

CONSOLIDATED RESULTS AT SEPTEMBER 30, 2023

Performances above targets:

- » **Growth of 3.2% in consolidated revenues**, driven mainly by Moov Africa subsidiaries (+7.5%);
- » **Group EBITDA up 3.2%**, with high EBITDA margin of **52.5%**;
- » **Adjusted Group net income increasing by 2.4%**;
- » **Sustained level of Group investments** (excluding frequencies and licenses), reaching **20.7%** of revenues.

Against a difficult global macroeconomic environment, Maroc Telecom Group resumed revenue growth, driven by Data, particularly in Moov Africa subsidiaries. Thanks to optimization cost efforts, the Group has maintained a high level of profitability, and pursued investments to support the development of usages and the quality of services. This performance comforts that the Group is on track to achieve its annual targets and confirms the success and resilience of its business model.

The Group's commitment to sustainable development and the well-being of citizens remains a priority, and is reflected in a variety of initiatives in the countries where it operates. In line with this commitment, Maroc Telecom has mobilized its teams to support the populations impacted by the earthquake in the Kingdom of Morocco, and has also made a donation to the dedicated Special Fund.

Group adjusted consolidated results*:

(IFRS in MAD millions)	Q3 2022	Q3 2023	Change	Change at constant exchange rates ⁽¹⁾	9M 2022	9M 2023	Change	Change at constant exchange rates ⁽¹⁾
Revenues	9,240	9,279	0.4%	-0.8%	26,808	27,679	3.2%	1.2%
Adjusted EBITDA	4,901	4,948	1.0%	0.0%	14,072	14,527	3.2%	1.5%
<i>Margin (%)</i>	53.0%	53.3%	0.3 pt	0.4 pt	52.5%	52.5%	-0.0 pt	0.2 pt
Adjusted EBITA	3,131	3,178	1.5%	0.8%	8,872	9,230	4.0%	2.5%
<i>Margin (%)</i>	33.9%	34.3%	0.4 pt	0.6 pt	33.1%	33.3%	0.3 pt	0.4 pt
Adjusted net income Group share	1,651	1,694	2.6%	1.9%	4,520	4,629	2.4%	1.5%
<i>Margin (%)</i>	17.9%	18.3%	0.4 pt	0.5 pt	16.9%	16.7%	-0.1 pt	0.1 pt
CAPEX⁽²⁾	1,777	2,777	56.3%	53.0%	5,497	5,722	4.1%	1.6%
<i>Of which frequencies and licenses</i>	0	0			0	0		
<i>CAPEX/Revenues (excluding frequencies and licenses)</i>	19.2%	29.9%	10.7 pt	10.4 pt	20.5%	20.7%	0.2 pt	0.1 pt
Adjusted CFFO	2,833	2,139	-24.5%	-24.4%	8,159	7,176	-12.1%	-13.4%
Net debt	17,166	17,410	1.4%	-0.6%	17,166	17,410	1.4%	-0.6%
Net debt/EBITDA⁽³⁾	0.8x	0.8x			0.9x	0.8x		

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

► Customer base

At September 30, 2023, the Group's customer base was **75.1** million, a slight **0.7%** decrease year-on-year.

► Revenues

For the nine months to September 30, 2023, the Maroc Telecom Group posted consolidated revenues⁽⁴⁾ of MAD **27,679** million, up **3.2%** year-on-year (**+1.2%** at constant exchange rates⁽¹⁾), driven mainly by a **7.5%** increase in international business (**+3.1%** at constant exchange rates⁽¹⁾).

► Earnings from operations before depreciation and amortization

At September 30, 2023, Maroc Telecom Group's consolidated adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **14,527** million, up **3.2%** (**+1.5%** at constant exchange rates⁽¹⁾), thanks to the increase in consolidated revenues and an efficient controlling operating costs.

The adjusted EBITDA margin remained high at **52.5%** (**+0.2 pt** at constant exchange rates⁽¹⁾ year-on-year).

▶ **Earnings from operations**

Consolidated adjusted earnings from operations (EBITA)⁽⁵⁾ for the first nine months of 2023 reached MAD **9,230** million, up **4.0%** (**+2.5%** at constant exchange rates⁽¹⁾). Adjusted EBITA margin stood at **33.3%** (**+0.4 pt** at constant exchange rates⁽¹⁾ year-on-year).

▶ **Net income Group share**

Adjusted net income Group share for the nine months to September 30, 2023 amounted to MAD **4,629** million, up **2.4%** (**+1.5%** at constant exchange rates⁽¹⁾).

▶ **Investments**

CAPEX⁽²⁾ excluding frequencies and licenses amounted to MAD **5,722** million, representing **20.7%** of Group revenues, in line with the full-year outlook.

▶ **Cash flow**

Over the first nine months of 2023, adjusted cash flows from operations (CFFO)⁽⁶⁾ amounted to MAD **7,176** million, down **12.1%** compared to the same period in 2022 (**-13.4%** at constant exchange rates⁽¹⁾), in line with the rise in the investments.

▶ **Highlights**

In response to the Royal appeal, Maroc Telecom supported the Special Fund set up to palliate the disastrous consequences of the recent earthquake in the Kingdom of Morocco. The Group contributed MAD 700 million to the fund in addition to individual employee contributions in order to support reconstruction and restoration work in the affected regions.

Group business review:

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

Morocco

(IFRS in MAD millions)	Q3 2022	Q3 2023	Change	9M 2022	9M 2023	Change
Revenues	5,247	5,069	-3.4%	14,808	14,749	-0.4%
Mobile	3,245	3,132	-3.5%	8,930	8,870	-0.7%
Services	3,021	2,990	-1.0%	8,518	8,359	-1.9%
Equipments and other revenues	224	142	-36.6%	411	511	24.1%
Fixed	2,461	2,382	-3.2%	7,239	7,207	-0.4%
Of which Fixed Data*	1,027	1,031	0.3%	3,000	3,167	5.5%
Elimination and other income	-459	-446		-1,360	-1,329	
Adjusted EBITDA	3,031	3,018	-0.4%	8,395	8,435	0.5%
Margin (%)	57.8%	59.5%	1.8 pt	56.7%	57.2%	0.5 pt
Adjusted EBITA	2,138	2,165	1.3%	5,763	5,849	1.5%
Margin (%)	40.7%	42.7%	2.0 pt	38.9%	39.7%	0.7 pt
CAPEX⁽²⁾	623	958	53.7%	2,381	2,385	0.2%
Of which frequencies and licenses	0	0		0	0	
CAPEX/Revenues (excluding frequencies and licenses)	11.9%	18.9%	7.0 pt	16.1%	16.2%	0.1 pt
Adjusted CFFO	2,266	1,717	-24.2%	5,456	4,527	-17.0%
Net debt	10,667	8,609	-19.3%	10,667	8,609	-19.3%
Net debt/EBITDA⁽³⁾	0.8x	0.7x		0.9x	0.7x	

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

Over the first nine months of 2023, business operations in Morocco generated revenues of MAD **14,749** million, almost stable year-on-year, driven mainly by Fixed-line Data **(+5.5%)**.

Over the same period, adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **8,435** million, a year-on-year increase of **0.5%**. Adjusted EBITDA margin remains at the high level of **57.2%**, an improvement of **0.5 pt**.

Adjusted earnings from operations (EBITA)⁽⁵⁾ amounted to MAD **5,849** million, up **1.5%** year-on-year. Adjusted EBITA margin improved by **0.7 pt** to **39.7%**.

During the first nine months of 2023, adjusted cash flows from operations (CFFO)⁽⁶⁾ totaled MAD **4,527** million, down **17.0%**.

Mobile

	Unit	9/30/2022	9/30/2023	Change
Customer base⁽⁸⁾	(000)	19,925	19,978	0.3%
Prepaid	(000)	17,521	17,492	-0.2%
Postpaid	(000)	2,404	2,486	3.4%
Of which Internet 3G/4G+⁽⁹⁾	(000)	11,041	11,807	6.9%
ARPU⁽¹⁰⁾	(MAD/month)	46.9	46.8	-0.3%

At September 30, 2023, the Mobile customer base⁽⁸⁾ totaled nearly **20.0** million customers, continuing to benefit from the strong momentum of the postpaid segment, which expanded by **3.4%**.

Mobile revenues slightly decreased (**-0.7%**) versus the same period in 2022 to MAD **8,870** million.

ARPU⁽¹⁰⁾ for the first nine months of 2023 amounted to MAD **46.8**, almost stable compared with the same period in 2022.

Fixed-line and Internet

	Unit	9/30/2022	9/30/2023	Change
Fixed-line	(000)	1,937	1,819	-6.1%
Broadband access⁽¹¹⁾	(000)	1,710	1,598	-6.5%

The Fixed-line customer base stood at **1.8** million lines at end-September 2023. Growth in the FTTH customer base (**+44%**) largely offset the decline in the ADSL customer base.

Fixed-line and Internet activities generated revenues of MAD **7.2** billion, down slightly by **0.4%** compared to 2022. Growth in Fixed-line Data (**+5.5%**) partially offset the decline in Voice.

International

Financial indicators

(IFRS in MAD millions)	Q3 2022	Q3 2023	Change	Change at constant exchange rates ⁽¹⁾	9M 2022	9M 2023	Change	Change at constant exchange rates ⁽¹⁾
Revenues	4,248	4,485	5.6%	2.9%	12,801	13,765	7.5%	3.1%
<i>Of which Mobile services</i>	3,930	4,129	5.1%	2.3%	11,844	12,703	7.2%	2.9%
Adjusted EBITDA	1,870	1,930	3.2%	0.8%	5,678	6,093	7.3%	3.0%
<i>Margin (%)</i>	44.0%	43.0%	-1.0 pt	-0.9 pt	44.4%	44.3%	-0.1 pt	-0.1 pt
Adjusted EBITA	994	1,014	2.0%	-0.1%	3,108	3,381	8.8%	4.4%
<i>Margin (%)</i>	23.4%	22.6%	-0.8 pt	-0.7 pt	24.3%	24.6%	0.3 pt	0.3 pt
CAPEX⁽²⁾	1,154	1,819	57.7%	52.6%	3,116	3,336	7.1%	2.8%
<i>Of which frequencies and licenses</i>	0	0			0	0		
<i>CAPEX/Revenues (excluding frequencies and licenses)</i>	27.2%	40.6%	13.4 pt	13.1 pt	24.3%	24.2%	-0.1 pt	-0.1 pt
Adjusted CFFO	567	422	-25.6%	-25.2%	2,704	2,649	-2.0%	-6.0%
Net debt	6,892	8,865	28.6%	23.6%	6,892	8,865	28.6%	23.6%
Net debt/EBITDA⁽³⁾	0.9x	1.1x			0.9x	1.0x		

The Group's international revenues for the first nine months of 2023 were up **7.5%** (**+3.1%** at constant exchange rates⁽¹⁾) at MAD **13,765** million, thanks to a good momentum in Mobile Data up **27.4%** (**+22.3%** at constant exchange rates⁽¹⁾) and the performance of Mobile Money up **11.6%** (**+7.3%** at constant exchange rates⁽¹⁾). Excluding the reduction in call termination rates, subsidiaries' revenues were up **3.5%** at constant exchange rates⁽¹⁾.

Adjusted earnings from operations before depreciation and amortization (EBITDA) rose **7.3%** (**+3.0%** at constant exchange rates⁽¹⁾) to MAD **6,093** million, representing an adjusted EBITDA margin of **44.3%**.

Adjusted earnings from operations (EBITA)⁽⁵⁾ amounted to MAD **3,381** million, up **8.8%** (**+4.4%** at constant exchange rates⁽¹⁾), mainly due to the increase in adjusted EBITDA. This performance led to a slight **0.3 pt** increase in adjusted EBITA margin to **24.6%**.

Adjusted cash flows from operations (CFFO)⁽⁶⁾ fell **2.0%** (**-6.0%** at constant exchange rates⁽¹⁾) to MAD **2,649** million, mainly due to the increase in investment.

Operating indicators

	Unit	9/30/2022	9/30/2023	Change
Mobile				
Customer base⁽⁸⁾	(000)	51,548	51,145	
Mauritania		2,642	2,642	0.0%
Burkina Faso		11,021	11,339	2.9%
Gabon		1,536	1,486	-3.2%
Mali		9,163	8,358	-8.8%
Côte d'Ivoire		10,534	9,704	-7.9%
Benin		5,371	5,489	2.2%
Togo		2,771	2,882	4.0%
Niger		2,849	3,008	5.6%
Central African Republic		216	230	6.3%
Chad		5,444	6,007	10.3%
Fixed				
Customer base	(000)	362	383	
Mauritania		56	38	-32.8%
Burkina Faso		76	75	-1.0%
Gabon		39	52	33.6%
Mali		191	218	14.2%
Fixed Broadband				
Base⁽¹¹⁾	(000)	153	189	
Mauritania		19	22	14.8%
Burkina Faso		16	21	32.9%
Gabon		35	49	38.3%
Mali		83	97	16.6%

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 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-line, 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 better illustrate the Group's performance by excluding exceptional items.

<i>(in MAD millions)</i>	9M 2022			9M 2023		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	8,395	5,678	14,072	8,435	6,093	14,527
Published EBITDA	8,395	5,678	14,072	8,435	6,093	14,527
Adjusted EBITA	5,763	3,108	8,872	5,849	3,381	9,230
ANRT decision	-2,451		-2,451			
Restructuring costs		-2	-2			
Published EBITA	3,313	3,106	6,419	5,849	3,381	9,230
Adjusted net income Group share			4,520			4,629
ANRT decision			-2,451			
Restructuring costs			-1			
Income tax revision						-67
Earthquake fund donation						-481
Published net income Group share			2,068			4,081
Adjusted CFFO	5,456	2,704	8,159	4,527	2,649	7,176
Payment of license		-26	-26			
Restructuring costs		-2	-2			
ANRT decision	-2,451		-2,451			
Published CFFO	3,005	2,675	5,680	4,527	2,649	7,176

Appendix 2: Impact of the IFRS 16 norm

At the end of September 2023, the impacts of the IFRS 16 norm on the main indicators of the Maroc Telecom Group were as follows:

<i>(in MAD millions)</i>	9M 2022			9M 2023		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	193	202	395	203	235	438
Adjusted EBITA	10	32	42	10	37	47
Adjusted net income Group share			-6			-5
Adjusted CFFO	193	202	395	203	235	438
Net Debt	733	643	1,375	781	845	1,627