

Sonatel Group

Annual report 2021

#AfricaRising

with you, for you
sonatel



#AfricaRising

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Foreword



Thanks to its youthful population and dynamism, Africa is one of the continents where the future is viewed with optimism. With the strong digitization it is experiencing as well as the profound disruption resulting from it, Africa is progressing and winning!

Women and men show creativity in seizing all the opportunities offered by the digital technology. Inspiring stories, both ordinary and exceptional are being written and developing in all sectors on a continent on the move: agriculture, cooking, education, sport, fashion, design, cinema, etc.!

This African youth oversees its future while preserving the foundations of its cultural and social identity to build its future in its own image and help Africa win!

Identity card



1 335

billion FCFA
of turnover



214

billion FCFA
of investments



+

5 000

direct jobs



+

160 000

indirect jobs created



5 Countries

Senegal, Mali,
Guinea, Guinea Bissau,
Sierra Leone



38,3

million fixed customers,
mobile, internet



10

million Orange Money
customers



N°1

in 4G+ coverage



24

Village projects



1 000

learners trained
at the Orange Digital
Center level



Société Béninoise des
Infrastructures Numériques
delegated management



820

billion FCFA directly reinjected
into the economies of the
countries of presence

The letter from the Chairman

Mr Alioune NDIAYE

Chairman of the Board of Directors



Sonatel presents good results for 2021, the fruit of a sustained policy of customer orientation and investment in networks for excellent quality. Investments thus increased by 4.6% and reached XOF 213,9 billion in all the group's countries, mainly in Networks and service platforms. CAPEX (capital expenditure) was mainly related to mobile deployment and fiber projects in 2021.

The Group has strengthened its leadership in its main markets thanks to a good commercial dynamic and a good rate of customer recruitment in very high-speed connection.

The Group recorded a solid performance in 2021 supported by a good commercial momentum despite a difficult political and security situation in Mali and Guinea, increased competition, as well as the tightening of tax regulations with new taxes on the telecoms sector in Guinea, in Guinea-Bissau and Sierra Leone, combined with the context of the health and socio-economic crisis. It has also contributed its expertise to the SBIN in Benin as part of a management contract which allows the opening of a new mobile network in 2022.

The consolidated turnover of the Sonatel group increased by 10.7% thanks to the increase in Data, voice and fixed broadband revenues and amounts to XOF 1335 billion. The increase in the proportion of Data and fixed broadband combined with the core business activities of Voice and sms, which remain solid, contributed

strongly to revenue generation despite the decline in mobile money and international business.

The group's net income increased by +2.2 points to more than XOF 252 billion. A growth of more than 25% due to the sharp increase in operating margin (+11.8%) coupled with the control of depreciation and improved financial performance.

The group's revenue growth momentum was maintained in the context of a post-Covid 19 recovery.

The development of our networks (including new sites in Sierra Leone and more frequencies in Guinea) combined with the dynamics of fixed data, has made it possible to achieve a positive overall growth despite a mobile money price war in Senegal and Mali.

With the rise in revenues and the controlled increase in direct costs, profitability trajectories have improved, despite still high indirect costs. In 2021, the Corporate Social Responsibility of the Sonatel group helped to improve the lives of the populations in the key sectors of Health, Education and Employability.

Through its various Corporate Foundations, several sponsorship actions have made it possible to support populations in Health, Economy, Technology and Communication and continue to support economic recovery efforts. The momentum of the Orange Digital Center (ODC), which provides a concrete and useful service to young people, is confirmed.

The Group's commitment remains resolutely customer oriented. By pursuing a human and material investment, Sonatel's ambition in 2022 is to continue to provide its customers with an incomparable experience, through a recognized technical and commercial Quality of Service, while providing solutions to changes in the society through the development of new digital uses.

Despite a difficult context, the Board of Directors is confident in the positive momentum and solidity of the Group's financial structure.

All the members of the Board of Directors and I would like to extend our warm congratulations to the managers and all the employees of the Sonatel Group in all the countries for these good results and encourage them to consolidate them for this year 2022.

The group performed well thanks to its values, its know-how and the commitment of its employees. Sonatel will draw, I am convinced, in this «challenging» context, the necessary resources to bring even more to the populations thanks to its quality and accessible services. I am convinced that our commitment and our mobilization in the service of our stakeholders will always keep the Group at the top with excellent results.

The Sonatel Group will be able to count, once again, on the support of the Board of Directors to remain a driving force in the development of the digital economy and digitization.

Message from the CEO

Mr Sékou DRAMÉ
CEO of the Sonatel Group



2021 was marked by the post-covid recovery of the economies of our markets. And, it is with satisfaction that we confirm our leading positions in our various markets. This performance was achieved mainly thanks to Voice and Very High Speed Fixed and Mobile data despite increased competition in the Mobile Money market and particularly difficult political, economic, fiscal, regulatory, and competitive environments.

Solid operational and financial results were obtained thanks to the commitment of the employees of the Sonatel group, to whom we address our congratulations and encouragement to maintain these efforts to meet our future challenges. We also thank our partners and suppliers, with whom we succeed in delivering the best services to our customers.

With the digital transformation of our societies accelerating daily, the Sonatel Group is responding efficiently to the regulatory obligations of coverage and quality of service of our governments. It also and above all meets the expectations of customers and populations by promoting digital, social, and financial inclusion in our countries.

These good results were made possible by the recruitment of new customers in telecom and mobile money services. The development of uses on all product lines and the expansion of the portfolio of offers for individual customers, businesses, and operators, were also a significant contribution.

The sustained pace of investment over the past few years has laid the foundations for this performance by transforming, extending and improving Very High Speed Fixed and Mobile networks (Optical Fiber and 4G+) and developing mobile financial services. These investments have also made it possible to improve the customer experience and quality of service, and to adapt networks and service platforms to future technological innovations (5G pilot, for example). Significant efforts have also been maintained for improved cost control.

At the end of 2021, the overall customer base (fixed, mobile and internet) stood at 38.3 million customers, with a growth of 6.3%, thanks to a good commercial drive and a sustained pace of customer recruitment in very high-speed service. Mobile customers (Voice-Sms-SVA) make up the bulk of the customer base with 37.6 million (+5.9%). The number of mobile data users increased to 14.5 million (ie an increase of 14.1%). The Orange Money customer base has also reached the symbolic bar of 10 million active customers (+13.4%). The very high-speed fixed base saw a strong growth (+36.6%) in 2021, in Senegal in particular, in Fiber, LTE/FDD, TDD and ADSL offers to reach 431,400 customers, confirming the policy of increased investment in very high speed.

In 2021, Sonatel contributed to the economy and the creation of wealth in the countries that host our operations. Thus 61.5% of the turnover generated was paid in commissions to our distributor partners, to the local companies that supply us with products and services and to the States in respect of duties, direct taxes, royalties, social security contributions, customs duties, and dividends

As a socially committed operator, we always remain faithful to our mission to accelerate digital and social inclusion. The Sonatel Group has continued its Corporate Social Responsibility (CSR) policy through the success of the Orange Digital Center in Senegal, which has already trained nearly 700 learners since 2017 with a professional integration rate of 82%. With its opening in Mali and Sierra Leone in 2021, Orange Digital Center materializes Sonatel's commitment to always support the digital transformation of our countries by preparing young people for the job market and innovative entrepreneurship.

Patronage actions are deployed everywhere, with particular emphasis on Education and Health, the 24 «Village Projects» of our foundations, which contribute to the disencavement and development of rural areas through the construction and outfitting of modern school and health infrastructure.

Raising awareness of the environment, by preserving and protecting it and moving towards a green and virtuous economy, is undertaken by the Sonatel group by strengthening the eco-design of renewable energies and the reduction of our carbon footprint, as evidence of our ambition to contribute to sustainable development in our countries.

Finally, the Sonatel group is also a partner of sport, by developing, among other actions, the sponsoring of the national teams of our countries of presence. As such, in Senegal we are delighted to support, for more than 24 years, the national team, African football champions in 2021.

In 2022, the Sonatel group will continue to strengthen its foothold while contributing to digital development in all the countries of presence through a sustained investment policy in Very High Speed Fixed and Mobile services and the improvement of the customer experience. The group will also pursue its strategy as a multi-service operator by accelerating its content development and energy activities and by seizing opportunities for diversification. Faced with the resurgence of competition on the Mobile Money market in Senegal and Mali, the group will endeavour to consolidate its positions by enriching the offers and simplifying the customer journey. Societal commitment for the benefit of populations will remain a priority through CSR and sponsorship initiatives so that the Sonatel Group remains the preferred partner for the digital transformation of our societies.

Thus, I invite you to discover our financial results and our significant achievements in this 2021 annual report.

Good reading

1

Strong governance...
Our ethical commitment

Keeping
control



Strong governance... our ethical commitment

Since May 5, 2014, the date of entry into force of the new Uniform Act of OHADA relating to the Law of Commercial Companies and Economic Interest Groups (AUSCGIE), all commercial companies have the legal obligation to bring to the attention of their shareholders a certain amount of information relating to the governance of their company.

It is Articles 547-1, 831-2 and 831-3 of the aforementioned Uniform Act which determine these new rules. Sonatel did not wait for the implementation of these provisions to inform its stakeholders about its mode of governance. Thus, as usual, Sonatel shares with its shareholders the following information.

1 Terms of participation of shareholders in a General Meeting of Sonatel

The right to participate in Meetings is subject to the registration of the shareholder's name in the register of registered shares, 5 days before the meeting.

The accounting record of the shares in the name of the shareholder or the temporary agent registered on his behalf, on the third working day preceding the Meeting at midnight local time, in the bearer securities registers kept by the Stock Exchange (Bourse des Valeurs Mobilières, or BRVM) also confers the right to attend General Meetings

Any shareholder (or group of shareholders) representing at least one hundred (100) shares may attend or be represented at Ordinary General Meetings.

Regardless of the number of shares he holds, any shareholder may attend or be represented at Extraordinary General Meetings.

Any shareholder may be represented by their spouse or a proxy of their choice, who may be a shareholder or not.

Every shareholder has as many votes as the shares they own and represent.

The proxy holder of a shareholder has the votes of their principal under the same conditions and the same limit.

2 Update on the status of employee stock ownership

Sonatel attaches special importance to the shareholding of its staff, and it is for this purpose that, since its stock market listing in 1998, all staff are shareholders.

This shareholding of Sonatel Group company employees is now cited as an example, with each employee feeling more concerned about the future of his company. This example is now replicated in many companies.

As of 31 December 2021, the Sonatel Group has 1,810 employees in Senegal (excluding foreign subsidiaries and expatriates).

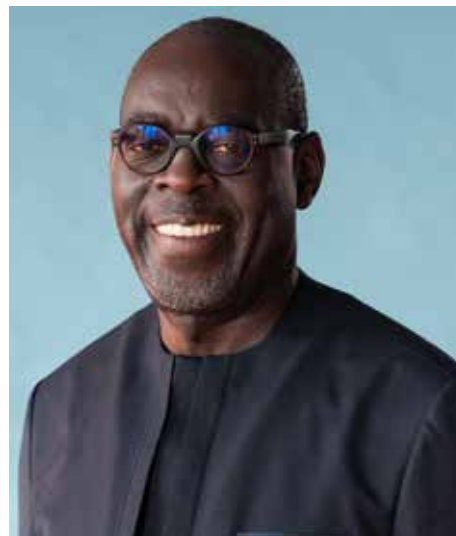
As of 31 December 2021, 1,777 active employees of Sonatel are shareholders (including expatriates and excluding new 2021 recruits), that is, a 6% stake in the share capital.

3 Composition of the Board of Directors

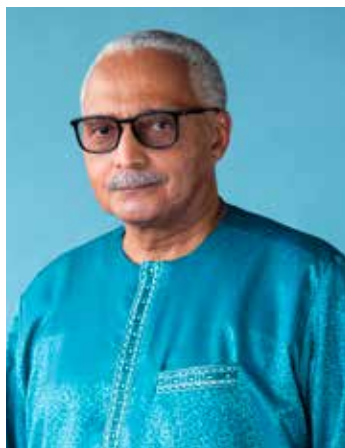
As of 31 December 2021, Sonatel's Board of Directors is composed of the following 09 members (08 directors and a representative of the Financial Controller):

Mr
Alioune NDIAYE

Chairman of the Board
of Directors



Mr Abdoulaye SAMB
Director



Mr François R. Lat COLLIN
Director



Mr Cheikh T. MBAYE
Director



Mr Hugues FOULON
Director



Mr Ludovic PECH
Director



Mr Achirou NDIAYE
Director



Mr Jérôme HENIQUE
Director



Colonel Koly FAYE
Director



Mr Abdoulaye DIOP
Representing the Financial
Controller

4 Management Committee of the group



Sékou DRAME
CEO



Fabrice ANDRE
Deputy CEO



Brelotte BA
CEO
Orange Mali



Sékou Amadou BAH
CEO
Orange Sierra Leone



Brutus Sadou DIAKITE
CEO
Orange Bissau



Ababacar Sadikh DIOP
CEO
Orange Guinea



Nogaye Thérèse TOUNKARA
CEO of Société Béninoise des
Infrastructures Numériques



Cheikh Tidiane SARR
CEO
Orange Finance Mobile Senegal



El Hadj Malick DARY
Director
Consumer Marketing



Amadou DÈME
Director
Procurement and Logistics



Rokhaya GUËYE DIAGNE
Director Regulation
and Legal Affairs



Diariétou Madina Gaye DIENG
Chief of Staff to the CEO
of the Sonatel Group



Ousmane DIENG
Director Networks
and Service Platforms



Fatoumata SARR DIENG
Director of Operators
and International Relations



Afissatou SALL GAYE
Director Audit
Risks and Quality



Gisèle POUYE GUËYE
Director Customer Service
and Experience



Alioune KANE
Director Strategy
and Transformation



Massamba MBAYE
Sales manager



Abdou Karim MBENGUE
Director Institutional
Communication and External
Relations



Omar GUËYE NDIAYE
Business Director



Bineta Dior BEYE NDIAYE
Financial and Accounting
Director



Mamadou Ibrahima TRAORÉ
Director
Human Resources



Racky S. WANE NIANG
Director
Information Systems

5 Offices and positions held by each director

As of 31 December 2021, the following offices and positions are held in Senegal by the 08 directors of Sonatel:

Mr Alioune NDIAYE

- Current offices and positions within Sonatel: Chairman of the Board of Directors,
- Other offices and positions held in Senegal: none

Mr Achirou NDIAYE

- Current offices and positions within Sonatel: director,
- Other offices and positions held in Senegal: none

Mr Ludovic PECH

- Current offices and positions within Sonatel: director, member of the Audit Committee,
- Other offices and positions held in Senegal: none

Mr Jérôme HENIQUE

- Current offices and positions within Sonatel: director,
- Other offices and positions held in Senegal: none

Mr François Robert Lat COLLIN

- Current offices and positions within Sonatel: director,
- Other offices and positions held in Senegal: none

Mr Abdoulaye SAMB

- Current offices and positions within Sonatel: director, member of the Audit Committee,
- Other offices and positions held in Senegal: director at SENELEC, Société Africaine de Raffinage (SAR), PETROSEN

Mr Hugues FOULON

- Current offices and positions within Sonatel: director,
- Other offices and positions held in Senegal: none

Colonel Koly FAYE

- Current offices and positions within Sonatel: director,
- Other offices and positions held in Senegal: Director at Conseil de Surveillance de l'Agence de l'Informatique de l'Etat (ADIE).

6 Conditions governing the preparation and organization of the proceedings of the Board of Directors

The rules for preparing and organizing the proceedings of the Board are set by the Articles of Association and By-laws of Sonatel.

Improvement measures are continuously taken alongside these rules.

Thus, the Chairman now draws up, before the beginning of each year, the annual calendar of meetings of the Board of Directors.

Previously, a half-yearly calendar was established before the beginning of the semester.

The convening notices for the Board meetings specifying the agenda are issued by registered letter, e-mail from the Chairman, at least fifteen (15) days before the date of the meeting or at least three (3) days before the date of the meeting in case of urgency.

The determination of the urgency of the decision or decisions to be taken is left to the discretion of the Chairman of the Board of Directors.

The documents relating to the items on the agenda are communicated to the Directors

- at least ten (10) days before any meeting when in the case of documents communicated for decision-making,
- at least five (5) days (including a weekend) before any meeting when they are documents communicated for information.

The Chairman of the Board of Directors may invite members of the Sonatel management team, after consultation with the CEO, depending on the points to be dealt with on the agenda.

In any event, the Board of Directors may, at each of its meetings, in case of urgency and on the proposal of the Chairman, deliberate on any question not included in the agenda which is communicated to it.

The deliberations of the Board are recorded in the minutes drawn up by the Chairman of the meeting and the secretary and signed by the Chairman of the meeting and at least one director.

7 Application of the ISA and CSPC governance codes

Since 2011, Sonatel has been complying with the Code of Corporate Governance developed by the Senegalese Institute of Directors (*Institut Sénégalais des Administrateurs*, or ISA).

The objective of this code is to promote good governance practices within companies in both the public and private sectors.

The provisions of the code, inspired by OHADA law, constitute a set of rules of good business conduct.

Sonatel's Board of Directors has chosen to follow the rules defined by this Code because these texts highlight the code of good governance practices. These rules include:

- the relationship between Sonatel and the shareholders which results in fair treatment of the shareholders as well as the transparency and quality of any information transmitted,
- the rules relating to the roles, missions, composition, operation, and committees of the Board,
- the relationship between the Board, General Management and Executives,
- the Board and the Statutory Auditors,
- the Board and other stakeholders.

We have also been referring since 2012 to the Code of Conduct for Private Sector Enterprises in Senegal developed by the Private Sector Coalition against Corruption (Coalition du Secteur Privé contre la Corruption, or CSPC) which was put in place by the Government of Senegal and the World

Bank which consider that corruption is an obstacle to the economic and social development of Senegal.

Sonatel has adhered to the Code of Good Conduct which:

- lays down the guiding principles and rules of conduct intended to fight against corruption
- promotes ethics and good corporate governance in private sector companies, and in the relations between private sector companies and between them and administrations, customers, and consumers

This Code is based on three guiding principles:

- ethics, through the definition and implementation of development policies and strategies that comply with ethical principles,
- social responsibility through a commitment beyond the purpose of profit, to establish itself as a responsible corporate citizen concerned about its social environment.
- corporate governance by applying the basic principles of the Senegalese Institute of

Directors (ISA) including the integrity of the managers, the clear and respected definition of the roles between the Shareholders' Meeting, the Board of Directors, and the General Management and finally the respect of the rights of the shareholders and equality in their treatment.

These codes can be consulted at these Institutions.

8 Principles and rules for determining remuneration and benefits granted to corporate officers

The remuneration and benefits of corporate officers are determined in accordance with the provisions of the AUSCGIE. It is a decision of the Ordinary General Meeting, and the distribution is the responsibility of the Board of Directors.

A global envelope had been allocated by the Ordinary General Meeting of Sonatel on 08 April 2009. The Board of Directors distributed the duty allowances.

This envelope amounts to XOF 65 million per annum.

9 Total remuneration and benefits paid to each director

During the 2021 financial year, Sonatel's Board of Directors met eight (8) times, the Audit Committee three (3) times.

During the 2021 financial year, the following duty allowances were paid to the directors present at the meetings (Board of Directors and Audit Committee) or to their delegate:

DIRECTORS	BOARD OF DIRECTORS	AUDIT COMMITTEE	TOTAL
Mr Abdoulaye DIOP	XOF 2,400,000		XOF 2,400,000
Mr Francois COLLIN	XOF 2,400,000		XOF 2,400,000
Mr. Koly FAYE	XOF 6,400,000		XOF 6,400,000
Mr Hugues FOULON	XOF 4,000,000		XOF 4,000,000
Mr Abdoulaye SAMB	XOF 5,600,000	XOF 2,400,000	XOF 8,000,000
Mr Achirou NDIAYE	XOF 6,400,000		XOF 6,400,000
Mr Jerome HENIQUE	XOF 4,000,000		XOF 4,000,000
Mr Ludovic PECH	XOF 5,600,000	XOF 2,400,000	XOF 8,000,000
Mr Cheikh Tidiane MBAYE	XOF 4,800,000		XOF 4,800,000
Mr Alioune NDIAYE	XOF 11,200,000		XOF 11,200,000
GRAND TOTAL	XOF 52,800,000	XOF 4,800,000	XOF 57,600,000

The distribution above is consistent with the overall annual envelope of XOF 65 million allocated by the Ordinary General Assembly of Sonatel on 08 April 2009.

10 Commitments made for the benefit of corporate officers for the 2021 financial year

No commitment was made by Sonatel for the benefit of its corporate officers.

11 Application of the ISA and CSPC governance codes

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the company. He exercises his powers within the limits of the corporate purpose and subject to those that the law and the internal regulations of the Board of Directors expressly confer on him.

However, since 1997 the Board of Directors has set a ceiling on the commitments of the Chief Executive Officer beyond which the prior authorization of the Board of Directors is required. This limitation of powers is provided for in article 13 bis of Sonatel's articles of association.

12 Internal control and risk management procedures in force

Sonatel has had an internal control and risk management process for years.

The activities and results of this internal control and risk management process are monitored by the Audit Committee. For effective and efficient management of this process, monitoring structures and committees exist at Sonatel:

- a dedicated Department in charge of risk management and internal control with the following main responsibilities:
 - the development and regular updating of risk maps related to the activities of all processes at Sonatel (identification, treatment, evaluation, and prioritization of risks),
 - management of the top risks (priority risks and unacceptable risks) defined by the General Management,

- management of the top risks (priority risks and unacceptable risks) defined by the General Management,
- analysis of risks related to strategic offers and projects,
- the systematic review of procedures to ensure the integration of internal control systems covering risks,
- support to the businesses for the development and ownership of the internal control,
- the annual verification of compliance with financial security laws and the Sarbanes Oxley law applicable to companies listed in the USA due to Sonatel's membership of the Orange Group (review of questionnaires on the internal control environment by the Statutory Auditors for validation),

- the coordination of Business Continuity Management (BCM): Business Impact Analysis (BIA), Business Continuity Plans (BCP), Crisis Management, backup sites.
- a specific organ for the management of ethics and compliance:
 - a department dedicated to monitoring and facilitating compliance. It is responsible for setting up and monitoring mechanisms to fight against corruption and conflicts of interest, to ensure compliance with the Sonatel Group's policy of zero tolerance towards corruption,
 - a CSR, Ethics and Compliance Committee (CEC) chaired by the Chief Executive Officer, which meets quarterly. All members of the Management Committee are members of the said Committee,
 - a Chief Compliance Officer (CCO) appointed by the CEO: the Director of Audit, Risks and Quality, responsible for coordinating and supervising the effectiveness of compliance measures implemented within the Sonatel Group,
 - a network of Compliance ambassadors, interfaces in the deployment and reinforcement of the Compliance policy in the Departments,
 - an ethics Sponsor: The Director of Human Resources,
 - a CSR, Ethics and Compliance network with a coordinator, facilitators by domain and correspondents by management department.
- an Internal Audit Department responsible for evaluating the internal control system (tests to ensure the correct application and effectiveness of the documented internal control system).

The Internal Audit's main responsibilities are as follows:

- the development and implementation of an annual audit programme covering Sonatel's strategic orientations and issues in all areas, particularly those exposed to critical and unacceptable risks,
- monitoring the application of internal and external audit recommendations.

Sonatel's Internal Audit has obtained a certificate of conformity to international standards of professional practice from the French Institute of Audit and Internal Control (Institut Français de l'Audit et du Contrôle Interne, or IFACI)).

This certificate was delivered following an assessment based on the Professional Internal Audit Standard (Référentiel Professionnel de l'Audit Interne Interne, or RPAI) 2020 consisting of 100 detailed requirements covering five (05) areas: Positioning-Planning and Steering-Evaluation Governance, Risks and Control-Professionalism-Audit process.

- a General Inspection Department responsible for:
 - carrying out investigation missions after the following causative events affecting Sonatel or a third party:
 - fraud or suspicion of internal or external fraud,
 - theft and embezzlement,
 - corruption or attempted corruption and breaches of ethics,
 - non-compliance with laws, regulations, contracts, policies, and procedures resulting in harm to Sonatel or to a third party,
 - major human or technical failures.
- following up on the recommendations emanating from the investigations,
- ensuring reporting at group level on investigations.
- a Risk Committee chaired by the Chief Executive Officer and made up of all the Directors and Heads of the Security, Revenue Assurance and Risk Management and Internal Control Departments. The mandate of this Committee, which meets every six months, is to:
 - analyse the top risks (priority risks and unacceptable risks) defined by the General Management to ensure their control,
 - identify and stimulate the necessary synergies between the different functions involved in risk management,
 - prepare internal control reviews and follow-up on the conclusions of the review.
- a Risk Review Committee related to Sonatel's strategic projects and offers whose role is to:
 - guarantee that the risk dimension is considered in projects or worksites before they go through the validation process,
 - ensure that projects that must pass a validation milestone incorporate the appropriate and necessary control systems to achieve the various objectives and to circumvent, predict, correct, or reduce the impact of the identified risks.

The results obtained to date are positive and permanent monitoring is carried out to contribute effectively to the sustainability of Sonatel's business.

2

To be a digital
and human employer



A strategy
at the service
of the community

To be a digital and human employer

Our solid financial and commercial performance is the result of the work of competent men and women committed to a

three-year Business Project rolled out in each subsidiary.

1 Life after Covid-19

After two years of adapting and testing our resilience in the face of the health crisis, we have been able to consolidate the experience gained from our new ways of working while remaining efficient. Teleworking, flextime and flexplace have thus become controlled and permanent systems, allowing our employees to have a stike a good balance between professional and private life.

To complete these systems, the development of coworking sites gave employees the opportunity to work on a site other than their place of employment and offered a better working environment.

2 We preserve our Human and Intellectual Capital

Our employees are our greatest asset, we do everything we can to develop their skills and their fulfillment by helping them to progress thanks to personalized training plans and the establishment of expertise sectors.

The year was also marked by the implementation of HR (Human Resources) Transformation projects, which constitute one of the Work Groups of the Company Project. It is within this framework that in Senegal, the HR Academy was launched as well as expertise sectors. The HR Academy is

the school dedicated to human resources professionals and the expertise sector is a system allowing the development of technical careers.

In terms of digital transformation, our internal communication has also evolved with the record production of digital media such as applications and devices materializing the digitization of our internal processes and thus facilitating the experience of our employees. In Senegal, this digitization has taken concrete form through the launch of a new IPM portal (health insurance)

as well as the implementation of a new method for evaluating employees, the So'Perf, involving a new method of providing perks to agents, by introducing a performance-related bonus.

3 International recognition

For nearly 10 years now, our efforts to improve the working environment of our employees, through innovative HR practices that put people first, have been rewarded with a Top Employer certification confirmed every year.

Orange Mali was thus certified Top Employer for the 9th consecutive year in 2021 and is the only Malian company to have obtained this certification.



3

Our responsible
commitment

Giving everyone
a chance to shine



Our responsible commitment

1 Social inclusion

A company's commitment to the people in the issues that affect them has become a real differentiating factor. At Sonatel, we have been working daily for the well-being of the populations in all our countries of presence for 20 years through our Foundations and our CSR policy, which has been established as a strategic pillar for more than 10 years. Our "more than an operator" positioning, continues to be a reality in our daily actions.

► 24 Village Projects in 8 years

An Orange Village Project is an integrated concept that helps disenclave remote areas by building a school, a health center and a water point in a remote village chosen based on criteria related to the lack of infrastructure sectors like health and education.

In eight years, 24 Village Projects have been deployed by the Sonatel group in its territories of presence at a cost of more than XOF 2 billion.

In Senegal, after the village of Deguerre inaugurated in June 2021, two other villages are under construction. They will join the six Villages that have already benefited from major works:

- Refurbishment and outfitting of a school with 6 classes (with digital room)
- Refurbishment and outfitting of a "darra"
- Construction and outfitting of the health post
- Construction of housing for medical staff
- Solar energy installation

- Rehabilitation of a borehole
- Transition from the Green School concept to that of a Green Village.

In addition to this, a market gardening space to support the empowerment of women was established for Deguerre. Today, 1,000 women in the village have an activity and are fully involved in the sale of vegetables.

In Mali, a total of 10 "Orange villages" have been built in the country since the start of the project.

► Health: increased resilience in the aftermath of the health crisis

In our countries of presence, health remains the 1st concern of the populations because access to medical care remains a major difficulty in West Africa, compounded by the health crisis.

Thus, in Senegal, the Sonatel Foundation has provided support to patients suffering from renal insufficiency considered as social cases by covering the costs related to their treatment over a period of one year. Kidney disease is a real public health problem. Dialysis is the only therapy currently available in Senegal, yet many patients find it difficult to bear the financial cost of their drugs and medical analyses.

2021 was also marked by the inauguration of the Maison des Accompagnants at the Fann hospital, a major innovation in Senegal's health system. In our countries, because of our

socio-cultural realities, a hospitalized patient is very often accompanied by one or more members of his family. However, most often in national health facilities, there is no space dedicated to accompanying parents in order to facilitate their stay and rest. This project, implemented to meet the needs of the populations, also shows our ability to innovate, these structures being almost non-existent in Senegal.

In Mali, our foundation turned 15! 15 years of solidarity actions in favor of vulnerable populations in the fields of health, conventional and digital education, culture, and solidarity.

- More than 700 million invested in the fight against the Covid-19 disease,
- Donation of several medical materials to hospitals and health centers in Mali: digital scanner and equipped ambulance at the CHU Gabriel Touré, equipment for the 3rd unit of the hemodialysis center at the CHU Point G, equipment for the intensive care unit at the hospital in Mali, construction of 2 care centers for women victims of obstetric fistula in Sikasso and Koulikoro, construction of 15 rural maternities in Mopti, etc.

Support for the well-being of the Guinean populations has materialized in the ongoing protocol with the country's Ministry of Health and Hygiene. Major projects have thus been initiated, such as the construction of latrines and wells in 50 schools, solar energy for 9 health centers or the caravan intended for the health care of senior citizens. These actions complement the donation of incubators in maternity wards.

In Guinea Bissau, in addition to the rehabilitation and equipment of health and maternity posts in rural areas, the support of local authorities in the fight against Covid-19 continued. 10,000 rapid diagnostic test kits have thus been offered in order to facilitate the work of diagnosing the populations. On the other hand, we continue our participation in the fight against malaria through awareness activities based on the use of SMS technology.

In Sierra Leone, as part of the continued support for the government's vaccination campaign against COVID-19, the Foundation, created in 2021, donated to the National Covid-19 Emergency Response Center administrative and technique services and materials worth SLL 465 million.

Overall, we have maintained in all our countries of presence the facilities made available to local health authorities and certain humanitarian associations involved in the fight against the Covid-19 pandemic.

► Education: more than 250 digital schools rolled out

For nearly 20 years, our Foundations have been committed to the service of Education and constantly endeavour to contribute to the efforts of Governments in terms of improving learning and teaching conditions in schools.

True to this policy, the Sonatel Foundation has taken a strong step this year by supporting and rehabilitating the Mame Cheikh Mbaye high school in Tambacounda, 500 km from Dakar. Created in 1983, the largest and oldest establishment in all of Senegal had remained for almost 38 years without ever experiencing any rehabilitation work. The state of disrepair in which it was, the risk of the buildings collapsing had caused a lot of concern. Thanks to projects costing XOF 500 million, the Sonatel Foundation has enabled 2,300 students, more than a hundred teachers and administrative staff to work in an environment that comply with standards.

Education also means access to and learning about digital tools. Thus, in Senegal, through the Digital Education programme of the Orange Foundation, we have increased the number of Digital Schools with around twenty new beneficiary elementary schools in 2021, in addition to the already existing sixty. With this programme, more than 45,000 students benefit from rich and diversified content, thus creating a very strong positive impact on knowledge acquisition.

The Orange Mali Foundation, for its part, has built 126 classrooms with latrines, including 114 in partnership with UNICEF and continued to roll out the "digital schools" concept, bringing the number of digital schools opened in public schools to 85. In addition, the Mali school website will be linked with the "Pass Education" offer. This site is an initiative of a group of teachers which aims to put online for free all the courses of the official programme of Mali to facilitate access to educational content for both students and teachers, as well as for parents of students.

In Guinea, no less than 42,000 people have benefited from support for their digital inclusion through programmes such as the Super Coders, Digital Schools (more than 82 to date) or Digital Houses (7 in all.).

In addition, to promote the empowerment of women and promote their digital inclusion through training, we have

launched in Guinea Bissau and Sierra Leone their 1st local digital house, thus expanding the network of these training places dedicated to women in our 5 countries of presence. Thousands of women have thus been trained in financial education and basic entrepreneurship. The digital house concept is based on the supply of digital equipment, educational content and learning support. This provides a new opportunity for women in difficulty to integrate professionally and regain financial autonomy. In Sierra Leone, basic education remains one of the Orange Foundation's strengths. Thus, in addition to the 3 schools built in 2020, 2 new schools, «toddler houses», were built in Lokomassama, Port Loko district and in Tihun, Bonthe district, as part of the multi-year support for the flagship programme of the Government Free Quality Education programme.

► Culture/sport: committed to what matters to the people

In Mali, the renewal of the signing of new major sponsoring partnerships with the Ministry of Crafts, Culture and the Hotel Industry makes Orange Mali the special and essential partner of Malian culture, in addition to being the 1st partner of Sport, through the sponsoring of the 2 largest sports federations in Mali: FEMAFoot (football) and FMBB (basketball). This support to local football, through the support to national teams, is also a strong lever for our sponsorship in all our countries of presence.

In Guinea, close attention to stakeholders led at the end of 2021 to the support for associations in charge of preserving the regions' flagship cultural festivities: the Fria Festival, the Niandan Festivities in Kissidougou or the Book for youth days in Kamsar are a few examples.

► Diversity, solidarity: closer to vulnerable groups

We are strengthening our solidarity with the populations of our countries of presence.

As part of our Corporate Social Responsibility policy, we have signed the diversity charter and are committed to fighting against all forms of discrimination. Since then, we have been asserting our social and digital inclusion footprint in favour of

vulnerable groups: craftsmen with disabilities or 'Handipreneurs', entrepreneurship for women and young people in rural areas.

In Senegal, we organized, on 22 and 23 December 2021, the 3rd 'Handipreneurs' fair at our headquarters. This fair was an opportunity to officially launch the inclusive e-commerce hub www.senegalartisan.com. This materializes our desire to support people with disabilities, but also our local artisans (women and young people from the rural world of Mbacké Kadior and surrounding villages). A hundred visitors were able to discover the rich catalog of know-how, hand made, of about fifteen "Handipreneurs" entrepreneurs exhibitors. The objective is to give them visibility to better ensure their financial independence and strengthen their resilience.

Likewise, this year again and for the past 12 years, we have supported the "Marmite du Cœur", a solidarity chain in support of disadvantaged populations during the month of Ramadan. This twelfth edition was marked by a special Daaras (Koranic schools) focus every Friday of the month of Ramadan. More than 800 food kits have thus been distributed in 27 localities in Senegal to 324 households and 489 daaras.

For 15 years, our Malian subsidiary has consolidated its role as a corporate citizen through its solidarity actions in favour of vulnerable populations in the areas of health, conventional and digital education, culture, and solidarity. In 15 years, the Orange Foundation has supported more than 800 projects to the tune of more than XOF 8 billion. In Guinea, support to vulnerable people continues. 380 infants suffering from severe malnutrition were thus treated and 2,500 meals distributed to patients in Guinean regional hospitals during Ramadan. Likewise, we continued to support people living with a disability, a delicate subject that required intervention in terms of awareness-raising, care and respect for rights. Just like every year, the International Children's Day on 1st June and the Christmas party were opportunities to renew our solidarity with the orphaned children of Guinea-Bissau, 500 of whom were thus able to benefit from food and hygiene products, gifts, etc.

In Sierra Leone, we reiterated our support for vulnerable people to the tune of SLL 300 million. Children with autism, through the Sierra Leone Autistic Society, women with disabilities, through the Disability Rights Movement, and blind and deaf students, through the National School for the Deaf and the School for blind Milton Margai were thus able to benefit from significant donations of foodstuffs and various supplies.

Following the fuel tanker explosion in Wellington, Freetown, in November, which left dozens dead and about 100 injured, the Orange Sierra Leone Foundation provided meals to the victims

and staff of Connaught and the Military Hospital for 2 weeks after the explosion.

2 Digital inclusion

The health crisis has finally convinced us, if need be, of the opportunity that digital represents for the development of our countries and as one of the responses to unemployment and the dire situation of young people and women. The challenges facing young people are numerous: mismatch between training and labor market needs, weak employment information system, high number of first-time job seekers, weak support for innovative entrepreneurship, to name but a few.

Our role as a major player in the ecosystem is to make our contribution to solving these major challenges in our countries of presence.

► Orange Digital Center: our digital boost for young people and women

The establishment of Orange Digital Center is indeed the materialization of our commitment to support the digital revolution by preparing young people for the future job market and encouraging innovative entrepreneurship. Following the inauguration of the ODC of Senegal in October 2019, that of Mali in July 2021, the launching of the ODCs of Guinea, Guinea Bissau and Sierra Leone are planned for this year 2022.

With an area of 1557m², the Orange Digital Center in Mali, for its 1st year, had more than satisfactory results with 1,203 people trained, 1,101 participants in the various events organized and 645 participants in the talks.

In Senegal, the impact of the activities of the Orange Digital Center, a pillar of digital inclusion, is beginning to be felt.

- A Coding school, Sonatel Academy dedicated to training young people aged 18 to 30, employability and digital initiation with encouraging achievements:

700 learners | 34% feminization rate | 82% insertion rate | A community of more than 1500 Developers | 2 ODC Clubs at Gaston Berger University in Saint Louis and Alioune Diop University in Bambey

Our objective is to offer each year to 300 learners a certifying course at the ODC or in the ODC Clubs, digital acculturation of 2000 children and seniors throughout Senegal.

The activities of Sonatel Academy represent a productivity gain of 5.8% for the beneficiaries.

We are aiming for 500 learners per year (In-person and hybrid E-learning), a presence of regional branches (ODC Club).

- **A support space for startups**

Resulting from the challenges that we organize throughout the year, the selected startups have a co-working space where they can be trained in digital tools, business management and the art of pitching, necessary for the marketing strategy and the development of their company.

These competitions have become unmissable events in the digital entrepreneurship calendar:

- Orange Social Entrepreneur Prize in Africa and the Middle East (Prix Orange de l'Entrepreneur Social en Afrique et Moyen Orient, or POESAM) for all projects of a societal nature. This year, 2021, has seen the success of winners in the fields of agri-food, financial inclusion, and E-governance.
- Orange Fab, the Group's acceleration programme which is in its sixth edition, and which has revealed many champions such as PAPS in logistics, E-yone and Senvitale in E-health, Mburu in the processing of local cereals

24 startups accelerated within the framework of Orange Fab and 17 StartUps from Sonatel Academy operate in the fields of E-teaching, logistics, AI (Artificial Intelligence) for Transport, digital communication, agri-Tech, e-health, E-services, etc.



- An “Innovation lab” dedicated to strengthening the culture of innovation within the Sonatel group with training in design thinking.
- A united FabLab: do-it-yourself space based on physical membership, with free access and equipped with tools and machines for digital manufacturing and collaboration, intended for people who have dropped out of school, actively seeking employment, women's trade associations.

The Solidarity Fablab has since its inception supported:

542 beneficiaries including 28% women | 20 projects documented | 9 areas of training in Digital Manufacturing

► CSR in the marketing design of Orange offers

Apart from our Orange Digital Center value chain, we carry out other CSR activities within the framework of digital citizenship.

- Several training sessions for internal employees were held on Responsible Marketing. Indeed, Meaningful Marketing is a policy that aims to raise awareness and support our employees to take into account the Responsible and Committed dimension in all of our activities. To achieve these goals, 16 training modules have been developed with the support of our strategic partner, the Orange Group, to inspire and enrich projects with the dimension of «societal and environmental responsibility

A total of 316 participants were trained with the profiles below:

- Consumer Marketers
- Business Marketers
- Internal Communicators
- Network of CSR ambassadors from all Sonatel departments.
- Further, through our subsidiary dedicated to companies, Orange Business Services, we support students to have better access to virtual education. Thus, from 3 GB in 2014, the students at the Virtual University of Senegal (UVS) benefited in 2021 from more speed thanks to the 70% subsidy for a package consisting of a Domino Modem and 7 GB of Mobile internet.

3 Preservation of the environment

Our responsibility as an operator is to provide positive support for the social, societal, energy and ecological transitions generated by digital technology.

Our commitment is to consolidate our reputation as a trusted operator, which puts digital technology at the service of economic and social progress. Helping every citizen to become an enlightened digital player is one of our major objectives.

Our ambition is to be Net Zero Carbon by 2040. We contribute to the protection of the environment through actions aimed at reducing our carbon footprint by 30% in 2025 vs 2015:

► Reducing our energy consumption

We continued the tree planting programme in the Palmarin mangrove in Senegal, with Sonatel employees, together with a partner, bringing the number to 155,000 trees planted by Sonatelians. This year, the novelty is the launch of the 1 Sonatélien 1 tree concept, started by the members of the management committee who each planted a tree at the company's headquarters.

► The development of solar energy

To meet the strong needs of the very energy-sensitive telecoms sector, we are betting on the energy mix through solar energy, a significant energy alternative. Indeed, our objective is to introduce a 6% Renewable Energy Mix.

► A Green IT strategy

This strategy is implemented through various actions, including

- Promoting the purchase and design of energy-efficient products and services: for example, the outsourcing of Radio and Energy equipment, the reduction of visual pollution by the BTS antenna camouflage system, solar energy for radio site power supply in rural areas or the replacement of lead batteries by lithium batteries for BTS antennas.
- For example, Electronic Document Management / Intranet, development of electronic signature, digitization, and automation of processes.
- Raising employee awareness of energy use: 11 internal awareness campaigns on green actions were rolled out in 2021.

► The circular economy

Thanks to the partnership with a local recycling and sorting company, projects introducing Senegalese employees to selective waste sorting have been carried out to help reduce pollution at the Mbeubeuss landfill and thus reduce our carbon footprint. 296 kg of waste were thus collected and recycled.

The employees of Orange Sierra Leone took part in the beach clean-up day with the Ministry of the Environment, the European Union, and Shout Climate Change (SCCA).

4 Dialogue with our stakeholders

The strengthening of the relationship with the various stakeholders through the establishment of innovative, dynamic, and regular exchange frameworks has once again made it possible this year to be as close as possible to the populations, authorities, development actors and communication partners.

Apart from these regular exchanges with certain stakeholders (such as consumer associations, local authorities, etc.), the book signing ceremony retracing the history of Sonatel, whose author is a retired Sonatelian, was also an opportunity to engage in a dialogue with our stakeholders. This is also the case of the ceremony to lay the foundation stone of the Sonatel building in Diamniadio, another aspect of our involvement in the SN2025 digital strategy led by the Government of Senegal.

To get closer and better listen to our stakeholders, we have been able to readapt and above all innovate our various frameworks for exchanges in all our countries of presence.

This is, for example, the concept of the Digital Society Forum, one of the major themes of which this year was on the Impacts of Covid-19 on labor relations and HR management. Telework, remote collaboration, interaction between private life and professional life, more collaborative management, have thus been analysed by experts to propose possible solutions.



4

Recognition of our
integrated management approach

Helping each
other to win



Recognition of our integrated management approach

We remain a company that is committed to meeting the expectations of its stakeholders. To achieve this, we have set ourselves ambitious objectives in various areas and are part of a continuous improvement

process. For several years, the thrust of our integrated management system policy reflected our commitments.

In CSR, relying on the ISO 26000 standard to improve our Corporate Social

- ▶ Responsibility policy focused on 5 areas:
- ▶ Education
- ▶ Health
- ▶ Digital inclusion
- ▶ Employment The environment

In Quality, listening to our stakeholders to offer them an incomparable experience thanks to ISO 9001 and Service Excellence, through:

- ▶ A better employee experience by generating enthusiasm
- ▶ A better understanding of the needs of our current and future stakeholders to offer them personalized and innovative services
- ▶ Continuous improvement in the perceived quality and experience of our stakeholders

In Health / Safety and Quality of life at work, to develop a culture of health and safety at work among our employees and all people working on behalf of Sonatel based on ISO 45001. The aim is to:

- ▶ Secure working conditions by preventing accidents and damage to health by involving employees in improvement initiatives
- ▶ Promote the health and safety risk reduction approach with our service providers
- ▶ Continuously improve the management of the health and safety at work of our employees, all people working on behalf of Sonatel and visitors

In Energy Management, reduce energy consumption with ISO 50001. The aim is to:

- ▶ Promote the purchase and design of energy-efficient products and services
- ▶ Promote eco-responsible behavior by employees and subcontractors
- ▶ Control our energy uses and continuously improve our energy performance.

In the Environment, controlling the impacts of our products and activities based on ISO 14001. The aim is to:

- ▶ Promote the purchase and design of sustainable products and services Develop renewable energy and reduce the carbon footprint by setting progressive objectives
- ▶ Implement an environmental risk reduction approach throughout the life cycle of our products
- ▶ Promote the environmental risk reduction approach with our service providers

In Information Security, guarantee the security of information for the services we offer thanks to ISO 27001. This involves:

- ▶ Achieving a level of security that meets the requirements of our stakeholders
- ▶ Continuous improvement of the effectiveness of our information security risk management systems

On these different standards, we are certified by independent certifying bodies, which regularly audit our approach to maintain our certificates.

We have also obtained international recognition for 5 business standards in our countries:

- COPC: international standard for customer service operations. It defines a set of rigorous operational management practices for a high-performance service.
- Top Employer: The assessment covers nearly a dozen areas, including HR management, leadership, training, skills development, and various strategic initiatives to attract, retain and motivate employees.
- IFACI: quality and performance label issued by the French Institute for Audit and Internal Control (Institut Français de l'Audit et du Contrôle Interne, or IFACI) based on the RPAI 2020 benchmark consisting of 100 detailed requirements. This benchmark is based on international standards for the professional practice of internal auditing.
- Tier Certification of Constructed Design (TCCD) and Tier Certification of Constructed Facility (TCCF) for the Datacenter issued by Uptime Institute, the only organization authorized to issue Datacenter certifications since 2015. The TCCF allows in situ verification by Uptime experts of the Tiering level. This verification consists of carrying out failover tests, redundancies, etc., to confirm the functional level of a Data Center.

Orange Mali received the coveted distinction of the award for the fastest Mobile Internet network in West Africa and the Award for the fastest Fixed Internet Service Provider in Mali. All these recognitions demonstrate our company's ability to better meet the expectations of its internal and external stakeholders.

Several highlights were notable in 2021:

- Achievement of the exemplary CSR level following the Afnor assessment, i.e., the highest on a 4-level scale, a significant performance which confirms the integration of the social responsibility approach in our strategy and in all our businesses.
- Maintaining Quality, Health, Safety, Environment, Energy, and Information Security certifications
- Sonatel Top Employer certification for the 8th consecutive year

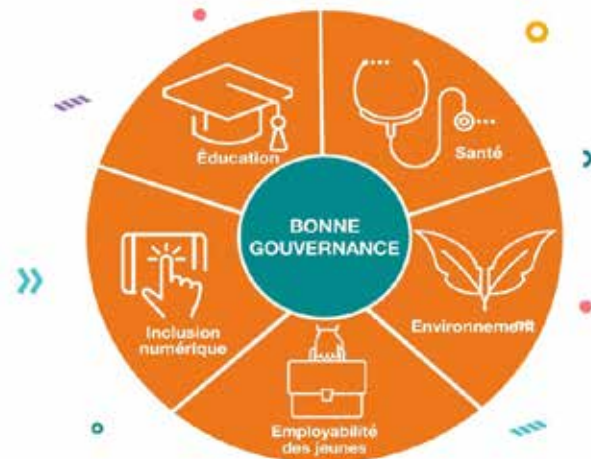
- Maintaining COPC certification in the Business and Consumer Service scope
- Maintaining IFACI certification (French Institute for Internal Audit and Control) with a compliance rate of

Our certificates and labels



The new CSR areas of focus in Senegal

After more than 10 years of rolling out projects in the four areas initially identified, we found it useful to redesign these strategic areas after listening to our stakeholders involved in the value chain (Sonatel). Thanks to a new methodology for mapping the materiality of the challenges, based on the priorities of our stakeholders, we have thus been able to co-construct the new CSR challenges, on which our responsible actions will now focus.



5

Our base
(Business and networks):
customers at the center of our activities



Nurturing
the desire to win

Our base (business and networks): customers at the centre of our activities

5.1 Our core business: networks and information systems

1 Modernizing the mobile network

The Sonatel group, in its desire to have a mobile network that is always at the cutting edge of technology, has continued the major projects of modernization and extension of its

infrastructure by rolling out the more than half of them in 4G+ and 4.5G.

2 Continued rollout of 4G/4G+/4.5G

Our sustained investment efforts have made it possible to cover 90% of the population of Senegal in 4G. In addition to the regional capitals, 4.5G Fiber has extended to most localities in the country. 4.5G Fiber is an evolution of 4G+ to offer an even higher connection speed and greater capacity; a connection speed up to 8 times faster than 4G, allowing speeds ranging from 600 Mbps to 1 Gbps. This is a first step towards 5G.

At the end of 2021, the number of very high-speed mobile sites distributed in Senegal increased to more than 4,000, latest generation supporting 4G/4G+/4.5G as well as the modernization of the Datamobile core network and service platforms, with virtualized infrastructures.

In our approach to innovation, we have continued testing 5G for the first time in the region after those successfully completed in Dakar in 2020. New demonstrations have shown the general public the performance of 5G, both in terms of speed and latency. We thus achieved:

- A throughput of 2404 Mbps
- E-education: Immersive distance learning experience
- E-gaming: Immersive experience in a video game
- Smart Agri: demonstration illustrating how to use 5G to determine the level of maturity of a harvest on a large farm.

In Guinea Bissau, a vast programme to modernize the network and extend rural coverage (150 new sites and 10.8

billion investment) accompanied by an operational efficiency programme helped conquer all the markets and to take unquestionably and lasting leadership.

In 2022, the extension of coverage will continue with the densification of 4.5G in urban areas and the extension of 4G coverage in rural areas in all our countries of presence.

3 Continuation of the project Fiber Optic to the home (FTTH)

The Fiber Optic project at the customer's home also continued in several districts of Dakar and its suburbs as well as in the regions in areas such as Saly, Somone Mbour, Kaolack, Thiès, Saint-Louis, Louga, Ngallele, Touba mosque, Madyana and Ziguinchor.

At the end of 2021, the total number of connectable home equivalents was 270,100 and the customer base was 100,663 out of several 487 open plates.

4 Modernization of the fixed network

Sonatel has a new IMS (IP Multimedia Subsystem) solution to modernize its fixed network to:

- solve the problem of obsolescence of fixed exchanges.
- ensure migration to Full IP with emulation of residential and business PSTN services (Business Trunking);
- set up new services: multimedia teleconferencing (audio, video, data), IP Centrex.

The IMS has thus made it possible to connect certain customers to FTTH by providing them with voice services and be ready for the launch of VOIP offers. After the migration of subscribers from the Mbacké exchange, the second massive phase of migration of customers from the PSTN to the IMS was launched.

5 Continuation of investments in rural areas

The Sonatel group is pursuing its investment policy in rural areas with an ambitious programme to improve the coverage of localities with more than 500 inhabitants and priority roads. In

addition, mobile broadband coverage in rural areas has been greatly strengthened with the roll out of 316 new 4G sites and 404 3G sites in Senegal alone.

6 Evolution of the core IP network, mobile voice, national and international transmission

The network has undergone significant changes in 2021:

- Completion of the project to upgrade the ACE (Africa Coast to Europe) submarine cable and the extension of Internet bandwidth from 450 to 690 Gbps with the start of production of three new 100 Gbps links on SAT3, ACE
- Renewal of the Datamobile core network distributed over two sites to ensure geographical redundancy, with a capacity of 400 Gbps per site.
- Increase of the core backbone of Dakar networks from 300 to 400 Gbps: between Medina, Ouakam and Technopole
- Increase of the South backbone, Kaolack-Ziguinchor corridor, from 40 to 100 Gbps
- Increase of the North backbone, Dahra-Ourossogui-Saint Louis corridor, from 30 to 100 Gbps

- Rollout of 23 new IP/MPLS routers.
- Increase in the capacity of BNGs in Thiés, Ouakam and Medina from 200 to 400Gbps
- Installation of a 200Gbps Facebook cluster in Technopole
- Installation of a new transit router in Technopole
- Extension and securing of the Djoliba network
- Installation of SES satellite antennas in the Gandoul teleport. Commissioning is scheduled for the second quarter of 2022
- Construction of a data center in the Medina site to host service platforms (Voice over LTE, New Mobile Money platform, Orange Private Cloud, etc.)
- Implementation of 11 1x10GE links on OSN 6800 and 24 1x100GE links on OSN 9800

7 Service evolution

A major increase in certain services also marked the year 2021. This is particularly the case of the Esim light offer, a real value-added service, which was launched this year, allowing

customers to buy a virtual sim in the branch (QR code to be scanned by the customer).

5.2 Our activities

• Orange Money, growth driver
Orange Money continues to be a strong player in the disruption of the African technological landscape, despite increased

competition in the dynamic mobile finance sector, a sector that has become attractive to players from various sectors (telecommunications, fintech, industry, etc.).

More than 10 million of our customers actively use Orange Money

Today, more than 60 million Africans have an Orange Money account. The advent of mobile money has been at the origin of a major change that has taken place in our societies and which continues to transform our lifestyles. Access to mobile financial services has been a remarkable and positive disruption for the continent in general and for our countries of presence.

In 2021, the field of mobile finance has been an attractive and dynamic sector, leading to a new phase of fierce competition between mobile money players who are racing to lower prices to maximize their market share. Thus, throughout the year, Orange Money accelerated the pace in terms of innovation, diversification, and improvement of customer experience for our more than 10 million active customers in our countries of presence.

In Senegal, to achieve our goal of facilitating financial exchanges in a simple, accessible, and inclusive way, everywhere for the benefit of everyone, we have revisited our model. The business model of our national transfer offer has thus been redesigned by eliminating withdrawal fees, while maintaining free money deposits and positioning us as the cheapest mobile money operator on the market with 0.8% for the costs of sending.

Similarly, we kept our support to distributor partners, with whom a dynamic distribution network has been built, by increasing their commissions and providing them with digital and high-performance tools to boost their business, such as the distributor application.

Our ambition is to create value for our customers as well as for our distributors and all our stakeholders, for a rational and balanced mobile money ecosystem for everyone's benefit.

Despite the tense economic context and increased competition in the Mobile Money environment, Orange Money has maintained its leadership in terms of innovation. The value proposition continues to grow in terms of offers and services to promote financial inclusion and end up demonstrating that Orange Money is now much more than a wallet: Wésu na Kalpé ("it's more than a wallet"). One example was the launch of loan (pico-credit) and savings offers through our partner, Baobab, in Senegal.

Beyond the price reductions brought about by the new price model, other service innovations and events have also contributed to enriching the Kalpé:

- Openness to an entire ecosystem with which we maintain strong links, to create value for the benefit of everyone: distributor partners and aggregators, merchant partners, billing partners, as well as any partner wishing to integrate OM payment via our APIs.
- Orange Money accessible to all regardless of their telecommunications operator
- Greater simplicity and digital experience with "self-service" offer
- Acceleration with the connection of many aggregators for the reception of international transfers outside WAEMU
- Acceleration of the recruitment of merchant and billing partners allowing a strong acceleration of payment uses
- A sustained field presence throughout the territory, particularly in the last quarter of the year.

Orange Finances Mobiles Mali maintains its leading position in the mobile money market in Mali. Capitalizing on its capacity for resilience and proactivity, the year 2021 resulted in an increase of more than one million six hundred thousand (1,600,000) new subscribers, thus bringing the number of customers registered with Orange Money to more than seven million five hundred thousand (7,500,000).

Among the major innovations of this year, we can mention the Orange Money QR card which facilitates the customer journey and the Orange Money offer for all, accessible to non-Orange customers thanks to the Orange Mali Sugu application.

Orange Mali Sugu which has continued to evolve to allow users to carry out their operations in a simple, fast and secure way. This earned us the distinction of the application with the most active Orange Money users (+1,200,000) in the Africa and Middle East zone in 2021.

2021 was also marked by the accentuation of the health crisis. Orange Finances Mobiles Mali is committed to the Government of Mali by allowing the distribution of more than thirteen billion five hundred million (13.5 billion) in government aid to the vulnerable populations as part of the response to Covid. This fine performance is reinforced by the creation of more than two thousand eight hundred (2,800) additional direct and indirect jobs and a base of more than five thousand three hundred (5,300) merchants.

In Guinea, better management made it possible to strengthen the market share of Orange Money by 77% at the end of 2021. With

1.9 million active customers, the orange money customer base grew by 16.4% compared to 2020 thanks to the industrialization of self-subscription and the expansion of the distribution network (+18,319 open POS) combined with the resumption of activities in the region. Orange Money revenue grew by 31.9%, driven mainly by Cash out, P2P, merchant payment and salary payment thanks to the signing of merchant and salary payment partnerships and IRT openings to the international market.

In Guinea Bissau, Orange Money remains the leading contributor to the development of financial inclusion in the country with an active Orange Money base growing strongly (83% compared to 2020) and comfortable growth in turnover (182% compared to 2020), thanks to marketing activities, the use of Orange Money as a social distancing measure, the development of domestic and international transfers (IRT), the adoption of Orange Money by the distribution network and the launch of the Bank to wallet service with 3 major banking groups.

In Sierra Leone, with 1.9 million active customers, the orange money customer base grew by 16.4% compared to 2020 thanks to the industrialization of self-subscription and the continued

expansion of the distribution network (+18,319 POS opened) combined with the resumption of animations in the region. Orange Money revenue grew by 31.9%, driven mainly by Cash out, P2P, merchant payment and salary payment thanks to the signing of merchant and salary payment partnerships and IRT openings to the international market.

Major opportunities are still open to Orange Money to pursue its ambitions of profitable growth based on a spirit of innovation, operational excellence, excellence in the field and strong human capital. Innovation has been a rallying point for 10 years with our customers and our partners, and we will continue to innovate.

In terms of CSR, Orange Money continues to strengthen the footprint of the Sonatel group on the development and empowerment of populations through efforts to dematerialize money, reduce travel by promoting electronic financial services, creating indirect jobs for young people and women through the distribution network present throughout the territory, including in remote areas.

● In Senegal...

● Leadership maintained in the Senegalese mobile market with 56.6% market share

Despite increased competition from the mobile market, we have maintained our leadership with a mobile base of more than 11.2 million subscribers at the end of 2021. To facilitate trade and support the dynamism of economic activities, we launched several strong actions in 2021.

► Proposing differentiating animations to the youth in digital services

In 2021, the animation of the Youth target was intense with summer and back-to-school highlights supported by the S'cool Game promotion aimed at S'cool customers. By purchasing a 500F illimix, customers had the possibility of winning numerous prizes directly from the internet page: www.scoolgame.orange.sn. These exclusive benefits reflect the interest of the young target group in our strategy.

► Delivering to our Kirène customers together with Orange even more “MBONG” offers

After Wotel and Konec'tél, we are offering our Kirène customers together with Orange the new range of Mixel at very affordable prices, which combines business with pleasure abundance of voice on all national networks and the Internet as well as the possibility of buying a new divisible Mixel or Wotel without waiting for the end of validity of the first one by accumulating the remaining minutes of calls, sms and internet.

► Staying in touch with our relatives in the diaspora

To further develop flat rates on the international market and offer more abundance at the best price, the range of International Passes has undergone an evolution in tests. It

now offers more abundant Passes, at a more affordable price and with validities of up to 30 days.

Taking this approach further, we have set up, in a pilot phase, the Pass Allo Afrique which allows calls to Orange Mali, Orange Côte d'Ivoire, Orange Bissau and Orange Burkina at an even more affordable rate.

This initiative has helped improve the attractiveness of our international price catalogue while controlling profitability.

► Enrichment of the Box range

The Box range has been overhauled to guarantee our customers a better connection quality adapted to their needs throughout the country. The new offers are available with or without contract under two formulas:

- **Box Max:** offering a speed of 4Mbit/s for 12,900F/month
- **Intense box:** offering a speed of 8Mbit/s for 19,900F/month

Usable instantly, the boxes make the internet accessible to everyone to get closer to those who matter.

In terms of novelty, customers of the Box Max and Box Intense offers benefit from an unlimited internet connection with a reduced speed beyond 300GB and 400GB used.

► Equipping our customers according to their means by relying on our partners

In 2021, in partnership with Baobab, we deployed credit sales in Dakar and in the regions to equip low-income customers with 4G. We continued to forge partnerships with local suppliers to also speed up the equipping of customers with 4G terminals.

The partnership signed with Tecno in the last quarter has enabled an increase in sales and turnover.

► Offering people the best mobile internet network

In 2021, we reached 4 million 4G customers with 90.2% of the national population covered with this technology. We have therefore strengthened our activities with the wide range of mobile internet passes available to all of our customers.

► Content, a guarantee of increased innovation with the launch of the Wido mobile application

2021 has been a content-rich year. Increasingly, Sonatel is positioning itself to support the development of the local cultural sector, through the production of content. The ecosystem has seen the emergence of audiovisual series such as season 2 of "Infidèles", "Vautours", "Njabar" and "Tic Tac".

Their episodes were available exclusively on the Wido mobile app and on the wido.tv website.

► Orange Energie has a positive impact on people's lives by providing access to electricity at a lower cost

Aware of the potential of renewable energies and wishing to contribute to the energy sovereignty ambitions of our countries of presence, we are committed, as part of our diversification strategy and our Corporate Social Responsibility policy, to promote electricity access to rural communities by providing them with individual solar kits.

Launched in a pilot phase in 2018, the offer of Orange Energie individual solar kits (Solar Home System type), intended for households and small businesses mainly in rural areas, is significantly transforming the lives of people in Senegal, Mali, in Sierra Leone and Guinea.

Orange Energy offers an alternative and lower-cost solution to replace kerosene lamps, disposable batteries or even diesel fuel, which are polluting and potentially dangerous alternatives. It also offers a flexible payment method adapted to people's incomes with daily, weekly or monthly payments thanks to Orange Money.

The kits are also accompanied by equipment making it possible to have electricity for less than 140F per day for the Lighting kit (solar panel + battery + lamps + torch + phone charger), 240F per day for the Comfort Kit (Lighting + Radio) and 500F per day for the TV Kit (Comfort + TV).

Today, nearly Thirty-one Thousand (31,000) households are equipped with Orange Energy offers in all our 5 countries of presence.

► Orange Business Services, the brand dedicated to companies and the State



Despite a still difficult economic context due to the covid 19 crisis, Orange Business Services achieved exceptional growth of 11.8%, mainly thanks to prepaid and integration.

Our decision to bet on small and medium-sized structures and institutions such as the State, is bearing fruit; there is no doubt that the development of Senegal will necessarily require supporting and structuring of small businesses (SOHO), which alone have contributed up to 73% to the overall growth of business turnover achieved in 2021, as well as supporting the State to achieve its objective of optimizing its telecommunications expenditure.

Still in this approach of supporting SMEs and professionals in the digitalization of their activities, Orange Business Services has launched a set of listening and discussion initiatives with companies that have initiated their digital transformation. Thematic webinars have thus been organized on topics such as cybersecurity and the cloud. A catalog dedicated to SMEs/SMIs has also been set up.

To support their digitization, Orange Business Services has carried out projects on upgrading and securing networks for the State and private companies, including the banking

sector (necessary for digitization and mobility). We have also supported the State in major digital initiatives: advice and initiation of e-health projects with the digital unit of the Ministry of Health, study of the opportunity to digitize the environment and livestock sectors, support for the PSE in the development of new economic zones (Diamniadio Smartcity, solutions for digitizing the monitoring of mobility projects with the BOS, etc.), support for the SAMU in its policy of decentralization of 1515 with the deployment of a Call Center solution in the regions of Kolda and Touba, after the central zone (Kaolack and Kaffrine). Similarly, our Datacenter has hosted Cloud hosting and replication solutions for our Enterprise customers, to secure their data in a standard environment and with an international standard.

In Mali, the business market has seized new opportunities by developing bandwidth for more innovative internet solutions. In 2022, the major challenges awaiting us will be to transform Orange Business Services into an agile and digital organization that can adapt continuously to the constant changes in the B-to-B environment to guarantee sustainable profitable growth on the one hand and provide an incomparable customer and employee experience on the other hand. We are also going to capitalize on the economic recovery with the new dynamic in certain sectors of activity (agriculture, smart cities, etc.) and major projects (TER, BRT, Ports, new tourist areas) to develop our growth drivers and improve the penetration of Orange Money B2B to make it a factor of differentiation from the competition.

a sales force, a major player in sales performance

► Continuation of the Transformation of our branch network

To draw closer to the populations of Touba (Senegal), we inaugurated the Smart store in September Mame Diarra Bousso which is the second branch in this city.



The refurbishment of our agencies was also carried out with the aim of improving merchandising and visibility, including the installation of Smart tables to make the terminals on sale visible and the deployment of new communication media.

► Continued job creation for young people

To support our commitment to improving the employability rate of young people, we have continued our policy of recruiting Field Sales Partners (PVT) for the marketing of all our products and services. They number 62 in 2021 and employ approximately two thousand (2,000) field salespeople.

The professionalization of the activities of our indirect network (Orange Boutiques), the establishment of a generous commission system for the field sales force as well as projects

currently being rolled out such as the Multiservices Partners project are also actions that have made it possible to create more than 160,000 jobs indirectly.

On Malian territory, the distribution network has also developed in a regular and structured way to always ensure the availability of top-up cards everywhere

► Solidarity in the regions

Despite a context still marked by the Covid19 crisis we have, through our regional agencies, continued to support the local populations. Donations of food kits to actions aimed at improving the living environment (cleaning, development of green spaces) by supporting major socio-cultural events have thus been carried out.

Making Sonatel a resolutely customer-oriented company

Delivering an Incomparable experience to Customers, transforming ourselves into a resolutely Customer-oriented group, building a fully digital Customer relationship.

Further, more than ever before, our vision and our ambition are very strongly anchored around our customers, making the customer experience our main lever of differentiation to make Orange preferred.

To that end, we are pursuing our multi-year strategy based on three (3) frameworks:

- the B2C Customer Service Transformation programme, launched in 2013 for 4 years renewable and updated each year.
- Company Projects (2015-2018 and 2019-2022): incomparable Customer experience, resolutely Customer orientated, fully digital Customer relationship.
- one-off Competition Plans launched depending on the context with a Customer Relations project.

Thus, in 2021, we launched a total of eighteen (18) projects organized around digitalization, operational excellence, tools, customer culture and customer value.

Ten (10) of them are now closed or in the process of being closed and seven (7) in post-pilot generalization.

In 2022, projects in digitalisation, Customer care tools and customer culture will continue to occupy a prominent place.

► Renewal and generalization of the 2020 certification on the COPC standard

Our certification on this international high-performance benchmark specific to the customer service business, brilliantly obtained in February 2021 with 100% compliance on the 33 classes of requirements, despite a difficult context and for the fifth consecutive year, brings us closer to year after year of operational excellence and therefore an incomparable customer experience.

Version 6.1 of the COPC standard integrated the multichannel customer experience with a focus on unattended channels.

Version 6.2 on which the 2022 certification will take place will integrate the new demanding concept of service path. After B2B customer service (companies) in 2019, the mechanism for pooling the expertise acquired on this standard continued to support distribution, technical intervention, and wholesale customer service.

In February 2022, the challenge will be to carry out a single certification of B2C and B2B customer services.

► Reinforcement of the continuous improvement management system

We have progressed in the maturity of our continuous improvement management system, by structuring a solid collective dynamic around the businesses, co-constructed and industrialized to achieve rapid, efficient, and sustainable operational excellence.

Finally, the collection and addressing of the top pains of our customers in all landline, mobile, internet, Orange TV, Orange Money environments, etc. has gained in completeness, efficiency and speed.

► Strong acceleration of the digital transformation of customer service

Thanks to an inclusive system, the management of this crisis within the scope of Care is a fine example of collective agility

which has made it possible to reduce and control the impacts of the pandemic on the operational excellence of Care, and therefore on the customer experience and insurance revenue.

● ...in Mali...

Orange Mali: Annual growth on track

► Innovation at the heart of our decisions

We have placed innovation at the heart of our business by launching new offers on fiber optics, So'box, Smartphones, etc. We have also maintained our leadership and achieved our 2021 ambition, which was to be the partner of digital transformation in Mali.

Orange Mali remains a competitive operator with a market share of 56.4% Volume, and brand power estimated at 50.8%.

To maintain its leadership position Orange Mali has relied on 2 components:

Thus, our digital platform, launched since June 2016, has continued to offer our customers its services through the much-appreciated lbou mascot, despite the difficult context associated with the Covid 19 pandemic and certain bad buzz. We have thus succeeded in obtaining remarkable performance in terms of accessibility, availability, digital multichannel (facebook, twitter, messenger, ussd, Orange and me, community, portal, etc.), efficiency, speed of response, quality of support and quality of customer communication.

As part of the ambition to build an entirely digital Customer Relationship by 2022, new structuring projects in this area have been opened.

► Various achievements

The operations control, sales rebound and loyalty-retention activities, started in 2019, have truly come into their own in 2021 with very good results which allow the customer experience and care businesses to significantly contribute to insurance business and revenue.

- The network (modernization of 2G/3G access and extension of coverage, densification of 4G/4G+)
- The commercial performance of Orange Money, B2B and more particularly Data growth drivers (including in the LTE/ Fibre Optic fixed Internet conquest market)

► Innovative products and services for more than 12.5 million customers, individuals and businesses

Always attentive to our customers' wishes, we have proposed a catalogue of innovative offers and services, from integration solutions dedicated to professionals and companies, to Internet offers for all uses.

► Mobile: more than +25.4% increase in Data revenue and strong resilience in Voice/Sms revenue

This strong growth can be explained by the implementation of Internet solutions through Internet Pass So'box offers,

• ...in Guinea...

Orange Guinea, a multi-service operator

► Environment & context

The 2021 financial year ended with good financial and operational performance for Orange Guinea in a difficult economic, regulatory and political context, driven by sustained investments, the increase in subscriber bases and usage, a reinforced animation dynamic and the launch of new services.

On the regulatory level, the telecommunications environment remains under high tax pressure with an acceleration and extension of the tax base:

- 50% increase in frequency fees
- Extension of the interconnection tax to On net traffic at 20 FGNF per minute
- Electronic transaction tax project.

► Strengthening Orange Guinea's leadership in all markets

Thanks to strong operational resilience and improved management in a particularly difficult context, Orange Guinea has been able to maintain and strengthen its commercial positions both in value (76.4%) and in volume both on mobile (59.2%), Data (53.7%) and on Orange Money (77%).

In figures, these market shares translate into the crossing of the bar of 1.9 million active customers on 4G and nearly 2 million

Fiber, 4G terminals (smartphones, tablets, etc.). Voice offers through the Séwa package (voice + data + sms bundles). In 2021, more than 2.3 million customers connected to our 4G network.

on Orange Money, i.e., 21% of the mobile base. Several levers made it possible to achieve these results:

- Coverage of 218 new localities
- The launch of a new range of numbers
- The acquisition and deployment of the U900 license making the Orange network an All-Data network
- The extension and densification of distribution with more than eighteen thousand (18,000) Orange Money points of sale, the launch of the Dual Wallet, the recruitment of new merchants and partners for the payment of salaries and the IRT.
- The continued diversification of the catalogue of offers on Data (120GB Pass), Broadband (launch of Fiber and PMP), Content (Playciné offer), etc.
- Improving the management of SIM and E-recharge rates and the effectiveness of marketing activities, particularly on CBM.

► Digital and financial inclusion in progress...

Throughout the year, the acceleration of network deployment, the improvement of QoS and the availability of products contributed to democratizing people's access to digital technology. In 2021, the mobile penetration rate stands at 113.3%, i.e., +5 points compared to 2020 and the 3G network coverage of the population has increased to 92% thanks to major investments. Finally, the strengthening of commercial presence has enabled greater financial inclusion, with 21% of mobile customers being active on the Orange Money service.

• ...in Guinea Bissau...

Orange Bissau, leadership regained thanks to an ambitious network investment plan

► A new dynamic of profitable growth despite Covid-19: value leadership confirmed with 68% market share and reconquest of volume leadership with 58.6% market share

The year 2021 was marked by the Covid-19 health crisis which further impacted the cashew season (60% of GDP) and the populations. However, according to forecasts by the International Monetary Fund (IMF), an upturn is to be expected: the country's nominal GDP should increase from \$1.43 billion in 2020 to \$1.59 billion this year. Thus, despite the intense competition, the constraints linked to health measures and the impact of tax pressure, the telecommunications market in Guinea Bissau has grown by 10% compared to 2020, growth captured 100% by Orange Bissau.

2021 confirms:

- the taking of volume leadership with more than one million mobile customers and 58.6% market share and value leadership with 68% value market share and leadership in mobile money;

• ...in Sierra Leone

Orange Sierra Leone: unflinching resilience

Despite a complex legal and regulatory environment, 2021 has been an exceptional year for Orange Sierra Leone. Indeed, this year we recorded the strongest growth in turnover of the Orange group (Africa, Middle East and Europe combined).

This strong growth was driven by several services:

- Voice continued to grow with almost 33% increase compared to 2020, notably thanks to new sites in peri-urban and rural areas;
- Data experienced its strongest growth with more than 62% compared to 2020, and a number of customers up 57%;

- strong growth in all customer base, voice, sms, mobile data, 4G, Orange Money and internet business indicators.

► Mobile

Our active base has grown by more than 300,000 new customers in 2021 thanks to the extension of our network coverage, field animation campaigns in Bissau and in the regions and customer retention campaigns. Orange Bissau is the leader with a market share volume of 58.6%.

The digitization of the base is underway with the launch in July 2020 of the "Nha Orange" application, which has received great support from our customers with 30,000 downloads in less than 6 months.

► Internet

As of December 31, 2021, our active mobile data base grew by 44% compared to 2020 and mobile data revenue confirmed growth of 54% compared to 2020.

To continue the development of Mobile Data, several innovations were launched in 2021: introduction of low-cost 3G and 4G terminals, promotion campaigns for the new catalogue, repositioning of unlimited data passes, digitization of customer journeys, simplification of journeys with Orange Money and the sale of passes via the distribution network: 72% increase in 3G traffic and 148% increase in 4G traffic compared to 2020.

- Orange Money saw its revenues increase by 50%, crossing the symbolic threshold of 1.5 million active customers, or 40% of the GSM customer base.

The company has therefore achieved strong growth but is also profitable. Thanks to the optimal management of direct and indirect costs, we recorded an EBITDA up by 4.6 points, or more than 64% compared to the previous year. Orange Sierra Leone also recorded a positive net result for the second time since its takeover, thanks to the excellent improvement in turnover and profitability.

6

Sharing our expertise
in the international scene



Playing
in all fields

Sharing our expertise in the international scene

The monetization of Sonatel's expertise combined with a strong resistance in the core business have strongly contributed to Wholesale growth in 2021.

1 Connectivity constantly improving

We are continuing our strategy of securing internet bandwidth for more availability and an incomparable customer experience. Internet capacity has thus been increased by more than 50%, for a speed of 690 Gbits/s.

To continue to make international connectivity available and of very good quality for our customers, we are exploring and continuing to study all the opportunities for implementing terrestrial, submarine, and satellite infrastructures with the very latest technologies. In addition to the Djoliba cable already commissioned and extended to two other countries this year (Guinea and Liberia), we have been chosen to manage the Dakar branch of the new 2AFRICA cable. A submarine cable station will thus be made available to the consortium for the cable landing in Dakar.

During the second half of the year, we finalized the project to install satellite tracking equipment from the Société Européenne des Satellites (SES).

This Gateway, one of eight SES Gateways in the world, repositions Senegal in the environment of next-generation satellites, medium-orbit satellites, thus giving the Gandoul earth station its aura of yesteryear, making it the satellite hub of the sub-region.

This technical strategy, combined with an appropriate commercial policy (updating our catalogue of offers, more efficient tools) and recognized expertise, has enabled us to acquire new operator customers and even to recover others, in winback mode.

2 Expertise, a source of income

► Creation of the JV IKASIRA

In partnership with a sub-regional company, we have created a new company called IKASIRA, whose objective is to operate in Public Private Partnership (PPP) mode, the surplus capacity of the Manantali Energy Management Company (SOGEM). As a reminder, SOGEM is the operating entity of the countries of the Organization for the Development of the Senegal River (OMVS).

This project extends regional terrestrial connectivity to the following four countries: Senegal, Mauritania, Mali and Guinea.

3 Sonatel in the international scene

True to our desire to actively participate in the development of the telecommunications ecosystem, we have once again this year contributed, alongside institutional actors from Senegal, all our expertise in the various meetings of international organizations, most of which were held in virtual mode, due to the persistence of the Covid-19 pandemic.

► Delegated management of the Société Béninoise des Infrastructures Numériques (SBIN)

The Beninese State has chosen Sonatel as a strategic partner for its experience and skills in the management of the Société Béninoise des Infrastructures Numériques (SBIN). This state-owned company is currently managed by our teams. Support for the SBIN is provided through the sharing of technical and commercial skills, experience in the development and implementation of a master plan, with the deployment of a latest generation mobile network and the launch of mobile financial services.

Connectivity, Universal Access - roaming, connected and inter-machine objects - the fight against fraud with OTT Bypass, OTT taxation, mobile financial services, etc. were at the heart of the exchanges during this year.

7

Key figures
Sonatel in the stock



Achieve
actions
decisive

Scoop of consolidation

Countries	Entity	Mode of ownership	Pourcentage of control	Type of control	Consolidation method
Senegal	Sonatel SA		Parent company	Consolidating entity	
	Orange Finances Mobiles Senegal	Direct	100%	Exclusive control	Global integration
Mali	Orange Mali	Direct	70%	Exclusive control	Global integration
	Orange Finances Mobiles Mali	Indirect	70%	Exclusive control	Global integration
Guinea	Orange Guinée	Direct	89%	Exclusive control	Global integration
	Orange Finances Mobiles Guinea	Indirect	89%	Exclusive control	Global integration
Bissau	Orange Bissau	Direct	90%	Exclusive control	Global integration
Sierra Leone	Orange Sierra Leone *	Direct	50%	Exclusive control	Global integration
	Orange Money SL *	Indirect	50%	Exclusive control	Global integration
Ivory Cost	Groupement Orange Services	Indirect	47%	Significant influence	Equity method

* Orange Sierra Leone, 50% owned, is fully consolidated in accordance with the terms of the shareholders' agreement which confers control on the Sonatel Group. Orange Middle East Africa Group holds the remaining 50%.

Environment and Business 2021

A year marked by great achievements in all our countries of presence despite the ongoing pandemic and a tougher political environment.

Compétition	Business	Environnement
<ul style="list-style-type: none"> • Breakthrough of Fintech on Mobile Money marked by the aggressive penetration of Fintech in Senegal and Mali with loss of leadership in Senegal. • Arrival of infrastructure operators: Hélios, ongoing transformation of ADIE into SENUM in Senegal, connection of Senegal to the Ellalink submarine cable by ADIE. 	<ul style="list-style-type: none"> • Maintaining strong positions in all countries • Increase in recruitment and exceptional growth in data and fix B2B thanks to a solid investments and commercial momentum on mobile • Many business opportunities on the Wholesale market: setting up a solar farm in Mali, partnerships with SBIN and SOGEM Booming business market • Booming business segment • Proven network quality and extended coverage marked in Bissau by a network extension and modernization program • Launch of the 5G pilot in Senegal 	<ul style="list-style-type: none"> • Military transition in Guinea and Mali, a major security threat in the Sahel • Tax and regulatory tightening in our countries of presence: <ul style="list-style-type: none"> - new taxes on the telecom sector in Guinea, Bissau and Sierra Leone - asymmetry of interconnection charges and new expectations that are more stringent than those in terms of the specifications in Senegal • Economic rebound despite an ongoing but less virulent health crisis • Inflation and currency depreciation in Guinea and Sierra Leone

- SBIN : Beninese Company of Digital Infrastructures
- SOGEM : Manantali Energy Management Company

Key operational figures

Fix Mobile Internet customers

38.3 million
+6,2%



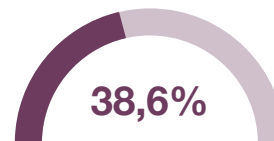
Good commercial momentum at the scale of the group thanks to a good rate of customer recruitment on the broadband segment.

Mobile customers

37.6 million
+5,9%



A Mobile customer base up 5.9% thanks to the acquisition of new customers.



Data mobile penetration

Internet mobile customers

14.5 million
+14,1%



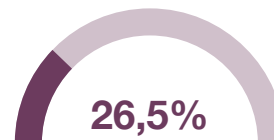
Growth of the data mobile customer with nearly 8 million 4G customers

Orange Money customers

10 million
+13,4%



Growth of the Orange Money customer base and reaching the symbolic mark of 10 million active customers.



Orange Money penetration

THD landline customers

431.4 K
+36,6%



Good performance of the fixed broadband customer base, especially in Senegal on Fiber, LTE/FDD and TDD offers with a fiber customer base of 118K.

Key financial figures

Turnover In XOF

1 335 Billion
+10,7%



Revenues

Turnover increased by XOF 128.8 billion or +10.7% thanks to the increase in Data, voice and fixed broadband revenues.

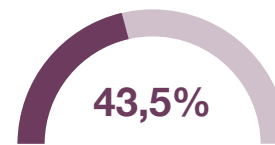
Ebitdaal In XOF

580 Billion
+11,8%



Ebitdaal

Excellent performance of the operating margin (+61 billion or +11.8%); thanks to the increase in income and the controlled increase in direct expenses despite continued high indirect expenses. The Ebitdaal rate reached 43.5%.



Ebitdaal Ratio

OperatingCash In XOF

366 Billion
+16,4%



OperatingCash

.....

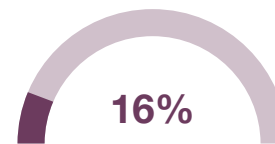
*Ecapex In XOF

213.9 Billion
+13,4%



Ecapex

213,9 milliards d'investissements sur le groupe XOF 213.9 billion of investments in the cluster, up 4.6% driven by IT and service platforms. CAPEX 2021 mainly focused on mobile deployment, fiber projects.



Ecapex ratio

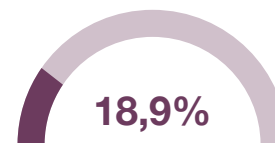
Net Result In XOF

252.4 Billion
+25,4%



Net Result

Group net income growth of XOF 51.2 billion compared to 2020, i.e. +2.2 points, driven by Senegal, Mali and Guinea. It is linked to the sharp increase in the operating margin combined with a control of depreciation and the improvement of the financial result.



Net Margin

* eCAPEX = CAPEX excluding fixed assets

Country of presence



Senegal

GDP growth *: 4.7%
 Inflation *: 3.1%
 Population: 17.2 million
 Penetration: 121%
 Market share: 56%
 Position: **Leader**
 3G coverage: 99.3%
 4G coverage: 90.2%



Mali

GDP growth *: 4.0%
 Inflation *: 3.9%
 Population: 20.3 million
 Penetration: 112.3%
 Market share: 56.4%
 Position: **Leader**
 3G coverage: 97.9%
 4G coverage: 90.7%



Guinea

GDP growth *: 5.2%
 Inflation *: 11.3%
 Population: 14.3 million
 Penetration: 120.0%
 Market share: 59.2%
 Position: **Leader**
 3G coverage: 75.0%
 4G coverage: 56.0%



Bissau

GDP growth *: 3.3%
 Inflation *: 2.0%
 Population: 1.8 million
 Penetration: 82%
 Market share: 58.6%
 Position: **Leader**
 3G coverage: 92%
 4G coverage: 58%

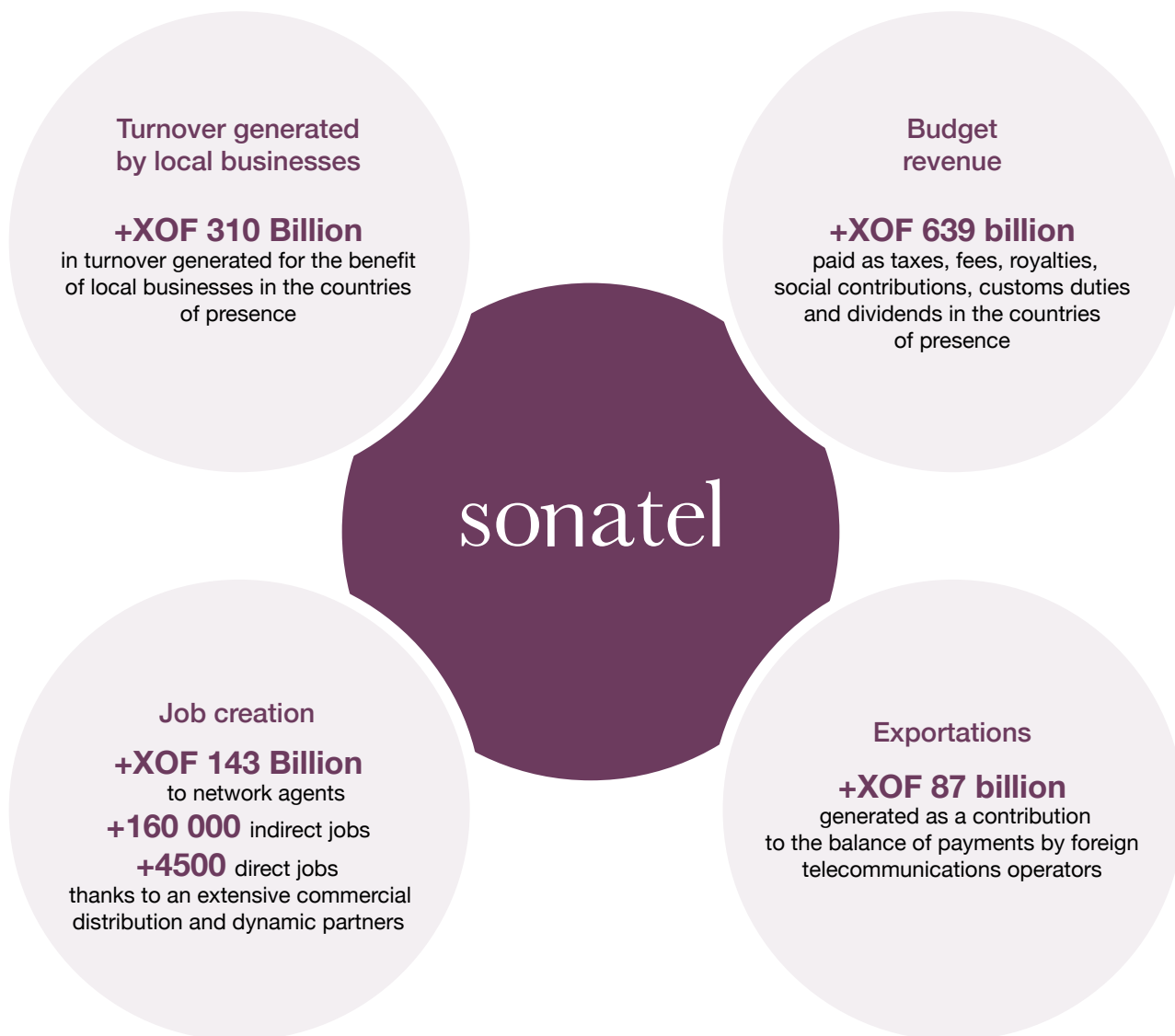


Sierra Leone






GDP growth *: 3.2%
 Inflation *: 14.6%
 Population: 8.1 million
 Penetration: 90.0%
 Market share: 54.6%
 Position: **Leader**
 3G coverage: 79.2%
 4G coverage: 48.7%

*Economic data : source IMF October 2021
 Population coverage






Contribution to the economy



Customer base: landline, mobile and internet

		2019	2020	2021	2020 / 2019	2020 / 2021
Senegal		9 575 174	10 594 894	11 212 287	10.6%	5.8%
Mali		11 881 918	12 318 240	12 560 554	3.7%	2%
Guinea		7 670 324	8 503 852	8 909 241	10.9%	4.8%
Bissau		709 819	801 536	1 113 517	12.9%	38.9%
Sierra Leone		2 473 881	3 234 775	3 835 865	30.8%	18.6%
Mobile		32 311 116	35 453 297	37 631 464	9.7%	6.1%
Landline		206 173	227 645	254 686	10.4%	11.9%
Internet		228 640	309 749	431 406	35.5%	39.3%
TOTAL Customer base		32 745 929	35 990 691	38 317 556	9.9%	6.5%

Arpu

	SENEGAL	MALI	GUINEA	BISSAU	SIERRA LEONE
Mobile (chip)					
Yearly %	2 624	2 706	2450	2188	1340
Mobile Data	-6.6%	0.6%	-8.1%	-3.7%	6.9%
Yearly %	2419	2343	1504	2125	1488
Orange Money	7.4%	10,3%	25.4%	8,6%	13.1%
Yearly %	816	1695	2286	1104	407
Internet Broadband	-52.1%	-3.2%	16.4%	34.8%	-11.3%
Yearly %	11 934	12462	5760	24101	29 229
Variation annuelle	34.0%	-19.3%	-41.4%	12.7%	3.3%

Mobile Data

Good operational and financial performance with revenue growth of 26.2% supported by the strengthening of the deployment of very high speed (4G/4G+) and the extension of network coverage. Acceleration of 4G development with nearly

8 million active customers representing growth of 66.6% over one year. More than 27% of Group revenues come from Mobile Data services, i.e., +3.3 points of improvement compared to 2020.

Turnover

359.9
Billion XOF
+26.2%

ARPU
mobile
data

2122
FCFA
+9.6%

%
revenues
cluster

27%
+3,3 points

Active
customers

14.5
Millions
+14.1%

%
change
customers

1.8
Millions
+33.9%

Active
4G
customers

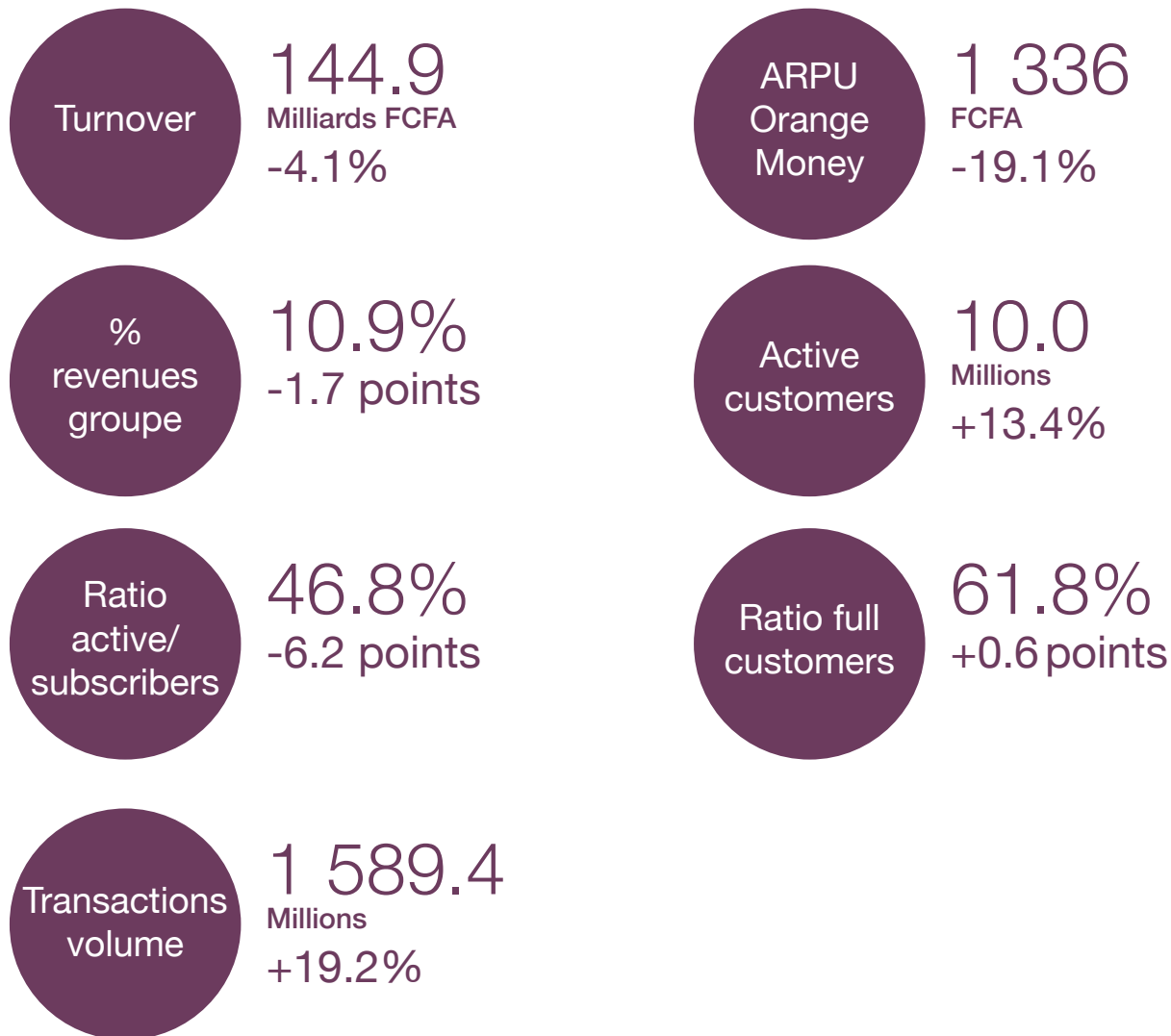
7.97
Millions
+66.6%

Orange Money

Decline in turnover (-4.1%), following strong competition in mobile money and the significant price reduction. Reaching the 10 million active customers mark thanks to the growth of the active base (+1.2 million) and usages (+19.2% transactions in volume over one year). Nearly 11% of revenues are generated by

our Mobile Money activities, i.e., a drop of -1.7 pts in driven by Senegal with a weight of OM sales down 5.8 pts from 11.3% in 2020 to 5.5% in 2021.

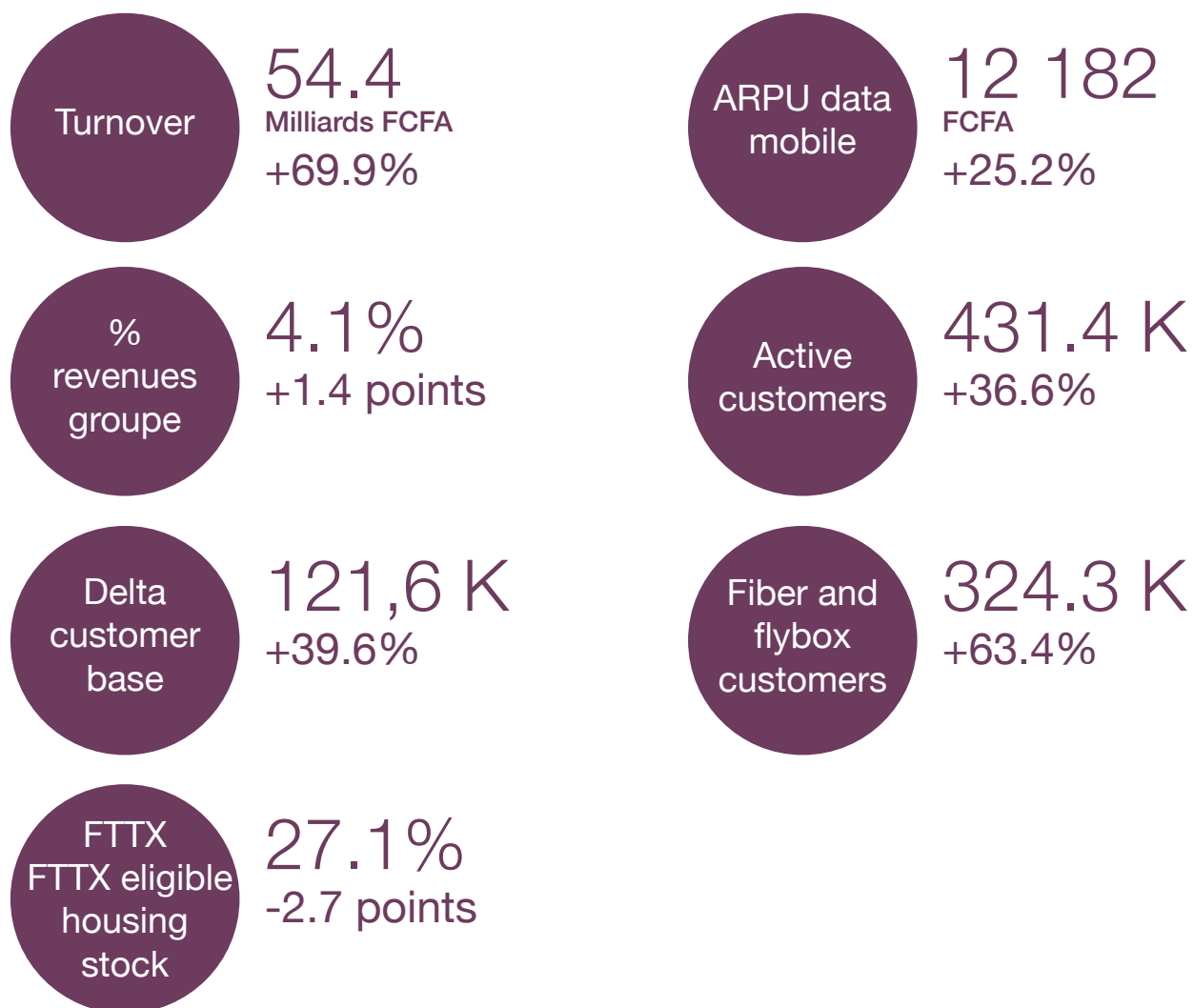
Strengthening of compliance with 61.8% of our customers fully compliant and 46.8% of active customers on our services.



Internet Broadband

Continued development of fixed broadband around the Flybox and Fiber offers combined with the continued operation of ADSL in Senegal, thus bringing growth in turnover to 69.9% and the base to 36.6% (+115.6k customers) in a year. In 2021, nearly 27% of our fixed Broadband customers are on fiber, i.e. a base of more than 118k customers, while 206.4k customers have a

flybox offer. The contribution to group turnover is still timid at around 4%. Good pace of fiber deployment with nearly 27.1% of the potential for connectable homes, connected. This performance is more marked in Senegal with a rate of 37.3%. Note that Mali is impacted by the acceleration of the opening of new plates.



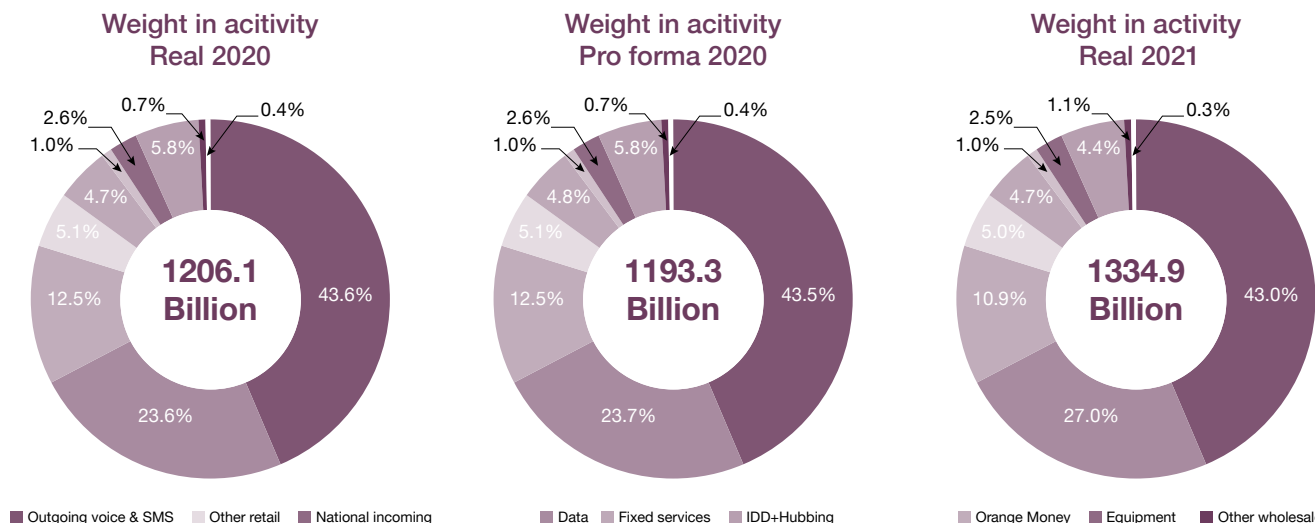
Financial results

Double-digit growth in both revenue (+10.7%) and Ebitdaal (+11.8%).

	2020	2020 PF	2021	2020/2021	2021/2020 PF
Turnover	1206.1	1193.3	1 334.9	10.7%	11.9%
Ebitdaal	519.2	513.5	580.3	11.8%	13%
EBITDA margin	43%	43%	43.5%	+0.5pts	+0.5pts
Operating result	339.1	335.6	399.6	17.6%	17.5%
Operating margin	28.2%	28.5%	29.9%	+1.7pts	+1.4pts
Net profit	201.3	199.2	252.4	25.4%	26.7%
Net margin	16.7%	16.6%	18.9%	2.2pts	+2.3pts
eCapex	204.4	201.8	213.8	4.6%	5.9%
CAPEX ratio	16.9%	16.9%	16.0%	-0.9 pts	-0.9pts
Operating Cash Flow	314.8	311.6	366.3	16.4%	17.6%

Turnover

Turnover / evolution mix: Strengthening of the contribution of Data, fixed broadband; decline on orange money driven by the decrease noted in Senegal, continued decline of the international (IDD + Hubbing). Voice and sms core business activities declined less quickly than expected and still hold a preponderant place in revenue generation.

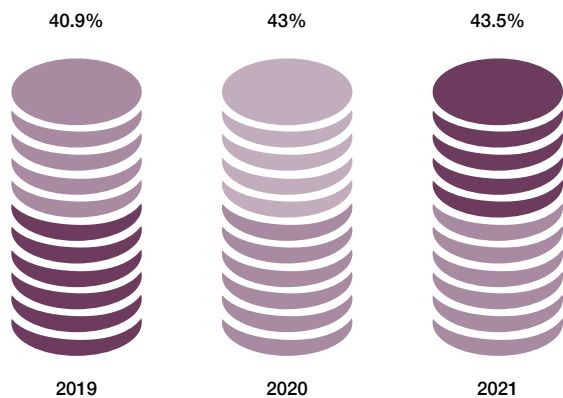


Margins

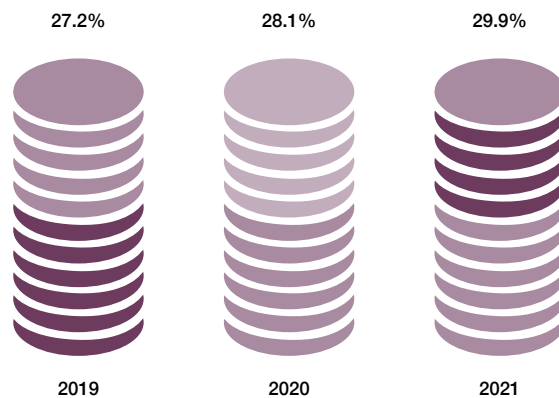
Improvement in Ebitdaal margin, operating margin and net income. Performance driven by growth in turnover higher than

that of expenses, improvement in financial results despite the increase in depreciation and income tax.

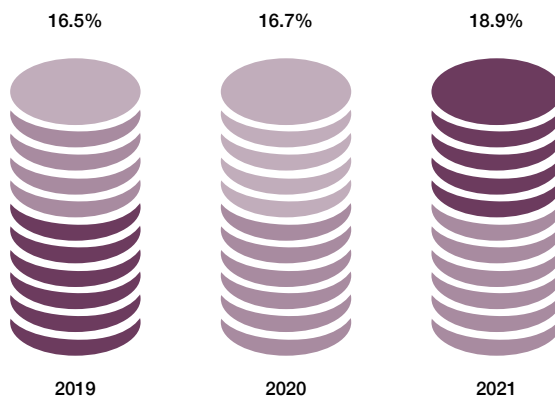
Ebitdaal margin



Operational margin



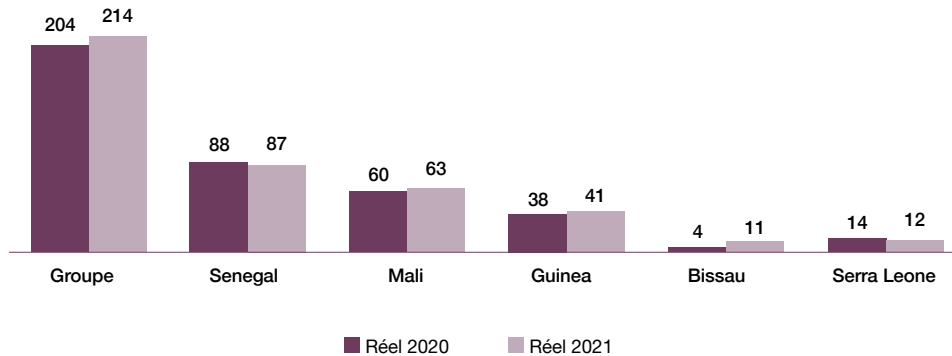
Net margin



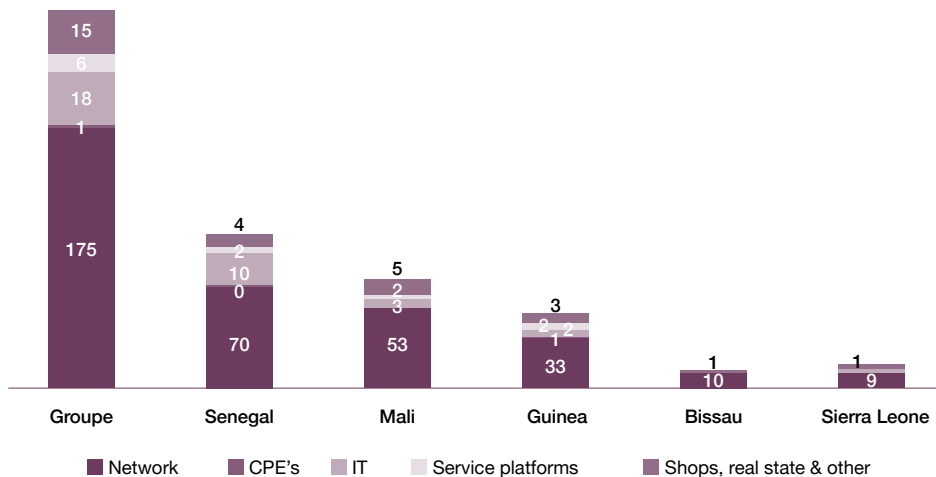
Investments

XOF 213.9 billion of investments in the Cluster, up 4.6% yoy driven by IT, 4G and service platforms.
 2021 CAPEX mainly focused on mobile deployment and fiber projects.
 The CAPEX / turnover rate is slightly down by 0.9 pt but remains around 16%.

Investments per country in Billion XOF



Investments per sector in Billion XOF



Senegal



Good sales performance with growth of +2.4% driven by prepaid mobile, data, landline and research and consulting services to mitigate the increased tax and regulatory pressure and its reducing effects on Ebitdaal (asymmetry, fine from the regulator and new law on VAT on foreign services).

Growth in operational indicators despite aggressive competition. Acceleration of the deployment of 4G and intensification of the opening of new fiber plates which made it possible to reach 100.000 fiber customers and more than 4 million active 4G customers.

FMI customers

11.8 Million
+6.7%

Mobile customers

11.2 Million
+5.8%

Mobile data customers

5.0 Million
+15.7%

Orange Money customers

3.0 Million
+1.8%

Broadband customers

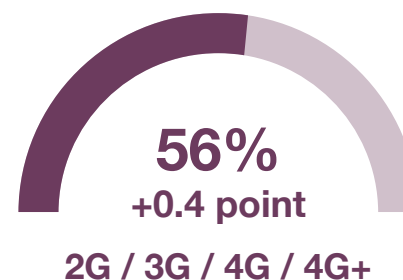
345.1 K
+38.1%

eCAPEX

86.5 Billion
-2.1%

- Tightening of regulations with the introduction of asymmetry, fine imposed by the regulator;
- Entry into force of the new law on the non-deductibility of VAT on foreign services;
- Completion of the 2nd 5G test at SALY;
- Maintaining leadership on the telecoms market both on mobile, fixed Broadband and on the B2B market;
- Price war and intensified communication between Mobile Money operators.

Market Share



Mali



Solid financial and operational performance in Mali despite a tense political and security situation. Strong contribution from growth drivers (fixed and mobile data) and maintaining performance in voice. Strengthening of leadership driven by good growth in the mobile base with more than 12.6 million subscribers thanks to sales promotion.

Improved profitability with Ebitdaal growth of 13.2% supported by sales performance. A level of investment up 5% with the acceleration of the ALL4G program with a positive impact on voice and Data revenues.

FMI customers

12.7 Million
+1.4%

Mobile customers

12.6 Million
+1.3%

Mobile data customers

4.7 Million
+1.0%

Orange Money customers

3.3 Million
+8.6%

Broadband customers

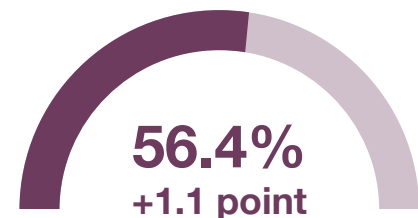
63.6 K
+26.2%

eCAPEX

63.4 Billion
+5.0%

- ECOWAS sanctions against Mali following the request to extend the transition for a period of 5 years;
- Entry into force of new symmetrical interconnection tariffs with MALITEL at 2.5 XOF/min;
- Conviction by the Court of Appeal in the so-called "voicemail" case;
- Signature of partnership agreement with EDM for the establishment of a solar farm;
- Successive review of Orange Money prices in response to the arrival of a new competitor in the Orange Money segment;
- Boost effect of the ALL4G program on data revenue generation.

Market Share



2G / 3G / 4G / 4G+

Guinea



Good financial and operational performance, in a difficult economic, regulatory and politico-security context, driven by sustained investments, the increase in subscriber bases and usage, a reinforced sales promotion and the launch of new services.

Most of the investments focused on transforming the network into an ALL DATA network and extending coverage to 218 new localities

FMI customers

9 Million
+4.8%

Mobile customers

8.9 Million
+4.8%

Mobile data customers

3.6 Million
+22.6%

Orange Money customers

1.9 Million
+16.4%

Broadband customers

11.9 K
+61.2%

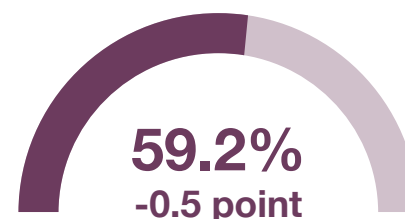
eCAPEX

737.2 Billion*
+13.1%

*Numbers in GNF

- Change of political regime and difficult economic context;
- Intensification of fiscal & regulatory pressure with the introduction of new taxes; promulgation of a new general tax code which takes effect on January 1, 2022
- Strong competitive presence on Broadband and appearance of new players on Mobile Money;
- Launch of unlimited residential offers: Fiber and illimity;
- Sustained network deployment with an All Data network and coverage of 218 new localities;
- Reinforced sales promotion with the launch of new services, the diversification of the catalog and exceeding of the level of 1 million active 4G customers;
- Maintaining leadership in all services;
- Certification of Orange Guinea to the COPC standard (version 6.2);
- Strengthened societal footprint with the implementation of programs on the empowerment of women, on digital solidarity and on health;

Market Share



2G / 3G / 4G / 4G+

Bissau



Very good year 2021 with double-digit growth in turnover and Ebitdaal driven by voice, data, Orange Money and fixed broadband despite the withdrawal of wholesale and the impact of new taxes on turnover.

Consolidation of leadership thanks to a good commercial dynamics with the milestone of 1 million mobile subscribers. Good control of cash flow despite an exceptional level of investment linked to the network modernization and extension plan.

FMI customers

1.12 Million
+38.7%

Mobile customers

1.11 Million
+38.9%

Data Mobiles customers

356 K
+45.3%

Orange Money customers

263 K
+81%

Broadband customers

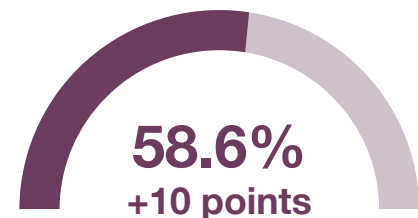
7.8 K
+12.2%

eCAPEX

10.8 Billion
+148.2%

- relatively stable political situation;
- Fine of 3 billion on the interconnection following a legal procedure;
- Finalization of the network modernization and extension project;
- Conquest of leadership with a volume market share of 58.6%;
- Exceeded the milestone of 1 million mobile subscribers.

Market Share



2G / 3G / 4G / 4G+

Sierra Leone



Exceptional performance in 2021 with a sales growth rate of nearly 39%. Excellent performance linked to the market share leadership achieved in all regions, growth in the customer base linked to good commercial momentum around very high speed and the full-year effect of the price increase (floor price), combined with the postponement of the implementation of

regulatory decisions to revise the floor price and national interconnection prices. Ebitdaal margin improved by 4.6 points, i.e., an increase of 64%, combined with a drop in capex which had a positive impact on operating cash flow. OSL has more than 3.8 million mobile subscribers, including nearly 192.000 active on 4G.

FMI customers

3.8 Million
+18.6%

Mobile customers

3.8 Million
+18.6%

Data Mobile customers

778 K
+57.3%

Orange Money customers

1.5 Million
+45.8%

Broadband customers

3.1 K
+139.6%

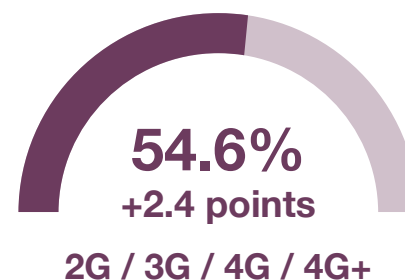
eCAPEX

227.7 Billion*
-3.2%

*Numbers in SLL

- Strengthening of leadership with 54.6% market share, i.e. +17 points vs main competitor, leadership achieved in Freetown;
- Launch of 4G+, of Orange Money services (microcredit and international remittance) and of numerous commercial events;
- The objective of 500 mobile sites has been reached for the first time and the construction of a new Datacenter has begun;
- Launch of the Orange SL Foundation with numerous projects in areas such as education, health and women;
- Stable political situation, slight post-covid economic recovery with GDP growth estimated at 3.2% in 2021;
- Tightening of regulations with the fall in the MTR and the reduction in the floor price decided at the end of 2021 Continued exchange rate depreciation and high inflation.

Market Share



Stock Price Evolution

Rise of 3.5% yoy in stock price, which closed at XOF 13.975 at the end of the year, as well as a rise of 39.14% in the BRVM composite index, partly resulting from by the recovery at the global level of economic activities following by a better control of the health crisis (Covid-19).



23%

Of the BRVM composite index



42%

Of the BRVM 10 index



2021 Dividend Policy

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Price on 12/31	15 400	12 000	14 500	20 050	22 800	25 000	25 000	23 500	16 000	16 995	13500	13975
Dividend (in G XOF)	140	145	150	155	160	167	167	167	167	136	136	156
Net dividend / share	1 260	1 305	1 350	1 395	1 440	1 500	1 500	1 500	1 500	1225	1225	1400
Dividend growth rate	3.7%	3.6%	3.5%	3.3%	3.2%	4.2%	0%	0%	0%	-18.3	0%	14.28%
Dividend yield %	8%	11%	9%	7%	7%	6%	6%	6%	9%	9%	9%	10%
Payout rate (%) Sonatel SA	82%	114%	87%	106%	92%	106%	108%	102%	156%	88%	80%	92%
Payout rate (%) Group	76%	94%	88%	82%	73%	76%	77%	82%	82%	70%	68%	62%

STAFF

SONATEL GROUP	2017	2018	2019	2020	2021	19/20	20/21
Senéggal	1 774	1 805	1 868	1 873	1 870	0.27%	-0,16%
Mali	609	649	667	691	730	2.07%	5,60%
Guinea	379	399	418	422	449	0.96%	6,3%
Bissau	91	89	98	99	116	1.02%	17.17%
Sierra Leone	182	182	185	191	209	3.24%	9.42%
TOTAL	3 035	3 133	3 236	3 276	3 374	0.92%	2.99%

8

Financial Rapport

Reach
goals



Financial Report

SYNTHESIS MANAGEMENT REPORT
December 2021

Introduction

Our economies have been strongly affected by the Covid crisis in 2020. This year, growth in sub-Saharan Africa is expected to be 3.7%, a favorable economic rebound despite the ongoing health crisis and the sharp depreciation of the Leone and the Guinean Franc.

The political and social environment remains fragile, with a tough security and geopolitical context in some of our countries of presence, exacerbated by a pervasive security threat in the Sahel, 2 countries in military transition (Mali and Guinea), political tensions in Senegal and Bissau.

Competition is intensifying in our markets, particularly in mobile money in Senegal and Mali, where the disruptive pricing policy has led to a questioning and repositioning of the players, the wholesale market has seen the arrival of infrastructure operators and the mobile market is experiencing strong competition on customer recruitment with increasingly abundant offers and an increase in the rate of multi sims.

The regulatory environment is getting tougher with the introduction of unfavorable decisions such as new quality of service and coverage requirements, the introduction of new taxes, the reduction of national interconnection prices, and still high frequency pricing.

In this context, the **Sonatel Group achieved remarkable operational and financial performance in 2021, demonstrating its exceptional resilience capabilities.** Indeed, the Group is the leader in all its countries of presence with respective volume market shares of 56% in Senegal, 56.4% in Mali, 59.2% in Guinea, 54.6% in Sierra Leone and 58.6% in Guinea Bissau.

The Sonatel group saw a **6% increase in the number of subscribers to 38.3 million customers, an increase in revenue of 10.7% or an amount of XOF 128.8 billion and an increase of 11.8% in EBITDAal or +61.1 billion.** Strong, double-digit growth, based on excellent commercial performance as well as great operational efficiency, generating an EBITDAAL margin rate of 43.5%.

Growth driven by all five countries of presence, particularly Mali and Guinea. This was generated thanks to the strengthening of the contribution of Data, Fixed Broadband, the progression of voice and SVAs, diversification projects (energy, external assistance) that compensate the decline in the international market. Growth on all retail lines linked to the increase in customer base, data usage and the increase in 4G penetration rates.

In its perspective to increase the very high-speed coverage of the population and to considerably improve the customer

experience, the Sonatel Group has once again this year pursued a sustained investment policy in both mobile and fixed broadband.

The Sonatel Group's commitment remains resolutely customer-oriented, and its vision focused on creating long-term value for all stakeholders in a changing environment with strategic, technological, and regulatory challenges.

While maintaining a comfortable lead on the 2021-2025 strategic plan, the Sonatel group intends to succeed in its growth challenges, pursue its quality-of-service ambitions by offering the best of digital technology in the service of the customer experience-, and to expand its contribution to the digital economy.

Evolution of the customer base

The Fixed, Mobile and Internet customer base grew by +6.2% compared to 2020 and reached 38.3 million thanks to good commercial momentum across the cluster with the positive impacts of boost customer base plans, combined with a good pace of customer recruitment around very high-speed internet.

Group figures

Financial results as of December 31, 2021

	2021.12 YTD		
<i>in Mxof</i>	Actual	yoy	yoy %
Revenue	1 334 874	128 788	10,7%
Direct costs	-248 010	-7 591	-3,2%
% revenue	-18,6%	1,4	
Direct margin	1 086 864	121 196	12,6%
% revenue	81,4%	1,4	
Indirect costs	-506 588	-60 139	-13,5%
% revenue	-38,0%	0,9	
EBITDAal	580 276	61 058	11,8%
% revenue	43,5%	0,4	
eCapex	213 884	9 473	4,6%
% revenue	16,0%	-0,9	
Operating Cash Flow	366 392	51 585	16,4%
% revenue	27,4%	1,3	
EBIT	399 655	60 573	17,9%
% revenue	29,9%	1,8	
Résultat financier	-24 178	5 282	17,9%
Résultat net	252 459	51 187	25,4%
% revenue	18,9%	2,2	

December						
PARC FMI	Réel 2019	Réel 2020	Réel 2021	Réel 2021 / Réel 2020		
Sénégal	9 575 174	10 594 894	11 212 287	↑	5,8%	617 393
Mali	11 881 918	12 400 000	12 560 554	↑	1,3%	160 554
Guinée	7 670 324	8 503 946	8 909 241	↑	4,8%	405 295
Bissau	709 819	801 536	1 113 517	↑	38,9%	311 981
Sierra Leone	2 473 881	3 234 775	3 835 865	↑	18,6%	601 090
Mobile	32 311 116	35 535 151	37 631 464	↑	5,9%	2 096 313
Fixe	206 173	227 623	254 686	↑	11,9%	27 063
Internet	228 640	315 780	431 406	↑	36,6%	115 626
TOTAL PARC	32 745 929	35 990 691	38 317 556	↑	6,2%	2 239 002

The mobile customer base totalled 37.6 million customers, up 5.9% driven by sales promotions, price changes, the launch of new offers, the expansion of network coverage with the opening of new sites and the improvement of the quality of services.

The number of active mobile Data customers of the Group reached 14.5 million, an increase of +14.1% yoy. The active 4G base, more than half of which in Senegal reached 8 million customers, an increase of +67% compared to 2020. This solid performance is supported by the strengthening of the deployment of very high-speed broadband (3G/4G/4G+).

Orange Money's active customer base reached the 10 million customer mark, up +13.4% year-on-year thanks to growth in the active base +1.2 million active customers (+4.7 million registered

Group turnover

Sonatel Group revenue amounted to XOF1,334.9 billion, up 10.7% (+128.8 billion) compared to 2020. This growth is driven by all the countries of the group including Senegal despite a sharp decline in the value of the mobile money market induced by the aggressive competitive environment.

Retail revenues represented 91.8% of revenue or XOF 1,225.1 billion, an increase of 12.1% driven by mobile data growth drivers, voice and fixed services driven by fixed broadband. The latter constitute the bulk of the revenue growth and increased respectively by 26.2%, 8.2% and 16.7% compared to 2020.

Data revenues represented XOF 359.9 billion in 2021, which is a contribution of 27% to the group's total turnover, up 3.4 points. An increase linked to the development of data usage with the expansion of 3G/4G network coverage thanks to broadband extension and densification projects, the launch of several innovative services and the good dynamics of subscriber bases.

Voice revenues represented XOF 549.2 billion in 2021, a contribution of 44.8% to the group's total turnover, up 8.2%. Fixed Broadband revenues reached 54.4 billion, up +69.9% compared to 2020, thanks to the development of fiber. They represent 4.1% of the revenue and contribute 17.4% to revenue growth. Senegal and Mali account for the bulk of fixed broadband revenues.

customers) compared to 2020 and usage (+18.2% transactions in volume over one year). Orange Money's penetration based on mobile subscribers has strengthened with one in four mobile customers using mobile financial services every month, an increase of 1.8 points.

The fixed broadband customer base has 431,406 customers (including 324,201 fiber and Flybox customers), an increase of 63.4% thanks to the acceleration of the deployment of Fiber in Senegal, Mali and a good increase in recruitment around the Flybox, particularly in Senegal and Mali, which represent 90% of the customer base. In addition, at the end of December nearly 75% of our Broadband customers have a Fiber or Flybox offer and more than 27.1% of the potential fiber connections had been connected.

Orange Money revenues amounted to 144.9 billion, a decrease of 6.2 billion (-4.1%) compared to 2020. Its contribution to the group's revenues is 10.9% or -1.6pts. This decrease in performance is linked to the strong competition in Senegal with the resulting price reduction as well as a decline in the orange money market share.

Wholesale revenues with 106.2 billion represent 8% of turnover and continue their decline (-2.1%) compared to 2020, which remains less significant compared to previous years thanks to the increase in national incoming traffic and the contribution of diversification projects.

Revenue on international incoming traffic, with 49.6 billion recorded a smaller decline than last year, when the decline was accentuated by the development of OTTs. Compared to 2020, this decrease of 13.9% is mainly driven by subsidiaries, particularly in Mali, due to the decrease in international inbound traffic due to the development of OTT traffic.

Revenue from **national interconnection** amounted to 33.3 billion and recorded an increase of 2.3 billion (+7.4%), mainly driven by Mali and Sierra Leone. This increase in revenue is linked to the increase in traffic following abundance offers.

Management Balances

The group's consolidated EBITDA amounted to XOF 580.3 billion at the end of December 2021. It recorded growth of 11.8% or +XOF 61.1 billion, thanks to the significant improvement in revenues associated with good control of expenses. The increase in indirect expenses due to business developments, the continued tax and regulatory burden and the deterioration in exchange rates was largely absorbed by revenue growth.

The operating margin amounted to XOF 399.7 billion, up by 60.6 billion (+17.9%) following growth from the operating margin reinforced by a control of depreciation and an improvement in financial results compared to last year.

Investments

The Group's investments amounted to 213.9 billion at the end of 2021, up 4.6% (+9.6 billion). The CAPEX/turnover rate is down slightly by 0.9pt, around 16%. The achievements focused mainly

The group's consolidated financial result remained negative at 21.7 billion and improved by 5.7 billion mainly in Senegal (renegotiation of interest rates on the market, early repayment following improvement in cash-flow).

The group's consolidated net income amounted to 252.5 billion. It recorded an increase of 25.4% (+51.2 billion) thanks to the good operating performance.

on the mobile access network (extension, densification, 3G, 4G, 4G+) and the deployment of fiber.

Sénégal

	2021.12 YTD		
	Actuel	yoy	yoy %
<i>in Mxof</i>			
Revenue	507 740	11 677	2,4%
Direct costs	-108 082	7 381	6,4%
% revenue	-21,3%	2,0	
Direct margin	399 659	19 058	5,0%
% revenue	78,7%	2,0	
Indirect costs	-199 633	-15 813	-8,6%
% revenue	-39,3%	2,3	
EBITDAal	199 996	3 245	1,6%
% revenue	39,4%	0,3	
eCapex	86 509	-1 828	-2,1%
% revenue	17,0%	0,8	
Operating Cash Flow	113 487	5 072	4,7%
% revenue	22,4%	0,5	

A year 2021 marked by:

- the stability of the health situation despite the resurgence of Covid cases in Q4 and the economic recovery.
- the increase in price of necessities strongly decried by the population
- the strong competition on mobile money with aggressive pricing that has a significant impact on Orange Money revenues following the initiated response
- the historic performance on the mobile segment to partially catch up on orange money revenue
- the fine of XOF 16 billion from the ARTP against Orange following the quality-of-service measurement campaign which has been appealed to courts.

Sénégal	Real 2021	Real 2020	Real 2021 / Real 2020
Number of customers	11 812	11 072	↑ 6,7%
Fixed	255	228	↑ 11,9%
High speed Fixed internet (ADSL/FIBER/FDD/TDD)	345	250	↑ 38,1%
Mobile customers	11 212	10 595	↑ 5,8%
<i>Mobile data customers</i>	5 040	4 356	↑ 15,7%
<i>Active 4G customers</i>	4 106	2 683	↑ 53,1%
Orange Money customers	5 268	4 826	↑ 9,2%
<i>Orange Money active 30 days customers</i>	3 000	2 947	↑ 1,8%

Mobile customer base of 11.2 million mobile customers at the end of December, up by 617,000 vs 2020 thanks to a good sales promotion strategy which resulted in a significant annual growth of 1.02 million.

The Mobile Data customer base recorded a good performance thanks to the good commercial momentum around 4G/4G+. It reaches 5 million active customers including 4.1 million active 4G customers (+1.4 million compared to 2020).

The Orange Money customer base recorded 3 million active customers, an increase of 53,000 customers despite the strong competitive aggressiveness.

The fixed Broadband customer base reached 345,000 customers at the end of 2021, an increase of +38% compared to 2020 thanks to the acceleration of fiber deployment which recorded 100,600 customers, an increase of 38,700 customers, and the Flybox with 139.6 thousand customers (up +67,200 vs 2020).

Traffic: On the national level, an increase in outbound (+51%) driven by a customer base effect, the inbound is down 10% following the repositioning of the competitor's bundles (Decrease in the number of minutes all networks). Quasi-stability of hubbing (-1%) and international incoming vs December 2020.

Senegal's turnover stood at XOF 507.7 billion in 2021 against 496 billion in 2019, a growth of 2.4% (XOF +11.7 billion) mainly driven by the good performance of Retail via prepaid mobile, fixed broadband, and integration.

The 2021 financial year is marked by a sharp decline in **Orange Money revenues**, whose contribution to Senegal's result fell by 50% following the price repositioning carried out during 2021 and the aggressiveness of the competition.

Wholesale revenue growth by 3.4% after several years of decline, mainly driven by revenues related to the delegated management contracts signed with SBIN (Société Béninoise d'Infrastructures Numériques) and with the ERP Shared Service Center.

Direct costs decreased by 6.4% (XOF -7.4 billion) vs. 2021 and contributed to the improvement of the direct margin by 5%. This decrease reflects different trends, in particular savings on Orange money commissions following the drop in turnover and a quasi-stability in interconnection costs, with a slight increase of 1.2%.

Indirect costs showed an increase of XOF 15.8 billion, driven in particular staff costs (three-year increase), taxes and communication expenses following the resumption of post-covid activities and the response to Orange Money offers.

Senegal's EBITDA amounted to XOF 200 billion, up 1.5% vs. 2020, or XOF 2.9 billion thanks to the good performance of the direct margin in connection with the good performance of prepaid, fixed broadband, wholesale, and integration revenues, despite the health crisis and an aggressive competition (aggressive pricing on the mobile money market). A growth in indirect costs accentuated by the provision on the fine imposed by the ARTP, which mitigates the YoY's EBITDAal growth. The Ebitdaal rate is 39.4% against 39.7% in 2020, a slight deterioration of nearly 0.3 points.

Operating income posted XOF 124.6 billion, up 4.2 billion (3.5%) compared to 2020 due to the increase in EBITDAal and the decrease in restructuring costs, recorded in 2020 following merging entities. Annual depreciation amounted to XOF 76.3 billion, an increase of 0.8% compared to 2020 in connection with the investment effort.

The Financial Result is XOF -15.5 billion vs -19 billion in 2020 related to the sharp depreciation of the Guinean Franc and the decrease in dividends received.

Net income amounted to XOF 163.5 billion, up 4.5% or XOF +7 billion compared to 2020. The net margin rate is 32.2%, or +0.7-point vs 2020.

International

*Social data Mali, Guinea, Bissau, Sierra Leone

in Mxof	International		
	Actual	yoy	yoy %
Revenue	862 198	114 787	15,4%
Direct costs	-168 538	-3 41	8,6%
% revenue	-19,5%	1,2%	-5,8%
Direct margin	693 660	101 377	17,1%
% revenue	80,5%	1,2%	1,5%
Indirect costs	-313 380	-43 564	16,1%
% revenue	-36,3%	-0,2%	0,7%
EBITDAal	380 280	57 813	17,9%
% revenue	44,1%	1,0%	2,2%
eCapex	127 375	11 301	9,7%
% revenue	14,8%	-0,8%	-4,9%
Operating Cash Flow	252 905	46 512	22,5%
% revenue	29,3%	1,7%	6,2%

Senegal's investments amounted to XOF 86.5 billion, a decrease of 1.8 billion vs 2020 (-2.1%). The achievements are mainly focused on 3G/4G extension and densification, prices, LTE, FTTH, EXTENSIONS on IN and IP/MPLS, core network, fiber, energy and environment, IT infrastructure and digital.

In 2021, the Group recorded solid performances at the international level supported by good commercial momentum despite a precarious political and security situation in Mali and Guinea, a difficult competitive environment, and the tightening of tax regulations with new taxes on the telecom sector in Guinea, Bissau and Sierra Leone. combined with the context of the health crisis.

Evolution of the customer base

International sales have achieved very good commercial performance.

International	Real 2021	Real 2020	Real 2021 / Réel 2020
Number of customers (thousand)	26 506	25 006	↑ 6,0%
High speed Fixed internet (FIBER/FDD/TDD)	86	66	↑ 30,9%
Mobile customers	26 419	24 940	↑ 5,9%
<i>Mobile Data customers</i>	9 473	8 360	↑ 13,3%
<i>Active 4G customers</i>	3 866	2 101	↑ 84,0%
Orange Money customers	16 058	11 778	↑ 36,3%
<i>Orange Money 30 days customers</i>	6 982	5 855	↑ 19,3%

The **mobile customer** base grew by **1.5 million** subscribers to **26.4 million subscribers**, an increase of **5.9%** driven by the good recruitment momentum in the different country of presence thanks to sales promotion, price redesigns and the attractiveness of offers.

At the end of 2021, **Data** mobile recorded a customer base of **9.5 million customers**, up **13.3%**, thanks to the acceleration of the deployment of very high-speed broadband, the extension of network coverage and good commercial momentum. The active 4G base reached **3.9 million customers**, an increase of **+84.0%** compared to 2020.

Turnover

A strong international presence representing a turnover of **XOF 862.2 billion**, up **15.4%** compared to 2020. This increase is mainly driven by revenues from Retail Data, voice, Broadband fixe and Orange Money, particularly in Mali, Guinea, Sierra Leone, and Bissau to a lesser extent. Nevertheless, this decline is mitigated by the drop in wholesale, and all countries except Sierra Leone, with a continuous decrease of the international entrant despite the good momentum on the national.

Data revenue stood at **221.4 billion**, up **33.9%**, driven by the significant increase in the active customer base and an increase in traffic in connection with the 3G/4G network coverage expansion programs (All 4G plan in Mali, UMTS 900 in Guinea, mobile extension project in Bissau).

Orange Money's international turnover amounted to **XOF 116.9 billion**, up **25.1%** thanks to the increase of the customer base, good commercial momentum, and the strengthening of

Investments

Capex stood at **XOF 127.4 billion** internationally, up 9.7% compared to 2020, driven by all countries except Sierra Leone in support of the growth of the access network activity. This increase in investments is driven by the ALL4G program in Mali,

The **Orange Money customer base** reached **16.1 million registered customers**, including nearly **7.0 million active customers**, an increase of **19.3%** despite the difficult competitive environment of the mobile money market made up of a multitude of players adopting very reduced rates.

Fixed services totaled **86.4 thousand in access**, up **30.9%**, mainly driven by the growth of the flybox customer base, particularly in Mali thanks to good commercial momentum.

the distribution network, despite the decrease in rates in Mali in Q4 2021 due to competitive aggressiveness.

International EBITDAal reached **380.3 billion** in 2021. This increase of **17.9%** compared to 2020 is mainly driven by Mali and Guinea, which account for 84% of growth. Nevertheless, Sierra Leone and Orange Bissau also achieved exceptional results with respectively EBITDAAL growth of 49.3% (despite the deterioration in the exchange rate) and 37%.

Overall, this increase is mainly due to revenue growth, mitigated however by higher expenses resulting from the development of the business, the impact of regulatory changes and currency effects in Guinea and Sierra Leone. The Ebitdaal ratio stood at **44.1%**, up **1 point** compared to 2020. The conversion rate of EBITDAAL's growing revenue growth is **50.4%**.

the extension of the network, the deployment of UMTS900 in Guinea, the ASAP project for the extension and finally a complete swap of the network in Bissau.

GROUP SONATEL

IFRS CONSOLIDATED FINANCIAL STATEMENTS

FISCAL YEAR ENDED DECEMBER 31, 2021

Consolidated Income statement

(In million XOF)	Note	2021	2020	2019
Turnover	4.1	1 334 874	1 206 086	1 179 224
External purchases	4.2	(467 804)	(439 972)	(432 896)
Other operating income	4.8	18 175	21 892	19 401
Other operating expenses	4.4	(49 094)	(40 948)	(40 693)
Personnel costs	4.5	(126 774)	(121 111)	(116 438)
Taxes and operating taxes	4.3	(118 539)	(100 392)	(116 852)
Depreciation and amortization	4.6	(190 170)	(185 993)	(173 284)
Result of disposal of securities and activities		(1 057)		2 318
Restructuring and integration costs		155	155	
Effects of takeovers				109
Result of associates		(112)	(636)	(269)
Operating income		399 655	339 082	320 624
Cost of gross financial debt		(28 341)	(29 985)	(27 634)
Interest charges on rental debts		(2 471)	(2 079)	(2 739)
Income and expenses on assets constituting net debt		5 724	3 369	2 145
Foreign exchange gains (losses)		(3 023)	(3 596)	(219)
Other financial income and expenses		3 934	2 831	2 470
Financial result	4.7	(24 178)	(29 460)	(25 976)
Corporate tax	4.9	(123 018)	(108 350)	(99 302)
Net income of the consolidated group		252 459	201,272	195 343
Net income attributable to the owners of the parent company		211,054	168 588	153 340
Net income attributable to non-controlling interests		41 405	32 684	42 003
Net earnings per share attributable to the owners of the parent company	4.10			
- basic		2 110	1 686	1 533
- diluted		2 110	1 686	1 533

Consolidated group Income Statement

(In million XOF)	2 021	2 020
Net income of the consolidated Group	252 459	201 272
Elements that are not recyclable as income		
Post-employment benefit, actuarial difference	(5 573)	4 255
Recyclable elements as income		
Assets available for sale		(1 185)
Conversion discrepancies	24 786	(28 741)
Other income before tax	19 213	(25 671)
Tax on other income (non-recyclable)		272
Other comprehensive income		272
Net result of the consolidated group	271 672	175 873
Income attributable to Group shareholders	227 968	147 528
Income attributable to non-controlling interests	43 704	28 345

Consolidated group income is strongly impacted by the currency exchange rate in Guinea and Sierra Leone for the 2021 fiscal year.

Consolidated Statement

(In million XOF)		Note	31-Dec 2021	31-Dec 2020	31-Dec 2019
Assets	5.1		37 230	38 662	43 912
Acquisition gap	5.2		244 864	244 710	273 016
Other intangible assets	5.2		843 065	778 797	749 539
Tangible capital assets	5.2		3 091	3 052	3 671
Equity securities		8	24 559	27 169	26 718
Rights of use for leased fixed assets	5.7		135 960	159 275	145 720
Non-current financial assets	5.5		8 727	8 345	8 340
Other non-current assets	5.6		19 266	17 504	18 647
Deferred taxes assets			1 316 762	1 277 513	1 269 562
Total non-current assets	5.3		18 098	12 302	14 247
Stocks	5.4		142 135	130 467	116 959
Trade receivables	5.7		5 760	5 833	6 683
Current financial assets	5.5		253 759	199 461	143 409
Other current assets			66 739	62 133	57 711
Taxes and operating taxes			11 159	4 651	7 366
Corporate tax			5 227	4 822	2 972
Prepaid expenses	5.8		244 206	199 692	204 103
Cash and cash equivalents			747 082	619 360	553 450
Total current assets			2 063 844	1 896 874	1 823 012

Consolidated Statement

(In million XOF)	Note	31-Dec 2021	31-Dec 2020	31-Dec 2019
Liabilities				
Share capital		50 000	50 000	50 000
Reserves and issue premiums		658,944	620 475	572 717
Conversion discrepancies	6.7	(36,276)	(58 828)	(34 586)
Own shares		(1 172)	(1 390)	(2 809)
Equity attributable to the owners of the parent company		671 496	610 258	585 323
Equity attributable to non-controlling interests		149 754	138 919	136 202
Total equity		821 250	749 177	721 525
Non-current financial liabilities	6.1	202 538	296 368	175 280
Non-current rental debts	8	19 700	22 508	19 402
Non-routine staff benefits	6.2	25 467	22 267	24 664
Other non-current liabilities	6.3	11 568	9 760	7 311
Total non-current liabilities		259 274	350 903	226 656
Current financial liabilities	6.1	214 143	160 744	242 602
Outstanding debts for current capital assets	6.5	117 900	99 896	95 311
Payables on other goods and services	6.5	197 947	192 333	187 221
Customer contract liabilities		2 047	4 970	4 925
Current rental debts		6 449	5 916	8 419
Common Staff Benefits		17 218	14 324	13 933
Other current liabilities	6.3	258 023	189 916	183 012
Taxes and operating taxes		71 017	54 246	64 240
Corporate tax		83 292	57 348	59 163
Deferred income	6.6	15 285	17 100	16 006
Total current liabilities		983 321	796 793	874 831
Total liabilities and equity		2 063 844	1 896 874	1 823 012

Table of changes in consolidated equity as of December 31, 2021

	Attributable to owners of the parent company				Attributable to participations not giving control			Total equity
	Share capital	Reserves	Conversion gap	Own shares	Total	Reserves	Total	
Balance as of 01 January 2020	50 000	572 717	(34 586)	(2 809)	585 323	136 202	136 202	721 525
Consolidated income		168 588			168 588	32 684	32 684	201 272
Distribution of dividends		(136 392)			(136 392)	(29 814)	(29 814)	(166 206)
Other movements		15 562	(24 242)	1 419	(7 261)	(153)	(153)	(7 414)
Balance as of December 31, 2020	50 000	620 476	(58 828)	(1 390)	610 258	138 919	138 919	749 177
Consolidated income		211 054			211 054	41 406	41 406	252 459
Distribution of dividends		(136 166)			(136 166)	(30 280)	(30 280)	(166 446)
Other movements		(36 418)	22 551	218	(13 649)	(292)	(292)	(13 940)
Balance as of December 31, 2021		658 944	(36 276)	(1 172)	671 496	149 754	149 754	821 250

Consolidated Cash Flow Statement

(In million XOF)		2 021	2 020
CASH FLOW FROM THE BUSINESS			
Net income		252 459	201 272
Non-monetary items and presentation reclassification			
Taxes and operating taxes	4.3	118 539	100 392
Depreciation and amortization	4.6	190 170	185 759
Revaluation at fair value of previously held shares			
Impairment losses on fixed assets			
Result of disposal of assets and other gains & losses		1 057	234
Allocations (reversals) of other provisions		4 792	2 579
Corporate tax	4.9	123 018	108 350
Share in the results of associates		112	636
Financial result	4.7	24 178	29 460
Net exchange difference		1 973	2 027
Compensation in shares		2 007	7 351
Change in working capital requirements			
Decrease (increase) in inventories		(5 455)	1 849
Decrease (increase) in trade receivables		(12 498)	(18 856)
Increase (decrease) in payables		3 199	15 483
Var of liabilities on customer contracts		(2 923)	45
Decrease (increase) in other receivables		(44 889)	(64 457)
Increase (decrease) in other debts		50 451	55 813
Other net disbursements			
Operating taxes disbursed		(114 501)	(113 246)
Dividends received		181	370
Interest income received		10 669	8 168
Interest disbursed and net derivatives rate effect		(31 563)	(32 519)
Corporate taxes disbursed		(107 723)	(105 218)
Cash generated from operating activities		463 254	385 491
Cash flow from investment operations			
Acquisitions of property, plant and equipment and intangible assets	1.3	(221 399)	(211 621)
Increase (decrease) in capital suppliers		6 313	5 446
Proceeds from disposals of real property and other tangible and intangible assets		542	190
Acquisitions of equity securities net of acquired cash		(2 234)	(3 870)
Proceeds from the disposal of equity securities net of the cash disposed of		277	
Decrease (increase) in investments and other financial assets		197	(5 688)
Cash generated by investment activities (b)		(216 305)	(215 543)

Consolidated Cash Flow Statement

(In million XOF)	2 021	2 020
Cash flow from financing operations		
Issuance of long-term loans	25	177 052
Repayments of loans to LT	(115 054)	(34 602)
Repayments of rental debts	(7 863)	(5 633)
Increase (decrease) in bank overdrafts and other short-term borrowings	73 574	(102 136)
Shares buyback	218	2 015
Contribution of minority shareholders	-	1 382
Dividends paid	(166 225)	(204 740)
Cash generated by financing activities (c)	(215 324)	(166 662)
Monetary change in cash and cash equivalent (a) + (b) + (c)	31 625	3 286
Impact of exchange rate changes on cash flow	15 513	(7 698)
Other cash flow impacts	(2 628)	
Net change in cash	44 514	(4 412)
Net change in cash and cash equivalent		
cash and cash equivalent at the opening	199 692	204 103
Net change in cash and cash equivalent	44 514	(4 412)
cash and cash equivalent at closing	244 206	199 692

NOTES ANNEXES

Note 1- Segment information

1.1 From segment revenue to segment adjusted EBITDAAL

The breakdown of revenue by area at Ebitdaal is as follows (in XOF billion)

(In XOF billion)	Sénégal	Mali	Guinée Bissau	Guinée Conakry	Sierra Leone	consolidated financial statements
31-Dec-21						
Turnover	490	448	31	306	60	1 335
External purchases	(177)	(146)	(12)	(104)	(30)	(468)
Personnel costs	(83)	(29)	(2)	(9)	(4)	(127)
Taxes and operating taxes (excluding IS)	(39)	(41)	(2)	(30)	(5)	(119)
Other operating expenses	(18)	(15)	(1)	(13)	(3)	(49)
Other operating income	9	5	0	2	2	18
Depreciation for rights of use of leased assets	(3)	(2)	(0)	(2)	(1)	(8)
Interest charges on rental debts	(1)	(0)	(0)	(1)	(1)	(2)
Adjusted EBITDAal	179	220	13	150	18	580
31-Dec-20						
Turnover	480	404	25	249	48	1 206
External purchases	(179)	(132)	(10)	(94)	(24)	(440)
Personnel costs	(81)	(27)	(2)	(8)	(4)	(121)
Taxes and operating taxes (excluding IS)	(37)	(41)	(1)	(18)	(3)	(100)
Other operating expenses	(14)	(13)	(1)	(11)	(3)	(41)
Other operating income	16	2	0	2	1	22
Depreciation for rights of use of leased assets	(2)	(1)	(0)	(1)	(1)	(6)
Interest charges on rental debts	(0)	(0)	(0)	(0)	(1)	(2)
Adjusted EBITDAal	183	193	11	118	12	518

1.2 Sector assets and sector liabilities

(In million XOF)	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	MEQ	Consolidated accounts
December 31, 2021							
Acquisition gap					37 230		37 230
Other intangible assets	106 186	80 502	1 082	53 636	3 459		244 864
Tangible capital assets	373 943	268 816	23 671	134 316	42 318		843 065
Equity securities						3 091	3 091
Rights of use for leased fixed assets	8 008	4 145	251	3 557	8 599		24 559
Non-current financial assets	292 744	(2 905)	(5 953)	(22 777)	(118 627)	(6 522)	135 960
Other non-current assets	4 015	2 460	369	1 865	18		8 727
Deferred taxes assets	9 137	3 985	5	5 667	472		19 266
Total non-current assets	792 033	357 002	19 424	176 264	(26 530)	(3 432)	1 316 762
Stocks		2 443	426	1 289	948		18 098
Trade receivables	89 548	30 637	4 327	9 480	8 142		142 135
Current financial assets	5 734	(15)		41	(0)		5 760
Other current assets	63 898	87 727	6 869	76 841	18 424		253 759
Tax receivables and operating taxes	36 226	24 707	210	3 264	2 333		66 739
Corporate tax claims	(0)	5 264	1 319	4 051	525		11 159
Prepaid expenses	3 524		179	375	1 148		5 227
cash and cash equivalent	83 154	28 455	3 013	124 495	5 090		244 206
Total current assets	295 076	179 218	16 343	219 835	36 611		747 082
Total assets	1 089 109	536 220	35 767	396 099	10 081	(3 432)	2 063 844

(In million XOF)	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	MEQ	Consolidated accounts
December 31, 2020							
Acquisition gap					38 662		38 662
Other intangible assets	112 515	84 060	1 018	42 319	4 798		244 710
Tangible capital assets	357 387	264 419	19 957	98 158	38 876		778 797
Equity securities						3 052	0
Rights of use for leased fixed assets	9 005	4 921	6	4 048	9 189		27 169
Non-current financial assets	308 152	3 903	(9 044)	(17 607)	(119 909)	(6 221)	159 275
Other non-current assets	3 967	2 444	339	1 593	3		8 345
Deferred taxes assets	8 425	3 982	2	4 761	333		17 504
Total non-current assets	799 451	363 729	12 279	133 272	(28 048)	(3 169)	1 277 513
Stocks	7 798	2 076	483	1 137	808		12 302
Trade receivables	77 324	27 608	2 726	9 442	13 367		130 467
Current financial assets	5 788	(15)	0	53	8		5 833
Other current assets	70 752	62 912	4 105	50 293	11 400		199 461
Tax receivables and operating taxes	36 466	18 037	93	5 125	2 411		62 133
Corporate tax claims	0	1 081	1 039	2 323	207		4 651
Prepaid expenses	3 387	0	109	524	802		4 822
Cash and cash equivalent	87 707	39 085	5 600	63 934	3 366		199 692
Total current assets	289 223	150 782	14 155	132 831	32 369		619 360
Total assets	1 088 673	514 511	26 434	266 104	4 321	(3 169)	1 896 874

(In million XOF)	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	Equivalency title	Consolidated accounts
31-Dec-21							
Share capital	50 000						50 000
Reserves	431 272	123 606	9 404	106 789	(18 992)	(2 413)	649 666
Conversion discrepancies	9 279			3 545	(39 815)	(6)	(26 998)
Own shares	(1 172)						(1 172)
Equity attributable to the owners of the parent company	489 380	123 606	9 404	110 334	(58 807)	(2 419)	671 496
Equity attributable to non-controlling interests		63 528	6 977	57 905	22 357	(1 012)	149 754
Equity	489 380	187 134	16 381	168 239	(36 450)	(3 432)	821 250
Non-current financial liabilities	131 149	71 043			347		202 538
Non-current rental debts	7 754	966	77	1 947	8 956		19 700
Non-routine staff benefits	20 472	3 084		201	1 710		25 467
Other non-current liabilities	897	9 249	20	1 200	203		11 568
Total non-current liabilities	160 271	84 341	97	3 349	11 216		259 274
Outstanding debts for current capital assets	72 578	3 011	1 085	34 479	6 747		95 311
Payables on other goods and services	86 936	42 054	9 182	50 271	9 504		187 221
Current financial liabilities	131 787	82 179	39	72	67		242 602
Current rental debts	642	3 528	192	2 051	36		8 419
Common Staff Benefits	9 416	4 694	253	2 107	748		13 933
Other current liabilities	69 740	90 862	5 916	78 603	12 902		183 012
Taxes and operating taxes (excluding IS)	31 587	18 668	945	17 347	2 471		64 240
Corporate tax	32 927	17 702	1 065	28 899	2 700		59 163
Liabilities on customer contracts		2 047					4 925
Deferred income	3 846		613	10 684	141		16 006
Total current liabilities	439 459	264 746	19 289	224 512	35 315		874 832
Total liabilities	1 089 109	536 220	35 767	396 099	10 081	(3 432)	2 063 844

(In million XOF)	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	Equivalency title	Consolidated accounts
December 31, 2020							
Share capital	50 000						50 000
Reserves	443 389	122 810	8 403	70 806	(22 657)	(2 276)	620 476
Conversion discrepancies				(21 388)	(37 524)	84	(58 828)
Own shares	(1 390)						(1 390)
Equity attributable to the owners of the parent company	491 999	122 810	8 403	49 417	(60 180)	(2 192)	610 258
Equity attributable to non-controlling interests		63 161	6 864	50 321	19 552	(978)	138 919
Equity	491 999	185 971	15 267	99 739	(40 629)	(3 169)	749 177
Non-current financial liabilities	175 395	112 092		8 521	360		296 368
Non-current rental debts	8 868	3 340	160	2 410	7 731		22 508
Non-routine staff benefits	17 942	2 697		208	1 421		22 267
Other non-current liabilities	2 540	6 687	20	302	211		9 760
Total non-current liabilities	204 745	124 816	180	11 441	9 722		350 903
Outstanding debts for current capital assets	54 511	18 835	1 998	17 917	6 635		99 896
Payables on other goods and services	81 136	51 092	5 154	41 265	13 686		192 333
Current financial liabilities	119 386	37 754		3 964	(360)		160 744
Current rental debts	559	1 922	(145)	1 952	1 628		5 916
Common Staff Benefits	7 975	4 162	248	1 323	615		14 324
Other current liabilities	64 850	60 925	1 882	53 245	9 013		189 916
Taxes and operating taxes (excluding IS)	24 394	12 705	593	14 304	2 250		54 246
Corporate tax	32 182	11 360	988	12 392	427		57 348
Liabilities on customer contracts		4 970					4 970
Deferred income	6 935		269	8 562	1 334		
Total current liabilities	391 929	203 725	10 987	154 924	35 228		796 793
Total liabilities	1 088 673	514 511	26 434	266 104	4 321	(3 169)	1 896 874

1.3 Sectoral investments

The breakdown by country of fixed assets as of 31 December 2021 is as follows:

In XOF million	Senegal	Mali	Bissau	Guinea	Sierra Leone	gross 12.2021
Acquisition gaps (1)					37 230	37 230
Other intangible assets	106 186	80 502	1 082	53 636	3 459	244 864
Tangible capital assets	373 943	268 816	23 671	134 316	42 318	843 065
Rights of use for leased fixed assets (2)	8 008	4 145	251	3 557	8 599	24 559
Total	488 137	353 463	25 004	191 509	91 606	1 149 718

(1) Acquisition gap on Orange Sierra Leone acquired in 2016, 50% controlled

(2) Country impact of IFRS 16

Sonatel Group's net investments in 2021 amounted to 216 billion. They remain stable as a proportion of turnover (16%) compared to 2020. These investments focused mainly on the mobile access network (extension, densification, 3G, 4G, 4G+), fiber deployment, swap projects and transport upgrades.

Note 2- General principles used for the preparation of the Group's ifrs financial statements

Note 2.1 Description of the activity

The Sonatel Group offers its individual customers, companies, and other telecommunications operators a wide range of services covering fixed and mobile communications, data transmission and other value-added services, mainly in the countries of presence: Senegal, Mali, Guinea Bissau, Guinea

Conakry and Sierra Leone. The Group is also developing its activities in mobile financial services (Orange Money). Telecom operator activities are subject to sector-specific licensing and regulation, and mobile financial services activities have their own regulation.

Note 2.2 Basis for preparing 2021 financial information

The consolidated financial statements were prepared under the responsibility of the Board of Directors at its meeting on February 24 2022, and will be submitted to the Annual General Meeting for approval on April 28, 2021.

The consolidated financial statements for the fiscal year 2021 are prepared in accordance with international accounting

standards IFRS as adopted by the IASB, pursuant to the Uniform Act on Accounting Law and Financial Reporting adopted on 26 January 2017 and presented with, in comparison, the fiscal year 2020 established according to the same standard. Over the periods presented, the standards and interpretations are those adopted by the IASB, except for

the texts in the process of being adopted, which has no effect on the Group's accounts.

The principles adopted for the preparation of the 2021 financial information result from the application of:

- all standards and interpretations adopted by the IASB that are binding as of December 31 2021;

Norm		Option selected
IAS 1	Expenses for discounting liabilities operational (staff benefits, liabilities) environmental and licensing)	Presentation in financial expenses
IAS 2	Stocks	Valuation of inventories according to weighted average unit cost
IAS 7	Interest paid and dividends received	Classification as net cash flow generated by the activity
IAS 16	Tangible capital assets	Valuation at amortized historical cost
IAS 38	Intangible assets	Valuation at amortized historical cost
IFRS 3R	Non-controlling interests	At the date of acquisition, measured at fair value or share of the identifiable net assets of the acquired entity

In the absence of a standard or interpretation applicable to a specific transaction or event, Sonatel Group management uses judgment to define and apply accounting policies to obtain relevant and reliable information, so that the financial statements:

- present a true and fair view of the Group's financial statement, financial performance and cash flows;
- reflect the economic reality of transactions;
- are neutral;
- are cautious;
- are complete in all their significant aspects.

The functional currency and the currency of presentation of the accounts used by SONATEL is the XOF.

The currencies converted into the presentation currency are the SLL and GNF respectively the currencies of Sierra Leone and Guinea Conakry.

Unless otherwise stated, the amounts are expressed in million XOF. As the group has chosen not to manage rounding, minimal deviations may appear as a result. As permitted by IAS 1 «Presentation of Financial Statements», the Group presents the main components of the financial statements and the options used for the presentation of some of them: the income statement, the statement of comprehensive income, the statement of financial statement, the statement of changes in equity, the cash flow statement, and the notes to the accounts.

- open options on the date and modalities of first application;
- recognition and measurement options open by IFRS.

The notes to the notes are an integral part of the financial statements. They contain additional information to that presented in the rest of the financial statements. They provide narrative descriptions or breakdowns of items presented in these statements as well as information about items that do not meet the criteria for accounting in these statements.

The order in which the information is presented in the Notes is as follows:

- a presentation of segment information
- a statement of compliance with International Financial Reporting Standards (IFRS);
- additional information on the items in the income statement, the consolidated statement of comprehensive income, the statement of financial statement, the statement of changes in equity, the statement of cash flows, in the order in which each of the financial statements and each of the items appear, with for each note a summary of the significant accounting policies applied;
- other information including contingent liabilities and unrecognized contractual liabilities, non-financial information.

Fair value

The values of financial assets and liabilities measured at fair value in the Statement of Financial Statement are classified according to a hierarchy of three levels:

- Level 1: market prices (unadjusted) on active markets, for identical assets or liabilities, to which the entity may have access at the valuation date;
- Level 2: input data concerning the asset or liability that can be observed directly or indirectly;
- Level 3: Unobservable input data for assets or liabilities.

For financial assets at amortized cost («turnover»), the Sonatel Group considers that the book value of cash on hand, trade receivables, as well as various security deposits, is a reasonable approximation of fair value, due to the high degree of liquidity of these items.

The fair value of equity securities corresponds to the market value at the end of the period for listed securities and, for unlisted securities, to a valuation technique determined according to the financial criteria most appropriate to the situation of each security (comparable transactions, multiples of comparable companies, shareholders' agreement, present value of future cash flows).

For payables and deposits received, the Sonatel Group considers that the carrying amount is a reasonable approximation of fair value, due to the high degree of liquidity of these items.

Definition of operational sectors and performance indicators

An operational sector is a component of the Group:

- who engages in activities generating income and expenses,
- whose resources received from the Group are the subject of decisions by the Group's main operational decision-maker,
- for which separate financial information is available.

Note 2.3 New standards and interpretations applied as of January 1, 2021

2.3.1 Amendment IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: IBOR Reform Phase 2

The amendments to the standards for this phase 2 provide practical expedients regarding the modification of financial instruments or leases related to the IBOR reform. For debt instruments affected by the IBOR reform, when changing the rate, it will not be necessary to apply the provisions of IFRS 9 to

The sectors to be presented separately are identified from the internal reporting used by the CEO to decide on the allocation of resources and evaluate performance, and which exceed the quantitative thresholds set at 10% of total revenues, results, or assets.

Decisions on the allocation of resources and the assessment of the performance of the Sonatel Group's components are mainly made up of geographical locations. Thus, the operational sectors are Senegal, Mali, Guinea, Bissau, and Sierra Leone.

Operational performance indicators in 2021

EBITDAal is the operating result before depreciation and amortization of fixed assets, effects related to takeovers, reversals of conversion reserves of liquidated entities, impairment losses of goodwill and fixed assets.

eCapex corresponds to the acquisition of intangible and tangible assets excluding telecommunications licenses and investments in financed assets, less the sale price of fixed assets. They are an indicator used internally for resource allocation. eCapex is not a financial aggregate defined by IFRS and may not be comparable to indicators so named by other companies.

The Group considers that the presentation of these indicators is relevant since it provides the readers of the accounts with the steering indicators used internally.

determine whether the change in the instrument is material. The amendments propose that changes to financial instruments related to the reform should be treated prospectively as a discount of the interest rate without impact on the income statement. Regarding hedge accounting, the amendments introduce an exemption to maintain hedge accounting despite the evolution of future cash flows impacted by the rate change induced by the reform.

These amendments had no impact on the Sonatel Group's consolidated financial statements as of 31 December 2021.

2.3.2 IFRS IC Decision on IAS 19 «Employee Benefits» on the Calculation of Liabilities for Certain Defined Benefit Pension Plans

IFRS IC has been asked about the methods of calculating commitments of defined benefit schemes for which the allocation of rights is conditional on the presence in the Group at the time of retirement (with loss of any right in the event of early departure) and whose rights depend on seniority, while being capped at a certain number of years of seniority. For plans reviewed by IFRS IC, the ceiling may occur at a date prior to retirement.

The reading of IAS 19 had led to a practice consisting in measuring and accounting for commitment in a linear manner on the employee's career in the Group. The commitment thus calculated corresponds to the proportion of the rights acquired by the employee at the time of retirement.

Since the IFRS IC decision concludes, in the present case, that no rights are acquired in the event of departure before

retirement age and that the rights are capped after a certain number of years of seniority («X»), the commitment would be counted only on the last X years of the employee's career in the company.

As the IFRS IC decision has been published and the implementation of this decision requires a review of actuarial calculation models, the Sonatel Group continues its analysis to estimate the effect of this application.

2.3.3 IFRS IC Decision on the Costs of Implementing a Cloud Computing Agreement – IAS 38

IFRS IC has specified the cases of capitalization in intangible assets of the costs of configuration and adaptation of software acquired in SaaS mode («Software as a Service»). According to this decision, only services leading to the creation of an additional code controlled by the customer could be capitalized. Other benefits would be recognized as expenses for the period or as deferred charges. The method of accounting for the costs of implementing contracts in SaaS mode of the Group are in accordance with the accounting provisions recalled by IFRS IC in its decision.

Note 2.4 Main mandatory implementing legislation after 31 December 2021 and not applied in advance

2.4.1 Amendment IAS 1: Classification of liabilities as current or non-current liabilities

The amendment to the standard clarifies the current requirements of IAS 1 on the classification of liabilities on the balance sheet of entities. This amendment is not expected to have a significant effect on the Statement of financial statement of the Group. However, the implementation of this amendment could lead to the reclassification of certain liabilities from current to non-current, and vice versa. The date of entry into force of this amendment is 1 January 2024.

2.4.2 Amendment IAS 16: Revenue Generated Before the Intended Use of a Capital Asset

The amendment clarifies that an entity is not permitted to recognize revenues from the sale of manufactured items as a

decrease in the cost of the capital asset during the preparation of the asset for its intended use. These sales incomes are to be recognized in the income statement. This amendment should have no effect on the Group's accounts. The amendment is applicable to fiscal years beginning on or after 1 January 2022.

2.4.3 Amendment IAS 37: Loss-making contract – Contract performance costs.

The clarifications provided by the amendment concern the marginal costs of performing an expensive contract to be considered in the provision, namely the costs of direct labor and materials as well as the charging of other costs directly related to the contract, such as the depreciation charge relating to a fixed asset used for the performance of the contract. The analysis of the possible provisions of this amendment is being analyzed. The amendment shall apply from 1 January 2022.

2.4.4 Amendment IAS 12: Taxes – Deferred taxes on an asset or liability acquired through a single transaction.

The amendment introduces a new exception to the exemption from the initial accounting for deferred taxes. As a result of this amendment, an entity does not apply the initial recognition exemption for transactions that give rise to deductible temporal differences.

Depending on the applicable tax law, equal taxable and deductible temporal differences may arise when an asset and liability are initially recognized in a transaction that is not

a business combination and that does not affect either the accounting profit or the taxable profit. For example, this may occur when accounting for lease debt and the corresponding right of use under IFRS 16 on the start date of a lease. The Group's accounting principles are already aligned with the amendment's proposals. The provisions of this amendment shall apply from 1 January 2023.

Note 2.5 Use of Judgment and Estimates

In addition to accounting options or positions, the Sonatel Group Management exercises its judgment to define the accounting treatment of certain transactions:

Recourse to the Judgment	
Theme	Nature of the accounting judgment
Note 4.1 Sale	Distribution of the transaction price between the mobile and the service Identification of separate or non-separate performance obligations
Notes 4.2; 4.3 Purchases and other charges, taxes, disputes and taxes	Assessment of the technical merits of statutory interpretations and the characterization of facts and circumstances
Note 8 Leases	Determination of the non-cancellable duration of contracts and assessment of whether to exercise the options for termination, extension, and exercise of options.
Use of estimates	
Note 5.2 Capital Assets	Determination of the useful life of assets based on the assessment of changing technological, regulatory, or economic environments.
Notes 6.2 Staff Benefits	Discount rate sensitivity

Note 2.6 List of consolidated companies and methods of consolidation

The consolidated financial statements include the accounts of the parent company SONATEL SA and all its subsidiaries controlled directly or indirectly. These subsidiaries are consolidated according to the global integration method.

As of December 31, 2021, the SONATEL Group's consolidation scope is composed of 10 companies. The scope of consolidation is as follows:

Country	Companies	Method of Detention	Percentage of detention	Nature of the control	Consolidation method
Senegal	Sonatel Ltd Orange Mobile Finance Senegal	Direct	Parent company 100%	Consolidating Exclusive control	Global integration
Mali	Orange Mali Orange Mobile Finance Mali	Direct Indirect	70% 70%	Exclusive control Exclusive control	Global integration Global integration
Guinea Conakry	Orange Guinea Orange Mobile Finance Guinea	Directe Indirecte	89% 89%	Exclusive control Exclusive control	Global integration Global integration
Guinea Bissau	Orange Bissau	Directe	90%	Exclusive control	Global integration
Sierra Leone	Orange Sierra Leone (1) Orange Money SL (1)	Directe Indirecte	50% 50%	Exclusive control Exclusive control	Global integration Global integration
Ivory Coast	Orange Services Group (2)	Indirecte	47%	Notable influence	Equity accounting

(1) Orange Sierra Leone, 50% owned, is consolidated by global integration in accordance with the terms of the shareholders' agreement that confers control on the Sonatel Group. The Orange Group holds the remaining 50%.

(2) The Group holds a 47% stake in GOS. The turnover and profit of the subsidiary for the fiscal years 2021 and 2020 are as follows

In thousand XOF	2021	2020
Turnover	6 140 307	5 232 258
Net Result	(240,840)	(1 352 141)

Consolidation methods include:

- subsidiaries over which the Group exercises, directly or indirectly, exclusive control are consolidated using the global integration method;
- interests in which the Group exercises joint control and meeting the definition of a joint venture within the meaning of IFRS 11

- with a limited number of other shareholders are consolidated using the proportional integration method.
- shareholdings not controlled by the Group but over which the Group exercises significant influence are consolidated using the equity method. This is essentially the Orange Services Group.

Note 2.7 Change in scope of consolidation

Change in scope for the 2021 fiscal year

The scope of consolidation did not change during the 2021 fiscal year

Change in scope for fiscal 2020

The scope of consolidation changed during the 2020 fiscal year

with the merger of Senegal's subsidiaries: Sonatel Mobiles, Sonatel Multimédia and Sonatel Business Solutions.

Sonatel SA absorbed its 3 entities on 30 November 2020 with retroactive effect from 1 January 2020.

Note 3. Declaration of COMPLIANCE WITH IFRS

Pursuant to the Uniform Act on Accounting Law and Financial Reporting adopted on 26 January 2017, Companies whose securities are listed on a stock exchange have been required to prepare and present their consolidated financial statements in accordance with IFRS standards, as of 01 January 2019. These

are the third IFRS accounts published by the SONATEL Group. The consolidated financial statements for the fiscal year 2021 are prepared in accordance with the international accounting standards IFRS as adopted by the IASB, in comparison with the fiscal year 2020 drawn up according to the same framework.

Note 4. Notes on income statement items

Note 4.1 Turnover

Breakdown of turnover by type of offer

In million XOF	2021	2020
PRIVATE CUSTOMERS	1 225 054	1 092 842
Voice	549 171	507 547
SMS	24 291	18 458
Data	359 877	285 218
Orange Money	144 892	151 111
Customer roaming	4 838	3 507
Content	21 033	17 959
Fixed Services	66 553	56 918
Equipment	13 844	11 804
Other	40 554	40 321
Key account customers	106 225	108 650
National Traffic	33 358	31 062
International Direct Traffic	49 644	57 687
Hubbing	8 761	11 785
Roaming	4 078	3 753
Other	10 383	4 364
Other	3 595	4 593
Total Turnover	1 334 874	1 206 086

Accounting principles

The bulk of revenue is within the scope of IFRS 15 «Revenue from Contracts with Customers». Orange's products and services are offered to customers in service contracts alone and in contracts that bundle the equipment used to access the services and/or with other service offerings. Turnover is recorded net of VAT and other taxes collected on behalf of the States.

Provision of services:

For consumer and business customers, the revenues of telephone subscriptions and Internet access are accounted for on a

straight-line basis over the duration of the subscription and the products of incoming and outgoing telephone communications, international roaming, or data exchanges invoiced to customers are recorded when the service is rendered. The Group offers its corporate customers tailor-made solutions: telecommunications network management, access, voice and data, migration. These contracts include contractual clauses relating to conditional commercial discounts which are recorded as a decrease in turnover according to the terms and conditions specific to each contract. The migration costs incurred by the Sonatel Group under these contracts are recognized in profit or loss on the

date they are incurred except where the contracts provide for compensation in the event of early termination.

Orange Money is a combination of financial services by mobile phone that allows customers to access nearly a dozen services:

- make a free deposit of money on the mobile via the distribution network - Cash in
- make cash withdrawals - Cash Out
- buy orange credit and internet passes - Merchant payment

- buy goods and services (shops, supermarkets, restaurants etc.) - Merchant Payment
- pay bills – Bill Payment
- send and receive money in Senegal and the sub-region - Intra-Regional Transfer
- pay for online purchases - Merchant Payment
- receive transactions of national and international origin directly on your mobile account - Intra Regional Transfer
- transfer money to your bank account - Bank to Wallet

Note 4.2 External Purchases

The details of external purchases are as follows:

In XOF million	2021	2020	2019
Fixed production - Goods and services	7 613	(943)	3 020
Backbone International	(10 571)	(9 346)	(6 044)
Purchase of satellite capacity	(66 026)	(62 938)	(64 610)
Purchases from Content Publishers – Load	(4 393)	(6 252)	(7 506)
Network Management Loads	(134 730)	(119 026)	(107 608)
Rents network sites, shops	(14 007)	(14 184)	(13 860)
Sales commissions	(148 768)	(143 261)	(130 140)
Honorarium	(16 456)	(7 183)	(9 145)
Communication costs (pub)	(20 262)	(19 083)	(29 348)
Inventory: Cost of equipment sold/leased	(42 561)	(36 817)	(35 997)
Training and Interim	(15 622)	(11 423)	(17 967)
Other external charges	(2 020)	(9 517)	(13 691)
Total	(467 804)	(439 972)	(432 896)

Note 4.3 Operating taxes

Taxes amount to XOF 118 billion, or +18% compared to 2020. The increase is linked to the evolution of frequency charges and other payroll taxes.

They are broken down by country as follows:

En millions FCFA	Senegal	Guinea	Guinea Bissau	Mali	Sierra Leone	Total 2021	Total 2020
Business tax				517		517	567
Taxes on Telecom services				19 180		19 180	17 351
Frequency charges (1)	12 311	11 366	2 294	10 513	3 609	40 094	30 540
Other taxes, excluding taxes and salaries	26 915	18 948	77	10 954	1 853	58 748	51 934
Taxes and operating taxes (excluding IS)	39 226	30 314	2 372	41 165	5 462	118 539	100 392

(1) Includes frequency charges paid to government agencies because of the issuance of a wireless license.

Note 4.4 Other operating expenses

Other operating expenses are as follows:

in XOF million	2 021	2020
Credit expenses and losses (see note 3.4)	14 033	7 322
Corporate fees (1)	26 989	23 886
Universal Service, expense	5 579	4 951
Other operating expenses	2 493	4 789
Total	49 094	40 948

(1) corporate fees relate exclusively to the Orange brand

Note 4.5 Staff costs

The components of personnel costs are detailed below

In XOF million	2 021	2020
Wages and salaries	79 516	70 451
Variable Share	15 143	13 964
Social security contributions, excluding retirement	6 479	6 198
Payroll taxes	3 847	3 689
Other allowances & benefits at CT	13 273	13 126
Provision for paid holidays	5 110	4 531
Post-employment benefits	3 406	9 151
Total Personnel costs	126 774	121 111

Staff costs are detailed in the table below by country as of December 31, 2021:

In XOF million	Senegal	Guinea	Guinea Bissau	Mali	Sierra Leone	Total 2021	Total 2020
Wages and salaries	51 158	6 177	1 487	18 748	1 946	79 516	70 451
Variable Share	12 403			2 158	581	15 143	13 964
Social security contributions, excluding retirement	1 524	157	197	4 427	174	6 479	6 198
Payroll taxes	2 358	460		1 027	2	3 847	3 689
Other benefits & short-term benefits	9 490	1 545	220	1 525	494	13 273	13 126
Provision for paid holidays	4 518	454	(2)	0	139	5 110	4 531
Post-employment benefits	1 807	-210	158	1 082	569	3 406	9 151
Personnel costs	83 258	8 583	2 060	28 968	3 906	126 774	121 111

Executive compensation

been, during the fiscal year, members of the Board of Directors of Sonatel SA or of the General Management of a Group entity.

The table below shows the remuneration recognized by Sonatel and the companies it controls of persons who are, or who have

in XOF million	12.2021	12.2020	12.2019
short-term benefits excluding employers' expenses (1)	1 919	1 976	2 103
short-term benefits employers' expenses	60	73	69
post-employment benefits	25	22	19
Total	2 005	2 071	2 191

(1) gross salaries including variable share, bonuses, attendance fees and benefits in kind.

Note 4.6 Depreciation and amortization

The depreciation and amortization for fiscal 2021 are detailed in the table below by category of fixed assets:

In XOF million	31.12.2021	31.12.2020
Depreciation for rights of use of leased assets	8 092	5 845
Depreciation for (in) tangible fixed assets	182 078	179 914
Depreciation and amortization	190 170	185 759

The breakdown of dowries by country is presented below as of 31 December 2021:

In XOF million	Senegal	Guinea	Guinea Bissau	Mali	Sierra Leone	2021
Depreciation for rights of use of leased assets	2 669	1 861	2 095	214	1 252	8 092
Depreciation for intangible assets	76 323	62 491	29 194	6 009	8 062	182 078
Depreciation and amortization	78 992	64,352	31,288	6,223	9,314	190,170

Accounting principles:

Depreciation is calculated according to the consumption rates of the expected economic benefits per asset based on the acquisition cost, generally without deduction of a residual value. As such, the linear mode is generally retained. The depreciation

periods are reviewed annually and are modified if they differ from previous estimates. These changes in estimates are accounted for prospectively.

For the depreciation period used for the main types of fixed assets, see Note 5.2.

Note 4.7 Financial result

Cost of gross debt

The cost of gross debt amounts to XOF 28.341 billion, down XOF 1.645 billion compared to 2020 related to interest expenses on bank loans.

In XOF million	31.12.2021	31.12.2020
Interest charges and similar charges on bank loans (1)	28 331	28 214
Interest on other financial debts	10	1 771
Total	28 341	29 985

(1) interest on bonds amounts to XOF 6.76 G

The group's consolidated financial result amounted to XOF -24.178 billion (-18% compared to 2020) related to the decrease in the cost of financial debt.

The cost of indebtedness is detailed by country as follows:

In XOF million	Senegal	Mali	Guinea	31.12.2021 2020
Interest charges and similar charges on bank loans	16 322	11 258	750	28 331
Interest on other financial debts			10	10
Total	16 322	11 258	760	28 341

Foreign exchange gains and losses as of December 31 2021, are as follows:

	Senegal	Guinea	Total
Gains and losses on financial assets	(555)	(1 579)	(2 134)
Gains and losses on financial liabilities		(889)	(889)
TOTAL	(555)	(2 468)	(3 023)

Note 4.8 Other operating income

The Group's other operating income is as follows:

(In million XOF)	31.12.2021	31.12.2020
Distribution commissions	39	12
Other operating income	60	60
Other revenues from product sales	18 077	21 819
Total	18 175	21 892

As of 31 December 2021, other operational income by country:

In XOF million	Senegal	Mali	Guinea	Bissau	Sierra Leone	TOTAL
Distribution commissions	39					39
Other operating income	56			4		60
Other revenues from product sales (1)	9 166	4 900	1 749	146	2 116	18 077
31.12.2021	9 261	4 900	1 749	150	2 116	18 175
31.12.2021	16 334	2 265	1 740	79	1 475	21 892

(1) Other products mainly include products on payables.

Note 4.9 Tax expenses and proof of consolidated taxes

Corporate taxes are up 12.8% compared to 2020. They are detailed above:

In XOF million	2021	2020
Expenses for the fiscal year	122 813	107 492
Difference from previous years	1 085	331
Change in deferred taxes	(879)	527
TOTAL	123 018	108 350

Proof of taxes can be summarized as of December 31, 2021:

(XOF billion)	2021	2020	2019
Profit before tax (1)	376	310	295
Sonatel Group Tax Rate (2)	30%	30%	30%
Corporate tax (3)	(123)	(108)	(99)
Theoretical taxes (4) = (1) *(2)	(113)	(93)	(88)
Difference (5)	(10)	(15)	(11)
Elements of reconciliation			
Effect of parent subsidiary dividends (6)	(10)	(8)	(11)
Tax effect without basis impacting the tax payable		(7)	
Effective tax rate	33%	35%	34%

(1) profit before tax: operating result and financial result

(2) the average rate of the Sonatel Group

(3) Consolidated tax expense = current tax + deferred tax

(4) tax rate applied to operating income

(5) difference between the tax burden and the notional tax

(6) effect of the system of dividends received parent-subsiary company

The corporate tax expense by country is detailed below as of December 31, 2021:

En millions CFA	Senegal	Mali	Guinea	Bissau	Sierra Leone	31.12.2021
Expense of fiscal year	34 966	43 797	40 608	1 065	2 377	122 813
Difference from previous years		(58)	809		333	1 084
Var gross deferred taxes	(766)	(24)	(26)	(4)	(60)	(880)
Total	34 200	43 715	41 391	1 061	2 650	123 017

Accounting principles

The Group assesses current and deferred tax at the amount it expects to pay or collect from the tax administrations of each country based on its interpretation of the application of tax legislation.

Deferred taxes are recognized on all temporal differences between the carrying amounts of assets and liabilities and their

tax bases, as well as on deferral tax deficits, using the variable carry-forward method. Deferred tax assets are recognized only when their recovery is likely.

IFRIC 23 «Uncertainty in Tax Treatments» clarifies the identification, measurement, and accounting of uncertain corporate tax positions. This interpretation had no effect on the measurement of corporate tax liabilities or their presentation in the Sonatel Group's consolidated financial statements.

Note 4.10 Earnings per share

The Sonatel Group has not issued any dilutive securities, the basic and diluted earnings per share are identical.

Number of shares

The weighted average number of shares used to calculate basic net earnings per share and diluted earnings is presented below:

(In number)	2021	2020
Weighted average number of common shares outstanding	100 000 000	100 000 000
Effect of dilutive instruments (1)	0	0
Weighted average number of outstanding and dilutive shares	100 000 000	100 000 000

(1) Sonatel has not issued any dilutive securities.

Earnings per share

The result per share is thus obtained:

(In XOF)	2021	2020
Basic net earnings per share	2 110	1,686
Diluted net earnings per share	2 110	1,686

Accounting principles

IAS 33-Earnings per share applies to the individual financial statements of an entity and to the consolidated financial statements of a group with a parent company (individual and consolidated):

- whose ordinary shares or potential ordinary shares are traded on an organized market (stock exchange)

- who files financial statements with a securities regulator or other regulatory body for the purpose of issuing common shares on an organized market, or who is about to file them.

The Sonatel Group reported basic earnings per share and diluted earnings per share. The Sonatel Group has not issued any dilutive securities, the basic and diluted earnings per share are identical.

Note 5. Notes on the headings of the financial statement - assets

Note 5.1 Acquisition deviation and impairment loss

a) Acquisition gap

Sonatel acquired, in July 2016, 50% of Airtel Sierra Leone, i.e., an amount of XOF 74 billion resulting in the recognition of a goodwill fully recognized in Goodwill whose figures are as follows:

(In million XOF)	December 31, 2021	December 31, 2020
Acquisition gap (1)	37 230	38 662

(1) Variations are exclusively due to exchange rate effects

b) Loss in value

Impairment tests of the UGT (Cash Generating Units) corresponding to the countries may result in impairment losses on goodwill.

Regarding the Goodwill found on the Orange Sierra Leone subsidiary, this test did not result in any loss of value. The need to establish an impairment loss is assessed by comparison between the carrying amount of the assets and

liabilities of the UGT or UGT grouping and their recoverable amount, for which the Sonatel Group most often retains the value in use.

c) Key parameters used to determine recoverable (utility) value

The parameters used to determine the recoverable amount of major consolidated activities are as follows:

(In million XOF)	31 décembre 2021	31 décembre 2020
Basis for recoverable amount	Utility value	Utility value
Source retained	Internal plan	Internal plan
Methodology	Discounted cash flows	Discounted cash flows
Infinite growth rate	3.8%	3.8%
After-tax discount rate	13%	13%
Pre-tax discount rate	15.9%	15.9%

The sensitivity analysis conducted did not identify a risk of depreciation. This analysis was conducted on the following criteria, taken individually: discount rate (+1%), growth rate (-1%) and cash flow (-10%)

Principes comptables

In accordance with IFRS 3-Business Combinations, goodwill is not amortized. They shall be subject to a loss of value test as soon as value loss indices appear and at least once a year. Thus, the evolution of the general economic and financial context, the different resilience of telecommunications market players in the face of the deterioration of local economic environments, the evolution of the market capitalizations of telecommunications operators, and the levels of economic performance in relation to market expectations constitute external depreciation indicators which, together with internal performance, are analysed by the Group to determine whether it is appropriate to carry out loss of value tests at an infra-annual periodicity.

These tests are carried out at the level of each Cash Generating Unit (UGT) (or UGT grouping), which most often corresponds to the operational sector.

Note 5.2 Tangible and intangible immobilizations

The Group's property, plant and equipment and intangible assets are as follows:

In XOF million	2021	2020	2019
Acquisition discrepancies	37 230	38 662	43 912
Other intangible assets	244 864	244 710	273 016
Tangible capital assets	843 065	778 797	749 539
Equity securities	3 091	3 052	3 671
Rights of use for leased fixed assets	24 559	27 169	26 718
Total	1 152 809	1 092 390	1 096 856

The value in use is estimated to be the present value of expected future cash flows. Cash flow projections are based on economic, regulatory, license renewal, business and investment assumptions determined by the Sonatel Group as follows:

- cash flows are those of business plans established over periods ranging from 3 to 5 years; they include the cash flow from tax calculated by applying the statutory tax rate to operating income (without considering the effects of deferred taxes and deferred tax deficits not recognized at the valuation date). In the case of recent acquisitions, longer business plans may be used.
- beyond this horizon, after-tax cash flows can be extrapolated by applying a decreasing or stable growth rate over a period of one year, followed by a perpetual growth rate reflecting the expected long-term market growth rate.
- after-tax cash flows are discounted using an after-tax discount rate and considering a premium reflecting the risk associated with the implementation of certain business plans and country risk. The utility value resulting from these calculations is the same as that which would result from calculations based on pre-tax cash flows with a pre-tax discount rate.

The breakdown of tangible capital assets as of December 31, 2021 is as follows:

in XOF million	Gross Value	Amort. cumulative	Net worth
Land and buildings	145 053	(80 959)	64 094
Networks and terminals	2 031 505	(1 299 651)	731 854
Networks	2 029 610	(1 299 651)	729 959
Terminals	1 895		1 895
Computer equipment	91 887	(59 995)	31 892
Other tangible capital assets	57 656	(42 431)	15 225
Total	2 326 100	(1 483 035)	843 065

2020	Gross Value	Amort. cumulative	Net worth
Land and buildings	134 705	(75 608)	59 097
Networks and terminals	1 831 551	(1 160 706)	
Networks	1 830 612	(1 160 706)	669 906
Terminals	939		939
Computer equipment	88 797	(54 564)	34 232
Other tangible capital assets	55 006	(40 383)	14 623
Total	2 110 059	(1 331 262)	778 797

The breakdown of intangible assets as of December 31, 2021 is as follows:

31-Dec-21	Gross value	Amort. cumulative	Loss of value	Net worth
Telecommunications Licenses	355 281	(143 644)	-	211 637
Software	180 455	(149 054)	-	31 401
Other intangible assets	97 266	(95 314)	125	1 827
Total	633 002	(388 012)	125	244 864
December 31, 2020				
Telecommunications Licenses	336 489	(119 490)		217 000
Software	163 390	(137 961)		25 429
Other intangible assets	97 041	(94 788)	28	2 282
Total	596 921	(352 239)	28	244 710

Investment by country

In XOF million	Senegal	Mali	Guinea	Bissau	Sierra Leone	Total
Acquisitions of property, plant and equipment and intangible assets	75 151	79 318	36 507	11 444	12 125	214 545
Acquisitions of net equity securities (1)	225	746	(52)	1 125	(8)	2 037
31-Dec-21	75 377	80 064	36 455	12 569	12 117	216 582
31-Dec-20	74 587	78 646	35 442	3 687	23 180	215,543

Licenses by country

The details of the licenses are as follows:

	Crude	Accumulated depreciation	Net 2021	Net 2020
Senegal	138 612	(45 635)	92 978	100 295
Mali	135 010	(64 348)	70 662	77 205
Guinea	71 078	(25 683)	45 395	36 781
Bissau	6 545	(6 272)	273	1
Sierra Leone	4 036	(1 706)	2 330	2 718
Total	355 281	(143 644)	211 637	217 000

Accounting principles

Tangible capital assets

Tangible fixed assets mainly include technical installations and equipment related to networks and administrative buildings and equipment.

At the entrance, tangible fixed assets are valued at their cost including:

- the purchase price, including customs duties and non-refundable taxes, after deduction of commercial discounts and rebates;
- any costs directly attributable to the transfer of the asset to its place of operation and its refurbishment to enable its operation in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the immobilization and remediation of the site on which it is located. The Group has an obligation to dismantle the technical equipment installed and to rehabilitate the technical sites it occupies. The valuation of the provision is based on a dismantling cost (unit for poles, terminals, and payphones, per site for mobile antennas) supported by the Group to meet its environmental obligations,

annual forecasts for the removal of assets and departures from sites. The provision is estimated based on known costs for the current year, extrapolated for future years based on the best estimate that will make it possible to extinguish the obligation. This estimate shall be revised annually and, if necessary, the provision shall be adjusted with the recognized decommissioning asset as counterpart. The provision is discounted at a rate determined by geographical area corresponding to the average risk-free investment rate of a 15-year government bond.

The cost of acquiring an asset is allocated among its different components, which are accounted for separately when the different components have different useful lives or provide benefits to the company at a different pace requiring the use of different rates and depreciation methods.

Depreciation is calculated according to the consumption rates of the expected economic benefits per asset based on the acquisition cost. The depreciation method is straight-line depreciation over the useful lives selected by the Group presented below:

Main assets	Amortization period
Buildings	20 years
Land enhancement	40 years
Office and housing furniture	10 years
Office equipment	05 years
Layout, facilities	10 years
Transport equipment	05 years
Switching hardware	10 years
Transmission and Data Equipment	05-10 years
Hardware and lines and networks	10 years
Energy Material	07 years
Measuring devices	05 years
Other operating equipment	10 years

Intangible Assets

Intangible assets are initially valued at cost. Where an intangible asset is acquired as part of a business combination, the cost of that intangible asset is at fair value at the date of acquisition, in accordance with IFRS 3.

For internally generated intangible assets:

- no intangible assets resulting from the research (or the research phase of an internal project) are recognized. These expenses are recorded as expenses when they are incurred.
- an intangible asset resulting from the development (or development phase of an internal project) is recognized if, and only if, the technical feasibility of completion (a), the intention to complete the asset and put it into service or sell it (b), the ability to commission or sell it (c), the possibility of generating future economic benefits (d), the availability of technical, financial and other resources, and the ability to reliably assess attributable expenditures (f) can be demonstrated.

«Unbundled» software that is billed separately from computer hardware is also tied up and amortized over an estimated three (3) year lifespan.

The cost of acquiring goodwill is measured at the fair value of the transferred consideration, including any price adjustment clauses, at the date of the acquisition of control. Any change in fair value resulting from a price adjustment is recognized as profit or loss or other comprehensive income. The difference between the transferred consideration and the fair value of identifiable assets acquired and liabilities resumed at the date of acquisition represents goodwill recognized as an asset in the financial Statement. Given the Group's business, fair value valuations of identifiable assets are mainly related to licenses, customer bases and brands.

After its initial recognition, the intangible asset is recognized at its cost less accumulated depreciation and accumulated impairment losses.

Goodwill and other intangible assets with an indefinite useful life are not depreciated but are subject to an impairment test under IAS 36 at least once a year, and whenever there is an index of impairment loss.

Intangible assets with a fixed useful life are depreciated over their estimated useful life. Licenses are amortized over the contractual term.

Note 5.3 Inventories

The Group's inventories are as follows as of 31 December 2021:

(In million XOF)	2021	2020	2019
Stocks and outstanding, equipment sold - Gross	6 437	4 799	7 322
Inventories, other products/services sold - Gross	1 962	2015	793
Inventories, other supplies - Gross	11 115	7 024	7 868
Gross value	19 514	13 837	15 983
Depreciation	(1 416)	(1 535)	(1 736)
Net worth	18 098	12 301	14 247

Accounting principles

Stocks consist of network maintenance materials and equipment for customers. They are valued at the lowest of their entry cost or the probable net realizable value. The cost of entry is the

acquisition cost determined using the weighted average cost method. Stocks that have not recorded movements for more than a year are depreciated at 100%.

Note 5.4 Trade receivables

Trade receivables are as follows as of 31 December 2021

(In million XOF)	2021	2020	2019
Gross trade receivables	178 522	165 017	151 790
Depreciation of trade receivables	(36 387)	(34 550)	(34 831)
Net trade receivables	142 135	130 467	116 959

The aged balance of trade receivables is as follows as of 31 December 2021:

In XOF million	Aged balance of receivables				
	Non échu	>180 days	(180 et 360) days	>360 days	Total 12.2021
Trade receivables	85 451	21 356	9 571	25 757	142 135

Accounting principles

IFRS 9 has three main components: classification and valuation of financial assets and liabilities, impairment of financial assets and hedge accounting.

The standard requires that expected credit losses be considered at the first recognition of financial instruments. It provides for practical facilities for trade receivables, contract assets and lease receivables. It allows the use of simplified methods for determining the amount of depreciation (e.g., the use of a

provisioning matrix for trade receivables). At the level of the Sonatel Group, the elements concerned by the standard are mainly constituted by trade receivables.

Trade receivables, mainly short-term and with no declared interest rate, are recorded in the statement of financial statement for the nominal value of the original claim. Claims resulting from the finance lease of equipment to companies are recognized as current operating receivables because they are part of the normal operating framework.

Impairment losses recognized for a group of receivables are the intermediate step prior to the identification of impairment losses on individual receivables. As soon as this information is available

(customer in receivership or liquidation), these claims are then depreciated separately.

Note 5.5 Other assets

The details of the other assets are as follows:

(In million XOF)	Crude	Supply	2021	2020	2019
Security Deposits & Sureties Paid	6 237		6 237	5 902	5 938
Other non-current assets	2 475		2 475	2 444	2 402
Personnel, receivables	2 024		2 024	1 115	800
Advances & advance payments to suppliers, excluding fixed assets	907		907	239	239
Other operating receivables	18 015	(1 041)	16 974	17 015	18 264
Receivables on disposal of fixed assets	0		-		379
Advances and advance payments on fixed assets	2 278		2 278	2180	406
Cantonment of Units of Value outstanding with customers (1)	231 591		231 591	178 783	123 310
Other current assets	0		-	129	11
Total	263 527	(1 041)	262 486	207 806	151 749
Of which other non-current assets	8 727		8 727	8 345	8 340
Of which other current assets	254 800	(1 041)	253 759	199 461	143 409

(1) These claims are for debts of the same amount at the level of other liabilities (see note 6.3)

The 27% growth in current assets is mainly linked to the development and momentum of Orange Money's activity in the Group's countries of operation.

Orange Money - electronic money ring-fence is presented as follows by country

	Senegal	Mali	Guinea	Bissau	Sierra Leone	Total
2021	56 556	83 769	75 213	4 735	11 318	231 591
2020	61 139	57 730	50 051	1896	7 967	178 783

Accounting principles

Orange Money is a solution for money transfers, payments, and access to financial services through an electronic money («EM») account associated with an Orange mobile number.

Since 2016, the Sonatel Group has become an Issuer of Electronic Money («EME») in some of the countries in which it is present through dedicated and authorized internal subsidiaries. EMEs, guarantors of last resort for the reimbursement of ME holders, are required by law to ring-fence the funds collected in

exchange for the issuance of ME (holder protection obligation). EM's distribution model is based on the Group's subsidiaries and third-party distributors. EMEs issue EM (or «UV» or «E-unit» units of value) at the request of these distributors in exchange for funds collected from them. Distributors in turn transfer the EM held to the final carriers.

At the Sonatel Group's terminals, cantonment is understood as the protection of third-party carriers (distributors and customers).

These transactions have no effect on the Group's net financial debt and are included under the following headings:

- asset containment for an amount necessarily equal to the EM outstanding outside the Sonatel Group (or E-Unit in circulation).

- E-unit in circulation to the liabilities, representative of the obligation to reimburse the third-party holders (customers and third-party distributors).

Note 5.6 Deferred taxes on assets

Deferred income taxes (IDA) are as follows as of December 31, 2021:

In XOF million	2021	2020	2019
Deferred taxes assets	19 266	17 504	18 647

They are presented as follows by country as of December 31, 2021 by nature:

In XOF million	Senegal	Mali	Guinea Conakry	Guinea Bissau	Sierra Leone	Total 2021
Staff Benefits	4 538	1 186	15			5 738
Other provisions	3 891	0	0			3 891
Rental liabilities	2 511	1 348	1 399	72	2 722	8 052
Other differences	(1 803)	1 451	4 253	(67)	(2 249)	1 585
Total	9 137	3 985	5 667	5	472	19 266

Accounting principles

Deferred taxes

The Group assesses current and deferred tax at the amount it expects to pay or collect from the tax administrations of each country based on its interpretation of the application of tax legislation.

Deferred taxes are recognized on all temporal differences between the carrying amounts of assets and liabilities and their tax bases, as well as on deferral tax deficits, using the variable carry-forward method. Deferred tax assets are recognized only when their recovery is likely. A deferred tax liability is recognized for any taxable temporal difference. Deferred tax assets and liabilities are not discounted.

Note 5.7 Non-current and current financial assets

The details of non-current and current financial assets are as follows as of 31 December 2021:

(In million XOF)	2021	2020	2019
Securities & equity	12 943	13 272	6 847
Long-term loans (1)	128 777	151 836	145 720
Financial assets	141 720	165 108	152 567
Non-current financial assets	135 960	159 275	145 884
Current financial assets	5 760	5 833	6 683

(1) Includes long-term loans to third parties other than shareholders, securities & participations, mainly concern employees.

Note 5.8 Cash and cash equivalent

The availability details are as follows:

In million XOF	2 021	2 020	2019
Term Deposits - Gross	15 100	16213	662
Cash equivalent	3 155	7 803	1 720
Cash (1)	225 951	175 676	201 721
Cash and cash equivalent	244 206	199 691	204 103

(1) debit balances of bank accounts at the end of the period - cash accounts

The change in cash statement is as follows as of 31 December 2021 (in XOF billion)

	Senegal	Mali	Guinea	Bissau	Sierra Leone	Total 12.2021	Total 12.2020
Operating activities	137	163	130	17	16	463	385
Investment activities	(75)	(80)	(36)	(13)	(12)	(216)	(216)
Fundraising activities	(80)	(86)	(47)	(1)	(1)	(215)	(167)
Internal Operations	14	(8)	(1)	(5)	(1)	(3)	
Currency exchange and other impacts	(0)	1	15	-	(0)	16	(8)
Variation as of 31 December 2021	(5)	(11)	61	(3)	2	45	(4)

Note 6. Notes on the headings of financial statement - liabilities

Note 6.1 Current and non-current financial liabilities

Non-current financial liabilities are as follows as of December 31, 2021:

In XOF million	2021	2020	2019
Loans	202,538	296 368	175 280

Details of borrowing by country are presented below:

In XOF million	Senegal	Mali	Sierra Leone	Total 31/12/2020	Total 31/12/2020
Bonds (1)	100 000			100 000	100 000
Bank loans	31 149	71 043	347	102 538	196 368
Non-current financial liabilities	131 149	71 043	347	202 538	296 368

(1) June 15 to July 15, 2020: Sonatel undertakes a €100 billion bond to finance the 2020 investment plan related to its operations in Senegal, Sonatel Group's main market in volume and value. The investment program in Senegal, covered by the bond issue, will ultimately improve the customer experience, continue the modernization and extension of its network while strengthening the Company's pioneering role in terms of innovation and technology in the TMT (Technologies-Media-Telecommunications) sector in the WAEMU zone. The use of the funds raised will be dedicated to investments in infrastructure to support the Voice segment, the acceleration of the main growth drivers such as Mobile Data and Orange Money as well as the launch of new businesses (Energy, Banking, multimedia content).

Current financial liabilities are as follows as of December 31, 2021

In XOF million	2021	2020	2019
Other bank loans	191 881	155 309	215 133
Loans	262	224	217
Interest/costs payable on borrowings (1)	4 444	5 161	5 664
Interest/costs payable on associated debts	121	49	1 509
Bank credit balances	17 434		20 079
Current financial liabilities	214 143	160 744	242 602

(1) Of which 2,967 on bonds

Current financial liabilities are detailed below by country:

In XOF million	Senegal	Mali	Guinea Conakry	Bissau	Sierra Leone	12.2021	12.2020
Other bank loans	127 317	64 564	0	0		191 881	155 309
Loans		609			347	262	224
Interest/costs payable on borrowings	4 444		0	0		4 444	5 161
Interest/costs payable on associated debts	26		72	39	(15)	121	49
Bank credit balances		17 006	0	0	428	17 434	
Current financial liabilities	131 787	82 179	72	39	67	214 143	160 744

Note 6.2 Current and non-routine staff benefits

In accordance with the laws and practices of each country in which it operates, the Sonatel Group has obligations regarding employee benefits:

- pension: most of the Group's employees are covered by defined contribution schemes provided for by national laws or agreements;
- death of the worker: the worker's salary, the holiday allowance and the allowances of any kind acquired on the date of death are due to the beneficiaries;

- pre-retirement: for pre-retired employees, a bonus equivalent to a percentage of the last average annual salary multiplied by the remaining period to reach retirement in addition to the retirement allowance increased by 15%.

The benefits for non-current staff are as follows:

In XOF million	12.2021	12.2020	12.2019
Non-routine staff benefits	25 467	22 267	24 664

For the 2021 fiscal year, they amount to XOF 25 billion and are mainly related to post-employment benefits, in application of IAS 19 as presented below:

In XOF million	Senegal	Mali	Guinea	Sierra Leone	2021
Post-employment benefits	19 192	3 084	201	1 710	24 187
Litigation and social risks	1 279				6 687
Non-routine staff benefits	20 472	3 084	201	1 710	25 467

The details of the benefits for current staff are as follows by zone as of December 31, 2021:

in XOF million	Senegal	Mali	Guinea	Bissau	Sierra Leone	Total 2021	Total 2020
Personnel, debts	5 272	2 543	1 154	139	584	9 692	7 253
Staff liabilities, paid leave	3 909	0	900	89	65	4 963	4 287
Social organizations, debts	225	2 152	32	25	98	2 532	2 745
State – debts						0	23
Other benefits, debts	10		21			31	15
Common Staff Benefits	9 416	4 694	2 107	253	748	17 218	14 324

Main assumptions used in determining the number of commitments (IAS19)

The assessment of post-employment and other long-term benefits is based on the retirement age determined based on the applicable provisions and the conditions necessary to

qualify for a full pension, which are often subject to legislative revisions.

The details of the assumptions in IAS 19 can be summarized as follows:

ACTUARIAL HYPOTHESES			
	2021	2020	2019
Rate of increase in wages	3.4	3.4	3.4
Discount rate	8	8	8
Inflation rate	1.5	1.5	1.5
Probability of being present in the entity on the date of retirement (experience)	99.92	99.92	99.92

To assess the present value of future benefits, several assumptions must be made. IAS 19 specifies that actuarial assumptions must be objective and mutually consistent. It is also stated that actuarial assumptions are the Best Estimates made by the Sonatel Group of the variables that will determine the final cost of its obligations. Thus, the choice of valuation assumptions is the responsibility of the Sonatel Group. Assumptions include:

- the legal retirement age
- demographic assumptions about future characteristics of staff: mortality, staff turnover and pre-retirement rate
- financial assumptions, which relate to elements such as the following: the discount rate, the rate of evolution of wages.

Accounting principles

- Post-employment benefits under IAS 19 are offered through:
- defined contribution schemes: contributions, paid to external bodies which manage them administratively and financially, are recognized as expenses for the fiscal year in which the services are provided.
 - defined benefit schemes: the amount of future liabilities representative of these schemes is assessed on the basis of actuarial assumptions according to the projected credit unit method:
 - their calculation incorporates demographic assumptions (staff turnover, mortality, gender equality, etc.) and financial assumptions (future salary increase, inflation rate, etc.) defined at the boundaries of each of the entities concerned,
 - the discount rate, defined by country or geographical area, is determined by reference to the yield on first-class long-

term private bonds (or government bonds if there is no active market). It is determined based on external indices commonly used as a benchmark for the euro area,
 - actuarial differences relating to post-employment benefits are recognized in their entirety as other comprehensive income.

Note 6.3 Other liabilities

The Group's other liabilities are broken down as follows:

(In million XOF)	2021	2020	2019
Other disputes	9 249	6 687	4 164
Other risks/charges	8 348	4 131	5 028
Security Deposits & Bonds Received	2 320	1 307	1 343
Other operating debts	16 529	8 942	16 402
Other operating elements	(45)	-166	139
Dividends to be paid	1 599	1 379	39 937
E-unit in circulation with customers (see note 3.5)	231 591	177 396	123 310
Total	269 592	199 676	190 322
Of which other non-current liabilities	11 568	9 760	7 311
Of which other current liabilities	258 023	189 916	183 012

Accounting principles

Provisions are recognized when, at the end of the fiscal year, there is an obligation on the part of the company to a third party resulting from a past event, the settlement of which is likely to result in the company being an outflow of resources representative of economic benefits. More specifically, these are provisions for disputes, provisions for dismantling and rehabilitation of sites, provisions for retirement, etc.

Note 6.4 Evolution of tax litigation and audits

This note presents all significant disputes in which the Sonatel Group is involved, except for any disputes related to disagreements between the Sonatel Group and the tax or social authorities regarding taxes, corporate taxes, or social contributions.

The payment of the capital is made in one go at the time of retirement.

Also, the Group does not have hedging assets dedicated to the commitments of the payments of post-employment benefits.

The estimate of the amount shown as a provision for risks and expenses corresponds to the outflow of resources that the company will probably have to bear to extinguish its obligation.

The provisions for dismantling are not significant and do not impact the consolidated financial statements.

As of 31 December 2021, the provisions for risks recorded by the Group in respect of all its disputes amounted to XOF 16,502 million and covered the risks relating to all ongoing disputes.

(In million XOF)	Senegal	Mali	Guinea	Bissau	Total
Litigation and social risks	6 279 (1)				6 279
Other disputes		9 249 (2)	957	17	10 223
Total	6 279	9 249	957	17	16 502

(1) including 5 billion XOF of provision relating to the fine received from the ARTP.

(2) including 7 billion XOF relating to litigation on outgoing calls.

Tax audits

The Sonatel Group has been subject to tax audits covering the fiscal years 2018 to 2021, the balanced balances of which have no future significant accounting impact on the Group's accounts.

Other Group Disputes

In Senegal

At the end of the 2021 fiscal year, Sonatel received a notification of fine from the Telecommunications and Postal Regulatory Authority (ARTP) relating to the quality of services for an amount of XOF 16 billion.

Sonatel has appealed against this decision of the regulatory authority

In Mali

In Mali, telecom operators had been sued to challenge the billing of communications leading to voicemail. The court of first

instance had in 2013 rejected the plaintiffs, and the Malian regulatory authority (AMRTP) had confirmed the conformity of this billing. At the end of 2021, following an appeal by the plaintiffs, the Bamako Court of Appeal sentenced the telecom operators, and in particular Orange Mali, to pay the sum of 176 million euros. Orange Mali brought several appeals against this decision, on the one hand under the limitation period of the appeal of the nullity of the judgment issued, and on the other hand for illegality and annulment of the appeal. After the judgment was served, Orange Mali appealed to the Malian Supreme Court.

Apart from the challenges to tax audits and litigation already recorded, there are no other administrative, judicial, or arbitral proceedings of which the Sonatel Group is aware (whether ongoing, pending or threatened), having had in the last 12 months or likely to have significant effects on the Group's financial situation or profitability.

Note 6.5 Payables on other goods and services

The Group's other payables are as follows:

(In million XOF)	2021	2020	2019
Debts/receivables on fixed assets	16	75	635
Debts on telecommunications licenses	7 000		
Other capital suppliers	110 884	99 821	94 676
Payables, excluding fixed assets	197 857	192 489	191 074
Other payables	90	(155)	(3 853)
Payables	315 846	292 230	282 532

Accounting principles

Payables on other goods and services arising from commercial transactions and settled in the normal operating cycle are

classified into current items. They shall include those which the supplier may have transferred with or without notification to financial institutions in the context of direct or reverse

factoring, including those for which the supplier has offered an extended payment term and for which the company has confirmed its payment agreement at the agreed term.

The SONATEL Group considers that these financial liabilities retain the characteristics of a payable, in particular because of the persistence of the commercial relationship, payment terms in fine in accordance with the operational cycle of a

telecom operator in particular for the purchase of the main infrastructures, the autonomy of the supplier in the discount relationship and a financial cost supported by the Sonatel Group which corresponds to the supplier's remuneration for the delay of additional payment granted. Payables without a specified interest rate are valued at the nominal value of the debt if the interest component is negligible. Interest-bearing payables are recognized at amortized cost.

Note 6.6 Deferred Income (BCP)

Residual deferred income is outside the scope of IFRS 15. They are as follows:

in million XOF)	2021	2020	2019
Other operating prepaid income	15,285	17 100	16 006

These are the invoiced products that will be recorded in Turnover in the future period(s).

The breakdown of other deferred income by country is detailed below as of 31 December 2021:

in XOF million	Senegal	Mali	Guinea Conakry	Guinea Bissau	Total 2021
Other Operating CACs	3 846	613	10 684	141	15 285

En millions CFA	Senegal	Mali	Guinea Conakry	Guinea Bissau	Total 2020
Other Operating CACs	6 935	269	8 562	1 334	17 100

Note 6.7 Conversion deviation

The translation differences of are as follows:

In million XOF	31-Dec-21	31-Dec-20	31-Dec-19
Sierra Leone	(39 815)	(37 523)	(29 911)
Guinea Conakry	3 545	(21 388)	(4 675)
Total	(36 270)	(58 912)	(34 586)

The exchange rates used for the conversion of foreign currency transactions against XOF are as follows:

Rate 2021 12	CR	AR	RNA-1	GOLD
GNF Guinea Franc	0,0629921	0,0557743	0,0577428	0,0531496
SLL Leone	0,0511811	0,0531496	0,0583990	0,0531496
Rate 2020 12	CR	AR	RNA-1	GOLD
GNF Guinea Franc	0,05314961	0,05774278	0,06364829	0,06233596
SLL Leone	0,05314961	0,05839895	0,06496063	0,06036745
Rate 2019 12	CR	AR	RNA-1	GOLD
GNF Guinea Franc	0,06233596	0,06364829	0,06233596	0,06299213
SLL Leone	0,06036745	0,06496063	0,07020997	0,06824147

Accounting principles

The functional currency used by SONATEL is the XOF. The financial statements of foreign entities whose functional currency is different from the XOF and is not the currency of a hyper-inflationary economy are converted into XOF (the Group's financial statement presentation currency) as follows:

- assets and liabilities are converted at the closing rate;
- the income statement is converted at the exchange rate in force on the dates of the transactions (historical rate) or at the average rate of the period;
- the difference resulting from the application of these different rates are shown in the other elements of income.

Differences resulting from the use of different prices for the opening balance sheet statement, the period transactions and

the closing balance sheet statement are recorded as other income (OIC). These differences are recorded in the income statement (i.e., «recycling» of the OIC) at the time of the sale of the company in question.

Goodwill and fair value adjustments recognized when acquiring companies whose functional currency is not the XOF must be considered as assets and liabilities of these companies; they are therefore expressed in the own functional currency of these companies and converted at the closing rate of each period.

In the context of the first application of IFRS, the Group, in accordance with the provisions of IAS 21, recognized translation differences in other comprehensive income and accumulated them in an equity component.

Note 7. Description of free share allocation plans

The details and description of the free share allocation plans are as follows:

- Distributions from 2009: non-transferable free shares including welcome shares

These are shares granted to staff as part of the policy of retaining their staff and making quality resources attractive. These shares are transferable only on the date of retirement or early retirement.

- Free share allocations (AGM) relating to the 2013-2016 corporate plan

These are shares related to the achievement of several objectives of the 2013-2016 Strategic Plan according to the milestone below: 100 shares for the years 2013, 2014 and 2015, 200 shares for 2016.

These shares are non-transferable until retirement with the particularity that resignations and licensees keep their shares, receive dividends, but can only sell them when retired. In accordance with IAS 8, adjustments were made to the AGM plans from 2013 to 2016 for a amount of XOF 7 billion.

The amount of AGM on the dates of the order is as follows:

in million XOF)	2021	2020	2019
Number of free shares	29 147	35 092	28 589

The accounting effects on the expenses of the free share allocations (AGM) amounted to XOF 1,333 million for the year. The change in the amount of AGM of -21% during the year is mainly due to the adjustments recorded during the year.

Note 8. Leases (IFRS 16)

Accounting principles

The main accounting positions relating to the IFRS IC committee's decision published in December 2019 on the terms of IFRS 16 contracts are detailed in Note 2.3.1.

The Sonatel Group qualifies a rental contract if it confers on the lessee the right to control the use of a specific property for a given period, including when a service contract contains a rental component.

The Group has defined the main families of leases:

- Land and buildings: these contracts mainly concern commercial leases (points of sale) or tertiary leases (offices) or the rental of technical buildings not owned by the Group. The real estate leases concluded within the Sonatel Group mainly relate to medium terms (commercial leases of 5 years with an early termination option of 3).
- Networks and terminals: The Sonatel Group is required to lease several assets as part of its mobile activities. This is particularly the case for land intended to accommodate the installation of antennas, mobile sites leased to a third-party operator as well as certain contracts with «TowerCos» (companies operating telecommunications towers).

The recognition of all leases results in the recognition of an asset in respect of the right to use the leased assets in return for

a liability for the associated lease obligations. In the income statement, an amortization of rights of use is presented separately from the interest expense on rental debts.

In the cash flow statement, cash outflows related to interest expense affect the flows generated by the business, while the repayment of principal from lease debts affects flows related to financing transactions.

Finally, the Sonatel Group applies the two exemptions proposed by IFRS 16, i.e., contracts with a duration of less than or equal to 12 months and those whose replacement value of the underlying asset is less than approximately XOF 3.5 million. Those leases for which one of these two exemptions is met is accounted in the «external purchases» in the income statement. For the period prior to 2019, the Group has decided not to carry out a retrospective restatement, partly because of the unavailability of the information necessary for the restatement and partly because of the insignificant impact on equity.

As of 1 January 2019, the Group recognizes all its leases (as lessee) according to a single model in which an asset under the right to use leased assets will be recognized on the balance sheet in return for a liability for associated lease obligations.

Non-current rental debts

Lease liabilities, which represent the impact of the application of IFRS 16 for 2021/2020, are as follows by sector:

in XOF million	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	Total 2021
Other rent debts (excluding interest)	7 754	966	77	1 947	8 956	19 700

in XOF million	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	Total 2021
Other rent debts (excluding interest)	8 868	3 340	160	2 410	7 731	22 508

Right of use

The Group recognizes all its leases (as lessee) according to a single model in which an asset under the right to use leased assets will be recognized on the balance sheet in return for a liability for the associated lease obligations.

The net impact on the balance sheet for the year, which amounts to XOF 26 billion, results from the recognition of the rental obligation and the right of use associated with lease contracts. In addition, the Sonatel Group has taken the option to recognize deferred taxes upon the initial recognition of the right of use and the rental obligation from the transition.

in XOF million	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	2 021
Usage Rights Corp. Intangible Solutions	-	2 684	-	-	-	2 684
Other rights of use of leased assets	15 333	9 631	913	9 459	12 227	47 563
Depreciation	(7 326)	(5 486)	(662)	(5 902)	(3 627)	(23 003)
Total	8 008	6 829	251	3 557	8 599	27 243

Note 9. Off-balance-sheet commitments

Investment commitments

In addition to the commitments expressed in monetary terms, the Sonatel Group has made commitments to the national regulatory authorities regarding the extent of coverage of the population by its fixed or mobile networks, in the context of the award of licenses, or quality of service. These commitments require capital expenditure in future years to deploy and improve networks but are not included below when they have not been expressed in monetary terms, which is usually the case.

When awarding the 4G license and renewing the 2G and 3G mobile license, the following commitments are made by the Group :

- an obligation to cover 90% of the population in 3 years;
 - an obligation to cover the territory of all inhabited border areas whose number of inhabitants is greater than or equal to 200 to 5 years;
 - an obligation to cover national roads and motorways in 2 years
- In 2021, the group received and gave the following detailed off-balance sheet commitments:

Commitments received

In million XOF	2021	2020	2019
Supplier deposit	7 529	4 694	5 758
Pledge of staff shares	680	2	702
Total	8 209	4 696	6 461

Commitments given

In million XOF	2021	2020	2019
Customs credit deposit	2 700	2 700	2 700
Contract submission security	8 298	7 884	10 184
Guarantees and other commitments given	692	1 489	1 361
Total	19,918	12 073	14 245

Note 10. Transactions with companies and related parties

The Group does not purchase goods or services from States except for the use of spectral resources. These resources are allocated following competitive bidding processes.

The main transactions with related companies (the state and Orange France) are summarized below and are part of the current operation. They mainly concern the two main shareholders.

in XOF million	Senegal	Mali	Guinea Bissau	Guinea Conakry	Sierra Leone	31-Dec 2 021
Balance Receivables	2 938	2 221	663	1 790	708	8 319
Debts balances	10 585	5 177	663	4 469	1 125	22 018
Revenues	8 501	15 918	538	80	1 516	26 553
Expenses	(5 162)	(5 983)	(45)	(2 239)	(1 554)	(14 983)

Commercial services and various chargebacks with Orange France, majority shareholder amounted to XOF 26.6 billion for the year, expenses amounted to XOF 15 billion.

- claims held on the State as part of annual invoicing for a value of XOF 6.4 billion as of 31 December 2021. These claims are settled by offsetting

The various agreements and amendments with Orange France and the State can be summarized as follows:

- Memorandum of Understanding which cancels and replaces the cooperation agreement signed on 18 December 2013 between SONATEL SA and Orange MEA for a period of twenty-one (21) months. This protocol specifies the terms and conditions under which Orange MEA undertakes to transfer certain elements of its know-how and to provide Sonatel with consulting and assistance services in several areas.
- Memorandum of Understanding for the renewal of the 4G frequency concession and allocation agreement signed on 18 June 2016.

Note 11. Financial Risk Management

Interest rate risk

The Group is not exposed to the risk of changes in market interest rates, which is linked to the sonatel Group's long-term financial debt, as all debt is fixed rate.

Currency risk

Most of the Sonatel Group's turnover is generated in XOF. Foreign subsidiaries outside the XOF zone generate most of their turnover domestically.

The indebtedness is realized mainly in XOF and the indebtedness of the subsidiaries outside XOF is carried out in the currency of their respective countries.

The possible impact on the Group of the exchange rate fluctuations experienced by these subsidiaries is very small.

The Group does not use hedging instruments.

Credit risk

The Sonatel Group only maintains commercial relations with third parties whose financial health is proven. A significant part of its turnover is made with local authorities and public sector bodies.

For the rest of the turnover, the Sonatel Group's policy is to check the financial health of all customers who wish to obtain payment terms on credit. In addition, customer balances are continuously monitored and therefore the Group's exposure to bad debts is not significant.

As for cash and cash equivalents, they are mainly composed of term accounts.

SONATEL LTD

IFRS INDIVIDUAL ACCOUNTS

YEAR ENDED DECEMBER 31, 2021

Income statement

(en milliers FCFA)	Note	2021	2020
(In thousand XOF)			
Turnover	3.1	485 560 161	445 463 294
External purchases	3.4.	(168 579 910)	(164 705 103)
Other operating income	3.5	24 426 501	28 854 298
Other operating expenses	3.6	(17 737 049)	(13 784 285)
Personnel costs	3.7	(79 999 689)	(77 958 595)
Taxes and operating taxes	3.8	(38 982 240)	(36 888 673)
Depreciation of for rights of use of leased assets	3.9	(2 669 234)	(2 072 799)
Depreciation	3.9	(75 887 832)	(75 245 231)
Result of disposal of securities and activities		279 400	65 064
Restructuring and integration costs		155 379	155 379
Operating income		126 565 487	103 883 349
Cost of gross financial debt		(16 322 326)	(17 257 110)
Interest charges on rental debts		(504 784)	(432 003)
Income and expenses on assets constituting net debt		223 333	675 500
Foreign exchange gain(loss)		(555 216)	(2 766 637)
Other financial income and expenses		99 686 763	94 951 930
Financial result	3.10	82 527 770	75 171 680
Corporate tax		(33 995 508)	(29 847 437)
Net income	3.12	175 097 749	149 207 592

Group Income Statement

(In thousand XOF)	2021	2020
Net income	175 097 749	149 207 592
Elements that are not recyclable as result		
Post-employment benefit, actuarial difference	- 5 792 950	3 870 467
Recyclable elements in result		
Other earnings before tax	-5 792 950	3 870 467
Tax on other income (non-recyclable)	- 1 737 885	1 161 140
Other group income	- 1 737 885	1 161 140
Net group result	176 835 634	148 046 452

Balance sheet

(In thousand XOF)	Note	31-Dec 2021	31-Dec 2020	31-Dec 2019
Active				
Other intangible assets	4.1	105 933 554	112 120 992	103 618 418
Tangible capital assets	4.1	373 113 200	356 483 570	147 179 029
Rights of use for leased fixed assets	7.	8 007 541	9 004 544	1 283 856
Non-current financial assets	4.2	273 353 209	286 866 253	290 871 225
Other non-current assets	4.5	3 473 182	3 425 038	1 384 485
Deferred taxes assets	4.6	11 531 278	11 118 451	8 698 106
Total non-current assets		775 411 964	779 018 848	553 035 118
Stocks	4.3	12 993 179	7 797 845	4 450 533
Trade receivables	4.4	103 859 081	90 185 404	118 461 960
Current financial assets	4.2	3 942 544	3 987 170	36 196 397
Other current assets	4.5	49 178 475	27 904 488	34 997 107
Taxes and operating taxes	4.7	34 949 197	35 575 390	16 454 608
Corporate tax	4.8	2 042 357	3 052 315	2 715 317
Prepaid expenses		3 433 918	3 331 481	1 198 490
Cash and cash equivalent	4.9	37 620 190	56 844 630	46 088 153
Total current assets		248 018 941	228 678 723	260 562 565
Total assets		1 023 430 905	1 007 697 571	813 597 683

Balance sheet

(In thousand XOF)	Note	31-Dec 2021	31-Dec 2020	31-Dec 2019
Liabilities				
Share capital		50 000 000	50 000 000	50 000 000
Reserves		434 759 788	420 498 424	288 023 113
Total equity		484 759 788	470 498 424	338 023 113
Non-current financial liabilities	5.1	145 671 855	219 678 467	120 388 524
Non-current rental debts		8 396 502	9 050 010	989 962
Non-routine staff benefits	5.2	19 841 004	17 491 805	19 779 163
Other non-current liabilities	5.4	896 622	2 540 287	1 824 760
Deferred taxes liabilities		2 394 318	2 693 419	385 157
Total non-current liabilities		177 200 301	251 453 988	143 367 566
Current financial liabilities	5.1	117 627 161	75 238 412	158 086 035
Outstanding debts for current capital assets	5.3	72 476 965	54 492 907	7 218 221
Payables on other goods and services		83 591 372	84 110 911	56 009 786
Current rental debts	7.	-	377 299	343 051
Common Staff Benefits	5.2	9 183 413	7 718 976	9 082 141
Other current liabilities	5.4	9 672 221	3 861 574	66 136 532
Taxes and operating taxes	5.5	30 309 422	23 201 892	18 931 622
Corporate tax	5.5	34 764 480	29 807 756	16 399 617
Deferred income	-	3 845 782	6 935 432	
Total current liabilities		361 470 816	285 745 159	332 207 005
Total liabilities and equity		1 023 430 905	1 007 697 571	813 597 683

Statement of Equity

	Share capital	Reserves	Total equity
Balance as of January 1st 2020	50 000 000	288 023 115	338 023 115
Consolidated group income		149 207 592	149 207 592
Distribution of dividends		(136 111 111)	(136 111 111)
Other movements		119 378 830	119 378 830
Balance as of December 31, 2020	50 000 000	420 498 426	470 498 426
Consolidated group income		175 097 749	175 097 749
Distribution of dividends		(136 111 111)	(136 111 111)
Other movements		(24 725 274)	(24 725 274)
Balance as of December 31, 2021	50 000 000	434 759 790	484 759 790

Cash Flow Statement

(In thousand XOF)	2021	2020
Cash flow from the business		
Net income	175 097 749	149 207 592
<i>Non-cash items and reclassifications</i>		
Taxes and operating taxes	38 982 240	36 888 673
Depreciation of for rights of use of leased assets		
Depreciation and amortization	78 557 066	77 318 030
Result of disposal of assets and other gains & losses	(279 400)	(65 064)
Allocations (reversals) of other provisions	(388 137)	(684 912)
Corporate tax	33 995 508	29 847 437
Financial result	(82 527 770)	(75 171 680)
Net exchange difference (EXP)	151 088	520 670
Compensation in shares	1 158 881	6 830 146
<i>Change in working capital requirements</i>		
Decrease (increase) in inventories	(4 753 344)	1 329 146
Decrease (increase) in trade receivables	(15 197 095)	4 522 223
Increase (decrease) in payables	5 774 157	1 347 993
Decrease (increase) in other receivables	(21 734 830)	(9 459 379)
Increase (decrease) in other debts	(1 026 100)	(9 108 674)
<i>Other monetary items generated by transactions</i>		
Operating taxes disbursed	(34 955 285)	(52 165 093)
Dividends received	100 671 955	97 972 012
Interest income received	696 589	(800 942)
Interest disbursed and net derivatives rate effect	(17 505 936)	(18 209 253)
Corporate taxes disbursed	(28 794 449)	(32 809 127)
Cash generated from operating activities	227 922 887	207 309 798
Cash flow from investment operations		
<i>Other investment flows</i>		
Acquisitions of property, plant and equipment and intangible assets	(86 437 700)	(95 087 718)
Increase (decrease) in capital suppliers	11 059 016	27 472 985
Proceeds from disposals of real property and other tangible and intangible assets	364 427	95 037
Acquisitions of equity securities net of acquired cash	(3 552 980)	3 212 194
Proceeds from the disposal of equity securities net of the cash disposed of	280 795	-
Decrease (increase) in investments and other financial assets	406 944	16 617 611
Cash generated by investment activities (b)	(77 879 498)	(47 689 891)

Cash Flow Statement

(In thousand XOF)	2 021	2 020
Cash flow from financing operations		
<i>Capital financing cash flows</i>		
<i>Bond issues</i>	-	100 000 000
Issuance of long-term loans	-	30 777 806
Repayments of long-term loans	(74 006 612)	(34 601 769)
Repayments of rental debts	(2 524 055)	(1 934 167)
Increase (decrease) in bank overdrafts and other short-term borrowings	43 036 575	(69 544 435)
Share buyback	218 405	1 418 562
Dividends paid to shareholders	(135 900 450)	(174 940 326)
Cash generated by financing activities (c)	(169 176 137)	(148 824 329)
Monetary change in cash and quasi-cash (a) + (b) + (c)	(19 132 748)	10 795 578
Impact of exchange rate changes on cash flow	(91 692)	(39 101)
Net change in cash	(19 224 440)	10 756 477
Net change in cash and cash equivalent		
Cash and cash equivalent at the opening	56 844 630	46 088 153
Net change in cash and cash equivalent	(19 224 440)	10 756 477
Cash and cash equivalent at closing	37 620 190	56 844 630

NOTES

Note 1 - General principles used for the preparation of the financial statements of Sonatel SA in IFRS

Note 1.1 Description of the activity

Sonatel SA offers its individual customers, companies, and other telecommunications operators a wide range of services covering fixed and mobile communications, data transmission and other value-added services.

Telecom operator activities are subject to sector-specific licensing and regulation, and mobile financial services activities have their own regulation.

Note 1.2 Basis for preparing 2021 financial information

The individual financial statements were prepared under the responsibility of the Board of Directors at its meeting on February 24, 2022 and will be submitted to the General Assembly of April 28, 2022 for approval.

The individual statements for the financial year 2021 are prepared in accordance with international accounting standards IFRS as adopted by the IASB, pursuant to the Uniform Act on Accounting Law and Financial Reporting adopted on 26 January 2017 and presented with, in comparison, the financial year 2020 established according to the same standard. Over the periods presented, the standards and interpretations are those adopted by the IASB, except for the texts in the process of adoption, which has no effect on the accounts of Sonatel SA.

The principles adopted for the preparation of the 2021 financial information result from the application of:

- all standards and interpretations adopted by the IASB that are binding as of December 31, 2021;
- open options on the date and modalities of first application;
- recognition and measurement options open by IFRS.

In the absence of a standard or interpretation applicable to a specific transaction or event, the management of Sonatel SA uses judgment to define and apply accounting policies to obtain relevant and reliable information, so that the financial statements:

- present a true and fair view of the entity's financial position, financial performance and cash flows;

- reflect the economic reality of transactions;
- are neutral;
- are cautious;
- are complete in all their significant aspects.

The functional currency and the currency of presentation of the accounts used by Sonatel is the XOF.

Unless otherwise stated, the amounts are expressed in thousand XOF. Sonatel SA has chosen not to manage rounding, so minimal deviations may appear as a result.

As permitted by IAS 1 «Presentation of Financial Statements», Sonatel SA presents the main components of the financial statements and the options used for the presentation of some of them: the income statement, the group income statement, the balance sheet, the statement of equity, the cash flow statement, and the notes thereto.

The notes to the notes are an integral part of the financial statements. They contain additional information to that presented in the rest of the financial statements. They provide narrative descriptions or breakdowns of items presented in these statements as well as information about items that do not meet the criteria for accounting in these statements.

The order in which the information is presented in the Notes is as follows:

- a statement of compliance with International Financial Reporting Standards (IFRS);

- additional information on the items in the income statement, the group income statement, the balance sheet, the statement of equity, the cash flow statement, in the order in which each of the financial statements and each item appears, with for each note a summary of the significant accounting policies applied;
- other information including contingent liabilities and unrecognized contractual liabilities, non-financial information.

Fair value

Fair values of financial assets and liabilities measured at fair value in the Balance sheet are classified according to a hierarchy of three levels:

- Level 1: market prices (unadjusted) on active markets, for identical assets or liabilities, to which the entity may have access at the valuation date;
- Level 2: input data concerning the asset or liability that can be observed directly or indirectly;
- Level 3: Unobservable input data for assets or liabilities.

For financial assets at amortized cost («TURNOVER»), Sonatel SA considers that the book value of cash on hand, trade receivables, as well as various security deposits, is a reasonable approximation of fair value, due to the high degree of liquidity of these items.

The fair value of equity securities corresponds to the market value at the end of the period for listed securities and, for unlisted securities, to a valuation technique determined according to the financial criteria most appropriate to the situation of each security (comparable transactions, multiples of comparable companies, shareholders' agreement, present value of future cash flows).

For payables and deposits received, Sonatel SA considers that the book value is a reasonable approximation of fair value, due to the high degree of liquidity of these items.

Definition of operational sectors and performance indicators

An operational sector is a component of society:

- who engages in activities generating income and expenses,
- whose resources received from the company are the subject of decisions by the entity's main operational decision-maker,
- for which separate financial information is available.

As the Cash Generating Unit (UGT) selected by Sonatel SA is the geographical area (country), this principle does not apply to individual accounts.

Operational performance indicators in 2021

EBITDAal is the operating result before depreciation and amortization of fixed assets, effects related to takeovers, reversals of conversion reserves of liquidated entities, impairment losses of goodwill and fixed assets.

eCapex corresponds to the acquisition of intangible and tangible assets excluding telecommunications licenses and investments in financed assets, less the sale price of fixed assets. They are an indicator used internally for resource allocation. eCapex is not a financial aggregate defined by IFRS and may not be comparable to indicators so named by other companies.

The managers of Sonatel SA consider that the presentation of these indicators is relevant since it provides the readers of the accounts with the management indicators used internally.

Note 1. 3 New standards and interpretations applied as of January 1, 2021

Note 1. 3.1 Amendment IFRS9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: IBOR Phase 2 Reform

The amendments to the standards for this phase 2 provide practical expedients regarding the modification of financial instruments or leases related to the IBOR reform. For debt instruments affected by the IBOR reform, when changing the rate, it will not be necessary to apply the provisions of IFRS 9 to determine whether the change in the instrument is material. The amendments propose that changes to financial instruments related to the reform should be treated prospectively as a discount of the interest rate without impact on the income statement. Regarding hedge accounting, the amendments introduce an exemption to maintain hedge accounting despite the evolution of future cash flows impacted by the rate change induced by the reform.

These amendments had no impact on Sonatel's accounts as of 31 December 2021

Note 1. 3.2 Decision of the IFRS IC Interpretation Committee on IAS 19 «Employee Benefits» on the calculation of certain liabilities relating to certain defined benefit plans

IFRS IC was asked about the methods of calculating commitments of defined benefit schemes for which the allocation of rights is conditional on the presence in the company at the time of retirement (with loss of any right in the event of early departure) and whose rights depend on seniority, while being capped at a certain number of years of seniority. For plans reviewed by IFRS IC, the ceiling may occur at a date prior to retirement.

Note 1.4 Main texts that must be implemented after 31 December 2021 and not applied in advance

Note 1. 4. 1 Amendment IAS1: Classification of liabilities as current or non-current liabilities

The amendment to the standard clarifies the current requirements of IAS 1 on the classification of liabilities on the balance sheet of entities. This amendment is not expected to have any significant effect on the balance sheet of Sonatel SA. However, the implementation of this amendment could lead to the reclassification of certain liabilities from current to non-current, and vice versa. The date of entry into force of this amendment is 1 January 2024.

The reading of IAS 19 had led to a practice consisting in measuring and accounting for commitment in a linear manner on the employee's career in the Group. The commitment thus calculated corresponds to the proportion of the rights acquired by the employee at the time of retirement.

Since the IFRS IC decision concludes, in the present case, that no rights are acquired in the event of departure before retirement age and that the rights are capped after a certain number of years of seniority («X»), the commitment would be counted only on the last X years of the employee's career in the company.

As the IFRS IC decision has been published and the implementation of this decision requires a review of actuarial calculation models, Sonatel continues its analysis to estimate the effect of this application.

Note 1.3.3 IFRS IC Decision on the Costs of Implementing a Cloud Computing Agreement – IAS 38

IFRS IC has specified the cases of capitalization in intangible assets of the costs of configuration and adaptation of software acquired in SaaS mode («Software as a Service»). According to this decision, only services leading to the creation of an additional code controlled by the customer could be capitalized. Other benefits would be recognized as expenses for the period or as deferred charges. The method of accounting for the costs of implementing contracts in SaaS mode of Sonatel SA are in accordance with the accounting provisions recalled by IFRS IC in its decision.

Note 1.4.2 Amendment IAS 16: Revenue Generated Before the Intended Use of an Asset

The amendment clarifies that an entity is not permitted to recognize revenues from the sale of manufactured items as a decrease in the cost of the capital asset during the preparation of the asset for its intended use. These sales incomes are to be recognized in the income statement. This amendment should have no effect on the accounts of Sonatel SA. The amendment is applicable to financial years beginning on or after 1 January 2022.

Note 1.4.3 Amendment IAS 37: Loss-making contract – Contract performance costs

The clarifications provided by the amendment concern the marginal costs of performing an expensive contract to be considered in the provision, namely the costs of direct labor and materials as well as the charging of other costs directly related to the contract, such as the depreciation charge relating to a fixed asset used for the performance of the contract. The analysis of the possible provisions of this amendment is being analyzed. The amendment shall apply from 1 January 2022.

Note 1.4.4 Amendment IAS 12: Taxes – Deferred taxes relating to an asset or liability acquired through a single transaction

The amendment introduces a new exception to the exemption from the initial accounting for deferred taxes. As a result of this

amendment, an entity does not apply the initial recognition exemption for transactions that give rise to deductible temporal differences.

Depending on the applicable tax law, equal taxable and deductible temporal differences may arise when an asset and liability are initially recognized in a transaction that is not a business combination and that does not affect either the accounting profit or the taxable profit. For example, this may occur when accounting for lease debt and the corresponding right of use under IFRS 16 on the start date of a lease. The accounting principles of Sonatel SA are already aligned with the amendment's proposals. The provisions of this amendment shall apply from 1 January 2023.

Note 1. 5 Recourse to judgment and estimates

In addition to accounting options or positions, the Management of Sonatel SA exercises its judgment to define the accounting treatment of certain transactions:

Recourse to the Judgment	
Theme	Nature of the accounting judgment
Note 3.1 Sales	Distribution of the transaction price between the mobile and the service Identification of separate or non-separate performance obligations
Notes 3.4; 3.6; 3.8 Purchases and other charges, taxes and disputes	Assessment of the technical merits of interpretations of legislation and the characterization of facts and circumstances Expensive supplier contracts: operative event, nature of unavoidable costs
Note 7. Leases	Determination of the non-cancellable duration of contracts and assessment of whether to exercise the options for termination, extension, and exercise of options
Use of estimates	
Note 4.1 Capital Assets	Determination of the useful life of assets based on the assessment of changing technological, regulatory, or economic environments
Notes 5.2 Staff Benefits	Discount rate sensitivity

Note 2. Declaration of conformity

Pursuant to the Uniform Act on Accounting Law and Financial Reporting adopted on 26 January 2017, Companies whose securities are listed on a stock exchange have been required to prepare and present their individual financial statements in accordance with IFRS as of 01 January 2019. These are the third individual IFRS accounts published by SONATEL SA.

The individual accounts for fiscal year 2021 are prepared in accordance with international accounting standards IFRS as adopted by the IASB, in comparison with fiscal year 2020.

Note 3. Notes on income statement items

Note 3.1 Turnover

Breakdown of turnover by type of offer

In thousand XOF	2021	2020
Outbound voice revenue	171 555 011	165 751 287
SMS and SVA revenues	21 641 685	16 015 692
Data Revenue	138 490 953	117 754 650
Customer roaming	140 996	214 217
Content	-	18 897
Fixed services revenue including broadband	53 813 416	55 018 378
Revenue sales of fixed and mobile equipment	10 342 185	8 078 453
Other retail revenue	21 820 785	15 647 045
Domestic incoming income	11 042 883	13 087 148
International inbound revenue	18 032 551	0 398 178
Income hubbing arrived	15 278 318	16 674 137
Visitor roaming	3 108 899	2 382 312
Other wholesale revenues	14 081 963	6 998 645
Other	6 210 516	7 424 255
Total Turnover	445 463 294	445 463 294

Accounting principles

The bulk of revenue is within the scope of IFRS 15 «Revenue from Contracts with Customers». Orange's products and services are offered to customers in service contracts alone and in contracts that bundle the equipment used to access the services and/or with other service offerings. Turnover is

recorded net of VAT and other taxes collected on behalf of the States.

Provision of services

For consumer and corporate customers, the products of telephone subscriptions and Internet access are accounted

for linearly over the duration of the provision of the subscription and the products of incoming and outgoing telephone communications, international roaming, or data exchanges invoiced to customers are recorded when the service is rendered. The Company offers its corporate customers tailor-made solutions: telecommunications network management, access, voice and data, migration. These contracts include contractual clauses relating to conditional commercial discounts which are recorded as a decrease in turnover according to the terms and conditions specific to each contract. Migration costs incurred by the Company under these contracts are recognized in profit or loss on the date they are incurred except where the contracts provide for compensation in the event of early termination.

For operator customers, wholesale subscription sales are recognized on pro rata basis because this represents the best estimate of the consumption of the service, and wholesale sales of voice or data traffic (termination on the Orange network, international traffic) are recorded when the service is rendered. Between major transit operators (international carriers), the volumes of minutes exchanged are billed and recorded in gross (and most often settled on a net basis) and data volumes are not billed (Free peering).

For over-the-top content (OTT) players (Google, Apple, Microsoft) the volumes of data they emit are not billed (Free peering and net neutrality) and not recognized in terms of turnover.

Revenues relating to the sale of transmission capacity on submarine and terrestrial cables as well as local loop access offers are recorded linearly over the contractual term.

The accounting for contracts for the sale of content in gross or net of repayments to the supplier depends on the analysis of the facts and circumstances related to each transaction. Thus, revenues are recorded in net when suppliers are responsible for

providing content to the end customer and set retail prices. This principle is applied to revenues from revenue and cost-shared numbers (special pricing numbers, etc.) as well as revenues from the sale or provision of content (audio, video, games, etc.) through the Company's various means of communication (mobile, PC, TV, landline telephone).

The Company includes in all its commercial contracts, service level commitments (delivery times, recovery time). These service levels cover the commitments given by Sonatel SA under the ordering, delivery, and after-sales service processes. Failure to comply with one of these commitments leads Sonatel SA to pay compensation to the end customer, which generally takes the form of a price reduction recorded as a decrease in turnover. These penalties are counted as soon as it is likely that they will be paid.

Turnover is presented net of discounts granted. In the context of commercial offers relating to certain contracts including commitments of duration of the customers, the Company grants by contract a free or temporary price reduction. When these freebies are conditional on a commitment of duration, the total income of the contract may be spread over the entire duration of the contractual commitment. Loyalty points awarded to customers are considered a separable element remaining to be delivered in the transaction that generated the acquisition of these points. Part of the income from the services invoiced is allocated to these points based on their fair value, considering an estimated rate of utilization, and deferred until the date of actual transformation of the points into benefits. Fair value is defined as the additional value of the bonus granted to the loyal customer over the premium that would be granted to any new customer. This principle is applied to the two types of programs existing within the Company, those subject to the subscription of a new contractual commitment and those without condition of commitment.

Note 3.2. From revenue to restated EBITDA

The revenue items at restated EBITDA can be summarized as follows:

(In thousand XOF)	IFRS Accounts Sonatel SA
2021	
Turnover	485 560 161
External purchases	(168 579 910)
Personnel costs	(79 999 689)
Taxes and operating taxes (excluding IS)	(38 982 240)
Other operating expenses	(17 737 049)
Other operating income	24 426 501
Depreciation of rights of use of leased assets	(2 669 234)
Interest charges on rental debts	(504 784)
EBITDAal	201 513 756
Disposal result and other gains (losses)	279 400
Restructuring and integration costs	155 379
Restated EBITDA	201 948 535
2020	
Turnover	445 463 294
External purchases	(164 705 103)
Personnel costs	(77 958 595)
Taxes and operating taxes (excluding IS)	(36 888 673)
Other operating expenses	(13 784 285)
Other operating income	28 854 298
Depreciation of rights of use of leased assets	(2 072 799)
Interest charges on rental debts	(432 003)
EBITDAal	178 476 134
Disposal result and other gains (losses)	65 064
Restructuring and integration costs	155 379
Restated EBITDA	178 696 577

Note 3. 3. De EBITDA restated to net income

The titles of restated EBITDA to Net Income can be summarized as follows:

(In thousand XOF)	IFRS Accounts Sonatel SA
2021	
Restated EBITDA	201 948 535
Depreciation and amortization	(75 887 832)
Interest charges on rental debts	504 784
EBIT	126 565 487
Cost of gross debt	(16 322 326)
Income and expenses on assets constituting net debt	223 333
Other financial income and expenses	99 686 763
Interest charges on rental debts	(504 784)
Foreign exchange gain(loss)	(555 216)
Financial result	82 527 770
Corporate tax	(33 995 508)
Net income	175 097 749
2020	
Restated EBITDA	178 696 577
Depreciation and amortization	(75 245 231)
Interest charges on rental debts	432 003
EBIT	103 883 349
Cost of gross debt	(17 257 110)
Income and expenses on assets constituting net debt	675 500
Other financial income and expenses	94 951 930
Interest charges on rental debts	(432 003)
Foreign exchange gain(loss)	(2 766 637)
Financial result	75 171 680
Corporate tax	(29 847 437)
Net income	149 207 592

Note 3.4. External purchases

The details of the external charges can be summarized as follows:

In thousand XOF	2021	2020
Fixed production - Goods and services	6 915 855	2 888 908
Backbone International	(2 708 936)	(3 962 132)
Purchase of satellite capacity	-	(134 376)
Roaming operations	(45 369 421)	(47 134 663)
Purchases from Content Publishers – Load	(4 260 110)	(2 404 015)
Network Management Loads	(36 116 919)	(32 659 447)
Rents network sites, shops	(4 862 596)	(5 483 299)
Sales commissions	(28 750 417)	(26 354 680)
Honorarium	(2 881 112)	(2 516 346)
Communication costs (pub)	(8 845 617)	(7 865 244)
Inventory: Cost of equipment sold/leased	(22 905 245)	(20 705 210)
Training and Interim	(5 292 449)	(5 202 747)
Other external charges	(13 502 943)	(13 171 852)
Total	(168 579 910)	(164 705 103)

Note 3. 5. Other operating income

The other products of Sonatel SA can be summarized as follows:

(In thousand XOF)	2021	2020
Distribution commissions	39 041	12 314
Other operating income (1)	15 370 876	12 422 149
Other operating income	9 016 584	16 419 835
Total	24 426 501	28 854 298

(2) Management fees received from subsidiaries.

Note 3. 6. Other operating expenses

Other operating expenses are as follows:

In thousand XOF	2021	2020
Charges and losses on receivables	(7 749 599)	(3 093 131)
Corporate fees (1)	(8 573 333)	(7 794 571)
Other operating expenses	(1 414 117)	(2 896 583)
Total	(17 737 049)	(13 784 285)

(1) the corporates fees relate exclusively to the Orange brand

Note 3. 7 Personnel costs

The components of personnel costs are detailed below:

In thousand XOF	2021	2020
Wages and salaries	(49 294 131)	(43 351 795)
Variable Share	(11 856 935)	(10 947 684)
Social security contributions, excluding retirement	(1 456 785)	(1 482 340)
Payroll taxes	(2 273 719)	(1 783 089)
Other allowances & benefits	(9 140 916)	(8 396 649)
Var provision paid holidays	(4 326 559)	(4 114 917)
Social contributions on AGA plans	5 591	(5 591)
ORP - Equity share	(220 788)	-
AGM - Equity Plans	(938 093)	(6 830 146)
Post-employment benefits	(1 094 806)	(1 174 610)
Other staff benefits	597 452	128 226
Total	(79 999 689)	(77 958 595)

Executive compensation

The table below shows the remuneration recorded, by Sonatel SA, of persons who are, or who have been, during the financial year, members of the Board of Directors or of the General Management.

In million XOF	12.2021	12.2020	12.2019
short-term benefits excluding employers' expenses (1)	3 032	2 728	2 503
short-term benefits employers' expenses	110	99	91
post-employment benefits	41	36	31
Total	3 183	2 863	2 626

(1) gross salaries including variable share, bonuses, attendance fees and benefits in kind.

Note 3.8 Operating taxes

Taxes and duties amount to XOF 38.98 billion, or + 6% compared to 2020 and are detailed as follows:

In thousand XOF	2021	2020
Frequency charges	(12 310 521)	(12 563 002)
Other taxes, excluding taxes and salaries	(26 671 719)	(24 325 671)
Total	(38 982 240)	(36 888 673)

Note 3.9 Depreciation and amortization

The 2021 funding allocations for the 2021 financial year are detailed in the table below by capital asset category:

In thousand XOF	2021	2020
Depreciation of rights of use of leased assets	(2 669 234)	(2 072 799)
Depreciation of intangible assets	(75 887 832)	(75 245 231)
Depreciation	(78 557 066)	(77 318 030)

Accounting principles:

Depreciation is calculated according to the consumption rates of the expected economic benefits per asset based on the acquisition cost, generally without deduction of a residual value. As such, the linear mode is generally retained. Depreciation

periods are reviewed annually and are modified if they differ from previous estimates. These changes in estimates are accounted for prospectively.

For the depreciation period used for the main types of fixed assets, see Note 2.1.

Note 3. 10 Financial results

The financial result increased by 10%, mainly due to the change in the cost of gross debt and other financial income and expenses.

Cost of gross debt

The cost of gross debt amounts to XOF 16.32 billion, down by XOF 934,784 compared to 2020, related to interest expenses on short- and medium-term loans.

In thousand XOF	2021	2020
Interest charges and similar expenses of other obligations	(6 715 941)	(2 967 391)
Interest charges and similar charges on bank loans	(9 606 385)	(13 920 103)
Interest on other financial debts	-	(369 616)
Total	(16 322 326)	(17 257 110)

Other financial income and expenses

In thousand XOF	2021	2020
Interest & equivalents on other loans & deposits	292 797	607 861
Dividends received on securities and equity participations	100 674 159	97 379 826
Discounting long-term benefits	(1 249 193)	(1 454 694)
Other financial charges	(31 000)	(1 581 063)
Total	99 686 763	94 951 930

Note 3. Art. 11 Corporation tax and proof of taxes

Corporate tax is up 14% compared to 2020. It is detailed below:

In thousand XOF	2021	2020
Expense of the exercise	(34 761 131)	(29 807 432)
Difference from previous years	-	(89 913)
Change in deferred taxes	765 623	49 908
Total	(33 995 508)	(29 847 437)

Corporate tax is up 14% compared to 2020. It is detailed below:

Proof of taxes can be summarized as follows:

XOF Billion	2021	2020
Profit before tax (1)	209 093 257	179 055 029
Sonatel Tax Rate (2)	30%	30%
Corporate tax (3)	33 995 508	29 847 437
Theoretical taxes (4) = (1) *(2)	62 727 977	53 716 509
Spread (5)	(28 732 469)	(23 869 072)
<i>Elements of reconciliation</i>		
Effect of permanent differences and other elements of reconciliation	29 532 316	24 289 011
Tax effect without basis impacting the tax payable	1 737 885	796 867
Tax effects without basis impacting deferred tax	(722 070)	(1 216 807)
Effective tax rate	16%	16%

(1) profit before tax: operating result and financial result

(2) the average rate of Sonatel SA

(3) Tax expense = current tax + deferred tax

(4) tax rate applied to operating income

(5) difference between the tax burden and the notional tax

Accounting principles

Sonatel SA evaluates the current tax and the deferred tax to the amount it expects to pay or recover from the tax administrations of each country due to its interpretation of the application of the tax legislation.

Deferred taxes are recognized on all temporal differences between the carrying amounts of assets and liabilities and their tax bases, as well as on deferral tax deficits, using the variable

carry-forward method. Deferred tax assets are recognized only when their recovery is likely.

IFRIC 23 «Uncertainty in Tax Treatments» clarifies the identification, measurement, and accounting of uncertain corporate tax positions. This interpretation had no effect on the valuation of corporate tax liabilities or their presentation in the entity's individual financial statements.

Note 3. 12. Earnings per share

Net income

The net income Sonatel SA share used for the calculation of basic and diluted earnings per share is determined according to the following method:

(In thousand XOF)	2021	2020
Net income - basic	175 097 749	149 207 592
Net income - diluted	175 097 749	149 207 592

Sonatel SA has not issued any dilutive securities, the basic and diluted earnings per share are identical.

Number of actions

The weighted average number of shares used to calculate basic net earnings per share and diluted earnings is presented below:

(In number)	2020	2019
Weighted average number of common shares outstanding	100 000 000	100 000 000
Effect of dilutive instruments (i)	0	0
Weighted average number of outstanding and dilutive shares	100 000 000	100 000 000

(i) Sonatel SA has not issued any dilutive securities.

Earnings per share

The result per share is thus obtained:

(In XOF)	2021	2020
Basic net earnings per share	1 750	1 492
Diluted net earnings per share	1 750	1 492

Accounting principles

IAS 33-Earnings per share applies to the individual financial statements of an entity and to the consolidated financial statements of a group with a parent company (individual and consolidated):

- whose ordinary shares or potential ordinary shares are traded on an organized market (stock exchange)

- who files financial statements with a securities regulator or other regulatory body for the purpose of issuing common shares on an organized market, or who is about to file them.

Sonatel SA reported basic earnings per share and diluted earnings per share. Sonatel SA has not issued any dilutive securities, the basic and diluted earnings per share are identical.

Note 4. Notes on the headings of the financial statement - assets

Note 4. 1 Property, plant and equipment and intangible assets

The corporal and intangible assets of Sonatel SA are as follows:

In thousand XOF	2021	2020	2019
Other intangible assets	105 933 554	112 120 992	103 618 418
Tangible capital assets	373 113 200	356 483 570	147 179 029
Rights of use for leased fixed assets	8 007 541	9 004 544	1 283 856
Total	487 054 295	477 609 106	252 081 303

The table of changes for property, plant and equipment and intangible assets is as follows (in thousand XOF):

In thousand XOF	31/12/2020	Increase	Decrease	Reclassification	Fusion	31/12/2021
Intangible and tangible assets						-
Licenses - Gross	138 564 934	2 338	-	45 162	-	138 612 434
R&D expenses - Intangible assets - Gross	12 777	-	-	-	-	12 777
Intangible assets - Gross	102 315 988	7 679 806	(753 508)	(1 271 552)	-	107 970 734
Licenses - Depreciation	(38 270 047)	(7 364 860)	-	-	-	(45 634 907)
R&D expenses - Immo incorp - Depreciation	(12 776)	-	-	-	-	(12 776)
Intangible assets - Depreciation and amortization	(90 489 884)	(5 278 332)	753 508	-	-	(95 014 708)
Tangible capital assets - Gross	1 172 063 400	78 755 556	(8 868 657)	1 226 390	-	1 243 176 689
Tangible Capital Assets - Depreciation and Amortization	(815 121 567)	(63 312 299)	8 760 981	-	-	(869 672 885)
Investment grants	(458 263)	-	67 659	-	-	(390 604)
TOTAL	468 604 562	10 482 209	(40 017)	-	-	479 046 754

Intangible assets consist mainly of licenses and software for computer applications.

Accounting principles

Tangible capital assets

Tangible fixed assets mainly include technical installations and equipment related to networks and administrative buildings and equipment.

The cost used for the valuation of property, plant, and equipment at the date of transition to IFRS (01/01/2018) is that previously retained in the books.

At the entrance, tangible fixed assets are valued at their cost including:

- the purchase price, including customs duties and non-refundable taxes, after deduction of commercial discounts and rebates;
- any cost directly attributable to the transfer of the asset to its place of operation and its preparation to enable it to be operated in the manner provided for in the Direction;
- the initial estimate of the costs of dismantling and removing the immobilization and remediation of the site on which it is located. The Company has the obligation to dismantle the

installed technical equipment and to restore the technical sites it occupies. The valuation of the provision is based on a dismantling cost (unit for poles, terminals, and payphones, per site for mobile antennas) borne by the Company to meet its environmental obligations, annual forecasts of asset removal and site departures. The provision is estimated based on known costs for the current year, extrapolated for future years based on the best estimate that will make it possible to extinguish the obligation. This estimate shall be revised annually and, if necessary, the provision shall be adjusted with the recognized decommissioning asset as counterpart. The provision is discounted at a rate determined by geographical area corresponding to the average risk-free investment rate of a 15-year government bond.

The cost of acquiring an asset is allocated among its different components, which are accounted for separately when the different components have different useful lives or provide benefits to the company at a different pace requiring the use of different rates and depreciation methods.

Depreciation is calculated according to the consumption rates of the expected economic benefits per asset based on the acquisition cost. The depreciation method used is the straight-line depreciation over the useful lives retained by the Company are presented below:

Assets	Times
Buildings	20 ans
Land reclamation work	40 ans
Office and housing furniture	10 ans
Office equipment	05 ans
Layout, facilities	10 ans
Transport equipment	05 ans
Switching hardware	10 ans
Transmission Hardware	10 ans
Data hardware	05 ans
Hardware and lines and networks	10 ans
Energy Material	07 ans
Measuring devices	05 ans
Other operating equipment	10 ans

Intangible assets

Intangible assets are initially valued at cost. Where an intangible asset is acquired as part of a business combination, the cost of that intangible asset is its fair value at the date of acquisition, in accordance with IFRS 3.

The cost used for the valuation of intangible assets at the date of transition to IFRS (01/01/2018) is that previously retained in the books.

For internally generated intangible assets:

- no intangible assets resulting from the research (or the research phase of an internal project) are recognized. These expenses are recorded as expenses when they are incurred.
- an intangible asset resulting from the development (or development phase of an internal project) is recognized if, and only if, the technical feasibility of completion (a), the intention to complete the asset and put it into service or sell it (b), the ability to commission or sell it (c), the possibility of generating future

economic benefits (d), the availability of technical, financial and other resources, and the ability to reliably assess attributable expenditures (f) can be demonstrated.

«Unbundled» software that is billed separately from computer hardware is also tied up and amortized over an estimated three (3) year lifespan.

After its initial recognition, the intangible asset is recognized at its cost less accumulated depreciation and accumulated impairment losses.

Other intangible assets with an indefinite useful life are not depreciated but are subject to an impairment test under IAS 36 at least once a year, and whenever there is an index of impairment loss.

Intangible assets with a fixed useful life are depreciated over their estimated useful life. Licenses are amortized over the contractual term.

Note 4. 2 Financial assets

The breakdown of financial assets can be summarized as follows:

(In thousand XOF)	2021	2020	2019
Securities & equity (1)	183 276 429	179 763 161	187 450 673
Loans, Associates & Share	4 838 923	6 124 272	6 211 013
Loans, other	87 223 138	102 826 412	98 275 258
Securities & Equity Participation	(1 376 336)	(1 376 336)	(582 859)
Loans	(608 945)	(471 256)	(482 860)
Own shares - Gross	1 171 552	1 389 957	2 808 519
Current accounts	2 768 926	2 506 380	33 881 244
Interest receivable on Loans, Associates & Share	2 066	90 833	90 833
Own shares	-	-	(584 199)
Total	277 295 753	290 853 423	327 067 622
Of which non-current liabilities	273 353 209	286 866 253	290 871 225
Of which current liabilities	3 942 544	3 987 170	36 196 397

(1) The equity securities consist mainly of shares of Orange Sierra Leone, Orange Guinea and Orange Mali for amounts of KXOF 112,309,164, KXOF 28,661,271 and KXOF 19,956,587 respectively.

Most of the companies in which Sonatel SA has shareholdings are as follows:

Country	Companies	Percentage of detention	Securities values in thousand XOF	Dividends received in thousand XOF
Senegal	Orange Mobile Finance Senegal	100%	7 000 000	11 437 842
Mali	Orange Mali	70%	19 956 587	60 592 686
Guinea Conakry	Orange Guinea	89%	28 661 271	27 543 424
Guinea Bissau	Orange Bissau	90%	3 639 090	898 541
Sierra Leone	Orange Sierra Leone	50%	112 309 164	
Ivory Coast	Orange Services Group	47%	2 817 410	

However, Sonatel SA did not experience any exposure to the risks associated with its securities and thus did not recognize any provisions for loss.

Note 4. 3 Stocks

Sonatel SA's stocks are as follows:

(In thousand XOF)	2021	2020
Stocks and outstandings, equipment sold – Gross	2 783 707	1 609 381
Inventories and outstandings, other products/services sold - Gross	770 380	1 190 920
Inventories and outstandings, other supplies – Gross	10 095 970	6 096 412
Gross value	13 650 057	8 896 713
Depreciation	(656 878)	(1 098 868)
Net worth	12 993 179	7 797 845

Accounting principles

Stocks consist of network maintenance materials and equipment for customers. They are valued at the lowest of their entry cost

or the probable net realizable value. The cost of entry is the acquisition cost determined using the weighted average cost method. Stocks that have not recorded movements for more than a year are depreciated at 100%.

Note 4. 4 Trade receivables

Trade receivables are as follows:

(In thousand XOF)	2021	2020	2019
Gross trade receivables	132 955 831	117 758 736	133 199 126
Depreciation based on seniority	(29 096 750)	(27 573 332)	(14 737 166)
Net trade receivables	103 859 081	90 185 404	118 461 960

The aged balance of trade receivables is as follows:

In thousand XOF	Aged balance of receivables				2020
	Not expired	- 180 days	(180 and 360) days	+ 360 days	
Trade receivables	47 381 119	20 148 426	8 681 613	27 647 923	103 859 081
Age	Not expired	- 180 days	(180 and 360) days	+ 360 days	2020
Trade receivables	37 768 912	19 309 580	9 599 103	23 507 809	90 185 404

Accounting principles

IFRS 9 has three main components: classification and valuation of financial assets and liabilities, impairment of financial assets and hedge accounting.

The standard requires that expected credit losses be considered at the first recognition of financial instruments. It provides for practical facilities for trade receivables, contract assets and lease receivables. It allows the use of simplified methods for determining the amount of depreciation (e.g. the use of a provisioning matrix for trade receivables).

At the level of Sonatel SA, the elements concerned by the standard are mainly constituted by trade receivables.

Trade receivables, mainly short-term and with no declared interest rate, are recorded in the balance sheet for the nominal value of the original claim. Trade receivables relating to 12- or 24-month deferred payment offers offered to customers for the purchase of mobile phones are recorded in the balance sheet for their present value, in current items. Claims resulting from

the finance lease of equipment to companies are recognized as current operating receivables because they are part of the normal operating framework.

Impairment losses recognized for a group of receivables are the previous intermediate step in identifying impairment losses on individual receivables. As soon as this information is available (customer in receivership or liquidation), these claims are depreciated separately.

Note 4. 5 Other assets

Other assets are as follows:

(In thousand XOF)	Crude	Supply	2021	2020	2019
Security Deposits & Bonds Paid	3 473 182		3 473 182	3 425 038	1 384 485
Personnel, receivables	1 352 447		1 352 447	650 788	547 657
Other operating receivables (1)	47 561 746	(1 031 280)	46 530 466	25 666 950	33 778 610
Receivables on assignment of real estate	-		-	218 434	
Dividends receivable	2 204		2 204	-	592 186
Advances and advance payments	1 293 358		1 293 358	1 368 316	78 654
Total	53 682 937	(1 031 280)	52 651 657	31 329 526	36 381 592
Of which other non-current assets	3 473 182		3 473 182	3 425 038	1 384 485
Of which other current assets	50 209 755	(1 031 280)	49 178 475	27 904 488	34 997 107

Note 4. 6 Deferred taxes on assets

Deferred taxes on assets (IDA) are as follows:

(In thousand XOF)	2021	2020	2019
Provision for long-term benefits to staff	4 537 925	3 651 443	3 651 443
Other provisions	3 890 803	4 055 216	4 055 216
Other differences	591 543	591 543	591 543
Rental liabilities	2 511 007	2 820 249	399 904
Total	11 531 278	11 118 451	8 698 106

Accounting principles

Deferred taxes

Sonatel SA evaluates the current tax and the deferred tax to the amount it expects to pay or recover from the tax administrations of each country due to its interpretation of the application of the tax legislation.

Deferred taxes are recognized on all temporal differences between the carrying amounts of assets and liabilities and their tax bases, as well as on deferral tax deficits, using the variable carry-forward method. Deferred tax assets are recognized only when their recovery is likely. A deferred tax liability is recognized for any taxable temporal difference.

Deferred tax assets and liabilities are not discounted.

Note 4. 7 Operating taxes

Operating taxes and expenses are as follows as of December 31, 2021:

(In thousand XOF)	2021	2020	2019
State, excluding VAT & IS, receivables	31 596 011	28 265 583	13 883 038
VAT, receivables	3 353 186	7 309 807	2 571 570
Total	34 949 197	35 575 390	16 454 608

Note 4. 8 Corporate tax claims

Corporate tax fees are as follows:

(In thousand XOF)	2021	2020	2019
Corporate Taxes, Receivables	2 042 357	3 052 315	2 715 317
Total	2 042 357	3 052 315	2 715 317

Note 4. 9 Cash and cash equivalent

In thousand XOF	2021	2020	2019
Term Deposits - Gross	3 450 058	1 987 688	137 464
Cash (1)	34 170 132	54 856 942	45 950 689
Cash and cash equivalent	37 620 190	56 844 630	46 088 153

(1) debit balances of bank accounts at the end of the period - cash accounts

Note 5. Notes to the headings of financial statement – liabilities

Note 5. 1 Financial liabilities

The details of the liabilities are as follows:

(In thousand XOF)	2021	2020	2019
Other obligations	100 000 000	100 000 000	
Other bank loans – long term	45 671 855	119 678 467	120 388 524
Other bank loans – short term	112 793 432	70 000 000	123 000 000
Debts, current accounts	389 337	146 194	17 394 346
Interest/costs to be paid on other bonds	2 967 391	2 967 391	
Interest/costs payable on bank loans	1 477 001	2 124 827	5 663 818
Interest/costs payable on associated & share debts	-	-	1 509 110
Bank credit balances	-	-	10 518 761
Total	263 299 016	294 916 879	278 474 559
Of which non-current liabilities	145 671 855	219 678 467	120 388 524
Of which current liabilities	117 627 161	75 238 412	158 086 035

Accounting principles

A financial liability is a liability that is:

- a contractual obligation;
- to hand over cash or other financial assets to another entity, or

- exchange financial assets or liabilities with another entity on terms potentially unfavorable to the entity, or
- a contract that will be or may be settled as an equity instrument of the entity itself (non-derivative instrument or derivative instrument).

Note 5. 2 Common and non-routine staff benefits

In accordance with the laws and practices in force in Senegal, Sonatel SA has obligations in terms of employee benefits:

- pension: most employees of Sonatel SA are covered by defined contribution schemes provided for by national laws or agreements;
- death of the worker: the worker's salary, the holiday allowance and the allowances of any kind acquired on the date of death are due to the beneficiaries;

- pre-retirement: for pre-retired employees, a bonus equivalent to a percentage of the last average annual salary multiplied by the remaining period to reach the withdrawal in addition to the retirement allowance increased by 15%.

The benefits for non-current staff are as follows:

(In thousand XOF)	2021	2020	2019
Provision for post-employment benefits	18 561 558	15 614 907	17 776 379
Provision for disputes and social risks	1 279 446	1 876 898	2 002 784
Personnel, debts	5 137 356	3 560 420	5 301 309
Staff liabilities, paid leave	3 831 956	3 954 515	3 294 846
Social organizations, debts	212 875	193 057	473 983
Other benefits, debts	-	5 591	12 003
Other CT benefits, debts	1 226	5 393	
Total	29 024 417	25 210 781	28 861 304
Of which non-current liabilities	19 841 004	17 491 805	19 779 163
Of which current liabilities	9 183 413	7 718 976	9 082 141

Main assumptions used in determining the number of commitments (IAS19)

The assessment of post-employment and other long-term benefits is based on the retirement age determined based on

the applicable provisions and the conditions necessary to qualify for a full pension, which are often subject to legislative revisions.

The details of the assumptions in IAS 19 can be summarized as follows:

ACTUARIAL HYPOTHESES		
	2021	2020
Rate of increase in wages	3,4	3,4
Discount rate	8	8
Inflation rate	1,5	1,5
Probability of being present in the entity on the date of retirement (experience)	99,92	99,92

To assess the present value of future benefits, several assumptions must be made. IAS 19 specifies that actuarial assumptions must be objective and mutually consistent. It is also stated that actuarial assumptions are the best estimates made by Sonatel SA of the variables that will determine the final cost of its obligations. Thus, the choice of valuation assumptions is the responsibility of Sonatel SA. Assumptions include:

- the legal retirement age
- Demographic hypotheses relating to the future characteristics of staff members: mortality, staff turnover rate and pre-retirement rate
- financial assumptions, which relate to elements such as the following: the discount rate, the rate of evolution of wages.

Accounting principles

Post-employment benefits under IAS 19 are offered through:

- defined contribution schemes: contributions, paid to external bodies which manage them administratively and financially, are recognized as expenses for the financial year in which the services are rendered;
- defined benefit schemes: the amount of future liabilities representative of these schemes is assessed on the basis of actuarial assumptions according to the projected credit unit method:
- their calculation incorporates demographic assumptions (staff turnover, mortality, gender equality, etc.) and financial

- assumptions (future salary increase, inflation rate, etc.) defined at the boundaries of each of the entities concerned,
- the discount rate, defined by country or geographical area, is determined by reference to the yield on first-class long-term private bonds (or government bonds if there is no active market). It is determined based on external indices commonly used as a benchmark for the euro area,
- actuarial differences relating to post-employment benefits are recognized in their entirety as other group income. The payment of the capital is made in one go at the time of retirement.

Also, Sonatel SA does not have hedging assets dedicated to the commitments of the payments of post-employment benefits

Note 5. 3 Payables

The details of the payables are as follows:

(In thousand XOF)	2021	2020	2019
Other suppliers (fixed assets)	72 476 965	54 492 907	7 218 221
Payables, excluding fixed assets	83 591 372	84 110 911	56 009 786
Total	156 068 337	138 603 818	63 228 007

Accounting principles

Payables on other goods and services arising from commercial transactions and settled in the normal operating cycle are classified into current items. They shall include those which the supplier may have transferred with or without notification to financial institutions in the context of direct or reverse factoring, including those for which the supplier has offered an extended payment term and for which the company has confirmed its payment agreement at the agreed term.

SONATEL SA considers that these financial liabilities retain the characteristics of a payable, in particular because of the persistence of the commercial relationship, payment terms ultimately in line with the operational cycle of a telecom operator in particular for the purchase of the main infrastructures, the autonomy of the supplier in the discount relationship and a financial cost carried by Sonatel SA which corresponds to the supplier's remuneration for the additional payment period granted. Payables without a specified interest rate are valued at the nominal value of the debt if the interest component is negligible. Interest-bearing payables are accounted for at amortized cost.

Note 5. 4 Other liabilities

The details of the other liabilities are as follows:

(In thousand XOF)	2021	2020	2019
Other risks/charges - LT	-	1 642 795	1 698 660
Security Deposits & Bonds Received	896 622	897 492	126 100
Universal service, debts	-	-	146
Prov for other risks/charges - CT	5 000 000	-	-
Other operating debts	3 082 816	2 482 833	25 928 430
Dividends to be paid	1 589 405	1 378 741	40 207 956
Dividendes à payer	10 568 843	6 401 861	67 961 292
Total	896 622	2 540 287	1 824 760
Of which other non-current liabilities	9 672 221	3 861 574	66 136 532
Of which other current liabilities	9 672 221	3 861 574	66 136 532

Accounting principles

Provisions are recognized when, at the end of the financial year, there is an obligation on the part of the company to a third party resulting from a past event, the settlement of which is likely to result in the company being an outflow of resources representative of economic benefits. More specifically, these

are provisions for disputes, provisions for dismantling and rehabilitation of sites, provisions for retirement, etc.

The estimate of the amount shown as a provision for risks and expenses corresponds to the outflow of resources that the company will probably have to bear to extinguish its obligation.

The provisions for dismantling are not significant and do not impact the consolidated financial statements.

Note 5. 5 Taxes and operating taxes

The details of taxes and operating taxes are as follows:

(In thousand XOF)	2021	2020	2019
Government debts	24 677 880	13 114 655	15 889 035
VAT, debts	5 631 542	10 087 237	3 042 587
Total	30 309 422	23 201 892	18 931 622

Note 5. 6 Evolution of litigation and tax audits

This note presents all the significant disputes in which Sonatel SA is involved, except for any disputes related to disagreements between related parties and the tax or social administrations regarding taxes, corporate taxes, or social contributions.

As of December 31 2021, the provisions for risks recorded by Sonatel SA in respect of all its disputes amounted to XOF 6.279 billion and covered the risks relating to all ongoing disputes. (257700, 222200 Make a table in the FW).

Fine ARTP

On 9 December, the telecommunications and postal regulatory authority imposed an amount of XOF 6.7 billion on SONATEL. This fine is contested by SONATEL and disputed in court. Nevertheless, on 31 December 2021, a provision for risk of 5 billion was recorded in the accounts.

Note 6. Description of free share allocation plans

The details and description of the free share allocation plans are as follows:

- Distributions from 2009: non-transferable free shares including welcome shares

These are shares granted to staff as part of the policy of retaining their staff and making quality resources attractive. These shares are transferable only on the date of retirement or early retirement.

- Allocation of free shares for the Corporate Plan (AGA PEE 2013-2016)

In thousand XOF	2021	2020	2019
Free shares	29 156 060	35 055 737	28 261 853

The accounting effects on the expenses of AGMs excluding PE amounted to XOF 5,206 million for the year.

Note 7. Leases (IFRS 16)

Accounting principles

Sonatel SA qualifies a rental contract if it confers on the lessee the right to control the use of a specific property for a given period, including where a service contract contains a rental component. Sonatel SA has defined the main families of leases:

- Land and buildings: these contracts mainly concern commercial leases (points of sale) or tertiary leases (offices) or the rental of technical buildings not owned by the entity. The real estate

Tax audits

Sonatel SA is subject to a fiscal audit of merger transactions during the 2020 financial year. To date, the accounting issues do not have any future significant accounting implications on the entity's accounts.

Two local authorities are demanding from Sonatel SA the payment of the fees for the occupation of the public domain. As of December 31, 2021, the entity has made a provision pending a final court decision.

These are shares related to the achievement of several objectives of the 2013-2016 Strategic Plan according to the milestone below: 100 actions for the years 2013, 2014 and 2015, 200 shares for 2016.

These shares are non-transferable until retirement with the particularity that resignations and licensees keep their shares, receive dividends, but can only sell them at retirement age.

The amount of the AGM on the dates of termination is as follows (in thousand XOF):

contracts concluded within Sonatel SA mainly relate to medium durations (commercial leases of 5 years with an early termination option of 3).

- Networks and terminals: Sonatel SA required to lease several assets as part of its mobile activities. This is particularly the case for land intended to accommodate the installation of antennas, mobile sites leased to a third-party operator as well as certain contracts with «TowerCos» (companies operating telecommunications towers).

The recognition of all leases results in the recognition of an asset in respect of the right to use the leased assets in return for a liability for the associated lease obligations. In the income statement, an amortization of rights of use is presented separately from the interest expense on rental debts.

In the cash flow statement, cash outflows related to interest expense affect the flows generated by the business, while the repayment of principal from lease debts affects flows related to financing transactions.

Finally, Sonatel SA applies the two exemptions proposed by IFRS 16, i.e., contracts whose duration is less than or equal to 12 months and those whose replacement value of the asset

underneath is less than XOF 3.5 million. Those leases for which one of these two exemptions is met is accounted in «external purchases» in the income statement. For the period prior to 2019, Sonatel SA has decided not to carry out a retrospective restatement on one hand because of the unavailability of the information necessary for the restatement and on the other hand because of the insignificant nature of the impact on equity.

As of 1 January 2019, Sonatel SA recognizes all its leases (as lessee) according to a single model in which an asset under the right to use leased assets will be recognized on the balance sheet in return for a liability for the associated lease obligations.

Rental debts

Lease liabilities, which represent the impact of the application of IFRS 16 for the year, are as follows by sector:

(In thousand XOF)	2021
Other long-term rent debts	8 396 502
Other short-term rent debts	-
TOTAL	8 396 502

Right of use

Sonatel SA recognizes all its leases (as lessee) according to a single model in which an asset under the right to use the leased assets will be recognized on the balance sheet in return for a liability for the associated rental obligations.

The impact on the balance sheet for the financial year, which amounts to XOF (997) million, results from the recognition of

the rental obligation and the right of use associated with the lease contracts. In addition, Sonatel SA has taken the option to recognized deferred taxes upon the initial recognition of the right of use and the rental obligation from the transition. (Variation 2020 to 2021).

(In thousand XOF)	2021
Rights of use for leased fixed assets	8 007 541
TOTAL	8 007 541

Note 8. Off-balance-sheet commitments

Investment commitments

In addition to the commitments expressed in monetary terms, Sonatel SA has made commitments to the national regulatory authorities regarding the extent of the population's coverage by its fixed or mobile networks, in the context of the award of licenses, or quality of service. These commitments require capital expenditure in future years to deploy and improve networks but are not included below when they have not been expressed in monetary terms, which is usually the case.

Regarding the allocation of the 4G license and the renewal of the 2G and 3G mobile license, the following commitments are made by Sonatel SA

- an obligation to cover 90% of the population at 3 years;
 - an obligation to cover the territory of all inhabited border areas whose number of inhabitants is greater than or equal to 200 to 5 years;
 - an obligation to cover national roads and motorways at 2 years
- In 2021, Sonatel SA received and gave the following detailed off-balance sheet commitments:

Commitments received

in XOF million	2021	2020	2019
Supplier bonds	21,6	215	55
Pledge of staff shares	680	2	702
Retention monies	0	0	0
TOTAL	701,6	217	757

Commitments given

in XOF million	2021	2020	2019
Customs credit deposit	1 470	7 884	9 199
Contract bid security	1 345		
Guaranteed good execution	692		1 055
Rent deposits	5 400		
TAX DEPOSIT	11 607	10 584	10 954

Note 9. Transactions with companies and related parties

Sonatel SA does not purchase goods or services from States except for the use of spectral resources. These resources are allocated following competitive bidding processes.

The main transactions with related companies (The state and Orange France) are summarized below and are part of the current operation. They mainly concern the two main shareholders:

- claims held on the State as part of annual invoicing for a value of XOF 6.4 billion as of 31 December 2021. These claims are settled by offsetting
- the services invoiced to Orange France, the majority shareholder, amounted to XOF 8.4 billion for the year.

The various agreements and amendments with Orange France and the State can be summarized as follows:

- cooperation agreement signed on December 18, 2013 between SONATEL SA and Orange SA for a period of three (3) years and extended for a period of three (3) months from January 1, 2017 by Addendum No. 1 signed on July 27, 2017.
- Amendment No. 2 signed on July 27, 2017 which, on the one hand, extended the duration of the cooperation agreement signed between SONATEL and Orange SA on December 18, 2013, over three (3) years from April 1, 2017, and on the other hand extended the scope of the SONATEL Group to Orange Finances Mobiles Senegal and Orange Sierra Leone.
- Amendment No. 3 signed on 20 December 2017 to record the transfer of the agreement of Orange SA to its subsidiary Orange-MEA SA as of 1 January 2018. SONATEL SA has accepted the transfer, as from 1 January 2018, by Orange SA to

its subsidiary Orange-MEA SA of all its rights and obligations under the agreement of 18 December 2013 extended until 31 March 2020.

- Cooperation agreement between OMEA and SONATEL signed on 23 December 2020 enters into force retroactively from 1 April 2020 and will end on 31 December 2021. This agreement specifies the terms and conditions under which Orange MEA undertakes to transfer certain elements of its sectoral know-how and to provide the company with consulting and assistance services.
- Memorandum of Understanding for the renewal of the 4G frequency concession and allocation agreement signed on 18 June 2016.

Note 10. Financial

Risk Management

Sonatel SA is not exposed to the risk of changes in market interest rates that is linked to the long-term financial debt of the entity, all debt being at a fixed rate.

Currency risk

Most of Sonatel SA's turnover is generated in XOF.

The possible impact on the entity of the exchange rate fluctuations experienced is very small.

It does not use hedging instruments.

Credit risk

Sonatel SA does not only maintain commercial relations with third parties whose financial health is proven. A significant part of its turnover is made with local authorities and public sector bodies.

For the rest of the turnover, the policy of Sonatel SA is to check the financial health of all customers who wish to obtain payment terms on credit. In addition, customer balances are continuously monitored and therefore the entity's exposure to bad debts is not significant.

As for cash and cash equivalents, they are mainly composed of term accounts.

9

Annexes

Arbitration
in all fairness



AUDITORS' REPORT INDIVIDUAL SYSCOHADA FINANCIAL STATEMENTS

Year ended 31 December, 2021

Ladies and gentlemen, shareholders,

In execution of the mission entrusted to us by your ordinary general meeting, we present to you our report relating to the financial year ended 31 December 2021, on the audit of the annual financial statements of SONATEL SA, as attached to this report.

I - Audit of the annual financial statements

Opinion

We have audited the SYSCOHADA individual financial statements of SONATEL SA including the balance sheet as of 31 December 2021, the income statement, the cash flow table as well as the notes to the financial statements.

In our opinion, these financial statements give a true and fair view of the results of the operations for the past financial year as well as of the financial position and assets at the end of this financial year in accordance with the accounting rules and methods of the Uniform Act of OHADA relating to accounting law and financial information.

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA) of the IAASB in accordance with

Regulation No.01/2017/CM/OHADA on the harmonization of the practices of accounting and auditing professionals in OHADA Member States. Our responsibilities under these standards are indicated in the “Auditors’ Responsibilities for Auditing Financial Statements” section of this report.

We are independent of the company, in accordance with the Code of Ethics and Professional Conduct of Accountants and auditing stipulated by the above-mentioned Regulation No. 01/2017/CM/OHADA, as well as the rules of independence that govern our statutory audit, and we have fulfilled the other ethical responsibilities incumbent on us according to these rules. We believe that the audit evidence we have gathered is sufficient and appropriate to provide a basis for our audit opinion.

Key points of the audit

The key audit points are the points which, in our professional judgment, were the most important when auditing the consolidated financial statements for the current period. These points were dealt with in the context of our audit of the consolidated financial statements taken as a whole and when we formed our opinion on them. We do not express a separate opinion on these points.

Key points of our audit

Recognition of Telecommunications Revenue

SONATEL's telecommunications activities are characterized by numerous commercial offers evolving frequently and a large volume of data to process. This makes it necessary to apply different turnover recognition principles depending on the nature of the products or services sold and the use of complex information systems for turnover recognition, including the correct connection to the fiscal year.

As presented in note 21 of the appendix to the financial statements, the turnover amounts to XOF 488 billion.

Given the complexity of the information systems and the judgments and estimates used to determine revenue, we considered that the recognition of revenue from telecommunications activities constitutes a key point of our audit.

Responsibilities of the Board of Directors and those charged with governance relating to the financial statements

The annual financial statements were prepared and approved by the Board of Directors on 24 February 2022 based on the information available on that date in the evolving context of the health crisis related to Covid-19.

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts, in accordance with the accounting rules and methods published by the OHADA Uniform Act relating to the law on accounting and financial disclosure, as well as internal control that it considers necessary to enable the preparation of annual consolidated accounts that do not contain material misstatements, whether resulting from fraud or errors.

In preparing the financial statements, management is responsible for evaluating the Company's ability to continue as a going concern, to present in these accounts, as appropriate, the necessary information relating to the continuity of operations and apply the going concern accounting policy unless it is

Answers provided during our audit

With respect to telecommunication activities, we gained an understanding of the process of accounting for different revenue streams from contract conclusion and initiation of a transaction to billing, receipt of payments and recognition.

As part of our work, we have in particular:

- identified the main controls implemented by the Group and relevant to our audit, including general controls, then we tested their sampling efficiency;
- carried out tests on the functionalities of business and commercial application systems, which are part of the process of preparing accounting and financial data as well as tests on the configuration of the accounting systems;
- performed analytical procedures, comparing our own estimates of turnover with the recorded turnover,
- examined a selection of manual end-of-period entries by comparing these entries with our own calculations and estimates and obtaining their justification;
- examined the post-closing period entries on a sample and studied their connection.

intended by the Board of Directors to wind up the company or cease operations or if there is no other realistic alternative available to it.

The Audit Committee is responsible for overseeing the company's financial disclosure.

Responsibilities of the Auditors relating to the audit of the financial statements

Our objectives are to obtain reasonable assurance that the annual financial statements taken do not contain whether from fraud or resulting from errors, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit performed in accordance with the ISA standards will systematically detect any material misstatement. Misstatements may arise from fraud or error and are considered material where it can reasonably be expected that they, taken individually or in combination, may influence the economic decisions that the annual account users take based on these.

Our responsibilities for the audit of the annual consolidated accounts are described in more detail in annex 1 to this auditor's report.

II - Other specific information and specific verifications required by law and regulations

Other information is the responsibility of the Board of Directors. Other information consists of the information contained in the management report but does not include financial statements and our auditor's report on these annual financial statements, documents sent to shareholders on the financial position and the draft resolutions.

Our opinion on the annual financial statements does not extend to other information and we do not express any form of assurance whatsoever on this information.

As part of our statutory audit mandate, our responsibility is, on the one hand, to perform the specific verifications required by

law and regulations, and in doing so, to verify the sincerity and consistency with the annual financial statements of information given in the approved management report of the Board of Directors, and in the documents sent to shareholders on the financial position and the annual financial statements, and to verify, in all material respects, compliance with certain legal and regulatory obligations. On the other hand, our responsibility is also to read the other information and, consequently, to assess whether there is a material inconsistency between these and the financial statements or the knowledge that we have acquired during the audit, or if the other information seems to contain a material misstatement.

If, considering the work we have carried out during our specific verifications or on the other information, we conclude that there is a material misstatement, we are required to report this fact. We have nothing to report in this regard.

Dakar, 13 April, 2022

The Auditors

DELOITTE SENEGAL



Dicko Selly DIOP SECK
Partner

GARECGO



Mamour FALL
Partner

Annex 1 : Responsibilities of the auditor relating to the audit of the financial statements

- the requirements of the International Standards on Auditing (ISA), and
- the specific obligations stipulated by the OHADA Uniform Act on the law of commercial companies and EIG

In more detail:

- We comply with the rules of ethics relating to the audit of annual financial statements enacted by the Code of ethics of accounting and auditing professionals stipulated by Regulation No. 01/2017 / CM / OHADA, as well as the independence rules governing the statutory audit.
- We demonstrate critical thinking that involves being attentive to evidence that contradicts other evidence gathered, to disclosures that call into question the reliability of documents and responses to requests for information to be used as audit evidence, to situations which may reveal possible fraud, to circumstances which suggest the need to perform audit procedures in addition to those required by ISA standards.
- We use professional judgment in the conduct of the audit, in particular for decisions relating to materiality and audit risk, the nature, timing and extent of the audit procedures to be implemented to meet the due diligence required by ISA standards and to collect audit evidence, determining whether sufficient and appropriate evidence has been gathered, and if additional work is necessary to achieve the objectives of the ISA standards and, consequently, the general objectives of the auditor, the evaluation of management's judgments relating to the monitoring of the applicable accounting framework, the basis of conclusions drawn from the audit evidence gathered, for example the assessment of the reasonableness of the assessments made by management during the preparation of the financial statements.
- We prepare documents throughout the audit exercise which provides a sufficient and appropriate trace of the work, the basis of our audit report and evidence that the audit has been planned and carried out in accordance with ISA standards and in compliance with applicable legislative and regulatory requirements.
- We identify and assess the risks that the financial statements contain material misstatement, whether the result of fraud or errors, we design and implement audit procedures in

response to these risks and gather sufficient and appropriate evidence to base our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error because fraud may involve collusion, falsification, wilful omissions, misrepresentation, or circumvention of internal control.

- We collect, where applicable, sufficient and appropriate audit evidence concerning compliance with the provisions of laws and regulations which are admitted to have a direct impact on determining the material figures recorded and the information provided in the financial statements, implement specific audit procedures to identify cases of non-compliance with other legislative and regulatory texts which may have a material impact on the financial statements, on the financial statements, and provide an appropriate response to proven or suspected cases of non-compliance with legislative texts and regulations identified during the audit.
- We also provide the Board of Directors with a statement that we have complied with the relevant ethical requirements regarding independence, and disclose to them, where applicable, all relationships and other factors that may reasonably be considered likely to affect our independence and related safeguards.

Among the points communicated to the Board of Directors, we determine which were the most important during the audit of the financial statements of the current: these are the key points of the audit. We describe these points in our audit report, unless the law or regulation prohibits their publication or if, in extremely rare circumstances, we determine that we should not disclose a point in our audit report because the reasonably expected adverse consequences of the communication of this point outweigh the benefits to the public interest.

- We take cognizance of the internal control of the company relevant to the audit to define appropriate audit procedures in the circumstances, but not to express an opinion on the effectiveness of the internal control of the company. When significant weaknesses are identified, we communicate them to management, and where appropriate, to the Board of Directors.
- We assess the impact on the audit of identified misstatements and the impact on the financial statements of uncorrected misstatements, if any. We disclose them to the appropriate level of management, unless prohibited by law or regulation.

- We assess the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the information provided by them.
- We appreciate the overall presentation, structure and content of the financial statements, including information provided in the notes, and assess whether the financial statements reflect the underlying operations and events in a proper way to give a true view.
- We identify relationships and transactions with related parties, whether or not the applicable accounting framework establishes rules in this area, to be able to identify risk factors for fraud, if any, arising from relationships and transactions with related parties, which are relevant for the identification and assessment of the risks of material misstatement arising from fraud, and conclude, on the basis of evidence gathered, if the financial statements, insofar as they are affected by these relationships and these transactions are presented truthfully or are not misleading. In addition, when the applicable accounting framework contains rules concerning the parties related, we collect sufficient evidence and appropriate to determine whether relations and transactions with related parties have been properly identified and recognized in the financial statements and whether relevant information about them has been provided therein.
- We collect sufficient and appropriate evidence showing that the events between the date of the financial statements and the date of our report, requiring an adjustment to the financial statements or information to be provided in them, have been the subject of appropriate treatment in the financial statements in accordance with the applicable accounting framework.
- We conclude as to the appropriateness of management's use of the going concern accounting principle and, based

on the evidence gathered, as to whether there is significant uncertainty related to events or situations likely to cast significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw the attention of the readers of our report to the information provided in the financial statements about that uncertainty or, if that information is not adequate, to express a modified opinion. Our conclusions are based on the information gathered up to the date of our report.

- We obtain written declarations from General Management and, where applicable, from the Board of Directors, confirming that it considers that it has fulfilled its responsibilities relating to the preparation of the financial statements as well as the completeness of the information provided to us.

In addition, we support other audit evidence relating to the financial statements or specific assertions therein with such written representations as we believe necessary or as required by other ISA standards.

- We ensure, throughout the audit, that the equality between the partners is respected, that all the shares of the same category benefit from the same rights.
- We must report to the next General Meeting, the irregularities and inaccuracies noted during the audit. In addition, we must report to the Public Prosecutor's Office any criminal facts of which we became aware during the audit, without our liability being engaged by such disclosure.
- We have an obligation to respect professional secrecy for the facts, acts and information of which we have become aware.

ADHO REPORT OF THE AUDITORS COMBINED FINANCIAL STATEMENTS

Year ended 31 December, 2021

Ladies and Gentlemen, Shareholders,

Pursuant to the law, we inform you that the Orange Group based in France has several subsidiaries in the OHADA region, including SONATEL. These entities are subject to the reporting obligation regarding the combined financial statements as stipulated by Article 103 of the OHADA Uniform Act relating to accounting law and financial reporting and financial reporting and each of

these subsidiaries is required to mention in its annual financial statements the name of the entity responsible for preparing the combined financial statements.

SONATEL has not given us the name of the entity in charge of preparing these Orange Group combined accounts and has not mentioned in the notes to the financial statements, the identity of the entity in charge of preparing the combined accounts.

Dakar, 13 April, 2022

The Auditors

DELOITTE SENEGAL



Dicko Selly DIOP SECK
Partner

GARECGO



Mamour FALL
Partner

SPECIAL REPORT OF THE AUDITORS ON THE SPECIAL REMUNERATIONS AND REIMBURSEMENTS PAID TO THE DIRECTORS PURSUANT TO ARTICLE 432 OF OHADA

Year ended 31 December, 2021

Ladies and Gentlemen, Shareholders,

In our capacity as Statutory Auditors of your company and in accordance with Article 432 of the OHADA Uniform Act relating to the Law of Commercial Companies and Economic Interest Groups, we present to you our report on:

- the special remuneration paid by the Board of Directors to its members for the missions and mandates entrusted to them;
- the refund of travel expenses, trips and expenses incurred in the interest of the company, in line with agreements subjected to the prior authorization of the Board of Directors which will be the topic of a special report.

The Board of Directors of SONATEL SA, during its meetings of April 9, 2008 and October 13, 2009, authorized the refund of hotel expenses and travel expenses of directors between their normal place of work and the place of meetings of the Board or Board Committees.

We inform you that the company has paid an amount of twenty-one million one hundred and sixty-four thousand two hundred XOF (21,164,200) as special remuneration for the missions and mandates entrusted to the Directors as well as travel expenses, and expenses incurred by them in the interest of the institution during the financial year ended 31 December, 2021.

Dakar, 13 April, 2022

The Auditors

DELOITTE SENEGAL



Dicko Selly DIOP SECK
Partner

GARECGO



Mamour FALL
Partner

AGENDA OF THE COMBINED GENERAL MEETING

of Thursday, 28 April, 2022

1. Review and approval of the financial statements of the year ended 31 December 2021
2. Appropriation of the income for the 2021 financial year
3. Ratification of the co-optation of Mr. François Robert Lat COLLIN
4. Renewal of the directorship of Mr. Abdoulaye SAMB
5. Renewal of the directorship of Mr. Hugues FOULON
6. Renewal of the directorship of Mr. Koly FAYE
7. Renewal of the directorship of Mr. François Robert Lat COLLIN
8. Renewal of the mandate of Cabinet GARECGO as Statutory Auditor and appointment of Cabinet MAZARS Senegal as Alternate Statutory Auditor
9. Renewal of the mandate of Cabinet DELOITTE Senegal as Statutory Auditor and appointment of Cabinet KPMG Senegal as Alternate Statutory Auditor
10. Approval of regulated agreements
11. Modification of the eligibility age of a director
12. Modification (i) of the procedures for the creation of subsidiaries or other entities and (ii) of the procedures for the acquisition and disposal of interests held in other companies
13. Consequential amendment to Articles 11 last paragraph and 13h) the Statutes of SONATEL
14. Powers for accomplishment of formalities..

The right to participate in the Meeting is subject to the prior registration of shareholders in the Company's Shareholders' Book at least 05 days before the Meeting.

In accordance with Articles 21 paragraph 1 and 20 paragraph 1 of the Articles of Association:

- only the shareholder (or group of shareholders) holding at least 100 shares may vote on the deliberations of the competence of the Ordinary General Meeting,
- regardless of the number of shares he holds, any shareholder may vote on the deliberations within the competence of the Extraordinary General Meeting.

Any shareholder may be represented by a proxy of his choice. For the proper holding of the Meeting, each shareholder may choose to vote:

- by mail (before the Meeting) on the resolutions proposed. Mail-in ballots must be deposited with SONATEL or a Management and Intermediation Company (Société de Gestion et d'Intermédiation, or SGI) at least 24 hours before the Meeting is held.
- or by electronic means (in the place where the Meeting is held) on the resolutions that are proposed,
- or online (during the videoconference) on the resolutions proposed,

The cumulative use of the 03 voting methods is not possible. The proxy forms as well as the mail-in ballots are made available to shareholders at the registered office of SONATEL, from the SGIs and on the institutional site of SONATEL (www.sonatel.sn) The following contact channels have been put in place to be able to answer all questions from shareholders relating to the holding of this Meeting:

- toll-free number accessible only from Senegal: 800 800 400
- toll-free number accessible from abroad: +221 33 833 09 55
- email: relation.investisseurs@orange-sonatel.com

Finally, in accordance with Articles 525 and 847 of the Uniform Act of OHADA relating to the Law of Commercial Companies and Economic Interest Groups, the documents relating to this General Meeting will be made available to shareholders at the registered office located at 64, Voie de Dégagement Nord (VDN) in Dakar during the fifteen (15) days preceding the holding of the Meeting, i.e., from 13 April, 2022 to 27 April, 2022.

The following draft resolutions will be proposed:

DRAFT RESOLUTION 1: REVIEW AND APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2021

The General Assembly, after hearing the reading of:

1. the Report of the Board of Directors on the activities of the company during the financial year ended 31 December 2021 and on the financial statements for the said financial year,
2. the Auditors' General Report on the financial statements for the year,

Approves the financial statements of SONATEL for the financial year ended 31 December 2021 as presented, as well as the transactions reflected in these accounts and summarized in these Reports.

Accordingly, taking note of the Auditors' General Report, the Ordinary General Meeting grants full and unreserved discharge to the Directors and the Auditors for the execution of their mandate for the financial year ended 31 December 2021.

DRAFT RESOLUTION 2: APPROPRIATION OF THE INCOME FOR THE 2021 FINANCIAL YEAR

The General Assembly notes the existence of a profit of XOF 168,419,644,663.

The General Meeting, approving the proposal of the Board of Directors, decides to distribute the profit for the 2021 financial year as follows:

Dividends:	XOF 80,294,763,236
Other reserves:	XOF 88,124,881,427
TOTAL :	XOF 168,419,644,663

Further, it decides to deduct the amount of the merger premium of XOF 75,260,792,320 and distribute it, thus bringing the total amount of dividends to be distributed to XOF 155,555,555,556.

Consequently, the Ordinary General Meeting sets the gross dividend for each share at XOF 1,556.

After deduction of the 10% withholding tax for the tax on income from securities (IRVM), the net dividend of XOF 1,400 per share will be paid from 18 May 2022.

DRAFT RESOLUTION 3: RATIFICATION OF THE CO-OPTATION OF MR. FRANCOIS ROBERT LAT COLLIN

On the proposal of the Board of Directors and after deliberation, the General Meeting decides to ratify the co-optation of Mr. François Robert Lat COLLIN, co-opted at the meeting of the Board of Directors of 15 December 2021 to replace Mr. Abdoulaye DIOP, who resigned.

Following this ratification, Mr. François Robert Lat COLLIN will retain his term of office for the remainder of his predecessor's term of office, i.e., until the Ordinary General Meeting which will decide in 2022 on the financial statements for the year ended 31 December 2021.

DRAFT RESOLUTION 4: RENEWAL OF MR. ABDOULAYE SAMB'S TERM OF OFFICE AS A DIRECTOR

The General Meeting notes that the term of office of Mr. Abdoulaye SAMB expires at the end of this Ordinary General Meeting.

It decides to renew the term of office of Mr. Abdoulaye SAMB for a period of three (03) years which will expire at the end of the Ordinary General Meeting which will decide in 2025 on the financial statements for the year ended 31 December 2024.

Mr. Abdoulaye SAMB, whose term of office has been renewed, declares that he accepts this renewal and specifies that he is not subject to any incompatibility or prohibition likely to prevent him from performing the duties of director.

DRAFT RESOLUTION 5: RENEWAL OF MR. HUGUES FOULON'S TERM OF OFFICE AS DIRECTOR

The General Meeting notes that the term of office of Mr. Hugues FOULON expires at the end of this Ordinary General Meeting.

It decides to renew the term of office of Mr. Hugues FOULON for a period of three (03) years which will expire at the end of the Ordinary General Meeting which will rule in 2025 on the accounts for the financial year ending on 31 December 2024.

Mr. Hugues FOULON, whose term of office has been renewed, declares that he accepts this renewal and specifies that he is not affected by any incompatibility or prohibition likely to prevent him from performing the duties of director.

DRAFT RESOLUTION 6: RENEWAL OF MR. KOLY FAYE'S TERM OF OFFICE AS DIRECTOR

The General Meeting notes that the term of office of Mr. Koly FAYE expires at the end of this Ordinary General Meeting.

It decides to renew the term of office of Mr. Koly FAYE for a period of three (03) years which will expire at the end of the Ordinary General Meeting which will decide in 2025 on the accounts for the financial year ending on 31 December 2024.

Mr. Koly FAYE, whose term of office has been renewed, declares that he accepts this renewal and specifies that he is not affected by any incompatibility or prohibition likely to prevent him from performing the duties of director.

DRAFT RESOLUTION 7: RENEWAL OF MR. FRANCOIS ROBERT LAT COLLIN'S TERM OF OFFICE AS DIRECTOR

The General Meeting notes that the term of office of Mr. François Robert Lat COLLIN expires at the end of this Ordinary General Meeting.

It decides to renew the term of office of Mr. François Robert Lat COLLIN for a period of three (03) years which will expire at the end

of the Ordinary General Meeting which will decide in 2025 on the accounts for the financial year ending 31 December, 2024.

Mr. François Robert Lat COLLIN, whose term of office has been renewed, declares that he accepts this renewal and specifies that he is not affected by any incompatibility or prohibition likely to prevent him from performing the duties of director.

DRAFT RESOLUTION 8: RENEWAL OF CABINET GARECGO'S MANDATE AS STATUTORY AUDITORS AND APPOINTMENT OF CABINET MAZARS SENEGAL AS ALTERNATE STATUTORY AUDITORS

The General Meeting decides to renew Cabinet GARECGO's mandate as Statutory Auditor for a period of six (06) financial years, i.e., at the end of the Ordinary General Meeting which will decide in 2028 on the accounts of the fiscal year ending 31 December 2027.

The Representative of the GARECGO Firm declares that he accepts this renewal and specifies that the said Firm is not subject to any incompatibility and/or prohibition likely to prevent it from exercising the functions of Statutory Auditor.

The General Meeting also decides to appoint Cabinet MAZARS Senegal as Alternate Statutory Auditor for a period of six (06) financial years, i.e., at the end of the Ordinary General Meeting which will decide in 2028 on the accounts of the fiscal year ending 31 December, 2027.

The Representative of Cabinet MAZARS Senegal declares that he accepts this appointment and specifies that the said Cabinet is not subject to any incompatibility and/or prohibition likely to prevent it from exercising the functions of Alternate Statutory Auditor.

DRAFT RESOLUTION 9: RENEWAL OF THE MANDATE OF CABINET DELOITTE SENEGAL AS STATUTORY AUDITOR AND APPOINTMENT OF CABINET KPMG SENEGAL AS ALTERNATE STATUTORY AUDITOR

The General Meeting decides to renew the mandate of Cabinet DELOITTE Senegal as Statutory Auditor for a period of six (06) financial years, i.e., at the end of the Ordinary General Meeting which will decide in 2028 on the accounts of the fiscal year ending 31 December, 2027.

The Representative of the DELOITTE Senegal Firm declares that he accepts this renewal and specifies that the said Firm is not subject to any incompatibility and/or prohibition likely to prevent it from exercising the functions of Statutory Auditor.

The General Meeting also decides to appoint Cabinet KPMG Senegal as Alternate Statutory Auditor for a period of six (06) financial years, i.e., at the end of the Ordinary General Meeting which will decide in 2028 on the accounts of the fiscal year ending 31 December, 2027.

The Representative of KPMG Senegal Firm declares that he accepts this appointment and specifies that the said Firm is not subject to any incompatibility and/or prohibition likely to prevent it from exercising the functions of Alternate Statutory Auditor.

The General Meeting also decides to appoint Cabinet KPMG Senegal as Alternate Statutory Auditor for a period of six (06) financial years, i.e. at the end of the Ordinary General Meeting which will decide in 2028 on the accounts of the fiscal year ending 31 December, 2027.

The Representative of KPMG Senegal Firm declares that he accepts this appointment and specifies that the said Firm is not subject to any incompatibility and/or prohibition likely to prevent it from exercising the functions of Alternate Statutory Auditor.

DRAFT RESOLUTION 10: APPROVAL OF REGULATED AGREEMENTS

After having heard the reading of the Special Report of the Statutory Auditor on the agreements referred to in Articles 438 and following of the Uniform Act of OHADA relating to the Law of Commercial Companies and Economic Interest Groups, the Ordinary General Meeting approves (i) the amendment to the assistance agreement with IKASIRA, (ii) the amendment to the assistance agreement with ORANGE Finances Mobiles (OFM) Senegal, (iii) the ERP management agreement with OMEA, (iv) the ERP service agreement with OMEA, (v) the collaboration agreement with OMEA, (vi) the capping agreement protocol with OMEA and (vii) the contract with OMEA within the framework of the RUMBA project.

DRAFT RESOLUTION 11: MODIFICATION OF THE AGE OF ELIGIBILITY OF A DIRECTOR

The General Meeting of shareholders decides to change the age of eligibility of a director from “under 65” to “70 years at the most”.

DRAFT RESOLUTION 12: MODIFICATION OF THE TERMS AND CONDITIONS FOR THE CREATION OF SUBSIDIARIES OR OTHER ENTITIES AND THE TERMS AND CONDITIONS FOR THE ACQUISITION AND DISPOSAL OF INTERESTS HELD IN OTHER COMPANIES

The General Meeting of Shareholders decides to submit for the prior approval of the Board of Directors only:

- plans to acquire and/or sell stakes held in other companies exceeding the threshold set by decision of the Board of Directors,
- and projects to create subsidiaries or other entities exceeding the threshold set by decision of the Board of Directors.

DRAFT RESOLUTION 13: SUBSTANTIVE MODIFICATION OF THE STATUTES

As a result of the previous resolutions, the General Meeting resolves:

- to amend the last paragraph of Article 11 of the Articles of Association relating to the Board of Directors as follows:
“... To be eligible, a director must be at most 70 years old. »
- to amend Article 13 h) of the Articles of Association relating to the powers of the Board of Directors as follows:

“h) the acquisition and/or disposal of any interests held in other companies whose amount is greater than the threshold set by decision of the Board of Directors, the creation of subsidiaries or other entities whose amount is greater than the threshold fixed by decision of the Board of Directors”

DRAFT RESOLUTION 14: POWERS TO COMPLETE FORMALITIES

The General Meeting grants all powers to holders of originals, copies or extracts of these resolutions for the purpose of carrying out all formalities prescribed by law.

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