



## **Statutory auditor's report to the general meeting of Euronav NV on the annual accounts as of and for the year ended December 31, 2019**

### **FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN DUTCH**

In the context of the statutory audit of the annual accounts of Euronav NV ("the Company"), we provide you with our statutory auditor's report. This includes our report on the annual accounts for the year ended December 31, 2019, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of May 11, 2017, in accordance with the proposal of the supervisory board issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended December 31, 2019. We have performed the statutory audit of the annual accounts of Euronav NV for 16 consecutive financial years.

### **Report on the annual accounts**

#### ***Unqualified opinion***

We have audited the annual accounts of the Company as of and for the year ended December 31, 2019, prepared in accordance with the financial reporting framework applicable in Belgium. These annual accounts comprise the balance sheet as at December 31, 2019, the income statement for the year then ended and notes. The balance sheet total amounts to USD 3.885.894.668,00 and the income statement shows a profit for the year of USD 226.113.646,06.

In our opinion, the annual accounts give a true and fair view of the Company's equity and financial position as at December 31, 2019 and of its financial performance for the year then ended in accordance with the financial reporting framework applicable in Belgium.

#### ***Basis for our unqualified opinion***

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the annual accounts" section of our report. We have complied with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the independence requirements.

We have obtained from the supervisory board and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### ***Emphasis of matter – subsequent events – COVID-19***

We draw attention to Note 6.14 of the annual accounts, which describes the possible effects of the COVID-19 crisis on the operations and financial situation of the Company as well as the measures taken by the Company.

Our opinion is not modified in respect of this matter.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Assessment of impairment indicators for vessels*

As of December 31, 2019 the net carrying value of vessels was \$3.0 billion, representing 76% of the Company's total assets.

The Company assessed whether, as a result of technical obsolescence or due to changes in economic or technological circumstances, the carrying value of the fleet of vessels exceeded its value-in-use for the Company at December 31, 2019 and consequently, whether an additional or non-recurring depreciation was required at December 31, 2019.

We identified the assessment of impairment indicators of vessels as a key audit matter. The Company's evaluation of the existence of impairment indicators considers both internal and external data, such as vessel and crude oil supply and demand trends, and changes in the extent and manner in which vessels are expected to be used. The assessment of the impact of these indicators on each vessel requires a high degree of auditor judgment. This is due to the existence of unobservable information and the unpredictability of global macroeconomic and geopolitical conditions affecting freight rates over the vessels' useful life.

The primary procedures we performed to address this key audit matter included the following:

- We tested the internal control over the assessment of the impact of internal and external impairment indicators, including controls related to the evaluation of the indicators such as vessel and crude oil supply and demand trends, and changes in the extent and manner in which vessels are expected to be used; and
- We evaluated the information and assumptions used by the Company in its assessment of the existence of impairment indicators. This was done by comparing information such as vessel and crude oil supply and demand trends, and changes in the extent and manner in which vessels are expected to be used, to historical information, external third-party information such as brokers' reports and other industry data as well as to internal data.

### ***Supervisory board's responsibilities for the preparation of the annual accounts***

The supervisory board is responsible for the preparation of these annual accounts that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as supervisory board determines, is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the supervisory board 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 the supervisory board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### ***Statutory auditor's responsibilities for the audit of the annual accounts***

Our objectives are to obtain reasonable assurance as to whether the annual accounts 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 the users taken on the basis of these annual accounts.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the annual accounts in Belgium. The scope of the statutory audit of the annual accounts does not extend to providing assurance on the future viability of the Company nor on the efficiency or effectivity of how the supervisory board has conducted or will conduct the business of the Company.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the annual accounts, 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 controls 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 supervisory board;



- Conclude on the appropriateness of supervisory board'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 auditors' report to the related disclosures in the annual accounts 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 auditors' 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit and risk committee 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 the audit and risk committee 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.

For the matters communicated with the audit and risk committee, we determine those matters that were of most significance in the audit of the annual accounts 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.

## **Other legal and regulatory requirements**

### ***Responsibilities of the Supervisory board***

The supervisory board is responsible for the preparation and the content of the supervisory board's annual report on the annual accounts, of the documents required to be filed in accordance with the legal and regulatory requirements, for maintaining the Company's accounting records in compliance with the applicable legal and regulatory requirements, as well as for the Company's compliance with the Companies' Code or, as from January 1, 2020, the Companies' and Associations' Code and the Company's articles of association.

### ***Statutory auditor's responsibilities***

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the supervisory board's annual report on the annual accounts, certain documents to be filed in accordance with legal and regulatory requirements and compliance with certain requirements of the Companies' Code or, as from January 1, 2020, the

Companies' and Associations' Code and with the Company's articles of association, and to report on these matters.

***Aspects concerning the supervisory board's annual report on the annual accounts***

Based on specific work performed on the supervisory board's annual report on the annual accounts, we are of the opinion that this report is consistent with the annual accounts for the same period and has been prepared in accordance with articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the supervisory board's annual report on the annual accounts contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

***Information regarding the social balance sheet***

The social balance sheet, which is to be filed with the National Bank of Belgium in accordance with article 3:12 §1 8° of the Companies' and Associations' Code, includes, with respect to form and content, the information required by law and does not present any material inconsistencies with the information that we became aware of during the performance of our engagement.

***Information about the independence***

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the annual accounts and our audit firm remained independent of the Company during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the annual accounts.

***Other aspects***

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- The Company has not complied with the provisions of article 98 of the Companies' Code with respect to the filing of the 2018 consolidated financial statements within 30 days after approval. There are no other transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' Code or, as from January 1, 2020, the Companies' and Associations' Code, that we have to report to you.
- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.



*Statutory auditor's report to the general meeting of Euronav NV on the annual accounts as of and for the year ended December 31, 2019*

- During the financial year, an interim dividend was distributed over which we prepared the accompanying report in accordance with the legal requirements.
- The decision of the board of directors of 31 January 2019 relating to the severance pay and the 2019 remuneration of the former CEO has the following financial consequences:
  - Severance pay: EUR 4 million, and
  - 2019 remuneration: EUR 1.418.400

Antwerp, 17 April 2020

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren  
Statutory Auditor  
represented by

Patricia Leleu  
Réviseur d'Entreprises / Bedrijfsrevisor