



EuroDry Ltd. Announces Partial Redemption of its Preferred Shares and Reduction of Their Dividend Rate until 2021

Maroussi, Athens, Greece – June 18, 2019. 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 agreed to redeem approximately \$4.3 million of its Series B Preferred Shares with a simultaneous reduction of the dividend rate for the remaining outstanding shares. The Series B Preferred Shares have an aggregate value of about \$19.7 million as of March 31, 2019 and since January 2019, carried an annual dividend of 12% which is set to increase to 14% in January 2021. After the agreed upon redemption of \$4.3 million, there will be \$15.4 million face value of Series B Preferred Shares outstanding. In parallel with the redemption, the holders of the remaining Series B Preferred Shares agreed to reduce the annual dividend of the shares to 9.25% until January 2021.

Aristides Pittas, Chairman and CEO of Euroseas commented: “We are very pleased to announce the repayment of \$4.3 million of face value of our preferred shares outstanding and, equally importantly, the agreement to reduce the dividend rate of the remaining outstanding shares from 12% to 9.25% for the next 18 months. We have positioned EuroDry with sufficient resources to invest and benefit from a potential market recovery while we are committed to identify and execute any transaction that benefits our shareholders.”

“This redemption and dividend rate reduction will result in savings of about \$0.5 million in the remaining of 2019, about \$0.95 million in 2020 and about \$0.60 million per year thereafter. Our cash flow breakeven rate will be about \$375 per vessel per day lower until January 2021 and about \$235 per vessel per day lower, thereafter.”

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.

The Company has a fleet of 7 vessels, including 4 Panamax drybulk carriers, 1 Ultramax drybulk carrier and 2 Kamsarmax drybulk carriers. EuroDry's 7 drybulk carriers have a total cargo capacity of 528,931 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.

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