



Press release

DEMINOR, MANDATED BY POLYGON IN CONNECTION WITH THE ORANGE BELGIUM TAKEOVER BID, HAS EXAMINED THE PROSPECTUS AND THE INDEPENDENT EXPERT'S REPORT AND BELIEVES THAT THE PRICE OF EUR 22 DISREGARDS THE INTERESTS OF THE MINORITY.

DEMINOR INVITES MINORITY SHAREHOLDERS IN ORANGE BELGIUM TO REACH OUT FOR FURTHER INFORMATION ON THE TAKEOVER BID.

Brussels, 13 April 2021

On 1 April 2021, the FSMA made public the prospectus relating to the voluntary and conditional public takeover bid launched by Orange SA (OSA), relating to all the shares of Orange Belgium (OBEL) that it does not hold. OSA is the controlling shareholder of OBEL, of which it holds 52.91%.

OSA is maintaining the offer price at EUR 22 per share, whereas the independent expert Degroof Petercam (DP), appointed by the independent directors of OBEL, concludes that the offer price does not disregard the interests of minority shareholders.

The initial acceptance period for the offer started on 8 April and will in principle close on 23 April 2021 at 4:00 p.m. Publication of the results is expected on 27 April 2021.

Polygon Global Partners LLP (Polygon), a shareholder of OBEL for more than 5 years and holding 5.29% of the total share capital of the company, has mandated Deminor to ensure that its rights as a minority shareholder are taken into account.

With the help of its financial adviser, the investment bank Ondra, Polygon carried out a methodological analysis of the published prospectus and more particularly of the report of the independent expert DP. Deminor has reviewed Ondra's initial analyses, DP's report, and Polygon's and Ondra's responses to DP's report, and believes that the price of EUR 22 per share disregards the interests of Orange Belgium's minority shareholders.

As evidenced in its press release of 12 April 2021, Polygon considers DP's report to be inconsistent in some respects, leading to the conclusion that it does not reflect either the reality of OBEL's economic situation or its real value. Polygon relies mainly on three main arguments:

- The report tends to underestimate OBEL's expected growth;
- The report tends to overestimate OBEL's costs;
- The report does absolutely not take into account the economic value of the towers belonging to OBEL.

The analysis carried out by Ondra relating to the DP report, and also to the initial valuation report and the addendum thereto relating to the methodology used concerning the 5G licence, are annexed to the Polygon press release and can be consulted at: <https://www.polygoninv.com/eventdrivenpressreleases/>.

Deminor agrees with Polygon and Ondra that the DP's report seems to aggressively overestimate costs and underestimate growth and particularly highlights that no value whatsoever is attributed to Orange Belgium's portfolio of telecom towers.

In view not only of the arguments of Polygon and Ondra developed above, but also in the documents appended to Polygon's press release, Deminor further agrees that the price of EUR 22 per share clearly disregards the interests of minority shareholders and deprives them of a substantial share of the creation of future value.

On 12 April 2021 Polygon has announced that the current offer price undervalues Orange Belgium on a standalone basis, and therefore it does not currently intend to tender its shares at a price of EUR 22 per share which, unless circumstances change and taking into account Polygon's stake in OBEL, would prevent any simplified squeeze-out offer.

In this case, OSA would remain a listed company and the liquidity of its shares would be more or less affected depending on the number of shareholders who have tendered their shares .

Deminor notes in this respect two contradictory statements by OSA. On the one hand, in the FAQ relating to the takeover bid, available on OBEL's website, it is stated that in case of failure of any simplified takeover bid, OBEL will remain listed but with the risk of a more illiquid share. On the other hand, the prospectus states that in the event that OSA is unable to complete a simplified takeover bid, it may nevertheless seek to delist the Company's shares. According to Deminor, such an application to delist in such a context has never been successful in the past.

Given the odd timing of the publication of the prospectus, i.e. on the eve of the Easter holidays, and the relatively tight timetable for accepting or not the offer (2 weeks, which is the minimum required by law), one has the feeling that there is a willingness to incite shareholders to take a hasty decision that may be contrary to their interests.

Deminor notes, however, that in other cases in which minority shareholders have mobilised to frustrate a simplified takeover bid, this has not prejudiced their interests, on the contrary.

Again, the greater the mobilisation of OBEL's shareholders, the less the liquidity of the securities will be affected in the future.

Deminor notes in this regard that the Polygon initiative is not an isolated initiative and that the mobilisation of shareholders has increased since the publication of the prospectus.

Any shareholder who wishes to obtain further information and/or be kept informed of developments in this matter can contact Deminor via the email address orange@deminor.com

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Note to editors:

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