

FIRST-QUARTER 2022 CONSOLIDATED RESULTS

Operating results driven by the performance of the subsidiaries:

- » **Increase of 3.6% in the Group's customer base**, of which **+4.4%** for the subsidiaries and **+2.0%** for Morocco, reaching almost **76** million;
- » **Slight decrease of consolidated revenues (-0.6%*)**, mainly due to the **Mobile business decline in Morocco**;
- » **Growth in revenues from the Moov Africa subsidiaries (+ 1.8%*)**, driven by sustained growth in Mobile Data (**+29%**);
- » **Sustained growth in Fixed Data revenues in Morocco (+ 8.3%)**, driven by the expansion of the FTTH customer base (**+47%**);
- » **Group adjusted EBITDA slightly decreasing by 0.1%**, with **-2.2%** for Morocco and **+2.8%** for the subsidiaries;
- » **Adjusted Group share of Net Income up 2.5%***;
- » **High level of Group investment maintained.**

Maroc Telecom Group is relying on the momentum of its assets in sub-Saharan Africa and is entering the year 2022 with encouraging results.

The Group is supporting the expansion of its activities, mainly in its subsidiaries, through large-scale investment and optimization plans, spread out in a well thought-out and rational manner, particularly in the areas of Mobile Data, Mobile Money and Fixed-line broadband. By making the most of Group synergies and pooling resources, Maroc Telecom has given itself the means to achieve a continuous profitable organic growth.

The innovation and digital transformation projects undertaken by the Group are accelerating in order to gain agility in an increasingly demanding environment, and continue to improve the customer experience.

**Maintaining a constant exchange rate between the Moroccan dirham (MAD), the Mauritanian ouguiya (MRU) and the CFA franc.*

ADJUSTED* CONSOLIDATED RESULTS OF THE GROUP

<i>(IFRS in MAD millions)</i>	Q1 2021	Q1 2022	Change	Change at constant exchange rates ⁽¹⁾
Revenues	8,914	8,770	-1.6%	-0.6%
Adjusted EBITDA	4,561	4,519	-0.9%	-0.1%
<i>Margin (%)</i>	51.2%	51.5%	0.4 pt	0.3 pt
Adjusted EBITA	2,746	2,815	2.5%	3.2%
<i>Margin (%)</i>	30.8%	32.1%	1.3 pt	1.2 pt
Adjusted Group share of Net Income	1,474	1,500	1.8%	2.5%
<i>Margin (%)</i>	16.5%	17.1%	0.6 pt	0.5 pt
CAPEX⁽²⁾	418	1,137	172.0%	172.9%
<i>Of which frequencies and licences</i>	0	0		
<i>CAPEX/revenues (excluding frequencies and licences)</i>	4.7%	13.0%	8.3 pt	8.2 pt
Adjusted CFO	2,681	3,151	17.5%	18.5%
Net debt	16,132	12,288	-23.8%	-23.1%
Net debt/EBITDA⁽³⁾	0.8x	0.6x		

* The adjustments to the financial indicators are detailed in Appendix 1.

► Customer base

The Group's customer base stood at nearly **76** million at the end of March 2022, up **3.6%** year on year, driven mainly by the growth in the Mobile customer base in Morocco and the subsidiaries (+ **2.8%** and + **4.4%** respectively).

► Revenues

As at March 31, 2022, Maroc Telecom's consolidated revenues⁽³⁾ amounted to MAD **8.8** billion, down **1.6%** (- **0.6%** at constant exchange rates⁽¹⁾), boosted by international revenues, which were up **1.8%** at constant exchange rates⁽¹⁾ and partly offset the decline in revenues in Morocco (- **2.7%**) still impacted by the competitive and regulatory environment.

► Earnings from operations before depreciation and amortization

Maroc Telecom's adjusted earnings from operations before depreciation and amortization (EBITDA) edged down by **0.9%** (- **0.1%** at constant exchange rates⁽¹⁾) to MAD **4,519** million in the first quarter of 2022 thanks to ongoing efforts to control operating costs.

The EBITDA margin increased by **0.3 pt** at constant exchange rates⁽¹⁾ and remained at a high level of **51.5%**.

► Earnings from operations

As at March 31, 2022, the Maroc Telecom Group's consolidated adjusted earnings from operations (EBITA)⁽⁵⁾ totaled MAD **2,815** million, up **2.5%** (+ **3.2%** at constant exchange rates⁽¹⁾)



thanks to a decline in depreciation and amortization expense. The adjusted operating margin increased (+1.2 points at constant exchange rates⁽¹⁾) to **32.1%**.

▶ **Net Income – Group share**

In the first quarter of 2022, adjusted Group share of Net Income was up **2.5%** at constant exchange rates⁽¹⁾ compared with the first quarter of the previous year, driven by growth in the net income from both Moroccan and international operations.

▶ **Cash flow**

Adjusted cash flows from operations (CFFO⁽⁶⁾) amounted to MAD **3,151** million, up **17.5%** (+18.5% at constant exchange rates⁽¹⁾) compared with the same period of 2021.

REVIEW OF THE GROUP'S ACTIVITIES

The adjustments to the "Morocco" and "International" financial indicators are detailed in Appendix 1.

- **Morocco**

(IFRS in MAD millions)	Q1 2021	Q1 2022	Change
Revenues	4,889	4,756	-2.7%
Mobile	2,966	2,816	-5.1%
Services	2,876	2,703	-6.0%
Equipment	91	113	24.7%
Fixed	2,370	2,394	1.0%
Of which Fixed Data*	910	986	8.3%
Elimination and other income	-447	-454	
Adjusted EBITDA	2,672	2,613	-2.2%
Margin (%)	54.7%	54.9%	0.3 pt
Adjusted EBITA	1,744	1,742	-0.1%
Margin (%)	35.7%	36.6%	0.9 pt
CAPEX⁽²⁾	207	726	250.5%
Of which frequencies and licences	0	0	
CAPEX/revenues (excluding frequencies and licences)	4.2%	15.3%	11.0 pt
Adjusted CFFO	1,221	1,919	57.1%
Net debt	11,032	7,789	-29.4%
Net debt/EBITDA⁽³⁾	1.0x	0.7x	

* Fixed Data includes the Internet, TV on ADSL and Data services to companies.

At the end of March 2022, the Moroccan activities generated revenues of MAD **4,756** million, down **2.7%** following the decline in revenues from Mobile activities (**-5.1%**), in a difficult regulatory and competitive environment, partially offset by Fixed Data, still in sustained growth (**+8.3%**).

Adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **2,613** million, down **2.2%** compared with the same period of the previous year. The EBITDA margin improved by **0.3 pt** to a high level of **54.9%**.

Adjusted earnings from operations (EBITA)⁽⁵⁾ amounted to MAD **1,742** million, almost stable (**-0.1%**), thanks to lower depreciation and amortization expense. The adjusted EBITA margin was **36.6%**, an improvement of **0.9 pt**.

At the end of March 2022, adjusted cash flows from operations (CFFO⁽⁶⁾) increased by **57.1%** to MAD **1,919** million.

Mobile

	Unit	Q1 2021	Q1 2022	Change
Customer base⁽⁸⁾	(000)	19,335	19,867	2.8%
Prepaid	(000)	17,011	17,487	2.8%
Postpaid	(000)	2,324	2,380	2.4%
Of which Internet 3G/4G+⁽⁹⁾	(000)	10,841	10,287	-5.1%
ARPU⁽¹⁰⁾	(MAD/month)	48.7	44.9	-7.9%

At end-March 2022, the Mobile customer base⁽⁸⁾ stood at **19.9** million, up **2.8%** year on year.

As at March 31, 2022, Mobile revenues were down **5.1%** compared with the same period last year, still strongly impacted by the regulatory and competitive environment.

First-quarter 2022 blended ARPU⁽¹⁰⁾ amounted to MAD **44.9**, down **7.9%** year on year.

Fixed-line and Internet

	Unit	Q1 2021	Q1 2022	Change
Fixed lines	(000)	2,010	1,959	-2.6%
Broadband Access⁽¹¹⁾	(000)	1,750	1,723	-1.6%

The Fixed customer base was down **2.6%** at nearly **2.0** million lines at end-March 2022. The Broadband customer base reached **1.7** million subscribers, driven by the expansion of the FTTH customer base (**+47%**), which partly offset the loss of ADSL customers.

Fixed and Internet activities generated revenues of MAD **2,394** million, up **1.0%** compared with 2021. The significant growth in Fixed Data (**+8.3%**) offset the decline in voice.

- **International**

Financial indicators

(IFRS in MAD millions)	Q1 2021	Q1 2022	Change	Change at constant exchange rates ⁽¹⁾
Revenues	4,292	4,282	-0.2%	1.8%
<i>Of which Mobile services</i>	3,963	3,960	-0.1%	2.0%
Adjusted EBITDA	1,889	1,906	0.9%	2.8%
<i>Margin (%)</i>	44.0%	44.5%	0.5 pt	0.4 pt
Adjusted EBITA	1,002	1,074	7.2%	9.0%
<i>Margin (%)</i>	23.3%	25.1%	1.7 pt	1.7 pt
CAPEX⁽²⁾	211	411	94.9%	96.8%
<i>Of which frequencies and licences</i>	0	0		
<i>CAPEX/revenues (excluding frequencies and licences)</i>	4.9%	9.6%	4.7 pt	4.6 pt
Adjusted CFFO	1,460	1,232	-15.6%	-13.8%
Net debt	6,428	5,249	-18.3%	-16.6%
Net debt/EBITDA⁽³⁾	0.8x	0.6x		

During the first quarter of 2022, the Group's international activities recorded revenues of MAD **4.3** billion, up **1.8%** at constant exchange rates⁽¹⁾ thanks to growth in Mobile Data (**+29%**). Excluding the reduction in termination rates, subsidiaries' revenues rose by **2.8%** at constant exchange rates⁽¹⁾.

Over the same period, adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **1,906** million, up **0.9%** (**up 2.8%** at constant exchange rates⁽¹⁾), driven by revenue growth.

Adjusted earnings from operations (EBITA)⁽⁵⁾ for the first quarter of 2022 totaled MAD **1,074** million, up **9.0%** at constant exchange rates⁽¹⁾, driven by EBITDA growth and lower depreciation and amortization expense.

Adjusted cash flows from operations (CFFO⁽⁶⁾) fell by **13.8%** at constant exchange rates⁽¹⁾, to MAD **1,232** million, mainly due to the **97%** increase in capital expenditure at constant exchange rates⁽¹⁾.

Operational indicators

	Unit	Q1 2021	Q1 2022	Change
Mobile				
Customer base⁽⁸⁾	(000)	49,600	51,786	
Mauritania		2,667	3,031	13.7%
Burkina Faso		9,708	10,637	9.6%
Gabon		1,585	1,533	-3.3%
Mali		9,567	9,263	-3.2%
Côte d'Ivoire		10,071	10,727	6.5%
Bénin		4,811	5,261	9.3%
Togo		3,184	2,601	-18.3%
Niger		3,048	3,202	5.0%
Central African Republic		192	213	11.1%
Chad		4,766	5,318	11.6%
Fixed-line				
Customer base	(000)	343	355	
Mauritania		58	57	-1.3%
Burkina Faso		75	76	1.0%
Gabon		27	34	24.1%
Mali		182	188	2.9%
Fixed Broadband				
Customer base⁽¹¹⁾	(000)	135	147	
Mauritania		20	19	-2.2%
Burkina Faso		15	16	8.2%
Gabon		23	30	32.4%
Mali		78	82	4.8%

Notes :

- (1) Maintaining a constant exchange rate among the Moroccan dirham (MAD), the Mauritanian ouguiya (MRU) and the CFA franc.
- (2) Capital expenditure corresponds to acquisitions of property, plant and equipment and intangible assets recognised during the period.
- (3) The net debt/EBITDA ratio excludes the impact of IFRS 16, and takes into account the annualization of EBITDA.
- (4) Maroc Telecom consolidates in its financial statements Casanet and the Moov Africa subsidiaries in Mauritania, Burkina Faso, Gabon, Mali, Côte d'Ivoire, Benin, Togo, Niger, Central African Republic and Chad.
- (5) EBITA corresponds to operating profit before amortisation of intangible assets related to business combinations, impairment of goodwill and other intangible assets related to business combinations and other income and expenses related to financial investment transactions and transactions with shareholders (except when they are recognised directly in equity).
- (6) CFFO comprises the net cash flows from operating activities before taxes as presented in the cash flow statement, as well as dividends received from associates and non-consolidated equity interests. It also includes net capital expenditure, which corresponds to net cash outflows on acquisitions and disposals of property, plant and equipment and intangible assets.
- (7) Borrowings and other current and non-current liabilities less cash (and cash equivalents) including cash blocked for bank loans.
- (8) The active customer base consists of prepaid customers who have made or received a voice call (excluding calls from the public telecommunication network operator concerned or its Customer Relations Centres) or sent an SMS/MMS or who have used the Data services (excluding exchanges of technical data with the public telecommunication network operator concerned) in the past three months, and non-terminated postpaid customers.
- (9) The active customer base of the 3G and 4G+ Mobile Internet includes holders of a postpaid subscription contract (whether or not coupled with a voice offer) and holders of a prepaid subscription to the Internet service who have carried out at least one recharge during the past three months or whose credit is valid and who have used the service during this period.
- (10) ARPU (average revenues per user) is defined as revenues generated by incoming and outgoing calls and data services net of promotions, excluding roaming and equipment sales, divided by the average number of users in the period. This is the mixed ARPU of the prepaid and postpaid segments.
- (11) The broadband customer base includes ADSL, FTTH and leased connections and also includes CDMA in Mali.

Important Warning:

Forward-looking statements. This press release contains forward-looking statements and items of a forward-looking nature relating to the financial position, results of operations, strategy and outlook of Maroc Telecom and the impacts of certain operations. Although Maroc Telecom believes that these forward-looking statements are based on reasonable assumptions, they do not constitute guarantees as to the future performance of the company. Actual results may be very different from forward-looking statements due to a number of known or unknown risks and uncertainties, most of which are beyond our control, including the risks described in public documents filed by Maroc Telecom with the Moroccan Capital Market Authority (www.ammc.ma) and the French Financial Markets Authority (www.amf-france.org), also available in French on our website (www.iam.ma). This press release contains forward-looking information that can only be assessed on the day it is distributed. Maroc Telecom makes no commitment to supplement, update or modify these forward-looking statements due to new information, a future event or any other reason, subject to applicable regulations, in particular Articles 2.19 et seq. of the circular of the Moroccan Capital Market Authority and 223-1 et seq. of the general regulation of the French Financial Markets Authority.

Maroc Telecom is a global telecommunications operator in Morocco, a leader in all its business segments, fixed, mobile and internet. It has grown internationally and is now present in eleven countries in Africa. Maroc Telecom is listed simultaneously in Casablanca and Paris and its reference shareholders are the Société de Participation dans les Télécommunications (SPT)* (53%) and the Kingdom of Morocco (22%).

** SPT is a company under Moroccan law controlled by Etisalat.*

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Appendix 1: Transition from adjusted financial indicators to published financial indicators

Adjusted EBITDA, adjusted EBITA, Group Share of adjusted net income and adjusted CFFO are not strictly accounting measures and should be considered as additional information. They better illustrate the Group's performance by excluding exceptional items.

<i>(in MAD millions)</i>	Q1 2021			Q1 2022		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	2,672	1,889	4,561	2,613	1,906	4,519
Published EBITDA	2,672	1,889	4,561	2,613	1,906	4,519
Adjusted EBITA	1,744	1,002	2,746	1,742	1,074	2,815
Restructuring costs					-2	-2
Published EBITA	1,744	1,002	2,746	1,742	1,071	2,813
Adjusted Group share of Net Income			1,474			1,500
Restructuring costs						-1
Published Group share of Net Income			1,474			1,499
Adjusted CFFO	1,221	1,460	2,681	1,919	1,232	3,151
Restructuring costs					-2	-2
Published CFFO	1,221	1,460	2,681	1,919	1,229	3,148

Appendix 2: Impact of the adoption of IFRS 16

At the end of March 2022, the impacts of the application of IFRS 16 on the main indicators of the Maroc Telecom Group were as follows:

<i>(in MAD millions)</i>	Q1 2021			Q1 2022		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	64	74	138	65	60	125
Adjusted EBITA	5	11	16	4	11	16
Adjusted Group share of Net Income			-4			0
Adjusted CFFO	64	74	138	65	60	125
Net debt	812	656	1,468	755	691	1,447