

Q4 2018 Presentation
1 March 2019



OKEANIS
ECO TANKERS

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Agenda

Highlights

Commercial Performance

Financial Review

Market Outlook

Summary & Outlook

Appendix

Highlights

		(Unaudited) Q4 2018	(Audited) Apr 30 - Sep 30 2018 ⁶	% Delta
Commercial Performance	Suezmax Daily TCE ¹	\$20,260	\$19,670	3%
	Aframax Daily TCE ¹	\$21,060	\$18,090	16%
	Fleetwide Daily TCE ¹	\$20,630	\$18,770	10%
	Fleetwide Daily Opex ²	\$6,852	\$7,085	(3%)
	Timecharter Coverage	63%	60%	
Income Statement USDm exc. EPS	TCE Revenue ¹	\$12.4	\$9.0	38%
	EBITDA ³	\$7.4	\$4.5	63%
	Net Income	(\$0.6)	(\$2.3)	
	Earnings Per Share ⁴	(\$0.02)	(\$0.14)	
Balance Sheet USDm	Total Interest Bearing Debt	\$339	\$290	17%
	Total Cash	\$21	\$34	(39%)
	Total Assets	\$668	\$593	13%
	Total Equity	\$317	\$289	10%
	Leverage ⁵	50%	47%	

Since inception, OET has been active in:

Fundraising & Capital Markets:

- Raised USD 130m of equity
- Concluded USD 233m of bank debt financing for four VLCC newbuildings
 - Average Margin: LIBOR + 2.27%
 - Average Profile: 17 years
- Refinanced M/T Milos for USD 49m, releasing USD 18m of liquidity
- Uplisting to Oslo Axess, from Merkur Market

Corporate Governance:

- Established Audit & Remuneration Committees
- Established Special Subcommittee for M&A
- Established Discount Control Mechanism

Fleet & Upgrades:

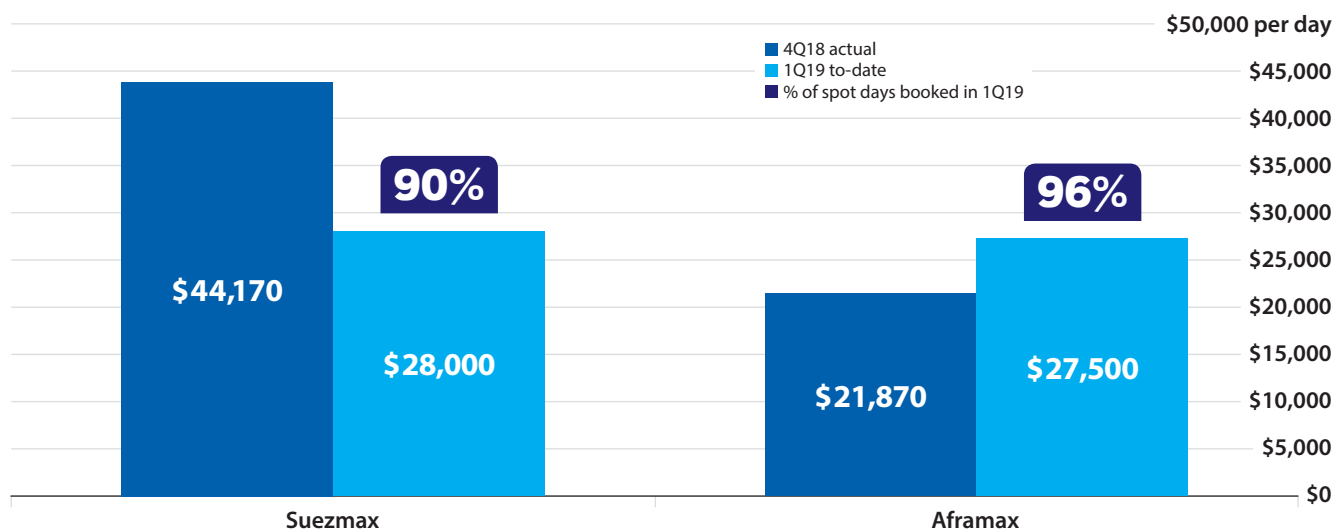
- Took delivery of Suezmaxes Kimolos (May) and Folegandros (September)
- Arranged scrubber retrofits for six vessels with EcoSpray in European yard, minimizing disruption to normal trade patterns
- Scheduled special surveys for two Aframax (Schinoussa & Therassia) in 3Q19 to coincide with scrubber retrofit and incur zero offhire in 2020

NOTES: 1) Time charter equivalent (TCE) revenue calculated as revenue net of voyage expenses and commissions.
Daily TCE rates based on operating days (calendar days less aggregate offhire days).
2) Daily vessel operating expenses (Opex) based on calendar days and include management fees.
3) EBITDA calculated as revenue net of voyage expenses, commissions, vessel operating expenses and general and administrative expenses.
4) Loss per share based on weighted average number of shares outstanding during the period.
5) Leverage calculated as net debt over net debt plus equity.
6) OET established on 30 April 2018. Vessels contributed to OET's trading fleet and began operations under OET's ownership on 28 June 2018.

Commercial Performance

	Fourth Quarter 2018								
	Suezmax			Aframax			Fleetwide		
	Days	% of Total	TCE Rate	Days	% of Total	TCE Rate	Days	% of Total	TCE Rate
Timecharter	285	88%	\$17,060	92	33%	\$19,420	377	63%	\$17,630
Spot	38	12%	\$44,170	184	67%	\$21,870	222	37%	\$25,690
Total ¹	323	100%	\$20,260	276	100%	\$21,060	599	100%	\$20,630
Calendar	368			276			644		
Operating ²	323			276			599		
Utilization	88%			100%			93%		

Spot TCE Rates - Reporting Quarter & Forward Quarter Guidance



NOTES: 1) Daily TCE rates based on operating days.

2) Operating days calculated as calendar days less aggregate offhire days.

Financial Review – Income Statement

Income Statement	(Unaudited) Q4 2018 Oct 1 - Dec 31 2018	(Audited) Inception to 3Q18 Apr 30 - Sep 30 2018
<i>USD Thousands, except per share amounts</i>		
TCE Revenue	\$12,363	\$8,968
Vessel operating expenses	(4,026)	(3,640)
Management fees	(387)	(349)
General and administrative expenses	(592)	(460)
EBITDA	\$7,359	\$4,520
Depreciation and amortization	(3,921)	(3,404)
Other non-cash items	-	-
EBIT	\$328	\$1,116
Net interest expense	(3,988)	(3,381)
Other financial income / (expenses)	(55)	(16)
Total comprehensive loss for the period	(\$605)	(\$2,282)
Loss per share - basic & diluted	(\$0.02)	(\$0.14)
Wtd. avg. shares - basic & diluted	28,590,000	16,837,843

- Q4 2018 Fleetwide TCE of \$20,630 per operating day
- Aframax: \$21,060 per operating day
- Suezmax: \$20,260 per operating day
- Fleetwide opex of \$6,852 per calendar day
- Interest coverage of 1.4x
- Loss of USD 2.9m since inception



Financial Review – Balance Sheet

Balance Sheet	(Unaudited) Q4 2018 31 Dec. 2018	(Audited) Q3 2018 30 Sep. 2018
<i>USD Thousands</i>		
Assets		
Cash & cash equivalents	\$18,083	\$31,335
Restricted cash	3,000	3,000
Vessels	396,374	399,371
Newbuildings	238,212	148,192
Other assets	12,414	10,878
Total Assets	\$668,083	\$592,776
Liabilities & Shareholders' Equity		
Interest bearing debt	\$339,336	\$290,242
Other liabilities	12,245	14,002
Shareholders' equity	316,502	288,533
Total Liabilities & Shareholders' Equity	\$668,083	\$592,776

- Book leverage of 50%
- Total cash (inc. restricted) of USD 21m
- Total interest bearing debt of USD 339m
- Total equity of USD 317m
- Shares outstanding as of 1 March 2019: 31,310,000



Financial Review – Cash Flow Statement

Cash Flow Statement	(Unaudited) Q4 2018 Oct 1 - Dec 31 2018	(Audited) Inception to 3Q18 Apr 30 - Sep 30 2018
<i>USD Thousands</i>		
Cash Flow from Operating Activities		
Net loss	(605)	(2,282)
Total reconciliation adjustments	7,698	6,746
Total changes in net working capital	(4,184)	(5,966)
Net cash provided by / (used in) operating activities	\$2,910	(\$1,503)
Cash Flow from Investing Activities		
Investment in newbuildings	(89,677)	(102,309)
Other investing activities	(2,006)	875
Net cash used in investing activities	(\$91,684)	(\$101,434)
Cash Flow from Financing Activities		
Net changes in debt	49,989	34,217
Net changes in equity	29,126	96,508
Financing costs	(1,266)	(1,377)
Other financing activities	(2,327)	4,924
Net cash provided by financing activities	\$75,522	\$134,271
<i>Net change in cash and cash equivalents</i>	<i>(13,252)</i>	<i>31,335</i>
Cash and cash equivalents at beginning of period	31,335	-
Cash and cash equivalents at end of period	\$18,083	\$31,335

- FY 2019 CBE estimate of \$25,200/day (inc. two special surveys)
- Remaining capex of USD 433m as of 1 March 2019
 - Yard instalments: USD 420m
 - Scrubbers: USD 13m
- Available capital of USD 448m as of 1 March 2019
 - Lease Debt: USD 190m
 - Bank Debt: USD 233m
 - Cash & Undrawn RCF: USD 25m

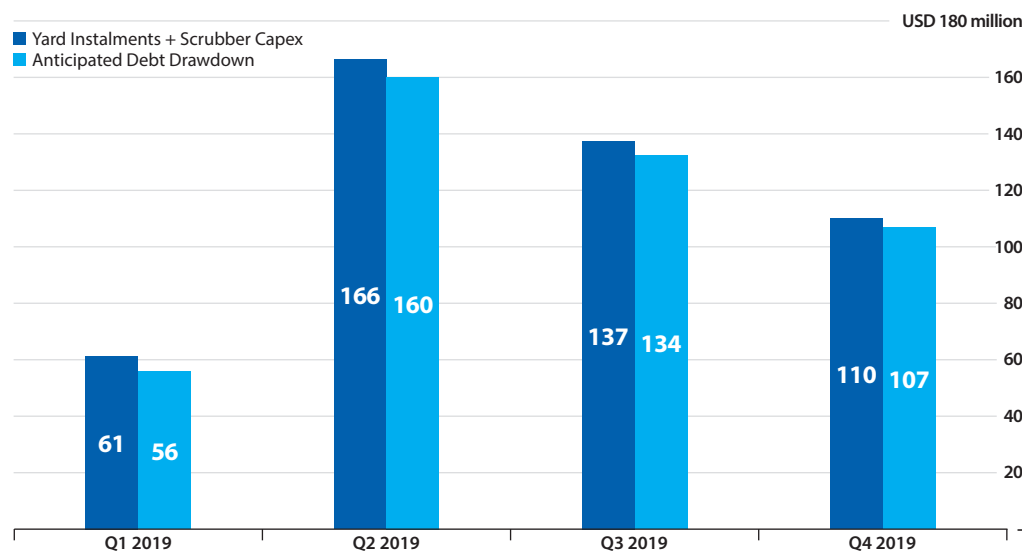


Financing & Remaining Capex Overview

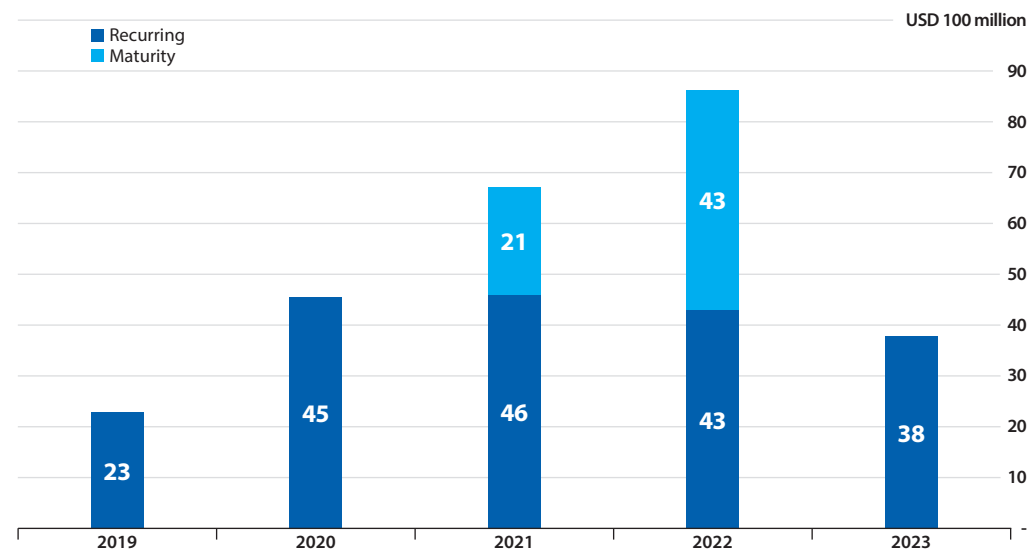
Debt Snapshot (as of 1 March 2019)

Lender & Vessel	Outstanding	Available	Margin	Profile
	USDm	USDm	%	Years
BNP Paribas (Nissos Heraclea)	\$31.7	-	2.25%	17
HSB (Nissos Therassia & Nissos Schinoussa)	57.4	-	2.60%	17
Alpha Bank (Kimolos, Folegandros)	87.1	-	3.10%	20
Ocean Yield (Poliegos & Milos)	92.4	-	4.57%	17
Ocean Yield (4 x VLCC NBs)	107.3	189.8	4.82% ¹	17
Bank Debt (4 x VLCC NBs)	-	233.3	2.27%	17
Shareholder Loan	-	15.0	6.25% ²	-
Total	\$375.9	\$438.1	3.60%	17

Capex & Debt Draw Schedule



Repayment Profile



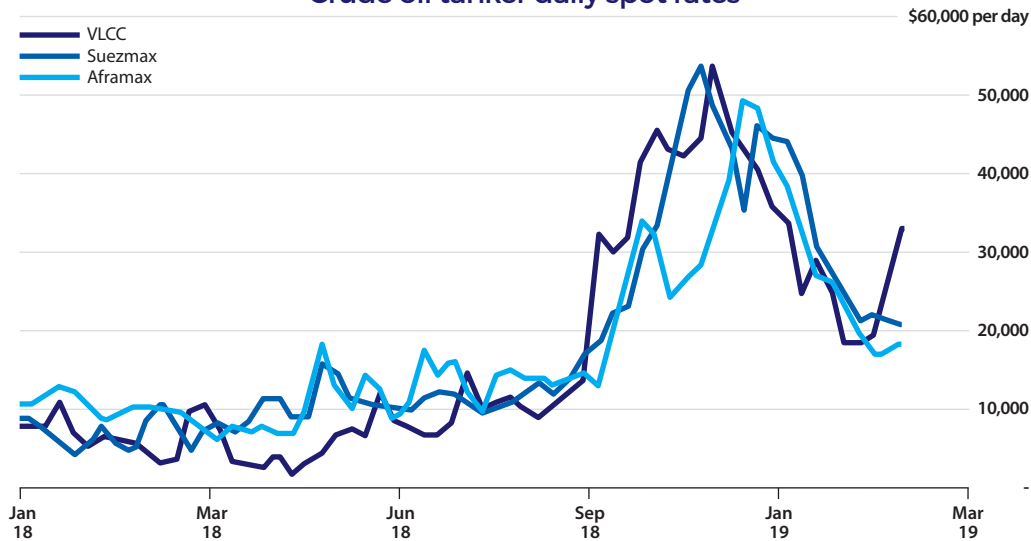
Covenants

	Bank Debt	Lease Finance
• Minimum asset coverage ratio of 125%	✓	—
• Minimum cash and cash equivalents of \$10MM	✓	✓
• Maximum corporate-level LTV of 75%	✓	—

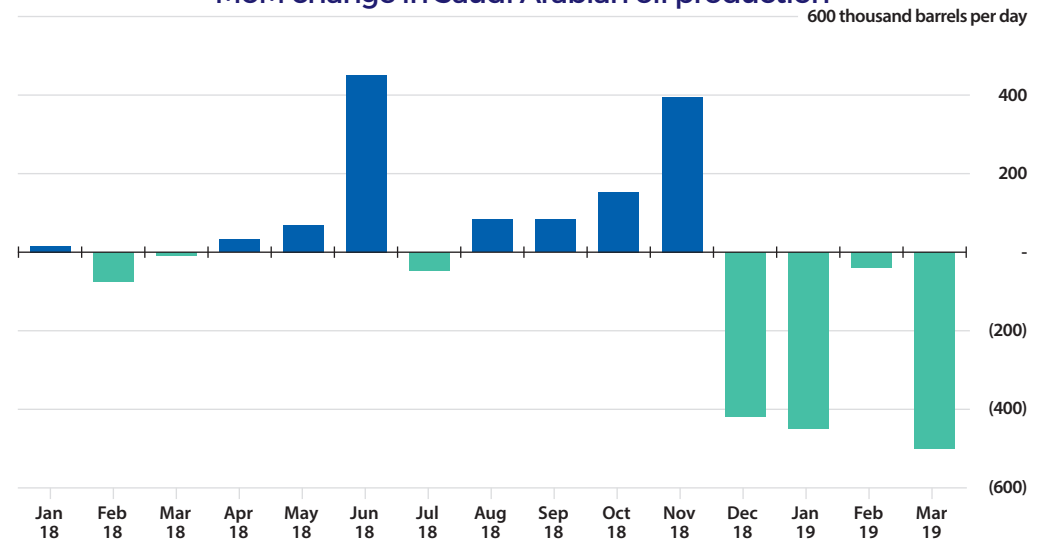
NOTE: 1) Pre-delivery financing bears fixed interest rate of 7.00%.
2) Fixed interest rate.

Market Outlook [1/2]

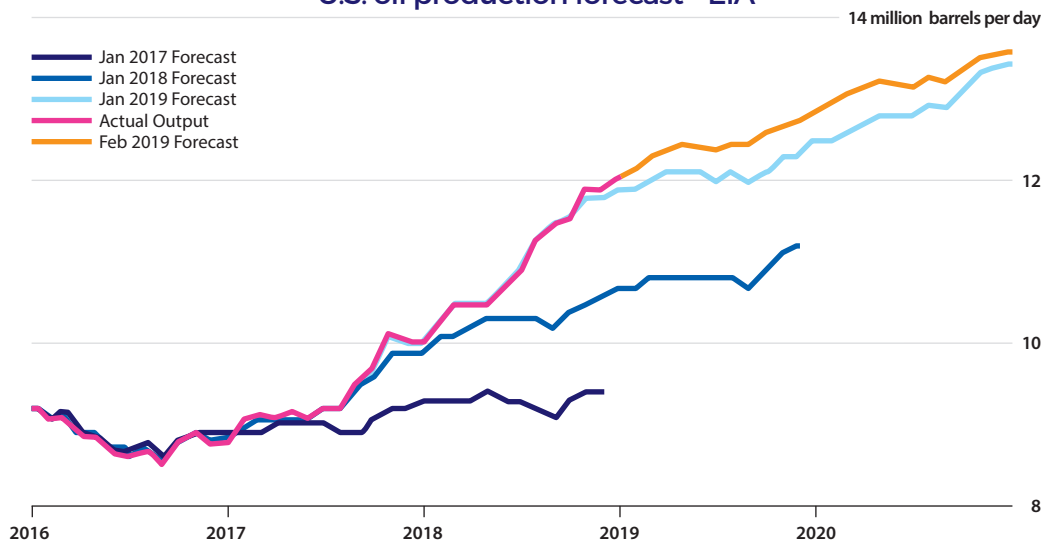
Tanker rates have fallen across all segments... Crude oil tanker daily spot rates



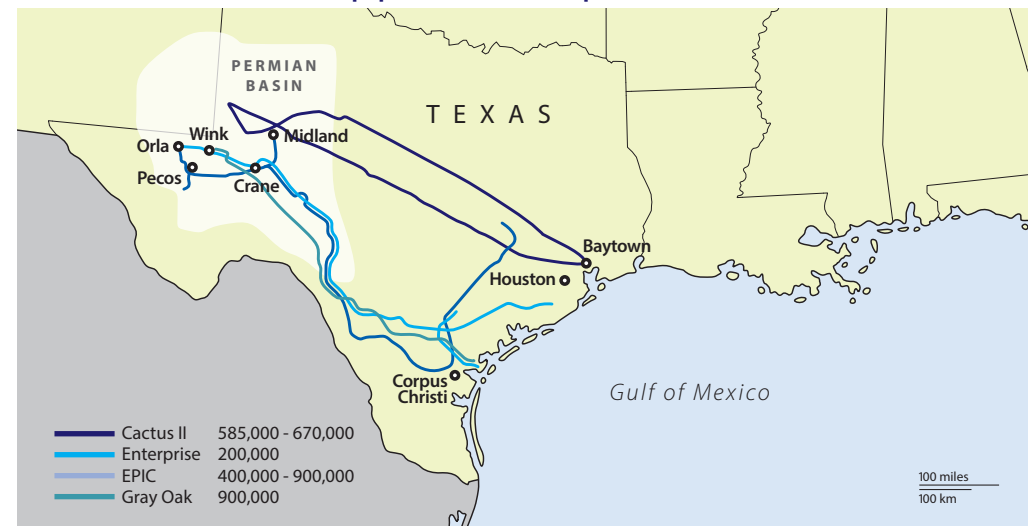
...due to impact of OPEC+ production cuts, led by Saudis MoM change in Saudi Arabian oil production



But U.S. oil production forecasts have been consistently low... U.S. oil production forecast - EIA



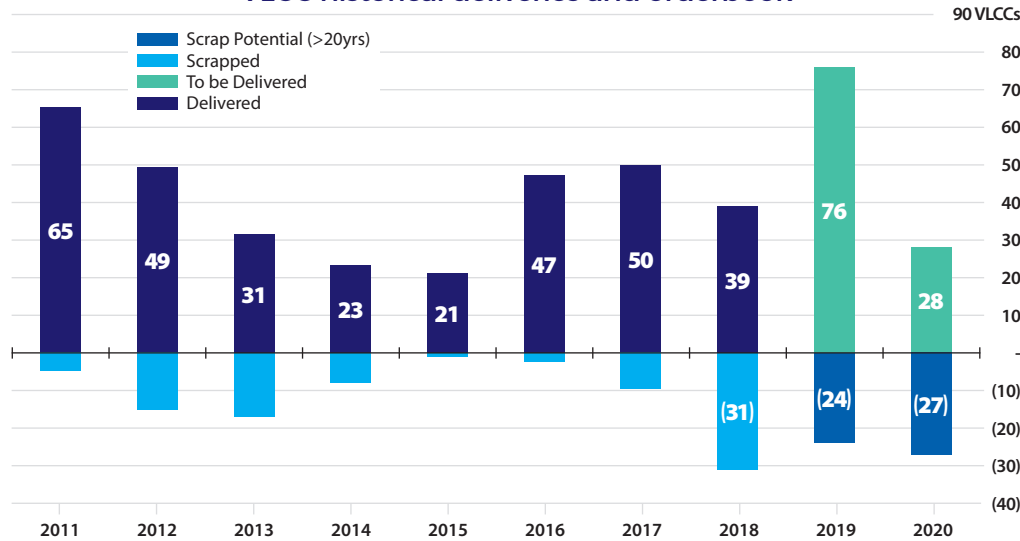
...as pipeline capacity set to come online, supporting exports Oil pipelines set to open in 2019



Market Outlook [2/2]

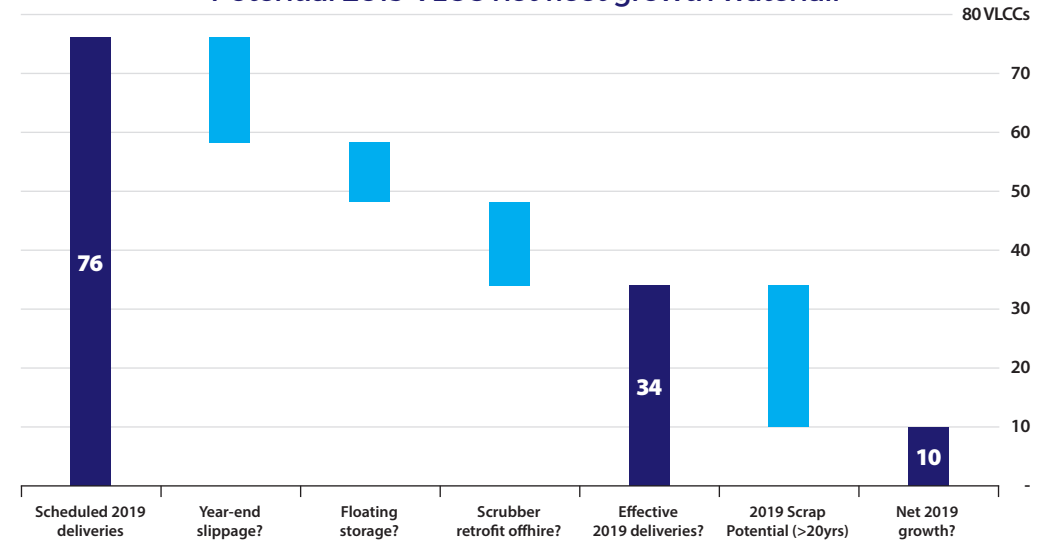
VLCC 2019 gross fleet growth seems high...

VLCC historical deliveries and orderbook



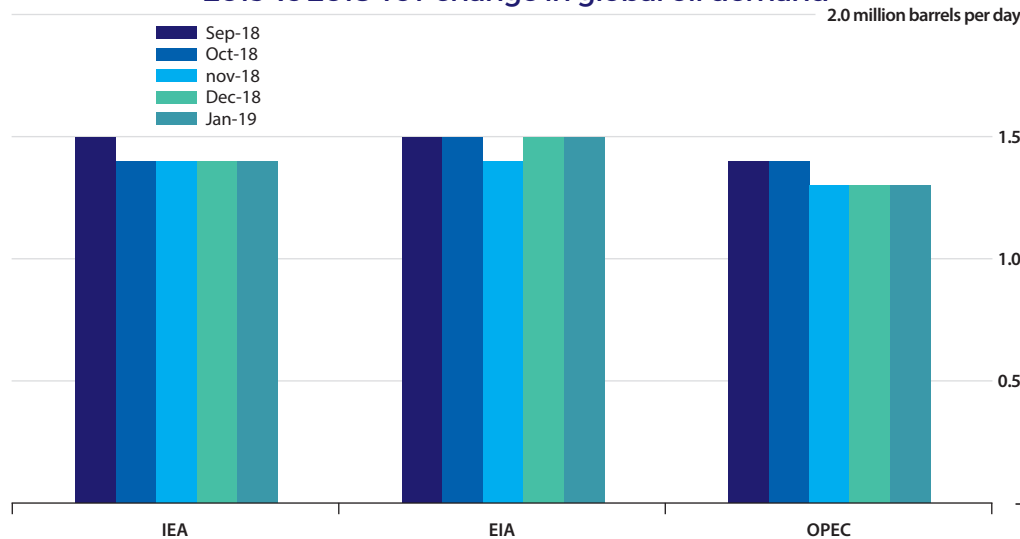
...but net fleet growth could be substantially lower

Potential 2019 VLCC net fleet growth waterfall



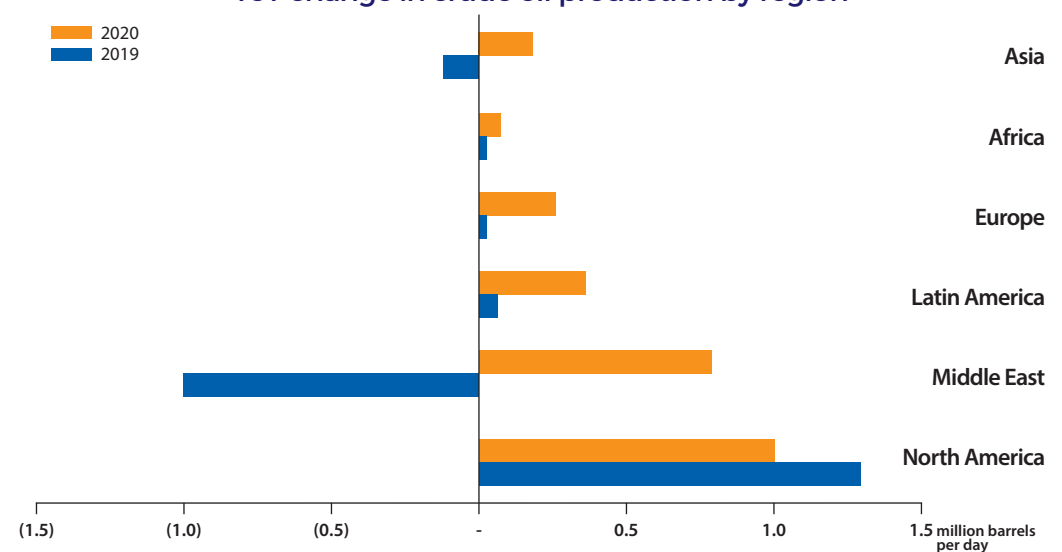
Oil demand forecasts robust despite slowdown fears...

2019 vs 2018 YoY change in global oil demand



...as production set to rise in 2020 due to IMO

YoY change in crude oil production by region



Summary & Outlook

- Since inception, OET has been active in fundraising and in the capital markets.
- Ultimately, value creation will be achieved through operational execution – overseeing delivery of our NB program and retrofitting six of our vessels with scrubbers – and continued technical and commercial outperformance.
- We expect the crude tanker market to move sideways in H1 2019 due to continued adverse impact of OPEC+ production cuts, front loaded NB delivery schedule and above-trend refinery maintenance.
- Starting in Q3 2019, we believe that the effects of IMO 2020 will begin to be felt across the crude tanker industry, signaling the start of a tanker upcycle.
- We are well positioned to capitalize on this once-in-a-generation opportunity, with over 70% spot market exposure in 2020 and a 100% eco, scrubber-fitted fleet.
- Further, OET is aligned with and committed to crystallizing value for its shareholders via a clear monetization strategy: selling vessels as per our Discount Control Mechanism and implementing a full dividend payout policy upon delivery of our newbuildings.





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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 •

Charter Coverage Through YE 2020

Type	Name	Yard	Country	Built	DWT	Eco-Design?	Scrubber?	BWTS?	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	Charterer	Expiry
Aframax/LR2	Nissos Heraclea	HHI	Korea	2015-07	114,322	Yes	Upon redely	Yes	\$19,450				\$25,000 ¹				Total	Mar-20
	Nissos Therassia	HHI	Korea	2015-01	114,322	Yes	3Q19	Yes										
	Nissos Schinoussa	HHI	Korea	2015-09	114,322	Yes	3Q19	Yes										
Suezmax	Milos	SSME	Korea	2016-10	157,537	Yes	2Q19	Yes	\$19,000 + 50% Profit share ²								Vitol	Mar-20
	Poliegos	SSME	Korea	2017-01	157,537	Yes	2Q19	Yes										
	Kimolos	JMU	Japan	2018-05	159,159	Yes	3Q19	Yes	\$18,500								Trafigura	May-19
	Folegandros	JMU	Japan	2018-09	159,159	Yes	3Q19	Yes										
VLCC	Nissos Rhenia	HHI	Korea	2019-04	318,953	Yes	Yes	Yes	\$35,315 ³								Koch	Apr-24
	Nissos Despotiko	HHI	Korea	2019-05	318,953	Yes	Yes	Yes	\$35,315 ³								Koch	May-24
	Nissos Santorini	HHI	Korea	2019-06	318,953	Yes	Yes	Yes	\$35,315 ³								Koch	Jun-24
	Nissos Antiparos	HHI	Korea	2019-07	318,953	Yes	Yes	Yes	\$35,315 ³								Koch	Jul-24
	HHI 3050	HHI	Korea	2019-08	318,953	Yes	Yes	Yes										
	HHI 3051	HHI	Korea	2019-09	318,953	Yes	Yes	Yes										
	HHI 3089	HHI	Korea	2019-10	318,953	Yes	Yes	Yes										
	HHI 3090	HHI	Korea	2019-12	318,953	Yes	Yes	Yes										

 Time charter fixed period
 Time charter optional period
 Time charter fixed period with profit split

NOTES: 1) Optional year expiry March 2021, declarable March 2019.

2) \$19,000/day base rate with 50% profit share thereafter.

3) - Average T/C rate for 5 year duration.

• The Time Charter rate will be adjusted upwards to \$37,115/day (vs \$32,615/day) per vessel for years three, four and five.

• OET will have the option to cancel the TC at their own discretion from the end of year three until the expiry of the charter without any penalty or premium payable to Koch.



OKEANIS
ECO TANKERS

CONTACT

John Papaioannou, CFO
+30 210 480 4099
jvp@okeanisecotankers.com