



## SGM

**21 November 2023**

### **WRITTEN Q&A**

This document is the written record of the answers which Euronav NV (the "**Company**") provided on the written questions that it has received from shareholders prior the special general meeting of 21 November 2023 (the "**Q&A**").

The Q&A is structured by subject and indicates whether Euronav or, where relevant, a representative of CMB has answered the written questions. The questions and answers are presented in the language as asked.

#### **1 Questions received from shareholder 1**

##### **A. Market environment**

1. *VLCC rates have been going up and analysts assume the trend to continue, Euronav has been positive in their communication on market trend this year. (i) Does Euronav perceive it to persist? (ii) Last year Euronav communicated about an uptick in the market, and pricing was compared to previous cycles, how does Euronav perceive this take one year on? (iii) Euronav also highlighted the low supply of new vessels, which persists, what following effects do Euronav see following this?*

**Euronav:** (i) It is very difficult to predict the market due to contradictory signals on demand and the ongoing discussions within OPEC+ to reduce production even further. The only certainty is that vessel supply in 2024 and 2025 will be very low, which is positive. (ii) We believe that the trend has played out more or less as anticipated. Vessel supply will be extremely low over the next 12-18 months with only a handful of VLCC and Suezmax vessels due for delivery and the global fleet age is at 22 years high. The orderbook with regards to VLCC remains very low at 2% but with regards to Suezmax, it has ticked up to 8% from 2% earlier in 2023. However, deliveries should only have an impact as from H2 2025. (iii) The supply of ships in 2024 and 2025 should be very low, which is usually positive for the markets if demand for seaborne oil grows.

2. *What are Euronav's internal projections about the short-term development of the tanker market?*

**Euronav:** Based on fixed days in Q4 and broker assumptions, these are as follows: Q4 2023 VLCC spot \$40k per day and Suezmax \$41k per day; FY 2024 VLCC spot \$51k per day and Suezmax \$50k per day.

3. *Given that rates have strongly rallied since Oct 9 2023, what would the sale price of the 24 VLCC based on the current spot rates, reference made to the Kepler note of 10/16/2023 ("EURONAV (EURN BB) / FRONTLINE (FRO NO): Last week owner sentiment in the large tanker market turned sharply positive amid rising cargo demand with average rates for crude carriers rising 72% WOW to c. USD47,300 per day (source: Clarksons) which compares with CBE for FRO of USD27,500 post acquisition of 24 VLCC from EURN. Average spot rates for VLCC stood at c. USD49,100, up 113% WOW. The outlook is for further rate increases ahead")?*

**Euronav:** The difference between the agreed sale price of USD 2,350m and the valuation of VesselsValue of USD 2,315m as at 16 November 2023 is USD 28.15m. This reflects a difference of only 1.5%.

4. *Companies like Frontline have been on an upward moving trend and analysts are assuming the increasing tank rates to impact them positively, why isn't Euronav assessed the same way?*

**Euronav:** We can only speculate as to the reason, but one explanation could be that in the event of takeover bids, share prices tend to settle slightly below the announced bid price.

5. *Investors expect Frontline to benefit greatly from this transaction: wouldn't it be positive for Euronav to keep the vessels and get the upside? Why (not)?*

**Euronav:** As indicated, the fleet sale must be seen against the backdrop of the integrated solution to the structural and strategic deadlock within the Company. It cannot be evaluated in the same way as a standalone transaction. Nevertheless, the supervisory board deems the terms and conditions of the fleet sale to be fair. Only the future can tell whether there would be significant upside and how big that upside would be.

6. *Approximately one year ago, one Euronav share at 1.45x Frontline share implied a value of 20.63 USD, however today the proportion implies a share price over 30 USD: what is the explanation for such discrepancy?*

**Euronav:** The combination is off the table since Frontline's termination of the combination agreement in January 2023. What is on the table, is an integrated solution to the structural and strategic deadlock within the Company that has been agreed between its reference shareholders. Both events (including the general tanker markets) have impacted the share price in such a way that such a comparison does not make sense.

## **B. Strategy**

1. *What is Euronav's long term strategy with regard to VLCCs, and in general crude carrier DWT capacity?*

**CMB:** We refer to our view on the Company's future strategy announced publicly, which revolves around three axes: (i) diversification of the fleet, (ii) decarbonization of the fleet, and (iii) optimization of the existing fleet. This does not mean that CMB believes that the Company should exit the VLCC / general crude carrier DWT

capacity market altogether at all. If the transaction closes, CMB's view on the future strategy will be explained in more detail in the prospectus regarding the mandatory bid.

2. *After the fleet sale, at what capacity does Euronav plan to rebuild the fleet back ? To which DWT capacity?*

**CMB:** There is no set target of specific DWT capacity.

3. *Has an assessment been made from the viewpoint of the interests of Euronav, of the financial and operational advantages and disadvantages of keeping (a part of) the existing fleet versus rebuilding capacity?*

**CMB:** The fleet sale is an integral part of the solution to the strategic and structural deadlock within the Company. The continuation of the deadlock over a longer period of time would have resulted in significant value destruction for the Company.

4. *What timeframe will we look at in case you want to rebuild VLCC's capacity?*

**CMB:** There is no set target nor a timeframe for rebuilding capacity if that would be the case.

5. *If you are to convert to ammonia powered engines (hybrid or full) who is the proposed supplier?*

**CMB:** MAN and WinGD.

6. *Does Euronav plan or envisage CMB/CMB.TECH solutions on a Euronav "decarbonized" fleet? To which extent?*

**CMB:** As publicly announced, CMB is of the opinion that CMB/CMB.TECH's future-proof fleet, i.e. efficient low-carbon emitting ships and/or ships powered by hydrogen and/or ships powered by ammonia, could present an attractive opportunity for realizing the objectives of diversification and decarbonization of the fleet. However, this decision is not solely up to CMB but may be something that the supervisory board of the Company might want to look at after closing of the transaction.

7. *Was the vessel sale inevitable for the decarbonization strategy, in other words would there have been a disposal of vessels regardless of the deal with Frontline?*

**CMB:** The fleet sale forms an integral part of the solution to the structural and strategic deadlock. It was not possible to do one without the other.

8. *The vessel sale is going to give Euronav a high level of cash on hand, what is the intended use of the proceeds from the vessel sale?*

**CMB:** The intended use of proceeds of the vessel sale as well as the future strategy of the Company will have to be discussed within the supervisory board after closing of the transaction.

9. *The details of the actual transfer timeline, the pooling contract tie up, insurance contracts and how it will affect the internal scaling economics are not provided. Should one expect lay-offs and downscaling of inhouse operations following the Fleet Sale?*

**CMB:** The agreement with Frontline stipulates that the vessels are to be delivered within sixty days following closing of the transaction. The actual timeline will depend on a number of factors, such as the location of each individual vessel, its cargo and contract. No downscaling of operations is foreseen. The sold fleet will continue to be managed by Euronav Ship Management for a period of two years.

10. *What would the legal, financial, operational, commercial or other consequences be for Euronav, if the SGM would not approve the agreements?*

**CMB:** From a legal perspective, only the conditions precedent pursuant to which the agreements are subject to completion of the share sale need to be approved by the SGM. Such approval is a condition precedent to completion of both the share sale and the fleet sale. If the SGM does not approve the respective conditions, the share purchase will not be completed and the fleet sale and the settlement of the arbitration would not become effective. This means that the structural and strategic deadlock within the Company would continue to persist, which the supervisory board expects would lead to significant value destruction for the Company.

### **C. VLCC fleet sale**

1. *Which valuation method(s) were used in a view to determining the price of the fleet?*

**Euronav:** The price of the fleet has been determined by using the average of three independent broker valuations.

2. *Given the positive market conditions and expectations, has a valuation of the fleet considered as an activity branch, based on discounted future cash flows and similar methods, be done? What was the result?*

**Euronav:** No – Reference is made to the answer to question C.1.

3. *How is the fleet sale of tankers that have only a 5.3 year average age in line with CMB's strategy to "divesting less efficient/older tankers" in light of Euronav's average fleet age of 7-8 years (and the average of the remaining fleet being approx. 11 years)?*

**Euronav:** The fleet sale is necessary to solve the strategic and structural deadlock within the Company.

4. *The fleet sale is obviously a technically difficult asset assessment for non-insiders, simultaneously non-insiders have little insight into the important strategic value*

*this have for Euronav. Which experts were involved or consulted or relied upon in the negotiation, and who represented the negotiating parties?*

**Euronav:** Three different broker valuations have been used from leading broker companies, i.e. VesselsValue, Fearnleys and Arrow. In addition, the Company's committee of independent directors appointed its own broker to verify the valuations (Braemar). Financial advisors to CMB were KBC, Société Général and Credit Agricole. Financial advisor to Frontline was DNB. Financial Advisor to the Company was Lazard.

5. *Which were the exact three broker valuations that determined the purchase price of the vessels and the shares?*

**Euronav:** These are as follows: VesselsValue: USD 2,315m, Fearnleys: USD 2,286m and Arrow: USD 2,449m.

6. *CMB CEO Alexander Saverys was quoted on Dec 13, 2022, stating that the merger aimed at last year "should warrant a hefty takeover premium". This was one of the key reasons CMB expressed for wanting to end the Merger, yet almost one year on their appears to be no premium involved in what is in an operational sense an equivalent deal (the main differences being that the inhouse operations stay separate, the Euronav name remains and CMB remains in control). How does Euronav explain this discrepancy, and the current absence of a premium?*

**Euronav:** These are two fundamentally different deals. One was a business takeover, whereas the other one is an asset sale combined with the buy-out of the other reference shareholder, i.e. a purchase of shares of one shareholder by another, thereby solving the deadlock within the Company. The fleet sale is a prerequisite of solving the deadlock. The fact that the transaction is followed by a mandatory takeover bid grants the minority shareholders with a choice to either stay on-board or to sell at the same price as Frontline/Famatown. Shareholders that are not satisfied with the premium presented by the bid price are more than welcome to remain in the Company and not accept the bid. CMB made it clear already that the intention is not to force anyone out. To the contrary, CMB expressly renounced the right to launch a squeeze-out after completion of the mandatory takeover bid.

7. *The market trend should also give way to a premium, given the market conditions and expectations next year, especially considering utilization rates. (i) How has this uptick in the market been taken into consideration ? (ii) Has Euronav considered to postpone the sale of the vessels at a later stage as they still are generating cash flow, and at point where spot prices are higher?*

**Euronav:** It remains to be seen whether market conditions will indeed be better next year. (i) The fair market value as assessed by the brokers also takes into account the expected earnings for that particular vessel. As such, future expectations of the tanker market are inherently incorporated in the fair market value assessment. (ii) The prompt sale of the fleet constituted an integral part of the agreement on a solution for the strategic and structural deadlock. Whether spot prices will be higher in the future is always difficult to assess.

8. *Usually, one can only get a couple of vessels yearly, at least of this quality and ECO. Why in this case isn't the high ramp-up reflected by a premium with regard to NAV?*

**Euronav:** Historically, the Euronav share price has traded at a significant discount to its NAV. Selling 24 VLCCs on the basis of average broker valuations at an historical high point in the cycle is a very attractive deal in its own right.

9. *The Euronav earnings release mentions that two new VLCCs are on order. How is that new deal in line with the VLCC fleet sale to Frontline where Euronav is selling 24 VLCC to Frontline?*

**Euronav:** Both transactions are independent. The sale of the VLCCs to Frontline formed part of the agreement on a solution to the strategic and structural deadlock within the Company. That does not imply that the Company would necessarily exit the VLCC market altogether. The order of the two newbuilding VLCC's was made because they were attractively priced and have a high quality specification.

10. *What is the outline of the cost of the new deal versus the proceeds of the fleet sale?*

**Euronav:** The Company is selling at a high point in the cycle and will not be impoverished.

**CMB:** CMB will further communicate on how it would propose to the Company to use the proceeds when the deal closes.

#### **D. Sensitive information disclosure**

1. *Who has made the assessment, if any, of the sensitivity of the above information and the need to disclose it to the market, in a view to ensuring a level playing field with the insiders of the agreements?*

**Euronav:** The Company continuously monitors whether it possesses non-public price-sensitive information relating to it in accordance with its legal duties. This is done in the first instance by a disclosure committee consisting of certain members of the Management Board operating under the authority of the Supervisory Board, who has the ultimate responsibility. On that basis, the Company either decides to disclose inside information as soon as possible or delay the disclosure thereof in accordance with applicable law.

2. *Given the prolonged timeline from the merger break until the new settlement agreement, and also considering that there were such market rumors that the FSMA required the public announcement of the new agreement and a mandatory takeover bid, one has to assume that non-insider holders should know the details on how this transaction was initiated. Could the Board disclose (i) which parties and stakeholders were involved, (ii) which records of these negotiations were kept, and (iii) which constituted the precise timeliness of the announcement of the*

*transaction. Moreover, (iv) which additional steps were taken for speeding up the arbitration process?*

**Euronav:** The Company was not aware of the direction of any discussions between the reference shareholders until the summer of 2023. On 15 September 2023, the Company was informed of the advanced negotiations between CMB and Frontline with regard to the transaction. The Company decided to initiate the related parties transaction procedure, which was concluded on 8 October 2023. The contracts were signed the next morning. The Company understands that the offer documents to be prepared by CMB will include a detailed timeline of all material contacts.

## **E. Conflict of interest procedures**

1. *Could you please list and describe in detail (with dates of meetings and reports) which conflict of interest procedures pursuant to the Belgian Code of Companies and Associations, if any, have been followed in the framework of (i) the shareholder dispute, (ii) the negotiation of its settlement, (iii) the execution of the settlement agreement of 9 October 2023, (iv) the negotiation of the framework agreement, and (v) the execution of the framework agreement of 9 October 2023, both agreements (with their respective underlying agreements) appearing to be intertwined with the interests of the Company?*

**Euronav:** The Supervisory Board decided to launch arbitration proceedings against Frontline on 17 January 2023 (emergency) and then on 28 January (on the merits). Because Frontline was a related party at that moment, the procedure of article 7:116 BCCA was applied. At that moment, the Supervisory Board was composed solely of independent directors who were not involved in the related party transaction, so that the entire Supervisory Board constituted the required committee of independent directors.

In resolving on the Fleet Sale and the Settlement Agreement, the Supervisory Board applied the procedure for related party transactions in article 7:116 BCCA, as the decision related to Frontline, which is a related party to the Company. The procedure was initiated on 15 September and finalised on 8 October, when the Supervisory Board approved the transactions upon the written reasoned advice of the Committee of independent directors. The members of the supervisory board appointed upon nomination by Famatown and CMB, respectively, were either excused or abstained from the decision-making.

2. *The press release regarding the agreement states: "In its advice, the Committee stated that it is of the view that in light of the integrated long-term solution to the deadlock within Euronav, the Fleet Sale and the Settlement Agreement are not manifestly unlawful in nature and that it is unlikely that the Fleet Sale and the Settlement Agreement would result in disadvantages to Euronav that are not outweighed by benefits to Euronav." (i) Which were the steps followed, and on the basis of which reports or expert opinions, for the valuation of the fleet by the Independent Directors Committee, and the analysis of benefits versus*

*disadvantages for Euronav of the Fleet Sale, Share Purchase and Settlement agreements?*

**Euronav:** As set out in the written reasoned advice of the Committee, the 24 vessels to be sold to Frontline have been valued on the basis of an average of 3 broker valuations, i.e. by Arrow, VesselsValue and Fearnleys. This amounted to an aggregate price of USD 2,350,013,335 for the 24 vessels, which would be paid in cash. By way of benchmark, the Committee obtained additional independent asset valuations from shipbroker Braemar. The valuations of Braemar were in line with the average of the 3 brokers, indicating that the price is reasonable.

The Committee took note of an explanation and analysis by the Committee's financial adviser, Lazard, regarding the financial terms of the Fleet Sale. The purchase price for the Fleet Sale falls within the valuation range. The analysis furthermore considered the Price/NAV ratios of selected precedent transactions, concluding on an average Price/NAV ratio of 0.9x and a median of 1.0x, which is in line with the ratio applied for the Fleet Sale.

The Company is not a party to the Share Purchase Agreement between CMB and Frontline, so this agreement was not subject to a decision by the Supervisory Board or an advice by the Committee.

For the remainder of your question, we refer to our other answers in relation to the Settlement Agreement.

3. *Has the Auditor of the Company been consulted or otherwise involved in the process before the Independent Directors Committee (e.g. by vetting preparatory documents or information)?*

**Euronav:** Yes, in accordance with the procedure of article 7:116 BCCA, Euronav's statutory auditor was consulted. The auditor concluded as follows: *"Based on our assessment, nothing has come to our attention that makes us to believe that the financial and accounting data referred to in the opinion of the committee of independent members of the supervisory board dated 8 October 2023 or in the minutes of supervisory board dated 8 October 2023, motivating the proposed transaction, are not consistent in all material respects with the information available to us in the context of our assignment."*

4. *In the endorsement of the transaction the Independent Directors Committee deemed the deal "not unlawful in nature". (i) Which was the extent of the legality assessment by the Committee? (ii) What is the legal background and/or education of the members of the Committee? (iii) Does that statement mean that the Independent Directors Committee only would have refused to endorse the deal if it was unlawful?*

**Euronav:** In accordance with the task assigned to it by article 7:116 BCCA, the Committee was asked to give a written reasoned advice on the Fleet Sale and the Settlement Agreement to the Supervisory Board, covering at least the following elements: (i) the nature of the decision or operation; (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 is required to 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.

The written reasoned advice of the Committee, which is available on the Company's website, concluded that in light of the integrated solution to the deadlock within the Company, the Fleet Sale and the Settlement are not manifestly unlawful in nature and that it is unlikely that the Fleet Sale and the Settlement would result in disadvantages to the Company that are not outweighed by benefits to the Company.

The biographies of the members of the Committee with the necessary background can be found on the Company's website. The Committee members were assisted by Lazard as financial expert and Linklaters LLP as legal expert.

In accordance with Belgian company law, the Committee itself merely provides a written reasoned advice, where it must assess the relevant transaction in accordance with the principles mentioned above. It is the Supervisory Board which ultimately resolves on the transaction. The Supervisory Board takes its decisions on the basis of the interests of the Company.

5. *In the endorsement of the transaction the Independent Directors Committee stated that "it is unlikely that the Fleet Sale and the Settlement Agreement would result in disadvantages to Euronav that are not outweighed by benefits to Euronav". This clearly states that there exist disadvantages to the settlement and the fleet sale: what is the financial impact of respectively (i) the disadvantages and (ii) the benefits stemming from each?*

**Euronav:** The legal assignment of the Committee is to indicate whether any disadvantages to the Company are offset by other elements and benefits. It was impossible to quantify all of these. In the balancing thereof, the Committee has concluded that the benefits of the Fleet Sale and the Settlement Agreement, in particular in view of resolving the deadlock, likely outweigh any disadvantages to the Company.

6. *The Company states the following in its announcement pursuant to Article 7:116, §4/1 BCCA on 9 Oct, 2023 "The Committee is of the opinion that the potential receipt of one-time compensatory damages would not outweigh the potential value destruction to the Company caused by the continuation of the governance deadlock over a longer period of time." (i) How much were the potential one time compensatory damages referred to in this public statement? (ii) How and (iii) to how much has the value destruction for the Company caused by the continuation of the governance deadlock been assessed?*

**Euronav:** It is inherently uncertain how an arbitral tribunal would calculate the amount of damages in this complex case of a business combination and if and how much damages the arbitral tribunal would have awarded to the Company.

The Committee is of the opinion that the potential receipt of one-time compensatory damages would not outweigh the benefit of resolving the deadlock and avoiding potential value destruction to the Company caused by the continuation of the

governance deadlock over a longer period of time. We also reiterate that the settlement is an integral part of the solution to the deadlock.

7. *One year ago Euronav holders expected to exchange their shares into Frontline shares for the equivalent value of 20.6 USD (1.45x), and today the equivalent exchange would constitute more than 30 USD per share. The strategy of Frontline has clearly been beneficial over the last year, but when looking at Euronav the pricing has moved in the opposite direction. So the deal break had a clear negative impact on Euronav and its expectations, and it constituted an important factor in a strategy change, towards a decarbonization only promoted by a holder of less than 30% of the shares. This strategy change has now been talked about since CMB's ramp up of holdings in December 2022, however any concrete plan and guidance remains to be disclosed. It is thus hard for any non-insider to assess the benefit of settling the arbitration without any monetary compensation: the arbitration necessarily must have had a monetary value as it was filed. Moreover, it is hard for a non-insider to assess the benefit of disposing capacity of the equivalent of over 7 million DWT, especially when assessing the positive impact from the market for Frontline, the acquiror of the vessels.*

**Euronav:** It is impossible to say what an arbitral tribunal would have judged. The proceedings were at an early stage and these could take a very long time. Moreover, performance in kind was claimed in principal order, such that a fully quantified claim for damages had not yet been made.

8. *When the Independent Director Committee assessed the deal and made the final statements they must have been provided with specific information. Which set of documents and information (with name, author, date) were taken into consideration by the Committee?*

**Euronav:** As detailed in the written reasoned advice of the Committee, the Committee has been provided with various turns of the draft version of the relevant agreements. The Committee has discussed these during various meetings. It was also presented with a financial analysis of the terms of the relevant agreements by Lazard and a legal analysis of the contractual terms of the relevant agreements by Linklaters.

9. *The Chairman of the Board, Grace Reksten Skaugen, is the only board member not elected in 2023, and was also part of the board during the merger plans last year and part of the independent directors committee assessing the three part transaction. The Chairman has earlier hinted at "discussions" behind the scenes between shareholders, i.a. in article in TradeWinds, April 13 2023. Could the Chairman elaborate on the kind of discussions it were, what was discussed and the reason for the start of these discussions?*

**CMB:** Obviously this deal would not have materialized without discussions and negotiations. In line with applicable law, the offer documentation will include a timeline of the material contacts between the relevant parties.

10. *Given that the Chairman is the only remaining board member from before March 2023 he needs to provide clarity on the arbitration process. (i) Which was the board's information when the arbitration proceedings were initiated? (ii) Which were the alleged and/or real reasons for Frontline to terminate the merger, within or outside the merger agreement? Given that there is a settlement one can expect that there was a breach of the merger agreement. (iii) How does the board explain that a claim which is now inherently accepted to be of monetary value and to be in breach of the merger agreement, is settled for zero compensation?*

**Euronav:** The Supervisory Board decided to initiate the arbitration proceedings in January 2023 after a review of its rights and advice from external legal counsel of the Company.

The Committee and the Supervisory Board believe that, even if the arbitral tribunal would have awarded compensatory damages, which is inherently uncertain, that the potential receipt of such one-time compensatory damages would not outweigh the benefit of resolving the deadlock and avoiding potential value destruction to the Company caused by the continuation of the governance deadlock over a longer period of time.

11. *When the merger plans were announced, it was stated that there was at least 60 million in synergies – only the announced ones. This would at a conservative WACC assumption constitute a NPV of 750m EUR. (i) How was this monetary value reflected in the claim filed in the arbitration proceedings? (ii) How is this monetary value reflected in the Settlement Agreement? (iii) How does this entail that the loss for shareholders of this NPV value was outweighed by the positive benefits of settling such an agreement? (iv) I.e. can one expect that there are positive values unlocked by settling the arbitration of more than 1.9 – 2 EUR per Euronav share (given diluted share count of a theoretical merged entity)?*

**Euronav:** As set out in the written reasoned advice of the Committee, it is inherently uncertain how an arbitral tribunal would calculate the amount of damages in this complex case of a business combination and if and how much damages the arbitral tribunal would have awarded to the Company.

The settlement of the arbitration proceedings was presented as an integral part of the proposed solution to the deadlock.

A continued deadlock within the Company would destroy significant amounts of shareholder value. Therefore, the Committee and the Supervisory Board believe that even if the arbitral tribunal would award compensatory damages, the potential receipt of such one-time compensatory damages would not outweigh the benefit of resolving the deadlock and avoiding potential value destruction to the Company caused by the continuation of the governance deadlock over a longer period of time.

12. *How was the mandatory offer \$18.43 calculated and negotiated? Who participated in the negotiation on the Euronav side and how was it made sure that the interest*

*of all Euronav shareholders (and not only the interest of Frontline and CMB) were represented?*

**CMB:** Through the mandatory bid, shareholders are offered the same price as Frontline and Famatown receives from CMB for its shares. This price was negotiated between the parties to this share deal, i.e. CMB as buyer and Frontline / Famatown as sellers. The valuation method that formed the basis of the discussions was NAV, as customary for companies such as the Company. The offer documents will include a detailed explanation of the justification of the bid price.

## **2 Questions received from shareholder 2**

1. *Euronav heeft een groot aantal aandelen in bezit (aangekocht in 2020?). Wat zijn de toekomstplannen hiervoor? Vernietigen (waardevermeerdering), terug op de markt (waardevermindering) of ruil bij acquisitie?*

**Euronav:** De toekomstige plannen voor deze aandelen zullen besproken worden in de Raad van Toezicht in het licht van de verwachte, nieuwe strategie van Euronav. Indien hier meer duidelijkheid over is, zullen we hier over communiceren.

2. *Nu de stijging van het aandeel en deelname in de winst tijdelijk op 'on hold' is gezet, welke vooruitzichten hebben de 'kleine' aandeelhouders op korte – en middellange termijn?*

**CMB:** Het feit dat dividenden tijdelijk 'on hold' zijn gezet zolang de transactie voorwaardelijk is, is een element van de transactie. Als de transactie plaatsvindt, kunnen dividenden opnieuw uitgekeerd worden. We verwachten dan ook dat hier binnenkort over gecommuniceerd zal worden.

## **3 Questions received from shareholder 3**

*Het OBA zal de aandeelhouders de keuze bieden tussen onmiddellijk te verkopen aan een prijs die de intrinsieke waarde weerspiegelt of aandeelhouder te blijven en te wachten op uitkeringen. (i) Hoeveel bedraagt de intrinsieke waarde? Houdt die rekening met de belasting op uitkeringen inzonderheid gelet op de gunstige situatie qua uitkeerbaar kapitaal en emissie premies? (ii) Er wordt verwacht dat CMB vlug zal trachten uitkeringen te bekomen. CMB kan die onder een gunstig fiscaal regime verkrijgen (cfr EXMAR), de gewone aandeelhouder niet. Welk bedrag kan EURONAV in de nabije toekomst belastingvrij uitkeren?*

**Euronav:** We kunnen u op vandaag geen concrete antwoorden geven op uw vragen omdat deze dienen beantwoord te worden door de Raad van Toezicht die over verschillende mogelijkheden beschikt. Zo kan de aandeelhouder op korte termijn na de aandelenverkoop vergoed worden via uitgiftepremie en/of overgedragen winsten. Verder zal de aandeelhouder de mogelijkheid krijgen om in Euronav te blijven op basis van de strategie die toegelicht werd door CMB (diversificatie, decarbonisatie en vlootverjonging) of 18,43 USD per aandeel ontvangen vermindert op een dollar-voor-dollarbasis met het bruto bedrag per aandeel van enige uitkering (cfr uitgiftepremie of overgedragen winsten) die reeds zou plaatsgevonden hebben. Een eerste belangrijke stap is de bijzondere algemene

vergadering die de transactie zal beoordelen op 21 november 2023. Bij goedkeuring volgt de aandelentransactie waarbij CMB over 53% van de aandelen zal beschikken, die aanleiding geeft tot een openbaar overnamebod. CMB zal gehouden zijn een prospectus voor te bereiden dat publiek dient gemaakt te worden en die u zal toelaten om een gefundeerde beslissing te nemen.

#### 4 Questions received from shareholder 4

1. *Ammonia is not an innocuous gas. What impact does it have on the long term outlook of insurance cost? Many ports are equipped for ammonia storage, but will every port allow ammonia powered vessels?*

**CMB:** The impact on the insurance cost cannot be assessed yet because the first vessels will only be delivered in 2025-2026. On the second part of the question, it is impossible to say whether every port will accept ammonia-powered ships, but ports that have ammonia factories/terminals should normally accept these ships as they carry much less ammonia than vessels carrying ammonia as a cargo.

2. *Without fuel cell technology, the NOx produced by ammonia combustion are powerful GHGs. Is the green technology far away from being efficient? How do the uncertainties about the future of the technology impact the volatility of the company, and its WACC?*

**CMB:** NOx are not GHG. This question hints to N2O, nitrous oxide. NOx are taken out of the exhaust through SCR (AdBlue). Initial tests show that the N2O produced is very low. If the amounts would exceed a certain threshold, N2O can be removed through other technologies.

With regards to the impact on WACC, it is impossible to predict this, but if anything, it can be expected that the WACC of green companies will be lower than of pure play fossil fuel companies.

3. *What are today's average and marginal costs of ammonia production at CMB.TECH? What are the GHG impacts of producing ammonia?*

**CMB:** We do not produce ammonia yet. Break-even production cost of the first green ammonia projects are said to be between 800 and 1.200 USD per tonne.

4. *The valuation of assets is usually split in two : High range and low range. Was the deal with Frontline High range or low range?*

**CMB:** The deal with Frontline was an average of three broker valuations, so mid-range.

5. *The deal with Frontline creates a huge amount of cash. Do you intend to use it for share buyback or to make a deal with CMB?*

**CMB:** If the transaction is completed, the Supervisory Board will decide about the use of the proceeds. CMB is of the opinion that CMB/CMB.TECH's future-proof fleet, i.e. efficient low-carbon emitting ships and/or ships powered by hydrogen and/or ships powered by ammonia, could present an attractive opportunity for realizing

the objectives of diversification and decarbonization of the fleet. However, this decision is not solely up to us but may be something that the Supervisory Board might want to take a look at after closing of the transaction.

6. *If there were a deal with CMB, what would be the mechanisms to solve the conflict of interest? What process would guarantee that the acquisition would follow the same principles as the deal with Frontline ? Independent experts? Identical methodology ? Will the valuation reports be public and the comparison possible. As with the deal with Frontline, would there be no premium although the fleet is already active, and big enough to provide a pricing power?*

**CMB:** Any transaction between the Company and its reference shareholders, including CMB, would have to comply with applicable legislation. If the conditions thereto are fulfilled, this could include the related party transactions procedure as set out in Article 7:116 of the Belgian Code of companies and associations, which was also followed in view of the aforementioned transactions between the Company and Frontline.

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