

Financial information for the second semester and full year 2022

**Sustained commercial performance and solid EBITDAaL growth in 2022**

- **Mobile postpaid customer base +2.5% yoy / Cable customer base +12.4% yoy**
- **H2 Revenues +0.9% / FY 2022 Revenues +2.0% yoy**
- **H2 EBITDAaL +7.8% / FY 2022 EBITDAaL +5.9% yoy**

**H2 Operational Highlights**

- **A solid commercial performance** despite competitive environment and a limited growth of the market.
- **Mobile postpaid increased by 36k net adds**, supported by our convergent strategy, the success of the “Special Edition” promotion and device deals, reaching 2.8m subscribers (+2.5% yoy).
- **Cable has increased by 12.4%, with 26k net adds** reaching 443k customers, confirming the well positioned products.
- **Our mobile and convergent ARPO’s increased yoy** supported by our segmented and value marketing policy in B2C and B2B.

**Orange Belgium: key operating figures**

	H2 2021	H2 2022	change
Mobile postpaid customer base (in '000)	2 743	2 811	2.5%
Net adds (in '000)	61	36	-41.1%
Mobile only postpaid ARPO (€ per month)	20.2	21.1	4.4%
Cable customer base (in '000)	394	443	12.4%
Net adds (in '000)	29	26	-7.9%
B2C convergent ARPO (€ per month)	72.9	74.4	2.2%

**H2 Financial Highlights**

- **Revenues reached €713.9m, up 0.9% yoy.** Retail service revenues posted strong growth, up 7.2%. Wholesales revenues decreased by -19.7% due to loss of the mobile virtual network operator ‘Mobile Vikings’ and lower incoming traffic.
- **EBITDAaL grew by 7.8% yoy to €206.9m**, driven by higher retail service revenues and supported by tough cost control.
- **eCapex increased by 7.8%**, driven by the RAN sharing implementation.
- **Debt closed at €190.7m at year end, the increase is mainly due to payment of the spectrum fee.**

**Orange Belgium Group: key financial figures in €m**

	H2 2021	H2 2022	change	FY 2021	FY 2022	change
<b>Revenues</b>	<b>707.6</b>	<b>713.9</b>	<b>0.9%</b>	<b>1 363.5</b>	<b>1 391.2</b>	<b>2.0%</b>
Retail service revenues	484.3	519.0	7.2%	945.1	1 009.5	6.8%
<b>EBITDAaL</b>	<b>191.8</b>	<b>206.9</b>	<b>7.8%</b>	<b>353.0</b>	<b>373.7</b>	<b>5.9%</b>
margin as % of revenues	27.1%	29.0%	187 bp	25.9%	26.9%	97 bp
eCapex <sup>1</sup>	-122.8	-134.0	9.1%	-204.1	-220.0	7.8%
<b>Operating cash flow<sup>2</sup></b>	<b>69.0</b>	<b>72.9</b>	<b>5.6%</b>	<b>148.9</b>	<b>153.7</b>	<b>3.2%</b>
Net financial debt	69.5	190.7		69.5	190.7	

1. eCapex excluding licence fees. In 2022 Orange Belgium capitalized €253.6 million

2. Operating cash flow defined as EBITDAaL – eCapex excluding licence fees.

**Xavier Pichon, Chief Executive Officer, commented:**

We can be satisfied with our performance, both commercially and financially. Despite the slowdown of the market, our customer base continues to grow, especially when it comes to convergence. Consequently, both our revenues and margins have increased. We also launched new innovative products, which have enabled us to strengthen our new market positioning.

From a societal perspective, the Orange Digital Center and the Orange Belgium Fund have already enabled us to provide real assistance to partners active in digital inclusion.

2022 has also been a pivotal year with some strategic steps that have been passed. The recent agreements we have signed with Telenet and the upcoming closing of the VOO transaction, in combination with the investments we are making in state-of-the-art technology on our mobile network, are the key enablers to execute our Orange Ahead convergent nationwide multigigabit strategy.

**Antoine Chouc, Chief Financial Officer, stated:**

In 2022 we achieved 2% growth in our total revenues, in line with our guidance. This was mainly driven by our retail service revenues which increased by 6.8% over the year thanks to solid commercial performance and our segmented and value marketing approach.

Our EBITDAaL increased by 5.9% over the year. In addition to our service revenues growth, this was made possible by effective cost management, despite the energy crisis and high inflation. We therefore slightly exceeded our guidance.

Our eCapex has reached total amount of €220m, in line with our guidance.

2023 will be a challenging year, given some headwinds mainly in a difficult macro-economic context. The inflation seen in 2022 has led to an important indexation on labour costs and energy prices will reach an all-time high. Thus for our guidance we foresee single digit revenue growth, EBITDAaL between €360m and €375m, while eCapex will be within the range of €210m and €230m.

**2022 dividend**

Considering the balance sheet impact of the acquisition of VOO, the Board of Directors will not propose any dividend for the financial year 2022 at the Annual General Meeting.

**2023 outlook**

Orange Belgium expects low single-digit revenue growth in 2023. The Company targets an EBITDAaL between €360m and €375m. Total eCapex in 2023 is expected to be between €210m and €230m.

**New Financial Calendar**

03 May	Annual General Meeting of Shareholders
01 July	Start of quiet period
20 July	Financial results H1 2023 (7:00 am CET) – Press release
20 July	Financial results H1 2023 (10:00 am CET) – Audio conference call

*This is a preliminary agenda and is subject to changes*

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# 1. Key highlights

## 1.1 Operational highlights

- **The Orange 5G Demo Tour kicks off at the coast allowing customers to experience the power of 5G via the video game Sea of Thieves**  
Orange Belgium is kicking off the VRT Summer Tour 2022 to give a demonstration of the many possibilities of a strong, stable, reliable and fast 5G that will also increase the capacity of the existing 4G network. Orange Belgium created the mobile, self-standing Orange 5G Demo Trailer to allow everyone to experiment on the latest generation of telecommunication technology.
- **Orange Belgium launches the Augmented City app for discovering Antwerp and is a proud main partner of The Tall Ships Races, thus showcasing the power of 5G**  
In association with the City of Antwerp, Orange Belgium is releasing Augmented City, a mobile application that offers an augmented reality experience when visiting Antwerp. It will allow people to visit Antwerp in an original way and receive more information about its history. Users with a 5G compatible smartphone enjoy fast access to high-speed data which enables entertaining and educational augmented reality features.
- **Orange Belgium's multigigabit cloud-native production network takes form as it accelerates the deployment of 5G together with its partners Ericsson, Nokia and Oracle**  
Orange Belgium is deploying a 5G stand-alone core network on a cloud-native architecture together with its partners Ericsson, Nokia and Oracle, allowing virtualized end-to-end networks and combining the best of technical, IT and data management solutions. Orange Belgium's 5G stand-alone core network on a cloud-native architecture enables network slicing, a network feature where each isolated slice is independent and can have its own resources. Each slice is tailored to meet the varying characteristics of applications in the most efficient and flexible ways possible.
- **Orange Belgium and KPN investigate how Westerschelde can become the world's smartest waterway with 5G**  
Orange Belgium and KPN will investigate how 5G technology can accelerate the further digitalization of one of Europe's most important waterways. The Westerschelde is of great importance to the economies of Belgium and the Netherlands and is one of the busiest waterways in the world with shipping traffic to the seaports of Antwerp, Bruges, Ghent, Terneuzen and Vlissingen, accounting for more than 150,000 ships per year.
- **Orange Belgium's customer experience-focused network investments result in outstanding scores in the latest Opensignal benchmark study**  
Orange Belgium's mobile network has received top marks in the recent Opensignal benchmark report. Furthermore, the operator earned the largest haul of awards in the latest analysis of the Belgian mobile network experience. With excellent scores for the customer-centric categories Games Experience, Upload Speed Experience, Core Consistent Quality and Excellent Consistent Quality, Orange Belgium proves its constant focus on an optimal customer experience in the network. On top of that, Orange Belgium aims to offer its customers more efficient and faster services.
- **Orange Belgium opened Orange 5G Lab in La Grand Poste in Liège, showcasing over eight 5G use cases together with local industries**  
Orange Belgium officially inaugurated its second Orange 5G Lab in Belgium: in La Grand Poste in Liège, inviting companies to discover, test and develop new innovative use cases on 5G Stand Alone (5G SA) network technology. State Secretary for Economic Recovery and Strategic Investments, Thomas Dermine as well as Karine Dussert-Sarthe, EVP Marketing, Design and Open Innovation of the Orange Group supported the grand opening where Orange Belgium showcased over eight 5G use cases. This Orange 5G Lab will join the Orange's international network of 16 other Orange 5G Lab across Europe, fostering collaboration and innovation on an unprecedented level.
- **Orange Belgium signs DigitAll charter, confirming its commitment of continuous investment to improve digital inclusion in Belgium**  
Digital inclusion is an important social priority for Orange Belgium. The new Digital Inclusion Barometer (of the King Baudouin Foundation) shows that 46% of Belgians are digitally vulnerable. That is why, in the presence of founding partners BNP Paribas Fortis and Proximus, Orange Belgium signed the Charter for Digital Inclusion in Belgium to demonstrate its commitment to improving digital inclusion in Belgian society.
- **Orange Belgium substantially upgrades all its mobile data volumes and pursues its segmented strategy to enrich its Orange offers and remain ultracompetitive with hey!**  
Orange Belgium will minimally double the data cap of all its Go mobile subscriptions, with data volumes up to 300GB. The continuous improvement of Orange Belgium's offers towards the European standards in terms of data abundance will lead the Orange brand in becoming more premium and increasingly attractive for families. Hence, mobile customers who add fixed internet and/or TV (thus become convergent) or add extra mobile subscriptions (thus become multiscard), enjoy an extra discount up to 14€ per subscription. To also absorb the impact of rapidly increasing costs linked to the economic context and continue its (network) investments, Orange Belgium adapted several prices. The changes are effective as from January 15, 2023.

## 1.2 Regulatory highlights

### Review of the 2018 market analysis decisions

The CRC initiated its review of the 2018 market analysis decisions that define the framework for the regulation of the cable, copper and fibre networks in Belgium. A new final decision is not expected in 2023.

### New spectrum allocation (700, 900, 1400 MHz), renewal of existing spectrum attributions (900, 1800, 2100 MHz)

On 21 October 2021, the Council of Ministers approved the Royal Decrees that govern the 5G- and spectrum renewal auctions. The Royal Decrees were published on 23 December 2021, and contain spectrum set asides for a potential new entrant operator.

On 14 January 2022, the BIPT published the call for candidates for the auction on the allocation of new 5G spectrum (700 MHz, 1400 MHz, 3600 MHz) and the renewal of the existing 2G and 3G spectrum (900MHz, 1800 MHz, 2100MHz).

*New spectrum allocations: 700, 3600 and 1400 MHz*

The auctions for the core 5G frequency bands ended on 20 June 2022. Orange obtained 2x10 MHz in the 700 MHz frequency band and 100 MHz in the 3.6 GHz frequency band, for a total of €178 million. The commencement date was September 1, 2022 for a period of 20 years for 700 MHz and until May 2040 for the 3.6 GHz band.

On 20 July 2022 the supplemental auction to allocate 90 MHz of spectrum in the 1400 MHz frequency band for a 20-year term ended. Orange obtained 30Mhz for a price of €70 million. These commencement data will be July 1<sup>st</sup>, 2023.

*Renewal of existing spectrum attributions: 900, 1800 and 2100 MHz*

Concerning the licenses in the 900 MHz, 1800 MHz and 2100 MHz bands, which expired in March 2021, the BIPT granted successive temporary rights of use in these bands for a period of six months. The last decision of 13 September 2022 granted temporary rights until the end of 2022.

In the auction, that ended June 20, 2022, Orange Belgium obtained 2 X 10 MHz in the 900 MHz band, 2 X 15 MHz in the 1800 MHz band, and 2 X 15 MHz in the 2100 MHz band.

The commencement date for the 900, 1800, 2100 MHz bands started on 1 January 2023. The amount for the acquisition of these licenses is €144 million and the licenses are valid for a period of 20 years.

Telenet initiated a legal action against some articles of the spectrum Royal Decrees in which spectrum is reserved for a new entrant (700 MHz, 900-1800-2100 MHz). The procedure is still going on.

To assess the consequences of a (partial) annulment of the Royal Decrees is highly speculative as, for instance, the State Council may decide to maintain the judicial consequences of the attacked articles, or – in a more extreme outcome – decide to annul the Royal Decrees entirely (while maintaining the effects for a certain period).

### 5G Security

The law concerning the security of 5G networks was approved by the federal parliament on 17 February 2022 and entered into force on 21 March 2022. A first executive Royal Decree concerning the identification of sensitive zones was published on 25 November 2022. The other executive Royal Decrees are expected to be published early 2023.

### RAN sharing agreement between Orange Belgium and Proximus

On 25 November 2019, Orange Belgium and Proximus signed an agreement with the purpose of establishing a 50-50 joint venture on radio mobile access network sharing, covering 2G, 3G, 4G and 5G technologies. Telenet lodged a complaint with the national competition authority against this agreement. On 10 January 2020 the Competition Authority decided by means of provisional measures, that the BIPT could further assess the agreement for an additional period of 2 months. These measures expired on 16 March 2020 and Orange Belgium and Proximus have resumed works for the implementation of the project. On 1 April 2020 both companies transferred the relevant people to the newly created joint operation “MWingz”.

On 23 December 2022, the Investigation and Prosecution Service has decided to dismiss Telenet's complaint against Orange and Proximus. The Investigation and Prosecution Service considered that its in-depth investigation did not reveal any (potential) restriction of competition resulting from this RAN-sharing agreement, both at the level of the spectrum auction and at the level of competition on the retail and wholesale mobile telecommunications markets. Telenet may still appeal till mid-February 2023.

### VOO acquisition

The formal notification of the antitrust merger clearance has been done on 22 June 2022. Since 28 July 2022, we are in phase 2. Given the ongoing procedure no further comment can be provided at this stage, but we remain very confident on the outcome. We still aim to have a closing in Q2 2023.

- **Social tariffs in the telecom sector**

The federal government is reforming the modalities (technical, financial, operational) of the social tariff for certain user groups.

Over the month of December 2021, a public consultation on the draft law to review the social tariffs was organized by the BIPT. The federal government reached a political agreement on the reform in November 2022. Among the new proposals are a change of the group of beneficiaries, the review of the allocation process of the social tariff, and the definition of a social tariff offer as a basic fixed internet service, eventually in combination with TV. The modalities of the new approach still need to be further defined.

The new social tariff scheme is expected to be implemented as of 1 January 2024.

### 1.3 Armed conflict in Ukraine

- **The conflict between Ukraine and Russia continues to impact the macro economy and the future remain uncertain.**

The conflict in Ukraine had only very limited direct impact on the activities of Orange Belgium. As a responsible operator, Orange Belgium provided free calls and sms to Ukraine in order that people in Belgium could stay in touch with their family and relatives in the affected country. We also contribute to the European Commission's initiative "Laptops for Ukraine". The indirect impact is more important, mainly the increased inflation, the rise of the energy costs, and potential difficulties in certain supplies.

## 2. Comments on the financial situation

### 2.1 Consolidated figures for the Orange Belgium Group

#### Orange Belgium Group: consolidated P&L

in €m	H2 2021	H2 2022	change	FY 2021	FY 2022	change
<b>Revenues</b>	707.6	713.9	0.9%	1 363.5	1 391.2	2.0%
Belgium	678.3	684.6	0.9%	1 307.5	1 333.2	2.0%
Luxembourg	39.4	39.3	-0.2%	76.3	76.0	-0.4%
Interco elimination	-10.1	-10.0	-0.4%	-20.3	-17.9	-11.8%
<b>EBITDAaL</b>	191.8	206.9	7.8%	353.0	373.7	5.9%
Belgium	184.7	198.0	7.2%	339.8	357.6	5.2%
Luxembourg	7.1	8.9	25.6%	13.3	16.2	21.8%
<i>margin as % of revenues</i>	<i>27.1%</i>	<i>29.0%</i>	<i>187 bp</i>	<i>25.9%</i>	<i>26.9%</i>	<i>97 bp</i>

### 2.2 Consolidated statement of comprehensive income

#### Revenues

#### Orange Belgium Group: consolidated revenues

in €m	H2 2021	H2 2022	change	FY 2021	FY 2022	change
<i>Convergent service revenues</i>	131.5	148.4	12.9%	255.0	288.0	13.0%
<i>Mobile only service revenues</i>	296.5	307.4	3.7%	578.8	596.9	3.1%
<i>Fixed only service revenues</i>	36.6	41.8	14.3%	71.1	81.1	14.2%
<i>IT &amp; Integration Services</i>	19.7	21.3	7.8%	40.3	43.5	8.0%
Retail service revenues	484.3	519.0	7.2%	945.1	1009.5	6.8%
Equipment sales	71.1	76.3	7.3%	141.1	147.7	4.7%
Wholesale revenues	129.0	103.6	-19.7%	241.9	210.2	-13.1%
Other revenues	23.3	15.0	-35.4%	35.3	23.8	-32.5%
<b>Revenues</b>	<b>707.6</b>	<b>713.9</b>	<b>0.9%</b>	<b>1 363.5</b>	<b>1 391.2</b>	<b>2.0%</b>

- **Retail service revenues** increased by 7.2% vs H2'21 to €519m mainly driven by revenue growth in convergence and fixed service revenues.
- **Equipment sales and other revenues** decreased by 3.2% vs H2'21, explained to lower volumes sold in comparison to the same period of last year.
- **Wholesale revenues** decreased by 19.7% vs H2'21 explained by the loss of the Mobile Vikings MVNO.

#### Operating costs

Total operating costs decreased by 1.8% vs H2'21, reaching €505.2m.

in €m	H2 2021	H2 2022	change	FY 2021	FY 2022	change
Direct costs	-304.9	-295.3	-3.1%	-570.9	-574.0	0.5%
Labour costs	-71.3	-76.5	7.3%	-148.6	-157.0	5.7%
Indirect costs including RouA	-138.3	-133.4	-3.6%	-288.7	-283.7	-1.7%
<i>of which RouA</i>	<i>-26.1</i>	<i>-27.5</i>		<i>-54.1</i>	<i>-53.7</i>	
	<b>-514.6</b>	<b>-505.2</b>	<b>-1.8%</b>	<b>-1008.2</b>	<b>-1014.8</b>	<b>0.7%</b>

- **Direct costs** decreased by 3.1% to €295.3m.
- **Labour costs** amounted to €76.5m, 7.3% higher than H2'21.
- **Indirect costs** decreased by 3.6%, closing at €133.4m.

Reconciliation from EBITDAaL to Net profit  
in €m

	H2 2021	H2 2022	FY 2021	FY 2022
<b>EBITDAaL</b>	<b>191.8</b>	<b>206.9</b>	<b>353.0</b>	<b>373.7</b>
<i>margin as % of revenues</i>	<i>27.1%</i>	<i>29.0%</i>	<i>25.9%</i>	<i>26.9%</i>
Share of profits (losses) of associates	0.1	0.2	0.3	0.4
Impairment of goodwill	-14.9	-22.4	-14.9	-22.4
Impairment of fixed assets	-0.8	-1.0	-1.6	-1.1
Depreciation and amortization of other intangible assets and property, plant and equipment	-131.5	-120.9	-279.2	-246.5
Other restructuring costs	-1.3	-6.4	-4.0	-11.0
Finance lease cost	1.2	1.8	2.3	2.7
<b>Operating profit (EBIT)</b>	<b>44.6</b>	<b>58.1</b>	<b>55.7</b>	<b>95.7</b>
Financial result	-1.6	-9.0	-3.2	-14.1
<b>Profit (loss) before taxation (PBT)</b>	<b>42.9</b>	<b>49.1</b>	<b>52.5</b>	<b>81.6</b>
Tax expense	-10.5	-17.7	-12.8	-23.5
<b>Net profit (loss) before the period</b>	<b>32.4</b>	<b>31.5</b>	<b>39.7</b>	<b>58.2</b>

- **Impairment of goodwill amounted to €22.4m.** Goodwill is tested for impairment each year. For BKM N.V., as the recoverable value did not exceed the carrying amount, an impairment of € 22.4m has been recorded in Q4 2022 on top of the €14.9m recorded at year end 2021. Other goodwill has remained unchanged.



### 2.3 Liquidity and capital resources

The Group uses Operating cash flow and Organic cash flow as the main metrics for analysing cash generation. Operating cash flow is defined as EBITDAaL less eCapex.

Organic cash flow measures the net cash provided by operating activities less eCapex and the repayment of lease liabilities, increased by proceeds from sale of property, plant and equipment and intangible assets and adjusted for the payments for acquisition of telecommunications licences.

Organic cash flow from telecom activities corresponds to net cash provided by operating activities minus (i) lease liabilities repayments and debts related to financed assets repayments, (ii) purchases and sales of property, plant and equipment and intangible assets net of the change in fixed assets payables, (iii) excluding effect of telecommunications licences paid and excluding effect of significant litigations paid (and received)

#### Operating cash flow

in €m	H2 2021	H2 2022	FY 2021	FY 2022
<b>EBITDAaL</b>	<b>191.8</b>	<b>206.9</b>	<b>353.0</b>	<b>373.7</b>
eCapex <sup>1</sup>	-122.8	-134.0	-204.1	-220.0
<b>Operating cash flow<sup>2</sup></b>	<b>69.0</b>	<b>72.9</b>	<b>148.9</b>	<b>153.7</b>

1. eCapex excluding licence fees. In 2022 Orange Belgium capitalized €253.6 million
2. Operating cash flow defined as EBITDAaL – eCapex excluding licence fees

#### Reconciliation to organic cash flow

in €m	H2 2021	H2 2022	FY 2021	FY 2022
<b>Net profit (loss) before the period</b>	<b>32.4</b>	<b>31.4</b>	<b>39.7</b>	<b>58.2</b>
Adjustments to reconcile net profit (loss) to cash generated from operations	197.7	203.4	397.9	392.5
Changes in working capital requirements	-22.3	-12.5	-21.2	-25.3
Other net cash out	-25.6	-19.6	-48.6	-35.8
<b>Net cash provided by operating activities</b>	<b>182.1</b>	<b>202.7</b>	<b>367.9</b>	<b>389.5</b>
eCapex incl. licence fees	-133.7	-376.7	-225.9	-473.6
Increase (decrease) in fixed assets payables	31.3	77.2	14.7	20.5
Repayment of lease liabilities	-24.8	-25.8	-51.8	-51.6
<b>Organic cash flow</b>	<b>54.9</b>	<b>-122.5</b>	<b>104.8</b>	<b>-115.2</b>
Elimination of telecommunication licenses paid	10.9	182.1	21.8	220.5
<b>Organic cash flow from telecom activities</b>	<b>65.8</b>	<b>59.6</b>	<b>126.6</b>	<b>105.3</b>

Net debt at the end of semester stood at €190.7m, compared to €69.5m at the end of 2021. Gearing, as measured by the net debt/Reported EBITDAaL ratio, increased to 0.5x.

Net debt €m, period ended	31.12.2021	31.12.2022
<b>Cash &amp; cash equivalents</b>		
Cash	-24.0	-35.9
Cash equivalents	-29.8	0.0
	<b>-53.7</b>	<b>-35.9</b>
<b>Financial liabilities</b>		
Intercompany short-term borrowing	0.0	104.7
Third parties short-term borrowing	1.5	1.1
Intercompany long-term borrowing	121.8	120.8
	<b>123.3</b>	<b>226.6</b>
<b>Net debt (Financial liabilities minus cash and cash equivalents)</b>	<b>69.5</b>	<b>190.7</b>
Net debt/EBITDAaL	0.2	0.5

Intercompany short-term borrowing increase by €104.7m due to spectrum auctions financing. This short-term liability position will be refinanced by a long-term loan in 2023 once the remaining licenses acquired will be paid.

## 2.4 Activities of the Orange Belgium Group by segment

The following gives a breakdown of Orange Belgium Group's activities in greater detail:

### 2.4.1. Orange Belgium

#### Cable services

Orange Belgium's cable customer base continued its growth trajectory in H2'22. During the semester, the convergent and fixed only offers attracted 26k new subscribers, reaching 443k cable customers.

Orange Belgium: cable services operating figures (in '000s, unless otherwise indicated)

	H2 2021	H2 2022	change		H2 2021	H2 2022
<b>Cable customer base</b>				<b>Net-adds</b>		
B2C cable customer base	350	394	12.7%	B2C cable customer base	24	23
B2B cable customer base	44	49	10.0%	B2B cable customer base	4	3
	<b>394</b>	<b>443</b>	<b>12.4%</b>		<b>29</b>	<b>26</b>
<b>ARPO (in € per month)</b>						
B2C convergent	72.9	74.4	1.4%			

#### Mobile services

The company reached 2.8 million postpaid customers as it added 36k subscribers net adds in the semester. The prepaid customer base decreased by 8.6%.

Postpaid mobile ARPO increased by 4.4% in H2'22 to €21.1, thanks to the retail price increase and increased roaming usage.

Orange Belgium: mobile services operating figures (in '000s, unless otherwise indicated)

	H2 2021	H2 2022	change		H2 2021	H2 2022
<b>Mobile customers</b>				<b>Net-adds</b>		
Postpaid	2 743	2 811	2.5%	Postpaid	61	36
Prepaid	409	374	-8.6%	Prepaid	-23	-22
M2M	1 878	2 129	13.3%	M2M	137	136
	<b>5 029</b>	<b>5 314</b>	<b>5.7%</b>		<b>175</b>	<b>150</b>
MVNO customers	347	6	-98.3%	MVNO customers	-4	-12
<b>Mobile only ARPO (€ per month)</b>						
<b>Blended</b>	<b>18.1</b>	<b>18.9</b>	<b>4.3%</b>			
Postpaid (mobile only)	20.2	21.1	4.4%			
Prepaid	6.8	6.1	-10.0%			

#### Financial review

Revenues in Belgium increased by 0.9% to €684.6m. The increase in retail service revenues is the main driver for this change.

Retail service revenues increased by 7.4% to €495.5m thanks to increasing convergent services revenues. Convergent services revenues continued to grow with a year-on-year increase by 12.9%, showing the attractiveness of the Love offer.

Equipment sales increased by 9% to €69.1m.

Wholesale revenues decreased by 20.9% to €98.1m reflecting mainly the loss of Mobile Vikings mvno.

Orange Belgium: key financial figures

in €m	H2 2021	H2 2022	change	FY 2021	FY 2022	change
Convergent service revenues	131.5	148.4	12.9%	255.0	288.0	13.0%
Mobile only service revenues	277.2	287.8	3.8%	541.2	558.3	3.2%
Fixed only service revenues	32.9	38.0	15.5%	63.3	73.6	16.2%
IT & Integration services	19.7	21.3	7.8%	40.3	43.5	8.0%
Retail service revenues	461.3	495.5	7.4%	899.7	963.4	7.1%
Equipment sales	63.4	69.1	9.0%	127.2	134.7	5.9%
Wholesale revenues	123.9	98.1	-20.9%	232.9	199.3	-14.4%
Other revenues	29.6	21.8	-26.4%	47.7	35.8	-25.1%
<b>Revenues</b>	<b>678.3</b>	<b>684.6</b>	<b>0.9%</b>	<b>1 307.5</b>	<b>1 333.2</b>	<b>2.0%</b>
<b>EBITDAaL</b>	<b>184.7</b>	<b>198.0</b>	<b>7.2%</b>	<b>339.8</b>	<b>357.6</b>	<b>10.5%</b>

EBITDAaL increased by 7.2% due to higher retail service revenues and cost control during the semester.

## 2.4.2. Orange Communications Luxembourg

### Operating review

Orange Communications Luxembourg increased its mobile subscriber base to 225k, up by 11.1% yoy.

Orange Communications Luxembourg: mobile services operating figures (in '000s)

	H2 2021	H2 2022	change		H2 2021	H2 2022
<b>Mobile customers</b>				<b>Net-adds</b>		
	202	225	11.1%		-3	16
MVNO customers	0	0	-100%	MVNO customers	0	-4

### Financial review

Revenues during the semester decreased by 0.2% to €39.3m.

EBITDAaL increased by 25.6% to €8.9m.

Orange Communications Luxembourg: key financial figures

in €m	H2 2021	H2 2022	change	FY 2021	FY 2022	change
Mobile only service revenues	19.3	19.6	1.5%	37.7	38.5	2.3%
Fixed only service revenues	3.7	3.8	4.1%	7.8	7.6	-2.4%
Retail service revenues	23.0	23.4	1.9%	45.4	46.1	1.5%
Equipment sales	7.7	7.1	-6.9%	13.9	13.0	-6.5%
Wholesale revenues	8.1	8.8	8.5%	15.0	16.8	11.9%
Other revenues	0.6	-0.1	-108.3%	2.0	0.1	-96.8%
<b>Revenues</b>	<b>39.4</b>	<b>39.3</b>	<b>-0.2%</b>	<b>76.3</b>	<b>76.0</b>	<b>-0.4%</b>
<b>EBITDAaL</b>	<b>7.1</b>	<b>8.9</b>	<b>25.6%</b>	<b>13.3</b>	<b>16.2</b>	<b>21.8%</b>
margin as % of revenues	18.0%	22.7%	465 bp	17.4%	21.3%	388 bp

### 3. Financial risks and risk management

There were no changes to the information disclosed in the 2021 annual report except for the interest rate and liquidity risks.

#### ▪ Interest rate risk

##### **Orange Belgium's business activities could be adversely affected by interest rate fluctuations**

Although Orange Belgium's long-term credit facilities bear interest at variable rates, the exposure to interest rate risk was considered low till end of 2022.

However, in the framework of the provision of funding by Atlas Services Belgium SA for the acquisition of VOO and for the purposes of spectrum purchase, Orange Belgium concluded in 2022 a financing agreement, to be used at VOO closing date, based on floating interest rate. In view of the amount borrowed and the variability of the interest rate, Orange Belgium decided to deploy a hedge strategy. To operationalize this strategy, Orange Belgium entered a framework agreement intended to allow for interest rates hedges related to the credit facility agreement referred to above.

Orange Belgium proposed to use a hedging instrument or pre-hedge to fix all or part of the effect of the variability of the 6-month rate. The instrument chosen is the IRS (Interest Rate Swap) or forward IRS (which corresponds to an IRS with a deferred start). The main conditions of this IRS are interest to be received by Orange Belgium on the basis of the 6-month EURIBOR rate and interest to be paid by Orange Belgium on the basis of the 5-year fixed rate.

The combination of the floating rate loan (paid by Orange Belgium), the floating rate IRS (received by Orange Belgium) and the fixed rate IRS (paid by Orange Belgium), transforms the floating rate loan into a 5-year fixed rate loan.

#### ▪ Liquidity risk

##### **Orange Belgium's results and outlook could be affected if the terms of access to funding becomes difficult**

Orange Belgium is financed through long-term credit facilities granted by Orange Group entities and is thus not directly exposed to adverse changes in market conditions. Combined with the credit facility agreement with Orange SA for an amount of 180 million euros ensured till March 2023 (after which 60 million euros ensured until March 2024) and the refinanced loan with Atlas Services Belgium S.A. for an amount of 120 million euros current funding is ensured until mid-June 2026. In addition, Orange Belgium could evoke other sources of funding such as bank loans or bonds should financing limitations be imposed by the Orange Group. A large part of these facilities has been used at the end of December 2022 to finance the payment of the spectrum licenses resulting in a shift from assets to short term financial liability. This short-term liability position will be consolidated into a long-term loan in 2023 once VOO acquisition and the remaining licenses acquired will be paid.

### 4. Disputes

#### ▪ Telecom masts

Since 1997, certain municipalities and four provinces have adopted local taxes, on an annual basis, on pylons, masts or antennas erected within their boundaries. Orange Belgium continues to file fiscal objections against each tax assessment notice received concerning these taxes. These taxes are currently being contested in Civil Courts (Courts of First Instance - Tax Chamber and Courts of Appeal).

The mobile operators have concluded beginning of 2021 an agreement for the period 2021-2022 with the Walloon government. Orange Belgium engages itself to pay an amount of 1.78 million euros over 2 years and to invest an incremental amount of 3.6 million euros in telecom infrastructure in the Walloon region in the period 2021-2022. An amount of 491.833,48€ was paid in December 2021 to the Walloon region. This is the first tranche of 0,9 million€ from which the taxes received from local authorities for 2021 have been deducted. After deduction of the local taxes levied for 2021 and 2022 to the second tranche of 446.625€ of the protocol agreement, no contribution was due any more to the Walloon region in December 2022. The contribution to be paid to the Walloon region in February 2023 has been determined by the end of January 2023, taking into account all local taxes 2021 and 2022 levied and/or known by that date.

According to our analysis, the amount of local taxes exceeds the amount due to the Walloon Region on 15 Feb 2023 and can be deducted. Consequently, we consider there is no contribution to be paid to the Walloon Region by 15 February 2023.

#### ▪ Access to Coditel Brabant (Telenet) 's cable network

After Orange Belgium paid the provision for the cable wholesale access set-up fees, Coditel Brabant (Telenet) failed to provide such access within the regulatory 6-month period. This, in combination to the lack of progress on the development of an effective wholesale service, prompted Orange Belgium to initiate legal action against Coditel/Telenet for breach of its regulatory obligations end of December 2016. As the implementation of a technical solution was still ongoing beginning 2018, the proceedings were put on hold. The case was reactivated and Telenet submitted briefs on 6 March 2020. Hearings took place in October 2021 and on 8 December 2021 the court decided that Telenet committed a fault because it did not respect the regulation on granting Orange Belgium access to its network. An expert was appointed to calculate the damages. The expert filed his report and his fees on 18 November 2022 before the court. Parties can exchange briefs about the report and the fees. A final judgment can be expected in Q2 2023.

#### ▪ Euphony Benelux NV in bankruptcy

On 2 April 2015, Orange Belgium was summoned by the receivers of Euphony Benelux NV to a hearing on 17 April 2015 at the Brussels Commercial Court. The bankruptcy receivers claim that Orange Belgium should pay a provisional amount of one (1) euro for overdue commissions as well as an eviction fee. In this context, the bankruptcy receivers claim that Orange Belgium should submit all relevant documents to allow the bankruptcy receivers to calculate the amounts claimed. On 17 April 2018, the Court dismissed the claim relating to the eviction fee and appointed an expert for the claim relating to the overdue commissions. Orange Belgium has filed an appeal at the Brussels Court of Appeals. An introductory hearing took place and the Court of Appeals has set a calendar for the filing of trial briefs. The case was handled before the Brussels Court of Appeals at the hearing of 3 October 2022. By judgment rendered on 25 October 2022, the Court declared the claim of airtime commissions as well as the claim of additional compensation completely unfounded. The Court left one point open as it decided it did not have sufficient information to address it and reopened the pleadings at the hearing of 24 April 2023.

#### ▪ Transitpoints – interconnection links

Telenet included in its regulated reference offer of 2014 a charge of €5k per GB internet interconnect traffic capacity. The charges were not mentioned in any final regulatory price decision. This charge was not applied during 2014, 2015, 2016, 2017. Only as of 2018 Telenet started charging this amount, for each transitpoint and each interconnect capacity increase. Orange Belgium systematically disputed the amounts charged for the transitpoints. The May 2020 wholesale charges decision imposes only a charge of ~170€/month per 100 GB. Orange Belgium continued to refuse to pay any charges based on the old amounts. Telenet started a legal procedure before the enterprise court of Mechelen. On 22 April 2022 the enterprise court rejected almost fully the claim of Telenet by retaining an amount of 21.750 euro of Telenet's claim (i.e. only the amount for the monthly fees). Telenet lodged an appeal before the Court of Appeal of Antwerp. The Court of Appeal fixed a calendar for exchanging briefs and a hearing will take place on 6 September 2023.

## 5. Significant event after the end of the second semester of 2022

On January 30, 2023, Orange Belgium and Telenet have signed two commercial fixed wholesale agreements, which entry into force is subject to the completion of the transaction related to the acquisition of 75% minus one share of VOO by Orange Belgium. The agreements will provide access to each other's fixed networks for a 15-year period and cover both current Hybrid Fiber Coaxial and future Fiber to the Home technologies in both network areas. Orange Belgium believes these agreements will foster investment, benefit the customer and competition in the Belgian telecom market.

## 6. Shareholder remuneration

The Orange Belgium Group aims to balance the appropriate cash returns to equity holders maintaining a balanced and sound financial position, while leaving sufficient leeway to continue to invest in its convergent strategy, the expansion of its network and other growth opportunities. Orange Belgium's Board of Directors will not propose a dividend for the financial year 2022 to preserve cash for future capital requirements such as the VOO acquisition.

## 7. Outlook

Orange Belgium expects low single-digit revenue growth in 2023 considering further uptake on its postpaid and convergent customer base.

For 2023, the Company expects EBITDAaL between €360m and €375m. This range is iso-market and does not include the integration of VOO

In addition, total eCapex is expected to be between €210m and €230m.

The outlook 2023 does not take into account the integration of VOO.

## 8. 2023 Financial calendar

03 May	Annual General Meeting of Shareholders
01 July	Start of quiet period
20 July	Financial results H1 2023 (7:00 am CET) – Press release
20 July	Financial results H1 2023 (2:00 pm CET) – Audio conference call

*This is a preliminary agenda and is subject to changes*

## 9. Conference call details

Date: 10 February 2023  
Time: 14:00 (CET), 13:00 (UK), 08:00 (US/NY)  
Conference call: [Orange Belgium FY 2022 results](#)  
<https://corporate.orange.be/en/financial-information/résultats-financiers>  
Please aim to access the conference call ten minutes prior to the scheduled start time.

## 10. Shares

Share trading volumes and closing prices are based on trades made on NYSE Euronext Brussels.

	H2 2021	H2 2022
<b>Trading of shares</b>		
Average closing share price (€)	19.6	17.9
Average daily volume	9 667	11 693
Average daily value traded (€ m)	0.2	0.2
<b>Shares and market values</b>		
Total number of shares (m)	59.94	59.94
Closing price (€)	19.9	17.2
Market capitalization (€ m)	1 192.8	1 033.4

# 11. Consolidated financial statements

## 11.1 Consolidated statement of comprehensive income

in €m	31.12.2021	31.12.2022
<b>Retail service revenues</b>	<b>945.1</b>	<b>1 009.5</b>
Convergent service revenues	255.0	288.0
Mobile only service revenues	578.8	596.9
Fixed only service revenues	71.1	81.1
IT & Integration Services	40.3	43.5
Equipment sales	141.1	147.7
Wholesale revenues	241.9	210.2
Other revenues	35.3	23.8
<b>Revenues</b>	<b>1 363.5</b>	<b>1 391.2</b>
Purchase of material	-185.4	-185.9
Other direct costs	-376.9	-381.2
Impairment loss on trade and other receivables, including contract assets	-8.7	-7.0
<b>Direct costs</b>	<b>-570.9</b>	<b>-574.0</b>
<b>Labour costs</b>	<b>-148.6</b>	<b>-157.0</b>
Commercial expenses	-33.8	-28.5
Other IT & Network expenses	-97.4	-103.9
Property expenses	-8.5	-11.1
General expenses	-63.6	-62.8
Other indirect income	28.8	33.2
Other indirect costs	-60.2	-56.9
Depreciation of right-of-use assets	-54.1	-53.7
<b>Indirect costs</b>	<b>-288.7</b>	<b>-283.7</b>
Other restructuring costs (*)	-4.0	-11.0
Depreciation and amortization of other intangible assets and property, plant and equipment	-279.2	-246.5
Impairment of goodwill	-14.9	-22.4
Impairment of fixed assets	-1.6	-1.1
Share of profits (losses) of associates	0.3	0.4
<b>Operating Profit (EBIT)</b>	<b>55.7</b>	<b>95.7</b>
<b>Financial result</b>	<b>-3.2</b>	<b>-14.1</b>
Financial costs	-3.2	-14.1
Financial income	0.0	0.0
<b>Profit (loss) before taxation (PBT)</b>	<b>52.5</b>	<b>81.6</b>
Tax expense	-12.8	-23.5
<b>Net profit (loss) for the period</b>	<b>39.7</b>	<b>58.2</b>
Profit (loss) attributable to equity holders of the parent	39.7	58.2
<b>Consolidated Statement of Comprehensive Income</b>		
Net profit (loss) for the period	39.7	58.2
Other comprehensive income (cash flow hedging net of tax)	-0.3	6.6
Total comprehensive income for the period	39.5	64.8
<b>Part of the total comprehensive income attributable to equity holders of the parent</b>	<b>39.5</b>	<b>64.8</b>
<b>Basic earnings per share (in EUR)</b>	<b>0.66</b>	<b>0.97</b>
Weighted average number of ordinary shares (excl. treasury shares)	59 944 757	59 944 757
<b>Diluted earnings per share (in EUR)</b>	<b>0.66</b>	<b>0.97</b>
Diluted weighted average number of ordinary shares (excl. treasury shares)	59 944 757	59 944 757

\* Restructuring costs consist of contract termination costs, redundancy charges and acquisition & integration costs.

## 11.2 Consolidated statement of financial position

in €m	31.12.2021	31.12.2022
<b>ASSETS</b>		
Goodwill	89.5	67.0
Other intangible assets	247.4	481.3
Property, plant and equipment	662.8	644.6
Rights-of-use assets	299.2	260.3
Interests in associates and joint ventures	5.8	6.2
Non-current financial assets	2.2	1.4
Non-current derivatives assets	0.0	9.9
Other non-current assets	0.7	22.5
Deferred tax assets	1.8	1.6
<b>Total non-current assets</b>	<b>1 309.3</b>	<b>1 494.8</b>
Inventories	24.0	25.5
Trade receivables	188.1	166.4
Other assets related to contracts with customers	61.7	71.5
Current financial assets	0.4	0.0
Current derivatives assets	0.2	0.5
Other current assets	7.7	8.4
Operating taxes and levies receivables	9.2	3.7
Current tax assets	0.3	0.3
Prepaid expenses	5.0	2.9
Cash and cash equivalents	53.7	35.9
<b>Total current assets</b>	<b>350.3</b>	<b>315.2</b>
<b>Total Assets</b>	<b>1 659.7</b>	<b>1 810.0</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	131.7	131.7
Legal reserve	13.2	13.2
Retained earnings (excl. legal reserve)	479.3	544.1
<b>Equity attributable to the owners of the parent</b>	<b>624.2</b>	<b>689.0</b>
<b>Total Equity</b>	<b>624.2</b>	<b>689.0</b>
Non-current financial liabilities	121.8	120.8
Non-current lease liabilities	255.3	217.5
Non-current fixed assets payable	0.0	62.7
Non-current employee benefits	0.1	0.0
Non-current provisions for dismantling	80.7	58.1
Other non-current liabilities	2.6	1.9
Deferred tax liabilities	4.6	8.4
<b>Total non-current liabilities</b>	<b>464.9</b>	<b>469.5</b>
Current fixed assets payable	71.7	62.6
Trade payables	258.8	223.9
Current financial liabilities	1.5	105.8
Current lease liabilities	44.7	44.6
Current derivatives liabilities	0.2	0.5
Current employee benefits	34.1	37.0
Current provisions for dismantling	9.1	6.8
Current restructuring provisions	1.1	2.1
Other current liabilities	7.1	7.1
Operating taxes and levies payables	75.5	85.8
Current tax payables	10.7	13.3
Liabilities related to contracts with customers	56.0	61.1
Deferred income	0.2	1.0
<b>Total current liabilities</b>	<b>570.6</b>	<b>651.5</b>
<b>Total Equity and Liabilities</b>	<b>1 659.7</b>	<b>1 810.0</b>



### 11.3 Consolidated cash flow statement

in €m	31.12.2021	31.12.2022
<b>Operating activities</b>		
<b>Consolidated net profit</b>	<b>39.7</b>	<b>58.2</b>
<b>Adjustments to reconcile net profit (loss) to cash generated from operations</b>		
Operating taxes and levies	25.8	27.3
Depreciation, amortization of other intangible assets and property, plant and equipment	279.2	246.5
Depreciation of right-of-use assets	54.1	53.7
Impairment of non-current assets	1.6	1.1
Gains (losses) on disposal	-1.7	-1.1
Changes in other provisions	-1.0	-1.9
Share of profits (losses) of associates and joint ventures	-0.3	-0.4
Income tax expense	12.8	23.5
Finance costs, net	3.2	14.2
Impairment of goodwill	14.9	22.4
Operational net foreign exchange and derivatives	0.0	0.2
Share-based compensation	0.7	0.1
Impairment loss on trade and other receivables, including contract assets	8.7	6.9
	<b>397.9</b>	<b>392.5</b>
<b>Changes in working capital requirements</b>		
Decrease (increase) in inventories, gross	3.0	-2.2
Decrease (increase) in trade receivables, gross	10.7	14.8
Increase (decrease) in trade payables	-37.7	-35.1
Change in other assets related to contracts with customers	1.5	-10.0
Change in liabilities related to contracts with customers	-2.9	5.1
Changes in other assets and liabilities	4.2	2.1
	<b>-21.2</b>	<b>-25.3</b>
<b>Other net cash out</b>		
Operating taxes and levies paid	-35.3	-11.5
Interest paid and interest rates effects on derivatives, net	-3.8	-5.1
Income tax paid	-9.5	-19.2
	<b>-48.6</b>	<b>-35.8</b>
<b>Net cash provided by operating activities</b>	<b>367.9</b>	<b>389.5</b>
<b>Investing activities</b>		
<b>Purchases of property, plant and equipment and intangible assets</b>		
Purchases of property, plant and equipment and other intangible assets	-225.9	-473.6
Increase (decrease) in fixed assets payables	14.7	20.5
Cash paid for investments securities and acquired businesses, net of cash acquired	-0.2	0.0
Decrease (increase) in securities and other financial assets	0.1	0.4
<b>Net cash used in investing activities</b>	<b>-211.3</b>	<b>-452.6</b>
<b>Financing activities</b>		
Long-term debt issuances	512.9	480.1
Long-term debt redemptions and repayments	-594.8	-481.5
Repayment of lease liabilities	-51.8	-51.6
Increase (decrease) of bank overdrafts and short-term borrowings	0.0	98.4
Purchase of treasury shares	0.1	0.0
Dividends paid to owners of the parent company	-30.0	0.0
<b>Net cash used in financing activities</b>	<b>-163.6</b>	<b>45.3</b>
<b>Net change in cash and cash equivalents</b>	<b>-7.1</b>	<b>-17.8</b>
<b>Opening balance</b>		
o/w cash	32.0	24.0
o/w cash equivalents	28.8	29.8
Cash change in cash and cash equivalents	-7.1	-17.8
<b>Closing balance</b>		
o/w cash	24.0	35.9
o/w cash equivalents	29.8	0.0
<b>Organic Cash Flow (*)</b>	<b>104.8</b>	<b>-115.2</b>
<b>Organic Cash Flow from telecom activities (**)</b>	<b>126.6</b>	<b>105.3</b>

\* Organic cash flows correspond to net cash provided by operating activities decreased by capex/eCapex and the repayment of lease liabilities, increased by proceeds from sale of property, plant and equipment and intangible assets and adjusted for the payments for acquisition of telecommunications licences.

\*\* Organic cash flow from telecoms activities corresponds to net cash provided by operating activities, minus (i) repayments of lease liabilities and on debts related to financed assets, and (ii) purchases and sales of property, plant and equipment and intangible assets, net of the change in the fixed assets payables, (iii) excluding effect of telecommunication licenses paid and excluding effect of significant litigations paid (and received).

#### 11.4 Consolidated statement of changes in equity

in €m	Share capital	Legal reserve	Retained earnings	Treasury shares	Total equity
<b>Balance at 31 December 2021</b>	<b>131.7</b>	<b>13.2</b>	<b>479.3</b>		<b>624.2</b>
Net profit for the period			58.2		58.2
Other comprehensive income			6.6		6.6
<b>Total comprehensive income for the period</b>			<b>64.8</b>		<b>64.8</b>
Treasury Shares					
Employee - Share-based compensation			0.1		0.1
Declared dividends					
<b>Balance at 31 December 2022</b>	<b>131.7</b>	<b>13.2</b>	<b>544.1</b>		<b>689.0</b>

  

in €m	Share capital	Legal reserve	Retained earnings	Treasury shares	Total equity
<b>Balance at 31 December 2020</b>	<b>131.7</b>	<b>13.2</b>	<b>470.6</b>	<b>-1.5</b>	<b>613.9</b>
Net profit for the period			39.7		39.7
Other comprehensive income			-0.3		-0.3
<b>Total comprehensive income for the period</b>			<b>39.5</b>		<b>39.5</b>
Treasury Shares			-1.5	1.5	
Employee - Share-based compensation			0.7		0.7
Declared dividends			-30.0		-30.0
<b>Balance at 31 December 2021</b>	<b>131.7</b>	<b>13.2</b>	<b>479.3</b>		<b>624.2</b>

## 11.5 Segment information

in €m, twelve months ended 31 December 2022	Orange Belgium	Orange Luxembourg	Interco elimination	Orange Belgium Group
<b>Retail service revenues</b>	<b>963.4</b>	<b>46.1</b>	<b>0.0</b>	<b>1 009.5</b>
Convergent service revenues	288.0	0.0	0.0	288.0
Mobile only service revenues	558.3	38.5	0.0	596.9
Fixed only service revenues	73.6	7.6	0.0	81.1
IT & Integration services revenues	43.5	0.0	0.0	43.5
Equipment sales	134.7	13.0	0.0	147.7
Wholesale revenues	199.3	16.8	-5.9	210.2
Other revenues	35.8	0.1	-12.0	23.8
<b>Revenues</b>	<b>1 333.2</b>	<b>76.0</b>	<b>-17.9</b>	<b>1 391.2</b>
<b>Direct costs</b>	<b>-557.1</b>	<b>-34.9</b>	<b>17.9</b>	<b>-574.0</b>
<b>Labour costs</b>	<b>-149.8</b>	<b>-7.2</b>	<b>0.0</b>	<b>-157.0</b>
<b>Indirect costs, of which</b>	<b>-266.0</b>	<b>-17.7</b>	<b>0.0</b>	<b>-283.7</b>
Operational taxes and fees	-26.5	-0.8	0.0	-27.3
Depreciation of right-of-use assets	-49.5	-4.2	0.0	-53.7
Other restructuring costs	-11.0	0.0	0.0	-11.0
Depreciation, amortization of other intangible assets and property, plant and equipment	-237.0	-9.5	0.0	-246.5
Impairment of goodwill	-22.4	0.0	0.0	-22.4
Impairment of fixed assets	-1.1	0.0	0.0	-1.1
Share of profits (losses) of associates	0.4	0.0	0.0	0.4
<b>Operating profit (EBIT)</b>	<b>89.2</b>	<b>6.6</b>	<b>0.0</b>	<b>95.7</b>
Net financial income (expense)	-13.9	-0.3	0.0	-14.1
<b>Profit (loss) before taxation (PBT)</b>	<b>75.3</b>	<b>6.3</b>	<b>0.0</b>	<b>81.6</b>
Tax expense	-23.1	-0.4	0.0	-23.5
<b>Net profit (loss) for the period</b>	<b>52.2</b>	<b>6.0</b>	<b>0.0</b>	<b>58.2</b>

in €m, twelve months ended 31 December 2021	Orange Belgium	Orange Luxembourg	Interco elimination	Orange Belgium Group
<b>Retail service revenues</b>	<b>899.7</b>	<b>45.4</b>	<b>0.0</b>	<b>945.1</b>
Convergent service revenues	255.0	0.0	0.0	255.0
Mobile only service revenues	541.2	37.7	0.0	578.8
Fixed only service revenues	63.3	7.8	0.0	71.1
IT & Integration Services revenues	40.3	0.0	0.0	40.3
Equipment sales	127.2	13.9	0.0	141.1
Wholesale revenues	232.9	15.0	-5.9	241.9
Other revenues	47.7	2.0	-14.4	35.3
<b>Revenues</b>	<b>1 307.5</b>	<b>76.3</b>	<b>-20.3</b>	<b>1 363.5</b>
<b>Direct costs</b>	<b>-553.5</b>	<b>-37.8</b>	<b>20.3</b>	<b>-570.9</b>
<b>Labour costs</b>	<b>-140.6</b>	<b>-8.0</b>	<b>0.0</b>	<b>-148.6</b>
<b>Indirect costs, of which</b>	<b>-271.4</b>	<b>-17.3</b>	<b>0.0</b>	<b>-288.7</b>
Operational taxes and fees	-22.9	-2.9	0.0	-25.8
Depreciation of rights-of-use assets	-49.7	-4.4	0.0	-54.1
Other restructuring costs	-3.9	-0.2	0.0	-4.0
Depreciation, amortization of other intangible assets and property, plant and equipment	-271.1	-8.1	0.0	-279.2
Impairment of goodwill	-14.9	0.0	0.0	-14.9
Impairment of fixed assets	-1.6	0.0	0.0	-1.6
Share of profits (losses) of associates	0.3	0.0	0.0	0.3
<b>Operating profit (EBIT)</b>	<b>50.7</b>	<b>5.0</b>	<b>0.0</b>	<b>55.7</b>
Net financial income (expense)	-3.1	-0.1	0.0	-3.2
<b>Profit (loss) before taxation (PBT)</b>	<b>47.6</b>	<b>4.9</b>	<b>0.0</b>	<b>52.5</b>
Tax expense	-11.4	-1.4	0.0	-12.8
<b>Net profit (loss) for the period</b>	<b>36.3</b>	<b>3.5</b>	<b>0.0</b>	<b>39.7</b>

	Orange Belgium	Orange Luxembourg	Interco elimination	Orange Belgium Group
<b>in €m, twelve months ended 31 December 2022</b>				
<b>EBITDAaL</b>	<b>357.6</b>	<b>16.2</b>	<b>0.0</b>	<b>373.7</b>
Share of profits (losses) of associates	0.4	0.0	0.0	0.4
Impairment of goodwill	-22.4	0.0	0.0	-22.4
Impairment of fixed assets	-1.1	0.0	0.0	-1.1
Depreciation, amortization of other intangible assets and property, plant and equipment	-237.0	-9.5	0.0	-246.5
Other restructuring costs	-11.0	0.0	0.0	-11.0
Finance lease costs	2.7	0.0	0.0	2.7
<b>Operating profit (EBIT)</b>	<b>89.2</b>	<b>6.6</b>	<b>0.0</b>	<b>95.7</b>
Financial result	-13.9	-0.3	0.0	-14.1
<b>Profit (loss) before taxation (PBT)</b>	<b>75.3</b>	<b>6.3</b>	<b>0.0</b>	<b>81.6</b>
Tax expense	-23.1	-0.4	0.0	-23.5
<b>Net profit (loss) for the period</b>	<b>52.2</b>	<b>6.0</b>	<b>0.0</b>	<b>58.2</b>

	Orange Belgium	Orange Luxembourg	Interco elimination	Orange Belgium Group
<b>in €m, twelve months ended 31 December 2021</b>				
<b>EBITDAaL</b>	<b>339.8</b>	<b>13.3</b>	<b>0.0</b>	<b>353.0</b>
Share of profits (losses) of associates	0.3	0.0	0.0	0.3
Impairment of goodwill	-14.9	0.0	0.0	-14.9
Impairment of fixed assets	-1.6	0.0	0.0	-1.6
Depreciation, amortization of other intangible assets and property, plant and equipment	-271.1	-8.1	0.0	-279.2
Other restructuring costs	-3.9	-0.2	0.0	-4.0
Finance lease costs	2.3	0.0	0.0	2.3
<b>Operating profit (EBIT)</b>	<b>50.7</b>	<b>5.0</b>	<b>0.0</b>	<b>55.7</b>
Financial result	-3.1	-0.1	0.0	-3.2
<b>Profit (loss) before taxation (PBT)</b>	<b>47.6</b>	<b>4.9</b>	<b>0.0</b>	<b>52.5</b>
Tax expense	-11.4	-1.4	0.0	-12.8
<b>Net profit (loss) for the period</b>	<b>36.3</b>	<b>3.5</b>	<b>0.0</b>	<b>39.7</b>

## **12. Statutory auditor's procedures**

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Alexis Palm has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement.

## 13. Glossary

### Financial KPIs

#### Revenues

<b>revenues in line with the offer</b>	Provide Group revenues split in convergent services, mobile only services, fixed only services, IT & integration services, wholesale, equipment sales and other revenues.
<b>retail service revenues</b>	Revenue aggregation of revenues from convergent services, mobile only services, fixed only services, IT & integration services.
<b>convergent services</b>	Revenues from B2C convergent offers (excluding equipment sales). A convergent offer is defined as an offer combining at least a broadband access (xDSL, FTTx, cable or Fixed-4G (fLTE) with cell-lock) and a mobile voice contract (excluding MVNOs: Mobile Virtual Network Operator). Convergent services revenues do not include incoming and visitor roaming revenues.
<b>mobile only services</b>	Revenues from mobile offers (excluding B2C convergent offers and equipment sales) and M2M connectivity, excluding incoming and visitors roaming revenues.
<b>fixed only services</b>	Revenues from fixed offers (excluding B2C convergent offers and equipment sales) including (i) fixed broadband, (ii) fixed narrowband, and (iii) data infrastructure, managed networks, and incoming phone calls to customer relations call centres.
<b>IT &amp; integration services</b>	Revenues from collaborative services (consulting, integration, messaging, project management), application services (customer relationship management and infrastructure applications), hosting, cloud computing services, security services, video-conferencing and M2M services. It also includes equipment sales associated with the supply of these services.
<b>Wholesale</b>	Revenues with third-party telecom operators for (i) mobile: incoming, visitor roaming, domestic mobile interconnection (i.e. network sharing and domestic roaming agreement) and MVNO, and for (ii) fixed carriers services.
<b>equipment sales</b>	Revenues from all mobile and fixed equipment sales, excluding (i) equipment sales associated with the supply of IT & Integration services, and (ii) equipment sales to dealers and brokers.
<b>other revenues</b>	Include (i) equipment sales to brokers and dealers, (ii) portal, on-line advertising revenues, (iii) corporate transversal business line activities, and (iv) other miscellaneous revenues.

#### Profit & Loss

<b>Data on a comparable basis</b>	Data based on comparable accounting principles, scope of consolidation and exchange rates are presented for previous periods. The transition from data on an historical basis to data on a comparable basis consists of keeping the results for the period ended and then restating the results for the corresponding period of the preceding year for the purpose of presenting, over comparable periods, financial data with comparable accounting principles, scope of consolidation and exchange rate. The method used is to apply to the data of the corresponding period of the preceding year, the accounting principles and scope of consolidation for the period just ended as well as the average exchange rate used for the income statement for the period ended. Changes in data on a comparable basis reflect organic business changes. Data on a comparable basis is not a financial aggregate as defined by IFRS and may not be comparable to similarly-named indicators used by other companies.
<b>EBITDAaL (since 1 January 2019)</b>	EBITDA after lease is not a financial measure as defined by IFRS. It corresponds to the net profit before: taxes; net interest expense; share of profit/losses from associates; impairment of goodwill and fixed assets; effects resulting from business combinations; reclassification of cumulative translation adjustment from liquidated entities; depreciation and amortization; the effects of significant litigation, specific labour expenses; review of the investments and business portfolio, restructuring costs.

#### Cash flow statement

<b>Operating cash flow</b>	EBITDAaL minus eCapex.
<b>Organic cash flow</b>	Organic cash flows correspond to net cash provided by operating activities decreased by capex/eCapex and the repayment of lease liabilities, increased by proceeds from sale of property, plant and equipment and intangible assets and adjusted for the payments for acquisition of telecommunications licences.
<b>Organic cash flow from telecom activities</b>	Orange S.A. uses organic cash flow from telecom activities as an operating performance measure for telecom activities as a whole. Organic cash flow from telecom activities corresponds to net cash provided by operating activities minus (i) lease liabilities repayments and debts related to financed assets repayments, (ii) purchases and sales of property, plant and equipment and intangible assets net of the change in fixed assets payables, (iii) excluding effect of telecommunications licences paid and excluding effect of significant litigations paid (and received). Organic cash-flow from telecom activities is not a financial aggregate defined by IFRS and may not be comparable to similarly titled indicators used by other companies.
<b>eCapex</b>	Economic Capex is not a financial measure as defined by IFRS. It corresponds to capital expenditures on tangible and intangible assets excluding telecommunication licences and excluding investments through financial leases less proceeds from the disposal of fixed and intangible assets.
<b>licences &amp; spectrum</b>	Cash out related to acquisitions of licences and spectrum.
<b>change in WCR</b>	Change in net inventories, plus change in gross trade receivables, plus change in trade payables, plus change in other elements of WCR.
<b>other operational items</b>	Mainly offset of non-cash items included in adjusted EBITDA, items not included in adjusted EBITDA but included in net cash provided by operating activities, and change in fixed asset payables.
<b>Net debt</b>	Financial liabilities minus cash and cash equivalents
<b>net debt variation</b>	Variation of net debt level.

## Operational KPIs

### Convergent

<b>B2C convergent customer base</b>	Number of B2C customers holding an offer combining at least a broadband access (xDSL, FTTx, cable or Fixed-4G (fLTE) with cell-lock) and a mobile voice contract (excluding MVNOs).
<b>B2C convergent ARPO</b>	Average semesterly Revenues Per Offer (ARPO) of convergent services are calculated by dividing (a) the revenues from convergent offers billed to the B2C customers (excluding equipment sales) over the past six months, by (b) the weighted average number of convergent offers over the same period. The weighted average number of convergent offers is the average of the monthly averages during the period in question. The monthly average is the arithmetic mean of the number of convergent offers at the start and end of the month. Convergent ARPO is expressed as monthly revenues per convergent offer.

### Mobile

<b>mobile customer base (excl. MVNOs)</b>	Number of customers with active simcard, including (i) M2M and (ii) business and internet everywhere (excluding MVNOs).
<b>Contract</b>	Customer with whom Orange has a formal contractual agreement with the customer billed on a monthly basis for access fees and any additional voice or data use.
<b>Prepaid</b>	Customer with whom Orange has written contract with the customer paying in advance any data or voice use by purchasing vouchers in retail outlets for example.
<b>M2M (machine-to-machine)</b>	Exchange of information between machines that is established between the central control system (server) and any type of equipment, through one or several communication networks.
<b>mobile B2C convergent customers</b>	Number of mobile lines of B2C convergent customers.
<b>mobile only customers</b>	Number of mobile customers (see definition of this term) excluding mobile convergent customers (see definition of this term).
<b>MVNO customers</b>	Hosted MVNO customers on Orange networks.
<b>mobile only ARPO (semesterly)</b>	Average semesterly Revenues Per Offer (ARPO) of mobile only services are calculated by dividing (a) the revenues of mobile only services billed to the customers, generated over the past six months, by (b) the weighted average number of mobile only customers (excluding M2M customers) over the same period. The weighted average number of customers is the average of the monthly averages during the period in question. The monthly average is the arithmetic mean of the number of customers at the start and end of the month. Mobile only ARPO is expressed as monthly revenues per customer.

### Fixed

<b>number of lines (copper + FTTH)</b>	Number of fixed lines operated by Orange.
<b>B2C broadband convergent customers</b>	Number of B2C customers holding an offer combining at least a broadband access (xDSL, FTTx, cable or Fixed-4G (fLTE) with cell-lock) and a mobile voice contract (excluding MVNOs).
<b>fixed broadband only customers</b>	Number of fixed broadband customers excluding broadband convergent customers (see definition of this term).
<b>fixed only broadband ARPO (semesterly)</b>	Average semesterly Revenues Per Offer (ARPO) of fixed only broadband services (xDSL, FTTH, Fixed-4G (fLTE), satellite and Wimax) are calculated by dividing (a) the revenues from consumer fixed only broadband services over the past six months, by (b) the weighted average number of accesses over the same period. The weighted average number of accesses is the average of the monthly averages during the period in question. The monthly average is the arithmetic mean of the number of accesses at the start and end of the month. ARPO is expressed as monthly revenues per access.

### Consolidation perimeter

The scope of consolidation includes the following companies: Orange Belgium S.A. (100%), the Luxembourgian company Orange Communications Luxembourg S.A. (100%), IRISnet S.C.R.L. (28.16%), Smart Services Network S.A. (100%), Walcom Business Solutions S.A. (100%), A3COM S.A. (100%), A & S Partners S.A. (100%), BKM N.V. (100%), CC@PS B.V. (100%) and MWingz S.R.L. (50%). Upsize N.V. was merged into Orange Belgium. As a result of the merger, Orange Belgium is the sole shareholder of BKM.

### Rounding

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## 14. About Orange Belgium

Orange Belgium is one of the major telecommunication operators on the Belgian market, with over 3 million customers, and in Luxembourg, via its subsidiary Orange Communications Luxembourg.

As a convergent player, it provides next generation connectivity services to residential customers through multi-gigabits mobile, cable and optic fiber networks, also relating to the Internet of Things. Its high-performance mobile network is equipped with the latest technologies and benefits from continuous investments. As a responsible operator, Orange Belgium is also investing to reduce its ecological footprint and promote sustainable and inclusive digital practices.

Orange Belgium is a subsidiary of the Orange Group, one of the main operators in Europe and Africa for mobile telephony and internet access and a world leader in telecommunication services for companies.

Orange Belgium is listed on the Brussels Stock Exchange (OBEL).

More information on: [corporate.orange.be](https://corporate.orange.be), [www.orange.be](https://www.orange.be) or follow us on Twitter: [@pressOrangeBe](https://twitter.com/pressOrangeBe).

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