''Initial Public Offering'') in the United States under the United States Securities Act of 1933, as amended (the ''Securities Act''). On March 27, 2012, October 19, 2012, December 5, 2016 and May 31, 2017, the Company completed four follow-on public offerings in the United States under the Securities Act and issued 7,500,000 common shares, 7,000,000 common shares, 12,000,000 common shares and 13,500,000 common shares, respectively, par value $0.0001, at a public offering price of $14.10 per share, $14.00 per share, $6.00 per share and $7.10 per share, respectively. During the years ended December 31, 2019, 2020 and 2021, the Company issued 598,400 shares for each year to Costamare Shipping Services Ltd. (''Costamare Services'') (Note 3). On July 6, 2016, the Company implemented a dividend reinvestment plan (the ''Plan'') (Note 15). As of December 31, 2021, under the Plan, the Company has issued to its common stockholders 16,613,289 shares, in aggregate. As of December 31, 2021, the aggregate issued share capital was 123,985,104 common shares. At December 31, 2021, members of the Konstantakopoulos Family owned, directly or indirectly, approximately 56.5% of the outstanding common shares, in the aggregate. Furthermore, (i) on August 7, 2013, the Company completed a public offering of 2,000,000 shares of its 7.625% Series B Cumulative Redeemable Perpetual Preferred Stock (the ''Series B Preferred Stock''), par value $0.0001, at a public offering price of $25.00 per share, (ii) on January 21, 2014, the Company completed a public offering of 4,000,000 shares of its 8.50% Series C Cumulative Redeemable Perpetual Preferred Stock (the ''Series C Preferred Stock''), par value $0.0001, at a public offering price of $25.00 per share, (iii) on May 13, 2015, the Company completed a public offering of 4,000,000 shares of its 8.75% Series D Cumulative Redeemable Perpetual Preferred Stock (the ''Series D Preferred Stock''), par value $0.0001, at a public offering price of $25.00 per share and (iv) on January 30, 2018, the Company completed a public offering of 4,600,000 shares of its 8.875% Series E Cumulative Redeemable Perpetual Preferred Stock (the ''Series E Preferred Stock''), par value $0.0001, at a public offering price of $25.00 per share.

As of December 31, 2021, the Company owned and/or operated a fleet of 72 container vessels with a total carrying capacity of approximately 543,645 twenty-foot equivalent units (''TEU'') and 43 dry bulk vessels with a total carrying capacity of approximately 2,320,750 of dead-weight tonnage (''DWT''), through wholly owned subsidiaries. As of December 31, 2020, the Company owned and/or operated a fleet of 61 container vessels with a total carrying capacity of approximately 435,612 TEU. The Company provides worldwide marine transportation services by chartering its container vessels to some of the world's leading liner operators under long-, medium- and short-term time charters and since June 14, 2021 (Note 3(d)) expanded its activities into the dry bulk sector. During the year ended December 31, 2021, the Company entered into agreements to purchase 45 secondhand dry bulk vessels, of which 43 dry bulk vessels with an aggregate carrying capacity of approximately 2,320,750 DWT were delivered to the Company and subsequently chartered to international operators (Notes 3(d) and 7).

At December 31, 2021, Costamare had 140 wholly-owned subsidiaries incorporated in the Republic of Liberia, 12 incorporated in the Republic of the Marshall Islands and one incorporated in the Republic of Cyprus.

The continued outbreak of the COVID-19 virus has had a negative effect on the global economy and initially adversely impacted the international container shipping industry. From the onset of the outbreak through most of the second quarter of 2020, time charter rates for container vessels decreased significantly. However, since June 2020, time charter rates across all sizes of container vessels have improved significantly due to the increased demand for containerized goods coupled with inefficiencies in the global supply chain caused by the COVID-19 pandemic. Similarly, the economic environment of the dry bulk shipping industry has improved over the course of the last year in part due to an increase in the demand for commodities. The Company will continue to monitor the development of the COVID-19 pandemic and evaluate any potential direct or indirect negative effects on the containership and dry bulk markets and will provide further updates on the situation, including any changes to future estimates and assumptions, if market circumstances warrant them.

2. Significant Accounting Policies and Recent Accounting Pronouncements:

(a) Principles of Consolidation: The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (''U.S. GAAP''). The consolidated financial statements include the accounts of Costamare and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation.

Costamare, as the holding company, determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity. Under Accounting Standards Codification (''ASC'') 810 ''Consolidation'', a voting interest entity is an entity in which the total equity investment at risk is sufficient to enable the entity to finance itself independently and provides the equity holders with the obligation to absorb losses, the right to receive residual returns and the right to make financial and operating decisions. Costamare consolidates voting interest entities in which it owns all, or at least a majority (generally, greater than 50%), of the voting interest. Variable interest entities (''VIE'') are entities as defined under ASC 810-10, that, in general, either do not have equity investors with voting rights or that have equity investors that do not provide sufficient financial resources for the entity to support its activities. A controlling financial interest in a VIE is present when a company absorbs a majority of an entity's expected losses, receives a majority of an entity's expected residual returns, or both. The company with a controlling financial interest, known as the primary beneficiary, is required to consolidate the VIE. The Company evaluates all arrangements that may include a variable interest in an entity to determine if it may be the primary beneficiary, and would be required to include assets, liabilities and operations of a VIE in its consolidated financial statements. As of December 31, 2020 and 2021 no such interest existed.

(b) Use of Estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Comprehensive Income / (Loss): In the statement of comprehensive income, the Company presents the change in equity (net assets) during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by shareholders and distributions to shareholders. The Company follows the provisions of ASC 220 ''Comprehensive Income'', and presents items of net income, items of other comprehensive income (''OCI'') and total comprehensive income in two separate but consecutive statements. Reclassification adjustments between OCI and net income are required to be presented separately on the statement of comprehensive income.

(d) Foreign Currency Translation: The functional currency of the Company is the U.S. dollar because the Company's vessels operate in international shipping markets and, therefore, primarily transact business in U.S. dollars. The Company's books of accounts are maintained in U.S. dollars. Transactions involving other currencies during the year are converted into U.S. dollars using the exchange rates in effect at the time of the transactions. At the balance sheet dates, monetary assets and liabilities, which are denominated in other currencies, are translated into U.S. dollars at the year-end exchange rates. Resulting gains or losses are reflected separately in the accompanying consolidated statements of operations.

(e) Cash, Cash Equivalents and Restricted Cash: The Company considers highly liquid investments such as time deposits and certificates of deposit with an original maturity of three months or less to be cash equivalents. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Restricted cash consists of minimum cash deposits to be maintained at all times under certain of the Company's loan agreements. Restricted cash also includes bank deposits and deposits in so-called ''retention

accounts'' that are required under the Company's borrowing arrangements which are used to fund the loan installments coming due. The funds can only be used for the purposes of loan repayment. A reconciliation of the cash, cash equivalents and restricted cash is presented in the table below:

	For the years ended December 31,		
	2019	2020	2021
Reconciliation of cash, cash equivalents and restricted cash			
Cash and cash equivalents	$148,928	$143,922	$276,002
Restricted cash – current portion	6,912	4,998	8,856
Restricted cash – non-current portion	40,031	42,976	68,670
Total cash, cash equivalents and restricted cash	**$195,871**	**$191,896**	**$353,528**

(f) Accounts Receivable, net: The amount shown as receivables, at each balance sheet date, mainly includes receivables from charterers for hire, net of any provision for doubtful accounts and accrued interest on these receivables, if any. Operating lease receivables under ASC 842 are not in scope of ASC 326. ASC 842 requires lessors to evaluate the collectability of all lease payments. If collection of all operating lease payments, plus any amount necessary to satisfy a residual value guarantee, is not probable (either at lease commencement or after the commencement date), lease income is constrained to the lesser of cash collected or lease income reflected on a straight-line or another systematic basis, plus variable rent when it becomes accruable. The provision established for doubtful accounts as of December 31, 2020 and 2021, was nil.

(g) Inventories: Inventories consist of bunkers, lubricants and spare parts which are stated at the lower of cost and net realizable value on a consistent basis. Cost is determined by the first in, first out method.

(h) Insurance Claims Receivable: The Company records insurance claim recoveries for insured losses incurred on damage to fixed assets and for insured crew medical expenses. Insurance claim recoveries are recorded, net of any deductible amounts, at the time the Company's fixed assets suffer insured damages or when crew medical expenses are incurred, recovery is probable under the related insurance policies and the claim is not subject to litigation. The Company assessed the provisions of ''ASC 326 Financial Instruments — Credit Losses'' by assessing the counterparties' credit worthiness and concluded that there is no material impact in the Company's financial statements.

(i) Vessels, Net: Vessels are stated at cost, which consists of the contract price and any material expenses incurred upon acquisition (initial repairs, improvements and delivery expenses, interest and on-site supervision costs incurred during the construction periods). Subsequent expenditures for conversions and major improvements are also capitalized when they appreciably extend the life, increase the earning capacity or improve the efficiency or safety of the vessels; otherwise these amounts are charged to expense as incurred.

The cost of each of the Company's vessels is depreciated from the date of acquisition on a straight-line basis over the vessel's remaining estimated economic useful life, after considering the estimated residual value which is equal to the product of vessels' lightweight tonnage and estimated scrap rate.

Management estimates the useful life of the Company's container and dry bulk vessels to be 30 and 25 years, respectively, from the date of initial delivery from the shipyard and the estimated scrap rate used to calculate the vessels' salvage value is $0.300 per lightweight ton for both container and dry bulk vessels. Secondhand container and dry bulk vessels are depreciated from the date of their acquisition through their remaining estimated useful life.

If the estimated economic lives assigned to the Company's vessels prove to be too long because of unforeseen events such as an extended period of weak markets, the broad imposition of age restrictions by the Company's customers', new regulations, or other future events, the remaining estimated useful life of any affected vessel is adjusted accordingly.

(j) Time Charters Assumed with the Acquisition of Second-hand Vessels: The Company records identified assets or liabilities associated with the acquisition of a vessel at fair value, determined by reference to market data. The Company values any asset or liability arising from the market value of any time charters assumed when a vessel is acquired from entities that are not under common control. This policy does not apply when a vessel is acquired from entities that are under common control. The amount to be recorded as an asset or liability of the time charter assumed at the date of vessel delivery is based on the difference between the current fair market value of the time charter and the net present value of future contractual cash flows under the time charter. When the present value of the contractual cash flows of the time charter assumed is greater than its current fair value, the difference is recorded as accrued charter revenue. When the opposite situation occurs, any difference, capped to the vessel's fair value on a charter free basis, is recorded as unearned revenue. Such assets and liabilities, respectively, are amortized as a reduction of, or an increase in, revenue over the period of the time charter assumed.

(k) Impairment of Long-lived Assets: The Company reviews its vessels for impairment whenever events or changes in circumstances indicate that the carrying amount of a vessel might not be recoverable. The Company considers information, such as vessel sales and purchases, business plans and overall market conditions in order to determine if an impairment might exist.

As part of the identification of impairment indicators and Step 1 of impairment analysis the Company computes estimates of the future undiscounted net operating cash flows for each vessel based on assumptions regarding time charter rates, vessels' operating expenses, vessels' capital expenditures, vessels' residual value, fleet utilization and the estimated remaining useful life of each vessel.

Container vessels: The future undiscounted net operating cash flows are determined as the sum of (x) (i) the charter revenues from existing time charters for the fixed fleet days and (ii) an estimated daily time charter rate for the unfixed days (based on the most recent ten year historical average rates after eliminating outliers and without adjustment for any growth rate) over the remaining estimated life of the vessel, assuming an estimated fleet utilization rate, less (y) (i) expected outflows for vessels' operating expenses assuming an expected increase in expenses of 2.5% over a five-year period, based on management's estimates taking into consideration the Company's historical data, (ii) planned dry-docking and special survey expenditures and (iii) management fees expenditures. Charter rates for container shipping vessels are cyclical and subject to significant volatility based on factors beyond Company's control. Therefore, the Company considers the most recent ten-year historical average, after eliminating outliers, to be a reasonable estimation of expected future charter rates over the remaining useful life of the Company's vessels. The Company defines outliers as index values provided by an independent, third party maritime research services provider. Given the spread of rates between peaks and troughs over the decade, the Company believes the most recent ten-year historical average rates, after eliminating outliers, provide a fair estimate in determining a rate for long-term forecasts. The salvage value used in the impairment test is estimated at $0.300 per light weight ton in accordance with the vessels' depreciation policy.

Dry bulk vessels: The future undiscounted net operating cash flows are determined as the sum of (x) (i) the charter revenues from existing time charters for the fixed fleet days and (ii) an estimated daily time charter rate for the unfixed days (using the most recent ten- year average of historical one-year time charter rates available for each type of dry bulk vessel over the remaining estimated life of each vessel, net of commissions), assuming an estimated fleet utilization rate, less (y) (i) expected outflows for vessels' operating expenses assuming an expected increase in expenses of 2.5% over a five-year period, based on management's estimates, (ii) planned dry-docking and special survey expenditures and (iii) management fees expenditures. Charter rates for dry bulk vessels are cyclical and subject to significant volatility based on factors beyond Company's control. Therefore, the Company considers the most recent ten-year average of historical one-year time charter rates available for each type of dry bulk vessel, to be a reasonable estimation of expected future charter rates over the remaining useful life of its dry bulk vessels. The Company believes the most recent ten-year average of historical one-year

time charter rates available for each type of dry bulk vessel provide a fair estimate in determining a rate for long-term forecasts. The salvage value used in the impairment test is estimated at $0.300 per light weight ton in accordance with the dry bulk vessels' depreciation policy.

The assumptions used to develop estimates of future undiscounted net operating cash flows are based on historical trends as well as future expectations. If those future undiscounted net operating cash flows are greater than a vessel's carrying value, there are no impairment indications for such vessel. If those future undiscounted net operating cash flows are less than a vessel's carrying value, the Company proceeds to Step 2 of the impairment analysis for such vessel.

In Step 2 of the impairment analysis, the Company determines the fair value of the vessels that failed Step 1 of the impairment analysis, based on management estimates and assumptions, making use of available market data and taking into consideration third party valuations. Therefore, the Company has categorized the fair value of the vessels as Level 2 in the fair value hierarchy. The difference between the carrying value of the vessels that failed Step 1 of the impairment analysis and their fair value as calculated in Step 2 of the impairment analysis is recognized in the Company's accounts as impairment loss.

The review of the carrying amounts in connection with the estimated recoverable amount of the Company's vessels as of December 31, 2021 resulted in no impairment loss being recorded. As of December 31, 2019 and 2020, the Company concluded that $3,042 and $31,577, respectively, of impairment loss should be recorded.

(l) Long-lived Assets Classified as Held for Sale: The Company classifies long lived assets and disposal groups as being held for sale in accordance with ASC 360, Property, Plant and Equipment, when: (i) management, having the authority to approve the action, commits to a plan to sell the asset; (ii) the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets; (iii) an active program to locate a buyer and other actions required to complete the plan to sell the asset have been initiated; (iv) the sale of the asset is probable, and transfer of the asset is expected to qualify for recognition as a completed sale, within one year; (v) the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value and (vi) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Long lived assets classified as held for sale are measured at the lower of their carrying amount or fair value less cost to sell. According to ASC 360-10-35, the fair value less cost to sell of the long-lived asset (disposal group) should be assessed each reporting period it remains classified as held for sale. Subsequent changes in the long-lived asset's fair value less cost to sell (increase or decrease) would be reported as an adjustment to its carrying amount, except that the adjusted carrying amount should not exceed the carrying amount of the long-lived asset at the time it was initially classified as held for sale. These long-lived assets are not depreciated once they meet the criteria to be classified as held for sale and are classified in current assets on the consolidated balance sheet. As of December 31, 2021 and 2020, four container vessels and one container vessel were classified as Held for sale, respectively.

(m) Accounting for Special Survey and Dry-docking Costs: The Company follows the deferral method of accounting for special survey and dry-docking costs whereby actual costs incurred are deferred and are amortized on a straight-line basis over the period through the date the next survey is scheduled to become due. Costs deferred are limited to actual costs incurred at the yard and parts used in the dry-docking or special survey. If a survey is performed prior to the scheduled date, the remaining unamortized balances are immediately written off. Unamortized balances of vessels that are sold are written-off and included in the calculation of the resulting gain or loss in the period of the vessel's sale. Furthermore, unamortized dry-docking and special survey balances of vessels that are classified as Assets held for sale and are not recoverable as of the date of such classification are immediately written-off to the consolidated statement of operations.

(n) Financing Costs: Costs associated with new loans or refinancing of existing loans, including fees paid to lenders or required to be paid to third parties on the lender's behalf for obtaining new loans or refinancing existing loans, are recorded as deferred charges. Deferred financing costs are presented as a deduction from the

corresponding liability. Such fees are deferred and amortized to interest and finance costs during the life of the related debt using the effective interest method. Unamortized fees relating to loans repaid or refinanced, meeting the criteria of debt extinguishment, are expensed in the period the repayment or refinancing is made.

(o) Concentration of Credit Risk: Financial instruments which potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable, net (included in current and non-current assets), equity method investments, and derivative contracts (interest rate swaps and foreign currency contracts). The Company places its cash and cash equivalents, consisting mostly of deposits, with established financial institutions. The Company performs periodic evaluations of the relative credit standing of those financial institutions. The Company is exposed to credit risk in the event of non-performance by the counterparties to its derivative instruments; however, the Company limits its exposure by diversifying among counterparties with high credit ratings. The Company limits its credit risk with accounts receivable by performing ongoing credit evaluations of its customers' and investees' financial condition and receiving charter hires in advance, and therefore generally does not require collateral for its accounts receivable.

(p) Accounting for Revenues and Expenses: Revenues are generated from time charter agreements which contain a lease as they meet the criteria of a lease under ASC 842 or ASC 840 under transition accounting. All agreements contain a minimum non-cancellable period and an extension period at the option of the charterer. Each lease term is assessed at the inception of that lease. Under a time-charter agreement, the charterer pays a daily hire for the use of the vessel and reimburses the owner for hold cleanings, extra insurance premiums for navigating in restricted areas and damages caused by such charterer. Additionally, the charterer pays port and canal dues to third parties, as well as for bunkers consumed during the term of the time charter agreement. Such costs are considered direct costs for the charterers as they are directly paid by charterers, unless they are paid to the account of the owner, in which case they are included in voyage expenses. Additionally, the owner pays commissions on the daily hire, to both the charterer and the brokers, which are direct costs and are recorded in voyage expenses. Under a time-charter agreement, the owner provides services related to the operation and the maintenance of the vessel, including crew, spares and repairs, which are recognized in operating expenses. Time charter revenues are recognized over the term of the charter as service is provided, when they become fixed and determinable. Revenues from time charter agreements providing for varying annual rates are accounted for as operating leases and thus recognized on a straight-line basis over the non-cancellable rental periods of such agreements, as service is performed. Revenue generated from variable lease payments is recognized in the period when changes in the facts and circumstances on which the variable lease payments are based occur. Unearned revenue includes cash received prior to the balance sheet date for which all criteria to recognize as revenue have not been met, including any unearned revenue resulting from charter agreements providing for varying annual rates, which are accounted for on a straight-line basis. The Company, as lessor, has elected not to allocate the consideration in the agreement to the separate lease and non-lease components (operation and maintenance of the vessel), as their timing and pattern of transfer to the charterer, as the lessee, are the same and the lease component, if accounted for separately, would be classified as an operating lease. Additionally, the lease component is considered the predominant component as the Company has assessed that more value is ascribed to the lease of the vessel rather than to the services provided under the time charter contracts.

Revenues for 2019, 2020 and 2021 derived from significant charterers individually accounting for 10% or more of revenues (in percentages of total revenues) were as follows:

	2019	2020	2021
A	22%	21%	16%
B	24%	20%	20%
C	10%	11%	12%
D	38%	29%	12%
E	3%	10%	9%
Total	**97%**	**91%**	**69%**

(q) Derivative Financial Instruments: The Company enters into interest rate swap contracts and cross-currency swap agreements to manage its exposure to fluctuations of interest rate and foreign currencies risks associated with specific borrowings. Interest rate differentials paid or received under these swap agreements are recognized as part of the interest expense related to the hedged debt. All derivatives are recognized in the consolidated financial statements at their fair value. On the inception date of the derivative contract, the Company designates the derivative as a hedge of a forecasted transaction or the variability of cash flow to be paid (''cash flow'' hedge). Changes in the fair value of a derivative that is qualified, designated and highly effective as a cash flow hedge are recorded in the consolidated statement of comprehensive income until earnings are affected by the forecasted transaction or the variability of cash flow and are then reported in earnings. Changes in the fair value of undesignated derivative instruments and the ineffective portion of designated derivative instruments are reported in earnings in the period in which those fair value changes have occurred. Realized gains or losses on early termination of the derivative instruments are also classified in earnings in the period of termination of the respective derivative instrument. The Company may re-designate an undesignated hedge after its inception as a hedge but then will consider its non-zero value at re-designation in its assessment of effectiveness of the cash flow hedge.

The Company formally documents all relationships between hedging instruments and hedged items, as well as the risk-management objective and strategy for undertaking various hedge transactions.

This process includes linking all derivatives that are designated as cash flow hedges to specific forecasted transactions or variability of cash flow.

The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow of hedged items. The Company considers a hedge to be highly effective if the change in fair value of the derivative hedging instrument is within 80% to 125% of the opposite change in the fair value of the hedged item attributable to the hedged risk. When it is determined that a derivative is not highly effective as a hedge or that it has ceased to be a highly effective hedge, the Company discontinues hedge accounting prospectively, in accordance with ASC 815 ''Derivatives and Hedging''.

The Company also enters into forward exchange rate contracts to manage its exposure to currency exchange risk on certain foreign currency liabilities. The Company has not designated these forward exchange rate contracts as hedge accounting instruments.

(r) Earnings per Share: Basic earnings per share are computed by dividing net income attributable to common equity holders by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue common stock were exercised. The Company had no dilutive securities outstanding during the three-year period ended December 31, 2021. Earnings per share attributable to common equity holders are adjusted by the contractual amount of dividends related to the preferred stockholders that accrue for the period and the gain on retirement of preferred stock which was recognized during the year ended December 31, 2021 (Note 16).

(s) Fair Value Measurements: The Company adopted, as of January 1, 2008, ASC 820 ''Fair Value Measurements and Disclosures'', which defines and provides guidance as to the measurement of fair value. This standard creates a hierarchy of measurement and indicates that, when possible, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value hierarchy gives the highest priority (Level 1) to quoted prices in active markets and the lowest priority (Level 3) to unobservable data for example, the reporting entity's own data. Under the standard, fair value measurements are separately disclosed by level within the fair value hierarchy. The standard applies when assets or liabilities in the financial statements are to be measured at fair value but does not require additional use of fair value beyond the requirements in other accounting principles (Notes 19 and 20).

(t) Segment Reporting: The Company determined that currently it operates under two reportable segments: (1) a container vessels segment, as a provider of worldwide marine transportation services by chartering its

container vessels, and (2) a dry bulk vessels segment, as a provider of dry bulk commodities transportation services by chartering its dry bulk vessels. The accounting policies applied to the reportable segments are the same as those used in the preparation of the Company's consolidated financial statements.

(u) Accounting for transactions under common control: A common control transaction is any transfer of net assets or exchange of equity interests between entities or businesses that are under common control by an ultimate parent or controlling shareholder before and after the transaction. Common control transactions may have characteristics that are similar to business combinations but do not meet the requirements to be accounted for as business combinations because, from the perspective of the ultimate parent or controlling shareholder, there has not been a change in control over the acquiree. Due to the fact common control transactions do not result in a change of control at the ultimate parent or controlling shareholder level, the Company does not account for that at fair value. Rather, common control transactions are accounted for at the carrying amount of the net assets or equity interests transferred.

(v) Equity Method Investments: Investments in the common stock of entities, in which the Company has significant influence, as defined by ASC 323, over operating and financial policies, are accounted for using the equity method. Under this method, the investment in such entities is initially recorded at cost and is adjusted to recognize the Company's share of the earnings or losses of the investee after the acquisition date and is adjusted for impairment whenever facts and circumstances indicate that a decline in fair value below the cost basis is other than temporary. The amount of the adjustment is included in the determination of net income / (loss). Dividends received from an investee reduce the carrying amount of the investment. When the Company's share of losses in an investee equals or exceeds its interest in the investee, the Company does not recognize further losses unless the Company has incurred obligations or made payments on behalf of the investee.

(w) Right-of-Use Asset - Finance Leases: The Financial Accounting Standards Board ("FASB") ASC 842 classifies leases from the standpoint of the lessee at the inception of the lease as finance leases or operating leases. The determination of whether an arrangement is (or contains) a finance lease is based on the substance of the arrangement at the inception date and is assessed in accordance with the criteria set in ASC 842-10-25-2. If none of the criteria in ASC 842-10-25-2 are met, leases are accounted for as operating leases.

Furthermore, as a result of electing to apply the package of practical expedients, at January 1, 2019, the Company's capital leases under ASC 840 became finance leases under ASC 842 as lease classification is not reassessed in transition. Therefore, at that date, the Company, as lessee, initially recognized a finance lease right-of-use asset and lease liability measured at the carrying amount of the capital lease assets and capital lease obligations under ASC 840. After January 1, 2019, the Company, as lessee, followed ASC 840 for expense recognition unless the lease is modified and the modified lease is not accounted for as a separate contract or the Company is otherwise required to remeasure its lease liability in accordance with ASC 842. At January 1, 2019, the Company continued to recognize the deferred gain or loss, previously described as prepaid or unearned rental income, related to its failed sale and leaseback transactions under ASC 840, but reclassified such amounts to the right-of-use asset and changed the amortization period from over the lease term to in proportion to the amortization of the right-of-use asset.

Finance leases are accounted for as the acquisition of a finance right-of-use asset and the incurrence of an obligation by the lessee. At the commencement date of the finance lease, a lessee initially measures the lease liability at the present value, using the discount rate determined on the commencement, of the lease payments to be made over the lease term. Subsequently, the lease liability is increased by the interest on the lease liability and decreased by the lease payments during the period. The interest on the lease liability is determined in each period during the lease term as the amount that produces a constant periodic discount rate on the remaining balance of the liability, taking into consideration the reassessment requirements.

A lessee initially measures the finance right-of-use asset at cost which consists of: the amount of the initial measurement of the lease liability; any lease payments made to the lessor at or before the commencement date, less any lease incentives received; and any initial direct costs incurred by the lessee. Subsequently, the finance right-of-use asset is measured at cost less any accumulated amortization and any accumulated impairment losses,

taking into consideration the reassessment requirements. A lessee shall amortize the finance right-of-use asset on a straight-line basis (unless another systematic basis better represents the pattern in which the lessee expects to consume the right-of-use asset's future economic benefits) from the commencement date to the earlier of the end of the useful life of the finance right-of-use asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the lessee or the lessee is reasonably certain to exercise an option to purchase the underlying asset, the lessee shall amortize the right-of-use asset to the end of the useful life of the underlying asset (estimated at 30 years). Transition accounting for the adoption of ASC 842 is described below in "New Accounting Pronouncements – Adopted".

For sale and leaseback transactions, if the transfer is not a sale in accordance with ASC 842-40-25-1 through 25-3, the Company, as seller-lessee - does not derecognize the transferred asset and accounts for the transaction as a financing. An excess of carrying value over fair market value at the date of sale would indicate that the recoverability of the carrying amount of an asset should be assessed under the guidelines of ASC 360.

Operating lease payments are recognized as an operating expense in the consolidated statement of operations on a straight-line basis over the lease term.

(x) Investments in Equity and Debt Securities:

Beginning January 1, 2018, the adoption of ASU 2016-01 "Recognition and Measurement of Financial Assets and Financial Liabilities" requires equity securities (including other ownership interests, such as partnerships, unincorporated joint ventures, and limited liability companies, but excluding those accounted for under the equity method, those that result in consolidation of the investee and certain other investments) to be measured at fair value with changes in the fair value recognized through net income. However, for equity investments that don't have readily determinable fair values and don't qualify for the existing practical expedient in ASC 820 to estimate fair value using the net asset value ("NAV") per share (or its equivalent) of the investment, entities may choose to measure those investments at cost, less any impairment. The Company initially recognizes such equity securities at cost. Subsequently, any dividends distributed by the investee to the Company are recognized as income when received, but only to the extent they represent net accumulated earnings of the investee since the Company's initial recognition of the investment. Net accumulated earnings are recognized as income by the Company only if they are distributed to the investor as dividends. Any dividends received in excess of net accumulated earnings are recognized as a reduction in the carrying amount of the investment. Management evaluates the equity securities for other-than-temporary-impairment at each reporting date. An investment in cost method equity securities is considered impaired if the fair value of the investment is less than its carrying value, in which case the Company recognizes in earnings an impairment loss equal to the difference between their carrying value and their fair value. Consideration is given to significant deterioration in the earnings performance, or business prospects of the investee, significant adverse change in the regulatory, economic, or technological environment of the investee, significant adverse change in the general market condition in which the investee operates, as well as factors that raise significant concerns about the investee's ability to continue as a going concern.

Held-to-maturity debt securities are initially recognized at cost and subsequently are measured at amortized cost, less expected credit losses. The amortized cost is adjusted for amortization of premiums and accretion of discounts to maturity. Management evaluates debt securities held-to-maturity for expected credit losses at each reporting date.

The Company assessed the provisions of "ASC 326 Financial Instruments — Credit Losses" and calculated the estimated credit loss provision by using the Probability of Default and the Loss Given Default parameters (Note 5). During the year ended December 31, 2021, the Company redeemed / sold the entirety of its investments in debt and equity securities and as such there were no outstanding amounts as of the year-end date.

(y) Stock Based Compensation: The Company accounts for stock-based payment awards granted to Costamare Shipping Services Ltd. (Note 3 and 15(a)) for the services provided, following the guidance in ASC 505-50 ‘‘Equity Based Payments to Non-Employees’’. The fair value of the stock-based payment awards is recognized in the line item General and administrative expenses - related parties in the consolidated statements of operations.

(z) Going concern: The Company evaluates whether there is substantial doubt about its ability to continue as a going concern by applying the provisions of ASU No. 2014-15. In more detail, the Company evaluates whether there are conditions or events that raise substantial doubt about the Company's ability to continue as a going concern within one year from the date the financial statements are issued. As part of such evaluation, the Company did not identify any conditions that raise substantial doubt about the entity's ability to continue as a going concern. As a result, there was no impact in the Company's results of operations, financial position, cash flows or disclosures.

(aa) Long lived Assets- Financing Arrangements: Following the implementation of ASC 606 Revenue from Contracts with Customers, sale and leaseback transactions, which include an obligation for the Company, as seller-lessee, to repurchase the asset, are precluded from being accounted for the transfer of the asset as sale, as the transaction is classified as a financing by the Company, since it effectively retains control of the underlying asset. As such, the Company does not derecognize the transferred asset, accounts for any amounts received as a financing arrangement and recognizes the difference between the amount of consideration received and the amount of consideration to be paid as interest. Interest costs incurred (i) under financing arrangements that relate to vessels in operation are expensed to Interest and finance costs in the consolidated statement of operations and (ii) under financing arrangements that relate to vessels under construction are capitalized to Vessels and advances, net in the consolidated balance sheets.

New Accounting Pronouncements - Not Yet Adopted

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform. ASU 2020-04 applies to contracts that reference LIBOR or another reference rate expected to be terminated because of reference rate reform. In January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848). The amendments in this Update clarify that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. Amendments in this Update to the expedients and exceptions in Topic 848 capture the incremental consequences of the scope clarification and tailor the existing guidance to derivative instruments affected by the discounting transition. The amendments in this Update apply to all entities that elect to apply the optional guidance in Topic 848. ASU 2020-04 and ASU 2021-10 can be adopted as of March 12, 2020 through December 31, 2022. As of December 31, 2021, the Company has not yet elected any optional expedients provided in the standard. The Company will apply the accounting relief as relevant contract and hedge accounting relationship modifications are made during the reference rate reform transition period. The Company will continue to evaluate the potential impact of adopting the standards on its consolidated financial statements.

3. Transactions with Related Parties:

(a) Costamare Shipping Company S.A. (“Costamare Shipping”) and Costamare Shipping Services Ltd. (“Costamare Services”): Costamare Shipping is a ship management company wholly owned by Mr. Konstantinos Konstantakopoulos, the Company's Chairman and Chief Executive Officer. Costamare Shipping provides the Company with commercial, technical and other management services pursuant to a Framework Agreement dated November 2, 2015 as amended and restated on January 17, 2020 and as further amended and restated on June 28, 2021 (the ‘‘Framework Agreement’’), and separate ship management agreements with the relevant vessel owning subsidiaries. The Company amended and restated the Framework Agreement in 2020 to

allow Costamare Shipping to retain certain relevant payouts from insurance providers and in 2021 to allow Costamare Shipping to provide services in relation to other types of vessels (including dry bulk vessels), in addition to container vessels. Costamare Services, a company controlled by the Company's Chairman and Chief Executive Officer and members of his family, provides, pursuant to a Services Agreement dated November 2, 2015, as amended and restated on June 28, 2021 (the ''Services Agreement''), the Company's vessel-owning subsidiaries with chartering, sale and purchase, insurance and certain representation and administrative services. Costamare Shipping and Costamare Services are not part of the consolidated group of the Company. Effective July 1, 2019, the Services Agreement has been amended to increase the fees paid by each vessel-owning subsidiary of the Company to 1.10% from 0.60% of the charter hire and other income earned by each vessel-owning subsidiary.

On November 27, 2015, the Company amended and restated the Registration Rights Agreement entered into in connection with the Company's Initial Public Offering, to extend registration rights to Costamare Shipping and Costamare Services each of which have received or may receive shares of its common stock as fee compensation.

Pursuant to the Framework Agreement and the Services Agreement, Costamare Shipping and Costamare Services received (i) for each vessel a daily fee of $0.956 ($0.478 for any vessel subject to a bareboat charter) prorated for the calendar days the Company owned each vessel and for the three-month period following the date of the sale of a vessel, (ii) a flat fee of $787.4 for the supervision of the construction of any newbuild vessel contracted by the Company, (iii) a fee of 1.25% on all gross freight, demurrage, charter hire, ballast bonus or other income earned with respect to each vessel in the Company's fleet and (iv) a quarterly fee of $625 plus the value of 149,600 shares which Costamare Services may elect to receive in kind (Note 1). Fees under (i) and (ii) may be annually adjusted upwards to reflect any strengthening of the Euro against the U.S. dollar and/or material unforeseen cost increases.

The Company is able to terminate the Framework Agreement and/or the Services Agreement, subject to a termination fee, by providing written notice to Costamare Shipping or Costamare Services, as applicable, at least 12 months before the end of the subsequent one-year term. The termination fee is equal to (a) the number of full years remaining prior to December 31, 2025, times (b) the aggregate fees due and payable to Costamare Shipping or Costamare Services, as applicable, during the 12-month period ending on the date of termination (without taking into account any reduction in fees under the Framework Agreement to reflect that certain obligations have been delegated to a sub-manager or a sub-provider, as applicable); provided that the termination fee will always be at least two times the aggregate fees over the 12-month period described above.

In 2013, Costamare Shipping entered into a co-operation agreement (the ''Co-operation Agreement'') with third-party ship managers V.Ships Greece Ltd. (''V.Ships Greece''), pursuant to which the two companies established a ship management cell (the ''Cell'') under V.Ships Greece. The Cell provided management services to certain of the Company's container vessels, pursuant to separate management agreements entered into between V.Ships Greece and the relevant vessel-owning subsidiary, for a daily management fee. The Cell also provided ship management services to third-party owners. Effective April 1, 2019, the Company terminated its agreement with Costamare Shipping, whereby Costamare Shipping passed to the Company the net profit, if any, it received pursuant to the Co-operation Agreement as a refund or reduction of the management fees payable by the Company to Costamare Shipping under the Framework Agreement. The net profits earned during the year ended December 31, 2019, amounted to $350 and are included as a reduction in Management fees-related parties in the accompanying 2019 consolidated statement of operations. Following the termination of the Co-operation Agreement on October 16, 2020, V.Ships Greece continues to provide the same management services to the Company's vessels (as well as to vessels acquired under the Framework Deed and to third party vessels). As at December 31, 2021, V.Ships Greece provided services to 64 Costamare vessels, of which 15 were subcontracted for certain management services to V.Ships (Shanghai) Limited.

Management fees charged by Costamare Shipping in the years ended December 31, 2019, 2020 and 2021, amounted to $21,669, $21,442 and $29,621, respectively, and are included Management fees-related parties in the accompanying consolidated statements of operations. In addition, Costamare Shipping and Costamare Services

charged (i) $9,756 for the year ended December 31, 2021 ($5,739 and $4,864 for the years ended December 31, 2020 and 2019, respectively), representing a fee of 0.75% up to June 30, 2019 and 1.25% from July 1, 2019, on all gross revenues, as provided in the Framework Agreement and the Services Agreement, as applicable, which is included in Voyage expenses-related parties in the accompanying consolidated statements of operations, (ii) $2,500, which is included in General and administrative expenses – related parties in the accompanying consolidated statements of operations for the year ended December 31, 2021 ($2,500 for the years ended December 31, 2020 and 2019) and (iii) $7,414, representing the fair value of 598,400 shares, which is included in General and administrative expenses - related parties in the accompanying consolidated statements of operations for the year ended December 31, 2021 ($3,655 and $3,879 for the year ended December 31, 2020 and 2019, respectively). Furthermore, in accordance with the management agreements with V.Ships Greece and the other third-party managers, V.Ships Greece and the other third-party managers have been provided with the amount of $75 and $50 per vessel as working capital security. As at December 31, 2020, such amount was $3,075 in aggregate, of which $3,000 is included in Accounts receivable, net, non-current and $75 in Accounts receivable, net in the accompanying 2020 consolidated balance sheet. As at December 31, 2021, it was $5,525 in aggregate, of which $5,075 is included in Accounts receivable, net, non-current and $450 in Accounts receivable, net in the accompanying 2021 consolidated balance sheet.

During the years ended December 31, 2019, 2020 and 2021, Costamare Shipping charged in aggregate to the companies established pursuant to the Framework Deed (Notes 9 and 10) the amounts of $3,821, $3,611 and $2,752, respectively, for services provided in accordance with the respective management agreements. The balance due from Costamare Shipping at December 31, 2020 amounted to $1,623 and is included in Due from related parties in the accompanying consolidated balance sheet. The balance due to Costamare Shipping as at December 31, 2021 amounted to $743 and is included in Due to related parties in the accompanying consolidated balance sheet. The balance due to Costamare Services at December 31, 2020 and 2021, amounted to $432 and $951, respectively, and is reflected as Due to related parties in the accompanying consolidated balance sheets.

(b) Shanghai Costamare Ship Management Co., Ltd. (“Shanghai Costamare”): Shanghai Costamare, a company incorporated in the People’s Republic of China, controlled by the Company’s Chairman and Chief Executive Officer, provided certain vessel-owning subsidiaries with management services. Shanghai Costamare was not part of the consolidated group of the Company. On October 16, 2020, it was agreed that Shanghai Costamare would terminate operations and the owners of the 16 Company’s containerships that were managed by Shanghai Costamare on that date entered into ship managements agreements with V.Ships Greece, which subcontracted certain management services to V.Ships (Shanghai) Limited. The actual transfer of the management of 15 vessels was completed on December 31, 2020. On January 8, 2021, the management of the remaining vessel was fully taken over by V.Ships (Shanghai) Limited. There was no balance due from/to Shanghai Costamare at both December 31, 2020 and 2021.

(c) Blue Net Chartering GmbH & Co. KG (“BNC”) and Blue Net Asia Pte., Ltd. (“BNA”): On January 1, 2018, Costamare Shipping appointed, on behalf of the vessels it manages, BNC, a company 50% (indirectly) owned by the Company’s Chairman and Chief Executive Officer, to provide charter brokerage services to all container vessels under its management (including container vessels owned by the Company). BNC provides exclusive charter brokerage services to containership owners. Under the charter brokerage services agreement as amended, each container vessel-owning subsidiary paid a fee of €9,413 for the years ended December 31, 2020 and 2021, in respect of each vessel, prorated for the calendar days of ownership (including as disponent owner under a bareboat charter agreement), provided that in respect of container vessels chartered on January 1, 2018, which remain chartered under the same charter party agreement in effect on January 1, 2018, the fee was €1,281 for the years ended December 31, 2020 and 2021 (€1,181 for the year ended December 31, 2019). On March 29, 2021, four of the Company’s container vessels agreed to pay a daily brokerage commission of $0.165 per day to BNC in lieu of the annual fee in connection with charters arranged by it. During the years ended December 31, 2019, 2020 and 2021, BNC charged the ship-owning companies $418, $378 and $467, respectively, which are included in Voyage expenses—related parties in the accompanying consolidated statements of operations. BNC also provided chartering services to a revenue sharing pool (until August 31, 2021), which included one of the Company’s container vessels. In addition, on March 31, 2020, Costamare Shipping agreed, on behalf of five of

the container vessels it manages, to pay to BNA, a company 50% (indirectly) owned by the Company's Chairman and Chief Executive Officer, a commission of 1.25% of the gross daily hire earned from the charters arranged by BNA for these five Company container vessels. During the years ended December 31, 2019, 2020 and 2021, BNA charged the ship-owning companies nil, $399 and $866, which are included in Voyage expenses – related parties in the accompanying consolidated statements of operations.

(d) Longshaw Maritime Investments S.A. (''Longshaw''): On June 14, 2021, the Company entered into a Share Purchase Agreement (the ''Longshaw SPA'') with Longshaw, a related party entity controlled by the Company's Chairman and Chief Executive Officer, Mr. Konstantinos Konstantakopoulos, for the acquisition of all of its equity interest in 16 companies, which had acquired or had agreed to acquire dry bulk vessels. The aggregate purchase price, which was paid by the Company on September 9, 2021, for the acquisition of these 16 companies was $54,491, in exchange for the net assets of the acquired companies that amounted to $54,578. During the year ended December 31, 2021, all of the dry bulk vessels that were part of the acquisition, *Builder*, *Pegasus*, *Adventure*, *Eracle*, *Peace*, *Sauvan*, *Pride*, *Alliance*, *Manzanillo*, *Acuity*, *Seabird*, *Aeolian*, *Comity*, *Athena*, *Farmer* and *Greneta* (with an aggregate DWT of 932,329) were delivered to the Company. The acquisition has been accounted as a transaction between companies under common control and the excess of the carrying value of the net assets acquired above the purchase price agreed, amounting to $86, was recorded as a capital contribution within additional paid in capital.

(e) LC LAW Stylianou & Associates LLC (''LCLAW''): LCLAW is a law firm 100% owned by Lora Stylianou, who is the non executive President of the Board of Directors of Costamare Participations Plc (Note 11.C), a wholly owned subsidiary of the Company. LCLAW provides legal services to Costamare Participations Plc. During the year ended December 31, 2021, LCLAW charged Costamare Participations Plc $91 in total, of which (i) $33 are included in ''General and Administrative Expenses - Related Parties'' in the accompanying consolidated statements of operations for the year ended December 31, 2021 ($23 for the year ended December 31, 2020) and (ii) $58 are included in Financing Costs (Note 11.D). There was no balance due from/to LCLAW at both December 31, 2020 and 2021.

(f) Other related parties' transactions: On November 3, 2010, the Company and the Company's Chairman and Chief Executive Officer, Mr. Konstantinos Konstantakopoulos, entered into a Restrictive Covenant Agreement (the ''Original RCA''), pursuant to which the activities of Mr. Konstantakopoulos with respect to the container vessel sector, because of his capacity as a director or officer of the Company, were restricted. In July 2021, the Original RCA was amended and restated, and Mr. Konstantakopoulos agreed to similarly restrict his activities in the dry bulk sector.

4. Segmental Financial Information

Since June 14, 2021 (Note 3(d)), the Company has two reportable segments from which it derives its revenues: (1) container vessels segment and (2) dry bulk vessels segment. The reportable segments reflect the internal organization of the Company and are strategic businesses that offer different services. The container vessel business segment consists of transportation of containerized products through ownership and trading of container vessels. The dry bulk business segment consists of transportation of dry bulk cargoes through ownership and trading of dry bulk vessels.

The tables below present information about the Company's reportable segments as of December 31, 2021, and for the year then ended. The Company measures segment performance based on net income. Items included in the segment net income are allocated to the extent that the items are directly or indirectly attributable to the segments. With regards to the items that are allocated by indirect calculation, their allocations keys are defined on the basis of each segment's drawing on key resources. The Other segment includes items that due to their nature are not allocated to any of the Company's reportable segments. As of December 31, 2021 and for the year then ended, the Other segment includes gain on sale of equity securities as well as equity method investments' balances and income. Summarized financial information concerning each of the Company's reportable segments is as follows:

2021	Container vessels segment	Dry bulk vessels segment	Other	Total
Voyage revenue	$ 678,292	$115,347	$ —	$ 793,639
Vessels' operating expenses	(151,452)	(28,529)	—	(179,981)
Depreciation	(125,811)	(11,147)	—	(136,958)
Amortization of dry-docking and special survey costs	(10,346)	(87)	—	(10,433)
Gain / (loss) on sale of vessels, net	45,894	—	—	45,894
Interest income	1,587	—	—	1,587
Interest and finance costs	(81,887)	(4,160)	—	(86,047)
Income from equity method investments	—	—	12,859	12,859
Net Income for the Year	$ 303,490	$ 56,814	$74,817	$ 435,121
Total Assets	$3,672,212	$714,957	$19,872	$4,407,041

5. Current Assets: Investments in Equity securities / Non-current Assets: Debt Securities, Held to Maturity, and Other Non-Current Assets:

In 2014, Zim Integrated Services (''Zim'') agreed with its creditors, including vessel and container lenders, ship-owners, shipyards, unsecured lenders and bond holders, to restructure its debt. Based on this agreement, the Company received Zim shares representing approximately 1.2% of the outstanding Zim shares immediately after the restructuring and $8,229 aggregate principal amount of unsecured interest-bearing Zim notes maturing in 2023 consisting of $1,452 of 3.0% Series 1 Notes due 2023 amortizing subject to available cash flows in accordance with a corporate mechanism and $6,777 of 5.0% Series 2 Notes due 2023 non-amortizing (of the 5% interest, 3% is payable quarterly in cash and 2% interest is accrued quarterly with deferred cash payment on maturity) in exchange for amounts owed by Zim to the Company under their charter agreements. The Company calculated the fair value of the instruments received from Zim based on the agreement discussed above, available information on Zim and other similar contracts with similar terms, maturities and interest rates, and recorded at fair value of $676 in relation to the Series 1 Notes, $3,567 in relation to the Series 2 Notes and $7,802 in relation to its equity participation in Zim. The difference between the aggregate fair value of the debt and equity securities received from Zim and the then net carrying value of the amounts due from Zim of $2,888 was written-off in 2014.

The Company accounts on a quarterly basis, for the unwinding of the interest on the Series 1 and Series 2 Notes, until the book value of the instruments equals their face value on maturity. During the year ended December 31, 2021, the Company recorded $458 in relation to their unwinding ($933 and $851 for the years ended December 31, 2020 and 2019, respectively), which is included in ''Interest income'' in the consolidated statements of operations. The Company had classified such debt securities under Debt securities, held to maturity.

During the year ended December 31, 2016, the Company received $46 capital redemption of the Series 1 Notes.

In March 2021, the Company received $394 capital redemption of the Series 1 Notes. Furthermore, in June 2021, the Company received $7,789 capital redemption on the Series 1 and 2 Notes, in aggregate, and the

outstanding balance at the date of the capital redemption of $6,774, net of accumulated provision for Credit losses of $569 calculated as of December 31, 2020, following the provisions of "ASC 326 Financial Instruments — Credit Losses", was fully settled. As a result of the full redemption of the Series 1 and Series 2 Notes, the Company recorded a gain of $1,015 (including the established provision for Credit losses as of December 31, 2020 of $569), which is included in Other, net, in the accompanying 2021 statement of operations. The Series 1 and Series 2 Notes were carried at amortized cost in the accompanying 2020 consolidated balance sheet (Note 20(c)). These financial instruments were not measured at fair value on a recurring basis.

On January 28, 2021, Zim completed its initial public offering in the United States under the United States Securities Act of 1933, as amended. Since then, the Company classified the equity securities of Zim that it owned at Fair Value through Net Income (Level 1 inputs of the fair value hierarchy) as the Company did not have the ability to exercise significant influence on matters at Zim, and there was readily available fair value for these securities. As of December 31, 2020, these shares were carried at cost less impairment in the amount of $3,802, which was included in Other non-current assets in the 2020 consolidated balance sheet. In October and November 2021, the Company sold its 1,221,800 ordinary shares of Zim and recorded a gain of $60,161, which is separately reflected in Gain on sale of equity securities in the accompanying 2021 statement of operations. Furthermore, in September 2021, the Company received a dividend on such shares amounting to $1,833, in the aggregate, which is separately reflected in Dividend income in the accompanying 2021 statement of operations.

6. Inventories:

Inventories in the accompanying consolidated balance sheets relate to bunkers, lubricants and spare parts on board the vessels.

7. Vessels and advances, net:

The amounts in the accompanying consolidated balance sheets are as follows:

	Vessel Cost	Accumulated Depreciation	Net Book Value
Balance, January 1, 2020	**$3,573,751**	**$(1,141,921)**	**$2,431,830**
Depreciation	—	(101,541)	(101,541)
Vessel acquisitions, advances and other vessels' costs	275,230	—	275,230
Vessel sales, transfers and other movements	(323,014)	168,005	(155,009)
Balance, December 31, 2020	**$3,525,967**	**$(1,075,457)**	**$2,450,510**
Depreciation	—	(129,406)	(129,406)
Vessel acquisitions, advances and other vessels' costs	1,467,937	—	1,467,937
Vessel sales, transfers and other movements	(306,008)	167,159	(138,849)
Balance, December 31, 2021	**$4,687,896**	**$(1,037,704)**	**$3,650,192**

During the year ended December 31, 2021, the Company (i) acquired the secondhand container vessels *Aries*, *Argus, Glen Canyon, Androusa, Norfolk, Porto Cheli, Porto Kagio, Porto Germeno*, and *Gialova* with an aggregate TEU capacity of 49,909, (ii) took delivery of the newbuild container vessels *YM Target* and *YM Tiptop* with an aggregate TEU capacity of 25,380 and (iii) took delivery of 43 secondhand dry bulk vessels, 16 of which were part of the Longshaw SPA (Note 3(d)), the *Builder, Pegasus, Adventure, Eracle, Peace, Sauvan, Pride, Alliance, Manzanillo, Acuity, Seabird, Aeolian, Comity, Athena*, *Farmer* and *Greneta*, with an aggregate DWT of 932,329 and 27 additional dry bulk vessels that were agreed to be acquired during the year ended December 31, 2021, the *Bernis, Verity, Dawn, Discovery, Clara, Serena, Merida, Progress, Miner, Parity, Uruguay, Resource, Konstantinos, Taibo, Thunder, Equity, Cetus* (ex. *Charm*), *Curacao, Rose, Bermondi, Titan I, Orion* (ex. *Soho Trader*), *Merchia, Damon, Pythias* (ex. *Belnor*), *Egyptian Mike* and *Phoenix* (ex. *George P.*) with an aggregate DWT of 1,388,422.

During the year ended December 31, 2021, the Company agreed to acquire (i) the 2008-built, 4,578 TEU secondhand container vessel *CO Kobe* (tbr *Dyros*), which was delivered during the first quarter of 2022

(Note 22(f)) and (ii) two secondhand dry bulk vessels (*Belstar* (tbr. *Oracle*) and *Universal Bremen* (tbr. *Libra*)) with an aggregate DWT of 114,699 (Notes 14(b) and 22(f)) which were delivered to the Company during the first quarter of 2022.

Furthermore, during the year ended December 31, 2021, the Company purchased from York Capital Management Global Advisors LLC and its affiliate Sparrow Holdings, L.P. (collectively, ''York'') (Notes 9 and 10) the equity interest held by York (in the range from 51% to 75%) in the companies owning the containerships *Cape Akritas, Cape Tainaro, Cape Artemisio, Cape Kortia* and *Cape Sounio*, with an aggregate capacity of 55,050 TEU, at an aggregate net consideration price of $88,854 after subtracting term loans of $302,193 (Note 11) assumed at the time of the acquisition. As a result, the Company acquired the controlling interest and became the sole shareholder of the vessel owning companies of the five mentioned container vessels (Note 10). Any favorable or unfavorable lease terms associated with these vessels were recorded as an intangible asset or liability (''Time charter assumed'') at the time of the acquisition. The aggregate Time charter assumed, net, at the time of the acquisitions was a liability of $589, current and non-current portion (Note 13). Management accounted for this acquisition as an asset acquisition under ASC 805 ''Business Combinations''.

During the year ended December 31, 2021, the Company ordered from a shipyard eight newbuild container vessels (four vessels each having12,690 TEU and four vessels each having 15,000 TEU), which are expected to be delivered between the third quarter of 2023 and the third quarter of 2024. Upon delivery, they will commence long-term time charters with their charterers (Note 22(k)).

During the year ended December 31, 2020, the Company acquired the 2009-built, 4,258 TEU *Virgo* (ex. *JPO Virgo*), the 2007-built, 2,572 TEU *Scorpius* (ex. *JPO Scorpius*) and the 2011-built, 4,178 TEU *Neokastro* and took delivery of the 12,690 TEU newbuilds *YM Triumph, YM Truth* and *YM Totality* from the shipyard. Upon their delivery, all three newbuild vessels commenced their 10-year time charters.

On October 2, 2020, the Company agreed to acquire the 2006-built 5,642 TEU *Glen Canyon* and on December 18, 2020 the Company agreed to acquire two 2004-built, 6,492 TEU containerships, the *Aries* and *Argus*.

During the year ended December 31, 2019, the Company prepaid the outstanding balances of Adele Shipping Co., Bastian Shipping Co. and Cadence Shipping Co. finance lease liabilities (Note 12) and acquired back the 2014-built, 9,403 TEU *MSC Azov, MSC Ajaccio* and *MSC Amalfi*. At the same year, the Company agreed to acquire four secondhand containerships. During the year ended December 31, 2019, the Company took delivery of three of the aforementioned vessels, the 2010-built, 4,258 TEU *Volans* and *Vulpecula* (ex. *JPO Vulpecula*) and the 2009-built, 4,258 TEU *Vela*.

During the year ended December 31, 2021, the Company sold the container vessels (i) *Halifax Express*, which was classified as a Vessel held for sale at December 31, 2020, (ii) *Prosper* and *Venetiko*, which were classified as Vessels held for sale at March 31, 2021, (iii) *Zim Shanghai* and *Zim New York*, which were classified as Vessels held for sale at June 30, 2021, and recognized an aggregate net gain of $45,894, which is separately reflected in Gain / (loss) on sale of vessels, net in the accompanying 2021 consolidated statement of operations.

On December 9, 2021, the Company decided to make arrangements to sell the container vessels *Sealand Illinois, Sealand Michigan, York* and *Messini*. At that date, the Company concluded that all the criteria required by the relevant accounting standard, ASC 360-10-45-9, for the classification of the vessel as ''held for sale'' were met. As of December 31, 2021, the amount of $78,799 (including $3,742 transferred from Deferred charges, net), separately reflected in Vessels held for sale in the 2021 consolidated balance sheet, represents the aggregate carrying value of those vessels at the time that each met the held for sale criteria on the basis that, as of that date, each vessel's fair value less cost to sell exceeded each vessel's carrying amount. Their fair value was based on the vessel's independent valuations, net of the estimated cost to sell (Level 2 inputs of the fair value hierarchy). The Company expects that the sale of the four container vessels will be concluded within the next 12-month period (Note 22(i)).

During the year ended December 31, 2020, the Company sold the vessels *Neapolis*, *Kawasaki*, *Kokura*, *Zagora* and *Singapore Express* and recognized a net loss of $79,120, which is separately reflected in Gain / (loss) on sale of vessels, net in the accompanying 2020 consolidated statement of operations.

On December 11, 2020, the Company decided to make arrangements to sell the vessel *Halifax Express*. At that date, the Company concluded that all the criteria required by the relevant accounting standard, ASC 360-10-45-9, for the classification of the vessel as ''held for sale'' were met. As of December 31, 2020, the amount of $12,416, separately reflected in Vessels held for sale in the consolidated balance sheet, represents the fair market value of the vessel Halifax Express based on its estimated sale price, net of commissions (Level 2 inputs of the fair value hierarchy). The difference between the estimated fair value less cost to sell of the vessel and the vessel's carrying value, amounting to $7,665, was recorded in the year ended December 31, 2020, and is separately reflected as Loss on vessels held for sale in the accompanying 2020 statement of operations. During the year ended December 31, 2020, the Company recorded an impairment loss in relation to five of its vessels in the amount of $31,577 (including $693 transferred from Deferred charges, net). The fair values of the five vessels were determined through Level 2 inputs of the fair value hierarchy (Note 20).

On December 26, 2019 and December 31, 2019, the Company decided to make arrangements to sell the vessels *Neapolis* and *Zagora*, respectively. At these dates, the Company concluded that all the criteria required by the relevant accounting standard, ASC 360-10-45-9, for the classification of the two vessels as ''held for sale'' were met. As of December 31, 2019, the amount of $4,908, represents the fair market value of the vessels based on the vessels' estimated sale price, net of commissions (Level 2 inputs of the fair value hierarchy). The difference between the estimated fair value less cost to sell the vessels and the vessels' carrying value, amounting to $2,495, was recorded in the year ended December 31, 2019, and is separately reflected as Loss on vessels held for sale in the accompanying 2019 statement of operations.

During the year ended December 31, 2019, the Company sold the vessels *MSC Pylos*, *Piraeus*, *Sierra II* (ex. *MSC Sierra II*), *Reunion* (ex. *MSC Reunion*) and *Namibia II* (ex. *MSC Namibia* II) and recognized an aggregate loss of $19,589, which is separately reflected in Gain / (loss) on sale of vessels, net in the accompanying 2019 consolidated statement of operations.

During the year ended December 31, 2019, the Company recorded an impairment loss in relation to two of its vessels in the amount of $3,042 (including $1,548 transferred from Deferred charges, net (Note 8)), in the aggregate, and is separately reflected in Vessels impairment loss in the 2019 consolidated statement of operations.

Ninety-five of the Company's vessels, with a total carrying value of $2,613,642 as of December 31, 2021, have been provided as collateral to secure the long-term debt discussed in Note 11. This excludes the four vessels under the sale and leaseback transactions described in Note 12, the five newbuild vessels *YM Triumph*, *YM Truth*, *YM Totality*, *YM Target* and *YM Tiptop*, the five vessels acquired in 2018 under the Share Purchase Agreement (Notes 10 and 11.B) with York and six unencumbered vessels.

8. Deferred Charges, net:

Deferred charges, net include the unamortized dry-docking and special survey costs. The amounts in the accompanying consolidated balance sheets are as follows:

Balance, January 1, 2020	**$ 21,983**
Additions	15,481
Amortization	(9,056)
Write-off and other movements (Note 7)	(726)
Balance, December 31, 2020	**$ 27,682**
Additions	18,882
Amortization	(10,433)
Write-off and other movements (Note 7)	(4,272)
Balance, December 31, 2021	**$ 31,859**

During the year ended December 31, 2021, 14 vessels underwent and completed their dry-docking and special survey and one vessel was in the process of completing her dry-docking and special survey. During the years ended December 31, 2019, 2020, six and 11 vessels underwent and completed their dry-docking and special surveys. The amortization of the dry-docking and special survey costs is separately reflected in the accompanying consolidated statements of operations.

9. Costamare Ventures Inc.:

On May 18, 2015, the Company, along with its wholly owned subsidiary, Costamare Ventures Inc. (''Costamare Ventures''), amended and restated the Framework Deed, which was further amended on June 12, 2018 (the ''Framework Deed'') with York to invest jointly in the acquisition and construction of container vessels. Under the Framework Deed, the decisions regarding vessel acquisitions are made jointly by Costamare Ventures and York and the Company reserves the right to acquire any vessels that York decides not to pursue. The commitment period ended on May 15, 2020 and the termination of the Framework Deed will occur on May 15, 2024, or upon the occurrence of certain extraordinary events as described therein.

On termination and on the occurrence of certain extraordinary events, Costamare Ventures may elect to divide the vessels owned by all such vessel-owning entities between itself and York to reflect their cumulative participation in all such entities. Costamare Shipping provides ship management and administrative services to the vessels acquired under the Framework Deed, with the right to subcontract to V.Ships Greece.

As at December 31, 2021, the Company holds 49% of the capital stock of six jointly-owned companies formed pursuant to the Framework Deed with York (Note 10). The Company accounts for the entities formed under the Framework Deed as equity investments.

10. Equity Method Investments:

The companies accounted for as equity method investments, all of which are incorporated in the Marshall Islands, are as follows:

Entity	Vessel	Participation % December 31, 2021	Date Established /Acquired
Steadman Maritime Co.	—	49%	July 1, 2013
Marchant Maritime Co.(*)	—	—	—
Horton Maritime Co.(*)	—	—	—
Smales Maritime Co.	—	49%	June 6, 2013
Geyer Maritime Co.	*Arkadia*	49%	May 18, 2015
Goodway Maritime Co.	*Monemvasia*	49%	September 22, 2015
Platt Maritime Co.	*Polar Argentina*	49%	May 18, 2015
Sykes Maritime Co.	*Polar Brasil*	49%	May 18, 2015

(*) Dissolved on June 21, 2021

During the year ended December 31, 2021, Steadman Maritime Co. sold its vessel *Ensenada* and provided a special dividend to the Company amounting to $15,190.

During the year ended December 31, 2020, the Company received, in the form of a special dividend, $3,700, in aggregate from Steadman Maritime Co., Geyer Maritime Co., Smales Maritime Co. and Goodway Maritime Co.

During the year ended December 31, 2020, the Company received in the form of a special dividend, $44,185 in aggregate, from Kemp Maritime Co., Hyde Maritime Co., Ainsley Maritime Co., Ambrose Maritime Co. and Skerrett Maritime Co.

During the year ended December 31, 2020, the Company received the amount of $1,764 in aggregate, in the form of a special dividend, from Platt Maritime Co. and Sykes Maritime Co.

On November 12, 2018, Costamare entered into a share purchase agreement (the "Share Purchase Agreement") to acquire the ownership interest held by York in five jointly owned companies, namely Benedict Maritime Co., Bertrand Maritime Co., Beardmore Maritime Co., Schofield Maritime Co. and Fairbank Maritime Co., which had been formed pursuant to the Framework Deed. In connection with this agreement, the Company registered for resale by York up to 7.6 million shares of its common stock. Costamare could elect at any time within six months from February 8, 2019, the effective date of the registration statement on Form F-3/A filed with the SEC on December 19, 2018, to pay a portion of the consideration under the Share Purchase Agreement in Costamare common stock. At the date of the acquisition, the aggregate net value of assets and liabilities transferred to the Company (excluding cash and cash equivalents, the value of the fixed assets and the financing arrangements) was an excess amount of $5,171. Management accounted for this acquisition as an asset acquisition under ASC 805 "Business Combinations"; thus the 40% investment previously held by the Company was carried over at cost, whereas the cost consideration over proportionate cost of the net asset values acquired was proportionally allocated on a relative fair value basis to the net identifiable assets acquired (that is to the vessels (Note 7) and related time charters (Note 13)) other than non-qualifying assets.

On July 17, 2019, the Company elected to pay part of the previously agreed deferred price for the acquisition of the 60% equity interest of York in five 2016-built, 14,000 TEU containerships with newly issued shares of the Company's common stock. On July 25, 2019, 2,883,015 shares of common stock were issued (Note 15) in order to pay an amount of $15,130, representing part of the deferred price. The remaining deferred price due to York was fully paid in cash on May 12, 2020, in accordance with the terms of the Share Purchase Agreement.

On March 22, 2021, March 24, 2021 and March 29, 2021, the Company entered into three share purchase agreements to acquire the ownership interest (in the range of 51% to 75%) held by York in five jointly-owned companies, namely Ainsley Maritime Co. and Ambrose Maritime Co., Hyde Maritime Co. and Skerrett Maritime Co. and Kemp Maritime Co., respectively, which had been formed pursuant to the Framework Deed. At the date of the acquisition, the aggregate net value of assets and liabilities transferred to the Company amounted to $141,040. Management accounted for this acquisition as an asset acquisition under ASC 805 "Business Combinations" whereas the cost consideration over proportionate cost of the net asset values acquired was proportionally allocated on a relative fair value basis to the net identifiable assets acquired (that is to the vessels (Note 7) and related time charters (Note 13)).

For the years ended December 31, 2019, 2020 and 2021, the Company recorded net income of $11,369, $16,195 and $12,859, respectively, from equity method investments, which is separately reflected as Income from equity method investments in the accompanying consolidated statements of operations.

The summarized combined financial information of the companies accounted for as equity method investment is as follows:

	December 31, 2020	December 31, 2021
Current assets	$ 46,006	$ 12,468
Non-current assets	516,171	92,770
Total assets	**$562,177**	**$105,238**
Current liabilities	$ 30,148	$ 6,576
Non-current liabilities	346,994	58,110
Total liabilities	**$377,142**	**$ 64,686**

	For the years ended December 31,		
	2019	2020	2021
Voyage revenue	$85,954	$96,533	$43,088
Net income	**$28,040**	**$39,433**	**$27,617**

11. Long-Term Debt:

The amounts shown in the accompanying consolidated balance sheets consist of the following:

Borrower(s)			December 31, 2020	December 31, 2021
A.	**Term Loans:**			
	1.	Montes Shipping Co. and Kelsen Shipping Co.	—	—
	2.	Uriza Shipping S.A.	—	—
	3.	Costis Maritime Corporation, Christos Maritime Corporation and Capetanissa Maritime Corporation	—	—
	4.	Rena Maritime Corporation, Finch Shipping Co. and Joyner Carriers S.A.	—	—
	5.	Nerida Shipping Co.	11,775	9,975
	6.	Costamare Inc.	—	—
	7.	Singleton Shipping Co. and Tatum Shipping Co.	40,800	37,600
	8.	Reddick Shipping Co. and Verandi Shipping Co.	15,240	—
	9.	Costamare. Inc.	34,188	30,188
	10.	Bastian Shipping Co. and Cadence Shipping Co.	113,200	98,000
	11.	Adele Shipping Co.	60,500	54,500
	12.	Costamare Inc.	135,550	123,990
	13.	Quentin Shipping Co. and Sander Shipping Co.	80,943	72,898
	14.	Costamare Inc.	27,666	24,554
	15.	Capetanissa Maritime Corporation et al.	65,500	56,500
	16.	Caravokyra Maritime Corporation et al.	64,800	54,400
	17.	Achilleas Maritime Corporation et al.	58,396	—
	18.	Kelsen Shipping Co.	8,100	4,050
	19.	Uriza Shipping S.A.	20,000	17,400
	20.	Berg Shipping Co.	—	11,660
	21.	Reddick Shipping Co. and Verandi Shipping Co.	—	14,900
	22.	Evantone Shipping Co. and Fortrose Shipping Co.	—	20,750
	23.	Ainsley Maritime Co. and Ambrose Maritime Co.	—	141,964
	24.	Hyde Maritime Co. and Skerrett Maritime Co.	—	138,519
	25.	Kemp Maritime Co.	—	70,350
	26.	Vernes Shipping Co.	—	12,650
	27.	Achilleas Maritime Corporation et al. nr 2	—	125,360
	28.	Novara et al.	—	63,833
	29.	Costamare Inc.	—	59,952
	30.	Costamare Inc.	—	80,228
	31.	Costamare Inc.	—	—
	32.	Costamare Inc.	—	79,348
	33.	Amoroto et al.	—	103,423
	34.	Costamare Inc.	—	—
	35.	Dattier Marine Corp et al.	—	43,480
	36.	Bernis Marine Corp et al.	—	—
	37.	Costamare Inc.	—	—
		Term Loans	**$736,658**	**$1,550,472**

Borrower(s)		December 31, 2020	December 31, 2021
B.	**Other financing arrangements**	**728,961**	**803,589**
C.	**Unsecured Bond Loan**	**—**	**113,260**
	Total long-term debt	**$1,465,619**	**$2,467,321**
	Less: Deferred financing costs	(13,406)	(25,238)
	Total long-term debt, net	**1,452,213**	**2,442,083**
	Less: Long-term debt current portion	(149,910)	(278,326)
	Add: Deferred financing costs, current portion	2,773	5,961
	Total long-term debt, non-current, net	**$1,305,076**	**$2,169,718**

A. Term Loans:

1. In December 2007, Montes Shipping Co. and Kelsen Shipping Co. entered into a loan agreement with a bank for an amount of up to $150,000 in the aggregate ($75,000 each) on a joint and several basis in order to partly finance the acquisition cost of the vessels *Maersk Kawasaki* and *Kure*. On January 27, 2016, both companies (each a subsidiary of the Company) entered into a supplemental agreement with the bank in order to extend the repayment of the then outstanding loan amount of $66,000 and amend the repayment schedule. On June 19, 2017, the Company prepaid $6,000 on the then outstanding balance. On June 29, 2020, the Company prepaid $8,500, due to the sale of *Kawasaki* (ex. *Maersk Kawasaki*) (Note 7), on the then outstanding balance. On December 17, 2020, the outstanding balance of $8,500 was fully repaid.

2. On May 6, 2016, Uriza Shipping S.A., entered into a loan agreement with a bank for an amount of up to $39,000 for general corporate purposes. On May 11, 2016 the Company drew the amount of $39,000. On November 12, 2020, the Company fully prepaid the outstanding balance of $19,500.

3. In May 2008, Costis Maritime Corporation and Christos Maritime Corporation entered into a loan agreement with a bank for an amount of up to $150,000 in the aggregate ($75,000 each) on a joint and several basis in order to partly finance the acquisition cost of the vessels *York* and *Sealand Washington*. In June 2006, Capetanissa Maritime Corporation entered into a loan agreement with a bank for an amount of up to $90,000, in order to partly finance the acquisition cost of the vessel *Cosco Beijing*. On August 10, 2016, Costis Maritime Corporation, Christos Maritime Corporation and Capetanissa Maritime Corporation entered into a loan agreement with a bank in order to extend the repayment and amend the repayment profile of the then outstanding loans in the amounts of $116,500 in aggregate. On July 21, 2017, the Company prepaid the amount of $4,000 and on June 26, 2018, the Company prepaid another $4,000. On May 7, 2020, the outstanding balance of the loan was fully repaid.

4. In February 2006, Rena Maritime Corporation entered into a loan agreement with a bank for an amount of up to $90,000 in order to partly finance the acquisition cost of the vessel *Cosco Guangzhou*. On December 22, 2016, Rena Maritime Corporation, Finch Shipping Co. and Joyner Carriers S.A. entered into a new loan agreement with a bank in order to fully refinance the then outstanding loan of $37,500 and finance the working capital needs of the Finch Shipping Co. and Joyner Carriers S.A. On January 24, 2020, the Company prepaid the amount $1,385 due to the sale of the vessel *Neapolis* (Note 7). On May 7, 2020, the outstanding balance of the loan was fully repaid.

5. On August 1, 2017, Nerida Shipping Co. entered into a loan agreement with a bank for an amount of up to $17,625 for the purpose of financing general corporate purposes relating to *Maersk Kowloon*. On August 3, 2017 the Company drew the amount of $17,625. As of December 31, 2021, the outstanding balance of $9,975 is repayable in 3 equal quarterly installments of $450, from February 2022 to July 2022 and a balloon payment of $8,625 payable together with the last installment.

6. On March 7, 2018, the Company entered into a loan agreement with a bank for an amount of $233,000 in order to partially refinance a previously held loan. The facility has been drawn down in two tranches on

March 23, 2018. The Company prepaid on May 29, 2018 the amount of $4,477 due to the sale of the container vessel *Itea* and also prepaid on March 22, 2019 the amount of $5,805 due to the sale of the container vessel *Piraeus* (Note 7). During the year ended December 31, 2020, the Company fully prepaid the outstanding balance of the loan.

7. On July 17, 2018, Tatum Shipping Co. and Singleton Shipping Co. entered into a loan agreement with a bank for an amount of up to $48,000, for the purpose of financing general corporate purposes relating to the vessels *Megalopolis* and *Marathopolis*. The facility has been drawn down in two tranches on July 20, 2018 and August 2, 2018. As of December 31, 2021, the outstanding balance of Tranche A of $18,800 is repayable in 15 equal quarterly installments of $400, from January 2022 to June 2025 and a balloon payment of $12,800 payable together with the last installment. As of December 31, 2021, the outstanding balance of Tranche B of $18,800 is repayable in 15 equal quarterly installments of $400, from February 2022 to July 2025 and a balloon payment of $12,800 payable together with the last installment.

8. On October 26, 2018, Reddick Shipping Co. and Verandi Shipping Co., entered into a loan agreement with a bank for an amount of up to $25,000, for the purpose of financing general corporate purposes relating to the vessels *Maersk Kleven* and *Maersk Kotka*. The facility has been drawn down in two tranches on October 30, 2018. On March 24, 2021, the then outstanding balance of $14,020 was fully repaid.

9. On November 27, 2018, the Company entered into a loan agreement with a bank for an amount of $55,000 in order to refinance previously held loans. The facility has been drawn down in two tranches. Tranche A of $28,000 was drawn down on November 30, 2018 and Tranche B (the revolving part of the loan) of $27,000 was drawn down on December 11, 2018. During the year ended December 31, 2019 and following the sale of the vessels *MSC Pylos*, *Sierra II*, *Reunion* and *Namibia II* (Note 7), the Company prepaid in aggregate, the amount of $10,615. On November 11, 2020, the Company drew down the amount of $5,803 under the revolving part of the loan and provided the vessel *Scorpius* (ex. *JPO Scorpius*) (Note 7) as additional security. As of December 31, 2021, the outstanding balance of Tranche A of $8,000 is repayable in eight equal quarterly installments of $1,000, from February 2022 to November 2023. As of December 31, 2021, the outstanding balance of Tranche B of $22,188 is payable in November 2023. As of December 31, 2021, the vessel *Sealand Michigan* was classified as ''Vessel held for sale'' (Note 7) and the then outstanding amount of $6,544 is included in the Current portion of long-term debt, net of deferred financing costs in the accompanying 2021 balance sheet.

10. On June 18, 2019, Bastian Shipping Co. and Cadence Shipping Co., entered into a loan agreement with a bank for an amount of up to $136,000, for the purpose of financing the acquisition costs of *MSC Ajaccio* and *MSC Amalfi* (Notes 7 and 12) and general corporate purposes relating to the two vessels. The facility was drawn down in two tranches on June 24, 2019. As of December 31, 2021, the aggregate outstanding balance of the two tranches of $98,000 is repayable in 22 variable quarterly installments, from March 2022 to June 2027 and a balloon payment per tranche of $14,400 payable together with the last installment.

11. On June 24, 2019, Adele Shipping Co. entered into a loan agreement with a bank for an amount of up to $68,000, for the purpose of financing the acquisition cost of MSC Azov (Notes 7 and 12) and general corporate purposes relating to the vessel. The facility was drawn down on July 12, 2019. As of December 31, 2021, the outstanding balance of the loan of $54,500 is repayable in 19 equal quarterly installments of $1,500, from January 2022 to June 2026 and a balloon payment of $26,000 payable together with the last installment.

12. On June 28, 2019, the Company entered into a loan agreement with a bank for an amount of up to $150,000, in order to partially refinance two term loans. Vessels *Value*, *Valence* and *Vantage* were provided as security. The facility was drawn down in three tranches on July 15, 2019. As of December 31, 2021, the outstanding balance of each tranche of $41,330, is repayable in 15 equal quarterly installments of $963.3 from January 2022 to July 2025 and a balloon payment of $26,880, each payable together with the last installment.

13. On July 18, 2019, the Company entered into a loan agreement with a bank for an amount of up to $94,000, in order to partially refinance one term loan. Vessels *Valor* and *Valiant* were provided as security. The

facility was drawn down in two tranches on July 24, 2019. As of December 31, 2021, the outstanding balance of each tranche of $36,449, is repayable in 15 equal quarterly installments of $1,005.7 from January 2022 to July 2025 and a balloon payment of $21,363.6 each payable together with the last installment.

14. On February 13, 2020, the Company entered into a loan agreement with a bank for an amount of up to $30,000 in order to partly finance the acquisition cost of the vessels *Vulpecula*, *Volans*, *Virgo* and *Vela* (Note 7). On February 18, 2020, the Company drew down the amount of $30,000 in four tranches. As of December 31, 2021, the aggregate outstanding balance of tranche A, B, C and D of $24,554 is repayable in nine equal quarterly installments of $194, $199, $190 and $195, respectively, from February 2022 to February 2024 and a balloon payment of $4,646, $4,566, $4,210 and $4,130 respectively, payable together with the last installment.

15. On April 24, 2020, Capetanissa Maritime Corporation, Christos Maritime Corporation, Costis Maritime Corporation, Joyner Carriers S.A. and Rena Maritime Corporation, entered into a loan agreement with a bank for an amount of up to $70,000, in order to refinance two term loans. The facility was drawn down on May 6, 2020. As of December 31, 2021, the outstanding balance of $56,500 is repayable in 14 equal quarterly installments of $2,250 from February 2022 to May 2025 and a balloon payment of $25,000 payable together with the last installment. As of December 31, 2021, the vessel Messini and York were classified as ‘‘Vessels held for sale’’ (Note 7) and the then aggregate outstanding amount of $12,817 (Note 22 (i)) is included in the Current portion of long-term debt, net of deferred financing costs in the accompanying 2021 balance sheet.

16. On May 29, 2020, Caravokyra Maritime Corporation, Costachille Maritime Corporation, Kalamata Shipping Corporation, Marina Maritime Corporation, Navarino Maritime Corporation and Merten Shipping Co., entered into a loan agreement with a bank for an amount of up to $70,000, in order to partly refinance one term loan. The facility was drawn down on June 4, 2020. As of December 31, 2021, the outstanding balance of $54,400 is repayable in 14 equal quarterly installments of $1,800 from March 2022 to June 2025 and a balloon payment of $29,200 payable together with the last installment.

17. On June 11, 2020, Achilleas Maritime Corporation, Angistri Corporation, Fanakos Maritime Corporation, Fastsailing Maritime Co., Flow Shipping Co., Idris Shipping Co., Leroy Shipping Co., Lindner Shipping Co., Miko Shipping Co., Spedding Shipping Co., Takoulis Maritime Corporation and Timpson Shipping Co., entered into a loan agreement with a bank for an amount of up to $70,000, in order to partly refinance one term loan. The facility was drawn down on June 17, 2020. On September 10, 2020 and September 16, 2020, the Company prepaid $1,450 and $4,878, respectively due to the sale of *Zagora* and *Singapore Express* (Note 7), on the then outstanding balance. On January 29, 2021 and May 21, 2021, the Company prepaid $4,861 and $1,012, respectively due to the sale of *Halifax Express* and *Prosper* (Note 7), on the then outstanding balance. On June 4, 2021, the then outstanding balance of $50,105 of the loan was fully repaid.

18. On December 15, 2020, Kelsen Shipping Co. entered into a loan agreement with a bank for an amount of $8,100, in order to partially refinance one term loan. The facility was drawn down on December 17, 2020. As of December 31, 2021, the outstanding balance of the loan of $4,050 is repayable in two equal semi-annual installments of $2,025, from June 2022 to December 2022.

19. On November 10, 2020, Uriza Shipping S.A. entered into a loan agreement with a bank for an amount of $20,000, in order to refinance one term loan. The facility was drawn down on November 12, 2020. As of December 31, 2021, the outstanding balance of the loan of $17,400 is repayable in 16 equal quarterly installments of $650, from February 2022 to November 2025 and a balloon payment of $7,000 payable together with the last installment.

20. On January 27, 2021, Berg Shipping Co. entered into a loan agreement with a bank for an amount of $12,500, in order to finance the acquisition cost of the vessel *Neokastro*. The facility was drawn down on January 29, 2021. As of December 31, 2021, the outstanding balance of the loan of $11,660 is repayable in 17 equal quarterly installments of $280, from January 2022 to January 2026 and a balloon payment of $6,900 payable together with the last installment.

21. On March 16, 2021, Reddick Shipping Co. and Verandi Shipping Co. entered into a loan agreement with a bank for an amount of $18,500, in order to refinance one term loan and for general corporate purposes. The facility was drawn down in two tranches on March 23, 2021. As of December 31, 2021, the outstanding balance of each tranche of $7,450 is repayable in seven equal quarterly installments of $600, from March 2022 to September 2023 and a balloon payment of $3,250 each payable together with the last installment.

22. On March 18, 2021, Evantone Shipping Co. and Fortrose Shipping Co. entered into a loan agreement with a bank for an amount of $23,000 for the purpose of financing general corporate purposes. The facility was drawn down on March 23, 2021. As of December 31, 2021, the outstanding balance of the loan of $20,750 is repayable in 17 equal quarterly installments of $750, from March 2022 to March 2026 and a balloon payment of $8,000 payable together with the last installment.

23. On March 19, 2021, Ainsley Maritime Co. and Ambrose Maritime Co. entered into a loan agreement with a bank for an amount of $150,000, in order to refinance two term loans (Note 7) and for general corporate purposes. The facility was drawn down in two tranches on March 24, 2021. As of December 31, 2021, the outstanding balance of each tranche of $70,982.1 is repayable in 37 equal quarterly installments of $1,339.3, from March 2022 to March 2031 and a balloon payment of $21,428.6 each payable together with the last installment.

24. On March 24, 2021, Hyde Maritime Co. and Skerrett Maritime Co. entered into a loan agreement with a bank for an amount of $147,000, in order to refinance two term loans (Note 7) and for general corporate purposes. The facility was drawn down in two tranches on March 26, 2021. As of December 31, 2021, the outstanding balance of tranche A of $69,259.6 is repayable in 27 equal quarterly installments of $1,413.5, from March 2022 to September 2028 and a balloon payment of $31,096.2 each payable together with the last installment. As of December 31, 2021, the outstanding balance of tranche B of $69,259.6 is repayable in 17 equal quarterly installments of $1,413.5, from March 2022 to March 2026 and a balloon payment of $45,230.8 each payable together with the last installment.

25. On March 29, 2021, Kemp Maritime Co. entered into a loan agreement with a bank for an amount of $75,000, in order to refinance one term loan (Note 7) and for general corporate purposes. The facility was drawn down on March 30, 2021. As of December 31, 2021, the outstanding balance of the loan of $70,350 is repayable in 29 variable quarterly installments from March 2022 to March 2029 and a balloon payment of $28,600 payable together with the last installment.

26. On March 29, 2021, Vernes Shipping Co. entered into a loan agreement with a bank for an amount of $14,000, in order to finance the acquisition cost of the vessel *Glen Canyon* (Note 7). The facility was drawn down on March 31, 2021. As of December 31, 2021, the outstanding balance of the loan of $12,650 is repayable in 17 equal quarterly installments of $450, from March 2022 to March 2026 and a balloon payment of $5,000 payable together with the last installment.

27. On June 1, 2021, Achilleas Maritime Corporation, Angistri Corporation, Fanakos Maritime Corporation, Fastsailing Maritime Co., Lindner Shipping Co., Miko Shipping Co., Saval Shipping Co., Spedding Shipping Co., Tanera Shipping Co., Timpson Shipping Co. and Wester Shipping Co., entered into a loan agreement with a bank for an amount of up to $158,105, in order to refinance one term loan and to finance the acquisition cost of the vessels *Porto Cheli*, *Porto Kagio* and *Porto Germeno* (Note 7). The facility was drawn down in four tranches. On June 4, 2021, the Refinancing tranche of $50,105 and tranche C of $38,000 were drawn down, on June 7, 2021, Tranche A of $35,000 was drawn down and on June 24, 2021, Tranche B of $35,000 was drawn down. On August 12, 2021, the Company prepaid $7,395.1 due to the sale of *Venetiko* (Note 7), on the then outstanding balance. On October 12, 2021 and October 25, 2021, the Company prepaid $6,531 and $6,136, respectively due to the sale of *ZIM Shanghai* and *ZIM New York* (Note 7), on the then outstanding balance. As of December 31, 2021, the outstanding balance of the Refinancing tranche of $26,630.5 is repayable in 18 equal quarterly installments of $1,391.5 payable from March 2022 to June 2026 and a balloon payment of $1,583.4, payable together with the last installment. As of December 31, 2021, the vessel *Sealand Illinois* was classified as ''Vessel held for sale'' (Note 7) and the then outstanding amount of $5,862 is included in the Current portion of

long-term debt, net of deferred financing costs in the accompanying 2021 balance sheet. As of December 31, 2021, the outstanding balance of tranche A of $32,000 is repayable in 18 equal quarterly installments of $1,500, from March 2022 to June 2026 and a balloon payment of $5,000 payable together with the last installment. As of December 31, 2021, the outstanding balance of tranche B of $32,000 is repayable in 18 equal quarterly installments of $1,500, from March 2022 to June 2026 and a balloon payment of $5,000 payable together with the last installment. As of December 31, 2021, the outstanding balance of tranche C of $34,730 is repayable in 18 equal quarterly installments of $1,635, from March 2022 to June 2026 and a balloon payment of $5,300 payable together with the last installment.

28. On June 7, 2021, Novara Shipping Co., Finney Shipping Co., Alford Shipping Co. and Nisbet Shipping Co. entered into a loan agreement with a bank for an amount of up to $79,000, in order to finance the acquisition cost of the vessels *Androusa*, *Norfolk*, *Gialova* and *CO Kobe* (tbr *Dyros*) (Note 7 and Note 22(f)). The first two tranches of the facility of $22,500 each, were drawn on June 10, 2021, the third tranche of $22,500 was drawn on August 25, 2021, while the fourth tranche of $11,500 was not drawn down until December 31, 2021 (Note 22(e)(iv)). As of December 31, 2021, the aggregate outstanding balance $42,120 of the first two tranches, is repayable in 14 variable quarterly installments from March 2022 to June 2025 and a balloon payment of $24,120 in the aggregate, payable together with the last installment. As of December 31, 2021, the outstanding balance of the third tranche of $21,712.5, is repayable in 15 variable quarterly installments from February 2022 to August 2025 with a balloon payment of $10,980, payable together with the last installment.

29. On July 8, 2021, the Company entered into a loan agreement with a bank for an amount of up to $62,500, in order to finance the acquisition cost of the vessels *Pegasus*, *Eracle*, *Peace*, *Sauvan*, *Pride*, *Acuity*, *Comity* and *Athena* (Note 7). An aggregate amount of $49,236.3, was drawn during July 2021, an amount of $7,300 was drawn in August 2021 and an amount of $5,963.8 was drawn in October 2021, to finance the acquisition of the eight vessels. As of December 31, 2021, the aggregate outstanding balance of $59,951.6 is repayable in variable quarterly installments from January 2022 to October 2026 with an aggregate balloon payment of $17,684.5 that is payable together with the respective last installments.

30. On July 9, 2021, the Company entered into a loan agreement with a bank for an amount of up to $81,500, in order to finance the acquisition cost of the vessels *Builder*, *Adventure*, *Manzanillo*, *Alliance*, *Seabird*, *Aeolian*, *Farmer* and *Greneta* (Note 7). Five tranches of the facility with aggregate amount of $44,620 were drawn during July 2021 to finance the acquisition of the first five vessels, one tranche amounting to $12,480 was drawn in August 2021 to finance the acquisition of the vessel *Aeolian,* one tranche amounting to $13,250 was drawn in October 2021 to finance the acquisition of the vessel *Farmer* and one tranche amounting to $11,150 was drawn in December 2021 to finance the acquisition of the vessel *Greneta*. As of December 31, 2021, the aggregate outstanding balance of $80,227.5 is repayable in variable quarterly installments from January 2022 to December 2026 with an aggregate balloon payment of $43,850 that is payable together with the respective last installments.

31. On July 12, 2021, the Company entered into a revolving facility agreement for an amount of up to $24,500, for the purpose of financing general and working capital purposes. The amount of $24,500 was drawn down on July 15, 2021. On November 1, 2021, the Company fully prepaid the outstanding balance of $24,500.

32. On July 16, 2021, the Company entered into a hunting license facility agreement with a bank for an amount of up to $120,000, in order to finance the acquisition cost of the vessels *Bernis*, *Verity*, *Dawn*, *Discovery*, *Clara*, *Serena*, *Parity*, *Taibo*, *Thunder*, *Equity*, *Curacao* and *Rose* (Note 7). Three tranches of the facility with an aggregate amount of $34,200 were drawn during July 2021, to finance the acquisition of the first three vessels, three tranches of the facility with an aggregate amount of $28,050 were drawn during August 2021, to finance the acquisition of the subsequent three vessels, three tranches of the facility with an aggregate amount of $27,600 were drawn during September 2021, to finance the acquisition of the subsequent three vessels, two tranches of the facility with an aggregate amount of $19,350 were drawn during October 2021, to finance the acquisition of the subsequent two vessels and the last tranche of the facility with an amount of $10,800 was drawn during November 2021, to finance the acquisition of the last vessel. On December 21, 2021, the Company prepaid the

amount of $38,844 regarding the tranches of vessels *Clara*, *Rose*, *Thunder* and *Equity* (Note 11.A.35). As of December 31, 2021, the aggregate outstanding balance of $79,348 is repayable in variable quarterly installments from January 2022 to September 2027 with an aggregate balloon payment of $40,884 that is payable together with the respective last installments.

33. On July 27, 2021, Amoroto Marine Corp., Bermeo Marine Corp., Bermondi Marine Corp., Briande Marine Corp., Camarat Marine Corp., Camino Marine Corp., Canadel Marine Corp., Cogolin Marine Corp., Fruiz Marine Corp., Gajano Marine Corp., Gatika Marine Corp., Guernica Marine Corp., Laredo Marine Corp., Onton Marine Corp. and Solidate Marine Corp. amongst others, entered into a hunting license facility agreement with a bank for an amount of up to $125,000, in order to finance the acquisition cost of the vessels *Progress*, *Merida*, *Miner*, *Uruguay*, *Resource*, *Konstantinos*, *Cetus* (ex. *Charm*), *Titan I*, *Bermondi*, *Orion*, *Merchia* and *Damon* (Note 7), as well as the acquisition of further vessels. Two tranches of the facility with an aggregate amount of $18,000 were drawn during August 2021 to finance the acquisition of the first two vessels, four tranches of the facility with an aggregate amount of $32,430 were drawn during September 2021 to finance the acquisition of the subsequent four vessels, one tranche of the facility with an aggregate amount of $7,347 was drawn in October 2021 to finance the acquisition of the vessel *Cetus* (ex. *Charm*), three tranches of the facility with an aggregate amount of $33,645 were drawn during November 2021 to finance the acquisition of the subsequent three vessels and one tranche of the facility with an amount of $14,100 was drawn in December 2021 to finance the acquisition of *Merchia*. The last tranche of the facility was not drawn down until December 31, 2021. As of December 31, 2021, the aggregate outstanding balance of $103,423 is repayable in variable quarterly installments from January 2022 to December 2026 with an aggregate balloon payment of $54,018.7 that is payable together with the respective last installments.

34. On September 10, 2021, as amended on December 29, 2021, the Company entered into a hunting license facility agreement with a bank for an amount of up to $150,000 in order to finance part of the acquisition cost of dry bulk vessels. No drawdown had occurred as of December 31, 2021.

35. On December 10, 2021, Dattier Marine Corp., Dramont Marine Corp., Gassin Marine Corp. and Merle Marine Corp. entered into a loan agreement with a bank for an amount of up to $43,500, in order to refinance the term loan of the vessels *Equity*, *Thunder*, *Rose* and *Clara*. The facility was drawn down on December 20, 2021. As of December 31, 2021, the aggregate outstanding balance of $43,480 is repayable in variable quarterly installments from March 2022 to December 2026 with an aggregate balloon payment of $12,330 that is payable together with the respective last installments.

36. On December 24, 2021, Bernis Marine Corp. Andati Marine Corp., Barral Marine Corp., Cavalaire Marine Corp. and Astier Marine Corp. entered into a loan agreement with a bank for an amount of up to $55,000, in order to refinance the term loan of the vessels *Bernis*, *Verity*, *Dawn*, *Discovery* and *Parity* discussed in Note 11.A.32. No drawdown had occurred as of December 31, 2021.

37. On December 28, 2021, the Company entered into a hunting license facility agreement with a bank for an amount of up to $100,000 in order to finance the acquisition cost of the vessels *Pythias*, *Egyptian Mike*, *Phoenix*, *Belstar* (tbr *Oracle*), *Universal Bremen* (tbr *Libra*) (Note 7) and of other dry bulk vessels that the Company has not identified to date. No drawdown had occurred as of December 31, 2021.

The term loans discussed above bear interest at LIBOR plus a spread (with the exception of the loan discussed in Note 11.A.24 which bears a fixed rate) and are secured by, inter alia, (a) first-priority mortgages over the financed vessels, (b) first priority assignments of all insurances and earnings of the mortgaged vessels and (c) corporate guarantees of Costamare or its subsidiaries, as the case may be. The loan agreements contain usual ship finance covenants, including restrictions as to changes in management and ownership of the vessels, as to additional indebtedness and as to further mortgaging of vessels, as well as minimum requirements regarding hull Value Maintenance Clauses in the range of 100% to 125%, restrictions on dividend payments if an event of default has occurred and is continuing or would occur as a result of the payment of such dividend and may also require the Company to maintain minimum liquidity, minimum net worth, interest coverage and leverage ratios, as defined.

B. Other Financing Arrangements

1. In August 2018, the Company, through five wholly owned subsidiaries, entered into five pre and post-delivery financing agreements with a financial institution for the five newbuild containerships (Note 7). The Company is required to repurchase each underlying vessel at the end of the lease and as such it has assessed that under ASC 606, the advances paid for the vessels under construction are not derecognized and the amounts received are accounted for as financing arrangements. The financing arrangements bear fixed interest and the interest expense incurred for the year ended December 31, 2021 amounted to $465 ($3,274 for the year ended December 31, 2020), in the aggregate, and is capitalized in ''Vessels and advances, net'' in the accompanying 2021 consolidated balance sheet. The total financial liability under these financing agreements is repayable in 121 monthly installments beginning upon vessel delivery date including the amount of purchase obligation at the end of the agreements. As of December 31, 2021 and following the delivery of the five newbuilds (Note 7), the aggregate outstanding amount of their financing arrangements is repayable in various installments from January 2022 to May 2031 including the amount of purchase obligation at the end of each financing agreement. The financing arrangements bear fixed interest and for the years ended December 31, 2021, the interest expense incurred amounted to $16,715, in aggregate, ($4,191 for the year ended December 31, 2020) and is included in Interest and finance costs in the accompanying 2021 consolidated statement of operations.

2. On November 12, 2018, the Company, as discussed in Notes 7 and 10 above, entered into a Share Purchase Agreement with York. As at that date, the Company assumed the financing agreements that the five ship-owning companies had entered into for their vessels along with the obligation to pay the remaining part of the consideration under the provisions of the Share Purchase Agreement within the next 18 months from the date of the transaction. According to the financing arrangements, the Company is required to repurchase each underlying vessel at the end of the lease and as such it has assessed that under ASC 606 and ASC 840 the assumed financial liability is accounted for as a financing arrangement. The amount payable to York has been accounted for under ASC 480-Distinguishing liabilities from equity and has been measured under ASC 835-30- Imputation of interest in accordance with the interest method. On May 12, 2020, the outstanding amount of the Company's obligation to York was fully repaid. As at December 31, 2021, the aggregate outstanding amount of the five financing arrangements is repayable in various installments from January 2022 to October 2028 and a balloon payment for each of the five financing arrangements of $32,022, payable together with the last installment. The financing arrangements bear fixed interest and for the year ended December 31, 2021, the interest expense incurred amounted to $18,807 ($28,410 for the year ended December 31, 2020 and $31,196 for the year ended December 31, 2019), in aggregate, and is included in Interest and finance costs in the accompanying consolidated statements of operations.

As of December 31, 2021, the aggregate outstanding balance of the financing arrangements under (1) and (2) above was $803,589.

C. Unsecured Bond Loan (''Bond Loan'')

In May 2021, the Company, through its wholly owned subsidiary, Costamare Participations Plc (the ''Issuer''), issued €100,000 of unsecured bonds to investors (the ''Bond Loan'') and listed the bonds on the Athens Exchange. The Bond Loan will mature in May 2026 and carries a coupon of 2.70%, payable semiannually. The bond offering was completed on May 25, 2021. The trading of the Bonds on the Athens Exchange commenced on May 26, 2021. The net proceeds of the offering are intended to be used for the repayment of indebtedness, vessel acquisitions and working capital purposes.

The Bond Loan can be called in part (pro-rata) or in full by Costamare Participations Plc on any coupon payment date, after the second anniversary and until 6 months prior to maturity. If the Bond Loan is redeemed (in part or in full) on i) the 5th and/or 6th coupon payment date, bondholders will receive a premium of 1.5% on the nominal amount of the bond redeemed, ii) the 7th and/or 8th coupon payment date, bondholders will receive a premium of 0.5% on the nominal amount of the bond redeemed; no premium shall be paid for a redemption occurring on the 9th coupon payment date. In case there is a material change in the tax treatment of the Bond Loan for Costamare Participations Plc, then the Issuer has the right, at any time, to fully prepay the Bond Loan

without paying any premium. The Issuer can exercise the early redemption right in part, one or more times, by pre-paying each time a nominal amount of bonds equal to at least €10,000 provided that the remaining nominal amount of the bonds after the early redemption is not lower than €50,000

As of December 31, 2021, the outstanding balance of the bond amounted to $113,260. For the year ended December 31, 2021, the interest expense incurred amounted to $1,896 and is included in Interest and finance costs in the accompanying consolidated statements of operations.

The annual repayments under the Term Loans, Other Financing Arrangements and Unsecured bond after December 31, 2021, giving effect to the term loans discussed in Note 11.A.9, 11.A.15 and 11.A.27, are in the aggregate as follows:

Year ending December 31,	Amount
2022	$ 278,327
2023	251,339
2024	234,772
2025	436,172
2026	508,049
2027 and thereafter	758,662
Total	**$2,467,321**

The interest rate of Costamare's Term Loans and Other Financing Arrangements (inclusive of fixed rate Term Loans and the related cost of interest rate swaps) as at December 31, 2019, 2020 and 2021, ranged from 3.75%-6.34%, 2.07%-6.34% and 1.82%-4.80%, respectively. The weighted average interest rate of Costamare's Term Loans and Other Financing Arrangements (inclusive of fixed rate Term Loans and the related cost of interest rate swaps) as at December 31, 2019, 2020 and 2021, was 4.8%, 4.1% and 3.3%, respectively.

Total interest expense incurred on long-term debt including the effect of the hedging interest rate swaps (discussed in Notes 17 and 19) and capitalized interest for the years ended December 31, 2019, 2020 and 2021 amounted to $73,752, $65,497 and $74,017, respectively. Of the above amounts, $71,293, $62,223 and $73,552 are included in Interest and finance costs in the accompanying consolidated statements of operations for the years ended December 31, 2019, 2020 and 2021, respectively, whereas in 2019 an amount of $2,459 is capitalized and included in Vessels and Advances, net in the consolidated balance sheet as of December 31, 2019, in 2020, an amount of $3,274 is capitalized and included in Vessels and Advances, net in the consolidated balance sheet as of December 31, 2020 and in 2021, an amount of $465 is capitalized and included in Vessels and Advances, net in the consolidated balance sheet as of December 31, 2021.

D. Financing Costs

The amounts of financing costs included in the loan balances and finance lease liabilities (Note 12) are as follows:

Balance, January 1, 2020	**$10,874**
Additions	7,478
Amortization and write-off	(3,645)
Transfers and other movements	(627)
Balance, December 31, 2020	**$14,080**
Additions	18,034
Amortization and write-off	(6,704)
Transfers and other movements	306
Balance, December 31, 2021	**$25,716**
Less: Current portion of financing costs	(5,961)
Financing costs, non-current portion	**$19,755**

Financing costs represent legal fees and fees paid to the lenders for the conclusion of the Company's financing. The amortization and write-off of loan financing costs is included in interest and finance costs in the accompanying consolidated statements of operations (Note 17).

12. Right-of-Use Assets and Finance Lease Liabilities:

Between January and April 2014, the Company took delivery of the newbuild vessels *MSC Azov*, *MSC Ajaccio* and *MSC Amalfi*. Upon the delivery of each vessel, the Company agreed with a financial institution to refinance the then outstanding balance of the loans relating to these vessels by entering into a ten-year sale and leaseback transaction for each vessel. The shipbuilding contracts were novated to the financial institution for an amount of $85,572 each. On June 18, 2019, Bastian Shipping Co. and Cadence Shipping Co. signed a loan agreement with a bank for the purpose of financing the acquisition costs of the *MSC Ajaccio* and the *MSC Amalfi* (Note 11.A.10). On July 12, 2019 and July 15, 2019, the two above-mentioned subsidiaries repaid the then outstanding lease liability of the two vessels.

On June 24, 2019, Adele Shipping Co. signed a loan agreement with a bank for the purpose of financing the acquisition cost of the *MSC Azov* (Note 11.A.11). On July 12, 2019, the Company drew down the amount of $68,000 and on July 18, 2019 the above-mentioned subsidiary repaid the then outstanding lease liability of the vessel.

On July 6, 2016 and July 15, 2016, the Company agreed with a financial institution to refinance the then outstanding balance of the loans relating to the *MSC Athos* and the *MSC Athens*, by entering into a seven-year sale and leaseback transaction for each vessel. In May 2019, a supplemental agreement was signed to the existing sale and leaseback facility with the financial institution for an additional amount of up to $12,000 in order to finance the installation of scrubbers on the containerships *MSC Athens* and *MSC Athos*. In September 2020, after the completion of the scrubber installation on the two vessels, the Company drew down the amount of $12,000 and the repayment of the outstanding liability was extended up to 2026.

On June 19, 2017, the Company entered into two seven-year sale and leaseback transactions with a financial institution for the *Leonidio* and *Kyparissia*.

The sale and leaseback transactions were classified as finance leases. As the fair value of each vessel sold was in excess of its carrying amount, the difference between the sale proceeds and the carrying amount was classified as prepaid lease rentals or as unearned revenue.

At January 1, 2019, as a result of the adoption of ASC 842 Leases, the balance of Prepaid lease rentals of $42,919 and Deferred gain, net, amounted to $3,557, were reclassified to Right-of-Use assets.

The total value of the vessels, at the inception of the finance lease transactions, was $452,564, in the aggregate. The depreciation charged during the years ended December 31, 2019, 2020 and 2021, amounted to $11,298, $7,096 and $7,489, respectively, and is included in Depreciation in the accompanying consolidated statements of operations. As of December 31, 2020, and 2021, accumulated depreciation amounted to $27,731 and $35,220, respectively, and is included in Right-of-use assets, in the accompanying consolidated balance sheets. As of December 31, 2020, and 2021, the net book value of the vessels amounted to $199,098 and $191,303, respectively, and is separately reflected as Right-of-use assets, in the accompanying consolidated balance sheets.

The finance lease liabilities amounting to $116,843 as at December 31, 2021 are scheduled to expire through 2026 and include a purchase option to repurchase the vessels at any time during the charter period and an obligation to repurchase the vessels at the end of the charter period. Total interest expenses incurred on finance leases, including the effect of the hedging interest rate swaps related to the sale and leaseback transactions (discussed in Notes 17 and 19) for the years ended December 31, 2019, 2020 and 2021, amounted to $15,112, $5,626 and $4,661, respectively, and are included in Interest and finance costs in the accompanying consolidated statements of operations. Finance lease liabilities of *MSC Athos* and *MSC Athens* bear interest at LIBOR plus a spread, which is not included in the annual lease payments table below.

The annual lease payments under the finance leases after December 31, 2021 are in the aggregate as follows:

Year ending December 31,	Amount
2022	$ 18,267
2023	18,267
2024	37,157
2025	13,376
2026 and thereafter	33,344
Total	**$120,411**
Less: Amount of interest (*Leonidio* and *Kyparissia*)	(3,568)
Total lease payments	**$116,843**
Less: Financing costs, net	(478)
Total lease payments, net	**$116,365**

The total finance lease liabilities, net of related financing costs, are presented in the accompanying December 31, 2020 and 2021 consolidated balance sheet as follows:

	December 31, 2020	December 31, 2021
Finance lease liabilities – current	$ 16,691	$ 16,858
Less: current portion of financing costs	(196)	(182)
Finance lease liabilities – non-current	116,844	99,985
Less: non-current portion of financing costs	(478)	(296)
Total	**$132,861**	**$116,365**

13. Accrued Charter Revenue, Current and Non-Current, Unearned Revenue, Current and Non-Current and Time Charter Assumed, Current and Non-Current:

(a) Accrued Charter Revenue, Current and Non-Current: The amounts presented as current and non-current accrued charter revenue in the accompanying consolidated balance sheets as of December 31, 2020 and 2021 reflect revenue earned, but not collected, resulting from charter agreements providing for varying annual charter rates over their terms, which were accounted for on a straight-line basis at their average rates.

As at December 31, 2020, the net accrued charter revenue, totaling ($34,284) (discussed in (b) below) is included in Unearned revenue in current and non-current liabilities in the accompanying consolidated balance sheet. As at December 31, 2021, the net accrued charter revenue, totaling ($22,980), comprises of $7,361 separately reflected in Current assets, $8,183 separately reflected in Non-current assets, and (38,524) (discussed in (b) below) included in Unearned revenue in current and non-current liabilities in the accompanying consolidated 2021 balance sheet. The maturities of the net accrued charter revenue as of December 31 of each year presented below are as follows:

Year ending December 31,	Amount
2022	$ 2,704
2023	(2,066)
2024	(13,165)
2025	(8,182)
2026 and thereafter	(2,271)
Total	**$(22,980)**

(b) Unearned Revenue, Current and Non-Current: The amounts presented as current and non-current unearned revenue in the accompanying consolidated balance sheets as of December 31, 2020 and 2021, reflect: (a) cash received prior to the balance sheet date for which all criteria to recognize as revenue have not been met, (b) any unearned revenue resulting from charter agreements providing for varying annual charter rates over their term, which were accounted for on a straight-line basis at their average rate and (c) the unamortized balance of the Time charter assumed liability associated with the acquisition of four out of the five vessels discussed in Notes 7 and 10, with charter parties assumed at values below their fair market value at the date of delivery of the vessels. During the year ended December 31, 2021, the amortization of the liability amounted to $621 (nil for the years ended December 31, 2019 and 2020), and is included in Voyage revenue in the accompanying 2021 consolidated statement of operations.

	December 31, 2020	December 31, 2021
Hires collected in advance	$ 7,236	$ 19,173
Charter revenue resulting from varying charter rates	34,284	38,524
Total	**$ 41,520**	**$ 57,697**
Less current portion	(11,893)	(23,830)
Non-current portion	**$ 29,627**	**$ 33,867**

(c) Time Charter Assumed, Current and Non-Current: On November 12, 2018, the Company purchased from York its 60% of the equity interest in the companies owning the containerships *Triton*, *Titan*, *Talos*, *Taurus* and *Theseus* (Note 7). Any favorable lease terms associated with these vessels were recorded as an intangible asset (''Time charter assumed'') at the time of the acquisition and will be amortized over a period of 7.4 years. On March 29, 2021, the Company purchased from York its 51% of the equity interest in the company owning the containership *Cape Artemisio* (Note 10). Any favorable lease term associated with this vessel was recorded as an intangible asset (''Time charter assumed'') at the time of the acquisition and will be amortized over a period of 4.3 years. As of December 31, 2020, and 2021, the aggregate balance of time charter assumed (current and non-current) was $1,030 and $865, respectively, and is separately reflected in the accompanying consolidated balance sheets. During the years ended December 31, 2019, 2020 and 2021, the amortization expense of Time charter assumed amounted to $191, $192 and ($424), respectively, and is included in Voyage revenue in the accompanying consolidated statements of operations.

14. Commitments and Contingencies:

(a) Time charters: At December 31, 2021, future minimum contractual time charter revenues assuming 365 revenue days per annum per vessel and the earliest redelivery dates possible, based on vessels' committed, non-cancellable, time charter contracts, are as follows:

Year ending December 31,	Amount
2022	$ 801,740
2023	714,743
2024	621,843
2025	425,105
2026	235,837
2027 and thereafter	444,182
Total	**$3,243,450**

The above calculation includes the time charter arrangements of the Company's vessels in operation as at December 31, 2021, of one secondhand container vessel that the Company had agreed to acquire (Note 7) during the year end December 31, 2021 and was delivered in January 2022 (Note 22(f)), but excludes the time charter arrangements of: 15 dry bulk vessels in operation for which their time charter rate is index-linked, eight

container vessels under construction (Note 7) and eight dry bulk vessels for which the Company had not secured employment as of December 31, 2021. These arrangements as at December 31, 2021, have remaining terms of up to 117 months.

(b) Capital Commitments: Capital commitments of the Company as at December 31, 2021 were $0.8 billion in the aggregate, consisting of payments through the Company's equity (i) in relation to the eight container vessels under construction discussed in Note 7, (ii) in relation to the balance amount payable for the acquisition of the dry bulk vessel *Belstar* (Note 7 and 22(e)) and (iii) in relation to the acquisition cost of the dry bulk vessel *Universal Bremen* (Note 7 and 22(e)).

(c) Debt guarantees with respect to entities formed under the Framework Deed: As of December 31, 2021, following the transaction discussed in Note 10, Costamare does not guarantee any loan with respect to entities formed under the Framework Deed. As of December 31, 2020 Costamare had agreed to guarantee 100% of the debt of Ainsley Maritime Co. ($60,214), Ambrose Maritime Co. ($63,975), Kemp Maritime Co. ($61,250), Hyde Maritime Co. ($60,667) and Skerrett Maritime Co. ($61,750), which were formed under the Framework Deed and are the owners of *Cape Kortia*, *Cape Sounio*, *Cape Akritas*, *Cape Tainaro* and *Cape Artemisio,* respectively. As security for providing the guarantee, in the event that Costamare was required to pay under any guarantee, Costamare would have been entitled to acquire all of the shares in the entities for whose benefit the guarantee was issued that it did not already own for nominal consideration.

(d) Other: Various claims, suits, and complaints, including those involving government regulations, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents, insurance and other claims with suppliers relating to the income of the Company's vessels. Currently, management is not aware of any such claims not covered by insurance or contingent liabilities, which should be disclosed, or for which a provision has not been established in the accompanying consolidated financial statements.

The Company accrues for the cost of environmental liabilities when management becomes aware that a liability is probable and is able to reasonably estimate the probable exposure. Currently, management is not aware of any such claims or contingent liabilities not covered by insurance which should be disclosed or for which a provision should be established in the accompanying consolidated financial statements.

The Company is covered for liabilities associated with the vessels' operations up to the customary limits provided by the Protection and Indemnity (''P&I'') Clubs, members of the International Group of P&I Clubs.

15. Common Stock and Additional Paid-In Capital:

(a) Common Stock: During each of the years ended December 31, 2020 and 2021, the Company issued 598,400 shares at par value of $0.0001 to Costamare Services pursuant to the Services Agreement (Note 3). The fair value of such shares was calculated based on the closing trading price at the date of issuance. There were no share-based payment awards outstanding during the year ended December 31, 2021.

On July 6, 2016, the Company implemented the Plan. The Plan offers holders of Company common stock the opportunity to purchase additional shares by having their cash dividends automatically reinvested in the Company's common stock. Participation in the Plan is optional, and shareholders who decide not to participate in the Plan will continue to receive cash dividends, as declared and paid in the usual manner. During the years ended December 31, 2019, 2020 and 2021, the Company issued 3,187,051 shares, 2,429,542 shares and 1,226,066 shares, respectively, at par value of $0.0001 to its common stockholders, at an average price of $5.8056 per share, $5.6732 per share and $10.3223 per share, respectively.

On July 25, 2019, 2,883,015 shares of common stock at par value of $0.0001 were issued pursuant to the Share Purchase Agreement with York (Note 10).

On November 30, 2021, the Company approved a share repurchase program of up to a maximum $150,000 of its common shares and up to $150,000 of its preferred shares. The timing of repurchases and the exact number of shares to be purchased will be determined by the Company's management, in its discretion.

As of December 31, 2021, the aggregate issued share capital was 123,985,104 common shares at par value of $0.0001.

(b) Preferred Stock: During the year ended December 31, 2020, the Company repurchased and retired 95,574 preferred shares of all classes in the aggregate, at an average price of $17.63 per share. The face value of the preferred shares was cleared from Additional Paid-in Capital while the gain from this transaction, resulting as the difference between the fair value of the consideration paid and the carrying value of the preferred stock, was posted to retained earnings and added to net income to arrive at income available to common stockholders in the calculation of the earnings per share for the period (Note 16).

(c) Additional Paid-in Capital: The amounts shown in the accompanying consolidated balance sheets, as additional paid-in capital include: (i) payments made by the stockholders at various dates to finance vessel acquisitions in excess of the amounts of bank loans obtained, (ii) the difference between the par value of the shares issued in the Initial Public Offering in November 2010 and the offerings in March 2012, October 2012, August 2013, January 2014, May 2015, December 2016, May 2017 and January 2018 and the net proceeds received from the issuance of such shares excluding the shares bought back during the year ended December 31, 2020, (iii) the difference between the par value and the fair value of the shares issued to Costamare Shipping and Costamare Services (Note 3) and (iv) the difference between the par value of the shares issued under the Plan.

(d) Dividends declared and / or paid: During the year ended December 31, 2020, the Company declared and paid to its common stockholders $0.10 per common share and, after accounting for shareholders participating in the Plan, the Company paid (i) $6,762 in cash and issued 649,928 shares pursuant to the Plan for the fourth quarter of 2019, (ii) $9,061 in cash and issued 637,516 shares pursuant to the Plan for the first quarter of 2020, (iii) $9,249 in cash and issued 625,529 shares pursuant to the Plan for the second quarter of 2020 and (iv) $9,273 in cash and issued 516,569 shares pursuant to the Plan for the third quarter of 2020. During the fourth quarter of 2020 and the first quarter of 2021, the Company declared and paid to its common stockholders $0.10 per common share, and, after accounting for shareholders participating in the Plan, the Company paid (i) $9,342 in cash and issued 362,866 shares pursuant to the Plan for the fourth quarter of 2020 and (ii) $9,360 in cash and issued 275,457 shares pursuant to the Plan for the first quarter of 2021. During the second and third quarters of 2021, the Company declared and paid $0.115 per common share to its common stockholders and, after accounting for shareholders participating in the Plan, the Company paid (iii) $10,755 in cash and issued 322,274 shares pursuant to the Plan for the second quarter of 2021 and (iv) $10,738 in cash and issued 265,469 shares pursuant to the Plan for the third quarter of 2021.

During the year ended December 31, 2020, the Company declared and paid to its holders of Series B Preferred Stock (i) $953, or $0.476563 per share for the period from October 15, 2019 to January 14, 2020, (ii) $946, or $0.476563 per share for the period from January 15, 2020 to April 14, 2020 (iii) $939, or $0.476563 per share for the period from April 15, 2020 to July 14, 2020 and (iv) $939, or $0.476563 per share for the period from July 15, 2020 to October 14, 2020. During the year ended December 31, 2021, the Company declared and paid to its holders of Series B Preferred Stock (i) $939, or $0.476563 per share, for the period from October 15, 2020 to January 14, 2021 and (ii) $939, or $0.476563 per share, for the period from January 15, 2021 to April 14, 2021, (iii) $939, or $0.476563 per share, for the period from April 15, 2021 to July 14, 2021 and (iv) $939, or $0.476563 per share for the period from July 15, 2021 to October 14, 2021.

During the year ended December 31, 2020, the Company declared and paid to its holders of Series C Preferred Stock (i) $2,125, or $0.531250 per share for the period from October 15, 2019 to January 14, 2020, (ii) $2,111, or $0.531250 per share for the period from January 15, 2020 to April 14, 2020, (iii) $2,111, or $0.531250 per share for the period from April 15, 2020 to July 14, 2020 and (iv) $2,111, or $0.531250 per share for the period from July 15, 2020 to October 14, 2020. During the year ended December 31, 2021, the Company declared and paid to its holders of Series C Preferred Stock (i) $2,111, or $0.531250 per share, for the period from October 15, 2020 to January 14, 2021, (ii) $2,111, or $0.531250 per share, for the period from January 15, 2021 to April 14, 2021, (iii) $2,111, or $0.531250 per share, for the period from April 15, 2021 to July 14, 2021 and (iv) $2,111, or $0.531250 per share for the period from July 15, 2021 to October 14, 2021.

During the year ended December 31, 2020, the Company declared and paid to its holders of Series D Preferred Stock (i) $2,188, or $0.546875 per share for the period from October 15, 2019 to January 14, 2020, (ii) $2,180, or $0.546875 per share for the period from January 15, 2020 to April 14, 2020, (iii) $2,180, or $0.546875 per share for the period from April 15, 2020 to July 14, 2020 and (iv) $2,180, or $0.546875 per share for the period July 15, 2020 to October 14, 2020. During the year ended December 31, 2021, the Company declared and paid to its holders of Series D Preferred Stock (i) $2,180, or $0.546875 per share, for the period from October 15, 2020 to January 14, 2021, (ii) $2,180, or $0.546875, per share for the period from January 15, 2021 to April 14, 2021, (iii) $2,180, or $0.546875 per share, for the period from April 15, 2021 to July 14, 2021 and (iv) $2,180, or $0.546875 per share for the period July 15, 2021 to October 14, 2021.

During the year ended December 31, 2020, the Company declared and paid to its holders of Series E Preferred Stock (i) $2,551, or $0.554688 per share for the period from October 15, 2019 to January 14, 2020, (ii) $2,537, or $0.554688 per share for the period from January 15, 2020 to April 14, 2020, (iii) $2,537, or $0.554688 per share for the period from April 15, 2020 to July 14, 2020 and (iv) $2,537 or $0.554688 per share for the period from July 15, 2020 to October 14, 2020. During the year ended December 31, 2021, the Company declared and paid to its holders of Series E Preferred Stock (i) $2,537, or $0.554688 per share, for the period from October 15, 2020 to January 14, 2021, (ii) $2,537, or $0.554688 per share, for the period from January 15, 2021 to April 14, 2021, (iii) $2,537, or $0.554688 per share, for the period from April 15, 2021 to July 14, 2021 and (iv) $2,537, or $0.554688 per share for the period from July 15, 2021 to October 14, 2021.

16. Earnings / (losses) per share

All common shares issued are Costamare common stock and have equal rights to vote and participate in dividends. Profit or loss attributable to common equity holders is adjusted by the contractual amount of dividends on Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock that should be paid for the period and the gain which resulted from the repurchase of the preferred shares within the period. Dividends paid or accrued on Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock during the years ended December 31, 2019, 2020 and 2021, amounted to $31,269, $31,082 and $31,068, respectively.

	Years ended December 31,		
	2019	2020	2021
	Basic EPS	Basic LPS	Basic EPS
Net income	$ 98,999	$ 8,877	$ 435,121
Less: paid and accrued earnings allocated to Preferred Stock	(31,269)	(31,082)	(31,068)
Add: gain from retirement of Preferred Stock	—	619	—
Net income / (loss) available to common stockholders	67,730	(21,586)	404,053
Weighted average number of common shares, basic and diluted	115,747,452	120,696,130	123,070,730
Earnings / (losses) per common share, basic and diluted	$ 0.59	$ (0.18)	$ 3.28

17. Interest and Finance Costs:

The interest and finance costs in the accompanying consolidated statements of operations are as follows:

	Years ended December 31,		
	2019	2020	2021
Interest expense	$88,289	$66,526	$72,261
Interest capitalized	(2,459)	(3,274)	(465)
Swap effect	(1,885)	1,323	6,417
Amortization and write-off of financing costs	4,491	3,645	6,520
Bank charges and other financing costs	571	482	1,314
Total	**$89,007**	**$68,702**	**$86,047**

18. Taxes:

Under the laws of the countries of incorporation for the vessel-owning companies and/or of the countries of registration of the vessels, the companies are not subject to tax on international shipping income; however, they are subject to registration and tonnage taxes, which are included in Vessel operating expenses in the accompanying consolidated statements of operations.

The vessel-owning companies with vessels that have called on the United States during the relevant year of operation are obliged to file tax returns with the Internal Revenue Service. The applicable tax is 50% of 4% of U.S.-related gross transportation income unless an exemption applies. Management believes that, based on current legislation the relevant vessel-owning companies are entitled to an exemption under Section 883 of the Internal Revenue Code of 1986, as amended.

19. Derivatives:

(a) Interest rate and Cross-currency swaps that meet the criteria for hedge accounting: The Company manages its exposure to floating interest rates and foreign currencies by entering into interest rate and cross-currency rate swap agreements with varying start and maturity dates.

These interest rate swaps are designed to hedge the variability of interest cash flows arising from floating rate debt, attributable to movements in three-month or six-month USD LIBOR. According to the Company's Risk Management Accounting Policy, after putting in place the formal documentation at the inception of the hedging relationship, as required by ASC 815, following the adoption of ASU 2017-12, these interest rate swaps qualified for hedge accounting. The change in the fair value of the interest rate derivative instruments that qualified for hedge accounting is recorded in "Other Comprehensive Income" and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings and is presented in Interest and finance cost. The change in the fair value of the interest rate derivative instruments that did not qualify for hedge accounting is recorded in Loss on derivative instruments.

During the year ended December 31, 2021, the Company entered into three interest rate swap agreements with an aggregate notional amount of $225,000, which met hedge accounting criteria according to ASC 815. Furthermore, during the year ended December 31, 2021, the Company entered into two cross-currency swap agreements, which converted the Company's variability of the interest and principal payments in Euro into USD functional currency cash flows with respect to the Unsecured Bond (Note 11(c)), in order to hedge its exposure to fluctuations deriving from Euro. The two cross-currency swaps are designated as cash flow hedging Instruments for accounting purposes. As of December 31, 2021, the notional amount of the two cross-currency swaps was $122,375 in the aggregate. The principal terms of the two cross-currency swap agreements are as follows:

Effective date	Termination date	Notional amount (Non-amortizing) on effective date in Euro	Notional amount (Non-amortizing) on effective date in USD	Fixed rate (Costamare receives in Euro)	Fixed rate (Costamare pays in USD)	Fair value December 31, 2021 (in USD)
21/5/2021	21/11/2025	€50,000	$61,175	2.70%	4.10%	$ (5,329)
25/5/2021	21/11/2025	€50,000	$61,200	2.70%	4.05%	$ (4,837)
					Total fair value	**$(10,166)**

During the year ended December 31, 2020, the Company entered into five interest rate swap agreements with an aggregate notional amount of $227,046, which all met hedge accounting criteria according to ASC 815 for non-zero derivative instruments at hedge inception.

During the year ended December 31, 2020, the Company terminated two interest rate derivative instruments and paid the counterparties breakage costs of $6 in aggregate, which are included in Swap breakage costs, net in the accompanying 2020 consolidated statement of operations.

At December 31, 2020 and 2021, the Company had interest rate and cross-currency rate swap agreements with an outstanding notional amount of $257,293 and $569,177, respectively. The fair value of these interest rate swaps outstanding as at December 31, 2020 and 2021 amounted to a liability of $7,093 and a liability of $10,882, respectively, and these are included in the accompanying consolidated balance sheets. The maturity of these interest rate swaps range between February 2022 and March 2031.

The estimated net amount that is expected to be reclassified within the next 12 months from Accumulated Other Comprehensive Income / (Loss) to earnings in respect of the settlements on interest rate swaps amounts to $6,470.

(b) Interest rate swaps that do not meet the criteria for hedge accounting: During the year ended December 31, 2020, the Company entered into five interest rate swap agreements with an aggregate notional amount of $227,046. These interest rate swap agreements at their inception, did not qualify for hedge accounting and the Company recorded a loss of $2,193, representing the fair value change for the period the swap agreements were not designated in a hedging relationship, which is included in Loss on derivative instruments, net in the accompanying consolidated statement of operations for the year ended December 31, 2020. On March 17, 2020, these five interest rate swap agreements met hedge accounting criteria according to ASC 815 for non-zero derivative instruments. As of December 31, 2021, the Company did not hold any interest rate swaps that do not qualify for hedge accounting.

(c) Foreign currency agreements: As of December 31, 2021, the Company was engaged in six Euro/U.S. dollar forward agreements totaling $15,000 at an average forward rate of Euro/U.S. dollar 1.1668, expiring in monthly intervals up to June 2022.

As of December 31, 2020, the Company was engaged in eight Euro/U.S. dollar forward agreements totaling $16,000 at an average forward rate of Euro/U.S. dollar 1.1962, expiring in monthly intervals up to August 2021.

The total change of forward contracts fair value for the year ended December 31, 2021, was a loss of $866 (gain of $337 for the year ended December 31, 2020 and gain of $124 for the year ended December 31, 2019) and is included in Loss on derivative instruments, net in the accompanying consolidated statements of operations.

The Effect of Derivative Instruments for the years ended December 31, 2019, 2020 and 2021

Derivatives in ASC 815 Cash Flow Hedging Relationships

	Amount of Gain / (Loss) Recognized in Accumulated OCI on Derivative		
	2019	2020	2021
Interest rate and cross-currency rate swaps	$(3,931)	$(8,129)	$ 382
Reclassification to Interest and finance costs	(1,885)	1,323	6,417
Total	**$(5,816)**	**$(6,806)**	**$6,799**

Derivatives Not Designated as Hedging Instruments under ASC 815

	Location of Gain / (Loss) Recognized in Income on Derivative	Amount of Gain / (Loss) Recognized in Income on Derivative		
		2019	2020	2021
Non-hedging interest rate swaps	Loss on derivative instruments, net	$(727)	$(2,283)	$ (380)
Forward contracts	Loss on derivative instruments, net	124	337	(866)
Total		**$(603)**	**$(1,946)**	**$(1,246)**

The realized loss on non-hedging interest rate swaps included in ''Loss on derivative instruments, net'' amounted to ($48), nil and nil for the years ended December 31, 2019, 2020 and 2021, respectively.

20. Financial Instruments:

(a) Interest rate risk: The Company's interest rates and loan repayment terms are described in Note 11.

(b) Concentration of credit risk: Financial instruments which potentially subject the Company to significant concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable, net (included in current and non-current assets), equity method investments and derivative contracts (interest rate swaps and foreign currency contracts). The Company places its cash and cash equivalents, consisting mostly of deposits, with established financial institutions. The Company performs periodic evaluations of the relative credit standing of those financial institutions. The Company is exposed to credit risk in the event of non-performance by the counterparties to its derivative instruments; however, the Company limits its exposure by diversifying among counterparties with high credit ratings. The Company limits its credit risk with accounts receivable by performing ongoing credit evaluations of its customers' and investees' financial condition, and receiving charter hires in advance, and therefore generally does not require collateral for its accounts receivable.

(c) Fair value: The carrying amounts reflected in the accompanying consolidated balance sheet of financial assets, and accounts payable approximate their respective fair values due to the short maturity of these instruments. The fair value of long-term bank loans with variable interest rates approximates the recorded values, generally due to their variable interest rates. The fair value of other financing arrangements with fixed interest rates discussed in Note 11.B and the term loan with fixed interest rates discussed in Note 11.A.24, the fair value of the interest rate swap agreements, the cross-currency rate swap agreements and the foreign currency agreements discussed in Note 19 are determined through Level 2 of the fair value hierarchy as defined in FASB guidance for Fair Value Measurements and are derived principally from publicly available market data and in case there is no such data available, interest rates, yield curves and other items that allow value to be determined.

The fair value of the Company's other financing arrangements with fixed interest rates discussed in Note 11.B and the term loan with fixed interest rates discussed in Note 11.A.24, approximate the recorded values and are estimated based on the future swap curves currently available and remaining maturities as well as taking into account the Company's creditworthiness.

The fair value of the interest rate swap and cross-currency rate swap agreements discussed in Note 19(a) and (b) equates to the amount that would be paid or received by the Company to cancel the agreements. As at December 31, 2020 and 2021, the fair value of these interest rate swaps in aggregate amounted to a liability of $7,093 and a liability of $10,882, respectively.

The fair value of the Bond Loan discussed in Note 11.C determined through Level 1 of the fair value hierarchy as at December 31, 2021 amounted to $113,260.

The fair value of the forward contracts discussed in Note 19(c) determined through Level 2 of the fair value hierarchy as at December 31, 2020 and 2021 amounted to an asset of $460 and a liability of $406, respectively.

The following tables summarize the hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique on a recurring basis as of the valuation date:

	December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Recurring measurements:				
Forward contracts-asset position	$ 460	$—	$ 460	$—
Interest rate swaps-liability position	(7,093)	—	(7,093)	—
Total	**$(6,633)**	**$—**	**$(6,633)**	**$—**

	December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Recurring measurements:				
Forward contracts- liability position	$ (406)	$—	$ (406)	$—
Interest rate swaps-liability position	(4,145)	—	(4,145)	—
Interest rate swaps-asset position	3,429	—	3,429	—
Cross-currency rate swaps-liability position	(10,166)	—	(10,166)	—
Total	**$(11,288)**	**$—**	**$(11,288)**	**$—**

Assets measured at fair value on a non-recurring basis:

During the year ended December 31, 2020, five vessels were recorded at fair value as their future undiscounted net operating cash flows were less than their carrying amount. The fair values of these five vessels amounting to $30,500 in aggregate, were determined through Level 2 inputs of the fair value hierarchy.

21. Comprehensive Income:

During the year ended December 31, 2019, Other comprehensive income decreased with net losses of $5,753 relating to (i) the change of the fair value of derivatives that qualify for hedge accounting (loss of $3,931), net of the settlements to net income of derivatives that qualify for hedge accounting (loss of $1,885) and (ii) the amounts reclassified from Net settlements on interest rate swaps qualifying for hedge accounting to depreciation ($63).

During the year ended December 31, 2020, Other comprehensive loss increased with net losses of $6,743 relating to (i) the change of the fair value of derivatives that qualify for hedge accounting (loss of $8,129), net of the settlements to net income of derivatives that qualify for hedge accounting (gain of $1,323) and (ii) the amounts reclassified from Net settlements on interest rate swaps qualifying for hedge accounting to depreciation ($63).

During the year ended December 31, 2021, Other comprehensive income increased with net gains of $5,726 relating to (i) the change of the fair value of derivatives that qualify for hedge accounting (gain of $382), net of the settlements to net income of derivatives that qualify for hedge accounting (gain of $6,417), (ii) the Effective portion of changes in fair value of cash flow hedges (loss of 1,136) and (iii) the amounts reclassified from Net settlements on interest rate swaps qualifying for hedge accounting to depreciation ($63).

22. Subsequent Events:

(a) Declaration and payment of dividends (common stock): On January 3, 2022, the Company declared a dividend for the quarter ended December 31, 2021, of $0.115 per share on its common stock, which was paid on February 7, 2022, to stockholders of record of common stock as of January 20, 2022.

(b) Declaration and payment of dividends (preferred stock Series B, Series C, Series D and Series E): On January 3, 2022, the Company declared a dividend of $0.476563 per share on its Series B Preferred Stock, a dividend of $0.531250 per share on its Series C Preferred Stock, a dividend of $0.546875 per share on its Series D Preferred Stock and a dividend of $0.554688 per share on its Series E Preferred Stock, which were all paid on January 18, 2022 to holders of record as of January 14, 2022.

(c) Declaration of special dividend (common stock): On March 9, 2022, the Company declared a special dividend of $0.50 per share on its common stock. The special dividend will be in addition to the regular dividend for the first quarter 2022 and will be paid at the same time and using the same record date as, the regular first quarter 2022 dividend.

(d) New loan agreement: On January 26, 2022, the Company entered into a loan agreement with a bank for an amount of up to $85,000 in order to refinance the term loan discussed in Note 11.A.14, Advance C of the term loan discussed in Note 11.A.27 and for general corporate purposes (Note 22(g)).

(e) Drawdowns of loan facilities: (i) On January 4, 2022, Guernica Marine Corp. drew down the amount of $13.374 related to the term loan discussed in Note 11.A.33, in order to finance the acquisition of the secondhand dry bulk vessel *Damon*. (ii) On January 5, 2022, Bernis Marine Corp. Andati Marine Corp., Barral Marine Corp., Cavalaire Marine Corp. and Astier Marine Corp. drew down the aggregate amount of $52,525 related to the term loan discussed in Note 11.A.36, in order to refinance one term loan discussed in Note 11.A.32.(iii) On January 7, on January 10 and on January 26, 2022, the Company drew down the amount of $56,700 related to the term loan discussed in Note 11.A.37, in order to finance the acquisition of the secondhand dry bulk vessels, *Pythias*, *Egyptian Mike*, *Phoenix*, *Oracle* (ex. *Belstar*) and *Libra* (ex. *Universal Bremen*). (iv) On January 18, 2022, Alford Shipping Co. drew down the amount of $11,500 related to the term loan discussed in Note 11.A.28, in order to finance the acquisition of the secondhand container vessel, *Dyros (ex. Co Kobe*). (v) On January 31, 2022, the Company drew down the amount of $85,000 related to the term loan discussed in Note 22(d) in order to refinance one term loan discussed in Note 11.A.14 and one term loan discussed in Note 11.A.27 and for general corporate purposes.

(f) Vessels' deliveries: In January 2022 the Company took delivery of the 4,578 TEU secondhand container vessel *Dyros* (ex. *Co Kobe*) and the two secondhand dry bulk vessels *Oracle* (ex. *Belstar*) and *Libra* (ex. *Universal Bremen*) (Note 7) with an aggregate DWT capacity of 114,699.

(g) Loan repayments: (i) On January 31, 2022, the Company fully prepaid the amount of $24,554, relating to the term loan discussed in Note 11.A.14 (Note 22(d)). (ii) On February 1, 2022, the Company fully prepaid the amount of $34,730, relating to Advance C of the term loan discussed in Note 11.A.27 (Note 22(d)). (iii) On January 7, 2022, the Company fully prepaid the amount of $51,885, relating to the tranches of *Bernis, Verity, Dawn, Discovery* and *Parity* of the term loan discussed in Note 11.A.32.

(h) Vessels acquisitions: On February 1, 2022, the Company entered into a Memorandum of Agreement to acquire one secondhand dry bulk vessel (*Magda* (tbr. *Norma*)), with a capacity of 58,018 DWT and which is expected to be delivered during the first quarter of 2022.

(i) Vessels' sale: (i) On March 15, 2022, based on a Memorandum of Agreement the Company entered into on February 25, 2022, the vessel *Messini* was delivered to her buyers (Note 7). On March 8, 2022, pursuant to the sale of the vessel *Messini*, the Company prepaid the amount of $3,062 related to the term loan discussed in Note 11.A.15. (ii) On March 17, 2022 the Company entered into Memorandum of Agreements for the sale of the container vessels *Sealand Michigan*, *Sealand Illinois* and *York* (Note 7). The vessels are expected to be delivered to their new owners during the fourth quarter of 2022.

(j) Vessels Held for Sale: In February 2022, the Company decided to make arrangements to sell the container vessels *Maersk Kalamata* and *Sealand Washington*. The Company expects that the sale of the two container vessels will be concluded within the next 12-month period.

(k) Termination of two shipbuilding contracts for the construction of newbuild vessels: On March 24, 2022 the Company served a notice of termination for two shipbuilding contracts which it had entered into with a shipyard during the year ended December 31, 2021, for the construction of two container vessels of 12,690 TEU each (Note 7).

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