OKEANIS

ECO TANKERS

ANNUAL REPORT 2019

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LETTER FROM THE CHAIRMAN

The past year has been extremely volatile for the tanker markets. The list of events that have transpired and impacted our industry in some way since our last annual report seems never-ending: attacks on Saudi Arabian oil infrastructure, heightened tensions between the United States and Iran, the escalation and (only) partial resolution of the trade war between the United States and China, the introduction and subsequent removal of sanctions on Chinese state-owned tankers, the introduction of sanctions on tankers and entities engaged in trading with Venezuela, crude contamination issues in Kazakhstan and Russia, force majeure in Nigeria, force majeure and loss of production in Libya and, finally, what seems like the end of the OPEC+ alliance and the start of an no-holds-barred oil price war.

However, the significance of all of these events pales in comparison to the impact that the pandemic Covid-19 has had on every aspect of the global economy. Precautionary measures rightfully taken to slow the virus's spread and "flatten the curve" of new infections have devastated every part of the barrel of oil demand, from gasoline to jet fuel to diesel. During such challenging and uncertain times for our world and our business, our focus must always remain on ensuring the health and well-being of our loved ones and coworkers. As such, we moved swiftly here at OET to establish remote working capabilities for our shore-based staff and implement stringent new safety measures to protect our seafarers manning our ships.

Within this highly volatile and uncertain backdrop, OET has accomplished much, and in a relatively short period of time. We have taken delivery of and financed all eight VLCC newbuildings, retrofitted our entire Suezmax fleet with scrubbers, uplisted to the Oslo Axess exchange where the trading liquidity of our share has gone from virtually zero to just below a million dollars per day and achieved profitability in our first full year of operation. Taken collectively, these milestones (and many others) have jumpstarted the process of establishing OET's track record in the capital markets and its reputation as a reliable, savvy steward of shareholders' capital in shipping.

When we listed OET in the summer of 2018, we made three main promises to our investors. The overriding principle linking each promise was to run OET in the shareholder-friendliest manner possible. These were easy promises to commit to because we too are in the same boat: majority shareholders in a business that operates in an industry whose prospects we strongly believe in. These promises do not require us to deviate from our normal behavior in any way. As a family, we have been operating under the same guiding principles since we first entered the shipping business in the 1960s.

The first promise was to practice and maintain strong corporate governance. When OET needed an additional $15 million of capital in the spring of 2019, I underwrote an equity offering in that amount at a premium price to ensure that the company was able to maintain a sufficient liquidity buffer to navigate the prevailing difficult market in a way that wasn't dilutive to our existing shareholders. Moreover, we pride ourselves on our financial transparency and communication with our shareholders, always providing them with the most up to date and accurate information that allows them to evaluate our progress and performance.

This brings us to the second promise we made to our investors: best-in-class commercial and operational performance. Since listing, OET has outperformed the crude tanker peer group in the spot market across all vessel segments. This outperformance was particularly evident in the fourth quarter of 2019 and first quarter of 2020, demonstrating our ability to capitalize on market strength. In addition to top-line outperformance, OET has achieved the lowest cash operating costs (comprising vessel opex, management fees and general & administrative expenses, i.e. all costs above the EBITDA line) of $8,233 per ship day in 2019, against the crude tanker peer group average of $10,655 per ship day.

The combined effect of these operational achievements is to maximize cash flow, enabling us to thus deliver on our third and final promise to investors: to aggressively return capital back to shareholders and monetize assets at the right point in the cycle. We have delayed implementing a dividend policy due to the tremendous uncertainty and volatility that I previously described. As such, I want to strongly re-iterate that our plan to return capital to our shareholders has only been postponed, not altered. We remain steadfast in our commitment to our capital return strategy.

Lastly, I'd be remiss to not acknowledge and applaud the sharp increase in awareness of our industry's impact on the environment. At OET, we have taken the first step of measuring, monitoring and disclosing our fleet's emissions in every quarterly earnings report. Within the next year, we plan on unveiling additional concrete steps that we will take to reduce our carbon footprint. As owners of one of the youngest, most fuel-efficient fleets in the industry, we are faring relatively well in terms of our emissions but acknowledge that there is so much more we all can and should do to ensure the sustainability of both our industry and our planet.

Ioannis A. Alafouzos
Chairman

HISTORY

APRIL 2013
Ordered 3x LR2 Aframaxes at HHI

MAY 2014
Ordered 2x Suezmaxes at SSME

FY 2015
Took delivery of Aframaxes and ordered 2x Suezmaxes at JMU

DECEMBER 2017
Ordered 4x scrubber-fitted VLCCs at HHI

FEBRUARY 2018
Ordered 2x scrubber-fitted VLCCs at HHI

APRIL 2018
Ordered 2x scrubber-fitted VLCCs at HHI
Established Okeanis Eco Tankers Corp. (OET)

JUNE 2018
Contributed Alafouzos family's eco tanker fleet to OET in exchange for shares

JULY 2018
Listing of OET on Merkur Market; raised $100 million at NOK 72 per share

DECEMBER 2018
Raised additional $30 million at NOK 66 per share

MARCH 2019
Uplisting of OET to Oslo Axess

MAY 2019
Raised additional $15 million from Alafouzos family at NOK 83 per share

OCTOBER 2019
Exercised free option to acquire 2x 2020-built Suezmaxes under construction at HSHI from sponsor (Mr Ioannis Alafouzos)

JANUARY 2020
Concluded VLCC NB delivery program with HHI

FLEET

No.	Type	Vessel	Yard	Country	Built	Age	DWT	Employment	Eco-Design?	Scrubber?	BWTS?
1	AFRAMAX/LR2	Nissos Heraclea	HHI	Korea	2015-07	5	114,322	Spot	Yes	3Q20	Yes
2		Nissos Therassia	HHI	Korea	2015-01	5	114,322	Spot	Yes	Yes	Yes
3		Nissos Schinoussa	HHI	Korea	2015-09	5	114,322	Spot	Yes	3Q20	Yes
4	SUEZMAX	Milos	SSME	Korea	2016-10	4	157,537	Time charter + profit share	Yes	Yes	Yes
5		Poliegos	SSME	Korea	2017-01	3	157,537	Spot	Yes	Yes	Yes
6		Kimolos	JMU	Japan	2018-05	2	159,159	Spot	Yes	Yes	Yes
7		Folegandros	JMU	Japan	2018-09	2	159,159	Spot	Yes	Yes	Yes
8		Nissos Ios	HSHI	Korea	2020-09	0	157,971	Under construction	Yes	Yes	Yes
9		Nissos Sikinos	HSHI	Korea	2020-09	0	157,971	Under construction	Yes	Yes	Yes
10	VLCC	Nissos Rhenia	HHI	Korea	2019-05	1	318,953	Time charter	Yes	Yes	Yes
11		Nissos Despotiko	HHI	Korea	2019-06	1	318,953	Time charter	Yes	Yes	Yes
12		Nissos Santorini	HHI	Korea	2019-07	1	318,953	Time charter	Yes	Yes	Yes
13		Nissos Antiparos	HHI	Korea	2019-07	1	318,953	Time charter	Yes	Yes	Yes
14		Nissos Donoussa	HHI	Korea	2019-08	1	318,953	Spot	Yes	Yes	Yes
15		Nissos Kythnos	HHI	Korea	2019-09	1	318,953	Spot	Yes	Yes	Yes
16		Nissos Keros	HHI	Korea	2019-10	1	318,953	Spot	Yes	Yes	Yes
17		Nissos Anafi	HHI	Korea	2020-01	0	318,953	Spot; time charter from May-20	Yes	Yes	Yes
						2	3,843,924				

PRESENTATION OF THE BOARD OF DIRECTORS

Ioannis A. Alafouzos, *Chairman*

Mr. Ioannis 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. Mr. Ioannis Alafouzos has attended two of two board meetings in 2019.

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. Mr. Robert Knapp has attended two of two board meetings in 2019.

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. Mr. Daniel Gold has attended two of two board meetings in 2019.

Joshua Nemser, *Director*

Joshua Nemser is a New York-based portfolio manager at VR Capital Group. 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. Mr. Joshua Nemser has attended two of two board meetings in 2019.

PRESENTATION OF THE BOARD OF DIRECTORS

(CONTINUED)

Charlotte Stratos, *Independent 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. Mrs. Charlotte Stratos has attended two of two board meetings in 2019.

John Kittmer, *Independent Director*

John Kittmer has held senior positions across the UK public sector. From 2013 to 2016, he was British Ambassador to Greece and responsible among other things for British commercial relations in Greece. He has served other senior roles in the UK Foreign and Commonwealth Office, the Department for Environment, Food and Rural Affairs, and the Cabinet Office. He holds a BA from the University of Cambridge, an MA from the University of London and a PhD from King's College London. He is Chairman of The Anglo-Hellenic League and the Gilbert Murray Trust, UK-registered charities working on educational and cultural issues. Dr. John Kittmer has attended two of two board meetings in 2019.

BOARD OF DIRECTORS' REPORT

Business Overview and Corporate Development

Okeanis Eco Tankers Corp. (the "Company") was incorporated on April 30, 2018 under the laws of the Republic of the Marshall Islands. On June 28, 2018, all of the shares in fifteen single-purpose companies (the "SPVs") 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 SPVs, so as to accrue benefits from their activities. The Company was admitted to trading on Merkur Market on July 3, 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 Annual Report, holds a stake of 56.82% in the Company.

The Company is a recently established international tanker company in the crude oil shipping industry, with the ambition to own, charter out and operate tanker vessels. The Company owns, through its vessel-owning subsidiaries, the SPVs, a fleet of fifteen tanker vessels and has two tanker vessels on order. The sailing fleet consists of three modern Aframax/LR2 tankers, four modern Suezmax tankers, eight modern VLCC tankers, while the newbuilding fleet consists of two Suezmax tankers. Among the factors that are believed to separate the Company from other tanker owners are: a) its focus on "future proof" vessels built to ECO standards that consume less bunker fuel than conventional tanker vessels; b) being equipped with exhaust gas cleaning systems ("scrubbers") and; c) being built to comply with regulations for ballast water treatment.

The following significant events occurred in 2019:

- In January 2019, the Company's subsidiary, Omega One Marine Corp. entered into a $49 million sale and lease back arrangement with Ocean Yield Malta Limited for the re-financing of M/T Milos.
- Also in January 2019, the Company's subsidiary, Arethusa Shipping Corp. entered into a $58.175 million loan agreement with BNP Paribas for the financing of Nissos Keros. The facility bears annual interest of LIBOR plus a margin of 2.25%.
- In February 2019, the Company's subsidiary, Nellmare Marine Ltd. entered into a $59 million loan agreement with ABN Amro for the financing of Nissos Donoussa. The facility bears annual interest of LIBOR plus a margin of 2.50%.
- Also in February 2019, the Company's subsidiary, Moonsprite Shipping Corp. entered into a $58 million loan agreement with Credit Agricole Corporate Investment Bank and KEXIM for the financing of Nissos Anafi. The facility bears annual interest of LIBOR plus a margin of 2.09%.
- In March 2019, the Company uplisted to Oslo Axess.
- In April 2019, the Company was granted, at no cost, an option to acquire two Suezmax newbuildings under construction at HSHI Ulsan with delivery in Q3 2020 from Mr. Ioannis Alafouzos.

- In May 2019, the Company took delivery of the first VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Rhenia.
- Also in May 2019, the Company successfully conducted a private placement, raising gross proceeds of $15 million through the placement of 1,580,000 new shares at a subscription price of NOK 83 per share.
- In June 2019, the Company took delivery of the second VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Despotiko.
- Also in June 2019, the Company entered into and drew down on an $11 million secured loan facility for its scrubber retrofit project from BNP Paribas. The facility bears annual interest of LIBOR plus a margin of 2.00%.
- In July 2019, the Company took delivery of the third and fourth VLCCs of its newbuilding program with Hyundai Heavy Industries, Nissos Santorini and Nissos Antiparos.
- In August 2019, the Company took delivery of the fifth VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Donoussa.
- Also in August 2019, the Company purchased 150,149 of its own shares at an average price of NOK 61 per share.
- In September 2019, the Company took delivery of the sixth VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Kythnos.
- In October 2019, the Company took delivery of the seventh VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Keros.
- Also in October 2019, the Company exercised its free option to acquire two ECO design, scrubber-fitted 158,000 DWT Suezmax tankers under construction at Hyundai Samho Heavy Industries to be delivered in September 2020 at a cost of $64.505 million per vessel. The Company also secured a $45.9 million loan facility from Alpha Bank S.A. at LIBOR plus 3.50% to finance 88.95% of the total pre-delivery yard instalments.
- As of December 31, 2019, the Company's share capital is $32,890 divided into 32,890,000 shares, each with a nominal value of $0.001 per share.

The following significant events occurred after the Statement of Financial Position date:

- In January 2020, the Company took delivery of the eighth and final VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Anafi.
- In February 2020, the Company lost its arbitration claim against Ocean Yield ASA; the four VLCCs will remain on bareboat charter. The Company is in the process of reimbursing legal costs and expects to settle in the range of $0.7 million – $0.9 million within Q2 2020.
- In March 2020, the Company purchased 113,934 of its own shares at an average price of NOK 57.3 per share.
- In April 2020, the Company entered into a three year time charter contract with a leading international energy company for one of its VLCC vessels.
- Also in April 2020, the Company purchased 250,000 of its own shares at an average price of NOK 57.5 per share.

Environmental Footprint

The maritime industry faces the challenge of adopting new technologies and operational practices to comply with stricter international and local regulations in order to reduce carbon intensity by 40% by 2040 and greenhouse gas emissions by 50% by 2050.

In light of these challenges, the Company believes that this will be a strong distinguishing factor between owner/operators going forward, in particular under the new IMO 2020 sulphur cap regulations.

Adhering to ABS Monitoring Reporting and Verification Regulation and its strategy to reduce carbon emissions, the Company has one of the youngest and most modern fleets in operation, pursuing a strategy of investing only in ECO-design vessels fitted with exhaust gas cleaning systems ("scrubbers"), with the aim to reduce its environmental footprint and generate value for its shareholders.

The below table presents the Company's measurement and monitoring of its emissions, with the ultimate goal of reducing emissions in line with international standards:

Reporting period is January 1, 2019 through December 31, 2019

REPORTING MEASURE	CALCULATION	VLCC	SUEZMAX	AFRAMAX/LR2	OET FLEET
Number of vessels for which we have emissions data		6	4	3	13
Fleet average age at end of reporting period		0.5 yrs	2.3 yrs	4.6 yrs	2.7 yrs
Percentage of vessels equipped with scrubbers at end of reporting period		100%	100%	–	77%
CO_2 emissions generated from vessels (mt)					
Laden Condition		71,700	54,800	39,100	104,800
All Conditions		112,400	78,600	59,700	139,750
Annual Efficiency Ratio (AER)[1]					
CO_2 emissions - all conditions (from above)	A	112,400	78,600	59,700	139,750
Design deadweight tonnage (DWT)	B	319,000	158,400	114,300	179,400
Total distance travelled (nautical miles)	C	198,800	216,800	169,300	361,250
Fleet AER for the period	A/(B*C)	1.8 g/ton-mile	2.3 g/ton-mile	3.1 g/ton-mile	2.2 g/ton-mile
Energy Efficiency Operational Indicator (EEOI)[2]					
CO_2 emissions - all conditions (from above)	A	112,400	78,600	59,700	250,700
Weighted avg. cargo transported for the period (mt)	D	227,850	134,100	82,900	461,300
Laden distance travelled (nautical miles)	E	51,650	136,000	101,600	360,300
Fleet EEOI for the period	A/(D*E)	3.7 g/cargo ton-mile	4.3 g/cargo ton-mile	7.1 g/cargo ton-mile	4.7 g/cargo ton-mile

NOTES 1) Annual Efficiency Ratio is a measure of carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage.
2) Energy Efficiency Operational Indicator is a tool for measuring the CO_2 gas emissions in a given time period per unit transport work performed. This calculation is performed as per IMO MEPC.1/Circ684.

Consolidated Financial Statements

Income Statement

For the year ended December 31, 2019, the Company generated revenues of $127.7 million, up from $29.2 million in 2018 mainly due to a 220% increase in vessel operating days and a 48% increase in the daily fleetwide time charter equivalent (TCE) earnings rate. Operating expenses inclusive of technical manager fees amounted to $26.6 million, up from $8.5 million in 2018 mainly due to an enlarged fleet and a 40% increase in average vessel size in deadweight ton terms. Commissions and voyage expenses were $27.4 million, up from $8.0 million in 2018 mainly due to an enlarged fleet and a 10% reduction in time charter coverage (from 52% in 2019 to 62% in 2018) in absolute terms.

General and administrative expenses amounted to $3.3 million, up from $1.1 million in 2018 due to a 201% increase in billable calendar days. Depreciation and amortization expense totaled $24.6 million, up from $7.3 million in 2018 due to a 68% increase in the depreciable asset base. Interest and other finance costs for the period ended December 31, 2019 were $34.0 million, up from $7.6 million in 2018 due to a 116% increase in gross indebtedness and an uptick in expensed debt issuance costs due to debt re-financing, while interest income net of foreign exchange loss amounted to $0.1 million, down from $0.2 million in 2018.

The Company reported a profit for the period of $11.4 million or basic and diluted earnings of $0.35 per share, compared with a net loss of $3.0 million or basic and diluted loss of $0.14 per share in 2018. The net increase of $14.3 million was a combined result of the changes year on year, described above.

Statement of Financial Position

Total assets as at December 31, 2019 were $1,110.8 million, up from $668.5 million in 2018 mainly reflecting a 100% increase in the number of vessels in the fleet and higher receivables due to improved TCE rates, partially offset by normal depreciation. Total liabilities amounted to $769.1 million, up from $352.1 million in 2018, mainly due to an increase in indebtedness as well as a year-end increase in trade payables, while total equity was $341.7 million, up from $316.4 million in 2018, mainly as a result of yearly profit and gross proceeds of $15.0 million from a private placement of shares which took place in May 2019 (the "May 2019 private placement"), with a corresponding equity ratio of 31%. The Company's cash and cash equivalents (including restricted cash) at December 31, 2019 was $16.8 million, down from $21.1 million in 2018, as a result of the cash flow movements described below.

Cash Flow

For the period ended December 31, 2019 net cash provided by operating activities was $38.5 million, compared with net cash used in operating activities of $2.4 million in 2018. Positive operating cash flows were primarily the result of profitable operations. Net cash used in investing activities was $445.4 million (2018: $190.0 million), mainly reflecting progress payments to HHI for the VLCC newbuilding program and scrubber installations on the Suezmax fleet. Net cash provided by financing activities was $402.2 million (2018: $210.5 million), primarily reflecting proceeds from long term borrowings of $456.4 million in connection with pre-delivery and delivery debt financing for eight VLCC and two Suezmax newbuildings, sale and leaseback refinancing of the M/T Milos and scrubber financing. The Company also received net proceeds of $15.0 million from the May 2019 private placement. Positive financing cash flows were offset by repayments of long term borrowings of $56.1 million, reflecting $25.4 million of recurring debt amortization and $30.7 million to retire outstanding debt due on the M/T Milos at the time of refinancing.

Going Concern

The consolidated financial statements of the Company have been prepared on a going concern basis and in accordance with the IFRS. Based on the Company's financial condition and the signed loan agreements for the upcoming newbuilding vessels, together with the expected future cash flows from operations and the fact that there are no unfunded capital commitments, the Board of Directors confirm the going concern assumption.

Principal Risks

Interest Rate Risk
The Company's vessels are financed by long term financing facilities at a margin over LIBOR. Any increase or decrease in LIBOR will correspond to a change in the interest expense. No hedging mechanisms are in place.

Currency Risk
USD is the functional currency of the Company. Some expenses are incurred in other currencies, mainly EUR. The Company is exposed to currency exchange rate fluctuations, which affect its costs in other currencies. Any adverse movements of the USD compared to other currencies will negatively affect the financial condition of the Company. The Company has no hedging mechanisms in place.

Market Risk
The Company is exposed to tanker market conditions. A sizeable portion of the fleet is employed under time charter contracts. However, the Company estimates that its spot market exposure will increase to 60% in 2020 (from 48% in 2019) due to expiring legacy contracts and an increase in fleet size. Any adverse market conditions will negatively affect the financial condition of the Company.

Credit Risk
The Company only charters its vessels to international energy companies and top-tier trading houses with a proven track record of creditworthiness in the charter market. Any charterer that expresses a desire to trade on credit terms is subject to the Group's policy

of stringent credit verification procedures, including an extensive KYC process and proof of funds. Payments related to the shipbuilding contracts are secured with refund guarantees from top-tier financial institutions.

Macroeconomic Conditions Risk
Any changes in macroeconomic factors will affect the demand for tanker vessels. Such factors include international economic conditions and inflation levels on the demand side, as well as, OPEC decisions on the supply side. Any adverse change on either the demand for or supply of crude oil will affect the service required from tanker vessels, thus affecting their earnings.

Organisation and Personnel

The Company's registered office is in the Republic of the Marshall Islands and its corporate and commercial management is performed by its wholly owned subsidiary, OET Chartering Inc., that is based in Athens, Greece. Technical management is outsourced to Kyklades Maritime Corporation.

Working Environment
The Company is an equal opportunity employer and is committed to creating and fostering a diverse working environment by providing equal employment opportunities for all persons.

The Company currently employs eleven persons, of whom five are women and six are men. The Company's Board of Directors comprises one woman and five men.

The Company makes employment decisions on the basis of merit alone, and is committed to recruiting, training and promoting a diverse group of persons across all job ranks. Furthermore, all other personnel actions are enacted without regard to race, color, religion, creed, sexual orientation, ethnic origin, citizenship, gender, gender identity, age, disability, genetic information, parental status, marital status, or any other status.

As clearly stated in the Company's Corporate Governance policy:
The Company forbids the discrimination against any employee or any other individual in terms of, but is not limited to, sex, color, race, religion, age, disability, pregnancy or maternity, sexual preference, nationality, political view and ancestry.

The Company forbids harassment and bullying, and all employees are expected to treat every individual with respect and without discrimination and provide everyone with equal employment opportunities, training or promotion.

In case an employee observes such harassment or suspects as much, he/she should report it immediately to his/her immediate supervisor or to the Board of Directors. The incident shall then be investigated immediately, meticulously and with confidentiality.

The Company had no fatal or other accidents during the period and provided sickness absence to its employees when necessary.

Human Rights
Also the Company has taken specific measures to combat human rights inequalities and has established its Slavery and Human Rights policy by which:

The Company is committed to establishing a corporate culture within which business is conducted in an ethical, fair, honest and transparent manner. The Company emphasizes the importance of preventing any kind of slavery violations and that no violation took place in any of the supply chains that the Company is involved in.

The Company is compliant with the Maritime Labour Convention, ensuring decent working conditions for its seafarers covering almost every aspect of their work life on board vessels, such as:

- A safe and secure workplace that complies with safety standards
- Fair terms of employment
- Decent working and living conditions on board vessels; and
- Health protection, medical care, welfare measures and other forms of social protection

Outlook

Total seaborne crude tanker trade grew by 1.4% in 2019, to 10.6 billion ton-miles. The key driver of growth was long haul, non-OPEC volumes coming to market primarily from the U.S. Gulf Coast, the first phase of the Johan Sverdrup field in Norway and from pre-salt basins in Brazil. Crude tanker fleet growth was elevated in 2019, as vessels ordered at historically low price levels during the last tanker downturn in 2017 and early 2018 were delivered. Total crude tanker deliveries increased by 7.3% while only 0.6% of the fleet was scrapped, resulting in net crude tanker y/y fleet growth of 6.6% on a deadweight basis.

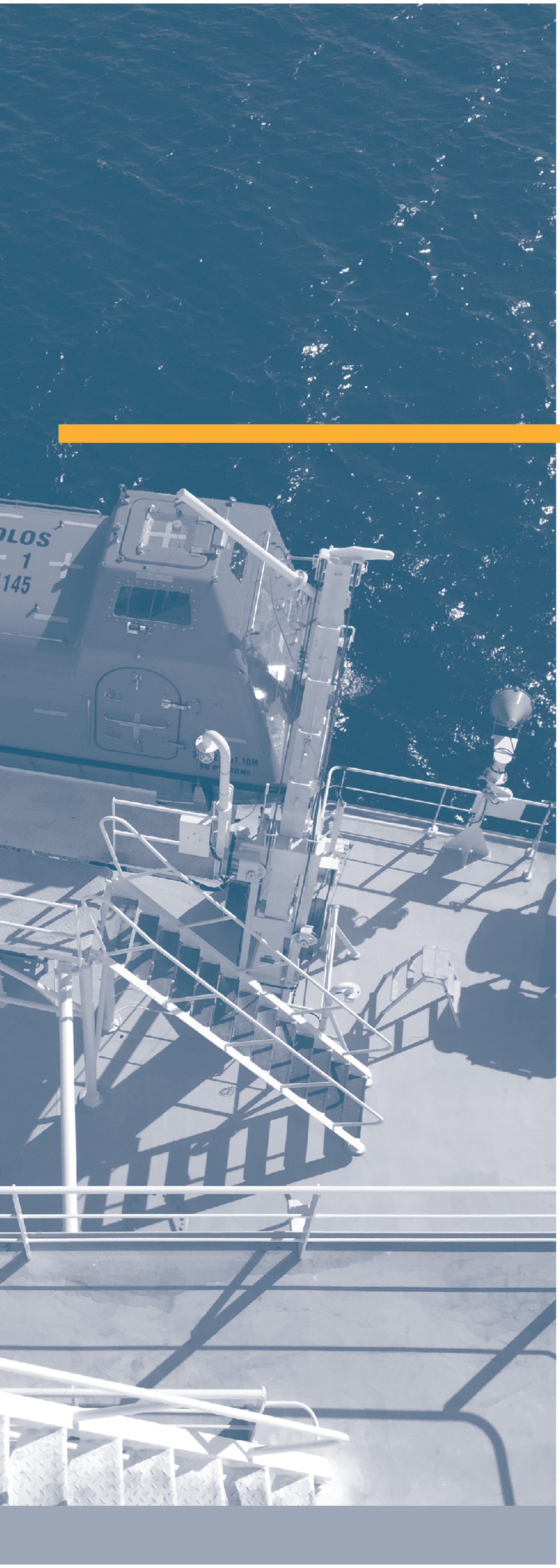
Despite loosening market fundamentals, crude tanker freight rates strengthened by 65% on average. Specifically, VLCC, Suezmax and Aframax spot rates averaged $39,000/day (+66% y/y), $30,600/day (+70% y/y) and $25,200/day (+59% y/y) in 2019, respectively. In addition to the increase in long-haul cargoes from the Atlantic basin, other non-fundamental factors partly contributed to freight rate strength during the second half of 2019 and through the first quarter of 2020. Attacks on Saudi Arabian oil infrastructure led to delays in and avoidance of the Arabian Gulf by shipowners, while the introduction and subsequent removal of sanctions on Chinese state-owned tankers led to a scramble to secure non-sanctioned tonnage. Additionally, the lead-up to the implementation of the 2020 IMO sulphur emission regulation drove spreads between high sulphur and low sulphur bunker fuels above $350 per ton in certain ports, boosting the earnings of eco tankers equipped with scrubbers.

However, the crude tanker market's strong trajectory through January 2020 was derailed by the outbreak of the COVID-19 virus. The lockdown/social distancing measures adopted initially in China and subsequently in most Western countries have reduced global oil demand by 20-30% in April, leading to product inventory build-ups and lower refinery processing rates on the back of sharp drops in refining margins. The eventual lifting of shelter-in-place and other measures that were taken to slow the virus's spread will lead to a recovery in oil demand, though the strength of such recovery remains highly uncertain for the time being.

Despite the severe drop in global oil demand, the crude tanker market received a huge boost from higher Saudi Arabian crude oil production and exports following the unravelling of the OPEC+ alliance in early March 2020. The unprecedented surplus of oil in the physical market drove spot oil prices sharply lower and flipped the forward curve into a contango structure as the market acknowledged that floating storage of crude oil would be required. The demand for tankers for the floating storage trade has been supportive of crude tanker freight rates. However, the eventual unwinding of floating storage will ultimately suppress demand for seaborne crude oil trade.

Set against this backdrop of exceptional near-term market strength and medium-term headwinds from inventory de-stocking and below-trend oil demand growth is a historically attractive crude tanker fleet supply-side outlook. In both the VLCC and Suezmax segments, the orderbook is matched by the number of vessels that are over 20 years old. Moreover, the proportion of vessels that will turn 15 years old and incur significant maintenance capex in connection with their third special survey is set to rise dramatically through the next three years. Looking ahead, OET believes that the crude tanker market can recover more quickly than in past cycles due to the age structure of the crude tanker fleet and the complete halt in new orders.

In this context, OET's strategy will be to seek more time charter coverage than previously planned and to adopt a more stringent focus on counterparty risk. Lastly, we also expect that the longer-term impact from a potential increase in heavier, high sulphur crudes from OPEC set against the anticipated decrease in U.S. low sulphur, light crude production can support a widening of bunker fuel spreads. Our focus will thus be on positioning the company to maximize cash flow from the current exceptional market while also de-risking some of our exposure over the medium term..



RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the consolidated financial statements for the year ended 31 December 2019 have been prepared in accordance with the International Financial Reporting Standards published by the International Accounting Standards Board and give a true and fair view of the assets, liabilities, financial position and profit or loss of Okeanis Eco Tankers and its subsidiaries as a whole.

We also confirm that, to the best of our knowledge, the Board of Directors' Report includes a fair review of the development and performance of the business and the position of the Company taken as a whole, together with a description of the principal risks and uncertainties the Company faces.

Ioannis Alafouzos Chairman/CEO	**Robert Knapp** Director	**Daniel Gold** Director
Joshua Nemser Director	**Charlotte Stratos** Director	**John Kittmer** Director

CORPORATE GOVERNANCE STATEMENT

Introduction

In order to be a trustworthy business partner and service provider, Okeanis Eco Tankers Corp. has made a commitment to ensure trust in the Company and to enhance shareholder value through efficient decision-making and smooth communication between management, the board of directors (the "Board") and shareholders. The Company's corporate governance policy is intended to decrease business risk, facilitate transparency, maximise value, and utilise the Company's resources in an efficient, sustainable manner, to the benefit of relevant stakeholders.

The Company will seek to comply with the Norwegian Code of Practice for Corporate Governance (the "Corporate Governance Code"), last revised on 17 October 2018 (www.nues.no). The principal purpose of the Corporate Governance Code is to ensure (i) that listed companies implement corporate governance that clarifies the respective roles of shareholders, the Board and executive management more comprehensively than what is required by legislation, and (ii) effective management and control over activities with the aim of securing the greatest possible value creation over time in the best interest of companies, shareholders, employees and other parties concerned. Deviations from the Corporate Governance Code are discussed under the relevant item in question.

The Company's corporate governance policy was first adopted by the Board on 26 February 2019.

Implementation and Reporting on Corporate Governance

The Company's corporate governance principles are determined by the Board and are set forth in the Company's management documents. The purpose of the Company's corporate governance policy is to ensure an appropriate separation of roles and responsibilities among the Company's Board of Directors and its management and to make certain that the Company's business activities are subject to satisfactory control.

The Company's key values are: integrity, accountability, innovation, reliability, quality consciousness and dedication. These values characterise the behaviour of the Company and the Company's employees, and form the basis for the Company's ethical guidelines.

Business

The Company is an international crude tanker business within the shipping industry, with the ambition of owning, chartering out and operating modern shipping assets. The Company has offices in Athens, Greece.

The Company's objectives and principal strategies are further described in the Company's annual reports and on the Company's website: www.okeanisecotankers.com.

Deviation: Marshall Islands law does not require the business activities of the Company to be narrowly defined in the Company's bylaws (the "Bylaws") and the Company's articles of incorporation (the "Articles of Incorporation"). The Company may be organised for any lawful purpose. It is customary for Marshall Island companies to have general and expansive descriptions of permitted activities, but – as reflected in other documents issued by the Company – the Company has clear objectives and strategies for its business.

Equity and Dividends

Equity

As of 31 December 2019, the Company's consolidated equity was approximately $341.7 million, equivalent to approximately 31% of total assets. The Company's equity level and financial strength shall be considered in light of its objectives, strategy and risk profile.

Dividend Policy - value creation for shareholders

Having existed only 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 the Company. The Company aims to distribute quarterly dividends 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. The dividend payment frequency will be considered over time. The timing and amount of dividends is at the discretion of the Board, who will also take into account any applicable contractual and/or legal restrictions on such payments.

The Company will be aligned with and committed to creating value for its shareholders. As part hereof,

- the Board has adopted a policy effective as from January 2021 to calculate the Company's NAV per share and consider asset sales and dividend distributions if there is a large discrepancy to its equity market capitalization (the "Discount Control Mechanism"),
- a special sub-committee will handle inbound M&A interest and consider issuance of new shares and/or new vessel acquisitions, and
- the Company will capitalize on an expected strengthening tanker market and pursue an opportunistic asset play policy.

Share capital increases and issuance of shares

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 as set forth in the Articles of Incorporation. To the extent the Company wishes to issue 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 by shareholder vote.

Purchase of own shares

The Company may purchase its own shares out of surplus except if the Company is insolvent or would thereby be made insolvent. Accordingly and further, the Company may purchase its own shares out of stated capital, 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 redeemed by the Company shall be cancelled if they are redeemed out of stated capital, or if the Articles of Incorporation require that such shares be cancelled upon redemption. 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 redemption 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.

Deviation: According to Marshall Islands law, the Board 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.

Equal Treatment of Shareholders and Transactions with Related Parties

Class of shares

The Company has one class of shares. All shares are vested with equal rights in the Company, and neither the Articles of Incorporation nor the Bylaws contain any provisions restricting the exercise of voting rights.

Pre-emption rights to subscribe

As permitted under Marshall Islands company law, the Company's Articles of Incorporation provide that its shareholders do not have pre-emptive rights to subscribe for new shares.

Trading in own shares

In the event of a future share buy-back program, the Board will aim to ensure that all transactions pursuant to such program will be carried out through the trading system at Oslo Børs.

Transactions with close associates

No contract or transaction between the Company and one or more of the Company's directors or officers will be void or voidable solely because the director or officer is present at or participates in the meeting of the Board 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 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, 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 has adopted rules of procedures for the Board which, inter alia, includes guidelines for notification by members of the Board and executive management if they have any material direct or indirect interest in any transaction entered into by the Company.

Deviation: 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.

Guidelines for directors and executive management

Pursuant to Marshall Islands law, the Board is not required to obtain independent third party evaluations in the event that the Company enters into transactions with close associates. The Board may engage independent third parties to evaluate future transactions.

Shares and Negotiability

The shares of the Company are freely transferable. There are no restrictions on transferability of shares pursuant to the Articles of Incorporation or Bylaws. Pursuant to Article VI of the Bylaws, the Board shall have power and authority to make such rules and regulations as it may deem appropriate concerning the issuance, registration and transfer of certificates representing shares of the Company's stock in uncertified form, and expects to issue all of its stock for the foreseeable future in uncertified form.

Shareholder Meetings

General

The Board will make its best efforts with respect to the timing and facilitation of annual and special meetings of the shareholders to ensure that as many shareholders as possible may exercise their rights by participating in shareholder meetings, thereby making the shareholder meeting an effective forum for the views of shareholders and the Board.

Special meetings of the shareholders may be called by the Board or by such person or persons as may be authorized by the Articles of Incorporation or the Bylaws.

Notification

The notice for a general meeting, with reference to or attached support information on the resolutions to be considered at the general meeting, shall as a principal rule be sent to shareholders no later than 15 and no more than 60 days prior to the date of the general meeting. The Board will seek to ensure that the resolutions and supporting information are sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered at the meeting. The notice and support information, as well as a proxy voting form, will normally be made available on the company's website, www.okeanisecotankers.com, no later than 15 and no more than 60 days prior to the date of the general meeting.

Participation and execution

The Board shall, as a general rule, be present at general meetings. The auditor will attend the annual shareholder meeting and any special shareholder meetings to the extent required by the agenda items or other relevant circumstances. The chairman of the Board or an individual appointed by the Chairman of the Board will chair shareholders' meetings

The Company will aim to prepare and facilitate the use of proxy forms which allows separate voting instructions to be given for each item on the agenda, and nominate a person who will be available to vote on behalf of shareholders as their proxy. The Board may decide that shareholders may submit their votes in writing, including by use of electronic communication, in a period prior to the relevant shareholders meeting. The Board should seek to facilitate such advance voting.

To the extent deemed appropriate or necessary by the Board, the Board will seek to arrange for the shareholder meeting to vote separately on each candidate nominated for election to the company's corporate offices.

Deviation: The Corporate Governance Code stipulates that that at least 21 days' notice must be given to call a general meeting. The procedures for notification (as set out above) are in line with Marshall Islands law and practice and believed to capture the intent thereof, and secure shareholders' rights.

The Corporate Governance Code stipulates that the Board shall ensure that the shareholder's meeting is able to elect an independent chairman. However, having the chairman of the Board or a person appointed by him chairing the annual shareholder meeting simplifies the preparations for the annual shareholder meeting significantly.

Nomination Committee

Okeanis does not currently have a nomination committee, but intends to elect such a committee during 2020. The Company's Bylaws allow for the establishment of the nomination committee.

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Board of Directors: Composition and Independence

Pursuant to Section B of the Articles of Incorporation, the Company's Board shall consist of at least one director. The Board currently has six directors.

As a listed company, the composition of the Board should ensure that it can attend to the common interests of all shareholders and meet the Company's need for expertise, capacity and diversity. Attention should be paid to ensuring that the Board can function effectively as a collaborative body. The composition of the Board should ensure that it can operate independently of any special interests. At least two of the members of the Board should be elected by shareholders and should also be independent of the Company's main shareholder(s).

Other than as discussed herein, the Board should not include executive personnel. If the Board does include executive personnel, the Company should provide an explanation for this and implement consequential adjustments to the organisation of the work of the Board, including the use of board committees to help ensure more independent preparation of matters for discussion by the Board.

The chairman of the Board should be elected at the general meeting.

Each Director, including the chairman of the Board, shall be elected to serve for a term of a maximum of two years. The annual report should provide information to illustrate the expertise of the members of the Board, and information on their record of attendance at board meetings. In addition, the annual report should identify which members are considered to be independent.

<u>Deviation:</u> The Company's CEO is currently also the Chairman of the Board. In light of Mr. Alafouzos's unique experience and majority stake in the Company, it is the view of the Board that he is naturally aligned with shareholders and that it is advantageous that he maintains the dual roles. The Company's current shareholders and financiers share a similar view.

The Work of the Board of Directors

The rules of procedure for the Board of Directors

The Board is responsible for the overall management of the Company, and shall supervise the Company's business and the Company's activities in general.

The Board has adopted rules of procedures, which provide regulation on, inter alia, the duties of the Board and the CEO, the annual plan for the Board, notices of Board proceedings, administrative procedures, minutes, Board committees, transactions between the Company and the shareholders and matters of confidentiality.

The Board shall produce an annual plan for its work, with particular emphasis on objectives, strategy and implementation. The CEO shall at least once a month, by attendance or in writing, inform the Board about the Company's activities, position and profit trend.

The Board's consideration of material matters in which the chairman of the Board is, or has been, personally involved, shall be chaired by some other member of the Board.

The Board shall evaluate its performance and expertise annually, and make the evaluation available to the nomination committee once established.

Audit Committee

The Company's audit committee is governed by an instruction adopted by the Board. A majority of the members shall be independent of the Company's operations, and at least one member who is independent of the Company shall have qualifications in accounting or auditing. Board members who are also members of the executive management cannot be members of the audit committee. The principal tasks of the audit committee are to:

(a) prepare the Board's supervision of the Company's financial reporting process;
(b) monitor the systems for internal control and risk management;
(c) have continuous contact with the Company's auditor regarding the audit of the annual accounts; and
(d) review and monitor the independence of the Company's auditor, including in particular the extent to which the auditing services provided by the auditor or the audit firm represent a threat to the independence of the auditor.

The Audit Committee consists of Charlotte Stratos and John Kittmer.

Remuneration Committee

The members of the remuneration committee shall be independent of the Company's executive management. The principal tasks of the remuneration committee are to prepare:

(a) the Board's declaration on determination of salaries and other remuneration for executive management;
(b) other matters relating to remuneration and other material employment issues in respect of the executive management;

The Remuneration Committee consists of Charlotte Stratos and John Kittmer.

Risk Management and Internal Control

Risk management and internal control are given high priority by the Board to ensure that adequate systems are in place. The control system consists of interdependent areas, which include risk management, control environment, control activities, information and communication and monitoring.

The Company's management is responsible for establishing and maintaining sufficient internal control over financial reporting. The CEO and CFO supervise and oversee the external reporting and the internal reporting processes. This includes assessing financial reporting risks and internal controls over financial reporting within the Group. The consolidated external financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards as adopted by the EU.

The Board shall ensure that the Company has sound internal control and systems for risk management. If employees experience situations or matters that may be contrary to rules and regulations, they are urged to raise their concern with their immediate superior or another manager in the Company. The Company expects to establish a whistle-blowing function that will enable employees to alert the Company's governing bodies about possible breaches of rules and regulations.

The Board shall conduct an annual organisational risk review in order to identify real and potential risks, and remedy any incidents that have occurred. This year, the Company concluded an internal controls review conducted by our auditor. In 2020, we will fully implement all of the recommended measures to strengthen processes related to commercial and supply/procurement approvals.

Remuneration of the Board of Directors

The Company intends to establish a nomination committee within 2020, which will, upon establishment, inter alia, make proposals and supervise directorship fees. Pursuant to the Company's Bylaws, the remuneration of the Board will be decided at the Company's general meeting, and should reflect the Board's responsibility, expertise, time commitment and the complexity of the Company's activities. The remuneration should not be linked to the Company's performance.

Share options have not been granted to Board members.

The annual report shall provide details of all elements of the remuneration and benefits of each member of the Board, which includes a specification of any remuneration in addition to normal fees to the members of the Board.

If and to the extent members of the Board and/or companies with which they are associated are requested to take on specific assignments for the Company in addition to their appointment as a member of the Board, the appointment should be disclosed to the Board. The remuneration for such additional duties should also be approved by the Board.

Remuneration of the Executive Management

The Board will prepare separate guidelines for the stipulation of salary and other remuneration to key management personnel. The guidelines shall include the main principles applied in determining the salary and other remuneration of the executive management, and shall ensure alignment between executive management and shareholders. It should be clear which aspects of the guidelines that are advisory and which, if any, are binding, thereby enabling the general meeting to vote separately on each of these aspects of the guidelines.

The Board aims to ensure that performance-related remuneration of the executive management in the form of share options, annual bonus programs or the like, if used, are linked to value creation for shareholders or the Company's earnings performance over time. Performance-related remuneration should be subject to an absolute limit. Furthermore, the Company aims to ensure that such arrangements are based on quantifiable factors that the employee in question can influence.

In addition, the Company has appointed a remuneration committee in order to help ensure thorough and independent preparation of matters relating to compensation paid to the executive management.

Information and Communications

The Board will seek to ensure that market participants receive correct, clear, relevant and up-to-date information in a timely manner, taking into account the requirement for equal treatment of all participants in the securities market.

The Company will each year publish a financial calendar, providing an overview of the dates for major events such as its ordinary general meeting and publication of interim reports.

Takeovers

In the event the Company becomes the subject of a takeover bid, the Board shall seek to ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board shall also ensure that the shareholders have sufficient information and time to assess the offer. With a view to secure a shareholder-friendly policy, the Board has appointed a special sub-committee, with solid shareholder representation, which will handle any inbound M&A interest and/or take-over initiatives.

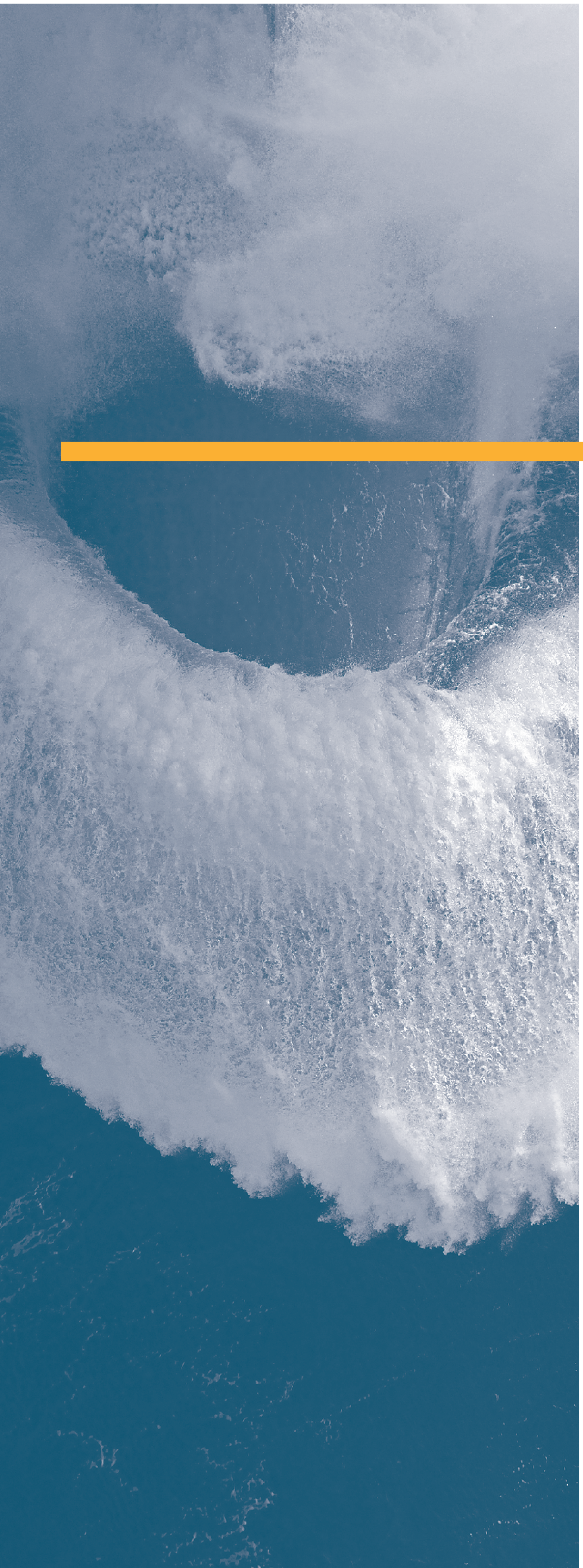
There are no defence mechanisms against takeover bids in the Company's Articles of Incorporation or Bylaws, nor have other measures been implemented to specifically hinder acquisitions of shares in the Company. The Board has not established written guiding principles for how it will act in the event of a takeover bid, as such situations are normally characterized by concrete and one-off situations which make a guideline challenging to prepare. In the event of a proposed takeover, the Board will consider relevant, specific recommendations in the Corporate Governance Code.

Auditor

The Board will require the Company's auditor to annually present to the Company a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement, as well as the main features of the plan for the audit of the Company. Furthermore, the Board will require the auditor to participate in meetings of the Board that deal with the annual accounts. A Board meeting with the auditor in which no member of the executive management is present shall be held at the request of the auditor.

The Board shall review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represents a threat to the independence of the auditor.

The remuneration to the auditor will be approved by the ordinary general meeting. The Board should report to the general meeting on details of fees for audit work and any fees for other specific assignments.



CONSOLIDATED 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 Year Ended December 31, 2019
and Independent Auditor's Report.

Index to Consolidated Financial Statements

DIRECTORS' STATEMENT
For the year ended December 31, 2019

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended December 31, 2019.

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 31 December and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements.

(b) As at the date 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.

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Independent Auditor's Report

To the Shareholders
of Okeanis Eco Tankers Corp.

Opinion

We have audited the consolidated financial statements of Okeanis Eco Tankers Corp. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and its consolidated financial performance and its consolidated cash flows for the year 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 Consolidated 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

During the year ended December 31, 2019, the following present matters where we have focused our attention:

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The key audit matter	How our audit addressed the Key Audit Matter
1. **Acquisition of entities under common control:** Refer to Note 3 in the consolidated financial statements. On October 9, 2019, Okeanis Eco Tankers Corp. obtained control over the companies Omega Six Marine Corp. and Omega Ten Marine Corp., when Okeanis Marine Holdings transferred the companies' common shares to the Company without compensation. Common control transactions are not specifically addressed in IFRS, as these transactions fall outside the scope of IFRS 3 and accordingly, management applied judgment in developing a policy to account for this transaction, taking into consideration other accounting frameworks, such as US and UK GAAP. As a result of this evaluation, the Company applied the accounting guidance included in US GAAP, and recorded the transferred assets and liabilities at the carrying amounts existing in the books of the companies acquired. The recognition of the balances of assets and liabilities transferred at their carrying amounts resulted in a corresponding debit to equity amounting to $26,775. Our audit work focused on the accounting treatment of this transaction. Particularly, we considered whether this method could be applicable for this particular transaction and whether it was properly applied in the consolidated financial statements. In addition, we performed audit work on the opening balances transferred to OET on acquisition date as presented in Note 3 to the financial statements.	We reviewed supporting documentation in respect of the acquisition transaction to obtain the proper understanding of the transaction and also reviewed management's procedures for determining the carrying value of the acquired companies. We reviewed management's assessment that the acquisition of the vessel owning companies listed in Note 1 to the consolidated financial statements is out of scope of IFRS 3 and may be accounted for as a transaction between entities under common control. We performed procedures on the opening balances on the date of the transaction, to ensure that there was no material misstatement when accounting for this transaction. We also held discussions with management to understand the basis for selecting this method of computation, and discussed what other accounting frameworks provide for, such as US and UK GAAP.

Other information

Management is responsible for other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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.

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Auditor's Responsibility for the Audit of the Consolidated Financial Statements - Continued

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Certified Public Accountants S.A.

April 13, 2020
Athens, Greece

MAKING AN IMPACT THAT MATTERS since 1845

Okeanis Eco Tankers Corp.
Consolidated statement of profit or loss and other comprehensive income
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019	FOR THE PERIOD FROM APRIL 30, 2018 (INCEPTION) TO DECEMBER 31, 2018
Revenue		$127,733,607	$29,207,291
Operating expenses			
Commissions		(1,665,407)	(335,003)
Voyage expenses	11	(25,738,665)	(7,657,943)
Vessel operating expenses	10	(24,451,931)	(7,760,285)
Management fees	14	(2,186,400)	(735,600)
Depreciation	7	(24,585,920)	(7,324,727)
General and administrative expenses	12	(3,329,028)	(1,067,961)
Total operating expenses		($81,957,351)	($24,881,519)
Operating profit		$45,776,256	$4,325,772
Other income/(expenses)			
Interest income		130,020	292,412
Other expenses, net	23	(496,274)	—
Interest and other finance costs	22	(34,010,460)	(7,565,865)
Foreign exchange loss		(15,186)	(71,074)
Total other expenses		($34,391,900)	($7,344,527)
Profit/(loss) for the year		$11,384,356	($3,018,755)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement of post-employment benefit obligations		(22,896)	—
Total comprehensive income/(loss) for the year		$11,361,460	($3,018,755)
Total comprehensive income/(loss) attributable to the owners of the Group		*$11,361,460*	*($3,018,755)*
Earnings/(loss) per share - basic & diluted	18	$0.35	($0.14)
Weighted average no. of shares - basic & diluted		32,263,264	21,250,898

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

OKEANIS

Okeanis Eco Tankers Corp.
Consolidated statement of financial position
As of December 31, 2019 and 2018
(All amounts expressed in U.S. Dollars)

AS AT DECEMBER 31,	NOTES	2019	2018
Assets			
Non-current assets			
Vessels, net	7	$1,007,992,914	$396,373,905
Vessels under construction	8	56,266,949	238,211,812
Other fixed assets		40,000	47,059
Deferred financing fees		751,505	552,188
Restricted cash		3,410,000	3,000,000
Total non-current assets		**$1,068,461,368**	**$638,184,964**
Current assets			
Inventories	6	$6,552,457	$2,687,170
Trade and other receivables		18,230,962	3,319,348
Claims receivable	19	92,608	4,925,568
Prepaid expenses and other current assets		2,263,662	902,853
Current accounts due from related parties	14	1,837,052	396,291
Cash & cash equivalents		13,395,723	18,082,979
Total current assets		**$42,372,464**	**$30,314,209**
Total assets		**$1,110,833,832**	**$668,499,173**
Shareholders' equity & liabilities			
Shareholders' equity			
Share capital	15	$32,890	$31,310
Additional paid-in capital	15	334,328,863	319,357,218
Treasury shares	15	(1,010,155)	—
Other reserves		(22,896)	—
Retained earnings/(Accumulated losses)		8,365,601	(3,018,755)
Total shareholders' equity		**$341,694,303**	**$316,369,773**
Non-current liabilities			
Long-term borrowings, net of current portion	13	$683,676,384	$317,802,753
Retirement benefit obligations		53,066	—
Total non-current liabilities		**$683,729,450**	**$317,802,753**
Current liabilities			
Trade payables		$13,953,070	$6,835,666
Accrued expenses	9	4,384,815	1,728,163
Deferred revenue		4,919,126	1,064,850
Current accounts due to related parties	14	13,123,755	2,612,524
Current portion of long-term borrowings	13	49,029,313	22,085,444
Total current liabilities		**$85,410,079**	**$34,326,647**
Total liabilities		**$769,139,529**	**$352,129,400**
Total shareholders' equity & liabilities		**$1,110,833,832**	**$668,499,173**

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

Okeanis Eco Tankers Corp.
Consolidated statement of changes in equity
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts, expressed in U.S. Dollars, except for number of shares)

	NOTES	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL (NOTE 15)	TREASURY SHARES	OTHER RESERVES	RETAINED EARNINGS/ (ACCUMULATED LOSSES)	TOTAL
Balance - April 30, 2018 (inception date)		—	—	—	—	—	—	—
Issuance of shares on incorporation		10,000	10	—	—	—	—	10
Issuance of shares in exchange for acquisition of ownership interest in contributed companies	3	15,990,000	15,990	194,752,976	—	—	—	194,768,966
Issuance of shares in initial offering at NOK 72 per share		11,400,000	11,400	96,034,319	—	—	—	96,045,719
Issuance of shares in second offering at NOK 66 per share		3,910,000	3,910	28,569,923	—	—	—	28,573,833
Loss for the period		—	—	—	—	—	(3,018,755)	(3,018,755)
Balance December 31, 2018		**31,310,000**	**31,310**	**319,357,218**	**—**	**—**	**(3,018,755)**	**316,369,773**
Issuance of shares in third offering at NOK 83 per share	15	1,580,000	1,580	14,998,420	—	—	—	15,000,000
Acquisition of equity shares at NOK 61 per share	15	(150,149)	—	—	(1,010,155)	—	—	(1,010,155)
Acquisition of ownership interest in two companies	1, 14	—	—	(26,775)	—	—	—	(26,775)
Profit for the year		—	—	—	—	—	11,384,356	11,384,356
Other comprehensive loss for the year		—	—	—	—	(22,896)	—	(22,896)
Balance December 31, 2019		**32,739,851**	**32,890**	**334,328,863**	**(1,010,155)**	**(22,896)**	**8,365,601**	**341,694,303**

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

Okeanis Eco Tankers Corp.
Consolidated statement of cash flows
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts expressed in U.S. Dollars)

Cash flows from operating activities	NOTES	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019	FOR THE PERIOD FROM APRIL 30, 2018 (INCEPTION) TO DECEMBER 31, 2018
Profit/(loss) for the period		**$11,384,356**	**($3,018,755)**
Adjustments to reconcile gain/(loss) to net cash provided by/(used in) operating activities:			
Depreciation		24,585,920	7,324,727
Interest expense		28,237,030	6,939,757
Amortization of loan financing fees		1,932,574	471,838
Interest income		(130,020)	(292,412)
Other non-cash items		30,170	—
Foreign exchange differences		15,186	—
Total reconciliation adjustments		**$54,670,860**	**$14,443,910**
Changes in working capital:			
Trade and other receivables		(14,911,614)	(2,025,379)
Prepaid expenses and other current assets		(1,360,808)	571,507
Inventories		(3,865,287)	(318,406)
Trade payables		7,741,363	274,845
Accrued expenses		3,042,353	(1,682,603)
Deferred revenue		3,854,276	1,064,850
Claims receivable		4,832,960	(4,909,070)
Interest paid		(26,844,255)	(6,811,125)
Total changes in working capital		**($27,511,012)**	**($13,835,381)**
Net cash provided by/(used in) operating activities		**$38,544,204**	**($2,410,226)**
Cash flows from investing activities			
Current accounts due from related parties		(1,440,761)	437,610
Payments for other fixed assets		(21,897)	(27,059)
(Increase)/decrease in restricted cash		(410,000)	1,450,000
Dry-dock expenses		(282,943)	—
Payments for vessels and vessels under construction		(443,353,283)	(192,141,628)
Interest received		130,020	275,912
Net cash used in investing activities		**($445,378,864)**	**($190,005,165)**
Cash flows from financing activities			
Proceeds from long-term borrowings		456,390,500	99,750,000
Repayments of long-term borrowings		(56,045,958)	(15,543,748)
Proceeds from private placement	15	15,000,000	125,634,195
Payments for offering expenses		(623,959)	(516,683)
Current accounts due to related parties		(1,889,769)	(2,364,836)
Payment of loan financing fees		(9,673,255)	(2,127,188)
Acquisition of treasury stock	15	(1,010,155)	—
Acquisition of cash and cash equivalents of the Contributed Companies		—	5,666,630
Net cash provided by financing activities		**$402,147,404**	**$210,498,370**

	NOTES	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019	FOR THE PERIOD FROM APRIL 30, 2018 (INCEPTION) TO DECEMBER 31, 2018
Net change in cash and cash equivalents		*(4,687,256)*	*18,082,979*
Cash and cash equivalents at beginning of period		18,082,979	—
Cash and cash equivalents at end of period		**$13,395,723**	**$18,082,979**
Supplemental cash flow information			
Capital expenditure included in current accounts due to related parties		12,401,000	—
Capital expenditure included in accrued expenses		1,806,115	—
Capital expenditures included in trade payables		—	1,033,404
Offering expenses included in trade payables		—	497,950

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

Okeanis Eco Tankers Corp.
Notes to the consolidated financial statements
For the year ended December 31, 2019
(All amounts expressed in U.S. Dollars, except for number of shares)

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 Corp. ("Glafki") through voting interest. Glafki is owned by Ioannis Alafouzos and Themistoklis Alafouzos. The Company was founded for the purpose of acquiring an 100% ownership interest in sixteen companies (the "Contributed Companies"), fifteen of which owned a vessel on the water or a newbuilding vessel under construction. The principal activity of the fifteen single purpose companies is to own, charter out and operate tanker vessels. The sixteenth 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:

COMPANY NAME	DATE OF CONTRIBUTION TO OET	INCORPORATED	INTEREST HELD BY OET
Therassia Marine Corp.	June 28, 2018	Liberia	100%
Milos Marine Corp.	June 28, 2018	Liberia	100%
Ios Maritime Corp.	June 28, 2018	Liberia	100%
Omega One Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Two Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Three Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Four Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Five Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Seven Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Nine Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Eleven Marine Corp.	June 28, 2018	Marshall Islands	100%
Nellmare Marine Ltd	June 28, 2018	Marshall Islands	100%
Anassa Navigation S.A.	June 28, 2018	Marshall Islands	100%
Arethusa Shipping Ltd	June 28, 2018	Marshall Islands	100%
Moonsprite Shipping Corp.	June 28, 2018	Marshall Islands	100%
OET Chartering Inc.	June 28, 2018	Marshall Islands	100%

The consolidated financial statements comprise the financial statements of OET and its wholly owned subsidiaries (collectively the "Group").

On June 28, 2018, all of the shares of the Contributed Companies, were transferred to the Company from Okeanis Marine Holding ("OMH"), a holding company controlled by the Alafouzos family. The eco fleet of OMH was contributed to the Company as a payment-in-kind transaction whereby OMH received shares in the Company in exchange for the Contributed Companies. The Alafouzos family fully owned OMH and currently holds a stake of 56.79% in the Company. The Company traded on the Merkur Market from July 3, 2018 until March 8, 2019, when it was then admitted for trading on the Oslo Axess..

As at December 31, 2019 the Group comprises the following companies:

COMPANY NAME	DATE OF CONTRIBUTION TO OET	INCORPORATED	INTEREST HELD BY OET
Therassia Marine Corp.	June 28, 2018	Liberia	100%
Milos Marine Corp.	June 28, 2018	Liberia	100%
Ios Maritime Corp.	June 28, 2018	Liberia	100%
Omega One Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Two Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Three Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Four Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Five Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Seven Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Nine Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Eleven Marine Corp.	June 28, 2018	Marshall Islands	100%
Nellmare Marine Ltd	June 28, 2018	Marshall Islands	100%
Anassa Navigation S.A.	June 28, 2018	Marshall Islands	100%
Arethusa Shipping Ltd	June 28, 2018	Marshall Islands	100%
Moonsprite Shipping Corp.	June 28, 2018	Marshall Islands	100%
Omega Six Marine Corp.	October 9, 2019	Marshall Islands	100%
Omega Ten Marine Corp.	October 9, 2019	Marshall Islands	100%
OET Chartering Inc.	June 28, 2018	Marshall Islands	100%
Okeanis Eco Tankers Corp.	April 30, 2018	Marshall Islands	—

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. 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 consolidated financial statements for the year ended December 31, 2019. The consolidated financial statements have been prepared on a going concern basis.

Okeanis Eco Tankers annual consolidated financial statements were approved and authorized for issue by the Company's Board of Directors on April 12, 2020.

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:

DESCRIPTION	AMOUNT IN U.S. DOLLARS
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)
Total	**194,768,966**

On October 9, 2019, the Company obtained control over the companies Omega Six Marine Corp. and Omega Ten Marine Corp., when Okeanis Marine Holdings transferred the companies' common shares to the Company without compensation. Consequently, the companies were consolidated as at December 31, 2019 in the Company's consolidated financial statements and all inter-company balances and transactions were eliminated in full on consolidation. The results of operations of the aforementioned companies are included in these consolidated financial statements from the date of their acquisition by OET, which took place on October 9, 2019. Control is achieved since OET has the power to govern the financial and operating policies of these aforementioned companies, so as to obtain benefits from their activities. OET and the aforementioned 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, these aforementioned companies' assets and liabilities were recorded at their book values.

The following major classes of assets and liabilities of the aforementioned companies were acquired by OET on October 9, 2019:

DESCRIPTION	AMOUNT IN U.S. DOLLARS
Advances for vessels under construction	12,901,000
Payables to shareholders	(12,901,000)
Accrued expenses	(26,775)
Total	**(26,775)**

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. In addition, certain of our time charter arrangements may, from time to time, include profit sharing clauses, arising from the sharing of earnings together with third parties and the allocation to the Group of such earnings based on a predefined methodology. 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 accounted for in accordance with IAS 17 and, effective from January 1, 2019, in accordance with IFRS 16, which had no effect on lessors, compared to the previous applicable guidance. As a result, time charter contracts, 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. Revenue from time charter agreements is recognized on a straight-line basis over the duration of the time charter agreement. 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 multiple load 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.

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

Under a voyage charter agreement, the Company bears all voyage related costs such as fuel costs, port charges and canal tolls, as applicable. Voyage related costs which are incurred during the period prior to commencement of loading a cargo are accounted for a contract fulfillment costs when they (a) relate directly to a contract or anticipated contract, (b) generate or enhance resources that will be used in satisfying a performance obligation and (c) they are expected to be recovered. These costs are deferred and recorded under current assets, and are amortized on a straight-line basis as the related performance obligation to which they relate is 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 Revenue and Commissions, respectively, in the consolidated statement of profit or loss and other comprehensive income.

Deferred revenue represents revenue collected in advance of being earned. The portion of deferred revenue, 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 as incurred. 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 and other receivables

Trade receivables include estimated recoveries from hire and freight billings to charterers, net of any provision for doubtful accounts, as well as interest receivable from time deposits. At each statement of financial position date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate provision. As of December 31, 2019 and 2018, the provision for doubtful accounts amounted to nil.

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.

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 December 31, 2019 and 2018 no impairment charges were recognized.

Advances for vessels under construction

Advances for vessels under construction comprise 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 Company and its subsidiaries 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.

Segment Information

The Group's chief operating decision maker (the "CODM"), being the Chief Executive Officer, evaluates the performance of the Group on a consolidated basis.Financial information for different types of vessels or different employment contracts is available, however, the performance is measured for a single reportable segment, being the "Crude Oil Transportation".

Employment of vessels varies every period between spot and time charter with no specific strategy.Furthermore, when the Group charters a vessel to a charterer, the charterer is free to trade the vessel worldwide, so, the vessels of the fleet are calling at various ports across the globe, over many trade routes. This makes the segment information on a geographical basis not practicable or meaningful.

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 requirement.

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.

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 is recognized when it accrues 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 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.

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

Until December 31, 2018, in case a vessel was sold and subsequently leased back by the Group, pursuant to a memorandum of agreement (MOA) and a bareboat charter agreement, the Group evaluated the terms of the transaction in accordance with IAS 17 "Leases" to determine whether it fell within the scope of IAS 17 "Leases". In the case the leaseback was determined to be a finance leaseback, all the risks and rewards of ownership of the subject vessel remained with the Group-lessee, and hence the transaction was 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 was 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), were accounted for as follows:

If the transaction was at fair value, gains or losses are recognized immediately;

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

If the sale price was above fair value, the excess over the fair value was deferred and amortized over the period for which the asset was expected to be used.

From January 1, 2019 and onwards, in case a vessel is sold and subsequently leased back by the Group, pursuant to a MOA and a bareboat charter agreement, the Group determines when a performance obligation is satisfied in IFRS 15, to determine whether the transfer of a vessel is accounted for as a sale. If the transfer of a vessel satisfies the requirements of IFRS 15 to be accounted for as a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. If the transfer of a vessel does not satisfy the requirements of IFRS 15 to be accounted for as a sale, the Group continues to recognise the transferred vessel and shall recognise a financial liability equal to the transfer proceeds.

Leases

The Group as a Lessee

The Group has, and continues to be, a lessee, pursuant to a contract for the lease of office space.

Until December 31, 2018, the Group recognized the lease payments as an operating expense on a straight-line basis over the term of the lease, applying the provisions of IAS 17.

From January 1, 2019 and onwards, the Group assesses whether a contract is, or contains a lease, at inception of the contract applying the provisions of IFRS 16, and recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for instances where the Group makes use of the available practical expedients included in IFRS 16. These expedients relate to short-term leases (defined as leases with a lease term of twelve months or less) or leases of low value assets. For these leases, the Company continues to recognize the lease payments as an operating expense on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to chartering out its vessels.

Until December 31, 2018, the Group recognized rental revenue from chartering out its vessels pursuant to these operating leases on a straight-line basis over the term of the lease, applying the provisions of IAS 17.

From January 1, 2019 and onwards, leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates (for example, changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (for example, default by the lessee), do not give rise to a new classification of a lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the asset and recognised on a straight-line basis over the lease term. Amounts due from leases under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

Standards and interpretations adopted in the current period

IFRS 16 - Leases, was issued by the IASB in January 2016. IFRS 16 - Leases applies to an entity's first annual IFRS financial statements for a period beginning on or after January 1, 2019. IFRS 16 -Leases amends the definition of what constitutes a lease to be a contract that conveys the right to control the use of an identified asset if the lessee has both (i) the right to obtain substantially all of the economic benefits from the use of the identified asset and (ii) the right to direct the use of the identified asset throughout the period of use. The Company has determined that the existing time charter arrangements meet the definition of leases under IFRS 16 - Leases, with the Company as lessor, on the basis that the charterer enters into transportation contracts with their customers, and thereby enjoys the economic benefits derived from such arrangements. Furthermore, the charterer can direct the use of a vessel (subject to certain limitations in the charter agreement) throughout the period of the contract.

Moreover, under IFRS 16 - Leases, the Company is also required to identify the lease and non-lease components of revenue and account for each component in accordance with the applicable accounting standard. In time charter arrangements, the Company has determined that the lease component is the vessel and the non-lease component is the technical management services provided to operate the vessel. Each component is quantified on the basis of the relative stand-alone price of each lease component; and on the aggregate stand-alone price of the non-lease components.

These components are accounted for as follows:

- All fixed lease revenue earned under these arrangements is recognized on a straight-line basis over the term of the lease.
- The non-lease component is accounted for as services revenue under IFRS 15 - Revenue from Contracts with Customers. This revenue is recognized "over time" as the customer (i.e. the charterer) is simultaneously receiving and consuming the benefits of the service.

The Company adopted IFRS 16 effective from January 1, 2019 using the modified retrospective approach, and made use, as applicable, of the short-term lease and the low asset value exemptions available. The implementation of IFRS 16 did not have a material impact on the consolidated financial statements, since changes for lessors were fairly minor and OET's obligations as a lessee are not significant. As a result, there was no adjustment in the balance of the opening retained earnings using the modified retrospective approach. Finally, as permitted by IFRS 16, the Group applied the practical expedient according to which a lessee is not required to separate non-lease components, and as such, it accounts for any lease and associated non lease components as a single arrangement.

Standards and amendments in issue not yet adopted

At the date of authorization of these consolidated financial statements, there were no standards relevant to the Company was in issue but not yet effective.

5. Critical Accounting Judgements 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 in use on an ongoing basis, by utilizing historical experience, consulting 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:

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 to determine whether a sale of a vessel has taken place, in accordance with the criteria established in IFRS 15. In this determination, an assessment of the indicative nature of any repurchase options is made. 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.

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.

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. The vessels' future cash flows from revenue are estimated based on a combination of the current contracted charter rates until their expiration and thereafter, until the end of the vessels' useful life, the estimated daily hire rate is based on the simple average of the historical 5-year time charter rates, for each of the Aframax, Suezmax and VLCC class. 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 a quarterly 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, 2019, the carrying amounts of the vessels owned by the Group were lower than their respective fair values, as determined taking into consideration independent broker valuations, hence there was no indication of impairment and as result the Group did not perform an impairment test.

As of December 31, 2018, the carrying amounts of the 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 December 31, 2018.

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 is 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 in operation. 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.

6. Inventories

Inventories are analysed as follows:

AS OF DECEMBER 31,	2019	2018
Bunkers	4,231,314	1,724,626
Lubricants	2,003,222	869,959
Provisions	215,227	92,585
Stores	102,694	—
Total	**6,552,457**	**2,687,170**

7. Vessels, Net

Vessels, net are analysed as follows:

	VESSELS' COST	DRY-DOCKING AND SPECIAL SURVEY COSTS	TOTAL
Cost			
Balance - April 30, 2018 (inception date)	—	—	—
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
Additions	923,769	—	923,769
Balance - December 31, 2018	**423,373,970**	**5,600,000**	**428,973,970**
Transfer from vessels under construction	619,403,197	7,000,000	626,403,197
Additions	9,471,975	300,505	9,772,480
Balance - December 31, 2019	**1,052,249,142**	**12,900,505**	**1,065,149,647**
Accumulated depreciation			
Balance, April 30, 2018 (inception)	—	—	—
Transfer of vessels at cost on acquisition of contributed companies	(23,277,682)	(1,997,656)	(25,275,338)
Charge for the period	(6,786,615)	(538,112)	(7,324,727)
Balance, December 31, 2018	**(30,064,297)**	**(2,535,768)**	**(32,600,065)**
Charge for the year	(22,839,957)	(1,716,711)	(24,556,668)
Balance - December 31, 2019	**(52,904,254)**	**(4,252,479)**	**(57,156,733)**
Net book value - December 31, 2018	**393,309,673**	**3,064,232**	**396,373,905**
Net book value - December 31, 2019	**999,344,888**	**8,648,026**	**1,007,992,914**

The Group has pledged the above vessels to secure the loan facilities granted to the Company (see Note 13).

8. Vessels Under Construction

Vessels under construction are analysed as follows:

Balance, April 30, 2018 (inception date)	—
Transfer of advances for vessels under construction at cost on acquisition	113,793,354
Capitalized Interest	1,264,441
Additions during the period	191,243,053
Transfers during the period to vessels, net	(68,089,036)
Balance - December 31, 2018	**238,211,812**
Transfer of advances for vessels under construction at cost on acquisition	12,901,000
Capitalized Interest	4,800,760
Additions during the year	426,756,574
Transfers during the year to vessels, net	(626,403,197)
Balance - December 31, 2019	**56,266,949**

9. Accrued Expenses

Accrued expenses are analysed as follows:

AS OF DECEMBER 31,	2019	2018
Accrued payroll related taxes	128,787	119,617
Accrued voyage expenses	480,969	45,684
Accrued loan interest	1,788,342	1,396,366
Accrued social insurance contributions	116,676	88,045
Accrued administrative expenses	99,384	13,553
Accrued operating expenses	1,328,671	64,898
Sundry liabilities	441,986	—
Total	**4,384,815**	**1,728,163**

10. Vessel Operating Expenses

Vessel operating expenses are analysed as follows:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Crew wages and other crew costs	16,567,638	5,242,658
Insurances	1,718,595	450,408
Stores	964,079	289,642
Spares	1,199,012	563,883
Repairs and surveys	1,197,652	310,205
Flag expenses	240,572	71,210
Lubricants	1,241,822	281,251
Telecommunication expenses	233,066	80,581
Miscellaneous expenses	1,089,495	470,446
Total	**24,451,931**	**7,760,285**

Certain prior period's amounts have been reclassified in order to be comparable to current year's classification.

11. Voyage Expenses

Voyage expenses are analysed as follows:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Port expenses	11,807,710	3,516,731
Bunkers	13,804,183	4,080,527
Other voyage expenses	126,772	60,685
Total	**25,738,665**	**7,657,943**

12. General & Administrative Expenses

General and administrative expenses are analysed as follows:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Employee costs	2,229,548	813,193
Directors' fees and expenses	466,700	199,663
Professional fees	331,430	15,618
Other expenses	301,350	39,487
Total	**3,329,028**	**1,067,961**

Auditors' remuneration for the years ended December 31, 2019 and December 31, 2018 was $170,385 (€153,500) and $155,500 (€140,000) respectively. The Company records audit fees as incurred and, as such, most of the expenditure has been recorded in 2019.

13. Long-Term Borrowings

The Companies have entered into loan agreements which are analysed as follows:

VESSEL/HULL NUMBER	OUTSTANDING LOAN BALANCE AS OF DECEMBER 31, 2019	OUTSTANDING LOAN FINANCING FEES AS OF DECEMBER 31, 2019	OUTSTANDING NET OF LOAN FINANCING FEES AS OF DECEMBER 31, 2019	INTEREST RATE (LIBOR(L)+ MARGIN)
Nissos Therassia	25,700,000	18,070	25,681,930	L+2.60%
Nissos Schinoussa	27,320,000	25,134	27,294,866	L+2.60%
Nissos Heraclea	29,380,000	112,247	29,267,753	L+2.25%
Milos	46,677,617	440,775	46,236,842	L+4.28%
Poliegos	41,595,510	412,203	41,183,307	L+4.64%
Kimolos	44,000,000	367,749	43,632,251	L+3.10%
Folegandros	39,500,000	346,200	39,153,800	L+3.10%
Nissos Rhenia	72,962,790	1,640,562	71,322,228	L+4.55%
Nissos Despotiko	73,322,022	1,658,527	71,663,495	L+4.55%
Nissos Santorini	73,558,362	1,670,044	71,888,318	L+4.55%
Nissos Antiparos	73,737,979	1,674,650	72,063,329	L+4.55%
Nissos Donoussa	57,833,000	578,108	57,254,892	L+2.50%
Nissos Kythnos	57,270,000	522,715	56,747,285	L+2.25%
Nissos Keros	58,175,000	561,089	57,613,911	L+2.25%
Hull 3090 (Nissos Anafi)	4,300,000	522,000	3,778,000	L+2.25%
Hull 8045	3,225,250	114,753	3,110,497	L+3.50%
Hull 8046	3,225,250	114,753	3,110,497	L+3.50%
Scrubber Financing	11,000,000	49,009	10,950,991	L+2.00%
Total	**742,782,780**	**10,828,588**	**731,954,192**	
Plus: Deferred financing fees included in non-current assets			751,505	
Total			**732,705,697**	

Therassia Marine Corp. and Ios Maritime Corp. have entered into bank loan facilities with HSH Nordbank for the partial financing of the acquired vessels. As at December 31, 2019 the Corporate Guarantor of the respective bank loan facilities was Kyklades Maritime Corporation ("Kyklades" or "Management Company").

Milos Marine Corp. has entered into a bank loan facility with BNP Paribas for the partial financing of the acquired vessel. As at December 31, 2019 the Corporate Guarantor of the respective bank loan facility was OET.

Except for the abovementioned bank loans, for all the other bank loans as at December 31, 2019 OET is the Corporate Guarantor.

Omega Three Marine Corp. and Omega Four Marine Corp. have entered into bank loan facilities with ALPHA BANK for the partial financing of the acquired vessels. As at December 31, 2018 the Corporate Guarantor of the bank loan facility with the above mentioned companies were Kyklades and the Company. Furthermore, Omega Four Marine Corp., entered on April 20, 2018 into a loan agreement with Bigal Shipping Corporation ("Bigal"), a related party for the provision of $6,730,000 of working capital. The loan carried an annual fixed interest rate of 3.00%. On 8 September 2018, the Company repaid $2,250,000 of the loan. On 7 December 2018, the $4,584,348 outstanding balance of the loan and interest incurred were fully repaid.

Omega Two Marine Corp (the "Omega Two") 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 penalty free purchase options at the end of the seventh, tenth and twelfth year. Omega Two received $47,000,000 in cash as part of the transaction, with $7,000,000 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 Two, and it is probable that Omega Two Marine Corp. 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 Two continues to technically manage, commercially charter, and operate the M/T Poliegos. Pursuant to this financing arrangement, Omega Two will pay a daily bareboat charter rate of $11,550, plus interest pursuant to USD Libor adjustment. The outstanding balance as of December 31, 2019 and 2018 was $41,595,510 and $43,828,758 respectively.

On December 19, 2018, Anassa Navigation S.A. entered into a loan agreement with Credit Suisse AG for the financing of "Nissos Kythnos". The total proceeds of the loan were $58,125,000. The loan bears annual interest of LIBOR plus a margin of 2.25%.

On January 19, 2019, Omega One Marine Corp. entered into a debt financing transaction with Ocean Yield Malta. On January 19, 2019, Milos Marine Corp. transferred the M/T Milos to Ocean Yield Malta (the "original buyer") for an agreed consideration of $56,000,000, 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 Marine Corp. received $49,000,000 in cash as part of the transaction, with $7,000,000 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.

On January 24, 2019, Arethusa Shipping Corp. entered into a loan agreement with BNP Paribas for the financing of Hull 3089. The total proceeds of the loan were $58,175,000. The loan bears annual interest of LIBOR plus a margin of 2.25%.

On February 14, 2019, Nellmare Marine Ltd. entered into a loan agreement with ABN Amro for the financing of Hull 3050. The total proceeds of the loan were $59,000,000. The loan bears annual interest of LIBOR plus a margin of 2.50%.

On February 27, 2019, Moonsprite Shipping Corp. entered into a loan agreement with Credit Agricole Corporate and 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 $58,000,000. The loan agreement permits pre-delivery financing of $4,300,000 which as at December 31, 2019 had been drawn down in full. The loan bears annual interest of LIBOR plus a margin of 2.25%.

On May 3, 2019, Omega Five Marine Corp. entered into a debt financing transaction with OCY KNIGHT 1 LIMITED. On May 3, 2019, Omega Five Marine Corp. transferred the "Nissos Rhenia" to OCY KNIGHT 1 LIMITED (the "original buyer") for an agreed consideration of $83,750,000 and loan related fees $1,010,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 15 years, with purchase options at the end of the seventh, tenth, twelfth and fourteenth year for an amount of $49,830,000, $36,300,000, $25,860,000 and $14,170,000 respectively. Omega Five Marine Corp. received $75,260,000 in cash as part of the transaction, with $9,500,000 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 not evaluated in accordance with IFRS 16, but treated as a financing transaction and the "Nissos Rhenia" 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 Five Marine Corp., and it is probable that Omega Five Marine Corp. will exercise the purchase option by the end of year 14. Pursuant to this financing arrangement, Omega Five Marine Corp., will pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD Libor adjustment. The outstanding balance as of December 31, 2019 was $72,962,790.

On June 10, 2019, Omega Seven Marine Corp. entered into a debt financing transaction with OCY KNIGHT 2 LIMITED. On June 10, 2019, Omega Seven Marine Corp. transferred the "Nissos Despotiko" to OCY KNIGHT 2 LIMITED (the "original buyer") for an agreed consideration of $83,750,000 and loan related fees $1,010,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 15 years, with purchase options at the end of the seventh, tenth, twelfth and fourteenth year for an amount of $49,830,000, $36,300,000, $25,860,000 and $14,170,000 respectively. Omega Seven Marine Corp. received $75,260,000 in cash as part of the transaction, with $9,500,000 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 not evaluated in accordance with IFRS 16, but treated as a financing transaction and the "Nissos Despotiko" 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 Seven Marine Corp., and it is probable that Omega Seven Marine Corp. will exercise the purchase option by the end of year 14. Pursuant to this financing arrangement, Omega Seven Marine Corp., will pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD Libor adjustment. The outstanding balance as of December 31, 2019 was $73,322,022.

On July 5, 2019, Omega Nine Marine Corp. entered into a debt financing transaction with OCY KNIGHT 3 LIMITED. On July 5, 2019, Omega Nine Marine Corp. transferred the "Nissos Santorini" to OCY KNIGHT 3 LIMITED (the "original buyer") for an agreed consideration of $83,750,000 and loan related fees $1,010,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 15 years, with purchase options at the end of the seventh, tenth, twelfth and fourteenth year for an amount of $49,830,000, $36,300,000, $25,860,000 and $14,170,000 respectively. Omega Nine Marine Corp. received $75,260,000 in cash as part of the transaction, with $9,500,000 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 not evaluated in accordance with IFRS 16, but treated as a financing transaction and the "Nissos Santorini" 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 Nine Marine Corp., and it is probable that Omega Nine Marine Corp. will exercise the purchase option by the end of year 14. Pursuant to this financing arrangement, Omega Nine Marine Corp., will pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD Libor adjustment. The outstanding balance as of December 31, 2019 was $73,558,362.

On June 27, 2019, Okeanis Eco Tankers Corp. entered into a loan agreement with BNP PARIBAS for its scrubber retrofit project. The total proceeds of the loan was $11,000,000. The facility carries an interest rate over Libor of 2.00%, a 5-year tenor, and a 4-year repayment profile beginning one year after drawdown. The loan has been drawn in full as at December 31, 2019.

On July 24, 2019, Omega Eleven Marine Corp. entered into a debt financing transaction with OCY KNIGHT 4 LIMITED. On July 24, 2019, Omega Nine Marine Corp. transferred the "Nissos Antiparos" to OCY KNIGHT 4 LIMITED (the "original buyer") for an agreed consideration of $83,750,000 and loan related fees $1,010,000, and, as part of the agreement, bareboat chartered the vessel back for a period of 15 years, with purchase options at the end of the seventh, tenth, twelfth and fourteenth year for an amount of $49,830,000, $36,300,000, $25,860,000 and $14,170,000 respectively. Omega Eleven Marine Corp. received $75,260,000 in cash as part of the transaction, with $9,500,000 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 not evaluated in accordance with IFRS 16, but treated as a financing transaction and the "Nissos Antiparos" 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 Eleven Marine Corp., and it is probable that Omega Eleven Marine Corp. will exercise the purchase option by the end of year 14. Pursuant to this financing arrangement, Omega Eleven Marine Corp., will pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD Libor adjustment. The outstanding balance as of December 31, 2019 was $73,737,979.

On October 22, 2019, Omega Six and Omega Ten entered into a loan agreement with Alpha Bank, for an amount of $45,901,000 for the financing of 88.95% of the Hulls 8045 and 8046 respectively. The loan bears annual interest of LIBOR plus a margin of 3.50%. As at December 31, 2019 the Company had drawn the amount of $6,450,500.

Long-term debt net of current portion and current portion of long-term borrowings are analysed as follows:

	LONG-TERM BORROWINGS, NET OF CURRENT PORTION	CURRENT PORTION OF LONG-TERM BORROWINGS	TOTAL
Outstanding loan balance	692,472,920	50,309,859	742,782,779
Loan financing fees	(8,796,536)	(1,280,546)	(10,077,082)
Total	**683,676,384**	**49,029,313**	**732,705,697**

The loans are repayable as follows:

AS OF DECEMBER 31,	2019	2018
No later than one year	50,309,859	23,174,710
Later than one year and not later than five years	225,457,882	222,439,616
Thereafter	467,015,038	96,823,911
Total	**742,782,779**	**342,438,237**
Less: Amounts due for settlement within 12 months	(50,309,859)	(23,174,710)
Long-term borrowings	**692,472,920**	**319,263,527**

Cash flow reconciliation of liabilities arising from financing activities:

Long-term borrowings - January 1, 2019	**339,888,197**
Cash flows - drawdowns	456,390,500
Cash flows - repayments	(56,045,958)
Deferred financing fees transferred to long-term borrowings on drawdown date during 2019	(537,866)
Loan financing fees incurred during 2019	(8,921,750)
Non-cash flows - amortisation of loan financing fees	1,932,574
Long-term borrowings - December 31, 2019	**732,705,697**

Interest expense and finance lease cost amounting to $28,237,030 for the year ended December 31, 2019, is included under "Interest and other 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 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. These mainly consist of:

- A hull cover ratio, being the ratio of a mortgaged vessel's fair market value over its respective outstanding debt, of no less than the percentage of 130%.
- A hull cover ratio, being the ratio of a mortgaged vessel's excess fair market values due to the scrubber installations over the respective outstanding debt, of no less than the percentage of 150%.
- Minimum corporate liquidity, being the higher of $10,000,000 and $750,000 per vessel, in the form of free and unencumbered cash and cash equivalents.
- A ratio of total debt to total equity of no more than 75%.

As at December 31, 2019, the Group was in compliance with its loan covenants.

Unused sources of liquidity

On December 3, 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 $15,000,000. 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, as amended, is up to December 31, 2020, which is also the final maturity date of the facility when all outstanding principal and accrued interest is due for repayment. As of December 31, 2019 the Company has not drawn on this facility.

14. Transactions and Balances with Related Parties

The Company has entered into management agreements with OET Chartering Inc. (a fully owned subsidiary) as commercial manager and Kyklades Maritime Corporation ("Kyklades" or the "Management Company") as technical manager. Kyklades provides the vessels with a wide range of shipping services such as technical support, maintenance and insurance consulting in exchange for a daily fee of $600 per vessel, which is reflected under management fees in the consolidated statement of profit or loss and other comprehensive income. For the year ended December 31, 2019 and December 31, 2018, total technical management fees amounted to $2,186,400 and $735,600, respectively.

The below table presents and analyzes the outstanding amounts due to the Management Company, one of its Shareholders, to private related-party vessel owning companies from the Company, as well as amounts due to members of the Company's Board.

AS OF DECEMBER 31,	2019	2018
Amounts due to Management Company	443,502	372,184
Amounts due to FRPEs, net	—	2,127,840
Amounts payable to Shareholders	12,401,000	—
Amounts payable to Board of Directors members	279,253	112,500
Total	**13,123,755**	**2,612,524**

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 technical management agreements.

"FRPEs" are "Family Related Party Entities" – principally non-eco vessel owning companies privately owned by the Alafouzos family. In the period prior to the contribution of the Contributed Companies from Okeanis Marine Holdings SA ("OMH") to the Company (i.e., when they were beneficially owned 100% by OMH), for the sake of operational convenience various expenses or other liabilities of the Contributed Companies were paid by the FRPEs and recorded as unsecured amounts payable, with no fixed terms of payment, from the Contributed Companies to the FRPEs. Examples of the types of expenses and liabilities giving rise to such payables due to the FRPEs include, without limitation: (i) bunker fuel (ii) port expenses; and, (iii) canal fees.

Amounts payable to shareholders concern payments made from Mr. Ioannis Alafouzos, a significant shareholder through his ownership interest at Glafki, Chairman and CEO, in respect of the two scrubber-fitted 158,000 DWT Suezmax tankers under construction. The Company exercised its option to acquire the two Suezmaxes, thus having currently the liability to repay its shareholder. The transaction was consummated by OET acquiring a 100% ownership interest in two companies, each of which being a party to the respective shipbuilding contract with the shipyard.

Current accounts due from related parties as at December 31, 2019 amounting to $1,837,052 compared to an amount of $396,291 represent amounts provided to non-eco vessel owning companies privately owned by members of the Alafouzos family, for working capital purposes.

All balances noted above are unsecured, interest-free and with no fixed terms of payment.

Key management and Directors' remuneration

Each of the Company's directors, except for the Chairman of the Board of Directors, is entitled to an annual fee of $75,000. Directors' fees for the year ended December 31, 2019 amounted to $375,000 (2018: $187,500), and the payable amount as of December 31, 2019 was $279,253 (2018: $112,500). In addition, each director is entitled to a reimbursement for travelling and other minor out-of-pocket expenses.

Furthermore, OET Chartering Inc. and OET provide compensation to members of its key management personnel, which comprise its CEO, CFO and COO. The remuneration structure comprises salaries, bonuses, insurance cover (covering also the members of the Board of Directors), telecommunications and other benefits which are minor in nature. For the year ended December 31, 2019 and 2018, key management personnel remuneration, covering all the above, amounted to $516,000 and $392,724, respectively. There was no amount payable related to key management remuneration as of December 31, 2019 and 2018.

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.

The table below sets forth the number of shares beneficially owned by each of the Company's members of the Board of Directors and key management, as at December 31, 2019:

NAME	POSITION	NUMBER OF SHARES HELD	SHAREHOLDING % (DIRECT AND INDIRECT)
Ioannis A. Alafouzos	Chairman and CEO	18,658,786	56.73%
Daniel Gold	Director	2,083,650	6.34%
Robert Knapp	Director	1,830,000	5.56%
Joshua Nemser	Director	1,498,053	4.55%
John Kittmer	Director	—	0.00%
Charlotte Stratos	Director	—	0.00%
Aristidis Alafouzos	COO	19,800	0.06%
John Papaioannou	CFO	6,000	0.02%

15. 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 $194,768,966 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).

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 $96,045,719.

On December 3, 2018, the Company 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 $28,573,833. The Company does not currently hold any treasury shares.

On March 5, 2019, the board of directors of the Oslo Stock Exchange approved the Company's listing application to trading on Oslo Axess. All the shares rank in parity with one another and carry one vote per share. Trading in the shares on Oslo Axess commenced on March 8, 2019, under the trading symbol "OET".

On May 14, 2019, the Company successfully conducted a private placement, raising gross proceeds of $15,000,000 through the placement of 1,580,000 new common shares at a subscription price of NOK 83 per share.

On August 30, 2019 the Company purchased 150,149 of its own shares for an aggregate consideration of $1,010,155 at an average price of NOK 61 per share.

As of December 31, 2019, the Company had 32,739,851 shares outstanding (net of 150,149 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 movement in the Company's outstanding share capital for the period from incorporation to December 31, 2019 hereof:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	NO. OF ISSUED SHARES	PAR VALUE PER SHARE
April 30, 2018	Incorporation	10	10	10,000	0.001
June 28, 2018	In-kind issue	15,990	16,000	16,000,000	0.001
June 28, 2018	Private placement at NOK 72 per share	11,400	27,400	27,400,000	0.001
December 3, 2018	Private placement at NOK 66 per share	3,910	31,310	31,310,000	0.001
May 14, 2019	Issuance of shares in third offering at NOK 83 per share	1,580	32,890	32,890,000	0.001
August 30, 2019	Share buy-back	—	—	32,739,851	0.001

Major Shareholders as at December 31, 2019

NAME	HOLDING OF SHARES	% STAKE
ALAFOUZOS FAMILY	18,678,586	56.79%
STATE STREET BANK AND TRUST COMP	1,808,650	5.50%
VR GLOBAL PARTNERS LP	1,195,453	3.63%
EUROCLEAR BANK S.A./N.V.	1,030,560	3.13%
CREDIT SUISSE SECURITIES	795,543	2.42%
VERDIPAPIRFONDET KLP AKSJENORGE	753,697	2.29%
TYCOON INDUSTRIER AS	722,128	2.20%
KOMMUNAL LANDSPENSJONSKASSE	566,192	1.72%
BROWN BROTHERS HARRIMAN (LUX.) SCA	539,706	1.64%
SPETALEN, OYSTEIN STRAY	537,000	1.63%
SKANDINAVISKA ENSKILDA BANKEN	475,662	1.45%
AS AUDLEY	432,000	1.31%
SAGA TANKERS ASA	322,421	0.98%
TITAN OPPORTUNITIES FUND IC SICAV	253,500	0.77%
DEUTCHE BANK AKTIENGESELLSCHAFT	250,000	0.76%
THE BANK OF NEW YORK MELON	228,500	0.69%
ALTITUDE CAPITAL AS	219,362	0.67%
VERDIPAPIRFONDET DELPHI NORGE	211,000	0.64%
VERDIPAPIRFONDET NORDEA NORGE VERD	181,888	0.55%
OKEANIS ECO TANKERS CORP.	150,149	0.46%
Top 20 Shareholders	**29,351,997**	**89.24%**
OTHER SHAREHOLDERS	3,538,003	10.76%
Total	**32,890,000**	**100.00%**

16. 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, interest rate risk and liquidity 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 year/period ended December 31, 2019 by $2,357,490 (2018:$ 605,449) assuming all other variables held constant.

- *Liquidity risk*
  Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group minimizes liquidity risk by maintaining sufficient cash and cash equivalents.
  The following table details the Group's expected cash outflows for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Variable future interest payments were determined based on the one month LIBOR as of December 31, 2019 of 1.75%, plus the margin applicable to the Group's loan at the end of the period presented.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 2019							
Trade payables		—	—	13,953,070	—	—	13,953,070
Accrued expenses		—	—	4,384,815	—	—	4,384,815
Current accounts due to related parties		—	—	13,123,755	—	—	13,123,755
Variable interest loans	4.39%	6,336,824	7,149,647	36,405,914	186,324,609	186,539,200	422,756,194
Variable interest for debt financing	6.27%	3,454,076	7,160,603	32,041,586	166,736,878	385,599,187	594,992,330
Total		**9,790,900**	**14,310,250**	**99,909,140**	**353,061,487**	**572,138,387**	**1,049,210,164**

Variable interest for debt financing concerns sale & lease back transactions being accounted for as debt financing arrangements (refer Note 13).

17. Commitments and Contingencies

Commitments under shipbuilding contracts

As of December 31, 2019, the Group had commitments under three shipbuilding contracts for the acquisition of three newbuildings (refer Note 1) amounting to $163,358,500 which are expected to be settled within 2020.

Commitments under time charter agreements (Lessor)

Future minimum contractual charter revenue, based on vessels committed non-cancellable, long-term time charter agreements, net of address commissions, were as follows, as of December 31, 2019:

Less than one year	45,603,726
One to three years	21,740,099
Total	**67,343,825**

Commitments under Operating Leases (Lessee)

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 Alafouzos family. The lease agreement provided for a monthly rental of €890 (approximately $997, using the exchange rate as of December 31, 2019, which was $1.1199 per euro). Future rental expense was as follows, as of December 31, 2019:

Less than one year	11,960
One to three years	6,977
Total	**18,937**

Commitments under Contracts to purchase Exhaust Gas Cleaning System ("EGCS" or "Scrubber")

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 contractual commitment for these Scrubbers, including hardware and installation costs, as at December 31, 2019 amounted to $5,546,240, expected to be settled within 2020.

18. Earnings/(Loss) per Share

Basic and diluted earnings/(loss) per share for the year/period ended December 31, 2019 and 2018, are presented below:

Earnings/(loss) per Share, Basic

AS OF DECEMBER 31,	2019	2018
From continuing operations	0.35	(0.14)
Earnings/(loss) per share, basic and diluted	**0.35**	**(0.14)**

The profit/(loss) and weighted average number of common shares used in the calculation of basic and diluted earnings/(loss) per share are as follows:

AS OF DECEMBER 31,	2019	2018
Profit/(loss) for the year/period attributable to the Owners of the Group	11,384,356	(3,018,755)
Weighted average number of common shares outstanding in the year/period	32,263,264	21,250,898
Earnings/(loss) per share, basic and diluted	**0.35**	**(0.14)**

During the year ended December 31, 2019 and the period ended December 31, 2018, there were no potentially anti-dilutive instruments affecting weighted average number of shares, and hence diluted loss per share equals basic loss per share for the year/period presented.

19. Claims Receivable

As of December 31, 2019, the Group has recognized and presented under "Claims receivable" in the consolidated statement of financial position, receivable amounts from vessel insurers totalling $92,608 relating mainly to guarantees from yards as well as various other between claims. The respective amount as of December 31, 2018 was $4,925,568 relating to hull and machinery and protection & indemnity claims for certain vessels in the Group's fleet. The recognition of the respective receivable claims in the consolidated statement of financial position was made since realization of the claimable amounts from the insurers in the short-term was or is deemed highly probable.

20. 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.

The Group monitors capital using gearing ratio, which is total debt divided by total equity plus total debt, and its calculation is presented below:

	AS OF DECEMBER 31, 2019
Total borrowings	732,705,697
Total equity	341,694,303
Gearing ratio	**68%**

21. Lease and Non-Lease Components of Revenue

IFRS 16 requires the identification of lease and non-lease components of revenue and account for each component in accordance with the applicable accounting standard. Regarding Time-charter arrangements, we have concluded that the direct lease component concerns the vessel and indirectly, the non-lease component concerns the technical management services provided to operate the vessel.

These components are being accounted for as follows:

- All fixed lease revenue earned under these arrangements will be recognized on a straight-line basis over the term of the lease.
- Lease revenue earned under our pool arrangements will be recognized as it is earned, since it is 100% variable.
- The non-lease component will be accounted for as services revenue under IFRS 15. This revenue will be recognized 'over time' as the customer (i.e. the pool or the charterer) is simultaneously receiving and consuming the benefits of the service.

The below table analyses revenue generated under Time Charter arrangements:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Lease Component	33,720,301	7,485,683
Non-Lease Component	13,152,314	5,232,421
Total	**46,872,615**	**12,718,104**

22. Interest and Other Finance Costs

Interest and finance related costs for the year/period ended December 31, 2019 and 2018, are presented below:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Interest expense	28,237,030	6,939,757
Amortization of loan financing fees	1,932,574	471,838
Bank charges and loan commitment fees	3,675,265	126,897
Other finance costs	165,591	27,373
Total	**34,010,460**	**7,565,865**

23. Other expenses, net

Other expenses, net for the year ended December 31, 2019 relate to income recognized from claims of $359,038 reduced by one-off legal fees of $855,312 paid to professional advisors of the Company in respect of the arbitration process against Ocean Yield.

There were no items of other expenses, net for the year ended December 31, 2018.

24. Subsequent Events

In January 2020, the Company took delivery of the eighth VLCC of its newbuilding program with Hyundai Heavy Industries, Nissos Anafi (Hull 3090).

In October 2019, four single-purpose companies (the "Charter Guarantors") wholly owned by the Company that each operate one VLCC on long-term bareboat charter from Ocean Yield ASA ("Ocean Yield") gave notice to Ocean Yield requiring the sale of those four VLCCs (the "Vessels") back to the Charter Guarantors for 103% of the Vessels' cumulative outstanding lease amount, plus certain breakage fees. Ocean Yield disputed the Charter Guarantors' right to require such sales under the bareboat charters. The matter was subsequently referred to four arbitrations that were heard on a concurrent and expedited basis. The Tribunal dealt only with issues of liability (i.e. questions relevant to determining the Charter Guarantors' right to require such sales and the terms) and did not decide issues relating to legal costs. In February 2020, the Company lost its arbitration claim against Ocean Yield. The effect of the arbitration award is that the Vessels remained on their existing long-term bareboat charters. The Company is in the process of settling reimbursement of legal costs incurred by Ocean Yield, with the final amount anticipated to be in the range of $0.7 - $0.9 million and to be settled within Q2 2020.

In March 2020, the Company purchased 113,934 of its own shares for an aggregate consideration of USD 0.7 million at an average price of NOK 57.3 per share.

On March 11, 2020, the World Health Organization declared the 2019 Novel Coronavirus (the "Covid-19") outbreak a pandemic. In response to the outbreak, many countries, ports and organizations, including those where the Company conducts a large part of its operations, have implemented measures to combat the outbreak, such as quarantines and travel restrictions. Such measures have and will likely continue to cause severe trade disruptions.

The extent to which Covid-19 will impact the Company's results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the virus and the actions to contain or treat its impact, among others. Accordingly, an estimate of the impact cannot be made at this time.

Subsequent to year-end, the Company secured a minimum financing of 70% of the remaining contract price relating to its two Suezmax newbuilding vessel commitments, which are included and described in Note 17.

In April 2020, the Company purchased 250,000 of its own shares at an average price of NOK 57.5 per share.

Also in April 2020, the Company entered into a three year time charter contract with a leading international energy company for one of its VLCC vessels.

PARENT COMPANY FINANCIAL STATEMENTS

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

Parent Company Financial Statements for the Year Ended December 31, 2019 and Independent Auditor's Report.

Index to Parent Company Financial Statements

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Independent Auditor's Report

To the Shareholders
of Okeanis Eco Tankers Corp.

Opinion

We have audited the financial statements of Okeanis Eco Tankers Corp. (the "Company"), which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and its financial performance and its cash flows for the year 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 Company 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.

Other information

Management is responsible for other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 IFRSs, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

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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 Company'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 Company'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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Certified Public Accountants S.A.

April 13, 2020
Athens, Greece

MAKING AN IMPACT THAT MATTERS since 1845

Okeanis Eco Tankers Corp.
Statement of profit or loss and other comprehensive income
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019	FOR THE PERIOD FROM APRIL 30, 2018 (INCEPTION) TO DECEMBER 31, 2018
General and administrative expenses	5	(1,143,023)	(376,175)
Total expenses		**(1,143,023)**	**(376,175)**
Operating loss		**(1,143,023)**	**(376,175)**
Other income/(expenses)			
Interest income		87,890	176,025
Interest and other finance costs	11	(533,552)	(28,084)
Foreign exchange loss		(8,578)	(95)
Total other income/(expenses), net		**(454,240)**	**147,846**
Loss for the year/period		**(1,597,263)**	**(228,329)**
Other comprehensive income		—	—
Total comprehensive loss for the year/period		**(1,597,263)**	**(228,329)**
Loss per share from continuing operations, basic and diluted	10	($0.05)	($0.01)
Weighted average no. of shares - basic & diluted		32,263,264	21,250,898

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

Okeanis Eco Tankers Corp.
Statement of financial position
As of December 31, 2019 and 2018
(All amounts expressed in U.S. Dollars)

	NOTES	AS AT DECEMBER 31 2019	AS AT DECEMBER 31 2018
Assets			
Non-current assets			
Investment in subsidiaries	4	329,063,980	296,016,970
Total non-current assets		**329,063,980**	**296,016,970**
Current assets			
Other receivables		40	—
Current accounts due from related parties	6	13,672,498	18,677,400
Cash & cash equivalents		242,023	5,133,865
Total current assets		**13,914,561**	**23,811,265**
Total assets		**342,978,541**	**319,828,235**
Shareholder's equity & liabilities			
Shareholder's equity			
Share capital	7	32,890	31,310
Additional paid in capital	7	334,355,638	319,357,218
Treasury shares	7	(1,010,155)	—
Accumulated losses		(1,825,592)	(228,329)
Total-Shareholder's equity		**331,552,781**	**319,160,199**
Non-Current liabilities			
Long-term borrowings, net of current portion	12	8,900,094	—
Total non-current liabilities		**8,900,094**	**—**
Current Liabilities			
Trade payables	8	190,179	555,536
Accrued expenses	8	5,336	—
Current accounts due to related parties	6	279,253	112,500
Current portion of long-term borrowings	12	2,050,898	—
Total current liabilities		**2,525,666**	**668,036**
Total liabilities		**11,425,760**	**668,036**
Total shareholder's equity & liabilities		**342,978,541**	**319,828,235**

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

Okeanis Eco Tankers Corp.
Statement of changes in shareholder's equity
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts, expressed in U.S. Dollars, except for number of shares)

	NOTE	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	TREASURY SHARES	ACCUMULATED LOSSES	TOTAL
Balance April 30, 2018, (inception)		—	—	—	—	—	—
Issuance of shares on incorporation	7	10,000	10	—	—	—	10
Issuance of shares in exchange for acquisition of ownership in contributed companies	7	15,990,000	15,990	194,752,976	—	—	194,768,966
Issuance of shares in initial offering at NOK 72 per share	7	11,400,000	11,400	96,034,319	—	—	96,045,719
Issuance of shares in second offering at NOK 66 per share	7	3,910,000	3,910	28,569,923	—	—	28,573,833
Loss for the period		—	—	—	—	(228,329)	(228,329)
Balance - December 31, 2018		**31,310,000**	**31,310**	**319,357,218**	**—**	**(228,329)**	**319,160,199**
Issuance of shares in third offering at NOK 83 per share	7	1,580,000	1,580	14,998,420	—	—	15,000,000
Acquisition of equity shares at NOK 61 per share	7	(150,149)	—	—	(1,010,155)	—	(1,010,155)
Loss for the year		—	—	—	—	(1,597,263)	(1,597,263)
Balance - December 31, 2019		**32,739,851**	**32,890**	**334,355,638**	**(1,010,155)**	**(1,825,592)**	**331,552,781**

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

Okeanis Eco Tankers Corp.
Statement of cash flows
For the years ended December 31, 2019 and the period from inception (April 30, 2018) to December 31, 2018
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019	FOR THE PERIOD FROM APRIL 30, 2018 (INCEPTION) TO DECEMBER 31, 2018
Cash flows from operating activities:			
Loss for the year/period		(1,597,263)	(228,329)
Adjustments to reconcile loss to net cash used in operating activities:			
Interest expense	11	237,644	—
Amortization of loan financing fees		5,991	—
Interest income		(87,890)	(176,025)
Other non-cash items		(12,337)	—
Foreign exchange differences		8,578	—
Changes in working capital:			
Prepaid expenses and other current assets		(40)	—
Trade payables		258,603	170,087
Accrued expenses		5,336	—
Interest paid		(233,885)	—
Net cash used in operating activities		**(1,415,263)**	**(234,267)**
Cash flows from investing activities:			
Current accounts due from related parties		5,004,902	(18,677,400)
Investment in subsidiaries		(33,047,010)	(101,248,005)
Interest received		87,890	176,025
Net cash used in investing activities		**(27,954,218)**	**(119,749,380)**
Cash flows from financing activities:			
Proceeds from long-term borrowings	12	11,000,000	—
Proceeds from private placement	7	15,000,000	125,634,195
Payments for offering expenses		(623,959)	(516,683)
Current accounts due to related parties	6	166,753	—
Payment of loan arrangement fees		(55,000)	—
Acquisition of treasury stock	7	(1,010,155)	—
Net cash provided by financing activities		**24,477,639**	**125,117,512**
Net change in cash and cash equivalents		(4,891,842)	5,133,865
Cash and cash equivalents at beginning of the year/period		5,133,865	—
Cash and cash equivalents at the end of the year/period		**242,023**	**5,133,865**
Supplemental cash flow information			
Offering expenses included in trade payables		—	497,950

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

Okeanis Eco Tankers Corp.
Notes to the financial statements
For the period ended December 31, 2019
(All amounts expressed in U.S. Dollars, except for number of shares)

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 ("Glafki") through voting interest. Glafki is owned by Ioannis Alafouzos and Themistoklis Alafouzos. The Company was founded for the purpose of acquiring a 100% ownership interest in sixteen companies, fifteen of which owned a vessel on the water or a newbuilding under construction and a commercial management company (OET Chartering Inc.). OET is through its subsidiaries engaged in the operation of and investment in tanker vessels. The Company's shares are traded on the Oslo Axess Market under the symbol "OET".

The table below sets forth an overview of the Company's wholly owned subsidiaries (the "Contributed Companies"), as well as their function:

COMPANY NAME	DATE OF CONTRIBUTION FROM OKEANIS	INCORPORATED	INTEREST HELD BY OET
Therassia Marine Corp.	June 28, 2018	Liberia	100%
Milos Marine Corp.	June 28, 2018	Liberia	100%
Ios Maritime Corp.	June 28, 2018	Liberia	100%
Omega One Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Two Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Three Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Four Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Five Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Seven Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Nine Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Eleven Marine Corp.	June 28, 2018	Marshall Islands	100%
Nellmare Marine Ltd	June 28, 2018	Marshall Islands	100%
Anassa Navigation S.A.	June 28, 2018	Marshall Islands	100%
Arethusa Shipping Ltd.	June 28, 2018	Marshall Islands	100%
Omega Six Marine Corp.	October 9, 2019	Marshall Islands	100%
Omega Ten Marine Corp.	October 9, 2019	Marshall Islands	100%
Moonsprite Shipping Corp.	June 28, 2018	Marshall Islands	100%
OET Chartering Inc.	June 28, 2018	Marshall Islands	100%

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:

DESCRIPTION	AMOUNT IN U.S. DOLLARS
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)
Total	**194,768,966**

On October 9, 2019, the Company gained control over the companies Omega Six Marine Corp. and Omega Ten Marine Corp., when Okeanis Marine Holdings transferred the companies' common shares to the Company without compensation. Consequently, the companies were consolidated as at December 31, 2019 in the Company's consolidated financial statements and all inter-company balances and transactions were eliminated in full on consolidation.

The following major classes of assets and liabilities of the aforementioned companies were acquired by OET on October 9, 2019:

DESCRIPTION	AMOUNT IN U.S. DOLLARS
Advances for vessels under construction	12,901,000
Payables to shareholders	(12,901,000)
Accrued expenses	(26,775)
Total	**(26,775)**

2. Basis of Preparation and Statement of Compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (the "IASB"). The financial statements are expressed in United States Dollars ($) since this is the currency in which the majority of the Company's transactions are denominated. The financial statements have been prepared on the historical cost basis.

Certain prior year comparatives have been reclassified to conform to current year's presentation.

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

3. Summary of Significant Accounting Policies

Use of estimates

TThe preparation of the 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 financial statements, and the stated amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

The Company 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 cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Interest income

The Company's interest income comprises interest earned from short-term time deposits.

Investment in subsidiaries

The Company's investments in the wholly owned subsidiaries are recorded at cost. When necessary, the carrying amount of each of the Company's investments separately, is tested for impairment in accordance with IAS 36 Impairment of Assets, by comparing the investment's recoverable amount with its carrying amount. During the year ended December 31, 2019, no impairment charges were deemed necessary regarding the Company's investments.

Foreign currency translation

The functional currency of the Company is the U.S. dollar because the majority of the Company's transactions are denominated 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 statement of financial position date. Any resulting foreign exchange differences are reflected under foreign exchange gains/ (losses) in the statement of profit or loss and other comprehensive income.

Cash flow statement policy

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

Earnings/ (loss) per share

Basic earnings/ (loss) per share is calculated by dividing income/ (loss) attributable to equity holders of OET by the weighted average number of common shares outstanding. Diluted earnings/(loss) per share is calculated by adjusting income/ (loss) 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 Company applies the if-converted method when determining diluted earnings/ (loss) 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 year ended December 31, 2019, there were no potentially dilutive items.

Taxation

The Company is not subject to tax on international shipping income since its country of incorporation do not impose such taxes.

Provisions and contingencies

Provisions are recognized when the Company 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 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 financial statements but are disclosed when an inflow of economic benefits is probable.

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 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 statement of financial position for cash and cash equivalents, other receivables and other current liabilities, approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised IFRSs in issue not yet effective

There are no new or revised standards and amendments and interpretations to existing standards which are effective in accounting periods beginning on or after January 1, 2019 or later periods that will have a material impact on the Company's financial statements.

4. Investment in Subsidiaries

As of 31 December 2019 and 2018, the Company had the following investment in subsidiaries:

AS OF DECEMBER 31,	2019	2018
CONTRIBUTED COMPANIES	179,458,102	194,768,966
OMEGA FOUR MARINE CORP.	8,138,670	7,706,206
OMEGA SIX MARINE CORP.	500,000	—
OMEGA FIVE MARINE CORP.	6,259,302	1,890,818
OMEGA SEVEN MARINE CORP.	14,724,074	9,861,862
OMEGA NINE MARINE CORP.	6,346,150	716,862
OMEGA ELEVEN MARINE CORP.	—	715,162
MOONSPRITE SHIPPING CORP.	33,460,936	17,900,000
ARETHUSA SHIPPING LTD	33,208,036	26,850,000
ANASSA NAVIGATION SA	23,872,230	18,079,094
NELLMARE MARINE LTD	23,096,480	17,528,000
Total	**329,063,980**	**296,016,970**

5. General and Administrative Expenses

General and administrative expenses are analysed as follows:

FOR THE YEAR/PERIOD ENDED DECEMBER 31,	2019	2018
Personnel insurances	40,000	96,850
Professional fees	328,292	15,618
Directors' fees and expenses	449,636	176,422
Other expenses	325,095	87,285
Total	**1,143,023**	**376,175**

6. Transactions and Balances with Related Parties

Current accounts due from related parties are analysed as follows:

AS OF DECEMBER 31,	2019	2018
Amounts due from FRPEs	4,716,645	—
Amounts due from vessel-owning subsidiaries	8,781,297	8,572,400
Amounts due from OET Chartering Inc.	174,556	10,105,000
Total	**13,672,498**	**18,677,400**

Current accounts due from FRPEs - Family Related Party Entities principally non-eco vessel owning companies privately owned by the Alafouzos family amounting to $4,716,645 as at December 31, 2019, represent amounts provided to vessel owning companies for working capital purposes. All these balances are unsecured and with no fixed terms of payment.

Current accounts due from subsidiaries companies, which are fully owned by OET, amounting to $8,781,297 and $8,572,400 as at December 31, 2019 and 2018, respectively, represent amounts provided to vessel owning companies for working capital purposes. All these balances are unsecured and with no fixed terms of payment.

Current accounts due from OET Chartering Inc., which is fully owned by OET, amounting to $174,556 and $10,105,000 as at December 31, 2019 and 2018, respectively, represent amounts transferred to a subsidiary Company for depository purposes. More specifically, the Company has transferred funds to a wholly owned subsidiary, where these are placed on time deposits to optimize capital management. These deposits are of a short-term nature and reset on a frequent basis, bearing market interest rates.

Current accounts due to related parties of $279,253 and $112,200 as at December 31, 2019 and 2018, respectively, concern fees payable to the members of the Board of Directors as remuneration for services provided.

Key management and Directors' remuneration

Each of the Company's directors, except for the Chairman of the Board of Directors, is entitled to an annual fee of $75,000. Directors' fees for the years ended December 31, 2019 and 2018 amounted to $375,000 and $187,500, respectively. In addition, each director is entitled to a reimbursement for travelling and other minor out-of-pocket expenses. Furthermore, the Company provides compensation to a member of its key management personnel, pursuant to a remuneration agreement. For the years ended December 31, 2019 and 2018, such remuneration amounted to $92,085 and $67,000, respectively. There was no amount payable related to this remuneration as of December 31, 2019 and 2018.

7. 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 $194,768,966 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.

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 $96,045,719.

On December 3, 2018, the Company 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 $28,573,833.

On March 5, 2019, the board of directors of the Oslo Stock Exchange approved the Company's listing application to trading on Oslo Axess. All the shares rank in parity with one another and carry one vote per share. Trading in the shares on Oslo Axess commenced on March 8, 2019, under the trading symbol "OET".

On May 14, 2019, the Company successfully conducted a private placement, raising gross proceeds of $15,000,000 through the placement of 1,580,000 new common shares at a subscription price of NOK 83 per share.

On August 30, 2019 the Company purchased 150,149 of its own shares for an aggregate consideration of $1,010,155 at an average price of NOK 61 per share.

As of December 31, 2019, the Company had 32,739,851 shares outstanding (net of the 150,149 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 outstanding share capital for the period from incorporation to December 31, 2019:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	NO. OF ISSUED SHARES	PAR VALUE PER SHARE
April 30, 2018	Incorporation	10	10	10,000	0.001
June 28, 2018	In-kind issue	15,990	16,000	16,000,000	0.001
June 28, 2018	Private placement at NOK 72 per share	11,400	27,400	27,400,000	0.001
December 3, 2018	Private placement at NOK 66 per share	3,910	31,310	31,310,000	0.001
May 14, 2019	Issuance of shares in third offering at NOK 83 per share	1,580	32,890	32,890,000	0.001
August 30, 2019	Share buy-back	—	—	32,739,851	0.001

8. Financial Risk Management

The Company's principal financial instruments comprise cash and cash equivalents and amounts due from related parties. The Company has other financial liabilities such as trade payables, which arise directly from its operations.

The main risks arising from the Company's financial instruments are credit risk, foreign currency risk, interest rate risk and liquidity risk. The Company's policies for addressing these risks are set out below:

- *Credit risk*
  With respect to the credit risk arising from the Company's cash and cash equivalents and, the Company's exposure arises from default by the counterparties, with a maximum exposure equivalent to the carrying amount of these instruments. The Company mitigates such risk by dealing only with high credit quality financial institutions. With respect to the credit risk arising from the amounts due from related parties, the Company's exposure arises form default of the respective related parties, with a maximum exposure equivalent to the carrying amount of these instruments. The Company mitigates such risk by performing ongoing credit evaluations of the respective related parties from which the amounts are due.

- *Foreign currency risk*
  Certain of the Company's operating expenses are incurred in currencies other than the U.S. Dollar. The Company does not consider the risk to be significant and takes no other steps to manage its currency exposure.

- *Interest rate risk*
  The Company's exposure to interest rate risk arises from its long-term floating rate debt. The Company 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 year/period ended December 31, 2019 by $23,790 (2018:$nil) assuming all other variables held constant..

- *Liquidity risk*
  Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company minimizes liquidity risk by maintaining sufficient cash and cash equivalents.

The following table details the Company's expected cash outflows for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company will be required to settle the respective financial liabilities:

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 2019							
Trade payables		—	190,179	—	—	—	190,179
Accrued Expenses		—	—	5,336	—	—	5,336
Current accounts due to related parties		—	279,253	—	—	—	279,253
Variable interest loan (principal and interest)	3.75%	31,023	62,045	2,341,703	9,489,488	—	11,924,259
Total		**31,023**	**531,477**	**2,347,039**	**9,489,488**	**—**	**12,399,027**

9. Commitments and Contingencies

The Company has joint and several liability over the below subsidiary loan agreements, through the guarantees provided over the respective subsidiaries loans:

- Milos Marine Corp.: loan agreement with BNP Paribas dated June, 26 2015, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $29,603,753.
- Omega One Marine Corp.: loan agreement with ABN AMRO dated October, 24 2016, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $46,677,617.
- Omega Two Marine Corp.: lease agreement with Ocean Yield Malta Limited dated June 8, 2017, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $41,595,510.
- Omega Three Marine Corp.: loan agreement with Alpha Bank SA dated November 24, 2017, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $44,106,384.
- Omega Four Marine Corp.: loan agreement with Alpha Bank SA dated September 7, 2018, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $39,948,843.
- Omega Five Marine Corp.: loan agreement with Ocean Yield Malta Limited dated February 10, 2018, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $72,962,790.
- Omega Seven Marine Corp.: loan agreement with Ocean Yield Malta Limited dated February 10, 2018, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $73,322,022.
- Omega Nine Marine Corp.: loan agreement with Ocean Yield Malta Limited dated February 10, 2018, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $73,558,362.
- Omega Eleven Marine Corp.: loan agreement with Ocean Yield Malta Limited dated February 10, 2018, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $73,737,979.
- Nellmare Marine Ltd: loan agreement with ABN AMRO dated February 14, 2019, with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $58,081,367.
- Anassa Navigation S.A.: loan agreement with Credit Suisse AG dated December 19, 2018 with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $57,349,271.
- Arethusa Shipping Corp.: loan agreement with BNP PARIBAS dated January 24, 2019 with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $58,727,596.
- Moonsprite Shipping Corp.: loan agreement with CREDIT AGRICOLE dated February 27, 2019 with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $4,317,101
- Omega Six Marine Corp.: loan agreement with ALPHA BANK dated October 30, 2019 with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $3,254,811.
- Omega Ten Marine Corp.: loan agreement with ALPHA BANK dated October 30, 2019 with an outstanding balance as of December 31, 2019 (inclusive of accrued interest) of $3,254,811.

The extent to which an outflow of funds will be required is dependent on the subsidiaries' performance and compliance with the relevant terms included in the respective debt arrangements.

Commitments under Contracts to purchase Exhaust Gas Cleaning System ("EGCS" or "Scrubber")

On October 5, 2018 the Company 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 contractual commitment for these Scrubbers, including hardware and installation costs, as at December 31, 2019 amounted to $5,546,240, expected to be settled within 2020.

10. Earnings/(Loss) per Share

Basic and diluted losses per share for the period ended December 31, 2018, are presented below:

FOR THE YEAR/PERIOD ENDED DECEMBER 31	2019	2018
Basic loss per share from continuing operations	(0.05)	(0.01)
Total loss per share, basic and diluted	**(0.05)**	**(0.01)**

The loss and weighted average number of common shares used in the calculation of basic loss per share are as follows:

FOR THE YEAR/PERIOD ENDED DECEMBER 31	2019	2018
Loss for the year/period	(1,597,263)	(228,329)
Weighted average number of shares outstanding in the year/period	32,263,264	21,250,898
Loss per share, basic and diluted	**(0.05)**	**(0.01)**

During the year/period ended December 31, 2019 and 2018, there were no potentially anti-dilutive instruments affecting weighted average number of shares, and hence diluted loss per share equals basic loss per share for the year/period presented.

11. Interest and other finance cost

The following table summarizes the interest and other finance costs incurred:

FOR THE YEAR/PERIOD ENDED DECEMBER 31	2019	2018
Interest expense	237,644	—
Other finance costs	289,917	28,084
Amortization of financing fees	5,991	—
Total	**533,552**	**28,084**

12. Borrowings

On June 27, 2019, the Company entered into a loan agreement with BNP Paribas for its scrubber retrofit project. The total proceeds of the loan were $11,000,000. The facility carries an interest rate over Libor of 2.00%, a 5-year tenor, and a 4-year repayment profile beginning one year after drawdown.

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. These mainly consist of:

- A hull cover ratio, being the ratio of a mortgaged vessel's excess fair market values due to the scrubber installations over the respective outstanding debt, of no less than the percentage of 150%.
- Minimum corporate liquidity, being the lesser of $10,000,000, and $500,000 per vessel, in the form of free and unencumbered cash and cash equivalents.
- A net worth, being the difference between the carrying value of total assets less the carrying value of total liabilities, being greater than $100,000,000 at all times.
- A ratio of outstanding debt to the carrying value of total assets (adjusted for the vessel's fair market value), of no more than 75%.

As at December 31, 2019, the Company was in compliance with its loan covenants.

Long-term debt net of current portion and current portion of long-term borrowings are analyzed as follows:

	LONG-TERM BORROWINGS, NET OF CURRENT PORTION	CURRENT PORTION LONG-TERM BORROWINGS
Outstanding loan balance	8,937,500	2,062,500
Loan financing fees	(37,406)	(11,602)
Total	**8,900,094**	**2,050,898**

No later than 1 year	2,062,500
Later than 1 year and no later than 5 years	8,937,500
Total	**11,000,000**
Less: Amounts due for settlement within 12 months	(2,062,500)
Long-term borrowings	**8,937,500**

As at December 31, 2019 the Company has drawn the total amount of the facility.

Unused sources of liquidity

On December 3, 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 $15,000,000. 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, as amended, is up to December 31, 2020, which is also the final maturity date of the facility when all outstanding principal and accrued interest is due for repayment. As of December 31, 2019 the Company has not drawn on this facility.

13. Capital risk management

The Company's objectives when managing capital are to safeguard the Company'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.

14. Subsequent Events

In February 2020, the Company lost its arbitration claim against Ocean Yield ASA; the four VLCCs will remain on bareboat charter. The Company is in the process of settling reimbursement of legal costs in the range of $0.7 - $0.9 million within Q2 2020.

In March 2020, the Company purchased 113,934 of its own shares for an aggregate consideration of $0.7 million at an average price of NOK 57.3 per share.

In April 2020, the Company purchased 250,000 of its own shares at an average price of NOK 57.5 per share.

Also in April 2020, the Company entered into a three year time charter contract with a leading international energy company for one of its VLCC vessels.

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