

OET Company Presentation
September 2020



OKEANIS
ECO TANKERS

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OET Overview & Structure

Overview

Domicile

- OET incorporated in 2018 in the Marshall Islands.
- Listed on Oslo Axess under ticker OET-OAX.

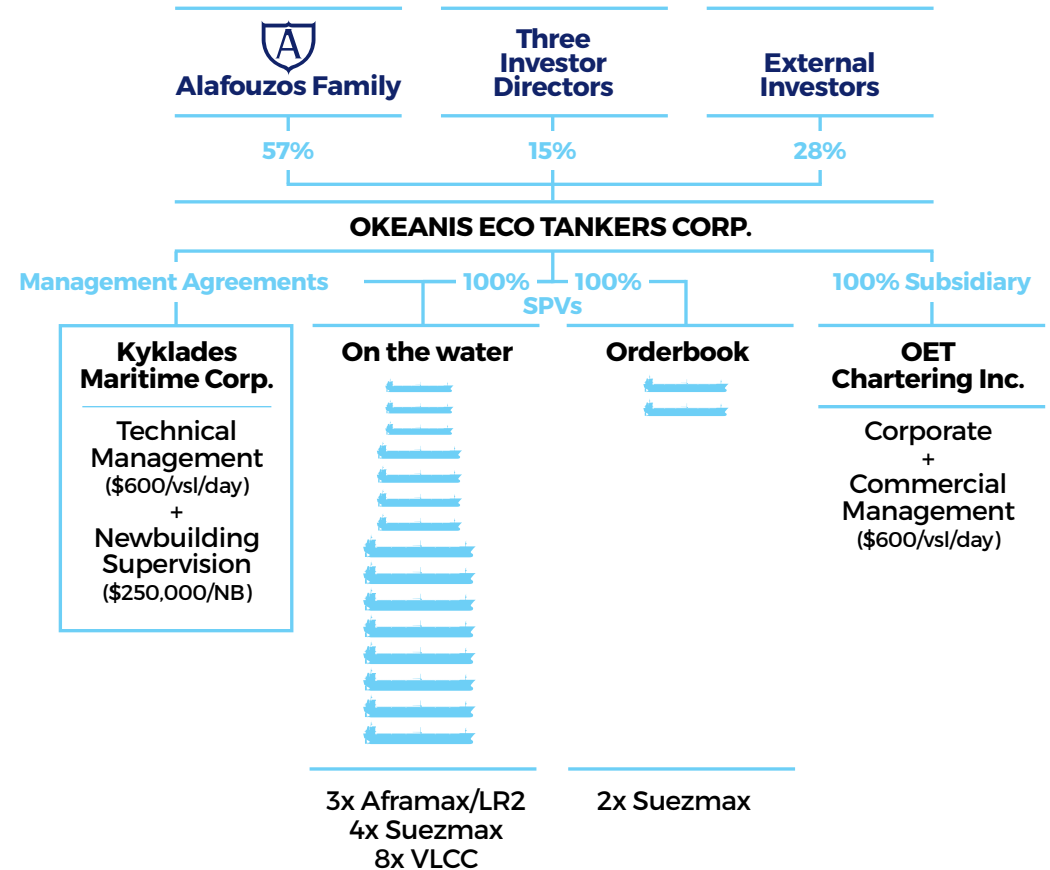
Fleet

- Three Aframax/LR2 vessels with an average age of 5 years.
- Four Suezmax vessels with an average age of 3 years.
- Two Suezmax NBs delivering in Sep. 2020.
- Eight VLCC vessels with an average age of 1 year.
- All vessels owned through Liberian/M.I. SPVs.

Management

- Corporate and commercial management is provided by OET Chartering Inc., a fully owned subsidiary of OET.
- Technical management is provided at cost by Kyklades Maritime Corp., a ship management company owned by the Alafouzou family.

Corporate Structure



Management Team

CEO Ioannis A. Alafouzou began his career in shipping in 1981 and has over 40 years of experience in all facets of the industry. Mr. Alafouzou founded Kyklades Maritime Corporation in 1994. He holds an MA from Oxford University in History of Economics.

COO Aristidis Alafouzou has over 13 years of shipping experience in operations and chartering. Previously, he has worked on the ACM S&P desk. Mr. Alafouzou is a director at Gard P&I Ltd., a VC of the Hellenic Mediterranean Panel of Intertanko, a member of the DNV GL Greek committee, and holds MSc in Shipping, Trade and Finance from Cass Business School.

CFO John Papaioannou has over 15 years of shipping experience in finance, capital markets and research. He was previously the head of strategy, research and IR at BW LPG in Singapore. He holds a Bachelor's degree in Finance from Boston University, an M.Sc. in Investment Management from Cass Business School and is a CFA charterholder.

OET Fleet Overview

Fleet Attributes

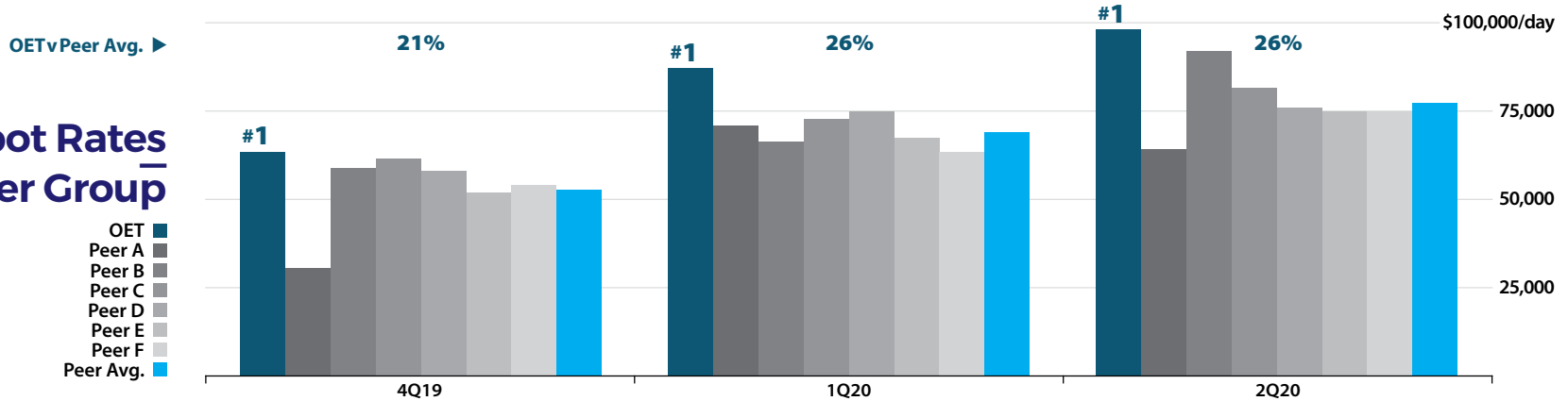
- Attractive mix of crude tanker vessels • Future-proof specifications • All vessels with eco design •
- All vessels built at first class S. Korean and Japanese yards •
- Entire fleet to be scrubber fitted • All vessels have BWTS installed •

No.	Type	Vessel	Yard	Country	Built	Age	DWT	Employment	Eco-Design?	Scrubber?	BWTS?
1		Nissos Heraclea	HHI	Korea	2015-07	5	114,322	Spot	Yes	4Q20	Yes
2	Aframax/LR2	Nissos Therassia	HHI	Korea	2015-01	5	114,322	Spot	Yes	Yes	Yes
3		Nissos Schinoussa	HHI	Korea	2015-09	5	114,322	Spot	Yes	3Q20	Yes
4		Milos	SSME	Korea	2016-10	4	157,537	Spot	Yes	Yes	Yes
5		Poliegos	SSME	Korea	2017-01	3	157,537	Spot	Yes	Yes	Yes
6	Suezmax	Kimolos	JMU	Japan	2018-05	2	159,159	Spot	Yes	Yes	Yes
7		Folegandros	JMU	Japan	2018-09	2	159,159	Spot	Yes	Yes	Yes
8		Nissos Sifnos	HSHI	Korea	2020-09	0	157,971	Under construction; TC upon dely	Yes	Yes	Yes
9		Nissos Sikinos	HSHI	Korea	2020-09	0	157,971	Under construction; TC upon dely	Yes	Yes	Yes
10		Nissos Rhenia	HHI	Korea	2019-05	1	318,953	Time charter	Yes	Yes	Yes
11		Nissos Despotiko	HHI	Korea	2019-06	1	318,953	Time charter	Yes	Yes	Yes
12		Nissos Santorini	HHI	Korea	2019-07	1	318,953	Time charter	Yes	Yes	Yes
13		Nissos Antiparos	HHI	Korea	2019-07	1	318,953	Time charter	Yes	Yes	Yes
14	VLCC	Nissos Donoussa	HHI	Korea	2019-08	1	318,953	Spot	Yes	Yes	Yes
15		Nissos Kythnos	HHI	Korea	2019-09	1	318,953	Time charter	Yes	Yes	Yes
16		Nissos Keros	HHI	Korea	2019-10	1	318,953	Time charter	Yes	Yes	Yes
17		Nissos Anafi	HHI	Korea	2020-01	0	318,953	Spot	Yes	Yes	Yes

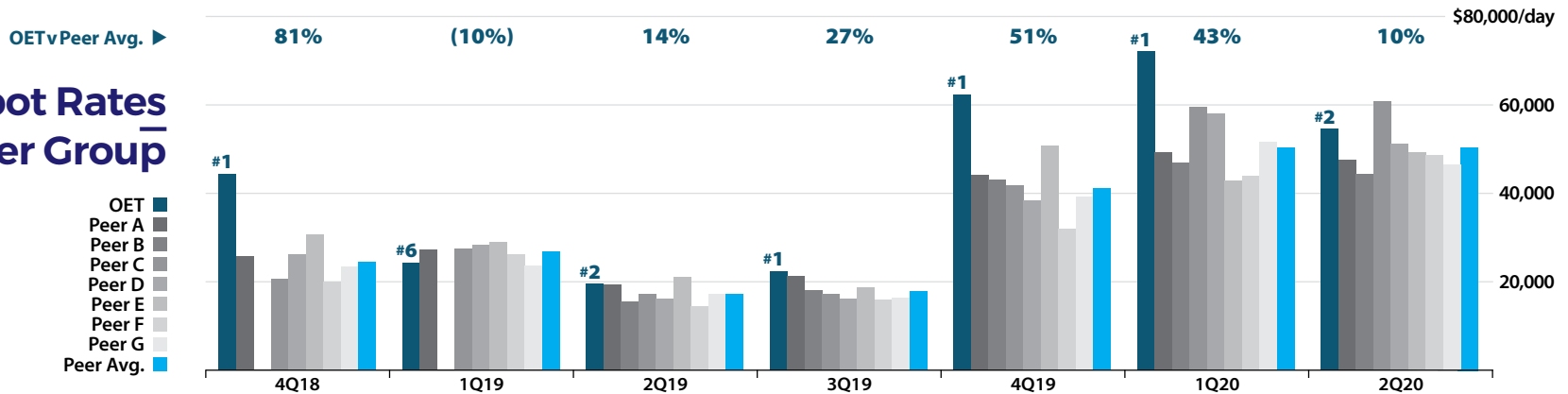
OET Spot Market Performance Relative to Tanker Peers

Top performer in the spot market across all vessel sizes

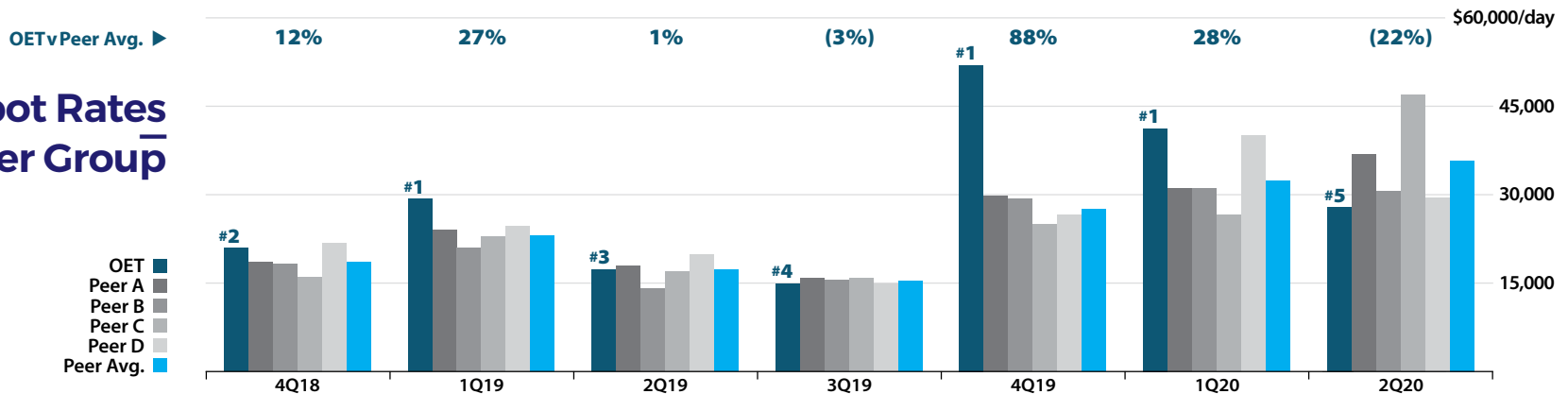
VLCC Spot Rates Tanker Peer Group



Suezmax Spot Rates Tanker Peer Group



Aframax/LR2 Spot Rates Tanker Peer Group





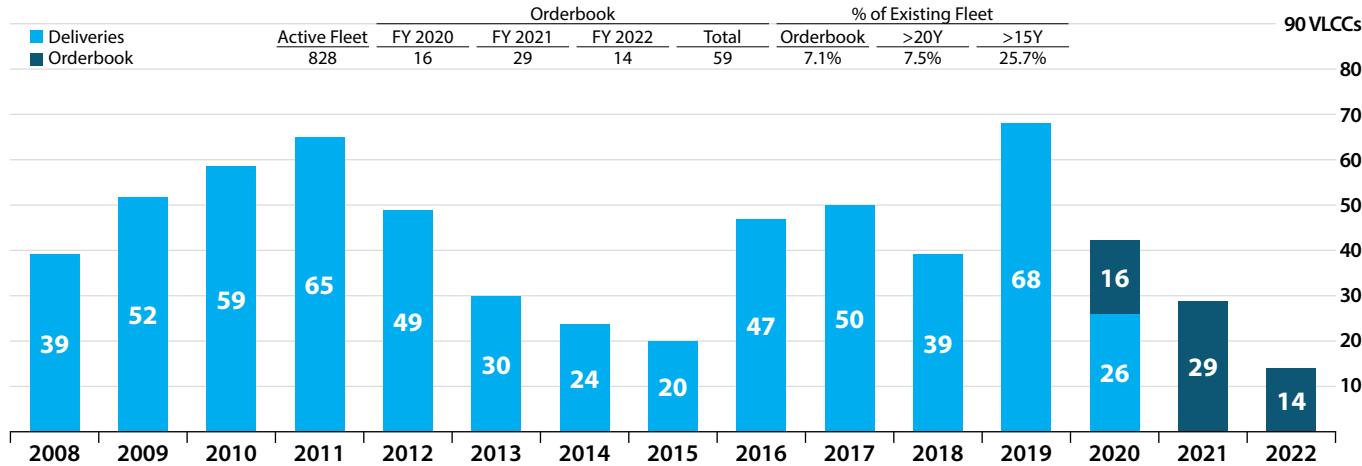
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Tanker Market Outlook Summary

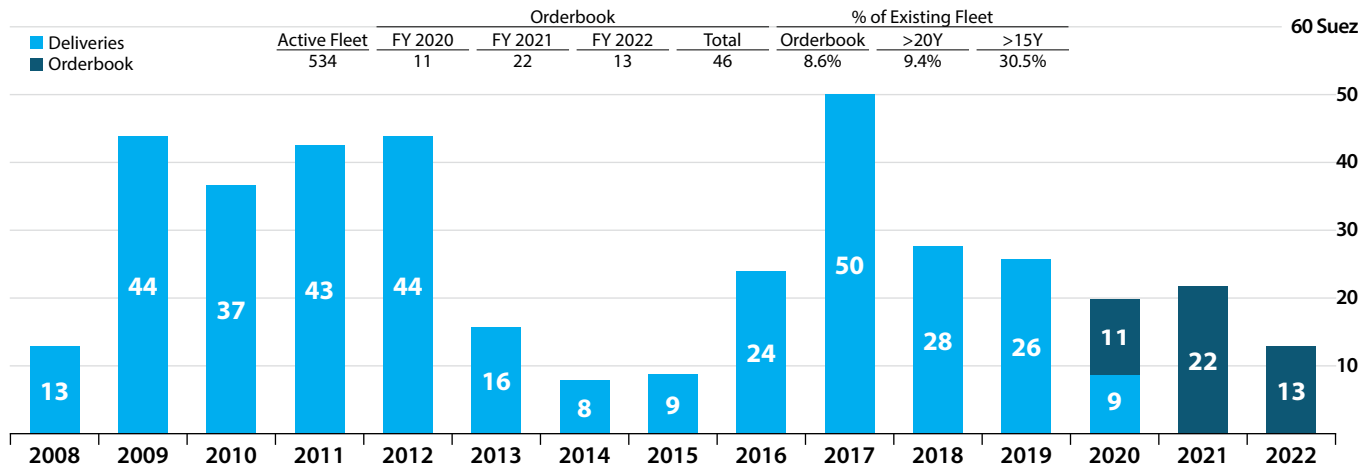
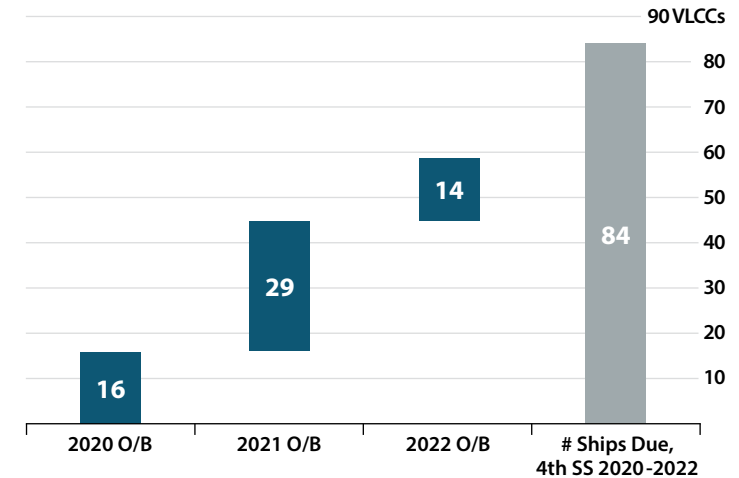
- **Short term outlook is challenging for tanker demand – with pockets of strength – due to:**
 - Unwinding of floating storage (suppression of seaborne trade) and gradual return of VLCCs to spot market
 - Reduced (but now growing) oil production and export volumes globally
 - Depressed refining margins
- **Inventory destocking usually a headwind for tankers, but the upcoming destocking cycle will be different**
 - Previous destocking cycle in 2016 coincided with delivery of massive orderbook; fleet growth will be flat to negative over next two years
 - Stock draws typically associated with reduced oil production; recovering oil demand will require (slow) return of production
 - Oil demand in the context of Covid-19 developments is the wildcard
- **Fleet outlook is perhaps the most bullish in tanker history**
 - Lowest orderbook (~7% for VLCCs) since mid 1990s
 - Highest scrapping potential (~30% of VLCCs & Suezmaxes are >15Y) since single-hull phase out
 - Lowest appetite for new ordering due to lack of clarity on environmental regulations, lack of access to financing and high market uncertainty
 - Older ships are severely handicapped in spot market and do not compete for same cargoes as our modern ships; resort to niche trades with low utilization
- **Mediocre 2021 sets the stage for strong market in 2022 and onwards**
 - Unwinding floating storage will pressure rates downwards through stock draw period, leading to higher scrapping but also to a balanced oil market
 - Post-rebalancing, oil production and exports will start increasing with each incremental barrel of demand being satisfied by seaborne trade
 - Low orderbook and anemic fleet growth set the stage for fundamental tightening of tanker markets between 2022-2023

Tanker orderbook more than offset by scrapping potential

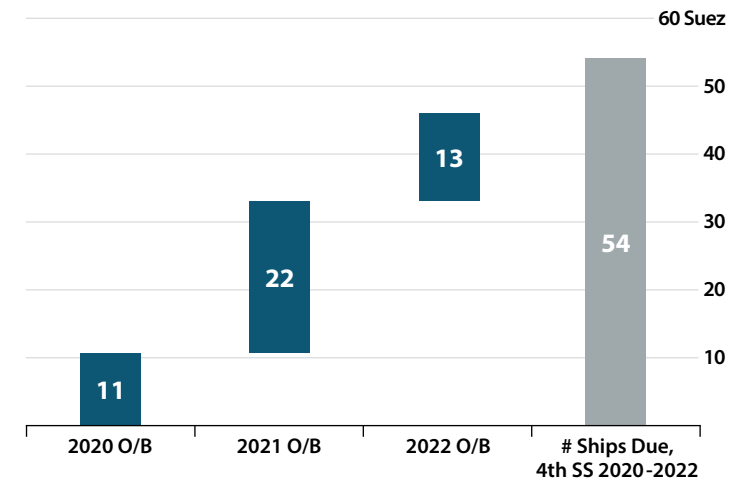
High proportion of vessels over 20 years old & minimal NB orders (and thus fleet growth) provides fundamental tailwind



VLCC Orderbook v Scrap Candidate Pool



Suezmax Orderbook v Scrap Candidate Pool



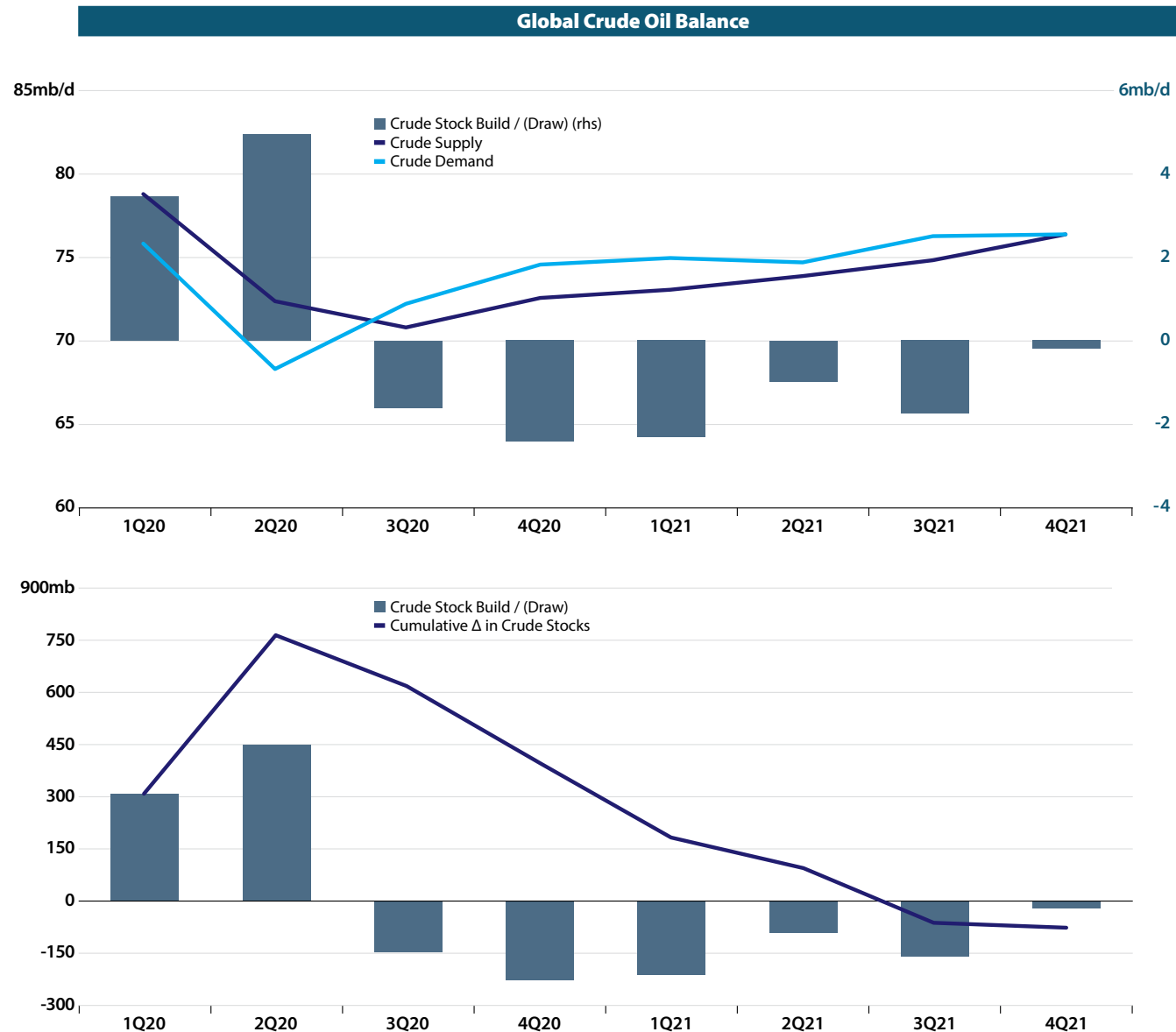
West of Suez volumes will drive ton mile demand

Peer comparison of offshore oil projects to be sanctioned between 2020-2025

Country	Capacity to be sanctioned Thousand bpd	Reserves to be sanctioned Million barrels	Investments to be sanctioned Billion USD	Number of operators	Number of projects to be sanctioned	Production 2019 Thousand bpd
Brazil	2,059	8,600	50	7	16	2,700
Guyana	904	3,900	30	1	5	
US GoM	907	2,750	36	11	11	1,900
Norway	832	1,900	26	10	10	1,270
UK	753	1,800	25	22	8	870
UAE	618	4,800	22	3	4	3,120
Saudi Arabia	572	4,300	12	1	1	9,800
Angola	547	1,150	12.5	6	4	1,400
Nigeria	382	1,130	11	5	4	1,900

Oil market shifts from surplus to deficit and rebalances by 2H21

Near term pain leads to medium term gain as rebalancing sets the stage for recovery in production/exports by next year



Comments

• Details of OPEC+ Agreement

- May – Jun 2020: 9.7 mb/d of production cuts
- Jul – Dec 2020: 7.7 mb/d of production cuts
- Jan 2021 – Apr 2022: 6.0 mb/d of production cuts

• Global Crude Supply

- Production will begin increasing from 3Q20 (ie right now could be as bad as it gets)
- Risk of OPEC non-compliance in rising oil price environment further supports tanker trade
- Production & exports may rise meaningfully in 2H21

• Inventories & Rebalancing

- Inventories to decline by avg. 1.8mb/d between 3Q20 – 3Q21
- Oil market fully rebalanced by 3Q21, setting the stage for strong tanker market recovery

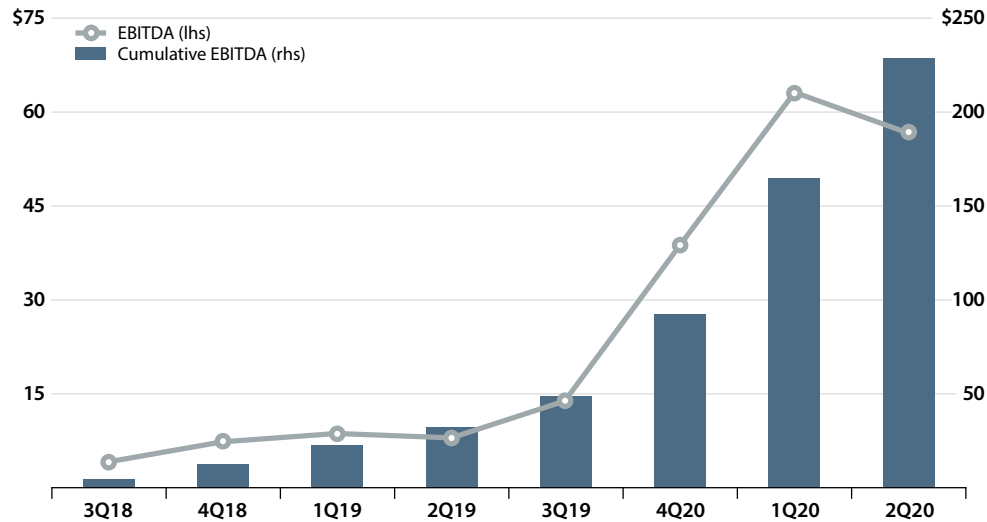


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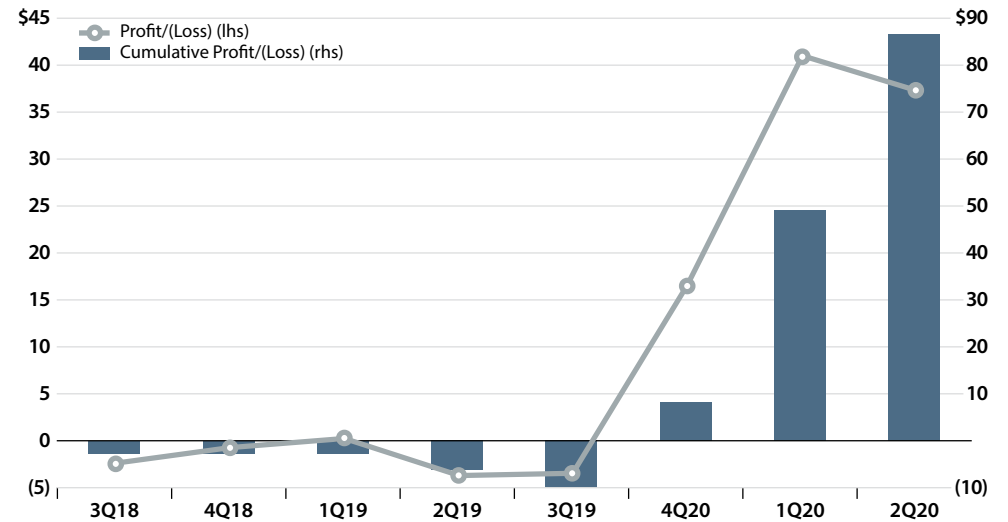
OET has generated strong profits and returns since inception

Cumulative EBITDA of \$202m, profit of \$87m and capital returns of \$44m

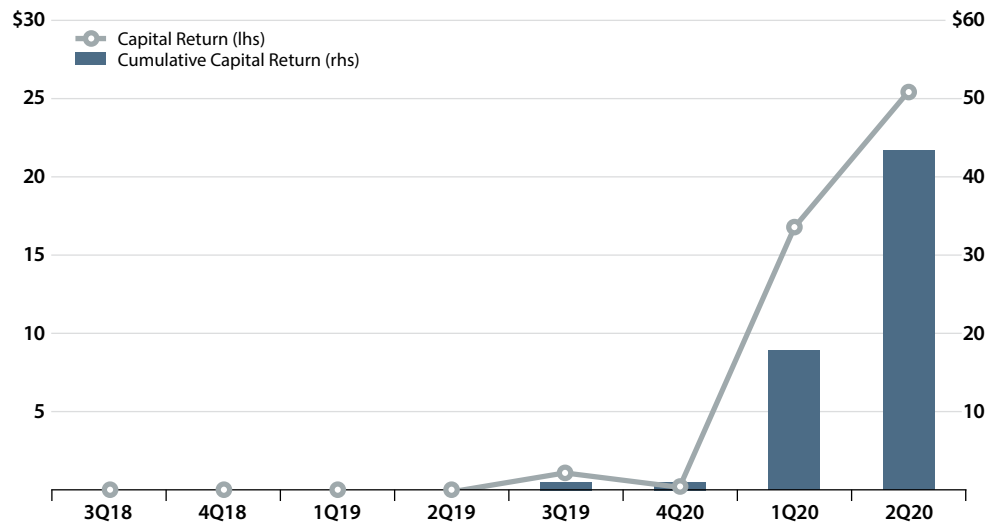
OET - EBITDA Since Inception (\$MM)



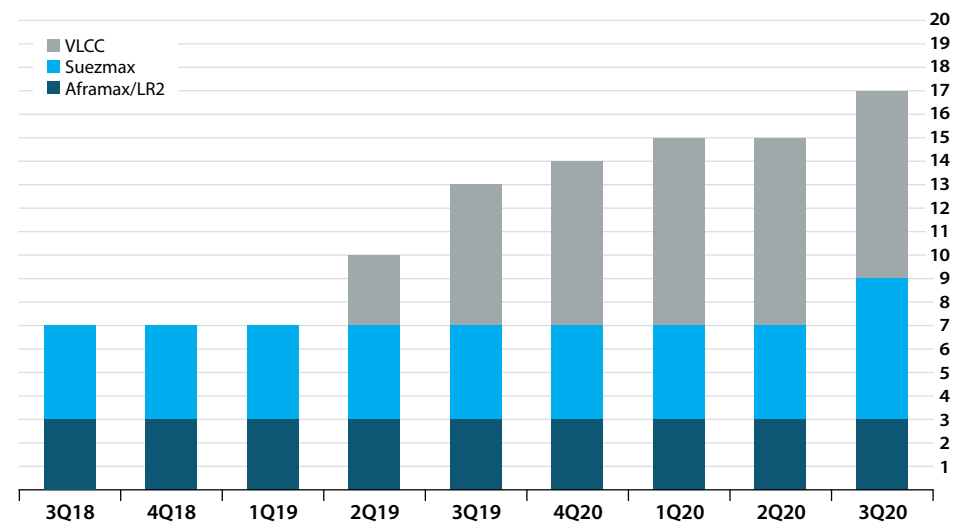
OET - Profit Since Inception (\$MM)



OET Capital Return Since Inception (\$MM)

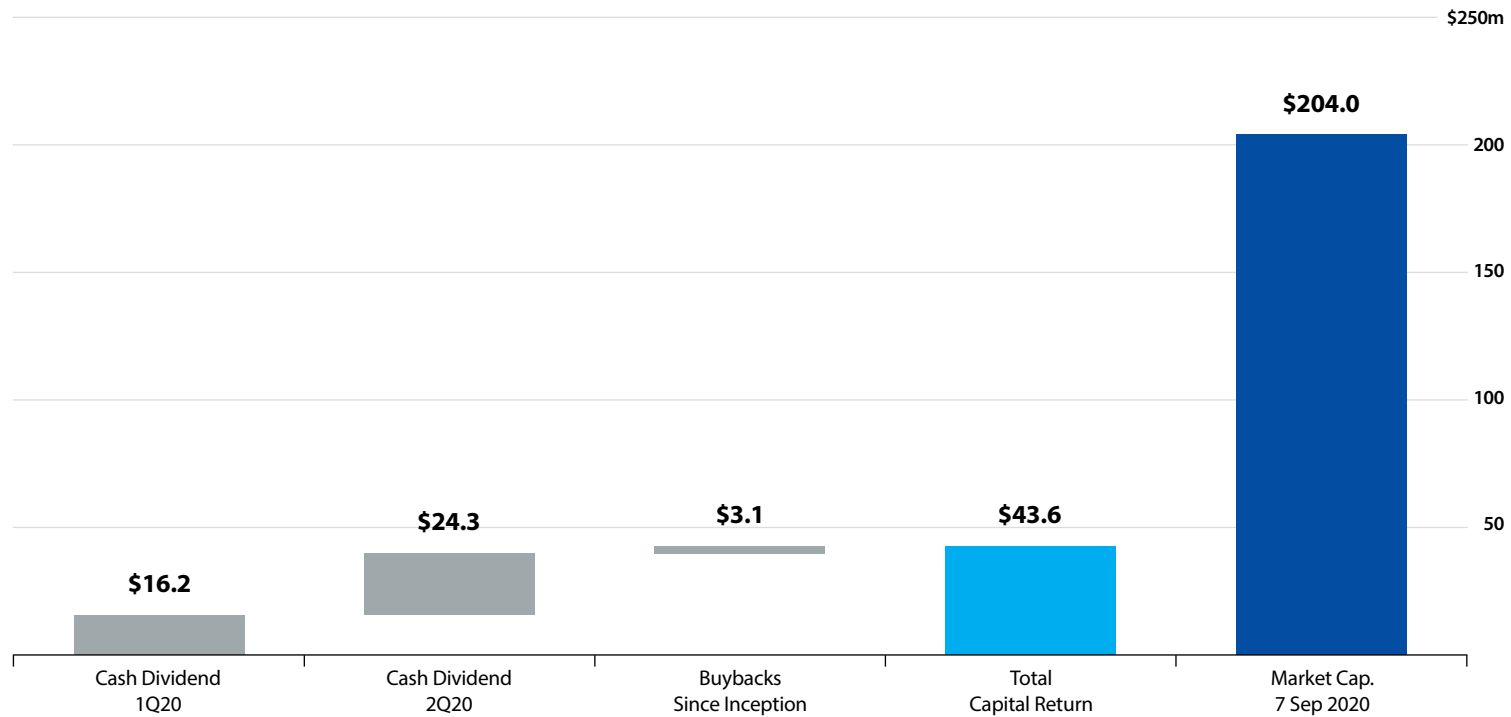


OET Fleet Development Since Inception



Capital Return Track Record

OET has returned 21% of its market cap and 54% of YTD 2020 profits

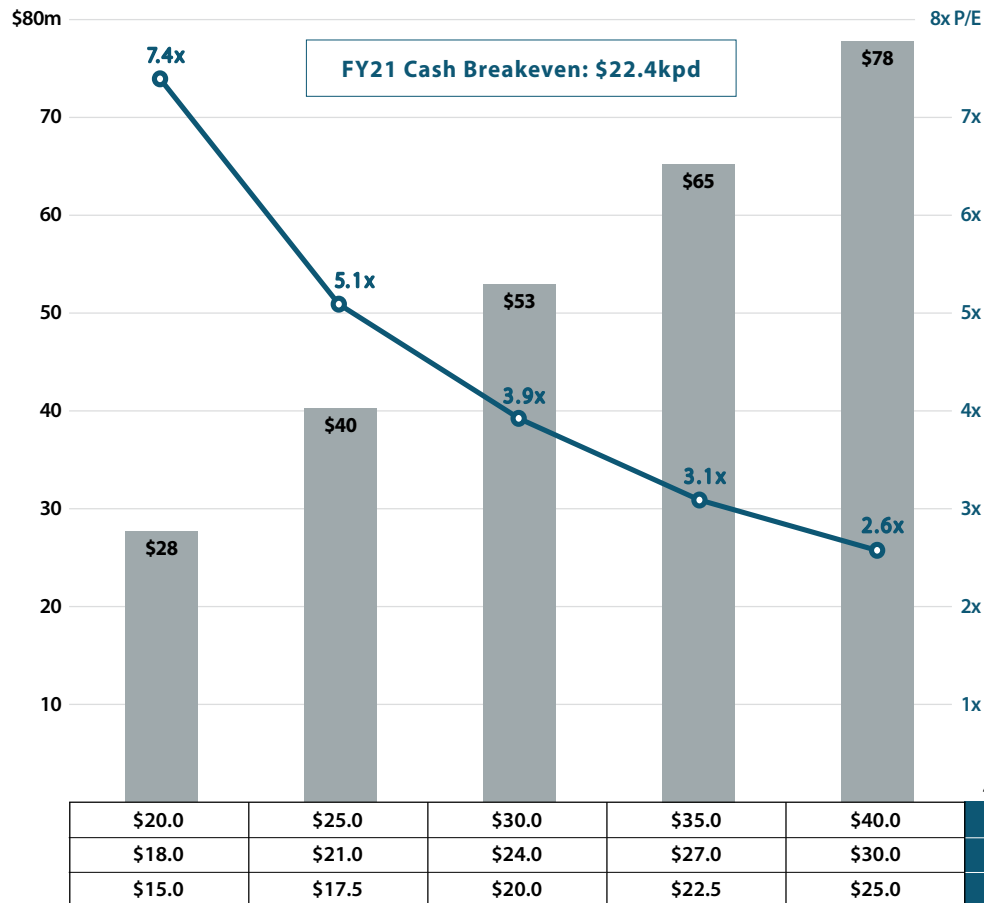


We are committed to our Discount Control Mechanism starting in Jan. 2021, though our strategic objective remains to monetize all or portions of our fleet at the right point in the tanker cycle.

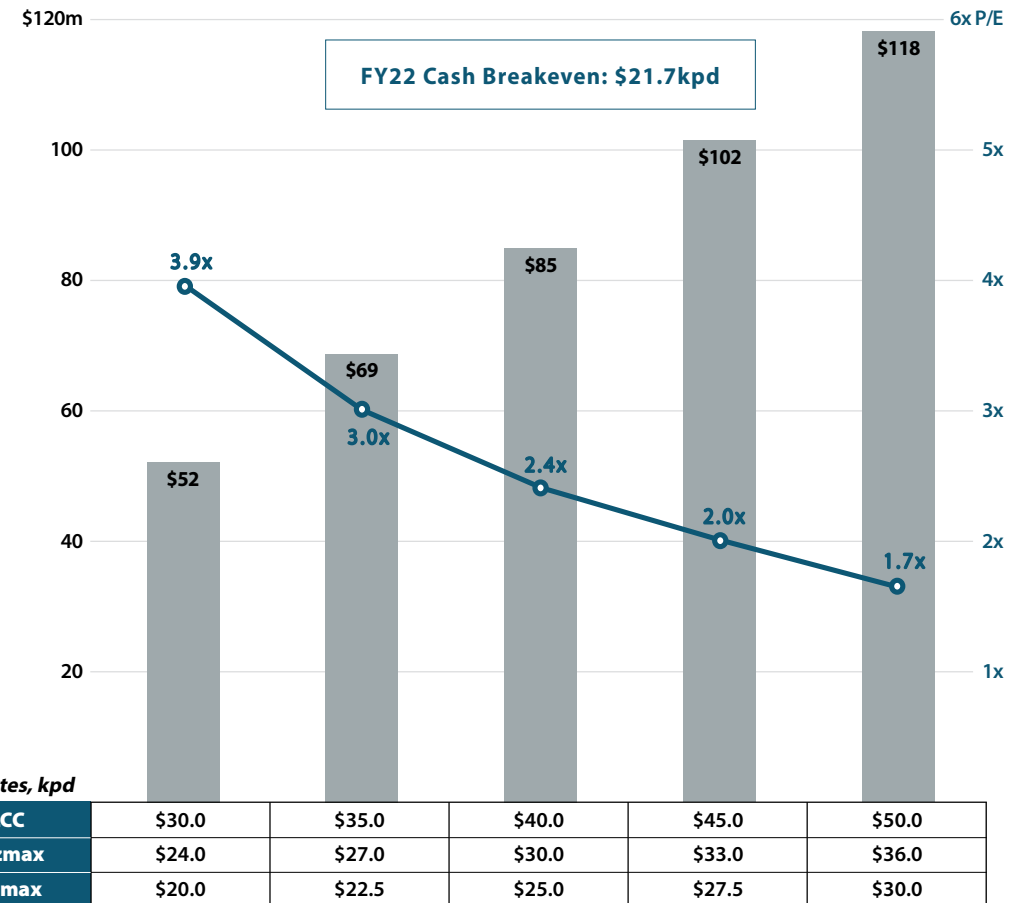
Sensitivity of FY 2021 & 2022 Profit and P/E Ratio to Spot Rates

OET trades at ~7x FY 2021 P/E ratio assuming spot rates that would result in significant scrapping of older tonnage

Illustrative FY 2021 Earnings & P/E Ratio Sensitivity



Illustrative FY 2022 Earnings & P/E Ratio Sensitivity



					Spot Rates, kpd					
\$20.0	\$25.0	\$30.0	\$35.0	\$40.0	VLCC	\$30.0	\$35.0	\$40.0	\$45.0	\$50.0
\$18.0	\$21.0	\$24.0	\$27.0	\$30.0	Suezmax	\$24.0	\$27.0	\$30.0	\$33.0	\$36.0
\$15.0	\$17.5	\$20.0	\$22.5	\$25.0	Aframax	\$20.0	\$22.5	\$25.0	\$27.5	\$30.0

NOTE: OET internal profit forecast. P/E ratio based on closing price as of 7 September 2020. Analysis assumes LIBOR of 30 basis points and a refinancing of the Aframax/LR2 fleet at L+2.5% upon expiry of current financing.

Investor Feedback and OET Response

We listen to our shareholders and we keep our promises

Investor Feedback #1

Leverage

- ✓ Highest LtV ships are on cash generative time charters
- ✓ OET has the youngest fleet (less time to amortize debt), making leverage comparisons to peers with older ships misleading
- ✓ OET has the support of its banks, as evidenced by four recent financings (2x refinancings / 2x secured loans) concluded with existing lenders and strong interest to refinance our Aframax/LR2 fleet
- ✓ OET will delever as it sells ships

Investor Feedback #2

Shareholder Support & Liquidity Runway

- ✓ Sponsor has demonstrable track record of supporting OET; when we needed capital in May 2019, Ioannis Alafouzou underwrote a \$15m equity offering at a 20% premium to market price
- ✓ We have skin in the game; management and the Board own 72% of the company
- ✓ We are cash generative even in the most pessimistic rate scenario due to our charter portfolio

Investor Feedback #3

Validity of DCM

- ✓ We are shipowners; our mission is to buy and sell ships at the right point in the cycle and operate them profitably in between; short term stock price gyrations are not our priority
- ✓ We promised our shareholders that we would monetize when the time is right, and we have kept all of our promises (dividends, uplist, transparency, operational performance)¹
- ✓ Secondhand market for modern assets like ours is currently illiquid (most recent comparable data point in January 2020)
- ✓ DCM doesn't come into effect until 2021!

Investor Feedback #4

OET Three Years from Now

- ✓ Smaller, most modern fleet
- ✓ Lower leverage as a result of selling ships
- ✓ Track record of aggressive dividends, cyclical asset plays and strong corporate governance established

NOTE: 1) Please see Chairman's letter in 2019 Annual Report dated April 2020, four months and \$40m in cash dividends ago.



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OET Emissions Reporting

- OET committed to transparent reporting and reduction of carbon emissions •
- OET adheres to the ABS Monitoring Reporting and Verification Regulation (MRV) framework •

Reporting Measure	Calculation	VLCC	Suezmax	Aframax/LR2	OET Fleet
Number of vessels for which we have emissions data		8	4	3	15
Fleet average age at end of reporting period		1.0 yr	2.9 yrs	5.3 yrs	3.3 yrs
Percentage of vessels equipped with scrubbers at end of reporting period		100%	100%	33%	87%
<i>CO₂ emissions generated from vessels (metric tons)</i>					
Laden Condition		121,200	45,700	14,200	181,100
All Conditions		208,500	75,400	22,100	306,000
<i>Fleet Annual Efficiency Ratio (AER)¹</i>					
CO ₂ emissions - all conditions (from above)	A	208,500	75,400	22,100	306,000
Design deadweight tonnage (DWT)	B	319,000	158,400	114,300	206,400
Total distance travelled (nautical miles)	C	362,400	182,000	63,800	608,200
Fleet AER for the period	A / (B * C)	1.8 g/ton-mile	2.6 g/ton-mile	3.0 g/ton-mile	2.3 g/ton-mile
<i>Fleet Energy Efficiency Operational Indicator (EEOI)²</i>					
CO ₂ emissions - all conditions (from above)	A	208,500	75,400	22,100	306,000
Weighted avg. cargo transported for the period (metric tons)	D	258,600	133,500	86,300	478,400
Laden distance travelled (nautical miles)	E	193,300	99,700	35,700	328,700
Fleet EEOI for the period	A / (D * E)	4.2 g/cargo ton-mile	5.7 g/cargo ton-mile	7.2 g/cargo ton-mile	5.2 g/cargo ton-mile

NOTES: 1) Annual Efficiency Ratio is a measure of carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage.
 2) Energy Efficiency Operational Indicator is a tool for measuring the CO₂ gas emissions in a given time period per unit transport work performed. This calculation is performed as per IMO MEPC.1/Circ684. Reporting period is January 1, 2020 through September 1, 2020.



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