



Earnings Presentation

Quarter Ended September 30,

2021

November 16, 2021



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.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of such jurisdiction.

2021 Third Quarter Financial Highlights

in million USD except per share figures

	Q3 2021		9M 2021	
Net Revenues	\$23.0m		\$55.6m	
Net Income	\$8.5m		\$20.2m	
Adj. Net Income / (Loss) Attributable to Common Shareholders ⁽¹⁾	\$8.4m	\$1.16/share diluted	\$19.1m	\$2.74/share diluted
Adj. EBITDA ⁽¹⁾	\$10.6m		\$26.6m	

<i>Change year over year</i>	Y-o-Y Change	
Net revenues	87%	35%
Adj. EBITDA	759%	175%

- 1) See press release of Nov. 16, 2021 for reconciliation of Adj. Net Income Attributable to Common Shareholders and Adjusted EBITDA. The main adjustments for Q3 2021 between Net Income and Adjusted Net Income Attributable to Common Shareholders is an unrealized gain on derivative. For the 9M 2021 results, the main adjustment includes a \$0.5m unrealized gain on derivatives.

Recent Developments, Chartering & Operational Highlights

S&P Highlights:

- M/V Jonathan P, was acquired on October 18, 2021 for \$25.5m
 - Financed by own funds and a bank loan;
 - Special survey & drydock passed;
 - Vessel immediately entered a 3-year time charter at \$26,662/day net to the company as from October 2021
- M/V Leo Paramount, to be renamed M/V Marcos V, was acquired on November 11, 2021 and expected to be delivered within 2021 for \$40m
 - Financed by own funds and a bank loan;
 - Vessel will enter into a 3-year TC at a daily rate of \$42,200/day with a possible additional optional year at \$15,000/day (charterer's option)

Chartering:

- **Diamantis P:** fixed for 36-40 months at \$27,000/day gross as from October 2021
- **EM Spetses:** fixed for 36-40 months at \$29,500 /day gross as from August 2021
- **Synergy Oakland:** fixed for min 60 – max 85 days at \$202,000/day gross as from November 2021
- **Jonathan P:** fixed for about 36 months at \$26,662/day net as from October 2021
- **EM Corfu:** repositioning charter of \$5,125/day for 37 days to Far East for next drydocking as from December 2021; (\$37,500/day if more than 37 days)

Drydockings / Idle periods / Commercial off-hire

- **Diamantis P:** 46 days (11/Sep/21 -27/Oct/21)
- **Evridiki G:** 38 days (14/Jul/2021 - 21/Aug/2021)

Current Fleet Profile

Current fleet is comprised of 16 vessels on the water with an average age of 16.1⁽¹⁾ years and 2 newbuildings to be delivered Q1 & Q2 2023, with a total carrying capacity of 55.97k TEU on a fully delivered basis



12x Feeder⁽³⁾
Avg. Age: 18.2 years⁽¹⁾
Carrying Capacity: 27k TEU⁽³⁾



6x Intermediate
Avg. Age: 14.6 years⁽¹⁾
Carrying Capacity: 29k TEU

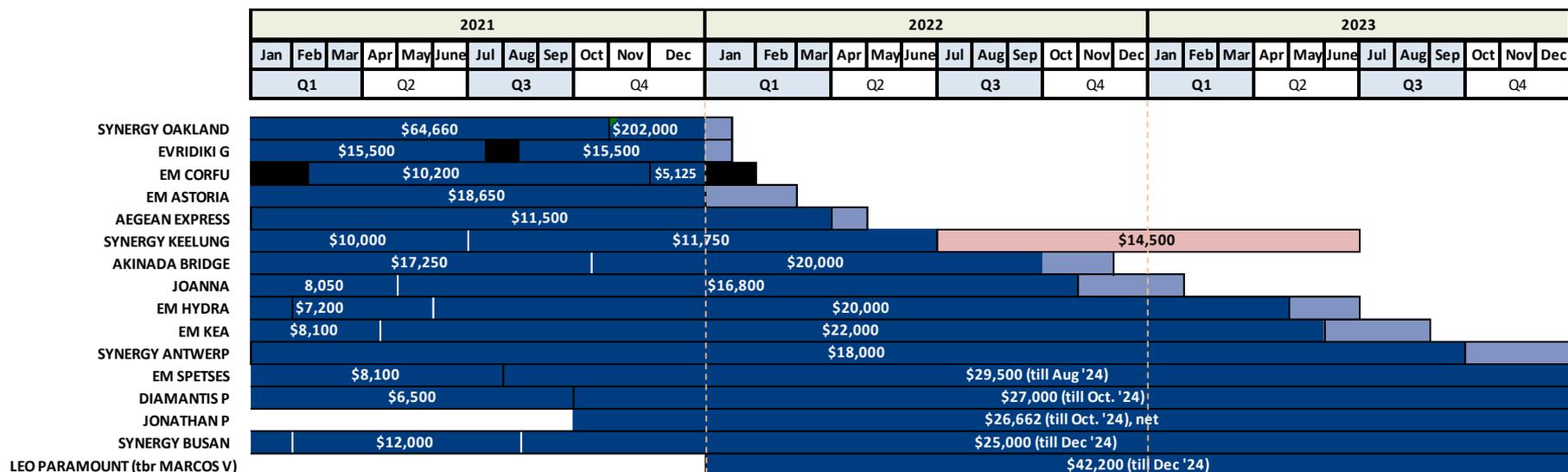
Name	Type	Size		Year Built
		DWT	TEU	
Marcos V	Intermediate	72,968	6,350	2005
Akinada Bridge	Intermediate	71,366	5,610	2001
Synergy Bussan	Intermediate	50,726	4,253	2009
Synergy Oakland	Intermediate	50,787	4,253	2009
Synergy Keelung	Intermediate	50,969	4,253	2009
Synergy Antwerp	Intermediate	50,726	4,253	2008
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
Jonathan P	Feeder	23,357	1,740	2006
EM Hydra	Feeder	23,351	1,740	2005
Joanna	Feeder	22,301	1,732	1999
Aegean Express	Feeder	18,581	1,439	1997
Total Fleet on the water	16	635,812	50,371	16.1
Newbuildings				TBD⁽²⁾
H4201	Feeder	37,237	2,800	Q1 2023
H4202	Feeder	37,237	2,800	Q2 2023
Number of vessels	2	74,474	5,600	
Total Fleet⁽³⁾	18	710,286	55,971	

Notes:

1. Average age is weighted by the size of the vessels in teu
2. Calendar quarter vessel is scheduled to be delivered ("TBD")
3. On a fully delivered basis

Vessel Employment

Chartering strategy very important in maximizing revenues over the market cycle



Legend: Min TC Period ■ Re-delivery range ■ Options ■ Dry-Dock ■ Idle ■

Contracted EBITDA & Coverage: 2021/2022/2023	2021E (Q4)	2022E	2023E
Contracted Days	1,334	3,893	2,493
Coverage (%)	100%	68%	40%
Average TC rate (\$/day)	29,859	24,299	27,400
Contracted EBITDA (\$m) ⁽²⁾	28.5	62.6	47.4
Open Days	-	1,829	3,750

Source: Company

Notes:

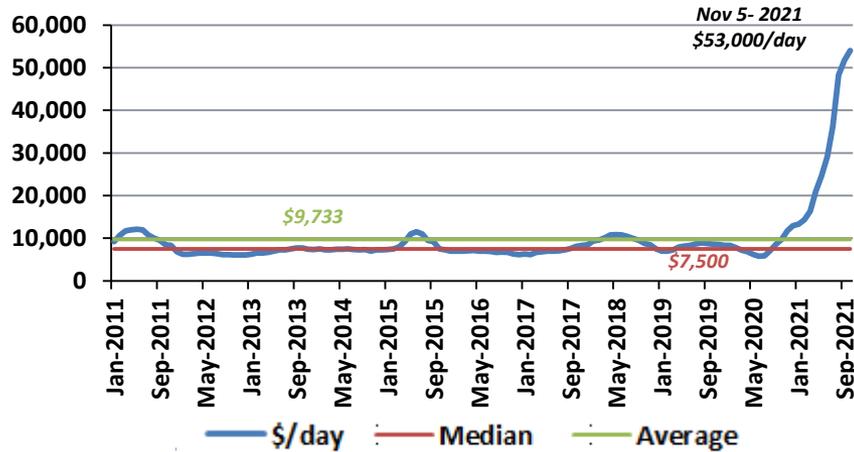
1. Given the strength of the current charter market, it is assumed that the existing charters will run to their maximum duration
2. Assuming an average commission of 5%



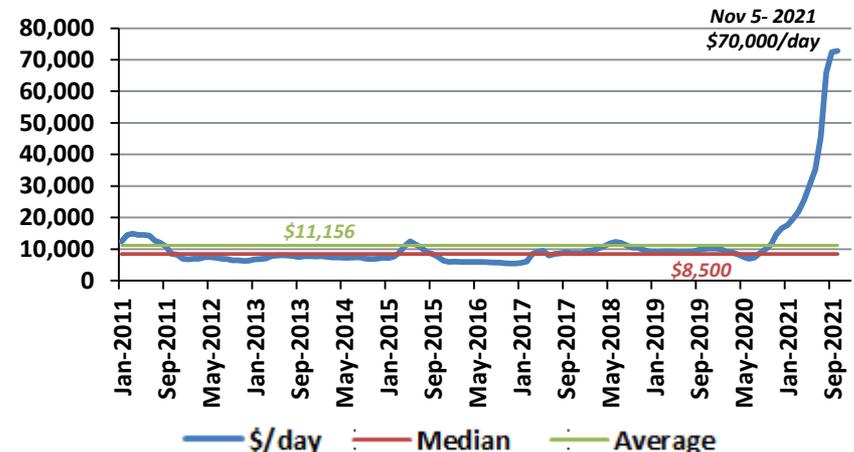
Market Overview

Last 10 year 6-12m TC rate (\$/day) – Reached New All-time Highs!

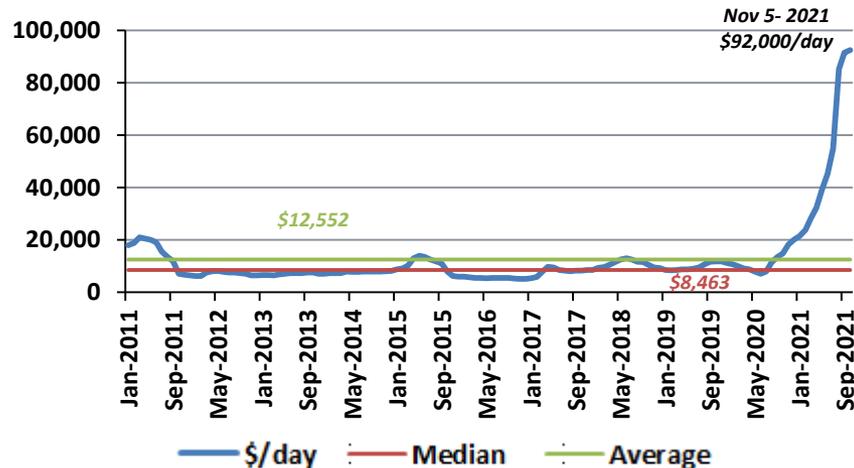
1,700 TEU grd



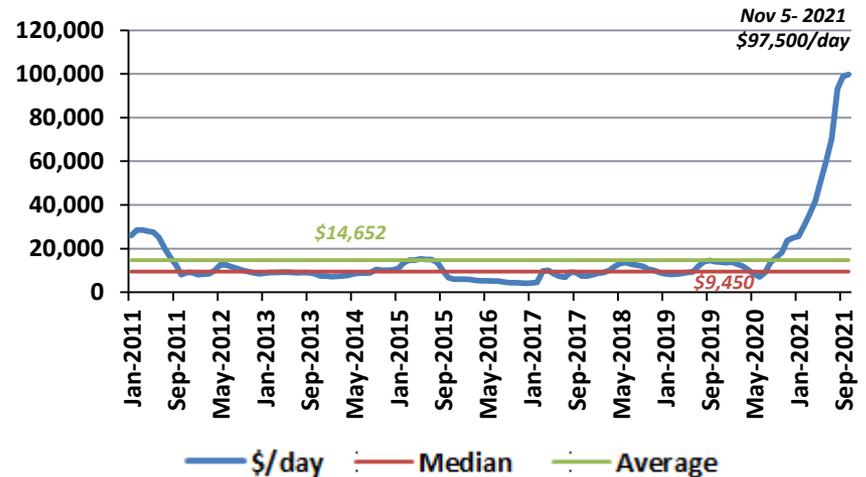
2,500 TEU grd



3,500 TEU gls



4,400 TEU gls



Source: Clarksons

Containership Market Highlights – Q3 2021

- One-Year time charter rates across all segments skyrocketed over the past 12 months – reaching levels never seen in the past, registering new all-time highs

(\$/day)	Vessel Size	2021-Q1 average	2021-Q2 average	2021-Q3 average	Current* rate
	1,700 teu geared	14,562	24,585	44,692	43,504
	2,500 teu geared	19,585	30,038	60,096	63,636
	4,250 teu g'less	30,154	50,308	86,154	88,000
	5,600 teu g'less	35,000	60,000	92,586	99,556

**Contex as of Nov 12, 2021*

- Average secondhand price index increased on average by about 34.5% in 21Q3 over 21Q2.
 - Price increases varied across different age groups with the elder vessels have increased well in excess of 100% in 2021.
- Newbuilding prices (no scrubber/China built) were increased by circa 6% in 21Q3, on the back of steel prices being on the rise and high demand for N/B's on the back of containership market rises
- Idle fleet: 0.14m teu as of Oct 11, 2021, or 0.6% of the fleet, the lowest point ever
- Scrapping YTD ~12,000teu or 0.05% of the fleet, the lowest point ever
 - Prices increased to \$615/lwt due to high demand for steel
- The fleet has grown by 3.6 % YTD (without accounting for idle vessels reactivation/idling)
- Order book has significantly increased mainly through larger vessels currently standing at ~23% from about 10% just six months ago

World GDP & Shipping Demand Growth

Global recovery continues at a solid pace, but new variants of COVID-19 may extent the uncertainty

Real GDP (% p.a. - IMF)	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
USA	2.6	1.5	2.3	2.9	2.3	-3.5	6.0(7.0)	5.2(4.9)	1.7(1.4)
Eurozone	2.0	1.8	2.4	1.8	1.2	-6.6	5.0(4.6)	4.3(4.3)	1.4(1.9)
Japan	0.5	1.0	1.8	1.0	0.7	-4.8	2.4(2.8)	3.2(3.0)	0.5(1.1)
China	6.9	6.7	6.8	6.6	6.1	2.3	8.0(8.1)	5.6(5.7)	4.9(5.4)
India	7.6	7.1	6.7	7.1	4.2	-8.0	9.5(9.5)	8.5(8.5)	6.1(6.8)
Russia	-3.7	-0.2	1.8	2.3	1.3	-3.1	4.7(4.4)	2.9(3.1)	1.6(2.1)
Brazil	-3.8	-3.6	1.1	1.1	1.1	-4.1	5.2(5.3)	1.5(1.9)	2.1(2.1)
ASEAN-5	4.8	4.9	5.3	5.2	4.8	-3.4	2.9(4.3)	5.8(6.3)	5.4(5.7)
World	3.4	3.2	3.7	3.6	2.9	-3.3	5.9(6.0)	4.9(4.9)	3.3(3.5)

Containerized Trade (% p.a.)

TEU-miles	1.2	4.0	5.6	3.5	1.7	-1.2	6.7(6.6)	3.6(3.0)	3.5(3.5)
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Sources: Clarksons Research, IMF, Company

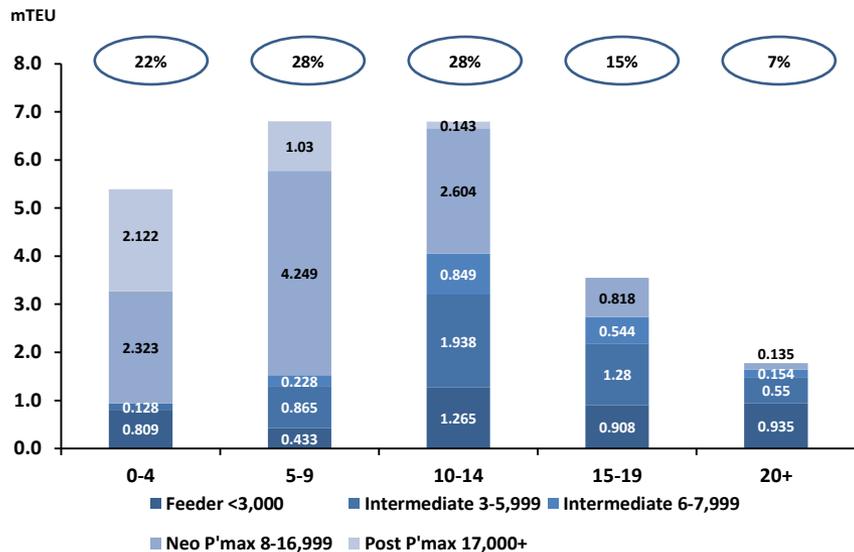
GDP:

Figures in parentheses for 2021,2022 and 2023 indicate IMF forecasts as of (Jul-2021). Updated 2020/2021/2022/2023 figures based on Oct – 21 publication

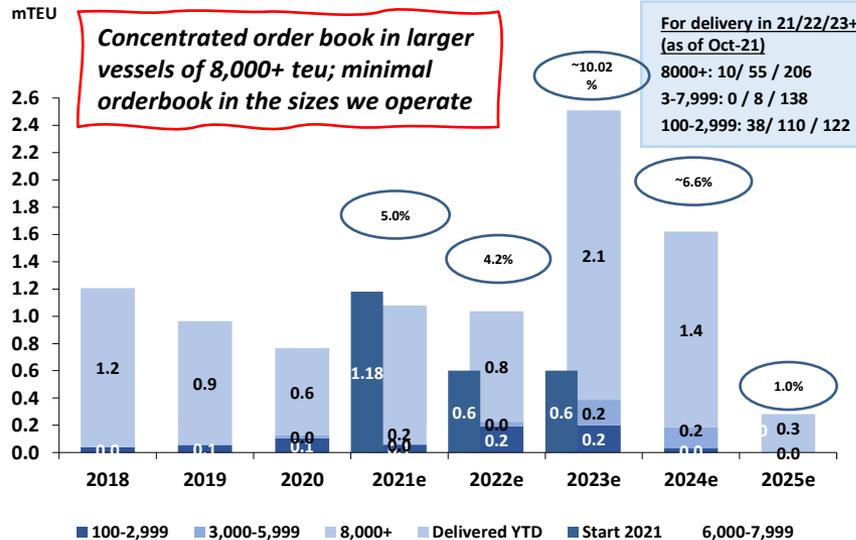
Trade: 2021/2022: Clarkson (Oct-21), 2023: Preliminary company estimates. Previous estimates in parenthesis from Clarkson (Jul-21). 2023 previous estimates in parenthesis are company estimates from Jul-21

Age Profile and Orderbook

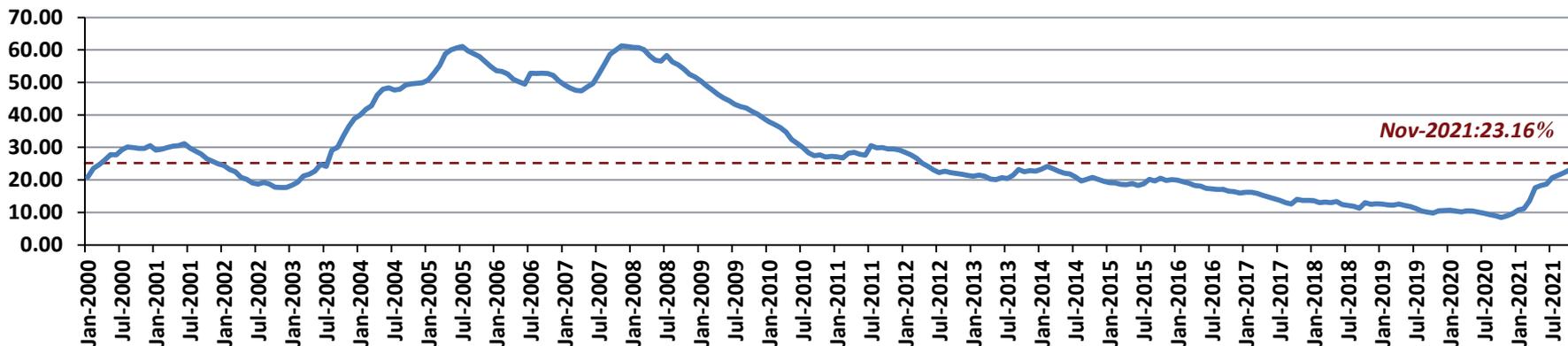
Age Profile



Containership Orderbook



Orderbook as % of fleet



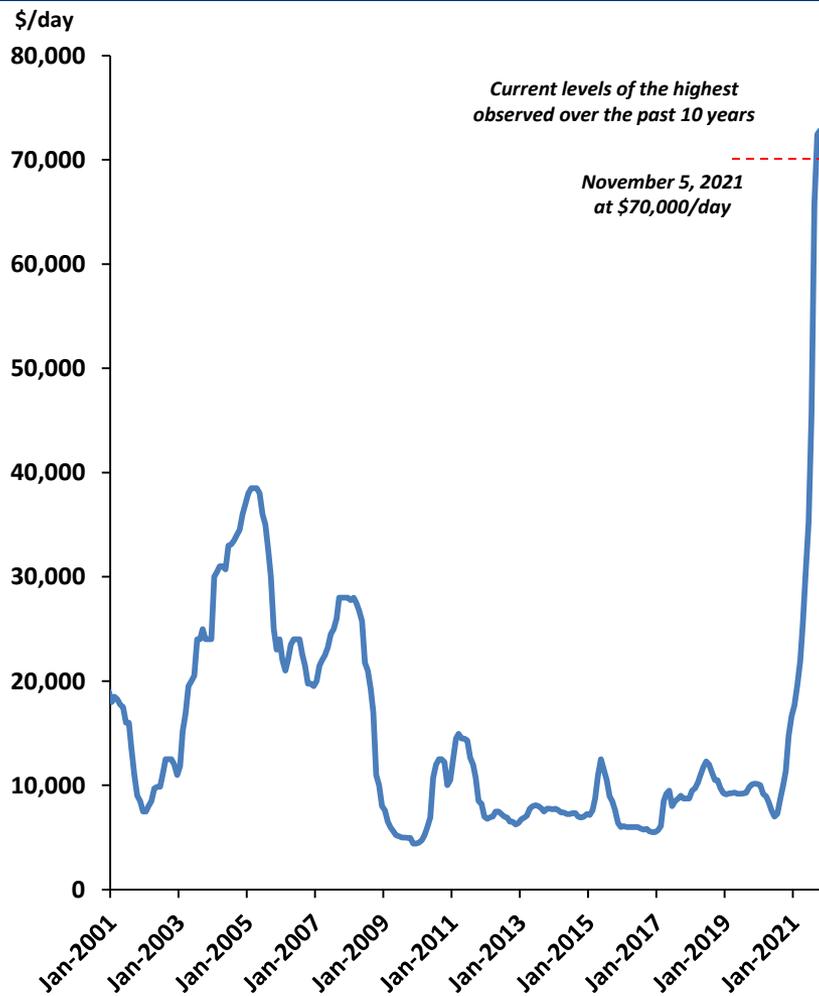
Source: Clarksons Research

Outlook Summary

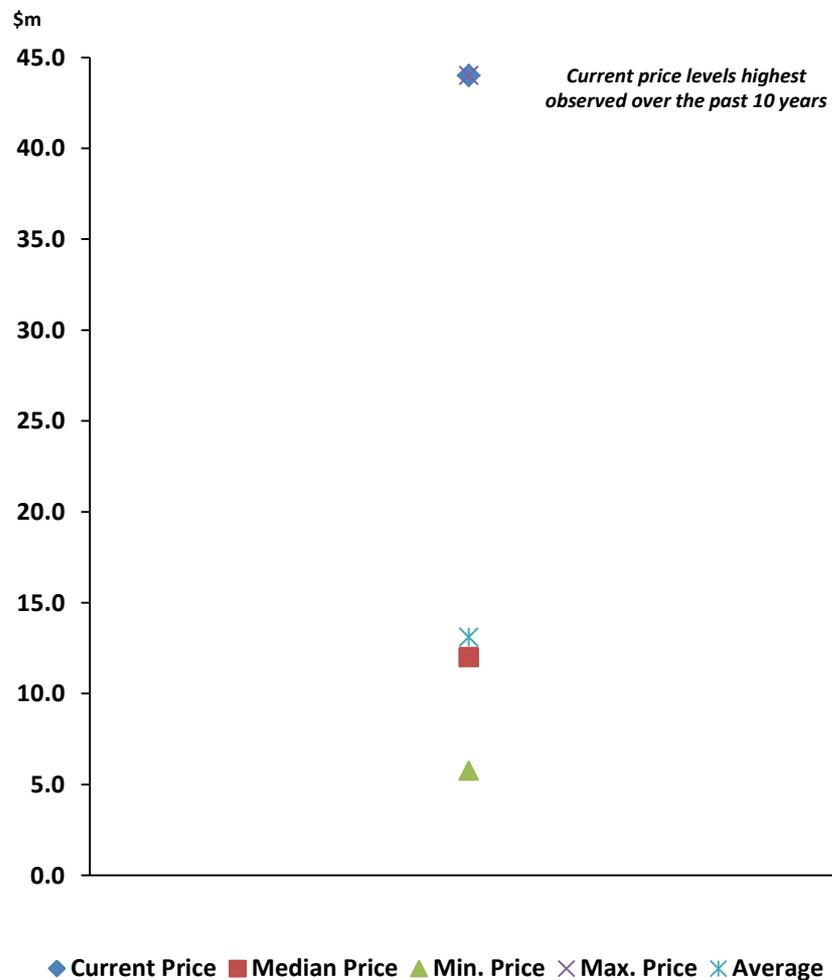
- Global recovery continues at a solid pace, despite the delta variant of COVID-19 being so contagious and energy price significant increases, which are somewhat delaying and reducing economic growth
- Containership trade remains positive, with moderate supply growth in 2021 and 2022 (4.5% & 4.2%, respectively). However, the recent surge in ordering is likely to lead to accelerated supply growth from mid 2023 onwards
- Port congestion has continued to significantly impact the container shipping markets, leading to excessive wait times and disrupting operator schedules. These logistical bottlenecks have resulted in new highs in container freight rates, which are expected to at least remain throughout the first half of 2022
- The short term outlook looks optimistic, reinforced by logistical disruptions and firm trade demand. Additionally, limited supply growth in 2022 should provide some rate support before increased newbuilding deliveries in 2023
- In the medium to long term, i.e. 2023 and beyond, fundamentals are complex, with a range of factors likely to have an impact, including:
 - Uncertainty if demand for vessels eases up once disruptions ease up
 - Material supply pressure from 2023 onwards (increased deliveries), which may overtake demand growth
 - New environmental regulations will probably result in even slower 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⁾





Financial Overview

Financial Highlights: Q3 and 9 months of 2020 and 2021

<i>(in million USD except per share amounts)</i>	Third Quarter		Change	Nine Months		Change
	2020	2021	%	2020	2021	%
Net Revenues	12.3	23.0	87%	41.3	55.6	35%
Net (Loss) / Income	0.2	8.5		3.5	20.2	
Preferred & Preferred Deemed Dividends	(0.2)	-		(0.5)	(0.6)	
Net Income attributable to Common Shareholders	0.0	8.5		2.9	19.6	
Interest & Finance Costs net <i>(incl. interest income)</i>	(0.9)	(0.6)		(3.3)	(2.0)	
Depreciation	1.6	1.6		5.0	4.8	
Unrealized Loss (Gain) On Derivatives	0.1	(0.1)		0.6	(0.6)	
Amortization of below market charters	0.3			1.5		
Net (gain) / loss on sale of vessels	(1.3)	-		(1.3)	0.0	
Adjusted EBITDA ⁽¹⁾	1.2	10.6	759%	9.7	26.6	175%
Adj. Net (Loss)/Income attributable to Common Shareholders	(1.5)	8.4		0.9	19.1	
Adj. Net (Loss)/Income per share, basic	(0.26)	1.16		0.15	2.76	
Adj. Net (Loss)/Income per share, diluted	(0.26)	1.16		0.15	2.74	

Note:

1) See press release of Nov 16, 2021 for Adjusted EBITDA reconciliation to Net Income / (Loss)

Fleet Data: Q3 and 9 months of 2020 and 2021

<i>(in million USD except per share amounts)</i>	Third Quarter		Nine Months	
	2020	2021	2020	2021
Number of vessels	16.5	14.0	18.2	14.0
Utilization Rate (%)				
	Operational ⁽¹⁾	99.9%	98.8%	98.5%
	Commercial ⁽¹⁾	97.9%	100.0%	97.2%
	Overall ⁽¹⁾	97.8%	98.8%	95.7%
<i>(usd/day/vessel)</i>				
Time Charter Equivalent (TCE)⁽²⁾	8,403	19,482	9,171	15,478
Operating Expenses				
	Vessel Oper. Exp.exlc. DD exp.	6,307	6,741	5,777
	G&A Expenses	452	580	457
Total Operating Expenses		6,759	7,321	6,234
	Interest Expense	612	482	665
	Drydocking Expense	40	2,073	88
	Loan Repayments without Balloons	513	1,697	1,313
	Preferred dividend in cash	-	-	31
Breakeven/day		\$7,924	\$11,573	\$8,331

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 210.3 for the 9 months of 2020 and 57.3 for the 9 months of 2021
- 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
- 3) Preferred dividend in cash is presented as of the period the obligation to pay in cash was generated (previous presentations shown period when the actual payment took place)

EBITDA Calculator 2021 - 2023

This slide provides a calculation tool for our shareholders and investors to assess the earnings potential in 2021 onwards, based on our existing coverage as well as the potential incremental contribution from our open days

EBITDA Calculator: 2021 to 2023	Actual 9m	Q4 E	2021E	2022E	2023E
Calendar Days	3,822	1,364	5,186	5,840	6,301
Available days for hire	3,765	1,334	5,099	5,723	6,244
Contracted Days	3,708	1,334	5,042	3,893	2,493
Coverage (%)	98.5%	100%	98.9%	68%	40%
Average TC rate Contracted (\$/day)	15,536	29,859	19,326	24,299	27,400
(A) Contracted EBITDA	26.6	28.5	55.1	62.6	47.4
Open Days	-	-	-	1,829	3,750
Indicative EBITDA Contribution assuming same rates as of current contracted rates					
Assumed Average TC rate of open days		29,859	19,326	24,299	27,400
(B) EBITDA Contribution, Open Days		-	-	29.4	71.4
(A+B) Total EBITDA (excluding DD costs)	26.6	28.5	55.1	92.0	118.8

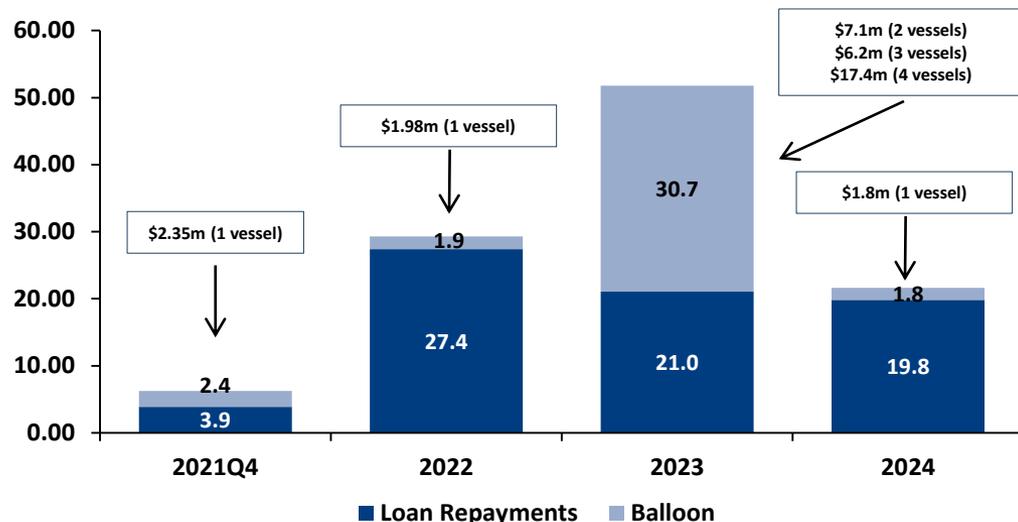
- Indicatively, Open Days in 2021 to 2023 are shown as earning the average of currently contracted TC rates
- However, at current market rates, the average daily earnings for Open Days would be about twice as high compared to the rates shown in the table, resulting in significantly higher EBITDA expectation

EBITDA Calculation Assumptions (Q4 2021/2022/2023)

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 \$7,000 for future periods; commissions of 5.00% on market rates

Debt Repayment Profile & Projected Cash Flow Break Even

Proforma Debt Repayment Profile (\$m)



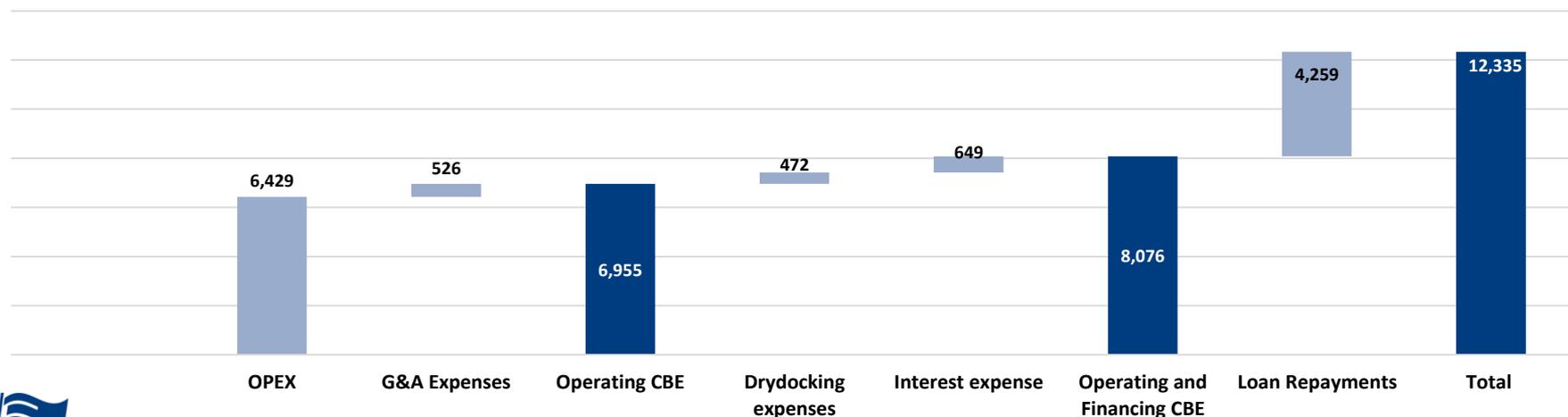
Debt profile includes:

- 1) Existing debt as of 9/30/2021 of \$59.7m
- 2) A \$15m loan drawn to partly finance Jonathan P
- 3) A \$16.5m "top-up" loan on four of our vessels in the final stages of documentation
- 4) An assumed loan of about \$34m to partly finance the acquisition of M/V Leo Paramount ("Marcos V")

Cost of funding of debt as of 9/30/2021:

Outstanding bank debt of \$59.7m has an average margin of about 3.6%; assuming LIBOR of 0.3%, our cost of senior debt is 3.9%.

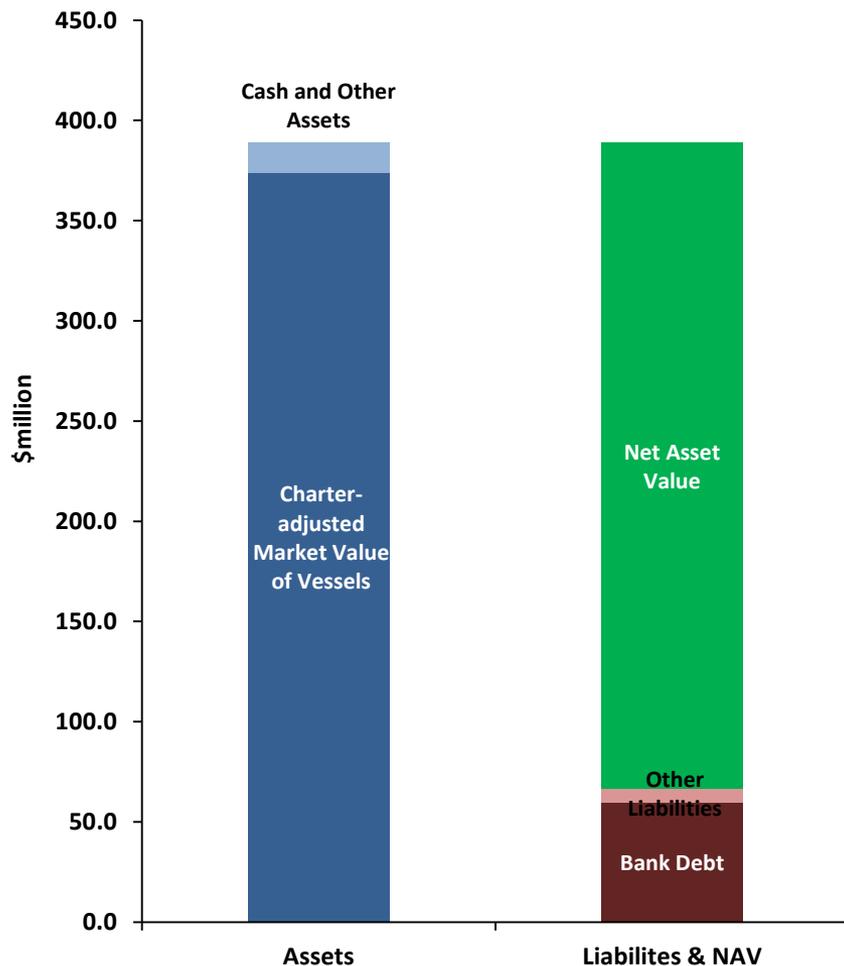
Cash Flow Break Even Estimate for the Next 12 months (\$/day)



Balance Sheet Highlights

Euroseas Capital Structure (9/30/21)

Based on Sep-21 Market Values



Notes

Assets

- Cash & Other assets: \$15.4m
- Vessels book value: \$104.6m
- Total assets (at book value): \$120.0m

Liabilities

- Bank & other debt: \$59.7m
- Other liabilities: \$6.8m

Net Asset Value

- Using the charter-adjusted market value of vessels estimated about \$374m^(*)
=> Net Asset Value around \$323m, or, around \$45.0/share (including the appreciation of our NB contracts)
- Recent share price trading range of \$30-\$36/share represents a significant discount to the value of the company

() Based on Company estimates as of end September 2021*

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