Euronav NV
De Gerlachekaai 20, 2000 Antwerp (Belgium)
Enterprise number: 0860.402.767
RPR Antwerp (division Antwerp)

("Euronav" or the "Company")

ADVICE OF THE COMMITTEE OF INDEPENDENT MEMBERS OF THE SUPERVISORY BOARD IN ACCORDANCE WITH ARTICLE 7:116 OF THE COMPANIES AND ASSOCIATIONS CODE

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1 Introduction

1.1 Background

The Company intends to sell two of its Suezmax vessels, named "Statia" and "Sapphira" (the "**Vessels**") to Bocimar International NV (the "**Transaction**").

Bocimar International NV is a Belgian company limited by shares having its registered office at De Gerlachekaai 20, 2000 Antwerp and with enterprise number 0468.590.271 ("**Bocimar**"). It is a fully-owned subsidiary of Belgische Scheepvaartmaatschappij - Compagnie Maritime Belge NV, a Belgian company limited by shares having its registered office at De Gerlachekaai 20, 2000 Antwerp and with enterprise number 0404.535.431 ("**CMB**").

In connection with the Transaction, the Company and Bocimar will enter into individual memoranda of agreement setting out the terms and conditions for the sale of each of the Vessels (the "**MOAs**"). To facilitate the smooth delivery of the Sapphira, a short-term time charter party will be entered into between the Company and Bocimar (the “**Time Charter Party**”).

As at 15 April 2024, CMB owns 80.51% of the shares in Euronav (representing 91.21% of the voting rights). Euronav holds 11.73% of its shares in treasury. Therefore, CMB controls the Company. Similarly, CMB controls Bocimar. Bocimar is therefore a related party of Euronav.

On 9 September 2024, the possibility of the Transaction was presented to the management board of the Company after multiple discussions over the summer between CMB and the Company. As Bocimar is the counterparty to the Transaction, the management board referred the decision in relation to the Transaction to the Company’s supervisory board in accordance with Article 7:117, §2 of the Companies and Associations Code ("**BCAC**").

On 12 September 2024, the members of the supervisory board of the Company requested the committee of independent members of the supervisory board to issue a written reasoned advice in accordance with Article 7:116 of the BCAC in connection with the proposed Transaction.

1.2 Legal framework

The procedure provided for in Article 7:116 BCAC applies to any decision or transaction made in execution of a decision of the supervisory board of a listed company relating to a related party.

Article 7:116 BCAC provides that the supervisory board of a listed company must subject decisions and transactions relating to a related party within the meaning of the International Accounting Standards ("**IAS**") to the prior review by a committee of three independent members of the supervisory board.

Bocimar, the counterparty to the Transaction, is a related party of the Company within the meaning of IAS 24. The Transaction is therefore subject to this procedure.

As part of this procedure, a committee composed of three independent members of the supervisory board must issue a prior written reasoned advice to the supervisory board, covering at least the following elements:

(i) the nature of the decision or transaction;

(ii) a description and estimation of the financial consequences;

(iii) a description of any other consequences; and

(iv) the advantages and disadvantages for the Company, as the case may be over time.

In this regard, the committee must frame the proposed decision or transaction within the Company's policy, and indicate whether, if it causes disadvantages to the Company, it is offset by other elements in that policy, or is manifestly unlawful.

While the Time Charter Party qualifies for an exception of transactions customary for the Company, conducted under market-standard conditions and securities, it is nevertheless discussed in this advice due to its connection with the Transaction.

1.3 Composition of the committee of independent members of the supervisory board

The committee of independent members of the supervisory board (the "**Committee**") is composed of Julie De Nul, Catharina Scheers and Patrick Molis. They confirm to the extent necessary that they are independent within the meaning of Article 7:106 juncto Article 7:87 of the BCAC.

1.4 Experts

The Committee can, at its choice but at the expense of the Company, be assisted by one or more experts.

The Committee has requested Linklaters LLP to assist as legal expert with legal advice to the Committee and with the review of the contractual terms of the agreements contemplated to be entered into by the Company.

1.5 Basis for this advice

This advice has been issued on the basis of the following documents:

- the MOAs;
- the Time Charter Party;

- the valuation certificate of Braemar Valuations Limited dated 12 September 2024, ordered by the Company;
- the online valuation of VesselsValue dated 12 September 2024, ordered by Bocimar; and
- the valuation certificate of Arrow Valuations dated 12 September 2024, ordered by the Committee.

1.6 Meetings of the Committee

The independent members of the supervisory board were informed about the preparation of a potential Transaction by e-mail on 12 September 2024.

On 16 September 2024, the Committee has convened by videoconference to discuss the Transaction.

This written and reasoned advice of the Committee is addressed to the Company's supervisory board, which will resolve on the Transaction.

2 Description of the proposed Transaction

2.1 General background and description of the proposed Transaction

The Company intends to sell the Vessels to Bocimar, in accordance with the terms and conditions of the respective MOAs. In addition, a short-term Time Charter Party will be entered into between the parties.

The two Vessels are Suezmax tankers built in Japan (by Universal Shipbuilding Corp. Tsu Shipyard). They are sailing under Liberian flag. The Statia was built in 2006 and the Sapphira was built in 2008. The age of the Vessels is thus 18 years and 16 years, respectively. As at 30 June 2024, the average age of the current fleet of the Company is 4.75 years.

In terms of sustainability profile, the Vessels are not fitted with dual fuel engines. The Statia has an annual efficiency ratio of 2.9 gCO_2 per DWT mile and the Sapphira has an annual efficiency ratio of 3.17g CO_2 per DWT mile. As at 1 September 2024, the total annual efficiency ratio of the current fleet of the Company is 2.49 gCO_2 per DWT mile.

2.2 Financial aspects of the Transaction

Pursuant to the Transaction, the Company will sell the Vessels to Bocimar. The Vessels have been valued by two independent shipbrokers. Whereas Euronav appointed Braemar, Bocimar appointed VesselsValue. Each of these shipbrokers is internationally recognized for their vessel valuation services in the crude oil tanker sector of the shipping industry.

Braemar Valuations Limited issued a valuation certificate on 12 September 2024, and an online valuation exercise was conducted on VesselsValue on 12 September 2024. The results are as follows:

Shipbroker	FMV Statia as at 12 September 2024	FMV Sapphira as at 12 September 2024	Total FMV as at 12 September 2024
Braemar	USD 41,250,000	USD 45,500,000	USD 86,750,000
VesselsValue	USD 39,180,000	USD 44,700,000	USD 83,880,000

As is common in the shipping industry, these valuations are "desk appraisals" and not based on actual inspection of the Vessels. These valuations are based on a number of factors, including an examination of information available in public databases regarding each Vessel, precedential purchase and sale transactions as well as general analysis of resale market conditions.

The purchase price for the Vessels, as agreed between the Company and Bocimar, is based on the highest of the combined fair market valuations of the Vessels issued by these two independent, reputable shipbrokers.

Therefore, the aggregate purchase price amounts to USD 86,750,000 for the two Vessels in total and will be allocated as follows: USD 41,250,000 for the Statia and USD 45,500,000 for the Sapphira.

By way of benchmark, the Committee has obtained asset valuations from another shipbroker, namely Arrow Valuations. Arrow's valuation amounts to USD 39,000,000 for Statia and USD 46,000,000 for Sapphira, totaling USD 85,000,000. Therefore, the combined purchase price of the two Vessels is in line with the valuation of the other two shipbrokers. This confirms that the aggregate purchase price reflects the fair market value of the Vessels, as independently verified by three different reputable shipbrokers.

2.3 Description of the main terms of the proposed MOAs

The terms and conditions of the Transaction are set out in the MOAs for each of the Vessels individually.

The MOAs are based on the "Saleform 1993". This is a widely used and internationally recognised standard agreement issued by the Norwegian Shipbrokers' Association for the sale and purchase of ships. Although the 2012 salesform is used more frequently nowadays, the 1993 version is a concise model with no difference in the balance of rights and obligations of the parties. In line with industry wide market practice, the Company regularly uses these "Bimco"-templates for the acquisition and sale of vessels.

The main terms of the proposed Transaction, as set out in the respective MOAs, can be summarized as follows:

- **Purchase price**: The proposed purchase price amounts to USD 41,250,000 for the Statia and USD 45,500,000 for the Sapphira. The purchase prices are based on the highest of the fair market valuations of the Vessels issued by independent shipbrokers Braemar Valuations Limited and VesselsValue. No deposit is requested from the buyer as security for the fulfilment of the MOA as the Vessels will be delivered upon sale. There is no cancellation option (other than non-delivery of the Vessels).
- **Inspections**: Bocimar waives its right for inspection and has accepted the Vessels without drydocking or divers inspection.
- **Delivery**: The expected time of delivery shall occur as soon as practically possible upon the execution of the MOAs. Only should the Vessels become an actual, constructive or compromised total loss before delivery, the MOAs shall become null and void. In terms of place of delivery:
  - The Sapphira shall be delivered 'as is where is' safely afloat worldwide at the Company's option.

– The Statia (which is currently off charter) shall be delivered 'as is where is' safely afloat worldwide at Las Palmas or at sea in the most favourable position closer to the Vessel's main loading area (West Africa or US Gulf/Caribbean) for her next fixing.

Therefore, the Company will additionally receive from Bocimar a prorated ballast bonus for the Statia to compensate the Company for bringing the Statia to the delivery location (for a total amount of USD 242,597 in respect of time and bunkers at USD20,000/day for 8.625 days and USD14.5 MT/day for 7.625 days respectively (less 1 day consumption in view of bunkering at Las Palmas).

- **Spares / bunkers**: The Vessels shall be delivered to the buyers with everything belonging to her on board and on shore.

  For the Sapphira, the bunkers shall remain the property of the Company and shall not be included in the sale, but shall remain on board on and after the delivery date and until the completion of the Time Charter Party. Bocimar will then pay to the Company the cost of the bunkers remaining on board the Vessel at the end of the time charter period as per actual consumption.

  For the Statia, Bocimar shall take over the remaining bunkers, unused lubricating oils in storage tanks and sealed drums and pay the actual purchase price thereof.

- **Encumbrances**: Upon delivery of the Vessels the Company will ensure that the registration of the Vessels in the name of the Company and, on/before delivery, that the existing mortgages at the time of the transfer will be discharged.

- **Governing law and disputes**: The MOAs are subject to English law. Any dispute arising out of the MOAs shall be referred to arbitration in London in accordance with the Arbitration Act 1996.

2.4 Description of the main terms of the proposed Time Charter Party

To facilitate the smooth delivery of the Sapphira, contributing to a straightforward Transaction, an additional Time Charter Party will be entered into between the Company and Bocimar in respect of the Sapphira.

The Sapphira has a charter party which includes a change of ownership clause allowing the sale to occur at sea without prior consent of the charterer. Therefore, the sale of the Sapphira is not subject to any consent requirements by the chartering counterparty.

The current voyage of the Sapphira is expected to be completed around 5 October 2024. To facilitate the Transaction towards the chartering counterparty, Bocimar has agreed to time charter the Sapphira back to Euronav for a period of 10 to 15 days (equivalent to the remaining days under the existing charter party) on the basis of the "SHELLTIME 4" form. The charter hire is at a rate of USD 25,500 per day pro rata, which is equal to the Time Charter Equivalent of the current voyage. This arrangement will enable Euronav to maintain its relationship with the chartering counterparty and potentially avoid the need to re-issue existing charter party documents.

3 Advice of the Committee

3.1 General

Under Article 7:116 of the BCAC, the Committee is required to frame the Transaction within the strategy pursued by the Company, and indicate whether, if the Transaction is detrimental to the Company, it is offset by other elements in that strategy, or is manifestly unlawful.

3.2 Assessment of the Transaction in the light of the Company's policy

3.2.1 The Company's strategy

The Company's strategy is centered around the following main axes:

(i) Diversification of the fleet

Euronav wants to diversify its fleet into different shipping segments to decrease the dependence on the transportation of crude oil. This does not mean exiting the tanker business altogether, but gradually decreasing the share of revenues coming from pure crude oil transportation by adding different shipping asset types to the Euronav portfolio.

(ii) Decarbonization of the fleet

The Company wants to dedicate significant amounts of capital to the development of low-carbon engines, fuel supply systems and the production of low-carbon fuels.

(iii) Optimization of the fleet

Euronav wants to optimize its fleet by divesting over time the less efficient/older tankers and re-investing the proceeds in a more future-proof and diversified fleet, including newbuildings and/or modern second-hand vessels or technical upgrades (e.g. energy saving devices). Future-proof, in the Company's view, means efficient low-carbon emitting ships and/or ships powered by hydrogen and/or ships powered by ammonia. The Company wants to optimize the Company's large fleet of tankers to continue offering the best fleet to its customers.

In line with this strategy, Euronav has a large capex program for the construction of fuel-efficient dual fuel vessels. The Company's current ambition is to further modernize its fleet and consolidate in that market, while continuing to show leadership in innovation and sustainability. This entails having clear goals and steps to invest in new decarbonization technology and ESG.

3.2.2 The Committee's assessment

The Transaction fits into the Company's strategy of decarbonizing and optimizing its fleet. The Committee notes that the average age of the Vessels (17 years) is 12.25 years higher than the average age of the Company's entire fleet (4.75 years as at 30 June 2024) and that the Vessels' average annual efficiency ratio (3,035) is 0.545 higher than that of the Company's entire fleet (2,49 gCO_2 per DWT mile). Divesting such vessels is a strategic move for the future by which the Company will be able to re-invest part of the proceeds of the Transaction in a more future-proof and diversified fleet. By using the proceeds of the Transaction in this way, the Transaction is an effective recycling of the Company's capital towards a more optimized and future-proof fleet.

The management board has informed the Committee that the Company has attempted to sell some of its similar conventional crude oil tanker vessels on the market over the past few months in the period from May until August, in line with its strategy. However, the Company has not received satisfactory offers.

Prices for secondhand vessels are at a high point in the cycle, with very few buyers willing to pay the current fair market value. Unconfirmed indicative offers received from third parties varied between USD 35 million and 39 million for the Statia and the same discounts were expected for similar vessels to the Sapphira. All of these offers were lower than the price which Bocimar is willing to pay.

Bocimar has informed the Company that it is willing to pay the prices from the broker valuations for the Vessels. This is due to the Company's ability to guarantee a swift delivery of the Vessels. Furthermore, Bocimar is confident that the tanker market in the Suezmax segment could potentially increase rapidly in Q4 2024 and Q1 2025. The Company, for its part, does not wish to await such potential increase in the market to proceed with its strategy of recycling capital into decarbonized vessels.

In connection with the deadlock resolution agreement between reference shareholders announced on 9 October 2023, Euronav also appraised the Company's remaining fleet. At that time, Braemar valued the Statia and the Sapphira at an aggregate of USD 80,500,000 on 8 November 2023. The price that Bocimar is currently willing to pay for the Vessels (USD 86,750,000) exceeds last year's valuation, despite the Vessels having aged nearly one more year.

By selling the Vessels to Bocimar, the Company will also benefit from the fact that no commission needs to be paid to intermediaries, which typically amounts to 2% of the purchase price, thereby saving the Company USD 1,735,000.

The short-term Time Charter Party is relatively insignificant and primarily serves to neutralize any impact from the current positioning of the Sapphira upon delivery.

Furthermore, the sale of vessels under the commonly used "Saleform 1993" conditions generally requires the usage of several documents, the inclusion of conditions precedent and inspection and drydocking of the vessels. The Company obtained that the MOAs do not contain similar provisions, making sure the Company can sell the Vessels fast and against favorable conditions. Consequently, the Company only provides limited fundamental warranties relating to the absence of encumbrances.

Finally, the Transaction would be financially attractive for the Company, strengthening its cash position in view of the further execution of its long-term strategy.

In conclusion, the Committee is of the opinion that, rather than waiting for another willing and appropriate buyer, this Transaction enables the Company to sell the Vessels within a relatively short time frame, at a high point in the cycle, at a price reflecting their fair market value and higher than any bid obtained by an unrelated party. The conditions are favourable, and the counterparty is reliable and known to the Company. The Transaction effectively enables the Company to manage its portfolio of ships in line with its strategy.

3.3 Patrimonial consequences of the Transaction

3.3.1 Net profits and net proceeds

Based on the book value of the Vessels, the net profits of the Transaction amount to:

- **For Statia**: USD 30,847,520.22 (i.e. purchase price minus the book value of USD 10,722,730.37 as at 30 September 2024); and
- **For Sapphira**: USD 30,853,225.04 (i.e. purchase price minus the book value of USD 14,646,774.96 as at 30 September 2024).

Based on the outstanding financial debt of the Vessels, the net proceeds of the Transaction amount to:

- **For Statia**: USD 26,263,187.37 (i.e. purchase price minus the outstanding financial debt of USD 14,986,812.63 as at 30 September 2024); and
- **For Sapphira**: USD 28,411,378.28 (i.e. purchase price minus the outstanding financial debt of USD 17,088,621.72 as at 30 September 2024).

3.3.2 Use of proceeds

After fully repaying the outstanding financial debt of the Company related to the Vessels, the Company will use the net proceeds to fund the committed capital expenditure on its future proof newbuilt vessels. Alternatively, the funds may be used to finance the initial advances on newbuilt vessels that might be secured if future projects are confirmed. This occurs within the framework of the execution of the Company's strategy.

3.3.3 Time Charter Party

The Time Charter Party results in a short-term charter back at the actual Time Charter Equivalent for the Sapphira.

3.4 Other consequences of the Transaction

3.4.1 Commercial position

The sale of the Vessels to Bocimar will not negatively impact the Company's market profile. In connection with the acquisition by the Company of CMB.TECH, CMB has agreed to present certain commercial opportunities to Euronav first. This priority right pertains to any potential charters for a term exceeding three months for which both vessels owned by Euronav and vessels owned by CMB compete. This priority right letter given by CMB to Euronav on 8 February 2024 for 10 years will also apply to the crude oil tanker segment. Therefore, in the event of competition between the Euronav's remaining fleet and the Vessels sold to Bocimar, Euronav will benefit from the priority for commercial opportunities.

3.4.2 Impact on commercial relations

The Statia has been off charter. Additionally, the Sapphira's charter party contains a change of ownership clause. Considering the 'as is where is' delivery method and the intended short-term charter-back arrangement between the Company and Bocimar in respect of the Sapphira, the charter party will not experience any negative consequences of the transfer. Since no charter party needed to consent to the

Transaction and no third party is expected to feel any adverse effects from the Transaction, there is no anticipated negative impact on the commercial relations of the Company.

3.4.3 No resale arrangements

The Committee also discussed with Bocimar the possibility of establishing a profit-sharing arrangement in the event of a subsequent resale of the Vessels by Bocimar within a short to mid-term period. However, this proposal was ultimately not pursued. As a buyer, Bocimar assumes the risk associated with fluctuations in asset prices. Any profit-sharing agreement would necessarily require a concomitant provision for loss sharing. Furthermore, such arrangement would be incompatible with the objective of maintaining a straightforward deal at fair value. It is also unlikely that any unrelated party would agree to such terms.

3.4.4 Corporate governance safeguards

The Committee notes that the members of the executive management of CMB (as parent company of Bocimar) also form the management board of the Company. To ensure that any potential agency problem would not affect the Company's interest, the Committee has considered whether any appropriate governance safeguards needed to be established this time to manage the Company's rights vis-à-vis CMB. The Transaction is structured to be as straightforward as possible, using standard documentation but with provisions that are favourable to the Company and without any enduring rights or obligations beyond its completion. Given that the Company, as seller, has provided only very limited warranties and that payment for the Vessels is expected to occur on 26 September 2024, no specific issues have been identified that require additional protocols.

4 Conclusion

Having regard to the foregoing considerations, the Committee is of the view that the Transaction is not manifestly unlawful in nature and that it is unlikely that the Transaction would result in disadvantages to the Company that are not outweighed by benefits to the Company. The Committee therefore advises favourably on the Transaction.

Julie De Nul
Date: 24 September 2024

Catharina Scheers
Date: 24 September 2024

Patrick Molis
Date: 24 September 2024