

CONSOLIDATED RESULTS – YEAR ENDED DECEMBER 31, 2022

Operating results in line with objectives:

- **Group's customer base reached 75.4 million customers**, up 1.6% of which +3.8% for the subsidiaries and -3.0% for Morocco;
- **Slight decline in Group revenues (-0.5% at constant rate*)**;
- **Continued growth in Fixed Data revenues in Morocco (+6.7%)**, driven by the expansion of the FTTH customer base (+44%);
- **Decline in Mobile activities in Morocco (-3.9%)** and in particular in Mobile Data (-5.6%);
- **Growth in Moov Africa subsidiaries revenues (+1.3% at constant rate*)** thanks to the expansion of Mobile Data (+28% at constant rate*);
- **Maintained high profitability with a Group adjusted EBITDA margin of 51.8%**;
- **High level of Group investments maintained** (excluding frequencies and licenses) representing 21.2% of revenues at the end of 2022;
- **Net Debt under control representing 0.8x EBITDA.**

Proposed distribution of MAD 1.9 billion, i.e. MAD 2.19 per share, representing a return of 2.25%.**

Maroc Telecom Group's outlook for 2023, at constant scope and exchange rates:

- ▶ **Stable revenues;**
- ▶ **Stable EBITDA;**
- ▶ **CAPEX of approximately 20% of revenues, excluding frequencies and licenses.**

Despite the regulatory environment, competitive intensity and the effects of the international economic crisis on inflation, Maroc Telecom Group is ending 2022 in line with its operational and financial objectives.

Thanks to the African subsidiaries' activities, which are showing growth indicators, and to its ongoing efforts to optimize costs, the Group is maintaining a high level of profitability, leaving it free to ensure its level of development.

To anticipate the expectations of its customers and implement its strategy combining innovation and quality of service, the Group is pursuing its proactive investment policy, focused on Mobile and Fixed Data networks, which will enable it to support the growing activities while strengthening its role as a driver of digital transformation, both on the domestic market and in the countries where it operates

**Constant MAD/ouguiya/CFA franc exchange rate.*

*** Based on the share price on February 20, 2023 (MAD 97.50)*

GROUP ADJUSTED CONSOLIDATED RESULTS*

(IFRS in MAD millions)	Q4 2021	Q4 2022	Change	Change at constant exchange rates ⁽¹⁾	2021	2022	Change	Change at constant exchange rates ⁽¹⁾
Revenues	9,004	8,923	-0.9%	-3.0%	35,790	35,731	-0.2%	-0.5%
Adjusted EBITDA	4,760	4,420	-7.2%	-8.9%	18,589	18,492	-0.5%	-0.8%
<i>Margin (%)</i>	52.9%	49.5%	-3.3 pt	-3.2 pt	51.9%	51.8%	-0.2 pt	-0.2 pt
Adjusted EBITA	3,082	2,596	-15.8%	-17.3%	11,586	11,468	-1.0%	-1.4%
<i>Margin (%)</i>	34.2%	29.1%	-5.1 pt	-5.0 pt	32.4%	32.1%	-0.3 pt	-0.3 pt
Adjusted net income Group share	1,714	1,300	-24.1%	-25.0%	6,014	5,820	-3.2%	-3.3%
<i>Margin (%)</i>	19.0%	14.6%	-4.5 pt	-4.3 pt	16.8%	16.3%	-0.5 pt	-0.5 pt
CAPEX⁽²⁾	1,928	2,075	7.6%	5.2%	5,615	7,572	34.8%	34.1%
<i>Of which frequencies and licenses</i>	1	0			123	0		
<i>CAPEX/Rev (excluding frequencies and licenses)</i>	21.4%	23.3%	1.8 pt	1.8 pt	15.3%	21.2%	5.8 pt	5.8 pt
Adjusted CFO	3,736	3,134	-16.1%	-17.2%	12,110	11,294	-6.7%	-7.1%
Net Debt	14,397	16,355	13.6%	12.8%	14,397	16,355	13.6%	12.8%
Net Debt/EBITDA⁽³⁾	0.7x	0.9x			0.7x	0.8x		

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

► Customer base

The Group customer base reached **75,4** million customers in 2022, up **1.6%** driven mainly by the expansion of subsidiaries' customer bases.

► Revenues

The Maroc Telecom Group generated revenues⁽⁴⁾ of MAD **35.7** billion in 2022, down slightly by **0.2%** (**-0.5%** at constant exchange rates⁽¹⁾). Growth in the Moov Africa subsidiaries revenues and in the Fixed Internet business in Morocco partly offset the decrease in the Mobile business in Morocco, impacted by the economic, competitive and regulatory environment.

► Earnings from operations before depreciation and amortization

For the 2022 financial year, the Maroc Telecom Group posted adjusted earnings from operations before depreciation and amortization (EBITDA) of MAD **18,492** million, down **0.5%** (**-0.8%** at constant exchange rates⁽¹⁾). The adjusted EBITDA margin remained high at **51.8%**, virtually stable year on year.

► Earnings from operations

Adjusted earnings from operations (EBITA)⁽⁵⁾ for the year amounted to MAD **11,468** million, down **1.0%** (**-1.4%** at constant exchange rates⁽¹⁾). The adjusted EBITA margin was **32.1%**.

▶ **Group share of net income**

Adjusted Group share of net income was down **3.3%** at constant exchange rates⁽¹⁾ and totaled MAD **5,820** million for the year ended December 31, 2022.

▶ **Investments**

Investments⁽²⁾ excluding frequencies and licenses represented **21.2%** of 2022 revenues, in line with the objectives.

▶ **Cash flow**

Adjusted cash flows from operations (CFFO)⁽⁶⁾ fell by **7.1%** at constant exchange rates⁽¹⁾ to MAD **11,294** million, mainly due to the increase in CAPEX.

At December 31, 2022, consolidated net debt⁽⁷⁾ represented **0.8** times⁽³⁾ Group full-year EBITDA.

▶ **Dividend**

At the next General Meeting of Shareholders, the Maroc Telecom Supervisory Board will propose payment of a dividend of MAD **2.19** per share, representing a total amount of MAD **1.9** billion.

▶ **Maroc Telecom Group's outlook for 2023**

Based on recent market developments and provided no new major exceptional event disrupts the Group's activity, Maroc Telecom forecasts the following outlook for 2023 at constant scope and exchange rates:

- **Stable revenues;**
- **Stable EBITDA;**
- **CAPEX of approximately 20% of revenues, excluding frequencies and licenses.**

GROUP BUSINESS REVIEW

Details of the financial indicator adjustments for “Morocco” and “International” are provided in Appendix 1.

- **Morocco**

(IFRS in MAD millions)	Q4 2021	Q4 2022	Change	2021	2022	Change
Revenues	5,028	4,738	-5.8%	19,906	19,546	-1.8%
Mobile	3,072	2,859	-6.9%	12,270	11,789	-3.9%
Services	2,834	2,777	-2.0%	11,684	11,296	-3.3%
Equipment	238	82	-65.6%	586	493	-15.8%
Fixed	2,416	2,326	-3.7%	9,474	9,564	1.0%
Of which Fixed Data*	965	1,007	4.3%	3,754	4,007	6.7%
Elimination and other income	-460	-447		-1,837	-1,807	
Adjusted EBITDA	2,972	2,579	-13.2%	11,234	10,974	-2.3%
Margin (%)	59.1%	54.4%	-4.7 pt	56.4%	56.1%	-0.3 pt
Adjusted EBITA	2,110	1,682	-20.3%	7,599	7,446	-2.0%
Margin (%)	42.0%	35.5%	-6.5 pt	38.2%	38.1%	-0.1 pt
CAPEX⁽²⁾	754	802	6.4%	2,630	3,183	21.0%
Of which frequencies and licenses	0	0		0	0	
CAPEX/Rev (excluding frequencies and licenses)	15.0%	16.9%	1.9 pt	13.2%	16.3%	3.1 pt
Adjusted CFFO	2,578	2,343	-9.1%	7,179	7,798	8.6%
Net debt	9,350	9,405	0.6%	9,350	9,405	0.6%
Net debt/EBITDA⁽³⁾	0.7x	0.9x		0.8x	0.8x	

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

Revenues from the Group’s activities in Morocco totaled MAD **19,546** million, down **1.8%** versus 2021. A strong performance from Fixed Data (**+6.7%**) partly offset the decline in Mobile revenues (**-3.9%**), which continued to suffer from the economic, competitive and regulatory environment.

Adjusted earnings from operations before depreciation and amortization (EBITDA) in 2022 amounted to MAD **10,974** million, down **2.3%** versus 2021. The adjusted EBITDA margin remained high at **56.1%**.

Adjusted earnings from operations (EBITA)⁽⁵⁾ totaled MAD **7,446** million, down **2.0%**, giving an adjusted margin of **38.1%**.

Adjusted cash flows from operations (CFFO)⁽⁶⁾ increased by **8.6%** to MAD **7,798** million.

Mobile

	Unit	12/31/2021	12/31/2022	Change
Customer base⁽⁸⁾	(000)	19,900	19,252	-3.3%
Prepaid	(000)	17,538	16,836	-4.0%
Postpaid	(000)	2,362	2,416	2.3%
Of which Internet 3G/4G+⁽⁹⁾	(000)	10,633	11,043	3.9%
ARPU⁽¹⁰⁾	(MAD/month)	48.7	46.8	-4.0%

At the end of 2022, the Mobile customer base⁽⁸⁾ totaled **19.3** million customers, down **3.3%** year on year.

Mobile revenues were down **3.9%** year on year at MAD **11,789** million, in a challenging competitive and regulatory environment.

2022 blended ARPU⁽¹⁰⁾ was MAD **46.8**, down **4.0%** year on year.

Fixed-line and Internet

	Unit	12/31/2021	12/31/2022	Change
Fixed-line	(000)	1,974	1,931	-2.2%
Broadband access⁽¹¹⁾	(000)	1,735	1,706	-1.6%

The Fixed customer base fell by **2.2%** to just over **1.9** million lines at the end of 2022. The Broadband customer base totaled **1.7** million customers, driven by the expansion of the FTTH customer base, up **44%** versus 2021.

Fixed and Internet activities generated revenues of MAD **9,564** million, up **1.0%** versus 2021. Growth in Fixed-Line Data (**+6.7%**), mainly driven by FTTH activity (**+37%**), offset the decline in Voice.

- **International**

Financial indicators

<i>(IFRS in MAD millions)</i>	Q4 2021	Q4 2022	Change	Change at constant exchange rates ⁽¹⁾	2021	2022	Change	Change at constant exchange rates ⁽¹⁾
Revenues	4,236	4,442	4.8%	0.5%	16,912	17,242	2.0%	1.3%
<i>Of which Mobile services</i>	3,928	4,094	4.2%	-0.1%	15,626	15,938	2.0%	1.3%
Adjusted EBITDA	1,788	1,840	2.9%	-1.6%	7,355	7,518	2.2%	1.4%
<i>Margin (%)</i>	42.2%	41.4%	-0.8 pt	-0.9 pt	43.5%	43.6%	0.1 pt	0.1 pt
Adjusted EBITA	972	914	-6.0%	-10.7%	3,988	4,022	0.9%	-0.2%
<i>Margin (%)</i>	23.0%	20.6%	-2.4 pt	-2.6 pt	23.6%	23.3%	-0.3 pt	-0.3 pt
CAPEX⁽²⁾	1,174	1,272	8.4%	4.4%	2,984	4,388	47.0%	45.7%
<i>Of which frequencies and licenses</i>	1	0			123	0		
<i>CAPEX/Rev (excluding frequencies and licenses)</i>	27.7%	28.6%	1.0 pt	1.1 pt	16.9%	25.4%	8.5 pt	8.5 pt
Adjusted CFFO	1,158	791	-31.7%	-35.2%	4,932	3,495	-29.1%	-29.9%
Net debt	5,983	7,206	20.4%	18.4%	5,983	7,206	20.4%	18.4%
Net debt/EBITDA⁽³⁾	0.8x	0.9x			0.7x	0.9x		

In 2022, the Group's international activities posted revenues of MAD **17,242** million, up **2.0%** (**+1.3%** at constant exchange rates⁽¹⁾) driven by the strong growth in Mobile Data (**+28%** at constant exchange rates⁽¹⁾). Excluding the decrease in termination rates, subsidiaries' revenues rose by **2.3%** at constant exchange rates⁽¹⁾.

In 2022, adjusted earnings before depreciation and amortization (EBITDA) totaled MAD **7,518** million, up **2.2%** (**+1.4%** at constant exchange rates⁽¹⁾). The adjusted EBITDA margin was **43.6%**, up **0.1 pt** thanks to the improvement in the gross margin.

During the same period, adjusted earnings from operations (EBITA)⁽⁵⁾ were up **0.9%** (**-0.2%** at constant exchange rates⁽¹⁾) at MAD **4,022** million.

Adjusted cash flows from operations (CFFO)⁽⁶⁾ fell by **29.9%** at constant exchange rates⁽¹⁾ to MAD **3,495** million, due to the increase in CAPEX.

Operational indicators

	Unit	12/31/2021	12/31/2022	Change
Mobile				
Customer base⁽⁸⁾	(000)	50,130	52,017	
Mauritania		2,985	2,638	-11.6%
Burkina Faso		10,457	11,048	5.7%
Gabon		1,656	1,512	-8.7%
Mali		8,163	8,988	10.1%
Côte d'Ivoire		10,489	10,844	3.4%
Benin		5,132	5,480	6.8%
Togo		2,687	2,763	2.8%
Niger		3,212	2,848	-11.4%
Central African Republic		210	218	3.5%
Chad		5,138	5,680	10.5%
Fixed				
Customer base	(000)	350	357	
Mauritania		57	46	-18.3%
Burkina Faso		76	76	0.1%
Gabon		32	43	36.9%
Mali		186	192	3.1%
Fixed Broadband				
Customer base⁽¹¹⁾	(000)	141	157	
Mauritania		19	18	-6.6%
Burkina Faso		15	16	5.2%
Gabon		28	40	42.8%
Mali		79	84	6.4%

Notes:

- (1) Constant MAD/ouguiya/CFA franc exchange rate.
- (2) Capital expenditure corresponds to acquisitions of property, plant and equipment and intangible assets recognized 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 amortization 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 recognized 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 Centers) 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 blended ARPU of the prepaid and postpaid segments.
- (11) The broadband customer base includes ADSL, FTTH, leased connections and 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 Moroccan company controlled by Etisalat.

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Appendix 1: Relationship between adjusted financial indicators and 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 are a better indicator of the Group's performance as they exclude non-recurring items.

(in MAD millions)	2021			2022		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	11,234	7,355	18,589	10,974	7,518	18,492
Tax audit				-28		-28
Published EBITDA	11,234	7,355	18,589	10,946	7,518	18,464
Adjusted EBITA	7,599	3,988	11,586	7,446	4,022	11,468
Restructuring costs		-14	-14		-2	-2
Tax audit				-28		-28
ANRT decision				-2,451		-2,451
Published EBITA	7,599	3,974	11,573	4,967	4,020	8,987
Adjusted net income Group share			6,014			5,820
Restructuring costs			-6			-1
Tax audit						-618
ANRT decision						-2,451
Published net income Group share			6,008			2,750
Adjusted CFFO	7,179	4,932	12,110	7,798	3,495	11,294
Payment of license		-172	-172		-54	-54
Restructuring costs					-2	-2
Tax audit				-28		-28
ANRT decision				-2,451		-2,451
Published CFFO	7,179	4,759	11,938	5,320	3,439	8,758

Appendix 2: Impact of IFRS 16 norm

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

(in MAD millions)	2021			2022		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	253	294	547	259	279	537
Adjusted EBITA	11	39	50	14	45	59
Adjusted net income Group share			-21			-8
Adjusted CFFO	253	294	547	259	279	537
Net debt	766	694	1,460	765	697	1,462

Consolidated statement of financial position

ASSETS (in MAD millions)	2021	2022
Goodwill	8,976	9,389
Other intangible assets	7,521	7,696
Property, plant, and equipment	27,400	29,283
Right-of-use assets	1,371	1,387
Equity affiliates	0	0
Non-current financial assets	784	1,656
Deferred tax assets	508	445
Non-current assets	46,560	49,857
Inventories	318	484
Trade accounts receivable and other	12,699	13,160
Short-term financial assets	126	103
Cash and cash equivalents	2,024	1,872
Assets available for sale	54	54
Current assets	15,222	15,673
TOTAL ASSETS	61,782	65,530
LIABILITIES & EQUITY (in MAD millions)	2021	2022
Share capital	5,275	5,275
Retained earnings	3,631	5,870
Consolidated results for the year	6,008	2,750
Shareholders' equity, attributable to equity holders of the parent	14,914	13,895
Non-controlling interests	3,887	4,107
Shareholders' equity	18,800	18,002
Non-current provisions	503	585
Borrowings and other long-term financial liabilities	3,767	4,325
Deferred tax liabilities	50	83
Other non-current liabilities	0	0
Non-current liabilities	4,321	4,992
Trade accounts payable	23,865	26,228
Current tax liabilities	787	1,179
Current provisions	1,332	1,209
Borrowings and other short-term financial liabilities	12,677	13,920
Current liabilities	38,661	42,535
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	61,782	65,530

Consolidated statement of comprehensive income

(in MAD millions)	2021	2022
Revenues	35,790	35,731
Cost of purchases	-5,123	-4,940
Payroll costs	-2,868	-3,093
Taxes and duties	-3,447	-3,535
Other operating income (expenses)*	-5,303	-8,031
Net depreciation, amortization and provisions	-7,477	-7,145
Earnings from operations	11,573	8,987
Other income and charges from ordinary activities*	-88	0
Income from equity affiliates	0	0
Earnings from ordinary activities	11,485	8,987
Income from cash and cash equivalents	27	18
Gross borrowings costs	-826	-706
Net borrowing costs	-800	-688
Other financial income and expenses	-77	-55
Net financial income (expense)	-876	-743
Income tax expense	-3,680	-4,604
Net income	6,928	3,639
Exchange gain or loss from foreign activities	-378	732
Other income and expenses	34	-14
Total comprehensive income for the period	6,584	4,358
Net income	6,928	3,639
Attributable to equity holders of the parent	6,008	2,750
Non-controlling interests	920	889

Earnings per share	2021	2022
Net income - Group share (in MAD millions)	6,008	2,750
Number of shares at December 31	879,095,340	879,095,340
Earnings per share (in MAD)	6.83	3.13
Diluted earnings per share (in MAD)	6.83	3.13

* Other operating income and expenses for 2022 include the penalty applied by the Moroccan regulator (MAD -2,451 million).

Consolidated statement of cash flows

(in MAD millions)	2021	2022
Earnings from operations	11,573	8,987
Depreciation, amortization and other non-cash movements	7,487	7,142
Gross cash from operating activities	19,060	16,129
Other changes in net working capital	-1,847	-300
Net cash flows from operating activities before taxes	17,213	15,829
Income tax paid	-3,659	-3,827
Net cash flows from operating activities (a)	13,554	12,002
Acquisitions of property, plant and equipment and intangible assets	-5,289	-7,073
Purchases of consolidated investments after acquired cash	5	0
Investments in equity affiliates	0	0
Increase in financial assets	-41	-388
Disposals of property, plant and equipment and intangible assets	14	2
Decrease in financial assets	3	7
Dividends received from non-consolidated investments	6	1
Net cash used in investing activities (b)	-5,303	-7,452
Capital increase	0	0
Dividends paid by Maroc Telecom	-3,525	-4,202
Dividends paid by subsidiaries to their non-controlling interests	-687	-1,089
Equity transactions (c)	-4,212	-5,291
New borrowings and increase in other long-term financial liabilities	694	1,621
Repayment of borrowings and decrease in other long-term financial liabilities	0	0
New borrowings and increase in other short-term financial liabilities	1,536	2,570
Repayment of borrowings and decrease in other short-term financial liabilities	-6,145	-2,743
Change in net current accounts	0	0
Net interest paid (cash only)	-695	-786
Other cash expenses (income) used in financing activities	-47	-76
Transactions on borrowings and other financial liabilities (d)	-4,657	586
Net cash flows from/(used in) financing activities (e) = (c) + (d)	-8,869	-4,705
Currency effect (f)	-47	1
Total cash flows (a) + (b) + (e) + (f)	-666	-153
Cash and cash equivalents at beginning of period	2,690	2,024
Cash and cash equivalents at end of period	2,024	1,872