OKEANIS

ECO TANKERS

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

SECOND QUARTER AND FIRST HALF 2020

Okeanis Eco Tankers Corp. Reports Unaudited Interim Condensed Results for the Second Quarter and First Fiscal Half of 2020

GREECE, August 14, 2020 – Okeanis Eco Tankers Corp. ("OET" or the "Company") today reported unaudited interim condensed results for the second quarter and first half year ended June 30, 2020.

Q2 2020 HIGHLIGHTS

- Time charter equivalent ("TCE", a non-IFRS measure) revenue and Adjusted EBITDA (a non-IFRS measure) of $69.3 million and $56.6 million, respectively. Profit for the period of $37.1 million or $1.15 per share (basic & diluted).
- Fleetwide Daily TCE rate of $51,900 per operating day; VLCC, Suezmax and Aframax/LR2 TCE rates of $59,700, $52,900 and $28,000 per operating day, respectively.
- Daily vessel operating expenses ("opex", a non-IFRS measure) of $7,367 per calendar day, including management fees.
- In Q3 2020 to date, 67% of the available VLCC spot days have been booked at an average TCE rate of $54,200 per day, 66% of the available Suezmax spot days have been booked at an average TCE rate of $39,600 per day and 89% of the available Aframax/LR2 spot days have been booked at an average TCE rate of $19,700 per day.
- In April 2020, the Company entered into a three-year time charter contract with a leading international energy company for its VLCC Nissos Keros and an eight-month time charter contract with a national energy company for its VLCC Nissos Kythnos.
- Also in April 2020, the Company purchased 250,000 of its own shares at an average price of NOK 57.5 per share.
- In June 2020, the Company paid a cash dividend of $0.50 per share to its shareholders, amounting to $16.2 million.

SUBSEQUENT EVENTS

- The Board of Directors of OET declared a cash dividend of $0.75 per share, amounting to $24.3 million. The cash dividend will be paid on Wednesday September 2, 2020 to shareholders of record as of Thursday August 20, 2020. The shares will be traded ex-dividend as from and including Wednesday August 19, 2020.
- In July 2020, the Company received firm commitment for a $103.21 million secured loan facility from the Export-Import Bank of Korea, the BNK Busan Bank and the BNK Kyongnam Bank for the financing of Suezmax newbuilding vessels Nissos Sifnos and Nissos Sikinos. The vessels' daily cash breakeven rate is anticipated to be sub-$21,000 per day.
- Also in July 2020, Suezmax newbuilding vessels Nissos Sifnos & Nissos Sikinos both entered into three-year time charter contracts (delivery September 2020 ex-yard).
- Lastly in July 2020, the Company refinanced the Suezmax vessels Kimolos and Folegandros. The net effects of the two refinancings were a reduction in overall leverage of $1.9 million and a reduction in the vessels' blended average daily cash breakeven rate of ~$1,200 per day.

* Definitions in section Use and Reconciliation of Alternative Performance Measures at the end of this report

SELECTED KEY FINANCIAL FIGURES

Commercial Performance *USD per day*	Q2 2020	Q2 2019	H1 2020	H1 2019
VLCC Daily TCE*	$59,700	$31,800	$59,500	$31,800
Suezmax Daily TCE*	$52,900	$19,400	$58,300	$20,700
Aframax Daily TCE*	$28,000	$18,000	$31,400	$21,900
Fleetwide Daily TCE*	$51,900	$20,300	$54,000	$21,900
Fleetwide Daily Opex*	$7,367	$7,660	$7,196	$7,427
Time Charter Coverage*	43%	41%	42%	46%

Income Statement *USDm exc. EPS*	Q2 2020	Q2 2019	H1 2020	H1 2019
TCE Revenue*	$69.3	$14.4	$142.7	$29.3
Adjusted EBITDA*	$56.6	$8.3	$119.9	$17.4
Net Income/(Loss)	$37.1	($3.6)	$78.2	($3.1)
Earnings Per Share*	$1.15	($0.11)	$2.40	($0.10)

Balance Sheet *USDm*	Q2 2020	Q2 2019	H1 2020	H1 2019
Total Interest Bearing Debt	$802.8	$516.2	—	—
Total Cash (incl. Restricted Cash)	$33.1	$19.3	—	—
Total Assets	$1,227.0	$860.3	—	—
Total Equity	$401.7	$328.2	—	—
Leverage*	66%	61%	—	—

* Definitions in section Use and Reconciliation of Alternative Performance Measures at the end of this report

FINANCIAL & OPERATIONAL REVIEW

Revenues for Q2 2020 of $81.4 million, up from $19.6 million in Q2 2019. The increase was due to a 92% increase in vessel operating days and a 156% increase in the fleet wide daily TCE rate.

Voyage expenses for Q2 2020 of $11.1 million, up from $4.9 million in Q2 2019. The increase was due to an enlarged fleet counterbalanced by a 5% increase in time charter coverage (from 41% in Q2 2019 to 43% in Q2 2020) in absolute terms, as well as a 34% reduction in the price of procured bunker fuel.

Vessel operating expenses for Q2 2020 of $9.2 million, up from $5.1 million in Q2 2019. The increase was due to a 91% increase in vessel calendar days and a 48% increase in average vessel size in deadweight ton terms, offset by a 4% reduction in fleet wide average daily opex.

Depreciation and amortization for Q2 2020 of $10.1 million, up from $4.5 million in Q2 2019. The increase was due to a 90% increase in the depreciable asset base.

General and administrative expenses for Q2 2020 of $2.6 million, up from $0.6 million in Q2 2019. The increase was due to the disbursement of bonuses to office and seafaring staff.

Interest and finance costs for Q2 2020 of $9.5 million, up from $7.5 million in Q2 2019. The increase is attributable to a 56% increase in interest bearing debt due to an enlarged fleet, offset by a decrease in average LIBOR of 202 basis points. Total indebtedness as of June 30, 2020 of $802.8 million, up from $516.2 million as of June 30, 2019.

The Company generated profit in Q2 2020 of $37.1 million, or $1.15 per basic and diluted share, compared to a loss in Q2 2019 of $3.6 million, or $0.11 per basic and diluted share. The profit is attributable to the lucrative spot market rates that prevailed during the quarter and an enlarged fleet, partially offset by higher depreciation expense and finance costs during the period.

Net cash provided by operating activities in Q2 2020 of $50.5 million comprising operating cash flows of $56.5 million and offset by negative changes in operating assets and liabilities of $6.0 million.

Net cash used in investing activities in Q2 2020 of $35.2 million mainly comprising progress payments for the Suezmax newbuildings of $25.8 million, progress payments for scrubber installations of $5.8 million, payments for vessels' special survey of $0.6 and capitalized pre-delivery interest related to our newbuildings of $0.5 million.

Net cash used in financing activities in Q2 2020 of $10.4 million primarily comprising debt issuance of $22.0 million (drawdown of pre-delivery financing for the two Suezmax newbuildings), partially offset by repayment of long term borrowings of $13.0 million, repayment of amounts due to shareholders for the signing instalment of the two Suezmax newbuildings of $2.0 million, acquisition of treasury shares of $1.4 million and dividends paid of $16.2 million.

As of June 30, 2020, the Company's cash balance (including restricted cash) was $33.1 million, compared to $16.8 million as of December 31, 2019.

As of August 14, 2020, the Company had 32,375,917 shares outstanding (net of 514,083 treasury shares).

PRINCIPAL RISKS AND UNCERTAINTIES

The following represent an update on principal risks and uncertainties that might have an effect on our consolidated financial statements for the next six months' period ending December 31, 2020, that should be read in conjunction with the audited consolidated financial statements as of December 31, 2019:

Liquidity risk

Adverse economic conditions in the tanker freight market where certain of our vessels are operating, delays in collecting receivables from our customers and a resulting unmatched position of assets and liabilities' maturities may subject us to a liquidity risk. The Company is constantly monitoring its liquidity in order to enable the smooth running of its operations and servicing of its loan obligations. Moreover, unencumbered cash, together with cash to be generated from operations, loans in place to cover our capital commitments, and if necessary the utilization of unused sources of liquidity are expected to be sufficient to adequately mitigate liquidity risk. As of today, the Company is in compliance with its loan covenants.

Currency risk

The company does not face currency risk as its principal transactions and borrowings are predominately denominated in US dollars. Management estimates that currency fluctuations will not have a material impact on the Company's operations.

Spot market volatility risk

The cyclical nature of the tanker industry causes significant increases or decreases in the revenue that we earn from our vessels, particularly those vessels that operate in the spot market. In order to avoid exposure to spot market volatility, the Company has established partnerships with some of the most reputable chartering agencies of the industry.

Interest rate risk

LIBOR fluctuations affect interest rates which can expose the Company to increased borrowing costs, given the Company's long-term floating rate debt. Management is closely monitoring the trends in interest rates.

Environmental risk

The Company aspires to have the minimum environmental footprint possible. With its modern vessels and strategic investment in anti-polluting technologies, the Company's fleet is one of the newest in industry. Management estimates that there will not be any changes to the respective legislation in the foreseeable future that could affect the Company's business.

Credit risk

The Company is also exposed to counterparty risk with respect to its customers. If a customer fails to meet its obligations to us or attempts to renegotiate our charter agreements, we could sustain a financial loss. Customer receivables primarily derive from a large and widespread customer base. The Company's customers are mainly multinational oil companies and physical oil trading houses. As of today the Company has no doubtful debts. Furthermore, outstanding balances are monitored on an ongoing basis, and thus management believes that the Company's risk of not collecting its receivables is minimal.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board , and give a true and fair view of the Group’s consolidated assets, liabilities, financial position and results of the operations for the period.

We also confirm that the interim condensed consolidated financial statements include a fair review of important events that occurred during the first six months of the fiscal year ending December 31, 2020 and their impact on these financial statements.

Having made an assessment of the Company’s ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Company’s ability to continue as a going concern.

The interim financial report for the period ended June 30, 2020, also provides alternative measures of the Company’s overall performance, highlighting key business dates and events.

FLEET

As of August 14, 2020, the Company’s fleet comprised 17 vessels with an average age of 2 years and aggregate capacity of approximately 3.8 million deadweight tons:

- Three Aframax/LR2 vessels with an average age of 5 years.
- Four Suezmax vessels with an average age of 3 years.
- Eight VLCC vessels with an average age of 1 year.
- Two Suezmax newbuildings under construction at Hyundai Samho Heavy Industries with expected delivery in September 2020.

PRESENTATION

OET will be hosting a conference call and webcast at 13:30 CET / 8:30 a.m. EST on
Monday August 17, 2020 to discuss second quarter and first fiscal half results of 2020.
Participants may access the conference call using the below dial-in details:

Norway: +47 2 156 3318
USA: +1 212 999 6659
Greece (Toll Free): 00800 1273 78
UK (Standard International Access): +44 (0) 20 3003 2666
Password: Okeanis

The webcast will include a slide presentation and will be available on the following link:
https://channel.royalcast.com/webcast/okeanis/20200817_1/
An audio replay of the conference call will be available on our website:
http://www.okeanisecotankers.com/reports/

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Report on Review of Interim Financial Information

To the Shareholders
of Okeanis Eco Tankers Corp.

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Okeanis Eco Tankers Corp. and its subsidiaries (the "Group") as of June 30, 2020 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes, as set out on pages 10 to 17 (the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Deloitte Certified Public Accountants S.A.

August 13, 2020
Athens, Greece

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UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
USD	NOTE	2020	2019	2020	2019
Revenue		**$81,382,109**	**$19,569,742**	**$171,895,279**	**$38,809,302**
Operating expenses					
Commissions		(1,005,336)	(224,331)	(2,360,736)	(427,952)
Voyage expenses		(11,084,213)	(4,930,170)	(26,808,565)	(9,104,837)
Vessel operating expenses		(9,236,611)	(5,054,105)	(17,987,350)	(9,187,890)
Management fees	6	(819,000)	(430,200)	(1,636,800)	(808,200)
Depreciation and amortization	3	(10,053,549)	(4,507,146)	(20,044,461)	(8,310,484)
General and administrative expenses		(2,589,592)	(596,835)	(3,179,609)	(1,898,844)
Total operating expenses		**($34,788,301)**	**($15,742,787)**	**($72,017,521)**	**($29,738,207)**
Operating profit		**$46,593,808**	**$3,826,955**	**$99,877,758**	**$9,071,095**
Other income/(expenses)					
Interest income		10,392	41,628	44,436	83,750
Other expenses		(6,801)	—	(1,354,921)	—
Interest and other finance costs		(9,492,859)	(7,495,067)	(20,373,250)	(12,300,524)
Foreign exchange gain/(loss)		(3,667)	8,657	7,854	14,056
Total other expenses		**($9,492,935)**	**($7,444,782)**	**($21,675,881)**	**($12,202,718)**
Profit/(loss) for the period		**$37,100,873**	**($3,617,827)**	**$78,201,877**	**($3,131,623)**
Other comprehensive income		—	—	—	—
Total comprehensive income for the period		**$37,100,873**	**($3,617,827)**	**$78,201,877**	**($3,131,623)**
Profit/(loss) attributable to the owners of the Group		*$37,100,873*	*($3,617,827)*	*$78,201,877*	*($3,131,623)*
Total comprehensive income attributable to the owners of the Group		*$37,100,873*	*($3,617,827)*	*$78,201,877*	*($3,131,623)*
Earnings per share - basic & diluted	9	$1.15	($0.11)	$2.40	($0.10)
Weighted average no. of shares - basic & diluted		32,389,653	32,100,000	32,550,354	31,705,000

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

USD	NOTE	(UNAUDITED) AS OF JUNE 30, 2020	(AUDITED) AS OF DECEMBER 31, 2019
ASSETS			
Non-current assets			
Vessels, net	3	$1,084,025,666	$1,007,992,914
Vessels under construction	4	65,951,138	56,266,949
Other fixed assets		40,000	40,000
Deferred financing fees	5	459,010	751,505
Long-term restricted cash, net of current portion		3,910,000	3,410,000
Total non-current assets		**$1,154,385,814**	**$1,068,461,368**
Current assets			
Inventories		$5,585,448	$6,552,457
Trade and other receivables		26,249,348	18,230,962
Claims receivable		195,436	92,608
Prepaid expenses and other current assets		4,487,600	2,263,662
Current accounts due from related parties	6	6,857,746	1,837,052
Current portion of restricted cash		1,465,573	—
Cash & cash equivalents		27,739,962	13,395,723
Total current assets		**$72,581,113**	**$42,372,464**
TOTAL ASSETS		**$1,226,966,927**	**$1,110,833,832**
SHAREHOLDERS' EQUITY & LIABILITIES			
Shareholders' equity			
Share capital		$32,890	$32,890
Additional paid-in capital		334,328,863	334,328,863
Treasury shares		(3,068,260)	(1,010,155)
Other reserves		(22,896)	(22,896)
Retained earnings		70,379,518	8,365,601
TOTAL SHAREHOLDERS' EQUITY		**$401,650,115**	**$341,694,303**
Non-current liabilities			
Long-term borrowings, net of current portion	5	$710,744,851	$683,676,384
Retirement benefit obligations		53,066	53,066
Total non-current liabilities		**$710,797,917**	**$683,729,450**
Current liabilities			
Trade payables		$14,091,881	$13,953,070
Accrued expenses		2,173,238	4,384,815
Deferred revenue		5,532,292	4,919,126
Current accounts due to related parties	6	682,653	13,123,755
Current portion of long-term borrowings	5	92,038,831	49,029,313
Total current liabilities		**$114,518,895**	**$85,410,079**
TOTAL LIABILITIES		**$825,316,812**	**$769,139,529**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**$1,226,966,927**	**$1,110,833,832**

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

USD, EXCEPT SHARE AMOUNTS	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	TREASURY SHARES	OTHER RESERVES	(ACCUMULATED LOSSES) / RETAINED EARNINGS	TOTAL
Balance - January 1, 2019	**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	1,580,000	1,580	14,998,420	—	—	—	15,000,000
Loss for the period	—	—	—	—	—	(3,131,623)	(3,131,623)
Balance - June 30, 2019	**32,890,000**	**32,890**	**334,355,638**	—	—	**(6,150,378)**	**328,238,150**
Balance - January 1, 2020	**32,739,851**	**32,890**	**334,328,863**	**(1,010,155)**	**(22,896)**	**8,365,601**	**341,694,303**
Acquisition of equity shares at NOK 57.3 per share	(113,934)	—	—	(698,924)	—	—	(698,924)
Acquisition of equity shares at NOK 57.5 per share	(250,000)	—	—	(1,359,181)	—	—	(1,359,181)
Profit for the period	—	—	—	—	—	78,201,877	78,201,877
Dividends paid	—	—	—	—	—	(16,187,960)	(16,187,960)
Balance - June 30, 2020	**32,375,917**	**32,890**	**334,328,863**	**(3,068,260)**	**(22,896)**	**70,379,518**	**401,650,115**

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

USD	FOR THE THREE MONTHS ENDED JUNE 30, 2020	2019	FOR THE SIX MONTHS ENDED JUNE 30, 2020	2019
Cash Flows from Operating Activities				
Profit/(Loss) for the period	**$37,100,873**	**($3,617,827)**	**$78,201,877**	**($3,131,623)**
Adjustments to reconcile profit to net cash provided by operating activities:				
Depreciation	10,053,549	4,507,146	20,044,461	8,310,484
Interest expense	9,041,452	5,079,408	19,484,927	8,859,023
Amortization of loan financing fees	339,167	404,607	680,186	1,281,981
Interest income	(10,392)	(41,628)	(44,436)	(83,750)
Other expenses	—	(8,657)	—	(14,056)
Total reconciliation adjustments	**$19,423,776**	**$9,940,876**	**$40,165,138**	**$18,353,682**
Changes in working capital:				
Trade and other receivables	4,344,061	2,187,290	(8,018,386)	(2,013,035)
Prepaid expenses and other current assets	419,198	(409,287)	(913,797)	(876,617)
Inventories	5,520,991	(459,099)	967,009	(1,122,506)
Trade payables	(7,783,332)	(2,034,024)	1,493,732	3,775,011
Accrued expenses	799,081	(191,801)	328,081	(317,684)
Deferred revenue	1,618,461	1,452,146	613,166	957,296
Claims receivable	(73,748)	2,200,661	(102,828)	2,202,087
Interest paid	(10,846,085)	(5,069,146)	(21,310,449)	(8,884,236)
Total changes in working capital	**($6,001,373)**	**($2,323,260)**	**($26,943,472)**	**($6,279,684)**
Net cash provided by operating activities	**$50,523,276**	**$3,999,789**	**$91,423,543**	**$8,942,375**
Cash Flows From Investing Activities				
Current accounts due from related parties	(1,120,609)	(926,500)	(5,020,694)	(926,500)
Payments for other fixed assets	—	—	—	(21,897)
(Increase)/decrease in restricted cash	(1,965,573)	(260,000)	(1,965,573)	740,000
Dry-dock expenses	(554,106)	(69,630)	(635,527)	(121,257)
Payments for vessels and vessels under construction	(31,591,855)	(127,838,629)	(108,505,073)	(194,239,274)
Interest received	10,392	25,128	44,436	83,750
Net cash used in investing activities	**($35,221,751)**	**($129,069,631)**	**($116,082,431)**	**($194,485,178)**
Cash Flows From Financing Activities				
Proceeds from long-term borrowings	22,000,000	113,228,750	93,150,500	216,728,750
Repayments of long-term borrowings	(13,041,528)	(4,632,956)	(23,230,701)	(39,507,281)
Proceeds from private placement	—	15,000,000	—	15,000,000
Payments for offering expenses	—	(173,664)	—	(623,959)
Current accounts due to related parties	(1,797,850)	(577,990)	(12,441,102)	(2,477,892)
Payment of loan financing fees	—	(2,775,750)	(229,505)	(4,666,500)
Acquisition of treasury stock	(1,359,181)	—	(2,058,105)	—
Dividends paid	(16,187,960)	—	(16,187,960)	—
Net cash provided by/(used in) financing activities	**($10,386,519)**	**$120,068,390**	**$39,003,127**	**$184,453,118**
Net change in cash and cash equivalents	*4,915,006*	*(5,001,452)*	*14,344,239*	*(1,089,685)*
Cash and cash equivalents at beginning of period	22,824,956	21,994,746	13,395,723	18,082,979
Cash and cash equivalents at end of period	**$27,739,962**	**$16,993,294**	**$27,739,962**	**$16,993,294**

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

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2020

1 General Information

Okeanis Eco Tankers Corp. (the "Company", or "we", or "us") was founded on April 30, 2018 as a private limited corporation under the laws of the Republic of the Marshall Islands whose shares are listed on Oslo Axess. OET is majority controlled by Glafki Marine Corp. ("Glafki") through voting interest. The Company was founded for the purpose of acquiring an 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.), collectively the "Contributed Companies". The principal activity of the subsidiaries is to own, charter out and operate tanker vessels.

These unaudited interim condensed consolidated financial statements were approved and authorized for issue by the Company's Board of Directors (the "Board") on August 13, 2020.

2 General Accounting Principles

Basis of preparation and consolidation

The consolidated financial statements comprise the financial statements of the Group.

The consolidated interim financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with OET's audited consolidated financial statements included in its 2019 Annual Report. Interim results are not necessarily indicative of our results for the entire year or for any future period. The same accounting policies and methods of computation used in the 2019 audited consolidated financial statements have been used in these unaudited interim condensed consolidated financial statements.

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the IASB, and are expressed in United States Dollars ($) since this is the currency in which the majority of the Company's transactions are denominated. The interim consolidated financial statements have been prepared on the historical cost basis.

Application of new and revised International Financial Reporting Standards

There are no IFRS standards and amendments issued but not yet adopted that are expected to have a material effect on the interim consolidated financial statements.

Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, currency risk, interest risk and liquidity risk. Since the interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2019. There have been no significant changes in any risk management policies since year end.

3 Vessels, Net

USD	VESSELS' COST	DRY-DOCKING AND SPECIAL SURVEY COSTS	TOTAL
Cost			
Balance - January 1, 2020	**1,052,249,142**	**12,900,505**	**1,065,149,647**
Transfers from Vessels under construction	90,083,050	1,000,000	91,083,050
Fully amortized Dry-Dock component	—	(800,000)	(800,000)
Additions	4,225,125	769,038	4,994,163
Balance - June 30, 2020	**1,146,557,317**	**13,869,543**	**1,160,426,860**
Accumulated Depreciation			
Balance - January 1, 2020	**(52,904,254)**	**(4,252,479)**	**(57,156,733)**
Fully amortized Dry-Dock component	—	800,000	800,000
Depreciation charge for the period	(18,723,934)	(1,320,527)	(20,044,461)
Balance - June 30, 2020	**(71,628,188)**	**(4,773,006)**	**(76,401,194)**
Net Book Value - January 1, 2020	**999,344,888**	**8,648,026**	**1,007,992,914**
Net Book Value - June 30, 2020	**1,074,929,129**	**9,096,537**	**1,084,025,666**

4 Advances for Vessels Under Construction

USD	
Balance - January 1, 2020	**56,266,949**
Capitalized Interest	742,621
Additions during the period	100,024,618
Transfers during the period to vessels, net	(91,083,050)
Balance - June 30, 2020	**65,951,138**

5 Long-Term Borrowings

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

USD	LONG-TERM BORROWINGS, NET OF CURRENT PORTION	CURRENT PORTION OF LONG-TERM BORROWINGS	TOTAL
As of June 30, 2020			
Outstanding loan balance	719,330,915	93,371,664	812,702,579
Loan financing fees	(8,586,064)	(1,332,833)	(9,918,897)
Total	**710,744,851**	**92,038,831**	**802,783,682**

The loans are repayable as follows:

USD	AS OF JUNE 30, 2020
No later than one year	93,371,664
Later than one year and not later than five years	233,972,374
Thereafter	485,358,541
Total	**812,702,579**
Less: Amounts due for settlement within 12 months	(93,371,664)
Long-term borrowings	**719,330,915**

As at June 30, 2020, the Group was in compliance with its loan covenants.

Debt obligations

VESSEL/HULL NUMBER	OUTSTANDING LOAN BALANCE AS OF JUNE 30, 2020	UNAMORTIZED DEFERRED FINANCING FEES AS OF JUNE 30, 2020	OUTSTANDING NET OF LOAN FINANCING FEES AS OF JUNE 30, 2020	INTEREST RATE (LIBOR(L)+ MARGIN)
Nissos Therassia	24,620,000	13,347	24,606,653	L+2.60%
Nissos Schinoussa	26,240,000	20,210	26,219,790	L+2.60%
Nissos Heraclea	28,200,000	88,311	28,111,689	L+2.25%
Milos	45,292,788	414,298	44,878,490	L+4.28%
Poliegos	40,464,042	387,716	40,076,326	L+4.64%
Kimolos	43,000,000	336,979	42,663,021	L+3.10%
Folegandros	38,500,000	318,116	38,181,884	L+3.10%
Nissos Rhenia	70,912,329	1,557,558	69,354,771	L+4.55%
Nissos Despotiko	71,287,123	1,574,972	69,712,151	L+4.55%
Nissos Santorini	71,533,699	1,586,205	69,947,494	L+4.55%
Nissos Antiparos	71,721,096	1,590,812	70,130,284	L+4.55%
Nissos Donoussa	55,499,000	518,385	54,980,615	L+2.50%
Nissos Kythnos	55,560,000	471,630	55,088,370	L+2.25%
Nissos Keros	56,559,000	511,611	56,047,389	L+2.25%
Nissos Anafi	57,100,000	485,508	56,614,492	L+2.09%
Nissos Sifnos (Hull 8045)	22,950,500	229,505	22,720,995	L+3.50%
Nissos Sikinos (Hull 8046)	22,950,500	229,505	22,720,995	L+3.50%
Scrubber Financing	10,312,502	43,239	10,269,263	L+2.00%
Total	**812,702,579**	**10,377,907**	**802,324,672**	
Plus: Deferred financing fees included in non-current assets			459,010	
Total			**802,783,682**	

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 today, the Company has not drawn on this facility.

6 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 six months ended June 30, 2020, total technical management fees amounted to $1,636,800 (June 30, 2019: $808,200).

The below table presents and analyzes the outstanding amounts due to the Management Company, as well as amounts due to shareholders and members of the Company's Board:

USD	AS OF JUNE 30, 2020	AS OF DECEMBER 31, 2019
Amounts due to Management Company	246,600	443,502
Amounts payable to Shareholders	—	12,401,000
Amounts payable to Board of Directors' members	436,053	279,253
Total	**682,653**	**13,123,755**

Amounts due to Management Company of $246,600 (2019: $443,502) represent fees payable to the Management Company for management services rendered.

Amounts payable to shareholders, as of December 31, 2019, concern payments made from Mr. Ioannis Alafouzos, Chairman and CEO and a significant shareholder through his ownership interest in Glafki, 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 assuming 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.

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 six months ended June 30, 2020 amounted to $187,500 (2019: $187,500).

The below table presents and analyzes the outstanding amounts due from the Management Company, as well as, from private, related-party vessel owning companies:

USD	AS OF JUNE 30, 2020	AS OF DECEMBER 31, 2019
Amounts due from Management Company	1,963,590	—
Amounts due from FRPEs, net	4,894,156	1,837,052
Total	**6,857,746**	**1,837,052**

Amounts due from the Management Company amounting to $1,963,590 represent 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 due from related parties as at June 30, 2020 amounting to $4,894,156 compared to an amount of $1,837,052 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.

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 June 29, 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 the Merkur Market was on July 3, 2018. The common shares traded on the Merkur Market under the trading symbol, “OET-ME”.

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 March 9, 2020 the Company purchased 113,934 of its own shares for an aggregate consideration of $698,924 at an average price of NOK 57.3 per share.

On April 6, 2020 the Company purchased 250,000 of its own shares for an aggregate consideration of $1,359,181 at an average price of NOK 57.5 per share.

As of August 14, 2020, the Company had 32,375,917 shares outstanding (net of 514,083 treasury shares).

8 Commitments and Contingencies

Commitments under shipbuilding contracts

As of June 30, 2020, the Group had commitments under two shipbuilding contracts for the acquisition of two Suezmax newbuildings that amounted to $64,505,000, due by September 2020.

Commitments under time charter agreements

Future minimum contractual charter receivable revenue, based on vessels' committed, non-cancellable, time charter agreements, net of address commissions, were as follows, as of June 30, 2020:

Less than one year	72,788,106
After one year	32,998,018
Total	**105,786,124**

Commitments under scrubber agreements

On October 5, 2018, the Company entered into a series of supply contracts with Ecospray Technologies S.R.L. for the supply of six scrubbers for vessels Nissos Therassia, Nissos Schinoussa, Milos, Poliegos, Kimolos and Folegandros. On January 31, 2020, the Company also entered into an agreement with Ecospray Technologies S.R.L. for the supply of scrubbers for the Nissos Heraclea, as amended. The contractual commitment for these scrubbers, including hardware, installation and yard costs, as at June 30, 2020 amounted to $2,874,236 due up to March 31, 2021.

9 Earnings per Share

Basic and diluted earnings per share for the three and six month periods ended June 30, 2020 and June 30, 2019 are presented below:

Earnings per Share, Basic

USD PER SHARE	FOR THE THREE MONTHS ENDED JUNE 30, 2020	FOR THE THREE MONTHS ENDED JUNE 30, 2019	FOR THE SIX MONTHS ENDED JUNE 30, 2020	FOR THE SIX MONTHS ENDED JUNE 30, 2019
From continuing operations	1.15	(0.11)	2.40	(0.10)
Earnings per share, basic and diluted	**1.15**	**(0.11)**	**2.40**	**(0.10)**

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

USD PER SHARE	FOR THE THREE MONTHS ENDED JUNE 30, 2020	FOR THE THREE MONTHS ENDED JUNE 30, 2019	FOR THE SIX MONTHS ENDED JUNE 30, 2020	FOR THE SIX MONTHS ENDED JUNE 30, 2019
Profit/(loss) for the period attributable to the Owners of the Group	37,100,873	(3,617,827)	78,201,877	(3,131,623)
Weighted average number of common shares outstanding in the period	32,389,653	32,100,000	32,550,354	31,705,000
Earnings per share, basic and diluted	**1.15**	**(0.11)**	**2.40**	**(0.10)**

10 Subsequent Events

The Board of Directors of OET declared a cash dividend of $0.75 per share, amounting to $24.3 million. The cash dividend will be paid on Wednesday September 2, 2020 to shareholders of record as of Thursday August 20, 2020. The shares will be traded ex-dividend as from and including Wednesday August 19, 2020.

In July 2020, the Company received firm commitment for a $103.21 million secured loan facility from the Export-Import Bank of Korea, the BNK Busan Bank and the BNK Kyongnam Bank for the financing of Suezmax newbuilding vessels Nissos Sifnos and Nissos Sikinos. The vessels' daily cash breakeven rate is anticipated to be sub-$21,000 per day.

Also in July 2020, Suezmax newbuilding vessels Nissos Sifnos & Nissos Sikinos both entered into three-year time charter contracts (delivery September 2020 ex-yard).

Lastly in July 2020, the Company refinanced the Suezmax vessels Kimolos and Folegandros. The net effects of the two refinancings were a reduction in overall leverage of $1.9 million and a reduction in the vessels' blended average daily cash breakeven rate of ~$1,200 per day.

COVID-19

Impact on Operations

Although we have taken steps to protect our seafarers and shore employees and ensure uninterrupted service to our clients, our operations have been unavoidably affected by the outbreak of the COVID-19 virus.

- We may be forced to divert vessels from their optimal trading routes in order to effect overdue crew changes in permissible ports of entry.
- We own two vessels scheduled to undergo their first special surveys later this year and whose off-hire time may be longer than anticipated.
- We have not received notice of any delays from Hyundai Samho Heavy Industries to the scheduled delivery dates of our two Suezmax newbuildings currently under construction.

Okeanis Eco Tankers Corp. Response

Our primary concern is the wellbeing of our seafarers and shore-based employees, and, in tandem, providing safe and reliable services to our clients. In line with industry response we have updated and continue to update vessels' procedures and supplied our fleet with protective equipment. We have suspended or limited crew changes, superintendent visits and provisioning in heavily affected areas and are complying with local directives and recommendations. Shore-side, we mandated remote working for approximately two months and recently began administering weekly Covid-19 tests for office staff. We have also instituted enhanced safety protocols such as regular cleaning/ disinfection of our premises, availability of hand sanitizer and surgical masks throughout our premises, prohibition of on-site visitors, total elimination of travel, mandatory self-isolation of personnel returning from travel and substitution of physical meetings with virtual meetings. We are also taking measures to improve the security of our network and online communications and have enhanced monitoring of our network. Lastly, we have created an infectious disease preparedness and response plan that we have communicated to all of our staff. We are proud to have conducted and passed a full office audit – entirely remotely – in connection with the long term charter of our VLCC Nissos Keros to a new client in April 2020.

USE AND RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

The Company's unaudited interim condensed consolidated financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting", as issued by the International Accounting Standards Board (IASB). Alternative performance measures are used in this report to supplement the Company's financial statements.

Daily TCE

Time charter equivalent rate, or TCE rate, is an alternative performance measure of the average daily revenue performance of a vessel. TCE rate is a shipping industry performance measure used primarily to compare periodtoperiod changes in a shipping company's performance despite changes in the mix of charter types (such as time charters, voyage charters) under which the vessels may be employed between the periods. TCE rate is calculated by dividing revenue, less voyage expenses and commissions, ("TCE Revenue") by the number of operating days (calendar days less aggregate technical off-hire days) for the relevant time period. Our method of calculating the TCE rate may not be the same method as the one used by other shipping companies.

Under IFRS 15, in a voyage charter (or spot) agreement the revenue recognition and performance obligations begin to be satisfied from the commencement of the loading of cargo to completion of discharge of the cargo. This methodology is termed the load-to-discharge method of accounting.

The following table sets forth our computation of the TCE rates, including a reconciliation of revenues to the TCE rates (unaudited) for the periods presented:

	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
USD	2020	2019	2020	2019
Revenue	$81,382,109	$19,569,742	$171,895,279	$38,809,302
Voyage expenses	(11,084,213)	(4,930,170)	(26,808,565)	(9,104,837)
Commissions	(1,005,336)	(224,331)	(2,360,736)	(427,952)
Time charter equivalent revenue	**$69,292,560**	**$14,415,241**	**$142,725,978**	**$29,276,513**
Calendar days	1,365	716	2,727	1,346
Technical off-hire days	(30)	(20)	(85)	(20)
Operating days	**1,335**	**696**	**2,642**	**1,326**
Daily TCE	**$51,905**	**$20,712**	**$54,022**	**$22,079**

EBITDA and Adjusted EBITDA

Earnings before interest, tax, depreciation and amortization (EBITDA) is an alternative performance measure, derived directly from the statement of profit or loss and other comprehensive income by adding back to profit/(loss) depreciation, amortization, interest and finance costs and subtracting interest and other income. Adjusted EBITDA is defined as EBITDA before non-recurring items and foreign exchange gains/(losses). Furthermore, EBITDA and adjusted EBITDA have certain limitations in use and should not be considered alternatives to profit/(loss), operating profit, cash flows from operations or any other measure of financial performance presented in accordance with International Financial Reporting Standards ("IFRS"). EBITDA and adjusted EBITDA exclude some, but not all, items that affect profit/(loss). Our method of computing EBITDA and adjusted EBITDA may not be consistent with similarly titled measures of other companies and, therefore, might not be comparable with other companies.

The following table sets forth a reconciliation of profit to EBITDA and adjusted EBITDA for the periods presented:

	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
USD	2020	2019	2020	2019
Profit/(Loss) for the period	$37,100,873	($3,617,827)	$78,201,877	($3,131,623)
Depreciation and amortization	10,053,549	4,507,146	20,044,461	8,310,484
Interest and finance costs	9,492,859	7,495,067	20,373,250	12,300,524
Interest income	(10,392)	(41,628)	(44,436)	(83,750)
EBITDA	**$56,636,889**	**$8,342,758**	**$118,575,152**	**$17,395,635**
Other expenses	6,801	—	1,354,921	—
Gain/(loss) on foreign exchange	3,667	(8,657)	(7,854)	(14,056)
Adjusted EBITDA	**$56,647,357**	**$8,334,101**	**$119,922,219**	**$17,381,579**

Daily Opex

Daily opex are calculated as vessel operating expenses and technical management fees divided by calendar days, for the relevant periods.

The following table sets forth our computation of daily opex (unaudited) for the period presented:

	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
USD	2020	2019	2020	2019
Vessel operating expenses	$9,236,611	$5,054,105	$17,987,350	$9,187,890
Management fees	819,000	430,200	1,636,800	808,200
Total vessel operating expenses	**$10,055,611**	**$5,484,305**	**$19,624,150**	**$9,996,090**
Calendar days	1,365	716	2,727	1,346
Daily Opex	**$7,367**	**$7,660**	**$7,196**	**$7,427**
Daily Opex excluding management fees	**$6,767**	**$7,059**	**$6,596**	**$6,826**

Time Charter Coverage

Time Charter Coverage represents the percentage of days the fleet was on time charter and is calculated as time charter days divided by total operating days.

Leverage

Leverage is calculated as net debt divided by net debt plus book equity.

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