



OKEANIS ECO TANKERS CORP.
Q2 2022 EARNINGS PRESENTATION



DATE 12 AUGUST 2022

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This Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates, sometimes identified by the words “believes”, “expects”, “intends”, “plans”, “estimates” and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third-party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. The Company does not provide any assurance that the assumptions underlying such forward-looking statements are free from errors, nor does the Company accept any responsibility for the future accuracy of the opinions expressed in the presentation or the actual occurrence of the forecasted developments. No obligations are assumed to update any forward-looking statements or to conform to these forward-looking statements to actual results.

The forward-looking statements in this report are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

AGENDA

-
- 1 Executive summary
 - 2 Commercial and market update
 - 3 Financial update
 - 4 ESG
 - 5 Investment thesis and outlook
 - 6 Appendix
-

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

After the worst year ever recorded in tankers, OET is returning to free cash flow generation in 2022, continues to commercially outperform its peers, and is uniquely positioned to take advantage of the upcycle

		2Q22	2Q21	1H22	1H21	YoY (%)
Commercial Performance (\$ per day)	VLCC TCE ⁽¹⁾	\$22,200	\$27,200	\$23,100	\$29,700	(22%)
	Suezmax TCE ⁽¹⁾	\$39,300	\$22,300	\$32,400	\$22,200	46%
	Aframax/LR2 TCE ⁽¹⁾	-	\$16,900	-	\$17,800	(100%)
	Fleetwide TCE ⁽¹⁾	\$29,900	\$23,600	\$27,500	\$24,900	10%
	Fleetwide Opex ⁽²⁾	\$8,650	\$7,604	\$8,340	\$7,555	10%
	TC Coverage	51%	48%	46%	56%	(18%)
Income Statement (\$m exc. EPS)	TCE Revenue	\$36.0	\$34.5	\$62.5	\$74.1	(16%)
	Adjusted EBITDA ⁽³⁾	\$24.7	\$22.2	\$40.9	\$47.4	(14%)
	Adjusted Profit ⁽⁴⁾	\$8.5	\$3.5	\$10.5	\$9.4	12%
	Adjusted EPS ⁽⁴⁾	\$0.26	\$0.11	\$0.32	\$0.29	11%
Balance Sheet (\$m)	Total Debt			\$763.1	\$758.2	1%
	Total Cash ⁽⁵⁾			\$72.4	\$32.7	121%
	Total Assets			\$1,167.5	\$1,157.5	1%
	Total Equity			\$374.5	\$369.0	1%
	Book Leverage			65%	66%	(2%)

Highlights	
✓	\$29,900 pd fleetwide TCE
✓	\$24.7m adj. EBITDA ⁽³⁾
✓	\$0.26 adj. EPS
✓	\$72.4m liquidity ⁽⁵⁾
✓	65% book leverage
<ul style="list-style-type: none"> Signed first senior secured, sustainability-linked loan ("SLL"), with uses towards refinancing and general corporate purposes In June 2022, the Company took delivery of VLCC Nissos Nikouria, the last vessel under construction and runs on a fully delivered fleet The Board of Directors declared a return of capital of \$10.0 million or \$0.30 per share to shareholders, payable on Friday September 9, 2022 	

Notes: (1) TCE revenue over operating days (calendar days less off-hire days); (2) Including management fees; (3) EBITDA adjusted for unrealised gain on derivatives, FX, impairment and loss on disposal of vessels; (4) Profit adjusted for unrealised gain on derivatives, FX, impairment and loss on disposal of vessels; (5) Including restricted cash;

THE ONLY PUBLICLY LISTED PLATFORM WITH PURE ECO, SCRUBBER FITTED TANKERS

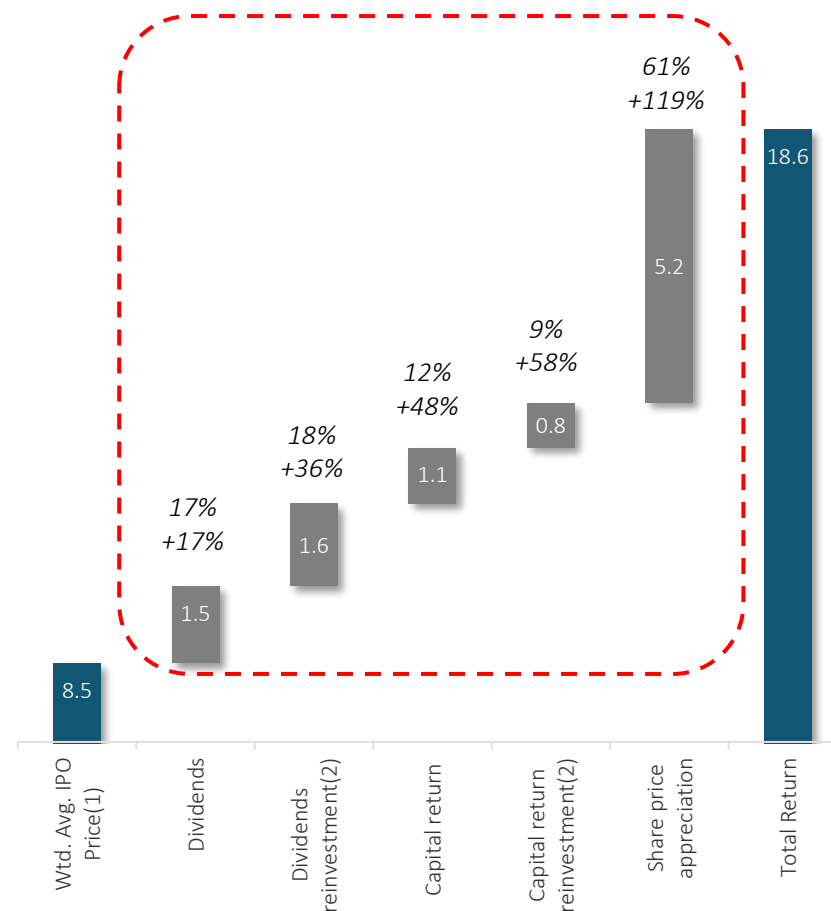


OET has delivered **119% total shareholder return⁽²⁾⁽⁴⁾** since IPO in July 2018

At a glance

Ticker	OET
Stock Exchange	Oslo Børs
IPO / Follow-on (July / December 2018)	NOK 72 - \$100m / NOK 66 - \$30m
Fully underwritten equity by Sponsor (May 2019)	NOK 85 - \$15m
Free float ⁽³⁾	~43%
2022 Average \$ daily volume	~\$440,000
Weighted average buyback price	695,892 Shares / NOK 62.9
Total shareholder return ⁽⁴⁾ since listing	119%

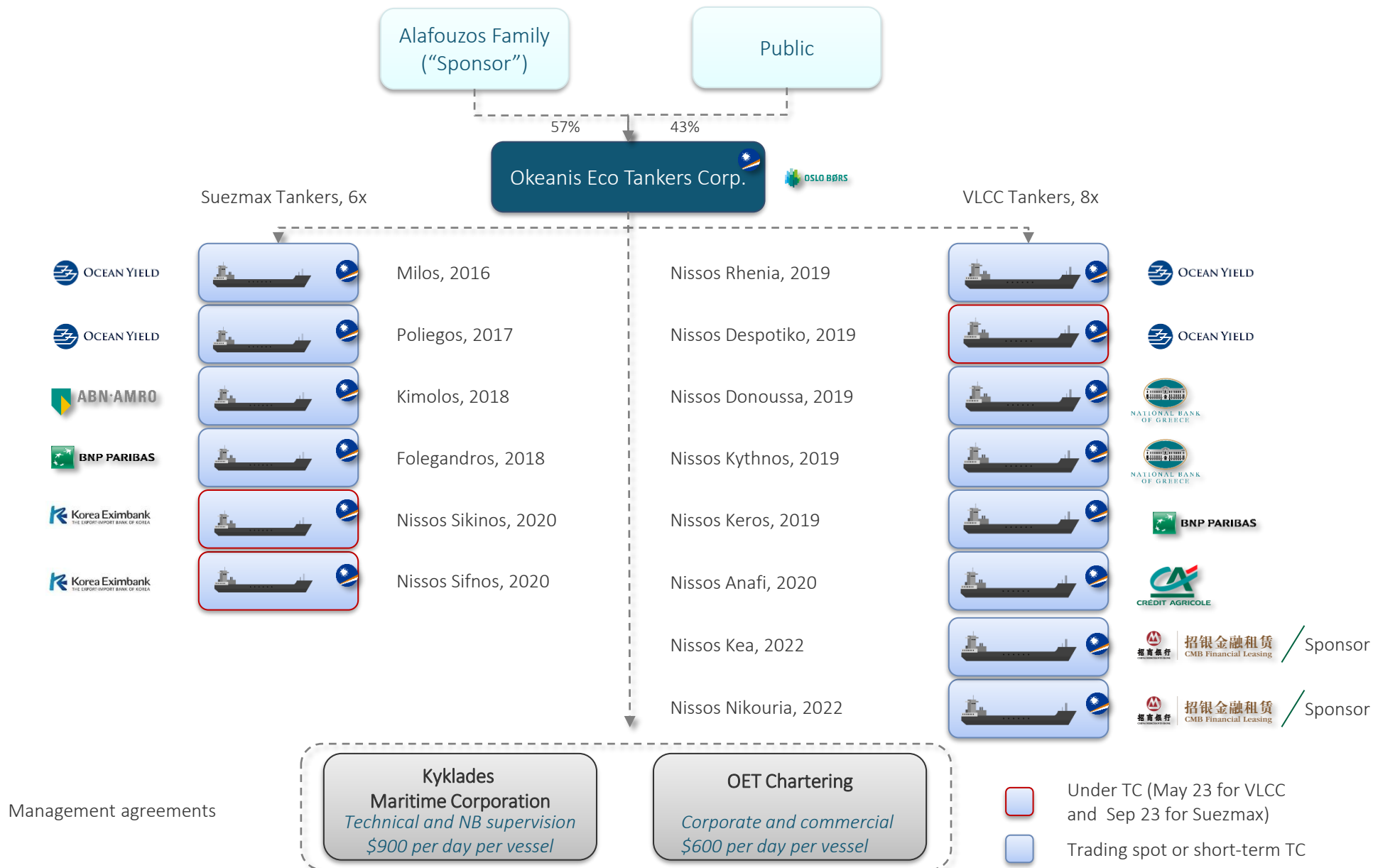
Total shareholder return⁽⁴⁾ at **119%** since IPO (\$ps)



Source: Eikon, OET

Notes: (1) Weighted average IPO price based on initial offering of \$100m at NOK 72.00 / \$8.77 per share and secondary offering of \$30m at NOK 66.00 / \$7.67 per share; (2) Assuming 100% of dividends & capital distributions reinvested into stock; dividends tax rate at 15%; Illustrative breakdown between actual distributions and reinvestment; (3) Net of Alafouzou family; (4) In \$ terms, exit price on Thursday 11 August 2022 @NOK 130.00 / \$13.66;

CORPORATE, DEBT AND CHARTERING STRUCTURE



COMMERCIAL AND MARKET UPDATE

COMMERCIAL PERFORMANCE – 2Q22

Fleetwide TCE of **\$29,900 pd** - \$22,200 pd for VLCCs and \$39,300 pd for Suezmaxes

	VLCC			Suezmax			Fleetwide		
	Days	% of Total	TCE	Days	% of Total	TCE	Days	% of Total	TCE
Timecharter	248	38%	\$28,200	363	67%	\$38,200	611	51%	\$34,100
Spot	410	62%	\$18,600	182	33%	\$41,500	592	49%	\$25,600
Total	658	100%	\$22,200	545	100%	\$39,300	1,204	100%	\$29,900
Calendar	665			546			1,211		
Operating ⁽¹⁾	658			545			1,204		
Utilization	99%			100%			99%		

Repositioning the vessels and performing USG/TA, USG/EAST and WAFR/UKC runs, benefiting from rising markets in the West.

Strategically fixing both Spot and Time Charters taking advantage of the rising rates/improving market conditions.

Strategy of repositioning several spot vessels placing them in optimal positions in Med and East while maintaining ability to benefit from both markets.

Fixing some short Time Charters with high returns.

Milos and Kimolos performed USG runs benefiting from the rising market.

Using Optimum laden/ballast speed for every vessel in order to secure the maximum performance.

Quality, high-spec fleet enabled us to compete for every cargo and maximize TCE.

Evolving trading patterns creating opportunities in various trading areas.

Strategically positioning whole fleet in order to take advantage of the best market opportunities.

Notes: (1) Calendar days less off-hire days;

COMMERCIAL PERFORMANCE – 3Q22 GUIDANCE

VLCC: 60% of available 3Q22 spot days fixed at **\$31,900 pd**
Suezmax: 70% of available 3Q22 spot days fixed at **\$60,400 pd**

	VLCC			Suezmax			Fleetwide		
	Days	% of Total	TCE	Days	% of Total	TCE	Days	% of Total	TCE
Timecharter	276	36%	\$29,800	276	46%	\$32,800	552	42%	\$31,000
Spot – fixed	294	38%	\$31,900	193	35%	\$60,400	487	37%	\$43,200
Spot – to be fixed	197	26%	-	83	15%	-	280	21%	-
Total	767	100%		552	100%		1319	100%	
Calendar	736			552			1,288		
Operating ⁽¹⁾	736			552			1,288		
Utilization	100%			100%			100%		

Mostly fixing WAFR/UKC and USG/TA voyages. Continuing to keep the majority of fleet in the West capitalizing on the firm position while achieving better rates than those being offered in the AG.

Benefitted from getting higher returns in the form of demurrage due to excessive waiting in Chinese discharging ports.

After repositioning our vessels in Med, we mainly fixed Baltic/East voyages minimizing the ballast passage, enabling us to capture better returns upon completion of each voyage.

Focused on voyages that optimize laden/ballast speeds to maximize TCE and to achieve a worldwide presence.

Fixed longer voyages which generated higher TCEs due to eco & scrubber premium.

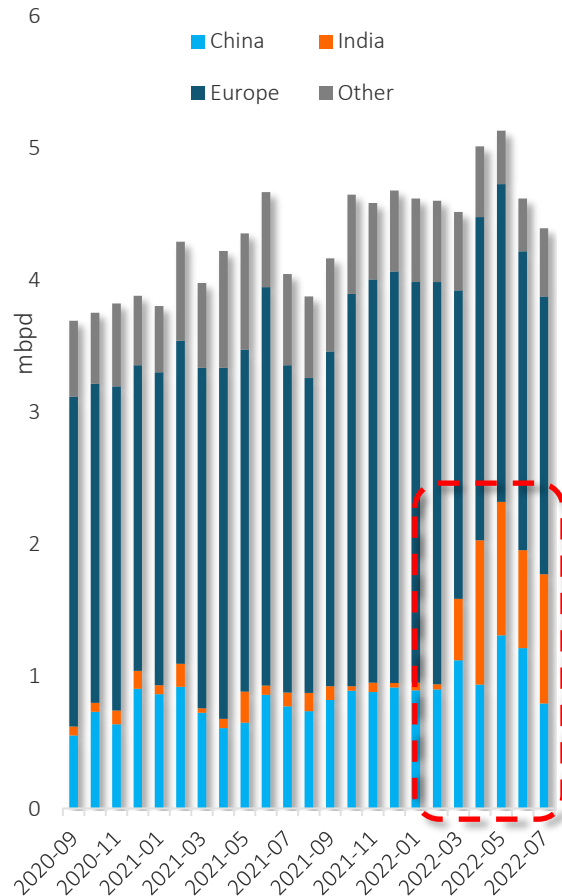
Strategically separated the fleet to perform both west and east voyages benefiting from all markets.

Notes: (1) Calendar days less off-hire days;

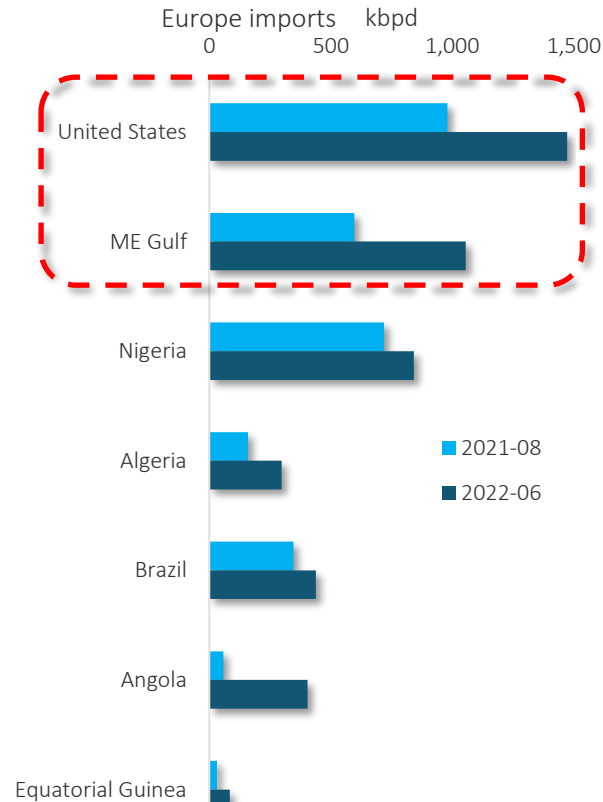
CHANGE IN TRADE FLOWS ENHANCES TONNE-MILE DEMAND

The Russian invasion in Ukraine creates a structural change in crude trade flows

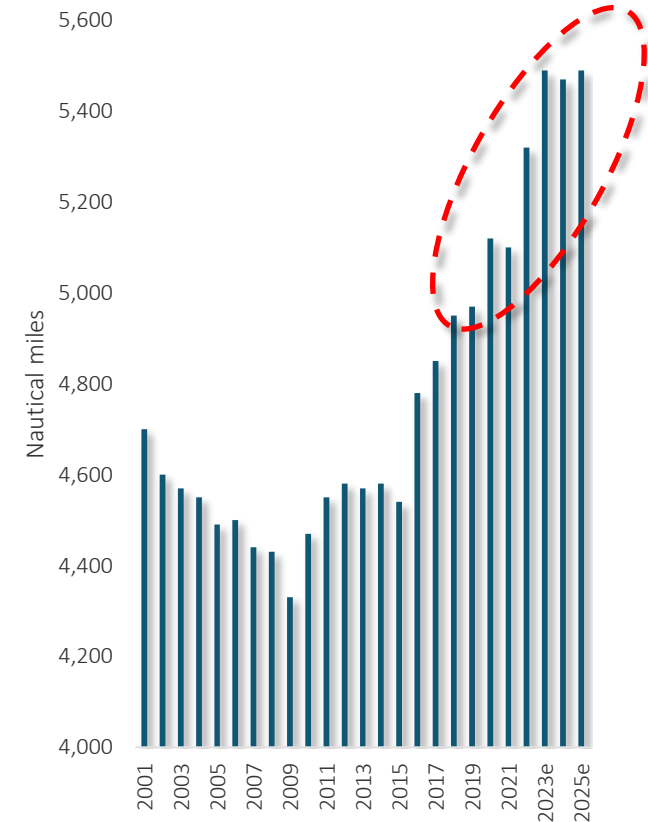
1 Russian oil exports shift from Europe to longer distances, China and India ...



2 ... while Europe replaces short-haul Russian crude barrels with longer-haul voyages ...



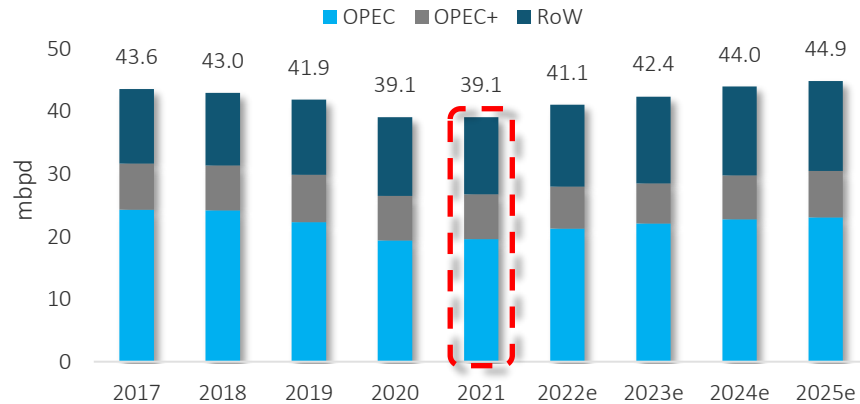
3 ... result is longer average export sailing distances for the crude tanker fleet



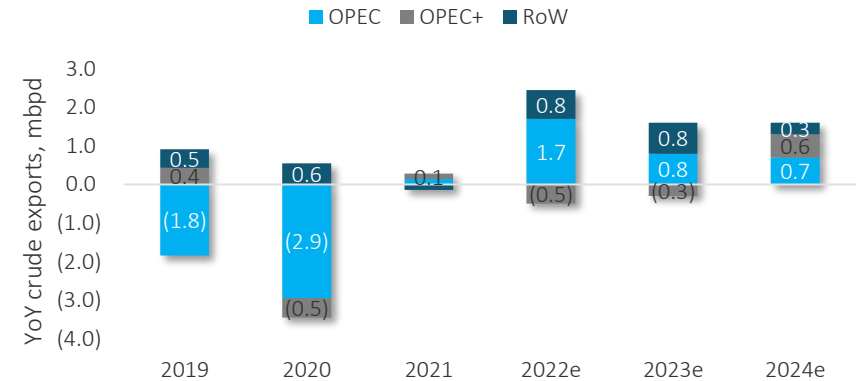
CRUDE TRADE VOLUMES ARE RECOVERING

Seaborne crude trade volumes are expected to grow on the back of firmer liquids' production -
Incremental volumes in case of an easing sanctions scenario on Venezuelan barrels

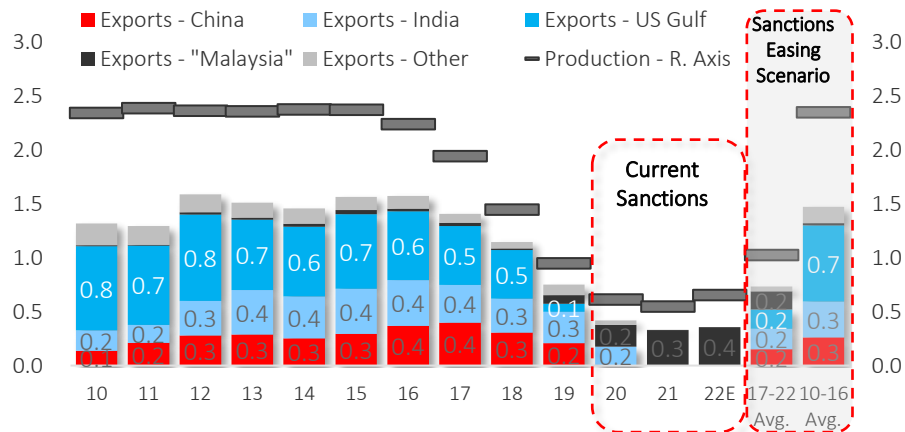
Seaborne crude oil trade volumes projected to grow



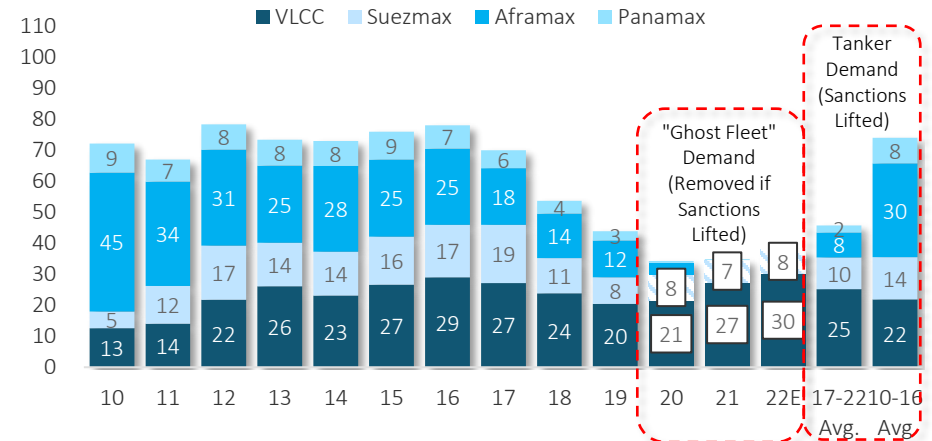
+~2.5 mbpd from ME and +~1.6 mbpd from the US in 22/23



Venezuelan exports/production (mbpd) and
sanctions easing scenario ...



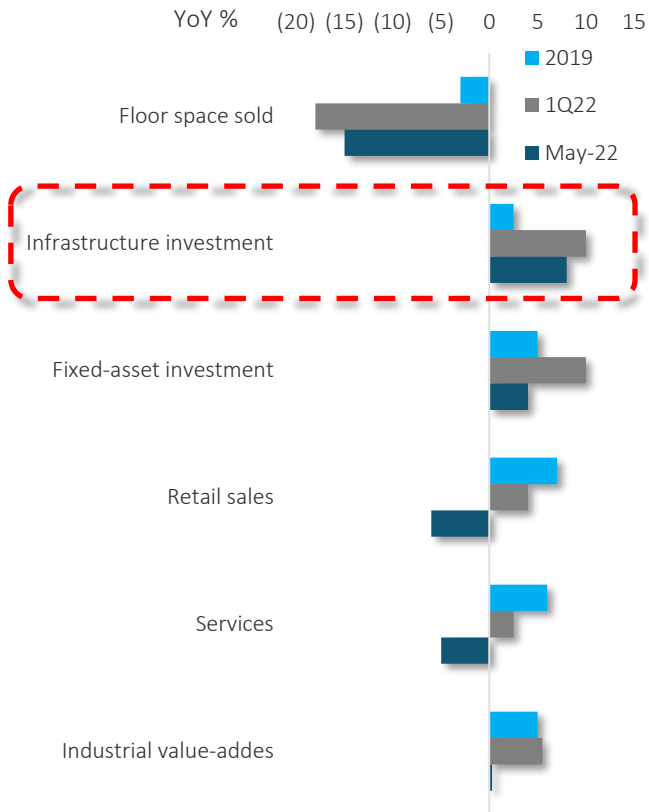
... translating to crude tanker demand equivalent and
"ghost fleet" removal (No. vessels)



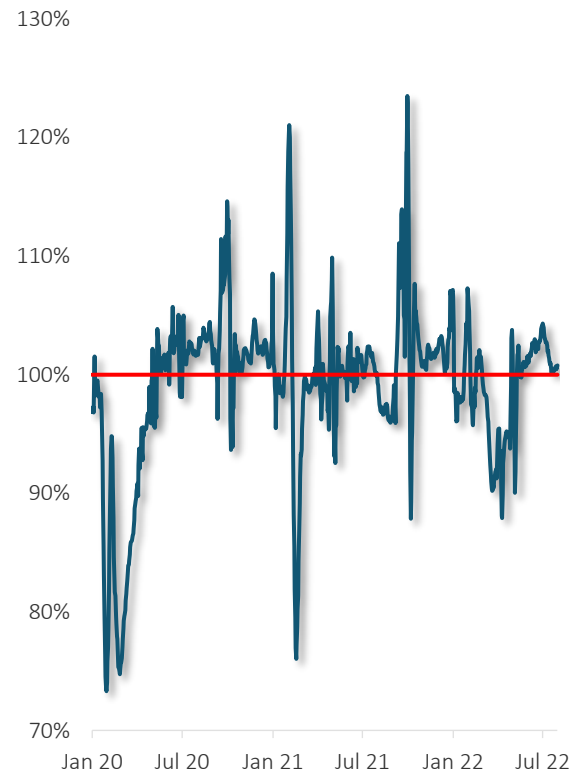
BOTTOM OF CHINESE DEMAND DECLINES LIKELY BEHIND US

Recent trading data suggest Chinese crude demand is recovering

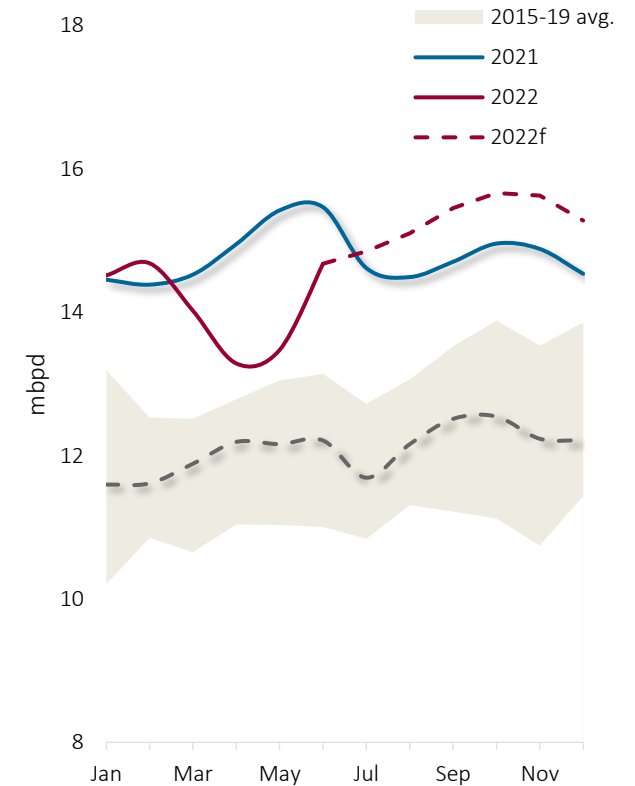
Govt infrastructure spending surges to offset weak domestic consumption



100 cities' 7-day avg congestion as % of 2019

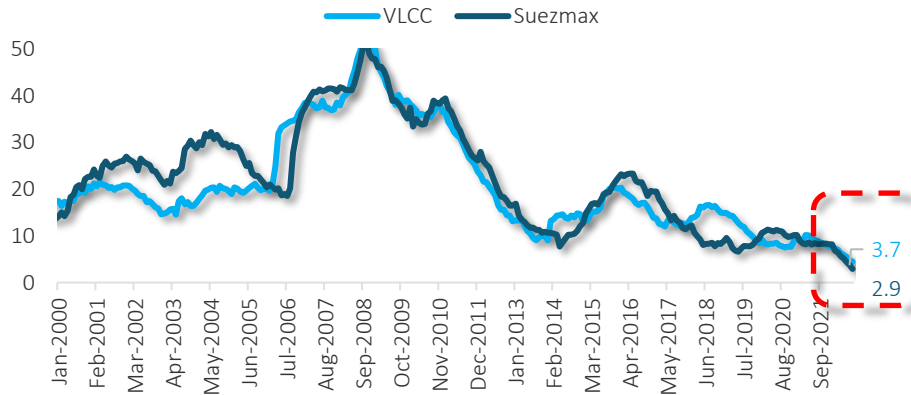


China total liquids' demand

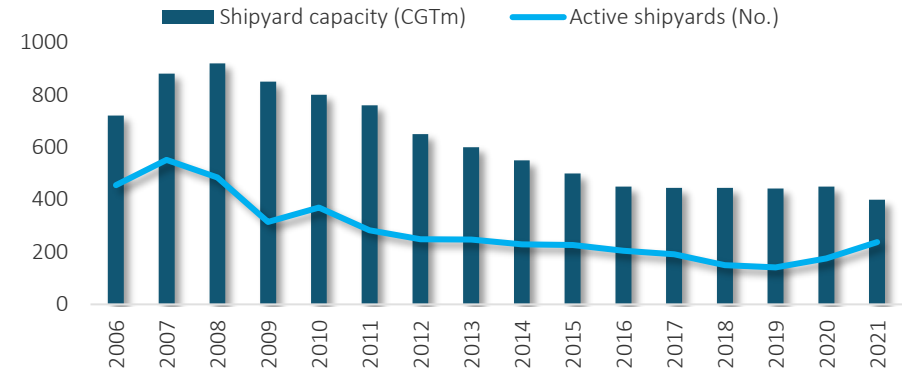


Regulatory pressures amplify the already constructive crude tanker supply side

Current historically low orderbook as % of fleet ...

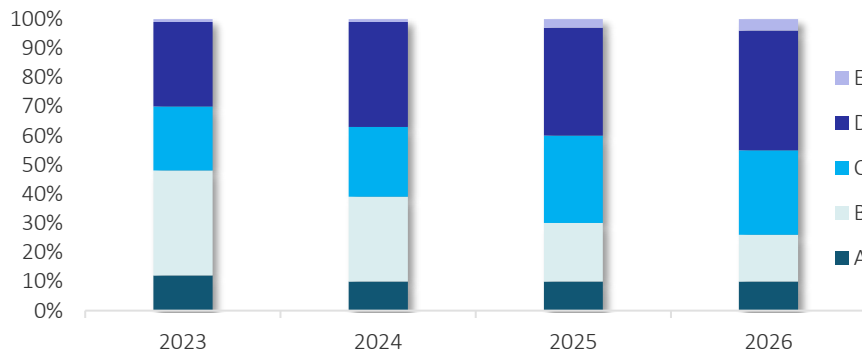


... combined with declining shipyard capacity suggests, fleet growth will remain manageable for the next few years

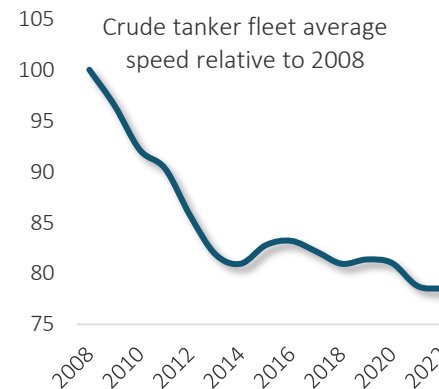


While mounting regulatory pressures (Crude tanker fleet CII ratings forecast⁽¹⁾) ...

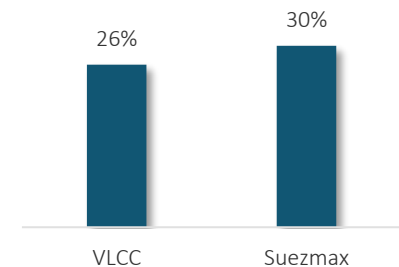
D and E ratings means CII requirements are not satisfied



... likely to force owners of older vessels to reduce speed to comply/scrap, further improving supply and demand balance



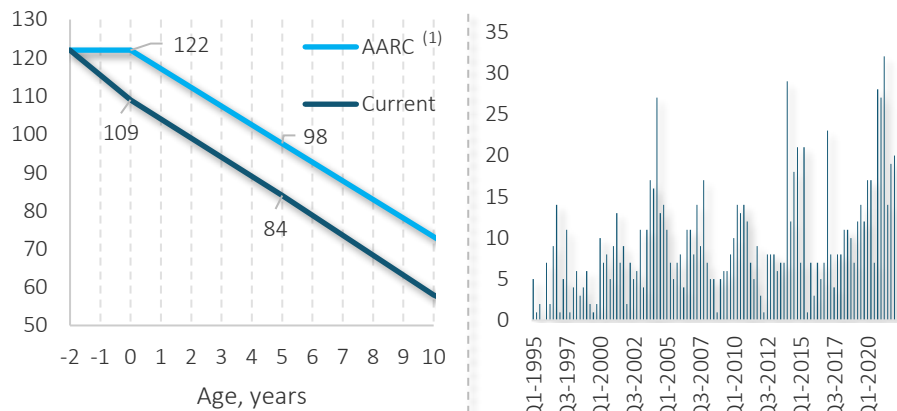
Fleet >=15YO as % of total⁽²⁾



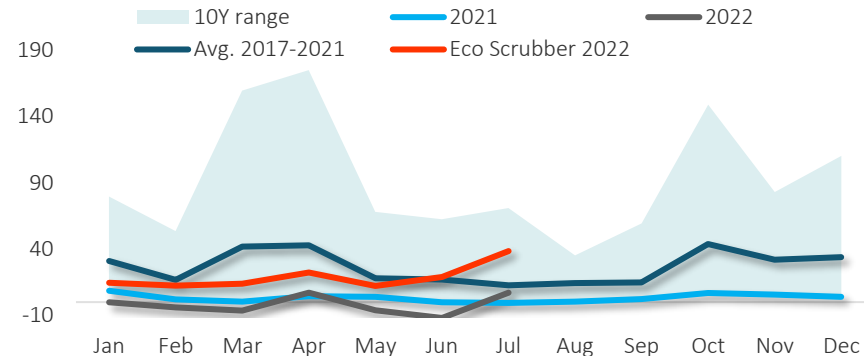
ASSET VALUES AND RATES

The combination of **1)** growth in absolute seaborne crude trade volumes, **2)** longer voyage distances, **3)** constructive supply side, and **4)** elevated **demand** for crude assets in the **SnP market**, is expected to improve vessel **utilization** -> **charter rates** -> **asset values**

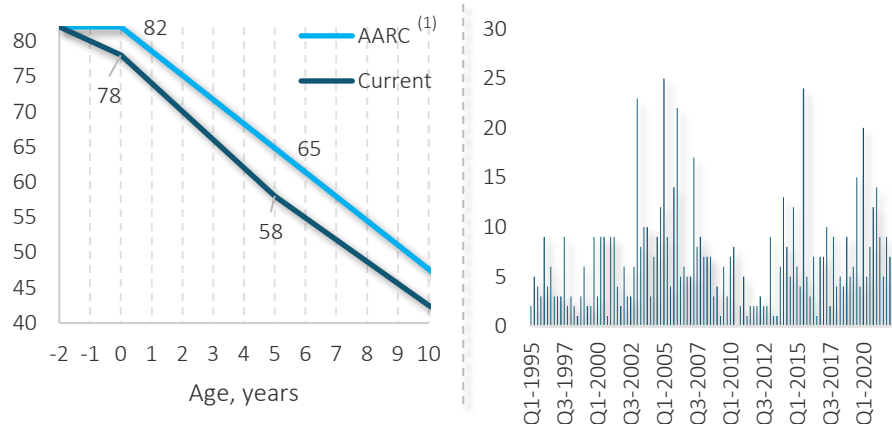
VLCC value curves (\$m) – VLCC sales activity (No. vessels)



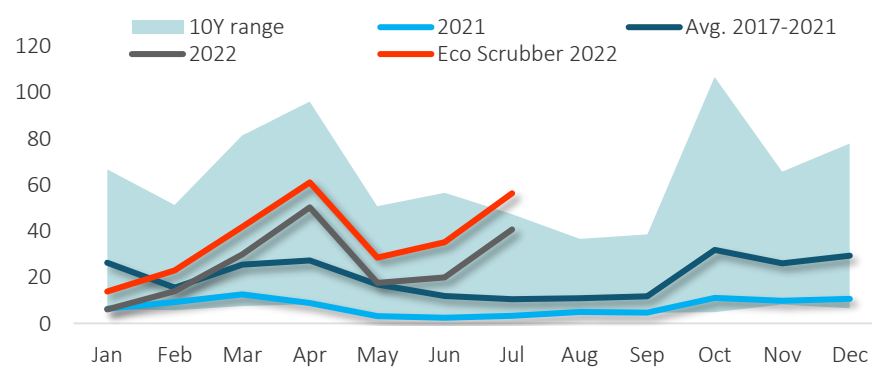
VLCC earnings (\$kpd)



Suezmax value curves (\$m) – Suezmax sales activity (No. vessels)



Suezmax earnings (\$kpd)



Source: Clarksons Research, OET

Notes: (1) Age adjusted replacement cost; straight line depreciation from NB down to current scrap value;

FINANCIAL UPDATE

INCOME STATEMENT SUMMARY

Income statement summary (\$'000s)	2Q22	2Q21	1H22	1H21
TCE Revenue	\$36,037	\$34,478	\$62,474	\$74,052
Vessel operating expenses	(9,385)	(10,077)	(17,052)	(20,185)
Management fees	(1,090)	(1,541)	(2,063)	(2,918)
General and administrative expenses	(877)	(631)	(2,445)	(3,549)
EBITDA	\$24,685	\$22,229	\$40,915	\$47,400
Depreciation and amortization	(10,017)	(10,825)	(18,255)	(22,014)
EBIT	\$14,668	\$11,405	\$22,660	\$25,386
Net interest expense	(8,890)	(7,832)	(14,828)	(15,797)
Impairment loss	-	(3,933)	-	(3,933)
Loss on disposal of vessels	-	(7,619)	-	(7,619)
Other financial income/expenses	2,164	(101)	9,393	1,226
Reported Profit	\$7,942	(\$8,079)	\$17,224	(\$737)
Reported EPS - basic & diluted	\$0.25	(\$0.25)	\$0.53	(\$0.02)
Adjustments	587	11,628	(6,766)	10,119
Adjusted Profit	\$8,529	\$3,549	\$10,458	\$9,381
Adjusted EPS - basic & diluted	\$0.26	\$0.11	\$0.32	\$0.29
Weighted average shares - basic & diluted	32,194	32,376	32,211	32,376

Notes:

- Q2 Fleetwide TCE of \$29,900 per operating day
- VLCC: \$22,200 per operating day
- Suezmax: \$39,300 per operating day
- Fleetwide OpEx of \$8,650⁽¹⁾ per calendar day
- G&A of \$724 per calendar day
- Adjusted profit of 8.5m or \$0.26 per share

Source: OET

Notes: (1) Including management fees;

BALANCE SHEET SUMMARY

Balance sheet summary (\$'000s)	2Q22	4Q21
Assets		
Cash & cash equivalents	\$65,373	\$38,183
Restricted cash	6,984	7,349
Vessels, net	1,043,740	865,208
Newbuildings	-	18,193
Other assets	51,430	25,655
Total Assets	\$1,167,526	\$954,589
Shareholders' Equity & Liabilities		
Shareholders' equity	\$374,505	\$358,293
Interest bearing debt	763,136	576,996
Other liabilities	29,885	19,300
Total Shareholders' Equity & Liabilities	\$1,167,526	\$954,589

Notes:

- Total cash⁽¹⁾ of \$72.4m
- Total assets of \$1,167.5m
- Total interest bearing debt of \$763.1m
- Book leverage of 65%
- Total equity of \$374.5m
- Book value of equity of \$11.6 / NOK 115 per share⁽²⁾

Source: OET

Notes: (1) Including restricted cash; (2) Based on NOK/USD at 0.10 and total shares net of treasury;

CASH FLOW SUMMARY

CF statement summary (\$'000s)	2Q22	2Q21	1H22	1H21
Cash Flow from Operating Activities				
Net income	\$7,942	(\$8,079)	\$17,224	(\$737)
Total reconciliation adjustments	20,056	30,114	26,217	47,408
Total changes in working capital	(9,609)	(19,074)	(22,747)	(24,906)
Net cash from operating activities	\$18,389	\$2,960	\$20,694	\$21,764
Cash Flows from Investing Activities				
Investment in vessels	(\$107,104)	(\$747)	(\$179,227)	(\$2,606)
Proceeds from vessels disposal	-	82,176	-	82,176
Other investing activities	(2,332)	4,305	(1,707)	4,688
Net cash from investing activities	(\$109,437)	\$85,733	(\$180,935)	\$84,257
Cash Flow from Financing Activities				
Net changes in debt	\$124,787	(\$63,317)	\$186,737	(\$77,112)
Net changes in equity	-	-	(1,012)	-
Dividends and capital returns	-	(24,282)	-	(27,502)
Financing costs	(1,733)	-	(1,733)	-
Other financing activities	595	553	3,239	612
Net cash from financing activities	\$123,649	(\$87,047)	\$187,231	(\$104,002)
<i>FX effect</i>	\$199	-	\$199	-
<i>Net change in cash & cash equivalents</i>	<i>32,602</i>	<i>1,647</i>	<i>26,991</i>	<i>2,019</i>
Cash and cash equivalents BoP	32,572	23,710	38,183	23,338
Cash and cash equivalents EoP⁽²⁾	\$65,373	\$25,357	\$65,373	\$25,357

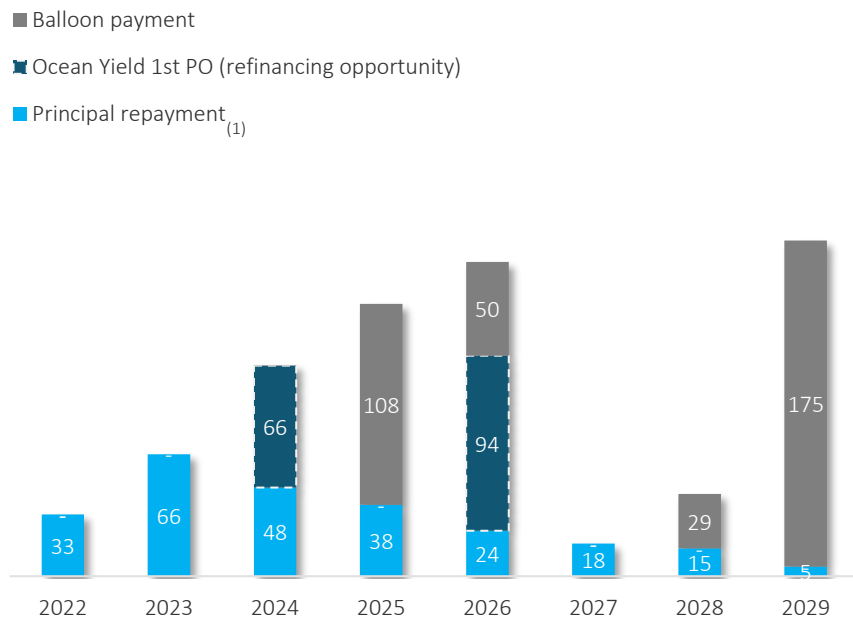
Source: OET

Notes: (1) Including restricted cash; (2) Excluding ~2.5m held in debt retention account and \$4.5m in restricted cash;

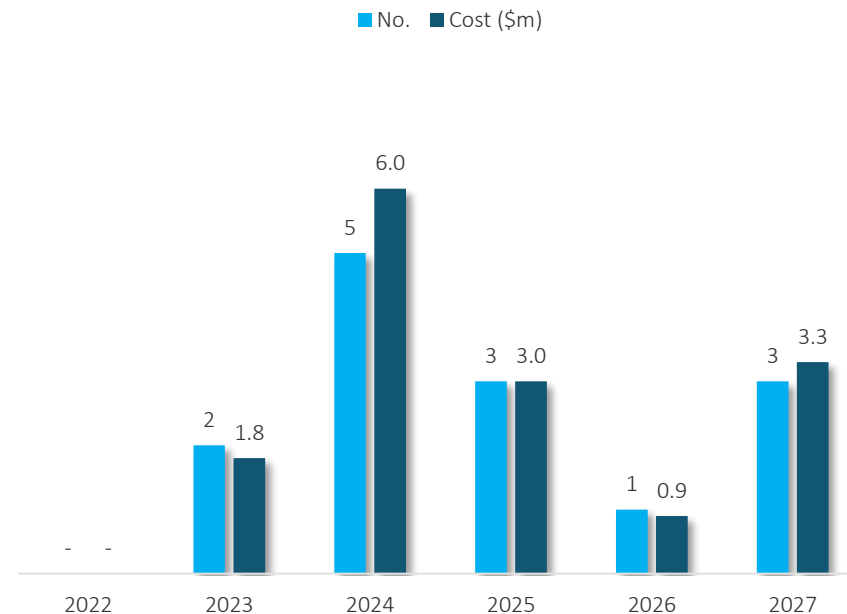
Notes:

- Total liquidity⁽¹⁾ of \$72.4m
- Zero drydockings in 2022
- \$20.7m cash generated from operations in 1H22
- Recent opportune refinancing for VLCC vessels Nissos Kythnos and Nissos Donousa, strengthened liquidity position

Scheduled debt maturity profile (\$m)



Drydocking schedule



- ➡ Debt weighted average bank spread at 2.36%
- ➡ Total debt weighted average spread at 3.17%
- ➡ Total debt weighted average time to maturity at 4.6 years⁽²⁾

- ➡ VLCC DD budget cost at \$1.2m
- ➡ Suezmax DD budget cost at \$0.9m

Source: OET

Notes: (1) includes Sponsor debt repayment relating to Nissos Kea and Nissos Nikouria; excluding balloon refinancing and prospective principal repayments; (2) Includes Ocean Yield 1st purchase options;

ESG

Committed to transparent reporting and reduction of carbon emissions;
The Group adheres to the ABS Monitoring Reporting and Verification Regulation (MRV) framework

Reporting		VLCC	Suezmax	OET
Number of vessels reporting emissions data		8	6	14
CO2 emissions generated from vessels (metric tons)				
Laden Condition		73,200	48,800	122,000
All Conditions		126,400	71,200	197,600
Fleet Annual Efficiency Ratio (AER) ⁽¹⁾				
CO2 emissions - all conditions	A	126,400	71,200	197,600
Design deadweight tonnage (DWT)	B	319,000	158,400	250,171
Total distance travelled (nautical miles)	C	257,400	209,000	466,400
Fleet AER for the period (CO ₂ gr/tonne-mile)	$A \cdot 10^6 / (B \cdot C)$	1.5	2.2	1.7
Fleet Energy Efficiency Operational Indicator (EEOI) ⁽²⁾				
CO2 emissions - all conditions	A	126,400	71,200	197,600
Weighted avg. cargo transported for the period (metric tons)	D	721,000	468,200	1,189,200
Laden distance travelled (nautical miles)	E	257,400	209,000	466,400
Fleet EEOI for the period (CO ₂ gr/cargo tonne-mile)	$A \cdot 10^6 / (D \cdot E)$	0.7	0.7	0.4
EEOI Sea Cargo Charter guidance for 2022 (CO ₂ gr/cargo tonne-mile)		5.1	8.4	

Source: KMC, Baltic Exchange, Sea Cargo Charter, OET

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, 2022 through June 30, 2022;

INVESTMENT THESIS AND OUTLOOK

Young, eco &
scrubber-fitted
fleet



Strong TCE
performance vs
market



Consistent
capital return
policy



Active
management /
sponsor support



Industry leader
in ESG



Historically low
orderbook to
fleet



~Zero contracting



Tight yard
capacity



Trade rerouting
benefits tonne
mile demand

















Crude volumes
expected > pre-
pandemic



APPENDIX

CURRENT FLEET LIST

Very attractive mix of crude tanker vessels built at first class yards
with super eco design & scrubber fitted

No.	Vessel Name	Asset Type	Asset Size	Built	Age	Yard	Ownership	Scrubber	Eco Design
1	Milos	Suezmax	157,539	2016	6	Sungdong 	100%	Yes	Yes
2	Poliegos	Suezmax	157,539	2017	5	Sungdong 	100%	Yes	Yes
3	Nissos Sikinos	Suezmax	157,447	2020	2	HSHI 	100%	Yes	Yes
4	Nissos Sifnos	Suezmax	157,447	2020	2	HSHI 	100%	Yes	Yes
5	Kimolos	Suezmax	159,159	2018	4	JMU 	100%	Yes	Yes
6	Folegandros	Suezmax	159,221	2018	4	JMU 	100%	Yes	Yes
7	Nissos Rhenia	VLCC	318,744	2019	3	HHI (Ulsan) 	100%	Yes	Yes
8	Nissos Despotiko	VLCC	318,744	2019	3	HHI (Ulsan) 	100%	Yes	Yes
9	Nissos Donoussa	VLCC	318,953	2019	3	HHI (Ulsan) 	100%	Yes	Yes
10	Nissos Kythnos	VLCC	318,953	2019	3	HHI (Ulsan) 	100%	Yes	Yes
11	Nissos Keros	VLCC	318,953	2019	3	HHI (Ulsan) 	100%	Yes	Yes
12	Nissos Anafi	VLCC	318,953	2020	2	HHI (Ulsan) 	100%	Yes	Yes
13	Nissos Kea	VLCC	300,323	2022	-	HHI (Ulsan) 	100%	Yes	Yes
14	Nissos Nikouria	VLCC	300,323	2022	-	HHI (Ulsan) 	100%	Yes	Yes
Aggregate			3,462,298		3⁽¹⁾				

Notes: (1) DWT weighted average age;



CONTACT

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