



Earnings Presentation

Full Year & Quarter Ended December 31, 2021,

2022

February 15, 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.

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 Fourth Quarter & Full Year Financial Highlights

<i>Key financial figures</i>	Q4-2021		Full Year - 2021	
<i>in million USD except per share figures</i>				
Net Revenues	38.3		93.9	
Net Income attributable to common shareholders	22.7		42.3	
Adj. Net Income / (Loss) & Adj. EPS Attributable to Common Shareholders ⁽¹⁾	22.9	3.18, basic 3.17, diluted	42.0	6.02, basic 6.01, diluted
Adj. EBITDA ⁽¹⁾	26.1		52.7	
<i>Change over previous year</i>	Q4-2020		Full Year - 2020	
Net revenues	218%		76%	
Adj. EBITDA	1132%		347%	

1) See press release of February 15, 2022 for reconciliation of Adj. Net Income Attributable to Common Shareholders and Adjusted EBITDA to Net Income

Chartering & Operational Highlights

Chartering:

- **Marcos V:** bought with charter for 36-42m @\$42,000/day
- **EM Astoria:** fixed for 36-38m @\$65,000/day for the first year, \$50,000/day for the second, and \$20,000/day for the remaining period
- **Evridiki G:** extended for 36-38m @\$40,000/day
- **EM Corfu:** fixed for 36-35d @ \$5,125/day, thereafter for 36-38m @ \$40,000/day
- **Jonathan P:** bought with charter for 35-37m @\$27,000/day
- **Synergy Keelung:** option declared by charterer for 8-12m @ \$14,500/day
- **Synergy Oakland:** fixed for 48-51m @ \$42,000/day; vessel is to be delivered by April 15, 2022
 - The previous charter exceeded its maximum duration by about 25 days due to port delays with payment of the higher rate of \$202,000/day continuing during the extension
 - Extension resulted in the loss of the subsequent short term charter of \$130,000/day that was to be performed before the 4-year charter starts. The vessel, after an idle period of 15 days, was chartered for a single voyage charter at \$160,000/day; new charter arrangements will result in about the same average rate and total revenues.

Repairs/DD:

- **Diamantis P:** 49 Days (09/11/21 - 10/29/21)
- **EM Corfu:** about 55 days (12/29/2021 – estimated to complete Feb '22)

Idle period/commercial offhire:

- None this quarter

S&P Highlights

➤ S&P Highlights:

- **Jonathan P:** Delivered on October 18, 2021, a 1,740 teu feeder container vessel built in 2006, for \$25.5m
- **Marcos V:** Delivered on December 14, 2021, a 6,350 teu intermediate container vessel built in 2005, for \$40.4m

➤ “New” newbuilding contracts for the acquisition of two fuel-efficient 2,800 teu feeder containerships

- Signed an agreement on January 28, 2022 for the construction of two more eco design fuel efficient 2,800 teu containerships at Hyundai Mipo Dockyard Co. in Korea at a price of \$43.15m each
 - Vessels are similar to those we ordered in May/June 2021 at a price of \$38.1m
- The vessels are scheduled to be delivered during the fourth quarter of 2023 and the first quarter of 2024, respectively. The total consideration for these two newbuilding contracts will be financed with a combination of debt (targeting about 60%) and equity
- The two vessels adhere to the current GHG emissions and other requirements and significantly improve our fleet profile. It is noteworthy that the new vessels will consume about 30% less fuel than previous generation, non-eco ships

Current Fleet Profile

On the water fleet



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



6x Intermediate
Avg. Age: 15.4 years
Carrying Capacity: 28.9k TEU



4x Feeder
Carrying Capacity: 11.2k TEU

Vessels on-order

Name	Type	DWT	Size	TEU	Year Built
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
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	16	635,806		50,371	17.1⁽¹⁾
Vessels on order					
H4201	Feeder	37,237		2,800	Q1 2023
H4202	Feeder	37,237		2,800	Q2 2023
HS4236	Feeder	37,237		2,800	Q3 2023
HS4237	Feeder	37,237		2,800	Q1 2024
On order vessels total	4	148,948		11,200	
Total Fleet on fully delivered basis	20	784,754		61,571	

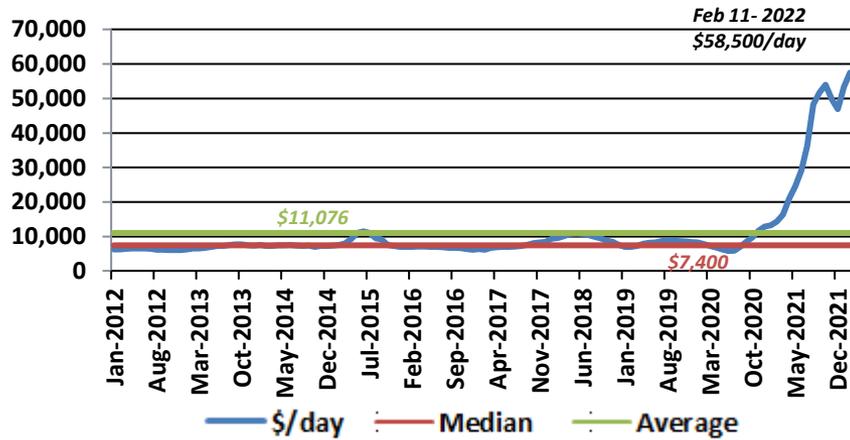
Euroseas represents the only publicly listed company in a U.S. exchange focused purely on the feeder and intermediate containership segments



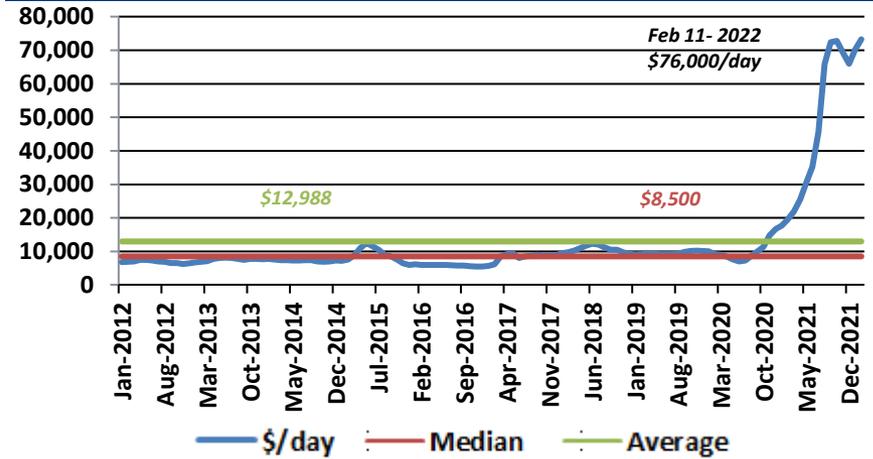
Market Overview

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

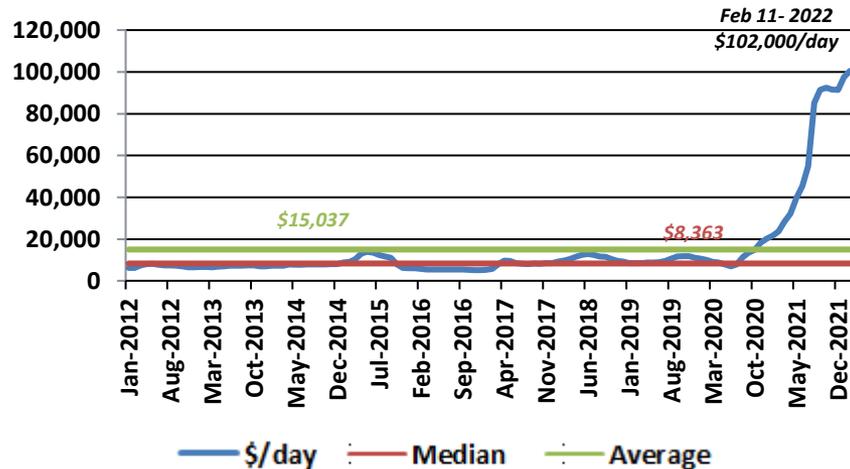
1,700 TEU grd



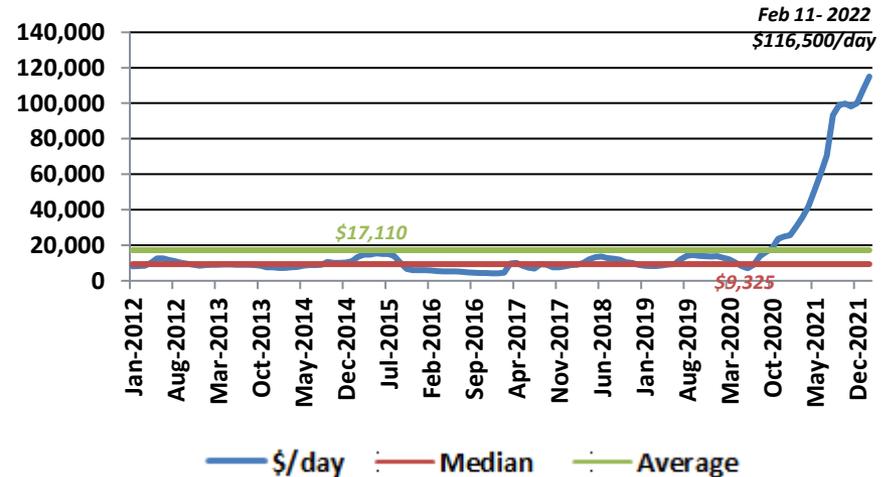
2,500 TEU grd



3,500 TEU gls



4,400 TEU gls



Containership Market Highlights – Q4 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) Size	Vessel	2021-Q1 average	2021-Q2 average	2021-Q3 average	2021-Q4 average	Current* rate
1,700 teu geared		14,562	24,585	44,692	50,286	58,000
2,500 teu geared		19,585	30,038	60,096	69,357	75,582
4,250 teu g'less		30,154	50,308	86,154	99,383	103,390
5,600 teu g'less		35,000	60,000	92,586	102,250	118,900

**Contex as of Feb 10, 2022*

- Average secondhand price index increased on average by about 16.3% in 21Q4 over 21Q3.
 - Price increases varied across different age groups with the elder vessels having increased well in excess of 100% in 2021.
- Newbuilding prices (no scrubber/China built) were increased by circa 2.9% in 21Q4, on the back of steel prices being on the rise and high demand on the back of containership market rises
- Idle fleet: 0.13m teu as of Jan 3, 2022, or 0.5% of the fleet, the lowest point ever
 - This is down from 2.4m teu as of middle May 2020
- 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 3.9 % YTD (without accounting for idle vessels reactivation/idling)
- Order book has significantly increased mainly through larger vessels currently standing at ~24% from about 10% a year ago

World GDP & Shipping Demand Growth

*Downwards revised growth projections for 2022, mainly due to large markdowns for the US and China ...
...followed by upward revisions for 2023*

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	-3.4	5.6(6.0)	4.0(5.2)	2.6(1.7)
Eurozone	2.0	1.8	2.4	1.8	1.2	-6.3	5.2(5.6)	3.9(4.3)	2.5(1.4)
Japan	0.5	1.0	1.8	1.0	0.7	-4.6	1.6(2.4)	3.3(3.2)	1.8(0.5)
China	6.9	6.7	6.8	6.6	6.1	2.3	8.1(8.0)	4.8(5.6)	5.2(4.9)
India	7.6	7.1	6.7	7.1	4.2	-7.3	9.0(9.5)	9.0(8.5)	7.1(6.1)
Russia	-3.7	-0.2	1.8	2.3	1.3	-3	4.5(4.7)	2.8(2.9)	2.1(1.6)
Brazil	-3.8	-3.6	1.1	1.1	1.1	-4.1	4.7(5.2)	0.3(1.5)	1.6(2.1)
ASEAN-5	4.8	4.9	5.3	5.2	4.8	-3.4	3.1(2.9)	5.6(5.8)	6.0(5.4)
World	3.4	3.2	3.7	3.6	2.9	-3.1	5.9(5.9)	4.4(4.9)	3.8(3.3)
Containerized Trade (% p.a.)									
Tonmiles	1.2	4.0	5.6	3.5	1.7	-1.2	6.7(6.6)	3.6(3.0)	3.5(3.5)

Sources: Clarksons Research, IMF, Company

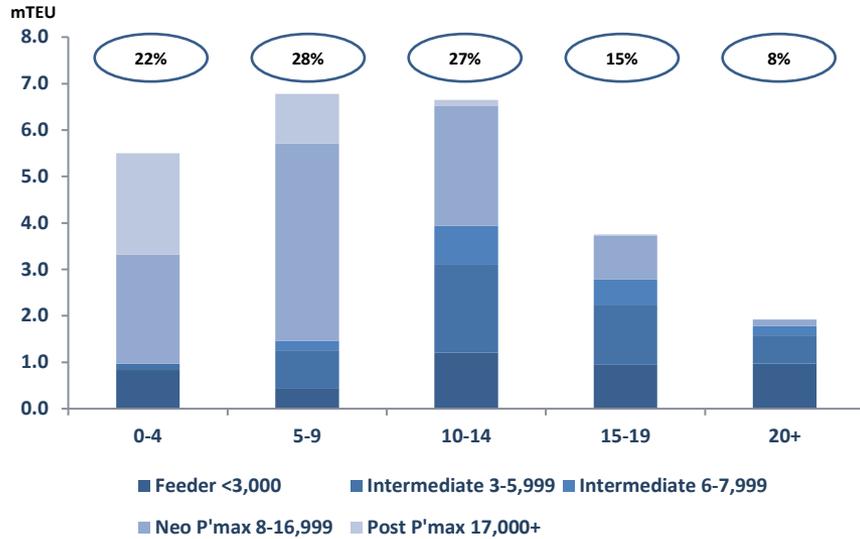
GDP:

Figures in parentheses for 2021, 2022 and 2023 indicate IMF forecasts as of (Oct-2021). Updated 2020 figures based on Oct – 21 publication, 2021/2022/2023 figures based on Jan-22 publication.

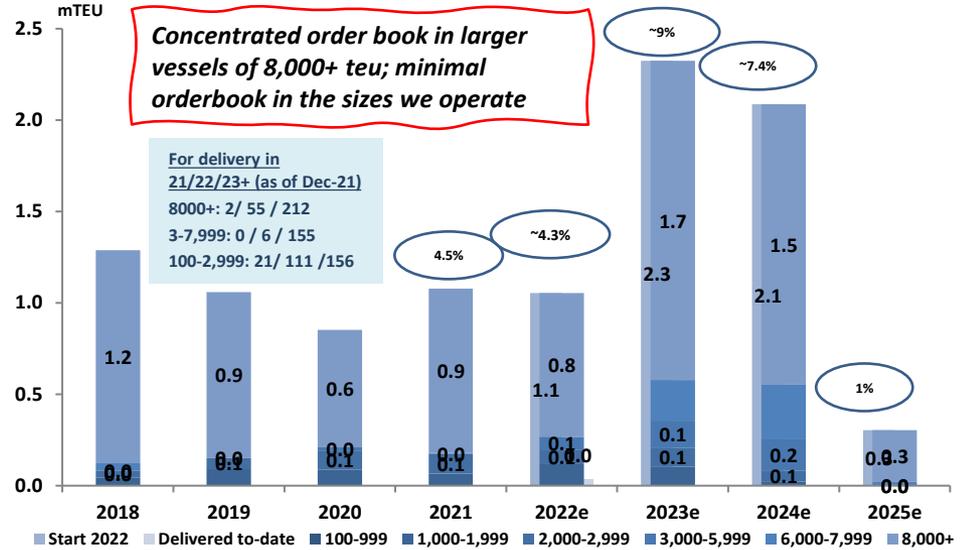
Trade: 2021/2022: Clarkson (Jan-22), 2023: Preliminary company estimates. Previous estimates in parenthesis from Clarkson (Oct-21). 2023 previous estimates in parenthesis are company estimates from Oct-21

Age Profile and Orderbook

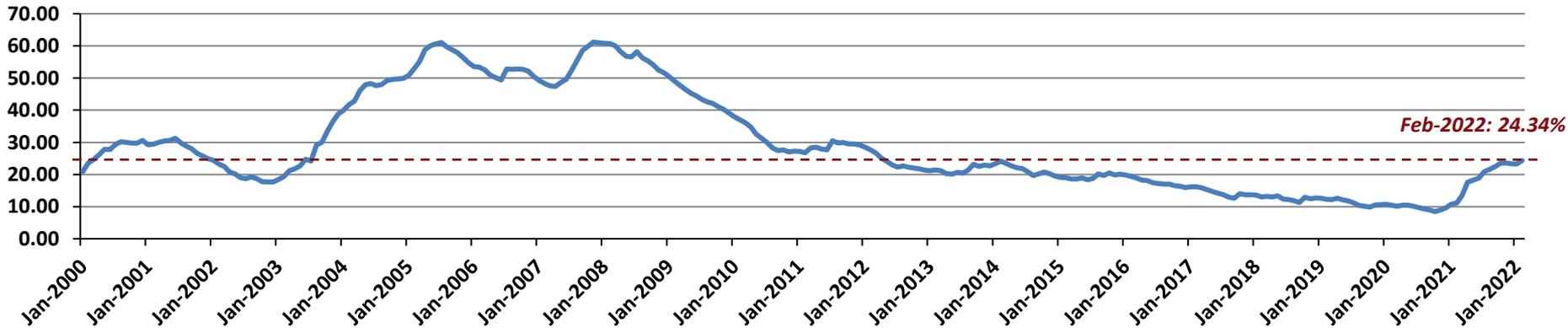
Age Profile



Containership Orderbook



Orderbook as % of fleet



Source: Clarksons Research

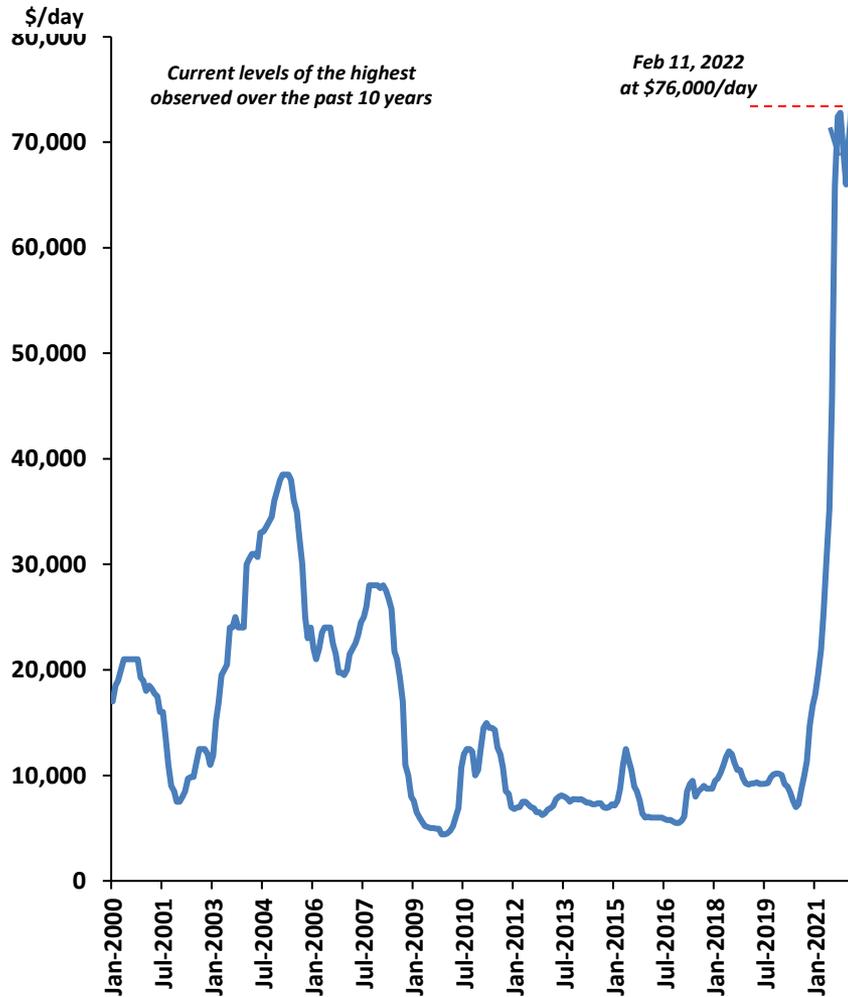
(*) Percentage figures for years 2021, 2022 and 2023 indicate scheduled deliveries only; percentages in previous years show net fleet growth accounting for scrapping and other fleet changes

Outlook Summary

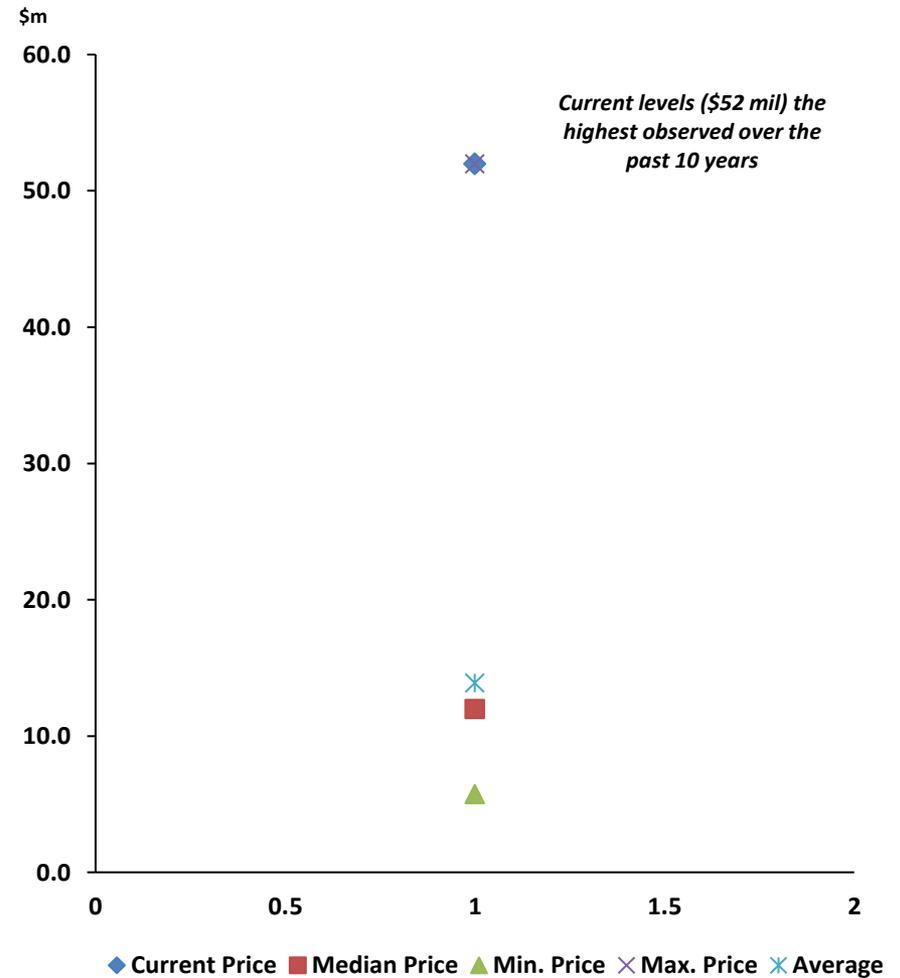
- Global recovery continues at a solid pace, despite COVID-19 variants, rising energy prices and elevated inflation which may delay and reduce economic growth.
- Containership trade remains positive, with moderate supply growth in 2022, accelerating in 2023 and 2024.
- Port congestion has continued to 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 remain throughout 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 wanes - 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: Q4 and 12 months 2020 and 2021

<i>(in million USD except per share amounts)</i>	Fourth		Change %	Twelve months		Change %
	2020	2021		2020	2020	
Net Revenues	12.0	38.3	218%	53.3	93.9	76%
Net Income	0.6	22.7		4.0	42.9	
Preferred & Preferred Deemed Dividends	-0.2	0.0		-0.7	-0.6	
Net Income attributable to Common Shareholders	0.4	22.7		3.3	42.3	
Interest & Finance Costs net <i>(incl. interest income and loss on debt extinguishment)</i>	-1.3	-0.8		-4.6	-2.8	
Depreciation	1.6	2.4		6.6	7.2	
(Gain)/loss on sale of vessel	-1.1	0.0		-2.5	0.0	
Loss on write down of vessel held for sale	0.0	0.0		0.1	0.0	
Amortisation of below market charters	-0.2	-0.2		-1.7	-0.2	
Change in fair value of derivatives	0.0	0.4		0.6	0.0	
Adjusted EBITDA ⁽¹⁾	2.1	26.1	1132%	11.8	52.7	347%
Adj. Net Income attributable to Common Shareholders	(1.0)	22.9		(0.0)	42.0	
Adj. Net Income per share, basic	(0.16)	3.18		(0.00)	6.02	
Adj. Net Income per share, diluted	(0.16)	3.17		(0.00)	6.01	

Note:

1) See press release of Feb. 15, 2022 for Adjusted EBITDA reconciliation to Net Income

Fleet Data: Q4 and FY 2020 and 2021

<i>(in million USD except per share amounts)</i>	Fourth Quarter		Twelve months	
	2020	2021	2020	2021
Number of vessels	14.43	15.01	17.23	14.25
Utilization Rate (%)				
Operational ⁽¹⁾	96.3%	98.5%	98.0%	98.5%
Commercial ⁽¹⁾	98.5%	100.0%	97.5%	100.0%
Overall ⁽¹⁾	94.8%	98.5%	95.5%	98.5%
<i>(usd/day/vessel)</i>				
Time Charter Equivalent (TCE)⁽²⁾	\$10,497	\$29,994	\$9,445	\$19,309
Operating Expenses				
Vessel Oper. Exp.exlc. DD exp.	6,586	6,807	5,949	6,541
G&A Expenes	578	901	482	671
Total Operating Expenses	\$7,164	\$7,708	\$6,431	\$7,212
Interest Expense	976	562	732	534
Drydocking Expense	75	866	85	787
Loan Repayments without Balloons	0	2,814	1,063	2,167
Preferred dividend in cash	0	0	46	83
Breakeven/day	\$8,215	\$11,950	\$8,357	\$10,783

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 73.1 and 31.1 for the fourth quarters of 2020 and 2021, respectively, and 283.4 and 88.4 days for the twelve months of 2020 and 2021, 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
- 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 2022 – 2023

This slide provides a calculation tool for our shareholders and investors to assess the earnings potential in 2022 & 2023, based on our existing coverage as well as the potential incremental contribution from our open days

EBITDA Calculator: 2022 & 2023	Actual 2021	2022E	2023E
Calendar Days	5,203	5,840	6,348
Indicative drydocking days estimate		120	60
Available days for hire	5,117	5,720	6,288
Contracted Days	5,039	5,237	3,912
Coverage (%)	98.5%	92%	62%
Average TC rate Contracted (\$/day)	19,309	31,258	32,952
(A) Contracted EBITDA	52.7	113.1	92.0
Remaining Open Days		483	2,376
Indicative EBITDA Contribution assuming same rates as of current contracted rates			
Assumed Average TC rate of open days		31,258	32,952
(B) EBITDA Contribution, Open Days		10.4	55.9
(C) Indicative Drydocking costs		(4.4)	(3.1)
(A+B+C) Total EBITDA	52.7	119.1	144.7

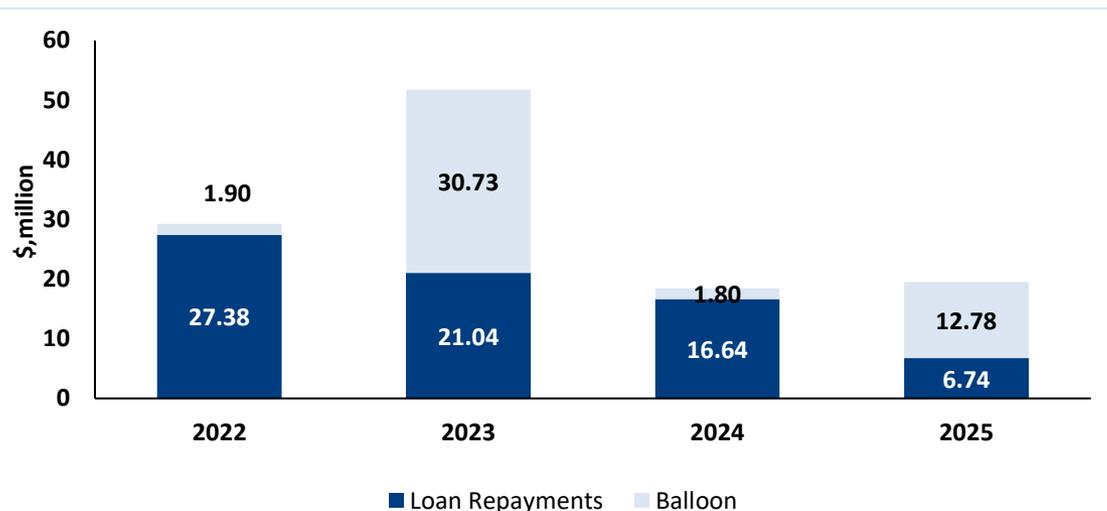
- Indicatively, Open Days in 2022 to 2023 are shown as earning the average of currently contracted TC rates for illustration purposes only

EBITDA Calculation Assumptions (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. OPEX and G&A/vessel/day assumed at \$7,500 for future periods; commissions of 5.00% on TC rates
4. Drydocking days are distributed proportionally between Contracted and Open Days

Debt Repayment Profile & Projected Cash Flow Break Even

Proforma Debt Repayment Profile (\$m)

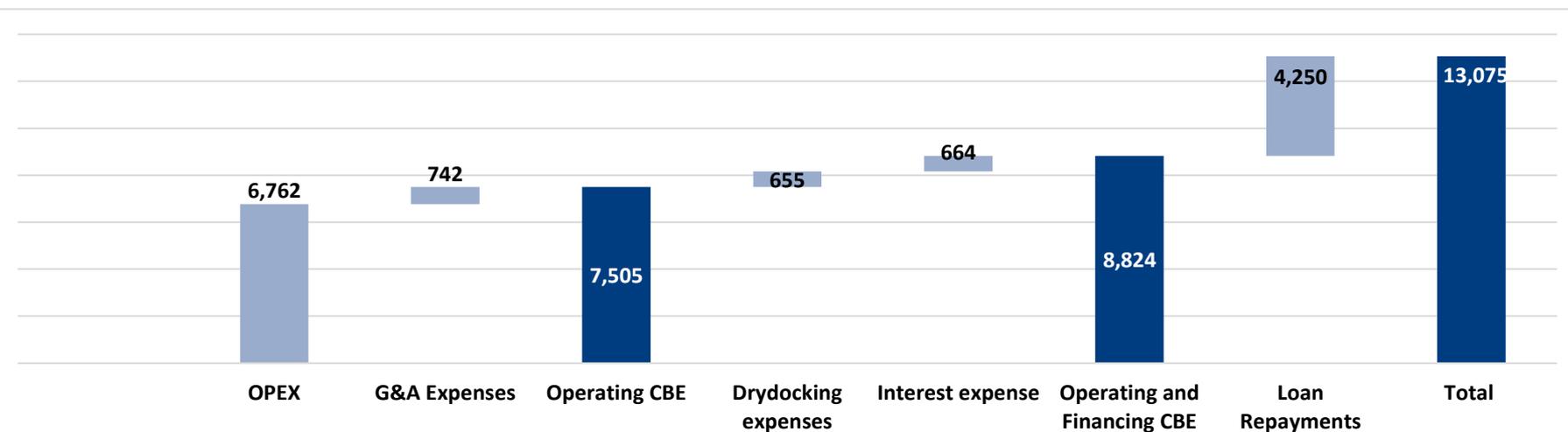


Cost of funding of debt as of 12/31/2021:

Outstanding bank debt of \$119m has an average margin of about 3%; assuming LIBOR of 0.3%, our cost of senior debt is 3.3%. Including the cost of interest rate swaps, total cost of debt is approximately 3.4%

- We have two unencumbered vessels, Joanna and Akinada Bridge; our four newbuildings have not been financed yet

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



Balance Sheet Highlights

Euroseas Capital Structure (12/31/21) Based on Dec-21 Market Values



Notes

Assets

- Cash & Other assets: \$37.1m
- Vessels book value, incl. vessel advances: \$183.9m
- Total assets (at book value): \$221.0m

Liabilities

- Bank & other debt: \$119.0m
- Other liabilities: \$26.2m

Net Asset Value

- Using the charter-adjusted market value of vessels estimated about \$445.6m^(*)
=> Net Asset Value around \$337.5m, or, around \$46.3/share (including the appreciation of our NB contracts)
- Recent share price trading range of \$31-34/share represents a significant discount to the value of the company

() Based on Company estimates as of December 2021*

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