Quarterly Report

Q2 2024

- Strong Domestic commercial performance sustained in Q2: Mobile postpaid +24,000 (incl. +46,000 Residential), Internet +11,000, convergent customers +15,000, net loss in TV base contained, -9,000.
- Fiber further scaling to 38% coverage in the street. +40,000 activated Fiber lines in Q2, 481,000 in total end-June.
- Domestic revenue of EUR 1,200 million, +4.6% YoY, Residential Services revenue up +6.3% and Business +2.2%.
- Domestic EBITDA of EUR 437 million, +5.1% YoY driven by strong +4.5% growth in Direct margin.
- International EBITDA of EUR 43 million, up +6.5% pro-forma, driven by +9.5% Communication & Data Direct margin
- Proximus Group Q2'24 revenue +2.0% YoY pro-forma, underlying EBITDA of EUR 480 million, +5.3% pro forma.
- H1'24 CapEx at EUR 585 million; adjusted FCF at EUR -114 million, impacted by timing of working capital.
- Significant strategic steps taken by signing Fiber collaboration MoU and acquiring full ownership of Fiberklaar.
- Raising revenue and EBITDA guidance. Group CapEx expected to be c. EUR 1.36bn following Fiberklaar consolidation.
- Net Debt to EBITDA expected around ~3.1x including Fiberklaar consolidation and support from divestment program

1 Q2 2024 Highlights

- Proximus' Domestic segment closed the second quarter of 2024 with continued **strong growth in Mobile Postpaid, +24,000 net adds,** including +46,000 for the Residential unit. Proximus' Fiber footprint reaches meaningful coverage levels of 1,983,000 homes and businesses passed by end-June 2024, supporting a strong growth for its **Internet base (+11,000)**. **Residential convergent offers grew by +15,000** customers to a total of 1,145,000, a +6.2% year-on-year increase. End-June 2024, the number of **active Residential and Business Fiber lines totalled 481,000**, of which +40,000 were added during this past quarter. The **customer base for TV and Fixed Voice sees continued erosion,** down respectively by -9,000, and -34,000 subscriptions.
- Proximus' second quarter 2024 **Domestic underlying revenue was up by +4.6% to EUR 1,200 million**. The **Residential unit posted a +5.3%** revenue increase, including a strong +6.3% growth in Customer Services revenue, and revenue from Terminals year-on-year higher by EUR 7 million. Convergent revenue was up +10.7%, driven by further customer growth and the inflation-based price adjustments. The **Business unit revenue was up by +4.8% year-on-year,** supported by a solid growth trend **from Business Services up +2.2% year-on-year**. This was driven by IT Services (+5.3%) and Fixed Data (+5.8%), outpacing the ongoing Fixed Voice erosion (-4.3%). Revenue from Products was up by **+ EUR 14 million** compared to the same period last year. Proximus' **Wholesale unit posted an overall -4.9% revenue decrease** resulting from the loss of low margin interconnect revenue (EUR -7 million), while Wholesale Services revenue was up by +9.1% driven by increasing volumes in Instant Roaming.
- The second-quarter 2024 **Domestic EBITDA totalled EUR 437 million, a +5.1% increase** from the same period in 2023. The improvement from the previous year reflects the higher direct margin, up by +4.5%, ongoing company-wide cost efficiencies and a further moderation of cost-inflation.
- On pro-forma basis, the **Proximus International segment**[1] posted for the second quarter 2024 a 7.0% year-on-year direct margin growth to EUR 119 million, with no meaningful currency effects. This was achieved in spite of a -5.3% revenue decrease to EUR 415 million. For the product group **Communications & Data services** revenue of EUR 284 million was posted, -6.2%, while its direct margin increased year-on-year by +9.5%**.** This resulted from a low-double digit growth in CPaaS, fuelled by new large contracts supporting SMS volumes, growing Omnichannel CPaaS services, Digital Identity and Mobility services. The product group **P2P Voice & Messaging services posted EUR 147 million revenue**, -9.8%, with **direct margin down by -1.8%**. The **International segment posted an EBITDA of EUR 43 million, up by +6.5%**.
- In aggregate, the Proximus **Group underlying revenue totalled EUR 1,599 million** for the second quarter of 2024, **up +2.0% pro forma** (+6.9% actual), driven by a strong increase in Domestic revenue. The underlying **Group EBITDA totalled EUR 480 million, a year-on-year increase by +5.3% pro forma** (+7.5% actual).
- The **Proximus Group CapEx** for the first-half of 2024 totalled EUR 585 million, EUR 26 million below the comparable period in 2023. This mainly reflects the lower CapEx for Proximus' own fiber build, while the CapEx to connect and activate customers increases. Moreover, the Mobile network (RAN) consolidation is ongoing, led by the created joint-operation MWingz, with CapEx incurring in line with the pace of the mobile site consolidation.
- **At end-June, the FCF when adjusting for M&A related cash-out stood at EUR -114 million** (EUR -727 million including Route Mobile acquisition costs). This mainly reflects the cash-out related to investments over the first six months and cash-out for working capital needs (timing).

[1] International segment includes Proximus Group international affiliates BICS, Telesign and Route Mobile as from 1 May 2024, More information in section 4.

Market situation

For the Residential market, Belgium remains very much a convergent market, with offers addressing all customer segments, from fully-fledged convergent offers including multi-mobile cards and entertainment propositions over skinny bundles to stand-alone offers. The industry headwind of Fixed Voice decline continues as well as moderated cord cutting. While the Fixed internet market is slowly growing, Fiber connectivity increasingly creates opportunities. Inflation pressures in the Belgian market, as elsewhere in Europe, have resulted in selective pricing increases for Fixed and convergent offers. At the same time, as the market is preparing for the announced newcomer, Mobile headline pricing is keeping a more prudent approach, with data allowances remaining on the rise. All network players in Belgium apply a multi-brand strategy, whereby especially B-brands have been adjusting prices downwards. The Business market remained very competitive, translated into continued pricing pressure, whilst there has been room for targeted pricing actions. Fiber connectivity and Professional IT services represent opportunities, while legacy Fixed services face ongoing erosion.

Guillaume Boutin, CEO

I am pleased to announce today our excellent second quarter 2024 financial and operational results, supporting an upgraded guidance, with Group EBITDA now expected to grow up to 2.5% on pro-forma basis. Over the past few months, we also made meaningful progress in our strategic execution by successfully closing the Route Mobile acquisition, and recently achieving a significant step forward in Fiber collaboration.

This month, we crossed the 2 million milestone of homes and businesses passed with Fiber. Remarkably, half of this achievement occurred in the past 2 years, highlighting the significant increase in efficiency and capacity. And, of course, our ambition does not stop there, I'm excited to share that after several months of constructive discussions, we have taken a significant strategic step by signing a Memorandum of Understanding for Fiber Collaboration in Flanders with Wyre/Telenet. The objective is to maximize the utilization of Fiber networks while ensuring broader fiber coverage at an accelerated pace. Additionally, Proximus customers could gain Gigabit HFC access in areas where FttH is not available yet. Overall, 80% of our Flanders-based customers could benefit from our Gigabit networks by 2030. All this would be achieved with a significantly reduced overall investment. Separately, we acquired 100% of Fiberklaar. Through the future integration of its operations, we secured full owner-economics of the network and expect synergies by optimizing funding and operating costs.

Both projects align seamlessly with our strategy of network superiority in both Fixed and Mobile, which continues to be the cornerstone of our commercial success. Supported by our attractive product offerings and effective multi-brand strategy, our second quarter Domestic operations demonstrated outstanding growth, growing Mobile postpaid and Internet customer base by +24,000 and + 11,000, respectively. Coupled with sound value management this drove another excellent year-on-year Domestic revenue growth of 4.6%. Additionally, our unwavering focus on cost efficiency led to a 5.1% rise in Domestic EBITDA.

In May, we completed the acquisition of a majority stake in Route Mobile, strengthening our position as a global leader in digital communications. We reconfirm the growth ambition we set during the International Webinar back in June. Turning to the results of the second quarter, the International segment posted a +7.0% increase in direct margin on a pro forma basis. This was fuelled by a 9.5% growth in Communications & Data direct margin, including a low-double digit direct margin growth for the CPaaS and DI platforms. In an inherently declining market, we maintained the P2P Voice & Messaging direct margin stable year-on-year.

Additionally, our strategic partnership with Microsoft, formalized this quarter, marks a significant first validation of our international strategy. As part of the agreement, Microsoft will use the best-in-class CPaaS and DI products of our International platforms, further solidifying our leadership in the digital communications space.

In conclusion, we have closed the first half of 2024 on a high note, allowing us to confidently raise our 2024 guidance for Domestic Revenue to "Growing up to 2.5%", Domestic EBITDA to "Growing up to 2%" and Group EBITDA to "Growing up to 2.5%" on pro forma basis. Following the full ownership in Fiberklaar, our Balance sheet will also reflect their Fiber investments. As a result, we estimate the total consolidated CapEx for the Proximus Group to be around EUR 1.36 billion for 2024. The funding of the transaction will have a limited and temporary impact on the Net debt / EBITDA ratio, for 2024 expected to be around 3.1X. Our 3-year dividend policy set for 2023-2025 remains unchanged.

If I step back for a moment and look toward the medium and longer term, with the ongoing discussion with the regulators and the MoU signed with Wyre/Telenet, we have achieved a strategic milestone for the country and the industry. These discussions could set a framework for long-term cash flow generation and competitiveness through increased network utilization yielding additional wholesale income. These agreements are expected to result in FCF covering current dividend levels in '25-'27 supported by our divestment program which we will scale to EUR 500 million. Proximus will be returning to growing annual organic FCF from '28 onwards.

To conclude on a more personal note, it is with a mix of excitement and gratitude that I see my mandate as CEO of Proximus Group being extended for the next six years. During my first years as CEO, thanks to the support of the many great teams at Proximus, we have taken important steps towards making Proximus a reference operator in Europe. I am grateful to be trusted by the Board of Directors to further pursue this growth trajectory, both locally and internationally. I have full confidence in the future and will continue to work hard to defend the interests of our customers, our employees, our shareholders and the Belgian society as a whole.

Table 1a: **Key Figures**

Operationals ('000)	Net adds in the quarter			Park at end of quarter		
	2023	2024	% Change	2023	2024	% Change
Homes Passed	110	143		1,483	1,983	33.7%
Activated retail lines	34	40		322	481	49.4%
Residential customers						
Convergent	16	15		1,078	1,145	6.2%
Group (subscriptions/SIM cards)						
Internet	13	11		2,240	2,291	2.3%
TV	-3	-9		1,694	1,650	-2.6%
Fixed Voice	-32	-34		1,726	1,574	-8.9%
Mobile Postpaid (excl. M2M)	48	24		4,875	5,018	2.9%
M2M	112	25		4,180	4,298	2.8%
Prepaid	-23	-11		583	509	-12.7%

Financials (EUR million)	2nd Quarter			Year-to-date		
	2023	2024	% Change	2023	2024	% Change
Group Revenue (underlying)	**1,495**	**1,599**	**6.9%**	**2,982**	**3,102**	**4.1%**
of which Domestic	1,147	1,200	4.6%	2,296	2,401	4.6%
of which International	367	415	13.3%	719	731	1.7%
Group Direct margin (underlying)	**951**	**1,016**	**6.8%**	**1,898**	**2,010**	**5.9%**
of which Domestic	862	900	4.5%	1,718	1,803	4.9%
of which International	95	119	24.4%	189	213	12.6%
Group Expenses (underlying)	**-505**	**-536**	**6.2%**	**-1,019**	**-1,076**	**5.6%**
of which Domestic	-446	-463	3.8%	-897	-941	4.9%
of which International	-65	-76	17.1%	-131	-140	7.1%
Group EBITDA (underlying)	**446**	**480**	**7.5%**	**879**	**934**	**6.3%**
as % of revenue	**29.8%**	**30.0%**	**0.2 p.p.**	**29.5%**	**30.1%**	**0.6 p.p.**
of which Domestic	416	437	5.1%	821	861	4.9%
of which International	30	43	40.1%	58	72	25.1%
Group EBITDA (reported)	**447**	**486**	**8.7%**	**892**	**951**	**6.6%**
Net income	**94**	**91**	**-2.9%**	**188**	**191**	**1.8%**
Accrued CapEx (excl. spectrum & football rights)	**300**	**291**	**-3.0%**	**611**	**585**	**-4.3%**
FCF (adjusted)	**-20**	**-2**	**89.9%**	**-99**	**-114**	**-14.8%**
Adjusted net fin position (excl. lease liabilities)	**n.r.**	**n.r.**		**-3,121**	**-4,163**	**-33.4%**

- Group revenue, direct margin, Operating Expenses and EBITDA include intersegment eliminations
- Adjusted FCF excludes M&A impacts but includes Fiber equity injections.

Table 1b: **Key Financials on Pro-Forma basis**

	2nd Quarter Pro forma*			Year-to-date Pro forma*		
Financials (EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Group Revenue (underlying)	**1567**	**1,599**	**2.0%**	**3053**	**3,102**	**1.6%**
of which Domestic	1147	1,200	4.6%	2296	2,401	4.6%
of which International	438	415	-5.3%	791	731	-7.5%
Group Direct Margin (underlying)	**966**	**1,016**	**5.1%**	**1913**	**2,010**	**5.1%**
of which Domestic	862	900	4.5%	1718	1,803	4.9%
of which International	111	119	7.0%	204	213	4.0%
Group Expenses (underlying)	**-511**	**-536**	**4.9%**	**-1025**	**-1,076**	**5.0%**
of which Domestic	-446	-463	3.8%	-897	-941	4.9%
of which International	-71	-76	7.2%	-137	-140	2.4%
Group EBITDA (underlying)	**456**	**480**	**5.3%**	**888**	**934**	**5.1%**
as % of revenue	**29.1%**	**30.0%**	**0.9 p.p.**	**29.1%**	**30.1%**	**1.0 p.p.**
of which Domestic	416	437	5.1%	821	861	4.9%
of which International	40	43	6.5%	68	72	7.4%
Group EBITDA (reported)	**456**	**486**	**6.4%**	**901**	**951**	**5.4%**
Net income	**103**	**91**	**-11.9%**	**198**	**191**	**-3.1%**
Accrued CapEx (excl. spectrum & football rights)	**301**	**291**	**-3.4%**	**612**	**585**	**-4.5%**

*As of May 2023, figures include the Route Mobile consolidation impact

- Group revenue, direct margin, Operating Expenses and EBITDA include intersegment eliminations

2 Proximus Group Financial Review

Note: As from 1 May 2024, the financial results of the International segment of Proximus, and by extension, the Proximus Group, integrate the consolidation of Route Mobile. To establish a meaningful basis for comparison, this report incorporates references to unaudited pro-forma results of the year 2023. An exhaustive pro-forma overview is captured in Section 6.2 of this document. All tables throughout the report are on reported/underlying basis unless stated otherwise.

2.1 Group financials (underlying)

Table 2: Underlying Group P&L

	2nd Quarter			Year-to-date		
(EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Revenue[1]	**1,495**	**1,599**	**6.9%**	**2,982**	**3,102**	**4.1%**
Net Revenue	1,482	1,586	7.0%	2,956	3,078	4.1%
Other Operating Income	13	13	-1.1%	25	25	-1.0%
Cost of Sales[2]	**-544**	**-583**	**7.1%**	**-1,084**	**-1,092**	**0.8%**
Direct Margin	**951**	**1,016**	**6.8%**	**1,898**	**2,010**	**5.9%**
Direct Margin %	*63.6%*	*63.5%*	*-0.1 p.p.*	*63.7%*	*64.8%*	*1.1 p.p.*
Expenses	**-505**	**-536**	**6.2%**	**-1,019**	**-1,076**	**5.6%**
EBITDA[3]	**446**	**480**	**7.5%**	**879**	**934**	**6.3%**
EBITDA Margin %	*29.8%*	*30.0%*	*0.2 p.p.*	*29.5%*	*30.1%*	*0.6 p.p.*

[1] Corresponds to "Total Income"
[2] Corresponds to "Cost of materials and charges to revenues"
[3] Corresponds to "Operating income before depreciation and amortization"
See section 6.4 for 'Reported to Underlying' and adjustment details

2.1.1 Underlying Group revenue

Q2 2024

The **Proximus Group underlying revenue totalled EUR 1,599 million** for the second quarter of 2024, a year-on-year increase of +6.9%, **representing a +2.0% increase on pro forma basis**[2] or + EUR 32 million driven by Domestic operations.

Proximus' **Domestic** segment grew its **underlying revenue to EUR 1,200 million, an increase of +4.6%** or EUR 53 million compared to the preceding year.

The **Residential** revenue **totalled EUR 616 million,** up year-on-year by **+5.3%**. This was mainly driven by a +6.3% increase for Customer Services revenue. The strong growth resulted from a +10.7% year-on-year increase in Convergent revenue, with a sustained increase in the convergent customer base (+ 6.2%) further supported by price indexations[3]. Moreover, revenue from Terminals was up by EUR 7 million from the year before.

The second-quarter 2024 revenue of the **Business unit ended +4.8% above the 2023** comparable base. Business Services revenue continued its positive trend in the second quarter, up by +2.2%, with especially higher revenue from Fixed Data (+5.8%) and IT Services (+5.3%) more than offsetting a slightly lower Mobile service revenue (-0.6%) and the ongoing moderate Fixed Voice revenue erosion (-4.3%). Revenue from Products was up year-on-year by EUR 14 million, driven by both IT equipment (+10.8%) and Terminals were up year-on-year (+47.2%) on a smaller basis.

[2] Indicative pro forma 8-month including Route Mobile as of May 2023 available in part 6 of this document.

[3] January 1, 2024 and July 1, 2023

Proximus' **Wholesale unit** posted a second-quarter 2024 revenue of EUR 64 million, -**4.9% or EUR -3 million** down from the same period of 2023. The revenue decline is fully attributed to a EUR -7 million decrease in low-margin interconnect revenue. Revenue generated by **Fixed and Mobile wholesale services was up +9.1%.**

Proximus' International segment posted EUR 415 million of revenue over the second quarter of 2024, a year-on-year decrease of -5.3% on pro forma basis (+13.3% on actual basis), mainly on the account of lower margin services. Revenue from Communications & Data totalled EUR 284 million, down -6.2% pro forma (+22.9% on an actual basis) as result of lower CPaaS SMS volumes following the ongoing move from SMS-only to Omnichannel solutions. This was partly offset by growth in a.o. Digital Identity, Mobility, Cloud communication and IoT services. For P2P Voice & Messaging, revenue of EUR 147 million was posted, down -9.8% from the same period last year, driven by lower volumes overall.

Table 3: Underlying Group Revenue

	2nd Quarter			Year-to-date		
(EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Group Underlying by Segment	**1,495**	**1,599**	**6.9%**	**2,982**	**3,102**	**4.1%**
Domestic	1,147	1,200	4.6%	2,296	2,401	4.6%
Residential	585	616	5.3%	1,171	1,236	5.6%
Business	482	505	4.8%	969	1,007	4.0%
Wholesale	67	64	-4.9%	129	123	-4.9%
Other (incl. eliminations)	14	15	12.2%	28	35	25.1%
International	367	415	13.3%	719	731	1.7%
Communications & Data	231	284	22.9%	450	482	6.9%
P2P Voice & Messaging	163	147	-9.8%	326	285	-12.7%
International eliminations	-28	-16	41.8%	-57	-35	39.0%
Group eliminations	-18	-16	11.5%	-34	-30	12.1%

2.1.2 Underlying Group direct margin

Table 4: Underlying Group direct Margin

	2nd Quarter			Year-to-date		
(EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Group Underlying by Segment	**951**	**1,016**	**6.8%**	**1,898**	**2,010**	**5.9%**
Domestic	862	900	4.5%	1,718	1,803	4.9%
International	95	119	24.4%	189	213	12.6%
Group elimininations	-6	-3	51.0%	-9	-5	41.8%

The second quarter 2024 underlying direct margin of the **Proximus Group totalled EUR 1,016 million, an increase year-over-year of +5.1% on pro forma basis (+6.8% reported).** Proximus' **Domestic operations posted a direct margin of EUR 900 million, +4.5%** or EUR 38 million above the prior year. For its

International segment, **Proximus posted EUR 119 million direct margin**, +7.0% year-on-year on pro forma basis, (+24.4% on reported basis) driven by a +9.5 % growth in Communications and Data.

2.1.3 Underlying Group Expenses [4]

Table 5: Underlying Group expenses

	2nd Quarter			Year-to-date		
(EUR million)	2023	2024	% Change	2023	2024	% Change
Group Underlying	**505**	**536**	**6.2%**	**1,019**	**1,076**	**5.6%**
Workforce expenses	330	345	4.4%	660	687	4.1%
Non-Workforce expenses	175	191	9.5%	359	390	8.4%
Domestic Underlying	**446**	**463**	**3.8%**	**897**	**941**	**4.9%**
Workforce expenses	289	298	3.2%	577	599	3.8%
Non-Workforce expenses	156	164	5.1%	320	343	7.0%
International Underlying	**65**	**76**	**17.1%**	**131**	**140**	**7.1%**
Workforce expenses	41	47	13.6%	84	90	6.2%
Non-Workforce expenses	23	29	23.3%	47	51	8.7%
Group eliminations	**-6**	**-3**	**51.5%**	**-9**	**-5**	**42.3%**

Q2 2024

The Proximus **Group underlying operating expenses** increased year-on-year to EUR 536 million in the second quarter of 2024, **up +4.9% on pro forma** (+6.2% on reported figures) with the trend showing further sequential improvement from prior quarters as the level of inflationary pressure further moderates.

The **Domestic operating expenses totalled EUR 463 million, +3.8%** with the year-on-year rise mainly reflecting inflationary cost increases (wage indexations and other costs such as rental and maintenance), higher costs related to acquiring and migrating customers in line with the company's ongoing strong commercial results, as well transformation-related costs (incl. Mobile network sharing, cloudification, headquarter transition).

Workforce related costs were up by +3.2% year-on-year, including the impact of the inflation-based salary indexation.

Proximus continues to realize significant cost efficiencies, outpacing the year-on-year inflation impact. As part of its cost efficiency program, Proximus manages its headcount outflow, with internal headcount down by -92 FTEs year-over-year to a total of 10,277 FTEs. With the acquisition of Route Mobile, International FTEs went up +1,443 FTEs to a total of 2,735 International FTEs. This includes Route Mobile's call center activity Call2Connect.

Proximus' International segment second quarter 2024 operating expenses totalled EUR 76 million, up +7.2% on a pro forma basis (+17.1% on a reported basis), driven by inflationary cost increases.

[4] Before D&A; excluding Cost of Sales; excluding incidentals.

2.1.4 Group EBITDA - reported and underlying

Table 6: From reported to underlying EBITDA

	2nd Quarter			Year-to-date		
(EUR million)	2023	2024	% Change	2023	2024	% Change
Group reported EBITDA	**447**	**486**	**8.7%**	**892**	**951**	**6.6%**
Adjustments	0	-6	nr	-13	-17	nr
Group Underlying EBITDA	**446**	**480**	**7.5%**	**879**	**934**	**6.3%**
Domestic	416	437	5.1%	821	861	4.9%
International	30	43	40.1%	58	72	25.1%

Underlying Group EBITDA

Q2 2024

For the second quarter 2024, the **underlying Group EBITDA totalled EUR 480 million,** up by +7.5% on a reported basis and +5.3% on a pro forma basis. For its **Domestic segment, Proximus posted an underlying EBITDA of EUR 437 million**, **+5.1%,** with the increase in direct margin more than offsetting the higher operating costs. **Proximus International segment posted an EBITDA of EUR 43 million**, a year-on-year increase by +40.1% on a reported basis and +6.5% on a pro forma basis.

Total Reported Group EBITDA

Q2 2024

The Proximus Group reported EUR 486 million EBITDA for the second quarter of 2024, an increase of or EUR 39 million or +8.7% on a reported basis and +6.4% on a pro forma basis from the comparable period in the previous year. There was a EUR -6 million adjustment from reported to underlying Group EBITDA for the second quarter of 2024. This was mainly the net effect of adjustments to the EBITDA for lease depreciation and lease interest (reducing the underlying EBITDA by EUR 24 million and EUR 2 million respectively) and incidental costs related to M&A, transformation and litigation/regulation costs (increasing the underlying EBITDA for a total of EUR 20 million). For an overview of all adjustments, see section 6.4).

2.1.5 Net income

YTD 2024

Depreciation and amortization

The **depreciation and amortization** (including lease depreciation) over the first half of 2024 totalled **EUR 616 million**, a +4.5% increase compared to the same period of last year (from which 1.2% relates to the Route Mobile integration).

Net finance cost

The year-to-date June 2024 **net finance costs** (including lease interests) of **EUR 76 million**, were up by EUR 27 million from the year before, mainly due to higher interests on long-term debt (new bonds issued in March and November 2023, and in March 2024.)

Tax expenses

In the first half of 2024 the **tax expenses** amounted to **EUR 60 million**, leading to an **effective tax rate of 23.85%**. The difference with the Belgian statutory tax rate of 25% results from the application of an Innovation Income Deduction, a Belgian R&D tax incentive, exceeding the non-deductible items.

Net income (Group share)

Compared to the same period of last year, the **Proximus net income** over the first 6 months of 2024 (Group share) increased by 1.4% to **EUR 191 million,** due to higher EBITDA (EUR +59 million), partly offset by higher depreciations and net finance costs.

Table 7: From Group EBITDA to net income

	2nd Quarter			Year-to-date		
(EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Group reported EBITDA	**447**	**486**	**8.7%**	**892**	**951**	**6.6%**
Depreciation and amortization	-297	-315	5.9%	-589	-616	4.5%
Operating income (EBIT)	**149**	**170**	**14.2%**	**303**	**335**	**10.6%**
Net finance costs	-22	-44	96.2%	-49	-76	56.0%
Share of loss on associates and JV	-1	-5	>100%	-6	-7	31.3%
Income before taxes	**126**	**122**	**-3.4%**	**248**	**251**	**1.2%**
Tax expense	-32	-31	-4.8%	-60	-60	-0.7%
Net income	**94**	**91**	**-2.9%**	**188**	**191**	**1.8%**
Non-controlling interests	0	1	>100%	0	1	>100%
Net income (Group share)	**94**	**90**	**-3.7%**	**188**	**191**	**1.4%**

2.1.6 Investments

The Proximus Group CapEx[5] totalled EUR 291 million over the second quarter of 2024. This brings the **Group CapEx for the first-half of 2024 to EUR 585** million, EUR 26 million below the comparable period in 2023. The year-on-year decrease mainly reflects the anticipated slow-down of Proximus' own fiber build. Meanwhile the Fiber Joint-Ventures Fiberklaar and Unifiber are scaling up their pace. Fiber is being deployed 164 cities and municipalities in Belgium, with Proximus' fiber HP footprint now at 33%, representing 1,983,000 premises with access to fiber. Including the funnel of the Fiber JVs, Proximus' "fiber in the street" footprint reached 38%. While the CapEx for Proximus' own fiber build decreased, the customer termination and activation CapEx is rising with existing and new customers migrating to fiber. Moreover, the Mobile network (RAN) consolidation between Proximus and Orange Belgium is ongoing, led by the created joint-operation Mwingz, with CapEx incurring in line with the pace of the mobile site consolidation.

[5] Booked CapEx, excluding CapEx for Spectrum and Football broadcasting rights

2.1.7 Cash flows

Table 8: EBITDA conversion to Free Cash Flow

	2nd Quarter			Year-to-date		
(EUR million)	2023	2024	Change %	2023	2024	Change %
EBITDA Reported	**447**	**486**	**9%**	**892**	**951**	**7%**
Adjustments for incidental revenues and costs	*20*	*20*	0%	*28*	*35*	23%
Adjustments for lease payments in operating activities)	*-19*	*-24*	25%	*-38*	*-47*	22%
Adjustments for lease interests in operating activities	*-2*	*-2*	41%	*-3*	*-5*	61%
EBITDA Underlying	**446**	**480**	**8%**	**879**	**934**	**6%**
Cash Flow from Operating Activities:						
I. Change in WC	**-70**	**-91**	**31%**	**-128**	**-239**	**87%**
a. Change in Business Working Capital	-15	-26	74%	11	-177	<-100%
b. Changes in Working Capital for taxes (other than income tax)	-6	-14	>100%	-18	21	>100%
c. Other Changes in Working Capital	-49	-51	4%	-122	-83	-32%
II. Interest Payments	**-26**	**-17**	**-37%**	**-51**	**-40**	**-21%**
III. Income Tax Payments	**-56**	**-76**	**37%**	**-59**	**-75**	**28%**
Cash Flow from Investing Activities:						
IV. Cash CapEx*	**-315**	**-302**	**-4%**	**-740**	**-697**	**-6%**
V. Cash Other Investing	**0**	**5**	**>100%**	**1**	**5**	**>100%**
a. Cash received for the sale of assets	1	4	>100%	1	4	>100%
b. Cash paid for equity injections in fiber joint-ventures	0	0	-	0	0	<-100%
c. Cash paid/received for other investing activities	-1	0	>100%	0	0	>100%
FCF Adjusted	**-20**	**-2**	**-91%**	**-99**	**-114**	**15%**
Adjustments for M&A	*-5*	*-586*	>100%	*-24*	*-587*	>100%
Adjustments for M&A related transaction costs	*0*	*-10*	-	*0*	*-26*	-
FCF Reported	**-24**	**-598**	**>100%**	**-124**	**-727**	**>100%**

*Cash paid for acquisitions of intangible assets and property, plant, and equipment

Including the cash-out related to the acquisition of Route Mobile, the Proximus Group **Free Cash Flow** for the second quarter 2024 stood at **EUR -598 million**, this represents **EUR -2 million when adjusted for acquisitions and M&A-related transaction costs**.

Over the first half of 2024, the Free Cash Flow amounted EUR -727 million, which is EUR -114 million on adjusted basis. Compared to the first half of 2023, the **adjusted Free Cash Flow decreased by EUR -15 million**. This resulted mainly from timing effects in working capital needs (EUR -111 million, from which EUR -24 million relates to the integration of Route Mobile), partially compensated by a higher underlying EBITDA (EUR +55 million, from which EUR +10 million relates to the integration of Route Mobile) and lower cash for CapEx (EUR +43 million, with no material impact from the integration of Route Mobile). Due to a timing effect on spectrum interests, year-over-year interests paid were lower by EUR 11 million, despite higher interests paid on loans due to the combination of higher rates and higher outstanding debt (no material impact from the integration of Route Mobile). Total amount of income tax prepayments increased by EUR -16 million compared to the same period last year (no material impact from the integration of Route Mobile).

2.1.8 Balance sheet and shareholders' equity

Almost all balance sheet components have been impacted, to a greater or lesser extent, by the Route Mobile balance sheet integration and the subsequent provisional Purchase Price allocation exercise.

Goodwill increased by EUR +414 million compared to the end of 2023, almost entirely attributable to the Route Mobile integration.

The integration of Route Mobile's own Intangible fixed assets (for an amount of EUR +505 million) was partially compensated by the depreciation of the 'historical' **Intangible fixed assets** in the Proximus Group (EUR -59 million), leading to a net variation of EUR +446 million on the first 6 months of 2024.

Other non-current assets were impacted positively by the Route Mobile integration (EUR +133 million) and negatively by the reclass from the non-current to the current portion of 2 hedge contracts (EUR -71 million), the latter impacting positively the **Other current assets** (including remeasurement).

Compared to the end of 2023, the higher level of **Trade Receivables** (EUR +231 million, from which EUR 163 million relates to Route Mobile), in combination with lower **Trade Payables** (CapEx incl.) (EUR -89 million, despite the integration of EUR +75 million from Route Mobile) mark a timing effect in working capital needs.

Shareholders' equity increased by EUR 142 million from EUR 3,300 million at the end of December 2023 to EUR 3,442 million at the end of this quarter, resulting from the net income Group Share (EUR 191 million), the payment of the 2023 dividend to the shareholders (EUR -226 million) and the Route Mobile acquisition (EUR +169 million).

At the end of the second quarter, Proximus' outstanding **long-term interest-bearing liabilities** (excluding lease liabilities and part maturing within one year) amounted to EUR 4,010 million, an increase of EUR 702 million, mainly resulting from the issuance of a bond in March (EUR 700 million). **Short-term interest-bearing liabilities** decreased by EUR -223 million, mainly because of the repayment of a matured bond (EUR -600 million) compensated by newly issued commercial paper (EUR +322 million) and the issuance of a short-term borrowing by Route Mobile (EUR +32 million).

Finally, the increase of **long-term Provisions** (EUR +117 million) and **Deferred tax liabilities** (EUR +126 million) are almost entirely attributable to the Route Mobile integration.

Adjusted net financial position reaches EUR 4,163 million (including re-measurements to fair value).

Table 9: Net financial position

Table 9: Net financial position.

	As at 31 December	As of 30 June
(EUR million)	**2023**	**2024**
Investments, Cash and cash equivalents	716	234
Derivatives	72	2
Current assets	0	0
Assets	**787**	**236**
Non-current liabilities (*)	-3,518	-4,229
Current liabilities (*)	-699	-481
Liabilities	**-4,217**	**-4,710**
Net financial position (*)	**-3,429**	**-4,475**
of which Leasing liabilities	-298	-312
Adjusted net financial position (**)	**-3,131**	**-4,163**

(*) Including derivatives and leasing liabilities
(**) The adjusted financial position excludes leasing liabilities

2.2 Regulation

Termination rates

On 18 December 2020, the Commission adopted a binding decision setting single maximum EU-wide wholesale mobile and fixed termination rates (also referred to as Eurorates). This act establishes a three-year glidepath for mobile termination rates (MTR) and a transition period for fixed termination rates (FTR).

(€ cent/minute)	Previous	01/07/2021	01/01/2022	01/01/2023	As from 1/1/2024
MTR	0.99	0.70	0.55	0.40	0.20
FTR	0.116	0.093	0.070	0.070	0.070

International roaming

The Roaming Regulation including RLAH expired on 30 June 2022. On 4 April 2022, the European Council adopted a new legislative act to extend the roaming regulation until 30 June 2032. In addition, the wholesale roaming charges, the prices that operators charge each other when their customers use other networks when roaming in the EU, are capped at EUR 2 per Gigabyte (Gb) from 2022 progressively down to EUR 1 in 2027. Furthermore, wholesale caps for voice and SMS are lowered based on a two-step glidepath in 2022 and 2025. The Commission has been tasked with reviewing the regulation and its first report is scheduled for 30 June 2025

€ excl. VAT	1/7/2022-31/12/2022	2023	2024	2025	2026	2027 -2032
Voice call/min	0,022	0,022	0,022	0,019	0,019	0,019
SMS	0,004	0,004	0,004	0,003	0,003	0,003
Data/GB	2	1,8	1,55	1,3	1,1	1

2025 tariffs and beyond subject to Commission review by 30 June 2025

2.3 ESG

Our purpose is "boldly building a connected word that people trust so society blooms". That means we are actively building a connected world and have a unique role in ensuring the trustworthiness, security and sovereignty of these digital societies. By investing in digital accessibility and inclusiveness – and by taking action against global warming – individuals, households, companies and governments will flourish, and society will benefit. This purpose is our compass, guiding us in all we do and defining our nine commitments in the ESG areas. You can find more details on our commitments here: Proximus sustainability report 2023.

In the spotlight

- **# Refurbished fix devices –** 524,440 fix devices refurbished at end-June 2024, 115,000 more than during the same period in 2023.
- **# Refurbished Internet Boxes & TV Boxes** – 256,890 internet and TV boxes refurbished at end of second quarter 2024, 60,000 more than the same period last year.
- **# Hours of training per FTE on average** – 27 hours of training on average as of second quarter 2024, 1 hour more than the second quarter 2023
- **Tons of Recycled Copper Cable** – 309 tons of Copper Cables recycled as of end-June 2024, 25 tons more than the same period last year.

DigitAll reaches another milestone in its history

As it celebrates its fourth anniversary, DigitAll has reached a new milestone by adopting ASBL non-profit status. DigitAll – an initiative launched by BNP Paribas Fortis in 2020, joined by Proximus one year later, to improve digital inclusion in Belgium – has grown constantly and now has more than 120 partners. These include private-sector companies, public-sector entities and other social organizations. VOKA, Amazon, Akkanto and North Sea Port are some of those that have recently joined the DigitAll ecosystem, which is the only one of its kind in Belgium. In an open letter, 64 CEOs and senior managers from DigitAll members call on the next coalition to make digital inclusion a real priority.

Proximus achieves platinum medal from EcoVadis

Proximus has achieved the platinum medal from EcoVadis for its sustainability efforts. This is a true milestone, as Proximus has jumped from silver to platinum and now ranks among the top 1% of all companies evaluated by EcoVadis. The transition from silver to platinum is not a random event, but the result of concrete steps and extra efforts taken over the past year. Proximus received a total score of 88%, translating into a platinum medal – an "Outstanding" score. This is Proximus best score so far and a reflection of continuously increasing efforts on the topic. The company upgraded its policies and its way of working to embed sustainability in everything it does. Proximus continues the pursuit of realizing its ambitious targets to reduce emissions. Additionally, it transformed its procurement department to adopt sustainable procurement as a standard practice.

2.4 Outlook & Shareholder return

2.4.1 2024 full-year guidance

Based on the closing a strong first-half of 2024, and its estimation for the remainder of the year, Proximus Group increases its guidance for Domestic revenue and EBITDA, and Group EBITDA: Domestic Revenue “Growing up to 2.5%”, Domestic EBITDA “Growing up to 2%” and Group EBITDA “Growing up to 2.5%” on pro forma basis.

Following the acquisition of 100% of Fiberklaar, Proximus will consolidate the Fiberklaar financials post-transaction closing. Consequently, the Group CapEx is expected to increase for 2024 to around EUR 1.36 billion, up from around EUR 1.2 billion initially estimated. The CapEx increase replaces the expected equity injections for Fiberklaar, therefore limiting the FCF impact.

The funding of the transaction will have a limited and temporary impact on the Net debt / EBITDA ratio, for 2024 expected to be around 3.1X. Our 3-year dividend policy set for 2023-2025 remains unchanged.

Table 10: outlook 2024

Guidance metric	FY24 Outlook 23/02/2024	FY23 Comparable	YTD24 Actuals	FY24 Outlook 26/07/2024
Underlying Domestic revenue	**Growing up to 1%**	4,665M€	+4.6% YoY	**Growing up to 2.5%**
Domestic underlying EBITDA	**Growing up to 1%**	1,636M€	+4.9% YoY	**Growing up to 2%**
International direct margin at constant currency	-	445M€*	+4.1% YoY	**Mid-to-High single digit growth**
Underlying Group EBITDA	**Growing up to 1%**	1,795M€*	+5.1% YoY	**Growing up to 2.5%**
CapEx (excluding Spectrum & football rights)	**Around 1.2bn€**	1.329bn€*	585M€	**Around 1.36bn€**
Net debt / EBITDA (As per S&P definition)	**Around 2.7x**	2.6x*	NR	**Around 3.1x**

*Pro-forma 8 months

2.4.2 Shareholder remuneration

Shareholders return policy 2024-2025

In line with the Capital Markets Day announcement in January 2023, **Proximus will rebase its dividend level to EUR 0.60 per share for the years 2024 and 2025**. The rebased dividend level incorporates all currently known macro and inflationary headwinds, recently announced M&A (Route Mobile and Fiberklaar), as well as expected changes in market structure.

The proposed dividend is reviewed and submitted to the Board of Directors on an annual basis, in order to keep strategic financial flexibility for future growth, organically or via selective M&A, with a clear focus on value creation. This also includes confirming appropriate levels of distributable reserves.

The **dividend of EUR 0.6 per share over the result of 2024** is expected to be returned in two tranches, with a gross interim dividend of EUR 0.5 per share payable in December 2024 and the remaining normal gross dividend of EUR 0.1 per share in April 2025.

3 Domestic

Table 11: Domestic P&L

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	% Change	Year-to-date 2023	Year-to-date 2024	% Change
Revenue*	**1,147**	**1,200**	**4.6%**	**2,296**	**2,401**	**4.6%**
Residential	585	616	5.3%	1,171	1,236	5.6%
Business	482	505	4.8%	969	1,007	4.0%
Wholesale	67	64	-4.9%	129	123	-4.9%
Other (incl. eliminations)	14	15	12.2%	28	35	25.1%
Cost of Sales	**-286**	**-300**	**5.0%**	**-578**	**-598**	**3.5%**
Direct Margin	**862**	**900**	**4.5%**	**1,718**	**1,803**	**4.9%**
Direct Margin %	*75.1%*	*75.0%*	*-0.1 p.p.*	*74.8%*	*75.1%*	*0.3 p.p.*
Expenses	**-446**	**-463**	**3.8%**	**-897**	**-941**	**4.9%**
Workforce expenses	-289	-298	3.2%	-577	-599	3.8%
Non-Workforce expenses	-156	-164	5.1%	-320	-343	7.0%
EBITDA	**416**	**437**	**5.1%**	**821**	**861**	**4.9%**
EBITDA Margin %	*36.3%*	*36.5%*	*0.2 p.p.*	*35.7%*	*35.9%*	*0.1 p.p.*

** Refers to total income*

3.1 Residential Revenue

- Sustaining a strong customer increase for Mobile postpaid +46,000, and Internet +10,000.
- Convergent customer base grew by +15,000 in Q2, Convergent revenue up +10.7% YoY.
- Overall ARPC +5.2% YoY; benefiting from price indexations and convergent customer growth.
- Total Q2'24 residential revenue grew +5.3% YoY, including a +6.3% revenue increase for Customer Services revenue.

For the second quarter of 2024 Proximus posted for its Residential unit a revenue of **EUR 616 million, a +5.3% or EUR 31 million increase from the year before**. The key Residential revenue driver, Customer Services revenue, was up for the second quarter 2024 by +6.3%. The Services revenue was supported by price indexations with a "more for more" approach, effective since July 1, 2023, and January 1, 2024, Mobile revamps and by the ongoing customer growth, especially in the Convergent base. This resulted in a year-over-year increase of +10.7% in Convergent revenue. Revenue from Terminals for the second quarter was up by EUR 7 million year-on-year, driven by higher joint offer volumes.

Fiber and new Mobile portfolio driving strong customer growth.

The Residential unit sustained a strong commercial momentum, adding over the past 3 months +10,000 internet lines. As such, the total Proximus Residential internet base totalled 1,804,000 lines, a +2.6% increase from 12 months back, supported by the expanding Proximus' Fiber footprint and the multi-brand approach.

Regarding Mobile, the Postpaid base grew strongly, up by +46,000 cards in a competitive environment over the second quarter of 2024, compared to +41,000 Postpaid cards added for the same period in 2023. The sustained solid commercial performance was supported by the company's multi-brand and convergent strategy, and attractive joint offers. By end-June 2024, Proximus' Residential Mobile Postpaid base reached a total of 2,931,000 cards, a year-on-year increase by +5.8%.

The Fixed Voice line followed is eroding trend demonstrated over the past years, reflecting the gradual change in customer needs. For the second quarter 2024 this resulted in a mitigated net loss of -20,000 lines, quite stable compared to the same period last year.

Customer **services** revenue growth of **+6.3**% YoY.

Residential Customer Services[6] revenue amounted to EUR 492 million, +6.3% above the comparable period in 2023.

Overall ARPC EUR 57.6, +5.2%.

For the second quarter of 2024, the overall ARPC rose to EUR 57.6, up by +5.2% from the same period in 2023, including the benefit from the price indexations, effective from July 1, 2023, and January 1, 2024 and ongoing benefit of customers moving to convergent offers at higher ARPC. Despite the success of 2P-offers, combining internet and mobile, the overall RGU per customer remained stable at 2.51.

Total convergent revenue +**10.7%** YoY, with ARPC +4.0%.

The second quarter **revenue from Convergent customers increased by +10.7%** year-on-year reaching EUR 309 million. Proximus grew its convergent base by +15,000 customers, reaching a total of 1,145,000 or +6.2% from 12 months back. The convergent ARPC was up by +4.0% to EUR 90.4 driven by price indexations and a growing fiber customer base.

Convergent **3-Play ARPC +5.5%,** revenue +12.7% YoY.

The growing convergent revenue is for a large part driven by the ongoing increase in **3-Play convergent** revenue. The convergent 3-Play customer base increased over the second quarter of 2024 by +6,000 customers, bringing the total to 466,000 customers by end-June 2024, a year-on-year growth of +6.7%. This was combined with a +5.5% increase in the 3-Play convergent ARPC, mainly reflecting the July 2023 and January 2024 price indexations and growing fiber customer base. The increase in the customer base and ARPC drove the 3-Play convergent revenue +12.7% higher to reach EUR 127 million for the second quarter of 2024.

+14,000 Convergent **2-Play** customers in Q2. ARPC +4.6%.

The second main driver of convergent revenue growth is gained from successful **2-play** offers, combining Mobile with Internet. The dual-play customer base continued to grow over the second quarter, adding: +14,000 customers. The customer growth combined with a +4.6% rise in ARPC led to a +60.4% revenue increase from the same period in 2023, to total EUR 34 million for the second quarter of 2024.

Convergent **4-Play** revenue up 2.0%. Customer decrease offset by higher ARPC.

The success of 3-Play and 2-Play offers, marking the decreasing relevance of the Fixed Voice line and pressure on Digital TV due to streaming platforms, is reflected in the **4-Play** customer base, showing a steady decline of -5,000 customers for the second quarter of 2024. The 4-Play ARPC, supported by the price indexations, was up by +6.3% to EUR 98.5. Overall, this resulted in an increase in 4-Play revenue of +2.0% to a total of EUR 148 million.

Rising convergence continued to lower the **Fixed-only** base, revenue impact limited.

With the number of customers subscribing to Proximus' convergent offers rising, the **Fixed-only customer base** decreased further. The remaining base of Fixed-only customers, 836,000 end-June 2024, generated an ARPC of EUR 49.0, +5.1% on the previous year driven by price indexations and fiber uptake. This value management mitigated the revenue decrease to -0.7% year-on-year to EUR 124 million.

Mobile-only revenue +0.5% driven by higher customers' base

Over the second quarter of 2024, the Residential unit posted EUR 60 million revenue from **Mobile-only customers, up by +0.5%**. The total base of Mobile-only customers was up by +10,000 over the second quarter of the year. All brands combined, the residential Mobile-only base totalled 875,000 customers, generating an ARPC of EUR 23.1, -0.7% year-on-year driven by Mobile revamps while a slight RGU increase of +0.8% to 1.16.

[6] This is revenue generated by customers subscribing to Proximus' Residential different product lines, also referred to X-Play revenue.

In addition to the above-described revenue from Residential Customer Services, the Residential unit revenue also includes revenue from Terminals, Mobile Prepaid, its Luxembourg telecom business and Other revenue.

Terminals revenue EUR +7 million YoY.

Second quarter **revenue from Terminals** totalled EUR 71 million, up by EUR +7 million from the comparable period in 2023. The increase was driven by higher joint offer volumes.

Over the second quarter of 2024, revenue from **Mobile Prepaid** totalled EUR 7 million, -17.5% year-on-year. The Prepaid base decreased by -8,000 cards over the second quarter, with the total at 497,000 end-June 2024.

Proximus' Luxembourg telecom revenue for the residential unit totalled EUR 32 million for the second quarter 2024, a year-over-year decrease of -3.0% mainly impacted by lower terminals sales.

Proximus Residential posted sequentially decreasing **Other revenue of EUR 9 million** mainly covering reminder, reconnection and installation fees.

Table 12: Residential revenue

	2nd Quarter			Year-to-date		
(EUR million)	**2023**	**2024**	**% Change**	**2023**	**2024**	**% Change**
Revenue	**585**	**616**	**5.3%**	**1,171**	**1,236**	**5.6%**
Other Operating Income	**5**	**5**	**-4.7%**	**10**	**10**	**-8.2%**
Net Revenue	**580**	**611**	**5.4%**	**1,160**	**1,226**	**5.7%**
Customer services revenues (X-play)	*463*	*492*	*6.3%*	*923*	982	6.4%
Prepaid	9	7	-17.5%	18	15	-17.3%
Terminals (fixed and mobile)	64	71	10.5%	131	147	12.0%
Luxembourg Telco	33	32	-3.0%	65	64	-1.4%
Others*	11	9	-19.9%	23	19	-19.6%

**relates to other products and non-recurring/non customer related revenues (e.g. decoder penalties, TV Enterprise, web advertising, , ...)*

Table 13: Residential operationals by product

	2nd Quarter			Year-to-date		
	2023	**2024**	**% Change**	**2023**	**2024**	**% Change**
Park (000's)						
Fixed voice lines	1,086	989	-8.9%	1,086	989	-8.9%
Broadband lines	1,758	1,804	2.6%	1,758	1,804	2.6%
Mobile postpaid cards excl. M2M	2,770	2,931	5.8%	2,770	2,931	5.8%
Mobile prepaid cards	566	497	-12.1%	566	497	-12.1%
Net adds (000's)						
Fixed voice lines	-19	-20		-50	-49	
Broadband lines	12	10		22	21	
Mobile postpaid cards excl. M2M	41	46		50	75	
Mobile prepaid cards	-23	-8		-38	-36	

Table 14: Residential X-Play financials

	2nd Quarter			Year-to-date		
	2023	2024	% Change	2023	2024	% Change
Customer Services Revenues (EUR million)	**463**	**492**	**6.3%**	**923**	**982**	**6.4%**
Convergent	**279**	**309**	**10.7%**	**553**	**613**	**10.8%**
4-Play	145	148	2.0%	290	296	2.0%
3-Play	113	127	12.7%	223	252	13.0%
2-Play	21	34	60.4%	39	64	62.8%
Fixed only	**124**	**124**	**-0.7%**	**251**	**249**	**-0.7%**
3-Play	56	53	-5.2%	113	107	-5.3%
2-Play	38	38	-1.4%	77	76	-1.3%
1P Fixed Voice	9	9	-8.8%	20	18	-9.0%
1P internet	21	24	16.1%	41	48	17.1%
Mobile Postpaid only	**60**	**60**	**0.5%**	**119**	**120**	**0.9%**
ARPC (in EUR)	**54.8**	**57.6**	**5.2%**	**54.6**	**57.6**	**5.5%**
Convergent	**86.9**	**90.4**	**4.0%**	**86.8**	**90.4**	**4.1%**
4-Play	92.7	98.5	6.3%	92.4	98.0	6.1%
3-Play	86.6	91.4	5.5%	86.5	91.5	5.8%
2-Play	61.6	64.5	4.6%	61.2	64.4	5.2%
Fixed only	**46.6**	**49.0**	**5.1%**	**46.7**	**49.0**	**5.1%**
3-Play	56.3	59.6	5.8%	56.2	59.3	5.5%
2-Play	55.9	61.3	9.7%	55.8	61.4	10.0%
1P Fixed Voice	28.2	31.1	10.0%	28.6	31.4	9.9%
1P internet	31.8	32.8	3.1%	31.7	32.8	3.5%
Mobile Postpaid only	**23.3**	**23.1**	**-0.7%**	**23.0**	**23.1**	**0.2%**

Table 15: Residential X-Play operationals

	2nd Quarter			Year-to-date		
	2023	2024	% Change	2023	2024	% Change
Customers - Total (000's)	**2,824**	**2,855**	**1.1%**	**2,824**	**2,855**	**1.1%**
Convergent	**1,078**	**1,145**	**6.2%**	**1,078**	**1,145**	**6.2%**
4-Play	521	498	-4.5%	521	498	-4.5%
3-Play	437	466	6.7%	437	466	6.7%
2-Play	120	181	51.1%	120	181	51.1%
Fixed only	**884**	**836**	**-5.5%**	**884**	**836**	**-5.5%**
3-Play	327	292	-10.6%	327	292	-10.6%
2-Play	226	203	-9.9%	226	203	-9.9%
1P Fixed Voice	109	90	-17.1%	109	90	-17.1%
1P internet	223	250	12.4%	223	250	12.4%
Mobile Postpaid only	**862**	**875**	**1.5%**	**862**	**875**	**1.5%**
% Convergent Customers - Total *	**66%**	**70%**	**3.7 p.p.**	**66%**	**70%**	**3.7 p.p.**
Average #RGUs per Customer - Total	**2.51**	**2.51**	**-0.1%**	**2.51**	**2.51**	**-0.1%**
Convergent	**4.05**	**3.97**	**-1.8%**	**4.05**	**3.97**	**-1.8%**
4-Play	4.72	4.75	0.7%	4.72	4.75	0.7%
3-Play	3.70	3.73	0.7%	3.70	3.73	0.7%
2-Play	2.36	2.45	4.1%	2.36	2.45	4.1%
Fixed only	**1.97**	**1.92**	**-2.8%**	**1.97**	**1.92**	**-2.8%**
3-Play	3.00	3.00	0.0%	3.00	3.00	0.0%
2-Play	1.96	1.95	-0.2%	1.96	1.95	-0.2%
1P Fixed Voice	1.01	1.01	0.0%	1.01	1.01	0.0%
1P internet	1.00	1.00	0.0%	1.00	1.00	0.0%
Mobile Postpaid only	**1.15**	**1.16**	**0.8%**	**1.15**	**1.16**	**0.8%**
Annualized full churn rate (Customer) - Total	**13.8%**	**13.7%**	**-0.2 p.p.**	**15.0%**	**15.0%**	**0.0 p.p.**
4-Play	5.6%	6.5%	0.9 p.p.	6.2%	7.1%	0.9 p.p.
3-Play	8.8%	9.0%	0.2 p.p.	10.0%	10.2%	0.2 p.p.
2-Play	12.7%	11.9%	-0.9 p.p.	14.5%	13.6%	-0.8 p.p.
1-Play	21.0%	20.1%	-0.9 p.p.	22.3%	21.8%	-0.5 p.p.

* (i.e. % of Customers having Mobile + Fixed component)

3.2 Business Revenue

- Business posts Q2'24 revenue of EUR 505 million, +4.8% YoY, with Services revenue up +2.2% and Products up +19.0% driven by both Terminals and IT Products.
- Fixed Data revenue grew +5.8% YoY through price indexations and increasing fiber uptake.
- IT Services revenue growth remained strong, with +5.3% for the second quarter of 2024.
- Mobile revenue was slightly down by -0.6% YoY.
- Managing Fixed Voice revenue decline, -4.3% YoY, supported by value management with a growing ARPU for five consecutive quarters.

The second quarter 2024 **revenue of the Business unit totalled EUR 505 million, a +4.8% increase from the 2023 comparable basis.** Revenue from **Business Services totalled EUR 411 million, continuing its growth trajectory with +2.2%** year-on-year growth for the second quarter 2024. The erosion in Fixed Voice revenue and limited decrease in Mobile Postpaid revenue was more than compensated for by higher revenue from Fixed Data and IT Services. Products – Terminals and IT - revenue was up by +19.0% or EUR 14 million.

Fixed Data revenue +5.8%.

The revenue from **Business Fixed Data Services totalled EUR 125 million** for the second quarter 2024, sustaining its strong growth trend with a **+5.8% increase year-on-year**.

Internet ARPU +6.4%, Internet base +0.7% YoY.

Within the Fixed Data revenue mix, the revenue growth **was mainly driven by continued strong revenue growth from Internet Services**. This resulted from a growing Broadband ARPU, EUR 48.6 for the second quarter 2024, +6.4% up from the previous year, mainly benefiting from the price increases, improved price tiering and a growing share of Fiber in the total internet park. The Business Internet base sustained its slightly growing trend, to reach a total of 442,000 lines end-June 2024.

Besides growing Internet revenue, **Data connectivity revenue** was up year-on-year. The growing Fiber park and price indexations supported Proximus' Explore Solutions. The uptake of SDWAN continued to increase during the second quarter of the year.

Mobile revenue reflecting contract loss.

Over the second quarter 2024, Proximus' Business unit reported **Mobile Services revenue of EUR 116 million, representing a -0.6% decline year-on-year.** The Mobile customer base for the same period was down by -23,000 cards, of which -24,000 cards was linked to the loss of the contract with the Flemish Government (which had a lower ARPU compared to the average of the park). As of the end of June 2024, the Mobile Postpaid base stood at 1,774,000 cards, excluding M2M and ARPU (at EUR 19.1) was slightly down by -1.1% year-on-year. This decline was attributed to price indexations being offset by lower out-of-bundle usage following the introduction of the new 'more for more' mobile portfolio offerings.

Over 4.2 million active M2M cards.

The Business unit continued to grow its M2M park with an additional 23,000 M2M cards activated over the past three months. At end-June 2024, Proximus' M2M base totalled 4,268,000 cards. This is an increase of +2.6% from one year back.

Mitigated Fixed Voice revenue decline.

Fixed Voice revenue decline was mitigated to -4.3% year-on-year or EUR -3 million compared to the second quarter of 2023. The Fixed Voice park continued its steady decrease, -9.6% year-on-year, including a line loss of -14,000 for the second quarter 2024. The ARPU continues to be up with a +4.3% at EUR 28.5 benefiting from price increases.

IT Services revenue +5.3%.

The Business unit reported **IT Services revenue of EUR 110 million, representing a +5.3% increase** compared to the previous year. This growth was driven by recurring services in Smart Network, Cloud, Security and Smart Mobility which as per the company strategy offer higher margins.

Products revenue EUR +14 million YoY.

The **revenue from Products for the second quarter of 2024 was up by EUR 14 million** from the comparable period in 2023, or +19.0%. This growth is driven by both IT Products, up +10.8% from the second quarter of 2023 and Terminals are up +47.2% on a smaller basis driven by mobile handset renewals at large corporate customers.

Table 15: Business revenue

	2nd Quarter			Year-to-date		
(EUR million)	2023	2024	% Change	2023	2024	% Change
Revenue	**482**	**505**	**4.8%**	**969**	**1,007**	**4.0%**
Other Operating Income	**2**	**3**	**12.9%**	**4**	**5**	**20.5%**
Net Revenue	**479**	**502**	**4.8%**	**965**	**1,002**	**3.9%**
Services	402	411	2.2%	802	822	2.5%
Fixed Voice	63	60	-4.3%	129	123	-5.0%
Fixed Data	118	125	5.8%	236	249	5.6%
Mobile	116	116	-0.6%	234	233	-0.1%
IT	104	110	5.3%	203	217	6.5%
Products	71	85	19.0%	150	167	11.4%
Terminals (fixed and mobile)	16	24	47.2%	35	41	18.6%
IT	55	61	10.8%	116	126	9.2%
Luxembourg Telco	6	7	8.7%	12	13	6.4%

Table 16: Business operationals

	2nd Quarter			Year-to-date		
	2023	2024	% Change	2023	2024	% Change
Park (000's)						
Fixed voice lines	593	536	-9.6%	593	536	-9.6%
Broadband lines	439	442	0.7%	439	442	0.7%
Mobile postpaid cards excl. M2M	1,799	1,774	-1.4%	1,799	1,774	-1.4%
M2M cards	4,161	4,268	2.6%	4,161	4,268	2.6%
Net adds (000's)						
Fixed voice lines	-14	-14		-34	-29	
Broadband lines	0	1		0	1	
Mobile postpaid cards excl. M2M	2	-23		1	-33	
M2M cards	109	23		201	43	
ARPU (EUR)						
Fixed voice	27.3	28.5	4.3%	27.7	28.7	3.6%
Broadband	45.7	48.6	6.4%	45.6	48.5	6.5%
Mobile postpaid	19.3	19.1	-1.1%	19.3	19.1	-0.8%

3.3 Wholesale Revenue

Table 17: Wholesale revenue

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	2nd Quarter % Change	Year-to-date 2023	Year-to-date 2024	Year-to-date % Change
Revenue	**67**	**64**	**-4.9%**	**129**	**123**	**-4.9%**
Other Operating Income	**0**	**0**	**nr**	**0**	**0**	**nr**
Net Revenue	**67**	**63**	**-4.9%**	**129**	**123**	**-4.9%**
Fixed & Mobile wholesale services	37	40	9.1%	69	76	9.6%
Interconnect	30	23	-22.3%	60	47	-21.6%

Proximus' Wholesale unit reported second quarter revenue of EUR 64 million, representing a -4.9% decrease (equivalent to EUR 3 million) compared to the same period in 2023. The decrease was fully related to low-margin interconnect revenue.

Revenue generated by **Fixed and Mobile wholesale services** increased from the previous year by +9.1%, totaling EUR 40 million mostly driven by increasing roaming volumes.

For the second quarter of 2024, **Interconnect revenue totalled EUR 23 million** a **-22.3%** (EUR -7 million) decrease compared to the same period of 2023, with no meaningful margin impact. The year-on-year revenue decline reflects the continued decrease in traditional messaging and the impact of EU regulation that lowered Mobile Termination rates, effective January 1, 2024.

3.4 Domestic OpEx and EBITDA

Q2 2024

For its Domestic operations, Proximus posted an **EBITDA of EUR 437 million** for the second quarter of 2024 **+5.1%** from the comparable period in 2023, driven by a strong Domestic direct margin.

The second quarter **Domestic operating expenses totalled EUR 463 million, +3.8%** compared to the second quarter of 2023. The year-on-year rise was mainly driven by inflationary cost increases, including the effect inflation-based salary indexations from December 1st 2023 and June 1st 2024, as well as other inflationary effects. Moreover, the strong commercial performance led to higher customer-related costs. This was partially offset by efficiencies achieved through the company's wider cost reduction program.

4 International

- **Direct margin grew by +7.0% YoY on a pro forma basis[1].**
- **International revenue decreased by -5.3% on pro forma basis.**
- **Communications & Data grew direct margin to EUR 89 million, up +9.5% on a pro forma basis.**
- **P2P Voice & Messaging direct margin was slightly down -1.8% on a pro forma basis.**
- **International posted strong EBITDA of EUR 43 million, up +6.5% on a pro forma basis.**

Q2 2024

For the International Segment, through its three brands BICS, Telesign and Route Mobile, **Proximus posted an increase in direct margin, up +7.0%** to EUR 119 million on a pro forma basis [7](+24.4% on a reported basis). This was achieved despite International revenue decreasing by -5.3% year-over-year on a pro forma basis (+13.3% on a reported basis) reflecting the shift to higher value services. The strong direct margin growth was **driven by Communications & Data services**. On a pro forma basis, the International direct margin as percentage of revenue improved year-over-year by 3.3p.p. to 28.5%.

For **Communications & Data services**, the International Segment **posted a EUR 89 million direct margin, up +9.5%** on a pro forma basis (+35.4% on a reported basis). All products within Communications & Data contributed to this strong performance. Proximus **successfully recaptured part of the traffic** that had shifted from CPaaS SMS to CPaaS omnichannel solutions, while also acquiring new customers. Digital Identity (DI) experienced robust growth, reinforcing **Proximus's position as a leader in the DI and authentication sectors**. Additionally, Mobility Services, encompassing Roaming and Mobile IP**,** saw significant growth this quarter, driven by increased travel volumes. This change in mix drove up +4.5p.p. the direct margin as a percentage of revenue to 31.4% on a pro forma basis. For revenue, Communications & Data was down -6.2% year-over-year on a pro forma basis to EUR 284 million (+22.9% on a reported basis).

For **P2P Voice & Messaging**, Proximus' International Segment **posted a EUR 30 million direct margin, down -1.8% year-over-year**. This slight direct margin decrease comes fully from lower volume in Voice products while Capacity is up year-over-year. On revenue, P2P Voice & Messaging was down -9.8% year-over-year to EUR 147 million. The direct margin as percentage of revenue improving by 1.7p.p. to 20.5%.

International Segment's OpEx was up +7.2% year-over-year on a pro forma basis to EUR -76 million. This increase was driven by inflation both for workforce through wages and non-workforce OpEx mostly in India.

International EBITDA was up +6.5% year-over-year to EUR 43 million (+40.1% on a reported basis) with direct margin growth from Communications & Data more than offsetting the required OpEx.

[7] Pro forma 8-month including Route Mobile as of May 2023 and 2024 available table 19 b.

Table 19 a.: International P&L

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	2nd Quarter % Change	Year-to-date 2023	Year-to-date 2024	Year-to-date % Change
International Revenues*	**367**	**415**	**13.3%**	**719**	**731**	**1.7%**
Communications & Data	231	284	22.9%	450	482	6.9%
P2P Voice & Messaging	163	147	-9.8%	326	285	-12.7%
International eliminations	-28	-16	41.8%	-57	-35	39.0%
International Costs of Sales	**-271**	**-297**	**9.3%**	**-530**	**-519**	**-2.2%**
International Direct Margin	**95**	**119**	**24.4%**	**189**	**213**	**12.6%**
Communications & Data	66	89	35.4%	130	154	18.3%
P2P Voice & Messaging	31	30	-1.8%	61	60	-1.3%
International eliminations	-1	-1	39.6%	-2	-2	31.0%
International Direct Margin %	*26.0%*	*28.5%*	*2.6 p.p.*	*26.3%*	*29.1%*	*2.8 p.p.*
International Expenses	**-65**	**-76**	**17.1%**	**-131**	**-140**	**7.1%**
Workforce Expenses	-41	-47	13.6%	-84	-90	6.2%
Non-Workforce Expenses	-23	-29	23.3%	-47	-51	8.7%
International EBITDA	**30**	**43**	**40.1%**	**58**	**72**	**25.1%**
International EBITDA Margin %	*8.3%*	*10.2%*	*2.0 p.p.*	*8.1%*	*9.9%*	*1.9 p.p.*

* Refers to total income

Table 19 b.: International P&L **pro forma 8-months**

(EUR million)	2nd Quarter pro forma 2023	2nd Quarter pro forma 2024	2nd Quarter pro forma % Change	Year-to-date pro forma 2023	Year-to-date pro forma 2024	Year-to-date pro forma % Change
International Revenues*	**438**	**415**	**-5.3%**	**791**	**731**	**-7.5%**
Communications & Data	303	284	-6.2%	522	482	-7.8%
P2P Voice & Messaging	163	147	-9.8%	326	285	-12.7%
International eliminations	-28	-16	41.9%	-57	-35	39.0%
International Costs of Sales	**-328**	**-297**	**-9.4%**	**-587**	**-519**	**-11.6%**
International Direct Margin	**111**	**119**	**7.0%**	**204**	**213**	**4.0%**
Communications & Data	81	89	9.5%	146	154	5.7%
P2P Voice & Messaging	31	30	-1.8%	61	60	-1.3%
International eliminations	-1	-1	39.6%	-2	-2	31.0%
International Direct Margin %	*25.3%*	*28.5%*	*3.3 p.p.*	*25.8%*	*29.1%*	*3.2 p.p.*
International Expenses	**-71**	**-76**	**7.2%**	**-137**	**-140**	**2.4%**
Workforce Expenses	-45	-47	3.6%	-88	-90	1.4%
Non-Workforce Expenses	-25	-29	13.7%	-49	-51	4.3%
International EBITDA	**40**	**43**	**6.5%**	**68**	**72**	**7.4%**
International EBITDA Margin %	*9.1%*	*10.2%*	*1.1 p.p.*	*8.5%*	*9.9%*	*1.4 p.p.*

* Refers to total income

5 Consolidated Financial Statements

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted for use in the European Union. The cumulative half-year figures have been subject to a limited review by an independent auditor.

5.1 Accounting policies

The accounting policies and methods of the Group used as of 2024 are consistent with those applied in the December 31, 2023, consolidated financial statements, with the exception that:

- The Group applied the new standards, interpretations and revisions that became mandatory for the Group on January 1, 2024. These have no impact on the Group's financial statements.
- The Group changed its reporting segmentation, as explained below.

Proximus Group has acquired an interest in Route Mobile (see § 5.14), a global company specialized in CPaaS services, listed on NSE and BSE in India. The new group structure necessitated a redesign of Proximus Group's internal decision-making process, governance, and management reporting to effectively allocate resources and assess the performance of operating segments.

Proximus Group implemented during the period a 2-pillar governance structure through the establishment of a new executive committee, known as 'International Management Committee', acting next to the 'Domestic Management Committee' that focuses on the domestic operations. This international committee has been created to facilitate key decisions and ensure alignment between the international affiliates, including BICS, Telesign, and, following its acquisition, RouteMobile. The introduction of this new executive international management committee provides a clear point of accountability and coordination, as well as a stronger voice in group decision making for international business.

Segmental information used for internal decision-making and facilitating performance assessment by the Chief Operating Decision Maker ("CODM") is provided at the level of Domestic and International.

The International segment combines the previously separate BICS and Telesign segments aligning them with their management and future trajectory.

As a result, Proximus Group has identified a single reporting segment, namely 'International', for international affiliates BICS, Telesign and Route Mobile, which streamlines reporting and enhances ability to effectively manage and monitor the performance of international operations. Domestic reporting segment remains unchanged compared to the previous reporting period.

5.2 Judgements and estimates

The Group does not make any significant judgments and estimates other than those mentioned under Note 2 in the December 31, 2023, consolidated financial statements, and other than those mentioned below in this report.

5.3 Significant events or transactions in 2024

New bond

On 20 March 2024, Proximus issued an EUR 700 million bond that carries an annual fixed coupon of 3,75% with a 10-year maturity due 27 March 2034. The settlement took place on 27 March 2024. The issue is rated BBB+ by S&P and A2 by Moody's, in line with the long-term credit rating of Proximus. The new bond is not subject to any covenants.

Partnership with Microsoft

Proximus has entered a 5-year strategic partnership with Microsoft, spanning across 3 pillars. First, Microsoft engaged to increase its business with BICS (mainly on Skype voice) and Telesign (CPaaS and DI). Second, Proximus Group made a commitment to accelerate our cloudification strategy via Azure. Third, Proximus and Microsoft will reinforce their partnership in the Benelux in terms of Go-to-Market. Proximus NXT will also become Top 3 partner in 6 domains.

Acquisition Route Mobile

See § 5.14 Disclosure on Business Combinations (IFRS 3) for detailed information.

Wallonia Deal (Tax on Pylons - TOP)

On 6th June 2024, Proximus and the other mobile telecom operators signed a new deal with the Walloon Region for the period FY23-FY26 (potentially to be extended to FY27). In exchange for the commitment of the Walloon Region not to levy regional TOPs and to take measures to incentivize Walloon communes and provinces not to levy any communal / provincial TOPs, the operators have agreed to (i) a payment obligation of EUR 20.5 million at sector level over the deal period to the Walloon Region and (ii) to make additional investments in the Walloon Region for an amount of EUR 45 million sector level over the deal period. A protection mechanism is foreseen enabling operators to deduct TOPs (capped at a maximum of EUR 8.8 million at sector level over the deal period) still levied by Walloon communes and provinces from the payments due to the Region. Sector level amounts will be split to the different Operators per an allocation key based on the Operator's actual mobile footprint.

Pillar II

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions where the Group is active, including in Belgium where the Group is headquartered. The legislation is effective for the Group's financial year 2024. Proximus SA is closely monitoring the laws, which the various jurisdictions are adopting following the OECD and EU-initiatives regarding the Pillar II Global Minimum taxation of 15% and the potential impact there. In most of the jurisdictions in which the Group is active, the Simplified Pillar Two effective tax rate is above 15% and/or at least one of the other Transitional CbCR Safe Harbour tests is met. The Group (including Route Mobile) assessed the Group's potential exposure to Pillar Two and concluded in an immaterial tax impact per end of June 2024.

5.4 Consolidated income statement

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	2nd Quarter % Change	Year-to-date 2023	Year-to-date 2024	Year-to-date % Change
Net revenue	1,482	1,586	7.0%	2,956	3,078	4.1%
Other operating income	13	13	2.3%	25	25	0.2%
Total income	**1,495**	**1,599**	**6.9%**	**2,982**	**3,103**	**4.1%**
Costs of materials and services related to revenue	-550	-583	5.9%	-1,089	-1,091	0.2%
Workforce expenses	-332	-349	5.2%	-666	-698	4.8%
Non workforce expenses	-167	-182	9.1%	-335	-363	8.3%
Total operating expenses before depreciation & amortization	**-1,049**	**-1,114**	**6.2%**	**-2,090**	**-2,153**	**3.0%**
Operating income before depreciation & amortization	**447**	**486**	**8.7%**	**892**	**951**	**6.6%**
Depreciation and amortization	-297	-315	5.9%	-589	-616	4.5%
Operating income	**149**	**170**	**14.2%**	**303**	**335**	**10.6%**
Finance income	4	7	68.8%	6	16	>100%
Finance costs	-27	-51	91.7%	-55	-92	69.1%
Net finance costs	**-22**	**-44**	**96.2%**	**-49**	**-76**	**56.0%**
Share of loss on associates and JV	-1	-5	>100%	-6	-7	31.3%
Income before taxes	**126**	**122**	**-3.4%**	**248**	**251**	**1.2%**
Tax expense	-32	-31	-4.8%	-60	-60	-0.7%
Net Income	**94**	**91**	**-2.9%**	**188**	**191**	**1.8%**
Attributable to:						
Equity holders of the parent (Group share)	94	90	-3.7%	188	191	1.4%
Non-controlling interests	0	1	>100%	0	1	>100%
Basic earnings per share	0.29	0.28	-3.7%	0.58	0.59	1.3%
Diluted earnings per share	0.29	0.28	-3.7%	0.58	0.59	1.3%
Weighted average number of outstanding shares	322,376,181	322,449,700	0.0%	322,390,525	322,492,415	0.0%
Weighted average number of outstanding shares for diluted earnings per share	322,376,181	322,449,700	0.0%	322,390,525	322,492,415	0.0%

5.5 Consolidated statements of other comprehensive income

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	Year-to-date 2023	Year-to-date 2024
Net income	**94**	**91**	**188**	**191**
Other comprehensive income:				
A) Items that may be reclassified to profit and loss:				
Exchange differences on translation of foreign operations	0	4	-3	6
Cash flow hedges:				
Gain/(Loss) taken to equity	-2	-8	-15	11
Transfer to profit or loss for the period	-1	-3	-1	-7
Other	0	-1	0	-1
Total before related tax effects	**-3**	**-8**	**-19**	**10**
Related tax effects				
Cash flow hedges:				
Gain/(Loss) taken to equity	1	2	4	-3
Transfer to profit or loss for the period	0	1	0	2
Income tax relating to items that may be reclassified	**1**	**3**	**4**	**-1**
Total of items that may be reclassified to profit and loss, net of related tax effects	**-2**	**-6**	**-15**	**9**
B) Items that will not be reclassified to profit and loss:				
Total of items that will not be reclassified to profit and loss, net of related tax effects	**0**	**0**	**0**	**0**
Total comprehensive income	**91**	**85**	**173**	**200**
Attributable to:				
Equity holders of the parent	92	84	173	199
Non-controlling interests	0	1	0	1

5.6 Consolidated balance sheet

(EUR million)	As of 31 December 2023	As of 30 June 2024
ASSETS		
Non-current assets	**8,932**	**9,963**
Goodwill	2,592	3,010
Intangible assets with finite useful life	1,702	2,148
Tangible assets: Property, plant and equipment	3,834	3,933
Right-of-use asset	307	325
Lease receivable	10	9
Contract costs	111	106
Investments in associates and JV	90	84
Equity investments measured at fair value	3	2
Deferred income tax assets	4	5
Pension assets	187	187
Other non-current assets	92	154
Current assets	**2,220**	**2,108**
Inventories	159	162
Trade receivables	866	1,097
Lease receivable	0	0
Contract assets	167	182
Current tax assets	12	11
Other current assets	202	324
Investments	0	39
Cash and cash equivalents	716	195
Assets classified as held for sale	99	99
TOTAL ASSETS	**11,153**	**12,071**
LIABILITIES AND EQUITY		
Equity	**3,300**	**3,579**
Shareholders' equity attributable to the parent	3,300	3,442
Non-controlling interests	0	137
Non-current liabilities	**4,794**	**5,724**
Interest-bearing liabilities	3,308	4,010
Lease liabilities	210	218
Liability for pensions, other post-employment benefits and termination benefits	337	326
Provisions	137	254
Deferred income tax liabilities	197	323
Other non-current payables non-interest-bearing	45	34
Other non-current payables interest-bearing	559	559
Current liabilities	**3,059**	**2,768**
Interest-bearing liabilities	611	387
Lease liabilities	88	94
Liability for pensions, other post-employment benefits and termination benefits	40	40
Trade payables	1,433	1,344
Contract liabilities	126	133
Tax payables	58	56
Other current payables non-interest-bearing	666	677
Other current payables interest-bearing	37	37
TOTAL LIABILITIES AND EQUITY	**11,153**	**12,071**

5.7 Consolidated cash flow statement

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	2nd Quarter Change %	Year-to-date 2023	Year-to-date 2024	Year-to-date Change %
Cash flow from operating activities (1):						
Net income	**94**	**91**	**-2.9%**	**188**	**191**	**1.8%**
Depreciation and amortization	297	315	5.9%	589	616	4.5%
Net finance costs	22	44	97.0%	49	76	56.3%
Tax expense	32	31	-4.8%	60	60	-0.7%
Share of loss on associates and JV	1	5	>100%	6	7	31.3%
EBITDA	**447**	**486**	**8.7%**	**892**	**951**	**6.6%**
Adjustments for non-cash items in EBITDA	**-1**	**2**	**>100%**	**-1**	**3**	**>100%**
Increase/(decrease) of provisions	-1	3	>100%	-1	3	>100%
(Gain) /loss on disposal of property, plant and equipment	0	-1	>100%	0	-1	>100%
(Decrease)/increase in working capital (net of interests, income tax, acquisitions/disposals of subsidiaries)	**-25**	**-81**	**>100%**	**-93**	**-226**	**>100%**
Decrease/(increase) in inventories	6	23	>100%	-8	-2	-69.3%
Decrease/(increase) in trade receivables	-12	15	>100%	5	-77	<-100%
(Decrease)/increase in trade payables	-9	-64	>100%	14	-97	<-100%
Decrease/(increase) in other assets	21	2	-89.3%	-52	-49	-4.8%
Decrease/(increase) in other liabilities	-18	-44	>100%	-29	18	>100%
(Decrease)/increase in net liability for pensions, other post-employment benefits and termination benefits	-14	-14	-2.6%	-23	-18	-22.6%
Interests paid/received & Other financial cash outflows	**-28**	**-19**	**-31.7%**	**-54**	**-45**	**-16.4%**
Interests received	-3	8	>100%	2	12	>100%
Interests paid (2)	-24	-28	17.4%	-52	-56	9.0%
Other financial cash outflows	-1	1	>100%	-4	-1	-84.7%
Income Tax paid	**-56**	**-76**	**37.2%**	**-59**	**-75**	**27.8%**
A. Net cash flow from operating activities	**337**	**311**	**-7.6%**	**685**	**607**	**-11.4%**
Cash flow from investing activities:						
Cash paid for acquisitions of intangible assets and property, plant and equipment	-315	-302	-3.9%	-740	-697	-5.9%
Cash (paid)/received (to)/from other participating interests (acquisition/sale, loans and/or derivatives)	-25	2	>100%	-25	1	>100%
Cash paid for acquisition of consolidated companies; net of cash acquired	0	-588	-	0	-588	-
Dividends received from non-consolidated companies	0	0	>100%	0	0	>100%
Cash received from sales of intangible assets, property, plant and equipment and other non-current assets	0	5	>100%	1	4	>100%
B. Net cash flow from investing activities	**-339**	**-883**	**>100%**	**-764**	**-1,279**	**67.4%**
Cash flow before financing activities (A. + B.)	**-2**	**-572**	**>100%**	**-79**	**-673**	**>100%**
C.1 Lease payments (excl. interests paid)	-22	-26	**19.2%**	-44	-54	**21.4%**
Free cash flow (A. + B. + C.1)	**-24**	**-598**	**>100%**	**-124**	**-727**	**>100%**
Cash flow from financing activities other than lease payments:						
Dividends paid to shareholders	-226	-226	0.1%	-226	-226	0.1%
Net sale/(purchase) of treasury shares	0	1	>100%	0	-1	>100%
Net sale of investments	0	-9	-	0	-9	-
Decrease/(increase) of shareholders' equity	0	1	>100%	0	1	>100%
Cash received/(paid) for matured cash flow hedge instrument related to long term debt	0	-1	<-100%	20	-1	<-100%
Asset financing arrangements repayment	-2	-2	-3.0%	-5	-5	-2.9%
Debt issuance (3)	0	1	-	495	695	40.5%
Debt repayment (3)	-100	-603	>100%	-100	-603	>100%
Issuance/(repayment) of short-term debt	372	355	-4.6%	-104	353	>100%
C.2 Net cash flow from financing activities (other than lease payments)	**43**	**-483**	**<-100%**	**80**	**206**	**>100%**
D. Exchange rate impact	**0**	**0**	**>100%**	**0**	**1**	**>100%**
Net increase/(decrease) of cash and cash equivalents (A + B + C.1 + C.2 + D)	**19**	**-1,081**	**<-100%**	**-44**	**-520**	**>100%**
Cash and cash equivalents at 1 January				299	716	>100%
Cash and cash equivalents at the end of the period				255	195	-23.3%

(1) The presentation of CF from Operating Activities has changed in 2024, now integrating the concepts of EBITDA, Interests Paid & Received and Income Tax Paid in the body of the statement

(2) In this new presentation the caption 'Interests Paid' includes all types of interests (short-term and long-term interests on debentures, lease interests, spectrum interests, late payment interests, ...)

(3) Debt includes non-current and current debts

5.8 Consolidated statements of changes in equity

(EUR million)	Issued capital	Treasury shares	Restricted reserve	Equity instruments and hedge reserve	Other remeasurement reserve	Foreign currency translation	Stock Compensation	Retained Earnings	Shareholders' Equity	Non-controlling interests	Total Equity
Balance as at 1 January 2023	**1,000**	**-425**	**100**	**147**	**4**	**16**	**0**	**2,465**	**3,307**	**1**	**3,308**
Total comprehensive income	**0**	**0**	**0**	**-12**	**0**	**-3**	**0**	**188**	**173**	**0**	**173**
Dividends to shareholders (relating to 2022)	0	0	0	0	0	0	0	-226	-226	0	-226
Treasury shares											
Sale of treasury shares	0	3	0	0	0	0	0	-3	0	0	0
Total transactions with equity holders	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**-228**	**-226**	**0**	**-226**
Balance as at 30 June 2023	**1,000**	**-422**	**100**	**135**	**4**	**13**	**0**	**2,425**	**3,255**	**0**	**3,255**
Balance at 1 January 2024	**1,000**	**-419**	**100**	**134**	**42**	**11**	**0**	**2,432**	**3,300**	**0**	**3,300**
Total comprehensive income	**0**	**0**	**0**	**2**	**0**	**6**	**0**	**191**	**199**	**1**	**200**
Dividends to shareholders (relating to 2023)	0	0	0	0	0	0	0	-226	-226	0	-226
Business combination	0	0	0	0	0	0	0	169	169	136	305
Treasury shares											
Sale of treasury shares	0	0	0	0	0	0	0	-1	-1	0	-1
Total transactions with equity holders	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-57**	**-57**	**136**	**79**
Balance as at 30 June 2024	**1,000**	**-419**	**100**	**136**	**42**	**17**	**0**	**2,565**	**3,442**	**137**	**3,579**

Business combination for an amount of EUR 169 relates to the acquisition of Route Mobile. See note 5.14.

5.9 Segment reporting

Due to the recent change in segment reporting (see § 5.1), restatements of financial information of this note are in alignment with the new segment reporting structure.

	YTD 2nd Quarter 2024						
	Proximus Group				Underlying by segment		
(EUR million)	**Reported (IFRS 16)**	**Lease depreciation and interest**	**Incidental**	**Underlying**	**International**	**Domestic**	**Eliminations**
Net revenue	3,078	0	0	3,078	730	2,373	-26
Other operating income	25	0	-1	25	1	27	-3
Total income	**3,103**	**0**	**-1**	**3,102**	**731**	**2,401**	**-30**
Costs of materials and services related to revenue	-1,091	-1	0	-1,092	-519	-598	24
Direct margin	**2,012**	**-1**	**-1**	**2,010**	**213**	**1,803**	**-5**
Workforce expenses	-698	0	11	-687	-90	-599	1
Non workforce expenses	-363	-51	24	-390	-51	-343	4
Total other operating expenses	**-1,061**	**-51**	**35**	**-1,076**	**-140**	**-941**	**5**
Operating income before depreciation & amortization	**951**	**-52**	**35**	**934**	**72**	**861**	**0**
Depreciation and amortization	-616	0	0	-616	-39	-577	0
Operating income	**335**	**-52**	**35**	**318**	**33**	**284**	**0**
Net finance costs	-76						
Share of loss on associates	-7						
Income before taxes	**251**						
Tax expense	-60						
Net income	**191**						
Attributable to:	**0**						
Equity holders of the parent (Group share)	191						
Non-controlling interests	1						

	YTD 2nd Quarter 2023						
	Proximus Group				Underlying by segment		
(EUR million)	**Reported (IFRS 16)**	**Lease depreciation and interest**	**Incidental**	**Underlying**	**International (1)**	**Domestic**	**Eliminations**
Net revenue	2,956	0	0	2,956	717	2,268	-29
Other operating income	25	0	0	25	2	28	-5
Total income	**2,982**	**0**	**0**	**2,982**	**719**	**2,296**	**-34**
Costs of materials and services related to revenue	-1,089	-1	6	-1,084	-530	-578	25
Direct margin	**1,893**	**-1**	**6**	**1,898**	**189**	**1,718**	**-9**
Workforce expenses	-666	0	6	-660	-84	-577	1
Non workforce expenses	-335	-41	17	-359	-47	-320	8
Total other operating expenses	**-1,001**	**-41**	**23**	**-1,019**	**-131**	**-897**	**9**
Operating income before depreciation & amortization	**892**	**-41**	**28**	**879**	**58**	**821**	**0**
Depreciation and amortization	-589	0	0	-589	-30	-559	0
Operating income	**303**	**-41**	**28**	**289**	**28**	**262**	**0**
Net finance costs	-49						
Share of loss on associates	-6						
Income before taxes	**248**						
Tax expense	-60						
Net income	**188**						
Attributable to:	**0**						
Equity holders of the parent (Group share)	188						
Non-controlling interests	0						

(1) 'International' equals the sum of BICS, Telesign and Route Mobile (1 May 2024)

5.10 Disaggregation of net revenue

Due to the recent change in segment reporting (see § 5.1), restatements of financial information of this note are in alignment with the new segment reporting structure.

		As of 30 June	
(EUR million)		**2023**	**2024**
Domestic			
Residential			
	Customer services revenues (X-play) (1)	923	982
	Prepaid	18	15
	Terminals (2)	131	147
	Lux Telco (3)	65	64
	Other	23	19
	Total Residential	*1,160*	*1,226*
Business			
	Services (4)	802	822
	Products (5)	150	167
	Lux Telco (6)	12	13
	Total Business	*965*	*1,002*
Wholesale			
	Fixed & Mobile wholesale services	69	76
	Interconnect (7)	60	47
	Total Wholesale	*129*	*123*
Other		*14*	*22*
Total Domestic		**2,268**	**2,373**
Communications & Data (8)		*448*	*480*
P2P Voice & Messaging (9)		*326*	*285*
International eliminations		*-57*	*-35*
Total International		**717**	**730**
Eliminations		**-29**	**-26**
Total Net Revenue		**2,956**	**3,078**

(1) Customer services revenues (X-play): 'Play' is a subscription to either Fixed Voice, Fixed Internet, dTV or Mobile Postpaid (paying Mobile cards). A 4-Play customer subscribes to all four services. 'X-Play' is the sum of single play (1-play) and multi-play (2-play + 3-play + 4-play).

(2) Terminals: corresponds to devices for Fixed Voice, Data, Mobile and related accessories. This excludes PABX, IT products and TV CPE.

(3) Luxembourg Telco: including Fixed & Mobile services, Terminals & Other

(4) Business Services: corresponds to Fixed Data, Fixed Voice, Mobile & IT

(5) Business Products: corresponds to Terminals & IT

(6) Wholesale Fixed & Mobile services includes all solutions that Proximus offers to other operators. These services include fixed internet and data connectivity services, fixed telephony and mobile (incl. MVNO and Roaming) services (excl. Interconnect)

(7) Wholesale Interconnect: the process of connecting an operator network with another operator network. This then allows the customers of one operator to communicate with the customers of another operator. Interconnect includes fixed voice, mobile voice and mobile SMS/MMS services.

(8) Communication & Data: CPAAS, DI, Mobility & Other Products

(9) P2P Voice & Messaging: Voice, Capacity, Other Legacy, P2P + Messaging

5.11 Group financing activities related to interest-bearing liabilities

(EUR million)	As at 31 December 2023	Cash flows issuance	Cash flows repayments	Non-cash changes	As of 30 June 2024
Non-current					
Unsubordinated debts	2,881	694	0	2	3,576
Credit institutions	400	2	0	9	411
Other loans	27	0	0	-4	23
Derivatives held for trading	3	0	0	2	5
Current portion of amounts payable > one year					
Unsubordinated debentures	600	0	-600	0	0
Credit institutions held to maturity	0	0	-3	25	22
Other current interest-bearing liabilities					
Credit institutions	1	33	0	0	34
Other loans	10	0	-5	4	9
Unsubordinated debts (bonds, notes)	0	322	0	0	322
Total liabilities from financing activities excluding lease liabilities	**3,921**	**1,051**	**-608**	**39**	**4,402**
Lease liabilities current and non-current	298	0	-54	68	312
Total liabilities from financing activities including lease liabilities	**4,219**	**1,051**	**-662**	**106**	**4,714**

(EUR million)	As at 31 December 2022	Cash flows issuance	Cash flows repayments	Non-cash changes	As of 30 June 2023
Non-current					
Unsubordinated debentures	2,239	495	0	-598	2,136
Credit institutions	400	0	0	0	400
Other loans	37	0	0	-5	32
Derivatives held for trading	1	0	0	-1	0
Current portion of amounts payable > one year					
Unsubordinated debentures	100	0	-100	600	600
Credit institutions held to maturity	1	0	0	0	0
Other current interest-bearing liabilities					
Credit institutions	0	2	0	0	2
Unsubordinated debts	477	0	-106	0	371
Other loans	10	0	-5	5	10
Total liabilities from financing activities excluding lease liabilities	**3,265**	**497**	**-211**	**0**	**3,551**
Lease liabilities current and non-current	272	0	-44	40	267
Total liabilities from financing activities including lease liabilities	**3,536**	**497**	**-256**	**40**	**3,817**

5.12 Financial instruments

Valuation techniques

The Group holds financial instruments classified in Level 1, 2 and 3. Compared to December 2023, no changes in the valuation techniques occurred. None of these instruments were reclassified from one level to another.

VPPA

The valuation of the power component of the VPPA (Virtual Power Purchase Agreement) is considered as a 'level 3' fair value. It is determined using a discounted cash flow model. The main factors determining the fair value of the VPPA agreement are the discount rates (level 2), the estimated electricity volume based on the historical power production of the windfarm (level 3) and the forward market prices of electricity (level 2 & level 3).

During the 1st Quarter of 2024, the remeasurement to fair of value of VPPA led to a cost of EUR 1.4 million.

Financial instruments measured at fair value

The fair value of financial assets measured at fair value in the Proximus consolidated balance sheet increased by EUR 2 million compared with their fair value in December 2023.

As of, 2024, the carrying amounts of the other financial assets were not substantially different from their fair values.

The fair value of the non-current interest-bearing liabilities (EUR 3,739 million including their current portions) increased by EUR 51 million compared to their fair value in December 2023. That increase is the result essentially of following partially offsetting items: on the increase side, there is the issuance in March of an EUR 700 million bond and the inclusion in the Group accounts of existing debts within RM (EUR 32 million); on the decrease side, there is the repayment in April of a matured bond (EUR - 600 million), and the negative impact of changes in interest rates on the fair value of debts (EUR -68 million).

5.13 Contingent liabilities and commitments

Compared to the 2023 consolidated financial statements, no significant change occurred in 2024 in the contingent liabilities and commitments other than those mentioned in this report.

5.14 Disclosure on Business Combinations (IFRS 3)

Acquisition of Route Mobile Limited

On May 8, 2024, after receiving all necessary regulatory approvals, Proximus Group completed the acquisition of a 58% stake in Route Mobile. This acquisition was conducted through Proximus Opal, a Proximus group wholly owned subsidiary prior to the transaction. The initial cash consideration for this transaction was INR 59,224 million (EUR 662 million), which equates to a share price of INR 1,626.40.

To mitigate the risk of currency fluctuations until the closing of the transaction, Opal entered a derivative foreign exchange forward contract at the time of deal signing. This hedging transaction, to which hedge accounting was applied, was settled in May 2024, resulting in a payment of EUR 26 million to Proximus Opal.

Additionally, a mandatory tender offer (MTO) was completed on April 26, 2024. Under this offer, Proximus Opal acquired an additional 25.11% stake in Route Mobile at the same initial share price, amounting to a consideration of EUR 293 million.

As a result of these transactions, Route Mobile has become a subsidiary of Proximus Opal, with Proximus Opal holding 83.11% of the extended voting share capital and common stock of Route Mobile. This percentage is subject to a slight dilution due to the potential effect of existing ESOP plans within Route Mobile. As of 30 April 2024, there were 519,770 outstanding options, not yet fully vested.

Concurrently with the acquisition of the 58% stake in Route Mobile by Proximus Opal, the founding shareholders of Route Mobile acquired a 12.72% equity stake in Proximus Opal for a consideration of EUR 300 million. This transaction occurred on May 23, 2024. In substance, it represents the change in ownership interest in Proximus Opal without losing control by Proximus Group, hence it is an equity transaction between shareholders under the economic entity model in IFRS 10. The difference between the amount by which the non-controlling interests of Proximus Opal (excluding interest in Route Mobile) is recorded in the amount of EUR 13 million, and the fair value of the consideration received in the amount of EUR 182 million is recognized directly in equity and attributed to the controlling interest in the amount of EUR 169 million.

After accounting for this reinvestment to acquire Route Mobile, the total net cash outflow amounted to EUR 629 million, which was financed by the issuance of a EUR 700 million bond on March 20, 2024.

At the Group level, Proximus holds a total ownership percentage of 72.54% in Route Mobile.

To comply with Indian regulations, which mandate that the public shareholding of an Indian listed company must be at least 25%, Proximus Opal will need to sell approximately 8% of its stake within 12 months post-closing, thereby reducing its stake in Route Mobile to a maximum of 75% (corresponding to a Proximus Group share of 65.46%).

Route Mobile is a global service company developing cloud communication services that has created a scalable and flexible industry leading global CPaaS platform, with omnichannel capabilities and built a position as a gateway, with global network and coverage, and full suite of A2P messaging solutions.

The different steps of the acquisition are considered to be one single transaction as they were negotiated together and/or result from legal requirements.

The consideration is detailed as follows:	
Mandatory tender offer (MTO) of 25.11% of ownership interests in Route Mobile	293
Acquisition of 58% of ownership interests in Route Mobile	662
Impact of cash flow hedge	-26
Cash received from Sellers	-300
Cash Consideration	**629**
Sale 12,72% shares of Proximus Opal (excluding interest in Route Mobile)	182
Other Consideration	**182**
Total Consideration	**812**

The cash outflow on acquisition is as follows:	
Total net cash outflow to acquire the subsidiary	629
Net cash acquired of the subsidiary	-41
Transaction costs (being part of the operating cash flow)	28
Net cash outflow	**616**

The table below shows the provisional amounts for the net assets acquired and goodwill recognized at the acquisition date:

The fair value of the identifiable assets and liabilities of Route Mobile as at the date of acquisition is detailed as follows:

EUR million	Fair Value recognised on acquisition	Carrying value
Goodwill acquired	0	57
Intangible assets with finite useful life	510	38
Property, plant and equipment	4	4
Right of use asset	3	3
Deferred income tax assets	2	1
Other non-current assets	136	43
Trade receivables	146	146
Current income tax assets	1	1
Other current assets	20	20
Investments	30	30
Cash and cash equivalents	41	41
Total assets	**894**	**386**
Non-current interest-bearing liabilities	9	9
Lease liabilities	3	3
Liability for pensions and termination benefits	1	1
Provisions for liabilities and charges	117	3
Deferred income tax liabilities	124	5
Other non-current payables non-interest bearing	8	8
Current interest-bearing liabilities	25	25
Trade payables	70	70
Contract liabilities	3	3
Other current payables	4	4
Income tax payables	9	9
Total liabilities	**373**	**140**
Net assets acquired	**521**	**245**
Consideration	812	
Non-controlling interests (PPA)	123	
Preliminary Goodwill arising on acquisition	**414**	

The table above includes a sellers indemnification asset (EUR 93 million) for the sole benefit of Proximus SA, recognized in relation to contingent liabilities, within the framework of the PPA. This asset is therefore entirely allocated to Proximus SA a no NCI has been calculated on it, unlike the contingent liabilities.

The estimated fair values primarily of intangible assets, employee share options (ESOP), additional onerous contract provisions, tax related contingent liabilities, indemnification assets, the resulting deferred tax assets and liabilities, and goodwill noted above are preliminary and are subject to change.

The fair value of assets acquired, and liabilities assumed, the allocation of the acquisition price to underlying assets has not been finalized at the reporting date and will be completed during the measurement period of one year in the financial year of 2024/25. Fair value estimates are based on a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions. The judgments used to determine the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, may materially impact the Group's results of operations. The finalization of the purchase accounting assessment may result in a change in the valuation of assets acquired and liabilities assumed and may have a material impact on the Group's results of operations and financial position.

Assets acquired and liabilities assumed

The Group identified and separately recognized on a provisional and aggregated basis the following intangible assets in this business combination: customer base, trade names, software and applications that resulted in a fair value adjustment of EUR 472 million. The provisional amount of intangible assets recognized is based on a previous acquisition of the Proximus Group and has been benchmarked with other transactions in the sector. A provisional deferred tax liability of EUR 119 million has been recognized in relation to the fair value step up of total intangible assets applying the Indian corporate income tax rate.

Contingent liabilities that met recognition requirements under IFRS 3 have been identified and provisionally measured in the amount of EUR 108 million, pending further investigation and detailed risk analysis. The contingencies are valued based on information currently available and shall be revised because of additional review work. In accordance with the Route Mobile Share Purchase Agreement, these contingencies are largely offset by the seller's indemnification for the benefit of Proximus SA in the amount of EUR 93 million (100 million USD), limiting the net exposure to less than EUR 20 million as of the acquisition date.

Additional provisions for onerous supplier contracts have been recognized for a total amount of EUR 6 million, as SMS volumes from clients reduced significantly owing to stringent sanctions imposed upon Myanmar. The contract allows renegotiation in such a situation, although the outcome of the discussions is still pending in this regard, the estimated amount has been recognized already on the opening balance sheet. A deferred tax asset of EUR 0.3 million has been recognized in relation to the provision for onerous contracts recognized applying the Maltese corporate income tax rate.

For the non-controlling interests, the Group elected to recognize an amount of non-controlling interests at its proportionate share of the acquired net identifiable assets. In addition, the outstanding vested and unvested ESOP share-based payment transactions have been measured at their market-based measure as if the acquisition date were the grant date and are allocated to the non-controlling interest based on the ratio of the portion of the vesting period completed to the total vesting period in the amount of EUR 4 million. As a result of the provisional purchase price allocation exercise, the total non-controlling interests amount to EUR 123 million in addition to EUR 13 million (see above the text on the equity transaction).

The goodwill is attributable to expected synergies with the Group, as the combination will allow it to thrive by delivering the distinctive customer value proposition, while making a structural change to create a more sustainable and efficient operating model. The acquisition also brings the potential to drive significant revenue and margin synergies for the Group and will contribute to the Group's revenue growth from closing and will be accretive to Proximus' earnings in future years.

Acquisition-related costs, which includes legal and other fees for an amount of EUR 28 million have been recorded essentially under operating expense. The payment of these costs cannot be considered as being part of the consideration transferred to the sellers in exchange for control of Route Mobile in accordance with the provisions in IFRS 3 'Business Combinations'. The costs to issue the EUR 700 million bond to finance the transaction, and are part of the acquisition-related costs, are deferred over the duration of the bond. These costs amounted to EUR 6.2 million.

EUR 82 million revenue is included in the Group consolidated income statement for the reporting period since acquisition. Except for transaction and acquisition costs, the net income generated by Route Mobile included in the consolidated income statement for the reporting period since acquisition is EUR 4.5 million.

Route Mobile contribution to the Group revenue and net income, assuming that Route Mobile acquisition date would have been January 1, 2024, would have been, by the end of June 2024, EUR 231 million, and EUR 22 million accordingly and would have been materially different from what is included now in the consolidated income statement.

5.15 Post balance sheet events

Fiberklaar acquisition

Proximus has reached an agreement with EQT Infrastructure on the acquisition of its majority stake in Fiberklaar, for a purchase price of EUR 246 million.

With the acquisition of EQT's 50,33% for EUR 246 million, Proximus becomes 100% owner of Fiberklaar. This ensures enhanced strategic autonomy and increased flexibility for Proximus in the deployment of fiber in Flanders. Furthermore, the agreement is expected to generate synergies through optimizing funding costs and will allow to exchange best practices and continue to roll out fiber in an efficient, qualitative, and customer-friendly way going forward. From the acquisition price of EUR 246 million, EUR 186 million will be paid in 2024, the remaining in 2025. This investment will be funded by a long-term debt plan.

Fiberklaar will pursue its operations as a standalone entity within the Proximus Group. The company will continue to be led by the current management team, with 100% representation of Proximus in the Board of Directors and reinforced operational collaboration between both companies.

The closing of this transaction is expected in the coming days. This will lead to the consolidation of Fiberklaar financials, a few years ahead of the initial projections. With Proximus being controlling owner of Fiberklaar, the related future Fiber capex requirements will be consolidated in the Proximus Group. For 2024 this would lead to a total expected Group Capex of around EUR 1.36 billion, with a similar profile to be expected throughout the Fiber build phase of 2025-2027.

Fiber deployment in Flanders

Proximus and Wyre, together with Telenet and Fiberklaar, have signed a Memorandum of Understanding (MoU) in which they have defined the key terms for a future collaboration on the further deployment of fiber networks in Flanders. The intended collaboration would ensure that more consumers benefit from high-speed gigabit networks and lead to a broader and faster fiber deployment, while reducing disruption for citizens. The collaboration will therefore benefit consumers, businesses, and society as a whole. The implementation of the collaboration is subject to the parties reaching a final agreement on the terms of the collaboration, and to ongoing review by the Belgian telecom regulator BIPT and the Belgian Competition Authority (BCA).

The intended collaboration, which is subject to the parties reaching a final agreement as well as regulatory and antitrust approvals, and assuming no adverse regulatory findings or impact, would cover approximately 2.7 million homes across zones with intermediate to low population density. In 'medium-dense' areas, complementary fiber-to-the-home (FTTH) networks would be built by Wyre and Fiberklaar for approximately 2.0 million homes (of which 60% by Wyre and 40% by Fiberklaar), with reciprocal wholesale access to this infrastructure for Proximus and Telenet, respectively. This should result in a more efficient roll-out, broader and faster access to fiber and reduced construction works. In the most sparsely populated zones.

The signing of the MoU is the result of constructive discussions over the past months following the BIPT's and BCA's announcements in October 2023 that they were willing to assess any (draft) agreements on possible collaborations between operators. In line with those announcements, the parties have identified the key terms for a possible collaboration, which have been submitted for review to the BIPT and BCA. The parties are engaging with the BIPT and BCA and will fully cooperate with the authorities during their investigations. Until the formal signing of a cooperation agreement, expected at the earliest in the fourth quarter, no further details will be communicated.

5.16 Others

There has been no material change to the information disclosed in the 2023 annual consolidated financial statements in connection with related parties that would require disclosure under the Financial Reporting Framework.

6 Additional information

6.1 Rounding of figures

In general, all figures are rounded. Variances are calculated from the source data before rounding, and therefore some variances may not add up.

6.2 Pro forma - overview

6.2.1 Group P&L Pro forma 8 months

(EUR million)	Q123	PRO FORMA 8 MONTHS** Q223	Q323	Q423	2023	Q124	Q224	Change % Q2
Underlying								
Revenues	**1,486**	**1,567**	**1,635**	**1,642**	**6,331**	**1,504**	**1,599**	**2.0%**
Costs of materials and charges to revenues	**-539**	**-601**	**-631**	**-647**	**-2,418**	**-509**	**-583**	**-2.9%**
Direct margin	**947**	**966**	**1,004**	**995**	**3,912**	**994**	**1,016**	**5.1%**
Direct margin %	*63.7%*	*61.7%*	*61.4%*	*60.6%*	*61.8%*	*66.1%*	*63.5%*	*1.9 p.p.*
Total expenses before D&A	**-515**	**-511**	**-532**	**-560**	**-2,117**	**-541**	**-536**	**4.9%**
Workforce expenses	-330	-334	-336	-343	-1,343	-342	-345	3.2%
Non-Workforce expenses	-185	-177	-196	-217	-774	-198	-191	8.3%
EBITDA	**432**	**456**	**472**	**435**	**1,795**	**454**	**480**	**5.3%**
EBITDA Margin %	*29.1%*	*29.1%*	*28.9%*	*26.5%*	*28.4%*	*30.2%*	*30.0%*	*0.9 p.p.*
CapEx (including Spectrum & Football rights)*					**1,332**			
CapEx (excluding Spectrum & Football rights)	**311**	**301**	**294**	**423**	**1,329**	**294**	**291**	**-3.4%**

* Total CapEx only disclosed on annual basis to ensure confidentiality on individual contracts

**As of May 2023, figures include the Route Mobile consolidation impact

6.2.2 International P&L Pro forma 8 months

This Pro-Forma view is used as reference for the 2024 guidance, aiming to provide for the full-year a like-for-like comparison between 2024 and 2023.

(EUR million)	Q123	PRO FORMA 8 MONTHS* Q223	Q323	Q423	2023	Q124	Q224	Change % Q2
Underlying								
International Revenues (1)	**353**	**438**	**479**	**461**	**1,731**	**316**	**415**	**-5.3%**
Communications & Data (2)	219	303	339	313	1,174	197	284	-6.2%
P2P Voice & Messaging (3)	163	163	167	170	663	138	147	-9.8%
International eliminations	-29	-28	-28	-21	-107	-19	-16	-41.9%
International Costs of materials and charges to revenues	**-259**	**-328**	**-357**	**-342**	**-1,286**	**-222**	**-297**	**-9.4%**
International direct margin	**94**	**111**	**121**	**119**	**445**	**94**	**119**	**7.0%**
Communications & Data	64	81	92	89	328	65	89	9.5%
P2P Voice & Messaging	30	31	29	31	121	30	30	-1.8%
International eliminations	-1	-1	-1	-1	-4	-1	-1	-39.6%
International direct margin %	*26.6%*	*25.3%*	*25.3%*	*25.9%*	*25.7%*	*29.8%*	*28.5%*	*3.3 p.p.*
International Total expenses before D&A	**-66**	**-71**	**-72**	**-77**	**-286**	**-64**	**-76**	**7.2%**
Workforce expenses	-43	-45	-46	-46	-180	-43	-47	3.6%
Non-Workforce expenses	-23	-25	-27	-31	-106	-22	-29	13.7%
International EBITDA	**28**	**40**	**49**	**42**	**159**	**30**	**43**	**6.5%**
International EBITDA Margin %	*7.8%*	*9.1%*	*10.2%*	*9.2%*	*9.2%*	*9.5%*	*10.2%*	*1.1 p.p.*

(1) Refers to total income

(2) Communications & Data groups CPaaS, DI, Mobility, Cloud communications, and Internet of Things (IoT)

(3) P2P Voice & Messaging groups Voice, Capacity, Other Legacy and P2P MMS

*As of May 2023, figures include the Route Mobile consolidation impact

6.3 Reporting changes

As explained in section 5.1. Accounting policies, the Proximus Group identified a single reporting segment, namely 'International', for its affiliates BICS and Telesign. The tables below reflect the 2023 result of the Proximus International segment, included in the analyst factbook on the Proximus website.

International P&L (Underlying)

(EUR million)	Q123	Q223	Q323	Q423	2023
International Revenues	**353**	**367**	**370**	**352**	**1.442**
Communications & Data	219	231	230	204	885
P2P Voice & Messaging	163	163	167	170	663
International eliminations	-29	-28	-28	-21	-107
International Costs of materials and charges to revenues	**-259**	**-271**	**-273**	**-257**	**-1,060**
International direct margin	**94**	**95**	**97**	**95**	**381**
Communications & Data	64	66	68	65	264
P2P Voice & Messaging	30	31	29	31	121
International eliminations	-1	-1	-1	-1	-4
International direct margin %	*26.6%*	*26.0%*	*26.3%*	*27.0%*	*26.5%*
International Total expenses before D&A	**-66**	**-65**	**-62**	**-67**	**-260**
Workforce expenses	-43	-41	-41	-41	-166
Non-Workforce expenses	-23	-23	-22	-26	-94
International EBITDA	**28**	**30**	**35**	**29**	**121**
International EBITDA Margin %	*7.8%*	*8.3%*	*9.4%*	*8.1%*	*8.4%*

6.4 From Reported to Underlying

6.4.1 From EBITDA Reported to EBITDA Underlying

GROUP - Adjustments

	GROUP Revenue 2nd Quarter		GROUP EBITDA 2nd Quarter		GROUP Revenue Year-to-date		GROUP EBITDA Year-to-date	
(EUR million)	2023	2024	2023	2024	YTD '23	YTD '24	YTD '23	YTD '24
Reported	1,495	1,599	447	486	2,982	3,103	892	951
Adjustments	0	-1	0	-6	0	-1	-13	-17
Underlying	1,495	1,599	446	480	2,982	3,102	879	934
Adjustments	**0**	**-1**	**0**	**-6**	**0**	**-1**	**-13**	**-17**
Lease Depreciations			-19	-24			-39	-47
Lease Interest			-1	-2			-3	-5
Transformation			3	5			8	11
Acquisitions, mergers and disposals		-1	11	12		-1	15	21
Litigation/regulation			6	3			5	2

6.4.2 From Reported Free Cash Flow to Adjusted Free Cash Flow

(EUR million)	2nd Quarter 2023	2nd Quarter 2024	Year-to-date 2023	Year-to-date 2024
EBITDA Reported	**447**	**486**	**892**	**951**
Adjustments for incidental revenues and costs	*20*	*20*	*28*	*35*
Adjustments for lease payments in operating activities	*-19*	*-24*	*-38*	*-47*
Adjustments for lease interests in operating activities	*-2*	*-2*	*-3*	*-5*
EBITDA Underlying	**446**	**480**	**879**	**934**
(Decrease)/increase in business working capital	-15	-26	11	-177
(Decrease)/increase in working capital for taxes (other than income taxes)	-6	-14	-18	21
(Decrease)/increase in other working capital	-5	-41	-87	-70
Adjustments for non-cash items in EBITDA	-1	2	-1	3
Adjustments for incidental revenues and costs	*-20*	*-20*	*-28*	*-35*
Adjustments for M&A related transaction costs	*0*	*10*	*0*	*26*
Interests paid/received & Other financial cash outflows	-28	-19	-54	-45
Adjustments for lease interests in operating activities	*2*	*2*	*3*	*5*
Income Tax paid	-56	-76	-59	-75
A' Adjusted net cash flow from operating activities	**298**	**298**	**646**	**586**
(adjusted for lease payments & M&A related transaction costs)				
Cash paid for acquisitions of intangible assets and property, plant and equipment	-315	-302	-740	-697
Cash received from sales of intangible assets, property, plant and equipment and other non-current assets	1	4	1	4
Cash paid for equity injections in fiber joint-ventures	0	0	0	0
Cash paid/received for other investing activities	-26	-586	-25	-587
Adjustments for M&A	*25*	*586*	*24*	*587*
B' Adjusted net cash flow from investing activities	**-315**	**-297**	**-740**	**-692**
(adjusted for M&A)				
C.1 Lease payments	-22	-26	-44	-54
Adjustments for lease payments in operating activities	*19*	*24*	*38*	*47*
C.1' Lease payments in financing activities	**-3**	**-3**	**-6**	**-7**
Adjusted Free cash flow (A' + B' + C.1')	**-20**	**-2**	**-99**	**-114**
Adjustments for M&A (4)	*-5*	*-586*	*-24*	*-587*
Adjustments for M&A related transaction costs	*0*	*-10*	*0*	*-26*
Reported Free cash flow	**-24**	**-598**	**-124**	**-727**

6.5 Definitions

A2P: Application to Person messages

Adjusted Net Financial Position: is the Net Financial Position from which lease liabilities are excluded.

ARPC: Average underlying Revenue per (residential) Customer.

Adjusted Free Cash Flow: FCF adjusted to exclude M&A transactions and M&A related transaction costs.

Annualized full churn rate of X-play: a cancellation of a customer is only taken into account when the customer cancels all its plays.

ARPU: Average Revenue per Unit.

BICS: 100% subsidiary of Proximus. Global voice carrier and leading provider of mobile data services worldwide. Providing global mobile connectivity, seamless roaming experiences, fraud prevention and authentication, global messaging and the Internet of Things.

Business: unit addressing the professional market including Corporates, Medium and Small Enterprises (including businesses with less than 10 employees).

CapEx: this corresponds to the acquisitions of intangible assets and property, plant and equipment, excluding Right of Use assets (leasing).

Communications & Data: one of the two main product groups within the International segment alongside "P2P Voice & Messaging". Communications & Data groups CPaaS, DI, Mobility, Cloud communications, and Internet of Things (IoT).

Convergence rate: convergent residential customers taking both Fixed and Mobile services of Proximus. The convergence rate refers to the percentage of convergent customers on the total of multi-play customers.

Cost of Sales: the costs of materials and charges directly related to revenues.

CPaaS: Communications Platform as a Service is a cloud-based delivery model that allows organizations to add real-time communications capabilities, such as voice, video and messaging, to business applications by deploying application program interfaces (APIs).

Digital Identity groups DI – Phone ID and DI – Score products.

Direct margin: the result of cost of sales subtracted from the revenues, expressed in absolute value or in % of revenues.

Domestic: segment defined as the Proximus Group excluding International and Eliminations.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization; corresponds to Revenue minus Cost of sales, workforce and non-workforce expenses.

Adjustments (Revenue/EBITDA):

- **The lease depreciations and interests in the Operating Expenses,** with the exception of leases that would qualify as finance leases on the basis of the criteria applied to a lessor under IFRS 16.
- **Transformation**: costs of employee transformation programs, the effect of settlements of post-employment benefit plans with impacts for the beneficiaries, or pre-identified material (*) one-shot projects (such as rebranding costs)
- **Acquisitions, mergers and disposals**: gains and losses on disposal of buildings or consolidated companies, M&A-related transaction costs, deferred M&A purchase price and impairment losses on goodwill.
- **Litigation/regulation:** material (*) financial impacts of litigation files, fines and penalties and of law changes (one-off impacts relative to previous years)

(*) The materiality threshold is met when exceeding individually EUR 5 million. No threshold is used for adjustments in a subsequent quarter if the threshold was met in a previous quarter.

EBIT: Earnings Before Interest & Taxes, corresponds to EBITDA minus depreciation and amortization.

Fixed Data Services (Business): total revenues from Fixed Data, consisting of Broadband, Data Connectivity (including Explore solutions and SD-WAN) and TV.

Fixed Voice park: PSTN, ISDN and IP lines. For Business specifically, this also contains the number of Business Trunking lines (solution for the integration of Voice and Data traffic on one single Data network).

Fixed Voice Services (Business): total revenues from Fixed Voice access lines and traffic, as well as fixed telephony systems installed at customer premise or serviced from the cloud.

Free Cash Flow: this is cash flow before financing activities and after lease payments.

International: segment defined as including Proximus Group's international affiliates, BICS and Telesign.

Internet ARPU (Business): total Internet underlying revenue, excluding activation and installation fees, divided by the average number of Internet lines for the period considered, divided by the number of months in that same period.

Internet park: ADSL, VDSL and Fiber lines. For Residential, this also includes Scarlet and Mobile Vikings.

IT Services revenue (Business): Information Technology (IT) Services, including Managed, Integration and Consultative services, which enable users to access, store, transmit, and manipulate information, with the help of unified communications, computers, as well as necessary enterprise software, middleware, storage, and audio-visual systems. Proximus' IT solutions include, but are not limited to, Security, Cloud, Smart Network, Advanced Workplace and Smart Mobility solutions. It also includes recurring equipment sales to support these services.

IT Products revenue (Business): revenues from one-shot IT products (boxes, hardware) or one-shot licenses, with the change of ownership towards the customer.

Luxembourg Telco: including fixed & mobile services, terminals & other.

Mobile ARPU (Business): monthly ARPU is equal to total Mobile services revenues (excl. M2M & network services), divided by the average number of active cards for that period, divided by the number of months of that same period.

Mobile cards: refers to active Voice and Data cards, excluding free Data cards. Postpaid customers paying a monthly subscription are by default active. Prepaid customers are considered active when having made or received at least one call and/or sent or received at least one SMS message in the last three months. An M2M card is considered active if at least one Data connection has been made in the last month.

Mobile-only (Residential): refers to Mobile Postpaid whereby no other recurring subscriptions are bought. Mobile Prepaid is not included in the Customer services revenue but reported separately.

Mobile Services revenue (Business): total revenues from Mobile Services including traditional mobile services, using the mobile network connectivity, as well as IoT (including M2M) and Next Generation Communication (including network services as well as new innovative solutions).

Multi-play customer: two or more Plays, not necessarily in a Pack.

Net Financial Position: refers to the net amount of investments, cash and cash equivalents minus any interest-bearing financial liabilities and related derivatives, including re-measurement to fair value and lease liabilities. The net financial position does not include the "other current & non-current payables interest-bearing".

Network Services (Business): focuses on optimizing the interaction between Enterprise customers and its stakeholders, for which revenues are independent from the number of Postpaid cards.

Non-workforce expenses: all operating expenses excluding workforce expenses and excluding depreciation and amortization.

Net Revenue Retention rate (NRR): success indicator of the existing customer base, calculating the percentage of recurring revenue retained from existing customers compared to 12 months back.

Other Operating Income: this relates to income from, for example, reimbursements from damages, employees, insurances, gain on disposal, etc.

P2P Voice & Messaging: one of the two main product groups within the International segment alongside "Communications & Data". P2P Voice & Messaging groups Voice, Capacity, Other Legacy and P2P MMS messaging.

Play: a subscription to either Fixed Voice, Fixed Internet, dTV or Mobile Postpaid (paying Mobile cards). A 4-Play customer subscribes to all four services.

Reported revenues: this corresponds to the TOTAL INCOME.

Residential: unit addressing the residential market, including the Customer Operations Unit.

Revenue-Generating Unit (RGU): for example, a customer with Fixed Internet and 2 Mobile Postpaid cards is considered as a 2-Play customer with 3 RGUs.

Sales Booking: defined as the estimated monthly direct margin value of a won opportunity recorded within the CRM system. The nature of these bookings can vary between monthly recurring opportunities or short-term commercial opportunities.

Terminals: this corresponds to devices for Fixed Voice, Data, Mobile and related accessories. This excludes PABX, IT products and TV CPE.

Underlying: refers to revenue and EBITDA (Total Income and Operating Income before Depreciation and Amortization) corrected for the EBITDA Adjustments to properly assess the ongoing business performance.

Wholesale: unit addressing the telecom wholesale market including other telecom operators (incl. MVNOs) and ISPs.

Wholesale fixed & mobile services includes all solutions that Proximus offers to other operators. These services include fixed internet and data connectivity services, fixed telephony and mobile (incl. MVNO and Roaming) services (excl. Interconnect)

Wholesale Interconnect is the process of connecting an operator network with another operator network. This then allows the customers of one operator to communicate with the customers of another operator. Interconnect includes fix voice, mobile voice and mobile SMS/MMS services.

Workforce expenses: expenses related to own employees (personnel expenses and pensions) as well as to external employees.

X-Play: the sum of single play (1-play) and multi-play (2-play + 3-play + 4-play).

6.6 Management statement

The Proximus Executive Committee declares that, to the best of its knowledge, the interim condensed consolidated financial statements, established in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU, give a true and fair view of the assets, financial position and results of Proximus and of the entities included in the consolidation. The financial report gives an accurate overview of the information that needs to be disclosed. The Proximus leadership squad is represented by Guillaume Boutin, CEO, Mark Reid, Finance Lead, Anne-Sophie Lotgering, Enterprise IT Services & Segments lead, Jim Casteele, Residential Market Lead, Geert Standaert, Network and Wholesale Lead, Antonietta Mastroianni, Digital & IT Lead, Renaud Tilmans, Enterprise Telco Services & Ops Lead Lead, Jan Van Acoleyen, Human Capital Lead, and Ben Appel, Corporate Affairs Lead.

6.7 Financial calendar

(dates could be subject to change)

26 July 2024	Announcement Q2 2024 results
9 October 2024	Start of quiet period ahead of Q3 2024 results
25 October 2024	Announcement Q3 2024 results

6.8 Contact details

Investor Relations
Nancy Goossens +32 2 202 82 41
Adrien Peillon +32 471 48 16 20
investor.relations@proximus.com
www.proximus.com/en/investors

6.9 Investor and Analyst Webcast

Proximus will host a webcast for investors and analysts on Friday, 26 July 2024. Time 02.00pm Brussels – 01.00pm London – 08.00am New York	
Follow the webcast and register to ask questions in the Q&A session:	**https://www.proximus.com/investors/reports-and-results.html**