OKEANIS
ECO TANKERS

ANNUAL REPORT 2021

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LETTER FROM THE CHAIRMAN

Our company's focus has been to ensure that our seafaring and onshore staff remain safe and protected from Covid-19 pandemic and the Ukrainian crisis while engaging in our daily operations. I would like to take this opportunity to express our deepest gratitude especially to the crews on our vessels for their unwavering professionalism, dedication and stamina during these uncertain times.

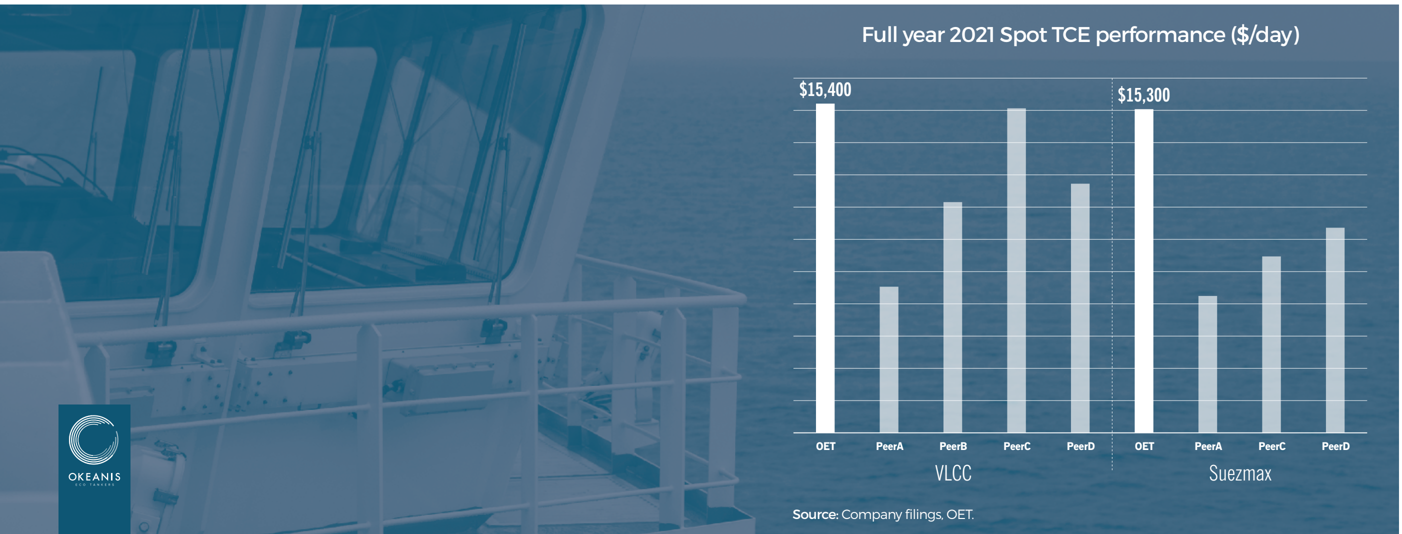
We are deeply shocked by the atrocities perpetrated against the innocent people of Ukraine and we condemn the Russian state's invasion. Our focus has been to safeguard the wellbeing of our onboard employees and comply with the continuously evolving legal and sanctions framework.

The crude tanker markets are known for their volatility and rapid response to geopolitical events. The juxtaposition between our markets in 2020 and 2021 clearly demonstrates the challenges and opportunities participants in the tanker sector have witnessed. In particular, the market moved from the most profitable year of the last decade in 2020, to the most challenging year since 1994 in 2021.

It was under these circumstances that Okeanis Eco Tankers ("OET") continued to commercially outperform the market and managed not only to breakeven but also improve its balance sheet, that will allow the company to navigate through the cycle while remain opportunistic towards scale, and return $38m back to shareholders in the form of dividends, capital distributions and share buybacks.

The first half of the year was characterized by weak seaborne crude oil trade volumes, primarily attributable to soft crude oil demand on the back the COVID-19 pandemic and mobility restrictions in many parts of the world, further exacerbated by the curtailed production output from the Organization of the Petroleum Exporting Countries ("OPEC") and significant destocking of cheap oil inventories that were built through the price war in 2020.

Our markets have experienced incremental pressure from the supply side. Firstly, a large portion of the fleet employed under floating storage business returned to the market. Secondly, a frontloaded orderbook, even though at historically low levels, resulted in increased vessel deliveries during the period. Thirdly, we have seen weaker than anticipated scrapping activity despite softening rates and elevated steel prices on the back of lucrative employment opportunities in sanctioned trades that absorbed approximately 6% of the large crude tanker fleet.



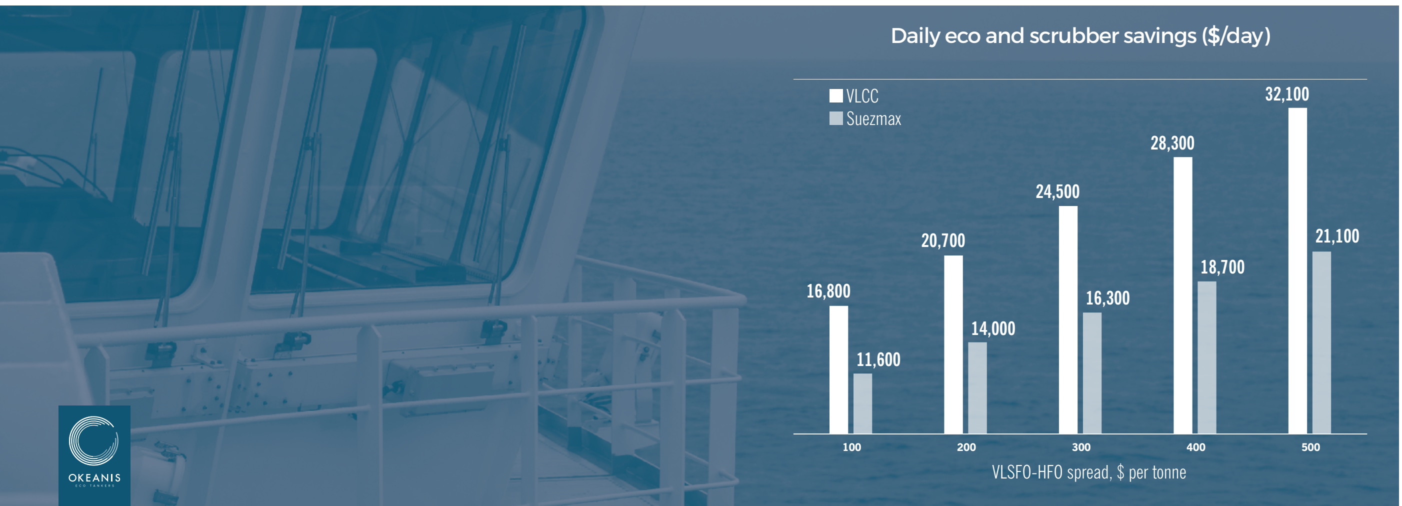
Source: Company filings, OET.

Notwithstanding the improvement in crude oil demand and the tanker markets over the second half of the year, a combination of new COVID-19 variants and further lagging of OPEC+ output versus quotas resulted in an inflationary, steeply backwardated, oil price environment that kept cargo volumes rebound to a halt and prolongated the anticipated, fundamentally-driven recovery in the crude tanker space. The disruption to crude tanker markets from these factors has been reflected in spot daily earnings in 2021 that came in below operating costs for conventional non-eco / non-scrubber crude tanker vessels.

Contrariwise, we generated well above market earnings leveraging on our young, fuel-efficient fleet, active management and scrubber investments that have more than paid off given the large delta between High Sulphur Fuel Oil ("HSFO") and Very Low Sulphur Fuel Oil ("VLSFO"). In the VLCC segment, OET delivered daily spot earnings throughout the year of $15,400 per day, representing 15% outperformance relative to the average of the crude tanker peer group and 379% compared to average sector earnings for conventional assets. Similarly, our Suezmax daily spot earnings of $15,300 per day represented 35% outperformance relative to the peer group and 108% versus the average sector earnings for conventional vessels.

Our active management was the imminent response to the adverse market conditions during the year. OET optimized its vessel portfolio and strengthened its balance sheet through the sale and purchase market. In particular, we have monetized our three investments in the Aframax/LR2 tanker segment at very attractive prices during the first quarter of the year. Towards the end of the second quarter, the Company rejuvenated its VLCC fleet by selling at record prices for the reported year two 2019 built vessels and replaced them with two Gas Ready (MEc), eco-design, open loop scrubber-fitted 300,000 DWT VLCC crude tankers under construction at Hyundai Heavy Industries, South Korea with delivery in the first half 2022.

Consistent with our promises to investors, we have returned $38m back to our shareholders in the form of dividends, capital distributions and share buybacks in the most challenging year ever in crude tankers, proving our dedication and focus on shareholder returns. Our increasing allocation of returns via share repurchases reflects our firm conviction and belief of the dislocation between our intrinsic value and the value assigned to our Company from the market. In this regard, this is an attractive investment opportunity for the Company and we will closely monitor the market to execute on such value accretive strategy.

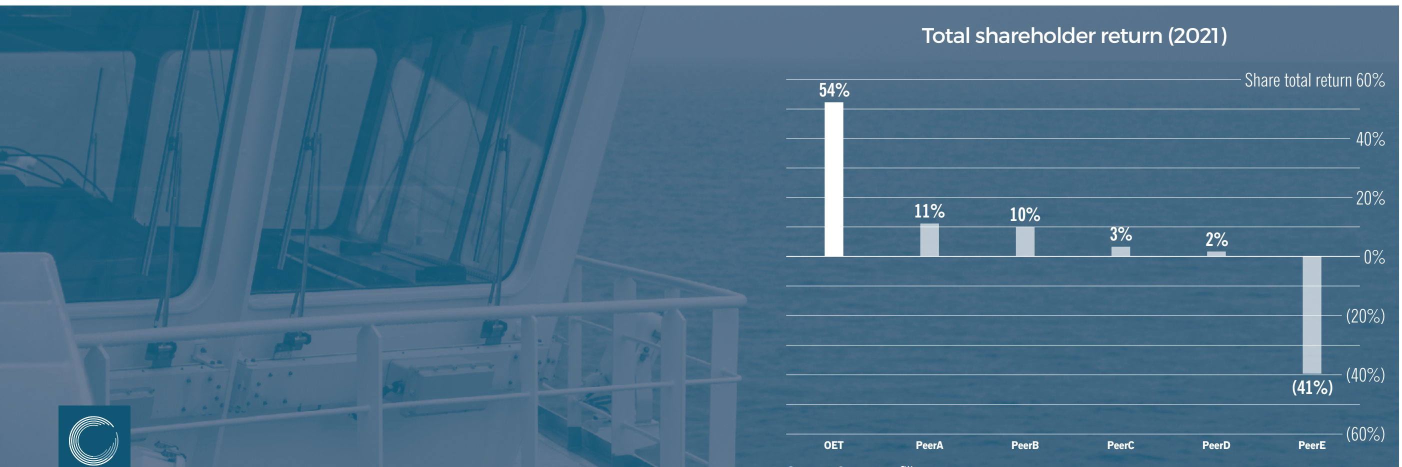


Source: Clarksons Research, OET.

At OET we are acutely aware of our responsibility to be part of the efforts to achieve net zero carbon and comply with sustainable investment practices. Our commitment towards sustainability has been one of our founding pillars and is reflected in our carbon efficiency measures for our young and fuel-efficient fleet. As measured by the Annual Efficiency Ratio ("AER") – a measure of our fleet's carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage – OET's AER of 2.1 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. The Company will publish its inaugural sustainability report during the year and has already set the path, together with its managers, for continuous monitoring, reporting and improvement on all sustainability related aspects.

Looking forward, we believe that recent market headwinds will be transitory and give way to the unique set of supply and demand fundamentals that the sector has not seen since the 2000s. Namely, the supply side is expected to be muted if not negative given an undemanding orderbook currently at historically low levels, tight yard capacity, incoming environmental regulations and scrapping potential. Demand measured in tonne-miles is projected to rebound significantly on the back of firm business activity and travel, as the world moves away from mobility restrictions associated to the pandemic, emerging trade patterns that support tonne-miles and pent-up demand to replace global inventory depletion.

Ioannis Alafouzos
Chairman



Source: Company filings.
Note: Shareholder total return for 2021 calculated as: (share price at 31 December 2021 less share price at 31 December 2020 plus total cash distributions for 2021 per share, divided by share price at 31 December 2020).

HISTORY

NOVEMBER 2021
Monetized 1x VLCC built 2019

OCTOBER 2021
Monetized 1x VLCC built 2019

AUGUST 2021
Monetized 1x Aframax built 2015

JUNE 2021
Acquired 2x under construction ECO scrubber fitted built 2022 VLCCs at HSHI from the Sponsor - Monetized 2x Aframaxes built 2015

JANUARY 2021
Uplisted to Oslo Børs

DECEMBER 2020
Concluded scrubber retrofit program across entire fleet

SEPTEMBER 2020
Concluded Suezmax NB program with HSHI

JANUARY 2020
Concluded VLCC NB program with HHI

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

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

MARCH 2019
Uplisting of OET to Euronext Expand

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

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

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

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

FEBRUARY 2018
Ordered 2x scrubber-fitted VLCCs at HHI

DECEMBER 2017
Ordered 4x scrubber-fitted VLCCs at HHI

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

MAY 2014
Ordered 2x Suezmaxes at SSME

APRIL 2013
Ordered 3x LR2 Aframaxes at HHI

FLEET

No.	Type	Vessel	Yard	Country	Built	Age	DWT	Employment	Eco-Design?	Scrubber?	BWTS?
1		Milos	SSME	Korea	2016-10	5	157,525	Spot	Yes	Yes	Yes
2		Poliegos	SSME	Korea	2017-01	5	157,525	Spot	Yes	Yes	Yes
3	SUEZMAX	Kimolos	JMU	Japan	2018-05	4	159,159	Spot	Yes	Yes	Yes
4		Folegandros	JMU	Japan	2018-09	3	159,221	Time charter	Yes	Yes	Yes
5		Nissos Sikinos	HSHI	Korea	2020-09	1	157,971	Time charter	Yes	Yes	Yes
6		Nissos Sifnos	HSHI	Korea	2020-09	1	157,971	Time charter	Yes	Yes	Yes
7		Nissos Rhenia	HHI	Korea	2019-05	3	318,953	Time charter	Yes	Yes	Yes
8		Nissos Despotiko	HHI	Korea	2019-06	3	318,953	Time charter	Yes	Yes	Yes
9		Nissos Donoussa	HHI	Korea	2019-08	2	318,953	Spot	Yes	Yes	Yes
10	VLCC	Nissos Kythnos	HHI	Korea	2019-09	2	318,953	Spot	Yes	Yes	Yes
11		Nissos Keros	HHI	Korea	2019-10	2	318,953	Spot	Yes	Yes	Yes
12		Nissos Anafi	HHI	Korea	2020-01	2	318,953	Spot	Yes	Yes	Yes
13		Nissos Kea	HHI	Korea	2022-03	-	300,000	Spot	Yes	Yes	Yes
14		Nissos Nikouria	HHI	Korea	2022-05	-	300,000	-	Yes	Yes	Yes
							3,463,090				

PRESENTATION OF THE BOARD OF DIRECTORS

Ioannis 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.

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.

Daniel Gold, *Director*

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

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.

Charlotte Stratos, *Independent Director*

Charlotte Stratos has served as a Senior Advisor to Morgan Stanley's Investment Banking Division Global Transportation team since 2008. 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. From 1976 to 1987, Ms. Stratos has served in various roles with Bankers Trust Company, among them, as Vice President of Greek shipping finance. Currently, Mrs. Stratos serves an independent director of Costamare Inc., a containership company listed on the NY Stock Exchange. Previously, she was an independent director on the board of Hellenic Carriers Limited, a shipping company listed on London's AIM between 2007-2016 and a board member of Emporiki Bank between 2006–2008.

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.

Petros Siakotos, *Director*

Petros Siakotos has spent most of his career in international banking, successively with Salomon Brothers, HSBC, Credit Suisse and as Managing Director at UBS Russia. He has advised the Greek and Russian governments in key privatisations and has helped corporate clients with numerous equity and debt raising and strategic transactions. He then served as Senior Advisor to EBRD for the Greek market until 2018. He is currently a director at NUR MINOS, a company developing renewable energy generation projects and is involved in several energy efficiency initiatives. Mr. Siakotos has a BA from Yale University and an MBA from the Anderson School of Management at UCLA.

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 Holdings ("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, to accrue benefits from their activities. 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 was admitted to trading on Euronext Growth (ex-Merkur Market) on July 3, 2018 and from January 2021, the Company's shares are traded on Oslo Børs.

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 fourteen tanker vessels comprising six modern Suezmax tankers, seven modern VLCC tankers and one newbulding VLCC with scheduled delivery in May 2022.

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 2021:

- 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.
- In May 2021, the Company signed a memorandum of agreement ("MoA") for the sale of its Aframax/LR2 fleet comprising three vessels (Nissos Therassia, Nissos Schinoussa and Nissos Heraclea) to an unaffiliated third party for a total of $120.75 million.
- In June 2021, the Company delivered Nissos Therassia and Nissos Schinoussa to their new owners. In connection with the completion of the sale, the Company recorded a net loss of $7.6 million, retired $47.1 million concerning the outstanding loan principal amount of the disposed vessels and further retired $2.8 million in relation to the vessels' scrubber financing. Moreover, the Company recorded an impairment loss of $3.9 million relating to the classification of Nissos Heraclea as available for sale on June 30, 2021, since the vessel's carrying value was lower than her respective fair value less estimated selling expenses.
- Also in June 2021, the Company signed a MoA for the sale of the VLCC crude tankers, Nissos Santorini and Nissos Antiparos, to an unaffiliated third party for a consideration of $180 million.
- Additionally, in June 2021:
  - The Company entered into an agreement to acquire two Gas Ready (MEc), eco-design, open loop scrubber-fitted 300,000 DWT VLCC crude tankers under construction at H.H.I. South Korea (the "Resale VLCCs") from entities controlled by OET's Chairman and Chief Executive Officer, Mr. Ioannis Alafouzos (the "Sponsor"), for $194 million.

  - The Company entered into an agreement to replace its time charters on the VLCCs Nissos Rhenia and Nissos Despotiko, undertaking the following actions: [i] transfer the remaining 2.0 year time charter (approx.) of the VLCC Nissos Keros to a leading international energy company to Nissos Despotiko and accelerate debt repayment of Nissos Despotiko lease by $1.8m p.a. over the next two years; and [ii] transfer the remaining 0.5 year time charter (approx.) of the VLCC Nissos Donoussa to a leading national oil company to Nissos Rhenia, accelerate debt repayment of Nissos Rhenia lease by $1.8m p.a. over the next two years and adjust the lease facility's margin over LIBOR over the corresponding period slightly upwards to reflect the shorter duration of the replacement time charter.
- Finally, in June 2021, the Company distributed an amount of $24.3 million or $0.75 per share via a return of paid-in capital.
- In August 2021, the Company delivered Nissos Heraclea to her new owners.
- In September 2021, the Company paid the amount of $17.4 million to the Sponsor in connection with the acquisition of the Resale VLCCs.
- In October and November 2021, the Company delivered its vessels, Nissos Santorini and Nissos Antiparos. In connection with the completion of the sale, the Company recorded a net gain of $11.8 million and retired $134.2 million concerning the outstanding loan principal amount of the disposed vessels.
- In November 2021, Suezmax tanker Milos performed its five-year anniversary special survey.
- Also in November 2021, the Company initiated a share buy-back plan dedicating an amount of up to $5.0 million for acquiring own stock.
- In December 2021, the Company distributed an amount of $10.0 million or $0.31 per share via a return of paid-in-capital.
- Additionally, in December 2021, Suezmax tanker Poliegos was docked for its five-year anniversary special survey, earlier than scheduled, in order to benefit from an anticipated rebound of the spot freight market moving into 2022.
- Also in December 2021, the Company purchased 59,236 of its own shares at an average price of NOK 73.23 per share. Up to the date of this report, and in the context of this initiative the Company has repurchased 181,809 shares at an average rate of NOK 71.67, or USD 8.34, utilizing an amount of $1.5 million.

As of December 31, 2021, 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 2022, the Company purchased 122,573 of its own shares at an average price of NOK 71.0 per share.
- In March 2022, the Company took delivery of Nissos Kea, one of the two VLCCs under construction at Hyundai Heavy Industries. The cash consideration for the transaction was financed through proceeds of a new sale and lease back agreement (the "Facility") with CMB Financial Leasing Co., Ltd. ("CMBFL"), with a gross finance amount of approximately $145.5m. The Facility is repaid quarterly, amortizes over a 20-year profile, matures in 7 years from drawdown and is priced at extremely competitive terms. According to the agreement, the Company has a call option at each anniversary date. OET has already drawn $72.75m from the Facility as it relates to the delivery of the Vessel. The Company expects to take delivery of the second vessel NISSOS NIKOURIA at the end of May 2022 when it will also draw the second tranche of the Facility.

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, 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, 2021 through December 31, 2021

REPORTING MEASURE	CALCULATION	VLCC	SUEZMAX	OET FLEET
Number of vessels reporting emissions data at end of reporting period		**6**	**6**	**12**
Fleet average age at end of reporting period		**1.76 yrs**	**3.27 yrs**	**2.52 yrs**
Percentage of vessels equipped with scrubbers at end of reporting period		**100%**	**100%**	**100%**
CO2 emissions generated from vessels (metric tons)				
Laden Condition		205,000	91,900	296,900
All Conditions		350,300	147,000	497,300
Fleet Annual Efficiency Ratio (AER)[1]				
CO2 emissions - all conditions (from above)	A	350,300	147,000	497,300
Design deadweight tonnage (DWT)	B	319,000	158,400	238,700
Total distance travelled (nautical miles)	C	615,000	379,900	994,900
Fleet AER for the period	**A/(B*C)**	**1.8g/ton-mile**	**2.4g/ton-mile**	**2.1g/ton-mile**
Fleet Energy Efficiency Operational Indicator (EEOI)[2]				
CO2 emissions - all conditions (from above)	A	350,300	147,000	497,300
Weighted avg. cargo transported for the period (metric tons)	D	156,800	61,000	217,800
Total distance travelled (nautical miles)	E	615,000	379,900	994,900
Fleet EEOI for the period	**A/(D*E)**	**3.6g/ton-mile**	**6.3g/ton-mile**	**2.3g/ton-mile**

NOTES 1) Annual Efficiency Ratio is a measure of carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage.
2) Energy Efficiency Operational Indicator is a tool for measuring the 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, 2021 through December 31, 2021.

Climate Change

The energy transition to address climate change could lead to softer demand for oil and higher operating costs that could have a negative impact on the Company's profitability. Climate change has caused the enactment of new regulations forcing the shipping industry to adapt to this new business environment through the application of environmentally friendly policies and operations.

Since inception, the Company controls one of the most fuel-efficient, young fleets in the tanker industry with vessels that burn less fuel and emit industry low greenhouse gas emissions per nautical mile travelled while has taken every step required to monitor, report and minimize its environmental footprint ever since.

The Company's strategy is to comply with the current and future regulatory framework, maintain and improve its sustainable investment practices through the ownership and operation of young vessels built to meet the strictest environmental standards.

Consolidated Financial Statements

Income Statement

For the year ended December 31, 2021, the Company generated revenues of $169.0 million, down from $282.9 million in 2020 mainly due to a 46% decrease in the daily fleet-wide time charter equivalent (TCE) earnings.

Operating expenses inclusive of technical management fees amounted to $46.1 million, up from $43.6 million in 2020 deriving mainly from the revised technical management agreement with the Managing Company Kyklades Maritime Corporation ("Kyklades" or "KMC") increasing the daily fee by $300 per vessel/per day for the year 2021, as well as, from increased Covid-19 related expenses to off-shore personnel.

Commissions and voyage expenses came in at $47.2 million, down from $51.9 million in 2020 mainly due to fewer port calls and a 5% increase in time charter coverage (from 43% in 2020 to 48% in 2021) in absolute terms offset by increased bunker fuel prices in the current year.

General and administrative expenses amounted to $5.1 million, up from $4.4 million in 2020 due to an increase in performance-based remuneration.

Depreciation and amortization expense totaled $38.7 million, down from $41.6 million in 2020 due to a 26% decrease in the depreciable asset base.

Net gain on disposal of vessels of $4.1 million relates to the disposal of the Company's VLCC (Nissos Santorini and Nissos Antiparos) and Aframax vessels (Nissos Therassia, Nissos Schinoussa and Nissos Heraclea). Additionally, an impairment loss of $3.9 million was recorded referring to the classification of Nissos Heraclea as available for sale on June 30, 2021, since the vessel's carrying value was lower than her respective fair value less estimated selling expenses.

Interest and other finance costs for the year ended December 31, 2021 were $36.5 million, down from $37.7 million in 2020 due to a 31% decrease in gross indebtedness resulting to a reduced interest expense cost of $7.3 million, counterbalanced by a write-off of unamortized loan financing fees by $1.7 million and a further $4.1 million associated with the termination of certain of the Company's sale and lease-back agreements. Furthermore, the Company recorded an additional gain amounting to $4.2 million resulting from derivative instruments, interest rate swap agreements, held at fair value.

The Company reported a loss for the year of $0.9 million or basic and diluted loss of $0.03 per share, compared to a profit of $101.3 million or basic and diluted earnings of $3.12 per share in 2020.

Statement of Financial Position

Total assets as at December 31, 2021 were $954.6 million, down from $1,259.7 million in 2020 resulting from the disposal of certain of the Company's vessels during the year. Total liabilities amounted to $596.3 million, down from $862.5 million in 2020, mainly due to long-term debt retirement, associated with the abovementioned vessel disposals, while total equity was $358.3 million, down from $397.2 million in 2020, mainly as a result of the cumulative dividend and capital distributions of $37.5 million, loss for the year of $0.9 million and repurchase of own shares of $0.5 million, corresponding to an equity ratio of 38%. The Company's cash and cash equivalents (including restricted cash) as at December 31, 2021 was $45.5 million, up from $31.7 million in 2020, as a result of the cash flow movements described below.

Cash Flow

For the year ended December 31, 2021 net cash provided by operating activities was $28.6 million (2020: $152.2 million) that was primarily the result of profitable operations. Net cash provided by investing activities was $285.7 million (2020: used in $183.7 million), mainly reflecting the vessel disposals during the year, payments for vessels under construction and scheduled five-year special surveys of $22.3 million , as well as, an amount of $6.0 million from related parties. Net cash used in financing activities was $299.4 million (2020: provided by $41.5 million), primarily reflecting repayments of long term borrowings of $261.7 million, capital distribution and dividend payments of $37.5 million and acquisition of treasury stock of $0.5 million.

Going Concern

The consolidated financial statements of the Company have been prepared on a going concern basis and in accordance with the International Financial Reporting Standards ("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 tanker shipping industry is cyclical with high volatility in charter rates and profitability. The Company charters its vessels principally in the spot market, being exposed to various unpredictable factors such as: supply and demand of energy resources, global economic and political conditions, natural or other disasters, disruptions in international trade, COVID-19 outbreak, environmental and other legal regulatory developments and so on. During 2021, the Company entered into Forward Freight Agreements ("FFAs") in order to partially hedge its exposure to spot charter rate fluctuations and mitigate any adverse effect this may have in our operating cash flows and dividend policy.

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 manages 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, geopolitical changes 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.

The Company has also purchased and maintains a Directors and Officers Liability Insurance issued by a reputable, specialized insurer with appropriate rating.

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

Supply and demand balance for the seaborne crude tanker trade in 2021 came in unfavorable and led to the most challenging market ever recorded. Demand contracted by 4.5% year on year in 2021, to 9.2 billion tonne-miles. The primary drivers of such contraction were reduced OPEC exports and the lingering but now transitory effects of the Covid-19 pandemic. On the supply side, the crude tanker fleet registered a manageable growth of 2.1% year on year in 2021, however, the unwinding of supply under floating storage added further pressure on the market balance.

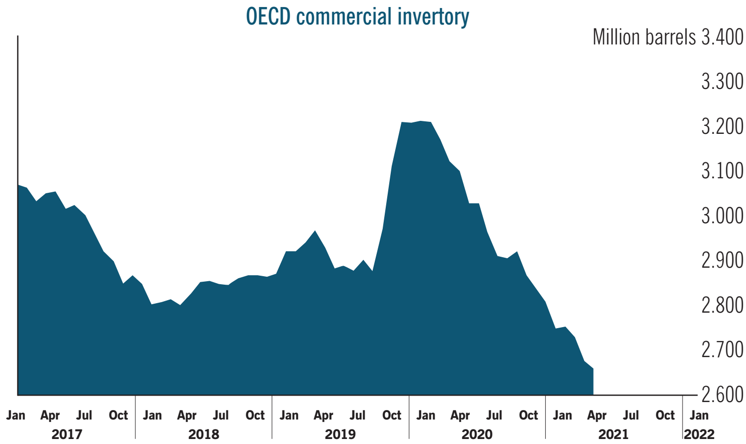
2022 started on a weak footing amid continued pressure on global seaborne crude oil trade. The rapid spread of the Omicron Covid-19 variant kept the anticipated demand rebound to a halt in the first months of the year. Elevating oil prices, and the ongoing crude oil supply disruptions have further curtailed demand drivers in the seasonally weak first quarter of the year.

The war in Ukraine is a continuously evolving and unpredictable situation both from a humanitarian and market perspective. The crude tanker markets have so far seen positive developments mainly driven by shifts in trade flows that supported tonne-mile demand. Russia's seaborne crude oil exports account for 10% of world seaborne oil exports with approximately 50% shipped to Europe. In the event of sanctions and/or choice by Europe, such volumes would need to be replaced from more distant destinations, while Russia is expected to find buyers in the East, that could also support demand measured in tonne-miles, in the short term. In particular, spot freight rates for Suezmax and Aframax vessels have spiked as of recently, with positive effects also for the VLCC market, despite projected decline in volumes from the Black Sea, on the back of longer-haul trade routes into Europe from the US and Middle East. Elevated fuel prices have resulted in a widening performance gap between fuel efficient, scrubber-fitted vessels and the remaining, conventional non-eco / non-scrubber fleet.

Forecasts and estimates for commodity markets, however, are highly uncertain at the time, given the unpredictability around the effects of the Russian invasion on short-term economic activity, trade flows and on the timing of economic resurgence. The world is recovering quickly though from the Covid-19 pandemic and mobility restrictions are scarcer and largely concentrated.

Looking forward, the tanker market fundamentals appear constructive both on absolute and relative terms, although with the obvious risks for the short-term as already outlined.

Global crude oil inventories have fallen steadily after peaking in June 2020, and stock draws came in at 1.8 million barrels per day from the third quarter of 2020 until the end of 2021. Year to date, stock draws have continued and commercial inventories are expected by consensus energy agencies at 2.6 billion barrels for February 2022, which is the lowest level since 2014. Looking forward, the crude oil supply disruption from the war in Ukraine (about 3 million bpd loss of Russian oil for April, according to energy agencies) combined with the agreed release of 120 million barrels emergency oil stocks by International Energy Association ("IEA") members over a six month period (US Strategic Petroleum Reserves release accounts for 50% of total IEA members contribution) is expected to add further pressure on global crude oil inventories that will need to be replaced adding pent-up demand into 2023 for the tanker market. In terms of floating storage, the market is now back to pre-pandemic levels seen in 2019.



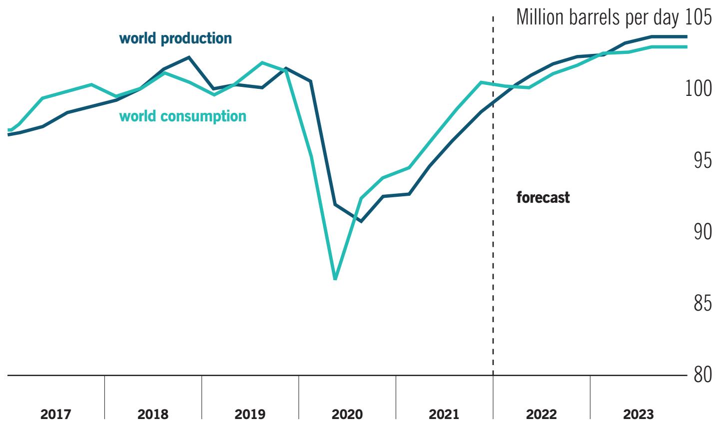
Source: Energy Information Administration (EIA).

Oil demand is now projected to grow by 2.1 mbpd compared to 2021, including the effects of the Russian invasion, to 99.7 mbpd, according to the IEA. The world is moving away from mobility restrictions that have taken a toll on oil demand over the past two years, with firm business activity and travel rebound. The timing when demand will emerge above pre-pandemic levels is closely tied to recent geopolitical risks and its effect on world GDP and inflation.

Highly depleted reserves and growing demand suggest that oil supply is the determinant factor for market balance and crude tanker volumes. Several OPEC members have been unable thus far to increase production in line with target of a monthly increase of 400 kbpd from August 2021 until phasing out c.5.8 mbpd production cuts by September 2022. The current status of prices is expected to further incentivize OPEC producers with substantial spare capacity, mainly Saudi Arabia and the UAE, to tap into their reserves during the year. Prospects for additional supply come from Venezuela (2018 exports at 1.5 mbpd vs 0.4 mbpd in 2022) and Iran (2018 exports close to 3.0 mbpd vs less than 1 mbpd in 2022) with the talks over a nuclear deal closer to finish line than ever. In the event that an agreement with Iran is reached and US sanctions to Venezuela ease, exports could ramp up more than 2 mbpd over a 6-month period. The perspective return of such volumes not only supports the demand side for crude tankers but also the supply. According to trade reports, fleet employed under currently sanctioned, Iranian trades accounts for c.6% of the VLCC and Suezmax global fleet. An agreement on a nuclear deal and concurrent lifting of sanctions on Iran would mean that these vessels, over 15 years of age, will have limited employment opportunities and scrapping would appear the sole alternative.

Consensus energy agency forecasts agree on an improved oil market balance for 2022 and 2023, although market supply risks from the Russian invasion are unclear at this stage.

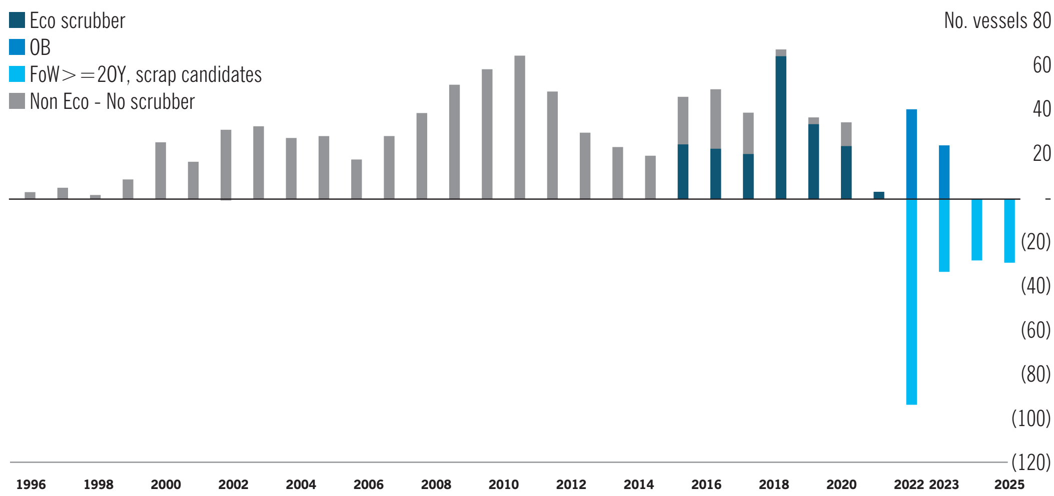
World liquid fuels production and consumption balance



Source: Energy Information Administration (EIA).

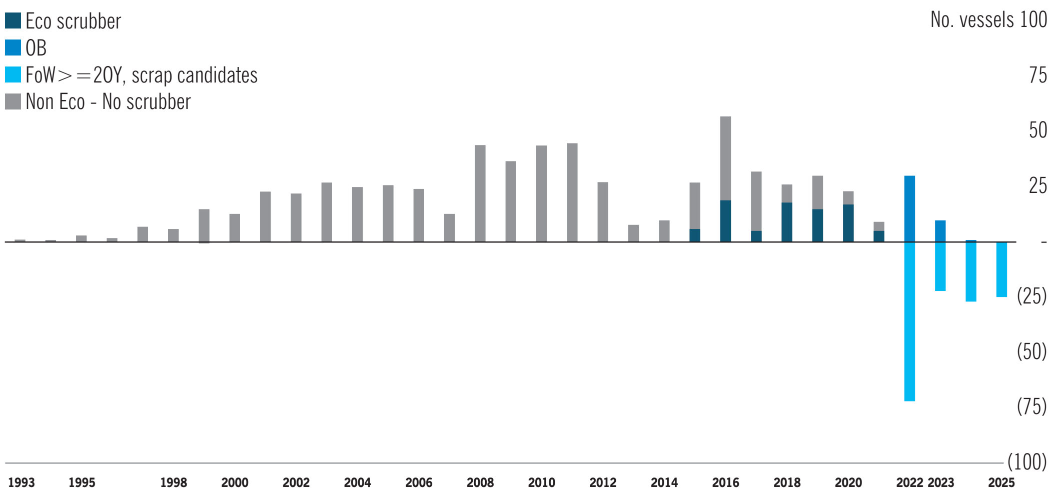
The crude tanker market supply side is favored by a combination of constructive factors, expected to keep fleet growth muted. Firstly, the current orderbook is undemanding and stands at historically low levels (7.7% for the VLCC and 6.5% for the Suezmax fleet). Secondly, new contracts have been subdued given extremely high replacement costs and tight yard capacity. New orders may now only hit the water in mid-2025 as yards are occupied with other segments, mainly containerships and LNG carriers, that also offer higher margins. Thirdly, the average age of the fleet is growing. In particular, more than 20% of the Suezmax and the VLCC fleet stands above 15 years of age. The aforementioned scrapping potential of the large crude tanker fleet, coupled with 18 months of soft daily earnings, elevating scrap prices and additional costs associated with adherence to emission standards from 2023, suggest that incentives for vessels to hit the yard are greater than ever.

VLCC



Source: Clarksons Research.

Suezmax



Source: Clarksons Research.

The price surge in bunker fuel has benefited widely fuel-efficient, scrubber-fitted vessels and resulted in a two-tier market. We estimate that eco, scrubber-fitted VLCCs are generating savings in excess of $15,000/day in the current oil price environment.

In summary, market fundamentals for the crude tanker sector appear very constructive both on absolute and relative terms and suggest that market recovery would not only be significant but also last for years to come. We believe that the crude tanker market is at an extremely attractive point in the cycle and offers strong upside potential for owners with young, fuel efficient vessels for the medium term. As such, we do expect meaningful rerating on crude tanker freight rates to compensate for firm asset values that already incorporate market dynamics but trade at a discount to replacement costs.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, that the consolidated financial statements as of and for the year ended December 31, 2021 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

Petros Siakotos
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 14, 2021 (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 and was last updated on April 29, 2021.

The Company voluntarily reports on Environmental, social and governance ("ESG") issues in a separate ESG report following the Euronext guidance on ESG reporting of January 2020.

All documents are uploaded to the Company's website (www.okeanisecotankers.com) and are being 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 aiming to create value for its shareholders in a sustainable manner.

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. The Company has offices in Athens, Greece.

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 clear objectives and strategy for its business and seeks to create value for its shareholders in a sustainable manner.

Equity and Dividends

Equity

As of December 31, 2021, the Company's consolidated equity was approximately $358.3 million, equivalent to approximately 38% 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, 2021 the Company distributed an amount of $3.2 million and an amount of $34.3 million through dividends and capital distributions respectively. 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/return dividends/paid-in capital 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 dividend payment or capital return frequency will be considered over time. The timing and amount of dividends is at the discretion of the Board, who will also take into account any applicable contractual and/or legal restrictions on such payments.

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

- the Board has adopted a policy effective as from January 2021 to calculate the Company's 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, 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

Neither the general meeting, nor the Board of Directors nor the chief executive may make any decision that is intended to give an unreasonable advantage to certain shareholders or other parties at the expense of other shareholders of the company unless there is a factual basis for such discrimination.

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 at Oslo Børs.

Transactions with close associates

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

The Board has adopted rules of procedures for the Board which, inter alia, includes guidelines for notification by members of the Board and executive management if they have any material direct or indirect interest in any transaction entered into by the Company. These procedures further ensure that the Company is made aware of possible conflicts of interests and handles such agreements in a sufficiently thorough manner, with the aim of preventing value from being transferred to related parties.

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 of Directors can choose whether to hold a general meeting as a physical meeting or as an electronic meeting. Shareholders have the right to attend by electronic means unless the Board of Directors finds that there is sufficient cause for it to refuse to allow this.

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

The Company will aim to prepare and facilitate the use of proxy forms which allows separate voting instructions to be given for each item on the agenda, and nominate a person who will be available to vote on behalf of shareholders as their proxy. The Board may decide that shareholders may submit their votes in writing, including by use of electronic communication, in a period prior to the relevant 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 2022 AGM. The Board of Directors 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 of Directors shall act with sufficient clarity with regards to agreements with close associates ensuring that the Company is made aware of possible conflicts of interests and shall handle such agreements in a sufficiently thorough manner, with the aim of preventing value from being transferred to related parties.

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 significant, cumulative shareholding of 74% in the Company.

In 2021, four regular meetings of the Board of Directors were held. Due to COVID-19 pandemic and mobility restrictions, the majority of the Board actions were carried out either through means of telecommunication or written consents of the Board of Directors. Besides the formal meetings, the Board of Directors is in contact regularly via conference calls and email.

The decision-making process and the attendance rate of the members of the Board of Directors for 2021 was as follows:

NAME	TITLE	MEETINGS ATTENDED	UNANIMOUS WRITTEN CONSENTS
Ioannis Alafouzos	Chairman	4 out of 4	8
Robert Knapp	Director	4 out of 4	8
Daniel Gold	Director	4 out of 4	8
Joshua Nemser	Director	4 out of 4	8
Charlotte Stratos	Independent Director	4 out of 4	8
John Kittmer	Independent Director	4 out of 4	8
Petros Siakotos	Director	-	-
George Aronis	Director	3 out of 4	8

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 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 of Directors.

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 around Board of Directors' 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 the remuneration. The Board reports to the general meeting on details of fees for audit work and for other specific assignments.

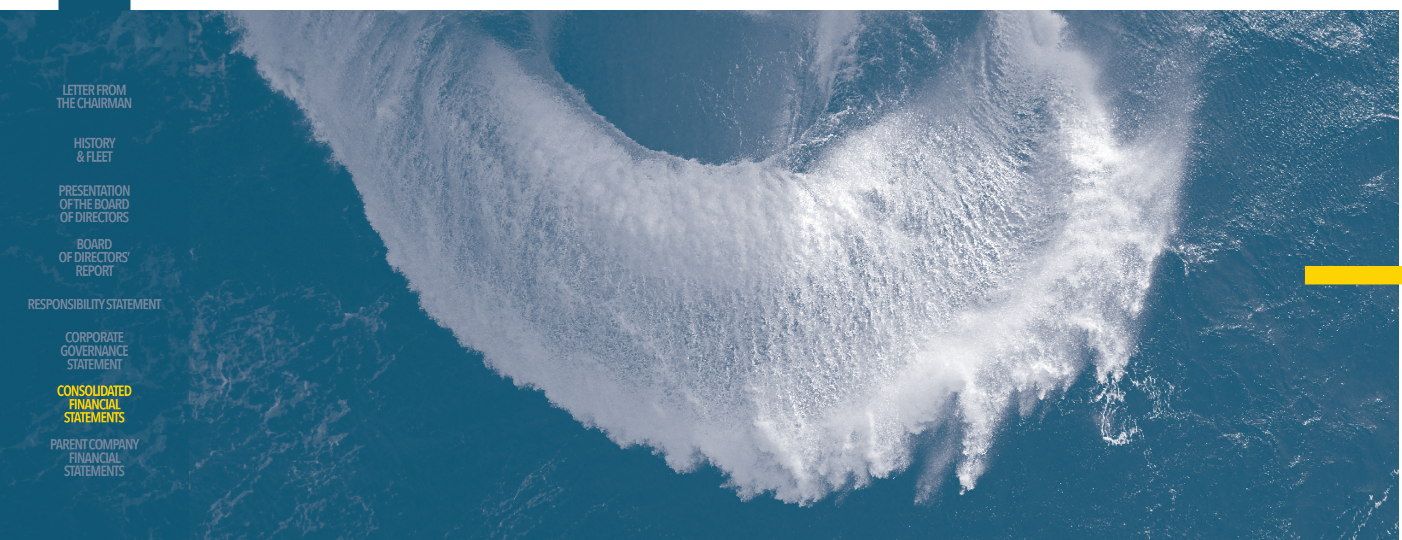
CONSOLIDATED FINANCIAL STATEMENTS

Index

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, 2021 and Independent Auditor's Report



DIRECTORS' STATEMENT
For the year ended December 31, 2021

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended December 31, 2021.

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 December 31, 2021 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.

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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, 2021, 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, 2021 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, 2021, 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 twelve tanker vessels as of December 31, 2021, having a combined carrying amount of USD 865,2 million. Impairment indicators were present on one of the Company's Suezmax class vessels, as her carrying value was above her respective fair value as of December 31, 2021. As a result, an impairment test was performed by management, by calculating the recoverable amount of the 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 forecast 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 the 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 the vessel's recoverable amount was higher than her respective carrying amount. The excess of the recoverable amount over the carrying amount was $25 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>: • Obtained from the Company the discount rate calculation for the yearly impairment exercise and confirmed the mathematical accuracy of the formulas used to arrive at the discount rate. The Company has used principles of the capital asset pricing model to estimate the discount rate. • Our financial advisory valuation specialists developed an independent estimate of the discount rate, which was used to assess the reasonableness of the assumptions used by management to calculate the discount rate used by management (such as, the risk-free rate, equity risk premium, and debt/equity ratio). Our independent estimate was within appropriate range when compared to the discount rate used by management. • We further verified the mathematical accuracy of its application in the value in use model of the vessel.

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	Future earnings for non-contracted periods: For non-contracted periods and until the end of a vessel's useful economic life, management uses: • for the first year, estimated daily earnings based on maritime broker's time charter and freight earnings assessments, applying an 75%-25% weight over time charter and freight earnings, respectively. • for the second until the fifth year, estimated daily earnings which, applying the same discount rate used in management's value in-use model, would lead to a fair value at newbuilding parity at the end of the fifth year. • from the sixth year and until a vessel's estimated end of useful life, the simple average of the historical 5-year time charter equivalent rates adjusted for a computed premium arising from fuel savings compared to conventional tankers, given the Company's vessels are equipped with exhaust gas cleaning systems and are eco-designed (the "5-year adjusted historical average"). The 5-year adjusted historical average of the Company's Suezmax class vessel amounted to $32,163. We performed the following procedures to audit the Company's estimates of the discount rate and future earnings for non-contracted periods as it related to the Suezmax class vessel: • Corroborated the accuracy of the daily time charter and freight earnings assessments, by obtaining reports from external independent maritime ship-brokers and agreeing such data to their respective dataset. • Evaluated the reasonableness of the 75%-25% weighting applied by the Company over time charter and freight daily earnings, by obtaining historical data of time charter and freight revenue days of the Company's fleet, since its inception. • Re-computed the 75%-25% application over each of the time charter and freight daily earnings.

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	• Re-computed the rate based on which the vessel, at the end of the fifth year would be at newbuilding parity, applying the same discount rate used in management's value in-use model. • Corroborated the accuracy of the un-adjusted 5-year historical average, by obtaining reports from external independent maritime ship-brokers and agreeing the 5-year historical average of time charter equivalent rates included in these reports to management's value-in-use calculation. • Evaluated the reasonableness of the premium arising from fuel savings, by comparing operational data such as market prices for different fuels types, to external market reports. • Re-computed the 5-year adjusted historical average, as reflected in management's value-in-use calculation. • Challenged management by looking also at different periods representing potential shipping cycles, such as the 7, 10 and 15-yr simple (adjusted for a fuel savings premium) historical averages, noting that no impairment losses would be required, were these averages used. • Assessed whether the 5-year average used by Management fairly depicts a shipping cycle, capturing both historical highs and lows within a period. • Re-computed the daily earnings assumption for the second until the fifth year by comparing the newbuilding parity used in year 5 with the estimations provided by external independent maritime ship-brokers. • Discussed with management and reviewed the sensitivity disclosures provided around management's impairment model, by re-computing the percentages (%) by which the future freight and time charter rates would need to be reduced, or by which the discount rate need to be increased, before impairment losses would need to be recorded.

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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.

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.

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- 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.

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.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion
We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name **213800U35RCYXTKVEM65-2021-12-31-en.zip** have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).
In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities
Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

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Auditor's Responsibilities
Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements have been prepared in accordance with the European Single Electronic Format.
As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the financial statements tagged under the European Single Electronic Format with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte Certified Public Accountants S.A.
April 14, 2022
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, 2021 and 2020
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021	2020
Revenue	21	**168,998,225**	**282,870,330**
Operating expenses			
Commissions		(2,229,156)	(3,757,075)
Voyage expenses	11	(45,006,762)	(48,116,343)
Vessel operating expenses	10	(40,695,997)	(40,178,632)
Management fees	14	(5,425,200)	(3,416,400)
Depreciation and amortization	7	(38,666,266)	(41,619,641)
General and administrative expenses	12	(5,094,940)	(4,421,483)
Total operating expenses		**(137,118,321)**	**(141,509,574)**
Operating profit before impairment loss and net gain on disposal of vessels		**31,879,904**	**141,360,756**
Impairment loss on classification of vessels as held for sale	7	(3,932,873)	—
Net gain on disposal of vessels	7	4,076,668	—
Operating profit		**32,023,699**	**141,360,756**
Other income/(expenses)			
Interest income		3,470	50,499
Other expenses	23	—	(1,354,921)
Interest and other finance costs	22	(36,465,423)	(37,649,743)
Unrealized gain/(loss) on derivatives	24	4,156,933	(1,116,166)
Realized loss on derivatives		(558,916)	(23,770)
Foreign exchange (loss)/gain		(62,662)	52,287
Total other expenses		**(32,926,598)**	**(40,041,814)**
(Loss)/profit for the year		**(902,899)**	**101,318,942**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement of post-employment benefit obligations		(203)	(3,051)
Total comprehensive (loss)/income for the year		**(903,102)**	**101,315,891**
Attributable to the owners of the Group		(903,102)	101,315,891
Earnings/(loss) per share - basic & diluted	18	(0.03)	3.12
Weighted average no. of shares - basic & diluted		32,372,393	32,462,659

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

AS OF DECEMBER 31,	NOTE	2021	2020
Assets			
Non-current assets			
Vessels, net	7	865,208,380	1,199,364,846
Vessels under construction	8	18,193,257	—
Other fixed assets		61,019	41,019
Derivative financial instrument	24	3,150,767	—
Restricted cash		5,410,000	6,410,000
Total non-current assets		**892,023,423**	**1,205,815,865**
Current assets			
Inventories	6	12,630,531	5,767,484
Trade and other receivables		7,448,390	14,633,061
Claims receivable	19	261,093	154,448
Prepaid expenses and other current assets		1,032,640	964,416
Current accounts due from related parties	14	1,070,101	7,063,619
Current portion of restricted cash		1,939,443	1,991,381
Cash & cash equivalents		38,183,154	23,338,062
Total current assets		**62,565,352**	**53,912,471**
Total assets		**954,588,775**	**1,259,728,336**
Shareholders' equity & liabilities			
Shareholders' equity			
Share capital	15	32,890	32,890
Additional paid-in capital	15	300,019,846	334,328,863
Treasury shares	15	(3,571,790)	(3,068,260)
Other reserves		(26,150)	(25,947)
Retained earnings		61,838,062	65,960,647
Total shareholders' equity		**358,292,858**	**397,228,193**
Non-current liabilities			
Long-term borrowings, net of current portion	13	534,783,459	759,218,688
Retirement benefit obligations		17,294	61,175
Derivative financial instrument	24	—	1,116,166
Total non-current liabilities		**534,800,753**	**760,396,029**
Current liabilities			
Trade payables		15,960,456	17,697,198
Accrued expenses	9	2,623,745	2,306,868
Deferred revenue		—	6,462,292
Current accounts due to related parties	14	698,153	379,803
Current portion of long-term borrowings	13	42,212,810	75,257,953
Total current liabilities		**61,495,164**	**102,104,114**
Total liabilities		**596,295,917**	**862,500,143**
Total shareholders' equity & liabilities		**954,588,775**	**1,259,728,336**

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, 2021 and 2020
(All amounts, expressed in U.S. Dollars, except for number of shares)

	NOTE	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL (NOTE 15)	TREASURY SHARES	OTHER RESERVES	RETAINED EARNINGS	TOTAL
Balance January 1, 2020		**32,739,851**	**32,890**	**334,328,863**	**(1,010,155)**	**(22,896)**	**8,365,601**	**341,694,303**
Acquisition of equity shares at NOK 57.3 per share	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
Dividends paid	15	—	—	—	—	—	(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**
Acquisition of equity shares at NOK 75.3 per share	15	(22,500)	—	—	(197,116)	—	—	(197,116)
Acquisition of equity shares at NOK 75.9 per share	15	(8,000)	—	—	(70,642)	—	—	(70,642)
Acquisition of equity shares at NOK 70.5 per share	15	(28,736)	—	—	(235,772)	—	—	(235,772)
Loss for the year		—	—	—	—	—	(902,899)	(902,899)
Capital distribution	15	—	—	(34,309,017)	—	—	—	(34,309,017)
Dividends paid	15	—	—	—	—	—	(3,219,686)	(3,219,686)
Other comprehensive loss for the year		—	—	—	—	(203)	—	(203)
Balance December 31, 2021		**32,316,681**	**32,890**	**300,019,846**	**(3,571,790)**	**(26,150)**	**61,838,062**	**358,292,858**

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

	NOTE	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021	2020
Cash flows from operating activities			
(Loss)/profit for the year		**(902,899)**	**101,318,942**
Adjustments to reconcile (loss)/profit to net cash provided by operating activities:			
Depreciation		38,666,266	41,619,641
Interest expense		27,082,841	34,373,842
Amortization of loan financing fees		4,233,322	2,519,363
Unrealized (gain)/loss on derivatives		(4,156,933)	1,116,166
Interest income		(3,470)	(50,499)
Other non-cash items		(44,084)	8,109
Net gain on disposal of vessels		(4,076,668)	—
Impairment loss		3,932,873	—
Total reconciliation adjustments		**65,634,147**	**79,586,622**
Changes in working capital:			
Trade and other receivables		7,184,671	3,597,901
Prepaid expenses and other current assets		(173,406)	1,380,519
Inventories		(6,863,047)	784,973
Trade payables		(2,945,453)	588,189
Accrued expenses		469,704	(1,892,202)
Deferred revenue		(6,462,292)	1,543,166
Claims receivable		(106,645)	(61,840)
Interest paid		(27,240,486)	(34,643,912)
Total changes in working capital		**(36,136,954)**	**(28,703,206)**
Net cash provided by operating activities		**28,594,294**	**152,202,358**
Cash flows from investing activities			
Current accounts due from related parties		5,993,518	(5,226,567)
Payments for other fixed assets		(20,000)	(1,019)
Proceeds from vessels' disposal		300,938,574	—
Decrease/(increase) in restricted cash		1,051,938	(4,991,381)
Dry-dock expenses		(1,921,472)	(1,403,289)
Payments for vessels and vessels under construction		(20,367,653)	(172,165,396)
Interest received		3,470	50,499
Net cash provided by/(used in) investing activities		**285,678,375**	**(183,737,153)**
Cash flows from financing activities			
Proceeds from long-term borrowings		—	277,677,250
Repayments of long-term borrowings		(261,713,694)	(175,908,202)
Capital distribution		(34,309,017)	—
Current accounts due to related parties		318,350	(12,743,952)
Payment of loan financing fees		—	(1,765,961)
Acquisition of treasury stock	15	(503,530)	(2,058,105)
Dividends paid		(3,219,686)	(43,723,896)
Net cash (used in)/provided by financing activities		**(299,427,577)**	**41,477,134**
Net change in cash and cash equivalents		*14,845,092*	*9,942,339*
Cash and cash equivalents at the beginning of year		23,338,062	13,395,723
Cash and cash equivalents at the end of year		**38,183,154**	**23,338,062**
Supplemental cash flow information			
Capital expenditures included in trade payables		1,285,135	3,673,472

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

1. Incorporation and General Information

Okeanis Eco Tankers Corp. ("OET" or the "Company" or "Okeanis Eco Tankers"), was founded on April 30, 2018 as a private limited corporation under the laws of the Republic of the Marshall Islands having its registered offices at the following address: Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Republic of the Marshall Islands. OET is majority controlled by Glafki Marine Corp. ("Glafki") through voting interest. Glafki is owned by Ioannis Alafouzos and Themistoklis Alafouzos. The Company, as of the date of this report, owns thirteen vessels on the water and one vessel under construction. The principal activity of its subsidiaries is to own, charter out and operate tanker vessels on an international level.

The consolidated financial statements comprise the financial statements of Okeanis Eco Tankers Corp. 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, 2021 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 30, 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 30, 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%
Theta Navigation Ltd	June 14, 2021	Marshall Islands	100%
Ark Marine S.A.	June 14, 2021	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 presented in United States Dollars ($) since this is the currency in which the majority of the Group's transactions are denominated, thus the U.S. Dollar is the Company's functional and presentation currency.

The consolidated financial statements have been prepared on the historical cost basis, except for interest rate swaps and forward freight agreements measured at their fair value. 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 14, 2022.

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 June 14, 2021 the Company established two Marshall Islands-based subsidiary owning companies, Ark Marine S.A. and Theta Navigation Ltd, that will own and operate Nissos Kea (Hull 3211) and Nissos Nikouria (Hull 3212). Each of the companies have 500 shares issued at par value, owned 100% by Okeanis Eco Tankers Corp.

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, 2021 and 2020, the provision for doubtful accounts amounted to nil.

As of the date of this report, trade and other receivables' fair value approximate their carrying amount.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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.

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 translations

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. For the purposes of presenting these consolidated financial statements, 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. The company presents its consolidated financial statements in U.S. dollars.

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 non current assets on the statement of financial position. The Group classifies restricted cash separately from cash and cash equivalents in the consolidated statement of financial position. Restricted cash does not include general minimum liquidity requirement.

Inventories

Inventories consist of bunkers, lubricants, stores and provisions on board. At each statement of financial position date inventories are stated at the lower of cost or net realizable value. The Group uses the FIFO method to evaluate inventories.

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 plan under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognized as employee compensation expenses when they are due.

Employee 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.

Equity

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.

The Company's registered share capital is represented by 32,890,000 shares without par value. As of the date of this report the OET holds 695,892 own shares. Neither the Company nor any of its subsidiaries have issued any restricted shares, share options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Neither the Company nor any of its subsidiaries have issued subordinated debt or transferable securities other than the shares in the Company and the shares in the Company's subsidiaries which are held directly or indirectly by the Company.

Dividends and capital distributions to shareholders are recognized in shareholder's equity in the period when they are authorized. Share buybacks are recognized when they incur.

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, interest rate swaps and forward agreements 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, 2021. 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 Group as a lessee

The Group is 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.

Derivative financial instruments – Forward Freight Agreements

The Company entered into Forward Freight Agreements (the "FFAs") to economically hedge its trading exposure in the spot market. FFAs are derivative financial instruments 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. Upon settlement, if the contracted charter rate is less than the average of the rates, as reported by an identified index, for the specified route and time period, the seller of the FFA is required to pay the buyer the settlement sum, being an amount equal to the difference between the contracted rate and the settlement rate, multiplied by the number of days in the specified period covered by the FFA. Conversely, if the contracted rate is greater than the settlement rate, the buyer is required to pay the seller the settlement sum. 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. FFA derivatives are presented as current or non-current assets or as current or non-current liabilities when their valuation is favorable to the Company and as non-current liabilities when unfavorable 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. Forward freight derivatives are considered to be Level 2 items in accordance with the fair value hierarchy as defined in IFRS 13 Fair Value Measurement. FFAs do not qualify for hedge accounting and therefore unrealized gains or losses are recognized under Unrealized/realized gain/(loss) on derivatives.

Adoption of new and revised IFRS

Standards and interpretations adopted in the current year

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 amendments are effective for annual periods beginning on or after January 1, 2021 and did not have a material impact on the Group's consolidated 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 anticipated that this amendment will have no significant impact at the Company's financial statements. There are no other IFRS standards and amendments issued by but not yet adopted that are expected to have a material effect 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.

Vessels' economic life 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 for the first 5 years (from 2022 to 2026) is based on the prevailing spot and time charter market as of date of this report for year 1 and then linearly moving to the newbuilding parity curve in year 5, while being onwards estimated using the simple historical average rate, for each of the Suezmax and VLCC segment. This change in estimate was effectuated from the fourth quarter of 2021. 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, 2021, the carrying amount of one vessel owned by the Group was higher than its respective fair value, as determined taking into consideration independent brokers' valuations. As a result, the Group estimated the recoverable amount of this vessels to determine the extent of any impairment loss. Given the vessel's recoverable amounts was higher than her respective carrying amount, there was no requirement to record an impairment loss.

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.

The value in use calculation is most sensitive to variances in the discount rate and in future tanker daily earnings for non-contracted periods. The Group's sensitivity analysis performed for the Suezmax fleet having an impairment indication, allowed for either reductions in daily tanker earnings up to 19% or for increases in the discount rate of up to 4% 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,	2021	2020
Bunkers	10,427,636	3,461,559
Lubricants	1,925,361	1,947,399
Provisions	175,199	256,190
Bonded stores	102,336	102,336
Total	**12,630,531**	**5,767,484**

Inventories' carrying values approximate their fair values as at the reporting date.

7. Vessels, Net

Vessels, net are analysed as follows:

	VESSELS' COST	DRY-DOCKING AND SPECIAL SURVEY COSTS	TOTAL
Cost			
Balance - January 1, 2020	**1,052,249,142**	**12,900,505**	**1,065,149,647**
Transfers from Vessels under construction	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**
Disposal of Vessels	(336,269,467)	(4,991,532)	(341,260,999)
Fully amortized Dry-Dock component	—	(1,601,576)	(1,601,576)
Additions	—	2,028,635	2,028,635
Balance - December 31, 2021	**943,569,428**	**11,337,851**	**954,907,279**
Accumulated Depreciation			
Balance - January 1, 2020	**(52,904,254)**	**(4,252,479)**	**(57,156,733)**
Fully amortized Dry-Dock component	—	2,400,000	2,400,000
Depreciation charge for the period	(38,901,859)	(2,717,782)	(41,619,641)
Balance - December 31, 2020	**(91,806,113)**	**(4,570,261)**	**(96,376,374)**
Disposal of Vessels	46,473,065	1,201,972	47,675,038
Impairment loss	(3,932,873)	—	(3,932,873)
Fully amortized Dry-Dock component	—	1,601,576	1,601,576
Depreciation charge for the year	(36,045,763)	(2,620,503)	(38,666,266)
Balance - December 31, 2021	**(85,311,684)**	**(4,387,215)**	**(89,698,899)**
Net Book Value - December 31, 2020	**1,188,032,782**	**11,332,064**	**1,199,364,846**
Net Book Value - December 31, 2021	**858,257,744**	**6,950,636**	**865,208,380**

In the twelve-month period ended December 31, 2021, the Company disposed three Aframax vessels (Nissos Therassia, Nissos Schinoussa and Nissos Heraclea) and two VLCC vessels (Nissos Santorini and Nissos Antiparos) to unaffiliated parties. The first two Aframaxes were delivered to their new owners in June 2021 and the third one in August 2021. Additionally, the VLCCs were delivered to their new owners in October and November 2021, respectively. In connection with the completion of their sale, the Group recorded a net gain on disposal amounting to $4.1 million. Further, an impairment loss of $3.9 million was recorded relating to the classification of Nissos Heraclea as available for sale on June 30, 2021, since the vessel's carrying value was lower than her respective fair value less estimated selling expenses.

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

An analysis of the net gain on disposal of vessels can be found in the following table:

VESSEL	GAIN/(LOSS) ON DISPOSAL
Nissos Therassia	(3,348,501)
Nissos Schinoussa	(4,267,793)
Nissos Heraclea	(173,004)
Nissos Santorini	5,878,751
Nissos Antiparos	5,987,215
Net gain on Vessels' disposal	**4,076,668**

8. Vessels Under Construction

Vessels under construction are analysed as follows:

Balance - January 1, 2020	**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	**—**
Additions during the year	18,193,257
Balance - December 31, 2021	**18,193,257**

Additions for the year 2021 concern the Hulls 3211 and 3212. On June 14, 2021 the Company established two Marshall Islands-based subsidiary owning companies, Ark Marine S.A. and Theta Navigation Ltd, that will own and operate the abovementioned Hulls. Each of the companies have 500 shares issued at par value, owned 100% by Okeanis Eco Tankers Corp.

9. Accrued Expenses

Accrued expenses are analysed as follows:

AS OF DECEMBER 31,	2021	2020
Accrued payroll related taxes	15,842	135,724
Accrued voyage expenses	30,406	60,521
Accrued loan interest	1,254,301	1,407,128
Accrued social insurance contributions	94,530	145,878
Accrued operating expenses	826,167	557,617
Sundry liabilities	402,500	—
Total	**2,623,745**	**2,306,868**

10. Vessel Operating Expenses

Vessel operating expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Crew wages and other crew costs	27,617,203	27,697,465
Insurances	3,332,394	3,101,525
Stores	1,206,306	1,276,312
Spares	1,450,609	1,409,271
Repairs and surveys	2,153,673	2,012,668
Flag expenses	417,241	534,819
Lubricants	2,282,815	2,371,416
Telecommunication expenses	280,937	314,796
Miscellaneous expenses	1,954,820	1,460,361
Total	**40,695,997**	**40,178,632**

11. Voyage Expenses

Voyage expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Port expenses	13,678,442	20,557,287
Bunkers	31,070,105	27,258,361
Other voyage expenses	258,215	300,695
Total	**45,006,762**	**48,116,343**

12. General & Administrative Expenses

General and administrative expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Employee costs	3,896,025	3,499,514
Directors' fees and expenses	875,506	635,638
Professional fees	262,332	223,942
Other expenses	61,077	62,389
Total	**5,094,940**	**4,421,483**

Auditor remuneration for the years ended December 31, 2021 and December 31, 2020 amounted to $177,787 and $181,433, respectively. The Company records audit fees as incurred. Expenditure related to auditor remuneration is reflected in professional fees which, for the year ended December 31, 2021 and December 31, 2020, amounted to $204,490 and $106,202, 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, 2021	UNAMORTIZED DEFERRED FINANCING FEES AS OF DECEMBER 31, 2021	OUTSTANDING NET OF LOAN FINANCING FEES AS OF DECEMBER 31, 2021	INTEREST RATE (LIBOR[L]+ MARGIN)
Milos	40,991,919	337,250	40,654,669	L+5.20%
Poliegos	37,046,699	317,570	36,729,129	L+6.16%
Kimolos	38,693,750	269,940	38,423,810	L+2.50%
Folegandros	36,183,750	320,018	35,863,732	L+2.60%
Nissos Sikinos	47,346,670	282,073	47,064,597	L+1.96%
Nissos Sifnos	47,346,670	283,483	47,063,187	L+1.96%
Nissos Rhenia	64,618,418	1,296,734	63,321,684	L+5.10%
Nissos Despotiko	65,178,500	1,314,300	63,864,200	L+5.00%
Nissos Donoussa	48,497,000	349,858	48,147,142	L+2.50%
Nissos Kythnos	50,430,000	323,933	50,106,067	L+2.25%
Nissos Keros	51,711,000	358,787	51,352,213	L+2.25%
Nissos Anafi	51,700,000	372,416	51,327,584	L+2.09%
Scrubber Financing	3,093,756	15,501	3,078,255	L+2.00%
Total	**582,838,132**	**5,841,863**	**576,996,269**	**L+3.33%**

Debt retired in connection with 2021 vessel sales

Up to December 31 2021, the Company retired a total outstanding principal amount of $209.9 million in connection with the disposal of three Aframax and two VLCC vessels. Specifically, the Company retired $23.0 million of first mortgage debt outstanding on Nissos Therassia, $24.1 million of first mortgage debt outstanding on Nissos Schinoussa, $25.8 million of first mortgage debt outstanding on Nissos Heraclea and $2.8 million of second mortgage scrubber debt outstanding, $67.1 million of first mortgage debt outstanding on Nissos Santorini and $67.1 million of first mortgage debt outstanding on Nissos Antiparos.

The Company is the Corporate Guarantor for all bank loans as at December 31, 2021.

Description of Group borrowing arrangements

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.

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.

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., had initially agreed to pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD LIBOR adjustment. On June 28, 2021, the Company transferred the remaining 0.5 year time charter from Nissos Donoussa to Nissos

Rhenia and the following action resulted to the acceleration of debt repayments of Nissos Rhenia for two years beginning May 2, 2021 by revising onwards the daily bareboat charter rate to $25,000 (year 3-4)/$17,200 (year 5-15), plus interest pursuant to USD LIBOR adjustment.

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., had initially agreed to pay a daily bareboat charter rate of $18,600 (year 1-5)/$18,350 (year 6-15), plus interest pursuant to USD LIBOR adjustment. On June 28, 2021, the Company transferred the remaining 0.5 year time charter from Nissos Keros to Nissos Despotiko and the following action resulted to the acceleration of debt repayments of Nissos Despotiko for two years beginning June 9, 2021 by revising onwards the daily bareboat charter rate to $23,336 (year 3-4)/$17,200 (year 5-15), plus interest pursuant to USD LIBOR adjustment.

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 loan bears interest LIBOR plus a margin of 2.00%, a 5-year tenor, and a 4-year repayment profile beginning one year after drawdown. As a result of the Company's Aframax vessels (Nissos Schinoussa and Nissos Therassia) disposal and according to the relevant loan agreement clause, on June 16, 2021, the Company further retired the amount of $2,750,004 in connection to the said disposal.

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%.

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 analyzed as follows:

AS OF DECEMBER 31, 2020	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**
AS OF DECEMBER 31, 2021			
Outstanding loan balance	539,586,057	43,252,075	582,838,132
Loan financing fees	(4,802,598)	(1,039,265)	(5,841,863)
Total	**534,783,459**	**42,212,810**	**576,996,269**

The loans are repayable as follows:

AS OF DECEMBER 31,	2021	2020
No later than one year	43,252,075	76,724,086
Later than one year and not later than five years	336,790,145	378,579,849
Thereafter	202,795,912	389,247,893
Total	**582,838,132**	**844,551,828**
Less: Amounts due for settlement within 12 months	(43,252,075)	(76,724,086)
Long-term borrowings, net of current portion	**539,586,057**	**767,827,742**

Cash flow reconciliation of liabilities arising from financing activities:

A reconciliation of the Group's financing activities for the years ended December 31, 2021 and 2020 are presented in the tables below:

Long-term borrowings - January 1, 2020	**732,705,697**
Cash flows - drawdowns	277,677,250
Cash flows - repayments	(175,908,202)
Deferred financing fees transferred to long-term borrowings	(751,505)
Loan financing fees	(1,765,961)
Non-cash flows - amortization of loan financing fees	2,519,362
Long-term borrowings - December 31, 2020	**834,476,641**
Cash flows - repayments	(261,713,694)
Non-cash flows - amortisation of loan financing fees	4,233,322
Long-term borrowings - December 31, 2021	**576,996,269**

All loans are secured by first preferred mortgages of the Companies' vessels and assignment of earnings and insurances.

The loan agreements include several ship finance covenants, amongst which are restrictions as to changes in management and ownership of the vessels; declaration of dividends; further indebtedness; mortgaging of vessels without the bank's prior consent and a hull cover ratio as well as several financial covenants. These mainly consist of:

- A hull cover ratio, being the ratio of a mortgaged vessel's fair market value over its respective outstanding debt, of no less than 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, 2021, 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 ("Kyklades" or "KMC") 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 $900 per vessel (2020: $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, 2021 and December 31, 2020, total technical management fees amounted to $5,425,200 and $3,416,400, respectively.

Amounts due to the Board of Directors as at December 31, 2021 amounting to $698,153 compared to an amount of $379,803 as of December 31, 2020, represent outstanding fees payable to Directors.

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

AS OF DECEMBER 31,	2021	2020
Amounts due from Management Company	389,925	2,332,400
Amounts due from FRPEs, net	680,176	4,731,219
Total	**1,070,101**	**7,063,619**

Amounts due from the Management Company as of December 31, 2021 of $389,925 as compared to December 31, 2020 of $2,332,400, represent payments made to the Management Company, per the terms of the respective vessel technical management agreements.

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

Amounts due from FRPEs as at December 31, 2021 amounting to $680,176 as compared to $4,731,219 as at December 31, 2020, represent amounts loaned to 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, 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, 2021 amounted to $418,900 (2020: $419,300). 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, 2021, key management personnel remuneration, covering all the above amounted to $2,071,165 (2020: $1,770,000). There was no amount payable related to key management remuneration as of December 31, 2021 and 2020.

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, 2021:

NAME	POSITION	NUMBER OF SHARES HELD	SHAREHOLDING % (DIRECT AND INDIRECT)
Ioannis 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%
Konstantinos Oikonomopoulos	CFO	—	—
John Kittmer	Director	—	—
Charlotte Stratos	Director	—	—
Petros Siakotos	Director	—	—

15. Share Capital and Additional Paid-in Capital

The Company's 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, as nominee on behalf of Euronext Securities Oslo 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 shares rank in parity with one another and each one carries one vote in a meeting of the shareholders. All shares are 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. Trading in the shares on Oslo Axess commenced on March 8, 2019, under the trading symbol "OET".

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.

On January 27, 2021, the board of directors of the Oslo Stock Exchange approved the Company's listing application to transfer its listing from Euronext Expand to Oslo Børs. Trading in the shares on Oslo Børs commenced on January 29, 2021, under the trading symbol "OET".

In March 2021, the Company paid a cash dividend to its shareholders of $0.10 per share, amounting to $3.2 million.

In June 2021, the Company distributed an amount of $24.3 million or $0.75 per share via a return of paid-in capital.

On December 6, 2021 the Company purchased 22,500 of its own shares for an aggregate consideration of $197,116 at an average price of NOK 75.3 per share.

On December 9, 2021 the Company purchased 8,000 of its own shares for an aggregate consideration of $70,642 at an average price of NOK 75.9 per share.

On December 14, 2021 the Company purchased 28,736 of its own shares for an aggregate consideration of $235,773 at an average price of NOK 70.5 per share.

Also, in December 2021, the Company distributed an amount of $10.0 million or $0.31 per share via a return of paid-in-capital.

As of December 31, 2021, the Company had 32,316,681 shares outstanding (net of 573,319 treasury shares).

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

The table below shows the movement in the Company's issued share capital up to and for the year ended on December 31, 2021 hereof:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	No. OF ISSUED (NET OF TREASURY) 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
Aug 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
December 6, 2021	Share buy-back	—	—	32,353,417	0.001
December 9, 2021	Share buy-back	—	—	32,345,417	0.001
December 14, 2021	Share buy-back	—	—	32,316,681	0.001

Major Shareholders as at December 31, 2021

NAME	HOLDING OF SHARES	% STAKE
ALAFOUZOS FAMILY	18,686,586	56.82%
BNP PARIBAS	2,516,386	7.65%
INTERACTIVE BROKERS LLC	1,236,840	3.76%
THE BANK OF NEW YORK MELLON	1,195,453	3.63%
EUROCLEAR BANK S.A./N.V.	747,722	2.27%
AVANZA BANK AB	557,601	1.70%
CREDIT SUISSE SECURITIES (USA) LLC	520,714	1.58%
VERDIPAPIRFONDET KLP AKSJENORGE	516,835	1.57%
BROWN BROTHERS HARRIMAN (LUX.) SCA	490,052	1.49%
CACEIS BANK SPAIN SA	313,642	0.95%
AS AUDLEY	299,500	0.91%
STAVANGER FORVALTNING AS	240,035	0.73%
NORDNET BANK AB	235,301	0.72%
NORDNET LIVSFORSIKRING AS	231,577	0.70%
DNB NOR BANK ASA, MEGLERKONTO INNLAND	224,573	0.68%
SPESIALFONDET KLP ALFA GLOBAL ENER	203,256	0.62%
CLEARSTREAM BANKING S.A.	185,683	0.56%
CREDIT SUISSE (SWITZERLAND) LTD	183,584	0.56%
MERRILL LYNCH, PIERCE, FENNER & SM	175,901	0.53%
OTHER SHAREHOLDERS	3,555,440	10.81%
Top 20 Shareholders	**32,316,681**	**98.26%**
OKEANIS ECO TANKERS CORP.	573,319	1.74%
Total	**32,890,000**	**100.00%**

16. Financial Risk Management

The Group's principal financial instruments comprise of long-term borrowings, interest rate swaps, forward freight agreements, cash and cash equivalents and restricted cash. The main purpose of these financial instruments is to finance the Group's operations as well as mitigate its exposure to market and interest rate fluctuations. 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, liquidity risk and market 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 manage 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, 2021 by $1,948,856 (2019: $ 3,794,849) 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, therefore partially economically hedging part of its floating-rate borrowings.

- *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 would be required to pay to settle. 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, 2021 of 0.10%, plus the margin applicable to the Group's loan at the end of the year presented.

- *Market risk*

  The tanker shipping industry is cyclical with high volatility in charter rates and profitability. The Company charters its vessels principally in the spot market, being exposed to various unpredictable factors such as: supply and demand of energy resources, global economic and political conditions, natural or other disasters, disruptions in international trade, COVID-19 outbreak, environmental and other legal regulatory developments and so on. During 2021, the Company entered into FFAs in order to minimize losses from charter rate fluctuations and eliminate any adverse effect this may have in our operating cash flows and dividend policy.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 2021							
Derivative Liabilities							
Derivative financial instrument		95,636	60,499	316,507	377,560	—	850,201
Non-Derivative Liabilities							
Trade payables		—	—	15,960,456	—	—	15,960,456
Accrued expenses		—	—	2,623,745	—	—	2,623,745
Current accounts due to related parties		—	—	698,153	—	—	698,153
Variable interest loans	2.34%	3,703,399	5,306,980	26,865,137	335,093,434	34,729,947	405,698,896
Variable interest for debt financing	5.28%	2,230,079	4,338,378	20,053,746	88,237,974	168,511,569	283,371,746
Total		**6,029,115**	**9,705,856**	**66,517,745**	**423,708,967**	**203,241,516**	**709,203,198**

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, 2021:

AS OF DECEMBER 31,	2021
Within one year	41,649,500
Between one and two years	24,015,000
Total	**65,664,500**

Commitments under shipbuilding contracts

As of December 31, 2021, the Company had commitments under two shipbuilding contracts in connection with the acquisition of the resale VLCCs from the Sponsor totalling $176.6 million that are expected to be settled as follows:

AS OF DECEMBER 31,	2021
Less than one year - payable to the yard	141,461,400
More than one year and less than three years - payable to the Sponsor	35,128,600
Total	**176,590,000**

18. Earnings/(loss) per Share

Basic and diluted earnings/(loss) per share for the years ended December 31, 2021 and 2020, are presented below:

YEAR ENDED DECEMBER 31,	2021	2020
From continuing operations	(0.03)	3.12
Earnings/(loss) per share, basic and diluted	**(0.03)**	**3.12**

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

YEAR ENDED DECEMBER 31,	2021	2020
(Loss)/profit for the year attributable to the Owners of the Group	(902,899)	101,318,942
Weighted average number of common shares outstanding in the period	32,372,393	32,462,659
Earnings/(loss) per share, basic and diluted	**(0.03)**	**3.12**

During the years ended December 31, 2021 and 2020, 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, 2021, the Group has recognized and presented under "Claims receivable" in the consolidated statement of financial position, receivable amounts from vessel insurers totaling $261,093 (2020: $154,448) 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,	2021	2020
Total borrowings	576,996,269	834,476,641
Total equity	358,292,858	397,228,193
Gearing ratio	**62%**	**68%**

21. Lease and Non-Lease Components of Revenue and voyage charter 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,	2021	2020
Lease Component	59,098,416	79,685,623
Non-Lease Component	21,486,951	20,938,286
Total	**80,585,367**	**100,623,909**

For the years ended December 31, 2021 and 2020 revenue generated from voyage charter agreements amounted to $90,489,134 and $180,576,897. The difference between total revenues as reflected in the consolidated statement of profit or loss and other comprehensive income and the amount disclosed in this note relates to address commissions.

As of December 31, 2021 and 2020, trade receivables include the amounts of $5,838,509 and $11,440,691 respectively, generated from voyage charter agreements within the scope of IFRS 15. Payment terms under voyage charters are disclosed in the relevant voyage charter agreements. Further, as of December 31, 2021 and 2020, capitalized contract fulfilment costs amounted to $477,732 and $506,058, respectively. Changes in balances between years are mainly attributable to the timing of commencement of revenue recognition.

22. Interest and Other Finance Costs

Interest and finance related costs for the years ended December 31, 2021 and 2020, are presented below:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Interest expense	27,082,841	34,373,842
Amortization and write-off of financing fees	4,233,322	2,519,363
Finance costs related to covenants of early termination	4,092,000	—
Bank charges and loan commitment fees	781,978	628,442
Other finance costs	275,282	128,095
Total	**36,465,423**	**37,649,743**

23. Other expenses, net

Other expenses for the year ended December 31, 2020 amounting to $1,354,921 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. No amount was recorded in other expenses for the year ended December 31, 2021.

24. Derivative Financial Instruments

Interest rate swaps

As of December 31, 2021, the Company has eight interest rate swaps outstanding, having notional amounts totalling $371.9 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, 2021, the fair value of the derivative financial asset related to the swaps amounted to $3.0 million, as further analysed in the below table:

VESSEL	DESCRIPTION	EXPIRATION DATE	NOTIONAL AMOUNT	FAIR VALUE DECEMBER 31, 2021
Nissos Kythnos	Swap pays 0.330%, receive floating	19-09-23	50,430,000	397,728
Nissos Keros	Swap pays 0.312%, receive floating	11-10-23	51,711,000	409,435
Kimolos	Swap pays 0.303%, receive floating	09-10-23	38,693,750	309,905
Nissos Donoussa	Swap pays 0.302%, receive floating	26-08-23	48,497,000	348,346
Nissos Anafi	Swap pays 0.385%, receive floating	02-01-24	51,700,000	497,979
Folegandros	Swap pays 0.346%, receive floating	09-01-24	36,183,750	352,638
Nissos Sikinos	Swap pays 0.336%, receive floating	11-09-23	47,346,670	336,317
Nissos Sifnos	Swap pays 0.338%, receive floating	25-09-23	47,346,670	358,315
			371,908,840	**3,010,662**

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 Company would have to pay or receive for the early termination of the agreements.

Forward freight agreements

As of December 31, 2021, the Company has entered into FFAs, having a notional amount totalling $0.1 million with maturities ranging from the fourth quarter 2022 to the fourth quarter 2023. Forward freight derivatives are considered to be Level 2 items in accordance with the fair value hierarchy as defined in IFRS 13 Fair Value Measurement. As of December 31, 2021, the fair value of the derivative financial asset related to the FFAs amounted to $0.1 million and the unrealized gain on derivatives is included in the statement profit or loss and other comprehensive income. Their fair value approximates the amount that the Company would have to pay or receive for the early termination of the agreements.

25. Subsequent Events

In January 2022, the Company purchased 122,573 of its own shares at an average price of NOK 71.0 per share.

In March 2022, the Company took delivery of Nissos Kea, one of the two Gas Ready (MEc), ECO-design, open loop scrubber-fitted 300,000 DWT VLCCs under construction at Hyundai Heavy Industries. The cash consideration for the transaction was financed through proceeds of a new sale and lease back agreement (the "Facility") with CMB Financial Leasing Co., Ltd. ("CMBFL"), with a gross finance amount of approximately $145.5m. The Facility is repaid quarterly, amortizes over a 20-year profile and matures in 7 years from drawdown. According to the agreement, the Company has a call option at each anniversary date. OET has already drawn $72.75m from the Facility as it relates to the delivery of the Vessel. The Company expects to take delivery of the second vessel NISSOS NIKOURIA at the end of May 2022 when it will also draw the second tranche of the Facility.

COVID-19 Update

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, a vaccination programme for all of our ships' seafarers approaching Greek ports, limited superintendent visits and provisions in heavily affected areas and are complying with local directives and recommendations. Shore-side, all our employees are fully vaccinated. 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.

War in Ukraine

Russia's invasion in Ukraine is a continuously evolving and unpredictable situation both from a humanitarian and market perspective. The Company's ultimate goal is to protect the lives of its seafarers, safeguard its vessels and comply with global sanctions framework. Forecasts and estimates around the outcome of this situation are highly uncertain at the time, and the Company recognizes that further escalation could adversely affect global shipping markets. In February 2022, both the European Union and the United States led economic sanctions against Russia vis-à-vis conflict in Ukraine. Given Russia's role as a lead exporter of crude oil, among other commodities, such sanctions could have material impact in our business.

The war in Ukraine is expected to result in rerouting of crude oil flows leading to longer tonne-mile voyages. Russia's seaborne crude oil exports account for 10% of world seaborne oil exports with approximately 50% shipped to Europe. In the event of sanctions and/or choice by Europe, such volumes would need to be replaced from more distant destinations, while Russia is expected to find buyers in the East that could also support demand measured in tonne-miles.

The disruption on trade flows could adversely impact freight rates and vessel economics, while the recent increases in bunker fuel prices, following crude supply shortages, would negatively affect voyage costs for our fleet, albeit expected less severe than our industry peers with conventional, not equipped with scrubber vessels that consume more fuel and at higher prices per metric tonne.

PARENT COMPANY FINANCIAL STATEMENTS

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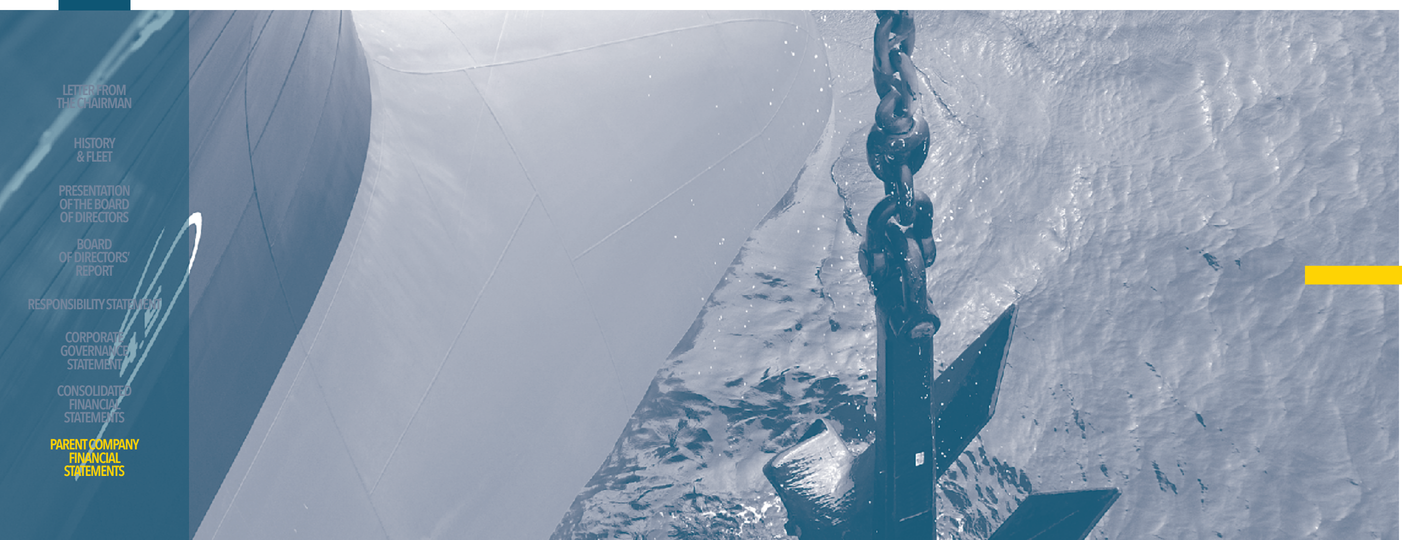
OKEANIS ECO TANKERS CORP.
[Incorporated under the laws of the Republic of the Marshall Islands with registration number 96382]

Parent Company Financial Statements
for the Year Ended December 31, 2021
and Independent Auditor's Report



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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, 2021, 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, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other information

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

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

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

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

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

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

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Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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.

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

Deloitte Certified Public Accountants S.A.

April 14, 2022
Athens, Greece

Okeanis Eco Tankers Corp.
Statement of profit or loss and other comprehensive income
For the years ended December 31, 2021 and 2020
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE YEAR ENDED DECEMBER 31, 2021	2020
Expenses			
General and administrative expenses	5	(1,164,045)	(1,143,006)
Total expenses		**(1,164,045)**	**(1,143,006)**
Operating loss		**(1,164,045)**	**(1,143,006)**
Other income/(expenses)			
Dividend income		3,904,000	47,782,750
Interest and other finance costs	11	(349,015)	(383,382)
Unrealized gain on forward derivatives		30,105	—
Foreign exchange gain		6,387	31,910
Total other income/(expenses), net		**3,591,477**	**47,431,278**
Profit for the year		**2,427,433**	**46,288,272**
Other comprehensive income		—	—
Total comprehensive income for the year		**2,427,433**	**46,288,272**
Earnings per share from continuing operations, basic and diluted	10	0.07	1.43
Weighted average no. of shares - basic & diluted		32,372,393	32,462,659

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

Okeanis Eco Tankers Corp.
Statement of financial position
As of December 31, 2021 and 2020
(All amounts expressed in U.S. Dollars)

	NOTE	AS OF DECEMBER 31, 2021	2020
Assets			
Non-current assets			
Investment in subsidiaries	4	255,718,980	329,245,580
Derivative financial instrument		140,105	—
Total non-current assets		**255,859,085**	**329,245,580**
Current assets			
Other receivables		40	40
Current account due from related parties	6	23,607,391	14,901,121
Cash & cash equivalents		24,282,086	3,443,176
Total current assets		**47,889,517**	**18,344,337**
Total assets		**303,748,602**	**347,589,916**
Shareholder's equity & liabilities			
Shareholder's equity			
Share capital	7	32,890	32,890
Additional paid in capital	7	300,046,621	334,355,638
Treasury shares	7	(3,571,791)	(3,068,260)
(Accumulated losses)/retained earnings		(53,468)	738,784
Total-Shareholder's equity		**296,454,252**	**332,059,052**
Non-Current liabilities			
Long-term borrowings, net of current portion	12	1,710,201	5,130,420
Total non-current liabilities		**1,710,201**	**5,130,420**
Current Liabilities			
Trade payables		147,590	239,878
Current account due to related parties	6	4,068,505	7,880,470
Current portion of long-term borrowings	12	1,368,054	2,280,096
Total current liabilities		**5,584,148**	**10,400,444**
Total liabilities		**7,294,349**	**15,530,863**
Total shareholder's equity & liabilities		**303,748,602**	**347,589,916**

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

Okeanis Eco Tankers Corp.
Statement of changes in shareholder's equity
For the years ended December 31, 2021 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, 2020		**32,739,851**	**32,890**	**334,355,638**	**(1,010,155)**	**(1,825,592)**	**331,552,782**
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**
Acquisition of equity shares at NOK 75.3 per share	7	(22,500)	—	—	(197,116)	—	(197,116)
Acquisition of equity shares at NOK 75.9 per share	7	(8,000)	—	—	(70,642)	—	(70,642)
Acquisition of equity shares at NOK 70.5 per share	7	(28,736)	—	—	(235,773)	—	(235,773)
Profit for the year		—	—	—	—	2,427,433	2,427,433
Dividend paid	7	—	—	—	—	(3,219,686)	(3,219,686)
Capital distribution	7	—	—	(34,309,017)	—	—	(34,309,017)
Balance - December 31, 2021		**32,316,681**	**32,890**	**300,046,621**	**(3,571,791)**	**(53,468)**	**296,454,252**

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

OKEANIS ECO TANKERS

Okeanis Eco Tankers Corp.
Statement of cash flows

For the years ended December 31, 2021 and 2020
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE YEAR ENDED DECEMBER 31, 2021	2020
Cash flows from operating activities:			
Profit for the year		2,427,433	46,288,272
Adjustments to reconcile profit to net cash used in operating activities:			
Interest expense	11	117,461	315,061
Amortization of loan financing fees		21,905	11,602
Dividend income		(3,904,000)	(47,782,750)
Unrealized gain on derivatives		(30,105)	—
Total reconciliation adjustments		**(1,367,307)**	**(1,167,815)**
Changes in working capital:			
Prepaid expenses and other current assets		(110,000)	—
Trade payables		(92,287)	49,699
Accrued expenses		—	(1,577)
Interest paid		(117,461)	(318,820)
Net cash used in operating activities		**(1,687,054)**	**(1,438,513)**
Cash flows from investing activities:			
Current account due from related parties		(8,706,270)	(1,228,623)
Capital returns from subsidiaries		90,936,600	—
Investment in subsidiaries		(17,410,000)	(181,600)
Dividends received		3,904,000	47,782,750
Net cash provided by investing activities		**68,724,330**	**46,372,527**
Cash flows from financing activities:			
Repayments of long-term borrowings		(4,354,166)	(3,552,077)
Current accounts due to related parties	6	(3,811,965)	7,601,217
Acquisition of treasury stock	7	(503,531)	(2,058,105)
Capital Distribution		(34,309,017)	—
Dividends paid		(3,219,686)	(43,723,896)
Net cash used in financing activities		**(46,198,365)**	**(41,732,861)**
Net change in cash and cash equivalents		20,838,911	3,201,153
Cash and cash equivalents at the beginning of year		3,443,176	242,023
Cash and cash equivalents at the end of year		**24,282,087**	**3,443,176**

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 currently owns thirteen vessels on the water and one vessel under construction. The principal activity of its subsidiaries is to own, charter out and operate tanker vessels on an international level.

The Alafouzos family 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 under the symbol "OET".

The table below sets forth an overview of the Company's wholly owned subsidiaries:

COMPANY NAME	DATE	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 30, 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 30, 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%
Theta Navigation Ltd	June 14, 2021	Marshall Islands	100%
Ark Marine S.A.	June 14, 2021	Marshall Islands	100%
OET Chartering Inc.	June 28, 2018	Marshall Islands	100%

On June 14, 2021 the Company established two Marshall Islands-based subsidiary owning companies, Ark Marine S.A. and Theta Navigation Ltd, that will own and operate the two Newbuilding VLCCs, the Hulls 3211 and 3212, with delivery dates set end of March and May 2022, respectively. Each of the companies have 500 shares issued at par value, owned 100% by Okeanis Eco Tankers Corp.

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 presented 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 14, 2022.

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, 2021 and 2020, 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, 2021 and 2020, 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. Variable rate long-term borrowings and forward agreements 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 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.

Trade and other receivables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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 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.

Derivative financial instruments - Forward Freight Agreements

The Company entered into Forward Freight Agreements (the "FFAs") to economically hedge its trading exposure in the spot market. FFAs are derivative financial instruments 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. Upon settlement, if the contracted charter rate is less than the average of the rates, as reported by an identified index, for the specified route and time period, the seller of the FFA is required to pay the buyer the settlement sum, being an amount equal to the difference between the contracted rate and the settlement rate, multiplied by the number of days in the specified period covered by the FFA. Conversely, if the contracted rate is greater than the settlement rate, the buyer is required to pay the seller the settlement sum. 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. FFA derivatives are presented as current or non-current assets or as current or non-current liabilities when their valuation is favorable to the Company and as non-current liabilities when unfavorable 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. Forward freight derivatives are considered to be Level 2 items in accordance with the fair value hierarchy as defined in IFRS 13 Fair Value Measurement. FFAs do not qualify for hedge accounting and therefore unrealized gains or losses are recognized under Unrealized/realized gain/(loss) on derivatives.

Adoption of new and revised IFRS

Standards and interpretations adopted in the current year

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 amendments are effective for annual periods beginning on or after January 1, 2021 and did not have a material impact on the Company'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 have no significant impact at the Company's financial statements. There are no other IFRS standards and amendments issued by but not yet adopted that are expected to have a material effect on the Group's financial statements.

4. Investment in Subsidiaries

As of December 31, 2021 and 2020, the Company had the following investment in subsidiaries:

AS OF DECEMBER 31,	2021	2020
Contributed companies	94,747,652	179,338,102
Omega Four marine Corp.	8,138,670	8,138,670
Omega Six marine Corp.	1,625,800	1,625,800
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
Omega Ten marine Corp.	1,125,800	1,125,800
Moonsprite Shipping Corp.	31,510,936	31,510,936
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
Ark Marine SA	8,705,000	—
Theta Navigation Ltd	8,705,000	—
Total	**255,718,979**	**329,245,580**

5. General and Administrative Expenses

General and administrative expenses are analyzed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Personnel insurances	200,000	130,000
Directors' fees and expenses	475,506	487,909
Professional fees	207,484	155,495
Other expenses	281,054	369,601
Total	**1,164,045**	**1,143,006**

6. Transactions and Balances with Related Parties

Current accounts due from related parties are analyzed as follows:

AS OF DECEMBER 31,	2021	2020
Amounts due from FRPEs	418,000	2,514,885
Amounts due from vessel-owning subsidiaries	23,189,391	12,213,058
Amounts due from OET Chartering Inc.	—	173,178
Total	**23,607,391**	**14,901,121**

Current accounts due from FRPEs - Family Related Party Entities principally non-eco vessel owning companies privately owned by the Alafouzos family amounting to $418,000 as at December 31, 2021 (2020: $2,514,885), represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from subsidiaries companies, amounting to $23,189,391 and $12,213,058 as at December 31, 2021 and 2020, respectively, represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from OET Chartering Inc., amounting to $173,178 as at December 31, 2020 represent amounts transferred to a subsidiary Company for depository purposes. More specifically, the Company had 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,	2021	2020
Amounts due to vessel-owning subsidiaries	2,445,490	7,500,667
Amounts due to OET Chartering Inc.	924,862	—
Amounts payable to Board of Directors members	698,153	379,803
Total	**4,068,505**	**7,880,470**

Current accounts due to vessel-owning subsidiaries amounting to $2,445,490 and $7,500,667 as at December 31, 2021 and 2020, respectively, represent amounts provided from vessel owning companies for working capital purposes and to fund other vessel owning subsidiaries' operations.

Current accounts due to OET Chartering Inc., amounting to $924,862 as at December 31, 2021 represent amounts transferred from a subsidiary Company for depository purposes. More specifically, the subsidiary has transferred funds to the Company, 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 the Board of Directors members of $698,153 and $379,803 as at December 31, 2021 and 2020, 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, 2021 and 2020 amounted to $418,900 and $419,300, 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, 2021 and 2020, such remuneration amounted to $450,000 and $105,000, respectively. There was no amount payable related to this remuneration as of December 31, 2021 and 2020.

7. Share Capital and Additional Paid-in Capital

The Company's 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, as nominee on behalf of Euronext Securities Oslo 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 shares rank in parity with one another and each one carries one vote in a meeting of the shareholders. All shares are 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. Trading in the shares on Oslo Axess commenced on March 8, 2019, under the trading symbol "OET".

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.

On January 27, 2021, the board of directors of the Oslo Stock Exchange approved the Company's listing application to transfer its listing from Euronext Expand to Oslo Børs. Trading in the shares on Oslo Børs commenced on January 29, 2021, under the trading symbol "OET".

In March 2021, the Company paid a cash dividend to its shareholders of $0.10 per share, amounting to $3.2 million.

In June 2021, the Company distributed an amount of $24.3 million or $0.75 per share via a return of paid-in capital.

On December 6, 2021 the Company purchased 22,500 of its own shares for an aggregate consideration of $197,116 at an average price of NOK 75.3 per share.

On December 9, 2021 the Company purchased 8,000 of its own shares for an aggregate consideration of $70,642 at an average price of NOK 75.9 per share.

On December 14, 2021 the Company purchased 28,736 of its own shares for an aggregate consideration of $235,773 at an average price of NOK 70.5 per share.

Also, in December 2021, the Company distributed an amount of $10.0 million or $0.31 per share via a return of paid-in-capital.

As of December 31, 2021, the Company had 32,316,681 shares outstanding (net of 573,319 treasury shares).

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

The table below shows the movement in the Company's issued share capital up to and for the year ended on December 31, 2021 hereof:

DATE	TYPE OF CHANGE	CHANGE IN ISSUED SHARE CAPITAL (USD)	NEW ISSUED SHARE CAPITAL (USD)	TREASURY SHARES (USD)	No. OF ISSUED (NET OF TREASURY) SHARES	PAR VALUE PER SHARE
March 9, 2020	Share buy-back	—	—	1,709,079	32,625,917	0.001
April 6, 2020	Share buy-back	—	—	3,068,260	32,375,917	0.001
December 6, 2021	Share buy-back	—	—	3,265,376	32,353,417	0.001
December 9, 2021	Share buy-back	—	—	3,336,018	32,345,417	0.001
December 14, 2021	Share buy-back	—	—	3,571,790	32,316,681	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 from 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, 2021 by $29,229 (2020:$ 47,988) assuming all other variables held constant.

- *Market risk*

  The tanker shipping industry is cyclical with high volatility in charter rates and profitability. The Company charters its vessels principally in the spot market, being exposed to various unpredictable factors such as: supply and demand of energy resources, global economic and political conditions, natural or other disasters, disruptions in international trade, COVID-19 outbreak, environmental and other legal regulatory developments and so on. During 2021, the Company entered into Forward Freight Agreements ("FFAs") in order to minimize losses from charter rate fluctuations and eliminate any adverse effect this may have in our operating cash flows and dividend policy.

- *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:

DECEMBER 31, 2021	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
Trade payables	—	—	147,590	—	—	—	147,590
Current accounts due to related parties	—	—	698,153	3,370,352	—	—	4,068,505
Variable interest loan (principal and interest)	2.10%	4,218	581,353	840,045	1,744,071	—	3,169,688
Total		**4,218**	**1,427,096**	**4,210,397**	**1,744,071**	**—**	**7,385,783**

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:

- Omega Two Marine Corp.: lease agreement with OCY Knight AS dated June 8, 2017, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $37,046,699.
- Anassa Navigation S.A.: loan agreement with Credit Suisse AG dated December 19, 2018 with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $50,467,962.
- Arethusa Shipping Corp.: loan agreement with BNP PARIBAS dated January 24, 2019 with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $51,983,474.
- Omega One Marine Corp.: lease agreement with Ocean Yield Malta Limited dated January 29, 2019, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $40,991,919.
- Nellmare Marine Ltd: loan agreement with ABN AMRO dated February 14, 2019, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $48,636,690.
- Moonsprite Shipping Corp.: loan agreement with CREDIT AGRICOLE dated February 27, 2019 with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $51,983,608.
- Omega Five Marine Corp.: loan agreement with OCY Knight 1 Limited dated May 3, 2019, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $64,618,418.
- Omega Seven Marine Corp.: loan agreement with OCY Knight 2 Limited dated June 10, 2019, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $65,178,501.
- Omega Four Marine Corp.: loan agreement with BNP PARIBAS dated July 7, 2020, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $36,402,552.
- Omega Three Marine Corp.: loan agreement with ABN AMRO dated July 8, 2020, with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $38,919,346.
- Omega Six Marine Corp.: loan agreement with Export-Import Bank of Korea dated September 9, 2020 with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $47,397,959.
- Omega Ten Marine Corp.: loan agreement with Export-Import Bank of Korea dated September 9, 2020 with an outstanding balance as of December 31, 2021 (inclusive of accrued interest) of $47,371,549.

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 per share for the years ended December 31, 2021 and 2020, are presented below:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Earnings per share from continuing operations	0.07	1.43
Total Earnings per share, basic and diluted	**0.07**	**1.43**

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

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Profit for the year	2,427,433	46,288,272
Weighted average number of shares outstanding in the year	32,372,393	32,462,659
Earnings per share, basic and diluted	**0.07**	**1.43**

During the year ended December 31, 2021 and 2020, 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.

11. Interest and other finance cost

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

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
Interest expense	117,461	315,061
Other finance costs	209,649	56,719
Amortization of financing fees	21,905	11,602
Total	**349,015**	**383,382**

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. As a result of the Company's Aframax vessels (Nissos Schinoussa and Nissos Therassia) disposal and according to the relevant loan agreement clause, on June 16, 2021, the Company further retired the amount of $2,750,004 in connection to the said disposal.

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, 2021, 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	1,718,760	1,374,996
Loan financing fees	(8,559)	(6,942)
Total	**1,710,201**	**1,368,054**

The future annual loan repayments are as follows:

FOR THE YEAR ENDED DECEMBER 31,	2021	2020
No later than 1 year	1,374,996	2,991,667
Later than 1 year and no later than 5 years	1,718,760	5,156,250
Total	**3,093,756**	**8,147,917**
Less: Amounts due for settlement within 12 months	(1,374,996)	(2,991,667)
Long-term borrowings, net of current portion	**1,718,760**	**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 2022, the Company purchased 122,573 of its own shares at an average price of NOK 71.0 per share.

COVID-19 update

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, a vaccination programme for all of our ships' seafarers approaching Greek ports, limited superintendent visits and provisions in heavily affected areas and are complying with local directives and recommendations. Shore-side, all our employees are fully vaccinated. 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.

War in Ukraine

Russia's invasion in Ukraine is a continuously evolving and unpredictable situation both from a humanitarian and market perspective. The Company's ultimate goal is to protect the lives of its seafarers, safeguard its vessels and comply with global sanctions framework. Forecasts and estimates around the outcome of this situation are highly uncertain at the time, and the Company recognizes that further escalation could adversely affect global shipping markets. In February 2022, both the European Union and the United States led economic sanctions against Russia vis-à-vis conflict in Ukraine. Given Russia's role as a lead exporter of crude oil, among other commodities, such sanctions could have material impact in our business.

The war in Ukraine is expected to result in rerouting of crude oil flows leading to longer tonne-mile voyages. Russia's seaborne crude oil exports account for 10% of world seaborne oil exports with approximately 50% shipped to Europe. In the event of sanctions and/or choice by Europe, such volumes would need to be replaced from more distant destinations, while Russia is expected to find buyers in the East that could also support demand measured in tonne-miles.

The disruption on trade flows could adversely impact freight rates and vessel economics, while the recent increases in bunker fuel prices, following crude supply shortages, would negatively affect voyage costs for our fleet, albeit expected less severe than our industry peers with conventional, not equipped with scrubber vessels that consume more fuel and at higher prices per metric tonne.

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ECO TANKERS

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