# EuroDry Swings to $6.9m Third-Quarter Profit on 55% TCE Rise

EuroDry Ltd. (NASDAQ: EDRY) reported net income attributable to controlling shareholders of $6.9 million for the third quarter of 2026, reversing a net loss attributable to controlling shareholders of $0.7 million in the same quarter of 2025. Total net revenues reached $19.4 million, an increase of 34.9% over $14.4 million in the third quarter of 2025. Earnings per share attributable to controlling shareholders came to $2.43 basic and $2.39 diluted, compared with a loss per share of $0.24 a year earlier. Adjusted net income for the third quarter of 2026 was $6.7 million, or $2.36 and $2.32 per share.

Adjusted EBITDA for the quarter reached $11.3 million, up from $4.1 million a year earlier.

## TCE Rates Climb 55% Despite Smaller Fleet

An average of 11.0 vessels were operated during the quarter, earning an average TCE rate of $20,551 per day, whereas 12.0 vessels earned $13,232 per day in the third quarter of 2025. Mr. Tasos Aslidis, Chief Financial Officer, put the rate increase at 55.3% and attributed the $5.0 million revenue increase to the higher TCE rates earned, partly offset by the lower average number of vessels owned and operated. Overall fleet utilization reached 99.7%, from 99.3%.

Operating expenses, including management fees, averaged $6,917 per vessel per day, from $6,328, which the company attributed to the depreciation of the US dollar and to the increased cost of vessel supplies amid the war in the Middle East region. Total daily operating expenses excluding dry-docking costs were $7,687 per vessel per day, from $7,013, and the daily cash flow breakeven level was $11,984, from $12,482.

## Nine-Month Recovery and Liquidity

For the first 9 months of 2026, the company reported total net revenues of $49.9 million, an increase of 43.1% from $34.9 million in the same period of 2025, and net income attributable to controlling shareholders of $13.7 million, reversing a net loss attributable to controlling shareholders of $7.45 million. Earnings per share were $4.89 basic and $4.80 diluted, compared with a loss per share of $2.71 in the 2025 period. Adjusted net income was $14.0 million, or $4.98 basic and $4.88 diluted per share. Adjusted EBITDA reached $27.9 million, from $5.0 million a year earlier.

The fleet averaged the same 11.0 vessels over the 9 months, earning $18,501 per day, compared with 12.3 vessels earning $10,210 per day in the first 9 months of 2025. Operating income was $19.6 million, reversing an operating loss of $2.4 million in the same period of 2025. Net cash provided by operating activities amounted to $22.8 million, versus $5.2 million in the first 9 months of 2025.

Cash, cash equivalents and restricted cash stood at $55.1 million on September 30, 2026, of which $50.7 million was cash and cash equivalents, compared with $11.9 million a year earlier. Total assets were $239.1 million and shareholders' equity attributable to EuroDry was $117.1 million. Outstanding debt, excluding unamortized loan fees, was $105.7 million, equal to 44.2% of the total book value of assets. At an average margin of 1.84%, and assuming a 3-month SOFR rate of 4.06%, the company put its cost of senior debt at 5.89%. Scheduled debt repayments including balloon payments over the next 12 months amount to $11.1 million, and the company announced that all loan covenants are satisfied.

Mr. Aristides Pittas, Chairman and Chief Executive Officer, stated that funds raised through the equity program, together with funds from the recent refinancing of one of the company's vessels and funds generated by operations, produced a cash balance at the end of the quarter of more than $50 million net of any restricted cash. He described this as providing significant liquidity to fund the equity portion of the expanded newbuilding program and to invest in accretive opportunities when they appear.

## NAV Exceeds $66.65 a Share; Equity Raise Brings in $10.7m

The company estimates the market value of its vessels at $247.8 million, $90.4 million above their book values, which suggests a NAV per share of more than $66.65. Net book value stood at $38.86 per share.

During September and October 2026, the company re-established its At-The-Market (ATM) program, raising $10.7 million through the issue of 163,753 common shares, about 5.4% of its outstanding shares, at an average price of $67.54. Mr. Pittas stated that the share price reached new highs and exceeded the company's net asset value per share for a certain period, and that the funds were raised at price levels accretive to net asset value. Under its share repurchase plan of up to $10 million, the company has repurchased 358,130 shares for $5.8 million since August 2022, and the Board approved its continuation for a further year in August 2026.

## Five Newbuildings to Expand Fleet to 16 Vessels by 2029

EuroDry operates 11 vessels of 766,000 dwt at a size-weighted average age of 13.8 years, comprising 2 Kamsarmax, 5 Ultramax, 1 Supramax, and 3 Panamax vessels. Five newbuildings are under construction at Chinese shipyards: 2 Ultramax vessels of 63,500 dwt for delivery in the second and third quarters of 2027, and 3 Kamsarmax vessels of 82,000 dwt for delivery in the first and second quarters of 2028 and the third quarter of 2029.

The most recent of these is a third 82,000 dwt Kamsarmax contracted with Hengli Shipbuilding (Dalian), built to an eco-design specification compliant with EEDI Phase 3 standards, for total consideration of $37.0 million, to be financed with a combination of debt and equity and conditional upon receiving a refund guarantee from a bank acceptable to the company. On delivery of all 5 vessels the fleet will total 16 ships of 1,139,000 dwt. Mr. Pittas noted that the program, when completed, will result in the fleet being one of the youngest among the company's peers and with a minimal environmental footprint.

## Dry Bulk Rates Remain Elevated as Orderbook Supports Market Outlook

Spot rates averaged $18,342 per day for Panamax, $19,642 for Kamsarmax, and $23,548 for Ultramax vessels during the quarter. On November 6, they stood at $17,220,$18,520, and $25,500, respectively. One-year Panamax TC rates averaged $18,112 in the quarter and were at $16,875 on November 6, which the company notes is above the 20-year median of $13,275. The Baltic Dry Index and the Baltic Panamax Index recorded year-over-year increases of 65% and 42%, respectively, during the quarter.

The orderbook was at 15.7% of the existing fleet as of November 2026, above the 7% low of 2021 and, in the company's assessment, still low. The dry bulk fleet stands at about 1.1 billion dwt, up about 3% so far this year, and about 12.1% of it is over 20 years old. Clarksons has revised its 2026 ton-mile growth forecast up from 3.7% to 4.1%, with 3.3% forecast for 2027 and 2.8% for 2028.

Mr. Pittas further added that market rates for the segments the company operates recorded recent-year highs during the quarter, that the market softened during October, more so for Panamax and Kamsarmax vessels than for Ultramax, and that rates remain at levels that will generate significant earnings for the fleet if maintained. He concluded that the company remains optimistic about the prospects of the dry bulk market, citing a normalized orderbook following several years of underbuilding, alongside increased vessel demand from revived dry bulk trades and continuing inefficiencies in the transportation system.

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