ANNUAL REPORT 2020

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LETTER FROM THE CHAIRMAN

I am proud of the resilience our company has shown in the face of the adversity it encountered in 2020. From shifting to working remotely on very short notice to navigating incredibly challenging physical markets and logistical constraints as well as crewing and port operations, OET and its technical management provider, Kyklades Maritime, have both worked to ensure uninterrupted business continuity for their clients and shareholders.

The choppy and volatile tanker market of 2020 presented us with opportunities to de-risk our company and protect it from the eventual weakness we anticipated would set in after floating storage was unwound and seaborne crude oil trade remained subdued. Early on in Q2 2020, OET secured some of the highest VLCC spot fixtures on record while also locking in tremendously cash generative multi-year charters on one VLCC and two Suezmaxes that will repay 85-90% of the vessels' equity over their duration. Furthermore, OET was the strongest performer in the VLCC and Suezmax spot markets by a wide margin.

In the VLCC segment, OET generated daily spot earnings throughout the year of $73,400 per day, representing 39% outperformance relative to the average of the crude tanker peer group. Similarly, our Suezmax daily spot earnings of $41,700 per day represented 24% outperformance relative to the peer group. Our ability to capitalize on strong markets was matched by the cost-competitiveness of our operations. Our daily operating costs – the sum of vessel operating expenses, technical management fees and general and administrative expenses – of $8,433 per ship day in 2020 was the second lowest in the crude tanker group, and the lowest amongst full-service crude tanker owners.

The incremental profit that our commercial and operational outperformance generated for our shareholders in 2020 amounted to $36m. Our commercial outperformance – quantified by multiplying the difference between OET's spot rates and that of the peer group average by the number of spot days in each of our three vessel segments – equated to additional profit of $25m for our shareholders in 2020. Our operational outperformance – quantified by multiplying the difference between OET's daily operating costs ($8,433) and that of the peer group average ($10,447) by our 5,694 ship days in 2020 – equated to $11m.

Despite an ongoing newbuilding capex program that concluded in September 2020 with the delivery of two Suezmax newbuildings, OET still managed to distribute $44m of cash dividends to its shareholders during the year (as well as another $3m dividend declaration that was paid in Q1 2021). Since our first IPO roadshow in 2018, we have consistently guided our investors that our capital structure is geared toward generating the highest possible returns on our shareholders' equity, and that is exactly what we accomplished in 2020.

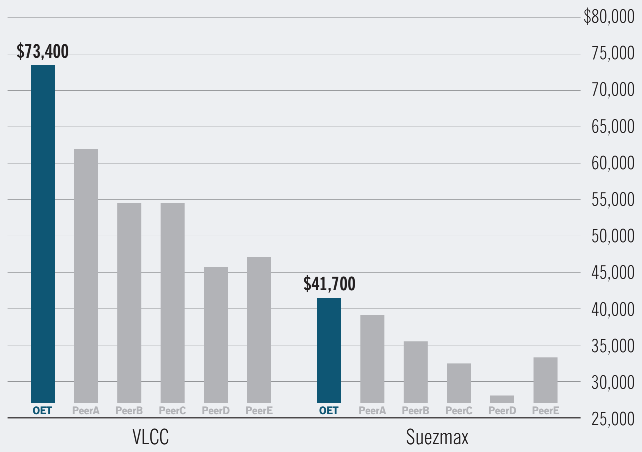


chart 1 **OET is the top spot market performer in the VLCC & Suezmax segments**
Daily Spot TCE - FY 2020

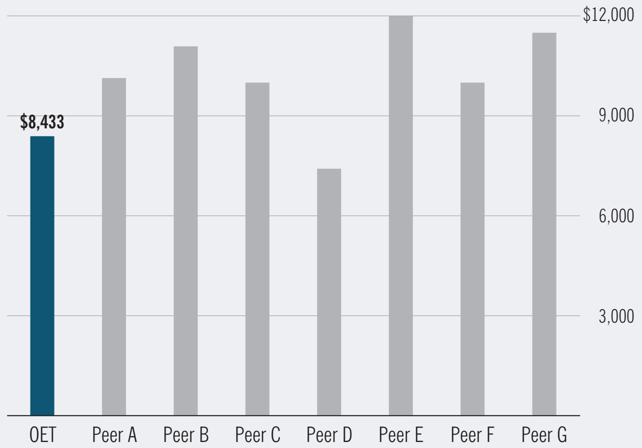


chart 2 **OET is the second lowest cost crude tanker owner (lowest cost full-service owner)**
Operating Costs (Opex + Mgmt. Fees + G&A) Per Ship Day - FY 2020

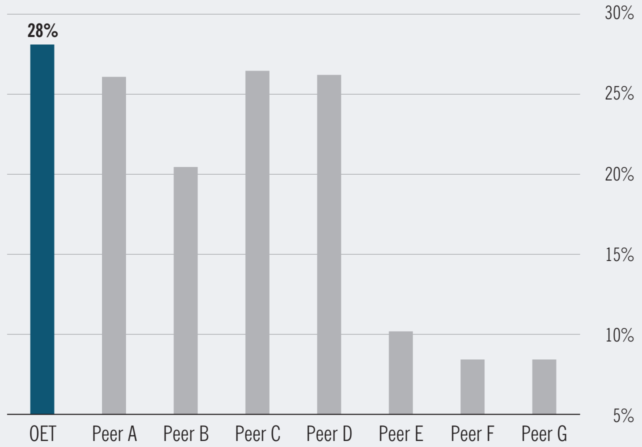


chart 3 **OET generates the highest returns on equity in the crude tanker group**
Return on Average Equity - FY 2020

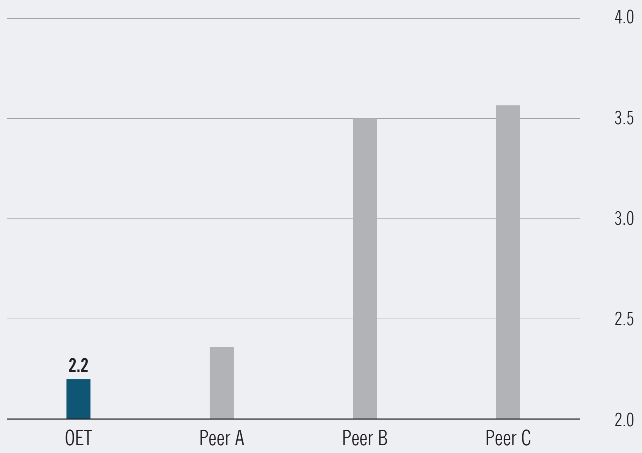


chart 4 **OET's fleet is the most environmentally friendly in the crude tanker group**
Fleetwide AER

We also took advantage of the big decline in LIBOR rates to hedge ~$400m of our floating interest rate exposure at 30–39 basis points for three years. Our access to competitive debt finance coupled with our well-timed LIBOR hedge ensures that OET's all-in cost of debt is one of the lowest in the industry and enables us to continue generating superior returns on our capital.

Perhaps the most promising feature of our company is the young age and environmental friendliness of our fleet. The swift and universal acceptance of the urgent need for the transition to clean energy and for the reduction in greenhouse gas emissions across all industries was the second biggest story of 2020, and will be one of the most transformative investment themes over the next decade. As such, OET is in a good position.

As measured by the Annual Efficiency Ratio – a measure of our fleet's carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage – OET's AER of 2.2 grams/ton-mile is the lowest in the crude tanker peer group. We are well equipped to comply with upcoming Energy Efficiency Existing Ship Index (EEXI) regulations whose framework will be further refined by regulators in June 2021.

The crude tanker market is currently weak, driven by OPEC production restraint and mobility restrictions in most OECD countries resulting in subdued oil demand. However, the requisite conditions for a market recovery in the second half of 2021 – low fleet growth, rising seaborne trade and high bunker fuel spreads – are in place. Low OPEC production coupled with recovering oil demand has led to the draining of surplus oil inventories and a tight physical oil market. Oil prices have climbed back to pre-Covid levels, driven by the normalization of oil stocks and market expectations of a strong recovery in oil demand as economies re-open following the vaccine rollout. This development has benefitted owners of fuel-efficient, scrubber-fitted ships like ours greatly, and signals a meaningful return of OPEC barrels within the next quarter. Our original thesis from 2018 is very much intact.

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 Euronext Growth; 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 Euronext Expand

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 program with HHI

SEPTEMBER 2020
Concluded Suezmax NB program with HSHI

DECEMBER 2020
Concluded scrubber retrofit program across entire fleet

JANUARY 2021
Uplisted to Oslo Børs

FLEET

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

PRESENTATION OF THE BOARD OF DIRECTORS

Ioannis A. Alafouzos, *Chairman*

Mr. Ioannis Alafouzos serves as Chairman and CEO of Okeanis Eco Tankers. Mr. Alafouzos began his career in shipping in 1981 and has over 40 years of experience in all facets of the industry. Mr. Alafouzos founded Kyklades Maritime Corporation's tanker arm and has been the key strategist for the company's cyclical asset plays. 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 1980's. Mr. Alafouzos has attended six of six board meetings in 2020.

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 Barings BDC 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. Knapp is an American citizen and has attended six of six board meetings in 2020.

Daniel Gold, *Director*

Daniel Gold is the CEO, managing partner and founder of QVT Financial LP, an asset management company with offices in New York, London, Singapore, and New Delhi. QVT Financial, through its managed funds, is an experienced global investor in the shipping and offshore industries. He holds an AB in Physics from Harvard College. Mr. Gold is an American citizen and has attended six of six board meetings in 2020.

Joshua Nemser, *Director*

Joshua Nemser is a New York-based senior portfolio manager at VR Capital Group. Prior to joining VR, Mr. Nemser was an investment banking associate at Moelis & Company, where he advised on a range of mergers, acquisitions, recapitalizations, and restructurings. Prior to Moelis, he was an attorney in the Business Finance & Restructuring department of Weil, Gotshal & Manges. Prior to Weil, he was vice president and chief pilot of a federally certificated air carrier. Mr. Nemser holds a J.D. from the New York University School of Law, where he graduated magna cum laude, and a B.S. in business administration from the University of Southern California. He is a licensed airline transport pilot with over 2,000 flight hours. Mr. Nemser is an American citizen and has attended six of six board meetings in 2020.

PRESENTATION OF THE BOARD OF DIRECTORS

(CONTINUED)

Charlotte Stratos, *Independent Director*

Charlotte Stratos was a Senior Advisor to Morgan Stanley's Investment Banking Division Global Transportation team between 2008-2021. Between 1987-2007, Mrs. Stratos served as managing director and head of Global Greek Shipping for Calyon Corporate and Investment Bank of the Credit Agricole Group. Between 1976-1987, Mrs. Stratos served in various roles with Bankers Trust Company, including advisor to the Shipping Department. Currently, Mrs. Stratos serves as an independent director for Costamare Inc., a containership company listed on the New York 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 between 2007-2016 when the company delisted from AIM and a board member of Emporiki Bank between 2006–2008. Mrs. Stratos is a Greek citizen and has attended six of six board meetings in 2020.

John Kittmer, *Independent Director*

John Kittmer has held senior positions across the UK public sector. Between 2013-2016, 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 is a UK citizen and has attended six of six board meetings in 2020.

George Aronis, *Independent Director*

Mr. George Aronis began his career in 1982 in the banking sector. He worked for 15 years in major international banks, the major part in ABN AMRO, in Greece and abroad. The last 20 years he served in Senior Management positions in National Bank and In Alpha Bank. From October 2017 to June 2020 he was Chairman of the Executive Committee of the Hellenic Bank Association.Mr. Aronis holds a Professional Diploma in Marketing from the Chartered Institute of Marketing and a MBA, major in Finance from the Athens Laboratory of Business Administration. During the last years he has worked out a number of studies about the Greek banking sector and has been published in a number of financial newspapers and magazines. Mr. Aronis is a Greek citizen and has attended two of six board meetings in 2020.

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 Euronext Growth (ex-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 an international tanker company in the oil shipping industry. Its main activities are the ownership, chartering and operation of oil tanker vessels. The Company owns, through its vessel-owning subsidiaries, the SPVs, a fleet of seventeen tanker vessels comprising three modern Aframax/LR2 tankers, six modern Suezmax tankers and eight modern VLCC tankers. Among the factors that are believed to differentiate the Company from its competitors 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 2020:

- 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 ("Ocean Yield"), with the four VLCCs in question remaining on bareboat charter.
- 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 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.
- In July 2020, the Suezmax vessels Kimolos and Folegandros were re-financed for $42.2 million and $39.2 million, respectively.
- Between August and November 2020, the Company entered into eight floating-to-fixed interest rate swaps with a total notional amount of $399.3 million at an average fixed interest rate of 0.331% for a term of three years.

- In September 2020, the Company paid a cash dividend to its shareholders of $0.75 per share, amounting to $24.3 million.
- Also in September 2020, the Company took delivery of Suezmax vessels Nissos Sikinos and Nissos Sifnos. Both vessels entered into three-year time charter contracts upon delivery. In connection with their delivery, the Company entered into a $103.2 million loan facility with the Export-Import Bank of Korea, the BNK Busan Bank and the BNK Kyongnam Bank.
- In December 2020, the Company paid a cash dividend to its shareholders of $0.10 per share, amounting to $3.2 million.
- Also in December 2020, the Company adjusted the ship management fee that it will pay Kyklades Maritime Corporation ("Kyklades" or the "Management Company") for the technical management of its fleet to $900 per vessel per day, beginning on January 1, 2021.

As of December 31, 2020, 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 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.
- In March 2021, the Company paid a cash dividend to its shareholders of $0.10 per share, amounting to $3.2 million.

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 tanker owner/operators going forward.

Adhering to ABS Monitoring Reporting and Verification Regulation and its strategy to reduce carbon emissions, the Company has one of the youngest fleets in operation, pursuing a strategy of investing only in eco-design vessels fitted with exhaust gas cleaning systems ("scrubbers"), with the goal of reducing its environmental footprint, exceeding industry emission benchmarks and generating value for its shareholders.

The below table presents the Company's emissions data:

Reporting period is January 1, 2020 through December 31, 2020

REPORTING MEASURE	CALCULATION	VLCC	SUEZMAX	AFRAMAX/LR2	OET FLEET
Number of vessels for which we have emissions data		8	6	3	17
Fleet average age at end of reporting period		1.4 yrs	2.3 yrs	5.6 yrs	2.4 yrs
Percentage of vessels equipped with scrubbers at end of reporting period		100%	100%	100%	100%
CO_2 emissions generated from vessels (mt)					
Laden Condition		193,400	75,000	21,500	289,900
All Conditions		340,900	118,100	32,700	491,700
Annual Efficiency Ratio (AER)[1]					
CO_2 emissions - all conditions (from above)	A	340,900	118,100	32,700	491,700
Design deadweight tonnage (DWT)	B	319,000	158,400	114,300	235,200
Total distance travelled (nautical miles)	C	616,700	296,100	98,300	1,011,100
Fleet AER for the period	A/(B*C)	1.7 g/ton-mile	2.5 g/ton-mile	2.9 g/ton-mile	2.2 g/ton-mile
Energy Efficiency Operational Indicator (EEOI)[2]					
CO_2 emissions - all conditions (from above)	A	340,900	118,100	32,700	491,700
Weighted avg. cargo transported for the period (mt)	D	146,300	87,500	50,600	284,400
Laden distance travelled (nautical miles)	E	316,500	170,900	57,700	545,100
Fleet EEOI for the period	A/(D*E)	7.4 g/cargo ton-mile	7.9 g/cargo ton-mile	11.2 g/cargo ton-mile	8.2 g/cargo ton-mile

Consolidated Financial Statements

Income Statement

For the year ended December 31, 2020, the Company generated revenues of $282.9 million, up from $127.7 million in 2019 due to a 57% increase in vessel operating days and a 46% increase in the daily fleet-wide time charter equivalent (TCE) earnings.

Operating expenses inclusive of technical management fees amounted to $43.6 million, up from $26.6 million in 2019 due to a 56% increase in vessel calendar days and a 20% increase in average vessel size in deadweight ton terms. Commissions and voyage expenses were $51.9 million, up from $27.4 million in 2019 mainly due to an enlarged fleet and a 9% reduction in time charter coverage (from 52% in 2019 to 43% in 2020) in absolute terms. General and administrative expenses amounted to $4.4 million, up from $3.3 million in 2019 due to an increase in performance-based remuneration. Depreciation and amortization expense totaled $41.6 million, up from $24.6 million in 2019 due to a 22% increase in the depreciable asset base.

NOTES 1) Annual Efficiency Ratio is a measure of carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage.
2) Energy Efficiency Operational Indicator is a tool for measuring the CO2 gas emissions in a given time period per unit transport work performed. This calculation is performed as per IMO MEPC.1/Circ684. Reporting period is January 1, 2020 through December 31, 2020.

Interest and other finance costs for the year ended December 31, 2020 were $37.7 million, up from $34.0 million in 2019 due to a 14% increase in gross indebtedness and an uptick in expensed debt issuance costs due to debt re-financing, counterbalanced by lower LIBOR rates that prevailed during the year. Furthermore, the Company incurred an additional loss amounting to $1.1 million resulting from derivative instruments held at fair value from interest rate swap agreements entered into during the year.

The Company reported a profit for the year of $101.3 million or basic and diluted earnings of $3.12 per share, compared to a profit of $11.4 million or basic and diluted loss of $0.35 per share in 2019. The net increase of $90.0 million was a combined result of the year over year changes described above.

Statement of Financial Position

Total assets as at December 31, 2020 were $1,259.7 million, up from $1,110.8 million in 2019 mainly reflecting a 21% increase in the number of vessels in the fleet partially offset by recurring depreciation. Total liabilities amounted to $862.5 million, up from $769.1 million in 2019, mainly due to an increase in indebtedness as well as a year-end increase in trade payables, while total equity was $397.2 million, up from $341.7 million in 2019, mainly as a result of the yearly profit of $101.3 million, cumulative dividend distributions of $43.7 million and repurchase of own shares of $2.1 million, corresponding to an equity ratio of 32%. The Company's cash and cash equivalents (including restricted cash) at December 31, 2020 was $31.7 million, up from $16.8 million in 2019, as a result of the cash flow movements described below.

Cash Flow

For the year ended December 31, 2020 net cash provided by operating activities was $152.2 million (2019: $38.5 million) that was primarily the result of profitable operations. Net cash used in investing activities was $183.7 million (2019: $445.4 million), mainly reflecting delivery instalment payments to shipyards for the VLCC Nissos Anafi and Suezmaxes Nissos Sikinos and Nissos Sifnos acquired during the year, as well as payments for scrubber installations on the Suezmax and Aframax/LR2 fleet. Net cash provided by financing activities was $41.5 million (2019: $402.2 million), primarily reflecting proceeds from long term borrowings of $277.7 million in connection with delivery debt financing of the three aforementioned newbuildings, as well as the refinancing of the Suezmaxes Kimolos and Folegandros. Positive financing cash flows were partially offset by repayments of long term borrowings of $175.9 million, reflecting $45.9 million repayment of the pre-delivery financing of the two newly acquired Suezmaxes, $1.7 million early repayment of the scrubber loan arising from Kimolos's refinancing, $46.8 million of recurring debt amortization and $81.5 million to retire outstanding debt due on the Kimolos and Folegandros at the time of their 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, together with the expected future cash flows from operations and the fact that there are no unfunded capital commitments, the Board of Directors confirms 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. Effective from 2020, the Company uses interest rate swaps to hedge the risk arising from changes in LIBOR rates. The principal objective of these contracts is to mitigate the risks and minimize the costs associated with its floating-rate debt.

Currency Risk

USD is the functional currency of the Company. Some expenses largely relating to crewing 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 volatility as a consequence of its presence in the crude tanker spot market. A sizeable portion of the Company's fleet is employed under time charter contracts. Any adverse crude tanker spot market conditions will negatively affect the financial condition of the Company.

Credit Risk

The Company only charters its vessels to international energy companies, national oil 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 shipbuilding contracts are secured with refund guarantees from top-tier financial institutions.

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.

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 seaborne oil demand, thus affecting oil tanker 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 of the fleet 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 twelve persons, of whom five are women and seven are men. The Company's Board of Directors comprises one woman and six 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 year and provided sickness absence to its employees when necessary.

Human Rights

The Company has also 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 2006, 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

Seaborne crude tanker trade contracted by 6% in 2020, to 10 billion ton-miles. The fundamental drivers of the contraction were reduced OPEC export and European import volumes due to the effects of the Covid-19 pandemic. The crude tanker fleet registered growth of 6.7% as deliveries of orders placed in 2018 – the peak ordering year of the last downturn – continued, and scrapping activity remained subdued. However, the adverse impact of the deteriorating market fundamentals weren't felt until the second half of the year. During the first half of 2020, crude tankers were one of the biggest beneficiaries of the shift in the term structure of the crude oil forward price curve to contango, as excess oil produced in the short-lived price war between Saudi Arabia and Russia filled land-based storage to capacity and ultimately required floating storage to absorb the surplus. The eventual unwinding of floating storage, the return of crude tankers used for floating storage back into the spot market, and the strict adherence to sizeable production cuts by OPEC+ agreed to in the aftermath of the price war all combined to suppress seaborne oil demand and significantly weaken the crude tanker market from August 2020 onwards.

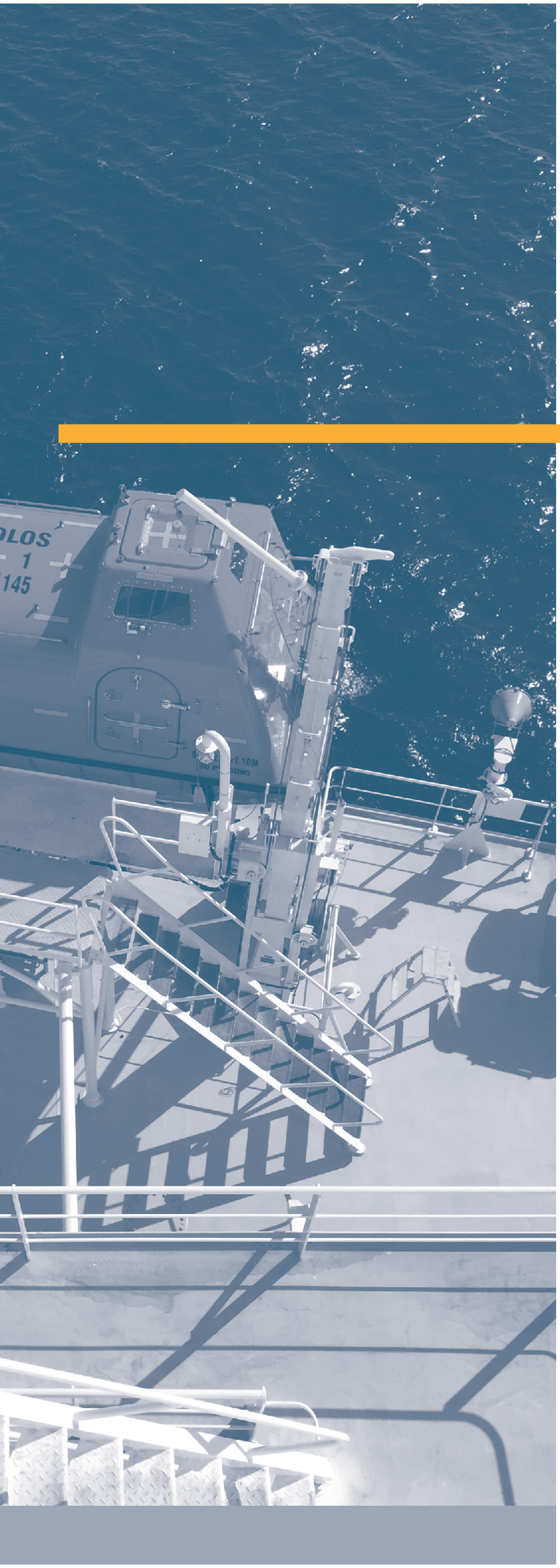
Crude oil demand in non-OECD countries has now returned to pre-Covid levels (as evidenced by refining runs), while OECD demand trends ~4mb/d lower than January 2020 levels. Concurrently, OPEC (led by Saudi Arabia) continues to withhold production from the market in order to bring crude oil inventories back in line with 2015-2019 average levels. The production discipline exhibited by OPEC has led to the complete unwinding of floating storage and the normalization of onshore oil inventories, except in the OECD where stocks are still 139mb above average based on December 2020 data. Given the backward looking nature of this data, the ongoing recovery in global oil demand coupled with OPEC's production restraint likely means that the crude oil market is drawing by 2mb/d and has made significant progress in trimming the OECD stock overhang. The tightening of global stocks will signal the inevitable return of OPEC barrels to the market. In China, crude imports remain strong at ~11mb/d, driven by an earlier restart of its economy following lockdown but also by stockpiling of cheap crude. Led by strong domestic refining and export margins at the start of 2021, Chinese oil majors have now begun drawing on crude stocks accumulated through 2020, while Chinese refinery teapot and commercial stocks remain elevated.

OPEC+ spare production capacity is estimated to be ~7-8mb/d. Consensus energy agency forecasts call for the return of 2-3mb/d of production in the second half of 2021, a level that would represent the largest OPEC production growth over a six-month period since 2000. Approximately ~1mb/d of this incremental production would be used for domestic consumption in the Middle East (start-up of new refineries and rising domestic energy demand), leaving the balance available for seaborne exports. Applying a multiplier of 23 VLCCs required per million barrels of seaborne exports from the Arabian Gulf, we calculate that VLCC demand is set to grow by 23-46 VLCCs in the second half of the year, at least. The vaccine rollout is also making good progress in the United States, the United Kingdom, parts of Europe and most Asian countries. The return of aviation as pent-up travel demand is released upon the re-opening of economies can potentially have a disproportionately strong impact on oil product prices and refining margins, driving higher refinery runs and seaborne crude oil imports.

Concurrently, the crude oil tanker orderbook is at multi-decade lows, while 24% of the VLCC fleet is fifteen years or older. Tanker orders placed today in Korean shipyards would not deliver until second half 2023 due to lack of berths resulting from the recent influx of and yard preference for containership and LNG orders. Strong physical tanker markets combined with lack of yard availability would lead to higher secondhand asset values as buyers' willingness to pay a premium in order to gain prompt exposure rises in such market conditions. Higher environmental regulation, costs and scrutiny should also translate to more pronounced asset value appreciation for modern, fuel-efficient ships.

Moreover, the rising oil price environment is further handicapping the earnings of non scrubber-fitted, non fuel-efficient ships. We estimate that eco, scrubber-fitted VLCCs are generating savings of $15,000/day in the current oil price environment, with this development set to persist as the underinvestment in energy infrastructure due to Covid-19 combined with recovering energy demand will underpin structurally stronger medium term oil prices.

In summary, the second quarter of 2021 can remain subdued as many of the crude tanker developments that have been in place since Q3 2020 – OPEC production cuts, lockdown/mobility restrictions, and lack of aviation demand – remain ongoing. However, the re-opening of economies starting in the summer/autumn and the return of OPEC seaborne exports to satisfy the corresponding recovery in oil demand will be highly supportive for the crude tanker market.



RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the consolidated financial statements for the year ended December 31, 2020 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 true and 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

George Aronis
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, maximize value, and utilize 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 October 17, 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 February 26, 2019.

All relevant documents are uploaded to the Company's website (www.okeanisecotankers.com) and are reviewed and updated on a regular basis.

Implementation and Reporting on Corporate Governance

The Company is primarily governed by the Marshall Islands Business Corporations Act (BCA), its articles of incorporation (the "Articles of Incorporation") and its bylaws (the "Bylaws"). In addition, the Company is required to comply with certain aspects of the Norwegian Securities Trading Act, the Norwegian Accounting Act, the Market Abuse Regulation (MAR) and The Issuer Rules for Oslo Børs (Rule Book I: Harmonized Rules and Oslo Rule Book II-Issuer Rules).

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 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 characterize the behavior 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 and the Company's Articles of Incorporation. The Company may be organized 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 a clear objective and strategy for its business.

Equity and Dividends

Equity

As of December 31, 2020, the Company's consolidated equity was approximately $397.2 million, equivalent to approximately 32% of total assets. The Company's equity level and financial strength shall be considered in light of its objectives, charter coverage and strategy.

Dividend Policy - value creation for shareholders

During the year ended December 31, 2020 the Company distributed an amount of $43.7 million through 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 has selected to distribute quarterly dividends close to its free cash flow adjusted for non-recurring items, working capital needs or other discretionary items as from time to time will be decided by the Board. 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 Net Asset Value ("NAV") per share and consider asset sales and capital reductions 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 divestment policy.

Share capital increases and issuance of shares

The Company may issue in the aggregate, over the course of its lifetime and 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 authorized to issue additional shares at any time, up to the limits set by the Company's authorized share capital. This authorization is not limited to specific purposes or limited in time and can be increased only upon the authorization 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.

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 on 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 fully 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 shareholder 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 shareholder 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 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 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

The Company's Bylaws allow for the establishment of a nomination committee; however, the Company has decided not to establish one.

Deviation: The Company's Bylaws provide that Okeanis Eco Tankers Corp. may appoint a nomination committee. Shareholders have not expressed any desire to create such a body, which is also not required under Marshall Islands law, being the jurisdiction in which the Company is incorporated. The Company has based its solid operations, successful strategy and growth on the leadership and stewardship of its majority shareholder, CEO and Chairman, Mr. Ioannis Alafouzos, who (together with affiliates) owns approximately 57% of the Company. He has throughout kept the best interests of all stakeholders in mind. This is evidenced, inter alia, by the current composition of the Board, which comprises seven directors, of whom three are entirely independent, while three are independent from Mr. Alafouzos and his affiliates but serving by virtue of representing various funds that hold in aggregate approximately 16% of the outstanding shares in the Company. All members of the Board are up for re-election in the upcoming 2021 AGM. The Board will listen to shareholder demands, as and if expressed, with a view to facilitating a Board going forward which continues to have the support of shareholders, aligning ownership interest, expertise, integrity and independence in accordance with the principles underlying the NUES recommendation.

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 seven 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 organization 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 and until his successor shall be elected and qualified. The annual report provides information illustrating the expertise of the members of the Board, and information on their record of attendance at Board meetings. In addition, the annual report identifies which members are considered to be independent.

Deviation: 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 activities, in general.

The Board has adopted rules of procedure, which provide regulation on, inter alia, the duties of the Board and the CEO, the annual plan for the Board, notices of Board proceedings, 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 conducts an annual self-evaluation of its own work and competence, with input from various sources. The Board considers external investors' perception of the Company's operational performance, corporate governance reputation, financial transparency and effectiveness in communications with external stakeholders. The various Board committees are also reviewed for their effectiveness in executing their responsibilities. A factor that is believed to drive alignment between the Board and the Company's shareholders is the Board's cumulative shareholding of 72% in the Company.

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) maintain 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 controls 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 controls 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 has established a whistle-blowing function that enables employees to alert the Company's governing bodies about possible breaches of rules and regulations.

The Board shall conduct an annual organizational risk review in order to identify real and potential risks, and remedy any incidents that have occurred. This year, the Company concluded an annual review in the most important areas of risk and implemented a series of internal controls and procedures. The Company has established an audit committee that regularly evaluates and discusses the various risk elements of the Company, and potential for improvement. The audit committee reports to the Board.

Remuneration of the Board of Directors

Pursuant to the Company's Bylaws, the remuneration of the Board is decided at the Company's general meeting, and reflects the Board's responsibility, expertise, time commitment and the complexity of the Company's activities. The remuneration is not linked to the Company's performance.

Share options have not been granted to Board members.

The annual report provides 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 is being disclosed to the Board.

The remuneration for such additional duties is approved by the Board.

For additional information regarding Board remuneration, please refer to note 14 to the consolidated financial statements.

Remuneration of the Executive Management

The Board prepares separate guidelines for the stipulation of salary and other remuneration to key management personnel. The guidelines include the main principles applied in determining the salary and other remuneration of the executive management, and ensure alignment between executive management and shareholders. According to these, it is being made clear which aspects of the guidelines are advisory and which, if any, are binding, thereby enabling the general meeting to vote separately on each of these aspects.

The Board makes sure that performance-related remuneration of the executive management in the form of annual bonus programs, share options or the like, if used, are linked to value creation for shareholders or the Company's earnings performance over time. Performance-related remuneration is subject to an absolute limit. Furthermore, the Company ensures 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.

For additional information around executive management's remuneration, please refer to note 14 to the consolidated financial statements.

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 each year publishes 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 defense 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 unique, non-recurring events that 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.

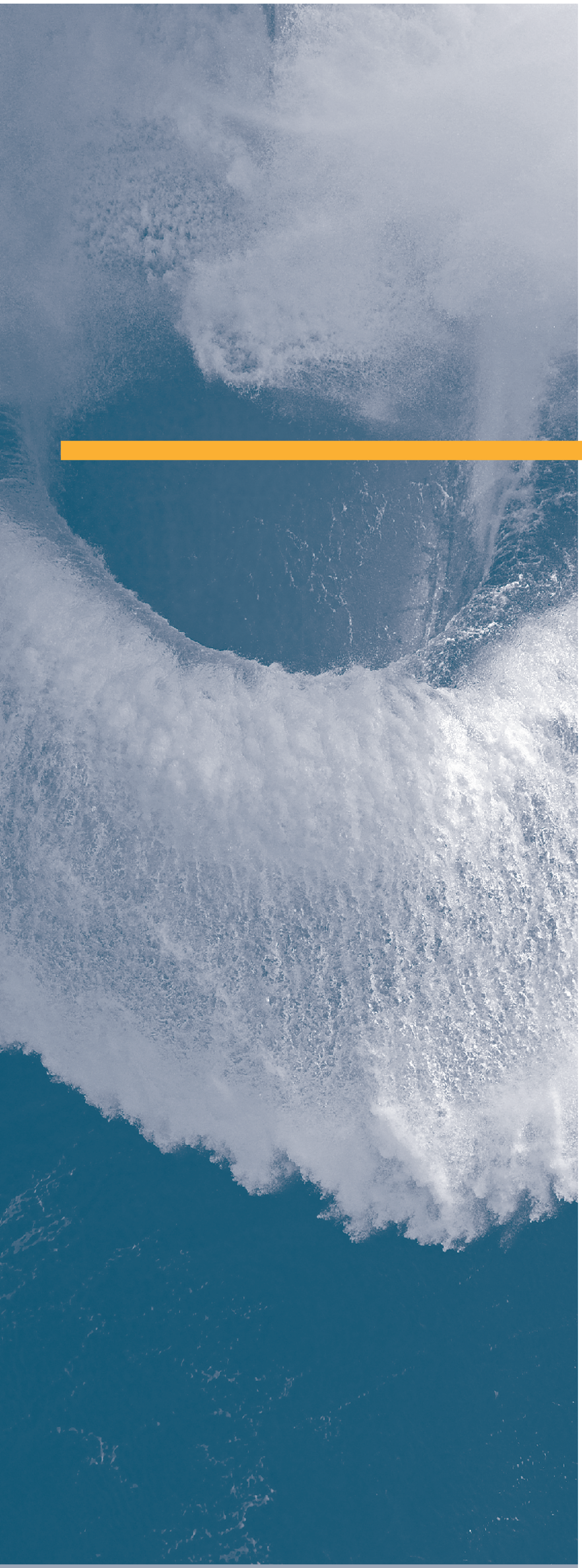
Auditor

The Board requires 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 requires 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 is being held at the request of the auditor.

The Board reviews and monitors 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 ordinary general meeting approves auditor remuneration to the auditor. The Board reports to the general meeting on details of fees for audit work and 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, 2020
and Independent Auditor's Report.

Index to Consolidated Financial Statements

DIRECTORS' STATEMENT
For the year ended December 31, 2020

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended December 31, 2020.

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 does 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.

Deloitte.

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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, 2020, 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, 2020 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, 2020, 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
Impairment of vessels: Refer to note 4 (Summary of Significant accounting policies) and note 5 (Critical accounting Judgments and key sources of estimation uncertainty). The Group had seventeen tanker vessels as of December 31, 2020, having a combined carrying amount of USD 1,199 million. Impairment indicators were present on ten of these vessels, as their carrying values were above their respective fair values as of December 31, 2020. This was mainly the result of a weakening tanker market mostly seen during the second semester of 2020, which brought a fleet-wide reduction in the estimated fair value of the Group's vessels compared to 2019. As a result, an impairment test was performed by management, by calculating the recoverable amount of each vessel. Management considers each vessel to be a cash generating unit ("CGU" or "vessel") and calculated the recoverable amount of each CGU as the higher of the value in use and fair value less costs to sell. We focused on this area due to the significant carrying value of the vessels and the judgement inherent in the impairment review. Management made judgements in calculating the discounted future cash flow forecasts for the value in use model regarding certain key inputs, the most important of which being the assumed discount rate and assumed future freight rates for non-contracted periods, through the end of each vessel's useful economic life. The fair value less costs of disposal is estimated by management based on external broker valuations. The result of Management's impairment exercise was that there was no need to record an impairment charge, given each vessel's recoverable amount was higher than its respective carrying amount. The excess of the recoverable amount over the carrying amount ranged from $5.8 million - $40.7 million.	We evaluated and challenged managements' impairment assessment and the process by which this was performed. We assessed managements accounting policy against IFRSs and obtained explanations from management as to how the specific requirements of the standards, in particular IAS 36 – *Impairment of assets*, were met. We also benchmarked the Company's accounting policy to the ones used by peer shipping companies reporting under IFRS. In order to assess each of the significant assumptions in management's value in use model, we interviewed management and challenged their assessments. For the assumptions which required most of our attention, being (a) management's assumption on future freight earnings for non-contracted periods and (b) the discount rate used, we performed the following: <u>Discount rate</u>: We looked at external market data, as obtained from our financial advisory valuation specialists, and assessed the discount rate used by management, including the components used to build it (such as, the risk-free rate, equity risk premium, and debt/equity ratio). We verified the consistency of the use of the discount rate against all vessels and ensured the mathematical accuracy of its application in the value in use calculation of each vessel. <u>Future freight earnings for non-contracted periods</u>: For non-contracted periods and until the end of each vessel's useful economic life, management uses: • for the first 2 years, earnings projections as reflected in forward freight agreement reports, • for the third year, the average between the second year's earnings as quoted on the forward freight agreements and the simple average of the historical 5-year time charter equivalent rates, • from the fourth year and beyond, the simple average of the historical 5-year time charter equivalent rates. For each of the aframax, suezmax and vlcc vessel classes, the 5-year simple historical averages amounted to $21,111, $25,227 and $35,956, respectively. We corroborated the accuracy of all rates used by management during non-contracted periods, by obtaining the reports from external and independent maritime sources and agreeing the 5-year simple

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	historical average of time charter equivalent rates included in these reports to management's value-in-use calculation. We challenged management by looking also at different periods representing potential shipping cycles, such as the 7, 10 and 15-yr simple historical averages, noting that no impairment losses would be required, were these averages used instead of the 5-year. We also assessed whether the 5-year average used by Management fairly depicts a shipping cycle, capturing both historical highs and lows within a period. We also discussed with management and reviewed the sensitivity disclosures provided around Management's impairment model, by re-computing the percentages (%) by which the future freight rates would need to be reduced, or by which the discount rate need to be increased, before impairment losses would need to be recorded.

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.

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.

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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 scepticism 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.

- 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.

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

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 15, 2021
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, 2020 and 2019
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE YEAR ENDED DECEMBER 31, 2020	2019
Revenue	21	**$282,870,330**	**$127,733,607**
Operating expenses			
Commissions		(3,757,075)	(1,665,407)
Voyage expenses	11	(48,116,343)	(25,738,665)
Vessel operating expenses	10	(40,178,632)	(24,451,931)
Management fees	14	(3,416,400)	(2,186,400)
Depreciation and amortization	7	(41,619,641)	(24,585,920)
General and administrative expenses	12	(4,421,483)	(3,329,028)
Total operating expenses		**($141,509,574)**	**($81,957,351)**
Operating profit		**$141,360,756**	**$45,776,256**
Other income/(expenses)			
Interest income		50,499	130,020
Other expenses, net	23	(1,354,921)	(496,274)
Interest and other finance costs	22	(37,649,743)	(34,010,460)
Unrealized loss on derivatives	24	(1,116,166)	—
Realized loss on derivatives	24	(23,770)	—
Foreign exchange gain/(loss)		52,287	(15,186)
Total other expenses		**($40,041,814)**	**($34,391,900)**
Profit for the year		**$101,318,942**	**$11,384,356**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement of post-employment benefit obligations		(3,051)	(22,896)
Total comprehensive income for the year		**$101,315,891**	**$11,361,460**
Attributable to the owners of the Group		$101,315,891	$11,361,460
Earnings per share - basic & diluted	18	$3.12	$0.35
Weighted average no. of shares - basic & diluted		32,462,659	32,263,264

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

Okeanis Eco Tankers Corp.
Consolidated statement of financial position
As of December 31, 2020 and 2019
(All amounts expressed in U.S. Dollars)

AS OF DECEMBER 31,	NOTES	2020	2019
Assets			
Non-current assets			
Vessels, net	7	$1,199,364,846	$1,007,992,914
Vessels under construction	8	—	56,266,949
Other fixed assets		41,019	40,000
Deferred financing fees		—	751,505
Restricted cash		6,410,000	3,410,000
Total non-current assets		**$1,205,815,865**	**$1,068,461,368**
Current assets			
Inventories	6	5,767,484	6,552,457
Trade and other receivables		14,633,061	18,230,962
Claims receivable	19	154,448	92,608
Prepaid expenses and other current assets		964,416	2,263,662
Current accounts due from related parties	14	7,063,619	1,837,052
Current portion of restricted cash		1,991,381	—
Cash & cash equivalents		23,338,062	13,395,723
Total current assets		**$53,912,471**	**$42,372,464**
Total assets		**$1,259,728,336**	**$1,110,833,832**
Shareholders' equity & liabilities			
Shareholders' equity			
Share capital	15	$32,890	$32,890
Additional paid-in capital	15	334,328,863	334,328,863
Treasury shares	15	(3,068,260)	(1,010,155)
Other reserves		(25,947)	(22,896)
Retained earnings		65,960,647	8,365,601
Total shareholders' equity		**$397,228,193**	**$341,694,303**
Non-current liabilities			
Long-term borrowings, net of current portion	13	$759,218,688	$683,676,384
Retirement benefit obligations		61,175	53,066
Derivative financial instrument liability	24	1,116,166	—
Total non-current liabilities		**$760,396,029**	**$683,729,450**
Current liabilities			
Trade payables		$17,697,198	$13,953,070
Accrued expenses	9	2,306,868	4,384,815
Deferred revenue		6,462,292	4,919,126
Current accounts due to related parties	14	379,803	13,123,755
Current portion of long-term borrowings	13	75,257,953	49,029,313
Total current liabilities		**$102,104,114**	**$85,410,079**
Total liabilities		**$862,500,143**	**$769,139,529**
Total shareholders' equity & liabilities		**$1,259,728,336**	**$1,110,833,832**

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, 2020 and 2019
(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	(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	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**
Acquisition of equity shares at NOK 57.3 per share	15	(113,934)	—	—	(698,924)	—	—	(698,924)
Acquisition of equity shares at NOK 57.5 per share	15	(250,000)	—	—	(1,359,181)	—	—	(1,359,181)
Profit for the year		—	—	—	—	—	101,318,942	101,318,942
Dividend paid		—	—	—	—	—	(43,723,896)	(43,723,896)
Other comprehensive loss for the year		—	—	—	—	(3,051)	—	(3,051)
Balance December 31, 2020		**32,375,917**	**32,890**	**334,328,863**	**(3,068,260)**	**(25,947)**	**65,960,647**	**397,228,193**

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, 2020 and 2019
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE YEAR ENDED DECEMBER 31, 2020	2019
Cash flows from operating activities			
Profit for the year		$101,318,942	$11,384,356
Adjustments to reconcile profit to net cash provided by operating activities:			
Depreciation and amortization		41,619,641	24,585,920
Interest expense		34,373,842	28,237,030
Amortization of loan financing fees		2,519,363	1,932,574
Unrealized loss on derivatives		1,116,166	—
Interest income		(50,499)	(130,020)
Other non-cash items		8,109	45,356
Total reconciliation adjustments		**$79,586,622**	**$54,670,860**
Changes in working capital:			
Trade and other receivables		3,597,901	(14,911,614)
Prepaid expenses and other current assets		1,380,519	(1,360,808)
Inventories		784,973	(3,865,287)
Trade payables		588,189	7,741,363
Accrued expenses		(1,892,202)	3,042,353
Deferred revenue		1,543,166	3,854,276
Claims receivable		(61,840)	4,832,960
Interest paid		(34,643,912)	(26,844,255)
Total changes in working capital		**($28,703,206)**	**($27,511,012)**
Net cash provided by operating activities		**$152,202,358**	**$38,544,204**
Cash flows from investing activities			
Current accounts due from related parties		(5,226,567)	(1,440,761)
Payments for other fixed assets		(1,019)	(21,897)
Increase in restricted cash		(4,991,381)	(410,000)
Dry-dock expenses		(1,403,289)	(282,943)
Payments for vessels and vessels under construction		(172,165,396)	(443,353,283)
Interest received		50,499	130,020
Net cash used in investing activities		**($183,737,153)**	**($445,378,864)**

	NOTES	FOR THE YEAR ENDED DECEMBER 31, 2020	2019
Cash flows from financing activities			
Proceeds from long-term borrowings	13	277,677,250	456,390,500
Repayments of long-term borrowings	13	(175,908,202)	(56,045,958)
Proceeds from private placement	15	—	15,000,000
Payments for offering expenses		—	(623,959)
Current accounts due to related parties		(12,743,952)	(1,889,769)
Payment of loan financing fees	13	(1,765,961)	(9,673,255)
Acquisition of treasury stock	15	(2,058,105)	(1,010,155)
Dividends paid		(43,723,896)	—
Net cash provided by financing activities		**$41,477,134**	**$402,147,404**
Net change in cash and cash equivalents		9,942,339	(4,687,256)
Cash and cash equivalents at beginning of year		13,395,723	18,082,979
Cash and cash equivalents at end of year		**$23,338,062**	**$13,395,723**
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 expenditure included in trade payables		3,673,472	—

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

The Alafouzos family fully owned OMH and currently holds, through Glafki, a stake of 56.82% in the Company. The Company traded on the Merkur Market (currently named Euronext Growth) from July 3, 2018 until March 8, 2019, when it was then admitted for trading on the Oslo Axess (currently named Euronext Expand). In January 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.

As at December 31, 2020 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 Six Marine Corp.	October 9, 2019	Marshall Islands	100%
Omega Seven Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Nine Marine Corp.	June 28, 2018	Marshall Islands	100%
Omega Ten Marine Corp.	October 9, 2019	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%
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 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 15, 2021.

3. Basis of Consolidation

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Company gains control until the date it ceases to control the subsidiary.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above .

On October 9, 2019, the Company obtained control over the companies Omega Six Marine Corp. and Omega Ten Marine Corp., when OMH 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 IFRS 16. Time charter contracts do not fall under the scope of IFRS 15- Revenue from Contracts with Customers 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 vessel transports 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 cargo loading are accounted for as contract fulfilment 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, 2020 and 2019, 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 years ended December 31, 2020 and 2019, 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 recognized 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 a strategy of maximizing profit and shareholders' investment. 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 noncurrent 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, stores and provisions on board the vessels at each statement of financial position date and are stated at the lower of cost or net realizable 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 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 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 plans 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 entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability of 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 13 Fair Value Measurement, 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. Variable rate long-term borrowings and interest rate swaps are considered Level 2 financial instruments. There are no financial instruments in Level 3, nor any transfers between fair value hierarchy levels during the periods 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. The fair value of variable rate long-term borrowings approximates their recorded value, due to their variable interest being the USD LIBOR and due to the fact that financing institutions have the ability to pass on their funding cost to the Group under certain circumstances, which reflects their current assessed risk. The terms of the Group's long-term borrowings are similar to those that could be procured as of December 31, 2020. LIBOR rates are observable at commonly quoted intervals for the full term of the loans and hence variable rate long-term borrowings are considered Level 2 financial instruments.

Sale and leaseback transactions

In case a vessel is sold and subsequently leased back by the Group, pursuant to a memorandum of agreement (MoA) and a bareboat charter agreement, the Group 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 recognizes 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 recognize the transferred vessel and shall recognize a financial liability equal to the transfer proceeds.

Leases

The Company adopted IFRS 16 effective from January 1, 2019 using the modified retrospective approach, and made use, as necessary, 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.

The Group as a Lessee

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

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. 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.

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. This revenue is recognized "over time" as the customer (i.e. the charterer) is simultaneously receiving and consuming the benefits of the service.

Derivative financial instruments – interest rate swaps

The Group uses interest rate swaps to economically hedge its exposure to interest rate risk arising from its variable rate borrowings. Interest rate swaps are initially recognized at fair value on the consolidated statement of financial position on the date the derivative contracts are entered into and are subsequently remeasured to their fair value at each reporting date. The fair value of these derivative financial instruments is based on a discounted cash flow calculation. The resulting changes in fair value are recognized in the consolidated statement of profit or loss and other comprehensive income unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the consolidated statement of profit or loss depends on the nature of the hedge relationship. Derivatives are presented as assets when their valuation is favourable to the Company and as liabilities when unfavourable to the Company. Cash outflows and inflows resulting from derivative contracts are presented as cash flows from operations in the consolidated statement of cash flows.

Adoption of new and revised IFRS

Standards and interpretations adopted in the current year

At the date of authorization of these consolidated financial statements, there were no IFRS standards and amendments adopted in the current year with a material effect on the Group's financial statements.

Standards and amendments in issue not yet adopted

In January 2020, the IASB issued a narrow-scope amendment to IAS 1 Presentation of Financial Statements, to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also defines the "settlement" of a liability as the extinguishment of a liability with cash, other economic resources or an entity's own equity instruments. The amendment will be effective for annual periods beginning on or after January 1, 2022 and should be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted. Management anticipates that this amendment will not have a material impact on the Group's financial statements.

In August 2020, the IASB issued the Phase 2 amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IFRS 4 and IFRS 16 in connection with the Phase 2 of the interest rate benchmark reform. The amendments address the issues arising from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The amendment will be effective for annual periods beginning on or after January 1, 2021. Early application is permitted. Management is currently evaluating the impact of this standard on the Group's financial statements.

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, consultancy 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 element of 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 the vessel has taken place, in accordance with the criteria established in IFRS 15. In this determination, an assessment of the nature of any repurchase options is made. The outcome of the transaction (at option exercise 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 equivalent 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, 2020, the carrying amounts of ten vessels owned by the Group were higher than their respective fair values, as determined taking into consideration independent broker valuations. As a result, the Group estimated the recoverable amounts for each of these vessels to determine the extent of any impairment loss. All vessels' recoverable amounts were higher than their respective carrying amounts, hence there was no requirement to record an impairment loss.

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 proceed to estimate the recoverable amounts of the vessels.

The value in use calculation is most sensitive to variances in the discount rate and in future tanker daily earnings for non-contracted periods, mostly as they relate to the use of the 5-year simple historical time charter equivalent average rates. The Group's sensitivity analysis performed allowed for reductions in daily tanker earnings, as they relate to the use of the 5-year simple historical average, of up to 6.8% for Suezmax vessels, up to 8.6% for Aframax vessels and up to 23.3% for VLCC vessels, and for increases in the discount rate of up to 1.2% for Suezmax vessels, 1.8% for Aframax vessels and 4.0% for VLCC vessels, before impairment losses would be triggered.

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,	2020	2019
Bunkers	3,461,559	4,231,314
Lubricants	1,947,399	2,003,222
Provisions	256,190	215,227
Bonded stores	102,336	102,694
Total	**5,767,484**	**6,552,457**

7. Vessels, Net

Vessels, net are analysed as follows:

	VESSELS' COST	DRY-DOCKING AND SPECIAL SURVEY COSTS	TOTAL
Cost			
Balance - January 1, 2019	**423,373,970**	**5,600,000**	**428,973,970**
Transfers 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**
Transfers from Vessels under construction	220,749,318	2,600,000	223,349,318
Fully amortized Dry-Dock component	—	(2,400,000)	(2,400,000)
Additions	6,840,435	2,801,820	9,642,255
Balance - December 31, 2020	**1,279,838,895**	**15,902,325**	**1,295,741,220**
Accumulated Depreciation			
Balance - January 1, 2019	**(30,064,297)**	**(2,535,768)**	**(32,600,065)**
Depreciation 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)**
Fully amortized Dry-Dock component	—	2,400,000	2,400,000
Depreciation charge for the year	(38,901,859)	(2,717,782)	(41,619,641)
Balance - December 31, 2020	**(91,806,113)**	**(4,570,261)**	**(96,376,374)**
Net Book Value - December 31, 2019	**999,344,888**	**8,648,026**	**1,007,992,914**
Net Book Value - December 31, 2020	**1,188,032,782**	**11,332,064**	**1,199,364,846**

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

During the year ended December 31, 2020, the Company took delivery of one newbuilding VLCC vessel, Nissos Anafi, and two newbuilding Suezmax vessels, Nissos Sikinos and Nissos Sifnos, for a total cost of $223.3 million.

8. Vessels Under Construction

Vessels under construction are analysed as follows:

Balance - January 1, 2019	**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**
Capitalized Interest	1,124,388
Additions during the year	165,957,981
Transfers during the year to vessels, net	(223,349,318)
Balance - December 31, 2020	—

9. Accrued Expenses

Accrued expenses are analysed as follows:

AS OF DECEMBER 31,	2020	2019
Accrued payroll-related taxes	135,724	128,787
Accrued voyage expenses	60,521	480,969
Accrued loan interest	1,407,128	1,788,342
Accrued social insurance contributions	145,878	116,676
Accrued administrative expenses	—	99,384
Accrued operating expenses	557,617	1,328,671
Sundry liabilities	—	441,986
Total	**2,306,868**	**4,384,815**

10. Vessel Operating Expenses

Vessel operating expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Crew wages and other crew costs	27,697,465	16,567,638
Insurances	3,101,525	1,718,595
Stores	1,276,312	964,079
Spares	1,409,271	1,199,012
Repairs and surveys	2,012,668	1,197,652
Flag expenses	534,819	240,572
Lubricants	2,371,416	1,241,822
Telecommunication expenses	314,796	233,066
Miscellaneous expenses	1,460,360	1,089,495
Total	**40,178,632**	**24,451,931**

11. Voyage Expenses

Voyage expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Port expenses	20,557,287	11,807,710
Bunkers	27,258,361	13,804,183
Other voyage expenses	300,695	126,772
Total	**48,116,343**	**25,738,665**

12. General & Administrative Expenses

General and administrative expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Employee costs	3,629,514	2,229,548
Directors' fees and expenses	505,638	466,700
Professional fees	223,942	331,430
Other expenses	62,389	301,350
Total	**4,421,483**	**3,329,028**

Contractual auditors' remuneration for the years ended December 31, 2020 and December 31, 2019 amounted to $181,433 and $170,385, respectively. The Company records audit fees as incurred. Expenditure related to auditors' remuneration is reflected in professional fees which, for the year ended December 31, 2020 and December 31, 2019, amounted to $106,202 and 280,798, respectively.

13. Long-Term Borrowings

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

VESSEL	OUTSTANDING LOAN BALANCE AS OF DECEMBER 31, 2020	UNAMORTIZED DEFERRED FINANCING FEES AS OF DECEMBER 31, 2020	OUTSTANDING NET OF LOAN FINANCING FEES AS OF DECEMBER 31, 2020	INTEREST RATE (LIBOR[L]+ MARGIN)
Nissos Therassia	23,540,000	8,718	23,531,282	L+2.60%
Nissos Schinoussa	25,160,000	15,373	25,144,627	L+2.60%
Nissos Heraclea	27,020,000	64,832	26,955,168	L+2.25%
Milos	43,882,788	387,746	43,495,042	L+4.22%
Poliegos	39,289,467	363,875	38,925,592	L+4.67%
Kimolos	41,473,750	339,477	41,134,273	L+2.50%
Folegandros	38,556,750	400,344	38,156,406	L+2.60%
Nissos Sikinos	50,752,534	342,828	50,409,706	L+1.96%
Nissos Sifnos	50,752,534	344,217	50,408,317	L+1.96%
Nissos Rhenia	69,403,293	1,475,401	67,927,892	L+4.55%
Nissos Despotiko	69,778,082	1,492,815	68,285,267	L+4.55%
Nissos Santorini	70,024,658	1,503,977	68,520,681	L+4.55%
Nissos Antiparos	70,212,055	1,508,443	68,703,612	L+4.55%
Nissos Donoussa	53,165,000	459,941	52,705,059	L+2.50%
Nissos Kythnos	53,850,000	421,145	53,428,855	L+2.25%
Nissos Keros	54,943,000	460,863	54,482,137	L+2.25%
Nissos Anafi	55,300,000	447,786	54,852,214	L+2.09%
Scrubber Financing	7,447,917	37,406	7,410,511	L+2.00%
Total	**844,551,828**	**10,075,187**	**834,476,641**	

During the year ended December 31, 2020, the Company drew new debt of $156.9 million related to the delivery of the three vessels described in note 7 above. The new term loan facilities have an average tenor of six years and carry normal shipping loan covenants, such as value-to-loan ratios, minimum liquidity requirements and leverage ratios. Details on contractual interest on these long-term borrowings are provided in the table above.

Therassia Marine Corp. and Ios Maritime Corp. have entered into bank loan facilities with HSH Nordbank (currently named Hamburg Commercial Bank) for the financing of Nissos Therassia and Nissos Schinoussa. The total proceeds of each loan were $36,500,000. The loan bears annual interest of LIBOR plus a margin of 2.60%. As at December 31, 2020 the Corporate Guarantor of the respective bank loan facilities was Kyklades Maritime Corporation.

Except for the abovementioned bank loans, the Company is the Corporate Guarantor for all the other bank loans as at December 31, 2020.

Milos Marine Corp. has entered into a bank loan facility with BNP Paribas for the partial financing of Nissos Heraclea. The total proceeds of the loan were $40,000,000. The loan bears annual interest of LIBOR plus a margin of 2.25%.

Omega Two Marine Corp (the "Omega Two") has entered into a debt financing transaction with OCY Knight AS. On June 8, 2017, Omega Two transferred 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 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 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 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, 2020 was $39,289,467.

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

On January 29, 2019, Omega One Marine Corp. entered into a debt financing transaction with Ocean Yield Malta for the refinancing of Milos. On January 29, 2019, Omega One Marine Corp. transferred 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. The outstanding balance as of December 31, 2020 was $43,882,788.

On February 14, 2019, Nellmare Marine Ltd. entered into a loan agreement with ABN Amro for the financing of Nissos Donoussa. 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 CACIB and Export-Import Bank of Korea for the financing of Nissos Anafi. The total proceeds of the loan were $58,000,000. The loan bears annual interest of LIBOR plus a margin of 2.09%.

On May 3, 2019, Omega Five Marine Corp. entered into a debt financing transaction with OCY KNIGHT 1 LIMITED for the financing of Nissos Rhenia. On May 3, 2019, Omega Five Marine Corp. transferred Nissos Rhenia to OCY KNIGHT 1 LIMITED (the "original buyer") for an agreed consideration of $83,750,000, and, loan related fees of $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 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, 2020 was $69,403,293.

On June 10, 2019, Omega Seven Marine Corp. entered into a debt financing transaction with OCY KNIGHT 2 LIMITED for the financing of Nissos Despotiko. On June 10, 2019, Omega Seven Marine Corp. transferred 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 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, 2020 was $69,778,082.

On June 27, 2019, the Company entered into a loan agreement with BNP Paribas for its scrubber retrofit program. 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.

On July 5, 2019, Omega Nine Marine Corp. entered into a debt financing transaction with OCY KNIGHT 3 LIMITED for the financing of Nissos Santorini. On July 5, 2019, Omega Nine Marine Corp. transferred 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 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, 2020 was $70,024,658.

On July 24, 2019, Omega Eleven Marine Corp. entered into a debt financing transaction with OCY KNIGHT 4 LIMITED for the financing of Nissos Antiparos. On July 24, 2019, Omega Nine Marine Corp. transferred 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 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, 2020 was $70,212,055.

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 88.95% financing of pre-delivery yard instalments of Nissos Sikinos and Nissos Sifnos. The loan bore annual interest of LIBOR plus a margin of 3.50%. As at December 31, 2019 the Company had drawn the amount of $6,450,000. As of December 31, 2020 the total amount of the financing had been drawn down and repaid in full.

On July 7, 2020 Omega Four Marine Corp. entered into a loan agreement with BNP Paribas for an amount of $39,150,000 in order to refinance the existing loan of the Folegandros. The loan bears annual interest of LIBOR plus a margin of 2.60%.

On July 8, 2020 Omega Three Marine Corp. entered into a loan agreement with ABN Amro for an amount of $42,168,750 in order to refinance the existing loan of the Kimolos. The loan bears annual interest of LIBOR plus a margin of 2.50%.

OKEANIS ECO TANKERS

On September 9, 2020, Omega Six Marine Corp. and Omega Ten Marine Corp. entered into a loan agreement with Export-Import Bank of Korea, the BNK Busan Bank and the BNK Kyongnam Bank for the refinancing of the existing indebtedness of Nissos Sikinos and Nissos Sifnos and the financing of the vessels' delivery instalments. The total proceeds of the loan were $103,208,000. The loan bears annual interest of LIBOR plus a margin of 1.96%.

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	767,827,742	76,724,086	844,551,828
Loan financing fees	(8,609,054)	(1,466,133)	(10,075,187)
Total	**759,218,688**	**75,257,953**	**834,476,641**

The loans are repayable as follows:

AS OF DECEMBER 31,	2020	2019
No later than one year	76,724,086	50,309,859
Later than one year and not later than five years	378,579,849	225,457,882
Thereafter	389,247,893	467,015,038
Total	**844,551,828**	**742,782,779**
Less: Amounts due for settlement within 12 months	(76,724,086)	(50,309,859)
Long-term borrowings	**767,827,742**	**692,472,920**

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 - amortization of loan financing fees	1,932,574
Long-term borrowings - December 31, 2019	**732,705,697**
Cash flows - drawdowns	277,677,250
Cash flows - repayments	(175,908,202)
Deferred financing fees transferred to long-term borrowings on drawdown date during 2020	(751,505)
Loan financing fees incurred during 2020	(1,765,961)
Non-cash flows - amortization of loan financing fees	2,519,363
Long-term borrowings - December 31, 2020	**834,476,642**

All loans are secured by first preferred mortgages on the Company's 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 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 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 liabilities to the carrying value of total assets (adjusted for the vessel's fair market value) of no more than 75%.

As at December 31, 2020, the Group was in compliance with its loan covenants.

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 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, 2020 and December 31, 2019, total technical management fees amounted to $3,416,400 and $2,186,400, respectively. Following a review of OET's technical management agreement with Kyklades by an independent subcommittee majority-composed of Investor Directors, the Board resolved to adjust the ship management fee that OET will pay Kyklades for the technical management of its fleet to $900 per vessel per day, beginning on January 1, 2021.

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

AS OF DECEMBER 31,	2020	2019
Amounts due to Management Company	—	443,502
Amounts payable to Shareholders	—	12,401,000
Amounts payable to Board of Directors	379,803	279,253
Total	**379,803**	**13,123,755**

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.

Amounts payable to shareholders as of December 31, 2019 concern payments made from Mr. Ioannis Alafouzos, Chairman and CEO, a significant shareholder through his ownership interest in Glafki, in respect of two scrubber-fitted 158,000 DWT Suezmax tankers under construction (since named and delivered Nissos Sikinos and Nissos Sifnos). The Company exercised its option to acquire Nissos Sikinos and Nissos Sifnos, 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. There was no amount due to shareholders as of December 31, 2020.

"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 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.

The below table presents and analyzes the outstanding amounts due from the Management Company and from FRPEs.

AS OF DECEMBER 31,	2020	2019
Amounts due to Management Company	2,332,400	—
Amounts due from FRPEs, net	4,731,219	1,837,052
Total	**7,063,619**	**1,837,052**

Amounts due from the Management Company represent expenses paid by the Management Company on behalf of the Group and amounts payable for management services rendered, net of payments made to the Management Company, per the terms of the respective vessel technical management agreements.

Amounts due from FRPEs represent amounts loaned to non-eco vessel owning companies privately owned by members of the Alafouzos family, for working capital purposes and to secure volumetric discounts on bunker procurement.

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

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, 2020 amounted to $419,300 (2019: $375,000), of which $379,803 are payable as of December 31, 2020 (2019: $279,253). 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, 2020, key management personnel remuneration, covering all the above amounted to $1,770,000 (2019: $516,000). There was no amount payable related to key management remuneration as of December 31, 2020 and 2019.

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 Directors and key management, as at December 31, 2020:

NAME	POSITION	NUMBER OF SHARES HELD	SHAREHOLDING % (DIRECT AND INDIRECT)
Ioannis A. Alafouzos	Chairman and CEO	18,658,786	56.73%
Daniel Gold	Director	2,516,386	7.65%
Joshua Nemser	Director	1,602,689	4.87%
Robert Knapp	Director	1,010,000	3.07%
Aristidis Alafouzos	COO	27,800	0.08%
John Papaioannou	CFO	6,000	0.02%
John Kittmer	Director	—	0.00%
Charlotte Stratos	Director	—	0.00%
George Aronis	Director	—	0.00%

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). 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 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 Merkur Market was on July 3, 2018.

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 61.0 per share.

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.

The Company has distributed cumulative cash dividends to its shareholders amounting to $43,723,896 million in the year ended December 31, 2020.

As of December 31, 2020, the Company had 32,375,917 shares outstanding (net of 514,083 treasury shares).

In January 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.

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 issued share capital for the year ended on December 31, 2020 hereof:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	NO. OF ISSUED SHARES	PAR VALUE PER SHARE
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
March 09, 2020	Share buy-back	—	—	32,625,917	0.001
April 06, 2020	Share buy-back	—	—	32,375,917	0.001

Major Shareholders as at December 31, 2020

NAME	HOLDING OF SHARES	% STAKE
ALAFOUZOS FAMILY	18,686,586	56.82%
DB LONDON (INV. SERV.) NOMINEES LTD	2,516,386	7.65%
THE BANK OF NEW YORK MELLON	1,195,453	3.63%
INTERACTIVE BROKERS LLC	1,044,101	3.17%
AVANZA BANK AB	820,738	2.50%
EUROCLEAR BANK S.A./N.V.	748,722	2.28%
VERDIPAPIRFONDET KLP AKSJENORGE	566,835	1.72%
BROWN BROTHERS HARRIMAN (LUX.) SCA	490,052	1.49%
CREDIT SUISSE SECURITIES (USA) LLC	420,714	1.28%
AS AUDLEY	360,500	1.10%
SPESIALFONDET KLP ALFA GLOBAL ENER	348,256	1.06%
TEIGEN, OLE KETIL	278,706	0.85%
MERRILL LYNCH, PIERCE, FENNER & SM	271,001	0.82%
STAVANGER FORVALTNING AS	250,035	0.76%
CACEIS BANK SPAIN SA	208,863	0.64%
ALTITUDE CAPITAL AS	184,901	0.56%
CLEARSTREAM BANKING S.A.	172,194	0.52%
VERDIPAPIRFONDET FIRST GENERATOR	170,279	0.52%
NORDNET BANK AB	162,821	0.50%
OTHER SHAREHOLDERS	3,478,774	10.58%
Top 20 Shareholders	**32,375,917**	**98.44%**
OKEANIS ECO TANKERS CORP.	514,083	1.56%
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 Company is exposed to the impact of interest rate changes primarily through its floating-rate borrowings that require the Company to make interest payments based on LIBOR. Significant increases in interest rates could adversely affect operating margins, results of operations and ability to service debt. Effective from 2020, the Company uses interest rate swaps to reduce its exposure to market risk from changes in interest rates. The principal objective of these contracts is to minimize the risks and costs associated with its floating-rate debt (Note 24).
  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 ended December 31, 2020 by $3,794,849 (2019: $2,357,490) assuming all other variables held constant and taking into consideration that the Company has entered into interest rate swap agreements for some of its loans.

- *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, 2020 of 0.14%, plus the margin applicable to the Group's loan at the end of the year presented.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 2020							
Derivative Liabilities							
Derivative financial instrument		20,297	50,472	307,454	659,387	—	1,037,610
Non-Derivative Liabilities							
Trade payables		—	—	17,697,198	—	—	17,697,198
Accrued expenses		—	—	2,306,868	—	—	2,306,868
Current accounts due to related parties		—	—	379,803	—	—	379,803
Variable interest loans	2.44%	3,907,207	7,789,763	56,470,911	327,946,668	131,444,844	527,559,393
Variable interest for Sale & lease-back debt financing	4.65%	3,102,495	6,255,104	27,213,007	145,314,153	325,767,257	507,652,016
Total		**7,029,999**	**14,095,339**	**104,375,241**	**473,920,208**	**457,212,101**	**1,056,632,888**

17. Commitments and Contingencies

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, 2020:

	AS OF DECEMBER 31, 2020
Within one year	79,245,561
Between one and two years	38,872,500
Between two and three years	20,991,000
Total	**139,109,061**

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 $1,068, using the exchange rate as of December 31, 2020, which was $1.2 per euro). Future rental expense was as follows, as of December 31, 2020:

	AS OF DECEMBER 31, 2020
Less than one year	7,476
One to three years	—
Total	**7,476**

18. Earnings per Share

Basic and diluted earnings per share for the years ended December 31, 2020 and 2019, are presented below:

Earnings per Share, Basic

YEAR ENDED DECEMBER 31,	2020	2019
From continuing operations	$3.12	$0.35
Earnings per share, basic and diluted	**$3.12**	**$0.35**

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

YEAR ENDED DECEMBER 31,	2020	2019
Profit for the year attributable to the Owners of the Group	$101,318,942	$11,384,356
Weighted average number of common shares outstanding in the period	32,462,659	32,263,264
Earnings per share, basic and diluted	**$3.12**	**$0.35**

During the years ended December 31, 2020 and 2019, there were no potentially dilutive instruments affecting weighted average number of shares, and hence diluted earnings per share equals basic earnings per share for the years presented.

19. Claims Receivable

As of December 31, 2020, the Group has recognized and presented under "Claims receivable" in the consolidated statement of financial position, receivable amounts from vessel insurers totaling $154,448 (2019: $92,608) regarding various claims. 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, 2020
Total borrowings	834,476,641
Total equity	397,228,193
Gearing ratio	**48%**

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 Company's time charter 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 is recognized 'over time' as the customer (i.e. 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 ENDED DECEMBER 31,	2020	2019
Lease Component	79,685,623	33,720,301
Non-Lease Component	20,938,286	13,152,314
Total	**100,623,909**	**46,872,615**

22. Interest and Other Finance Costs

Interest and finance related costs for the years ended December 31, 2020 and 2019, are presented below:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Interest expense	34,373,842	28,237,030
Amortization and write-off of financing fees	2,519,363	1,932,574
Bank charges and loan commitment fees	628,442	3,675,265
Other finance costs	128,096	165,591
Total	**37,649,743**	**34,010,460**

23. Other expenses, net

Other income and expenses, net for the year ended December 31, 2020 amounting to $1,354,921 (2019: $496,274) relate to one-off legal and settlement fees paid to legal advisors and Ocean Yield, respectively, in respect of the arbitration process against Ocean Yield which was concluded in February 2020.

24. Derivative Financial Instruments – Interest rate swaps

As of December 31, 2020, the Company has eight interest rate swaps outstanding, having notional amounts totalling $397.3 million and with maturity ranging from the third quarter 2023 to the first quarter 2024. The average fixed interest rate is 0.331%. As of December 31, 2020, the fair value of the derivative financial liability related to the swaps amounted to $1.1 million, as further analysed in the below table:

VESSEL	DESCRIPTION	EXPIRATION DATE	NOTIONAL AMOUNT	FAIR VALUE DECEMBER 31, 2020
Nissos Kythnos	Swap pays 0.330%, receive floating	19-03-23	53,850,000	(155,511)
Nissos Keros	Swap pays 0.312%, receive floating	13-10-23	54,943,000	(147,663)
Kimolos	Swap pays 0.303%, receive floating	09-10-23	41,473,750	(85,898)
Nissos Donoussa	Swap pays 0.302%, receive floating	26-08-23	53,165,000	(104,467)
Nissos Anafi	Swap pays 0.385%, receive floating	02-01-24	54,400,000	(215,508)
Folegandros	Swap pays 0.346%, receive floating	09-01-24	37,963,500	(119,576)
Nissos Sikinos	Swap pays 0.336%, receive floating	11-09-23	50,752,534	(144,751)
Nissos Sifnos	Swap pays 0.338%, receive floating	25-09-23	50,752,534	(142,791)
			397,300,318	(1,116,166)

Interest rate swap agreements are stated at fair value, which is determined using a discounted cash flow approach, based on market-based LIBOR swap yield rates. LIBOR swap rates are observable at commonly quoted intervals for the full terms of the swaps and, therefore, are considered Level 2 items in accordance with the fair value hierarchy as defined in IFRS 13 Fair Value Measurement. The fair value of the interest rate swap agreements approximates the amount that the Group would have to pay or receive for the early termination of the agreements. The change in the fair value of the interest rate swaps for the year ended December 31, 2020 amounted to $1,116,166, and is included in unrealized loss on derivatives in the statement profit or loss and other comprehensive income.

25. Subsequent Events

In January 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.

In February 2021, the Board declared a cash dividend of $0.10 per share, amounting to $3.2 million. The cash dividend was paid on Wednesday March 3, 2021 to shareholders of record as of Thursday February 25, 2021. The shares will be traded ex-dividend as from and including Wednesday February 24, 2021.

COVID-19 Update

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. Our vessels may deviate from optimal trading routes in order to effect crew changes, and we face elevated transportation and mobilization costs in connection with those crew changes.

Okeanis Eco Tankers Corp. Response

Our primary concern continues to be 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 standards, we have updated and continue to update vessels' procedures and supplied our fleet with protective equipment. We have effected crew changes in permissible ports, limited superintendent visits and provisions in heavily affected areas and are complying with local directives and recommendations. Shore-side, we have implemented a rotating shift policy every week for two working groups. We have also instituted enhanced safety protocols such as weekly Covid-19 testing for all office staff, regular cleaning/disinfection of our premises, availability of hand sanitizer and surgical masks throughout our premises, prohibition of on-site visitors, total elimination of non-essential 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.

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, 2020
and Independent Auditor's Report.

Index to Parent Company Financial Statements

Deloitte.

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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, 2020, 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, 2020 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.

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 scepticism 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.

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 15, 2021
Athens, Greece

Okeanis Eco Tankers Corp.
Statement of profit or loss and other comprehensive income
For the years ended December 31, 2020 and 2019
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE YEAR ENDED DECEMBER 31, 2020	2019
Expenses			
General and administrative expenses	5	(1,143,006)	(1,143,023)
Total expenses		**(1,143,006)**	**(1,143,023)**
Operating loss		**(1,143,006)**	**(1,143,023)**
Other income/(expenses)			
Dividend income		47,782,750	—
Interest income		—	87,890
Interest and other finance costs	11	(383,382)	(533,552)
Foreign exchange gain/(loss)		31,910	(8,578)
Total other income/(expenses), net		**47,431,278**	**(454,240)**
Profit/(loss) for the year		**46,288,272**	**(1,597,263)**
Other comprehensive income		—	—
Total comprehensive income/(loss) for the year		**46,288,272**	**(1,597,263)**
Earnings/(loss) per share from continuing operations, basic and diluted	10	$1.43	($0.05)
Weighted average no. of shares - basic & diluted		32,462,659	32,263,264

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

Okeanis Eco Tankers Corp.
Statement of financial position
As of December 31, 2020 and 2019
(All amounts expressed in U.S. Dollars)

	NOTES	AS AT DECEMBER 31, 2020	2019
Assets			
Non-current assets			
Investment in subsidiaries	4	329,245,580	329,063,980
Total non-current assets		**329,245,580**	**329,063,980**
Current assets			
Other receivables		40	40
Current account due from related parties	6	14,901,121	13,672,498
Cash & cash equivalents		3,443,176	242,023
Total current assets		**18,344,337**	**13,914,561**
Total assets		**347,589,916**	**342,978,541**
Shareholder's equity & liabilities			
Shareholder's equity			
Share capital	7	32,890	32,890
Additional paid in capital	7	334,355,638	334,355,638
Treasury Shares	7	(3,068,260)	(1,010,155)
Retained earnings/(accumulated losses)		738,784	(1,825,592)
Total-Shareholder's equity		**332,059,052**	**331,552,781**
Non-Current liabilities			
Long-term borrowings, net of current portion	12	5,130,420	8,900,094
Total non-current liabilities		**5,130,420**	**8,900,094**
Current Liabilities			
Trade payables	8	239,878	190,179
Accrued expenses	8	—	5,336
Current account due to related parties	6	7,880,470	279,253
Current portion of long-term borrowings	12	2,280,096	2,050,898
Total current liabilities		**10,400,444**	**2,525,666**
Total liabilities		**15,530,864**	**11,425,760**
Total shareholder's equity & liabilities		**347,589,916**	**342,978,541**

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

Okeanis Eco Tankers Corp.
Statement of changes in equity
For the years ended December 31, 2019 and 2020
(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)/ RETAINED EARNINGS	TOTAL
Balance - January 1, 2019		**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**
Acquisition of equity shares at NOK 57.3 per share	7	(113,934)	—	—	(698,924)	—	(698,924)
Acquisition of equity shares at NOK 57.5 per share	7	(250,000)	—	—	(1,359,181)	—	(1,359,181)
Profit for the year		—	—	—	—	46,288,272	46,288,272
Dividend paid		—	—	—	—	(43,723,896)	(43,723,896)
Balance - December 31, 2020		**32,375,917**	**32,890**	**334,355,638**	**(3,068,260)**	**738,784**	**332,059,052**

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, 2020 and 2019
(All amounts expressed in U.S. Dollars)

	NOTES	FOR THE YEAR ENDED DECEMBER 31, 2020	2019
Cash flows from operating activities:			
Profit/(loss) for the year		46,288,272	(1,597,263)
Adjustments to reconcile profit/(loss) to net cash used in operating activities:			
Interest expense	11	315,061	237,644
Amortization of loan financing fees		11,602	5,991
Interest income		—	(87,890)
Other non-cash items		—	(3,757)
Dividend income		(47,782,750)	—
Total reconciliation adjustments		(1,167,815)	(1,445,277)
Changes in working capital:			
Prepaid expenses and other current assets		—	(40)
Trade payables		49,699	258,603
Accrued expenses		(1,577)	5,336
Interest paid		(318,820)	(233,885)
Net cash used in operating activities		**(1,438,513)**	**(1,415,263)**
Cash flows from investing activities:			
Current account due from related parties	6	(1,228,623)	5,004,902
Investment in subsidiaries		(181,600)	(33,047,010)
Interest received		—	87,890
Dividends received		47,782,750	—
Net cash provided by/(used in) investing activities		**46,372,527**	**(27,954,218)**
Cash flows from financing activities:			
Proceeds from long-term borrowings	12	—	11,000,000
Repayments of long-term borrowings		(3,552,077)	—
Proceeds from private placement	7	—	15,000,000
Payments for offering expenses		—	(623,959)
Current accounts due to related parties	6	7,601,217	166,753
Payment of loan arrangement fees		—	(55,000)
Acquisition of treasury stock	7	(2,058,105)	(1,010,155)
Dividends paid		(43,723,896)	—
Net cash provided by/(used in) financing activities		**(41,732,861)**	**24,477,639**
Net change in cash and cash equivalents		3,201,153	(4,891,842)
Cash and cash equivalents at beginning of the year		242,023	5,133,865
Cash and cash equivalents at the end of the year		**3,443,176**	**242,023**

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

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. (collectively, the "Contributed Companies"). 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:

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.

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.

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

Okeanis Eco Tankers annual financial statements were approved and authorized for issue by the Company's Board of Directors on April 15, 2021.

3. Summary of Significant Accounting Policies

Use of estimates

The 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.

Dividend income

Dividend income is recognized when the right by the Company to receive payment of dividends is established.

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 years ended December 31, 2020 and 2019, no impairment charges were deemed necessary regarding the Company's investments.

Interest bearing loans and borrowings

Loans and borrowings are initially recognized 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.

Share capital, additional paid-in capital and dividends to the Company's shareholders

Common shares issued are classified in equity, with the excess over par value classified under additional paid-in capital. Additional paid-in capital also includes the cost of the common shares issued in exchange for the historical acquisition of ownership in the Contributed Companies (refer note 1). Incremental costs directly attributable to the issuance of new common shares are deducted against additional paid-in capital. Dividends to the Company's shareholders are recognized when the respective dividends are approved for payment by the Company's Board of Directors.

Treasury shares

Common share repurchases are recorded at cost based on the settlement date of the transaction. These shares are classified as treasury shares, which is a reduction to shareholders' equity. Treasury shares are included in authorized and issued shares, but excluded from outstanding shares.

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 years ended December 31, 2020 and 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, 2020 or later periods that will have a material impact on the Company's financial statements.

4. Investment in Subsidiaries

As of 31 December 2020 and 2019, the Company had the following investment in subsidiaries:

AS OF DECEMBER 31,	2020	2019
Contributed companies	179,338,102	179,458,102
Omega Four Marine Corp.	8,138,670	8,138,670
Omega Six Marine Corp.	1,625,800	500,000
Omega Five Marine Corp.	6,259,302	6,259,302
Omega Seven Marine Corp.	14,724,074	14,724,074
Omega Nine Marine Corp.	6,346,150	6,346,150
Omega Ten Marine Corp.	1,125,800	—
Moonsprite Shipping Corp.	31,510,936	33,460,936
Arethusa Shipping Corp.	33,208,036	33,208,036
Anassa Navigation SA	23,872,230	23,872,230
Nellmare Marine Ltd	23,096,480	23,096,480
Total	**329,245,580**	**329,063,980**

5. General and Administrative Expenses

General and administrative expenses are analyzed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Directors' and officers' insurances	130,000	40,000
Directors' fees and expenses	487,909	449,636
Professional fees	155,495	328,292
Other expenses	369,602	325,095
Total	**1,143,006**	**1,143,023**

6. Transactions and Balances with Related Parties

Current accounts due from related parties are analyzed as follows:

AS OF DECEMBER 31,	2020	2019
Amounts due from FRPEs	2,514,885	4,716,645
Amounts due from vessel-owning subsidiaries	12,213,058	8,781,297
Amounts due from OET Chartering Inc.	173,178	174,556
Total	**14,901,121**	**13,672,498**

Current accounts due from FRPEs - Family Related Party Entities principally non-eco vessel owning companies privately owned by the Alafouzos family amounting to $2,514,885 as at December 31, 2020 (2019: $4,716,645), represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from subsidiaries companies, amounting to $12,213,058 and $8,781,297 as at December 31, 2020 and 2019, respectively, represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from OET Chartering Inc., amounting to $173,178 and $174,556 as at December 31, 2020 and 2019, 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 are analyzed as follows:

AS OF DECEMBER 31,	2020	2019
Amounts due to vessel-owning subsidiaries	7,500,667	—
Amounts payable to Board of Directors members	379,803	279,253
Total	**7,880,470**	**279,253**

Current accounts due to vessel-owning subsidiaries amounting to $7,500,667 and nil as at December 31, 2020 and 2019, respectively, represent amounts provided from vessel owning companies for working capital purposes and to fund other vessel owning subsidiaries' operations.

Current accounts due to the Board of Directors members of $379,803 and $279,253 as at December 31, 2020 and 2019, respectively, concern fees payable to the members of the Board of Directors as remuneration for services provided.

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

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, 2020 and 2019 amounted to $419,300 and $375,000, 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, 2020 and 2019, such remuneration amounted to $105,000 and $92,085, respectively. There was no amount payable related to this remuneration as of December 31, 2020 and 2019.

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 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 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.

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.

The Company has distributed cumulative cash dividends to its shareholders amounting to $43.7 million in the year ended December 31, 2020.

As of December 31, 2020, the Company had 32,375,917 shares outstanding (net of 514,083 treasury shares).

In January 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.

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 issued share capital for the year ended on December 31, 2020 hereof:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	No OF ISSUED SHARES	PAR VALUE PER SHARE
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
March 9, 2020	Share buy-back	—	—	32,625,917	0.001
April 6, 2020	Share buy-back	—	—	32,375,917	0.001

8. Financial Risk Management

The Company's principal financial instruments comprise cash and cash equivalents and amounts due from related parties and long-term borrowings. The Company has other financial liabilities such as due to related parties and 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 is exposed to the impact of interest rate changes primarily through its floating-rate borrowing that require the Company to make interest payments based on LIBOR. Significant increases in interest rates could adversely affect operating margins, results of operations and ability to service debt. The Company has not entered into any hedging transactions to cover its exposure to changes in interest rates on this floating-rate borrowing.
  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 ended December 31, 2020 by $47,988 (2019:$23,790) 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, 2020							
Trade payables		—	239,878	—	—	—	239,878
Current accounts due to related parties		—	379,803	7,500,667	—	—	7,880,470
Variable interest loan (principal and interest)	2.14%	11,237	595,391	1,819,887	5,278,840	—	7,705,355
Total		**11,237**	**1,215,072**	**9,320,554**	**5,278,840**	**—**	**15,825,703**

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, 2020 (inclusive of accrued interest) of $27,020,000.
- Omega Two Marine Corp.: lease agreement with OCY Knight AS dated June 8, 2017, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $39,289,467.
- Anassa Navigation S.A.: loan agreement with Credit Suisse AG dated December 19, 2018 with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $53,887,226.
- Arethusa Shipping Corp.: loan agreement with BNP PARIBAS dated January 24, 2019 with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $55,241,304.
- Omega One Marine Corp.: lease agreement with Ocean Yield Malta Limited dated January 29, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $43,882,788.
- Nellmare Marine Ltd: loan agreement with ABN AMRO dated February 14, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $53,302,190.
- Moonsprite Shipping Corp.: loan agreement with CREDIT AGRICOLE dated February 27, 2019 with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $55,610,435.
- Omega Five Marine Corp.: loan agreement with OCY Knight 1 Limited dated May 3, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $69,403,293.
- Omega Seven Marine Corp.: loan agreement with OCY Knight 2 Limited dated June 10, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $69,778,082.
- Omega Nine Marine Corp.: loan agreement with OCY Knight 3 Limited dated July 5, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $70,024,658.
- Omega Eleven Marine Corp.: loan agreement with OCY Knight 4 Limited dated July 24, 2019, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $70,212,055.
- Omega Four Marine Corp.: loan agreement with BNP PARIBAS dated July 7, 2020, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $38,808,278.
- Omega Three Marine Corp.: loan agreement with ABN AMRO dated July 8, 2020, with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $41,734,745.
- Omega Six Marine Corp.: loan agreement with CREDIT AGRICOLE dated September 9, 2020 with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $50,777,413.
- Omega Ten Marine Corp.: loan agreement with CREDIT AGRICOLE dated September 9, 2020 with an outstanding balance as of December 31, 2020 (inclusive of accrued interest) of $50,814,049.

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.

10. Earnings per Share

Basic and diluted Earnings/(loss) per share for the years ended December 31, 2020 and 2019, are presented below:

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Earnings/(loss) per share from continuing operations	1.43	(0.05)
Total Earnings/(loss) per share, basic and diluted	**1.43**	**(0.05)**

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

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Profit/(loss) for the year	46,288,272	(1,597,263)
Weighted average number of shares outstanding in the year	32,462,659	32,263,264
Earnings/(loss) per share, basic and diluted	**1.43**	**(0.05)**

During the year ended December 31, 2020 and 2019, there were no potentially dilutive instruments affecting weighted average number of shares, and hence diluted earnings/(loss) per share equals basic loss per share for the years presented.

11. Interest and other finance cost

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

FOR THE YEAR ENDED DECEMBER 31,	2020	2019
Interest expense	315,061	237,644
Other finance costs	56,719	289,917
Amortization of financing fees	11,602	5,991
Total	**383,382**	**533,552**

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 agreement includes 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 total liabilities to the carrying value of total assets (adjusted for the vessel's fair market value), of no more than 75%.

As at December 31, 2020, 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	5,156,250	2,291,667
Loan financing fees	(25,830)	(11,571)
Total	**5,130,420**	**2,280,096**

The future annual loan repayments are as follows:

No later than 1 year	2,291,667
Later than 1 year and no later than 5 years	5,156,250
Total	**7,447,917**
Less: Amounts due for settlement within 12 months	(2,291,667)
Long-term borrowings	**5,156,250**

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 January 2021, the Company transferred its listing from Euronext Expand to Oslo Børs.

The Board of Directors of OET declared a cash dividend of $0.10 per share, amounting to $3.2 million. The cash dividend was paid on Wednesday March 3, 2021 to shareholders of record as of Thursday February 25, 2021. The shares will be traded ex-dividend as from and including Wednesday February 24, 2021.

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