OKEANIS
ECO TANKERS

ANNUAL REPORT 2022

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LETTER FROM THE CHAIRMAN

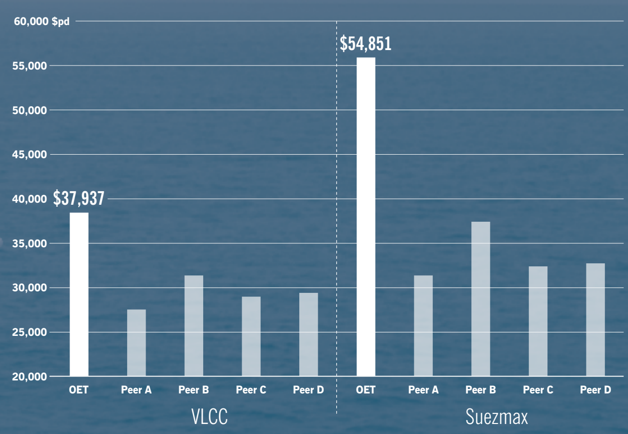
The past year demonstrates that the seaborne transportation of crude oil and natural gas is at the heart of global energy security. On behalf of the Board, I thank all our employees, especially the crews onboard our vessels, for their unwavering professionalism, dedication, and stamina during these uncertain times.

Our people's hard work, commitment, and diligence proved critical in delivering industry-leading operating results and record financial results in 2022, which translate to significant value creation for our shareholders. While our performance benefitted from a strong market rebound, especially in the second half of the year, our counter-cyclical investments in state-of-the-art, Eco and scrubber-fitted vessels set us apart from the competition and drive shareholder value both in absolute and relative terms. Our plan for 2023 calls for enhanced focus on strategic initiatives that include, first and foremost, operational safety, adroit vessel trading, solid financial performance, and shareholder value creation.

2022 started on a weak footing for our markets, mainly due to weak trade demand for global seaborne crude oil amid the rapid spread of the Omicron Covid-19 variant, renewed implementation of mobility restriction policies, primarily in China, and further lagging of the OPEC output versus quotas during the seasonally muted first quarter. In addition, the continued growth of tonnage supply, following the delivery of the remaining vessels ordered during the historically busy 2018 through 2020 period, further curtailed the short-term fundamentals for the large crude tanker market at the time.

Notwithstanding the soft start, the crude tanker market improved markedly since February 2022 for the Suezmax and Aframax vessels, while gains in the VLCCs occurred during the second half of 2022. In particular, the Russian invasion of Ukraine during the first quarter and the subsequent imposition of Russian crude oil sanctions by the EU, UK, and the US, have resulted in significant trade complexity and rerouting of crude oil voyages. During the first months of the invasion, the Aframax and Suezmax vessels, the dominant pre-war asset classes chartered for the seaborne transportation of Russian oil, realized initial spikes in freight rates. By contrast, the large crude tanker fleet concentrated in the West as Europe rushed to secure non-Russian replacement barrels. Due to the Chinese lockdown, the combination of VLCC fleet dislocation in the West, and limited fronthaul cargoes towards the East resulted in downward pressure on charter rates that proved transitory.

Full year 2022 Spot TCE performance ($/day)



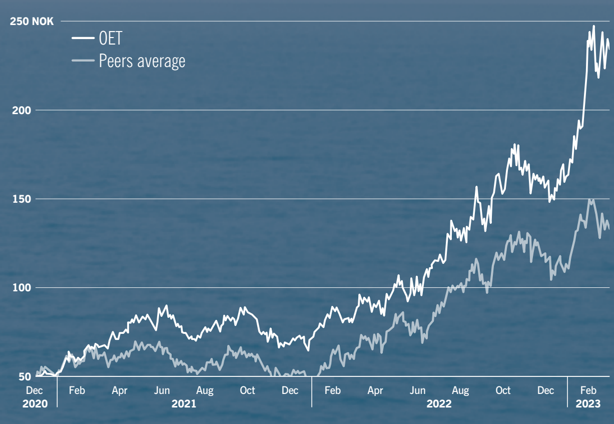
Source: Company filings, OET.

Following the initial shock, new trade lanes emerged and absorbed tonnage. Europe replaced Russian barrels from remoter exporting regions, such as West Africa, the Middle East, and USG. At the same time, Russia shifted its oil exports to China and India. The collective impact was longer average distances per crude voyage that significantly enhanced the mile side of the crude tanker demand equation, which is expressed in tonne-miles. The lift in mobility restrictions in many parts of the world, together with significant US exports (amplified through the Strategic Petroleum Reserve ("SPR") program), and reinstatement of OPEC+ production cuts established in 2021, resulted in historically elevated oil in transit volumes thus improving the second variable in identifying crude tanker demand.

In last year's report, I argued that 2021 was the most challenging year ever recorded for the crude tanker market. However, we successfully navigated the downturn thanks to our young, fuel-efficient scrubber-fitted fleet, outperforming the market and our listed peers. Entering 2022 with a fully delivered fleet, our results demonstrate that our competitive advantage is amplified in a strong market and provide the Company with the flexibility and optionality to allocate more trading days to spot charters to capture market momentum. Regarding the VLCCs, OET delivered daily spot earnings throughout the year of $37,900 per day, representing 29% outperformance relative to the average of the crude tanker peer group, while our Suezmax daily spot earnings came in at $54,850 per day, representing 65% outperformance relative to our listed peers.

The backbone of OET's strategy has been to trade our vessels efficiently, maintain a strong capital structure with sufficient liquidity, and deliver value to our shareholders. We are delighted to have continued performing on all fronts. During the first half of the year and in uncertain times, we proactively bolstered our cash position through the refinancing, at very attractive terms, of VLCCs Nissos Kythnos and Nissos Donoussa, releasing approximately $29m from the transaction while maintaining c. 50% market LTV on a fleetwide basis at the end of the year. In addition, cognizant of our promises towards shareholder returns, we have declared distributions totaling $1.85 per share or c. $61m in the form of capital distributions and share buybacks over the past year.

OET share price outperfomance relative to peers



Note: Peers average price indexed to OET price as of 30 December 2020 of NOK 50.8
Sources: Refinitiv, OET.

Sustainability is at the heart of our operations. We have taken significant steps to be part of our industry's efforts towards net zero carbon and comply with responsible investment practices. In May 2022, we signed our first senior secured sustainability linked loan ("SLL"), which includes customary environmental clauses and sustainability targets for the Company, which are linked to pricing. The execution of the SLL marks a significant milestone for the Company and aligns with our young Eco fleet and commitment towards sustainable growth. At the corporate level, we have endorsed our sustainability credentials by publishing our inaugural Environmental, Social, and Governance ("ESG") report referring to 2021. As a result, our young fleet is well equipped to comply with upcoming Energy Efficiency Existing Ship Index ("EEXI") and Carbon Intensity Index ("CII") regulations. We expect such regulations to significantly impact the crude tanker fleet, forcing owners of older tonnage to undergo modifications, incur extra costs, and ultimately reduce speed to comply. Together with our managers, we will work on our sustainability targets through continuous monitoring, reporting, and improvement on all related ESG aspects.

Tanker market fundamentals appear very robust for the medium term thanks to a potent mix of supply and demand factors which we have not seen before, albeit uncertainty remains vis-à-vis global growth, inflationary dynamics, interest rates and geopolitical risks. The orderbook stands at a more than 20-year low, and the fleet's average age is growing quickly, yet close to zero newbuilding contracting would suggest muted fleet growth in 2023 and negative in 2024/2025 for the large crude tanker segment. The shipbuilding industry is constrained with fully booked capacity until 2025, and even an influx of deliveries by 2027 would not be enough to distort the current supply and demand balance. Oil demand is expected above pre-pandemic levels exceeding 100mbd in 2023 on the back of Chinese reopening, while the shift in trade patterns, since the Russian invasion of Ukraine, offers additional support to tonne-mile demand.

As we move forward, the OET platform remains robust, with strong financial flexibility, a state-of-the-art asset base eligible to capture the strong market momentum, and a clear focus on delivering shareholder value.

Ioannis Alafouzos
Chairman & Director

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	6	157,539	Time charter	Yes	Yes	Yes
2		Poliegos	SSME	Korea	2017-01	6	157,539	Spot	Yes	Yes	Yes
3	SUEZMAX	Kimolos	JMU	Japan	2018-05	4	159,159	Spot	Yes	Yes	Yes
4		Folegandros	JMU	Japan	2018-09	4	159,221	Spot	Yes	Yes	Yes
5		Nissos Sikinos	HSHI	Korea	2020-09	2	157,447	Time charter	Yes	Yes	Yes
6		Nissos Sifnos	HSHI	Korea	2020-09	2	157,447	Time charter	Yes	Yes	Yes
7		Nissos Rhenia	HHI	Korea	2019-05	3	318,744	Spot	Yes	Yes	Yes
8		Nissos Despotiko	HHI	Korea	2019-06	3	318,744	Time charter	Yes	Yes	Yes
9		Nissos Donoussa	HHI	Korea	2019-08	3	318,953	Spot	Yes	Yes	Yes
10	VLCC	Nissos Kythnos	HHI	Korea	2019-09	3	318,953	Spot	Yes	Yes	Yes
11		Nissos Keros	HHI	Korea	2019-10	3	318,953	Spot	Yes	Yes	Yes
12		Nissos Anafi	HHI	Korea	2020-01	3	318,953	Spot	Yes	Yes	Yes
13		Nissos Kea	HHI	Korea	2022-03	1	300,323	Spot	Yes	Yes	Yes
14		Nissos Nikouria	HHI	Korea	2022-05	1	300,323	Spot	Yes	Yes	Yes
							3,463,090				

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Ioannis Alafouzos, *Chairman & Director*

Ioannis Alafouzos serves as Chairman 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, *Independent 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.

Daniel Gold, *Independent Director*

Daniel Gold is the CEO of QVT Financial LP, an asset management company with offices in New York 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.

Joshua Nemser, *Independent Director*

Joshua Nemser is a New York-based senior portfolio manager at VR Capital Group. He oversees the portfolio and members of the firm's NA+ team, which pursues performing and distressed credit and other special situations in North America and other developed markets as well as transportation and other hard asset sectors. 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.

Charlotte Stratos, *Independent Director*

Charlotte Stratos has served as a Senior Advisor to Morgan Stanley's Investment Banking Division-Global Transportation team from 2008 to 2022. From 1987 to 2007 Ms. Stratos was Managing Director and Head of Global Greek Shipping for Calyon Corporate and Investment Bank of the Credit Agricole Group. Ms. Stratos served in various roles with Bankers Trust Company as Vice President of Greek shipping finance from 1976 to 1987. She currently serves as an independent director of Costamare Inc. a containership company listed on the NY Stock Exchange. Previously she held the position of independent director for Hellenic Carriers Ltd. a shipping company listed on London's AIM from 2007 until 2016 and as a board member of Emporiki Bank from 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.

Petros Siakotos, *Independent 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

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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 56.88% 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 have been trading 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 and eight modern VLCC tankers.

Among the factors that are believed to differentiate the Company from its competitors are: a) its focus on "future proof" vessels built to eco standards that consume less bunker fuel than conventional tanker vessels; b) being equipped with exhaust gas cleaning systems ("scrubbers") and; c) being built to comply with regulations for ballast water treatment. Furthermore, the Board is committed to crystallizing value for the Company's shareholders via a clear monetization strategy: selling vessels at an opportune time in the cycle and implementing a full capital payout policy.

The following significant events occurred in 2022:

- 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 the VLCC vessel Nissos Kea.
- On April 18 2022, the Company signed a loan agreement with Okeanis Marine Holdings S.A. (a company controlled by Mr. Ioannis Alafouzos – or the "Sponsor") regarding the acquisition of VLCC vessels Nissos Kea and Nissos Nikouria. Under the agreement, the loaned amount of $17.6 million for each vessel, bears a fixed interest cost of 3.5% p.a. and is payable at OET's sole discretion, up to any date within two years from the vessels' delivery.
- In May 2022, the Company signed its first senior secured, sustainability-linked loan (the "SLL") with National Bank of Greece with an aggregate amount of $125.7 million to refinance its existing indebtedness of the VLCC vessels Nissos Kythnos and Nissos Donoussa and for general corporate purposes. The new loan bears a fixed interest of 2.5% p.a. plus LIBOR, amortizes over a 21-year profile and matures in 7 years.
- In May 2022, the Company terminated three of its interest rate swap agreements. The net cash received from the transaction amounted to $4.1 million.
- In June 2022, the Company took delivery of the VLCC vessel Nissos Nikouria.
- On June 30 2022, the Company terminated its remaining five interest rate swap agreements. The net cash received from the said transactions amounted to $8.2 million.
- In September 2022, the Company paid an amount of approximately $9.8 million or $0.30 per share as return of paid in capital.

- In December 2022, the Company paid an amount of approximately $9.8 million or $0.30 per share as return of paid in capital.

As of December 31, 2022, 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:

- The Board of Directors declared a return of capital of $1.25 per share to shareholders. The cash payment was recorded as a return of paid-in-capital and was paid on Friday March 17, 2023 to shareholders of record as of March 13, 2023. The shares were traded ex-capital distribution as from and including March 10, 2023.

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 climate 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 table below presents the Company's emissions data:

Reporting period is January 1, 2022 through December 31, 2022.

REPORTING MEASURE	CALCULATION	VLCC	SUEZMAX
Number of vessels reporting emissions data at end of reporting period		**8**	**6**
Fleet average age at end of reporting period		**2.67 yrs**	**4.27 yrs**
Percentage of vessels equipped with scrubbers at end of reporting period		**100%**	**100%**
CO_2 emissions generated from vessels (metric tons)			
Laden Condition		161,700	107,800
All Conditions		276,500	144,900
Fleet Annual Efficiency Ratio (AER)[1]			
CO_2 emissions - all conditions (from above)	A	276,500	144,900
Design deadweight tonnage (DWT)	B	319,000	158,400
Total distance travelled (nautical miles)	C	532,800	385,100
Fleet AER for the period	**$A \times 10^6/(B \times C)$**	**1.6g/ton-mile**	**2.4g/ton-mile**
Fleet Energy Efficiency Operational Indicator (EEOI)[2]			
CO_2 emissions - all conditions (from above)	A	276,500	144,900
Weighted avg. cargo transported for the period (metric tons)	D	109,400	81,200
Total distance travelled (nautical miles)	E	532,800	385,100
Fleet EEOI for the period	**$A \times 10^6/(D \times E)$**	**4.7g/ton-mile**	**4.6g/ton-mile**

NOTES 1) Annual Efficiency Ratio is a measure of carbon efficiency using the parameters of fuel consumption, distance travelled, and design deadweight tonnage.
2) Energy Efficiency Operational Indicator is a tool for measuring the CO_2 gas emissions in a given time period per unit transport work performed. This calculation is performed as per IMO MEPC.1/Circ684. Reporting period is January 1, 2022 through December 31, 2022.

Our 2022 EEOI figures are well within the indicative EEOI Sea Cargo Charter guidance for 2022 of 5.1g/ton-mile and 8.4 g/ton-mile for VLCCs and Suezmaxes respectively.

Climate Change

The energy transition to address climate change may lead to softer demand for oil and higher operating costs that could have a negative impact on the Company's profitability. Climate change has prompted 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 has controlled one of the most fuel-efficient and youngest fleets in the tanker industry with vessels that burn less fuel and emit industry low greenhouse gas emissions per nautical mile travelled, while it has taken significant steps 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, and maintain and improve its sustainable investment practices through the ownership and operation of young vessels built to meet the strictest environmental standards.

Climate related risks

Within the scope of the Group's Risk Assessment process, management has identified and assessed the following climate related risks:

- Energy transition having a negative impact on oil demand
- Escalated operating costs associated with vessels' maintenance and employability
- Enactment of new regulations
- Introduction of new technologies

Management estimates that oil dependency will decrease in the coming decades, as the share of fossil fuels in the global energy mix drops and renewable energies substitute oil as the primary energy source. However, management has reached the conclusion that the Company will continue to be a key market player in the years to come and that its asset base is less likely to realize meaningful value impairments for the following reasons: a) the Company operates one of the youngest fleets in the industry, b) the current global crude tanker orderbook stands at historically low levels, c) shipyard capacity is very tight and new vessel orders could not deliver earlier than the second half of 2026, d) the average age of the global crude tanker fleet has grown by more than 2 years over the last decade.

Furthermore, the Company's Eco-designed vessels are fully equipped with exhaust gas cleaning ("scrubbers") and Ballast Water Treatment Systems ("BWTS"). These technologies are relatively young and the Company has already benefited from their application, both financially and environmentally. It is the Company's policy to be at the forefront of technological progress, adopting new technologies and undertaking all vessel improvements deemed necessary to sustain the Eco-friendly character of its ships and their competitiveness.

As a result of the above, the Company will incur increased operating and maintenance costs to preserve the operational performance and competitive advantage of its vessels relative to the market. In particular, such incremental costs are taken into consideration when an indication of impairment arises, and are included in the Company's discounted cash flows calculations. Management adjusts its cash flows, accordingly with the following:

- an increase in its operating costs both for inflation, as well as, extra operating costs associated with the vessels operating effectiveness
- an increase associated with the vessels special surveys and future Dry-dock costs
- adjusted its weighted average cost of capital calculation

Management has concluded that its vessels' carrying values, as well as, their useful lives have not been impaired.

Management, also monitors closely all applicable environmental laws and regulations, as well as, those coming into effect, taking precautionary measures to assure compliance. Adhering to the EU, IMO and ABS Monitoring Reporting as well as the Verification Regulation, the Company has implemented a strategy to reduce climate intensity by 40% by 2040 and greenhouse gas emissions by 50% by 2050. For more information, please consult the Company's Annual ESG report, available on the Company's site.

Finally, the Company's strategy in investing only in young, Eco vessels, mitigates its exposure towards climate risk by reducing its overall environmental footprint, while it offers the Company variety and flexibility in sourcing its capital through "green", sustainable borrowing from global banks and investors.

Consolidated Financial Statements

Income Statement

For the year ended December 31, 2022, the Company generated revenues of $271.0 million, up from $169.0 million in 2021 mainly due to a 73% increase in the daily fleet-wide time charter equivalent (TCE) earnings (TCE earnings are published on a quarterly basis. For further information visit the Company's site www.okeanisecotankers.com).

Operating expenses inclusive of technical management fees amounted to $40.1 million, down from $46.1 million in 2021 mainly due to the US Dollar appreciation against the Euro, as well as, from reduced Covid-19 related expenses to off-shore personnel incurred in 2021.

Commissions and voyage expenses came in at $77.5 million, up from $47.2 million in 2021 mainly due to a 17% decrease in time charter coverage (from 48% in 2021 to 40% in 2022), counterbalanced by increased bunker fuel prices in the current year.

General and administrative expenses amounted to $5.3 million, up from $5.1 million in 2021.

Depreciation and amortization expense totaled $38.0 million, down from $38.7 million in 2021. Interest and other finance costs for the year ended December 31, 2022 amounted to $38.1 million, up from $36.5 million in 2021 due to a 28% increase in gross indebtedness and the steep increase in LIBOR rates, from 21 basis points in 2021 to 477 basis points in 2022, counterbalanced by one-off finance costs of $6.9 million incurred in 2021 connected to the vessels' disposal and the respective termination of the Company's sale and lease-back agreements.

Furthermore, the Company recorded an additional realized gain of $11.5 million in 2022, compared to an unrealized gain of $3.6 million, resulting mainly from the termination of its derivative instruments.

The Company reported a profit for the year of $84.6 million or basic and diluted earnings of $2.63 per share, compared to a loss of $0.9 million or basic and diluted loss of $0.03 per share in 2021.

Statement of Financial Position

Total assets as at December 31, 2022 were $1,183.4 million, up from $954.6 million in 2021 resulting mainly from the delivery of two VLCC vessels, Nissos Kea and Nissos Nikouria. Total liabilities amounted to $761.1 million, up from $596.3 million in 2021, attributed to additional long-term debt raised, associated with the abovementioned vessel acquisitions, while total equity was $422.2 million, up from $358.3 million in 2021 being the result of profitable operations for the year of $84.6 million, the cumulative capital distributions of $19.6 million and repurchase of own shares of $1.0 million, corresponding to an equity ratio of 36%. The Company's cash and cash equivalents (including restricted cash) as at December 31, 2022 was $88.3 million, up from $45.5 million in 2021, as a result of the cash flow movements described below.

Cash Flow

For the year ended December 31, 2022 net cash provided by operating activities was $82.5 million (2021: $28.6 million) that was the result of profitable operations. Net cash used in investing activities was $178.7 million (2021: provided by $285.7 million), mainly reflecting vessels' acquisition during the year of $178.6 million and scheduled five-year special surveys of $1.5 million. Net cash provided by financing activities was $139.0 million (2021: used in $299.4 million), primarily reflecting proceeds from long-term borrowings of $306.3, repayments of long-term borrowings of $144.3 million, capital distribution of $19.6 million, acquisition of treasury stock of $1.0 million and payment for loan financing fees of $1.7 million.

Going Concern

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

Principal Risks

Interest Rate Risk

The Company's vessels are financed by long-term financing facilities at a margin over LIBOR. Any increase or decrease in LIBOR will correspond to a change in the interest expense. From time to time, the Company enters into interest rate swaps agreements and books significant cash balances to short-term deposits, in order 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 negatively affect the financial condition of the Company. The Company has no hedging mechanisms in place as of December 31, 2022, however, when opportunity arise, it converts significant cash balances from USD to EUR to hedge against adverse fluctuations.

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 2022, the Company has entered into Forward Freight Agreements ("FFAs") in order partially to mitigate 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 the affiliated company Kyklades Maritime Corporation ("Kyklades" or "KMC" or "Management Company), which is wholly owned by the Alafouzos family.

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 as at December 31, 2022 employed 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 discrimination against any employee or any other individual in terms of, but 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, they should report it immediately to their 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.

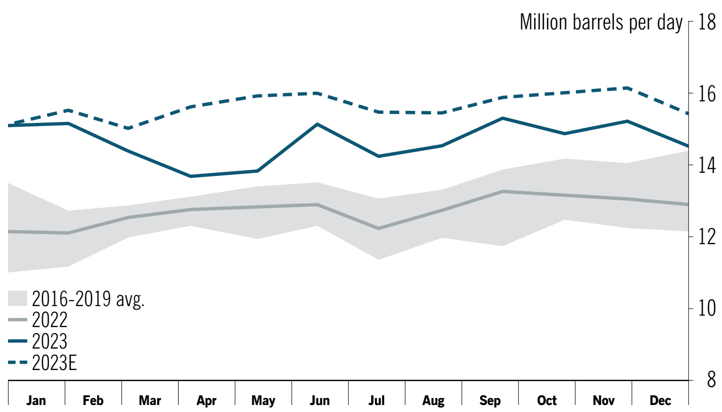
Outlook

Following the most challenging year ever recorded for the crude tanker markets in 2021, 2022 started similarly, signaling further delay in the long-anticipated, fundamentally driven, market recovery. The Russian invasion of Ukraine resulted in imposition of crude oil sanctions by the EU, UK and the US, which caused trade complexity and rerouting of crude oil voyages. Following the initial shock, new trade lanes emerged and absorbed tonnage, with longer average distances per crude voyage. The constructive mix of demand and supply metrics for our markets was further impacted by firmer oil demand and elevated global oil supply, which resulted in strong crude tanker tonne-mile demand growth of 5.7% year on year in 2022. The crude tanker fleet registered a 5.2% growth compared to 2021, primarily driven by vessel deliveries from vintage orders since 2020 and limited scrapping. The tight market balance led to improved utilization for our markets and strong charter rates, particularly since the second half of 2022.

Inheriting firm market conditions from the fourth quarter of 2022, we enter 2023 with positive sentiment across the board and expect such conditions to remain throughout the year, though we are vigilant about global economic slowdown, other macro and geopolitical risks. The very encouraging market outlook is attributable to a) clear demand side support notably from Russia-related shifts in trading patterns, that amplify tonne-mile demand, and rebounding Chinese oil demand on the back of lifted mobility restrictions relating to the Covid-19 pandemic, and b) potentially negative fleet growth in coming years.

Oil demand is now projected to surpass the 100 mbd mark and grow by 2.0 mbd in 2023 despite the soft macroeconomic outlook, according to the International Energy Agency ("IEA"). Oil demand growth is supported by the reopening in China that bolsters mobility and oil demand in China and elsewhere in Asia on the back of increased travel and trade activity with China. Non-OECD demand growth accounts for more than 70% of total, underpinning strong pent-up oil demand outside China relating to positive implications for travel and trade activity. For China, which has recently moved from a strict zero-Covid policy to practically none, pent-up oil demand is expected at approximately 1.0 mbd accounting for c. 50% of the total. The Chinese reopening and a flattening oil price forward curve which reinstates arbitrage, are the predominant factors behind the current strong market on VLCCs and the optimistic outlook for the asset class.

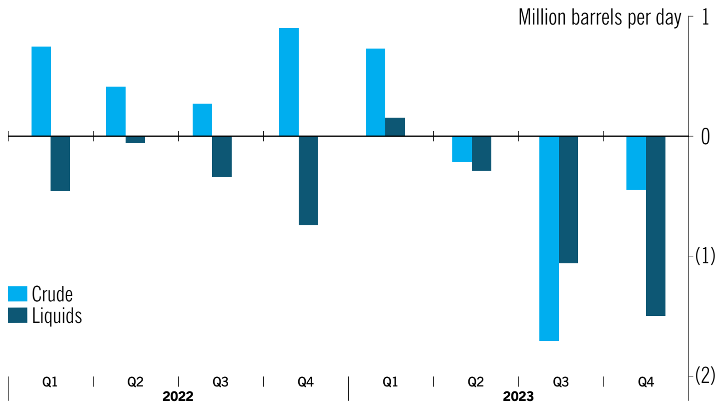
Chinese oil demand



Source: Energy Aspects.

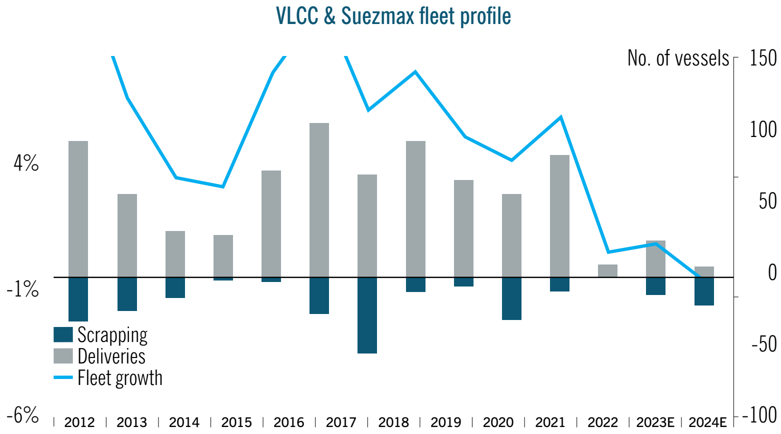
The oil market balance switched to oversupply during the second half of 2022 despite OPEC+ c. 1 mbd effective production cut driven by strong US exports and leading to oil price weakness over the same period. We believe that mild stocks built during the first months of the year will prove transitory and relate mainly to heavy maintenance in the US, winter storm Elliot, and softening arbitrage. The oil market balance is projected to shift to undersupply by the second half of 2023, on account of solid demand mainly from Asia, and recent voluntary cuts by OPEC+, returning inventories to 1H22 historical lows, supporting oil prices, and incentivizing crude oil flows and production. The voluntary cut of 1.1 mbd (excl. already announced Russian crude supply cuts of 0.5 mbd) until the end of the year by OPEC+, is considered a precautionary move to mitigate any potential demand weakness attributed to exogenous, macro-driven factors relating to contagion fears since the collapse of Silicon Valley Bank, which led to tremendous bond volatility and weak market liquidity, spiraling losses to the oil markets.

Crude and liquids stock changes



Source: Energy Aspects.

The crude tanker market benefits from a supportive supply side following very limited ordering in recent years. The current orderbook to fleet ratio stands at levels never seen before, notably at 1.9% for the VLCC and 3.0% for the Suezmax fleet. Underlying crude tanker fleet growth is projected lower than 2.0% in 2023, with the potential to contract in 2024/2025. New orders may now only hit the water in mid-2026 as yards are occupied with other segments, mainly containerships and LNG carriers that also offer higher profitability margins, and it will take even longer to see a material shift given capacity limitations at the yards. Consequently, the average age of the fleet is growing quickly at a time when the industry enters into an enhanced environmental regulations framework. In particular, the adoption and testing of EEXI and CII, starting from 2023, is expected to result in meaningful speed reductions for older tonnage benefitting even further the supply side of the crude tanker market. We would also expect such speed reduction to limit chartering liquidity for that part of the fleet and negatively impact asset values.



Sources: Clarksons Research, OET.

In summary, crude tanker demand growth is expected to outpace supply growth in coming years, suggesting a very constructive market environment on absolute and relative terms. We believe we are beginning a crude tanker bull cycle with a data-driven conviction for a meaningful duration this time, albeit for owners with young Eco vessels.

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We confirm that, to the best of our knowledge, the consolidated financial statements as of and for the year ended December 31, 2022, 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 Corp. 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 & Director

Robert Knapp
Independent Director

Daniel Gold
Independent Director

Joshua Nemser
Independent Director

Charlotte Stratos
Independent Director

John Kittmer
Independent Director

Petros Siakotos
Independent Director

CORPORATE GOVERNANCE STATEMENT

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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 complies with the Norwegian Code of Practice for Corporate Governance (the "Corporate Governance Code"), last revised on October 14, 2021 (www.nues.no), with any deviations explained. 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 constantly monitors the Norwegian Code of Practice for Corporate Governance for any updates and amends its Corporate Governance Policy accordingly. Since April 29, 2021 there were no updates in the Norwegian Code of Practice for Corporate Governance that the Company should take into consideration.

The Company voluntarily reports on Environmental and Social issues in a separate ESG report, as set out in the Euronext guidance on such reporting as of January 2020.

All relevant 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 on the Company's website: www.okeanisecotankers.com. The Company has offices in Athens, Greece, through its wholly owned subsidiary OET Chartering Inc .

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, 2022, the Company's consolidated equity was approximately $422.2 million, equivalent to approximately 36% of total assets. The Company's equity level and financial strength is considered in light of its objectives, charter coverage and strategy.

Dividend Policy - value creation for shareholders

During the year ended December 31, 2022 the Company distributed an amount of $19.6 million through capital distributions. 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.

Major Shareholders as at December 31, 2022

NAME	HOLDING OF SHARES	% STAKE
ALAFOUZOS FAMILY	18,686,586	56.82%
BNP PARIBAS	2,101,386	6.39%
THE BANK OF NEW YORK MELLON	1,195,453	3.63%
AVANZA BANK AB	1,058,835	3.22%
INTERACTIVE BROKERS LLC	770,617	2.34%
CLEARSTREAM BANKING S.A.	619,310	1.88%
BROWN BROTHERS HARRIMAN (LUX.) SCA	490,052	1.49%
CACEIS BANK SPAIN SA	402,821	1.22%
NORDNET BANK AB	359,434	1.09%
VERDIPAPIRFONDET KLP AKSJENORGE	328,244	1.00%
THE BANK OF NEW YORK MELLON	302,600	0.92%
AS CLIPPER	299,500	0.91%
NORDNET LIVSFORSIKRING AS	240,901	0.73%
MERRILL LYNCH, PIERCE, FENNER & SM	235,986	0.72%
MORGAN STANLEY & CO. INTERNATIONAL	218,542	0.66%
SKANDINAVISKA ENSKILDA BANKEN AB	203,027	0.62%
THE BANK OF NEW YORK MELLON SA/NV	180,000	0.55%
STAVANGER FORVALTNING AS	175,000	0.53%
SPESIALFONDET KLP ALFA GLOBAL ENER	153,256	0.47%
OTHER SHAREHOLDERS	4,172,558	12.69%
Top 20 Shareholders	**32,194,108**	**97.88%**
OKEANIS ECO TANKERS CORP.	695,892	2.12%
Total	**32,890,000**	**100.00%**

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 yet 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, Mr. Ioannis Alafouzos, who (together with affiliates) currently owns approximately 57% of the Company. Mr. Alafouzos acting in accordance with the remaining six independent directors, including three representing various funds that currently hold in aggregate approximately 8.7% of the outstanding shares in the Company, act for the best interest of the shareholders. 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 H of the Articles of Incorporation, the Company's Board shall consist of at least one director, as fixed from time to time by the shareholder or by the Board. Any vacancies in the Board for any reason, and any created directorships resulting from any increase in the number of directors, may be filled by the vote of a majority of the members of the Board of Directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of directors. Pursuant to the Company's ByLaws, the directors of the Company shall be elected by a plurality of the votes cast at the annual meeting of the shareholders by the holders of the shares entitled to vote in the election. Each Director, including the Chairman of the Board, shall be elected to serve for a term of maximum of two years and until his/her successor shall be elected and qualified. Any and all of the directors may be removed with or without cause by vote of the shareholders and any or all of the directors may be removed by the Board with cause.

The Board of Directors of the Company currently consists of seven directors, all being elected by the 2022 Annual General Meeting for a term of one year and until their successors shall be duly elected. The Chairman of the Company and Director, Mr. Ioannis Alafouzos, is the father of the Company's CEO, Mr. Aristidis Alafouzos, and is connected to the Company's largest shareholder, the Alafouzos family. Board members Mr. Daniel Gold, Mr. Joshua Nemser and Mr. Robert Knapp are connected to shareholders of the Company (each and collectively being less than 10% of our common stock) and are not otherwise connected with the Company, its management, or main shareholders. Board Members Ms. Charlotte Stratos, Dr John Kittmer and Mr. Petros Siakotos are not otherwise connected with the Company, its management, or main shareholders nor do they hold any material ownership in our common stock. Consequently, the Board of Directors of the Company is in accordance with the recommendation of the Norwegian Corporate Governance Code (NUES).

All members of the Board are up for re-election in the upcoming 2023 Annual General Meeting. 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).

According to NUES the board of directors 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 Company's Board does not include executive personnel.

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, Mr. Aristidis Alafouzos is the son of the Chairman of the Board, Mr. Ioannis Alafouzos. In light of Mr. Ioannis 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 and his son, maintain the role of Chairman and CEO, respectively. The Company's current shareholders and financiers share a similar view.

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.

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, 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 approximately 68% in the Company.

The table below sets forth the number of shares beneficially owned by each of the Group's Directors and key management personnel, as at December 31, 2022:

NAME	POSITION	NUMBER OF SHARES HELD	SHAREHOLDING % (DIRECT AND INDIRECT)
Ioannis Alafouzos	Chairman & Director	18,658,786	56.73%
Daniel Gold	Independent Director	2,516,386	7.65%
Joshua Nemser	Independent Director	1,602,689	4.87%
Robert Knapp	Independent Director	225,000	0.07%
John Kittmer	Independent Director	—	0.00%
Charlotte Stratos	Independent Director	—	0.00%
Peter Siakotos	Independent Director	—	0.00%
Aristidis Alafouzos	CEO	27,800	0.08%
Iraklis Sbarounis	CFO	—	0.00%
Konstantinos Oikonomopoulos	CDO	—	0.00%

In 2022, six regular meetings of the Board of Directors were held. 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 2022 was as follows:

NAME	TITLE	MEETINGS ATTENDED	UNANIMOUS WRITTEN CONSENTS
Ioannis Alafouzos	Chairman & Director	6 out of 6	12
Robert Knapp	Independent Director	4 out of 6	12
Daniel Gold	Independent Director	5 out of 6	12
Joshua Nemser	Independent Director	5 out of 6	12
Charlotte Stratos	Independent Director	5 out of 6	12
John Kittmer	Independent Director	6 out of 6	12
Petros Siakotos	Independent Director	6 out of 6	12

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, both being independent Directors. Ms. Stratos has adequate financial literacy and is thus competent in accounting related matters.

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, both being independent Directors.

Risk Management and Internal Control

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

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

The Board ensures 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 conducts 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.

The Board conducts 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 of the auditor. The Board reports to the general meeting on details of fees for audit work and for other specific assignments.

CONSOLIDATED 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]

Consolidated Financial Statements as of and for the Year Ended December 31, 2022 and Independent Auditor's Report

DIRECTORS' STATEMENT
For the year ended December 31, 2022

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended December 31, 2022.

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, 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements.

b) As at the date of this report, the Board does not have any reason to believe that the Group's shareholders do not support the going concern of the Group and it confirms that the conditions for continued operations as a going concern are present for the Group. These financial statements have been prepared under this assumption.

Deloitte.

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Marousi Athens GR 151-25
Greece

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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, 2022, 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, 2022 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

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.

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 fourteen tanker vessels as of December 31, 2022 having a combined carrying amount of USD 1.024,3 million. The carrying amount of each vessel is evaluated at each statement of financial position date to determine whether there is any indication that each 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). As of December 31, 2022, the carrying amount of each of the vessels owned by the Group was lower than its respective fair value, as estimated by management with	We performed an assessment of the reasonableness of the valuations obtained from the two independent brokers on a per vessel basis, to conclude on the presence of impairment indicators and concluded that these valuations appear reasonable. We obtained an understanding of the relevant controls implemented by Management related to the vessels impairment indicators assessment and performed an evaluation of the design and implementation of the relevant controls. We have searched for contradictory evidence by obtaining third party evidence from an independent source for vessels of similar Deadweight Tonnage (DWT) with the Group's fleet. We used this evidence in order to assess the fair values of the two

consideration to independent brokers' valuations. The Group considered the independent fleet valuations of two independent brokers in order to evaluate whether an indicator of impairment exists. Given that each of the vessel's carrying amounts was lower than its respective fair value, the Group concluded that there was no indication for impairment.	independent brokers obtained by the Company as of December 31, 2022. We reviewed the Group's critical accounting policy disclosed in the financial statements with respect to the impairment of vessels and concluded that the relevant disclosure is appropriate. Based on the work performed, we concluded that the Group's assessment for the existence of impairment indicators of vessels was reasonable.

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 as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Report on Other Legal and Regulatory Requirements

Assurance Report on European Single Electronic Format reporting

As part of the audit of the consolidated financial statements of Okeanis Eco Tankers Corp., we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 213800U35RCYXTKVEM65-2022-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the consolidated financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance 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 about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the consolidated 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.

/s/ Deloitte Certified Public Accountants S.A.
April 7, 2023
Athens, Greece

Okeanis Eco Tankers Corp.
Consolidated statement of profit or loss and other comprehensive income
For the years ended December 31, 2022 and 2021
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022	2021
Revenue	**24**	**270,972,421**	**168,998,225**
Operating expenses			
Commissions		(3,382,419)	(2,229,156)
Voyage expenses	11	(74,086,221)	(45,006,762)
Vessel operating expenses	10	(35,740,460)	(40,695,997)
Management fees	14	(4,381,200)	(5,425,200)
Depreciation and amortization	7	(37,962,924)	(38,666,266)
General and administrative expenses	12	(5,296,523)	(5,094,940)
Impairment loss on classification of vessels as held for sale	7	—	(3,932,873)
Net gain on disposal of vessels	7	—	4,076,668
Total operating expenses, net		**(160,849,747)**	**(136,974,526)**
Operating profit		**110,122,674**	**32,023,699**
Other income/(expenses)			
Interest income	22	721,528	3,470
Interest and other finance costs	22	(38,081,975)	(36,465,423)
Unrealized gain on derivatives	23	45,960	4,156,933
Realized gain/(loss) on derivatives	23	11,436,481	(558,916)
Foreign exchange gain/(loss)		315,327	(62,662)
Total other expenses, net		**(25,562,679)**	**(32,926,598)**
Profit/(loss) for the year		**84,559,995**	**(902,899)**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement of post-employment benefit obligations		(2,456)	(203)
Total comprehensive income/(loss) for the year		**84,557,539**	**(903,102)**
Attributable to the owners of the Group		84,557,539	(903,102)
Earnings/(loss) per share - basic & diluted	18	2.63	(0.03)
Weighted average no. of shares - basic & diluted		32,202,394	32,372,393

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, 2022 and 2021
(All amounts expressed in U.S. Dollars)

AS OF DECEMBER 31,	NOTE	2022	2021
Assets			
Non-current assets			
Vessels, net	7	1,024,296,035	865,208,380
Vessels under construction	8	—	18,193,257
Other fixed assets	7	132,223	61,019
Derivative financial instrument	23	—	3,150,767
Restricted cash		4,510,000	5,410,000
Total non-current assets		**1,028,938,258**	**892,023,423**
Current assets			
Inventories	6	17,010,531	12,630,531
Trade and other receivables		49,630,484	7,448,390
Claims receivable	19	108,391	261,093
Prepaid expenses and other current assets		3,245,055	1,032,640
Current accounts due from related parties	14	449,629	1,070,101
Derivative financial instruments	23	209,238	—
Current portion of restricted cash		2,417,779	1,939,443
Cash & cash equivalents		81,345,877	38,183,154
Total current assets		**154,416,984**	**62,565,352**
Total assets		**1,183,355,242**	**954,588,775**
Shareholders' equity & liabilities			
Shareholders' equity			
Share capital	15	32,890	32,890
Additional paid-in capital	15	280,424,849	300,019,846
Treasury shares	15	(4,583,929)	(3,571,790)
Other reserves		(28,606)	(26,150)
Retained earnings		146,398,057	61,838,062
Total shareholders' equity		**422,243,261**	**358,292,858**
Non-current liabilities			
Long-term borrowings, net of current portion	13	668,236,463	534,783,459
Retirement benefit obligations		23,937	17,294
Total non-current liabilities		**668,260,400**	**534,800,753**
Current liabilities			
Trade payables		11,771,964	15,960,456
Accrued expenses	9	6,024,899	2,623,745
Deferred revenue		4,255,500	—
Current accounts due to related parties	14	—	698,153
Current portion of long-term borrowings	13	70,799,218	42,212,810
Total current liabilities		**92,851,581**	**61,495,164**
Total liabilities		**761,111,981**	**596,295,917**
Total shareholders' equity & liabilities		**1,183,355,242**	**954,588,775**

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, 2022 and 2021
(All amounts, expressed in U.S. Dollars, except for number of shares)

	NOTE	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL (NOTE 14)	TREASURY SHARES	OTHER RESERVES	RETAINED EARNINGS	TOTAL
Balance January 1, 2021		**32,375,917**	**32,890**	**334,328,863**	**(3,068,260)**	**(25,947)**	**65,960,647**	**397,228,193**
Acquisition of treasury shares	15	(59,236)	—	—	(503,530)	—	—	(503,530)
Loss for the year		—	—	—	—	—	(902,899)	(902,899)
Capital Distribution	15	—	—	(34,309,017)	—	—	—	(34,309,017)
Dividend 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**
Acquisition of treasury shares	15	(122,573)	—	—	(1,012,139)	—	—	(1,012,139)
Profit for the year		—	—	—	—	—	84,559,995	84,559,995
Capital Distribution	15	—	—	(19,594,997)	—	—	—	(19,594,997)
Other comprehensive loss for the year		—	—	—	—	(2,456)	—	(2,456)
Balance December 31, 2022		**32,194,108**	**32,890**	**280,424,849**	**(4,583,929)**	**(28,606)**	**146,398,057**	**422,243,261**

NOTE Acquisitions of treasury stocks in 2021 have been combined in one line for presentation purposes. An analysis of these combined transactions, can be found in Note 15.

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, 2022 and 2021
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022	2021
Cash flows from operating activities			
Profit/(loss) for the year		**84,559,995**	**(902,899)**
Adjustments to reconcile profit/(loss) to net cash provided by operating activities:			
Depreciation		37,962,924	38,666,266
Interest expense		35,077,293	27,082,841
Amortization of loan financing fees		1,693,117	4,233,322
Unrealized (gain)/loss on derivatives		2,941,529	(4,156,933)
Interest income		(721,528)	(3,470)
Other non-cash items		6,643	(44,084)
Net gain on disposal of vessels		—	(4,076,668)
Impairment loss		—	3,932,873
Foreign exchange differences		(339,622)	—
Total reconciliation adjustments		**76,620,356**	**65,634,147**
Changes in working capital:			
Trade and other receivables		(42,241,830)	7,184,671
Prepaid expenses and other current assets		(1,235,237)	(173,406)
Inventories		(4,380,000)	(6,863,047)
Trade payables		(2,901,680)	(2,945,453)
Accrued expenses		871,637	469,704
Deferred revenue		4,255,500	(6,462,292)
Claims receivable		152,702	(106,645)
Interest paid		(33,181,517)	(27,240,486)
Total changes in working capital		**(78,660,425)**	**(36,136,954)**
Net cash provided by operating activities		**82,519,926**	**28,594,294**
Cash flows from investing activities			
Collections of amounts due from related parties		620,472	5,993,518
Payments for other fixed assets		—	(20,000)
Proceeds from vessels' disposal		—	300,938,574
Decrease in restricted cash		421,664	1,051,938
Dry-dock expenses		(1,536,579)	(1,921,472)
Payments for vessels and vessels under construction		(178,601,323)	(20,367,653)
Interest received		375,636	3,470
Net cash (used in)/provided by investing activities		**(178,720,130)**	**285,678,375**
Cash flows from financing activities			
Proceeds from long-term borrowings		306,298,000	—
Repayments of long-term borrowings		(144,294,604)	(261,713,694)
Capital distribution		(19,594,997)	(34,309,017)
Payment of amounts due to related parties		(698,153)	318,350
Payment of loan financing fees		(1,732,860)	—
Acquisition of treasury stock		(1,012,139)	(503,530)
Dividends paid		—	(3,219,686)
Net cash provided by/(used in) financing activities		**138,965,247**	**(299,427,577)**
Effects of exchange rate changes of cash held in foreign currency		397,680	—
Net change in cash and cash equivalents		42,765,043	14,845,092
Cash and cash equivalents at beginning of year		38,183,154	23,338,062
Cash and cash equivalents at end of year		**81,345,877**	**38,183,154**
Supplemental cash flow information			
Capital expenditures included in trade payables		—	235,000

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" or "Group), 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 MH96960. Glafki Marine Corp. ("Glafki"), owned by Messrs. Ioannis and Themistoklis Alafouzos, had the majority control of OET until June 2022 through voting interests. In June 2022, the voting interests of Mr. Themistoklis Alafouzos were transferred to Hospitality Assets Corp. ("Hospitality") and from June 2022, Glafki and Hospitality, each owned by Messrs. Ioannis and Themistoklis Alafouzos, respectively, hold the majority control of OET through voting interests.

Glafki and Hospitality currently own 33.5% and 20.2%, of the Company's shares, respectively.

The consolidated financial statements comprise the financial statements of Okeanis Eco Tankers Corp. and its wholly owned subsidiaries (collectively the "Group").

The Alafouzos family currently holds a stake of 56.9% 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, 2022 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	—

COVID-19 Update

Impact on Operations

We have taken steps to protect our seafarers and shore employees and ensure uninterrupted service to our clients. Our operations are no longer materially affected by the outbreak of the Covid-19 virus. On occasion, our vessels may deviate from optimal trading routes in order to effect crew changes, however transportation and mobilization costs in connection with those crew changes have been minimized.

Okeanis Eco Tankers Corp. Response

Our primary concern continues to be the wellbeing of our seafarers and shore-based employees, and, in tandem, providing safe and reliable services to our clients. In line with industry response standards, we have updated our 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' seamen approaching Greek ports, remote superintendent surveys and are complying with applicable local directives and recommendations. Shore-side, all our employees are fully vaccinated. Management has established a range of safety protocols in the working space, 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, limited on-site visitors, elimination of non-essential travel, mandatory self-isolation of personnel returning from travel and substitution of physical meetings with virtual meetings. We have secured our 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 Group'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 continue to be highly uncertain, and the Group recognizes that further escalation could adversely affect global shipping markets. In February 2022, both the European Union ("EU") and the United States began leading economic sanctions against Russia vis-à-vis the conflict in Ukraine.

According to the latest sanctions package, the EU introduced a ban on the direct or indirect purchase, import, or transfer into the EU of crude oil or petroleum products originating in Russia or exported from Russia. Effective from 5 December 2022, the EU also bans the maritime transport to third countries of crude oil (as of 5 February 2023 for petroleum products) which originate in or are exported from Russia. The latest ban on maritime transport is effective unless the respective crude oil or petroleum products are purchased at or below a pre-established price cap, which has currently been set to $60 per barrel.

The war has resulted in rerouting of crude oil voyages, leading to longer tonne-mile voyages. In particular, Europe is currently replacing Russian barrels from other exporting regions further away, such as, West and South Africa and the Middle East, while Russia is shifting its oil production to China and India.

Currently, the disruption of trade flows has created inefficiencies resulting to longer tonne miles benefiting the tanker market, while on the other hand, the recent increases in bunker fuel prices, following crude supply shortages, as well as the deterioration of economic general conditions could negatively affect the freight rates. These adverse economic factors might increase voyage costs for our fleet, albeit expected less severe than our industry peers that operate conventional, not equipped with scrubbers, vessels that consume more fuel and at higher prices per metric tonne.

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 Group's functional and presentation currency.

The consolidated financial statements have been prepared on the historical cost basis, except for derivatives measured at their fair value. The consolidated financial statements have been prepared on a going concern basis as the directors have, at the time of approving the financial statements, reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future.

Okeanis Eco Tankers annual consolidated financial statements were approved and authorized for issue by the Board of Directors on April 6, 2023.

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 own and operate Nissos Kea and Nissos Nikouria. 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 International Financial Reporting Standards ("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 Group 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 Group 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, except when offhire.

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.

The majority of the Group's operating expenses (such as crew costs, spares, stores, insurances, repairs, surveys, telecommunication and various other expenses) are paid from Kyklades Maritime Corporation ("Kyklades" or "KMC" or "Management Company) and are subsequently reimbursed by the Group to the Management Company.

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, the Group assesses its potential expected credit losses in accordance with IFRS 9. As of December 31, 2022 and 2021, the Group performed a respective exercise and concluded that the expected credit losses calculated were immaterial.

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, but it is considered certain that they will be drawn down, 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 vessels under construction and right-of-use assets

The Group assesses at each reporting date whether there are any indications that the vessels', vessels under construction and right-of-use assets carrying amounts may not be recoverable. If such an indication exists, and where the carrying amount exceeds the estimated recoverable amount, the vessels, vessels under construction and right-of-use assets, 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.

Vessels held for sale and discontinued operations

Vessels are classified as current assets in the statement of financial position when their carrying amount will be recovered through a sale transaction rather than continuing use. A vessel is classified as held for sale when it is available for immediate sale in its present condition and the sale is highly probable.

A highly probable sale implies that, management is committed to a plan to sell the asset and the plan has been initiated and, further, that the Company is actively seeking to locate a buyer. The asset must be actively marketed for sale at a reasonable price and the sale is expected to be completed within one year from the date of classification as held for sale.

Vessels classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is presented as if the operation had been discontinued from the start of the comparative period.

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 and classified as current and non-current based on their repayment profile. Any difference between the proceeds (net of transaction costs) and the settlement of the borrowings is recognized in the statement of profit or loss over the term of the borrowings.

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.

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.

Segment Information

The Group reports financial information and evaluates its operations and operating results by total charter revenues and not by the type of vessel, length of vessel employment, customer or type of charter. As a result, management, including the CEO, who is the chief operating decision maker, reviews operating results solely by revenue per day and operating results of the fleet, and thus, the Company has determined that it operates under one reportable segment, that of operating tanker vessels. Furthermore, when the Company charters a vessel to a charterer, the charterer is free to trade the vessel worldwide, subject to restrictions as per the charter agreement, and, as a result, the disclosure of geographic information is impracticable.

Inventories

Inventories consist of bunkers, lubricating oils and other items including stock provisions remaining on board and are owned by the Group at the end of each reporting period. Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. For an analysis of inventories as of December 31, 2022 and 2021, refer to Note 6.

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 consolidated 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.

Pension and retirement benefit obligations – crew

Crew on board 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.

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 amounting to $4,583,929, measured at cost. 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.

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.

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 consolidated 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, 2022. 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 contracts for the lease of office space and a company car.

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 Group 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 Group applies IFRS 15 to allocate the consideration under the contract to each component.

The Group 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, from time-to time, 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 Group and as liabilities when unfavourable to the Group. Cash outflows and inflows resulting from derivative contracts are presented as cash flows from operations in the consolidated statement of cash flows. The Company has selected not to apply hedge accounting to record the effect from its interest rate swaps movement in its consolidated statement of profit or loss.

Forward Freight Agreements

The Group enters 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 when their valuation is favourable to the Group and as non-current liabilities when unfavourable to the Group. Classification as current or non-current is determined based on the derivatives' maturities. 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 in the consolidated statement of profit or loss and other comprehensive income.

The Company has selected not to apply hedge accounting to record the effect from its FFAs movement in its consolidated statement of profit or loss.

Interest income and finance cost

Interest income comprise interest receivable from available bank balances and short-term deposits. Financing costs comprise interest payable on borrowings, various banks charges and bank related fees. Interest income and finance costs are recognized in the consolidated statement of profit or loss, using the effective interest rate method, as they accrue.

Adoption of new and revised IFRS

Standards and interpretations adopted in the current year

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

Standards and amendments in issue not yet adopted

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

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 clarifies what IAS 1 means when it refers to 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, 2024 and should be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted. Management anticipates that this amendment will not have a material impact on the Group's financial statements.

In February 2021, the IASB amended IAS 1 Presentation of Financial Statements, IFRS Practice Statement 2 and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to improve accounting policy disclosures and to help the users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The amendments will be effective for annual periods beginning on or after January 1, 2023. Management anticipates that these amendments will not have a material impact on the Group's financial statements.

In September 2022, the IASB issued "Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)". The amendments require a seller-lessee to measure the lease liability arising from a leaseback in a way that it does not result in recognition of a gain or loss that relates to the right of use it retains, after the commencement date. The amendments will be effective for annual reporting periods beginning on or after 1 January, 2024 with earlier application permitted. Management anticipates that these amendments will not have a material impact on the Group's financial statements.

In October 2022, the IASB has published "Non-current liabilities with covenants (Amendments to IAS 1)" to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments will be effective for annual reporting periods beginning on or after 1 January, 2024 with earlier application permitted. Management anticipates that this amendment will not have a material impact on the Group'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 Judgments and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the stated amounts of revenues and expenses during the reporting period. Management evaluates whether estimates should be 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.

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.

Climate and environmental risk factors

The Group might incur increased operating and maintenance costs to maintain the operational performance and superiority of its vessels. In fact, these cost factors are taken into consideration when an indication of impairment arises, and included in the Group's discounted cash flows calculations. Management adjusts its cash flows, accordingly with the following:

- an increase in its operating costs both for inflation, as well as, extra operating costs associated with the vessels' operating effectiveness
- an increase associated with the vessels special surveys and future Dry-dock costs
- adjusted its weighted average cost of capital calculation.

Management has concluded that its vessels' carrying values, as well as, their useful lives have not been impaired.

Vessel lives and residual values

The carrying value of the vessels represents their original cost at the time of purchase, less accumulated depreciation and any impairment. Vessels are depreciated to their residual values on a straight-line basis over their estimated useful lives. The estimated useful life of 25 years is management's best estimate, that remains unchanged compared to prior year, 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. 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, 2022, the carrying amount of the vessels owned by the Group were lower than their respective fair values, as estimated by management with consideration to independent brokers' valuations. Given the vessels' recoverable amounts were lower than their respective fair values, the Group concluded that there was no requirement to record an impairment loss.

As of December 31, 2021, the carrying amount of one vessel owned by the Group was higher than its respective fair value, as estimated by management with consideration to 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, the Group concluded that there was no requirement to record an impairment loss. On a second occasion, the Group recorded an impairment loss when it classified one of its vessels as a held-for-sale asset (for further information refer to Note 7).

6. Inventories

Inventories are analysed as follows:

AS OF DECEMBER 31,	2022	2021
Bunkers	13,914,723	10,427,636
Lubricants	2,740,559	1,925,361
Provisions	355,249	175,199
Bonded stores	—	102,336
Total	**17,010,531**	**12,630,531**

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 01, 2021	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	—	2,028,634	2,028,634
Balance - January 01, 2022	**943,569,428**	**11,337,851**	**954,907,279**
Transfers from Vessels under construction	194,652,377	2,000,000	196,652,377
Additions	—	367,669	367,669
Balance - December 31, 2022	**1,138,221,805**	**13,705,520**	**1,151,927,325**
Accumulated Depreciation			
Balance - January 01, 2021	(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 - January 01, 2022	**(85,311,684)**	**(4,387,215)**	**(89,698,899)**
Depreciation charge for the year	(35,353,891)	(2,578,500)	(37,932,391)
Balance - December 31, 2022	**(120,665,575)**	**(6,965,715)**	**(127,631,290)**
Net Book Value - December 31, 2021	**858,257,744**	**6,950,636**	**865,208,380**
Net Book Value - December 31, 2022	**1,017,556,230**	**6,739,805**	**1,024,296,035**

In the year ended December 31, 2021, the Group 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 (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**

	AS OF DECEMBER 31,	
OTHER FIXED ASSETS	2022	2021
Right-of-Use assets	71,204	—
Other fixed assets	61,019	61,019
Total	**132,223**	**61,019**

The Group has recognised Right-of-Use assets, pursuant to contracts for the lease of office space and a company car. For the year ended December 31, 2022 the Group recorded an amount of $30,533 as depreciation expense with regards to Right-of-Use assets recognised.

8. Vessels Under Construction

Vessels under construction are analysed as follows:

Balance - January 1, 2021	**—**
Additions during the year	18,193,257
Balance - January 1, 2022	**18,193,257**
Additions during the period	178,459,120
Transfers during the period to vessels, net	(196,652,377)
Balance - December 31, 2022	**—**

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

Additions for the year 2022 also concern the construction of the abovementioned Hulls. Upon completion of the construction period with the respective delivery of the vessels, the total amount of vessels under construction is transfered to Vessels, net.

9. Accrued Expenses

Accrued expenses are analysed as follows:

AS OF DECEMBER 31,	2022	2021
Accrued payroll related taxes	15,645	15,842
Accrued voyage expenses	1,021,539	30,406
Accrued loan interest	3,781,363	1,254,301
Accrued social insurance contributions	91,573	94,530
Accrued operating expenses	1,036,952	826,166
Sundry Liabilities	77,829	402,500
Total	**6,024,899**	**2,623,745**

10. Vessel Operating Expenses

Vessel operating expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Crew cost	23,283,420	27,617,203
Insurances	3,084,189	3,332,394
Stores	1,566,555	1,206,306
Spares	1,382,223	1,450,609
Repairs and surveys	1,826,758	2,153,673
Flag expenses	531,871	417,241
Lubricants	2,466,943	2,282,815
Telecommunication expenses	195,605	280,937
Miscellaneous expenses	1,402,896	1,954,820
Total	**35,740,460**	**40,695,997**

11. Voyage Expenses

Voyage expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Port expenses	17,962,872	13,678,442
Bunkers	55,671,538	31,070,105
Other voyage expenses	451,811	258,215
Total	**74,086,221**	**45,006,762**

12. General & Administrative Expenses

General and administrative expenses are analysed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Employee costs	3,998,981	3,896,025
Directors' fees and expenses	850,942	875,506
Professional fees	287,355	262,332
Other expenses	159,246	61,077
Total	**5,296,523**	**5,094,940**

Auditor remuneration for the years ended December 31, 2022 and December 31, 2021 amounted to $180,042 and $177,787, respectively. The Group records audit fees as incurred. Expenditure related to auditor remuneration is reflected in professional fees which, for the year ended December 31, 2022 and December 31, 2021, amounted to $182,540 and $204,490, respectively.

Insurance cover, for certain Directors and executives of the Group, in respect to their potential liability towards the enterprise and third parties as of December 31, 2022 and 2021 amounted to $164,200 and $200,000, 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, 2022	UNAMORTIZED DEFERRED FINANCING FEES AS OF DECEMBER 31, 2022	OUTSTANDING NET OF LOAN FINANCING FEES AS OF DECEMBER 31, 2022	INTEREST RATE (LIBOR[L]+ MARGIN)
Milos	38,047,124	289,344	37,757,780	L+5.62%
Poliegos	34,729,699	273,146	34,456,553	L+6.76%
Kimolos	35,913,750	203,849	35,709,901	L+2.50%
Folegandros	33,810,750	243,033	33,567,717	L+2.60%
Nissos Sikinos	43,940,806	224,537	43,716,269	L+1.96%
Nissos Sifnos	43,940,806	225,967	43,714,839	L+1.96%
Nissos Rhenia	58,878,763	1,139,918	57,738,845	L+5.28%
Nissos Despotiko	59,425,570	1,156,267	58,269,303	L+5.28%
Nissos Donoussa	61,335,000	453,797	60,881,203	L+2.50%
Nissos Kythnos	61,335,000	453,797	60,881,203	L+2.50%
Nissos Keros	48,479,000	259,781	48,219,219	L+2.50%
Nissos Anafi	48,100,000	300,154	47,799,846	L+2.09%
Nissos Kea	86,691,250	319,907	86,371,343	L+2.65%*
Nissos Nikouria	88,495,250	329,550	88,165,700	L+2.65%*
Scrubber Financing	1,718,760	8,559	1,710,201	L+2.00%
Total	**744,841,528**	**5,881,606**	**738,959,922**	**L+3.25%**

* Weighted average between primary lender margin & Sponsor debt fixed rate.

Debt retired in connection with 2021 vessel sales

Up to December 31 2021, the Group retired a total outstanding principal amount of $209.9 million in connection with the disposal of three Aframax and two VLCC vessels. Specifically, the Group 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.

Okeanis Eco Tankers Corp. is the Corporate Guarantor for all bank loans as at December 31, 2022.

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 was 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 control has 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 in 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 was 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 control has 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 in 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 Group'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%.

ARK Marine S.A. entered into a debt financing transaction with SEA 289 LEASING CO. LIMITED for the financing of Nissos Kea. On March 31, 2022, ARK Marine S.A. transferred Nissos Kea to SEA 289 LEASING CO. LIMITED for an agreed consideration of $72,750,000 and loan related fees of $363,750, and, as part of the agreement, bareboat chartered the vessel back for a period of 7 years, with purchase options at the end of each year. ARK Marine S.A. received $72,750,000 in cash as part of the transaction. This transaction was evaluated in accordance with IFRS 16, and it was concluded that it should be treated as a financing transaction and Nissos Kea should continue to be recorded as an asset on the consolidated statement of financial position, since ARK Marine S.A has a substantive repurchase option with respect of the asset and the risks and rewards of ownership have effectively remained with ARK Marine S.A.. The Facility is repaid in quarterly instalments, amortizes over a 20-year profile, matures in 7 years from drawdown and is priced at Libor plus 2.45%.

Theta Navigation Ltd entered into a debt financing transaction with SEA 290 LEASING CO. LIMITED for the financing of Nissos Nikouria. On June 3, 2022, Theta Navigation Ltd transferred Nissos Nikouria to SEA 290 LEASING CO. LIMITED for an agreed consideration of $72,750,000 and loan related fees of $363,750, and, as part of the agreement, bareboat chartered the vessel back for a period of 7 years, with purchase options at the end of each year. Theta Navigation Ltd received $72,750,000 in cash as part of the transaction. This transaction was evaluated in accordance with IFRS 16, and it was concluded that it should be treated as a financing transaction and Nissos Nikouria should continue to be recorded as an asset on the consolidated statement of financial position, since Theta Navigation Ltd has a substantive repurchase option with respect of the asset and the risks and rewards of ownership have effectively remained with Theta Navigation Ltd. The Facility is repaid in quarterly instalments, amortizes over a 20-year profile, matures in 7 years from drawdown and is priced at Libor plus 2.45%.

In connection with the acquisition of Nissos Kea and Nissos Nikouria, OET and Mr. Ioannis Alafouzos (the "Sponsor"), have agreed that repayment of twenty percent of each of the vessel's original contract price - amounting to $17,564,000 each - settled between the Sponsor and the shipyard may be deferred, at OET's sole discretion, to any date two years from each vessel's delivery at a fixed interest cost of 3.5% p.a. on the outstanding amount commencing from the date of the resale VLCCs' delivery. The said transaction was formalized and documented by signing a respective loan agreement on April 18, 2022.

Nellmare Marine Ltd and Anassa Navigation S.A. signed, on May 23, 2022, a new loan agreement with National Bank of Greece for a gross finance amount of $125,670,000 to refinance their existing indebtedness concerning the VLCC vessels Nissos Kythnos and Nissos Donoussa. The loan amount was evenly split between the two companies and the related loan related fees amounted to $1,005,360. The new facility bears a fixed interest cost of 2.50% plus LIBOR p.a., amortizes over a 21-year profile and matures 7 years from drawdown.

Lease liabilities connected to Right-of-Use assets

As of December 31, 2022 the Group has recognized the following finance lease liability with respect to the Right-of-Use assets:

As of December 31,	2022
Office rent	36,249
Company car	39,510
Total	**75,759**

The undiscounted cash outflows for the settlement of financial liabilities connected to the Right-of-Use assets as of December 31, 2022 are the following:

As of December 31,	2022
No later than one year	50,599
Later than one year and not later than five years	29,516
Total	**80,115**

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

AS OF DECEMBER 31, 2021	LONG-TERM BORROWINGS, NET OF CURRENT PORTION	CURRENT PORTION OF LONG-TERM BORROWINGS	TOTAL
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**
AS OF DECEMBER 31, 2022			
Outstanding loan balance	673,022,123	71,819,405	744,841,528
Loan financing fees	(4,814,520)	(1,067,086)	(5,881,606)
Total	**668,207,603**	**70,752,319**	**738,959,922**

The loans are repayable as follows:

AS OF DECEMBER 31,	2022	2021
No later than one year	71,819,405	43,252,075
Later than one year and not later than five years	298,690,490	336,790,145
Thereafter	374,331,633	202,795,912
Total	**744,841,528**	**582,838,132**
Less: Amounts due for settlement within 12 months	(71,819,405)	(43,252,075)
Long-term borrowings, net of current portion	**673,022,123**	**539,586,057**

Cash flow reconciliation of liabilities arising from financing activities:

A reconciliation of the Group's financing activities for the years ended December 31, 2022 and 2021 are presented in the tables below:

Long-term borrowings - January 1, 2021	**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**
Cash flows - drawdowns	306,298,000
Cash flows - repayments	(144,294,604)
Loan financing fees	(1,732,860)
Other Lease liabilities	75,759
Non-cash flows - amortisation of loan financing fees	1,693,117
Long-term borrowings - December 31, 2022	**739,035,681**

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; payment of dividends in the event of default; 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, 2022, the Group was in compliance with its loan covenants.

14. Transactions and Balances with Related Parties

The Group has entered into management agreements with Kyklades Maritime Corporation ("Kyklades" or "KMC" or "Management Company) as technical manager. Kyklades provides the vessels with a wide range of shipping services such as technical support, maintenance and insurance consulting in exchange for a daily fee of $900 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, 2022 and December 31, 2021, total technical management fees amounted to $4,381,200 and $5,425,200, respectively.

KMC acts and pays on behalf of the Group the majority of its operating expenses, including crew cost (for an analysis refer to Note 10). The Group subsequently reimburses KMC with the respective amounts paid.

Amounts due to the Board of Directors as at December 31, 2021 amounting to $698,153 represent outstanding fees payable to Directors..

"FRPEs" are "Family Related Party Entities" vessel owning companies privately owned by the Alafouzos family. For the sake of operational convenience, various expenses or other liabilities paid by/for the FRPEs and recorded as unsecured amounts payable/receivables, with no fixed terms of payment. Examples of the types of expenses and liabilities giving rise to such payables/receivables due/from to the FRPEs include, without limitation: (i) bunker fuel (ii) port expenses; and, (iii) canal fees.

The below table provides a reconciliation of the outstanding amounts due from the Management Company and from FRPEs:

AS OF DECEMBER 31,	2022	2021
Amounts due from Management Company	449,629	389,925
Amounts due from FRPEs, net	—	680,176
Total	**449,629**	**1,070,101**

Amounts due from the Management Company as of December 31, 2022 of $449,629 as compared to December 31, 2021 of $389,925, represent payments made to the Management Company, per the terms of the respective vessel technical management agreements.

Amounts due from FRPEs as at December 31, 2021 amounting to $680,176, 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.

Related party balances' analysis

The below table presents the Group's outstanding balances due from/(to) related parties as of December 31, 2022 and 2021:

RELATED PARTY BALANCES	2022	2021
Kyklades Maritime Corporation	449,629	389,925
Danais Maritime Corp.	—	449,510
Athinais Maritime Corp.	—	235,000
Bigal Shipping Corporation	—	291,275
Zenith Maritime Corp.	—	696,000
Christianna Marine Corporation	—	674,291
Chantilly Enterprises Co.	—	88,000
Anafi Marine Corp.	—	(620,000)
Clover Enterprises Co.	—	(1,133,900)
Fees payable to the Board of Directors	—	(698,153)
Total	**449,629**	**371,948**

Related party transactions' analysis

The below table presents the Group's transactions with its related parties as of December 31, 2022 and 2021:

RELATED PARTY TRANSACTIONS	2022	2021
Management fees		
Kyklades Maritime Corporation	4,381,200	5,425,200
Total	**4,381,200**	**5,425,200**

KMC solely administers the transactions on behalf of OET's subsidiaries, without recharging any expenditure back to the ship owning companies. All operating expenses are being incurred and charged directly to OET's subsidiary companies.

For the above administrative, as well as, technical services provided during 2022 and 2021, KMC charged OET's subsidiaries with a daily fee of $900, corresponding to $4,381,200 and $5,425,200 respectively (as depicted above).

The below table presents an analysis of all payments executed by KMC on behalf of the Group for the period ended December 31, 2022 and 2021:

PAYMENTS ON BEHALF OF THE GROUP	2022	2021
Crew wages	18,572,373	22,411,827
Other crew expenses	3,357,800	3,555,432
Stores	3,098,044	2,999,210
Technical expenses	5,611,199	6,274,107
Insurance	3,193,137	2,490,958
HSQE expenses	525,210	672,704
Other	931,952	1,416,495
Total	**35,289,715**	**39,820,734**

Key management and Directors remuneration

Each of the Group'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, 2022 amounted to $450,000 (2021: $418,900). 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 currently comprise its CEO, CFO, and CDO. The remuneration structure comprises salaries, bonuses, insurance cover (covering also the members of the Board of Directors), telecommunications and other expenses which are minor in nature (e.g credit cards, travelling and accommodation expenditure etc). For the year ended December 31, 2022, key management personnel remuneration, covering all the above amounted to 1,704,665 (2021: $2,071,165). There was no amount payable related to key management remuneration as of December 31, 2022 and 2021.

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

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"), DNB 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 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 4, 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.

In January 2022, the Company purchased 20,000 of its own shares at the price of NOK 69.69 per share.

Also in January 2022, the Company purchased 102,573 of its own shares at the price of NOK 71.25 per share.

In September 2022, the Company distributed an amount of approximately $9.8 million or $0.30 per share via a return of paid-in-capital.

In December 2022, the Company distributed an amount of approximately $9.8 million or $0.30 per share via a return of paid-in-capital.

As of December 31, 2022, the Company had 32,194,108 shares outstanding (net of 695,892 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, 2022 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
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
January 24, 2022	Share buy-back	—	—	32,296,681	0.001
January 26, 2022	Share buy-back	—	—	32,194,108	0.001

16. Financial Risk Management

The Group's principal financial instruments comprise long-term borrowings, interest rate swaps (terminated in 2022), 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:

- *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. As of December 31, 2022, the Group has no hedging mechanisms in place, however, when opportunity arises, it coverts significant cash balances from USD to EUR to hedge against adverse fluctuations.

- *Interest rate risk*
  The Group is exposed to the impact of interest rate changes primarily through its floating-rate borrowings that require the Group 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. From time to time, the Group 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 23).

  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, 2022 by $2,251,130 (2021: $ 1,948,856) assuming all other variables held constant and taking into consideration that the Group has entered into interest rate swap agreements for some of its loans, therefore partially economically hedging part of its floating-rate borrowings.

- *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.

- *Market risk*
  The tanker shipping industry is cyclical with high volatility in charter rates and profitability. The Group 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 2022, the Group 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 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, 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, 2022 of 4.41%, plus the margin applicable to the Group's loan at the end of the year presented.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 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**

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
December 31, 2022							
Non-Derivative Liabilities							
Trade payables		—	—	11,771,964	—	—	11,771,964
Accrued expenses		—	—	6,024,899	—	—	6,024,899
Variable interest loans	6.26%	5,922,596	21,564,122	65,076,153	365,728,156	241,508,738	699,799,764
Variable interest for debt financing	10.02%	2,823,905	5,526,029	22,237,116	112,171,014	167,665,884	310,423,948
Total		**8,746,500**	**27,090,151**	**105,110,132**	**477,899,170**	**409,174,622**	**1,028,020,575**

17. Commitments and Contingencies

Commitments under time charter agreements (Lessor)

As of December 31, 2022, future minimum contractual time charter revenue, based on vessels' committed, non-cancellable, time charter agreements, net of address commissions for the next year amount to $24,416,000.

18. Earnings/(loss) per Share

Basic and diluted earnings/(loss) per share for the years ended December 31, 2022 and 2021, are presented below:

YEAR ENDED DECEMBER 31,	2022	2021
From continuing operations	2.63	(0.03)
Earnings/(loss) per share, basic and diluted	2.63	**(0.03)**

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,	2022	2021
Profit/(loss) for the period attributable to the Owners of the Group	84,559,995	(902,899)
Weighted average number of common shares outstanding in the period	32,202,394	32,372,393
Earnings/(loss) per share, basic and diluted	**2.63**	**(0.03)**

During the years ended December 31, 2022 and 2021, 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, 2022, the Group has recognized and presented under "Claims receivable" in the consolidated statement of financial position, receivable amounts from vessels' insurers totaling $108,391 (2021: $261,093) regarding various claims. The recognition of the respective receivable claims in the consolidated statement of financial position was made since the Group has an unconditional right to receive the claimable amounts from the insurers.

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,	2022	2021
Total borrowings	739,035,681	576,996,269
Total equity	422,243,261	358,292,858
Gearing ratio	**64%**	**62%**

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 Group'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:

	REVENUE FROM TIME CHARTER ARRANGEMENTS	
FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Lease Component	50,536,021	59,098,416
Non-Lease Component	15,817,114	21,486,951
Total	**66,353,135**	**80,585,367**

22. Interest income, Interest expense and Other Finance Costs

Interest and finance related costs for the years ended December 31, 2022 and 2021, are presented below:

FOR THE PERIOD ENDED DECEMBER 31,	2022	2021
Interest expense	35,077,293	27,082,841
Amortization and write-off of financing fees	1,693,117	4,233,322
Finance costs related to covenants of early termination	—	4,092,000
Bank charges and loan commitment fees	729,711	781,978
Other finance costs	581,855	275,282
Total	**38,081,975**	**36,465,423**

Interest income for the years ended December 31, 2022 and 2021, are presented below:

FOR THE PERIOD ENDED DECEMBER 31,	2022	2021
Interest income from time deposits	668,032	—
Other interest income	53,496	3,470
Total	**721,528**	**3,470**

23. Derivative Financial Instruments

Interest rate swaps

During the year ended December 31, 2022, the Group terminated all of the interest rate swap agreements it had entered into 2021. The net cash received from the said transactions amounted to $12.3 million in total. Accordingly, the Group recorded an amount of $3,567,912 as unrealized gain (net) as at December 31, 2021 and an amount of $9,274,553 as realized gain (net) as at December 31, 2022.

An analysis of the effective interest rate swap agreements as of December 31, 2021, is presented in the following 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 Group would have to pay or receive for the early termination of the agreements.

As of December 31, 2022, the Group has no interest rate swaps.

Forward freight agreements

As of December 31, 2022, the Group's Forward Freight Agreements ("FFAs"), had a notional amount of $0.2 million (2021: $0.1 million) with maturities falling in the first quarter of 2023. As of December 31, 2022, the fair value of the derivative financial asset related to the FFAs amounted to $0.2 million (2021: $0.1 million).

The realized gain on derivatives of $2,161,927, is included in the statement profit or loss and other comprehensive income.

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.

Effect on the Consolidated Statement of Profit or Loss

	2022	2021
Unrealized gain on forward freight agreements	45,960	30,105
Unrealized gain on interest rate swaps	—	4,126,828
Total unrealized gain on derivatives	**45,960**	**4,156,933**
Realized gain/(loss) on forward freight agreements	2,161,927	(558,916)
Realized gain on interest rate swaps	9,274,554	—
Total realized gain/(loss) on derivatives	**11,436,481**	**(558,916)**

24. Revenue

The table below presents an analysis of revenue generated from voyage and time agreements as at December 31, 2022 and 2021:

	2022	2021
Voyage Charter	204,619,286	88,412,858
Time Charter	66,353,135	80,585,367
Total	**270,972,421**	**168,998,225**

As of December 31, 2022 and 2021 the Group had, within the scope of IFRS 15, unearned revenue from voyage charter agreements related to undelivered performance obligations of $9,861,064 and $790,544 which will be/were recognized in the first quarter of 2023 and 2022, respectively.

Further, as of December 31, 2022 and 2021, capitalized contract fulfilment costs amounted to $1,646,450 and $477,732, respectively.

As at December 31, 2022, the Group's trade receivables amounted to $46,363,951 (2021: $7,448,390). Charterers, whose outstanding balance, exceed 10% of the total receivable amount are presented below:

CHARTERER	%
Charterer A	59%
Charterer B	10%
Charterer C	10%

25. Subsequent Events

On March 17, 2023, the Company distributed an amount of $1.25 per share, totaling $40.2 million as a return of capital to its shareholders.

The information below is also disclosed in Note 1 general Information.

APPENDIX

Mandatory information with respect to European Single Electronic Format requirements:

Name of reporting entity or other means of identification	Okeanis Eco Tankers
Domicile of entity	Republic of Marshall Islands
Legal form of entity	Corporation
Country of incorporation	Republic of Marshall Islands
Address of entity's registered office	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands
Principal place of business	International
Description of nature of entity's operations and principal activities	Own, charter out and operate tanker vessels
Name of parent entity	Okeanis Eco Tankers Corp.
Name of ultimate parent of group	Glafki Marine Corp.

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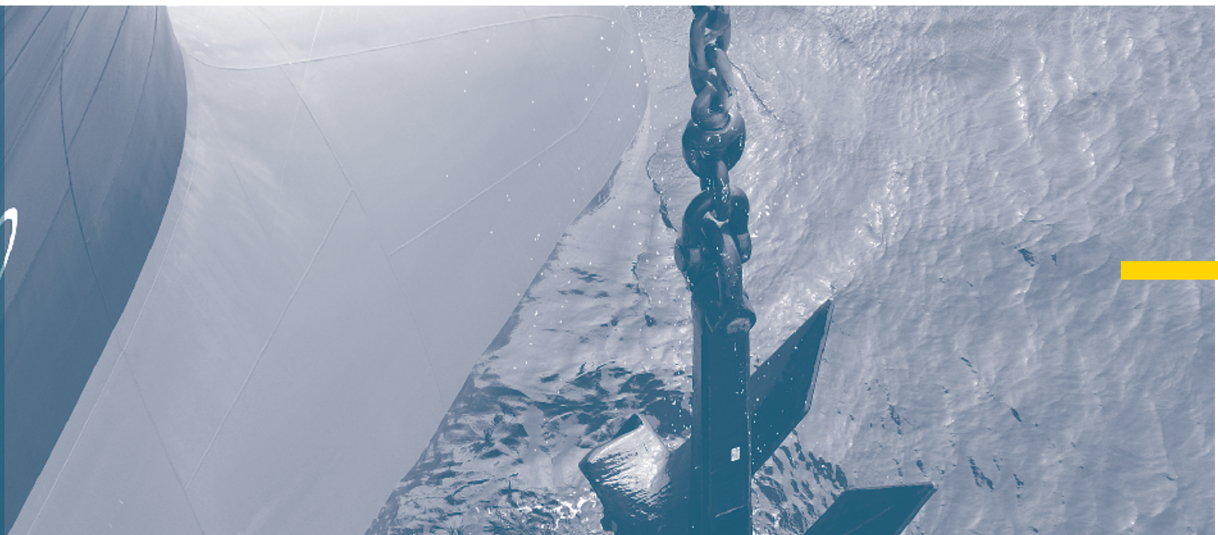
OKEANIS ECO TANKERS CORP.

[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, 2022
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, 2022, 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, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

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 as endorsed by the European Union, 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.

Deloitte.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

/s/ Deloitte Certified Public Accountants S.A.
April 7, 2023
Athens, Greece

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

For the year ended December 31, 2022

(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022	2021
Expenses			
General and administrative expenses	5	(886,768)	(1,164,045)
Total expenses		**(886,768)**	**(1,164,045)**
Operating loss		**(886,768)**	**(1,164,045)**
Other income/(expenses)			
Dividend income		—	3,904,000
Interest and other finance costs	11	(332,450)	(349,015)
Unrealized gain on derivatives		45,960	30,105
Realized profit on derivatives		2,161,927	—
Foreign exchange (loss)/gain		(153,501)	6,387
Total other income/(expenses), net		**1,721,936**	**3,591,477**
Profit for the year		**835,168**	**2,427,433**
Other comprehensive income		—	—
Total comprehensive income for the year		**835,168**	**2,427,433**
Earnings per share from continuing operations, basic and diluted	10	0.03	0.07
Weighted average no. of shares - basic & diluted		32,202,394	32,372,393

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

Okeanis Eco Tankers Corp.
Statement of financial position
For the year ended December 31, 2022
(All amounts expressed in U.S. Dollars)

	NOTE	AS OF DECEMBER 31, 2022	2021
Assets			
Non-current assets			
Investment in subsidiaries	4	255,718,980	255,718,980
Derivative financial instrument		—	140,105
Total non-current assets		**255,718,980**	**255,859,085**
Current assets			
Other receivables		40	40
Derivative financial instrument		209,238	—
Current account due from related parties	6	28,966,101	23,607,391
Cash & cash equivalents		2,405,768	24,282,086
Total current assets		**31,581,147**	**47,889,517**
Total assets		**287,300,127**	**303,748,602**
Shareholder's equity & liabilities			
Shareholder's equity			
Share capital	7	32,890	32,890
Additional paid in capital	7	280,451,624	300,046,621
Treasury Shares	7	(4,583,929)	(3,571,791)
Retained earnings/(accumulated losses)		781,699	(53,468)
Total-Shareholder's equity		**276,682,284**	**296,454,252**
Non-Current liabilities			
Long-term borrowings, net of current portion	12	342,147	1,710,201
Total non-current liabilities		**342,147**	**1,710,201**
Current Liabilities			
Trade payables	8	30,365	147,590
Current account due to related parties	6	8,877,277	4,068,505
Current portion of long-term borrowings	12	1,368,054	1,368,054
Total current liabilities		**10,275,696**	**5,584,149**
Total liabilities		**10,617,843**	**7,294,350**
Total shareholder's equity & liabilities		**287,300,127**	**303,748,602**

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

Okeanis Eco Tankers Corp.
Statement of changes in shareholder's equity
For the year ended December 31, 2022
(All amounts, expressed in U.S. Dollars, except for number of shares)

	NOTE	NUMBER OF SHARES	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	TREASURY SHARES	RETAINED EARNINGS/ (ACCUMULATED LOSSES)	TOTAL
Balance - January 1, 2021		**32,375,917**	**32,890**	**334,355,638**	**(3,068,260)**	**738,785**	**332,059,053**
Acquisition of own stock	7	(59,236)	—	—	(503,531)	—	(503,531)
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**
Acquisition of own stock	7	(122,573)		—	(1,012,139)	—	(1,012,139)
Profit for the year		—		—	—	835,168	835,168
Capital distribution	7	—		(19,594,997)	—	—	(19,594,997)
Balance - December 31, 2022		**32,194,108**	**32,890**	**280,451,624**	**(4,583,930)**	**781,699**	**276,682,284**

NOTE Acquisitions of treasury stocks in 2021 have been combined in one line for presentation purposes. An analysis of transactions combined, can be found in Note 15.

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

Okeanis Eco Tankers Corp.
Statement of cash flows
For the year ended December 31, 2022
(All amounts expressed in U.S. Dollars)

	NOTE	FOR THE YEAR ENDED DECEMBER 31, 2022	2021
Cash flows from operating activities:			
Profit for the year		835,168	2,427,433
Adjustments to reconcile profit to net cash provided by/(used in) operating activities:			
Interest expense	11	92,962	117,461
Amortization of loan financing fees		6,941	21,905
Dividend income		—	(3,904,000)
Unrealized gain on derivatives		45,960	(30,105)
Foreign exchange differences		153,502	—
		1,134,533	**(1,367,306)**
Changes in working capital:			
Other current assets		(115,093)	(110,000)
Trade payables		(117,22 3)	(92,287)
Interest paid		(92,962)	(117,461)
Net cash provided by/(used in) operating activities		**809,255**	**(1,687,054)**
Cash flows from investing activities:			
Current account due from related parties		(5,358,710)	(8,706,270)
Capital returns from subsidiaries		—	90,936,600
Investment in subsidiaries		—	(17,410,000)
Dividends received		—	3,904,000
Net cash (used in)/provided by investing activities		**(5,358,710)**	**68,724,330**
Cash flows from financing activities:			
Repayments of long-term borrowings		(1,374,996)	(4,354,166)
Current accounts due to related parties	6	4,808,772	(3,811,965)
Acquisition of treasury stock	7	(1,012,138)	(503,531)
Capital Distribution		(19,594,997)	(34,309,017)
Dividends paid		—	(3,219,686)
Net cash used in financing activities		**(17,173,359)**	**(46,198,365)**
Effects of exchange rate changes on the balance of cash held in foreign currency		(153,503)	—
Net change in cash and cash equivalents		(21,722,815)	20,838,911
Cash and cash equivalents at beginning of the year		24,282,086	3,443,176
Cash and cash equivalents at the end of the year		**2,405,768**	**24,282,087**

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

1. Incorporation and General Information

Okeanis Eco Tankers Corp. ("OET" or the "Company" or "Okeanis Eco Tankers" or "Group), 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 MH96960. Glafki Marine Corp. ("Glafki"), owned by Messrs. Ioannis and Themistoklis Alafouzos, had the majority control of OET until June 2022 through voting interests. In June 2022, the voting interests of Mr. Themistoklis Alafouzos were transferred to Hospitality Assets Corp. ("Hospitality") and from June 2022, Glafki and Hospitality, each owned by Messrs. Ioannis and Themistoklis Alafouzos, respectively, hold the majority control of OET through voting interests.

Glafki and Hospitality currently own 33.5% and 20.2%, of the Company's shares, respectively.

The Company, as of the date of this report, owns fourteen vessels on the water. 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 currently holds a stake of 56.9% 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.

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%

COVID-19 Update

Impact on Operations

We have taken steps to protect our seafarers and shore employees and ensure uninterrupted service to our clients. Our operations are no longer materially affected by the outbreak of the Covid-19 virus. On occasion, our vessels may deviate from optimal trading routes in order to effect crew changes, however transportation and mobilization costs in connection with those crew changes have been minimized.

Okeanis Eco Tankers Corp. Response

Our primary concern continues to be the wellbeing of our seafarers and shore-based employees, and, in tandem, providing safe and reliable services to our clients. In line with industry response standards, we have updated our 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' seamen approaching Greek ports, remote superintendent surveys and are complying with applicable local directives and recommendations. Shore-side, all our employees are fully vaccinated. Management has established a range of safety protocols in the working space, 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, limited on-site visitors, elimination of non-essential travel, mandatory self-isolation of personnel returning from travel and substitution of physical meetings with virtual meetings. We have secured our 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 continue to be highly uncertain, and the Company recognizes that further escalation could adversely affect global shipping markets. In February 2022, both the European Union ("EU") and the United States began leading economic sanctions against Russia vis-à-vis the conflict in Ukraine.

According to the latest sanctions package, the EU introduced a ban on the direct or indirect purchase, import, or transfer into the EU of crude oil or petroleum products originating in Russia or exported from Russia. Effective from 5 December 2022, the EU also bans the maritime transport to third countries of crude oil (as of 5 February 2023 for petroleum products) which originate in or are exported from Russia. The latest ban on maritime transport is effective unless the respective crude oil or petroleum products are purchased at or below a pre-established price cap, which has currently been set to $60 per barrel.

The war has resulted in rerouting of crude oil voyages, leading to longer tonne-mile voyages. In particular, Europe is currently replacing Russian barrels from other exporting regions further away, such as, West and South Africa and the Middle East, while Russia is shifting its oil production to China and India.

Currently, the disruption of trade flows has created inefficiencies resulting to longer tonne miles benefiting the tanker market, while on the other hand, the recent increases in bunker fuel prices, following crude supply shortages, as well as the deterioration of economic general conditions could negatively affect the freight rates. These adverse economic factors might increase voyage costs for our fleet, albeit expected less severe than our industry peers that operate conventional, not equipped with scrubbers, vessels that consume more fuel and at higher prices per metric tonne.

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, except for derivatives measured at their fair value.

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 6, 2023.

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, 2022 and 2021, 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 and classified as current and non-current based on their repayment profile.

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, 2022 and 2021, there were no potentially dilutive items.

Taxation

The Company is not subject to tax on international shipping income since its country of incorporation does 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 ("FFAs" 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 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 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 liabilities when their valuation is favourable to the Company and as non-current 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. 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 in the statement of profit or loss and other comprehensive income.

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 is 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 Company's financial statements.

4. Investment in Subsidiaries

As of December 31, 2022 and 2021, the Company had the following investment in subsidiaries:

AS OF DECEMBER 31,	2022	2021
Contributed companies	94,747,652	94,747,652
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 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 S.A.	23,872,230	23,872,230
Nellmare Marine Ltd.	23,096,480	23,096,480
Ark Marine S.A.	8,705,000	8,705,000
Theta Navigation Ltd.	8,705,000	8,705,000
Total	**255,718,980**	**255,718,979**

5. General and Administrative Expenses

General and administrative expenses are analyzed as follows:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Personnel insurances	164,200	200,000
Directors' fees and expenses	487,941	475,506
Professional fees	183,146	207,484
Other expenses	51,481	281,054
Total	**886,768**	**1,164,044**

Auditor remuneration for the years ended December 31, 2022 and December 31, 2021 amounted to $180,042 and $177,787, 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, 2022 and December 31, 2021, amounted to $182,540 and $204,490, respectively.

Insurance cover, for certain Directors and executives of the Company, in respect to their potential liability towards the enterprise and third parties as of December 31, 2022 and 2021 amounted to $164,200 and $200,000, respectively.

6. Transactions and Balances with Related Parties

Current accounts due from related parties are analyzed as follows:

AS OF DECEMBER 31,	2022	2021
Amounts due from FRPEs	48,000	418,000
Amounts due from vessel-owning subsidiaries	25,842,963	23,189,391
Amounts due from OET Chartering Inc.	3,075,138	—
Total	**28,966,101**	**23,607,391**

Current accounts due from FRPEs - Family Related Party Entities principally non-eco vessel owning companies privately owned by the Alafouzos family amounting to $48,000 as at December 31, 2022 (2021: $418,000), represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from subsidiaries companies, amounting to $25,842,963 and $23,189,391 as at December 31, 2022 and 2021, respectively, represent amounts provided to vessel owning companies for working capital purposes.

Current accounts due from OET Chartering Inc., amounting to $3,075,138 as at December 31, 2022 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,	2022	2021
Amounts due to vessel-owning subsidiaries	8,877,277	2,445,490
Amounts due to OET Chartering Inc.	—	924,862
Amounts payable to Board of Directors members	—	698,153
Total	**8,877,277**	**4,068,505**

Current accounts due to vessel-owning subsidiaries amounting to $8,877,277 and $2,445,490 as at December 31, 2022 and 2021, 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 as at December 31, 2021, 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, 2022 and 2021 amounted to $450,000 and $418,900, respectively. In addition, each director is entitled to a reimbursement for travelling and other minor out-of-pocket expenses. Furthermore, the Company provided compensation to a member of its key management personnel, pursuant to a remuneration agreement. For the years ended December 31, 2022 and 2021, such remuneration amounted to nil and $450,000, respectively. There was no amount payable related to this remuneration as of December 31, 2022 and 2021.

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 DNB Bank ASA ("DNB), DNB 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 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 4, 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.

In January 2022, the Company purchased 20,000 of its own shares at the price of NOK 69.69 per share.

Also in January 2022, the Company purchased 102,573 of its own shares at the price of NOK 71.25 per share.

In September 2022, the Company distributed an amount of approximately $9.8 million or $0.30 per share via a return of paid-in-capital.

In December2022, the Company distributed an amount of approximately $9.8 million or $0.30 per share via a return of paid-in-capital.

As of December 31, 2022, the Company had 32,194,108 shares outstanding (net of 695,892 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, 2022 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
August 30, 2019	Share buy-back	—	—	32,739,851	0.001
March 9, 2020	Share buy-back	—	—	32,625,917	0.001
April 6, 2020	Share buy-back	—	—	32,375,917	0.001
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
January 24, 2022	Share buy-back	—	—	32,296,681	0.001
January 26, 2022	Share buy-back	—	—	32,194,108	0.001

8. Financial Risk Management

The Company's principal financial instruments comprise long-term borrowings, forward freight agreements, cash and cash equivalents and restricted cash. The main purpose of these financial instruments is to finance the Company's operations as well as mitigate its exposure to market and interest rate fluctuations. The Company 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 Company's financial instruments are credit risk, foreign currency risk, interest rate risk, liquidity risk and market risk. The Company's policies for addressing these risks are set out below:

- *Credit risk*
  The Company 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 Company's exposure to bad debts is not significant.

  With respect to the credit risk arising from the Company's cash and cash equivalents and restricted cash, 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 risks by dealing only with high credit quality financial institutions.

- *Foreign currency risk*
  The Company'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 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 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.

  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, 2022 by $10,322 (2021: $ 29,229) 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.

- *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 2022, 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 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, 2022 of 0.10%, plus the margin applicable to the Company's loan at the end of the year presented.

DECEMBER 31, 2022	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	5+ YEARS	TOTAL
Trade payables	—	—	30,365	—	—	—	30,365
Current accounts due to related parties	—	—	—	8,877,277	—	—	8,877,277
Variable interest loan (principal and interest)	6.40%	5,501	354,751	1,080,758	354,767	—	1,795,777
Total		**5,501**	**385,116**	**9,958,035**	**354,767**	**—**	**10,703,419**

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, 2022 (inclusive of accrued interest) of $34,729,699.
- Arethusa Shipping Corp.: loan agreement with BNP Paribas dated January 24, 2019 with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $49,150,778.
- Omega One Marine Corp.: lease agreement with Ocean Yield Malta Limited dated January 29, 2019, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $38,047,124.
- Moonsprite Shipping Corp.: loan agreement with Credit Agricole dated February 27, 2019 with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $48,790,190.
- Omega Five Marine Corp.: loan agreement with OCY Knight 1 Limited dated May 3, 2019, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $58,878,763.
- Omega Seven Marine Corp.: loan agreement with OCY Knight 2 Limited dated June 10, 2019, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $59,425,570.

- Omega Four Marine Corp.: loan agreement with BNP Paribas dated July 7, 2020, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $34,299,581.
- Omega Three Marine Corp.: loan agreement with ABN Amro dated July 8, 2020, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $36,424,905.
- Omega Six Marine Corp.: loan agreement with KEXIM dated September 9, 2020 with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $44,080,322.
- Omega Ten Marine Corp.: loan agreement with KEXIM dated September 9, 2020 with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $44,030,762.
- Anassa Navigation S.A.: loan agreement with National Bank of Greece dated May 23, 2022 with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $61,335,000.
- Nellmare Marine Ltd: loan agreement with National Bank of Greece dated May 23, 2022, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $61,335,000.
- Ark Marine S.A.: loan agreement with Sea 289 Leasing Co. Limited dated March 31, 2022, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $70,021,875.
- Theta Navigation Ltd: loan agreement with Sea 290 Leasing Co. Limited dated June 3, 2022, with an outstanding balance as of December 31, 2022 (inclusive of accrued interest) of $71,343,508.

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, 2022 and 2021, are presented below:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
Earnings per share from continuing operations	0.03	0.07
Total Earnings per share, basic and diluted	**0.03**	**0.07**

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,	2022	2021
Profit for the year	835,168	2,427,433
Weighted average number of shares outstanding in the year	32,202,394	32,372,393
Earnings per share, basic and diluted	**0.03**	**0.07**

During the year ended December 31, 2022 and 2021, 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,	2022	2021
Interest expense	92,962	117,461
Other finance costs	232,546	209,649
Amortization of financing fees	6,942	21,905
Total	**332,450**	**349,015**

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, 2022, 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	343,764	1,374,996
Loan financing fees	(1,617)	(6,942)
Total	**342,147**	**1,368,054**

The future annual loan repayments are as follows:

FOR THE YEAR ENDED DECEMBER 31,	2022	2021
No later than 1 year	1,374,996	1,374,996
Later than 1 year and no later than 5 years	343,764	1,718,760
Total	**1,718,760**	**3,093,756**
Less: Amounts due for settlement within 12 months	(1,374,996)	(1,374,996)
Long-term borrowings, net of current portion	**343,764**	**1,718,760**

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

On March 17, 2023, the Company distributed an amount of $1.25 per share, totaling $40.2 million as a return of capital to its shareholders.

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