



Earnings Presentation

Quarter Ended March 31,

2022

May 24, 2022



Forward-Looking Statements

Statements in this presentation may be "forward-looking statements" within the meaning of federal securities laws. The matters discussed herein that are forward-looking statements are based on current management expectations that involve risks and uncertainties that may result in such expectations not being realized. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous potential risks and uncertainties including, but not limited to, the need to manage our growth and integrate additional capital, acquire additional vessels, volatility in the container shipping business and vessel charter rates, our ability to obtain sufficient capital, the volatility of our stock price, and other risks and factors. Forward-looking statements made during this presentation speak only as of the date on which they are made, and Euroseas does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this presentation.

Because forward-looking statements are subject to risks and uncertainties, we caution you not to place undue reliance on any forward-looking statements. All written or oral forward-looking statements by Euroseas or persons acting on its behalf are qualified by these cautionary statements.

This presentation also contains historical data about the containerized trade, the containership fleet and the containership rates. These figures have been compiled by the Company based on available data from a variety of sources like broker reports and various industry publications or represent Company's own estimates. The Company exercised reasonable care and judgment in preparing these estimates, however, the estimates provided herein may not match information from other sources.

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2022 First Quarter Financial Highlights

Financial Results

in million USD except per share figures

		Q1 2022	
	Net Revenues	\$45.37	
Net Income Attributable to Common Shareholders		\$29.94	\$4.13/share ⁽²⁾
	Adj. Net Income		
Attributable to Common Shareholders ⁽¹⁾		\$26.83	\$3.70/share ⁽²⁾
	Adj. EBITDA ⁽¹⁾	\$31.11	

1) See press release of May 23, 2022 for reconciliation of Adj. Net Income Attributable to Common Shareholders and Adjusted EBITDA

2) Diluted

Share Repurchase Program & Dividend Declaration

- BoD authorized a \$20 million share repurchase program.
- Declared a quarterly dividend of \$0.50 per common share payable on or about June 16, 2022 to shareholders of record on June 9, 2022.

Recent Chartering & Operational Highlights

Chartering:

- **M/V Aegean Express:** extended for 36-39 months at \$41,000/day beginning March 31, 2022
- **M/V Synergy Oakland:** fixed for a single voyage at \$160,000/day, followed by a 30-day charter at \$180,000/day as from April 2022 and, subsequently, fixed for 48-51 months at \$42,000/day
- **M/V Gregos (Hull No. 4201 – 2,800 teu):** fixed for a minimum period of 36 months at \$48,000/day. The new charter will commence in March 2023, once vessel is delivered.
- **M/V Terataki (Hull No. 4202 – 2,800 teu):** fixed for a minimum period of 36 months at \$48,000/day. The new charter will commence in June 2023, once vessel is delivered.

Repairs/DD:

- **EM Corfu:** 56 days (12/29/2021 – 02/22/22)
- **M/V Akinada Bridge:** 6.2 days (01/10/22 – 01/16/22)

Idle period/commercial off-hire:

- **M/V Synergy Oakland:** 5.3 days (02/04/22 - 02/09/22)

Fleet Growth Strategy with Two Components

Newbuilding Program: Nine vessels, 6 x 2,800 teu & 3 x 1,800 teu

- In May 2022, placed orders for two additional 2,800 teu eco design fuel efficient newbuilding vessels ...
- ...following a similar pair of sister vessels placed in February 2022 and another pair of sisters ordered in June 2021
- In March 2022, placed orders for three 1,800 teu eco-design fuel efficient newbuilding vessels
- All vessels will be built at Hyundai Mipo Dockyard Co. in South Korea at a total cost of around \$360 million which will be financed with debt and own equity from funds generated by operations
 - Vessels will be equipped with Tier III engines and most of them be LNG-ready;
 - Will be delivered during 2023 and 2024

Structured Secondhand Acquisitions

- Agreed to acquire two intermediate containerships with approximately 3-year charters attached that bring the cost basis of the vessels below historical average levels by the end of the charter
 - **M/V Emmanuel P (ex. M/V Seaspan Melbourne):** a 4,250 teu, built in 2005, for \$17.5 million along with a charter at a rate of \$19,000 per day until March 2025. Vessel delivered today.
 - **M/V Rena P (ex. M/V Seaspan Manila):** a 4,250 teu, built in 2007, for \$19.5 million along with a charter at a rate of \$20,250 per day until April 2024 and, subsequently, based on the CONTEX index with a floor of \$13,000 per day and a ceiling of \$21,000 per day until February 2025. Vessel expected to be delivered in June 2022.
- Similarly structured acquisitions were made in 2021 when M/V Marcos V and M/V Jonathan P were acquired

Current Fleet Profile

Current fleet is comprised of 18 vessels with an average age of 17⁽¹⁾ years and a carrying capacity of 58.9k TEU



10x Feeder
Avg. Age: 19.2 years⁽¹⁾
Carrying Capacity: 21.4k TEU



8x Intermediate
Avg. Age: 15.7years⁽¹⁾
Carrying Capacity: 37.5k TEU

Name	Type	DWT	Size		Year Built
			TEU		
On the water fleet					
Marcos V	Intermediate	72,968	6,350		2005
Akinada Bridge	Intermediate	71,366	5,610		2001
Synergy Bussan	Intermediate	50,726	4,253		2009
Synergy Oakland	Intermediate	50,787	4,253		2009
Synergy Keelung	Intermediate	50,969	4,253		2009
Synergy Antwerp	Intermediate	50,726	4,253		2008
Emmanuel P	Intermediate	50,796	4,250		2005
Rena P	Intermediate	50,796	4,250		2007
EM Kea	Feeder	42,165	3,100		2007
EM Astoria	Feeder	35,600	2,788		2004
EM Corfu	Feeder	34,654	2,556		2001
Evridiki G	Feeder	34,677	2,556		2001
Diamantis	Feeder	30,360	2,008		1998
EM Spetses	Feeder	23,224	1,740		2007
EM Hydra	Feeder	23,351	1,740		2005
Jonathan P	Feeder	23,357	1,740		2006
Joanna	Feeder	22,301	1,732		1999
Aegean Express	Feeder	18,581	1,439		1997
On the water fleet total	18	737,404	58,871		17.0



Note:
 1. Average age is weighted by the size of the vessels in teu

Vessels Under Construction

Nine vessels with capacity of 22,200 teu to be delivered during 2023 & 2024



*6x Feeders
Carrying Capacity: 2,800 teu each*

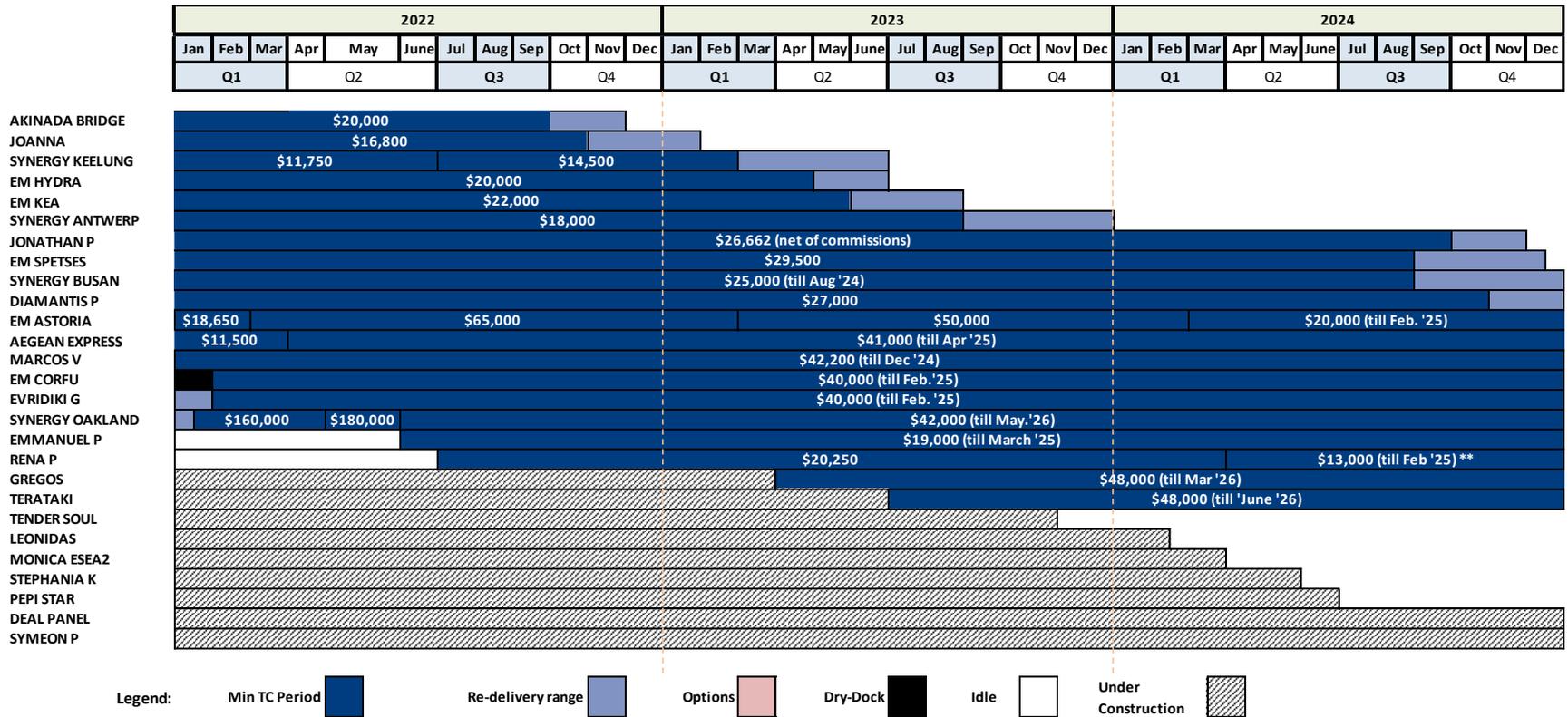


*3x Feeders
Carrying Capacity: 1,800 teu each*

Name	Type	DWT	Size		To be Delivered
				TEU	
<i>Vessels under construction</i>					
Gregos (H4201)	Feeder	37,237		2,800	Q1 2023
Terataki (H4202)	Feeder	37,237		2,800	Q2 2023
Tender Soul (H4236)	Feeder	37,237		2,800	Q4 2023
Leonidas Z (H4237)	Feeder	37,237		2,800	Q1 2024
Monica (H4248)	Feeder	22,262		1,800	Q1 2024
Stephania K (H4249)	Feeder	22,262		1,800	Q2 2024
Pepi Star (H4250)	Feeder	22,262		1,800	Q2 2024
Dear Panel (H4251)	Feeder	37,237		2,800	Q4 2024
Symeon P (H4252)	Feeder	37,237		2,800	Q4 2024
On order vessels total	9	290,208		22,200	

Vessel Employment

Chartering strategy very important in maximizing revenues over the market cycle



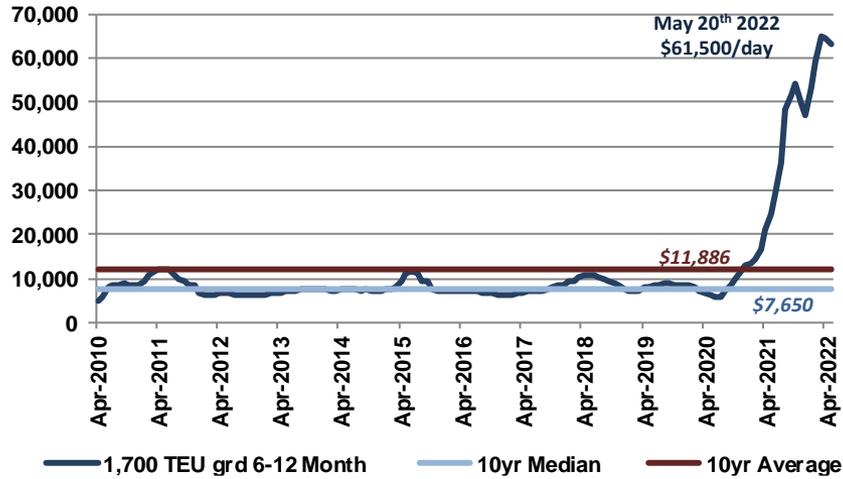
Charter coverage as of end of Q1 is approximate 97% for 2022, about 78% for 2023, and almost 55% for 2024



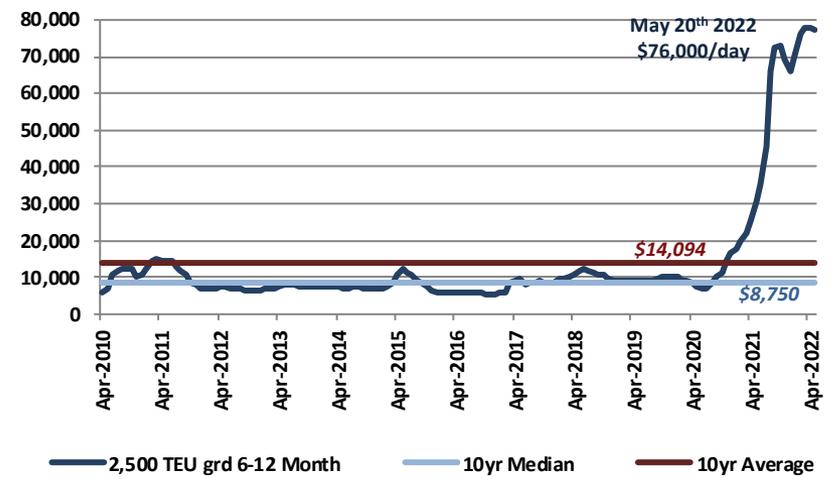
Market Overview

Last 10 year 6-12m TC rate (\$/day)

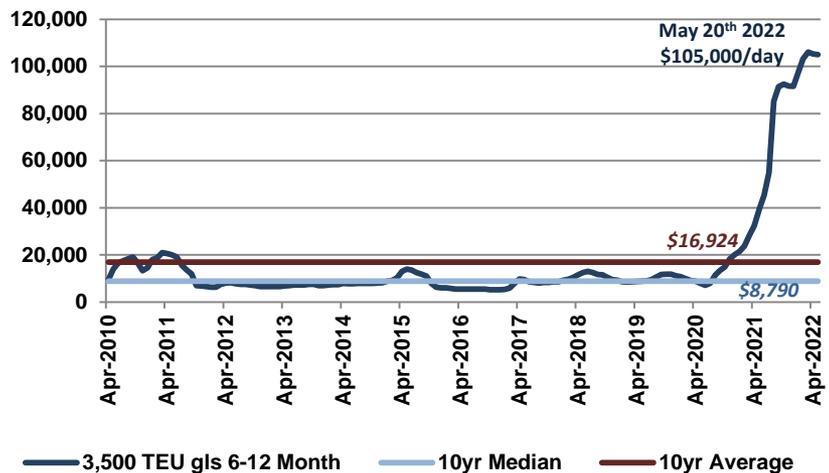
1,700 TEU grd



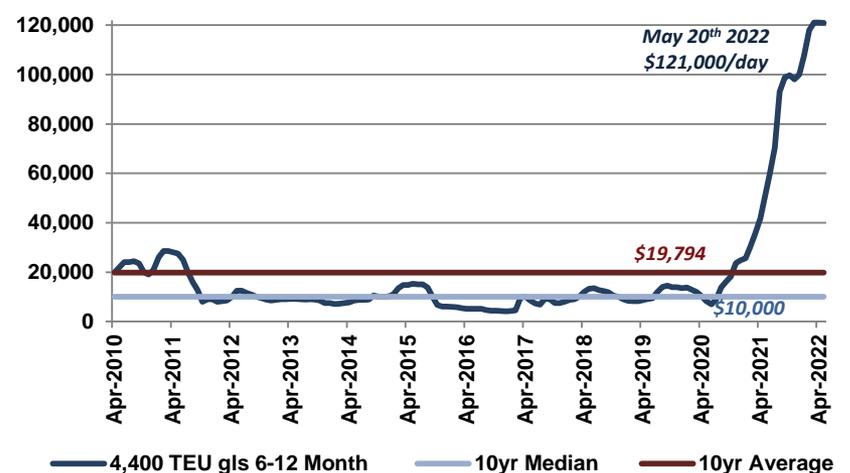
2,500 TEU grd



3,500 TEU gls



4,400 TEU gls



Containership Market Highlights – Q1 2022

- Time charter rates across all segments sky-rocketed over the past 12 months reaching new all-time highs, although recently have retreated a bit
- Average secondhand price index increased on average by about 17.3% in 22Q1 over 21Q4 and remained high during April. In May we are seeing very few deals of smaller ships which are at lower levels.
- Newbuilding price index increased by about 2.4% in 22Q1
 - The sentiment of the newbuilding market continued to follow an upward trend which is also reflected in the current containership prices which are holding at five-year highs.
- Idle fleet: 0.27m teu as of May 9, 2022, or 0.7% of the fleet, the numbers remain stable during the last year, at the lowest levels
 - This is down from 2.4m teu as of middle May 2020
 - There has been an increase in the last weeks attributed to the Chinese lockdowns but the trend seems to be reversing in the last couple of weeks.
- Recycling Activity: It is expected that about ~34,400teu will be scrapped in 2022
 - As of April 30, 2022, there have been no demolitions year-to-date
 - Scrapping price increased even further in May, from already high levels, to \$660/lwt
- The fleet has grown by 1.1 % YTD (without accounting for idle vessels reactivation/idling)
- ~80% of the capacity ordered so far in 2022 has been alternative fuel capable, mainly LNG dual-fuel, while in 2021, 22% of capacity contracted was alternative fuel capable.

World GDP & Shipping Demand Growth

Real GDP (% p.a. - IMF)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e
USA	2.6	1.5	2.3	2.9	2.3	-3.5	5.7	3.7(4.0)	2.3(2.6)
Eurozone	2.0	1.8	2.4	1.8	1.2	-6.6	5.3	2.8(3.9)	2.3(2.5)
Japan	0.5	1.0	1.8	1.0	0.7	-4.8	1.6	2.4(3.3)	2.3(1.8)
China	6.9	6.7	6.8	6.6	6.1	2.3	8.1	4.4(4.8)	5.1(5.2)
India	7.6	7.1	6.7	7.1	4.2	-8	8.9	8.2(9.0)	6.9(7.1)
Russia	-3.7	-0.2	1.8	2.3	1.3	-3.1	4.7	-8.5(2.8)	-2.3(2.1)
Brazil	-3.8	-3.6	1.1	1.1	1.1	-4.1	4.6	0.8(0.3)	1.4(1.6)
ASEAN-5	4.8	4.9	5.3	5.2	4.8	-3.4	3.4	5.3(5.6)	5.9(6.0)
World	3.4	3.2	3.7	3.6	2.9	-3.3	6.1	3.6(4.4)	3.6(3.8)

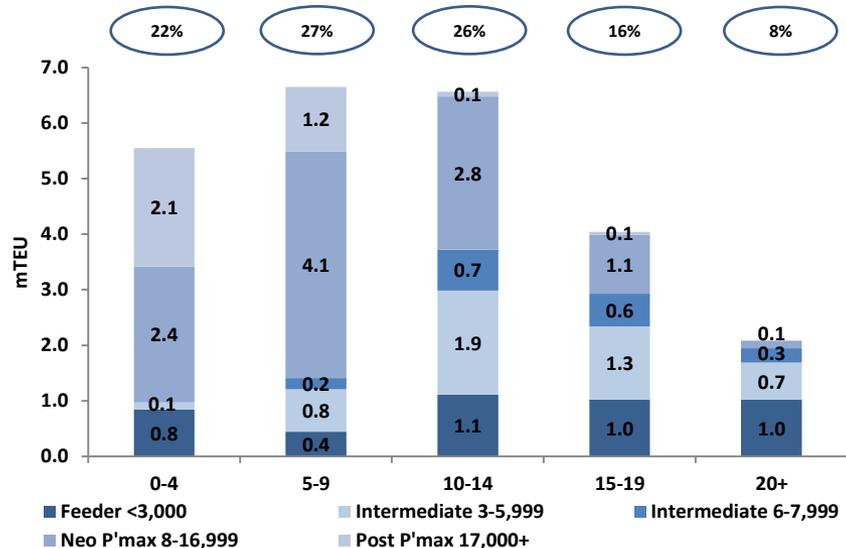
Containerized Trade (% p.a.)

Tonmiles	1.2	4.0	5.6	3.5	1.7	-1.2	6.5	3.2(3.5)	3.5(3.5)
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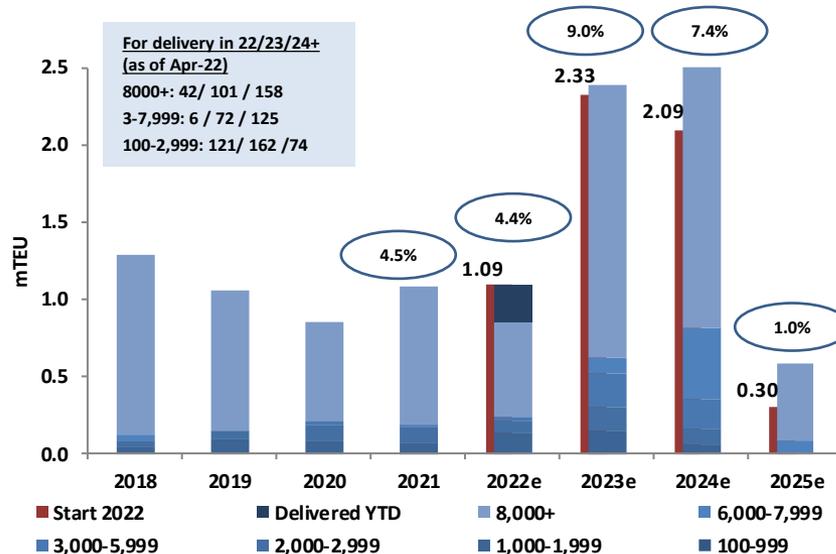
Trade and growth projections are being continuously revised as the effects of geopolitical tensions between Russia and Ukraine on world growth and trade are being assessed.

Age Profile and Orderbook

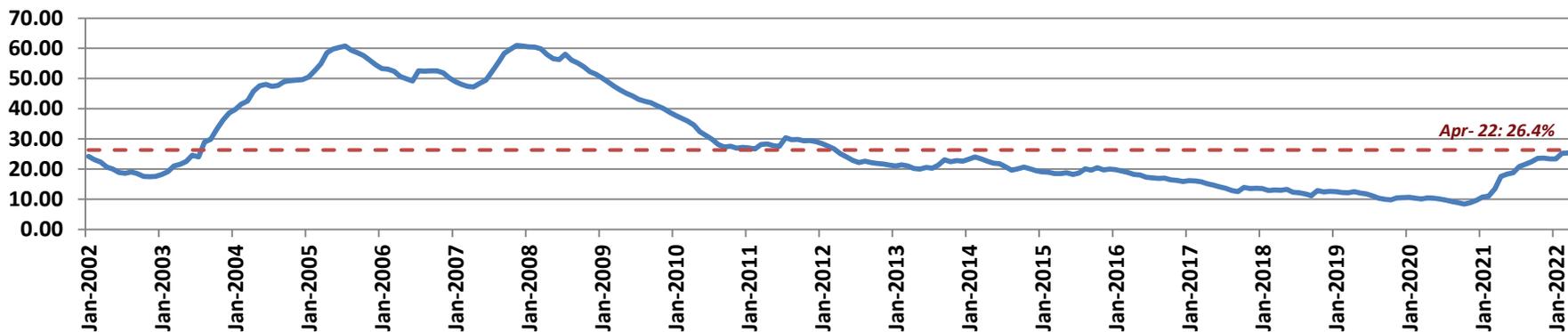
Age Profile



Containership Orderbook



Orderbook as % of fleet



Source: Clarksons Research

(*) Percentage figures for years 2022 and 2023 indicate scheduled deliveries only; percentages in previous years show net fleet growth accounting for scrapping and other fleet changes



Outlook Summary

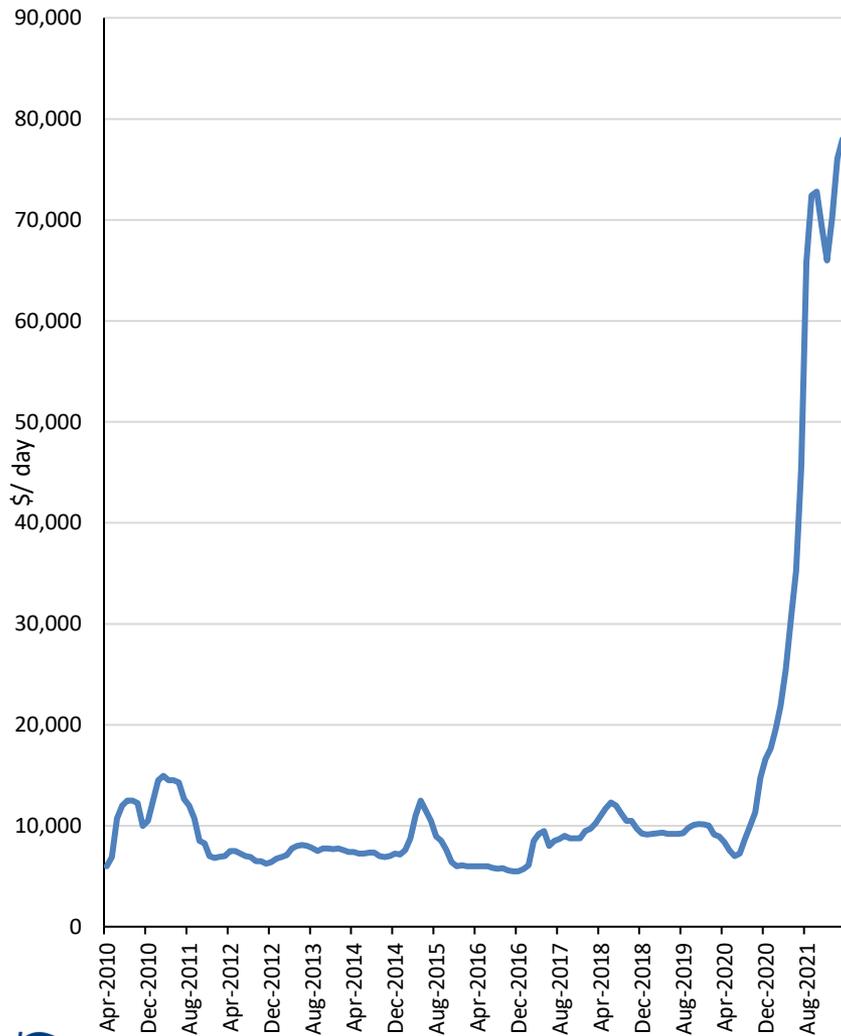
- The war in Ukraine, new variants of COVID-19, energy prices significant increases and new Chinese lockdowns are all causing a significant negative backdrop in the world economy

- Supply/Demand analysis still suggests a firm market continuing in 2022
 - The short-term outlook for the container sector remains positive, with disruption likely to continue to provide support through 2022, alongside a moderate fleet growth (4% this year).
 - Shanghai and other lockdowns are currently affecting Chinese production levels, something that could have material implications if they persist but could transform to a rapid recovery once the lockdown ends
 - Port congestion has continued to significantly impact the container shipping markets, leading to excessive wait times and disrupting operator schedules. These logistical bottlenecks are expected to remain throughout 2022

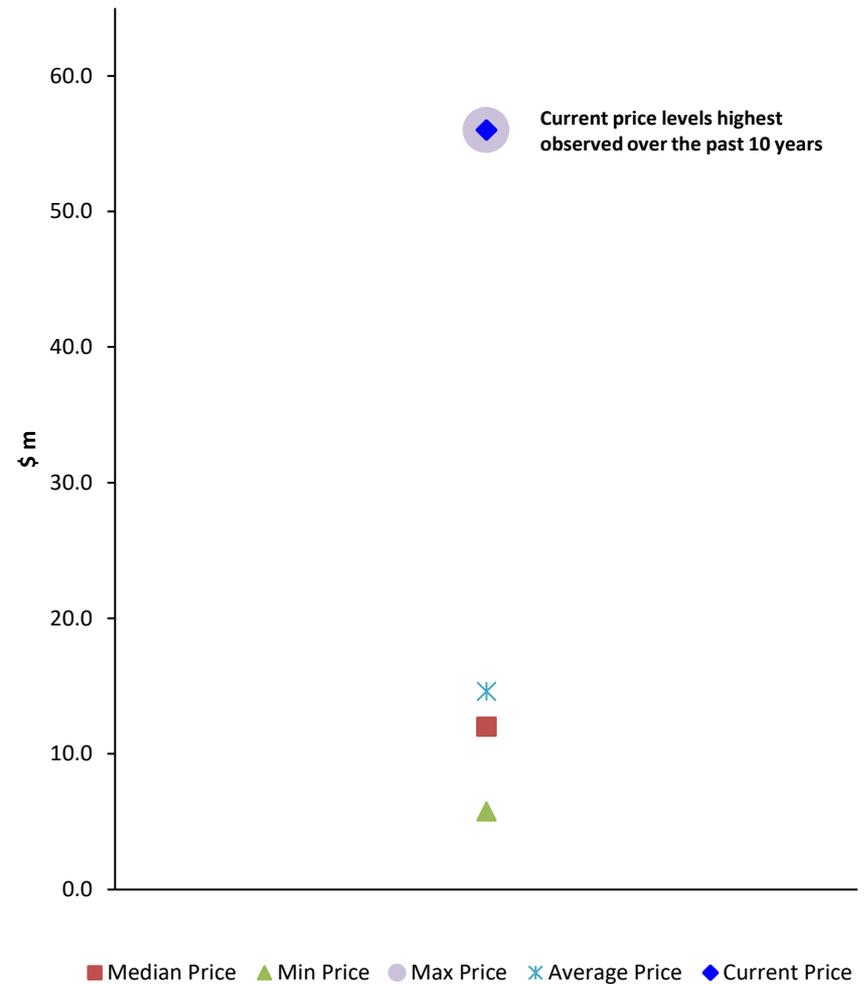
- Longer term fundamentals are harder to predict and, as always, will depend on the interplay of:
 - What demand for vessels will be once transportation system disruptions ease
 - The fallout of the Ukraine-Russia conflict and its effects on world economic growth and containerized trade
 - Material supply pressure from 2023 onwards (due to increased deliveries and easing of congestion) and whether it will overtake demand growth
 - Effect of new environmental regulations which will probably result in further slow steaming by 2023/24, effectively, removing capacity from the market

Market Snapshot

Cont 2,500 TEU One-Year Time Charter Rate



Cont 2,500 TEU – 10 Year Old Historical Price Range⁽¹⁾



Source: Clarksons Research
 Note: 1. Data since 2012 to date



Financial Overview

Financial Highlights: First Quarter 2020 and 2021

<i>(in million USD except per share amounts)</i>	First Quarter		Change
	2021	2022	%
Net Revenues	14.31	45.37	217%
Net Income	3.79	29.94	
Preferred & Preferred Deemed Dividends	(0.22)	-	
Net Income attributable to Common Shareholders	3.57	29.94	
Interest & Finance Costs, net ⁽¹⁾	0.69	1.01	
Depreciation	1.60	3.72	
Loss on Sale of Vessels	0.01	0.00	
Amortization of below market charters	0.00	(1.22)	
Unrealized (Gain) On Derivatives	(0.48)	(2.34)	
Adjusted EBITDA ⁽²⁾	5.60	31.11	455%
Adj. Net Income attributable to Common Shareholders	3.05	26.83	780%
Weighted average numbers of shares, diluted	6,749,393	7,254,593	
Adj. Net Income per share, diluted	0.45	3.70	722%
Dividend per share	0.00	0.50	

Notes:

1) Including interest income

2) See press release of May 23, 2022 for Adjusted EBITDA reconciliation to Net Income

Fleet Data for the First Quarter of 2021 and 2022

<i>(in million USD except per share amounts)</i>	First Quarter	
	2021	2022
Number of vessels	14.0	16.0
Utilization Rate⁽¹⁾		
Operational	96.7%	99.5%
Commercial	100.0%	99.6%
Overall	96.7%	99.2%
<i>(usd/day/vessel)</i>		
Time Charter Equivalent (TCE)⁽²⁾	\$12,134	\$33,986
Operating Expenses		
Vessel Oper. Exp.exlc. DD exp.	6,310	6,646
G&A Expenses	604	683
Total Operating Expenses	\$6,914	\$7,329
Interest Expense	551	704
Drydocking Expense	65	1,242
Loan Repayments without Balloons	1,734	4,782
Preferred dividend in cash	73	-
Breakeven/day	\$9,338	\$14,057

Notes:

- 1) Utilization Rate is calculated excluding scheduled off-hire (drydockings and special surveys) and vessels in lay-up if any. Scheduled off-hire days including vessels laid-up amounted to zero for the first quarter of 2021 and 52.4 days for the first quarter of 2022 respectively
- 2) TCE calculation shows the gross rate the vessels earn while employed; it excludes periods during which the vessels are laid-up or off-hire for commercial or operational reasons

2022 EBITDA Calculator

This slide provides a calculation tool for our shareholders and investors to assess the earnings potential in 2022 onwards, based on our existing coverage as well as the potential incremental contribution from our open days

EBITDA Calculator: 2022 - 2024	2022Q1 actual	2022 Q2-Q4E	2022E	2023E	2024E
Calendar Days	1,440	4,812	6,252	7,078	8,683
Indicative drydocking days estimate	62	103	165	83	129
Available days for hire	1,388	4,709	6,097	6,995	8,555
Contracted Days	1,376	4,509	5,885	5,430	4,674
Coverage (%)	99.2%	96%	97%	78%	55%
Average TC rate Contracted (\$/day)	33,986	31,358	32,015	33,201	34,029
(A) Contracted EBITDA	32.90	97.64	130.54	128.53	113.81
Remaining Open Days		200	200	1,565	3,881
Indicative EBITDA Contribution assuming same rates as of current contracted rates					
Assumed Average TC rate of open days		31,358	32,015	33,201	34,029
(B) EBITDA Contribution, Open Days		4.33	4.33	37.04	94.49
(C) Indicative Drydocking costs	(1.79)	(3.40)	(5.20)	(3.80)	(6.10)
(A+B+C) Total EBITDA	31.11	98.56	129.66	161.78	202.20

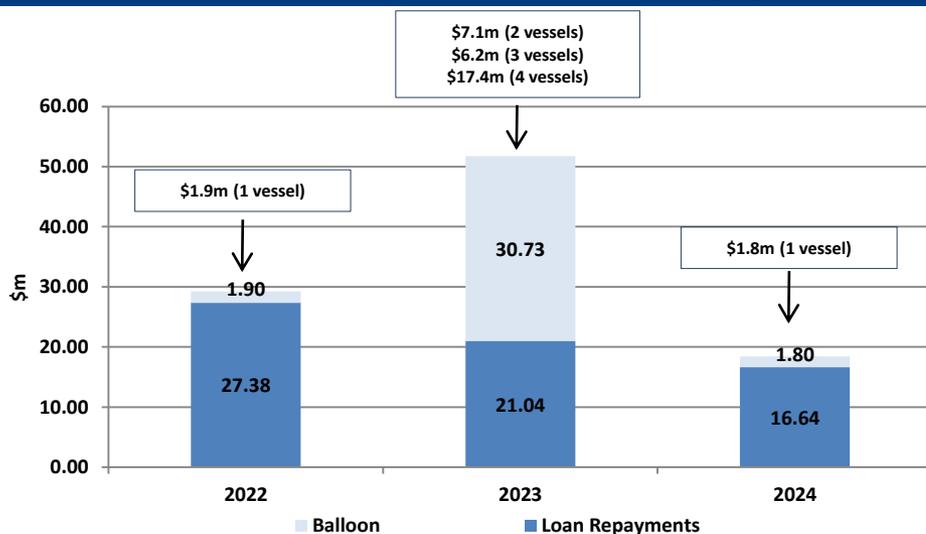
- Indicatively, Open Days in 2022, 2023 and 2024 are shown earning the average of currently contracted TC rates; alternatively, one can use his/her own assumptions about the rate for the Open Days
- The sensitivity of EBITDA to average TC rate earned by the “Open Days” is:
 - 2022: about \$0.20m per \$1,000/day TC rate change
 - 2023: about \$1.57m per \$1,000/day TC rate change, for example, if the “Open Days” in 2023 earned on average \$20,000/day, the EBITDA for the year would be, approximately, \$142m
 - 2024: about \$3.88m per \$1,000/day TC rate change

EBITDA Calculation Assumptions (Q2-Q3-Q4 2022/2023/2024)

1. “Available days for hire” reflects assumptions about schedule drydockings
2. Average contracted TC rate has been calculated based on the existing charter coverage on a vessel-by-vessel basis
3. For “Open Days” and for illustration purposes only, the table shows the current average contracted TC rate.
4. OPEX and G&A/vessel/day assumed at \$7,500 for future periods; commissions of 5.0% on market rates

Debt Repayment Profile

Debt Repayment Profile of Existing Debt



Cost of funding:

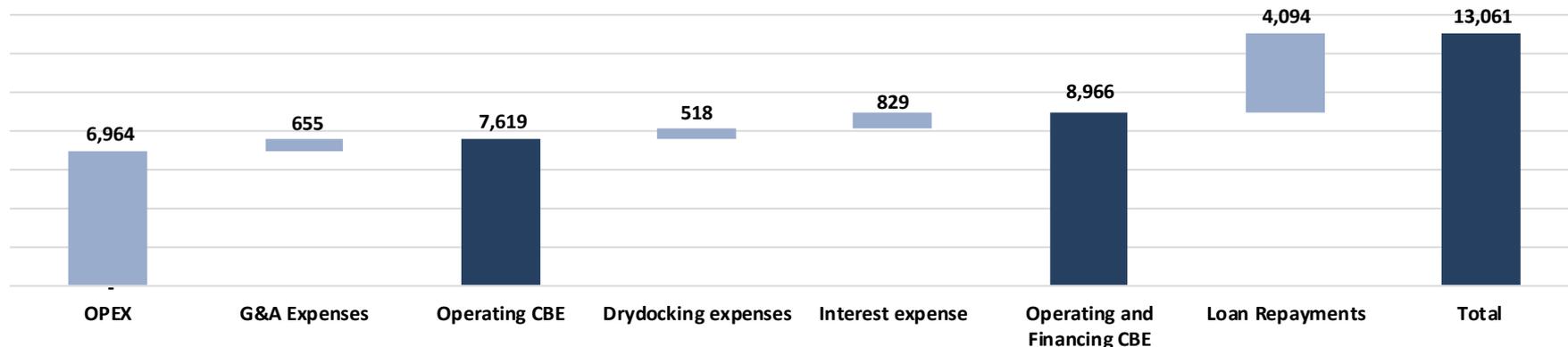
Outstanding bank debt of \$112.12m with average margin of about 3.0%; assuming LIBOR of 1.25%, our cost of senior debt is 4.25% and including the cost of interest rate swaps the total cost of our debt is approximately 4.17%

- as about 30% of our debt is "hedged" at an average of 1%

Newbuilding financing:

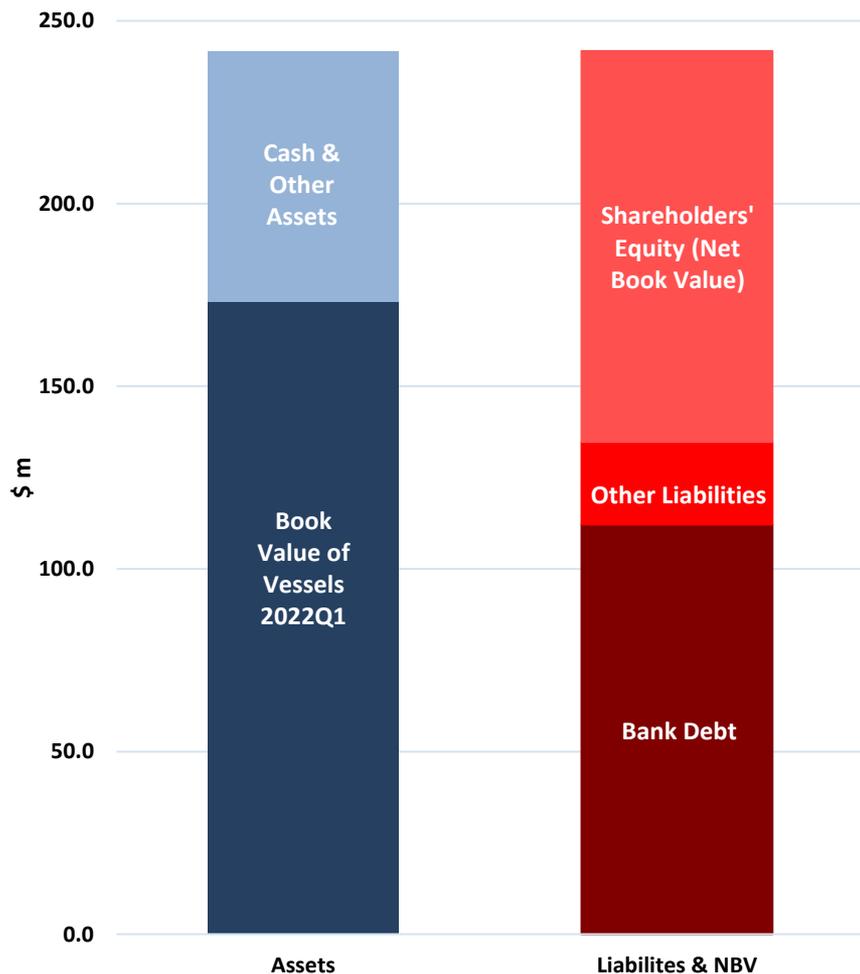
Additional debt - estimated around \$200-220m - will be assumed to finance the newbuilding program

Cash Flow Break Even Estimate for the Next 12 months (\$/day)



Balance Sheet Highlights

Euroseas Capital Structure (3/31/22)



Notes

Assets

- Cash & Other assets: \$68.6m
- Vessels book value: \$173.2m
- Total assets (at book value): \$241.8m

Liabilities

- Bank & other debt: \$112.1m, i.e. ~46.4% of total book value of assets
- Other liabilities: ~\$22.6m, i.e. ~9.4% of total assets

Net Asset Value

- Using the charter-adjusted market value of vessels and newbuilding contracts estimated about \$521.5m^(*)
=> Net Asset Value around \$470m, or, around \$64/share
- Recent share price trading range of \$23 to \$29/share represents a discount to the value of the company



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