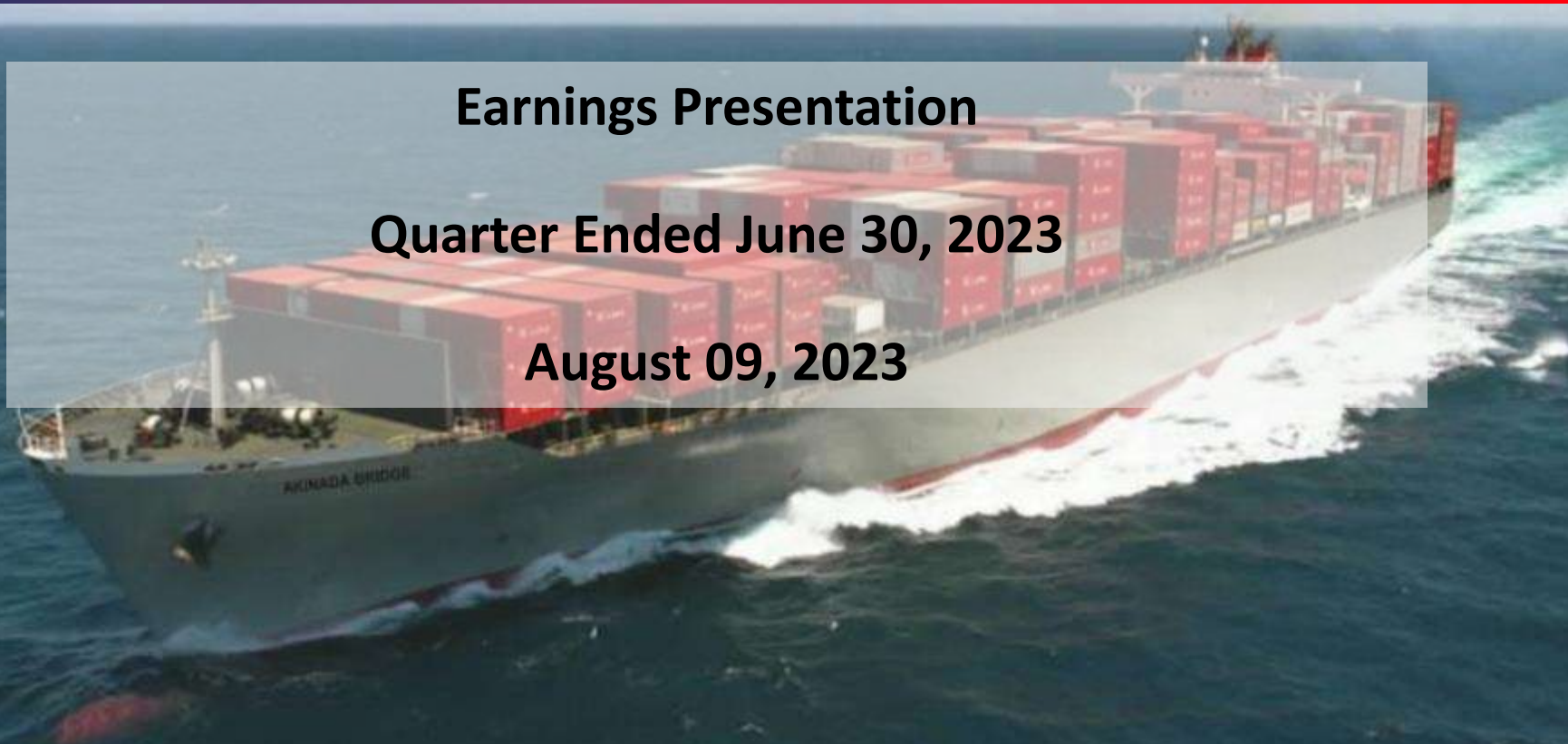




Earnings Presentation

Quarter Ended June 30, 2023

August 09, 2023



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.

2023 Second Quarter Financial Highlights

Financial Results

in million USD except per share figures

	Q2 2023	
Net Revenues	47.7	
Net Income	28.9	4.15/ share ⁽²⁾
Adj. Net Income ⁽¹⁾	29.0	4.17/ share ⁽²⁾
Adj. EBITDA ⁽¹⁾	30.6	

1) See press release of Aug 09, 2023 for reconciliation of Adj. Net Income and Adjusted EBITDA to Net Income

2) Diluted

Dividend Declaration & Repurchase Program

- Declared a quarterly dividend of \$0.50 per common share payable on or about September 16, 2023 to shareholders of record on September 09, 2023.
- As of August 09, 2023, we had repurchased 396,615 of our common stock in the open market for about \$8.1 million, under our share repurchase plan of up to \$20 million initiated in 2022. Our Board of Directors decided to extend the program for another year.

ESG Report

- We uploaded on our site ([Euroseas - ESG](#)) today our 2022 Environment, Social & Governance report

Recent S&P, Chartering & Operational Highlights

➤ **Newbuilding/ New acquisitions/ Scrapping**

- **M/V Terataki** was delivered on July 6, 2023. Following her delivery, she commenced a thirty-six to forty months charter with Asyad Lines @ \$48,000/day.

➤ **Chartering**

- **Joanna**: extended for 6-8 months @ \$13,900 to CMA
 - **Rena P**: fixed for 20-24 months @ \$21,000 to OOCL
 - **Emmanuel P**: fixed for 20-24 months @ \$21,000 to OOCL
- ➔ For both Rena P and Emmanuel P, we accepted a cancellation request by ZIM as the levels we fixed are higher and will result in combined increase of \$2-4m in revenues over a similar charter duration.

➤ **Idle period/commercial off-hire**

- None

➤ **Drydockings**

- None

Current Fleet Profile

Current fleet is comprised of 19 vessels with an average age of 15.9⁽¹⁾ years and a carrying capacity of 58.9k TEU



12x Feeder
Avg. Age: 16.0 years⁽¹⁾
Carrying Capacity: 27k TEU



7x Intermediate
Avg. Age: 15.7 years⁽¹⁾
Carrying Capacity: 31.9k TEU

Name	Type	DWT	Size		Year
			TEU	Built	
On the water fleet					
Marcos V	Intermediate	72,968	6,350		2005
Synergy Busan	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
Gregos (H4201)	Feeder	37,237	2,800		2023
Terataki (H4202)	Feeder	37,237	2,800		2023
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 P	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	19	740,512	58,861		15.9



Note:

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

Vessels Under Construction

Updated

Seven vessels with capacity of 16,600 teu to be delivered during 2024



*4x Feeders
Carrying Capacity: 2,800 teu each*

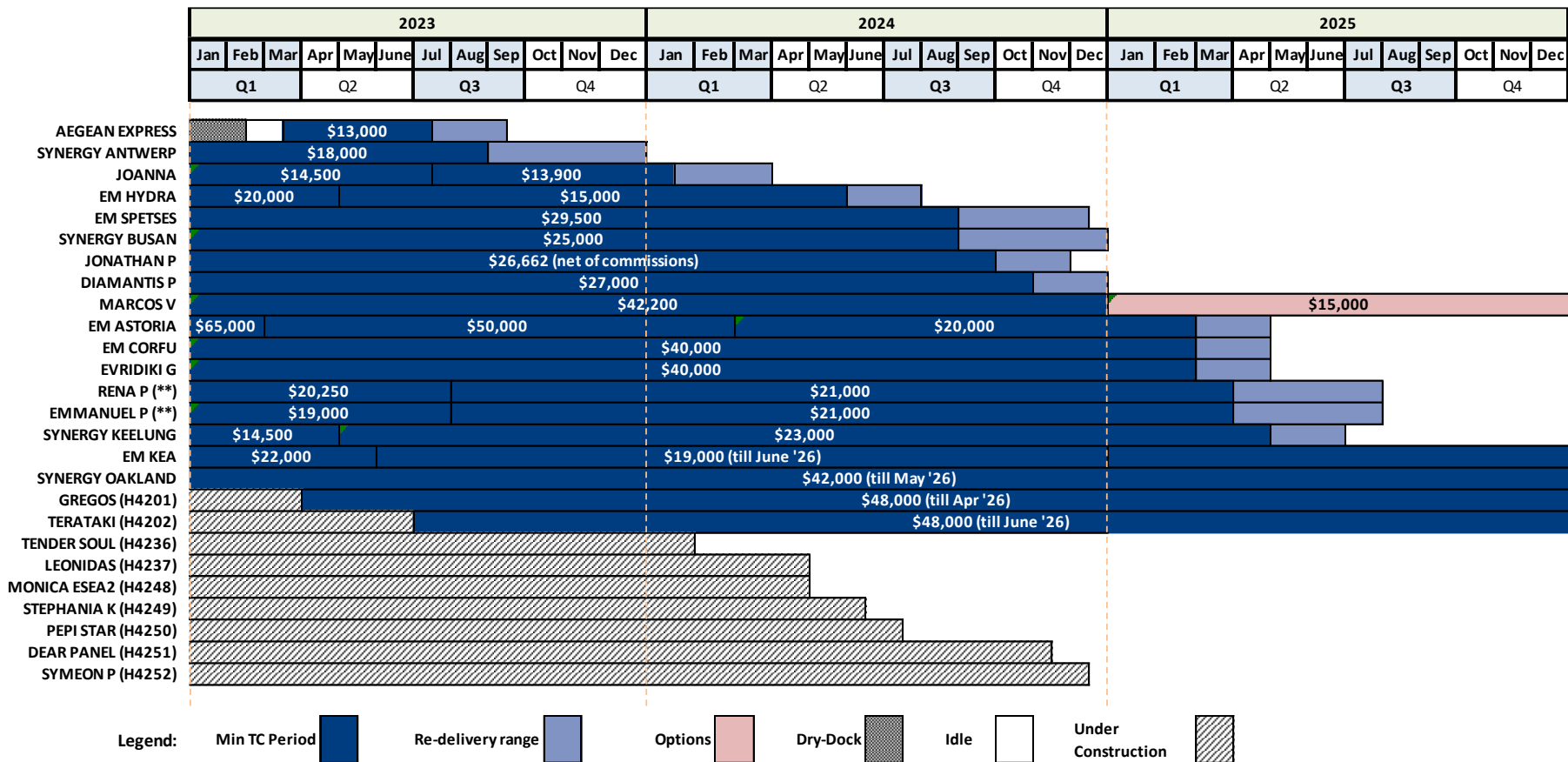


*3x Feeders
Carrying Capacity: 1,800 teu each*

Name	Type	DWT	Size TEU	To be Delivered
<i>Vessels under construction</i>				
Tender Soul (H4236)	Feeder	37,237	2,800	Q1 2024
Leonidas Z (H4237)	Feeder	37,237	2,800	Q2 2024
Monica (H4248)	Feeder	22,262	1,800	Q2 2024
Stephania K (H4249)	Feeder	22,262	1,800	Q2 2024
Pepi Star (H4250)	Feeder	22,262	1,800	Q3 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	7	215,734	16,600	

Vessel Employment

Chartering strategy very important in maximizing revenues over the market cycle



Charter coverage is approximately 93% for 2023 and almost 64% for 2024



Source: Company

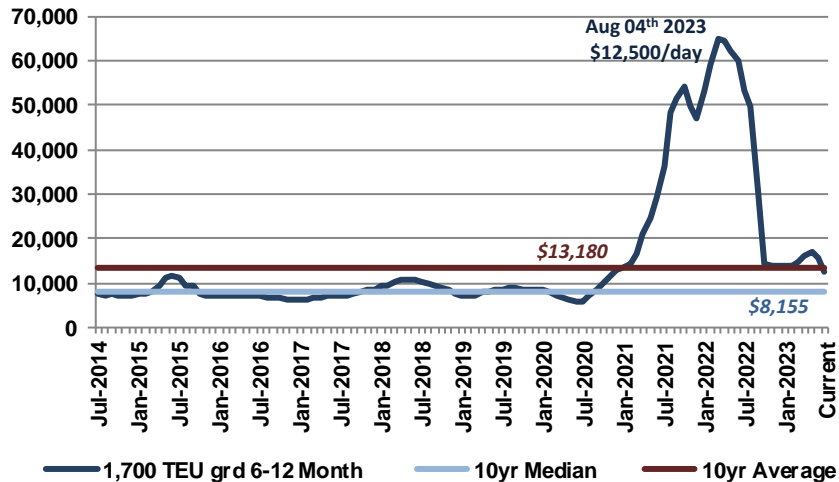
** A mutual agreement has been reached with ZIM to terminate the charters of MV Rena P and MV Emmanuel P within August and the ships have been fixed to OOCL.



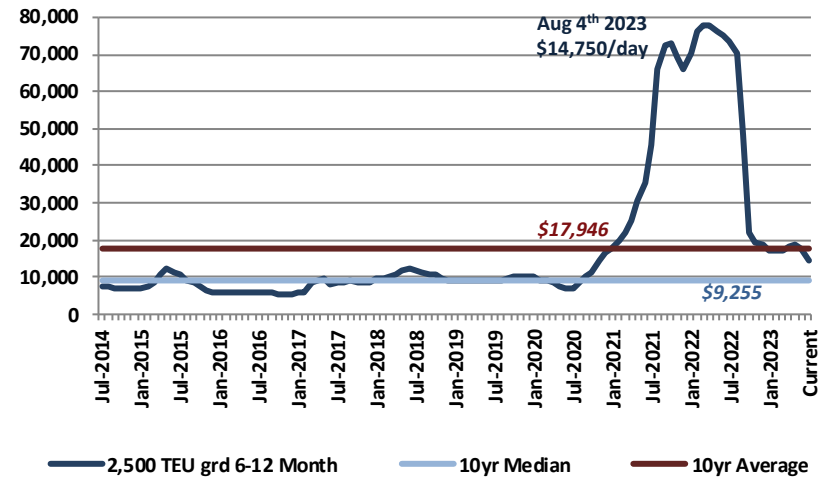
Market Overview

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

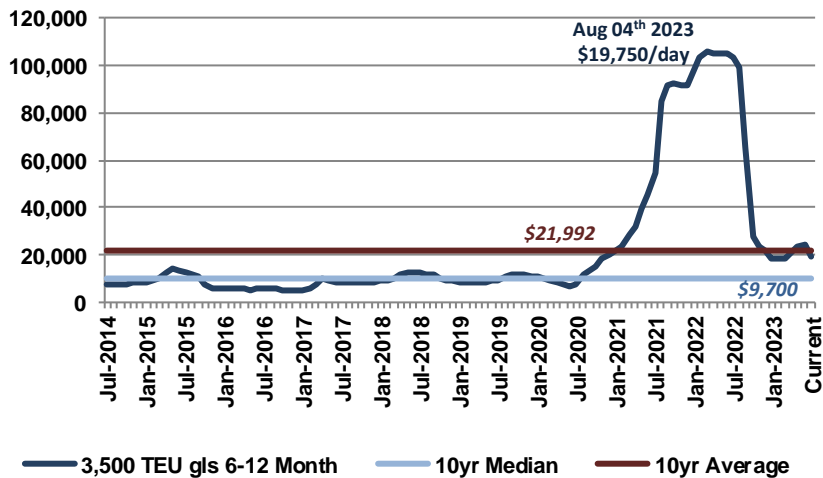
1,700 TEU grd



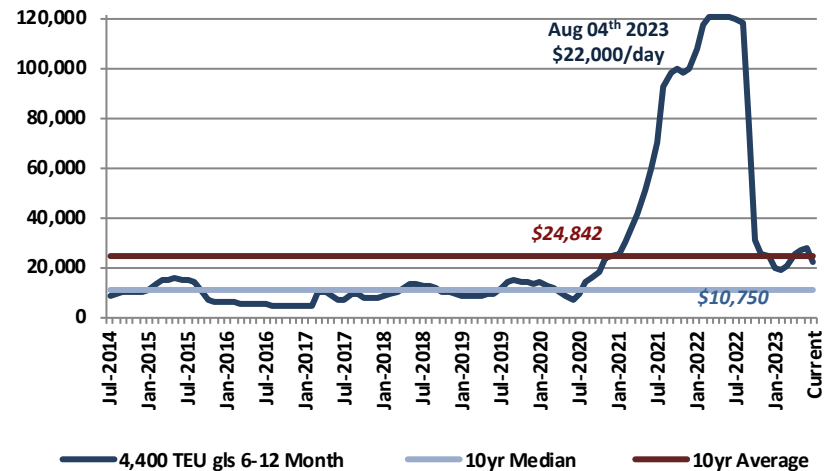
2,500 TEU grd



3,500 TEU gls



4,400 TEU gls



Containership Market Highlights – Q2 2023

- One-Year time charter rates across all segments improved slightly during Q2, but have decreased since by about 15-20%.

- Average rates (\$/day) during 2023Q2 were up by 19% compared to 2023Q1 as shown in the table below

Size (teu) / Type	23Q1 average	23Q2 average	Aug '23
1,700 geared	\$14,192	\$16,162	\$12,873
2,500 geared	\$17,262	\$18,292	\$15,055
4,400 g'less	\$20,019	\$26,635	\$22,033
6,800 g'less	\$32,327	\$39,577	\$35,092

- Average secondhand price index increased on average by about 1.0% in 23Q2 over 23Q1, but as with charter rates, we have seen a softening in July.
 - During 23Q2, there has been some resilience in the market and even some upwards momentum during Q2. Rates across the size sectors experienced support amid an apparent uptick in liner demand for tonnage in tandem with a short-term lack of charter vessel availability.
- Newbuilding price index increased by about 2.9% in 23Q2 over 23Q1.
 - Newbuilding prices generally remain high amid cost inflation and extended yard forward cover.
- Idle fleet: 0.28m teu as of July 17,2023 (1.1% of the fleet); peaked at 0.8m teu in February, trending down since.
- Recycling Activity: 39 vessels accounting for 74,000 teu were sent to scrapyard in YTD
 - Demolition remains fairly subdued amid some short-term improvements in freight and charter markets, which meant that some vessels circulated for recycling were instead sold on for further trading. However, a rise in recycling is anticipated for the rest of 2023 and 2024 amid pressure on market conditions and potential impacts from emissions regulations.
 - Scrapping prices have softened a little in 2023Q2 at ~\$560/lwt, ~40% above the 2019 average
- The fleet has grown by 4.4% YTD (without accounting for idle vessels reactivation/idling)

World GDP & Shipping Demand Growth

Real GDP (% p.a. - IMF)	2015	2016	2017	2018	2019	2020	2021	2022e	2023p	2024p
USA	2.6	1.5	2.	2.9	2.3	-3.5	5.9	2.1(2.1)	1.8(1.6)	1.0(1.1)
Eurozone	2.0	1.8	2.4	1.8	1.2	-6.6	5.3	3.5(3.5)	0.9(0.8)	1.5(1.4)
Japan	0.5	1.0	1.8	1.0	0.7	-4.8	2.2	1.0(1.1)	1.4(1.3)	1.0(1.0)
China	6.9	6.7	6.8	6.6	6.1	2.3	8.4	3.0(3.0)	5.2(5.2)	4.5(4.5)
India	7.6	7.1	6.7	7.1	4.2	-8.0	9.1	7.2(6.8)	6.1(5.9)	6.3(6.3)
Russia	-3.7	-0.2	1.8	2.3	1.3	-3.1	5.6	-2.1(-2.1)	1.5(0.7)	1.3(1.3)
Brazil	-3.8	-3.6	1.1	1.1	1.1	-4.1	5.0	2.9(2.9)	2.1(0.9)	1.2(1.5)
ASEAN-5	4.8	4.9	5.3	5.2	4.8	-3.4	4.0	5.5(5.5)	4.6(4.5)	4.5(4.6)
World	3.4	3.2	3.7	3.6	2.9	-3.3	6.3	3.5(3.4)	3.0(2.8)	3.0(3.0)

Containerized Trade (% p.a.)	2015	2016	2017	2018	2019	2020	2021	2022e	2023p	2024p
TEU/miles	1.5	4.0	5.6	3.6	2.3	-1.7	6.9	-5.0(-5.1)	1.0(-2.1)	3.4(3.3)

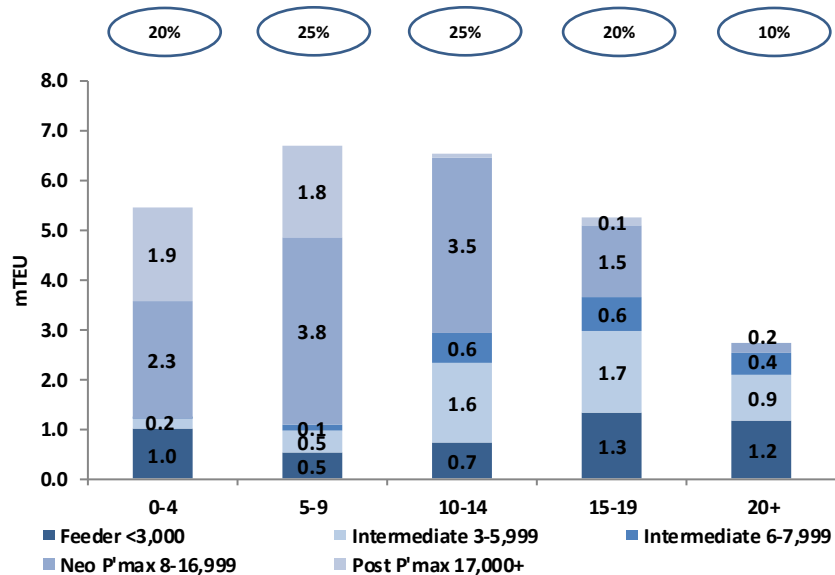
Marked slowdown in global activity is anticipated in 2H 2023 and 1H 2024, with a look for a gradual stabilization in 2H 2024; the outlook on containerized trade remains uncertain given the supply growth outlook and challenging market conditions.

Sources:

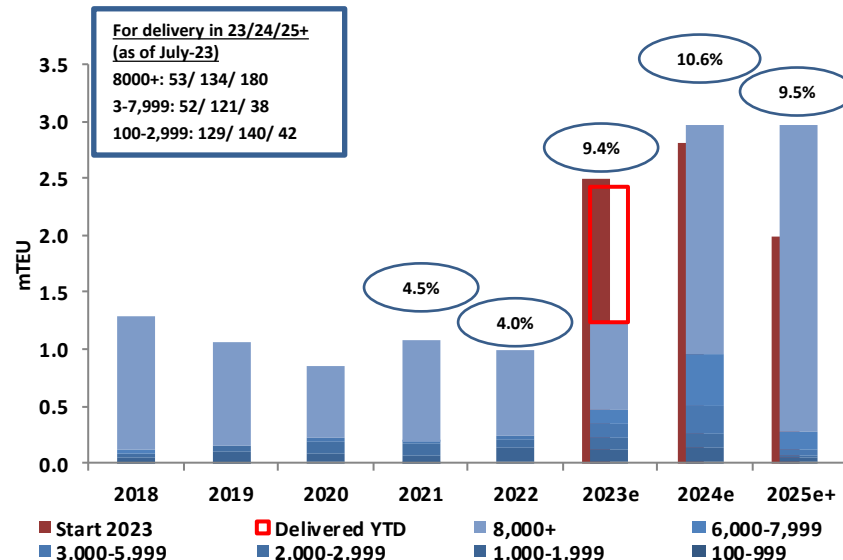
GDP - International Monetary Fund: 2015-2021 (start of year estimates in parentheses), 2022-24 IMF Estimates/Forecasts (Jul-23). In parentheses, previous estimates for 2022-24 (Apr-23).

Age Profile and Orderbook, Total Fleet

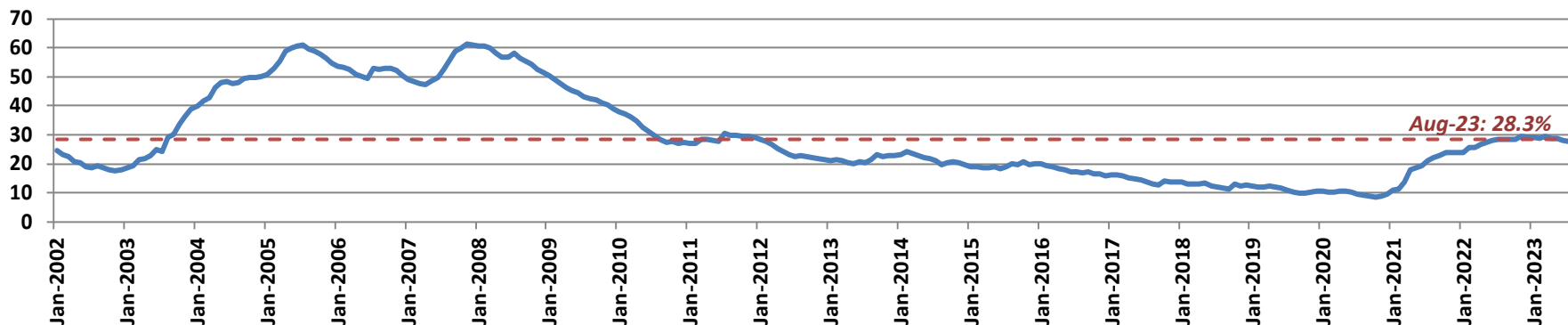
Age Profile



Containership Orderbook



Orderbook as % of fleet

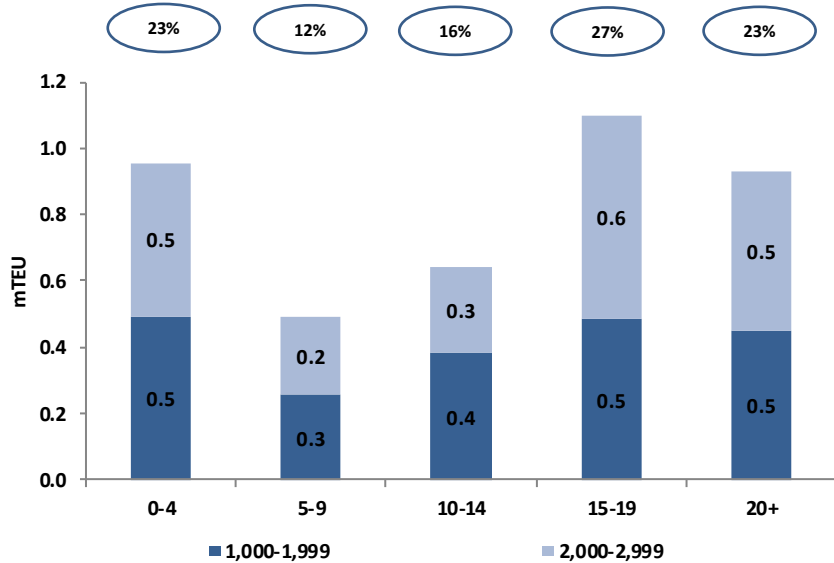


Source: Clarksons Research

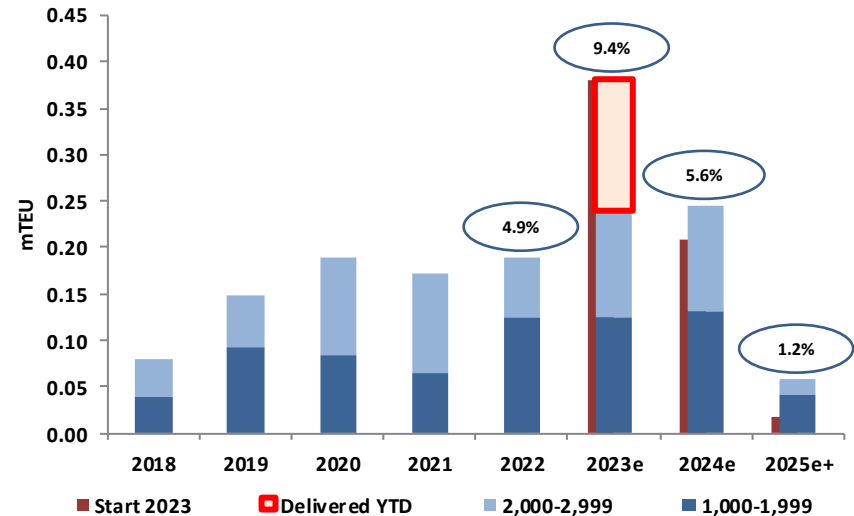
(*) Percentage figures for years 2023-2025 indicate scheduled deliveries only; percentages in previous years show net fleet growth accounting for scrapping and other fleet changes

Fleet Age Profile and Orderbook, 1000-3000 TEU

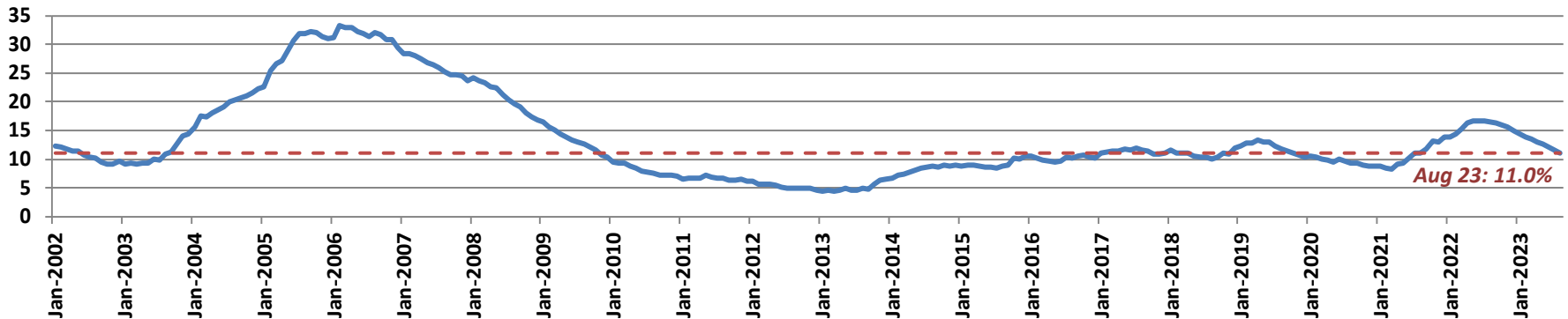
Age Profile



Containership Orderbook



<3,000 TEU Orderbook as % of fleet



Source: Clarksons Research

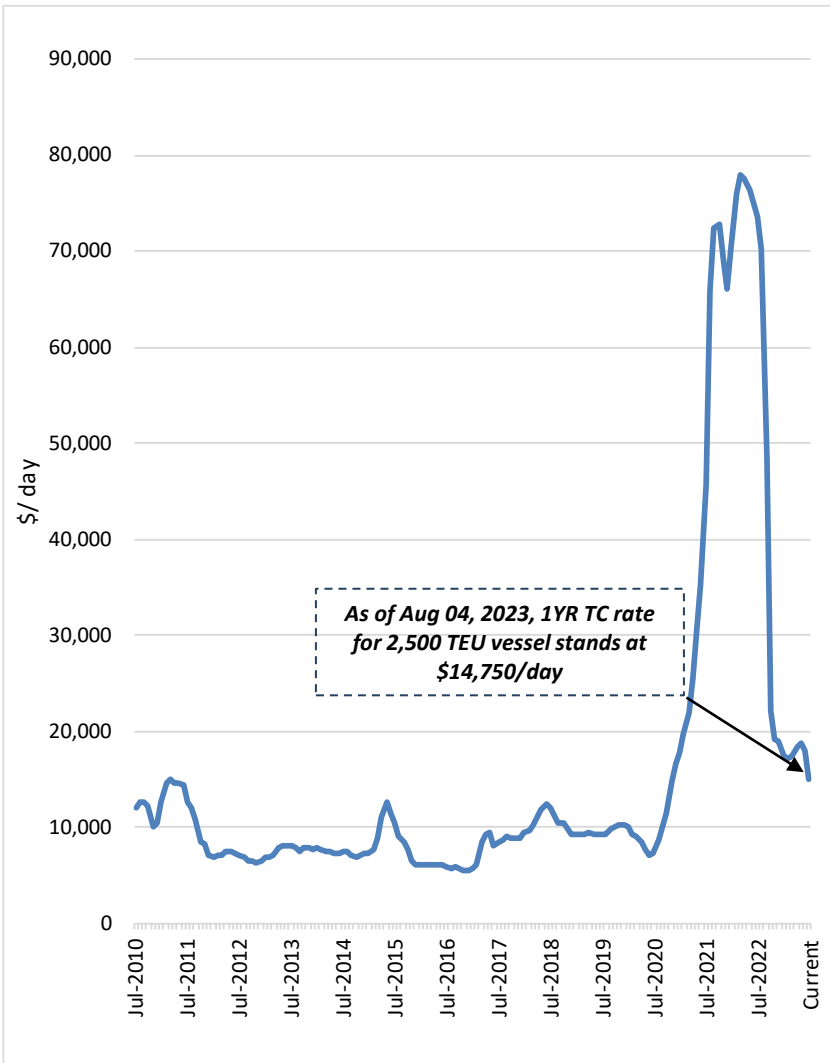
(*) Percentage figures for years 2023-2025 indicate scheduled deliveries only; percentages in previous years show net fleet growth accounting for scrapping and other fleet changes

Outlook Summary

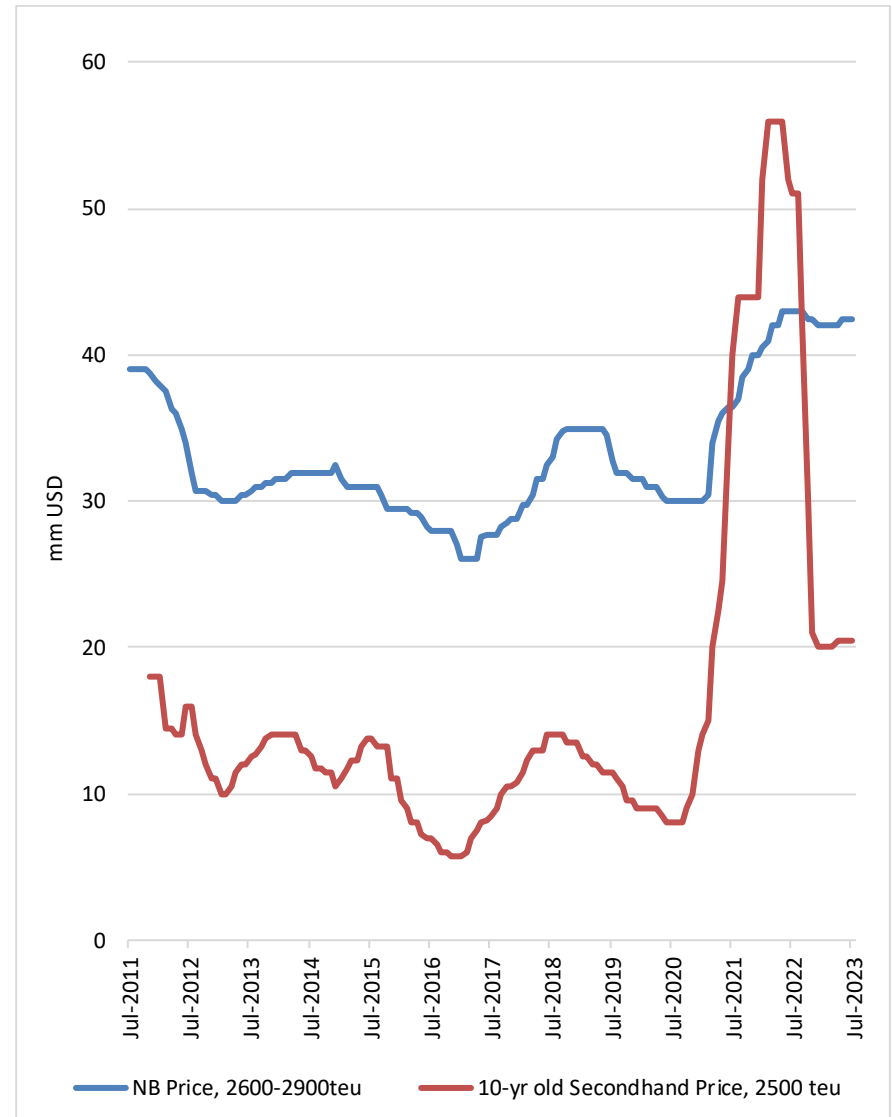
- Clear signs have emerged indicating that the previously shielded containership charter market is now being affected by the decreasing demand for ocean freight. Daily hire rates for all size vessels have declined; there has been a noticeable accumulation of available tonnage in smaller feeder sizes, leading to a larger decline in charter rates for smaller vessels.
 - Although the container freight index initially rebounded in April 2023, recently, freight rates softened again and further declines are anticipated as record deliveries continue to be incorporated by the market participants. Presently, the index sits at a level that is 80% lower than its peak in January 2022, returning to the pre-COVID19 10-year average.
 - Container volumes fell by 2.0% y-o-y
- For the remainder of 2023, there are still considerable challenges ahead
 - General downward pressure is expected to re-emerge in 2023H2 as supply growth accelerates and an increasing number of charter vessels are redelivered.
 - Slower speeds are expected to play a key role in absorbing some of the excess tonnage...
 - ... but hard to forecast economic developments will determine shipping volumes and overall demand and, thus, the evolution of charter rates
- From 2024 onwards, a number of developments - quite difficult to assess yet - could come into play
 - Market conditions will remain challenging, as the rates may decline even further towards the lowest point of the cycle due to a second consecutive year of substantial fleet expansion. Market's performance will remain sensitive to capacity management, vessel speeds, and a range of other "inefficiencies" (e.g. congestion) that could alleviate pressure to some extent
 - The energy transition has continued to gain traction in the containership sector. While it's evident that a shift is taking place, the long-term outlook is intricate and uncertain. The direction, speed, and metrics of the transition are yet to be fully determined.
 - The spread between charter rates achieved by eco-vessels is expected to further increase.
- The smaller size vessels from 1,000 – 6,000 TEU are expected to recover faster from any downturn due to their healthier supply situation (many overaged ships that will be scrapped and lower orderbook).
 - Without doubt, though, cascading of larger vessels to trades currently served by this size group fleet could mitigate any differences to an extent.

Market Evolution

Cont 2,500 TEU One-Year Time Charter Rate



Cont 2,500 TEU – NB & 10 Year Old Price





Financial Overview

Financial Highlights: Q2 and H1 of 2022 and 2023

<i>(in million USD except per share amounts)</i>	Second Quarter		Change	Six Months		Change
	2022	2023	%	2022	2023	%
Net Revenues	48.48	47.70	-1.6%	93.85	89.63	-4.5%
Net Income	30.75	28.88	-6.1%	60.69	57.63	-5.0%
Earnings per share, diluted	4.24	4.15	-2.1%	8.36	8.25	-1.3%
Interest & Finance Costs, net ⁽¹⁾	1.13	0.93		2.15	1.59	
Depreciation	4.11	5.62		7.83	10.89	
(Gain) / Loss on Sale of Vessels	0.00	0.00		0.00	(5.16)	
Amortization of below market charters	(1.85)	(3.84)		(3.06)	(7.64)	
Unrealized Loss (Gain) On Derivatives	0.03	(0.99)		(2.31)	(0.74)	
Adjusted EBITDA ⁽²⁾	34.18	30.60	-10.5%	65.29	56.57	-13.3%
Adj. Net Income	29.59	29.02	-1.9%	56.42	50.70	-10.1%
Adj. earnings per share, diluted	4.08	4.17	2.2%	7.77	7.26	-6.6%
Weighted average numbers of shares, diluted	7,258,436	6,956,447		7,256,434	6,985,422	

Notes:

- 1) Including interest income
- 2) See press release of Aug 09, 2023 for Adjusted EBITDA reconciliation to Net Income

Fleet Data for Q2 and H1 of 2022 and 2023

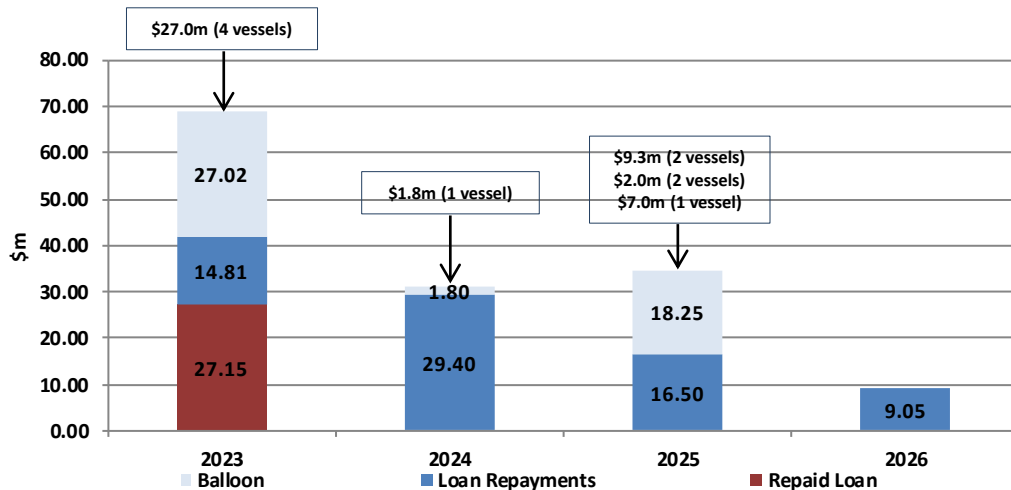
<i>(in million USD except per share amounts)</i>	Second Quarter		Six Months	
	2022	2023	2022	2023
Number of vessels	16.46	17.95	16.23	17.52
Utilization Rate⁽¹⁾				
Operational	99.7%	99.8%	99.6%	98.7%
Commercial	100.0%	100.0%	99.8%	99.1%
Overall	99.7%	99.8%	99.4%	97.8%
<i>(usd/day/vessel)</i>				
Time Charter Equivalent (TCE)⁽²⁾	\$33,714	\$30,151	\$33,843	\$29,714
Operating Expenses				
Vessel Oper. Exp.exlc. DD exp.	7,080	7,114	6,867	7,220
G&A Expenses	652	715	667	728
Total Operating Expenses	\$7,732	\$7,829	\$7,534	\$7,948
Interest Expenses	756	1,456	730	1,373
Drydocking Expenses	477	249	852	316
Loan Repayments without Balloons	4,596	4,308	4,689	4,358
Breakeven/day	\$13,562	\$13,841	\$13,805	\$13,996
Common dividend	2,414	2,117	1,207	2,194

Notes:

- 1) Utilization Rate is calculated excluding scheduled off-hire (drydockings and special surveys) and vessels in lay-up. Scheduled off-hire amounted to 6.2 days and 58.6 days for the second quarter and the first half of 2022 respectively and 0 days for the second quarter and the first half of 2023.
- 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.

Debt Repayment Profile

Debt Repayment Profile of Existing Debt



Cost of funding:

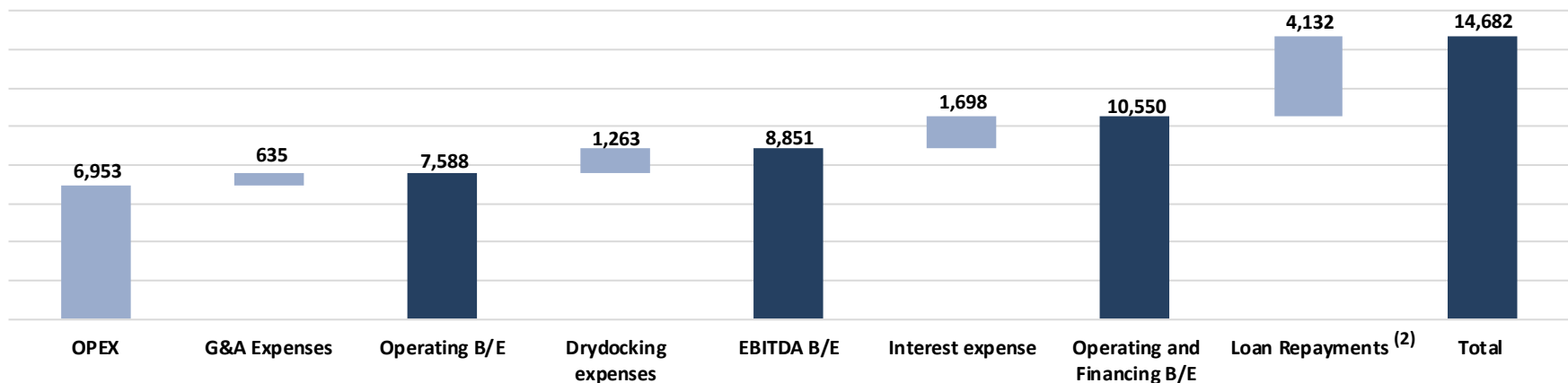
Outstanding bank debt of \$132.8 with average margin of about 2.54%; assuming 3M SOFR⁽¹⁾ of 5.36%, our cost of senior debt is 7.90%

- Including the cost of interest rate swaps, the total cost of our debt is approximately 7.60% as about 15% of our debt is "hedged" at 3.41%

Newbuilding financing:

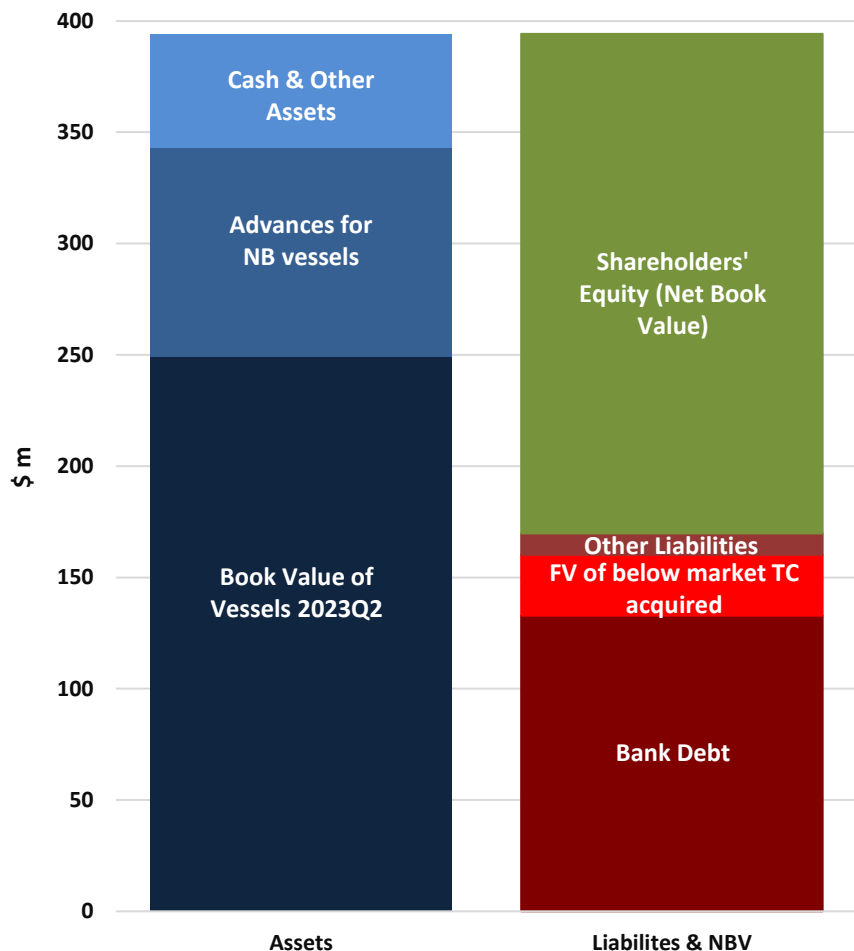
Additional debt - estimated around \$165m - will be assumed to finance the newbuilding program

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



Balance Sheet Highlights

Euroseas Capital Structure (06/30/23)



Notes

Assets

- Cash & Other assets: \$51.2m
- Advances for NB vessels: \$93.8m
- Vessels book value: \$249.1m
- Total assets (at book value): \$394.13m

Liabilities

- Bank & other debt (net of deferred charges): \$132.8m, i.e.~33.7% of total book value of assets
- FV of below market TC acquired: ~\$27.3m, i.e.~6.9% of total book value of assets
- Other liabilities: ~\$9.9m, i.e.~2.5% of total book value of assets

Net Asset Value

- Using the charter-adjusted market value of vessels and the net change of newbuilding contracts estimated about \$369.6m⁽¹⁾
=> Net Asset Value around \$371.9m, or around \$53.2/share
- Recent share price trading around \$21.5/share represents a significant discount to the value of the company



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