



EuroDry Ltd. Announces Agreement to Acquire M/V Ruby Asia II, a 2014- Built Ultramax Bulker

Athens, Greece – August 23, 2021 – EuroDry Ltd. (NASDAQ: EDRY, the “Company” or “EuroDry”), an owner and operator of drybulk vessels and provider of seaborne transportation for drybulk cargoes, announced today that it has agreed to acquire M/V Asia Ruby II, a 62,996 dwt drybulk vessel built in 2014, for \$24.5 million. The vessel is expected to be delivered to the Company within late September / early October 2021 and will be renamed M/V Good Heart. The acquisition will be financed by own funds and a bank loan.

Aristides Pittas, Chairman and CEO of EuroDry commented:

“We are pleased to announce the acquisition of M/V Asia Ruby II, an Ultramax, drybulk carrier built in 2014. This acquisition further expands our modern fleet cluster at a time when the market fundamentals are very supportive of charter rates. At current market rates, we expect that M/V Ruby II will make a significant contribution to our net income and EBITDA. As we stated recently, we believe that a number of factors constraining vessel supply in the near term combined with one of the lowest orderbook levels ever and a healthy demand growth are likely to result in strong rates for drybulk vessels well into 2022 and beyond. This acquisition allows us to better position ourselves to take advantage of such developments. Furthermore, the modernization and growth of our fleet further increases our stature as a public company enhancing the value of our public listing.”

Fleet Profile:

After the delivery of the M/V Ruby Asia II, the EuroDry Ltd. fleet profile will be as follows:

Name	Type	Dwt	Year Built	Employment(*)	TCE Rate (\$/day)
<u>Dry Bulk Vessels</u>					
EKATERINI	Kamsarmax	82,000	2018	TC until Mar-22	Hire 106% of the Average Baltic Kamsarmax P5TC (***) index
XENIA	Kamsarmax	82,000	2016	TC until Aug-22	Hire 105% of the Average Baltic Kamsarmax P5TC (***) index
ALEXANDROS P.	Ultramax	63,500	2017	TC until Sep-21	\$25,250
GOOD HEART (****)	Ultramax	62,996	2014	Open	-
EIRINI P	Panamax	76,466	2004	TC until Apr-22	Hire 99% of Average BPI (**) 4TC
STARLIGHT	Panamax	75,845	2004	TC until Aug-21	Hire 98.5% of Average BPI (**) 4TC
TASOS	Panamax	75,100	2000	TC until Aug-21	\$19,750
PANTELIS	Panamax	74,020	2000	TC until Sep-21	\$23,000
BLESSED LUCK	Panamax	76,704	2004	TC until April-22	\$19,500
Total Dry Bulk Vessels	9	668,631			

Note:

- (*) Represents the earliest redelivery date.
- (**) BPI stands for the Baltic Panamax Index; the average BPI 4TC is an index based on four-time charter routes.
- (***) The average Baltic Kamsarmax P5TC Index is an index based on five Panamax time charter routes.
- (****) To be delivered in late September / early October 2021.

About EuroDry Ltd.

EuroDry Ltd. was formed on January 8, 2018 under the laws of the Republic of the Marshall Islands to consolidate the drybulk fleet of Euroseas Ltd. into a separate listed public company. EuroDry was spun-off from Euroseas Ltd on May 30, 2018; it trades on the NASDAQ Capital Market under the ticker EDRY.

EuroDry operates in the dry cargo, drybulk shipping market. EuroDry's operations are managed by Eurobulk Ltd., an ISO 9001:2008 and ISO 14001:2004 certified affiliated ship management company and Eurobulk (Far East) Ltd. Inc., which are responsible for the day-to-day commercial and technical management and operations of the vessels. EuroDry employs its vessels on spot and period charters and under pool agreements.

After the delivery of M/V Good Heart, the Company will have a fleet of 9 vessels, including 5 Panamax drybulk carriers, 2 Ultramax drybulk carrier and 2 Kamsarmax drybulk carriers. EuroDry's 9 drybulk carriers have a total cargo capacity of 668,631 dwt.

Forward Looking Statement

This press release contains forward-looking statements (as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) concerning future events and the Company's growth strategy and measures to implement such strategy; including expected vessel acquisitions and entering into further time charters. Words such as "expects," "intends," "plans," "believes," "anticipates," "hopes," "estimates," and variations of such words and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Company. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to changes in the demand for dry bulk vessels, competitive factors in the market in which the Company operates; risks associated with operations outside the United States; and other factors listed from time to time in the Company's filings with the Securities and Exchange Commission. The Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

Visit our website www.eurodry.gr

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