

Q1 2024 CONSOLIDATED RESULTS

Promising start to the year marked by earnings growth:

- » **Group customer base up 2.7% to 77.1 million customers;**
- » **Consolidated revenue growth of 1.2%*** driven by subsidiaries' performance;
- » **Increase in Mobile Data revenues from Moov Africa subsidiaries (+21.7%*)** and **Fixed Data revenues in Morocco (+7.6%** driven by the FTTH activities);
- » **Group adjusted EBITDA up 1.7%***, including Morocco **+1.4%** and subsidiaries **+2.0%***;
- » **Sustained level of Group investment.**

Maroc Telecom Group announces good operating and financial results for the first quarter of 2024, up compared with last year.

The performance by the Moov Africa subsidiaries, the growth of the Group's Very High-Speed Fixed-Line Broadband and the ongoing cost optimization enabled the Group to achieve resilient performances amid a highly competitive environment.

Maroc Telecom continues to implement an ambitious investment strategy in order to capitalize on the quality of its networks and stand out for its level of performance and quality of service.

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

GROUP ADJUSTED* CONSOLIDATED RESULTS

<i>(IFRS in MAD millions)</i>	Q1 2023	Q1 2024	Change	Change at constant exchange rates ⁽¹⁾
Revenues	9,093	9,066	-0.3%	1.2%
Adjusted EBITDA	4,637	4,655	0.4%	1.7%
<i>Margin (%)</i>	51.0%	51.3%	0.3 pt	0.2 pt
Adjusted EBITA	2,890	2,883	-0.3%	0.9%
<i>Margin (%)</i>	31.8%	31.8%	0.0 pt	-0.1 pt
Adjusted net income - Group share	1,527	1,528	0.1%	0.5%
<i>Margin (%)</i>	16.8%	16.9%	0.1 pt	-0.1 pt
CAPEX⁽²⁾	855	1,280	49.7%	52.4%
<i>Of which frequencies and licenses</i>	0	0		
<i>CAPEX/Revenues (excluding frequencies and licenses)</i>	9.4%	14.1%	4.7 pt	4.7 pt
Adjusted CFFO	3,400	2,838	-16.5%	-15.5%
Net debt	15,419	14,909	-3.3%	-2.4%
Net debt/EBITDA⁽³⁾	0.8x	0.7x		

* Adjustments to financial indicators are set out in Appendix 1.

▶ Customer base

The Group's customer base stood at **77.1** million at end-March 2024, up **2.7%**.

▶ Revenues

In the three months to March 31, 2024, the Maroc Telecom Group recorded consolidated revenues⁽⁴⁾ of MAD **9.1** billion, up **1.2%** at constant exchange rates⁽¹⁾, underpinned by International revenues, up **+3.8%** at constant exchange rates⁽¹⁾, partly offsetting the decline in revenues in Morocco (**-1.3%**).

▶ Earnings from operations before depreciation and amortization

Maroc Telecom Group's adjusted earnings from operations before depreciation and amortization (EBITDA) rose by **1.7%** at constant exchange rates⁽¹⁾ to MAD **4,655** million in the first quarter of 2024 thanks to revenues growth and ongoing efforts to control operating costs in an inflationary environment.

The EBITDA margin remained high at **51.3%**, up **0.2 pt** at constant exchange rates⁽¹⁾.

▶ Earnings from operations

Adjusted earnings from operations (EBITA)⁽⁵⁾ for the first quarter of 2024 amounted to MAD **2,883** million, up **+0.9%** at constant exchange rates⁽¹⁾. The adjusted operating margin stood at **31.8%**.



▶ **Net income Group share**

Q1 2024 adjusted net income Group share came to MAD **1,528** million, an improvement of **0.5%** at constant exchange rates⁽¹⁾.

▶ **Cash flow**

Adjusted net cash flows from operations (CFFO⁽⁶⁾) amounted to MAD **2,838** million, down **15.5%** at constant exchange rates⁽¹⁾ versus Q1 2023 due to higher investments.

GROUP BUSINESS REVIEW

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

- **Morocco**

<i>(IFRS in MAD millions)</i>	Q1 2023	Q1 2024	Change
Revenues	4,783	4,723	-1.3%
Mobile	2,833	2,713	-4.2%
Services	2,691	2,586	-3.9%
Equipment and other revenues	142	126	-11.1%
Fixed-Line	2,386	2,461	3.1%
Of which Fixed Data*	1,056	1,137	7.6%
Elimination and other income	-436	-450	
Adjusted EBITDA	2,626	2,662	1.4%
Margin (%)	54.9%	56.4%	1.5 pt
Adjusted EBITA	1,753	1,824	4.0%
Margin (%)	36.7%	38.6%	2.0 pt
CAPEX⁽²⁾	416	529	26.9%
Of which frequencies and licenses	0	0	
CAPEX/Revenues (excluding frequencies and licenses)	8.7%	11.2%	2.5 pt
Adjusted CFFO	2,061	1,878	-8.9%
Net debt	8,539	7,038	-17.6%
Net debt/EBITDA⁽³⁾	0.8x	0.6x	

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

In the first three months of 2024, Morocco revenues amounted to MAD **4,723** million, down **1.3%**. Growth in the Fixed Internet business (**+7.6%** driven by the performance of FTTH activities) partly offset the decline in Mobile revenues in Morocco (**-4.2%**).

Adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **2,662** million, up **1.4%** compared with the same period of the previous year, thanks to tight control of operating expenses. The adjusted EBITDA margin rose **1.5 pt** year-on-year to reach a high **56.4%**.

Adjusted earnings from operations (EBITA⁽⁵⁾) amounted to MAD **1,824** million, up **4.0%**, mainly supported by the increase in EBITDA. The adjusted EBITA margin was **38.6%**, up **2.0 pt** versus Q1 2023.

Q1 2024 adjusted net cash flows from operations (CFFO⁽⁶⁾) decreased by **8.9%** to MAD **1,878** million.

Mobile

	Unit	Q1 2023	Q1 2024	Change
Customer base⁽⁸⁾	(000)	19,159	19,323	0.9%
Prepaid	(000)	16,719	16,800	0.5%
Postpaid	(000)	2,440	2,523	3.4%
Of which Internet 3G/4G+⁽⁹⁾	(000)	10,939	11,153	2.0%
ARPU⁽¹⁰⁾	(MAD/month)	45.7	42.7	-6.6%

At the end of March 2024, the Mobile customer base⁽⁸⁾ totaled **19.3** million, up **0.9%** year-on-year with the postpaid customer base up **3.4%** over the same period.

At the end of the first quarter 2024, Mobile sales were down **4.2%** year-on-year.

First-quarter 2024 blended ARPU⁽¹⁰⁾ amounted to MAD **42.7**, down **6.6%** year-on-year.

Fixed-Line and Internet

	Unit	Q1 2023	Q1 2024	Change
Fixed-Line	(000)	1,899	1,747	-8.0%
Broadband access⁽¹¹⁾	(000)	1,677	1,536	-8.5%

The Fixed-Line customer base stood at over **1.7** million lines at end-March 2024, down **8.0%**.

The Fixed-Line and Internet businesses generated revenues of MAD **2.5** billion, up **3.1%** versus Q1 2023. Fixed Data growth (**+7.6%**) offset the decline in Voice.

- **International**

Financial indicators

<i>(IFRS in MAD millions)</i>	Q1 2023	Q1 2024	Change	Change at constant exchange rates ⁽¹⁾
Revenues	4,593	4,632	0.8%	3.8%
<i>Of which Mobile services</i>	4,238	4,248	0.3%	3.2%
Adjusted EBITDA	2,011	1,993	-0.9%	2.0%
<i>Margin (%)</i>	43.8%	43.0%	-0.8 pt	-0.8 pt
Adjusted EBITA	1,137	1,059	-6.9%	-3.9%
<i>Margin (%)</i>	24.8%	22.9%	-1.9 pt	-1.9 pt
CAPEX⁽²⁾	438	751	71.4%	76.5%
<i>Of which frequencies and licenses</i>	0	0		
<i>CAPEX/Revenues (excluding frequencies and licenses)</i>	9.5%	16.2%	6.7 pt	6.7 pt
Adjusted CFFO	1,339	960	-28.3%	-25.6%
Net debt	7,135	7,936	11.2%	13.2%
Net debt/EBITDA⁽³⁾	0.8x	0.9x		

In the first quarter of 2024, the Group's International activities recorded revenues of MAD **4.6** billion, up **3.8%** at constant exchange rates⁽¹⁾, driven by revenue growth in Mobile Data (**+21.7%** at constant exchange rates⁽¹⁾) and Fixed-Line Data (**+19.1%** at constant exchange rates⁽¹⁾). Excluding the reduction in call termination rates, subsidiaries' revenues rose by **4.4%** at constant exchange rates⁽¹⁾.

Over the same period, adjusted earnings from operations before depreciation and amortization (EBITDA) amounted to MAD **1,993** million, up **2.0%** at constant exchange rates⁽¹⁾ versus Q1 2023 thanks to revenue growth.

Adjusted earnings from operations (EBITA)⁽⁵⁾ for the first quarter of 2024 totaled MAD **1,059** million, down **3.9%** at constant exchange rates⁽¹⁾.

Adjusted net cash flows from operations (CFFO)⁽⁶⁾ reached MAD **960** million at the end of March 2024, down **25.6%** at constant exchange rates⁽¹⁾, mainly due to higher capital expenditure.

Operating indicators

	Unit	Q1 2023	Q1 2024	Change
Mobile				
Customer base⁽⁸⁾	(000)	51,780	53,872	
Mauritania		2,735	2,339	-14.5%
Burkina Faso		10,994	11,691	6.3%
Gabon		1,570	1,636	4.2%
Mali		9,009	8,479	-5.9%
Côte d'Ivoire		10,193	10,650	4.5%
Benin		5,515	6,050	9.7%
Togo		2,824	2,917	3.3%
Niger		2,924	3,425	17.1%
Central African Republic		219	268	22.2%
Chad		5,797	6,418	10.7%
Fixed-Line				
Customer base	(000)	363	391	
Mauritania		46	21	-54.7%
Burkina Faso		76	71	-6.0%
Gabon		46	57	22.4%
Mali		195	242	24.2%
Fixed Broadband				
Customer base⁽¹¹⁾	(000)	165	219	
Mauritania		20	23	15.5%
Burkina Faso		17	31	86.9%
Gabon		43	54	27.3%
Mali		86	110	28.1%

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 for 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. In this instance, blended ARPU covers both 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 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. The actual results may be very different from the forward-looking statements, due to a number of risks and uncertainties, both known and unknown. The majority of these risks are beyond our control namely the risks described in the public documents filed by Maroc Telecom with the Moroccan Capital Markets Authority (www.ammc.ma) and the French Financial Markets Authority (www.amf-france.org), which are 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 Moroccan Capital Market Authority circular and Articles 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 expanded internationally and is now present in eleven African countries. Maroc Telecom is listed on both the Casablanca and Paris exchanges, and its majority 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, adjusted net income Group share and adjusted CFFO are not strictly accounting indicators, 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)	Q1 2023			Q1 2024		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	2,626	2,011	4,637	2,662	1,993	4,655
Non-recurring expenses				-70		-70
Published EBITDA	2,626	2,011	4,637	2,592	1,993	4,585
Adjusted EBITA	1,753	1,137	2,890	1,824	1,059	2,883
Non-recurring expenses				-70		-70
Published EBITA	1,753	1,137	2,890	1,754	1,059	2,813
Adjusted net income - Group share			1,527			1,528
Increase in corporate tax rate						-15
Non-recurring expenses						-50
Published net income - Group share			1,527			1,463
Adjusted CFFO	2,061	1,339	3,400	1,878	960	2,838
Non-recurring expenses				-70		-70
Published CFFO	2,061	1,339	3,400	1,808	960	2,768

Appendix 2: Impact of the adoption of IFRS 16

At the end of March 2024, the impacts of the application of IFRS 16 on the main indicators of the Maroc Telecom Group were as follows:

(in MAD millions)	Q1 2023			Q1 2024		
	Morocco	International	Group	Morocco	International	Group
Adjusted EBITDA	65	78	143	67	76	143
Adjusted EBITA	4	11	15	2	12	14
Adjusted net income - Group share			-3			-5
Adjusted CFFO	65	78	143	67	76	143
Net debt	792	824	1,615	809	777	1,586