



## OKEANIS ECO TANKERS CORP.

*(Incorporated under the laws of the Republic of the Marshall Islands with registration number 96382)*

### Listing of the Company's shares on the Oslo Axess

The information contained in this prospectus (the "**Prospectus**") relates to the listing and admission to trading of common shares, each with a par value of USD 0.001 (the "**Shares**") in Okeanis Eco Tankers Corp. (the "**Company**" or "**OET**"), a limited corporation incorporated under the laws of the Marshall Islands (together with its consolidated subsidiaries, the "**Group**" or "**Okeanis**"), on Oslo Axess, a regulated market operated by Oslo Børs ASA ("**Oslo Axess**") (the "**Listing**").

The board of directors of the Oslo Stock Exchange approved the Company's listing application at a board meeting held on or about 5 March 2019, subject to fulfilment by the Company of the Oslo Axess listing requirements.

Beneficial interests in all of the Shares are registered with the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) (the "**VPS**") in book-entry form. All the Shares will rank in parity with one another and carry one vote per Share. Trading in the Shares on Oslo Axess is expected to commence on or about 7 March 2019, under the trading symbol "**OET**".

For the definitions of capitalised terms used throughout this Prospectus, see Section 17 "**Definitions**". Investing in the Shares involves risks; see Section 2 "**Risk Factors**" beginning on page 9.

The date of this Prospectus is 28 February 2019.

## IMPORTANT INFORMATION

This Prospectus has been prepared in order to provide information about the Company and its business in relation to the Listing of the Shares and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the “**Norwegian Securities Trading Act**”) and related secondary legislation, including the Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses (the “**Prospectus Directive**”) as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (hereafter “**EC Regulation 809/2004**”). This Prospectus has been prepared based on the requirements for simplified prospectuses applicable for small and medium-sized enterprises in accordance with the Prospective Directive article 2 no.1 (f). This Prospectus has been prepared solely in the English language. The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) (the “**Norwegian FSA**”) has reviewed and approved this Prospectus in accordance with Sections 7-7 and 7-8 of the Norwegian Securities Trading Act. The Norwegian FSA has not verified or approved the accuracy or completeness of the information included in this Prospectus. The approval by the Norwegian FSA only relates to the information included in accordance with pre-defined disclosure requirements. The Norwegian FSA has not made any form of verification or approval relating to corporate matters described in or referred to in this Prospectus.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus which may occur between the time when this Prospectus is approved and the date of listing of the Shares on the Oslo Stock Exchange and which may affect the assessment of the Shares, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in the affairs of the Company or the Group or that the information herein is correct as of any date subsequent to the date of this Prospectus. Except as required by applicable law and stock exchange rules the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus shall not under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or by any of the affiliates or advisors of the Company.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. The Company require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares described herein and no Shares are being offered or sold pursuant to this Prospectus in any jurisdiction.

The Shares are subject to restrictions on transferability and resale under certain securities laws and regulations and may not be transferred or resold except as permitted under any such applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. For further information on the manner of distribution of the Shares and the transfer restrictions to which they are subject, see Section 14.11 “Selling and Transfer Restrictions”.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute that may arise out of or in connection with this Prospectus.

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY U.S. STATE OR OTHER JURISDICTION. THE COMPANY DOES NOT PLAN TO REGISTER THE ISSUANCE OR RESALE OF THE SHARES UNDER THE U.S. SECURITIES ACT.

THE SHARES MAY NOT BE RE-OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT (A) UNDER A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AS APPLICABLE OR (C) PURSUANT TO ANOTHER APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT; IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE U.S. STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, ONLY IF THE COMPANY HAS RECEIVED DOCUMENTATION SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT.

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## 1. SUMMARY

Summaries comprise disclosure requirements known as “Elements”. These Elements are numbered in Sections A- E (A.1 - E.7) below. This summary contains all the Elements required to be included in a summary for this type of securities and the Company. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Company, it is possible that no relevant information can be given regarding the relevant Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

<b>Section A—Introduction and Warnings</b>		
<b>A.1</b>	<b>Warning .....</b>	This summary should be read as an introduction to the Prospectus. Any decision to invest in the shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of its relevant jurisdiction, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
<b>A.2</b>	<b>Warning .....</b>	Not applicable. No consent is granted by the Company for the use of the Prospectus for subsequent resale or final placement of the Shares.
<b>Section B—Company</b>		
<b>B.1</b>	<b>Legal and Commercial Name .....</b>	Okeanis Eco Tankers Corp.
<b>B.2</b>	<b>Domicile and Legal Form, Legislation and Country of Incorporation .....</b>	The Company was incorporated under the laws of the Republic of Marshall Islands on 30 April 2018.
<b>B.3</b>	<b>Current Operations, Principal Activities and Markets .....</b>	<p>The Company is a newly established international crude tanker business within the oil industry, with the ambition of, directly or through wholly- or partially owned entities, owning, chartering out and operating modern shipping assets. By focusing on “future proof” vessels that are built to ECO standards, being equipped with (or to be retrofitted prior to Jan. 2020 for) scrubbers, being built to comply with regulations for ballast water treatment, the Company will take advantage of opportunities in a rapidly changing oil industry. With its contemplated fleet of tanker vessels the Company intends to deliver safe and high quality shipping operations to its prospective customers.</p> <p>As of the date of this Prospectus, the Group owns seven sailing vessels and has eight newbuilding orders. The Group’s fleet will be subject to a mix of contract and spot charters, thereby having a combination of secured earnings and market exposure.</p>
<b>B.4a</b>	<b>Significant Recent Trends .....</b>	There are no significant recent trends since 30 September 2018 to the date of the Prospectus. The Company is not aware of any information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group’s prospects up until Listing.
<b>B.5</b>	<b>Description of the Group .....</b>	The Company is the parent company of the Group and the operations of the Company are carried out through its operating subsidiaries.

B.6	Interests in the Company and Voting Rights.....	<p>Shareholders owning 5% or more of the Company's shares will, following the listing of the Company's Shares on Oslo Axess, have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. Each of the Company's Shares carries one vote.</p> <p>As of 27 February 2019, the latest practical date prior to the date of this Prospectus, and in so far as known to the Company, the following persons had, directly or indirectly, an interest in 5% or more of the issued share capital of the Company which constitutes a notifiable holding under the Norwegian Securities Trading Act):</p> <table data-bbox="708 539 1390 701"> <tr> <td>Glafki Marine Corp. ....</td> <td>54.75 %</td> </tr> <tr> <td>Ironsides Partners.....</td> <td>5.84 %</td> </tr> <tr> <td>VR Capital Group .....</td> <td>5.42 %</td> </tr> </table> <p>All Shares are vested with equal rights. Thus, none of the major shareholders have different voting rights than the other shareholders in the Company.</p> <p>The Company is not aware of any arrangements the operations of which may at a subsequent date result in a change of control of the Company.</p>	Glafki Marine Corp. ....	54.75 %	Ironsides Partners.....	5.84 %	VR Capital Group .....	5.42 %
Glafki Marine Corp. ....	54.75 %							
Ironsides Partners.....	5.84 %							
VR Capital Group .....	5.42 %							
B.7	Selected Historical Key Financial Information.....	<p>The Company was incorporated in April 2018. The table below sets out a summary of the Group's audited consolidated profit and loss for the period starting on the date of its incorporation, 30 April 2018, to and including 30 September 2018.</p>						

The table below sets out a summary of the Group's audited consolidated statement of profit or loss and other comprehensive income for the period from 30 April 2018 to 30 September 2018.

USD	For the Five Month period ending 30 September 2018 (audited)
Revenue .....	12,870,423
Commissions .....	(168,537)
Operating expenses .....	(3,640,190)
Voyage expenses.....	(3,733,699)
Management fees.....	(348,600)
Administrative expenses.....	(459,815)
Deprecation .....	(3,404,031)
Total expenses .....	<b>(11,754,872)</b>

For the Five Month  
period ending 30  
September  
2018  
(audited)

<i>USD</i>	
Operating profit .....	1,115,551
<i>Other income (expenses)</i>	
Interest income .....	217,993
Foreign exchange loss.....	(16,347)
Other financial items .....	(3,599,161)
<b>Total other expenses .....</b>	<b>(3,397,515)</b>
Net loss .....	(2,281,964)
Retained deficit at the start of the period .....	-
<b>Retained deficit at the end of the period.....</b>	<b>(2,281,964)</b>

The table below sets out a summary of the Group's audited consolidated statement of financial position as of 30 September 2018.

<i>USD</i>	As of 30 September 2018 (audited)
<b>Assets</b>	
<b>Non-current assets</b>	
<i>Vessels, net</i> .....	399,370,832
<i>Vessels under construction</i> .....	148,192,457
<i>Other fixed assets</i> .....	20,286
<i>Other guarantees</i> .....	20,000
<i>Restricted cash</i> .....	3,000,000
<b>Total non-current assets .....</b>	<b>550,603,575</b>
<b>Current assets</b>	
<i>Inventories</i> .....	2,723,557
<i>Trade and other receivables</i> .....	4,179,058
<i>Claims receivable</i> .....	2,415,654
<i>Prepaid expenses</i> .....	425,896
<i>Current accounts due from related parties</i> .....	1,093,513
<i>Cash &amp; cash equivalents</i> .....	31,334,850
<b>Total current assets.....</b>	<b>42,172,528</b>
<b>Total assets .....</b>	<b>592,776,103</b>
<b>Shareholder's equity &amp; liabilities</b>	
<b>Shareholder's equity</b>	
<i>Share capital</i> .....	27,400
<i>Additional paid-in capital</i> .....	290,787,295
<i>Accumulated losses</i> .....	(2,281,964)
<b>Total-Shareholder's equity.....</b>	<b>288,532,731</b>
<b>Non-Current liabilities</b>	
<i>Long-term borrowings, net of current portion</i> .....	267,278,950
<b>Total non-current liabilities .....</b>	<b>267,278,950</b>
<b>Current Liabilities</b>	
<i>Trade payables</i> .....	6,481,424
<i>Accrued expenses</i> .....	3,750,936
<i>Current accounts due to related parties</i> .....	3,769,341
<i>Current portion of long-term borrowings</i> .....	22,962,721
<b>Total current liabilities.....</b>	<b>36,964,422</b>
<b>Total liabilities .....</b>	<b>304,243,372</b>
<b>Total shareholder's equity &amp; liabilities .....</b>	<b>592,776,103</b>

The table below sets out a summary of the Group's audited consolidated cash flow information for the period starting on 30 April 2018 to 30 September 2018.

<i>USD</i>	<b>For the Five Month period ending 30 September 2018 (audited)</b>
<b>Net loss</b> .....	<b>(2,281,964)</b>
<i>Adjustment to reconcile net loss to net cash used in operating activities</i>	
Depreciation .....	3,404,031
Interest expense .....	3,409,270
Interest income .....	(217,993)
Amortization of loan financing fees .....	150,295
<i>Change in operating assets and liabilities</i>	
Trade and other receivables .....	(2,190,694)
Prepaid expenses .....	674,090
Inventories .....	(354,793)
Trade and other payables .....	1,451,957
Accrued expenses .....	503,324
Claims .....	(2,399,156)
Interest paid .....	(3,650,979)
<b>Net cash used in operating activities</b> .....	<b>(1,502,612)</b>
<i>Investing activities</i>	
Vessels and vessels under construction .....	(102,309,429)
Current account due from related parties .....	(697,222)
Payments for other fixed assets .....	(20,286)
Decrease in restricted cash .....	1,450,000
Interest .....	142,905
<b>Net cash used in investing activities</b> .....	<b>(101,434,032)</b>
<i>Financing activities</i>	
Proceeds from First Private Placement .....	96,508,125
Payments for offering expenses .....	(462,406)
Proceeds from loans .....	42,000,000
Acquisition of cash and cash equivalents of the contributed companies .....	5,666,630
Current account due to related parties .....	(742,355)
Payment of loan financing fees .....	(915,000)
Repayment of loans .....	(7,783,500)
<b>Net cash provided by financing activities</b> .....	<b>134,271,494</b>
Net increase in cash and cash equivalents .....	31,334,850
Cash and cash equivalents at start of the period .....	-
<b>Cash and cash equivalents at end of the period</b> .....	<b>31,334,850</b>

The table below sets out a summary of the combined carve-out statement of profit and loss for the period ended 31 December 2016 and 2017 in relation to the Company's SPVs.

<i>USD</i>	For the years ended 31 December 2017 (audited)	For the years ended 31 December 2016 (audited)
Revenue	45,586,652	34,084,722
Address commission	(439,276)	(418,800)
<b>Net revenue</b>	<b>45,147,376</b>	<b>33,665,922</b>
<i>Expenses</i>		
Commissions	(1,693,284)	(1,185,245)
Voyage expenses	(10,813,666)	(8,957,604)
Vessel operating expenses	(12,606,563)	(8,015,448)
General and administrative expenses	(159)	(8)
Management fees	(1,800,000)	(1,140,000)
Depreciation	(10,427,233)	(6,047,571)
<b>Total expenses</b>	<b>(37,340,905)</b>	<b>(25,345,876)</b>
<b>Operating profit</b>	<b>7,806,471</b>	<b>8,320,046</b>
<i>Other income/(expenses)</i>		
Foreign exchange (loss)/gain	(5,921)	17,973
Interest income	64,906	58,335
Other income	227,826	64,508
Interest and other finance costs	(7,748,067)	(3,576,402)
<b>Total other expenses, net</b>	<b>(7,461,256)</b>	<b>(3,435,586)</b>
<b>Profit for the year</b>	<b>345,215</b>	<b>4,884,460</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>345,215</b>	<b>4,884,460</b>

The table below sets out a summary of the combined carve-out statement of the financial position as of 31 December 2016 and 2017 in relation to the Company's SPVs.

<i>USD</i>	As of 31 December 2017 (audited)	As of 31 December 2016 (audited)
<i>Non-current assets</i>		
Vessels, net	271,147,056	213,770,643
Vessels under construction	33,986,551	47,188,878
Other guarantees	20,000	-
Restricted Cash	4,200,000	4,335,000
<b>Total non-current assets</b>	<b>309,353,607</b>	<b>265,294,521</b>
<i>Current assets</i>		
Inventories	1,894,519	1,354,663
Trade and other receivables	2,151,339	2,275,757
Prepaid expenses	772,488	222,448
Straight line revenue	364,908	218,868
Current account due from related party	1,168,839	11,450,000
Cash & cash equivalent	1,105,316	2,821,458
<b>Total current assets</b>	<b>7,457,409</b>	<b>18,343,194</b>

<i>USD</i>	As of 31 December 2017 (audited)	As of 31 December 2016 (audited)
<b>Total assets</b> .....	<b>316,811,016</b>	<b>283,637,715</b>
<i>Shareholder's equity &amp; liabilities</i>		
<i>Shareholder's equity</i>		
Paid-in capital .....	132,073,321	125,196,473
Retained earnings .....	134,995	9,034,613
<b>Total-Shareholder's equity</b> .....	<b>132,208,316</b>	<b>134,231,086</b>
<i>Non-Current liabilities</i>		
Long-term borrowings, net of current portion .....	163,089,302	129,033,565
<b>Total non-current liabilities</b> .....	<b>163,089,302</b>	<b>129,033,565</b>
<i>Current liabilities</i>		
Trade payables.....	2,956,856	2,942,201
Sundry liabilities and accruals .....	282,569	333,501
Current account due to related parties .....	6,313,971	7,117,635
Revenue received in advance.....	558,000	682,000
Current portion of long-term borrowings .....	11,402,002	9,297,727
<b>Total current liabilities</b> .....	<b>21,513,398</b>	<b>20,373,064</b>
<b>Total liabilities</b> .....	<b>184,602,700</b>	<b>149,406,629</b>
<b>Total shareholder's equity &amp; liabilities</b> .....	<b>316,811,016</b>	<b>283,637,715</b>

The table below sets out a summary of the combined carve-out statement of cash flow for the periods ended 31 December 2016 and 2017 in relation to the Company's SPVs.

<i>USD</i>	For the years ended 31 December 2017 (audited)	For the years ended 31 December 2016 (audited)
<i>Cash flows from operating activities:</i>		
Profit for the period .....	345,214	4,884,460
<i>Adjustment to reconcile profit to net cash provided by operating activities:</i>		
Depreciation .....	10,427,233	6,047,571
Interest Expense .....	6,933,201	3,408,797
Interest income .....	(64,906)	(58,335)
Amortization loan financing fees.....	149,942	82,377
<i>Changes in working capital:</i>		
Trade receivables .....	124,418	1,977,508
Prepaid expenses .....	(550,040)	(103,699)
Straight line revenue.....	(146,040)	(218,868)
Inventories .....	(539,856)	(295,752)
Trade and other payables .....	21,202	1,745,809
Sundry liabilities and accruals .....	109,936	(202,320)
Other guarantees .....	(20,000)	-
Revenue received in advance.....	(124,000)	682,000
Interest paid .....	(7,027,542)	(3,474,810)
<b>Net cash provided by operating activities</b> .....	<b>9,638,762</b>	<b>14,474,738</b>
<i>Cash flows from investing activities:</i>		
Payments for vessels and vessels under construction .....	(54,617,723)	(61,429,496)
Decrease in restricted cash .....	135,000	65,000

<i>USD</i>	For the years ended 31 December 2017 (audited)	For the years ended 31 December 2016 (audited)
Current account due from related party .....	10,281,161	(6,307,962)
Interest received .....	64,906	58,335
<b>Net cash used in investing activities .....</b>	<b>(44,136,656)</b>	<b>(67,614,123)</b>
<i>Cash flows from financing activities</i>		
Proceeds from long-term borrowings .....	83,120,000	36,600,000
Current account due to related parties .....	2,705,478	83,312
Repayments of long term borrowings.....	(46,569,932)	(7,270,000)
Contributions from Parent .....	20,190,000	26,395,500
Dividends paid .....	(26,067,627)	(588,810)
Payments of loan financing fees .....	(596,667)	(329,400)
<b>Net cash (used in)/provided by financing activities.....</b>	<b>32,781,752</b>	<b>54,890,602</b>
<b>Net change in cash and cash equivalents .....</b>	<b>(1,716,142)</b>	<b>1,751,217</b>
Cash and cash equivalents at beginning of the period .....	2,821,458	1,070,241
<b>Cash and cash equivalents at the end of the period .....</b>	<b>1,105,316</b>	<b>2,821,458</b>

<b>B.8</b>	<b>Selected Key Pro Forma Financial Information .....</b>	Not applicable. No pro forma financial information is included in this Prospectus.
<b>B.9</b>	<b>Profit Forecast or Estimate .....</b>	Not applicable. No profit forecast or estimate is included in this Prospectus.
<b>B.10</b>	<b>Audit Report Qualification .....</b>	Not applicable.
<b>B.11</b>	<b>Working Capital .....</b>	As of the date of this Prospectus, the Company is of the opinion that the Group's working capital is sufficient for its present requirements and for at least the next twelve months from the date of this Prospectus.
<b>Section C—Securities</b>		
<b>C.1</b>	<b>Type and Class of Securities Being Offered and Admitted to Trading and Identification Number ....</b>	The Company has one class of shares in issue, and all shares in that class have equal rights in the Company. The beneficial interests in the Shares are registered with the Norwegian Central Securities Depository ( <i>Nw. Verdipapirsentralen</i> ) under ISIN MHY641771016.
<b>C.2</b>	<b>Currency of Issue .....</b>	The shares are issued in USD and will be quoted and traded in NOK on Oslo Axess.
<b>C.3</b>	<b>Number and Shares in Issue and Par Value .....</b>	As of the date of this Prospectus, the Company's share capital is USD 31,310 divided into 31,310,000 Shares, each having a nominal value of USD 0.001.
<b>C.4</b>	<b>Rights Attaching to the Securities .....</b>	All Shares provide equal rights in the Company in accordance with the laws of the Republic of the Marshall Islands and the Bylaws of the Company. The holders of Shares have no pre-emptive rights.

C.5	Restrictions on Transfer .....	The Company's Bylaws do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors.
C.6	Admission to Trading .....	<p>The Company will apply for admission to trading of its Shares on Oslo Axess on or about 28 February 2019. The board of directors of the Oslo Stock Exchange approved the listing application of the Company on 5 March 2019.</p> <p>The Company currently expects commencement of trading in the Shares on Oslo Axess on or about 7 March 2019 under the trading symbol "OET". The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.</p>
C.7	Dividend Policy .....	There can be no assurances that in any given period dividends will be proposed or declared. In deciding whether to propose a dividend and in determining the dividend amount, the Company's Board of Directors will take into account legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

**Section D—Risks**

D.1	Key Risks Specific to the Company or its Industry .....	<p><i>Key risks related to the Company and the Industry in which the Company operates</i></p> <ul style="list-style-type: none"> <li>• The Group is newly established and the Group's lack of operating history makes it difficult to assess the outlook for future revenues and other operating results.</li> <li>• The Group may only have a limited number of vessels and is vulnerable in the event of a loss of revenue of any such vessel.</li> <li>• The Group may not be able to obtain favourable contracts for its newbuilding vessels. The success and growth of the Group's business depends on the level of activity in the crude oil shipping industry generally, and the crude oil tanker industry specifically, which are both highly competitive and cyclical, with intense price competition.</li> <li>• The Group may employ its vessels under charter arrangements with a limited number of charterers. The solidity and performance of such counterparts may affect the results and financial conditions of the Group.</li> </ul>
D.3	Key Risks Specific to the Shares .....	<p><i>Key risks related to the Shares</i></p> <ul style="list-style-type: none"> <li>• The Company's share price may be highly volatile and future sale of its shares could cause the market price of its shares to decline.</li> </ul>

		<ul style="list-style-type: none"> <li>• There is no existing regulated market for the Shares, and a trading market that provides adequate liquidity may not develop.</li> <li>• Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors or officers.</li> <li>• Investors may not be able to exercise their voting rights for shares registered on a nominee account.</li> <li>• Future issuance of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the Shares.</li> <li>• The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions.</li> <li>• Shareholders are subject to exchange rate risk.</li> </ul>
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**Section E—Offer**

<b>E.1</b>	<b>Proceeds and Estimated Expenses .....</b>	Not applicable. There is no offering of Shares
<b>E.2a</b>	<b>Reasons for the Offering .....</b>	Not applicable. There is no offering of Shares
<b>E.3</b>	<b>Terms and Conditions for the Offer.....</b>	Not applicable. There is no offering of Shares.
<b>E.4</b>	<b>Material and Conflicting Interests .....</b>	Not applicable. There is no offering of Shares.
<b>E.5</b>	<b>Selling Shareholders and Lock-Up Agreements .....</b>	Not applicable. The Company’s founders, represented by the shareholder Glafki Marine Corp. (“ <b>Glafki</b> ”), are however subject to a lock-up period expiring on 3 July 2019, subject to certain customary exceptions and limitations.
<b>E.6</b>	<b>Dilution.....</b>	Not applicable. There is no offering of Shares.
<b>E.7</b>	<b>Estimated Expenses Charged to Investors .....</b>	Not applicable. There is no offering of Shares.

## 2. RISK FACTORS

*An investment in the Shares involves inherent risks. An investor should consider carefully all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of the entire investment. If any of the risks described below materialise, individually or together with other circumstances, they may have a material adverse effect on the Group's business, financial condition, results of operations and cash flow, which may affect the ability of the Group to pay dividends and cause a decline in the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance. The below risk factors are only a non-exhaustive summary of risks applicable to the Company. The information in this Section is as of the date of this Prospectus.*

### 2.1 Risks Relating to the Company and the Industry in which the Group Operates

***The Company is newly established and its lack of operating history makes it difficult to assess the outlook for future revenues and other operating results***

The Company was incorporated in April 2018. The Group has no historical financial information relating to tanker activity upon which prospective investors can evaluate the Group's prior or likely future performance. The Company's fleet was contributed to it from Okeanis Marine Holdings S.A. (the "Sponsor"), a company controlled by Ioannis Alafouzou and Themistoklis Alafouzou. Although the Sponsor and its management have extensive experience in the shipping industry, the past performance of the Sponsor and its affiliates is not necessarily indicative of future results for the Company, and there can be no assurance that the Company will achieve comparable results, or that the returns generated by previous managed companies may be achieved by the Company. Moreover, the principal terms governing the Company may be different than those related to previous companies. The Company's strategy and risk tolerance may be impacted by such differences, and potential investors should therefore not place undue reliance on prior investment information and should take the foregoing additional risks into account in reviewing such information.

The Company is engaged in the crude tanker segment, which is a sector subject to significant risks and volatility. In particular, uncertainties in the financial markets, adverse effects from potential trade wars and/or restrictions, global economic slowdown and disruptions in the capital and credit markets may influence demand for oil and in turn, demand for crude tanker capacity, which may have an adverse effect on the Company's results of operations and financial condition. If the current crude tanker overcapacity persists or if crude freight rates remain at historically low levels, this could negatively affect the financial performance of the Company. Further, as a newly established company, there can be no assurance that the Company will be able to successfully execute its strategy or business plan. Also, the Group may employ its vessels under charter arrangements with a limited number of charterers. The solidity and performance of such counterparts may affect the results and financial conditions of the Group.

***The Group may only have a limited number of vessels and is vulnerable in the event of a loss of revenue of any such vessels***

The Group's fleet currently consists of seven vessels on the water and eight newbuildings with scheduled delivery from May 2019 and until December 2019. There is no certainty that the Company will acquire additional vessels in the future. In such event, the Company will have a limited asset base from the small number of vessels, and any failure to secure employment at satisfactory rates for such vessels will affect its results more significantly than for a company with a larger fleet and may have a material adverse effect on the earnings and value of the Group.

***The Group may not be able to enter into employment contracts on commercially satisfactory terms***

The Company's ability to obtain charter contracts for the Vessels will depend on the prevailing market conditions. There can be no assurance that the Company will be able to enter into employment contracts for all Vessels with commercially satisfactory terms. An inability or delay by the Company to generate charter hire from the Vessel will materially and adversely impact the Company's business and financial condition. Also, while fixing of vessels on charter contracts will secure earnings for the relevant period (subject to customary operational and counterparty risks), it will typically prevent the Company and the relevant vessel from taking part in and benefitting from any increase in charter rates during the relevant period. The market for crude tankers has historically seen very volatile charter rates and has over the last few years been depressed, mainly due to over-supply of oil tankers. No guarantee can be made that rates will increase to the level projected by the Company or that the future rates available to the Company will be sufficient to cover its costs. If such a situation persists for a substantial period, the Company earnings and available cash flow may be materially adversely affected. If the charter market remains weak, the Company may enter into contracts on less favourable terms than projected. This may have a material adverse impact on the financial condition of the Company and the second-hand value of the Vessels. Adverse developments in the crude oil tanker industry could negatively impact the Company and the

Company's results of operations and financial condition. The Company currently has four of its vessels on charter contacts with the same contractual party. The Company's financial performance may be subject to greater risk of loss than if its assets were more widely diversified, and the Company's vessels are on charter to a limited number of customers with resulting counterparty risk. The crude oil tanker industry is highly competitive and fragmented and includes several large owners and operators, as well as numerous smaller competitors, that compete in the markets the Company serves, or will serve, as well as numerous smaller companies. The Company may be unable to successfully compete with other vessel operators, some of which may have greater resources than the Company.

***The Group may not be able to obtain favourable contracts for its newbuilding tanker vessels***

If the Group is unable to secure contracts for its tanker vessels when newbuildings are delivered to the Group, the Group may idle or stack its units. When idled or stacked, tanker vessels do not earn revenues, but may continue to require cash expenditures for crews, fuel, insurance, berthing and associated items.

If the Group is not able to obtain contracts for its newbuilding tanker vessels, the Group's revenues and profitability could be adversely affected. The Group may also be required to accept more risk in areas other than price to secure a contract and the Group may be unable to push this risk down to other contractors or be unable or unwilling at competitive prices to insure against this risk, which will mean the risk will have to be managed by applying other controls. This could lead to the Group being unable to meet its liabilities in the event of a catastrophic event on one of the Group's vessels.

***The Group will have construction projects that could involve technical risks***

The Company has an ambitious newbuilding programme. All construction projects involve a degree of technical risk. Significant modifications or variations to the Vessels, unforeseen delays, technical issues, requests from clients or similar may involve risks of cost overruns compared to the contemplated budget and/or delays in delivery of such Vessels. The construction contracts may be terminated under various circumstances. The Yard's obligation to repay the instalments under the construction contracts in case of justified termination by the Company is secured by the refund guarantees, which may not adequately compensate the Company in the event of default by the Yard or the issuer of such guarantees might refuse to pay part or whole of the instalments paid. If the construction or delivery of the Vessels are delayed or not completed at all, there is a risk that the Company will not be able to implement its business plan which will materially and adversely impact the Company's business and financial condition.

The Company's fleet (newbuildings as well as the Vessels recently acquired) incorporate many technological and design features, such as new hull and propulsion designs, energy saving devices, de-rated electronic engines, scrubbers, and other equipment not previously tested. While the Company expects that vessels with such features will generate operational advantages and increased cost savings and, in turn, increase demand for their charters, there is no assurance that they will do so. If they do not generate the anticipated benefits, competition from vessels without these features, but with lower charter rates, could adversely affect the amount of charter hire payments the Company may receive for the vessels and, in turn, the return on investment on such vessels. As a result, the Company's business, financial condition and results of operations could be adversely affected.

***The success and growth of the Group's business depends on the level of activity in the offshore oil and gas industry generally, and the shipping industry specifically, which are both highly competitive and cyclical, with intense price competition***

The Group's business depends on the level of oil and gas exploration, development and production in offshore areas worldwide that is influenced by oil and gas prices and market expectations of potential changes in these prices. The crude tanker industry is cyclical with high volatility in charter hire rates and profitability.

Oil and gas prices are extremely volatile and are affected by numerous factors beyond the Group's control, including, but not limited to, the following:

- worldwide production of and demand for oil and gas and geographical dislocations in supply and demand;
- the cost of exploring for, developing, producing and delivering oil and gas;
- expectations regarding future energy prices and production;
- advances in exploration, development and production technology;
- the ability of the Organization of Petroleum Exporting Countries ("OPEC"), to set and maintain levels of production and pricing;

- the level of production in non-OPEC countries;
- international sanctions on oil-producing countries, or the lifting of such sanctions;
- government regulations, including restrictions on offshore transportation of oil and gas;
- local and international political, economic and weather conditions;
- domestic and foreign tax policies;
- the development and exploitation of alternative fuels and unconventional hydrocarbon production, including shale;
- worldwide economic and financial problems and the corresponding decline in the demand for oil and gas and, consequently, the Group's services;
- the policies of various governments regarding exploration and development of their oil and gas reserves, accidents, severe weather, natural disasters and other similar incidents relating to the oil and gas industry resulting from exposure to diverse sources, such as, *inter alia*, harsh environment, nautical and maritime operational risks, acts of piracy and terrorism; and
- the worldwide political and military environment, including uncertainty or instability resulting from an escalation or additional outbreak of armed hostilities or other crises in the Middle East, Eastern Europe or other geographic areas or further acts of terrorism in the United States, Europe or elsewhere.

Declines in oil and gas prices for an extended period of time, or market expectations of potential decreases in these prices, have negatively affected and could continue to negatively affect the Group's future performance.

Continued periods of low demand can cause excess vessel supply and intensify competition in the industry in which the Group operates. This can result in tanker vessels, particularly older and less technologically-advanced tanker vessels, being idle for long periods of time. The Group cannot predict the future level of demand for crude oil shipping or future conditions of the oil and gas industry with any degree of certainty. In response to the decrease in the prices of oil and gas, a number of oil and gas companies have announced significant decreases in budgeted expenditures for offshore shipping. Any future decrease in exploration, development or production expenditures by oil and gas companies could reduce the Group's revenues and materially harm its business.

In addition to oil and gas prices, the offshore shipping industry is influenced by additional factors, which could reduce demand for the Group's services and adversely affect its business, including:

- the availability and quality of competing offshore tanker vessels;
- the availability of debt financing on reasonable terms;
- the level of costs for associated offshore oilfield and construction services;
- oil and gas transportation costs;
- the level of vessel operating costs, including crew and maintenance;
- the discovery of new oil and gas reserves;
- the political and military environment of oil and gas reserve jurisdictions; and
- regulatory restrictions on offshore shipping.

The crude oil tanker industry is highly competitive and fragmented and includes several large companies that compete in the markets the Group serves. Crude oil tanker contracts are generally awarded on a competitive bid basis or through privately negotiated transactions. In determining which qualified tanker vessel contractor is awarded a contract, the key factors are pricing, vessel availability, vessel location, the condition and integrity of equipment, the vessel's and/or the vessel contractor's record of operating efficiency, including high operating uptime, technical specifications, safety performance record, crew experience, reputation, industry standing and customer relations. The Group's operations may be adversely affected if the Group's current competitors or new market entrants introduce new tanker vessel units with

better features, performance, prices or other characteristics compared to the Group's vessels, or expand into service areas where the Group operates.

Competitive pressures and other factors may result in significant price competition, particularly during industry downturns, which could have a material adverse effect on the Group's results of operations and financial condition.]

***The Group may not have sufficient liquidity to meet its obligations as they fall due or have the ability to raise new capital or loan facilities on acceptable terms***

The Group's future indebtedness that it may incur could affect the Group's future operations, since a portion of the Group's cash flow from operations will in such case be dedicated to the payment of interest and principal on such debt and will not be available for other purposes. Covenants contained in existing and future debt agreements will require the Group to meet certain financial tests and non-financial tests, which may affect the Group's flexibility in planning for, and reacting to, changes in its business or economic conditions, may limit the Group's ability to dispose of assets or place restrictions on the use of proceeds from such dispositions, withstand current or future economic or industry downturns, and compete with others in the Group's industry for strategic opportunities, and may limit the Group's ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate and other purposes.

The Group's ability to meet its potential debt service obligations and to fund planned expenditures will be dependent upon the Group's future performance, which will be subject to prevailing economic conditions, industry cycles and financial, business, regulatory and other factors affecting the Group's operations, many of which are beyond the Group's control. Its future cash flows may be insufficient to meet all the Group's financial obligations and contractual commitments, and any insufficiency could negatively impact the Group's business. To the extent that the Group is unable to repay any future indebtedness as it becomes due or at maturity, the Group may need to refinance its debt, raise new debt, sell assets or repay the debt with proceeds from equity offerings.

The Group's ability to obtain financing for any future newbuildings may be limited, and no assurance can be made that the Group will be able to raise new equity or arrange borrowing facilities at favourable terms, or at all. Any uncertainty relating to market conditions will affect the Company's ability to obtain financing.

***Financing agreements may contain restrictions***

The Group's financing agreements may contain financial covenants and restrictions. Failure to satisfy such conditions may entitle the relevant lender(s) to demand immediate repayment. Financing agreements may contain dividend restrictions and/or mass default provisions. Also, several of the financing agreements entered into by the Company (or relevant subsidiaries) contain change of control provisions which will trigger an event of default if Glafki together with all other entities or persons controlled by the Alafouzou family reduces its aggregate shareholding in the Company below a certain percentage, the strictest being 51 per cent.

***The Group may experience vessel downtime due to incidents or other unforeseen events***

The Group expects cash flow from tanker vessel operations, and incidents that may cause a vessel not to be in use over a period of time, may have an adverse effect on the Company's results of operations and financial condition. For example, in July 2018 the vessel "Kimolos" touched the bottom while under pilotage through the Suez Canal, where it experienced damage to the hull.

***The market value of the Group's newbuilding vessels may decrease***

The market values of crude oil tanker vessels may decline if the offshore contract shipping industry suffers adverse developments in the future. The fair market value of the Group's vessels, may fluctuate depending on a number of factors, including:

- the general economic and market conditions affecting the offshore shipping industry, including competition from other crude oil tanker companies;
- the types, sizes and ages of tanker vessels;
- the supply and demand for tanker vessels;
- the costs of newbuilding tanker vessels;
- the prevailing level of shipping services contract day rates;

- government or other regulations; and
- technological advances.

If tanker vessel values fall significantly, the Group may have to record an impairment adjustment in its consolidated financial statements, which could adversely affect the Group's financial results and condition.

***The Group is expected to rely on a small number of customers, and runs the risk of loss resulting from third party's default***

The Group's shipping business is expected to be subject to the risks associated with having a limited number of customers for the Group's services. In addition, mergers among oil and gas exploration and production companies have reduced, and may from time to time further reduce the number of available customers, which would increase the ability of potential customers to achieve pricing terms favourable to them. The Group's results of operations could be materially adversely affected if any of the Group's major customers fail to compensate it for the Group's services or take actions as outlined above.

The Group is subject to risks of loss resulting from non-payment or non-performance by the Group's customers and certain other third parties. Some of these customers and other parties may be highly leveraged and subject to their own operating and regulatory risks. If any key customers or other parties default on their obligations to the Group, the Group's financial results and condition could be adversely affected. Any material non-payment or non-performance by these entities, other key customers or certain other third parties could adversely affect other Group's financial position, results of operations and cash flows.

***It is expected that the Group's shipping contracts will contain fixed terms and day-rates, and consequently the Group may not fully recoup its costs in the event of a rise in expenses, including operating and maintenance costs and cost-overruns on newbuilding projects***

The Group's operating costs will generally be related to the number of vessels in operation and the cost level in each country or region where the vessels are located. A significant portion of the Group's operating costs may be fixed over the short term. Adverse fluctuations in the foreign exchange between USD and each respective currency might cause further increase in operating expenses.

As at the date of this Prospectus, the Group has an outstanding newbuilding order book with Hyundai Heavy Industries Co., Ltd. ("HHI") for eight VLCC vessels. These construction projects are subject to risks of delay or cost overruns inherent in any large construction project from numerous factors, including shortages of equipment, materials or skilled labour, unscheduled delays in the delivery of ordered materials and equipment or shipyard construction, the failure of equipment to meet quality and/or performance standards, financial or operating difficulties experienced by equipment vendors or the shipyard, unanticipated actual or purported change orders, the inability to obtain required permits or approvals, unanticipated cost increases between order and delivery, design or engineering changes, and work stoppages and other labour disputes, adverse weather conditions or any other events of force majeure, terrorist acts, war, piracy or civil unrest. Significant cost overruns or delays in completion and mobilisation of the vessels could adversely affect the Group's financial position, results of operations and cash flows. Additionally, failure to complete a project on time may result in the delay of revenue from the vessels. New tanker vessels may also experience start-up difficulties following delivery or other unexpected operational problems that could result in uncompensated downtime, which also could adversely affect the Group's financial position, results of operations and cash flows or the cancellation or termination of shipping contracts.

Equipment maintenance costs fluctuate depending upon the type of activity that the unit is performing and the age and condition of the equipment. The Group's operating expenses and maintenance costs depend on a variety of factors, including crew costs, provisions, equipment, insurance, maintenance and repairs, and shipyard costs, many of which are beyond the Group's control.

***The Group depends on directors who are associated with affiliated companies, which may create conflicts of interest***

Some of the Company's directors, officers and principal stockholders have affiliations with entities that have similar business activities to those that are planned to be conducted by the Company. Certain of the Company's directors are also directors of other shipping companies and they may enter similar businesses in the future. These other affiliations and business activities may give rise to certain conflicts of interest in the course of such individuals' affiliation with the Company. Such directors will, however, be expected to disclose any such conflicts as appropriate. Certain services to the Company will be performed, under contract, by companies related to some of the Company's directors, being a potential source to conflict of interest.

### ***The Company relies on third party managers***

The Company depends upon third party managers and their ability to provide construction management services and maritime management for the Vessels. While performance by such service providers is critical, and the Company will use its best efforts to select partners and monitor their performance, no assurances can be given in this respect. Any failure by any manager to perform its duties and obligations may adversely affect the construction, operations, performance and profitability of the Vessels, which in turn is likely to adversely affect the Group's business, financial results and condition.

### ***The Company's Board of Directors will have limited liability and a right of indemnification***

Subject to certain exclusions, the Company's service providers and the members of the board will have no liability for any loss to the Company or the investors arising in connection with the operation of the Company. Further, the Company will indemnify the foregoing persons against claims, liabilities, costs and expenses incurred by them by reason of their activities on behalf of the Company or the investors. Such limited liability and indemnification, if invoked, may affect the performance of the Company and the investor's returns. Because the Company was incorporated under the laws of the republic of the Marshall Islands, it may be difficult to serve the Company with legal process or enforce judgments against the Company, its directors or management.

### ***The Group's business and operations involve numerous operating hazards, and the Group will be required to take contractual risk in the Group's customer contracts and the Group may not be able to procure insurance to adequately cover potential losses***

The Group's operations will be subject to hazards inherent in the shipping industry, such as capsizing, sinking, grounding, collision, damage from severe weather and marine life infestations. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations. Operations may also be suspended because of machinery breakdowns, abnormal conditions, failure of subcontractors to perform or supply goods or services or personnel shortages. In line with standard industry practice, it is expected that the Group will provide contract indemnity to its customers for claims that could be asserted by the Group relating to damage to or loss of the Group's equipment, including vessels and claims that could be asserted by the Group or the Group's employees relating to personal injury or loss of life.

Damage to the environment could also result from the Group's operations, particularly through spillage of fuel, lubricants or other chemicals and substances used in shipping operations. The Group may also be subject to property, environmental and other damage claims.

In addition, a court may decide that certain indemnities in the Group's future contracts are not enforceable. Further, pollution and environmental risks generally are not totally insurable. If a significant accident or other event occurs that is not fully covered by the Group's insurance or an enforceable or recoverable indemnity from a customer, the occurrence could adversely affect the Group's performance. The amount recoverable under insurance may also be less than the related impact on enterprise value after a loss or not cover all potential consequences of an incident and include annual aggregate policy limits. As a result, the Group will retain the risk through self-insurance for any losses in excess of these limits. Any such lack of reimbursement may cause the Group to incur substantial costs.

No assurance can be made that the Group will be able to obtain and maintain adequate insurance in the future at rates that the Group considers reasonable, or that the Group will be able to obtain insurance against certain risks.

### ***Consolidation and governmental regulation of suppliers may increase the cost of obtaining supplies or restrict the Group's ability to obtain needed supplies***

The Group relies on certain third parties to provide supplies and services necessary for the Group's shipping operations, including, but not limited to, tanker equipment suppliers and machinery suppliers. With respect to certain items, the Group is dependent on the original equipment manufacturer for repair and replacement of the item or its spare parts. There may be a shortage of supplies and services, thereby increasing the cost of supplies and/or potentially inhibiting the ability of suppliers to deliver on time. These cost increases or delays could have a material adverse effect on the Group's results of operations and result in vessel downtime, and delays in the repair and maintenance of the Group's tanker vessels.

### ***The Group may be unable to obtain, maintain, and/or renew permits necessary for the Group's operations or experience delays in obtaining such permits including the class certifications of vessels***

The classification society certifies that the shipping unit is "in-class", signifying that such shipping unit has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the shipping unit's country of registry and the international conventions of which that country is a member. In addition,

where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake them on application or by official order, acting on behalf of the authorities concerned. The Group's future tanker vessels are expected to be certified as being "in class" by reputable classification societies and the relevant national authorities in the countries in which the Group's future tanker vessels will operate. If any shipping unit loses its flag, does not maintain its class and/or fails any periodical survey or special survey, the shipping unit will be unable to carry on operations and will be unemployable and uninsurable. Any such inability to carry on operations or be employed could have a material adverse impact on the results of operations.

***The international nature of the Group's operations involves additional risks including foreign government intervention in relevant markets***

The Group is operating in various regions throughout the world. As a result of its international operations, the Group is exposed to political and other uncertainties, particularly in less developed jurisdictions, including risks of:

- terrorist acts, armed hostilities, war and civil disturbances;
- acts of piracy, which have historically affected ocean-going vessels;
- significant governmental influence over many aspects of local economies;
- the seizure, nationalization or expropriation of property or equipment;
- uncertainty of outcome in foreign court proceedings;
- the repudiation, nullification, modification or renegotiation of contracts;
- limitations on insurance coverage, such as war risk coverage, in certain areas;
- political unrest;
- foreign and U.S. monetary policy and foreign currency fluctuations and devaluations;
- the inability to repatriate income or capital;
- complications associated with repairing and replacing equipment in remote locations;
- import-export quotas, wage and price controls, and the imposition of trade barriers;
- U.S. and foreign sanctions or trade embargoes;
- compliance with various jurisdictional regulatory or financial requirements;
- compliance with and changes to taxation;
- other forms of government regulation and economic conditions that are beyond the Group's control; and
- government corruption

In addition, international shipping operations are subject to various laws and regulations of the countries in which the Group will operate, including laws and regulations relating to:

- the equipping and operation of shipping units;
- exchange rates or exchange controls;
- the repatriation of foreign earnings;
- the taxation of earnings and the earnings of expatriate personnel; and
- the use and compensation of local employees and suppliers by foreign contractors.

Some foreign governments favour or effectively require (i) the use of a local agent or (ii) foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These practices may adversely affect the Group's ability to compete in those regions. It is difficult to predict what government regulations may be enacted in the future that could adversely affect the international shipping industry. The actions of foreign governments, including initiatives by OPEC, may adversely affect the Group's ability to compete. Failure to comply with applicable laws and regulations, including those relating to sanctions and export restrictions, may subject the Group to criminal sanctions or civil remedies, including fines, the denial of export privileges, injunctions or seizures of assets.

***Compliance with, and breach of, the complex laws and regulations governing international trade could be costly, expose the Group to liability and adversely affect the Group's operations***

The Group's business in the offshore shipping industry is affected by laws and regulations relating to the energy industry and the environment in the geographic areas where the Group will operate.

Accordingly, the Group is directly affected by the adoption of laws and regulations that, for economic, environmental or other policy reasons, curtail the shipment of oil and gas. The Group may be required to make significant capital expenditures or operational changes to comply with governmental laws and regulations. It is also possible that such laws and regulations may add significantly to the Group's operating costs or significantly limit shipping activity.

Import activities are governed by unique customs laws and regulations in each of the countries of operation. Moreover, many countries, including the United States, control the export and re-export of certain goods, services and technology and impose related export recordkeeping and reporting obligations.

The laws and regulations concerning import activity, export recordkeeping and reporting, export control and economic sanctions are complex and constantly changing. These laws and regulations may be enacted, amended, enforced or interpreted in a manner materially impacting the Group's operations. Shipments can be delayed and denied export or entry for a variety of reasons, some of which are outside the Group's control and some of which may result from the failure to comply with existing legal and regulatory regimes. Shipping delays or denials could cause unscheduled operational downtime. Any failure to comply with applicable legal and regulatory trading obligations could also result in criminal and civil penalties and sanctions, such as fines, imprisonment, debarment from government contracts, the seizure of shipments, and the loss of import and export privileges.

***The Group is subject to complex environmental laws and regulations that can adversely affect the cost, manner or feasibility of doing business***

All Vessels carry pollutants and the cargo of crude tankers is highly pollutant. Accordingly, there will always be certain environmental risks and potential liabilities involved in the ownership and operation of commercial shipping vessels. The international shipping industry is subject to increasingly stringent and demanding regulatory, environmental and operational requirements. While the Company's fleet is modern and designed to comply with all applicable conditions, the investments necessary and the expenses to be incurred in order to satisfy relevant rules going forward could be significant and potentially affect the profitability and financial results of the Company.

The Group's operations are subject to numerous international, national, state and local laws and regulations, treaties and conventions in force in international waters and the jurisdictions in which the Group's future tanker vessels are likely to operate or will be registered, which can significantly affect the ownership and future operation of the Group's future tanker vessels. These laws and other legal requirements include, but are not limited to, the U.S. Act to Prevent Pollution from Ships, the U.S. Oil Pollution Act of 1990 (the "OPA"), the U.S. Comprehensive Environmental Response, Compensation and Liability Act of 1980, the U.S. Clean Air Act, the U.S. Clean Water Act, the U.S. Ocean Dumping Act, 1972, the U.S. Maritime Transportation Security Act of 2002 and international conventions issued under the auspices of the United Nations International Maritime Organization including the International Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 as modified by the 1996 London Protocol, the International Convention for the Prevention of Pollution from Ships, 1973 as modified by the Protocol of 1978, the International Convention for the Safety of Life at Sea, 1974, and the International Convention on Load Lines, 1966. Compliance with such laws and other legal requirements may require vessels to be altered, costly equipment to be installed or operational changes to be implemented and may decrease the resale value or reduce the useful lives of the Group's vessels. Such compliance costs could have a material adverse effect on the Group's business, financial condition and results of operations. A failure to comply with applicable laws and other legal requirements may result in administrative and civil monetary fines and penalties, additional compliance plans or programs or other ongoing increased compliance costs, criminal sanctions or the suspension or termination of our operations. Because such laws and other legal requirements are often revised, the Company cannot predict the ultimate cost of complying with them or their impact on the resale prices or useful lives of the Group's vessels. Additional conventions, laws and regulations or other legal requirements may be adopted which could limit the Group's ability to do business or increase the cost of its doing business and which may materially adversely affect the Group's business, financial condition and results of operations.

Environmental laws often impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject us to liability without regard to whether the Group were negligent or at fault. Under OPA, for example, owners, operators and bareboat charterers are jointly and severally strictly liable for the discharge of oil within the 200-mile exclusive economic zone around the United States. Furthermore, environmental, safety, manning and other laws and legal requirements have become more stringent and impose greater costs on vessels after significant vessel related accidents like the grounding of the Exxon Valdez in 1989 and the explosion and oil spill in 2010 with respect to the Deepwater Horizon offshore oil drilling rig. Similar unpredictable events may result in further regulation of the shipping industry as well as modifications to statutory liability schemes, which could have a material adverse effect on the Group's business, financial condition and results of operations. An oil spill caused by one of the Group's vessels or attributed to one of the Group's vessels could result in significant company liability, including fines, penalties and criminal liability and remediation costs for natural resource and other damages under a variety of laws and legal requirements, as well as third-party damages.

The Group's vessels could cause the release of oil or hazardous substances. Any releases may be large in quantity, above the Group's permitted limits or occur in protected or sensitive areas where public interest groups or governmental authorities have special interests. Any releases of oil or hazardous substances could result in fines and other costs to the Group, such as costs to upgrade the Group's future tanker vessels, clean up the releases and comply with more stringent requirements in the Group's discharge permits. Moreover, these releases may result in the Group's customers or governmental authorities suspending or terminating the Group's operations in the affected area, which could have a material adverse effect on the Group's business, results of operations and financial condition.

If the Group is able to obtain from its customers some degree of contractual indemnification against pollution and environmental damages in the Group's contracts, such indemnification may not be enforceable in all instances or the customer may not be financially able to comply with its indemnity obligations in all cases, and the Group may not be able to obtain such indemnification agreements in the future. In addition, a court may decide that certain indemnities in the Group's contracts are not enforceable.

The Group is required by various governmental and quasi-governmental agencies to obtain certain permits, licenses, and certificates with respect to its operations and to satisfy insurance and financial responsibility requirements for potential oil (including marine fuel) spills and other pollution incidents. Any such insurance may not be sufficient to cover all such liabilities and it may be difficult to obtain adequate coverage on acceptable terms in certain market conditions. Claims against the Group's vessels whether covered by insurance or not may result in a material adverse effect on the Group's business, results of operations, cash flows and financial condition and the Group's ability to pay dividends, if any, in the future.

Although the Group's tanker vessels will be separately owned by a subsidiary of the Company, and any future additional tanker vessels are expected to be the same, under certain circumstances a parent company and all of the vessel-owning affiliates in a group under common control engaged in a joint venture could be held liable for damages or debts owed by one of the affiliates, including liabilities for oil spills. Therefore, it is possible that the Company could be subject to liability upon a judgment against the Group or any one of the Company's subsidiaries.

The Group may not obtain certain insurance coverage. Even if insurance is available and the Group has obtained the coverage, it may not be adequate to cover the Group's liabilities or the Group's insurance underwriters may be unable to pay compensation if a significant claim should occur. Any of these scenarios could have a material adverse effect on the Group's business, results of operations and financial condition.

***Failure to comply with international anti-corruption legislation, including the U.S. Foreign Corrupt Practices Act 1977 or the U.K. Bribery Act 2010, could result in fines, criminal penalties, damage to the Group's reputation and shipping contract terminations***

The Group is operating its vessels in a number of countries throughout the world, including some with developing economies. Also, the Group's business interaction with national oil companies as well as state or government-owned shipbuilding enterprises and financing agencies puts the Group in contact with persons who may be considered to be "foreign officials" under the U.S. Foreign Corrupt Practices Act of 1977 or the FCPA and the Bribery Act 2010 of the United Kingdom or the U.K. Bribery Act.

In order to effectively compete in some foreign jurisdictions, the Group may utilize local agents. All of these activities may involve interaction by the Group's agents with government officials. Even though some of the Group's agents and partners may not themselves be subject to the FCPA, the U.K. Bribery Act or other anti-bribery laws to which the Group may be subject, if the Group's agents or partners make improper payments to government officials or other persons in connection with engagements or partnerships with the Group, the Group could be investigated and potentially found

liable for violations of such anti-bribery laws and could incur civil and criminal penalties and other sanctions, which could have a material adverse effect on the Group's business and results of operation.

The Group seeks to abide by the strictest standards of compliance in accordance with best practice. The Company notwithstanding, the Group is subject to the risk that the Group or its affiliated companies or the Group's respective officers, directors, employees and/or agents may take actions determined to be in violation of anti-corruption laws, including the FCPA and the U.K. Bribery Act. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect the Group's business, results of operations or financial condition. In addition, actual or alleged violations could damage the Group's reputation and ability to do business.

***If the Group's vessels operate in countries that are subject to economic sanctions or other operating restrictions imposed by the United States or other governments, the Group's reputation and the market for the Group's debt and common shares could be adversely affected***

The Group's business could be adversely impacted if it is found to have violated economic sanctions, prohibitions or other restrictions imposed by the United States or other governments or organizations, including the United Nations, the E.U. and its member countries or another applicable jurisdiction against countries or territories such as Iran, Sudan, Syria North Korea, Cuba and Crimea. U.S. economic sanctions, for example, prohibit a wide scope of conduct, target numerous countries and individuals, are frequently updated or changed and have vague application in many situations.

Many economic sanctions can relate to the Group's business, including prohibitions on doing business with certain countries or governments, as well as prohibitions on dealings of any kind with entities and individuals that appear on sanctioned party lists issued by the United States, the E.U., and other jurisdictions (and, in some cases, entities owned or controlled by such listed entities and individuals). For example, on charterers' instructions, the Group's vessels may from time to time call on ports located in countries subject to sanctions imposed by the United States, the E.U. or other applicable jurisdictions. As another example, certain of the Group's charterers or other parties that the Group has entered into contracts with regarding its vessels may be affiliated with persons or entities that are the subject of sanctions imposed by the United States, the E.U. or other applicable jurisdictions as a result of the annexation of Crimea by Russia in 2014 or subsequent developments in eastern Ukraine. If the Group determine that such sanctions require it to terminate existing contracts or if the Group is found to be in violation of such applicable sanctions, the Group's results of operations may be adversely affected or it may suffer reputational harm.

The Group will strive to be in compliance with all applicable sanctions and embargo laws and regulations. However, there can be no assurance that the Group will maintain such compliance in the future, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations. Any such violation could result in fines or other penalties and could result in some investors deciding, or being required, to divest their interest, or not to invest, in the Shares. Additionally, some investors may decide to divest their interest, or not to invest in the Shares simply because the Group may do business with companies that do business in sanctioned countries. Moreover, the Group's charterers may violate applicable sanctions laws and regulations as a result of actions that do not involve the Group or its vessels, and those violations could in turn negatively affect the Group's reputation.

***An economic downturn could have a material adverse effect on the Group's revenue, profitability and financial position***

The Group is depending on its customers' willingness and ability to fund operating and capital expenditures own, charter and operate tanker vessels, and to purchase related equipment. The world economy is currently facing a number of challenges. Concerns persist regarding the debt burden of certain European countries and their ability to meet future financial obligations and the overall stability of the euro. A renewed period of adverse development in the outlook for the financial stability of European countries, or market perceptions concerning these and related issues, could reduce the overall demand for the Group's services and thereby could affect the Group's financial position, results of operations and cash available for distribution. In addition, turmoil and hostilities in the Ukraine, North Korea, the Middle East, North Africa and other geographic areas and countries are adding to the overall risk picture. Negative developments in worldwide financial and economic conditions could further cause the Group's ability to access the capital markets to be severely restricted at a time when the Group would like, or need, to access such markets, which could impact the Group's ability to react to changing economic and business conditions. Worldwide economic conditions have in the past impacted, and could in the future impact, lenders willingness to provide credit facilities to the Group's prospective customers, causing them to fail to meet their obligations to the Group. In June 2016, the U.K. voted to exit from the European Union (commonly referred to as Brexit). The impact of Brexit and the resulting U.K. and European relationship are uncertain for companies doing business both in the U.K. and the overall global economy. An extended period of adverse development in the outlook for the world economy could also reduce the overall demand for oil and gas and for the Group's services. Such changes could adversely affect the Group's results of operations and cash flows beyond what might be offset by the simultaneous impact of possibly higher oil and gas prices.

The Group's business is capital intensive and will need to raise additional funds through public or private debt or equity offerings to fund its capital expenditures. The Group's ability to access the capital markets may be limited by the Group's financial condition at the time, by changes in laws and regulations or interpretations thereof and by adverse market conditions resulting from, among other things, general economic conditions and contingencies and uncertainties that are beyond the Group's control.

Any reductions in the shipping activity by the Group's customers may not be uniform across different geographic regions. Locations where costs of crude oil tanker shipping are relatively higher, may be subject to greater reductions in activity. Such reductions in high cost regions may lead to the relocation of tanker vessels.

If potential lenders are not confident that the Group is able to employ its assets, the Group may be unable to secure additional financing on terms acceptable to the Group or at all for the remaining instalment payments the Group is obligated to make before the delivery of any further newbuilding orders and the Group's other capital requirements.

***Failure to obtain or retain highly skilled personnel, and to ensure they have the correct visas and permits to work in the locations in which they are required, could adversely affect the Group's operations***

The Group requires highly skilled personnel in the right locations to operate and provide technical services and support for the Group's business. Notwithstanding the general downturn in the shipping industry, in some regions, such as Brazil and Western Africa, the limited availability of qualified personnel in combination with local regulations focusing on crew composition, are expected to further increase the demand for qualified offshore shipping crews, which may increase the Group's costs. These factors could further create and intensify upward pressure on wages and make it more difficult to staff the Group and to service its vessels. Such developments could adversely affect the Group's financial results and cash flow.

The Group's ability to operate worldwide depends on its ability to obtain the necessary visas and work permits for personnel provided to the Group to travel in and out of, and to work in, the jurisdictions in which the Group operates. Governmental actions in some of the jurisdictions in which the Group operates may make it difficult for the Group to move personnel in and out of these jurisdictions by delaying or withholding the approval of these permits. If it is not possible to obtain visas and work permits for the employees the Group needs for operating its vessels on a timely basis, or for third-party technicians needed for maintenance or repairs, the Group might not be able to perform its obligations under the Group's shipping contracts, which could allow the Group's customers to cancel the contracts.

***Risks related to the shipping finance markets in which the Group operates***

Shipping finance markets, including debt and equity markets, have been challenging over the last few years. There are only a limited number of financial institutions active in the ship lending business and as a result the Company might only be able to secure debt financing at more adverse terms than described in this Prospectus or not secure any debt financing at all. Moreover, the Company might not have access to equity and/or credit markets, which could further restrict the availability of financing available to them. The resultant lack of available financing and/or higher financing costs and more onerous terms may materially impact on the Company's ability to further expand its fleet.

***Interest rate fluctuations could affect the Group's earnings and cash flow***

The Group will incur significant amounts of debt to finance its growth. All or some of the Group's debt arrangements are expected to have floating interest rates. As such, significant movements in interest rates could have an adverse effect on the Group's earnings and cash flow. In order to manage the Group's exposure to interest rate fluctuations, the Group may use interest rate swaps to effectively fix a part of any floating rate debt obligations. If the Group is unable to effectively manage its interest rate exposure, any increase in market interest rates would increase the Group's interest rate exposure and debt service obligations.

***Fluctuations in exchange rates and the non-convertibility of currencies could result in losses to the Group***

As a result of the Group's international operations, the Group will be exposed to fluctuations in foreign exchange rates due to operating expenses paid in currencies that could be other than U.S. dollars. Accordingly, the Group may experience currency exchange losses if it has not adequately hedged its exposure to a foreign currency, or if revenues are received in currencies that are not readily convertible. The Group may also be unable to collect revenues because of a shortage of convertible currency available in the country of operation, controls over currency exchange or controls over the repatriation of income or capital.

The Group uses the U.S. dollar as its functional currency because the majority of the Group's revenues and expenses are expected to be denominated in U.S. dollars. Accordingly, the Group's reporting currency is also U.S. dollars. The Group is

expected to incur expenses in other currencies and there is a risk that currency fluctuations could have an adverse effect on the Group's statements of operations and cash flows.

Brexit, or similar events in other jurisdictions, can impact global markets, excluding foreign exchange and securities markets, which may have an adverse impact on the Group's business and operations as a result of changes in currency, exchange rates, tariffs, treaties and other regulatory matters.

***A change in tax laws in any country in which the Group will operate could result in higher tax expense***

The Group has operations worldwide. Tax laws, regulations and treaties are highly complex and subject to interpretation. Consequently, the Group is subject to changing tax laws, regulations and treaties in and between the countries in which it operates, which could result in a materially high tax expense or higher effective tax rate on the Group's worldwide earnings, and such change could be significant to its financial results. The Group's income tax expense will be based upon the Group's interpretation of the tax laws in effect in various countries at the time that the income is incurred. Changes in taxation law or the interpretation of taxation law may impact the business, results of operations and financial condition of the Company. To the extent tax rules change, this could have both a prospective and retrospective impact on the Company both of which could be material. If any tax authority were to successfully challenge the Company's corporate or operational structure, taxable pretence or similar circumstances, the Company's effective tax rate could increase substantially and the Company's earnings and cash flows from operations could be materially adversely affected.

Furthermore, the Group's income tax returns may be subject to local tax reviews. If tax authorities in any way challenge the Group's intercompany pricing policies and/or operating structures successfully, the Group's effective tax rate may increase considerably resulting in earnings and cash flow from operations being materially impacted.

The Group may be subject to taxation in the jurisdictions in which its conducts business. Such taxation would result in decreased earnings.

Investors are encouraged to consult their own tax advisors concerning the overall tax consequences of the ownership of our common stock arising in an investor's particular situation under U.S. federal, state, local and foreign law.

***Climate change and the regulation of greenhouse gases could have a negative impact on the Group's business***

Due to concern over the risk of climate change, a number of countries and the International Maritime Organization (the "IMO") have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions. Currently, the emissions of greenhouse gases from international shipping are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which entered into force in 2005 and pursuant to which adopting countries have been required to implement national programs to reduce greenhouse gas emissions or the Paris Agreement, which resulted from the 2015 United Nations Framework Convention on Climate Change conference in Paris and entered into force on 4 November 2016. As at 1 January 2013, all ships (including tanker vessels) must comply with mandatory requirements adopted by the IMO's Maritime Environment Protection Committee (the "MEPC"). A roadmap for a "comprehensive IMO strategy on a reduction of GHG emissions from ships" was also approved by MEPC at its 70th session in October 2016. These requirements could cause the Group to incur additional compliance costs.

In addition, the European Union has indicated that it intends to propose an expansion of the existing European Union Emissions Trading Scheme to include emissions of greenhouse gases from marine vessels. In April 2015, a regulation was adopted requiring that large ships (over 5,000 gross tons) calling at European Union ports from January 2018 collect and publish data on carbon dioxide emissions and other information. In the United States, the Environmental Protection Agency (the "EPA"), has issued a finding that greenhouse gases endanger the public health and safety and has adopted regulations to limit greenhouse gas emissions from certain mobile sources and large stationary sources. In the United States, individual states can also enact environmental regulations. For example, California has introduced caps for greenhouse gas emission and, in the end of 2016, signalled it might take additional actions regarding climate change.

Compliance with changes in laws, regulations and obligations relating to climate change could increase the Group's costs related to operating and maintaining the Group's assets, and might also require the Group to install new emission controls, acquire allowances or pay taxes related to the Group's greenhouse gas emissions, or administer and manage a greenhouse gas emissions program. Any passage of climate control legislation or other regulatory initiatives by the IMO, the European Union, the United States or other countries in which we operate, or any treaty adopted at the international level to succeed the Kyoto Protocol, which restricts emissions of greenhouse gases, could require the Group to make significant financial expenditures which the Group cannot predict with certainty at this time.

***Acts of terrorism, piracy, cyber-attack, political and social unrest could affect the markets for shipping services, which may have a material adverse effect on the Group's results of operations***

Acts of terrorism, piracy, and political and social unrest, brought about by world political events or otherwise, have caused instability in the world's financial and insurance markets in the past and may occur in the future. Such acts could be directed against companies such as OET. The Group's shipping operations could also be targeted by acts of sabotage carried out by environmental activist groups.

The Group will rely on information technology systems and networks in its operations and administration of the Group's business. The Group's shipping operations or other business operations could be targeted by individuals or groups seeking to sabotage or disrupt the Group's information technology systems and networks, or to steal data. A successful cyber-attack could materially disrupt the Group's operations, including the safety of the Group's operations, or lead to an unauthorized release of information or alteration of information on the Group's systems. Any such attack or other breach of the Group's information technology systems could have a material adverse effect on the Group's business and results of operations.

In addition, acts of terrorism and social unrest could lead to increased volatility in prices for crude oil and natural gas and could affect the markets for shipping services and result in lower day rates. Insurance premiums could also increase and coverage may be unavailable in the future. Increased insurance costs or increased costs of compliance with applicable regulations may have a material adverse effect on the Group's results of operations. While the Company has taken out customary insurance to cover exposure, insurance may not or be available or provide sufficient coverage.

***The Group may be subject to litigation, arbitration and other proceedings that could have an adverse effect on the Group***

The Group anticipates that it will be involved in litigation matters from time to time in the future. The operating hazards inherent in the Group's business expose the Group to litigation, including personal injury litigation, environmental litigation, contractual litigation with customers, intellectual property litigation, tax or securities litigation and maritime lawsuits, including the possible arrest of the Group's vessels. The Group cannot predict with certainty the outcome or effect of any claim or other litigation matter, or a combination of these. If the Group is involved in any future litigation, or if the Group's positions concerning current disputes are found to be incorrect, there may be an adverse effect on the Group's business, financial position, results of operations and available cash, because of potential negative outcomes, the costs associated with asserting the Group's claims or defending such lawsuits, and the diversion of management's attention to these matters.

The Group may also be subject to significant legal costs in defending these actions, which we may or may not be able to recoup depending on the results of such claim.

## **2.2 Risks Relating to the Listing and the Shares**

***The price of the Shares may fluctuate significantly***

The trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions. The market price of the Shares may further be subject to significant fluctuations in response to actual or anticipated variations in the Company's operating results and/or those of its competitors, adverse business developments, changes in financial environment in which the Company operates, macro-economic developments, changes in financial estimates by securities analysts, and the actual or expected sale of a large number of Shares, as well as other factors.

In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of its Shares.

***Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares***

It is possible that the Company may decide to offer additional shares or other securities in order to finance new capital-intensive investments in the future. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

### ***The Company may not pay dividends***

Pursuant to the Company's dividend policy, dividends are only expected to be paid when certain conditions described in Section 12 "Dividend and Dividend Policy" are fulfilled. Dividend distributions from the Company to its shareholders may be limited due to restrictions of the ability of the vessel-owning subsidiaries to upstream funds to the Company. In addition, the Company may choose not to, or may be unable, to pay dividends. The amount of dividends paid by the Company, if any, for a given financial period, will depend on, among other things, the Company's future operating results, cash flows, financial position, capital requirements, the sufficiency of its distributable reserves, the ability of the Company's subsidiaries to pay dividends to the Company, credit terms, general economic conditions, legal restrictions (as set out in Section 12.2 "Legal Constraints on the Distribution of Dividends") and other factors that the Company may deem to be significant from time to time.

### ***There are certain risks connected to the shares being registered in the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) ("VPS")***

The shares listed on the Oslo Stock Exchange are for the purpose of Marshall Islands company law, registered in the Company's register of members in the name of DNB Bank ASA (the "VPS Registrar"), which holds the shares as a nominee on behalf of the beneficial owners. For the purpose of enabling trading of shares on the Oslo Stock Exchange, the Company maintains a register in the VPS, where the beneficial ownership interests in the shares and transfer of such beneficial ownership interests are recorded.

The Company has entered into a registrar agreement with the VPS Registrar where the VPS Registrar is appointed as registrar and nominee, in order to provide for the registration of each investor's beneficial ownership in the shares in the VPS on investors' individual VPS accounts.

In accordance with market practice in Norway and system requirements of the VPS, the beneficial ownership of investors is registered in the VPS under the name of a "share" and the beneficial ownership is listed and traded on the Oslo Stock Exchange as "shares" in the Company. Investors who purchase shares (although recorded as owners of the shares in the VPS) will have no direct rights against the Company.

Each VPS-registered share represents evidence of beneficial ownership of one of the shares for the purposes of Norwegian law, however such ownership would not necessarily be recognized by a Marshall Island court or other court. The VPS-registered shares are freely transferable with delivery and settlement through the VPS-system. Investors must look to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the shares and for all other rights arising in respect of the shares.

### ***Investors may not be able to exercise their voting rights for Shares registered in a nominee account***

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is (a) re-registered in their names with the VPS, as the branch register, or in the shares register maintained by the Company, prior to the Company's general meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided for in the Company's bylaws (the "Bylaws") in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their Shares through a nominee arrangement should consult the nominee to ensure that any Shares beneficially held are voted for in the manner desired by such beneficial owner.

### ***Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors***

The Company is incorporated under the laws of the Republic of Marshall Islands and the majority of its current directors and executive officers reside outside the United States. Furthermore, most of the Company's assets and most of the assets of the Company's directors and executive officers are expected to be located outside the United States. As a result, investors may be unable to effect service of process on the Company or its directors and executive officers or enforce judgments obtained in the United States courts against the Company or such persons in the United States, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

### ***The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions***

The Shares are freely transferable and may be pledged, subject to the following: shareholders may be subject to purchase or transfer restrictions with regard to the Shares, as applicable from time to time under local laws to which a

shareholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each shareholder must ensure compliance with local laws and regulations applicable at own cost and expense.

The Shares have not been registered under the U.S. Securities Act (the “**U.S. Securities Act**”) or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable securities laws. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

***Shareholders are subject to currency risk***

The Shares listed are traded in NOK while the majority of the Company’s transactions, assets and liabilities are denominated in USD, its functional currency. Accordingly, an investor should consider the exposure towards the risk of fluctuations in the exchange rate between the two currencies.

### **3. RESPONSIBILITY STATEMENT**

The Board of Directors of Okeanis Eco Tankers Corp. accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

28 February 2018

**The Board of Directors of Okeanis Eco Tankers Corp.**

Ioannis A. Alafouzos (Chairman)

John Kittmer (Director)

Charlotte Stratos (Director)

Joshua Nemser (Director)

Daniel Gold (Director)

Robert Knapp (Director)

## 4. GENERAL INFORMATION

*This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Prospectus. You should read this information carefully before continuing.*

### 4.1 Cautionary Note Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance. These Forward-looking Statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These Forward-looking Statements are not historical facts. They appear in a number of places throughout this Prospectus; Section 5 "Business Overview", Section 6 "Industry Overview" and Section 12 "Dividend and Dividend Policy" and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Prospectus and, in particular, Section 2 "Risk Factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Shares.

Except as required according to Section 7-15 of the Norwegian Securities Trading Act, the Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

### 4.2 Presentation of Industry Data and Other Information

#### Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Company operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts; in addition to market data from other external and publicly available sources, including market data from BP Statistical Review of World Energy and Clarkson's Intelligence Network, as well as the Company's knowledge of the markets.

Market data from BP Statistical Review of World Energy is publicly available and can be obtained through the website of BP ([www.bp.com](http://www.bp.com)). Market data from Clarkson's Intelligence Network is not publicly available, but can be obtained against payment through Clarkson's Intelligence Network's website [www.clarksons.net](http://www.clarksons.net).

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above mentioned data.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company does not assume or intend to assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on those data may not be reliable indicators of future results.

### Vessel Valuation Report

The information and data contained in the vessel valuation report relating to the Company's vessels in this Prospectus have been provided by Arrow Valuations at the request of the Company. Arrow Valuations is an independent and specialized ship brokerage firm with no material interests in the Company. The address of Arrow Valuations is Octavia House, the Boulevard, Imperial Wharf, London SW6 2UB. Arrow Valuations have given their consent to the inclusion of the vessel valuation reports in this Prospectus.

Because the Company applies the historical cost basis for its vessels in its financial statements, there are differences of the valuation figure included in the vessel valuation report (setting out approximate fair and reasonable values), and the equivalent figure included in the Company's financial statements. The differences are set out below:

<u>Vessel</u>	<u>Book Value</u>	<u>Fair Market Value</u>	<u>Difference</u>
Nissos Therassia	45,210,542	43,000,000	4,210,542
Nissos Heraclea	45,730,567	43,000,000	5,730,567
Nissos Schinoussa	46,148,305	43,000,000	6,148,305
Milos	62,618,302	58,000,000	6,618,302
Poliegos	63,629,909	61,000,000	4,629,909
Kimolos	68,018,054	64,000,000	7,018,054
Folegandros	68,015,153	64,000,000	7,015,153
<b>Total</b>	<b>399,370,832</b>	<b>376,000,000</b>	<b>41,370,832</b>

The vessels were purchased in relative better market conditions compared to the market conditions present when the valuation report was received. The SBC values were higher than the current newbuilding contract values, therefore, despite the accumulated depreciation, there is some difference between the book value and the fair market value of the vessels. The shipping industry is considered volatile, and differences between book values and fair market values are not uncommon.

The valuation report relating to the Company's vessels is as of 31 December 2018. There have not been material changes to the values since this date. See Appendix D – Valuation Report to this Prospectus for further information about the basis of preparation of the vessel valuation report.

## Financial Information

The Company was incorporated on 30 April 2018 under the laws of the Republic of the Marshall Islands. On 28 June 2018, all of the shares in 15 single purpose companies (the “SPV’s”) and OET Chartering Inc., were transferred to the Company from Okeanis Marine Holding (“OMH”), a holding company controlled by the Alafouzos family. Control was established from the time the Company had the power to govern the financial and operating policies of the contributed SPV’s, so as to accrue benefits from their activities. The Company was admitted to trading on Merkur Market on 3 July 2018.

The eco fleet of OMH was contributed to the Company as a payment in-kind transaction where OMH received shares in the Company in return. The Alafouzos family fully owned OMH and, as of the date of this Prospectus, holds a stake of 54.75% in the Company. Both the Company and the contributed SPV’s were entities under common control prior to the acquisition and therefore, the acquisition was a transaction between entities under common control. Accordingly, upon acquisition, the assets and liabilities of the contributed SPV’s were recorded at their book values.

In the absence of explicit accounting guidance on common control transaction, an issuer can look at other accounting framework for guidance. US GAAP (ASC 805), for instance, states specifically that for common control transactions the assets and liabilities of the acquire (in this case OMH) are transferred at the acquirer’s (in this case the Company’s) books at their historical amounts without having to apply purchase accounting.

For further information, please also refer to “Note 3 - Basis of Consolidation” included in Appendix A - Financial Statements to this Prospectus.

### *Complex financial history assessment*

Because the shares in the SPV’s were contributed to the Company by both OMH, and directly from Ioannis Alafouzos and Themistoklis Alafouzos in exchange for the issuance of 15,990,000 ordinary shares in the Company, the Company is deemed to have complex financial history. The historical financial information of OMH for the preceding periods does therefore not represent the business in its current structure. As mentioned above, the operational activities of the Group going forward are those of the Company which is historically reflected in the carved-out combined financial statements of OMH.

Therefore, the financial information of the Company included in this Prospectus is as follows:

- the consolidated audited financial statement of the Company for the period from in its incorporation, 30 April 2018, to 30 September 2018; and
- the carve-out combined audited financial statements of the eco tanker fleet of OMH for the years ended 31 December 2016 and 2017.

The above mentioned audited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (the “IASB”) as effective at time of reporting.

The Company notes that the application of the following standards require greater attention:

- IFRS 9 was applied in the consolidated audited financial statements of the Company for the period from its incorporation, 30 April 2018, to 30 September 2018, and the effect was negligible. The Company does not treat any account balances differently under the new standard compared to what was done under IAS 39. In the carve-out combined audited financial statements of the eco tanker fleet of OMH for the years ended 31 December 2016 and 2017, the standard was not effective as it came into effect on 1 January 2018.
- IFRS 15 was applied in the consolidated audited financial statement of the Company for the period from its incorporation, 30 April 2018, to 30 September 2018. With regard to the carve-out combined audited financial statements of the eco tanker fleet of OMH for the years ended 31 December 2016 and 2017 the application of IFRS was not applied. The effect of such application would have been immaterial and the basis of preparation, carve-out, was applied rather than re-perform the audit procedures.
- IFRS 16 came into effect on 1 January 2019 and will be applied in the financial statements issued after 1 January 2019. The comparative figures of prior years will be re-instated accordingly. In the carve-out combined audited financial statements of the eco tanker fleet of OMH for the years ended 31 December 2016 and 2017, the Company elected not to early adopt.

The consolidated financial statements are expressed in United States Dollars (USD) (presentation currency) since this is the currency in which the majority of the Group's transactions are denominated.

The consolidated financial statements have been prepared on the historical cost basis.

#### **Alternative Performance Measures (Non-IFRS Measures)**

In this Prospectus, the Group has used basic alternative performance measures ("APMs") like EBITDA, NIBD and EBIT. The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenue or operating profit, as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Group believes that these APMs are commonly reported by companies in the market in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly depending upon accounting methods or based on non-operating factors. Accordingly, the Group discloses the non-IFRS financial measures presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debts. Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

#### **Other Information**

In this Prospectus, all references to "NOK" are to the lawful currency of Norway, all references to "EUR" are to the lawful currency of the EU and all references to "U.S. dollar", "US\$", "USD", or "\$" are to the lawful currency of the United States of America.

In this Prospectus all references to "EU" are to the European Union and its Member States as of the date of this Prospectus; all references to "EEA" are to the European Economic Area and its member states as of the date of this Prospectus; and all references to "US", "U.S." or "United States" are to the United States of America.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly.

## 5. BUSINESS OVERVIEW

This Section provides an overview of the business of the Group as of the date of this Prospectus. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Prospectus, in particular Section 2 "Risk Factors".

### 5.1 Operations and Principle Activities

#### Introduction

The Company is a newly established international tanker company in the crude oil shipping industry, with the ambition to (directly or through wholly- or partially owned entities) own, charter out and operate tanker vessels. The Company owns, through its vessel owning subsidiaries, the SPV's, a fleet of seven tanker vessels and has eight tanker vessels on order. The sailing fleet consists of three modern LR2 Aframax tankers and four modern Suezmax tankers, while the newbuilding fleet consists of eight VLCC tankers. Among the factors that are believed to separate the Company from other tanker owners is its focus on "future proof" vessels built to ECO standards that consume less bunker fuel than conventional tanker vessels, being equipped with (or to be retrofitted prior to January 2020 with) exhaust gas cleaning systems ("scrubbers"), being built to comply with regulations for ballast water treatment, and the view that new maritime regulations, in particular the IMO 2020 Sulphur Cap regulations, will have a strong impact on the maritime industry and will favour the companies that are equipped to meet these regulations.

#### Management Structure

The Company does not have any employees, but receives corporate and commercial management services through a wholly-owned subsidiary, OET Chartering Inc. Technical management of the Group's fleet and services related to newbuilding construction and supervision, are purchased from Kyklades Maritime Corporation ("Kyklades"), a company fully owned by the Alafouzou family and hence related to the Company's founders. For in depth descriptions of the Company's charter and management agreements please see Section 5.4- "Material Contracts" and Section 11 "Related Party Transactions".

#### Fleet

As of the date of this Prospectus, the Company's fleet comprises seven tanker vessels (three Aframax and four Suezmax) on the water and eight tanker vessels (VLCC) on order. The vessels are and will be subject to a mix of time charter contracts and spot charters, thereby having a combination of secured earnings and market exposure. Of the three Aframax tankers, two trade on the spot market while one is on charter through early 2020. Of the four suezmax tankers, two are currently on charters, with one of them extending into Q2 2019 and one into Q1 2020. Of the eight VLCC newbuildings, four will be on long-term charters, while four will be open for spot market employment upon delivery. The Company intends to trade its fleet worldwide within international warranties limits ("WIWL").

The following table sets forth key information in respect of the Company's fleet of seven sailing vessels and eight newbuildings on order, all built with ballast water treatment system ("BWTS") and eco-standards ("ECO"). All of the vessels will have scrubbers installed by January 2020 when the IMO 2020 Sulphur Cap regulations come into force.

Type/name	Yard	Built	DWT	Scrubber?	BWTS?	ECO?	Employment	Expiry
<b>Aframax</b>								
Nissos Therassia	HHI, S. Korea	2015	114,322	Yes, in Q3 2019	Yes	Yes	Spot	-
Nissos Heraclea	HHI, S. Korea	2015	114,332	Yes, on T/C redelivery	Yes	Yes	T/C	03/20
Nissos Schinoussa	HHI, S. Korea	2015	114,445	Yes, in Q3 2019	Yes	Yes	Spot	-
<b>Suezmax</b>								
Milos	Sungdong, S. Korea	2016	157,537	Yes, in Q2 2019	Yes	Yes	T/C + Profit Share	04/20

Poliegos	Sungdong, S. Korea	2017	157,537	Yes, in Q2 2019	Yes	Yes	Spot	-
Kimolos	Japan Marine, Japan	2018	159,159	Yes, in Q3 2019	Yes	Yes	T/C	05/19
Folegandros	Japan Marine, Japan	2018	159,159	Yes, in Q3 2019	Yes	Yes	Spot	-
<b>VLCC</b>								
Nissos Rhenia (Hull 3012)	HHI, S. Korea	04/19	318,953	Yes, fitted	Yes	Yes	T/C	04/24
Nissos Despotiko (Hull 3013)	HHI, S. Korea	05/19	318,953	Yes, fitted	Yes	Yes	T/C	05/24
Nissos Santorini (Hull 3014)	HHI, S. Korea	06/19	318,953	Yes, fitted	Yes	Yes	T/C	06/24
Nissos Antiparos (Hull 3015)	HHI, S. Korea	07/19	318,953	Yes, fitted	Yes	Yes	T/C	07/24
Hull 3050	HHI, S. Korea	08/19	318,953	Yes, fitted	Yes	Yes	Spot	-
Hull 3051	HHI, S. Korea	09/19	318,953	Yes, fitted	Yes	Yes	Spot	-
Hull 3089	HHI, S. Korea	10/19	318,953	Yes, fitted	Yes	Yes	Spot	-
Hull 3090	HHI, S. Korea	12/19	318,953	Yes, fitted	Yes	Yes	Spot	-

T/C: A charter under which a customer pays a fixed daily rate for a fixed period of time for use of the vessel. Subject to any restrictions in the charter, the customer decides the type and quantity of cargo to be carried and the ports of loading and unloading. The customer pays the voyage expenses such as fuel, canal tolls, and port charges. The shipowner pays all vessel operating expenses such as the management expenses, crew costs and vessel insurance.

T/C + Profit Share: A T/C where the customer pays a base daily rate, plus a share of the profits of the vessel that exceeds the base daily rate.

Spot: A charter under which a shipowner hires out a ship for a specific voyage between the loading port and the discharging port. The shipowner is responsible for paying both ship operating expenses and voyage expenses. Typically, the customer is responsible for any delay at the loading or discharging ports. The shipowner is paid freight on the basis of the cargo movement between ports.

### Competition

The crude oil tanker market is highly fragmented and competitive, with market participants ranging from large corporations such as Frontline Ltd., Euronav NV, DHT Holdings, Nordic American Tankers, International Seaways and Teekay Tankers, to small, private individual shipowners. Okeanis has one of the youngest<sup>1</sup> and most advanced fleets in the world comprising eco vessels that comply with all IMO regulations. Therefore, Okeanis diversifies itself from the majority of tanker shipping companies, providing the competitive advantage of being a preferred partner to oil majors and independent traders.

<sup>1</sup> Source: Shipping Intelligence Network (Clarkson's)

## Regulatory and Environmental Matters

The Company's operations are subject to numerous laws and regulations in the form of international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which its vessels operate or are registered, which can significantly affect the ownership and operation of its vessels. These requirements include European Union regulations, the OPA, requirements of the U.S. Coast Guard and the EPA, the U.S. Clean Air Act, the U.S. Clean Water Act, the IMO, International Convention on Civil Liability for Oil Pollution Damage of 1969 (the "CLC"), as from time to time amended, the IMO International Convention on Civil Liability for Bunker Oil Pollution Damage, the IMO International Convention for the Prevention of Pollution from Ships of 1973 ("MARPOL"), as from time to time amended, including the designation of Emission Control Areas thereunder, the IMO International Convention for the Safety of Life at Sea of 1974 ("SOLAS"), as from time to time amended, the IMO International Convention on Load Lines of 1966, as from time to time amended, and the U.S. Maritime Transportation Security Act of 2002. Compliance with such laws and regulations, where applicable, may require installation of costly equipment or operational changes and may affect the resale value or useful lives of the Company's vessels.

The International Convention for the Control and Management of Ships' Ballast Water and Sediments (the "BWM Convention"), adopted by the UN International Maritime Organization in February 2004, calls for the phased introduction of mandatory reducing living organism limits in ballast water over time. In general, ships whose keel was laid after 8 September 2017 must comply with these requirements upon their delivery, while existing ships must comply by the first renewal of the International Oil Pollution Prevention certificate (the "IOPP") after 8 September 2019. Although the BWM Convention took effect on 8 September 2017 (or after 8 September 2019 in case no IOPP renewal has been credited between 8 September 2014 and 8 September 2017), it has not been ratified by the United States. The United States Coast Guard (the "USCG"), however, has adopted ballast water treatment regulations that impose ballast water discharge standards similar to those of the BWM Convention. The USCG has created mandatory testing procedures to prove a ballast water management system meets the USCG's discharge standards. The USCG has so far approved six mechanical systems that satisfy the USCG's regulations on ballast water treatment. The USCG previously provided five year waivers to vessels already fitted with the as-yet unapproved system from their scheduled compliance date. The USCG also provides extensions to compliance for vessels not presently fitted with ballast water treatment systems, with such extensions generally bringing USCG compliance dates closer to relevant requirements by BWM Convention. Vessels now requiring such a waiver will need to show why they cannot install the ballast water treatment. Compliance with such laws and regulations may require the Company to obtain certain permits or authorizations prior to commencing operations.

Further, the Group's vessels must be "classed" by a classification society. The classification society certifies that the vessels are "in-class," signifying that such vessel has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the flag state and the international conventions of which that country is a member. Maintenance of class certification requires expenditure of substantial sums, and can require taking a tanker vessel out of service from time to time for repairs or modifications to meet class requirements.

### 5.2 History and Development

The Company was established on 30 April 2018 in the Marshall Islands to serve as a holding company for the tanker business of the Alafouzos family. The family has been active in merchant shipping since the 1960s, and in tankers since the 1980s.

In June 2018, the Alafouzos family, through its holding company, OMH, transferred to Okeanis a fleet consisting of six vessels and nine newbuilding contracts for an aggregate net (equity) value of approximately USD 140,000,000 (the "Transaction"). The contribution was as equity in kind against which the Company issued 15,990,000 ordinary shares. On 19 September 2018, the Company took delivery of the first of the newbuildings.

Furthermore, in June 2018, the Company announced that it had issued 11,400,000 ordinary shares in a private placement raising gross proceeds of approximately USD 100 million of new equity (the "First Private Placement").

On 3 July 2018 the shares of the Company were admitted for trading on Merkur Market, a marketplace operated by Oslo Børs. The latest trade on Merkur Market as reported on the date hereof was NOK 66, resulting in a market capitalization of NOK 2,066,460,000.

On 3 December 2018, the Company announced that it had issued 3,910,000 new ordinary shares in a second private placement, raising gross proceeds of approximately USD 30 million of new equity (the "Second Private Placement"). In relation to the Second Private Placement, the Company also entered into an agreement with an affiliate of the Company's largest shareholder, Glafki, for the possibility of drawing down on a loan of up to USD 15 million.

### 5.3 Disclosure About Dependency on Contracts, Patents and Licenses

The Company is not materially dependent on any patents, licences, industrial, commercial or financial contracts or new manufacturing processes as of the date of this Prospectus, except for the contracts described in Section 5.4 “Material Contracts” and Section 11 “Related Party Transactions” below.

### 5.4 Material Contracts

As of the date of this Prospectus, neither the Company nor its subsidiaries have entered into any material contracts outside the ordinary course of business during the last two years. Below is a summary of the material contracts entered into by the Company and its subsidiaries that are within the ordinary course of business of the Group.

Some of the Group’s material contracts are also contracts with related parties. For a further description of these contracts, please see Section 11 “Related Party Transactions”.

#### *HHI Shipbuilding Contracts (“SBC”) - Hulls 3012, 3013, 3014 & 3015*

Omega Five Marine Corp., Omega Seven Marine Corp., Omega Nine Marine Corp. and Omega Eleven Marine Corp. each entered into SBCs with HHI on 8 December 2017 for the construction of four VLCCs with hull numbers 3012, 3013, 3014 and 3015. The SBCs each comprise 319,000 deadweight capacity (measured in tons) (“DWT”) with a contract price of USD 86,117,000 inclusive of scrubber cost. The contractual delivery dates are 31 May 2019, 28 June 2019, 15 July 2019 and 30 August 2019, respectively. The Company anticipates taking delivery of each vessel one month earlier than its contractual delivery date.

#### *HHI SBC - Hulls 3050 & 3051*

Nellmare Marine Ltd. and Anassa Navigation S.A. each entered into SBCs with HHI on 28 February 2018 for the construction of two VLCCs of 319,000 DWT (with hull numbers 3050 & 3051) with a contract price of USD 87,630,000 inclusive of scrubber cost. The contractual delivery dates are 30 August 2019 and 15 October 2019, respectively. The Company anticipates taking delivery of each vessel one month earlier than its contractual delivery date.

#### *HHI SBC - Hulls 3089 & 3090*

Arethusa Shipping Corp. and Moonsprite Shipping Corp. each entered into SBCs with HHI on 13 April 2018 for the construction of two VLCCs of 319,000 DWT (with hull numbers 3089 & 3090) with a contract price of USD 89,500,000 inclusive of scrubber cost. The contractual delivery dates are 31 October 2019 and 10 January 2020, respectively. The Company anticipates taking delivery of each vessel fifteen to thirty days earlier than its contractual delivery date.

#### *VLCCs 3012, 3013, 3014 & 3015 with Koch Shipping Ltd Charterparty*

On 18 December 2017, Omega Five Marine Corp., Omega Seven Marine Corp., Omega Nine Marine Corp. and Omega Eleven Marine Corp. each entered into time charter contracts with Koch Shipping Pte. Ltd.. The term of each of the charter contracts is five years. For the first and second years, the time charter rate was agreed at USD 32,615 per day. The rate will be adjusted upwards to USD 37,115 per day for years three, four and five. The Company has the option to cancel the charter contracts at its discretion from the end of year three through to the expiry of the charter without any penalty or premium payable to Koch.

#### *Nissos Heraclea - agreement with CSSA Charterparty*

Therassia Marine Corp. entered into a time charter contract with CSSA Chartering and Shipping Services SA (a wholly owned subsidiary of TOTAL SA) on 17 June 2013 for a fixed period of five years and one plus one optional years. The fixed period rate for the current charter is USD 19,450, ending in March 2020. The rate for the optional year is USD 25,000 per day.

#### *Milos - agreement with Mansel Charterparty*

Omega One Marine Corp. entered into a time-charter contract with Mansel Pte. Ltd. (wholly owned subsidiary of Vitol SA) on 28 March 2017 for a fixed period of one year plus one optional year. The fixed period rate is USD 15,850 per day with a profit share (100% to Omega One up to USD 18,000 per day and 50% split thereafter). The rate for the optional year is USD 19,000 per day with a profit (50% split above USD 19,000 per day). The firm period ends on 30 March 2019. The optional period was declared on 7 January 2019 at USD 19,000 per day plus a profit share.

#### *Milos - Ocean Yield sales and leaseback agreement*

On 19 January 2019, the Company entered into a sale and lease back arrangement with Ocean Yield Malta Limited for the re-financing of M/T Milos. The net proceeds of USD 49 million were used to repay the existing debt under the ABN Amro loan facility, providing the Company with additional net liquidity of USD 18 million.

#### *Escospray Scrubber Contract*

On 5 October 2018, the Company entered into (a) an agreement with Ecospray Technologies S.R.L. (the “Supplier”) for the supply of six scrubber systems and (b) an agreement that grants the Company the option to order up to two additional scrubber systems. The scrubber systems will ensure compliance with IMO Resolution MEPC.259(68) and Directive 2012/33/EU requirements and fulfil the latest amendments of the international and national rules and regulations, applicable to a vessel in international traffic, that are in force. The total contract price of the scrubber systems is EUR 6.1 million. Under the firm agreement, all scrubbers are to be delivered by the end of August 2019.

#### *Shareholders’ Revolving Credit Facility*

On 3 December 2018, the Company entered into a revolving credit facility agreement with an affiliate of the Company’s largest shareholder, Glafki, whereby the Company may borrow an amount of up to USD 15 million. The facility may be used to partially finance the Company’s newbuilding program or for other general corporate purposes. The facility bears a fixed annual interest rate of 6.25% on the drawdown amount at each time, with no fixed repayment schedule. The availability period is up to 30 June 2020, which is also the final maturity date of the facility when all outstanding principal and accrued interest is due for repayment. As of the date of this Prospectus, the Company has not drawn down on this facility.

#### *Other loan agreements*

For an overview of all the Company’s loan agreements, please refer to section 9.6.

### **5.5 Legal and Arbitration Proceedings**

As of the date of this Prospectus, the Company is not aware of any governmental, legal or arbitration proceedings during the period of its incorporation on 30 April 2018, nor in the past 12 months for any of its subsidiaries, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on the Company or the Group’s financial position or profitability.

### **5.6 Research and Development**

The Group is not involved in any material research and development activities.

## 6. INDUSTRY AND MARKET OVERVIEW

The business of the Company is to own and operate vessels in the tanker shipping market. The section below is intended to provide an overview of the key features of this market and of the Company's key assumptions underlying its exposure to this market. Unless otherwise stated, market data in this section has been extracted from reports prepared by BP, Fearnresearch and Clarksons (based on materials made available to the Company on a subscription basis).

### 6.1 Overview of the tanker market

The tanker market is large, diverse and competitive. The main activity is the transportation of crude oil, refined oil products, and other liquid products. The tanker market comprises several categories of vessels, primarily based on size, to accommodate the various requirements of specific trades and products.

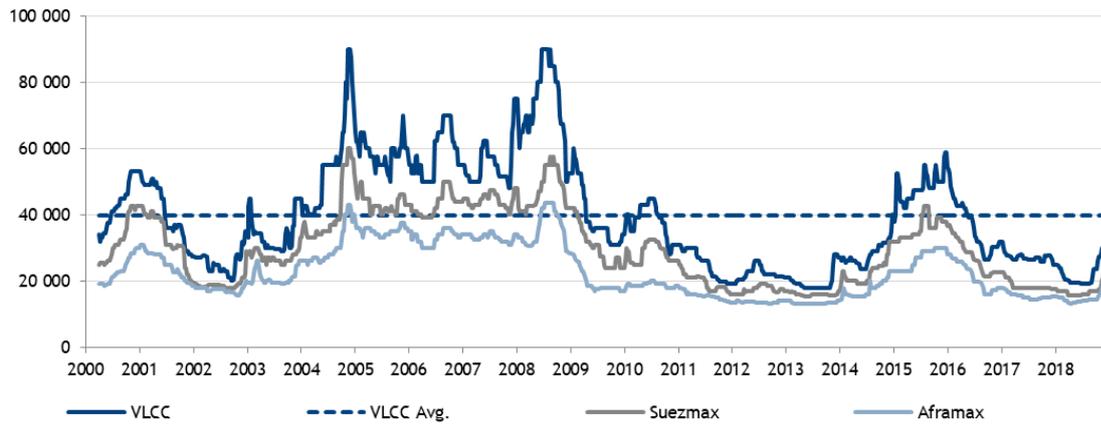
The Company owns vessels in the following segments of the crude tanker fleet, each with its distinct characteristics. Larger vessels will benefit from economies of scale and are best suited for long haul voyages between large ports, while smaller vessels have the flexibility to transport smaller cargo lots and to enter smaller ports. Despite these differences, there is a substantial amount of substitution opportunity between various vessel categories, which means that there tends to be a strong correlation between the respective categories, both in terms of asset values and freight rates.

- VLCC: Very Large Crude Carriers, generally used as a term to describe vessels above 200,000 DWT loading capacity, and more often with 300,000 or 320,000 DWT of loading capacity, corresponding to approximately two million barrels of crude oil. VLCCs are only used in the transportation of crude oil, carrying oil from the production source to refineries or storage facilities. VLCCs are generally employed in transportation on the longest voyages out of the Middle East Gulf, going both East and West.
- Suezmax: Generally used as a term to describe vessels between 120,000 and 200,000 DWT loading capacity, typically corresponding to one million barrels of crude oil. The term denotes the largest size that can sail fully laden through the Suez Canal. Like VLCCs, Suezmax tankers are only used for crude oil being transported from the production source to refineries or storage facilities. Suezmax tankers have more diverse trading patterns than VLCCs due to their smaller size, allowing them to call at ports not suited for VLCCs.
- Aframax: Generally used as a term to describe vessels between 80,000 and 120,000 DWT, with a typical trading lot of 500,000 barrels of oil. While some Aframax carriers are used in "dirty" trades meaning crude oil, many Aframax carriers are able to do "clean" trades meaning refined oil products. Aframax carriers with ability to take refined oil products are referred to as "Long Range 2", or "LR2", carriers.

The tanker market is highly fragmented and competitive, characterised by a large number of participants that are either suppliers or users of tonnage. Vessels are generally employed on the basis of a competitive bidding process for short contracts (spot market trades) or for longer periods (period charters). The majority of the market comprises spot market contracts, typically one haul at a time.

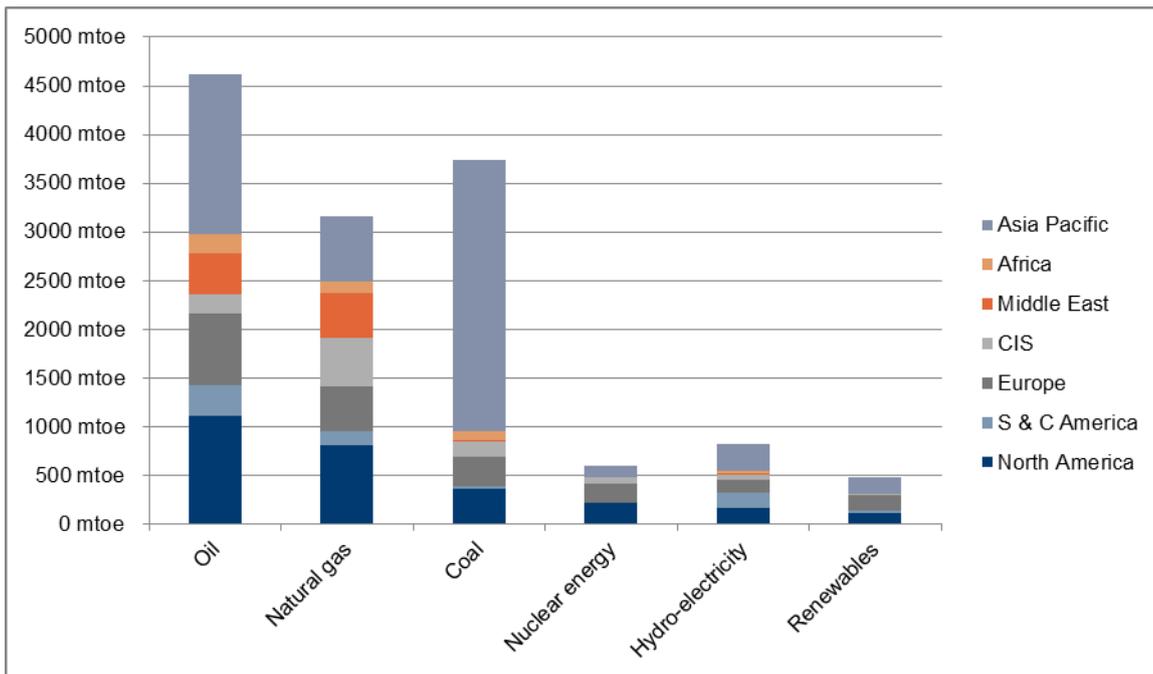
Market fluctuations are a function of changes in supply or demand patterns and a wide range of factors contributing to such changes. Periods of relative overcapacity or undersupply of tankers can lead to significant movements in tanker rates and can result in periods in which rates are significantly over or below what is required to justify asset values, thereby also creating fluctuations in value. The below chart provides an illustration of historical tanker market rates (as measured by one-year contract rates, which fluctuate less than the spot market rates) over the last 20 years and shows that the market is currently below its historical averages. The Company believes that the current fundamentals of the tanker market give rise to positive expectations for market improvement.

Crude tanker 1yr time-charter rates  
\$/day



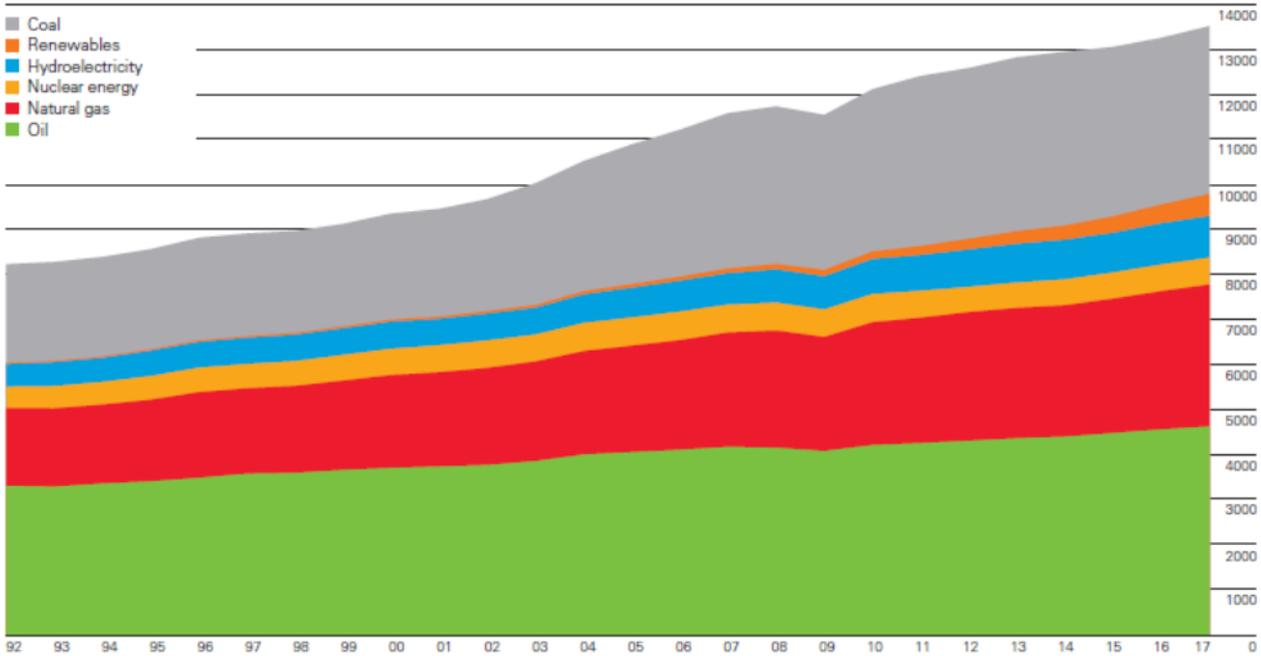
## 6.2 The underlying market for oil and oil transportation

The single largest product for large tanker vessels is crude oil, transported from producing regions to refineries that are typically located closer to the consuming regions. Based on statistics compiled by BP (BP Statistical Review of World Energy, June 2018), oil is the world's single largest source of primary energy, accounting for 4.6 billion tonnes out of the total 13.5 billion tonnes of oil-equivalent energy consumption in 2017. The energy mix, by source and consuming region, is illustrated in the following chart, with amounts measured in million tonnes of oil equivalents:



Global energy consumption is driven by global economic activity and growth, and has grown consistently over a long period. The chart below, compiled by BP, illustrates the development in global consumption by primary energy source over the last 25 years.

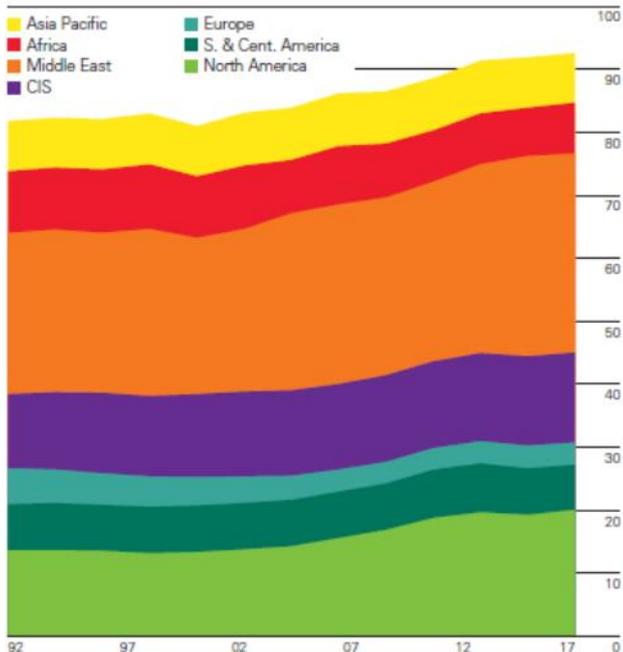
**World consumption**  
Million tonnes oil equivalent



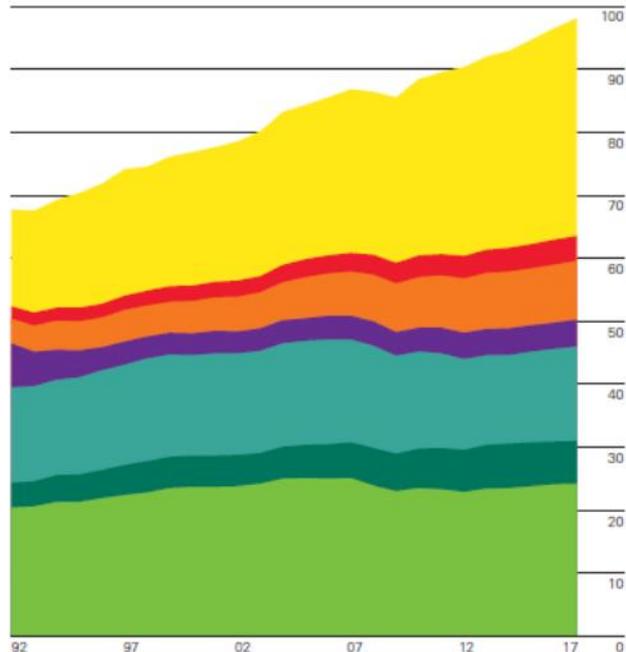
Given the world's large resources of oil, and the relative advantages of oil in terms of established infrastructure and other factors, oil is likely to remain a very significant part of the energy mix far into the future. BP predicts that global proved reserves of oil are sufficient to meet 50 years of global production at 2017 levels. The International Energy Agency (IEA), in its World Energy Outlook 2017, points to scenarios with a continued growth in overall oil demand through 2040.

Oil is an international commodity which is to a large extent produced far away from the consuming regions, giving rise to a significant demand for seaborne transportation. The charts below, compiled by BP, illustrate the mix of producing and consuming regions over the last 25 years. In particular, the charts illustrate the dependency of Asia Pacific and Europe (and historically North America) on oil imports and the excess capacity in the Middle East (remaining the world's largest oil producer), Africa and Commonwealth of Independent States ("CIS").

**Oil: Production by region**  
Million barrels daily

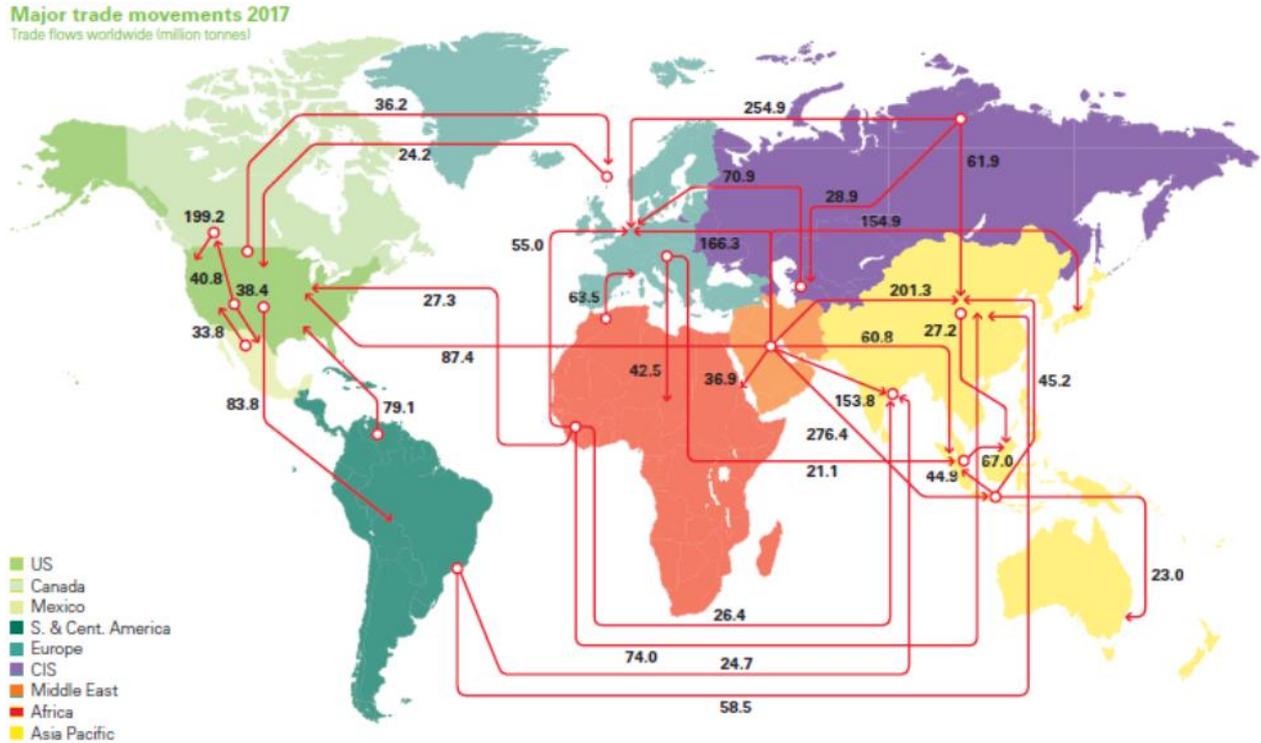


**Oil: Consumption by region**  
Million barrels daily



### 6.3 Demand for tanker vessels

The global imbalance between oil producers and oil consumers gives rise to significant international flow of oil trade, the majority of which is seaborne and transported on tanker vessels. The chart below, compiled by BP, provides an illustration of the major trade movements.

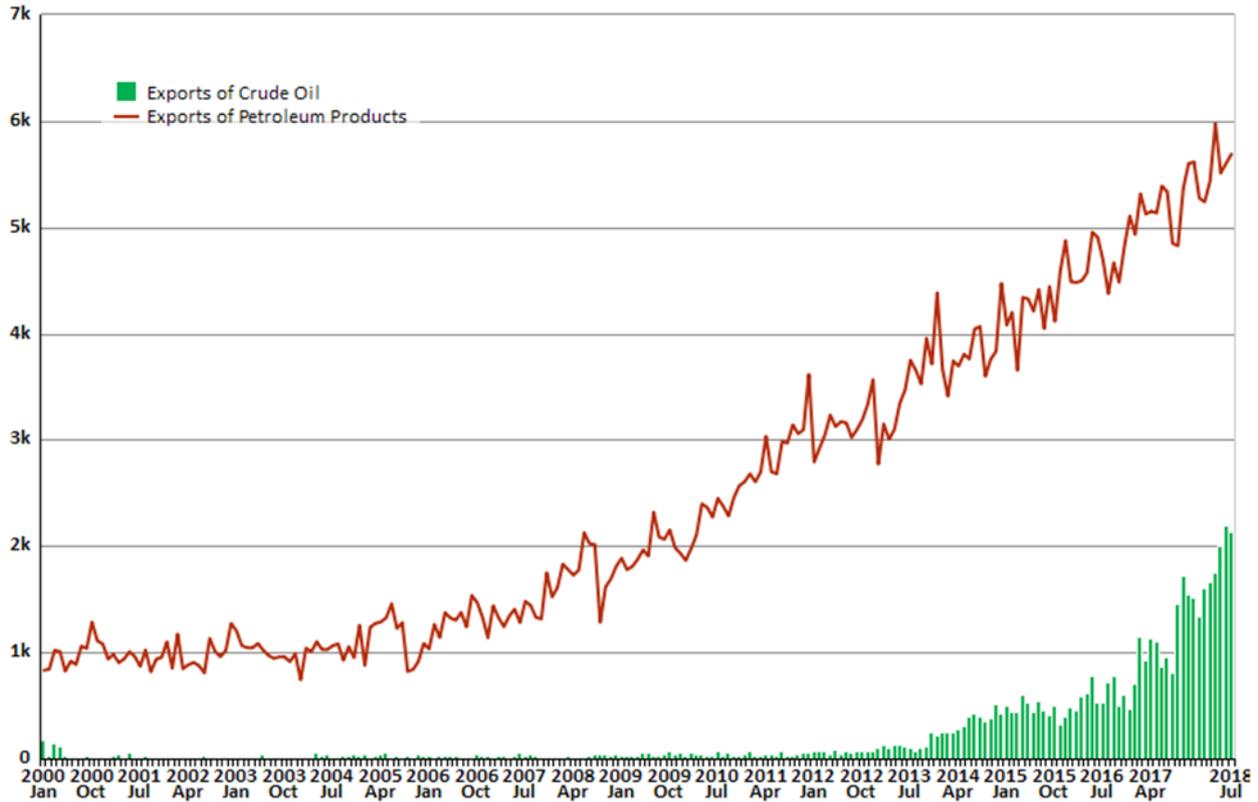


In addition to the volume of oil requiring transportation, the other key factor in determining tanker demand is the distance involved in such transportation. Longer hauls require more vessel capacity than shorter hauls, which is why the pattern of oil transportation is an important factor in understanding the tanker market. Over several decades, the tanker market has focused on trades out of the Middle East Gulf going East and West.

With the advent of shale oil production in North America, having risen from about one million barrels per day to more than eight million barrels per day over the last decade, the US has been able to cover a much larger portion of its energy requirements from domestic production and has emerged as an oil exporter. Transportation distances from the US to Asia are long and contribute significantly to ton-mile demand. The chart below (source: U.S. Energy Information Administration) illustrates U.S. exports of crude oil and petroleum products, showing a significant increase in recent years.

## United States: Exports of Crude Oil and Petroleum Products

Thousand b/d

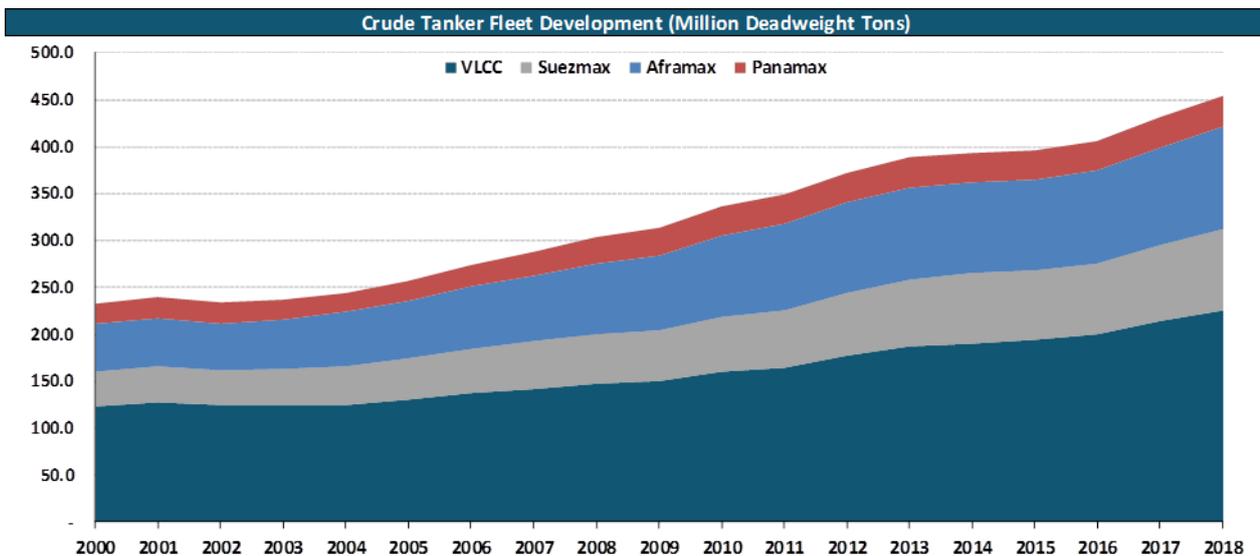


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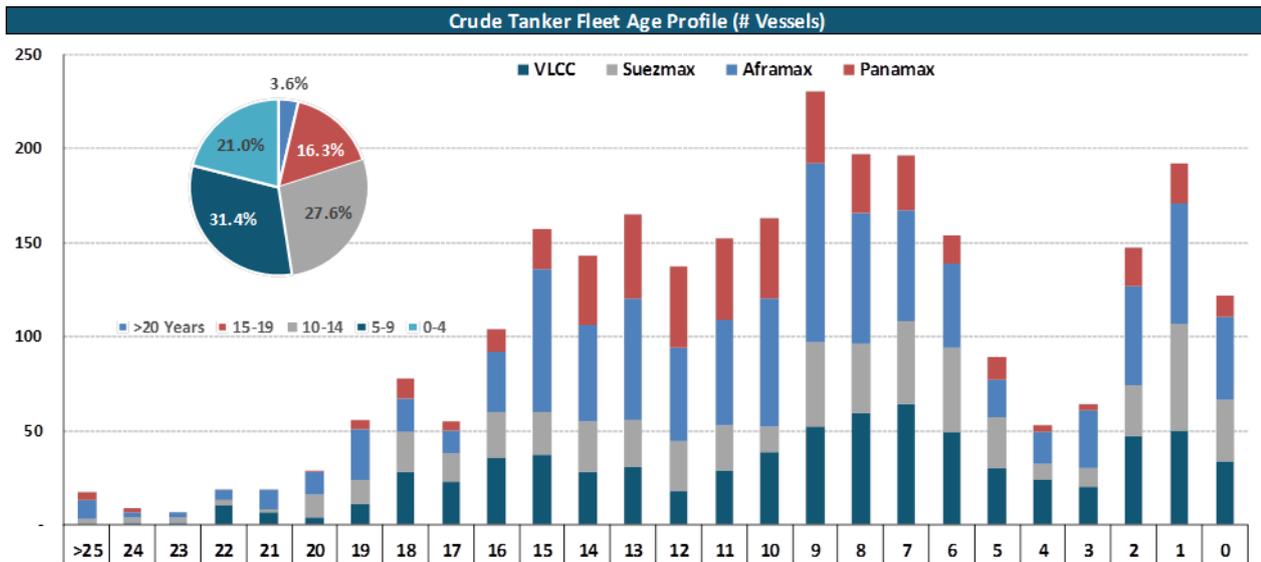
### 6.4 Supply for tanker vessels

The global fleet of large tanker vessels counts more than 1,800 vessels (VLCC, Suezmax and Aframax). The fleet is diversely owned by a large number of tanker owners, being a mix of oil companies, national shipping companies and private owners, all of which make independent decisions to build, buy or sell vessels in a competitive market environment.

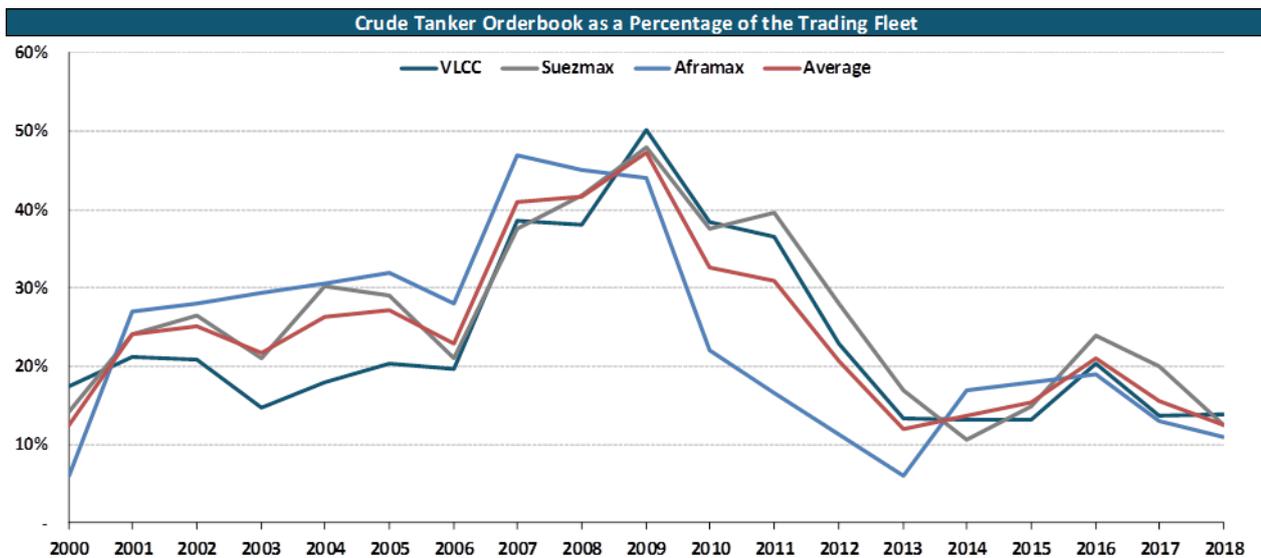
The following chart (source: Clarksons) provides an illustration of the development of the overall fleet of large tankers:



Tankers generally have a life span of 20 to 25 years, depending on several factors including maintenance and financial factors, including their ability to pass regulatory tests as well as client test approvals at various intervals. The following chart (source: Clarksons) provides an illustration of the age composition of the current world fleet of large tankers:



Future growth of the tanker fleet depends on ordering volumes, as well as scrapping (and other forms of attrition) of older vessels. The chart below (source: Clarksons) provides an illustration of the orderbook levels for crude tankers, illustrating that the current orderbook is at a historically low level.

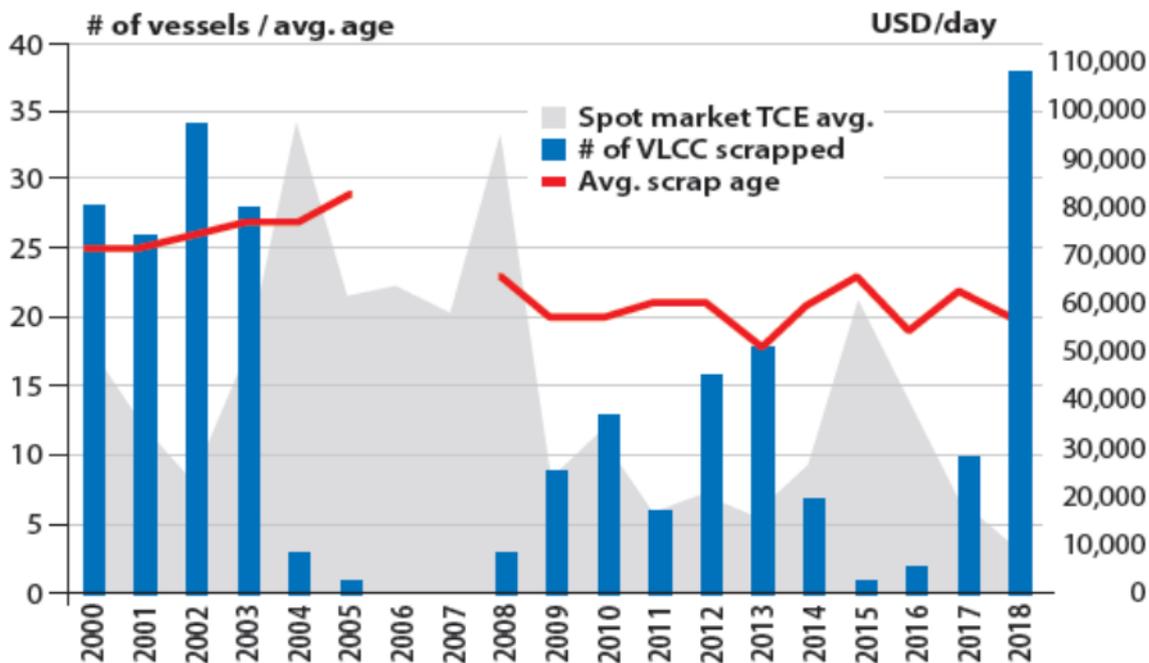


While the orderbook stands at a relatively low level, the volume of tanker scrapping increased significantly during 2018. The cause for the increased scrapping level is believed to be a combination of several factors:

- Relatively weak tanker markets through 2018 (until late autumn);
- Upcoming regulatory requirements (Ballast Water Management (“BWM”) and Sulphur Cap) which require investments that are difficult to justify unless tankers markets improve.

The chart below shows scrapping activity for VLCCs by year since 2000, illustrated as a function of rate development.

## Scrapping vs Market Conditions



### 6.5 Regulatory factors and financial implications

The maritime industry is subject to various international and regional regulations, including the conventions agreed by the U.N. agency IMO, which is the global standard-setting authority for the safety, security and environmental performance of international shipping. The IMO's main role is to create a regulatory framework for the shipping industry that is fair, effective, universally adopted and universally implemented.

There are two significant IMO regulatory requirements that are likely to impact the maritime sector over the next years: the amendments of the BWM convention, and the amendment of sulphur cap limits:

- The BWM regulations target the prevention of negative ecological, economical and health problems caused by the spreading of foreign marine species in a ship's ballast water. Guidelines were first adapted in 1991 and led to a convention in 2004. An amendment to the convention was agreed in 2016 and will take effect in October 2019. Under the amended regulations, all vessels are required to manage their ballast water on every voyage by using an approved ballast water treatment system. All new vessels must be built with such system, and existing vessels will have to be fitted with a ballast water treatment system on their first statutory dry docking requirement after the implementation date. The cost of retrofitting BWTS on an existing vessel will depend on the solutions chosen and the fitting required, but will typically be in the range of USD 1-2 million.
- The Sulphur Cap regulations are to meet new fuel emission standards, and will come into effect from 2020 for the total merchant fleet of approximately 70,000 vessels. Under the regulations, the emissions to air shall be limited by requiring a maximum 0.5% content of sulphur, down from 3.5% under existing regulations. Vessels will either have to run cleaner (and more expensive) fuels, or install equipment to clean the emissions from the "normal" vessel fuels (heavy fuels oil, or HFO). The additional cost of cleaner fuels will be substantial, but can be mitigated by installing cleaning equipment, where the currently best solution is referred to as "scrubbers". The cost of retrofitting scrubbers to an existing vessel will depend on the solution chosen and the extent of work required for fitting, but will typically be around USD 3-5 million.

## **6.6 Future market expectations**

The Company believes that there is considerable upside potential in the tanker market, in particular for owners of modern vessels that make use of the most up-to-date bunker fuel consumption technologies. The rationale for the Company's expectation is based on the following key factors:

- Expectation of increased volume of oil production due to heightened demand for middle distillates, which will be a driving factor in seaborne oil trade growth;
- Increased scrapping of older tanker tonnage, contributing to potentially lower fleet growth;
- A slowdown in new vessels entering the market, due to a historically low orderbook.

## 7. CAPITALISATION AND INDEBTEDNESS

This Section provides information about (a) the Company's capitalization and net financial indebtedness on an actual basis as of 30 September 2018 and (b) in the "As Adjusted" columns the Company's capitalization and net financial indebtedness on an adjusted basis to show the estimated effects of the following items only to the Company's capitalization and net financial indebtedness:

- The issuance of 3,910,000 new common shares as part of the Second Private Placement.

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 8 "Selected Financial Information and Other Information", Section 9 "Operating and Financial Review", and the Company's Financial Statements and the notes related thereto included in Appendix A—Financial Statements to this Prospectus.

### 7.1 Capitalisation

USD	As of 30 September 2018		
	Actual	Adjustment <sup>(1)</sup>	As Adjusted
<b>Total current liabilities</b> .....	<b>36,964,422</b>	<b>(4,480,000)</b>	<b>32,484,422</b>
–Guaranteed.....	-	-	-
–Secured <sup>(2)</sup> .....	22,962,721	(4,480,000)	18,482,721
–Unguaranteed/unsecured <sup>(3)</sup> .....	14,001,701	-	14,001,701
<b>Total non-current liabilities</b> .....	<b>267,278,950</b>	<b>89,979,819</b>	<b>357,258,769</b>
–Guaranteed.....	-	-	-
–Secured <sup>(2)</sup> .....	267,278,950	89,979,819	357,258,769
–Unguaranteed/unsecured.....	-	-	-
<b>Total liabilities (A)</b> .....	<b>304,243,372</b>	<b>85,499,819</b>	<b>389,743,191</b>
<b>Shareholders' equity</b>			
–Share capital.....	290,814,695	29,071,793	319,886,488
–Legal reserves.....	-	-	-
–Other reserves.....	(2,281,964)	-	(2,281,964)
<b>Total equity (B)</b> .....	<b>288,532,731</b>	<b>29,071,793</b>	<b>317,604,524</b>
<b>Total capitalization (A)+(B)</b> .....	<b>592,776,103</b>	<b>114,571,612</b>	<b>707,347,715</b>

<sup>(1)</sup> Adjustments are attributed to the following:

- Issuance of 3,910,000 new shares with par value of USD 0.001 each at NOK 66 per share, that generated gross equity proceeds of USD 30 million and net proceeds of USD 29.1 million after issuance costs of USD 0.9 million.
- Ocean Yield pre-delivery loan facility drawdowns of USD 74,250,000 and the refinance of M/T Milos with net proceeds of USD 17,830,000, adjusted to repayments of USD 2.1 million performed in the meantime.
- The other current financial debt, Bigal Shipping Loan Agreement, of USD 4,480,000 was repaid.

<sup>(2)</sup> All the vessels are mortgaged to secure their bank debt.

<sup>(3)</sup> Intercompany liabilities and trade payables to suppliers and creditors are considered to be unguaranteed/unsecured.

### 7.2 Net Financial Indebtedness

USD	As of 30 September 2018		
	Actual	Adjustment <sup>(1)</sup>	As Adjusted
A. Cash.....	31,334,850	(21,084,850)	10,500,000
B. Cash equivalents.....	-	-	-
C. Trading securities.....	-	-	-
<b>D. Liquidity (A)+(B)+(C)</b> .....	<b>31,334,850</b>	<b>(21,084,850)</b>	<b>10,250,000</b>
E. Current financial receivables.....	-	-	-
F. Current bank debt.....	-	-	-
G. Current portion of non-current debt.....	18,482,721	-	18,482,721
H. Other current financial debt.....	4,480,000	(4,480,000)	-
<b>I. Current financial debt (F)+(G)+(H)</b> .....	<b>22,962,721</b>	<b>4,422,180</b>	<b>18,482,721</b>
<b>J. Net current financial indebtedness (I)-(E)-(D)</b> .....	<b>(8,872,129)</b>	<b>16,604,850</b>	<b>8,232,721</b>

K. Non-current bank debt .....	267,278,950	89,979,819	357,258,769
L. Bonds issued .....	-	-	-
M. Other non-current financial debt.....	-	-	-
<b>N. Non-current financial debt (K)+(L)+(M).....</b>	<b>267,278,950</b>	<b>89,979,819</b>	<b>357,258,769</b>
<b>O. Net financial indebtedness (J)+(N) .....</b>	<b>258,906,821</b>	<b>106,584,669</b>	<b>365,491,490</b>

<sup>(1)</sup> Adjustments are attributed to the following:

- Issuance of 3,910,000 new shares with par value of USD 0.001 each, at NOK 66 per share, that generated gross equity proceeds of USD 30 million and net proceeds of USD 29.1 million after issuance costs of USD 0.9 million.
- Ocean Yield pre-delivery loan facility drawdowns of USD 74,250,000 and the refinance of M/T Milos with net proceeds of USD 17,830,000 and the relevant repayment of instalments from 30 September 2018 and to the date of this Prospectus, adjusted to repayments of USD 2.1 million performed in the meantime.
- The other current financial debt, Bigal Shipping Loan Agreement, of USD 4,480,000 was repaid.
- Payment of yard instalments through cash and debt raised.

Excluding the aforementioned adjustments, there have been no significant changes to the Company's capitalisation and financial indebtedness since 30 September 2018.

## 8. SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

The following selected financial information has been extracted from the Group's audited consolidated financial statements as of and for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018 (the "Financial Statements"), which are included in Appendix A—Financial Statements to this Prospectus. The audited financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"). This Section should be read together with Section 9 "Operating and Financial Review".

The Financial Statements have been subject to an audit by the Group's independent auditors Deloitte Certified Public Accountants S.A. The audit opinion is enclosed to the Financial Statements.

Please refer to section 4.2 (Financial Information) for more details regarding the Company's history and its impact on the financial information included in this prospectus.

### 8.1 Summary of Accounting Policies

For information regarding accounting policies, refer to the notes to the interim financial statements for the period from 30 April to 30 September 2018, which is attached to this Prospectus as Appendix A.

### 8.2 Selected Income Statement Information

The table below sets out a summary of the Group's audited consolidated income statement and retained earnings for the period starting on 30 April 2018 and ending on 30 September 2018.

<i>USD</i>	For the five month period ending 30 September 2018 (audited)
<b>Total operating revenues</b> .....	<b>12,870,423</b>
<i>Expenses</i>	
Commissions.....	(168,537)
Operating expenses .....	(3,640,190)
Voyages expenses .....	(3,733,699)
Management fees.....	(348,600)
Administrative expenses.....	(459,815)
Depreciation .....	(3,404,031)
<b>Total operating expenses</b> .....	<b>(11,754,872)</b>
Net operating profit.....	1,115,551
<i>Other income (expenses)</i>	
Interest income .....	217,993
Foreign exchange loss.....	(16,347)
Interest and other finance costs .....	(3,599,161)
<b>Total other expenses</b> .....	<b>(3,397,515)</b>
Net loss .....	(2,281,964)
Retained earnings at the start of the period .....	-
<b>Retained deficit at the end of the period</b> .....	<b>(2,281,964)</b>

### 8.3 Selected Balance Sheet Information

The table below sets out a summary of the Group's audited consolidated balance sheet information as of 30 September 2018.

<i>USD</i>	As of 30 September 2018 (audited)
<b>Assets</b>	
<b>Non-current assets</b>	
<i>Vessels, net</i> .....	399,370,832
<i>Vessels under construction</i> .....	148,192,457
<i>Other fixed assets</i> .....	20,286
<i>Other guarantees</i> .....	20,000
<i>Restricted cash</i> .....	3,000,000

<i>USD</i>	As of 30 September 2018 (audited)
<b>Total non-current assets</b> .....	<b>550,603,575</b>
<b>Current assets</b>	
<i>Inventories</i> .....	2,723,557
<i>Trade and other receivables</i> .....	4,179,058
<i>Claims receivable</i> .....	2,415,654
<i>Prepaid expenses</i> .....	425,896
<i>Current accounts due from related parties</i> .....	1,093,513
<i>Cash &amp; cash equivalents</i> .....	31,334,850
<b>Total current assets</b> .....	<b>42,172,528</b>
<b>Total assets</b> .....	<b>592,776,103</b>
<b>Shareholder's equity &amp; liabilities</b>	
<b>Shareholder's equity</b>	
<i>Share capital</i> .....	27,400
<i>Additional paid-in capital</i> .....	290,787,295
<i>Accumulated losses</i> .....	(2,281,964)
<b>Total-Shareholder's equity</b> .....	<b>288,532,731</b>
<b>Non-Current liabilities</b>	
<i>Long-term borrowings, net of current portion</i> .....	267,278,950
<b>Total non-current liabilities</b> .....	<b>267,278,950</b>
<b>Current Liabilities</b>	
<i>Trade payables</i> .....	6,481,424
<i>Accrued expenses</i> .....	3,750,936
<i>Current accounts due to related parties</i> .....	3,769,341
<i>Current portion of long-term borrowings</i> .....	22,962,721
<b>Total current liabilities</b> .....	<b>36,964,422</b>
<b>Total liabilities</b> .....	<b>304,243,372</b>
<b>Total shareholder's equity &amp; liabilities</b> .....	<b>592,776,103</b>

#### 8.4 Selected Changes in Equity Information

The table below sets out a summary of the Group's audited changes in equity information for the period starting on 30 April 2018 and ending on 30 September 2018.

<i>USD</i>	For the five month period ending 30 September 2018
<b>Number of shares outstanding</b>	
Balance at start of period .....	10
Shares issued .....	27,390
<b>Balance at end of period</b> .....	<b>27,400</b>
<b>Share capital</b>	
Balance at start of period .....	10
Shares issued .....	27,390,000
<b>Balance at end of period</b> .....	<b>27,400,000</b>
<b>Additional paid in capital</b>	
Balance at start of period .....	-
Shares issued .....	290,787,295
<b>Balance at end of period</b> .....	<b>290,787,295</b>
<b>Retained deficit</b>	
Balance at start of period .....	-
Loss in the period .....	(2,281,964)
<b>Balance at end of period</b> .....	<b>(2,281,964)</b>

## 8.5 Selected Cash Flow Information

The table below sets out a summary of the Group's audited consolidated cash flow information for period starting on 30 April 2018 and ending on 30 September 2018.

<i>USD</i>	<b>For the five month period ending on 30 September 2018</b>
<b>Net loss</b> .....	<b>(2,281,964)</b>
<i>Adjustment to reconcile net loss to net cash used in operating activities</i>	
Depreciation .....	3,404,031
Interest expense .....	3,409,270
Interest income .....	(217,993)
Amortization of loan financing fees .....	150,295
<i>Change in operating assets and liabilities</i>	
Trade and other receivables .....	(2,190,694)
Prepaid expenses .....	674,090
Inventories .....	(354,793)
Trade and other payables .....	1,451,957
Accrued expenses .....	503,324
Claims .....	(2,399,156)
Interest paid .....	(3,650,979)
<b>Net cash used in operating activities</b> .....	<b>(1,502,612)</b>
<i>Investing activities</i>	
Vessels and vessels under construction .....	(102,309,429)
Current account due from related parties .....	(697,222)
Payments for other fixed assets .....	(20,286)
Decrease in restricted cash .....	1,450,000
Interest .....	142,905
<b>Net cash used in investing activities</b> .....	<b>(101,434,032)</b>
<i>Financing activities</i>	
Proceeds from First Private Placement .....	96,508,125
Payments for offering expenses .....	(462,406)
Proceeds from loans .....	42,000,000
Acquisition of cash and cash equivalents of the contributed companies .....	5,666,630
Current account due to related parties .....	(742,355)
Payment of loan financing fees .....	(915,000)
Repayment of loans .....	(7,783,500)
<b>Net cash provided by financing activities</b> .....	<b>134,271,494</b>
Net increase in cash and cash equivalents .....	31,334,850
Cash and cash equivalents at start of the period .....	-
<b>Cash and cash equivalents at end of the period</b> .....	<b>31,334,850</b>

## 8.6 Combined Carve-out Financial Information for the Company's SPVs

The Company acknowledges having a complex financial history due to the Transaction in June 2018, and has therefore included certain carve-out financial information for the periods ended 31 December 2016 and 2017 in respect of the eco tanker fleet of OMH that was acquired by the Company in connection with the Transaction.

The shares of OMH were in whole under the control of the Alafouz family. The fleet of the Company was acquired by OMH through a payment in-kind transaction where OMH received shares in OET as settlement for the contribution of the relevant vessel owning SPV's in exchange for the issuance of 15,990,000 ordinary shares in the Company. While listed on Merkur Market and up until the date of this Prospectus, the shareholding of the Alafouz family never fell below 54.75%. Going forward, the operational activities of the Group are those of the Company which are historically reflected in the carved-out combined financial statements of OMH.

The relevant financial information from which the following numbers are extracted from, including the respective audit opinions, are part of Appendix B. The Financial Information is prepared in accordance with recognition, measurement and presentation principles consistent with IFRS under the historical cost convention.

In the absence of explicit accounting guidance on common control transaction, an issuer can look at other accounting framework for guidance. US GAAP (ASC 805), for instance, states specifically that for common control transactions the assets and liabilities of the acquire (in this case OMH) are transferred at the acquirer's (in this case the Company's) books at their historical amounts without having to apply purchase accounting.

#### Okeanis Eco Tankers Corp. - Statement of profit or loss and other comprehensive income

<i>USD</i>	For the year ended 31 December 2017 (audited)	For the year ended 31 December 2016 (audited)
Revenue	45,586,652	34,084,722
Address commission	(439,276)	(418,800)
<b>Net revenue</b> .....	<b>45,147,376</b>	<b>33,665,922</b>
<i>Expenses</i>		
Commissions.....	(1,693,284)	(1,185,245)
Voyage expenses.....	(10,813,666)	(8,957,604)
Vessel operating expenses .....	(12,606,563)	(8,015,448)
General and administrative expenses .....	(159)	(8)
Management fees.....	(1,800,000)	(1,140,000)
Depreciation .....	(10,427,233)	(6,047,571)
<b>Total expenses</b> .....	<b>(37,340,905)</b>	<b>(25,345,876)</b>
<b>Operating profit</b> .....	<b>7,806,471</b>	<b>8,320,046</b>
<i>Other income/(expenses)</i>		
Foreign exchange (loss)/gain .....	(5,921)	17,973
Interest income .....	64,906	58,335
Other income .....	227,826	64,508
Interest and other finance costs .....	(7,748,067)	(3,576,402)
<b>Total other expenses, net</b> .....	<b>(7,461,256)</b>	<b>(3,435,586)</b>
<b>Profit for the year</b> .....	<b>345,215</b>	<b>4,884,460</b>
Other comprehensive income.....	-	-
<b>Total comprehensive income for the year</b> .....	<b>345,215</b>	<b>4,884,460</b>

#### Okeanis Eco Tankers Corp. - Statement of financial position

<i>USD</i>	As of 31 December 2017 (audited)	As of 31 December 2016 (audited)
<i>Non-current assets</i>		
Vessels, net .....	271,147,056	213,770,643
Vessels under construction.....	33,986,551	47,188,878
Other guarantees.....	20,000	-
Restricted Cash .....	4,200,000	4,335,000
<b>Total non-current assets</b> .....	<b>309,353,607</b>	<b>265,294,521</b>
<i>Current assets</i>		
Inventories .....	1,894,519	1,354,663
Trade and other receivables.....	2,151,339	2,275,757
Prepaid expenses.....	772,488	222,448
Straight line revenue.....	364,908	218,868
Current account due from related party .....	1,168,839	11,450,000
Cash & cash equivalent .....	1,105,316	2,821,458
<b>Total current assets</b> .....	<b>7,457,409</b>	<b>18,343,194</b>

<i>USD</i>	As of 31 December 2017 (audited)	As of 31 December 2016 (audited)
<b>Total assets</b> .....	<b>316,811,016</b>	<b>283,637,715</b>
<i>Shareholder's equity &amp; liabilities</i>		
<i>Shareholder's equity</i>		
Paid-in capital .....	132,073,321	125,196,473
Retained earnings .....	134,995	9,034,613
<b>Total-Shareholder's equity</b> .....	<b>132,208,316</b>	<b>134,231,086</b>
<i>Non-Current liabilities</i>		
Long-term borrowings, net of current portion .....	163,089,302	129,033,565
<b>Total non-current liabilities</b> .....	<b>163,089,302</b>	<b>129,033,565</b>
<i>Current liabilities</i>		
Trade payables.....	2,956,856	2,942,201
Sundry liabilities and accruals .....	282,569	333,501
Current account due to related parties .....	6,313,971	7,117,635
Revenue received in advance.....	558,000	682,000
Current portion of long-term borrowings .....	11,402,002	9,297,727
<b>Total current liabilities</b> .....	<b>21,513,398</b>	<b>20,373,064</b>
<b>Total liabilities</b> .....	<b>184,602,700</b>	<b>149,406,629</b>
<b>Total shareholder's equity &amp; liabilities</b> .....	<b>316,811,016</b>	<b>283,637,715</b>

Okeanis Eco Tankers Corp. - Statement of cash flow

<i>USD</i>	For the year ended 31 December 2017 (audited)	For the year ended 31 December 2016 (audited)
<i>Cash flows from operating activities:</i>		
Profit for the period .....	345,214	4,884,460
Adjustment to reconcile profit to net cash provided by operating activities:		
Depreciation .....	10,427,233	6,047,571
Interest Expense .....	6,933,201	3,408,797
Interest income .....	(64,906)	(58,335)
Amortization loan financing fees.....	149,942	82,377
<i>Changes in working capital:</i>		
Trade receivables .....	124,418	1,977,508
Prepaid expenses .....	(550,040)	(103,699)
Straight line revenue.....	(146,040)	(218,868)
Inventories .....	(539,856)	(295,752)
Trade and other payables .....	21,202	1,745,809
Sundry liabilities and accruals .....	109,936	(202,320)
Other guarantees .....	(20,000)	-
Revenue received in advance.....	(124,000)	682,000
Interest paid .....	(7,027,542)	(3,474,810)
<b>Net cash provided by operating activities</b> .....	<b>9,638,762</b>	<b>14,474,738</b>
<i>Cash flows from investing activities:</i>		
Payments for vessels and vessels under construction .....	(54,617,723)	(61,429,496)
Decrease in restricted cash .....	135,000	65,000
Current account due from related party .....	10,281,161	(6,307,962)
Interest received .....	64,906	58,335
<b>Net cash used in investing activities</b> .....	<b>(44,136,656)</b>	<b>(67,614,123)</b>

<i>USD</i>	For the year ended 31 December 2017 (audited)	For the year ended 31 December 2016 (audited)
<i>Cash flows from financing activities</i>		
Proceeds from long-term borrowings .....	83,120,000	36,600,000
Current account due to related parties .....	2,705,478	83,312
Repayments of long term borrowings.....	(46,569,932)	(7,270,000)
Contributions from Parent .....	20,190,000	26,395,500
Dividends .....	(26,067,627)	(588,810)
Payments of loan financing fees .....	(596,667)	(329,400)
<b>Net cash (used in)/provided by financing activities.....</b>	<b>32,781,752</b>	<b>54,890,602</b>
<b>Net change in cash and cash equivalents .....</b>	<b>(1,716,142)</b>	<b>1,751,217</b>
Cash and cash equivalents at beginning of the period .....	2,821,458	1,070,241
<b>Cash and cash equivalents at the end of the period .....</b>	<b>1,105,316</b>	<b>2,821,458</b>

#### Okeanis Eco Tankers Corp. - Statement of changes in shareholders' equity

<i>USD</i>	For the years ended 31 December 2017 and 2016 (Summarized)
<b>Balance, 1 January 2016</b>	<b>103,539,936</b>
Contributions from shareholders	26,395,500
Profit for the year	4,884,460
Dividends	(588,810)
<b>Balance, 31 December 2016</b>	<b>134,231,086</b>
Profit for the year	345,215
Contributions from shareholders	20,190,500
Deemed Capital contributions	3,509,142
Dividends	(26,067,627)
<b>Balance, 31 December 2017</b>	<b>132,208,316</b>

### 8.7 Other Selected Financial and Operating Information

The table below sets out certain other unaudited key financial and operating information for the Company on a consolidated basis.

<i>USD</i>	For the five month period ending on 30 September 2018
EBITDA <sup>(1)</sup> .....	4,463,639
NIBD <sup>(2)</sup> .....	258,906,821
Equity ratio <sup>(3)</sup> .....	48.7%
Debt-to-equity ratio <sup>(4)</sup> .....	1.0x
Interest coverage ratio <sup>(5)</sup> .....	1.4x

(1) The Company defines EBITDA as net income before depreciation, net interest expense, amortization of debt issue expenses and impairment charges.

(2) Net interest bearing debt: interest bearing debt less cash and cash equivalents.

(3) Total shareholders' equity divided by total assets.

(4) Total liabilities divided by shareholders equity.

(5) EBITDA divided by net interest expense.

## 9. OPERATING AND FINANCIAL REVIEW

*This operating and financial review should be read together with Section 8 "Selected Financial Information and Other Information" and the financial statements which are included in Appendix A—"Financial Statements" to this Prospectus. The following discussion contains Forward-looking statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences to these Forward-looking Statements include those discussed in Section 2 "Risk Factors", see also Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements".*

*Please refer to section 4.2 (Financial Information) for more details regarding the Company's history and its impact on the financial information included in this prospectus.*

### 9.1 Introduction

As of the date of this Prospectus, the Company has three Aframax and four Suezmax vessels in operation, in addition to eight VLCC vessels under construction at HHI, expected to be delivered from April 2019 and throughout 2019.

By focusing on "future proof" vessels that are built to ECO standards, being equipped with (or to be retrofitted prior January 2020 with) scrubbers, and being built to comply with regulations for ballast water treatment regulations, the Company will take advantage of opportunities in a rapidly changing oil industry. About half of the Company's fleet will be on time charter throughout 2019, while spot exposure will increase in 2020 and 2021 to beyond 65% of available ship days.

The functional and presentation currency of the Company is USD and normally all revenues and expenses are in USD.

The Company prepares its consolidated financial statements in USD and in accordance with IFRS.

### 9.2 Principal Factors Affecting the Company's Financial Condition and Results of Operations

The business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the financial results of the Company, are affected by a number of factors, see Section 2 "Risk Factors". Some of the factors that are expected to influence the Company's financial condition and results and cash flows are:

- *The level of charter rates in the crude oil tanker market.* The Company will earn its revenues through operation of its vessels in the crude oil tanker shipping market. Charter rates for tanker vessels are subject to market fluctuations, depending on various supply and demand factors. Currently, the Company has three vessels on charter and four trading in the spot market.
- *The number of vessels owned.* The Company currently owns seven vessels and eight newbuildings. The number of vessels in the Group's portfolio will affect the Company's revenues and expenses.
- *The costs and expenses associated with the company's operations.* The Company will incur operating expenses for its vessels, including repairs maintenance and insurance. The Company also incurs general and administrative expenses for its day-to-day operations.
- *Level of debt and interest expense.* Thus far, the Company has financed the acquisitions of its vessels with both debt and equity. Further debt financing may affect the cash position and financial gearing of the Company. The Company intends to finance future progress payments with debt financing and available cash on hand, but will also consider equity financing, depending on prevailing terms and conditions in the capital markets.

The most important driver of the Company's revenue growth is the level of time charter and spot rates in the crude tanker market, combined with the number of owned vessels in operation.

#### Income from operations

#### 2016

The Company benefitted from favorable market conditions in 2016, as strong ton-mile demand growth, driven by increasing trade volumes owing to low oil prices as a result of strong shale oil production in the U.S., outpaced subdued fleet growth. The Company's decision to time charter the majority of its fleet in the strong 2015 market was the main contributor to its financial performance.

## 2017

Crude tanker freight rates were adversely impacted by OPEC+ production cuts and slowing seaborne trade as a result of significant inventory drawdowns in OECD countries. Fleet growth registered at elevated levels as a result of the delivery of vessels that had been ordered in prior years, further depressing the market throughout the year.

## 2018

The market followed a trajectory similar to that of 2017 for the first nine months of the year. However, and in contrast to 2017, spot rates experienced a seasonal rebound starting in late October, driven by the short-lived reversal of OPEC+ production cuts and negligible fleet growth throughout the year that restored some fundamental strength to the market.

### 9.3 Reporting Segments

The Company currently operates in only one segment with respect to products and services. Performance has not and will not be evaluated by geographical region. The Company's subsidiaries are incorporated in Liberia and the Marshall Islands.

### 9.4 Recent Developments

Other than as discussed below, there has not been any significant change in the Company's financial and trading position since 30 September 2018:

- On 24 January 2019, Arethusa Shipping Corp. entered into a loan agreement with BNP Paribas for the financing of Hull 3089. The total proceeds of the loan will be the lower of the 65% of the acquisition price of the vessel, the 65% of the firm market value of the vessel and USD 58,175,000. The loan agreement permits pre-delivery financing. The facility bears annual interest of LIBOR plus a margin of 2.25%.
- On 3 December 2018, the Company announced that it had successfully completed a Second Private Placement raising gross proceeds in the amount of USD 30 million through the placement of 3,910,000 new shares at a subscription price of NOK 66 per share. In relation to the Second Private Placement, the Company also entered into a shareholder loan agreement in the amount of USD 15 million at a fixed annual interest rate of 6.25%. Please refer to Sections 5.4 and 11 for more information.
- On 14 February 2019, Nellmare Marine Ltd entered into a loan agreement with ABN Amro for the financing of Hull 3050. The total proceeds of the loan will be the lower of the 60% of the firm market value of the vessel and USD 59,000,000. The loan agreement permits pre-delivery financing. The facility bears annual interest of LIBOR plus a margin of 2.50%.
- On 19 December 2018, Anassa Navigation S.A. entered into a loan agreement with Credit Suisse for the financing of Hull 3051. The total proceeds of the loan will be the lower of USD 58,125,000 and 62.5% of the firm market value of the vessel at delivery. The loan agreement permits pre-delivery financing. The facility bears annual interest of LIBOR plus a margin of 2.25%.
- On 19 January 2019, Omega One Marine Corp. entered into a sale and lease back arrangement with Ocean Yield Malta Limited for the re-financing of M/T Milos. The net proceeds of USD 49,000,000 were used to repay existing debt under the ABN Amro loan facility, providing the Company with additional net liquidity of USD 17,830,000.
- On 27 February 2019, the Company's subsidiary, Moonsprite Shipping Corp. entered into a loan agreement with Credit Agricole Corporate Investment Bank for the financing of Hull 3090. The total proceeds of the loan will be the lower of the 65% of the firm market value of the vessel and USD 58,000,000. The loan agreement permits pre-delivery financing and includes export credit and bears annual interest of LIBOR plus a weighted-average margin of 2.09%.

## 9.5 Results of Operations

Below is a description of the Company's results of operations for the years ended 31 December 2016 and 2017, and for the period starting on the date of the Company's incorporation 30 April 2018 and until 30 September 2018. For more details please see notes to the relevant financial statement attached to this Prospectus as Annex A and B.

### Operating results for the year ended 31 December 2016

Operating revenues for the year ended 31 December 2016 were USD 33,665,922 from the operation of four vessels. The Group owned three vessels throughout 2016, and took delivery of the fourth in October 2016. Two vessels were employed in the spot market, and two were on time charter.

Operating expenses for the year ended 31 December 2016 were USD 8,015,448 due to the operation of four vessels. Operating expenses include crew wages and expenses, lubricants, spares, stores, repairs and surveys, insurances, flag expenses and other general expenses.

Voyage expenses for the year ended 31 December 2016 were USD 8,957,604, primarily due to the operation of the two vessels trading in the spot market. Voyage expenses include bunkers consumed, port expenses and canal fees.

Net profit for the year ended 31 December 2016 was USD 4,884,460, primarily due to the operation of four vessels.

### Operating results for the year ended 31 December 2017

Operating revenues for the year ended 31 December 2017 were USD 45,147,376 from the operation of five vessels. The Group owned five vessels throughout 2017, taking delivery of the fifth vessel in January 2017. Two vessels were employed in the spot market, and three were on time charter.

Operating expenses for the year ended 31 December 2017 were USD 12,606,563 due to the operation of five vessels. Operating expenses include crew wages and expenses, lubricants, spares, stores, repairs and surveys, insurances, flag expenses and other general expenses.

Voyage expenses for the year ended 31 December 2017 were USD 10,813,666, primarily due to the operation of the two vessels trading in the spot market. Voyage expenses include bunkers consumed, port expenses and canal fees.

Net profit for the year ended 31 December 2017 was USD 345,215, primarily due to the operation of five vessels.

### Operating results for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018

Operating revenues for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018 were USD 12,870,423 from the operation of seven vessels. The Group owned seven vessels throughout 30 September 2018, taking delivery of the sixth vessel in May 2018 and the seventh vessel in September 2018. Two vessels were employed in the spot market, and five were on time charters.

Operating expenses for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018 were USD 3,640,190 due to the operation of seven vessels. Operating expenses include crew wages and expenses, lubricants, spares, stores, repairs and surveys, insurances, flag expenses and other general expenses.

Voyage expenses from the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018 were USD 3,733,699, primarily due to the operation of the two vessels trading in the spot market. Voyage expenses include bunkers consumed, port expenses and canal fees.

Net loss for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018 was USD 2,281,964, primarily due to the operation of the seven vessels.

## 9.6 Liquidity and Capital Resources

As of the date of this Prospectus, the Company has approximately USD 10 million in available cash and USD 15 million of available credit under the shareholder loan. The Company's VLCC newbuilding orders represent an aggregate investment of approximately USD 699 million, approximately USD 171 million of which has been paid by equity and USD 108 million of which has been paid by debt. The outstanding payments in respect of the VLCC newbuilding program amount to approximately USD 420 million. Remaining yard instalments will be paid with USD 233 million of bank debt and USD 190 million of lease financing, with the balance funded by the Company's available liquidity and cash flow from operations.

The following table sets forth a description of the borrowings of the Company as of the date of this Prospectus.

Vessel(s)	Outstanding	Description
Nissos Therassia	USD 27.9m	HSH Nordbank AG has provided a facility of USD 36.5m to Therassia Marine Corp. pursuant to a facility agreement dated 9 December 2014. The facility is secured in customary manner, including by a first priority mortgage over m.t. Nissos Therassia. The facility has been guaranteed by Kyklades, bears annual interest of LIBOR plus a margin of 2.6% and matures in December 2021.
Nissos Heraclea	USD 31.7m	BNP Paribas SA has provided a facility of USD 40.0m to Milos Marine Corp. pursuant to a facility agreement dated 26 June 2015. The facility is secured in customary manner, including by a first priority mortgage over m.t. Nissos Heraclea. The facility has been guaranteed by the Company, bears annual interest of LIBOR plus a margin of 2.25% and matures in June 2022.
Nissos Schinoussa	USD 29.5m	HSH Nordbank AG has provided a facility of USD 36.5m to los Maritime Corp. pursuant to a facility agreement dated 11 February 2015. The facility is secured in customary manner, including by a first priority mortgage over m.t. Nissos Schinoussa. The facility has been guaranteed by Kyklades, bears annual interest of LIBOR plus a margin of 2.6% and matures in September 2022.
Milos	USD 48.8m	Ocean Yield has financed m.t. Milos in the amount of USD 49.0m by way of sale and lease back. The Bareboat Charter provides that the charterer shall not sell or otherwise dispose of all or any material part of its assets or operations, if such sale or disposal is reasonably likely to have a material adverse effect on the ability of the Bareboat Charterers to perform their obligations under the Bareboat Charter. The lease rate corresponds to an annual interest of LIBOR plus a margin of 4.33% for the five-year period after which the first purchase option can be exercised.
Poliegos	USD 43.6m	Ocean Yield has financed m.t. Poliegos in the amount of USD 47.1m by way of sale and lease back. The Bareboat Charter provides that the charterer shall not sell or otherwise dispose of all or any material part of its assets or operations, if such sale or disposal is reasonably likely to have a material adverse effect on the ability of the Bareboat Charterers to perform their obligations under the Bareboat Charter. The lease rate corresponds to an annual interest rate of LIBOR plus a margin of 4.84%.
Kimolos	USD 45.5m	Alpha Bank has provided a facility of USD 47.0m to Omega Three Marine Corp. pursuant to a facility agreement dated 24 November 2017. The facility is secured in customary manner, including by a first priority mortgage over m.t. Kimolos. The facility has been guaranteed by the Company, Kyklades and Mr. Ioannis Alafouzou, bears annual interest of LIBOR plus a margin of 3.1% and matures in May 2026.
Folegandros	USD 41.5m	Alpha Bank has provided a facility of USD 42.0m to Omega Four pursuant to a facility agreement dated 7 September 2018. The facility is secured in customary manner,

		including by a first priority mortgage over m.t. Folegandros. The facility has been guaranteed by the Company, Kyklades and Mr. Ioannis Alafouzou, bears annual interest of LIBOR plus a margin of 3.1% and matures in September 2026.
Hull 3012 (Nissos Rhenia)  Hull 3013 (Nissos Despotiko)  Hull 3014 (Nissos Santorini)  Hull 3015 (Nissos Antiparos)	USD 107.3m	<p>Ocean Yield will finance Hull Nos. 3012/3013/3014/3015 (each being a VLCC currently under construction at HHI) in the total amount of USD 301.0m by way of sale and lease back. The MoAs and BBCPs were signed on 10 February 2018. The relevant Bareboat Charters provide that the charterers shall not sell or otherwise dispose of all or any material part of its assets or operations, if such sale or disposal is reasonably likely to have a material adverse effect on the ability of the Bareboat Charterers to perform their obligations under the relevant Bareboat Charter. Each Bareboat Charter provides also an option to purchase the relevant VLCC for the following prices:</p> <ul style="list-style-type: none"> <li>• at the end of year 7, USD 49,830,000;</li> <li>• at the end of year 10, USD 36,300,000;</li> <li>• at the end of year 12, USD 25,860,000; or</li> <li>• at the end of year 14, USD 14,170,000.</li> </ul> <p>Approximately USD 189.8 million remains undrawn as of the date of this Prospectus. The lease rate corresponds to an annual interest rate of LIBOR plus a margin of 4.82%, while pre-delivery financing bears a fixed annual interest rate of 7.00%.</p> <p>The Company has made USD 172.3 million of progress payments to HHI through 28 February 2019 for the construction of these vessels.</p>
Hull 3050	USD 0.0	<p>On 14 February 2019, Nellmare Marine Ltd. entered into a loan agreement with ABN Amro for the financing of Hull 3050. The total proceeds of the loan will be the lower of the 60% of the firm market value of the vessel and USD 59,000,000. The loan agreement permits pre-delivery financing. The facility bears annual interest of LIBOR plus a margin of 2.50%.</p> <p>The Company has made USD 26.3 million of progress payments to HHI through 28 February 2019 for the construction of this vessel.</p>
Hull 3051	USD 0.0	<p>On 19 December 2018, Anassa Navigation S.A. entered into a loan agreement with Credit Suisse for the financing of Hull 3051. The total proceeds of the loan will be the lower of USD 58,125,000 and 62.5% of the firm market value of the vessel at the delivery advance. The loan agreement permits pre-delivery financing. The facility bears annual interest of LIBOR plus a margin of 2.25%.</p> <p>The Company has made USD 26.3 million of progress payments to HHI through 28 February 2019 for the construction of this vessel.</p>
Hull 3089	USD 0.0	<p>On 24 January 2019, Arethusa Shipping Corp. entered into a loan agreement with BNP Paribas for the financing of Hull 3089. The total proceeds of the loan will be the lower of the 65% of the acquisition price of the vessel, the 65% of the firm market value of the vessel and USD 58,175,000. The loan agreement permits pre-delivery financing. The</p>

		<p>facility bears annual interest of LIBOR plus a margin of 2.25%.</p> <p>The Company has made USD 26.9 million of progress payments to HHI through 28 February 2019 for the construction of this vessel.</p>
Hull 3090	USD 0.0	<p>On 27 February 2019, the Company's subsidiary, Moonsprite Shipping Corp. entered into a loan agreement with Credit Agricole Corporate Investment Bank for the financing of Hull 3090. The total proceeds of the loan will be the lower of the 65% of the firm market value of the vessel and USD 58,000,000. The loan agreement permits pre-delivery financing and includes export credit and bears annual interest of LIBOR plus a weighted-average margin of 2.09%.</p> <p>The Company has made USD 26.9 million of progress payments to HHI through 28 February 2019 for the construction of this vessel.</p>

Pursuant to the above and indicated bank debt in respect of the remaining unfinanced vessels, the overall Loan-to-Value ratio of the Company is below 75% based on current fair market values.

The majority of the Company's loan agreements (as set out in the table above) contain change of control clauses, whereas the strictest clause sets out that change of control is triggered if the Alafouzos family ceases to hold legal and/or beneficial ownership (directly or indirectly) of 51% in the Company.

The key covenants in the Company's debt agreements are:

1. Minimum Asset Coverage Ratio<sup>2</sup> - 125%
2. Minimum Cash & Cash Equivalents - USD 10,000,000
3. Maximum Loan to Value - 75%

On 3 December 2018, the Company entered into a revolving credit facility agreement with an affiliate of the Company's largest shareholder, Glafki, whereby the Company may borrow an amount of up to USD 15 million. The facility may be used to partially finance the Company's newbuilding program or for other general corporate purposes. The facility bears a fixed annual interest rate of 6.25% on the drawdown amount at each time, with no fixed repayment schedule. The availability period is up to 30 June 2020, which is also the final maturity date of the facility when all outstanding principal and accrued interest is due for repayment. As of the date of this Prospectus, the Company has not drawn down on this facility.

On 19 January 2019, the Company entered into a sale and lease back arrangement with Ocean Yield Malta Limited for the re-financing of M/T Milos. The net proceeds of USD 49,000,000 were used to repay the outstanding amount under the vessel's existing ABN Amro loan facility, providing the Company with additional net liquidity of USD 17,830,000. With this financing, combined with the shareholders' revolving credit facility mentioned above, the Company has secured funding for the remaining capital requirements for its newbuilding program, scrubber equipment and installation and any other capital requirements.

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<sup>2</sup> Asset Coverage Ratio: Fair market value of the vessel divided by its debt outstanding.

## Debt and Expected Debt Maturity

Amounts in USD millions

	2019	2020	2021	2022	2023	Thereafter	Total
Nissos Therassia	2.2	2.2	23.5				27.9
Nissos Heraclea	2.4	2.4	2.4	24.7			31.5
Nissos Schinoussa	2.2	2.2	2.2	23.0			29.5
Milos	2.4	2.8	2.9	2.9	2.9	35.0	49.0
Poliegos	2.2	2.3	2.2	2.3	2.5	32.4	43.9
Kimolos	2.0	2.2	2.5	2.5	2.5	34.4	46.0
Folegandros	2.0	2.2	2.4	2.4	2.4	29.6	41.0
HULL 3012	2.0	3.5	3.5	3.5	3.5	59.2	75.3
HULL 3013	1.7	3.5	3.6	3.5	3.5	59.4	75.3
HULL 3014	1.4	3.5	3.6	3.5	3.5	59.7	75.3
HULL 3015	1.1	3.5	3.6	3.5	3.5	60.0	75.3
HULL 3050	1.2	4.7	4.7	3.8	3.3	41.4	59.0
HULL 3051		3.4	3.4	3.4	3.4	44.4	58.1
HULL 3089		3.2	3.2	3.2	3.2	45.2	58.2
HULL 3090		3.6	3.6	3.6	3.6	43.6	58.0

### Refund Guarantors

Refund guarantees are provided in newbuilding vessel transaction as the purchaser pays for a substantial part of the vessel value prior delivery. The refund guarantee provides a form of security in respect of those instalments. The builder's bank of surety company undertakes that in the event of default of the yard, the purchaser will receive back those instalments. Currently, the Company has the following refund guarantees for its newbuilding program:

Hull	Refund Guarantor
HULL 3012	Swiss Re International SE, Singapore Branch
HULL 3013	Swiss Re International SE, Singapore Branch
HULL 3014	CHUBB European Group Limited, Netherlands Branch
HULL 3015	CHUBB European Group Limited, Netherlands Branch
HULL 3050	WOORI BANK, Seoul, Korea
HULL 3051	WOORI BANK, Seoul, Korea
HULL 3089	NongHyup Bank, Seoul, Korea
HULL 3090	NongHyup Bank, Seoul, Korea

## 9.7 Cash Flows

The table below presents an overview of the Company's, and the Company's predecessor's, operating fleet on a per vessel basis. The Company's control was established on 28 June 2018, then the Company obtained the power to govern the financial and operating of the contributed SPV's so as to accrue the financial benefits of their activities.

Vessel	Delivery Date	2016	2017	2018 <sup>3</sup>	
		Operating Days	Operating Days	Operating Days under OMH	Operating Days under Okeanis
Nissos Therassia	5/1/2015	365	365	178	95
Nissos Heraclea	3/7/2015	365	365	178	95
Nissos Schinoussa	23/9/2015	365	365	178	95
Milos	31/10/2016	61	365	178	95
Poliegos	9/1/2017		356	178	95
Kimolos	12/5/2018			47	95
Folegandros	19/9/2018			0	12
Hull 3012					
Hull 3013					
Hull 3014					
Hull 3015					
Hull 3050					
Hull 3051					
Hull 3089					
Hull 3090					
<b>Total days</b>		<b>1,156</b>	<b>1,816</b>	<b>937</b>	<b>582</b>

### Cash flows for the period ending 31 December 2016

The Group generated positive cash flow from operating activities of USD 14,474,738, primarily due to favourable market conditions and profitable time charters entered into in previous years. The Group owned four vessels throughout 2016, two of which traded in the spot market for the full year, one of which was on time charter for the full year and one of which was on time charter upon delivery from October 2016..

The Group generated negative cash flow from investing activities of USD 67,614,123, primarily due to yard payments for the newbuildings M/T Milos and M/T Poliegos. The Group took delivery of M/T Milos on 31 October 2016, making total payments to the yard of USD 46.1m throughout 2016. The Group also made progress payments of USD 13.2m for M/T Poliegos throughout 2016.

The Group generated positive cash flow from financing activities of USD 54,890,602, mainly due to proceeds of USD 36.6m from the ABN Amro facility used to finance M/T Milos, and a USD 26.4m equity contribution from the Alafouzou family to finance the newbuilding program.

With a net increase in cash and cash equivalents of USD 1,751,217 for full year 2016, the Group's cash balance amounted to USD 2,821,458 at 31 December 2016.

<sup>3</sup> Up to 30 September 2018.

### **Cash flows for the period ending 31 December 2017**

The Group generated positive cash flow from operating activities of USD 9,638,762, primarily due to a USD 4.5m decline in profitability year on year. The Group owned five vessels throughout 2017, two of which traded in the spot market for the full year, and three of which were on time charter for the full year.

The Group generated negative cash flow from investing activities of USD 44,136,656, primarily due to yard payments of USD 54.6m, comprising the delivery instalment of USD 32.9m for newbuilding M/T Poliegos and progress payments of USD 20.1m for M/T Kimolos and M/T Folegandros.

The Group generated positive cash flow from financing activities of USD 32,781,752, mainly due to proceeds of USD 47.1m from the sale and lease back of M/T Poliegos, and a USD 20.2m equity contribution from the Alafouzou family.

With a net decrease in cash and cash equivalents of USD 1,716,142 for full year 2017, the Group's cash balance amounted to USD 1,105,316 at 31 December 2017.

### **Cash flows for the period starting on the date of the Company's incorporation, 30 April 2018, until 30 September 2018**

The Company generated negative cash flow from operating activities of USD 1,502,612 since its incorporation, primarily due to adverse market conditions. The Company owned seven vessels throughout 2018, two of which traded in the spot market for the full period, three of which were on time charter for the full period and two of which entered into time charters upon their delivery from the yard and through to the period end.

The Company generated negative cash flow from investing activities of USD 101,434,032 since its incorporation, primarily due to yard payments for newbuilding orders, comprising the delivery instalments for newbuildings M/T Folegandros and M/T Kimolos and progress payments for the VLCC newbuildings.

The Company generated positive cash flow from financing activities of USD 134,271,494 since its incorporation, mainly due to the First Private Placement and proceeds from the Alpha Bank facility for the financing of the M/T Folegandros.

In June 2018, the Company completed the First Private Placement and generated gross equity proceeds of approximately USD 100 million.

The Company's cash balance amounted to USD 31,334,850 at 30 September 2018.

## **9.8 Balance Sheet Data**

### **Balance sheet data as of 31 December 2016**

As of 31 December 2016, the Group's total assets were USD 283,637,715, consisting primarily of vessels, vessels under construction, cash and capitalised newbuilding costs.

As of 31 December 2016, the Group's total liabilities were USD 149,406,629, attributable to interest bearing debt.

### **Balance sheet data as of 31 December 2017**

As of 31 December 2017, the Group's total assets were USD 316,811,016, consisting primarily of vessels, vessels under construction, cash and capitalised newbuilding costs.

As of 31 December 2017, the Group's total liabilities were USD 184,602,700, attributable to interest bearing debt.

### **Balance sheet data as of 30 September 2018**

As of 30 September 2018, the Company's total assets were USD 592,776,103, consisting primarily of vessels, vessels under construction, cash and capitalised newbuilding costs. The total investment for the eight VLCC newbuildings will amount to USD 698,728,000. The payments to the yard are payable in several instalments throughout Q4 2018 and 2019.

As of 30 September 2018, the Group's total liabilities were USD 304,243,372, attributable to interest bearing debt.

## **9.9 Funding and Treasury Policies**

The Company's funding and treasury activities aim to maximize investment returns while maintaining sufficient liquidity to adequately fund operations. Cash and cash equivalents are held primarily in United States dollars in the form of cash or short term deposits.

The Company's bank debt and lease financing have floating LIBOR exposure, with the majority of the interest rollovers on a monthly or three-month basis. The Company does not hold any interest rate derivatives.

Cash and Cash Equivalents for working capital purposes are held in operating account while excess cash in interest bearing short term time deposits.

## **9.10 Working Capital Statement**

As of the date of this Prospectus, the Company is of the opinion that it has sufficient working capital for its present requirements and for at least the next twelve months from the date of this Prospectus, which mainly consists of payments to yards for the newbuilding program, scrubber installation and other general corporate purposes.

## 9.11 Investing Activities

### Principal Investments for the periods ended 31 December 2016, 2017, 2018 and 2019

Paid and payable yard instalments are presented in the table below:

Amounts in USD millions

	2016				2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Milos	6.6		6.6	32.9												
Poliegos		6.6	6.6		32.9											
Kimolos					6.7		6.7		6.7	41.0						
Folegandros						6.7			6.7	6.7	41.0					
H-3012									17.2		8.6	17.2			43.1	
H-3013									17.2		8.6	17.2			43.1	
H-3014									17.2		8.6		17.2		43.1	
H-3015									17.2			8.6	17.2		43.1	
H-3050										8.8	8.8	8.8	17.5		43.8	
H-3051										8.8	8.8	8.8		17.5	43.8	
H-3089											9.0	18.0		9.0		53.7
H-3090											9.0	9.0	9.0	9.0		53.7

The Company has secured financing for all its newbuildings under construction. Please refer to section 9.6 for more information on the Group's financing arrangements.

The table below presents the Ship Building Contract ("SBC") prices, inclusive of scrubbers:

Vessel	SBC Price (Amounts in USD million)
Milos	65.9
Poliegos	65.9
Kimolos	67.9
Folegandros	67.9
H-3012	86.1
H-3013	86.1
H-3014	86.1
H-3015	86.1
H-3050	87.6
H-3051	87.6
H-3089	89.5
H-3090	89.5

## Principal Investments in Progress and Planned Principal Investments

The Company has commitments to pay USD 698,728,000 in total yard instalments to HHI during the progress of the construction period of its VLCC orderbook. As of the day of this Prospectus, USD 402,690,000 is still due to HHI. The various delivery dates are set for April, May, June, July, August, August, September, October and December 2019. The construction of the VLCCs is taking place in Ulsan, South Korea. However, they intend to trade worldwide within WIWL. Countries, ports and places under UN sanctions or US boycotted countries are excluded.

As of the date of this Prospectus, the Company has approximately USD 10 million in available cash and USD 15 million of available credit under the shareholder loan. The Company's VLCC newbuilding orders represent an aggregate investment of approximately USD 699 million, approximately USD 171 million of which has been paid by equity and USD 108 million of which has been paid by debt. The outstanding payments in respect of the VLCC newbuilding program amount to approximately USD 420 million. Remaining yard instalments will be paid with USD 233 million of bank debt and USD 190 million of lease financing, with the balance funded by the Company's available liquidity and cash flow from operations.

On 5 October 2018, the Company entered into (a) an agreement with Ecospray Technologies S.R.L. (the "Supplier") for the supply of six scrubber systems and (b) an agreement that grants the Company the option to order up to two additional scrubber systems. The total contract price of the scrubber systems is EUR 6.1 million. Under the firm agreement, all scrubbers are to be delivered by the end of August 2019. Ecospray is an Italian firm and financing of the scrubber investment will require both debt and equity.

The Company has no other committed investments.

Apart from the above, the Company does not have any other investments in progress, firm commitments or obligations to make significant future investments.

### 9.12 Property, Plant and Equipment

The Company's fleet is considered part of its property, plant and equipment. For a further description of the fleet please see Section 5.1 "*Operations and Principle Activities*". The Company's vessels will be subject to environmental regulations, such as Emission Control Areas and global IMO regulations on sulphur content in fuel coming into effect in 2020. Given the modern nature of its fleet, the Company expects to meet these requirements. In addition, the Company will introduce an appropriate safety management system covering instructions and procedures which contribute to the highest safety standards on-board its ships, ensuring that cargo is handled correctly and preventing situations which threaten safety of our personnel. The safety management system will be based on national and international requirements and standards for quality and safety. The table provided in Section 5.1 sets forth key information in respect of the Company's fleet ownership, size and the specifications to comply with all the environmental regulations.

Scrubbers will be fitted on the six vessels on the water prior to January 2020 and on the Nissos Heraclea upon time charter redelivery. For more information in relation to scrubbers please refer to section 5.4 "*Material Contracts*". Ballast Water Treatment Systems ("BWTS") are installed on the whole fleet. All environmental issues in relation to IMO regulations are addressed with the use of BWTS and scrubbers, thus protecting the fleet's level of utilisation and inherent market value. Please see Section 6.5 (*Regulatory factors and financial implications*) for more detailed information in this respect.

The fleet is trading between and at safe places WIWL, however, countries, ports and places under UN sanctions or US boycotted are excluded.

### 9.13 Significant Recent Trends

There are no recent trends in production, sales and inventory, and costs and selling process since 31 December 2018 to the date of the Prospectus. The Company is not aware of any information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the year 2018.

## 10. THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

*This Section provides summary information about the Board of Directors and the Executive Management of the Company and disclosures about their employment arrangements with the Company and other relations with the Company.*

### 10.1 Overview

The Board of Directors is responsible for the overall management of the Company and may exercise all of the powers of the Company. In accordance with the laws of the Republic of Marshall Islands, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation, preparing plans and budgets for its activities; ensuring that the Company's activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it deems fit to the executive management of the Company (the "Executive Management"). The Company's Executive Management is responsible for the day-to-day management of the Company's operations in accordance with instructions set out by the Board of Directors. Among other responsibilities, the Company's CEO is responsible for keeping the Company's accounts in accordance with applicable legislation and regulations and for managing the Company's assets in a responsible manner.

### 10.2 Board of Directors and Executive Management

#### Board of Directors

The Company's articles of incorporation ("Articles of Incorporation") provide that the Board of Directors shall have a minimum of one member. The Company's Board of Directors currently consists of the following members:

<u>Name</u>	<u>Position</u>	<u>Served Since</u>	<u>Expiry of Term</u>
Ioannis A. Alafouzos	Chairman	April 2018	June 2020
John Kittmer	Director	June 2018	June 2020
Charlotte Stratos	Director	June 2018	June 2020
Joshua Nemser	Director	June 2018	June 2020
Daniel Gold	Director	June 2018	June 2020
Robert Knapp	Director	June 2018	June 2020

The Company's registered business address, Ethnarchou Makariou av. & 2 D. Falireos str., 18547 Neo Faliro, Piraeus, Greece, serves as c/o address for the members of the Board of Directors in relation to their directorship of the Company. The composition of the Company's Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice of 17 October 2018 (the "Norwegian Code of Practice"). The Norwegian Code of Practice provides that a board member is generally considered to be independent when he or she does not have any personal, material business or other contacts that may influence the decisions it makes as a board member.

Set out below are brief biographies of the directors of the Company, along with disclosures about the companies and partnerships of which each director has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and executive management positions in the Company or any of its subsidiaries.

#### *Ioannis A. Alafouzos, Chairman*

Mr. Ioannis Alafouzos serves as the CEO of Kyklades Maritime, the private company being the founder of the Company. Mr. Alafouzos began his career in shipping in 1981 and has over 40 years of experience in all facets of the industry. Mr. Alafouzos founded Kyklades Maritime Corporation's tanker arm and has been the key strategist for the company's cyclical asset plays. Throughout his career with Kyklades, he has held and holds various positions in single purpose vehicle companies used mainly for the acquisition of vessels. Mr. Alafouzos holds an MA from Oxford University in History of Economics. He was a member of the ABS Technical Committee from 2005-2009, a board member of Ionian and Popular Bank in the 1990's, and a board member of the Hellenic Chamber of Shipping in the 1980s.

Current other directorships and management positions ..... Directorships:  
Omega Six Marine Corp.  
Omega Eight Marine Corp.  
Omega Ten Marine Corp.  
Okeanis Marine Holdings S.A.  
Glafki Marine Corp.  
Shimmering Seas Shipping Ltd

Imeros Shipping Corporation  
Eidiseis Dot Com S.A.  
Tvpedia S.A.  
Organismos Meson Mazikis Epikoinonias S.A.  
Thanale S.A.  
Panathinaikos Football Club

Management position(s):  
None

Previous directorships and management positions held  
during the last five years.....

Directorships:  
Melodia S.A.  
Mousikes And Radiophonikes Epichiriseis S.A  
Kathimerini SA

Management position(s):  
Kyklades Maritime Corporation - Chief Executive Officer

*John Kittmer, Director*

John Kittmer, the British Ambassador to Greece for the period from 2013 to 2016 has served various other positions in the past such as Director of Overseas Territories as Commissioner of the British Indian and Antarctic Territories and Deputy Director for Inland Waterways & Editor-in-Chief of the Natural Environment White Paper, Department for Environment in London. He holds a BA in Classics from the University of Cambridge, an MA in Modern Greek Studies from King's College and is currently undertaking a PhD in Modern Greek Literature from King's College. Mr. Kittmer has been a mentor in the Athena Mentoring Programme 2017 & 2018 of the Global Thinkers Forum, and is currently the Chairman of The Anglo-Hellenic League.

Current other directorships and management positions ..... Directorships:  
None

Management position(s):  
None

Previous directorships and management positions held  
during the last five years.....

Directorships:  
None

Management position(s):  
None

*Charlotte Stratos, Director*

Charlotte Stratos is a Senior Advisor to Morgan Stanley's Investment Banking Division-Global Transportation team, where she has been since May 2008. From 1987 to 2007, Ms. Stratos served as managing director and head of Global Greek Shipping for Calyon Corporate and Investment Bank of the Credit Agricole Group. From 1976 to 1987, Ms. Stratos served in various roles with Bankers Trust Company, including advisor to the Shipping Department and vice president of Greek shipping finance. Currently serves as an independent director for Costamare Inc., a containership company listed on the NY Stock Exchange, and as director of Gyroscopic Fund (a fund of hedge funds). She was an independent director on the board of Hellenic Carriers Limited, a shipping company listed on London's AIM from 2007 until 2016 when the company delisted from AIM and a board member of Emporiki Bank, the fourth largest Greek bank, from 2006 - 2008. Ms. Stratos holds a BA in Economics.

Current other directorships and management positions ..... Directorships:  
Costamare Inc.  
Gyroscopic Fund

Management position(s):  
None

Previous directorships and management positions held during the last five years..... Directorships:  
Hellenic Carriers Ltd

Management position(s):  
None

*Joshua Nemser, Director*

Joshua Nemser is a New York-based research analyst at VR Capital Group. Prior to joining VR, Mr. Nemser was an investment banking associate at Moelis & Company, where he advised on a range of mergers, acquisitions, recapitalizations, and restructurings. Prior to Moelis, he was an attorney in the Business Finance & Restructuring department of Weil, Gotshal & Manges. Prior to Weil, he was vice president and chief pilot of a federally certificated air carrier. Mr. Nemser holds a J.D. from the New York University School of Law, where he graduated magna cum laude, and a B.S. in business administration from the University of Southern California. He is a licensed airline transport pilot with over 2,000 flight hours.

Current other directorships and management positions ..... Directorships:  
None

Previous directorships and management positions held during the last five years..... Directorships:  
None

Management position(s):  
None

*Daniel Gold, Director*

Daniel Gold is the CEO, managing partner and founder of QVT Financial LP, an asset management company with offices including New York, London, Singapore, and New Delhi. QVT Financial, through its managed funds, is an experienced global investor in the shipping and offshore industries. Mr. Gold holds an AB in Physics from Harvard College. Mr. Gold is an American citizen.

Current other directorships and management positions ..... Directorships:  
Awilco Drilling PLC  
SR Recovery Ltd.

Management position(s):  
QVT Financial LP

Previous directorships and management positions held during the last five years..... Directorships:  
None

Management position(s):  
None

*Robert Knapp, Director*

Robert Knapp is the CIO of Ironsides Partners, an investment manager based in Boston which he founded in 2007. Ironsides is an asset value investor with an emphasis on market dislocations or disruptions. Mr. Knapp serves as a director for several investment companies including MVC Capital listed on the NYSE and was a director of MPC Container Ships AS when it was founded. He is a graduate of Princeton University in the US and Oxford University in the UK.

Current other directorships and management positions ..... Directorships:  
Ironsides Partners LLC  
Ironsides Funds (various)  
Africa Opportunity Partners Ltd  
Africa Opportunity Fund Ltd  
MVC Capital  
Emergent Capital  
Pacific Alliance Asia Opportunity Fund  
Pacific Alliance Group Asset Management Ltd  
Veracity Worldwide LLC

Sea Education Association (Treasurer and Trustee)  
Massachusetts Eye & Ear Infirmary (Trustee and Director)

Previous directorships and management positions held  
during the last five years.....

Directorships:  
MPC Container Ships AS  
Castle Private Equity

Management position(s):  
None

### Executive Management

Senior management of the Company is employed under the Company's subsidiary OET Chartering. The Company's Executive Management comprises of the following members:

<u>Name</u>	<u>Position</u>	<u>Employed From</u>
Ioannis A. Alafouzos	CEO	28 June 2018
John Papaioannou	CFO	10 September 2018
Thalia Kalafati	Treasurer	28 June 2018
Aristidis Alafouzos	COO	28 June 2018

Set out below are brief biographies of the members of the Executive Management, along with disclosures about the companies and partnerships of which the member of the Executive Management has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and Executive Management positions in the Company or its subsidiaries.

#### *Ioannis A. Alafouzos, CEO*

Mr. Alafouzos is also a member of the Board of Directors of the Company. See above for additional description.

Current other directorships and management positions ..... Directorships: Please refer to the table above.

Management position(s):  
Please refer to the table above.

Previous directorships and management positions held  
during the last five years.....

Directorships:  
Please refer to the table above.

Management position(s):  
Please refer to the table above.

#### *John Papaioannou, CFO*

Mr. Papaioannou has over 12 years of shipping experience in finance, capital markets and research. He was previously the head of strategy, research and investor relations at BW LPG in Singapore. Mr. Papaioannou has held positions with shipping corporations and hedge funds. He holds a Bachelor's degree in Finance from Boston University with magna cum laude honours, an M.S.c. in Investment Management from Cass Business School with distinction honours, and is a CFA charterholder.

Current other directorships and management positions ..... Directorships:  
None

Management position(s):  
None

Previous directorships and management positions held during the last five years..... Directorships:  
None

Management position(s):  
None

*Thalia Kalafati, Treasurer*

Ms Kalafati joined the Kyklades team in 1991 where she has been in charge of the Groups financing transactions and negotiations. Throughout her career with Kyklades, she has held and holds various positions in SPV companies used mainly for the acquisition of vessels. She was previously with Barclays Bank Plc, Piraeus Shipping Branch from 1981 to 1992 as Senior Account Manager. She has a Master degree in Statistics from The London School of Economics. Ms Kalafati is a Greek citizen, born in Cyprus and resides in Athens Greece since 1980.

Current other directorships and management positions ..... Directorships:  
Kyklades Maritime Corporation  
Layhill Shipping Corp.  
Sea Coral Enterprises Corp.  
Sea Diamond Enterprises Corp.  
Kythnos Marine Corp.  
Anafi Marine Corp.  
Athinais Maritime Corp.  
Danais Maritime Corp.  
Zenith Maritime Corp.  
Bigal Shipping Corporation  
Sea Pearl Enterprises Limited  
Sea Shell Enterprises Limited  
Christiana Marine Corp.  
Elbe Marine Corp.  
Omega Six Marine Corp.  
Omega Eight Marine Corp.  
Omega Ten Marine Corp.  
Glafki Marine Corp.  
Okeanis Marine Holdings S.A.

Management position(s):  
Kyklades Maritime Corporation - Chief Financial Officer

Previous directorships and management positions held during the last five years..... Directorships:  
None

Management position(s):  
None

*Aristidis Alafouzos, COO*

Aristidis Alafouzos has over 8 years of shipping experience in operations, sales and purchase, and chartering. Mr. Alafouzos has contracted over 25 newbuilding vessels as well as long term timecharters and contracts of affreightment. Previously, he has worked on the ACM Sales and Purchase desk. Mr. Alafouzos is Vice Chairman 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.

Current other directorships and management positions ..... Directorships:  
None

Management position(s):  
None

Previous directorships and management positions held during the last five years.....

Directorships:  
Kyklades Maritime Corporation

Management position(s):  
Kyklades Maritime Corporation - Commercial Director

### 10.3 Remuneration and Benefits

#### Board of Directors

The Board of Directors may from time to time, in its discretion, fix the amounts which shall be payable to members of the Board, pursuant to the Company's Articles of Association.

Daniel Gold, John Kittmer, Charlotte Stratos, Robert Knapp and Joshua Nemser are entitled to a director's fee of USD 75.000 each per annum, to be paid by the Company in addition to reimbursement of expenses. For the director services provided by Mr. Nemser, the Company will pay the mentioned fee to his employer, being VR Capital. The fee was agreed by the board. Mr. Alafouzou is not entitled to such director's fee.

#### Executive Management

The annual remuneration of the Executive Management is approximately USD 765,000 in total. The remuneration structure comprises primary salaries, bonus, insurance cover, company-provided phones and other benefits which are of minor nature. The Company does not disclose the remuneration of the executive management on an individual basis.

The business address of Ethnarchou Makariou av, & D. Falireos str., 18547 Neo Faliro, Piraeus, Greece, serves as c/o address for the executive management team responsible for the day-to-day management for the Group.

None of the members of the administrative, management or supervisory bodies' of the Company have any service contracts with the Company or any of its subsidiaries in the Group providing for benefits upon termination of employment.

#### Shares held by Members of the Board of Directors and Executive Management

The table below sets forth the number of Shares beneficially owned by each of the Company's members of the Board of Directors and Executive Management as of the day of this Prospectus.

	Position	Shareholding (Direct and indirect)
Ioannis A. Alafouzou.....	Chairman, CEO	54.75%
John Kittmer .....	Director	0.00%
Charlotte Stratos .....	Director	0.00%
Joshua Nemser.....	Director	5.42%
Daniel Gold.....	Director	4.82%
Robert Knapp .....	Director	5.84%
John Papaioannou .....	CFO	0.0002%
Thalia Kalafati .....	Treasurer	0.0003%
Aristidis Alafouzou.....	COO	0.041%

#### Loans and Guarantees

The Company has not provided any guarantees, or granted any loans or made any other similar commitments to any member of the Board of Directors or the Executive Management.

### 10.4 Disclosure of Lock-up arrangements

The Company's founders, represented by the shareholder Glafki, are subject to a 12 month lock-up period ending on 3 July 2019, subject to certain customary exceptions and limitations.

### 10.5 Disclosure of Conflicts of Interests

Some of the Company's directors, officers and principal stockholders have affiliations with entities that have similar business activities to those planned or conducted by the Company. Certain of the Company's directors are also directors

of other shipping companies and they may enter similar businesses in the future. These other affiliations and business activities may give rise to certain conflicts of interest in the course of such individual's affiliations with the Company. Such directors will, however, be expected to disclose any such conflicts as appropriate.

Certain services to the Company will be performed, under contract, by companies related to some of the Company's directors, being a potential source to conflict of interest.

Mrs. Thalia Kalafati, the Company's Treasurer, also acts as CFO for Kyklades in addition to being a director of multiple companies that are related to OET. As such, there may be real or apparent conflicts of interest with respect to matters affecting Kyklades and other relevant Kyklades affiliated companies whose interest in some circumstances may be adverse to the interest of the Company. Please see a complete list of Mrs. Kalafati's directorships in Section 10.2 (*Executive Management*) above.

Joshua Nemser is affiliated with VR Global Partners, L.P. and VR Capital Group Ltd., (jointly "VR") which, cumulatively, are main shareholders in the Company. As such, there may be real or apparent conflicts of interest with respect to matters affecting VR and other relevant VR affiliated companies whose interest in some circumstances may be adverse to the interest of the Company.

Apart from the above mentioned matters, as of the date of this Prospectus, there are no current or potential conflicts of interests between the management's and the Directors' duties to the Company and their private interests and/or other duties.

#### **Family relations**

Mr. Aristidis Alafouzos, the Company's COO, is the son of Mr. Ioannis Alafouzos, the Company's Chairman and CEO.

#### **10.6 Disclosure About Convictions in Relation to Fraudulent Offences**

During the last five years preceding the date of this Prospectus, no member of the Board of Directors or the Executive Management has:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his capacity as a founder, director or senior manager of a company.

An action has, however, been brought against Mr. Ioannis Alafouzos, by virtue of his status as President, CEO and legal representative of Skai Media (a Greek Media enterprise), in respect of an alleged breach of the Greek Data Protection Act, for the content of an episode of a sports television program broadcasted in September 2014, by SKAI TV. According to Greek Law the legal representative of a Media Company is liable for the broadcasted programs even though he is not aware of their content, as in the subject case. The allegation was strongly disputed by Mr. Alafouzos on the grounds of public interest and freedom of speech and he was fully acquitted on 26 November 2018.

#### **10.7 Nomination Committee**

The Company does not currently have a Nomination Committee. The Company is, however, in the process of establishing such a committee.

#### **10.8 Audit Committee**

The Company has an Audit Committee, comprised of two independent directors. As of the date of this Prospectus, the audit committee consists of Mr. John Kittmer and Mrs. Charlotte Stratos, who is the chairman of the committee. The audit committee is responsible for, among other things, (i) reviewing the Company's accounting controls, (ii) making recommendations to the board of directors with respect to the engagement of the Company's outside auditors, and (iii) reviewing all related party transactions for potential conflicts of interest and all those related party transactions and subject to approval by the Company's audit committee.

## 10.9 Remuneration Committee

The Company has a remuneration committee, comprised of two independent directors. As of the date of this Prospectus, the remuneration committee consists of Mr. John Kittmer and Mrs. Charlotte Stratos, who is the chairman of the committee. The remuneration committee is responsible for, among other things, recommending to the board of directors the Company's senior executive officers' compensation and benefits.

## 10.10 Corporate Governance

The Company's corporate governance principles are based on, and comply with, the Norwegian Code of Practice, with the following exceptions:

- Deviation from section 2 "Business": Marshall Islands law does not require the business activities of the Company to be narrowly defined in the Bylaws and the Articles of Incorporation. The Company may be organised for any lawful purpose. It is customary for Marshall Islands companies to have general and expansive descriptions of permitted activities, but the Company has clear objectives and strategies for its business as outlined in its Articles of Incorporation and its Bylaws;
- Deviation from section 3 "Equity and dividends": According to Marshall Islands law, the Board of Directors is authorised to issue additional shares at any time, up to the limits set by the Company's authorised share capital. This authorization is not limited to specific purposes or limited in time and can be increased only upon the authorisation of the shareholders.
- Deviation from section 4 "Equal treatment of shareholders and transactions with close associates":
  - According to the Articles of Incorporation the shareholders do not have any pre-emptive rights to subscribe for new shares. This is in line with Marshall Islands law and practice.
  - The Board of Directors is not required pursuant to Marshall Islands law to obtain independent third party evaluations in the event that the Company enters into transactions with close associates. The Board of Directors may engage independent third parties to evaluate future transactions.
- Deviation from section 6 "General Meetings": Marshall Islands law permits meetings of the shareholders to be held at such place as may be designated by the relevant entity's bylaws. The Company's Bylaws permit annual general meetings of shareholders to be convened on not less than 15 days no more than 60 days' notice. The Board of Directors may fix in advance a record date for determining the shareholders entitled to attend and vote at such a general meeting, which date shall not be less than 15 days nor more than 60 days before the date of such meeting. This is in line with Marshall Island law and practice and believed to capture the intent, and secure shareholders rights.
- Deviation from section 7 "Nomination Committee": The Company does not currently have a nomination committee, but intends to elect such a committee during 2020.
- Deviation from section 8 "Board of directors' composition and independence": While Marshall Islands law does not require the board of directors to have a majority of independent directors, the Company currently fulfils the independence requirements and expects to do so going forward. The Company's CEO is currently also a board member. In light of Mr. Alafouz's unique experience and expertise, it is the view of the Company that it is advantageous that he maintains the dual roles, and that this has the support and is the expectation of the Company's current shareholders and financiers.

In addition to its compliance with the Norwegian Code of Practice (subject as set out above), and with reference to section 14 (*Take-overs*) and section 3 (*Equity and dividends*), the Company intend to establish a special subcommittee of the Board. This subcommittee will consider all inbound M&A interest, and evaluate proposals and negotiate directly with any potential acquirers. This subcommittee shall also approve all new share issuances and new vessel acquisitions of the Group. The Company further intends, beginning 1 January 2021, to conduct a quarterly process by which its Net Asset

Value (“NAV”) per share is calculated and compared to the market price of the Shares, and if there is a significant discount, the Board will consider whether it will sell one or more of the Group’s vessels and use the proceeds to (i) distribute a special dividend, or (ii) repurchase shares.

Any reference to Marshall Islands law means the Marshall Islands Business Corporation Act 1990 (as amended).

## **10.11 Employees**

### **Employees**

As of 30 September 2018, the Company did not have any employees. The corporate management of the Company and the chartering of its fleet (commercial management) is performed in-house by employees of the wholly-owned subsidiary OET Chartering Inc., which is under the management of the Company’s officers. OET Chartering Inc. has its office in Piraeus, Greece and has an organisation of nine persons.

## 11. RELATED PARTY TRANSACTIONS

*This Section provides information regarding certain transactions which the Company is, or has been, subject to with its related parties during the period from incorporation on 30 April 2018 to the date of this Prospectus. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Company pursuant to International Accounting Standard 24 "Related Party Disclosures".*

### Acquisition of tanker fleet from founder

The Company has acquired vessels (via acquisition of the relevant shipowning subsidiaries and as contribution in kind) for an aggregate net (equity) value of approximately USD 140,000,000 (such amount being deemed to be on par with the market) from the Alafouzos family. The contribution was as equity in kind against which the Company issued 15,990,000 ordinary shares.

### Acquisition of management services

Each of the shipowning subsidiaries of the Company will enter into management agreement on amended form Shipman 2009 with (a) OET Chartering Inc. (a subsidiary of the Company) as commercial manager for the provision of commercial and corporate services and (b) Kyklades Maritime Corporation (a company related to the Company's founders) as technical manager for the provision of technical services, including vessel maintenance, crewing, purchasing, insurance and financial services and the Group's personnel, including its officers, and (c) on a Supervision Agreement for the newbuildings on order with Kyklades. The management fee for each of the above mentioned management agreements for each Vessel will be USD 219,000 per annum, consistent with market rates. The terms of the management agreements comprise no liability for any loss on the Company's side, no penalty upon termination and are otherwise on market terms.

### Shareholders' Revolving Credit Facility

On 3 December 2018, the Company entered into a revolving credit facility agreement with an affiliate of the Company's largest shareholder, Glafki, represented by its Board of Directors, whereby the Company can borrow an amount of up to USD 15 million. The facility may be used to partially finance the Company's newbuilding program or for other general corporate purposes. The facility bears a fixed annual interest rate of 6.25% on the drawdown amount at each time, with no fixed repayment schedule. The availability period is up to 30 June 2020, which is also the final maturity date of the facility when all outstanding principal and accrued interest is due for repayment. The Company has not drawn down on this facility, as of the date of this Prospectus.

### Bigal Shipping Loan Agreement

On 20 April 2018, Omega Four Marine Corp. ("**Omega Four**"), entered into a loan agreement with Bigal Shipping Corporation ("**Bigal**"), a company under the beneficial ownership of Ioannis and Themistoklis Alafouzos, whereby Omega Four borrowed USD 6,730,000 from Bigal. The proceeds were used to finance the launching instalment of M/T Folegandros (Hull 5119). The loan bore fixed annual interest of 3.00% and was fully repaid in December 2018.

### Guarantees

Under some of the loan agreements described in the table in Section 9.6, the facilities have been guaranteed by Kyklades and/or Mr. Ioannis Alafouzos. Kyklades and Mr. Ioannis Alafouzos do not receive any kind of guarantee commission.

## 12. DIVIDEND AND DIVIDEND POLICY

*This Section provides information about the dividend policy and dividend history of the Company, as well as certain legal constraints on the distribution of dividends. Any future dividends declared by the Company will be paid in NOK as this is the currency that currently is supported by the VPS. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements".*

### 12.1 Dividend Policy and Dividend History

As the Company has yet to produce stable cash flow and has only existed since April 2018, the Company has not yet paid any dividends. It is the intention of the Company that its Shares shall offer a competitive yield and be reflective of the cash flows generated by its fleet of modern tankers. The Company aims to distribute dividends at least annually close to its ordinary net income adjusted for non-recurring items, working capital needs or other discretionary items as from time to time will be decided by the Board of Directors. The dividend payment frequency will be considered over time. The timing and amount of dividends is at the discretion of the Board of Directors, who will also take into account the legal restrictions on such payments.

The Company intends to capitalize on a strengthening tanker market and a once-in-a-generation disruption on bunker fuel regulations, and to implement a full dividend payout policy upon delivery of its newbuildings currently under construction. The Company further intends, beginning 1 January 2021, to conduct a quarterly process by which its NAV per share is calculated and compared to the market price of the Shares, and if there is a significant discount, the Board will vote on selling one or more of the Group's vessels and using the proceeds to (i) distribute a special dividend, or (ii) repurchase shares in the open market.

There can be no assurances that in any given period dividends will be proposed or declared. In deciding whether to propose a dividend and in determining the dividend amount, the Company's Board of Directors will take into account legal restrictions, as set out in Section 12.2 ("*Legal Constraints on the Distribution of Dividends*"), the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

### 12.2 Legal Constraints on the Distribution of Dividends

Marshall Islands law generally allows the payment of dividends except when currently the corporation is insolvent or would thereby be made insolvent, or when the declaration or payment would be contrary to any restrictions contained in the articles of incorporation. Dividends may be declared and paid out of surplus only (i.e. retained earnings and the excess of consideration received for the sale of the shares above their par value). However, in the case that there is no surplus, dividends may be declared and paid out of the net profits for the fiscal year in which the dividend is declared and for the preceding year.

Pursuant to the Bylaws, the Board of Directors of the Company may from time to time declare cash dividends or distributions out of contributed surplus to be paid to the shareholders according to their rights and interests including such interim dividends as appear to the Board of Directors to be justified by the position of the Company. The Marshall Islands law allows the board to fix in advance a date as the record date for the purpose of determining the shareholders entitled to receive payment of any dividend.

No dividend, distribution or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

Any dividend distribution, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the mail addressed to the holder at his address in the shareholder register or, as the case may be, the VPS, or, in the case of joint holders, addressed to the holder whose name stands first in the register or, as the case may be, the VPS, in respect of the shares at his registered address as appearing in the shareholder register or, as the case may be, the VPS, or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the shareholder register or, as the case may be, the VPS, in respect of such shares, and shall be sent at his or their risk, and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other moneys payable or property distributable in respect of the shares held by such joint holders.

Any dividend or distribution out of contributed surplus unclaimed for a period of six years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of Directors of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

With the sanction of a resolution of the shareholders, the Board of Directors may direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend the Board of Directors may settle it as it thinks expedient, and in particular, may authorize any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board of Directors.

### 13. CORPORATE INFORMATION; SHARES AND SHARE CAPITAL

The following is a summary of certain corporate information and other information relating to the Group, the Shares and share capital of Company, summaries of certain provisions of the Company's Bylaws and applicable laws of the Republic of the Marshall Islands in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Company's Bylaws and applicable laws of the Republic of the Marshall Islands.

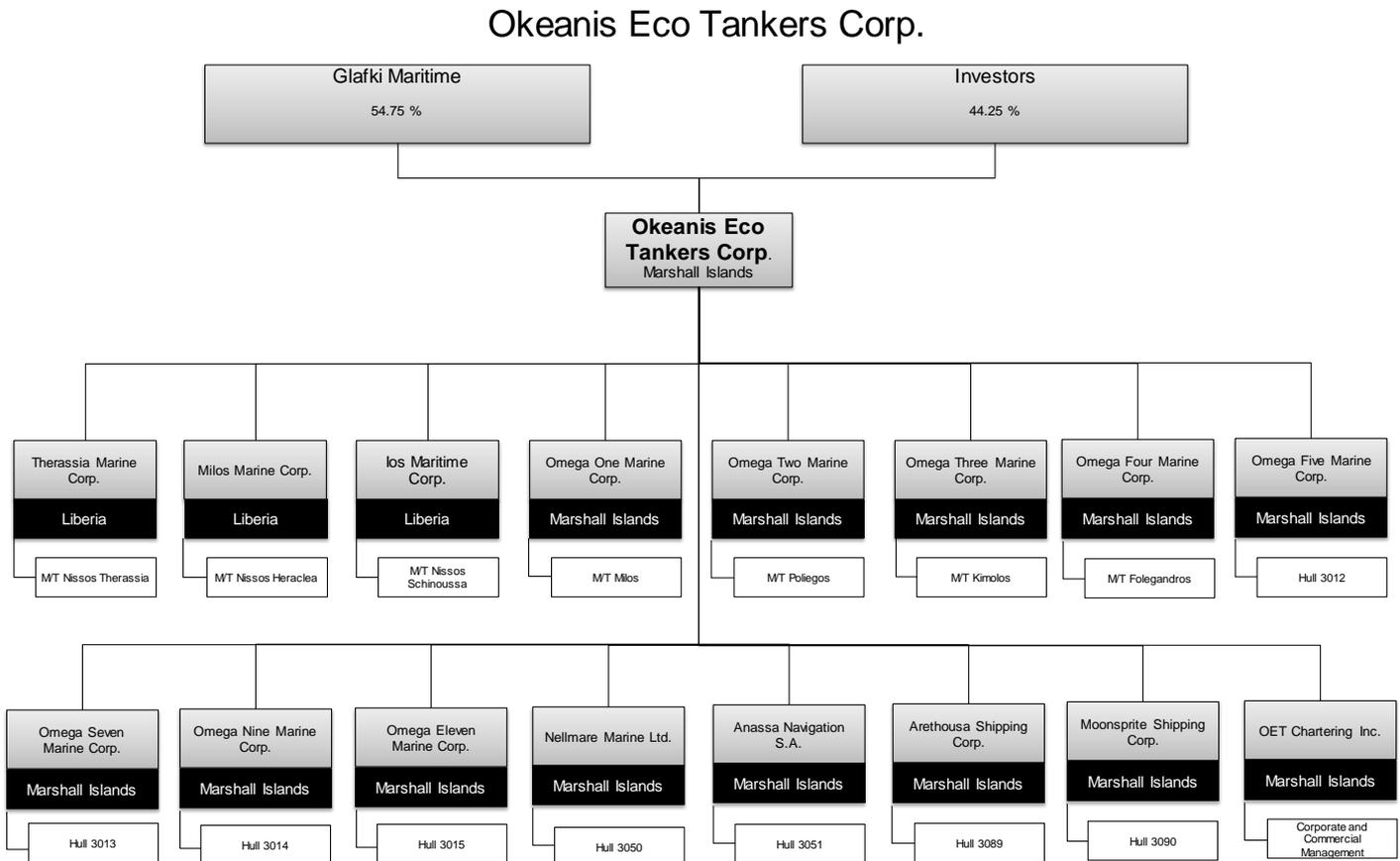
#### 13.1 Incorporation; Registration Number; Registered Office and Other Company Information

The legal and commercial name of the Company is Okeanis Eco Tankers Corp. The Company was founded on 30 April 2018 as a corporation under the Marshall Islands Business Corporation Act with registration number 96382.

The registered address of the Company in the Marshall Islands is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands and the head office of the Company is at Ethnarchou Makariou av, & 2 D. Falireos str., 18547 Neo Faliro, Piraeus, Greece, with telephone number +30 210 4804200.

#### 13.2 Legal Structure

The chart below shows the current legal structure of the Group:



### 13.3 Information on Holdings

The following table sets forth an overview of the Group companies and their function, as well as interests held by the Company (directly or indirectly), as of the date of this Prospectus.

Company Name	Country of Incorporation	Registered Office	Interest Held	Function
Okeanis Eco Tankers Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands		Parent Company
Therassia Marine Corp.	Liberia	80 Broad Street, Monrovia, Liberia	100%	“Nissos Therassia” ownership and operation
Milos Marine Corp.	Liberia	80 Broad Street, Monrovia, Liberia	100%	“Nissos Heraclea” ownership and operation
Ios Maritime Corp.	Liberia	80 Broad Street, Monrovia, Liberia	100%	“Nissos Schinoussa” ownership and operation
Omega One Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	“Milos” lease and operation
Omega Two Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	“Poliegos” lease and operation
Omega Three Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	“Kimolos” ownership and operation
Omega Four Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	“Folegandros” ownership and operation
Omega Five Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3012 lease*
Omega Seven Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall	100%	Hull 3013 lease*

		Islands		
Omega Nine Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3014 lease*
Omega Eleven Marine Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3015 lease*
Nellmare Marine Ltd	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3050 ownership
Anassa Navigation S.A.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3051 ownership
Arethusa Shipping Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3089 ownership
Moonsprite Shipping Corp.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Hull 3090 ownership
OET Chartering Inc.	Marshall Islands	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands	100%	Corporate and commercial management

\* Hulls 3012-3015 are currently owned by the Company. Upon delivery of such vessels, the Company will enter into sale-and-leaseback agreements with Ocean Yield. As of the date of this prospectus, all the proceeds from Ocean Yield are in form of pre-delivery financing.

### 13.4 Share Capital and Share Capital History

As of the date of this Prospectus, the Company's share capital is USD 31,310 divided into 31,310,000 Shares, fully paid and each Share having a par value of USD 0.001.

The table below shows the development in the share capital of the Company since 30 April 2018 and up to the date of this Prospectus.

	Date	Capital Increase (USD)	Share Capital After Change (USD)	Par Value of Shares (USD)	Subscription Price per Share	New Shares	Total Number of Outstanding Shares
Incorporation.....	30/04/18	10	10	0.001	USD 0.001	10,000	10,000
In-kind issue.....	28/06/18	15,990	16,000	0.001	In kind	15,990,000	16,000,000
First Private Placement.....	28/06/18	11,400	27,400	0.001	USD 8.75	11,400,000	27,400,000
Second Private Placement	3/12/18	3,910	31,310	0.001	NOK 66	3,910,000	31,310,000

### 13.5 Authorisation to Increase the Share Capital and to Issue Shares and Other Financial Instruments

Under the Company's constitutional documents, the number of authorized shares is 100,000,000, each with a par value of USD 0.001.

Neither the Company nor any of its subsidiaries has issued any options, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Neither the Company nor any of its subsidiaries has issued subordinated debt or transferable securities other than the shares in the Company and the shares in the Company's subsidiaries which are held directly or indirectly by the Company.

### 13.6 Share Classes; Rights Conferred by the Shares

The Company has one single share class and all shares carry the same rights. The shares are created under the laws of the Marshall Islands. At the Company's General Meetings, each share carries one vote. The beneficial interests in the Shares are registered with the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) under ISIN MHY641771016.

### 13.7 Disclosure on Notifiable Holdings

As of 27 February 2019, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

	% (Direct and indirect ownership)
Glafki Marine Corp. ....	54.75
Ironsides Partners .....	5.84
VR Capital Group .....	5.42

Glafki is both directly and indirectly owned by the Alafouzou family. Through its holding of more than 50% in the Company, Glafki has the ability to make all such resolutions in a shareholder meeting as can be done by simple majority vote, and as such, has the ability to exercise control over the Company. Apart from the aforesaid, there are no specific measures in place regulating the exercise of the influence which follows from holding a majority of the shares in the Company.

The Company is not aware of any arrangements, the operation of which may at a date subsequent to the date of this Prospectus result in a change of control in the Company.

None of the major shareholders has different voting rights than the other shareholders in the Company.

### 13.8 The Company's Articles of Incorporation and Bylaws

The Company's Articles of Incorporation and Bylaws are appended to this Prospectus as Appendix C - Articles of Incorporation and Bylaws. Below is a summary of certain provisions of the Articles of Incorporation and Bylaws and certain aspects of Marshall Islands law.

#### Objective

Pursuant to Section B of the Articles of Incorporation, the Company's objective is to engage in any lawful act or activity.

## **Board of Directors**

Pursuant to the Articles of Incorporation, the Company's Board of Directors shall consist of at least one director. The number of Directors may be determined either by the members of the Board of Directors or by the shareholders. No decrease in the number of Directors shall shorten the term of any incumbent director. The Directors need not be residents of the Marshall Islands or shareholders of the Company. Marshall Islands corporations may, to the extent permitted by law, be elected Directors.

## **Transfer of Shares**

Pursuant to Article VI, Section 2 of the Bylaws, the Board of Directors shall have power and authority to make such rules and regulations as it may deem expedient concerning the issuance, registration and transfer of shares of the Company's stock and may appoint transfer agents and registrars thereof.

Pursuant to section 42(1) of the Marshall Islands Business Corporations Act and Article VI, Section 1 of the Company's Bylaws, the shares of the Company will be uncertificated shares, whether upon original issuance, reissuance or subsequent transfer, and, specifically, the Company may issue shares to be represented by any manner permitted or required by the rules of the stock exchange on which shares of the Company may be listed.

The Company's stock in the Offering will be issued in uncertificated form, and the Company expects to issue all of its stock for the foreseeable future in uncertificated form.

## **Annual Meetings**

Pursuant to Article II of the Bylaws, the annual meeting of the shareholders of the Company shall be held on such day and at such time and place within in or without the Marshall Islands as the Board of Directors may determine for the purpose of electing directors or transaction such other business as may properly be brought before the meeting. The Chairman of the Board (the "Chairman") or, in the Chairman's absence or if there is no Chairman, another person designated by the Board of Directors, shall act as the Chairman of all annual meetings of the shareholders. If there is a failure to hold the annual meeting for a period of 90 days after the date designated thereof, or if no date has been designated for a period of 13 months after the Company's last annual meeting, holders of no less than 10% of the shares entitled to vote in an election of directors, may, in writing, demand the call of a special meeting specifying the time thereof, which shall not be less than two or more than three months from the date of such call. The secretary of the Company upon receiving the written demand shall promptly give notice of such meeting, or if he fails to do so within five business days thereafter, any shareholder signing such demand may give such notice. The shares of stock presented at such meeting, either in person or by proxy, and entitled to vote thereat, shall constitute a quorum, notwithstanding any provision of the Article of Incorporation or the Bylaws to the contrary.

## **Special Meetings**

A special meeting of shareholders, unless otherwise prescribed by law, may be called for any purpose or purposes at any time at the order of the Board of Directors, or by any officer whenever required in writing to do so by shareholders owning not less than one-tenth of all the outstanding shares of the Company entitled to vote at such meeting. If there is a failure to hold the Company's annual meeting for a period of 90 days after the date designated therefor, or if no date has been designated for a period of 13 months after the organization of the Company or after its last annual meeting, holders of not less than 10% of the shares entitled to vote in an election of directors may, in writing, demand the call of a special meeting specifying the time thereof, which shall not be less than two nor more than three months from the date of such call. The secretary of the Company, upon receiving the written demand, shall promptly give notice of such meeting, or if he fails to do so within five business days thereafter, any shareholder signing such demand may give such notice. The shares of stock represented at such meeting, either in person or by proxy, and entitled to vote thereat, shall constitute a quorum, notwithstanding any provision of the Articles of Incorporation or Bylaws to the contrary.

## **13.9 Certain Aspects of the Marshall Islands Business Corporations Act**

### **13.9.1 General Rule of Authority**

Subject to limitations contained within the Articles of Incorporation and the Marshall Islands law as to action which shall be authorized or approved by the shareholders, all corporate powers shall be exercised by or under authority of, and the business and affairs of every corporation shall be managed by, a board of directors. Directors generally make, but generally do not implement, decisions. Officers of a corporation act on the corporation's behalf on a day-to-day basis, and officers are generally recognized as having the authority to bind a corporation in relation to third parties, and also implement the decisions of the board of directors (and, at times, shareholders). The summary in this Section 9.8 excludes considerations of Marshall Islands law and Marshall Islands law which are not relevant to the Company. (For instance, Marshall Islands law allows corporations to authorize and issue preferred shares, but as the Company's Articles of

Incorporation do not authorize the issuance of preferred shares, considerations relating to preferred shares are excluded below.)

### 13.9.2 Shareholder Meetings

#### **Annual Meeting**

In accordance with Marshall Islands law, an annual meeting of shareholders shall be held for the election of directors on a date and at a time designated by or in the manner provided in the corporation's bylaws. Any other proper business may be transacted at the annual meeting. A failure to hold the annual meeting at the designated time or to elect a sufficient number of directors to conduct the business of the corporation shall not affect otherwise valid corporate acts or cause a dissolution of the corporation except as may be otherwise specifically provided pursuant to Marshall Islands law. If the annual meeting for election of directors is not held on the date designated therefor, the directors shall cause the meeting to be held as soon thereafter as convenient. If there is a failure to hold the annual meeting for a period of 90 days after the date designated therefor, or if no date has been designated for a period of 13 months after the organization of the corporation or after its last annual meeting, holders of not less than 10% of the shares entitled to vote in an election of directors may, in writing, demand the call of a special meeting specifying the time thereof, which shall not be less than two nor more than three months from the date of such call. The secretary of the corporation upon receiving the written demand shall promptly give notice of such meeting, or if he fails to do so within five business days thereafter, any shareholder signing such demand may give such notice. The shares of stock represented at such meeting, either in person or by proxy, and entitled to vote thereat, shall constitute a quorum, notwithstanding any provision of the Articles of Incorporation or Bylaws to the contrary.

#### **Special Meeting**

Special meetings of the shareholders may be called by the board of directors or by such person or persons as may be authorized by the Articles of Incorporation or the Bylaws. At any such special meeting, only such business may be transacted which is related to the purpose or purposes set forth in the notice.

#### **Notice**

Whenever under the provisions of Marshall Islands law shareholders are required or permitted to take any action at a meeting, written notice shall state the place, date and hour of the meeting and, unless it is the annual meeting, indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a special meeting shall also state the purpose for which the meeting is called.

A copy of the notice of any meeting shall be given personally or sent by mail or by electronic transmission, not less than 15 nor more than 60 days before the date of the meeting, to each registered shareholder entitled to vote at such meeting. If mailed, such notice is given when deposited in the mail, directed to the shareholder at his address as it appears on the record of shareholders, or, if he shall have filed with the secretary of the corporation a written request that notices to him be mailed to some other address, then directed to him at such other address. If sent by electronic transmission, notice shall be deemed given when directed to a number or electronic mail address at which the shareholder has consented to receive notice.

#### **Proxy**

A shareholder may vote at any shareholder meeting either in person or by proxy. Proxies may be granted by means of electronic transmission provided that the electronic transmission sets forth or can be submitted with information from which it can be determined that the electronic transmission was authorized by the shareholder.

Although Marshall Islands law does not require the Company to send proxy forms to its shareholders for meetings, the Company plans to include a proxy form with notices of meetings.

#### **Record Date**

For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, the bylaws may provide for fixing or, in the absence of such provision, the board of directors may fix, in advance a date as the record date for any such determination of shareholders. Such date shall not be more than 60 nor less than 15 days before the date of such meeting.

### 13.9.3 Voting Rights; Amendments to the Articles of Incorporation

#### General Voting

Each of the Shares carries one vote. In general, decisions that shareholders are entitled to make under Marshall Islands law or the Company's Articles of Incorporation may be made by a majority of the votes cast at a meeting at which there is quorum by the holders of shares entitled to vote thereon. Directors shall, except as otherwise required by Marshall Islands law or by the Articles of Incorporation as permitted by Marshall Islands law, be elected by a plurality of the votes cast at a meeting of shareholders (at which there is quorum) by the holders of shares entitled to vote in the election.

However, as required under Marshall Islands law, certain decisions, including resolutions to approve a merger, consolidation, or conversion of the Company, to amend the Articles of Incorporation, to sell, lease exchange or otherwise dispose of all or substantially all the assets of a corporation, if not made in the usual or regular course of the business actually conducted by such corporation, must receive approval by the holders of a greater number of shares.

Beneficial owners of shares are not entitled to vote on shares under Marshall Islands law. Only the persons who are listed as the holders of record of shares on a corporation's stock ledger may vote. (Record owners may grant proxies to beneficial owners.)

The Company's Articles of Incorporation provide that at all meetings of shareholders of the Company, except as otherwise expressly provided by law (such as when amending the Company's Articles of Incorporation), there must be present either in person or by proxy shareholders of record holding at least one-third of the shares issued and outstanding and entitled to vote at such meetings in order to constitute a quorum, but if less than a quorum is present, a majority of those shares present either in person or by proxy shall have the power to adjourn any meeting until a quorum shall be present.

#### Amendment of Articles of Incorporation

Amendment of the Articles of Incorporation may be authorized by vote of the holders of a majority of all outstanding shares entitled to vote thereon at a meeting of shareholders or by written consent of all shareholders entitled to vote thereon. A holder of any adversely affected shares who does not vote in favor of or consent in writing to an amendment in the Articles of Incorporation shall, subject to and by complying with the provisions of Marshall Islands law, have the right to dissent and to receive payment for such shares, if the articles of amendment, among other matters: (a) create, alter, or abolish any provision or right in respect of the redemption of any outstanding shares or (b) exclude or limit the right of such holder to vote on any matter, except as such right may be limited by the voting rights given to new shares then being authorized of any existing or new class.

#### Mergers or Consolidations

A plan of merger or consolidation must be approved by the board of directors of a corporation, as well as (in most instances) by shareholders with a vote of the holders of a majority of outstanding shares entitled to vote thereon. The shareholders of the outstanding shares of a class shall be entitled to vote as a class if the plan of merger or consolidation contains any provisions which, if contained in a proposed amendment to Articles of Incorporation, would entitle such class of shares to vote as a class. Any Marshall Islands corporation owning at least 90% of the outstanding shares of each class of another domestic corporation or corporations may merge such other corporation or corporations into itself without the authorization of the shareholders of any such corporation, and the same rules apply to a foreign corporation if such type of merger without a vote is permitted by the laws of the jurisdiction under which such foreign corporation is incorporated.

#### Sale, Lease, Exchange or Other Disposition of All or Substantially All the Assets Not Made in Regular Course of Business

A sale, lease, exchange or other disposition of all or substantially all the assets of the Company, if not made in the usual or regular course of the business actually conducted by the Company, shall be authorized by the board of directors and by the affirmative vote of the holders of two-thirds of the shares of the Company entitled to vote thereon.

#### Conversion

A corporation may convert into a Marshall Islands limited liability company, partnership, limited partnership or trust upon approval by the board of directors and all shareholders (even by holders of nonvoting stock).

## **Action by Written Consent of Shareholders**

The Company's Articles of Incorporation provide that any action authorized by Marshall Islands law to be taken at a meeting of shareholders of a corporation, or any action which may be taken at a meeting of the shareholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. An electronic transmission consenting to an action to be taken and transmitted by a shareholder or proxyholder, or by a person or persons authorized to act for a shareholder or proxyholder, shall be deemed to be written and signed, provided that any such electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the electronic transmission was transmitted by the shareholder or proxyholder or by a person or persons authorized to act for the shareholder or proxyholder and (b) the date on which such shareholder or proxyholder or authorized person or persons transmitted such electronic transmission. Marshall Islands law requires amendments to the Articles of Incorporation and the authorization of corporate dissolution, however, to be unanimously approved if approved by written consent without a shareholder meeting.

## **Right to Dissent**

Any shareholder of a corporation generally has the right to dissent (and receive payment of the fair value of his shares) from (a) any plan of merger or consolidation to which the corporation is a party; or (b) any sale or exchange of all or substantially all of the property and assets of the corporation not made in the usual and regular course of its business, including a sale in dissolution, but not including a sale pursuant to an order of a court having jurisdiction in the premises or a sale for cash on terms requiring that all or substantially all the net proceeds of sales be distributed to the shareholders in accordance with their respective interests within one year after the date of sale. The right of a dissenting shareholder to receive payment of the fair value of his shares shall not be available for the shares of any class or series of stock, which shares, at the record date fixed to determine the shareholders entitled to receive notice of and to vote at the meeting of shareholders to act upon the agreement of merger or consolidation or any sale or exchange of all or substantially all of the property and assets of the corporation not made in the usual course of its business, were either (i) listed on a securities exchange or admitted for trading on an interdealer quotation system or (ii) held of record by more than 2,000 holders. The right of a dissenting shareholder to receive payment of the fair value of his or her shares shall not be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the shareholders of the surviving corporation.

## **Dissolution**

The Company may be dissolved if, at a meeting of shareholders, the holders of two-thirds of all outstanding shares entitled to vote on a proposal to dissolve, by resolution consent that the dissolution shall take place, or by written consent of all the shareholders entitled to vote thereon.

### **13.9.4 Additional Issuances and Preferential Rights**

#### **General**

The Company may issue in the aggregate, over the course of its lifetime, without the consent of any shareholders, up to the 100,000,000 authorized shares set forth in the Articles of Incorporation. To the extent the Company wishes any number of shares that are in excess of such number of authorized shares (taking into account the number of shares that are issued and outstanding), the Articles of Incorporation must be amended.

#### **No Pre-emptive Rights**

While the default under Marshall Islands law is for a corporation's shareholders to have a preferential right to subscribe for new shares issued by the corporation, the Company's Articles of Incorporation opt out of such preferential right, and therefore its shareholders do not have pre-emptive rights.

#### **Preferred Shares**

The Company's Articles of Incorporation do not presently authorize the issuance of preferred shares, and would need to be amended before the Company could issue any preferred shares. Pursuant to Section 88(1) of the Marshall Islands Business Corporations Act and Section K of the Company's Articles of Incorporation, any amendment to the Company's Articles of Incorporation shall be authorized by vote of a majority of all outstanding shares entitled to vote thereon at a meeting of shareholders or by written consent of all shareholders entitled to vote thereon.

### 13.9.5 Minority Rights

By statute, Marshall Islands law does not provide many protections for minority shareholders of the Company. Most of the minority rights are described above, which are rights to dissent over certain votes and the right to force an annual meeting.

#### **Derivative Actions**

Under Marshall Islands law, any of the Company's shareholders may bring an action in the Company's name to procure a judgment in the Company's favor, also known as a derivative action, provided that the shareholder bringing the action is a holder of Shares or a beneficial interest therein both at the time the derivative action is commenced and at the time of the transaction to which the action relates or that the Shares devolved upon the shareholder by operation of law.

#### **Inspection of Books and Records**

Any shareholder in person or by an attorney or other agent, may during the usual hours of business inspect, for a purpose reasonably related to his interests as a shareholder, and make copies or extracts from the share register, books of account, and minutes of all proceedings. Any inspection may be denied to a shareholder or other person who within five years sold or offered for sale a list of shareholders of a corporation or aided or abetted any person in procuring for sale any such list of shareholders or who seeks such inspection for a purpose which is not in the interest of a business other than the business of the corporation or who refuses to furnish an affidavit attesting to this right to inspect.

#### **Annual Balance Sheet and Profit and Loss Statement**

Upon the written request of any person who shall have been a shareholder of record for at least six months immediately preceding his request, or of any person holding, or thereunto authorized in writing by the holders of, at least 5% of any class of the outstanding shares, the corporation shall give or mail to such shareholder an annual balance sheet and profit and loss statement for the preceding fiscal year, and, if any interim balance sheet or profit and loss statement has been distributed to its shareholders or otherwise made available to the public, the most recent such interim balance sheet or profit and loss statement. The corporation shall be allowed a reasonable time to prepare such annual balance sheet and profit and loss statement.

#### **Meeting to Approve Dissolution of Corporation**

A shareholders' meeting may be convened to consider adoption of a resolution to institute a special proceeding to dissolve the corporation on any of the following grounds: (a) that the directors are so divided respecting the management of the corporation's affairs that the votes required for action by the board cannot be obtained; (b) that the shareholders are so divided that the votes required for the election of directors cannot be obtained; (c) that there is internal dissension and two or more factions of shareholders are so divided that dissolution would be beneficial to the shareholders; (d) that the acts of the directors are illegal, oppressive or fraudulent; or (e) that the corporate assets are being misapplied or wasted, may be called, notwithstanding any provision in the Articles of Incorporation, by the holders of 10% of all outstanding shares entitled to vote thereon, or if the Articles of Incorporation authorize a lesser proportion of shares to call the meeting, by such lesser proportion. This type of meeting may not be called more often than once in any period of 12 consecutive months.

### 13.9.6 Rights to Repurchase Shares

A corporation may purchase its own shares out of surplus except when currently the corporation is insolvent or would thereby be made insolvent. A corporation may purchase its own shares out of stated capital except when currently the corporation is insolvent or would thereby be made insolvent, if the purchase is made for the purpose of: (a) eliminating fractions of shares; (b) collecting or compromising indebtedness to the corporation; or (c) paying dissenting shareholders entitled to receive payment for their shares. Shares that have been issued and have been purchased or otherwise reacquired by a corporation shall be cancelled if they are reacquired out of stated capital, or if the Articles of Incorporation require that such shares be cancelled upon reacquisition. Any shares reacquired by the corporation and not required to be cancelled may be either retained as treasury shares or cancelled by the board at the time of reacquisition or at any time thereafter. Shares cancelled after repurchase shall be restored to the status of authorized but unissued shares, except that if the Articles of Incorporation prohibit the reissue of any shares required or permitted to be cancelled.

### 13.9.7 Liability of Directors

#### General Rule

Members of the Board of Directors (and officers) owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the directors (and officers) exercise a general duty of loyalty and care towards the Company. Directors and officers shall discharge the duties of their respective positions in good faith and with that degree of diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions. In discharging their duties, directors and officers, when acting in good faith, may rely upon financial statements of the corporation represented to them to be correct by the president or the officer of the corporation having charge of its books or accounts, or stated in a written report by an independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of such corporation.

#### Limitation in Articles of Incorporation

Marshall Islands law permits the articles of incorporation of a corporation to eliminate or limit the duty of care, but not to eliminate or limit the liability of a director for any breach of the director's duty of loyalty to the corporation or its shareholders. The Company's Articles of Incorporation limit the director's fiduciary duties to the fullest extent now or hereinafter permitted by law.

#### Approval of Related Party Transactions

No contract or transaction between the Company and one or more of the Company's directors or officers will be void or voidable solely for the following reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or her or their votes are counted for such purpose, if (1) the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the board of directors or committee, and the board of directors or committee approves such contract or transaction by a vote sufficient for such purpose without counting the vote of such interested director, or, if the votes of the disinterested directors are insufficient to constitute an act of the board of directors, by unanimous vote of the disinterested directors; or (2) the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the shareholders entitled to vote thereon, and such contract or transaction is approved by vote of such shareholders.

The Board of Directors has the authority to fix the compensation of directors for their services.

### 13.9.8 Indemnification of Directors

Marshall Islands law provides that a corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. In addition, a corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure judgment in its favor by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or in connection with the defence or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. The Company's Bylaws exercise these rights and indemnify such persons if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

The Company's Bylaws further permit purchasing, and the Company will arrange to purchase, insurance to cover the Company's directors against certain liabilities they may incur in their capacity as directors.

#### 13.9.9 Distribution of Assets on Liquidation

Under Marshall Islands law, the Company may be dissolved if, at a meeting of shareholders, the holders of two-thirds of all outstanding shares entitled to vote on a proposal to dissolve, by resolution consent that the dissolution shall take place. In the event of dissolution, the Shares rank equally in the event of a return on capital by the Company, if any.

## **14. SECURITIES TRADING IN NORWAY**

*The following is a summary of certain information in respect of trading and settlement of shares on the Oslo Stock Exchange, securities registration in Norway and certain provisions of applicable Norwegian securities law, including the Norwegian Securities Trading Act, in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Norwegian law.*

### **14.1 Trading and Settlement**

The Oslo Stock Exchange comprise two separate trading markets for trading in equities, Oslo Børs, a stock exchange operated by Oslo Børs ASA, and Oslo Axess, a regulated market operated by Oslo Børs ASA.

Trading of equities on the Oslo Stock Exchange is carried out in the electronic trading system Millennium Exchange. This trading system is in use by all markets operated by the London Stock Exchange as well as by the Borsa Italiana and the Johannesburg Stock Exchange.

Official trading on the Oslo Stock Exchange takes place between 9:00 a.m. CET and 16:30 p.m. CET each trading day, with pre-trade period between 08:15 a.m. CET and 9:00 a.m. CET, a closing auction from 16:20 p.m. CET to 16:25 p.m. CET, and a post-trade period from 16:25 p.m. CET to 17:30 p.m. CET.

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

### **14.2 Information, Control and Surveillance**

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and the bond markets in Norway.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or is subject to the application for listing on such market, must promptly release any inside information (that is, precise information about financial instruments, the issuer thereof or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

### **14.3 The VPS and Transfer of Shares**

Shares that are to be admitted to listing on Oslo Børs are required to be registered in a central securities depository licensed to operate in Norway or another share register approved by Oslo Børs, for practical purposes the VPS. In order to facilitate registration of the beneficial interests in the shares with the VPS, the Company has entered into a registrar agreement with the VPS Registrar, who will operate the Company's VPS share register. Pursuant to the registrar agreement, the VPS Registrar is registered as holder of the shares in the register of members that the Company maintains pursuant to Marshall Islands law. The VPS Registrar will register the beneficial interests in the shares in book-entry form with the VPS (Nw.: "depotbevis"). Therefore, it is not the shares in registered form issued in accordance with the Marshall Islands Companies Act, but the beneficial interests in such shares in book-entry form that are registered with the VPS.

The beneficial interests in the shares are registered in book-entry form with VPS under the category of a "share" and it is such interest in the shares that is registered and traded on the Oslo Stock Exchange. Each such share registered with the VPS will represent beneficial ownership of one Share. The beneficial interests registered with the VPS are freely transferable, with delivery and settlement through the VPS system. Investors must look to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the shares and for all other rights arising in respect of the shares.

The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Stock Exchange VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

#### **14.4 Shareholder Register**

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote in General Meetings on behalf of the beneficial owners.

#### **14.5 Foreign Investment in Norwegian Shares**

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

#### **14.6 Disclosure Obligations**

If a person's, entity's or consolidated Company's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or Company in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

#### **14.7 Insider Trading**

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

#### **14.8 Mandatory Offer Requirement**

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian company listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a General Meeting of the Company's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian company listed on a Norwegian regulated market is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated Company sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated Company that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

#### **14.9 Compulsory Acquisition**

Under Marshall Islands law, a corporation owning at least ninety percent of the outstanding shares of each class of another domestic corporation or a foreign corporation, where such a merger is permitted, may merge such other corporation into itself without the authorization of the shareholders of any such corporation.

#### **14.10 Foreign Exchange Controls**

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian company who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

#### **14.11 Selling and Transfer Restrictions**

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY U.S. STATE OR OTHER JURISDICTION. THE COMPANY DOES NOT PLAN TO REGISTER THE ISSUANCE OR RESALE OF THE SHARES UNDER THE U.S. SECURITIES ACT.

THE SHARES MAY NOT BE RE-OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT (A) UNDER A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AS APPLICABLE OR (C) PURSUANT TO ANOTHER APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT; IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE U.S. STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, ONLY IF THE COMPANY HAS RECEIVED DOCUMENTATION SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT.

## 15. TAXATION

*This Section describes certain tax rules in Norway and the Marshall Islands applicable to shareholders in the Company who are resident in Norway for tax purposes (“Norwegian Shareholders”) and to shareholders who are not resident in Norway for tax purposes (“Non-Norwegian Shareholders”). The statements herein regarding taxation are based on the laws in force in Marshall Islands and Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

### 15.1 Norwegian Shareholders

#### Taxation of Dividends

Dividends distributed by companies resident in The Marshall Islands for tax purposes, including dividends from the Company, received by Norwegian corporate shareholders (i.e. limited liability companies and similar entities) (“Norwegian Corporate Shareholders”) are taxable as ordinary income in Norway for such shareholders at a flat rate of 22%. For Norwegian Corporate Shareholders that are considered to be “Financial Institutions” under the Norwegian Financial Activity Tax (banks, insurance companies, holding companies etc.), the ordinary income tax rate is 25%.

Dividends distributed to Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian Corporate Shareholders) (“Norwegian Individual Shareholders” and taken together with Norwegian Corporate Shareholders “Norwegian Shareholders”) are taxable under the “shareholder model”. According to the shareholder model, dividends distributed to individual shareholders are multiplied with a factor of 1.44 before taken to taxation at the ordinary income rate of 22% (resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a basic tax-free allowance. The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owing the share on 31 December of the relevant income year. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share (“unused allowance”) may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

#### Taxation of Capital Gains

Sale, redemption or other disposal of shares is considered as a realization for Norwegian tax purposes.

Norwegian Corporate Shareholders are taxable in Norway for capital gains on the realization of shares in the Company, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the Norwegian Corporate Shareholders and irrespective of how many shares that are realized. The taxable gain or deductible loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the Norwegian Corporate Shareholders cost price of the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Any capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal. Ordinary income is taxable at a rate of 22% (25% for financial institutions).

Norwegian Individual Shareholders are taxable in Norway for capital gains on the realization of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realized. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. Any gains or losses are also multiplied with a factor of 1.44 before taken to taxation at the tax rate for ordinary income of 22% (resulting in an effective tax rate of 31.68%). Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a share may not be set off against gains from realization of other shares.

If Norwegian Shareholders realizes shares acquired at different point of time, the shares that were first acquired will be deemed as first sold (the “first in first out”-principle) upon calculating taxable gain or loss.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

### **Controlled Foreign Corporation (CFC) taxation**

Norwegian Shareholders in the Company will be subject to Norwegian taxation according to the Norwegian Controlled Foreign Corporations regulations (the “**Norwegian CFC-regulations**”) if Norwegian Shareholders directly or indirectly own or control (together referred to as “**Control**”) the shares of the Company.

Norwegian Shareholders will be considered to Control the Company if:

- Norwegian Shareholders Control 50% or more of the shares or capital in the Company at the beginning of and at the end of a tax year; or
- If Norwegian Shareholders Controlled the Company the previous tax year, the Company will also be considered Controlled by Norwegian Shareholders in the following tax year unless Norwegian Shareholders Control less than 50% of the shares and capital at both the beginning and the end of the following tax year; or
- Norwegian Shareholders Control more than 60% of the shares or capital in the Company at the end of a tax year.

If less than 40% of the shares or capital is Controlled by Norwegian Shareholders at the end of a tax year, the Company will not be considered Controlled by Norwegian Shareholders for Norwegian tax purposes.

Under the Norwegian CFC-regulations Norwegian Shareholders are subject to Norwegian taxation on their proportionate part of the taxable net income generated by the Company, calculated according to Norwegian tax regulations, regardless of whether or not any dividends are distributed from the Company.

### **Net Wealth Tax**

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 0.85%. Norwegian limited liability companies and similar entities are exempted from net wealth tax.

Shares listed on the Oslo Stock Exchange are valued at 75% of the quoted value at 1 January in the assessment year.

Norwegian Corporate Shareholders are not subject to net wealth tax.

### **VAT and Transfer Taxes**

No VAT, stamp duty or similar duties are currently imposed in Norway on the transfer or issuance of shares.

### **Inheritance Tax**

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

## **15.2 Non-Norwegian Shareholders**

### **Taxation of dividends**

Dividends received by Non-Norwegian Shareholders from shares in Non-Norwegian companies are not subject to Norwegian taxation unless the Non-Norwegian Shareholders holds the shares in connection with the conduct of a trade or business in Norway.

### **Taxation of Capital Gains**

Capital gains generated by Non-Norwegian Shareholders are not taxable in Norway unless the Non-Norwegian Shareholders holds the shares in connection with the conduct of a trade or business in Norway.

### **Net Wealth Tax**

Non-Norwegian Shareholders are generally not subject to Norwegian net wealth tax. Non-Norwegian personal shareholders may, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

### **VAT and transfer taxes**

No VAT, stamp duty or similar duties are currently imposed in Norway on the transfer or issuance of shares.

## **Inheritance Tax**

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

### **15.3 Marshall Islands Withholding Tax**

There is no Marshall Island withholding tax on dividends paid from a Marshall Island resident company. Further the Company is not:

- (i) Engaged in (i) retailing, wholesaling, trading or importing of goods or services for or with residents of the Republic of the Marshall Islands; (ii) any extractive industry in the Republic of the Marshall Islands; (iii) any regulated professional service activity in the Republic of the Marshall Islands; (iv) the export of any commodity or goods manufactured, processed, mined or made in the Republic of the Marshall Islands; or (v) the ownership of real property in the Republic of the Marshall Islands; or
- (ii) doing business in the Republic of the Marshall Islands except that each Marshall Islands Entity may have registered offices in the Republic of the Marshall Islands and maintain their registered agent(s) in the Republic of the Marshall Islands as required by the Marshall Islands law.

## **16. ADDITIONAL INFORMATION**

### **16.1 Independent Auditors**

The Company's independent auditors are Deloitte Certified Public Accountants S.A. (“**Deloitte**”), with its registered address at 3a Fragoklissias & Granikou str. Maroussi Athens GR 151-25 Greece.

Deloitte has been the Company's auditor since its incorporation in April 2018. Accordingly, no auditor of the Group has resigned, been removed or failed to be re-appointed during the period covered by the financial information discussed herein.

The auditor's report to the Financial Statements is included in the appendices hereto. Other than this report, neither Deloitte nor any other auditor has audited or reviewed any accounts of the Group or produced any report on any other information provided in this Prospectus.

### **16.2 Legal Advisors**

Advokatfirmaet BAHR AS is acting as legal adviser as to Norwegian law, and Ince & Co LLC (Greece) is acting as legal adviser as to Marshall Islands law, to the Company in connection with the listing.

### **16.3 VPS Registrar**

The Company's VPS registrar is DNB Bank ASA, which has its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.

### **16.4 Documents on Display**

For twelve months from the date of this Prospectus, copies of the following documents will be available for inspection at the Company's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Bylaws of the Company.
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus.
- The Group's financial statements for period from its incorporation in April 2018 and until 30 September 2018, and the related auditor report thereto.
- This Prospectus.

## 17. DEFINITIONS

Capitalised terms used throughout this Prospectus shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.

APMs	Alternative performance methods
Articles of Incorporation	The Company's Articles of Incorporation in effect as the date of this Prospectus.
Bigal	Bigal Shipping Corporation
Bylaws	The Company's bylaws in effect as the date of this Prospectus.
BWM	Ballast Water Management
BWM Convention	The International Convention for the Control and Management of Ship Ballast Water and Sediments.
BWTS	Ballast Water Treatment System
CIS	The Commonwealth of Independent States formed when the former Soviet Union dissolved in 1991. It consists of ten countries: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.
CLC	The International Convention on Civil Liability for Oil Pollution Damage of 1969.
CEO	Chief Executive Officer.
Company	Okeanis Eco Tankers Corp.
Control	When a Norwegian Shareholder directly or indirectly own or control shares in the Company, this is collectively referred to as Control.
Deloitte	Deloitte Certified Public Accountants S.A.
DWT	Deadweight, a measure (in tons) of how much weights a ship can carry.
ECO	Eco design
EC Regulation 809/2004	The Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive and the format, incorporation by reference and publication of prospectuses and dissemination of advertisements, as amended.
EPA	U.S. Environmental Protection Agency
Executive Management	The members of the Company's Executive Management.
Financial Statements	The Group's audited, consolidated financial statements for the period 30 April 2018 (date of the Company's incorporation) to and as of 30 September 2018
First Private Placement	The private placement of 11,400,000 Shares in the Company completed 3 July 2018.
Forward-looking Statements	Has the meaning ascribed to it in Section 4.1.
Glafki	Glafki Marine Corp.
Group	The Company together with its consolidated subsidiaries.
HHI	Hyundai Heavy Industries Co., Ltd.
IFRS	International Financial Reporting Standards
IMO	International Maritime Organization.
IOPP	International Oil Pollution Prevention certificate
KEXIM	Korean Export Import Bank
Kyklades	Kyklades Maritime Corporation
Listing	The listing and admission to trading of the Company's Shares on Oslo Axess
Managers	Fearnley Securities AS and Pareto Securities AS.
MARPOL	The International Convention for the Prevention of Pollution from Ships of 1973.
MEPC	IMO's Maritime Environment Protection Committee
Non-Norwegian Shareholders	Shareholders who are not resident in Norway for tax purposes. The Group
Norwegian CFC-regulations	Norwegian Controlled Foreign Corporations regulation
Norwegian Code of Practice	The Norwegian Corporate Governance Code of 30 October 2014.
Norwegian Corporate Shareholders	Norwegian corporate shareholders (i.e. limited liability companies and similar).
Norwegian FSA	The Norwegian Financial Supervisory Authority (Nw. <i>Finanstilsynet</i> )
Norwegian Individual Shareholders	Norwegian individual shareholders (i.e. other Norwegian shareholders)

	than Norwegian corporate shareholders).
Norwegian Securities Trading Act .....	The Norwegian Securities Trading Act of 29 2007 no. 75, as amended.
Norwegian Shareholders .....	Norwegian Corporate Shareholders taken together with Norwegian Individual Shareholders.
OET .....	Okeanis Eco Tankers Corp.
Okeanis .....	Okeanis Eco Tankers Corp.
Omega Four .....	Omega Four Marine Corp.
OMH .....	Okeanis Marine Holdings S.A.
OPA .....	U.S. Oil Pollution Act of 1990
OPEC .....	Organization of Petroleum Exporting Countries.
Oslo Axess .....	A regulated market place operated by Oslo Børs ASA.
Oslo Stock Exchange .....	Oslo Børs ASA, or, as the case may be, Oslo Børs, a stock exchange operated by Oslo Børs ASA.
OY .....	Ocean Yield
Second Private Placement .....	The private placement of 3,910,000Shares in the Company completed 3 December 2018.
Sponsor .....	Okeanis Marine Holdings S.A.
Supplier .....	Ecospray Technologies S.R.L.
Prospectus .....	This prospectus dated 28 February 2019.
Prospectus Directive .....	Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended, regarding information contained in prospectuses.
Relevant Member State .....	Each member state of the EEA which has implemented the Prospectus Directive.
Shares .....	The shares of the Company, each with a nominal value of USD 0.001.
SBC .....	Shipbuilding Contract
SOLAS .....	The IMO International Convention for the Safety at Sea of 1974.
SPV .....	Single Purpose Vehicle
SPV's .....	Seven tanker vessels on the water and eight tanker vessels on order, that were contributed to the Company.
Transaction .....	The transfer of June 2018 from the Alafouzou family to Okeanis, of a fleet consisting of six vessels and nine newbuilding contracts for an aggregate net (equity) value of approximately USD 140,000,000.
USCG .....	The United States Coast Guard
U.S. Securities Act .....	The United States Securities Act of 1933, as amended.
VLCC .....	Very Large Crude Carrier.
VPS .....	The Norwegian Central Securities Depository (Nw. <i>Verdipapirsentralen</i> ).
VR .....	VR Global Partners, L.P. and VT Capital Group Ltd which, cumulatively, are main shareholders in the Company.
WBTS .....	Water ballast treatment system
WIWL .....	Worldwide within International Warranties Limits is defined as the geographical limits within which ships are able to operate without incurring additional insurance premium from hull and machinery and other relevant underwriters. Operating outside the IWL, in areas which can include significant hazards such as ice, could lead to damage to the ship and delay necessitated by repair.

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## APPENDIX A - FINANCIAL STATEMENTS

**OKEANIS ECO TANKERS CORP.**  
**(Incorporated under the laws of the Republic**  
**of the Marshall Islands with registration**  
**number 96382)**

Consolidated Financial Statements for the  
Period Ended September 30, 2018 and  
Independent Auditor's Report

**Okeanis Eco Tankers Corp.**  
**Consolidated financial statements**  
**For the period from April 30, 2018 (inception) to September 30, 2018**

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**DIRECTORS' STATEMENT****For the period from April 30, 2018 (inception) to September 30, 2018**

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The Directors present their statement to the members together with the audited financial statements of the Group for the financial period ended September 2018.

In the opinion of the Directors,

- (a) The consolidated financial statements of the Group as set out are drawn up as to give a true and fair view of the financial position of the Group as at 30 September and the financial performance, changes in equity and cash flows of the Group for the financial period covered by the consolidated financial statements.
- (b) As at the date for this report of this report, the Board do not have any reason to believe that the Group's shareholders do not support the going concern of the Group and it confirms that the conditions for continued operations as a going concern are present for the Group. These financial statements have been prepared under this assumption.

## **Independent Auditor's Report**

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To the Shareholders  
of Okeanis Eco Tankers Corp.

### **Opinion**

We have audited the accompanying consolidated financial statements of Okeanis Eco Tankers Corp. and its subsidiaries (collectively the "Group"), which comprise the consolidated statement of financial position as at September 30, 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at September 30, 2018 and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Certified Public Accountants S.A.

January 22, 2019  
Athens, Greece

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**Okeanis Eco Tankers Corp.**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the period from April 30, 2018 (inception) to September 30, 2018**  
**(All amounts expressed in U.S. Dollars)**

	Notes	April 30, 2018 (inception) to September 30, 2018
<b>Revenue</b>		<b>12,870,423</b>
<b>Expenses</b>		
Commissions		(168,537)
Voyage expenses	11	(3,733,699)
Vessel operating expenses	10	(3,640,190)
Management fees	13	(348,600)
Depreciation and amortisation	7	(3,404,031)
General and administrative expenses		(459,815)
<b>Total expenses</b>		<b>(11,754,872)</b>
<b>Operating profit</b>		<b>1,115,551</b>
<b>Other income/(expenses)</b>		
Interest income		217,993
Interest and other finance costs	12	(3,599,161)
Foreign exchange loss		(16,347)
<b>Other expenses</b>		<b>(3,397,515)</b>
<b>Loss for the period</b>		<b>(2,281,964)</b>
Other comprehensive income		-
<b>Total comprehensive loss for the period</b>		<b>(2,281,964)</b>
<b>Total comprehensive loss attributable to the owners of the Group</b>		<b>(2,281,964)</b>
<b>Loss per share from continuing operations, basic and diluted</b>	17	<b>(0.14)</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Okeanis Eco Tankers Corp.**  
**Consolidated statement of financial position**  
**As at September 30, 2018**  
**(All amounts expressed in U.S. Dollars)**

	Notes	As at September 30, 2018
<b>Assets</b>		
<b>Non-current assets</b>		
Vessels, net	7	399,370,832
Vessels under construction	8	148,192,457
Other fixed assets		20,286
Other guarantees		20,000
Restricted cash		3,000,000
<b>Total non-current assets</b>		<b>550,603,575</b>
<b>Current assets</b>		
Inventories	6	2,723,557
Trade and other receivables		4,179,058
Claims receivable	18	2,415,654
Prepaid expenses		425,896
Current accounts due from related parties	13	1,093,513
Cash & cash equivalents		31,334,850
<b>Total current assets</b>		<b>42,172,528</b>
<b>Total assets</b>		<b>592,776,103</b>
<b>Shareholder's equity and liabilities</b>		
<b>Shareholder's equity</b>		
Share capital		27,400
Additional paid-in capital	14	290,787,295
Accumulated losses		(2,281,964)
<b>Total shareholder's equity</b>		<b>288,532,731</b>
<b>Non-current liabilities</b>		
Long-term borrowings, net of current portion	12	267,278,950
<b>Total non-current liabilities</b>		<b>267,278,950</b>
<b>Current Liabilities</b>		
Trade payables		6,481,424
Accrued expenses	9	3,750,936
Current accounts due to related parties	13	3,769,341
Current portion of long-term borrowings	12	22,962,721
<b>Total current liabilities</b>		<b>36,964,422</b>
<b>Total liabilities</b>		<b>304,243,372</b>
<b>Total shareholder's equity and liabilities</b>		<b>592,776,103</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Okeanis Eco Tankers Corp.**  
**Consolidated statement of changes in equity**  
**For the period from April 30, 2018 (inception) to September 30, 2018**  
**(All amounts, expressed in U.S. Dollars, except for number of shares)**

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	Number of shares	Share capital	Additional paid in capital (Note 14)	Accumulated losses	Total
<b>Balances, inception</b>	-	-	-	-	-
Issuance of shares on incorporation	10,000	10	-	-	<b>10</b>
Issuance of shares in exchange for acquisition of ownership interest in contributed companies (note 3)	15,990,000	15,990	194,752,976	-	<b>194,768,966</b>
Issuance of shares in initial offering	11,400,000	11,400	96,034,319	-	<b>96,045,719</b>
Loss for the period	-	-	-	(2,281,964)	<b>(2,281,964)</b>
<b>Balances, September 30, 2018</b>	<b>27,400,000</b>	<b>27,400</b>	<b>290,787,295</b>	<b>(2,281,964)</b>	<b>288,532,731</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Okeanis Eco Tankers Corp.**  
**Consolidated statement of cash flows**  
**For the period from April 30, 2018 (inception) to September 30, 2018**  
**(All amounts expressed in U.S. Dollars)**

	<b>April, 30 2018 (inception) to September 30, 2018</b>
<b>Cash flows from operating activities:</b>	
Loss for the period	(2,281,964)
Adjustments to reconcile loss to net cash used in operating activities:	
Depreciation	3,404,031
Interest expense	3,409,270
Interest income	(217,993)
Amortization of loan financing fees	150,295
<b>Changes in working capital:</b>	
Trade and other receivables	(2,190,694)
Prepaid expenses	674,090
Inventories	(354,793)
Trade and other payables	1,451,957
Accrued expenses	503,324
Claims	(2,399,156)
Interest paid	(3,650,979)
<b>Net cash used in operating activities</b>	<b>(1,502,612)</b>
<b>Cash flows from investing activities:</b>	
Current account due from related parties	(697,222)
Payments for vessels and vessels under construction	(102,309,429)
Payments for other fixed assets	(20,286)
Decrease in restricted cash	1,450,000
Interest received	142,905
<b>Net cash used in investing activities</b>	<b>(101,434,032)</b>
<b>Cash flows from financing activities:</b>	
Proceeds from long term borrowings	42,000,000
Acquisition of cash and cash equivalents of the contributed companies	5,666,630
Proceeds from private placement	96,508,125
Payments for offering expenses	(462,406)
Current account due to related parties	(742,355)
Payment of loan financing fees	(915,000)
Repayments of long-term borrowings	(7,783,500)
<b>Net cash provided by financing activities</b>	<b>134,271,494</b>
Net change in cash and cash equivalents	31,334,850
Cash and cash equivalents at beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>31,334,850</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Okeanis Eco Tankers Corp.**  
**Notes to the consolidated financial statements**  
**For the period from April 30, 2018 (inception) to September 30, 2018**  
**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**1. Incorporation and General Information**

Okeanis Eco Tankers Corp. ("OET" or the "Company"), was founded on April 30, 2018 as a private limited corporation under the laws of the Republic of the Marshall Islands. OET is ultimately controlled by Glafki Marine Corporation through voting interest. Glafki is owned by Ioannis Alafouzou and Themistoklis Alafouzou. The Company was founded for the purpose of acquiring an ownership interest in 16 companies (the "Contributed Companies"), 15 of which owned a vessel, in the water or a vessel under construction, and their principal activity is to own, charter out and operate tanker vessels. The 16th company is a commercial management company (OET Chartering Inc.), engaged in the provision of commercial shipping services.

The table below sets forth an overview of the Contributed Companies noted above, as well as their function:

<b>Company name</b>	<b>Date of contribution from Okeanis</b>	<b>Incorporated</b>	<b>Function</b>	<b>Interest held by OET</b>
Therassia Marine Corp.	June 28, 2018	Liberia	"Nissos Therassia" ownership and operation	100%
Milos Marine Corp.	June 28, 2018	Liberia	"Nissos Heraclea" ownership and operation	100%
Ios Maritime Corp.	June 28, 2018	Liberia	"Nissos Schinoussa" ownership and operation	100%
Omega One Marine Corp.	June 28, 2018	Marshall Islands	"Milos" ownership and operation	100%
Omega Two Marine Corp.	June 28, 2018	Marshall Islands	"Poliegos" ownership and operation	100%
Omega Three Marine Corp.	June 28, 2018	Marshall Islands	"Kimolos" ownership and operation	100%
Omega Four Marine Corp.	June 28, 2018	Marshall Islands	"Folegandros" ownership and operation	100%
Omega Five Marine Corp.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3012)	100%
Omega Seven Marine Corp.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3013)	100%
Omega Nine Marine Corp.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3014)	100%
Omega Eleven Marine Corp.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3015)	100%
Nellmare Marine Ltd	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3050)	100%
Anassa Navigation S.A.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3051)	100%
Arethusa Shipping Ltd.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3089)	100%
Moonsprite Shipping Corp.	June 28, 2018	Marshall Islands	Vessel under construction (Hull 3090)	100%
OET Chartering Inc.	June 28, 2018	Marshall Islands	Commercial management company	100%

**Okeanis Eco Tankers Corp.**  
**Notes to the consolidated financial statements**  
**For the period from April 30, 2018 (inception) to September 30, 2018**  
**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**1. Incorporation and General Information - Continued**

The consolidated financial statements comprise the financial statements of OET and the Contributed Companies (collectively the "Group").

**2. Basis of Preparation and statement of compliance**

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (the "IASB"). The consolidated financial statements are expressed in United States Dollars (\$) since this is the currency in which the majority of the Group's transactions are denominated. The consolidated financial statements have been prepared on the historical cost basis. These are the first IFRS financial statements of the Group as defined under IFRS 1: First-time Adoption of International Financial Reporting Standards ("IFRS 1"). The subsidiaries indirectly controlled by the Company had previously issued stand-alone financial statements in accordance with IFRS, and, as a result, for the purpose of the Group's first IFRS financial statements, there was no need to perform reconciliations from previous generally accepted accounting principles, in accordance with paragraph 28 of IFRS 1. As required by IFRS 1, the Group has applied all IFRS standards and interpretations that are effective for the first IFRS consolidated financial statements for the period ended September 30, 2018.

The consolidated financial statements have been prepared on a going concern basis.

**3. Basis of Consolidation**

The consolidated financial statements have been prepared based on the control that OET exercises over the Contributed Companies. The results of operations of the Contributed Companies are included in these consolidated financial statements from the date of their acquisition by OET, which took place on June 28, 2018. Control is achieved since OET has the power to govern the financial and operating policies of the Contributed Companies, so as to obtain benefits from their activities. All inter-company balances and transactions are eliminated in full on consolidation. OET and the Contributed Companies were entities under common control before and after the acquisition, and therefore the acquisition was not accounted for in accordance with the provisions of IFRS 3 *Business Combinations*, but as a transaction between entities under common control. Accordingly, on acquisition, the Contributed Companies' assets and liabilities were recorded at their book values. The following major classes of assets and liabilities of the Contributed Companies were acquired by OET on June 28, 2018:

<b>Description</b>	<b>Amount in U.S. Dollars</b>
Vessels, net and advances for vessels under construction	448,479,181
Cash and cash equivalents	5,666,630
Restricted cash	4,450,000
Inventories	2,368,764
Trade and other receivables	1,293,969
Other assets	2,308,259
Long-term borrowings	(256,785,107)
Other liabilities	(13,012,730)
<b>Total</b>	<b>194,768,966</b>

#### **4. Summary of Significant Accounting Policies**

##### ***Use of estimates***

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the stated amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### ***Vessel revenue recognition***

Revenues are generated from time charter and voyage charter agreements.

Under a time charter agreement, the vessel is hired by the charterer for a specified period of time in exchange for consideration which is usually based on a daily hire rate. The charterer has the full discretion over the ports visited, shipping routes and vessel speed. The contract/charter party generally provides typical warranties regarding the speed and performance of the vessel. The charter party generally has some owner protective restrictions such that the vessel is sent only to safe ports by the charterer, subject always to compliance with applicable sanction laws, and carry only lawful or non-hazardous cargo. In a time charter contract, the Group is responsible for all the costs incurred for running the vessel such as crew costs, vessel insurance, repairs and maintenance and lubricants. The charterer bears the voyage related costs such as bunker expenses, port charges, canal tolls during the hire period. The performance obligations in a time charter contract are satisfied over the term of the contract, beginning when the vessel is delivered to the charterer until it is redelivered back to the Group. The charterer generally pays the charter hire in advance of the upcoming contract period. The time charter contracts are considered operating leases and therefore do not fall under the scope of IFRS 15 because (i) the vessel is an identifiable asset (ii) the Group does not have substantive substitution rights and (iii) the charterer has the right to control the use of the vessel during the term of the contract and derives the economic benefits from such use. In case of a time charter agreement with contractual changes in rates throughout the term of the agreement, any differences between the actual and the straight-line revenue in a reporting period is recognized as a straight-line asset or liability and reflected under current assets or current liabilities, respectively, in the consolidated statement of financial position.

Under a voyage charter agreement, the charterer hires the vessel to transport a specific agreed-upon cargo for a single voyage which may include more than one load ports and discharge ports. The consideration is determined on the basis of a freight rate per metric ton of cargo carried, or on a lump sum basis. The charter party generally has a minimum amount of cargo. The charterer is liable for any short loading of cargo or "dead" freight. The voyage contract generally has standard payment terms, where freight is paid within certain days after the completion of discharge. The voyage charter party generally has a "demurrage" or "despatch" clause. As per this clause, the charterer reimburses the Group for any potential delays exceeding the allowed laytime as per the charter party clause at the ports visited which is recorded as demurrage revenue. Conversely, the charterer is given credit if the loading/discharging activities happen within the allowed laytime known as despatch resulting in a reduction in revenue. In a voyage charter contract, the performance obligations begin to be satisfied once the vessel begins loading the cargo. The Company determined that its voyage charter contracts consist of a single performance obligation of transporting the cargo within a specified time period. Therefore, the performance obligation is met evenly as the voyage progresses, and as a result revenue is recognized on a straight line basis over the voyage days from the commencement of the loading of cargo to completion of discharge.

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**4. Summary of Significant Accounting Policies – Continued**

***Vessel revenue recognition – continued***

The voyage contracts are considered service contracts which fall under the provisions of IFRS 15, because the Group as the shipowner retains the control over the operations of the vessel such as directing the routes taken or the vessel speed.

Under a voyage charter agreement, the Company bears all voyage related costs such as fuel costs, port charges and canal tolls, as applicable. These costs are considered contract fulfillment costs because the costs are direct costs related to the performance of the contract and are expected to be recovered. The costs incurred during the period prior to commencement of loading the cargo, primarily bunkers, are deferred as they represent setup costs and recorded as a current asset and are amortized on a straight-line basis as the related performance obligations to which they relate are satisfied.

Address commissions are discounts provided to charterers under time and voyage charter agreements. Brokerage commissions are commissions payable to third-party chartering brokers for commercial services rendered. Both address and brokerage commissions are recognized on a straight-line basis over the duration of the voyage or the time charter period, and are reflected under Commissions in the consolidated statement of profit or loss and other comprehensive income.

Revenue received in advance represents revenue collected in advance of being earned. The portion of the revenue received in advance, which is recognized in the next twelve months from the consolidated statement of financial position date, is classified under current liabilities in the consolidated statement of financial position.

***Vessel voyage expenses***

Vessel voyage expenses mainly relate to voyage charter agreements and consist of port, canal and bunker costs that are unique to a particular voyage, and are recognized on a pro-rata basis over the duration of the voyage. Under time charter arrangements, voyage expenses are paid by charterers.

***Vessel operating expenses***

Vessel operating expenses comprise all expenses relating to the operation of the vessel, including crewing, insurance, repairs and maintenance, stores, lubricants, spares and consumables and miscellaneous expenses. Vessel operating expenses are recognized as incurred; payments in advance of services or use are recorded as prepaid expenses.

***Trade receivables***

Trade receivables include estimated recoveries from hire and freight billings to charterers, net of any provision for doubtful accounts. At each statement of financial position date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate provision. As of September 30, 2018, the provision for doubtful accounts amounted to nil.

#### **4. Summary of Significant Accounting Policies - Continued**

##### ***Deferred financing costs***

Fees incurred for obtaining new loans or refinancing existing facilities such as arrangement, structuring, legal and agency fees are deferred and classified against long-term debt in the consolidated statement of financial position. Any fees incurred for loan facilities not yet advanced are deferred and classified under non-current assets in the consolidated statement of financial position. These fees are classified against long-term debt on the loan drawdown date.

Deferred financing costs are deferred and amortized over the term of the relevant loan using the effective interest method, with the amortization expense reflected under interest and finance costs in the consolidated statement of profit or loss and other comprehensive income. Any unamortized deferred financing costs related to loans which are either fully repaid before their scheduled maturities or related to loans extinguished are written-off in the consolidated statement of profit or loss and other comprehensive income.

##### ***Vessels and depreciation***

Vessels are stated at cost, which comprises vessels' contract price, major improvements, and direct delivery and acquisition expenses less accumulated depreciation and any impairment. Depreciation is calculated on a straight line basis over the estimated useful life of the vessels, after considering their estimated residual value. Each vessel's residual value is equal to the product of its lightweight tonnage and its estimated scrap rate. The scrap value is estimated to be approximately \$400 per ton of lightweight steel. The Group currently estimates the useful life of each vessel to be 25 years from the date of original construction.

##### ***Special survey and dry-docking costs***

Special survey and dry-docking costs are capitalized as a separate component of vessel cost. These costs are capitalized when incurred and amortized over the estimated period to the next scheduled dry-docking/special survey. The Group's vessels are required to undergo dry-docking approximately every 5 years, until a vessel reaches 10 years of age, after which a vessel is required to be dry-docked approximately every 2.5 years. If a special survey or dry-docking is performed prior to the scheduled date, any remaining unamortized balances are written-off and reflected in depreciation in the statement of profit or loss and other comprehensive income.

#### **4. Summary of Significant Accounting Policies - Continued**

##### ***Impairment of vessels***

The Group assesses at each reporting date whether there are any indications that the vessels' carrying amounts may not be recoverable. If such an indication exists, and where the carrying amount exceeds the estimated recoverable amount, the vessels are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of a vessel in an arm's length transaction, less any associated costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the vessels. During the period ended September 30, 2018 no impairment charges were deemed necessary.

##### ***Advances for vessels under construction***

Advances for vessels under construction comprise of the cumulative amount of instalments paid to shipyards for vessels under construction, other pre-delivery expenses directly related to the construction of the vessel and capitalised interest, at the statement of financial position date. On delivery of a vessel, the balance is transferred to vessels, net, in the consolidated statement of financial position.

##### ***Foreign currency translation***

The functional currency of the Group is the U.S. dollar because the vessels operate in international shipping markets, which primarily transact business in U.S. dollars. Transactions denominated in foreign currencies are converted into U.S. Dollars and are recorded at the exchange rate in effect at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to U.S. Dollars at the rate of exchange prevailing at the consolidated statement of financial position date. Any resulting foreign exchange differences are reflected under foreign exchange gains/ (losses) in the consolidated statement of profit or loss and other comprehensive income.

##### ***Interest bearing loans and borrowings***

Loans and borrowings are initially recognised at fair value, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

##### ***Cash and cash equivalents***

The Group considers highly liquid investments such as time deposits and certificates of deposit with original maturities of three months or less to be cash equivalents. For the purposes of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

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**4. Summary of Significant Accounting Policies - Continued**

***Restricted cash***

Restricted cash represents pledged cash deposits or minimum liquidity to be maintained with certain banks under the Group's borrowing arrangements. In the event that the obligation relating to such deposits is expected to be terminated within the next twelve months from the statement of financial position date, they are classified under current assets otherwise they are classified as non-current assets on the statement of financial position. The Group classifies restricted cash separately from cash and cash equivalents in the consolidated statement of financial position. Restricted cash does not include general minimum liquidity requirements with no obligation to retain such funds in retention accounts.

***Inventories***

Inventories consist of bunkers, lubricants and provisions on board the vessels at each statement of financial position date and are stated at the lower of cost or net realisable value. It is the Group's policy to value inventories using the FIFO method.

***Pension and retirement benefit obligations – crew***

The crew on board the Group's vessels is employed under short- term contracts (usually up to nine months) and, accordingly, the Group is not liable for any pension or other retirement benefits.

***Cash flow statement policy***

The Group uses the indirect method to report cash flows from operating activities.

***Earnings/(loss) per share***

Basic earnings/(loss) per share is calculated by dividing (loss)/income attributable to equity holders of OET by the weighted average number of common shares outstanding. Diluted (loss)/earnings per share is calculated by adjusting (loss)/income attributable to equity holders of OET and the weighted average number of common shares used for calculating basic per share for the effects of all potentially dilutive shares. Such dilutive common shares are excluded when the effect would be to reduce a loss per share or increase earnings per share. The Group applies the if-converted method when determining diluted (loss)/earnings per share. This requires the assumption that all potential ordinary shares have been converted into ordinary shares at the beginning of the period or, if not in existence at the beginning of the period, the date of the issue of the financial instrument or the granting of the rights by which they are granted. Under this method, once potential ordinary shares are converted into ordinary shares during the period, the dividends, interest and other expense associated with those potential ordinary shares will no longer be incurred. The effect of conversion, therefore, is to increase income (or reduce losses) attributable to ordinary equity holders as well as the number of shares in issue. Conversion will not be assumed for purposes of computing diluted earnings per share if the effect would be anti-dilutive.

During the period ended September 30, 2018, there were no potentially dilutive items.

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**4. Summary of Significant Accounting Policies - Continued**

***Employee compensation - personnel***

Employee compensation is recognized as an expense, unless the cost qualifies to be capitalized as an asset. Defined contribution plans are post-employment benefit plan under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognized as employee compensation expenses when they are due.

Employee entitlement to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due to more than 12 months after the statement of financial position date are discounted to present value.

***Taxation***

All companies comprising the Group are not subject to tax on international shipping income since their countries of incorporation do not impose such taxes. The Group's vessels are subject to registration and tonnage taxes, which are included under vessel operating expenses in the consolidated statement of profit or loss and other comprehensive income.

***Provisions and contingencies***

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

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**4. Summary of Significant Accounting Policies - Continued**

***Fair value of financial assets and liabilities***

The definitions of the levels, provided by IFRS 7 Financial Instruments Disclosure, are based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents and restricted cash are considered Level 1 financial instruments. There are no financial instruments in Levels 2 or 3 and no transfers between fair value hierarchy levels during the period presented.

The carrying amounts reflected in the consolidated statement of financial position for cash and cash equivalents, restricted cash, trade and other receivables, receivable claims, and other current liabilities, approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

***Sale and leaseback transactions***

In case a vessel is sold and subsequently leased back by the Group, pursuant to a memorandum of agreement (MOA) and a bareboat charter agreement, the Group evaluates the terms of the transaction in accordance with IAS 17 "Leases" to determine whether it falls within the scope of IAS 17 "Leases". In the case the leaseback is determined to be a finance leaseback, all the risks and rewards of ownership of the subject vessel remain with the Group-lessee, and hence the transaction is recognized as a debt financing transaction, with the subject vessel continuing to be recorded at her carrying amount on the consolidated statement of financial position. In the case the leaseback is determined to be an operating leaseback, any related gains or losses (being the difference between the carrying amount of the vessel on the sale date, and the proceeds from her sale), are accounted for as follows:

- If the transaction is at fair value, gains or losses are recognized immediately;
- If the sale price is below fair value, any profit or loss is recognized immediately except if the loss is compensated for by future lease payments at below market price, in which case it is deferred and amortized in proportion to the lease payments over the period for which the asset is expected to be used; or
- If the sale price is above fair value, the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used.

#### **4. Summary of Significant Accounting Policies - Continued**

##### ***Sale and leaseback transactions - continued***

##### ***New and revised IFRSs in issue not yet effective***

At the date of authorization of these consolidated financial statements, the following standards relevant to the Group were in issue but not yet effective:

In January 2016, the IASB issued IFRS 16 Leases, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 eliminates the classification of leases by lessees as either operating leases or finance leases and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognise: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of profit or loss. Lessors continue to classify their leases as operating leases or finance leases, and to account for those two types of leases differently. IFRS 16 supersedes the previous leases Standard, IAS 17 Leases, and related Interpretations. The standard is effective from January 1, 2019, with early adoption permitted only with concurrent adoption of IFRS 15 Revenue from Contracts with Customers. Management has elected not to adopt early, and it anticipates that the implementation of this standard will not have a material impact on the Group's consolidated financial statements, since the changes for lessors are fairly minor and the Group's lessee obligations are not significant.

#### **5. Critical Accountings Judgments and Key Sources of Estimation Uncertainty**

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the stated amounts of revenues and expenses during the reporting period. Management evaluates whether estimates should be going on an ongoing basis, utilizing historical experience, consultation with experts and other methods it considers reasonable in the particular circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The key sources of estimation uncertainty are as follows:

##### ***Vessel lives and residual values***

The carrying value of the vessels represents their original cost at the time of purchase, less accumulated depreciation and any impairment. Vessels are depreciated to their residual values on a straight-line basis over their estimated useful lives. The estimated useful life of 25 years is management's best estimate and is also consistent with industry practice for similar types of vessels. The residual value is estimated as the lightweight tonnage of the vessel multiplied by a forecast scrap value per ton. The scrap value per ton is estimated using the current scrap prices assuming a vessel is already of age and condition as expected at the end of its useful life at the statement of financial position date. The scrap rate is estimated to be approximately \$400 per ton of lightweight steel.

**5. Critical Accountings Judgments and Key Sources of Estimation Uncertainty – Continued**

An increase in the estimated useful life of a vessel or in its scrap value would have the effect of decreasing the annual depreciation charge and extending it into later periods. A decrease in the useful life of a vessel or in its scrap value would have the effect of increasing the annual depreciation charge.

***Vessel lives and residual values - Continued***

When regulations place significant limitations over the ability of a vessel to trade on a worldwide basis, the vessel's useful life is adjusted to end at the date such regulations become effective. The estimated salvage value of the vessel may not represent the fair market value at any one time since market prices of scrap values tend to fluctuate.

***Impairment of vessels***

The carrying amount of each vessel is evaluated at each statement of financial position date to determine whether there is any indication that this vessel has suffered an impairment loss. If any such indication exists, the recoverable amount of the vessel is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The projection of cash flows related to the vessel is complex and requires management to make various estimates including future vessel earnings, operating expenses, dry-docking costs, management fees, commissions and discount rates. These items have been historically volatile. As part of the process of assessing the fair value less cost to sell for a vessel, the Group obtains valuations from independent ship brokers on an annual basis or when there is an indication that an asset or assets may be impaired. If an indication of impairment is identified, the need for recognizing an impairment loss is assessed by comparing the carrying amount of the vessel to the higher of the fair value less cost to sell and the value in use.

Further, as of September 30, 2018, the carrying amounts of the remaining vessels owned by the Group were higher than their respective fair values, as determined taking into consideration independent broker valuations, which served as an indication for impairment. As a result, the Group performed an impairment test, by comparing each vessel's carrying amount to its respective recoverable amount. The vessels' recoverable amounts were higher than their respective carrying amounts and consequently, no impairment loss was recognized for these vessels in the period ended September 30, 2018.

The impairment test is most sensitive to variances in the discount rate and in future tanker daily earnings. The Group's sensitivity analysis performed allowed for reductions in daily tanker earnings of up to 7% for both Aframax and Suezmax vessels, and for increases in the discount rate of up to 1.5% for Aframax vessels and 1.3% for Suezmax vessels, before impairment losses would be triggered.

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**5. Critical Accountings Judgments and Key Sources of Estimation Uncertainty - Continued**

***Deferred dry-docking costs***

The Group recognizes dry-docking costs as a separate component from the vessels' carrying amounts and amortizes them on a straight-line basis over the estimated period until the next dry-docking of the vessels. If a vessel is disposed of before the next scheduled dry-docking, the remaining unamortized balance written-off and forms part of the gain or loss recognized upon disposal of vessels in the period when contracted. Vessels are estimated to undergo dry-docking every 5 years after their initial delivery from the shipyard, until a vessel reaches 10 years of age, and thereafter every 2.5 years to undergo special or intermediate surveys, for major repairs and maintenance that cannot be performed while they are operating. However, this estimate might be revised in the future. Management estimates costs capitalized as part of the dry-docking component as costs to be incurred during the first dry-docking at the dry-dock yard for a special survey and parts and supplies used in making such repairs that meet the recognition criteria, based on historical experience with similar types of vessels.

***Classification of lease contracts***

The classification of the leaseback part in a sale and leaseback transaction as either an operating or a finance leaseback, requires judgment. The Group follows a formalized process for leaseback classification, mainly in determining the present value of the minimum lease payments and assessing the incitative nature of any repurchase options. The outcome of the transaction (at option exercise's dates in particular) may differ from the original assessment made at inception of the lease contract.

**6. Inventories**

Inventories are analysed as follows:

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	<b>September 30, 2018</b>
Bunkers	1,805,969
Lubricants	844,824
Provisions	72,764
<b>Total</b>	<b>2,723,557</b>

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**7. Vessels, Net**

Vessels, net are analysed as follows:

	Vessels' cost	Dry-docking and special survey costs	Total
<b>Cost</b>			
<b>Balance, April 30, 2018</b>	-	-	-
Transfer of vessels at cost on acquisition of contributed companies	355,161,165	4,800,000	359,961,165
Transfer from vessels under construction	67,289,036	800,000	68,089,036
<b>Balance, September 30, 2018</b>	<b>422,450,201</b>	<b>5,600,000</b>	<b>428,050,201</b>
<b>Accumulated depreciation</b>			
<b>Balance, April 30, 2018</b>	-	-	-
Transfer of vessels accumulated depreciation on acquisition of contributed companies	(23,277,682)	(1,997,656)	(25,275,338)
Charge for the period	(3,154,800)	(249,231)	(3,404,031)
<b>Balance, September 30, 2018</b>	<b>(26,432,482)</b>	<b>(2,246,887)</b>	<b>(28,679,369)</b>
<b>Net book value, April 30, 2018</b>	-	-	-
<b>Net book value, September 30, 2018</b>	<b>396,017,719</b>	<b>3,353,113</b>	<b>399,370,832</b>

The Group has pledged the above vessels to secure the loan facilities granted to the Contributed Companies (see Note 12).

**8. Advances for Vessels Under Construction**

<b>Balance, April 30, 2018</b>	-
Transfer of advances for vessels under construction at cost on acquisition	113,793,354
Interest capitalized	247,039
Payments during the period	102,241,100
Transfer to vessels, net	(68,089,036)
<b>Balance at September 30, 2018</b>	<b>148,192,457</b>

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**9. Accrued Expenses**

Accrued expenses are analysed as follows:

	<b>September 30, 2018</b>
Accrued voyage expenses	2,081,237
Accrued loan interest	1,095,594
Accrued payroll related expenses	109,388
Accrued crew wages and related cost	33,869
Accrued social insurance contributions	109,694
Accrued administrative expenses	218,190
Accrued operating expenses	102,964
<b>Total</b>	<b>3,750,936</b>

**10. Vessel Operating Expenses**

Vessel operating expenses are analysed as follows:

	<b>September 30, 2018</b>
Crew wages and other crew costs	2,643,804
Insurances	202,790
Stores	138,119
Spares	189,928
Repairs and surveys	90,132
Flag expenses	68,045
Lubricants	126,509
Miscellaneous expenses	180,863
<b>Total</b>	<b>3,640,190</b>

**11. Voyage Expenses**

Voyage expenses are analysed as follows:

	<b>September 30, 2018</b>
Port expenses	1,958,055
Bunkers	1,775,644
<b>Total</b>	<b>3,733,699</b>

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**12. Long- Term Borrowings**

The Contributed Companies have entered into loan agreements which are analysed as follows:

<b>Company</b>	<b>Vessel/Hull</b>	<b>Total amount of loan in USD</b>	<b>Amount of installment</b>	<b>Remaining number of installments</b>	<b>Outstanding loan balance as of September 30, 2018</b>	<b>Balloon payment</b>	<b>Spread</b>
1. Therassia Marine Corp.	M/T Nissos Therassia	36,500,000	540,000	13	28,400,000	21,380,000	2.60%
2. Milos Marine Corp.	M/T Nissos Heraclea	40,000,000	590,000	15	32,330,000	23,480,000	2.25%
3. Ios Maritime Corp.	M/T Nissos Schinoussa	36,500,000	540,000	15	29,480,000	21,380,000	2.60%
4. Omega One Marine Corp.	M/T Milos	36,600,000	601,500	17	31,881,000	21,655,500	2.50%
5. Omega Three Marine Corp.	M/T Kimolos	47,000,000	500,000	7			
			616,750	24	46,500,000	28,198,000	3.10%
6. Omega Four Marine Corp.	M/T Folegandros	42,000,000	500,000	8			
			600,000	24	42,000,000	23,600,000	3.10%
		6,730,000	-	-	4,480,000	-	3.00%
7. Omega Five Marine Corp.	Hull 3012	33,000,000	-	-	8,250,000	-	7.00%
8. Omega Seven Marine Corp.	Hull 3013	33,000,000	-	-	8,250,000	-	7.00%
9. Omega Nine Marine Corp.	Hull 3014	33,000,000	-	-	8,250,000	-	7.00%
10. Omega Eleven Marine Corp.	Hull 3015	33,000,000	-	-	8,250,000	-	7.00%

The Contributed Companies, #1 and #3 in the table above have entered into bank loan facilities with HSH Nordbank in order to partially finance the acquisition of the acquired vessels. As at September 30, 2018 the Corporate Guarantor of the respective bank loan facilities was Kyklades.

The Contributed Company, #2 in the table above has entered into a bank loan facility with BNP Paribas in order to partially finance the acquisition of the acquired vessel. As at September 30, 2018 the Corporate Guarantor of the respective bank loan facility was Okeanis Marine Holdings SA.

The Contributed Company, #4 in the table above has entered into a bank loan facility with ABN Amro in order to partially finance the acquisition of the acquired vessel. As at September 30, 2018 the Corporate Guarantor of the respective bank loan facility was Okeanis Eco Tankers Corporation.

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**12. Long-Term Borrowings - Continued**

The Contributed Companies, #5 and #6 in the table above have entered into bank loan facilities with ALPHA BANK in order to partially finance the acquisition of the acquired vessels. As at September 30, 2018 the Corporate Guarantor of the bank loan facility with Contributed Company #5 was Kyklades. As for Contributed Company #6 the Corporate Guarantors were Kyklades and OET. Furthermore, the Contributed Company, #6 in the table above, entered on April 20, 2018 into a loan agreement with Bigal Shipping Corporation ("Bigal"), a related party, to provide working capital. Interest expense on the loan with Bigal amounted to \$42,933 for the period ended September 30, 2018. Please refer also to Note 19 for details on the full repayment of the loan during the fourth fiscal quarter of 2018. For the loan and balance with related party Bigal, please refer to Note 13.

The Contributed Companies, #7, #8, #9 and #10 in the table above have entered into a loan agreement with Ocean Yield ASA for the purposes of financing part of the hulls' predelivery instalments. As at September 30, 2018 the Corporate Guarantor of the respective bank loan facility was OET.

**Financing arrangements with OCY Poliegos Limited**

Omega Two Marine Corp (the "Omega") has entered into a debt financing transaction with OCY Knight AS. On June 8, 2017, Omega transferred the M/T Poliegos to OCY Knight AS (the "original buyer") for 54,000,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 14 years, with purchase options at the end of the seventh, tenth and twelfth year. Omega received \$47.0 million in cash as part of the transaction, with \$7.0 million to be retained by the original buyer as a deposit which can be used towards the repurchase of the vessel pursuant to the purchase options. This transaction is treated as a financing transaction and the M/T Poliegos continues to be recorded as an asset on the consolidated statement of financial position, since the risks and rewards of ownership have effectively remained with Omega, and it is probable that Omega will exercise the purchase option by the end of year 12. Pursuant to a memorandum of agreement dated on August 23, 2018 the original buyer sold M/T Poliegos to OCY Poliegos Limited (the "new buyer") for an amount of \$48,032,540. As a result, on the same date, both aforementioned parties and the company accordingly novated the bareboat charter so that the new buyer could substitute the original buyer. Omega continues to technically manage, commercially charter, and operate the M/T Poliegos. Pursuant to this financing arrangement, Omega will pay a daily bareboat charter rate of \$11,550, plus interest pursuant to USD Libor annual adjustments. The outstanding balance as of 30 September 2018 was \$44,382,253.

**Financing arrangements with OCY Knight AS**

The Contributed Companies, #7, #8, #9 and #10 in the table above have entered into a debt financing transaction with OCY Knight AS. On February 10, 2018 each of the Contributed Companies #7, #8, #9 and #10 agreed to sell the owned vessels to OCY Knight AS for \$ 75,260,000 each, and bareboat chartered the respective vessel back for a period of 14 years upon her delivery. There are purchase options at the end of the seventh, tenth and twelfth year. The relevant bareboat charters provide that the charterers shall not sell or otherwise dispose of all or any material part of its assets or operations, if such sale or disposal is reasonably likely to have a material adverse effect on the ability of the bareboat charterers to perform their obligations under the relevant bareboat charter. Each bareboat charter provides also an option to purchase the relevant VLCC for the following prices:

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**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**12. Long- Term Borrowings - Continued**

- at the end of year 7, USD 49,830,000;
- at the end of year 10, USD 36,300,000;
- at the end of year 12, USD 25,860,000; or
- at the end of year 14, USD 14,170,000.

None of the #7, #8, #9 and #10 have drawn any amounts pursuant to the debt financing transaction with OCY Knight AS as of September 30, 2018, hence there are no amounts of such debt outstanding on the consolidated statement of financial position, as of September 30, 2018.

Long-term debt net of current portion and current portion of long-term borrowings are analysed as follows:

	<b>Long-term borrowings, net of current portion</b>	<b>Current portion of long-term borrowings</b>
Outstanding loan balance	268,800,958	23,652,295
Loan arrangement fees	(1,522,008)	(689,574)
<b>Total</b>	<b>267,278,950</b>	<b>22,962,721</b>

The loans are repayable as follows:

	<b>September 30, 2018</b>
No later than one year	23,652,295
Later than one year and not later than five years	170,127,639
Thereafter	98,673,319
<b>Total</b>	<b>292,453,253</b>
Less: Amounts due for settlement within 12 months	(23,652,295)
<b>Long term borrowings</b>	<b>268,800,958</b>

Interest expense amounting to \$3,409,270 for the period ended September 30, 2018, is included under "Interest and finance costs" in the consolidated statement of profit or loss and other comprehensive income.

All loans are secured by a first preferred mortgages of the Contributed Companies' vessels and assignment of earnings and insurances.

The loan agreements include several ship finance covenants, amongst which are restrictions as to changes in management and ownership of the vessels, declaration of dividends; further indebtedness; mortgaging of vessels without the bank's prior consent and a hull cover ratio as well as several financial covenants.

**Okeanis Eco Tankers Corp.**  
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**13. Transactions and Balances with Related Parties**

The Group has entered into management agreements with Kyklades Maritime Corporation ("Kyklades" or "Management Company"), as technical manager. Kyklades provide the vessels with shipping services such as technical support and maintenance, insurance, and consulting, in exchange for a daily fee of \$600 per managed vessel, which is reflected under management fees in the consolidated statement of profit or loss and other comprehensive income. For the period ended September 30, 2019, management fees amounted to \$348,600.

**Current accounts due to related parties are analysed as follows:**

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	<b>September 30, 2018</b>
Amounts due to Management Company	507,573
Amounts due to related party vessel owning companies	3,261,768
<b>Total</b>	<b>3,769,341</b>

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Amounts due to Management Company represent expenses paid by the Management Company on behalf of the Group and for management services rendered, net of payments made to the Management Company, per the terms of the respective vessel management agreements.

Amounts due to related party vessel owning companies, which are owned by members of the Alafouzou family, represent amounts provided by vessel owning companies to the Group, for working capital purposes.

All balances noted above are unsecured and with no fixed terms of payment.

Current accounts due from related parties, which are owned by members of the Alafouzou family, amounting to \$1,093,513 as at September 30, 2018, represents amounts provided to related party vessel owning companies for working capital purposes. All these balances are unsecured and with no fixed terms of payment.

**14. Share Capital and Additional Paid-in Capital**

OET common shares have been registered under the laws of the Republic of the Marshall Islands. Pursuant to an agreement with DNB Bank ASA (DNB Bank ASA is recorded as the sole shareholder in the records of the Company and maintains, in its role as VPS registrar, a sub-register of shareholders in the VPS where the ownership of the shares is registered in book-entry form under their ISIN MHY641771016). On 29 June 2018, the administration of Oslo Børs ASA resolved to admit OET's common shares for listing on the Merkur Market. The first day of trading of the common shares on Merkur Market was on July 3, 2018. The common shares are trading on Merkur Market under the ticker symbol, "OET-ME". Fearnley Securities AS acted as Merkur Advisor to the Company.

The Company has one class of shares. All the shares rank in parity with one another. Each share carries the right to one vote in a meeting of the shareholders and all shares are otherwise equal in all respects.

On June 28, 2018, the balances of the net assets of the Contributed Companies amounting to were recognized at their carrying historical costs upon the acquisition of their ownership interest by OET, in exchange for the issuance of 15,990,000 of the OET common shares to the holders of the ownership interest of the Contributed Companies (refer Notes 1 and 3).

**Okeanis Eco Tankers Corp.**  
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**14. Share Capital and Additional Paid-in Capital - Continued**

On June 28, 2018, OET completed an initial offering of its common shares, whereby 11,400,000 common shares were issued, in exchange for net proceeds of approximately \$96.5 million.

Under the Company's constitutional documents, the number of authorized shares is 100,000,000, each with a par value of \$ 0.001. The number of shares in issue at the date of this report is 27,400,000, all of which have been fully paid. The Company does not currently hold any treasury shares.

Neither the Company nor any of its subsidiaries have issued any restricted shares, share options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Neither the Company nor any of its subsidiaries have issued subordinated debt or transferable securities other than the shares in the Company and the shares in the Company's subsidiaries which are held directly or indirectly by the Company.

The table below shows the development in the Company's issued share capital for the period from incorporation to the date hereof:

<b>Date</b>	<b>Type of change</b>	<b>Change in issued share capital (US)</b>	<b>New issued share capital (USD)</b>	<b>No. of issued shares</b>	<b>Par value per share</b>
30 April 2018	Incorporation	10	10	10,000	0,001
28 June 2018	In-kind issue	15,990	16,000	16,000,000	0,001
28 June 2018	Private placement	11,400	27,400	27,400,000	0,001

## **15. Financial Risk Management**

The Group's principal financial instruments comprise debt, cash and cash equivalents and restricted cash. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, current accounts with related parties and payables which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk and cash flow interest rate risk. The Group's policies for addressing these risks are set out below:

- **Credit risk**

The Group only trades with charterers who have been subject to satisfactory credit screening procedures. Furthermore, outstanding balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to the credit risk arising from the Group's cash and cash equivalents and restricted cash, the Group's exposure arises from default by the counterparties, with a maximum exposure equivalent to the carrying amount of these instruments. The Group mitigates such risks by dealing only with high credit quality financial institutions.

- **Foreign currency risk**

The Group's vessels operate in international shipping markets, which utilize the U.S. Dollar as the functional currency. Although certain operating expenses are incurred in foreign currencies, the Group does not consider the risk to be significant and takes no other steps to manage its currency exposure.

- **Interest rate risk**

The Group's exposure to interest rate risk arises from its long-term floating rate debt. The Group has not entered into any hedging transactions to cover its exposure to changes in interest rates on this debt. As an indication of the sensitivity from changes in interest rates, an increase by 50 basis points in interest rates would increase interest expense for the period ended September 30, 2018 by \$277,566 assuming all other variables held constant.

**Okeanis Eco Tankers Corp.**  
**Notes to the consolidated financial statements**  
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**16. Commitments and Contingencies**

***Commitments under shipbuilding contracts***

The Group had commitments under eight shipbuilding contracts for the acquisition of eight newbuildings (refer Note 1). The Group expects to settle these commitments as follows, as of September 30, 2018:

Less than one year	443,647,300
One to three years	107,400,000
<b>Total</b>	<b>551,047,300</b>

***Commitments under time charter agreements***

Future minimum contractual charter receivable revenue, based on vessels committed non-cancellable, long-term time charter agreements, net of address commissions, were as follows, as of September 30, 2018:

Less than one year	19,193,171
One to three years	3,189,800
<b>Total</b>	<b>22,382,971</b>

***Operating Leases***

On August 1, 2018 OET Chartering Inc. entered into a three year lease agreement for office space with Anonymos Techniki Etairia Ergwn, a related company owned by members of the Alafouzou family. The lease agreement provided for a monthly rental of €890 (approximately \$1,033, using the exchange rate as of September 30, 2018, which was \$1.16 per euro). Operating lease rent expense was as follows, as of September 30, 2018:

Less than one year	12,390
One to three years	22,715
<b>Total</b>	<b>35,105</b>

**Okeanis Eco Tankers Corp.**  
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**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**17. Earnings/(Loss) per Share**

Basic and diluted losses per share for the period ended September 30, 2018, are presented below:

**Basic loss per share**

	<b>Period ended September 30, 2018 (amounts in USD)</b>
From continuing operations	(0.14)
<b>Total basic loss per share</b>	<b>(0.14)</b>

The loss and weighted average number of common shares used in the calculation of basic loss per share are as follows:

	<b>Period ended September 30, 2018 (amounts in USD)</b>
Loss for the period attributable to the owners of the Group	(2,281,964)
Weighted average number of common shares outstanding in the period	16,837,843
<b>Total basic loss per share</b>	<b>(0.14)</b>

During the period ended September 30, 2018, there were no potentially antidilutive instruments affecting weighted average number of shares, and hence diluted loss per share equals basic loss per share for the period presented.

**18. Claim Receivables**

As of September 30, 2018, the Group has recognized and presented under "current assets" receivable amounts from vessel Insurers totalling \$2,415,654 relating to hull and machinery and protection & indemnity (P&I) claims for certain vessels in the Group's fleet. The recognition in the consolidated statement of financial position was made since realization of the claimable amounts from the insurers in the short-term is deemed highly probable.

**19. Capital Risk Management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders value.

**Okeanis Eco Tankers Corp.**  
**Notes to the consolidated financial statements**  
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**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**19. Capital Risk Management - Continued**

The Group monitors capital using gearing ratio, which is total debt divided by total equity plus total debt, and its calculation is presented below:

	<b>September 30, 2018</b>
Total amount of long-term borrowings	292,453,253
Total equity	288,532,731
<b>Gearing ratio</b>	<b>50%</b>

**20. Subsequent Events**

On October 5, 2018 the Group entered into a series of supply contracts for the provision of exhaust gas cleaning systems ("EGCS ", or "Scrubbers") for vessels Nissos Therassia, Nissos Schinoussa, Milos, Poliegos, Kimolos and Folegandros.

The scheduled delivery dates of the Scrubbers are the following:

<b>Vessel</b>	<b>Date of Delivery</b>
Mt Nissos Therassia	30/6/2019
Mt Nissos Schinoussa	30/6/2019
Mt Milos	31/7/2019
Mt Poliegos	31/7/2019
Mt Kimolos	31/8/2019
Mt Folegandros	31/8/2019

**The Group expects to settle these commitments as follows:**

Less than one year	2,817,135
One to three years	4,225,703
<b>Total</b>	<b>7,042,838</b>

On October 25, 2018 Okeanis received a firm offer letter from Credit Suisse for the financing of Hull 3051 that accepted and paid half the commitment fees as agreed. The total proceeds of the loan will be lower of USD 58,125,000 and the 62.5% of firm market value of the vessel at the delivery advance. The loan agreement permits predelivery financing.

On October 31, 2018 Okeanis received a firm offer letter from BNP Paribas for the financing of Hull 3089 that was accepted. The total proceeds of the loan will be the lower of a) 65% of the acquisition price of the vessel, b) 65% of the fair market value of the vessel and c) \$58,175,000. The loan agreement permits predelivery financing.

**Okeanis Eco Tankers Corp.**  
**Notes to the consolidated financial statements**  
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**(All amounts expressed in U.S. Dollars, except for number of shares)**

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**20. Subsequent Events-Continued**

On December 3, 2018 Okeanis signed an revolving credit facility agreement with Glafki Marine Corp. (the "Glafki RCF"), for the financing of its current newbuilding program, potential acquisitions of newbuilding vessels or vessels on the water and for general corporate purposes. The total amount available under the Glafki RCF amounts to \$15 million.

On December 3, 2018 Okeanis, completed a private placement in Merkur Market of 3,910,000 common shares at a price of NOK 66 per common share. The total amount collected, after deducting selling expenses amounted to \$29,099,070.

On December 7, 2018, the Group fully repaid the outstanding loan balance due to Bigal (refer Note 12) amounting to \$4,584,348 inclusive of accrued interest due.

On January 19, 2019, Omega One Marine Corporation entered into a debt financing transaction with Ocean Yield Malta. On January 19, 2019, Milos Marine Corporation transferred the M/T Milos to Ocean Yield Malta (the "original buyer") for an agreed consideration of \$56.0 million, and, as part of the agreement, bareboat chartered the vessel back for a period of 13 years, with purchase options at the end of the fifth, seventh, tenth and twelfth year. Omega One Maritime Corporation is expected to receive \$49.0 million in cash as part of the transaction, with \$7.0 million to be retained by the original buyer as a deposit which can be used towards the repurchase of the vessel pursuant to the purchase options.

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**APPENDIX B - COMBINED CARVE-OUT FINANCIAL STATEMENTS**

# **OKEANIS MARINE HOLDINGS S.A.**

Combined Carve-out Financial Statements of  
Eco Tanker Fleet for the  
Years Ended December 31, 2017 and 2016 and  
Independent Auditor's Report

**Okeanis Marine Holdings S.A.**  
**Combined carve-out financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**

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## **Independent Auditor's Report**

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To the Board of Directors and Shareholders  
of Okeanis Marine Holdings S.A.

### **Opinion**

We have audited the combined carve-out financial statements of the eco tanker fleet of Okeanis Marine Holdings S.A. (the "Group"), which comprise the combined carve-out statements of financial position as at December 31, 2017 and 2016, and the combined carve-out statements of profit or loss and other comprehensive income, combined carve-out statements of changes in net parent investment and combined carve-out statements of cash flows for each of the two years in the period ended December 31, 2017 and notes to the combined financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying combined carve-out financial statements present fairly, in all material respects, the combined carve-out financial position of the Group as at December 31, 2017 and 2016 and its combined carve-out financial performance and its combined carve-out cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Carve-out Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Combined Carve-out Financial Statements**

Management is responsible for the preparation and fair presentation of the combined carve-out financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of combined carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined carve-out financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibility for the Audit of the Combined Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined carve-out financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the combined carve-out financial statements, including the disclosures, and whether the combined carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined carve-out financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte Certified Public Accountants S.A.*

Athens, Greece  
January 22, 2019

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**Okeanis Marine Holdings S.A.**  
**Combined carve-out statement of profit or loss and other comprehensive income of eco**  
**tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

	Notes	2017	2016
Revenue		45,586,652	34,084,722
Address commissions		(439,276)	(418,800)
<b>Net revenue</b>		<b>45,147,376</b>	<b>33,665,922</b>
<b>Expenses</b>			
Brokerage commissions		(1,693,284)	(1,185,245)
Voyage expenses	10	(10,813,666)	(8,957,604)
Vessel operating expenses	9	(12,606,563)	(8,015,448)
General and administrative expenses		(159)	(8)
Management fees	12	(1,800,000)	(1,140,000)
Depreciation and amortization	6	(10,427,233)	(6,047,571)
<b>Total Expenses</b>		<b>(37,340,905)</b>	<b>(25,345,876)</b>
<b>Operating profit</b>		<b>7,806,471</b>	<b>8,320,046</b>
<b>Other income/(expenses)</b>			
Interest and other finance costs	11	(7,748,067)	(3,576,402)
Interest income		64,906	58,335
Other income		227,826	64,508
Foreign exchange (loss) / gain		(5,921)	17,973
<b>Other expenses</b>		<b>(7,461,256)</b>	<b>(3,435,586)</b>
<b>Profit for the year</b>		<b>345,215</b>	<b>4,884,460</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>345,215</b>	<b>4,884,460</b>

The accompanying notes are an integral part of these combined carve-out financial statements.

**Okeanis Marine Holdings S.A.**  
**Combined carve-out statement of financial position of eco tanker fleet**  
**As at December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

	Notes	2017	2016
<b>Assets</b>			
<b>Non-current assets</b>			
Vessels, net	6	271,147,056	213,770,643
Vessels under construction	7	33,986,551	47,188,878
Other guarantees		20,000	-
Restricted cash		4,200,000	4,335,000
<b>Total non current assets</b>		<b>309,353,607</b>	<b>265,294,521</b>
<b>Current assets</b>			
Cash and cash equivalents		1,105,316	2,821,458
Trade and other receivables		2,151,339	2,275,757
Prepaid expenses		772,488	222,448
Current account due from related parties	12	1,168,839	11,450,000
Inventories	5	1,894,519	1,354,663
Straight line revenue		364,908	218,868
<b>Total current assets</b>		<b>7,457,409</b>	<b>18,343,194</b>
<b>Total assets</b>		<b>316,811,016</b>	<b>283,637,715</b>
<b>Net parent investment and liabilities</b>			
<b>Net parent investment</b>			
Net Parent investment	13	132,073,321	125,196,473
Retained earnings		134,995	9,034,613
<b>Total net parent investment</b>		<b>132,208,316</b>	<b>134,231,086</b>
<b>Non-current liabilities</b>			
Long-term borrowings, net of current portion	11	163,089,302	129,033,565
<b>Total non-current liabilities</b>		<b>163,089,302</b>	<b>129,033,565</b>
<b>Current liabilities</b>			
Trade payables		2,956,856	2,942,201
Sundry liabilities and accruals	8	282,569	333,501
Current account due to related parties	12	6,313,971	7,117,635
Revenue received in advance		558,000	682,000
Current portion of long-term borrowings	11	11,402,002	9,297,727
<b>Total current liabilities</b>		<b>21,513,398</b>	<b>20,373,064</b>
<b>Total liabilities</b>		<b>184,602,700</b>	<b>149,406,629</b>
<b>Total net Parent investment and liabilities</b>		<b>316,811,016</b>	<b>283,637,715</b>

The accompanying notes are an integral part of these combined carve-out financial statements.

**Okeanis Marine Holdings S.A.**  
**Combined carve-out statement of changes in net Parent investment**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts, except for number of shares, expressed in U.S. Dollars)**

	Net parent investment (Note 13)	Retained earnings	Total
<b>Balance, January 1, 2016</b>	<b>98,800,973</b>	<b>4,738,963</b>	<b>103,539,936</b>
Profit for the year	-	4,884,460	4,884,460
Dividends paid	-	(588,810)	(588,810)
Net transfer from Parent	26,395,500	-	26,395,500
<b>Balance, December 31, 2016</b>	<b>125,196,473</b>	<b>9,034,613</b>	<b>134,231,086</b>
Profit for the year	-	345,215	345,215
Dividends paid	(16,822,794)	(9,244,833)	(26,067,627)
Net transfer from Parent	20,190,500	-	20,190,500
Deemed capital contribution	3,509,142	-	3,509,142
<b>Balance, December 31, 2017</b>	<b>132,073,321</b>	<b>134,995</b>	<b>132,208,316</b>

The accompanying notes are an integral part of these combined carve-out financial statements.

**Okeanis Marine Holdings S.A.**  
**Combined carve-out statement of cash flows of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities:</b>		
Profit for the year	345,214	4,884,460
Adjustments to reconcile profit to net cash provided by operating activities:		
Depreciation	10,427,233	6,047,571
Interest expense	6,933,201	3,408,797
Interest income	(64,906)	(58,335)
Amortization loan financing fees	149,942	82,377
<i>Changes in working capital:</i>		
Inventories	(539,856)	(295,752)
Trade and other receivables	124,418	1,977,508
Prepaid expenses	(550,040)	(103,699)
Straight line revenue	(146,040)	(218,868)
Trade and other payables	21,202	1,745,809
Sundry liabilities and accruals	109,936	(202,320)
Revenue received in advance	(124,000)	682,000
Other guarantees	(20,000)	-
Interest paid	(7,027,542)	(3,474,810)
<b>Net cash provided by operating activities</b>	<b>9,638,762</b>	<b>14,474,738</b>
<b>Cash flows from investing activities:</b>		
Payments for vessels and vessels under construction	(54,617,723)	(61,429,496)
Interest received	64,906	58,335
Decrease in restricted cash	135,000	65,000
Current account due from related parties	10,281,161	(6,307,962)
<b>Net cash used in investing activities</b>	<b>(44,136,656)</b>	<b>(67,614,123)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from long-term borrowings	83,120,000	36,600,000
Contributions from Parent	20,190,500	26,395,500
Repayment of long-term borrowings	(46,569,932)	(7,270,000)
Payment of loan arrangement fees	(596,667)	(329,400)
Current account due to related parties	2,705,478	83,312
Dividends paid	(26,067,627)	(588,810)
<b>Net cash provided by financing activities</b>	<b>32,781,752</b>	<b>54,890,602</b>
<b>Net change in cash and cash equivalents</b>	<b>(1,716,142)</b>	<b>1,751,217</b>
Cash and cash equivalents at beginning of the period	2,821,458	1,070,241
<b>Cash and cash equivalents at end of the period</b>	<b>1,105,316</b>	<b>2,821,458</b>

**Non-cash financing activities**

Non-cash deemed capital contributions amounting to \$3,509,142 for the year ended December 31, 2017 (Note 13), included in "Current account due to related parties".

The accompanying notes are an integral part of these combined carve-out financial statements.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**1. General Information**

These combined carve-out financial statements of Okeanis Marine Holdings S.A. (“OMH” or “Parent”) (collectively referred to as the “Group”) include the eco tanker vessels owned by OMH for all periods presented. The companies comprising the Group were all incorporated in the Republic of the Marshall Islands and Liberia at various dates, as reflected in the table below. Their principal activity is the ownership of modern eco tanker vessels. Their ownership by OMH lasted until June 28, 2018, when OMH transferred 100% of the ownership interest in these subsidiaries to Okeanis Eco Tankers Corp., a company under common control with OMH. The table below provides information regarding each of the companies comprising the group:

<b>Company</b>	<b>Date and place of incorporation</b>	<b>Share capital (number of shares)</b>	<b>Vessel owned</b>	<b>Vessel Type</b>	<b>Year built</b>	<b>DWT</b>
Therassia Marine Corp.	June 11, 2010 Liberia	500	M/T Nissos Therassia	Tanker	2015	114,322
Milos Marine Corp.	June 20, 2013 Liberia	500	M/T Nissos Heraclea	Tanker	2015	114,270
Ios Maritime Corp.	June 20, 2013 Liberia	500	M/T Nissos Schinoussa	Tanker	2015	114,445
Omega One Marine Corp.	February 7, 2000 Marshall Islands	500	M/T Milos	Tanker	2016	157,539
Omega Two Marine Corp.	February 7, 2000 Marshall Islands	500	M/T Poliegos	Tanker	2017	157,539
Omega Three Marine Corp.	February 9, 2015 Marshall Islands	500	Hull 5118	Tanker	-	-
Omega Four Marine Corp.	February 9, 2015 Marshall Islands	500	Hull 5119	Tanker	-	-
Omega Five Marine Corp.	September 2, 2015 Marshall Islands	500	Hull 3012	Tanker	-	-
Omega Seven Marine Corp.	November 10, 2016 Marshall Islands	500	Hull 3013	Tanker	-	-
Omega Nine Marine Corp.	December 5, 2017 Marshall Islands	500	Hull 3014	Tanker	-	-
Omega Eleven Marine Corp.	November 29, 2017 Marshall Islands	500	Hull 3015	Tanker	-	-
Nelmare Marine Ltd	January 10, 2016 Marshall Islands	500	Hull 3050	Tanker	-	-
Anassa Navigation S.A.	January 11, 2016 Marshall Islands	500	Hull 3051	Tanker	-	-
Enalios Shipping corp.	March 8, 2016	500	Dormant company	-	-	-

The vessel-owning companies owned by Okeanis, are engaged in the ocean transportation of oil worldwide, through the ownership and operation of tanker vessels. Enalios Shipping Corp. was established on March 8, 2016, and remained dormant until 2018, when it was renamed OET Chartering Inc., and commenced operations as a ship management company.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**2. Basis of Combination**

The combined carve-out financial statements of eco-tanker fleet have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, have been prepared on a stand-alone basis and are derived from the consolidated financial statements and accounting records of Okeanis Marine Holdings S.A. These combined carve –out financial statements are presented in U.S. Dollars (USD), as this is the Group’s functional currency. In the absence of specific IFRS guidance dealing with combined carve-out financial statements, the Group defined the principles and conventions for combination presented hereunder.

All intercompany accounts and transactions between the entities comprising the Group have been eliminated in the combined carve-out financial statements.

**3. Summary of Significant Accounting Policies**

***Use of estimates***

The preparation of the combined carve-out financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the combined carve-out financial statements, and the stated amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Revenue and expense recognition***

Revenues are generated from voyage charter and time charter agreements. Time charter revenues are recorded on a straight line basis over the term of the charter, as service is provided. Any differences between the actual and straight line revenue is recognized under straight line revenue in the combined carve-out statement of financial position. Under a voyage charter, revenues and associated voyage expenses are recognised on a pro-rata basis over the duration of the voyage. A voyage is deemed to commence upon the later of the completion of discharge of the vessel’s previous cargo or the time it receives a contract that is not cancellable and is deemed to end upon the completion of discharge of the current cargo. Under a voyage charter, demurrage revenue represents payments received from charterers when loading or discharging time exceeds the stipulated time and is recognized on a pro-rata basis over the duration of the voyage. Probable losses on voyages are provided for in full at the time such losses can be estimated.

Net revenue represents revenue earned less any related address commissions, which are discounts provided to the charterers. Address commissions are deferred over the related time or voyage charter period, to the extent revenue has been deferred since address commissions are expensed as revenue is earned.

Brokerage commissions are expenses payable to third-party brokers or to the Management Company Kyklades Maritime Corporation (“Kyklades” or the “Management Company”), and are recognized on a pro-rata basis over the duration of the voyage.

Revenue received in advance represents cash received in advance of being earned. The portion of the revenue received in advance and to be recognized within the next twelve months is classified under current liabilities in the combined carve-out statement of financial position.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
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**3. Summary of Significant Accounting Policies**

***Trade and other receivables***

Trade receivables include estimated recoveries from hire and freight billings to charterers, net of any provision for doubtful accounts. At each statement of financial position date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate provision.

Other receivables mainly include insurance claims receivable under the Group's insurance coverage, net of any deductibles and are accounted for on the accruals basis, when realization of the claim recovery from insurance companies is deemed probable.

***Deferred financing costs***

Fees incurred for obtaining new loans or refinancing existing facilities such as arrangement, structuring, legal and agency fees are deferred and classified against long-term debt in the combined carve-out statement of financial position. Any fees incurred for loan facilities not yet advanced are deferred and classified under non-current assets in the combined carve-out statement of financial position. These fees are classified against long-term debt on the loan drawdown date.

Deferred financing costs are deferred and amortized over the term of the relevant loan using the effective interest method, with the amortization expense reflected under interest and finance costs in the combined carve-out statement of profit or loss and other comprehensive income. Any unamortized deferred financing costs related to loans which are either fully repaid before their scheduled maturities or related to loans extinguished are written-off in the combined carve-out statement of profit or loss and other comprehensive income.

***Vessels and depreciation***

Vessels are stated at cost, which comprises vessels' contract price, major improvements, and direct delivery and acquisition expenses less accumulated depreciation and any impairment. Depreciation is calculated on a straight line basis over the estimated useful life of the vessels, after considering their estimated residual value. Each vessel's residual value is equal to the product of its lightweight tonnage and its estimated scrap rate. The scrap value is estimated to be approximately \$400 per ton of lightweight steel. The Group currently estimates the useful life of each vessel to be 25 years from the date of original construction.

***Special survey and dry-docking costs***

Special survey and dry-docking costs are capitalized as a separate component of vessel cost. These costs are capitalized when incurred and amortized over the estimated period to the next scheduled dry-docking/special survey. The Group's vessels are required to undergo dry-docking approximately every 5 years, until a vessel reaches 10 years of age, after which a vessel is required to be dry-docked approximately every 2.5 years. If a special survey or dry-docking is performed prior to the scheduled date, any remaining unamortized balances are written-off and reflected in depreciation in the statement of profit or loss and other comprehensive income.

### **3. Summary of Significant Accounting Policies - Continued**

#### ***Impairment of vessels***

The Group assesses at each reporting date whether there are any indications that the vessels' carrying amounts may not be recoverable. If such an indication exists, and where the carrying amount exceeds the estimated recoverable amount, the vessels are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs to sell and value in use.

The fair value less costs to sell is the amount obtainable from the sale of a vessel in an arm's length transaction, less any associated costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the vessels.

#### ***Advances for vessels under construction***

Advances for vessels under construction comprise of instalments paid to shipyards for vessels under construction at the statement of financial position date, legal and other costs capitalized and other pre-delivery expenses related to the construction of the vessel. On delivery of a vessel, the balance is transferred to vessels, net, in the combined carve-out statement of financial position.

#### ***Foreign currency translation***

The functional currency of the Group is the U.S. dollar because the vessels operate in international shipping markets, which primarily transact business in U.S. dollars. Transactions denominated in foreign currencies are converted into U.S. Dollars and are recorded at the exchange rate in effect at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to U.S. Dollars at the rate of exchange prevailing at the combined carve-out statement of financial position date. Any resulting foreign exchange differences are reflected under foreign exchange gains/ (losses) in the combined carve-out statement of profit or loss and other comprehensive income.

#### ***Interest bearing loans and borrowings***

Loans and borrowings are initially recognised at fair value, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

#### ***Cash and cash equivalents***

The Group considers highly liquid investments such as time deposits and certificates of deposit with original maturities of three months or less to be cash equivalents. For the purposes of the combined cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

#### ***Restricted cash***

Restricted cash represents pledged cash deposits or minimum liquidity to be maintained with certain banks under the Group's borrowing arrangements. In the event that the obligation relating to such deposits and cash collateral accounts is expected to be terminated within the next twelve months from the statement of financial position date, they are classified under current assets otherwise they are classified as non-current assets on the statement of financial position. The Group classifies restricted cash separately from cash and cash equivalents in the combined statement of financial position. Restricted cash does not include general minimum liquidity requirements with no obligation to retain such funds in retention accounts.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
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**3. Summary of Significant Accounting Policies - Continued**

***Inventories***

Inventories consist of bunkers, lubricants and provisions on board the vessels at each statement of financial position date and are stated at the lower of cost or net realisable value. It is the Group's policy to value inventories using the FIFO method.

***Vessel operating expenses***

Vessel operating expenses comprise all expenses relating to the operation of the vessel, including crewing, insurance, repairs and maintenance, stores, lubricants, spares and consumables and miscellaneous expenses. Vessel operating expenses are recognized as incurred; payments in advance of services or use are recorded as prepaid expenses.

***Vessel voyage expenses***

Vessel voyage expenses mainly relate to voyage charter agreements and consist of port, canal and bunker costs that are unique to a particular voyage, and are recognized on a pro-rata basis over the duration of the voyage. Under time charter arrangements, voyage expenses are paid by charterers.

***Pension and retirement benefit obligations – crew***

The crew on board the Group's vessels is employed under short- term contracts (usually up to nine months) and, accordingly, the Group is not liable for any pension or other retirement benefits.

***Cash flow statement policy***

The Group uses the indirect method to report cash flows from operating activities.

***Taxation***

All Companies comprising the Group are not subject to tax on international shipping income since their countries of incorporation do not impose such taxes. The Group's vessels are subject to registration and tonnage taxes, which are included under vessel operating expenses in the combined carve-out statement of profit or loss and other comprehensive income.

***Provisions and contingencies***

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Contingent liabilities are not recognized in the combined carve-out financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the combined carve-out financial statements but are disclosed when an inflow of economic benefits is probable.

### **3. Summary of Significant Accounting Policies - Continued**

#### ***Fair value of financial assets and liabilities***

The definitions of the levels, provided by IFRS 7 *Financial Instruments Disclosure*, are based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents and restricted cash are considered a Level 1 financial instruments. There are no other financial instruments in Levels 1 and 2 and no transfers between Levels 1, 2 or 3 during the periods presented.

The carrying amounts reflected in the statement of financial position for cash and cash equivalents, restricted cash, trade and other receivables, and other current liabilities, approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

#### ***Sale and lease-back transactions***

In case a vessel is sold and subsequently leased back by the Group, pursuant to a memorandum of agreement (MOA) and a bareboat charter agreement, the Group evaluates the terms of the transaction in accordance with IAS 17 "Leases" to determine whether it falls within the scope of IAS 17 "Leases". In the case the leaseback is determined to be a finance leaseback, all the risks and rewards of ownership of the subject vessel remain with the Group-lessee, and hence the transaction is recognized as a debt financing transaction, with the subject vessel continuing to be recorded at her carrying amount on the combined carve-out statement of financial position. In the case the leaseback is determined to be an operating leaseback, any related gains or losses (being the difference between the carrying amount of the vessel on the sale date, and the proceeds from her sale), are accounted for as follows:

- If the transaction is at fair value, gains or losses are recognized immediately;
- If the sale price is below fair value, any profit or loss is recognized immediately except if the loss is compensated for by future lease payments at below market price, in which case it is deferred and amortized in proportion to the lease payments over the period for which the asset is expected to be used; or
- If the sale price is above fair value, the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used.

### **3. Summary of Significant Accounting Policies - Continued**

#### ***Application of New and Revised International Financial Reporting Standards (IFRSs)***

##### ***(a) New and revised IFRSs adopted during 2017***

In January 2016, the IASB issued amendments to IAS 7 *Statement of Cash Flows* introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved. Entities will be required /to disclose changes arising from cash flows, such as drawdowns and repayments of borrowings and also non-cash changes, such as acquisitions, disposals and unrealised exchange differences. Even though a specific format is not mandated, where a reconciliation is used the disclosure should provide sufficient information to link items included in the reconciliation to the statement of financial position and statement of cash flows. The amendments which are effective for annual periods beginning on or after January 1, 2017, did not have a material effect on the Group's combined carve-out financial statements.

There were no new or revised IFRSs which became effective in periods beginning on or after January 1, 2016 which are applicable to the Group.

##### ***(b) Standards and interpretations in issue but not yet effective, which are applicable to the Group***

At the date of authorization of these financial statements, the following standards and amendments relevant to the Group were in issue but not yet effective:

In July 2014, the IASB issued the complete version of IFRS 9 Financial Instruments. IFRS 9 specifies how an entity should classify and measure financial assets and financial liabilities. The new standard requires all financial assets to be subsequently measured at amortized cost or fair value depending on the business model of the legal entity in relation to the management of the financial assets and the contractual cash flows of the financial assets. The standard also requires a financial liability to be classified as either at fair value through profit or loss or at amortized cost. In addition a new hedge accounting model was introduced, that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. The standard is effective for accounting periods beginning on or after January 1, 2018 but early adoption is permitted. The Group adopted this standard on January 1, 2018 and its effect was not material to the combined carve-out financial statements.

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which applies to all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 Revenue, IAS 11 Construction Contracts and a number of revenue-related interpretations. The standard was amended in September 2015 to delay the effective date to annual periods beginning on or after January 1, 2018 but early adoption is permitted. In addition, the standard was further amended in April 2016 to clarify the guidance on identifying performance obligations, accounting for licenses of intellectual property and the principal versus agent assessment (gross versus net revenue presentation), as well as to give new and amended illustrative examples and practical expedients.

**3. Summary of Significant Accounting Policies - Continued**

***Application of New and Revised International Financial Reporting Standards (IFRSs)***

***(b) Standards and interpretations in issue but not yet effective, which are applicable to the Group – continued***

The Group adopted the new revenue standard on January 1, 2018, and this standard affected the timing of revenue recognition for revenue earned from voyage charter agreements. Under the new revenue standard, revenue generated from voyage charter agreements commences being recognized from the commencement of the loading of cargo, until the completion of discharge of the cargo, compared to the previous accounting policy whereby revenue from voyage charter agreements commenced being recognized at the later of the completion of discharge of the vessel's previous cargo or the time it received a contract that was not cancellable and was deemed to end upon the completion of discharge of the current cargo.

In January 2016, the IASB issued IFRS 16 Leases, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 eliminates the classification of leases by lessees as either operating leases or finance leases and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognize: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of profit or loss. Lessors continue to classify their leases as operating leases or finance leases, and to account for those two types of leases differently. IFRS 16 supersedes the previous leases Standard, IAS 17 Leases, and related Interpretations. The standard is effective from January 1, 2019, with early adoption permitted only with concurrent adoption of IFRS 15 Revenue from Contracts with Customers. Management has elected not to early adopt, and it anticipates that the implementation of this standard will not have a material impact on the Group's combined carve-out financial statements, since the changes for lessors are fairly minor and the Group's lessee obligations are not significant.

There are no other IFRS standards and amendments issued but not yet adopted that currently would affect the Group's combined carve-out financial statements.

#### **4. Critical Accountings Judgments and Key Sources of Estimation Uncertainty**

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the combined carve-out financial statements, and the stated amounts of revenues and expenses during the reporting period. Management evaluates whether estimates should be going on an ongoing basis, utilizing historical experience, consultation with experts and other methods it considers reasonable in the particular circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

The key sources of estimation uncertainty are as follows:

##### ***Vessel lives and residual values***

The carrying value of the vessels represents their original cost at the time of purchase, less accumulated depreciation and any impairment. Vessels are depreciated to their residual values on a straight-line basis over their estimated useful lives. The estimated useful life of 25 years is management's best estimate and is also consistent with industry practice for similar types of vessels. The residual value is estimated as the lightweight tonnage of the vessel multiplied by a forecast scrap value per ton. The scrap value per ton is estimated using the current scrap prices assuming a vessel is already of age and condition as expected at the end of its useful life at the statement of financial position date.

An increase in the estimated useful life of a vessel or in its scrap value would have the effect of decreasing the annual depreciation charge and extending it into later periods. A decrease in the useful life of a vessel or in its scrap value would have the effect of increasing the annual depreciation charge.

When regulations place significant limitations over the ability of a vessel to trade on a worldwide basis, the vessel's useful life is adjusted to end at the date such regulations become effective. The estimated salvage value of the vessel may not represent the fair market value at any one time since market prices of scrap values tend to fluctuate.

##### ***Impairment of vessels***

The carrying amount of each vessel is evaluated at each statement of financial position date to determine whether there is any indication that this vessel has suffered an impairment loss. If any such indication exists, the recoverable amount of the vessel is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The projection of cash flows related to the vessel is complex and requires management to make various estimates including future vessel earnings, operating expenses, dry-docking costs, management fees, commissions and discount rates. These items have been historically volatile.

**Okeanis Marine Holdings S.A.**  
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**4. Critical Accountings Judgments and Key Sources of Estimation Uncertainty-  
Continued**

***Impairment of vessels – Continued***

As part of the process of assessing the fair value less cost to sell for a vessel, the Group obtains valuations from independent ship brokers on an annual basis or when there is an indication that an asset or assets may be impaired. If an indication of impairment is identified, the need for recognizing an impairment loss is assessed by comparing the carrying amount of the vessel to the higher of the fair value less cost to sell and the value in use. As of December 31, 2017 and 2016, the carrying amounts of the remaining vessels owned by the Group were higher than their respective fair values, as determined taking into consideration independent broker valuations, which served as an indication for impairment. As a result, the Group performed an impairment test, by comparing each vessel's carrying amount to its respective recoverable amount. The vessels' recoverable amounts were higher than their respective carrying amounts and consequently, no impairment loss was recognized for these vessels in the year ended December 31, 2017 and 2016.

***Deferred dry-docking cost***

The Group recognizes dry-docking costs as a separate component from the vessels' carrying amounts and amortizes them on a straight-line basis over the estimated period until the next dry-docking of the vessels. If a vessel is disposed of before the next scheduled dry-docking, the remaining unamortized balance written-off and forms part of the gain or loss recognized upon disposal of vessels in the period when contracted. Vessels are estimated to undergo dry-docking every 5 years after their initial delivery from the shipyard, until a vessel reaches 10 years of age, and thereafter every 2.5 years to undergo special or intermediate surveys, for major repairs and maintenance that cannot be performed while they are operating. However, this estimate might be revised in the future. Management estimates costs capitalized as part of the dry-docking component as costs to be incurred during the first dry-docking at the dry-dock yard for a special survey and parts and supplies used in making such repairs that meet the recognition criteria, based on historical experience with similar types of vessels.

***Classification of lease contracts***

The classification of the leaseback part in a sale and leaseback transaction as either an operating or a finance leaseback, requires judgment. The Company follows a formalized process for leaseback classification, mainly in determining the present value of the minimum lease payments and assessing the incitative nature of any repurchase options. The outcome of the transaction (at option exercise's dates in particular) may differ from the original assesment made at inception of the lease contract.

**5. Inventories**

Inventories are analysed as follows:

	<b>2017</b>	<b>2016</b>
Bunkers	1,075,777	729,366
Lubricants	749,149	574,413
Provisions	69,593	50,884
<b>Total</b>	<b>1,894,519</b>	<b>1,354,663</b>

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**(All amounts expressed in U.S. Dollars)**

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**6. Vessels, Net**

Vessels, net are analysed as follows:

	<b>Vessels'</b> <b>cost</b>	<b>Dry-docking</b> <b>and special</b> <b>survey costs</b>	<b>Total</b>
<b>Cost</b>			
<b>Balance, January 1, 2016</b>	<b>153,529,512</b>	<b>2,400,000</b>	<b>155,929,512</b>
Transfer from vessels under construction	66,431,435	800,000	67,231,435
<b>Balance, December 31, 2016</b>	<b>219,960,947</b>	<b>3,200,000</b>	<b>223,160,947</b>
Transfer from vessels under construction	67,013,503	800,000	67,813,503
Disposal of vessels	(9,857)	-	(9,857)
<b>Balance, December 31, 2017</b>	<b>286,964,593</b>	<b>4,000,000</b>	<b>290,964,593</b>
<b>Accumulated depreciation</b>			
<b>Balance, January 1, 2016</b>	<b>(3,062,733)</b>	<b>(280,000)</b>	<b>(3,342,733)</b>
Charge for the period	(5,540,903)	(506,668)	(6,047,571)
<b>Balance, December 31, 2016</b>	<b>(8,603,636)</b>	<b>(786,668)</b>	<b>(9,390,304)</b>
Charge for the period	(9,630,750)	(796,483)	(10,427,233)
<b>Balance, December 31, 2017</b>	<b>(18,234,386)</b>	<b>(1,583,151)</b>	<b>(19,817,537)</b>
<b>Net book value, December 31, 2016</b>	<b>211,357,311</b>	<b>2,413,332</b>	<b>213,770,643</b>
<b>Net book value, December 31, 2017</b>	<b>268,730,207</b>	<b>2,416,849</b>	<b>271,147,056</b>

All vessels' owned by the companies comprising the Group are pledged as security for the loan facilities granted to each of the companies comprising the Group (see Note 13).

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

**7. Advances for Vessels Under Construction**

The movement of the account advances for vessel under construction is analysed as follows:

<b>Balance at January 1, 2016</b>	<b>52,990,820</b>
Payments during the period	61,429,493
Transfer to vessels, net	(67,231,435)
<b>Balance at December 31, 2016</b>	<b>47,188,878</b>
Payments during the period	54,611,176
Transfer to vessels, net	(67,813,503)
<b>Balance at December 31, 2017</b>	<b>33,986,551</b>

**8. Sundry Liabilities and Accruals**

Accrued expenses are analysed as follows:

	<b>2017</b>	<b>2016</b>
Accrued taxes	126,670	24,622
Accrued wages and other crew expenses	28,335	191,165
Accrued other operating expenses	-	38,466
Accrued loan interest	79,394	53,962
Accrued voyage expenses	48,170	25,286
<b>Total</b>	<b>282,569</b>	<b>333,501</b>

**9. Vessel Operating Expenses**

Vessel operating expenses are analysed as follows:

	<b>2017</b>	<b>2016</b>
Crew wages and other related costs	8,787,002	5,504,600
Insurances	602,709	467,736
Stores	474,362	282,163
Spares	493,610	219,422
Repairs and surveys	736,818	550,936
Sundry operating expenses	961,627	541,354
Lubricants	430,905	323,150
Taxes	119,530	126,087
<b>Total</b>	<b>12,606,563</b>	<b>8,015,448</b>

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
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**10. Voyage Expenses**

Voyage expenses are analysed as follows:

	<b>2017</b>	<b>2016</b>
Port expenses	6,413,656	5,647,070
Bunkers	4,400,010	3,310,534
<b>Total</b>	<b>10,813,666</b>	<b>8,957,604</b>

**11. Long-Term Borrowings**

Each of the companies comprising the Group have entered into loan agreements, the main terms of which are analysed as follows:

<b>Company</b>	<b>Vessel</b>	<b>Total amount of loan in USD</b>	<b>Amount of installment</b>	<b>Outstanding Remaining loan balance number of installments</b>	<b>as of 31/12/2017</b>	<b>Balloon payment</b>	<b>Spread</b>
1. Therassia Marine Corp.	M/T Nissos Therassia	36,500,000	540,000	16	30,020,000	21,380,000	2.60%
2. Milos Marine Corp.	M/T Nissos Heraclea	40,000,000	590,000	18	34,100,000	23,480,000	2.25%
3. Ios Maritime Corp.	M/T Nissos Schinoussa	36,500,000	540,000	19	31,640,000	21,380,000	2.60%
4. Omega One Marine Corp.	M/T Milos	36,600,000	686,250	20	33,855,000	20,130,000	2.50%
5. Omega Two Marine Corp.	M/T Poliegos	36,000,000	675,000	-	-	-	2.50%
5. Omega Two Marine Corp.	M/T Poliegos	47,120,000	6,820/ day	4,199days	45,975,069	17,230,000	5.38%

The companies, #1 and #3 in the table above have entered into bank loan facilities with HSH Nordbank in order to partially finance the acquisition of the acquired vessels.

Company, #2 in the table above have entered into bank loan facilities with BNP Paribas in order to partially finance the acquisition of the acquired vessel.

Company, #4 in the table above has entered into bank loan facility with ABN Amro in order to partially finance the acquisition of the acquired vessel.

Company #5 in the table above has entered into bank loan facility with ABN Amro in order to partially finance the acquisition of the acquired vessel. During 2017, the then outstanding loan balance was fully repaid to ABN Amro, from partial utilization of the proceeds from a debt financing transaction with OCY Knight AS. On June 8, 2017, the Company transferred the M/T Poliegos to OCY Knight AS (the "buyer") for 54,000,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 14 years, with purchase options at the end of the seventh, tenth and twelfth year.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**11. Long-Term Borrowings - Continued**

The Company continues to technically manage, commercially charter, and operate the M/T Poliegos. The Company received \$47.0 million in cash as part of the transaction, with \$7.0 million to be retained by the buyer as a deposit which can be used by towards the repurchase of the vessel pursuant to the purchase options. This transaction is treated as a financing transaction and the M/T Poliegos continues to be recorded as an asset on the statement of financial position, since the risks and rewards of ownership have effectively remained with the Company, and it is probable that the Company will exercise the purchase option by the end of year 12. Pursuant to this financing arrangement, the Company will pay a daily bareboat charter rate of \$11,550, plus interest pursuant to USD Libor annual adjustments.

Interest expense amounting to \$6,933,201 and \$3,408,797 for the years ended December 31, 2017 and 2016, respectively, is included under Interest and finance costs in the combined carve-out statement of profit or loss and other comprehensive income.

All loans are secured by a first preferred mortgages of the vessels owned by the companies comprising the Group, and by assignment of earnings and insurances of the vessels.

Long-term debt, net of current portion and current portion of long-term borrowings are analysed as follows:

	<b>Long-term borrowings, net of current portion</b>	<b>Current portion of long-term borrowings</b>
Outstanding loan balance	164,016,000	11,574,068
Loan arrangement fees	(926,698)	(172,066)
<b>Total</b>	<b>163,089,302</b>	<b>11,402,002</b>

The future annual loans' repayments of the outstanding amounts as of 31, December 2017, are as follows:

No later than one year	11,574,068
Later than one year and not later than five year	131,657,858
Thereafter	32,358,142
<b>Total</b>	<b>175,590,068</b>
Less: Amounts due for settlement within 12 months	(11,574,068)
<b>Long term borrowings, net of current portion</b>	<b>164,016,000</b>

The loan agreements include several ship finance covenants, amongst which are restrictions as to changes in management and ownership of the vessels, declaration of dividends; further indebtedness; mortgaging of vessels without the bank's prior consent and a hull cover ratio as well as several financial covenants.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**12. Transactions and Balances with Related Parties**

The Management Company provides the vessels with a wide range of shipping services such as technical support and maintenance, insurance consulting, chartering, financial and accounting services, in exchange for a monthly fee of \$30,000, which is reflected under management fees in the combined carve-out statement of profit or loss and other comprehensive income. For the years ended December 31, 2017 and 2016, management fees amounted to \$1,800,000 and \$1,140,000, respectively. In addition, the Management Company acts as the chartering broker for the vessels in exchange for a commission of 2.5% on revenue earned, which is reflected under brokerage commissions in the combined carve-out statement of profit or loss and other comprehensive income. For the years ended December 31, 2017 and 2016, these commissions amounted to \$550,879 and \$763,421, respectively.

**Current accounts due to related parties are analysed as follows:**

	<b>2017</b>	<b>2016</b>
Amounts due to Management Company	6,106,208	3,569,663
Amounts due to related party vessel owning companies	207,763	3,547,972
<b>Total</b>	<b>6,313,971</b>	<b>7,117,635</b>

Current account due to Management Company, amounting to \$6,106,208 and \$3,569,663 as at December 31, 2017 and 2016, respectively, represents amounts due to Management Company for expenses paid by the Management Company on behalf of the companies comprising the Group and for management services rendered, net of amounts provided to the Management Company.

Current accounts due to related parties (excluding the account due from the Management Company), represent amounts provided by related party vessel owning companies to the Group, for working capital purposes.

All balances noted above are interest free, unsecured and with no fixed terms of payment.

**Current accounts due from related parties are analysed as follows:**

	<b>2017</b>	<b>2016</b>
Amounts due from Management Company	787,401	-
Amount due from Parent	-	11,450,000
Amounts due from related party vessel owning companies	381,438	-
<b>Total</b>	<b>1,168,839</b>	<b>11,450,000</b>

Current account due from Management Company, amounting to \$787,401 as at December 31, 2017, represents amounts due from Management Company for amounts advanced to the Management Company, net of expenses paid by the Management Company on behalf of the companies comprising the Group and for management services rendered.

Current accounts due from related parties represent amounts provided to related party vessel owning companies by the Group for working capital purposes.

Current accounts due from Parent as at December 31, 2016, represents amounts provided to the Parent by the Group.

All balances noted above are interest free, unsecured and with no fixed terms of payment.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**13. Net Parent Investment**

Net Parent investment amounting to \$132,073,321 and \$125,196,473 as at December 31, 2017 and 2016, respectively, consists of capital contributed to finance the acquisition of the vessels and vessels under construction, and for working capital purposes.

During the fiscal year ended December 31, 2017, Therassia Marine Corp., together with Sea Coral Enterprises Corp. (refer note 12), a vessel-owning Company under common control with Therassia Marine Corp., entered into an agreement in order for an amount of \$2,300,000 which was due to Sea Coral Enterprises Corp. to be forfeited. Since this transaction involved Companies under common control, this resulted in a "deemed capital contribution" which increased net Parent investment, and is reflected in the combined carve-out statement of changes in net Parent investment.

During the fiscal year ended December 31, 2017, Ios Maritime Corp., together with Christiana Marine Corp. (refer note 12), a vessel-owning Company under common control with Ios Maritime Corp., entered into an agreement in order for an amount of \$1,209,142 which was due to Christiana Marine Corp. to be forfeited. Since this transaction involved Companies under common control, this resulted in a "deemed capital contribution", which increased net Parent investment, and is reflected in the combined carve-out statement of changes in net Parent investment.

#### **14. Financial Risk Management**

The Group's principal financial instruments comprise debt, cash and cash equivalents and restricted cash. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, current accounts with related parties and payables which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk and cash flow interest rate risk. The Group's policies for addressing these risks are set out below:

- **Credit risk**

The Group only trades with charterers who have been subject to satisfactory credit screening procedures. Furthermore, outstanding balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to the credit risk arising from the Group's cash and cash equivalents and restricted cash, the Group's exposure arises from default by the counterparties, with a maximum exposure equivalent to the carrying amount of these instruments. The Group mitigates such risks by dealing only with high credit quality financial institutions.

- **Foreign currency risk**

The Group's vessels operate in international shipping markets, which utilize the U.S. Dollar as the functional currency. Although certain operating expenses are incurred in foreign currencies, the Group does not consider the risk to be significant and takes no other steps to manage its currency exposure.

- **Interest rate risk**

The Group's exposure to interest rate risk arises from its long-term floating rate debt. The Group has not entered into any hedging transactions to cover its exposure to changes in interest rates on this debt. As an indication of the sensitivity from changes in interest rates, an increase by 50 basis points in interest rates would increase interest expense for the period ended December 31, 2017 and 2016 by \$ 874,045 and \$572,344, respectively assuming all other variables held constant.

**Okeanis Marine Holdings S.A.**  
**Notes to the carve-out combined financial statements of eco tanker fleet**  
**For the years ended December 31, 2017 and 2016**  
**(All amounts expressed in U.S. Dollars)**

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**15. Commitments and Contingencies**

***Commitments under time charter agreements***

Future minimum contractual charter revenue, based on vessels committed non-cancellable, long-term time charter agreements, net of address commissions as at December 31, 2017 are:

**For the year ending December 31,**

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2018	20,398,694
2019	13,749,832
2020	3,134,532
<b>Total</b>	<b>37,283,058</b>

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Various claims, lawsuits and complaints may arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents insurance and other claims with suppliers relating to the activity of the Group's vessels. While such claims are subject to settlement negotiations or litigation, the management of the Group is unable to predict the amount of the vessel's ultimate liability in respect of such claims. Management of the Group is not aware of any other such material contingent liabilities, since the disposition of current lawsuits should not have a material impact on the Group's results of operations, financial position and cash flows.

***Commitments under shipbuilding contracts***

As of December 31, 2017, the Group had commitments for the construction of six newbuildings (Hull 5118, Hull 5119, Hull 3012, Hull 1013, Hull 3014 and Hull 3015 – refer Note 1), amounting to \$439,888,000, of which \$385,448,000 were transferred to the affiliated company Okeanis Eco Tankers Corp. (refer Note 16). Out of the remaining \$54,440,000, \$47,710,000 (related to pre-delivery and final delivery instalments on Hull 5118) were settled using the proceeds of a bank loan obtained by Omega Three Marine Corp. during 2018, and \$6,730,000 related to a pre-delivery instalment on Hull 5119 were settled out of the proceeds of a loan entered into between Omega Four Marine Corp. and a related party (refer note 16).

**16. Subsequent Events**

On February 28, 2018, Nelmare Marine Ltd. and Anassa Navigation S.A. each entered into shipbuilding contracts for the construction of Hulls 3050 and 3051, respectively, each having a contract price of \$87,630,000.

On April 20, 2018, Omega Four Marine Corp. entered into a loan agreement with Bigal Shipping Corporation for an amount of \$6,730,000 for the purpose of assisting Omega Four Marine Corp. to pay a scheduled shipbuilding instalment.

On May 11, 2018, Omega Three Marine Corp. took delivery of Hull 5118 which was named M/T Kimolos and commenced operations.

On June 28, 2018, Okeanis Marine Holdings S.A., the holding company of the combined companies comprising the Group, transferred 100% of ownership interest in these companies in a newly formed company, Okeanis Eco Tankers Corp., a company under common control with Okeanis Marine Holdings. The contribution of 100% ownership interest was provided, in exchange for 15,990,000 of Okeanis Marine Holdings common shares.

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**APPENDIX C – ARTICLES OF INCORPORATION AND BYLAWS**



**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

**OF**

**OKEANIS ECO TANKERS CORP.  
Reg. No. 96382**

**REPUBLIC OF THE MARSHALL ISLANDS**

**REGISTRAR OF CORPORATIONS**

**DUPLICATE COPY**

The original of this Document was filed in  
accordance with Section 5 of the  
Business Corporations Act on

**NON RESIDENT**

June 27, 2018

A handwritten signature in blue ink, appearing to read "Cynthia Ro".

Cynthia Ro  
Deputy Registrar



**STATEMENT TO AMEND AND RESTATE THE ARTICLES OF INCORPORATION  
OF  
OKEANIS ECO TANKERS CORP.  
UNDER SECTION 93 OF THE  
THE MARSHALL ISLANDS BUSINESS CORPORATIONS ACT**

The undersigned, Thaleia Kalafati, as Vice President / Director of Okeanis Eco Tankers Corp., a corporation incorporated under the laws of the Republic of the Marshall Islands on April 30, 2018 (the "**Corporation**"), for the purpose of amending and restating the Articles of Incorporation of said Corporation pursuant to Section 93 of the Marshall Islands Business Corporations Act, as amended, hereby certifies that:

1. The name of the Corporation is: Okeanis Eco Tankers Corp.
2. The Articles of Incorporation were filed with the Registrar of Corporations on the 30<sup>th</sup> day of April, 2018.
3. The sections of the Articles of Incorporation to be amended by the Amended and Restated Articles of Incorporation are sections A, B, D, E, G, and H. The following sections have been added to the Amended and Restated Articles of Incorporation: G-L.
4. The Articles of Incorporation are amended and restated in their entirety and are replaced by the Amended and Restated Articles of Incorporation attached hereto.
5. These Amended and Restated Articles of Incorporation were duly adopted in accordance with the provisions of Sections 88(1) and 93 of the Marshall Islands Business Corporations Act. In lieu of a meeting and a vote of the shareholders of the Corporation, unanimous written consent to these Amended and Restated Articles of Incorporation has been given by the holders of all of the issued and outstanding shares of the Corporation.

IN WITNESS WHEREOF, the undersigned has executed these Amended and Restated Articles of Incorporation on this 27<sup>th</sup> day of June, 2018.



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Authorized Person  
Name: Thaleia Kalafati  
Title: Vice President / Director

**AMENDED AND RESTATED ARTICLES OF INCORPORATION**

**OF**

**OKEANIS ECO TANKERS CORP.**

**PURSUANT TO THE MARSHALL ISLANDS BUSINESS CORPORATIONS ACT**

- A. The name of the corporation formed hereby (the “**Corporation**”) is:
- OKEANIS ECO TANKERS CORP.
- B. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the Marshall Islands Business Corporations Act (the “**BCA**”) may have.
- C. The registered address of the Corporation in the Marshall Islands is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960. The name of the Corporation’s registered agent at such address is The Trust Company of the Marshall Islands, Inc.
- D. The aggregate number of shares of stock that the Corporation is authorized to issue is 100,000,000 registered common shares with a par value of US\$0.001 per share.
- E. No security of the Corporation whether now or hereafter authorized, solely by reason thereof, shall entitle its holder to any preferential or preemptive right to acquire additional shares of capital stock or any other security of the Corporation.
- F. The Corporation shall have every power which a corporation now or hereafter organized under the BCA may have.
- G. No director shall be personally liable to the Corporation or any of its shareholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or any limitation thereof is not permitted under the BCA. If the BCA is amended hereafter to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent authorized by the BCA, as so amended. Any repeal or modification of this Article G shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.
- H. (a) The number of directors constituting the entire Board of Directors of the Corporation (the “**Board of Directors**”) shall be not less than one, as fixed from time to time by the shareholders or by the Board of Directors; provided, however, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office.
- (b) Any vacancies in the Board of Directors for any reason, and any created directorships resulting from any increase in the number of directors, may be filled by the vote of a majority of the members of the Board of Directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of directors. No decrease in the number of directors shall shorten the term of any incumbent director.
- (c) Directors shall be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares entitled to vote in the election. Cumulative voting, as defined in Section 71(2) of the BCA, shall not be used to elect directors.
- I. The Corporation will comply with all applicable provisions of the Republic of the Marshall Islands Business Corporations Act, including retention, maintenance, and production of accounting, shareholder, beneficial

owner, and director and officer records in accordance with Division 8 of the Republic of the Marshall Islands Business Corporations Act.

- J. At all meetings of shareholders of the Corporation, except as otherwise expressly provided by law, there must be present either in person or by proxy shareholders of record holding at least one-third of the shares issued and outstanding and entitled to vote at such meetings in order to constitute a quorum, but if less than a quorum is present, a majority of those shares present either in person or by proxy shall have the power to adjourn any meeting until a quorum shall be present.
- K. Except as provided in the BCA, any action required or permitted by the BCA to be taken at a meeting of shareholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. An electronic transmission consenting to an action to be taken and transmitted by a shareholder or proxyholder, or by a person or persons authorized to act for a shareholder or proxyholder, shall be deemed to be written and signed for the purposes of this Article K, provided that any such electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the electronic transmission was transmitted by the shareholder or proxyholder or by a person or persons authorized to act for the shareholder or proxyholder and (b) the date on which such shareholder or proxyholder or authorized person or persons transmitted such electronic transmission.
- L. If any portion of these Amended and Restated Articles of Incorporation (the "**Articles of Incorporation**") is declared invalid by any court or other governmental authority of competent jurisdiction or violates applicable law, such declaration or violation shall not affect the remainder of these Articles of Incorporation, and the remainder of these Articles of Incorporation shall be interpreted to give full effect to its terms.

**OKEANIS ECO TANKERS CORP.**

(the “**Corporation**”)

**AMENDED AND RESTATED BYLAWS**

**As of February 20<sup>th</sup>, 2019**

ARTICLE I

OFFICES

The principal place of business of the Corporation shall be at such place or places as the Board of Directors of the Corporation (the “**Board**”) shall from time to time determine. The Corporation may also have an office or offices at such other places within or without the Marshall Islands as the Board may from time to time appoint or the business of the Corporation may require.

ARTICLE II

SHAREHOLDERS

Section 1. Annual Meeting: The annual meeting of shareholders of the Corporation shall be held on such day and at such time and place within or without the Marshall Islands as the Board may determine for the purpose of electing directors and of transacting such other business as may properly be brought before the meeting. The Chairman of the Board (the “**Chairman**”) or, in the Chairman’s absence or if there is no Chairman, another person designated by the Board, shall act as the chairman of all annual meetings of shareholders. If there is a failure to hold the annual meeting for a period of 90 days after the date designated therefor, or if no date has been designated for a period of 13 months after the organization of the Corporation or after its last annual meeting, holders of not less than 10% of the shares entitled to vote in an election of directors may, in writing, demand the call of a special meeting specifying the time thereof, which shall not be less than two nor more than three months from the date of such call. The secretary of the Corporation upon receiving the written demand shall promptly give notice of such meeting, or if he fails to do so within five business days thereafter, any shareholder signing such demand may give such notice. The shares of stock represented at such meeting, either in person or by proxy, and entitled to vote thereat, shall constitute a quorum, notwithstanding any provision of the Articles of Incorporation or these Bylaws to the contrary.

Section 2. Nature of Business at Annual Meetings of Shareholders: No business may be transacted at an annual meeting of shareholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof); (b) otherwise properly brought before the annual meeting by or at the direction of the Board (or any duly authorized committee thereof).

Section 3. Special Meeting: Special meetings of shareholders, unless otherwise prescribed by law, may be called for any purpose or purposes at any time by the Chairman, the President, the Board, or the holders of not less than 10% of the shares entitled to vote on the matter to be voted at such special meeting. No other person or persons are permitted to call a special meeting, unless otherwise prescribed by law. No business may be conducted at the special meeting other than business brought before the meeting by the

person calling the meeting. Such meetings shall be held at such place and on a date and at such time as may be designated in the notice thereof by the officer of the Corporation designated by the Board to deliver the notice of such meeting. The business transacted at any special meeting shall be limited to the purposes stated in the notice.

Section 4. Notice of Meetings: Notice of every annual and special meeting of shareholders, other than any meeting the giving of notice of which is otherwise prescribed by law, stating the date, time and place, and in the case of special meetings, the purpose thereof and the name of the person or persons at whose direction the notice is being issued, shall be given personally or sent by mail or by electronic transmission not less than 15 but not more than 60 days before such meeting, to each shareholder of record entitled to vote thereat. If mailed, notice shall be deemed to have been given when deposited in the mail, directed to the shareholder at his address as the same appears on the record of shareholders of the Corporation or at such address as to which the shareholder has given notice to the Secretary. If sent by electronic transmission, notice given pursuant to this section shall be deemed given when directed to a number or electronic mail address at which the shareholder has consented to receive notice. Notice of a meeting need not be given to any shareholder who submits a signed or electronically transmitted waiver of notice, whether before or after the meeting, or who attends the meeting without objecting at the beginning of the meeting thereof to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Adjournments: Any meeting of shareholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the meeting is adjourned for lack of quorum, notice of the new meeting shall be given to each shareholder of record entitled to vote at the meeting. If after an adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record on the new record date entitled to notice pursuant to Section 4 of this Article II.

Section 6. Quorum: Quorum for meetings of shareholders shall be as set forth in the Corporation's Articles of Incorporation (as amended, the "**Articles of Incorporation**"). If the Articles of Incorporation do not establish quorum for meetings of shareholders, the presence in person or by proxy of the minimum number of votes which is permissible by statute shall constitute a quorum. If less than a quorum is present, a majority of the total number of votes represented by those shares present either in person or by proxy shall have power to adjourn any meeting until a quorum shall be present.

Section 7. Voting: If a quorum is present, and except as otherwise expressly provided by law, the Articles of Incorporation then in effect or these Bylaws, the affirmative vote of a majority of the votes cast by holders of shares of stock represented at the meeting shall be the act of the shareholders. At any meeting of shareholders each shareholder entitled to vote any shares on any matter to be voted upon at such meeting shall be entitled to one vote on such matter for each such share, and may exercise such voting right either in person or by proxy. Shareholders may act by written consent without a meeting to the extent provided for within the Articles of Incorporation.

Section 8. Fixing of Record Date: For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining shareholders entitled to receive payment of any dividend or the allotment of any rights, or for the purpose of any other action, the Board

may fix, in advance a date as the record date for any such determination of shareholders. Such date shall not be more than 60 nor less than 15 days before the date of such meeting, nor more than 60 days prior to any other action.

### ARTICLE III

#### DIRECTORS

Section 1. Number: The affairs, business and property of the Corporation shall be managed by its Board. The number of directors is determined according to the Articles of Incorporation.

Section 2. How Elected: Except as otherwise provided by law or Section 4 of this Article III, the directors of the Corporation (other than the first Board designated by the Incorporator) shall be elected by a plurality of the votes cast at the annual meeting of shareholders by the holders of shares entitled to vote in the election. Each director, including the Chairman of the Board, shall be elected to serve for a term of maximum of two years and until his successor shall have been duly elected and qualified, except in the event of his death, resignation, removal, or the earlier termination of his term of office.

Section 3. Removal: Any or all of the directors may be removed for with or without cause by vote of the shareholders and any or all of the directors may be removed by the Board with cause.

Section 4. Vacancies: Any vacancies in the Board shall be governed by the Articles of Incorporation.

Section 5. Regular Meetings: Regular meetings of the Board may be held at such time and place as may be determined by resolution of the Board and no notice shall be required for any regular meeting. Except as otherwise provided by law, any business may be transacted at any regular meeting.

Section 6. Special Meetings: Special meetings of the Board may, unless otherwise prescribed by law, be called from time to time by the Chairman, the Board, any two directors, or any officer of the Corporation who is also a director. The President or the Secretary shall call a special meeting of the Board upon written request directed to either of them by any of the foregoing persons stating the time, place, and purpose of such special meeting. Special meetings of the Board shall be held on a date and at such time and at such place as may be designated in the notice thereof by the officer calling the meeting.

Section 7. Notice of Special Meetings: Notice of the date, time and place of each special meeting of the Board shall be given to each director at least 48 hours prior to such meeting, unless the notice is given orally or delivered in person, in which case it shall be given at least 24 hours prior to such meeting. For the purpose of this section, notice shall be deemed to be duly given to a director if given to him personally (including by telephone) or if such notice is delivered to such director by mail or email to his last known address. Notice of a meeting need not be given to any director who submits a signed waiver of notice or waives by electronic transmission, whether before or after the meeting or who attends the meeting without protesting, at the beginning of the meeting, the lack of notice to him.

Section 8. Quorum: The greater of (i) one third of the entire Board and (ii) a majority of the directors at the time in office, present in person or by proxy or by conference telephone, shall constitute a quorum for the transaction of business.

Section 9. Interested Directors. No contract or other transaction between the Corporation and one or more of the directors, or between the Corporation and any other corporation, firm, association or other entity in which one or more of the Corporation's directors are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such director or directors are present at the meeting of the Board, or of a committee thereof, which approves such contract or transaction, or that his or their votes are counted for such purpose: (a) if the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the Board or committee, and the Board or committee approves such contract or transaction by a vote sufficient for such purpose without counting the vote of such interested director, or, if the votes of the disinterested directors are insufficient to constitute an act of the board as defined in Section 55 of the Marshall Islands Business Corporations Act (the "BCA"), by unanimous vote of the disinterested directors; or (b) if the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the shareholders entitled to vote thereon, and such contract or transaction is approved by vote of such shareholders. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction.

Section 10. Voting: The vote of the majority of the directors, present in person, by proxy, or by conference telephone, at a meeting at which a quorum is present shall be the act of the Board. Any action required or permitted to be taken at a meeting may be taken without a meeting if all members of the Board (or committee thereof) consent thereto in writing or by electronic transmission. Members of the Board or any committee thereof may participate in a meeting of such board or committee by means of communications equipment which permits the persons participating in the meeting to communicate with each other, and participation in a meeting pursuant to this paragraph shall constitute presence in person at such meeting.

Section 11. Compensation of Directors: The Remuneration Committee shall propose the amounts which shall be payable to members of the Board and any other compensation paid to them, for attendance at the meetings of the Board and for services rendered to the Corporation. Based on the Remuneration Committee's proposal such amounts are to be fixed, in their discretion, by the shareholders at the annual meeting of shareholders.

#### ARTICLE IV

#### COMMITTEES

Section 1: Designation: Subject to Section 4 herein, the Board may, by resolution or resolutions passed by a majority of the entire Board designate one or more committees to consist of one or more members whether or not such members are also members of the Board, each of which shall perform such action and have such authority and powers as shall be delegated to it by said resolution or resolutions or as provided for in these Bylaws. Members of any committee shall hold office for such period as may be prescribed by the vote of a majority of the entire Board. Vacancies in membership of such committees shall be filled by the Board. Committees may adopt their own rules of procedure and may meet at stated times or on such notice as they may determine. Each committee shall keep a record of its proceedings and report the same to the Board when requested. Unless a greater voting requirement is established by the entire Board, committees act and approve matters by a vote of a majority of the committee members. No committee shall have the authority to take the actions prohibited by Section 57 of the BCA

(which, as of the date hereof, provides that no committee shall have the authority as to the following matters: (a) the submission to shareholders of any action that requires shareholders' authorization under the BCA; (b) the filling of vacancies in the Board or in a committee; (c) the fixing of compensation of the directors for serving on the Board or on any committee; (d) the amendment or repeal of these Bylaws, or the adoption of new Bylaws; or (e) the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable).

Section 2: Audit Committee: The Board shall appoint an audit committee in order to assist the Corporation with the approval of all audit-related and significant other services provided by the Corporation's auditor, monitor the financial reporting process, including review of implementation of accounting principles and policies and the Corporation's compliance with applicable legal and regulatory requirements and its governance policies. The entire Board should not act as the Corporation's audit committee.

Section 3: Remuneration Committee: Subject to Section 4 herein, the Board shall appoint a remuneration committee in order to help ensure thorough and independent preparation of matters relating to compensation paid to the executive personnel. Membership of such a committee should be restricted to members of the Board who are independent of the Corporation's executive personnel.

Section 4: Nomination Committee: The annual meeting of the shareholders may appoint a nomination committee in order to propose to the Corporation candidates for shareholder-elected members, deputy members for election to the Corporation's board of directors, the chairman of the Board (who shall be nominated separately), the members of the nomination committee and the chairman of the nomination committee (who shall be nominated separately). When appointed, the nomination committee shall also propose remuneration to the members and deputy members of the Board (including remuneration for participation in board committees) and to the members of the nomination committee. The nomination committee shall prepare the Board's declaration on determination of salaries and other remuneration for executive management. The annual meeting of the shareholders should stipulate guidelines for the duties of the nomination committee, elect the chairperson and members of the nomination committee, and determine the committee's remuneration. The members of the nomination committee should be selected to take into account the interests of shareholders in general. The majority of the nomination committee should be independent of the Board and the executive personnel. No more than one member of the nomination committee should be a member of the Board, and any such member should not offer himself for re-election to the Board. The nomination committee should not include the Corporation's chief executive or any other executive personnel.

Section 5: Remuneration: Subject to Section 4 herein, the Remuneration Committee shall propose the amounts which shall be payable to the members of any committee and any other compensation paid to them, for attendance at the meetings of the Board or of such committee and for services rendered to the Corporation. Based on the Remuneration Committee's proposal such amounts are to be fixed, in their discretion, by the Board.

## ARTICLE V

### OFFICERS

Section 1. Number of Designation: The Board shall appoint a Secretary and such other officers with such duties as it may deem necessary. Officers may be of any nationality, need not be residents of the Marshall Islands and may be, but are not required to be, directors. Officers of the Corporation may be natural persons, a Marshall Islands corporation or other business entity. Any two or more offices may be held by the same person.

The salaries of the officers and any other compensation paid to them shall be fixed from time to time by the Board. The Board may at any meeting appoint additional officers. Each officer shall hold office until his successor shall have been duly appointed and qualified, except in the event of the earlier termination of his term of office, through death, resignation, removal or otherwise. Any officer may be removed by the Board at any time with or without cause. Any vacancy in an office may be filled for the unexpired portion of the term of such office by the Board at any regular or special meeting.

Section 2. President: The President, if any, shall have general management of the affairs of the Corporation together with the powers and duties usually incident to the office of President, except as specifically limited by appropriate written resolution of the Board and shall have such other powers and perform such other duties as may be assigned to him by the Board.

Section 3. Treasurer: The Treasurer, if any, shall have general supervision over the care and custody of the funds, securities, and other valuable effects of the Corporation and shall deposit the same or cause the same to be deposited in the name of the Corporation in such depositories as the Board may designate, shall disburse the funds of the Corporation as may be ordered by the Board, shall have supervision over the accounts of all receipts and disbursements of the Corporation, shall, whenever required by the Board, render or cause to be rendered financial statements of the Corporation, shall have the power and perform the duties usually incident to the office of Treasurer, and shall have such powers and perform such other duties as may be assigned to him by the Board or the President.

Section 4. Secretary: The Secretary may act as Secretary of all meetings of the shareholders and of the Board at which he is present and desires to so act, shall have supervision over the giving and serving of notices of the Corporation, shall be the custodian of the corporate records and of the corporate seal of the Corporation, if any, shall be empowered to affix the corporate seal, if any, to those documents, the execution of which, on behalf of the Corporation under its seal, is duly authorized and when so affixed may attest the same, and shall exercise the powers and perform such other duties as may be assigned to him by the Board or the President. If the Secretary is a corporation, the duties of the Secretary may be carried out by any authorized representative of such corporation.

Section 5. Other Officers; Delegation: Officers other than those treated in Sections 2 through 4 of this Article shall exercise such powers and perform such duties as may be assigned to them by the Board or the President. Subject to any limitations imposed by the Board, any officer may delegate his powers and duties to any person, which delegation need not be in writing.

Section 6. Security: The Board may require any officer to give security for the faithful performance of his duties.

## ARTICLE VI

### CERTIFICATES FOR SHARES

Section 1. Form and Issuance: The shares of the Corporation may be represented by certificates in a form meeting the requirements of law and approved by the Board. Certificates, to the extent issued, shall be signed by an officer(s) and/or a director. These signatures may be facsimiles if the certificate is countersigned by a transfer agent other than the Corporation itself or its employees. Shares may also be represented in uncertificated form, and, specifically, the Corporation may issue shares to be represented in any manner permitted or required by the rules of the stock exchange on which the shares of the Corporation may be listed.

Section 2. Transfer: The Board shall have power and authority to make such rules and regulations as they may deem expedient concerning the issuance, registration and transfer of shares of the Corporation's stock, and may appoint transfer agents and registrars thereof.

Section 3. Loss of Stock Certificates: The Board may direct a new certificate or certificates of stock to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed. This Section does not require the Board to review or otherwise determine the replacement of stock certificates.

## ARTICLE VII

### DIVIDENDS

Dividends may be declared in conformity with law by, and at the discretion of, the Board. Dividends may be declared and paid in cash, stock, or other property of the Corporation.

## ARTICLE VIII

### INDEMNIFICATION

Section 1. Indemnification. Any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise shall be entitled to be indemnified by the Corporation upon the same terms, under the same conditions, and to the same extent as authorized by Section 60 of the BCA, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Corporation shall have the power to pay in advance expenses a director or officer incurred while defending a civil or criminal proceeding, provided that the

director or officer will agree to repay the amount if it shall ultimately be determined that he or she is not entitled to indemnification under this section. Any repeal or modification of this Article VIII shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 2. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer against any liability asserted against such person and incurred by such person in such capacity whether or not the Corporation would have the power to indemnify such person against such liability by law or under the provisions of these Bylaws.

#### ARTICLE IX

##### CORPORATE SEAL

The seal of the Corporation, if any, shall be circular in form, with the name of the Corporation in the circumference and such other appropriate legend as the Board may from time to time determine.

#### ARTICLE X

##### FISCAL YEAR

The fiscal year of the Corporation shall be such period of twelve consecutive months as the Board may designate.

#### ARTICLE XI

##### AMENDMENTS

These Bylaws may be amended, added to, altered or repealed or new Bylaws may be adopted by the shareholders.

#### ARTICLE XII

##### SEVERABILITY; CHANGES IN LAW; MISCELLANEOUS

If any provision of these Bylaws is or becomes inconsistent with any provision of the Articles of Incorporation, the BCA or any other applicable law, the provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect. If any of the provisions of the BCA referred to above are modified or superseded, the references to those provisions is to be interpreted to refer to the provisions as so modified or superseded. The headings of the Articles and Sections contained in these Bylaws are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of these Bylaws. Whenever the context may require, any pronouns used in these Bylaws shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

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## APPENDIX D – VALUATION REPORT



# ARROW

VALUATIONS

Octavia House, 1 The Boulevard, Imperial Wharf, London SW6 2UB

Telephone: +44 20 3664 8000 sandp.ldn@arrowship.com

## PRIVATE & CONFIDENTIAL

Okeanis Eco Tankers  
Ethnarchou Makariou and 2 D. Falireos  
Neo Faliro, Piraeus  
18547, Greece

Dear Sirs

In accordance with your request, we have made an assessment of the vessels, listed below, and, following our appraisal, we are able to state that in our opinion, the approximate fair and reasonable values, as at 31<sup>st</sup> December 2018 as between a “willing Seller and a willing Buyer” are as shown below:

<u>Name</u>	<u>Value</u>
MT“NISSON THERASSIA”	US\$43,000,000
MT “NISSOS HERACLEA”	US\$43,000,000
MT “NISSOS SCHINNOUSA”	US\$43,000,000
MT “MILOS”	US\$58,000,000
MT “POLIEGOS”	US\$61,000,000
MT “KIMOLOS”	US\$64,000,000
MT “FOLEGRANDOS”	US\$64,000,000
MT “HULL 3012”	US\$96,000,000
MT “HULL 3013”	US\$96,000,000
MT “HULL 3014”	US\$96,000,000
MT “HULL 3015”	US\$96,000,000
MT “HULL 3050”	US\$96,000,000
MT “HULL 3051”	US\$96,000,000
MT “HULL 3089”	US\$96,000,000
MT “HULL 3090”	US\$96,000,000

*ALL FIGURES IN UNITED STATES DOLLARS*

These opinions are arrived at on the understanding that the vessels would be in a position to give early delivery, within an acceptable area, free of charter, for cash payment on normal sale terms. We have presumed that the Sellers could give delivery of the vessels free from all debts, registered encumbrances and maritime liens.

We have not made a physical inspection nor have we inspected the classification records of the vessels but, for the purpose of this valuation, it has been presumed that the vessels are in a sound trading condition and have been maintained to standards expected for ships of their age and type. All vessels are presumed to comply fully with the latest IMO/MARPOL/SOLAS requirements and to be fully classed to the requirements of the Classification Society, free of recommendations with clean and valid trading certificates, conforming in all respects with the requirements of the appropriate registry.

The tankers are presumed to be acceptable for trading with the Oil Majors.

It is to be appreciated that the foregoing represents a statement of opinion only and is not representative of fact.

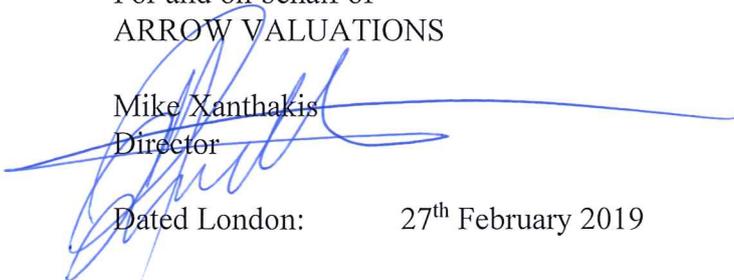
The undersigned Arrow Valuation hereby consent to the use of its attached valuation solely for purposes of preparation of the consolidated financial statements of Okeanis Eco Tankers Corp. and for its auditors Deloitte Certified Public Accountants S.A. to use such information for purposes of audit evidence in connection with the audit of the consolidated financial statements of Okeanis Eco Tankers Corp. as of December 31, 2018 and for the year then ended.

We confirm that we are independent of Okeanis Eco Tankers Corp. or any of its officers or key personnel and we, or anyone closely associated with us, do not have any relationship with Okeanis Eco Tankers Corp. that would impair our independence, other than this assignment.

This valuation is given in good faith solely for your information but neither the Company nor its directors or employees shall be liable in any way whatsoever for any error or omission.

For and on behalf of  
ARROW VALUATIONS

Mike Xanthakis  
Director



Dated London:

27<sup>th</sup> February 2019

ARVAL-0219310

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**REGISTERED OFFICE AND ADVISORS**

**Okeanis Eco Tankers Corp.**

Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands

Tel: +30 210 4804200

Fax: +30 210 4818210

[www.okeanisecotankers.com](http://www.okeanisecotankers.com)

**Legal Advisor to the Company**

*(as to Norwegian law)*

**Advokatfirmaet BAHR AS**

Tjuvholmen allé 16

N-0252 Oslo

Norway

**Legal Advisor to the Company**

*(as to Marshall Islands law)*

**Herring Parry Iatridis Khan Law Office**

**(Ince & Co Greece)**

47-49 Akti Miaouli

Poraeus 185 36

Greece

**Independent auditors**

**Deloitte Certified Public Accountants S.A.**

3a Fragoklissias & Granikou str. Maroussi

Athens GR 151-25

Greece