

# Group Sonatel 2022 Financial Results



**YEARS**  
OF MARKET  
CAPITALIZATION

with you, for you  
sonatel



## Warning

This information contains information that may seem to be forward looking. \*Regarding the outlook, although the Company believes that these statements and information are based on reasonable assumptions at the date of publication of this press release, they are by their nature subject to risks and uncertainties. Sonatel cannot guarantee or be responsible for the accuracy, completeness, consistency and effectiveness of any of the statements or information given in this press release relating to forecast data.

1. Proforma : Items adjusted for currency effects
2. The impact of IFRS 16 norm concerns mainly these following elements:

Rental engagements: these liabilities were previously reported off-balance sheet in the notes to the consolidated financial statements. Under IFRS 16, the recognition of all leases results, on the balance sheet, in the recognition of an asset for the right to use the leased assets in return for a liability for the obligations.

Operational charge of the rental contracts: this charge was previously included in indirect costs. Under IFRS 16, it is replaced by amortization expense and interest expense.

Ebitdaal : (EBITDA after Leases) is an indicator of financial profitability that takes into account depreciation and interest charges relating to leases. It replaces adjusted EBITDA

ECapex : eCAPEX corresponds to (i) tangible and intangible investments excluding telecommunications licenses and financed assets, (ii) less the sale price of intangible and tangible assets sold.

# Summary

---

**1. Highlights**

**2. 2022 IFRS Financial Statements**

**3. Perspectives and allocation of the 2022 net income**

**Section**

# Highlights

# Country of Presence

Maintaining leadership in 2022 in all the countries where the Sonatel Group is present despite a timid economic recovery, generalized inflation associated with a difficult social economical context...

## Market share

## Orange ranking

Senegal



+2.4 pts

58.9%

1<sup>st</sup> / 4

Mali



-0.5 pts

53.4%

1<sup>st</sup> / 3

Guinea



+5.9 pts

65.9%

1<sup>st</sup> / 3

Guinea Bissau



+2.3 pts

60.9%

1<sup>st</sup> / 2

Sierra Leone



-3 pts

51.6%

1<sup>st</sup> / 3

### Senegal

- PIB Growth\* : 4.7%
- Inflation\* : 7.5%
- Population\* : 17.7 million
- Penetration\*\* : 119.7%

### Bissau

- PIB Growth\* : 3.75%
- Inflation\* : 5.5%
- Population\* : 1.9 million
- Penetration\*\* : 113%

### Sierra Leone

- PIB Growth\* : 2.4%
- Inflation\* : 25.9%
- Population\* : 8.3 million
- Penetration\*\*\* : 89%

### Mali

- PIB Growth\* : 2.5%
- Inflation\* : 8%
- Population\* : 21.5 million
- Penetration\*\*\* : 106.0%

### Guinea

- PIB Growth\* : 4.6%
- Inflation\* : 12.7%
- Population\* : 14.7 million
- Penetration\*\* : 101.7%

- \*Economic data : source FMI October2022
- \*\*Last publication Régulator
- \*\*\* estimated

# Key Messages



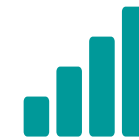
## Environment

- Military transition in Mali and in Guinea
- Economic recovery still timid following the health crisis and growth slowdown due to the Ukrainian crisis
- Rise in inflation in all present countries
- New regulatory measures impacting business
- Very strong currency depreciation in Sierra Leone with a negative impact on charges



## Market

- Competitive aggressiveness in all markets, especially on data and mobile money
- Sonatel and Orange Guinea considered as dominant operators
- Tightening of customers' identification constraints in some countries such as Guinea (reduce in identification documents) and Sierra Leone (sales stop of Simcards on field)



## Business

- Ongoing recruitment and strong growth in mobile data thanks to the good commercial momentum
- Growth in Internet usages on Mobile and Fixed Broadband thanks to the important investments
- Growth in the transaction volumes of Orange Money
- Launch on the 5G Pilot in Senegal
- Reach the level of 10 million active 4G customers

# Operational Results

Good penetration of Data and Orange Money despite the aggressive competition.  
Strong growth of the very high speed contained mainly by offers around technologies High broadband.



## MOBILE CUTOMERS

**37.9 Millions**  $\uparrow$  0.9%



## MOBILE INTERNET

**15.7 Millions**  $\uparrow$  8.4%



## ACTIVE 4G

**10.6 Millions**  $\uparrow$  33%



## FIXED THD CUSTOMERS

**586.4 Milles**  $\uparrow$  34.8%



## % RACCORDABLE FIBER

**31.1%**  $\uparrow$  3,9 pts



## FMI Customer BASE

**38,8 Millions**  $\uparrow$  1,4%



## ACTIVE ORANGE MOBILE

**10.7 Millions**  $\uparrow$  7.3%

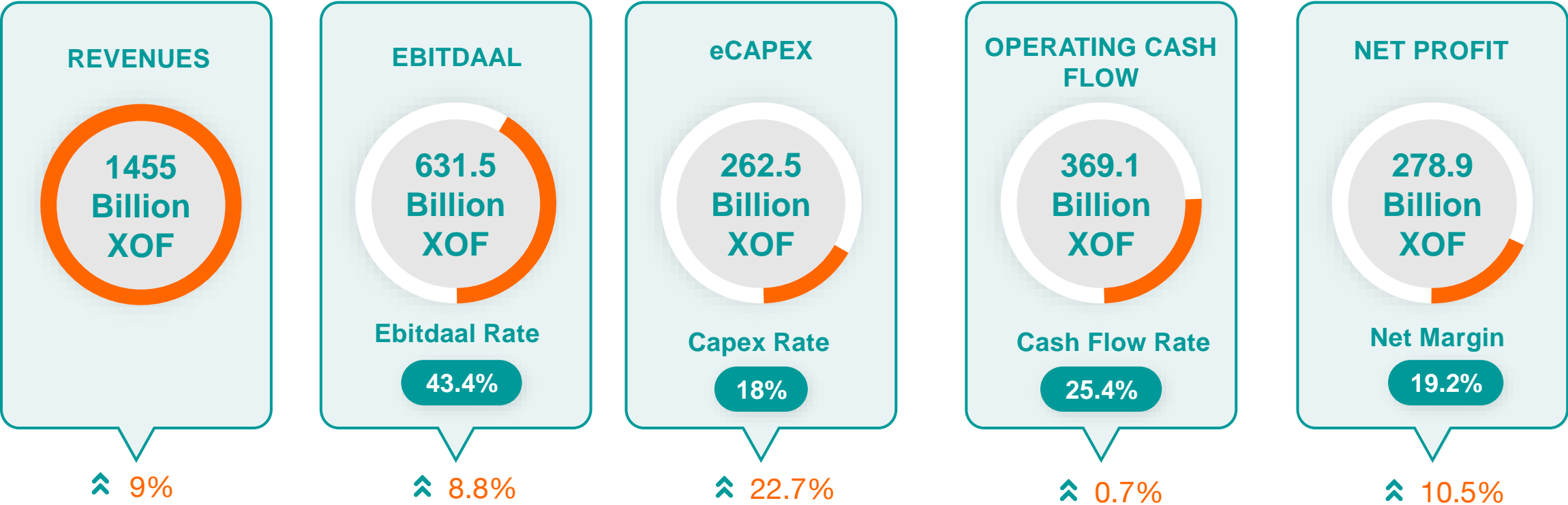


## REGISTERED ORANGE MONEY

**26.4 Millions**  $\uparrow$  23.6%

# Financial results

Financial indicators on the rise compared to 2021  
Capex increase in line with investment commitments in Senegal and the continued increase in Very High Speed broadband usage.



In growth despite the decrease of Mobile Money

Pulled by the growth of the revenue and a good control of charges

Up to support the growth of the very high speed, the extension of the network coverage and improvement of the quality of service

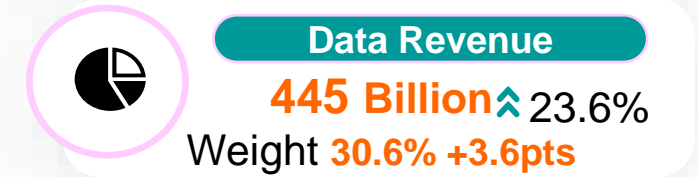
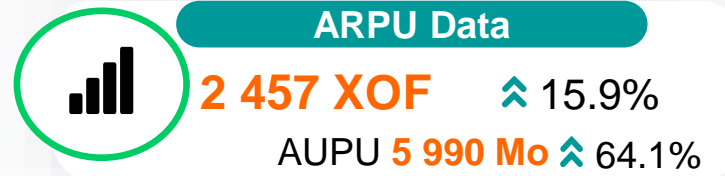
Relatively stable linked with sustained investments

Thanks to the good operational performance reinforced by a control of the depreciation and an increase in the financial result

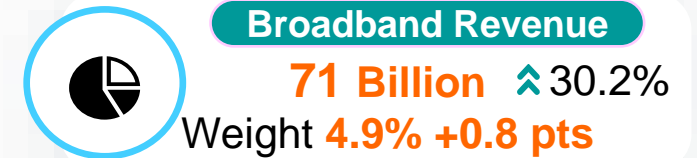
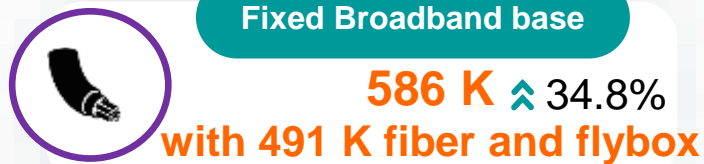


# Main Activities

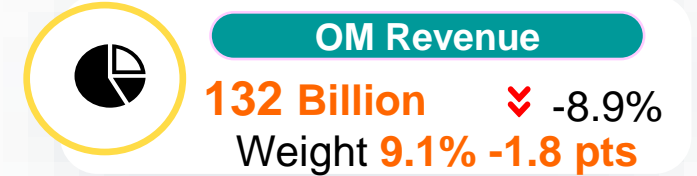
## Mobile Data



## High speed internet



## Orange Money



# Economic Footprint

One of the main contributors to the creation of values in our countries of presence with an economic footprint of 65% of the consolidated turnover.

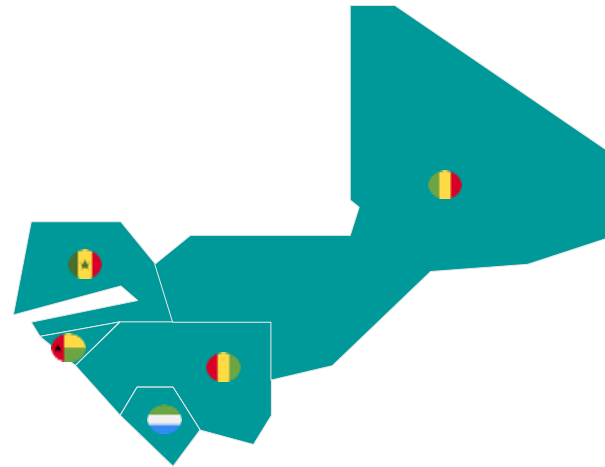
## Revenue generated for local businesses

**+298 Billion XOF**

Of revenue generated for local business in the present countries.

List of activities:

- national operators;
- call centers and landlords
- communication agencies
- training organizations;
- hotels and restaurants ;
- lawyers and notaries;
- car dealerships
- security companies;
- maintenance and cleaning companies;
- Construction for various works
- banks and insurance;
- Content producers



## Job creation

**160 Billion XOF to distributors**

**+200,000 indirect jobs**

**+5,000 direct jobs**

Thanks to an expanded commercial distribution and dynamic partners

## Amounts paid to the State budget

**+435 Billion XOF**

paid as taxes, taxes collected directly or indirectly, royalties, social contributions, customs duties and dividends in the countries of presence

## Dividends paid to local shareholders

**+52 Billion XOF**

Distributed to minority shareholders (staff and local)

## Exportations

**+77 Billion XOF**

Contribution to the balance of payments through services provided to foreign telecommunications operators

# Digital, Social and Environmental Footprint

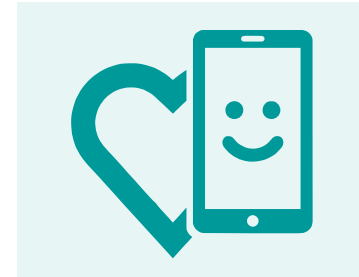
## 1- Digital Inclusion & Support for local entrepreneurship

Promote digital training and support the employability of young people and prepare them for the jobs of the future through Orange Digital Center (ODC) :

- 4 ODCs in Senegal, Mali, Guinea and Sierra Leone: **17,000 beneficiaries** supported in 2022
- Integration rate: 80% 3 to 6 months after certification; **40% feminization rate**
- Orange startup studio (OSS) : **70 startups** supported through our programs
- ODC club to be deployed in the regions with the support of the GIZ: **2000 people / year**

## 3- Support of education and health

- Rehabilitation and equipment of sanitary sites (**5/year**)
- **30 specialization scholarships** in medicine of 2 years in priority areas
- School rehabilitation
- Scholarships for the best high school students and teachers



sonatel



## 2 – Social Inclusion

- Sonatel Foundation: **2 new "Village" Projects** in 2022 (26 Projects in total in 9 years): Water point, school construction, health center, green school.
- Inclusion of people with disabilities, some of whom become suppliers
- **52,000 households** have access to energy thanks to **Orange Energy**
- Gender distribution: **38%** of women in the overall workforce and **50%** at the level of the management committee

## 4 – Sustainable development

- CO2 emissions: **Objective to reach a rate of 50%** use of renewable energies by 2025;
- **Green energy rate 8%**
- Reforestation: **30,000 trees** planted each year
- Elimination by burial of more than 17 tons of fiber optic cable waste
- **7,800 customer products refurbished**, a rate of 64%

**Section**

# 2022 IFRS Financial Statements

# Scoop of consolidation

Countries	Entity	Mode of ownership	Pourcentage of control	Type of control	Consolidation method
Sénégal	Sonatel SA		Parent company	Consolidating entity	
	Orange Finances Mobiles Senegal	Direct	100%	Exclusive control	Global integration
Mali	Orange Mali	Direct	69.40%	Exclusive control	Global integration
	Orange Finances Mobiles Mali	Indirect	69.40%	Exclusive control	Global integration
Guinée Conakry	Orange Guinée	Direct	88.82%	Exclusive control	Global integration
	Orange Finances Mobiles Guinea	Indirect	88.82%	Exclusive control	Global integration
Guinée Bissau	Orange Bissau	Direct	89.85%	Exclusive control	Global integration
Sierra Leone *	Orange Sierra Leone	Direct	50%	Exclusive control	Global integration
	Orange Money Sierra Leone	Indirect	50%	Exclusive control	Global integration
Côte d'Ivoire	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 Group holds the remaining 50%.

# Income statement

(in million XOF)	2022	2021
<b>Turnovers</b>	<b>1 455 049</b>	<b>1 334 874</b>
External Purchases	-526 136	-467 804
Other operational products	20 266	18 175
Other operational charges	-41 389	-49 094
Personnel Expenses	-134 165	-126 774
Operating taxes and fees	-130 168	-118 539
Depreciation Charge	-207 478	-190 170
Turnover of securities and business	66	-1057
Restructuring and integration costs	185	155
Income from associates	829	-112
<b>Operating Income</b>	<b>437 059</b>	<b>399 655</b>
Cost of gross financial indebtedness	-23 511	-28 341
Interest expense on rental debt	-2 933	-2 471
Income and expenses on net debt assets	6 578	5 724
Foreign exchange gains (losses)	-2 574	-3 023
Other financial products and expenses	7 655	3 934
<b>Financial result</b>	<b>-14 785</b>	<b>-24 178</b>
Corporate taxes	-143 361	-123 018
<b>Consolidated net income</b>	<b>278 912</b>	<b>252 459</b>
Net income attributed to the owners of the parent company	235 974	211 054
Net income attributed to non-controlling interests	42 938	41 405

# Statement of comprehensive income

(in million XOF)	2022	2021
<b>Consolidated net income</b>	<b>278 912</b>	<b>252 459</b>
<b>Items not recyclable in profit or loss</b>	-	-
<b>Post-employment benefit, actuarial difference</b>	-5 225	-5 573
<b>Items recyclable in profit or loss</b>	-	-
<b>Assets available for sale</b>	-	-
<b>Conversion differences</b>	(27 657)	24 786
<b>Other comprehensive income before tax</b>	<b>(32 882)</b>	<b>19 213</b>
<b>Tax on other comprehensive income (non-recyclable)</b>	1 596	-
<b>Other comprehensive income</b>	<b>1 596</b>	-
<b>Overall result of the consolidated group</b>	<b>247 626</b>	<b>271 672</b>
<b>Comprehensive income attributable to Group shareholders</b>	<b>75 236</b>	<b>227 968</b>
<b>Comprehensive income attributable to non-controlling interests</b>	<b>172 390</b>	<b>43 704</b>

# Balance sheet – Assets

(in million XOF)	31-dec 2022	31-dec 2021
<b>Assets</b>		
Gap acquisition	22 169	37 230
Other intangible assets	230 160	244 864
Tangible fixed assets	921 033	843 065
Investments in associates	3 964	3 091
Rights to use leased fixed assets	21 285	24 559
Non current financial assets	143 075	135 960
Other non current financial assets	8 235	8 727
Diferred taxes assets	20 955	19 266
<b>Total non current assets</b>	<b>1 370 876</b>	<b>1 316 762</b>
Stocks	26 652	18 098
Accounts receivables	166 102	142 135
Current financial assets	5 371	5 760
Other current financial assets	312 402	253 759
Operating taxes and fees	71 725	66 739
Corporate taxes	14 544	11 159
Prepaid expenses	7 728	5 227
Cash and cash equivalents	276 791	244 206
<b>Total current assets</b>	<b>881 316</b>	<b>747 082</b>
<b>Total assets</b>	<b>2 252 192</b>	<b>2 063 844</b>



# Balance sheet – Liabilities

(in million XOF)	31-dec 2022	31-dec 2021
<b>Liabilities</b>		
Share capital	50 000	50 000
Reserves and issue premiums	766 438	658 944
Exchange rate difference	-71 729	-36 276
Common shares	-761	-1 172
<b>Equity attributable to owners of the parent company</b>	<b>743 948</b>	<b>671 496</b>
Equity attributable to non-controlling interests	<b>154 576</b>	<b>149 754</b>
<b>Total owner's equity</b>	<b>898 523</b>	<b>821 250</b>
Non-current financial liabilities	199 560	202 538
Non-current rental debts	15 579	19 700
Non-current employee benefits	28 813	25 467
Other non-current liabilities	12 386	11 568
Deferred tax liabilities	309	-
<b>Total non-current liabilities</b>	<b>256 647</b>	<b>259 274</b>
Current financial liabilities	221 007	214 143
Payables for current fixed assets	140 633	117 900
Payables on other goods and services	224 910	197 947
Customer contract liabilities	1 477	2 047
Current rental debts	6 848	6 449
Current employee benefits	19 312	17 218
Other current liabilities	294 938	258 023
Operating taxes	74 803	71 017
Corporation tax	90 309	83 292
Prepaid income	22 784	15 285
<b>Total current liabilities</b>	<b>1 097 022</b>	<b>983 321</b>
<b>Total liabilities and equity</b>	<b>2 252 192</b>	<b>2 063 844</b>

# Cash flow statement

(in millions XOF)	2022	2021
<b>Cash flow operating activities</b>		
Net Profit	278 912	252 459
<b>Non-monetary items and presentation reclassification</b>		
Operating taxes and levies	130 168	118 539
Depreciation expense	207 478	190 170
Income from asset disposals and other gains & losses	-66	1057
Allocations (reversals) of other provisions	-10 637	4 792
Corporation tax	143 361	123 018
Share in the results of equity-accounted entities	-829	112
Financial Result	14 785	24 178
Net exchange difference	-1 893	1 973
Stock-based compensation	2 571	2 007
<b>Change in working capital requirement</b>		
Decrease (increase) in inventory	-8 319	-5 455
Decrease (increase) in trade receivables	-26 259	-12 498
Increase (decrease) in trade payables	26 198	3 199
Var of customer contract liabilities	-570	-2923
Decrease (increase) in other receivables	-57 982	-44 889
Increase (decrease) in other debts	51 756	50 451
<b>Other net disbursements</b>		

# Cash flow statement (continued)

(in million XOF)	2022	2021
<b>Continued Cash flow from operating activities</b>		
Operating taxes and levies disbursed	-133 042	-114 501
Dividends received	371	181
Interest income received	14 971	10 669
Interest paid and interest rate effect of net derivatives	-25 974	-31 563
Corporate taxes disbursed	-140 866	-107 723
<b>Cash generated by operating activities (a)</b>	<b>464 136</b>	<b>463 254</b>
<b>Cash flow from investing operations</b>		
Acquisitions of tangible and intangible fixed assets	-262 989	-221 399
Increase (decrease) in fixed asset suppliers	21 378	6 313
Proceeds from the sale of real estate and other tangible and intangible assets	493	542
Acquisitions of equity securities net of cash acquired	-1 290	-2 234
Proceeds from the sale of equity investments net of cash sold	-1	277
Decrease (increase) in investments and other financial assets	529	197
<b>Cash generated by investing activities (b)</b>	<b>-241 879</b>	<b>-216 305</b>

# Cash flow statement (continued)

(in million XOF)	2022	2021
<b>Cash flow from financing operations</b>		
Issues of long-term loans	35 160	25
Repayments of LT loans	-23 044	-115 054
Rental debt repayments	-9 511	-7 863
Increase (decrease) in bank overdrafts and other short-term borrowings	-8 113	73 574
Buy back shares	410	218
Dividends paid	-187 316	-166 225
Change in interest without taking/loss of control	29	-
<b>Cash generated by financing activities (c)</b>	<b>-192 385</b>	<b>-215 324</b>
<b>Monetary change in cash and cash equivalents (a) + (b) + (c)</b>	<b>29 872</b>	<b>31 625</b>
Impact of changes in exchange rates on cash	6 312	15 513
Other Cash Impacts	-3 600	-2 628
<b>Net change in cash</b>	<b>32 585</b>	<b>44 510</b>
<b>Net change in cash and cash equivalents</b>		
<b>Cash and cash equivalent at opening</b>	<b>244 206</b>	<b>199 692</b>
<b>Net change in cash and cash equivalents</b>	<b>32 585</b>	<b>44 514</b>
<b>Cash and cash equivalents at closing</b>	<b>276 791</b>	<b>244 206</b>

# Statement of changes in equity

In million XOF	Attributable to owners of the parent company					Attributable to participants not giving control		Total equity
	Share capital	Reserves	Exchange rate differences	Own shares	Total	Reserve	Total	
<b>Balance as of January 1, 2021</b>	<b>50 000</b>	<b>620 476</b>	- 58 828	- 1 390	<b>610 258</b>	<b>138 919</b>	<b>138 919</b>	<b>749 177</b>
Consolidated comprehensive 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 (1)	-	36 418	22 551	X 218	- 13 649	- 292	- 292	- 13 940
<b>Balance as of December 31, 2021</b>	<b>50 000</b>	<b>658 944</b>	- 36 276	- 1 172	<b>671 496</b>	<b>149 754</b>	<b>149 754</b>	<b>821 250</b>
Consolidated comprehensive income		235 974			235 974	42 938	42 938	278 912
Distribution of dividends	-	155 824			- 155 824	- 31 705	- 31 705	- 187 528
Other movements		27 343	- 35 453	410	- 7 699	- 6 412	- 6 412	- 14 111
<b>Balance as of December 31, 2022</b>	<b>50 000</b>	<b>766 438</b>	- 71 729	- 761	<b>743 948</b>	<b>154 576</b>	<b>154 576</b>	<b>898 523</b>



**Section**

**Perspectives  
and allocation  
of the 2022 net  
income**

# Perspectives

After 25 years of presence on the Regional Stock Exchange, "BRVM" of Abidjan, the Sonatel Group has again realized its forecasts and showed a capacity of resilience in all the countries of presence despite a difficult social economic context.

The Sonatel Group confirms its commitments through a strong financial performance and remarkable operational efficiency to maintain its dynamic anchoring and contribute to digital development in all countries of presence through a sustained investment policy on Very High Speed Fixed and Mobile while improving the customer experience.

In 2023, we aim to maintain, or even strengthen, our performance in growth and profitability thanks to an operational efficiency plan. We are going to pursue our strategy as a multi-service operator by accelerating our growth levers, which are Very High Speed Fixed and Mobile, content distribution with our platform Wido and the Energy business. We will continue to consolidate our positions in the Mobile Money market by relying on digital, and by developing new products around an improved customer experience.

The Sonatel group remains determined to maintain its civic engagement for the benefit of the populations through CSR and sponsorship initiatives in order to remain a major contributor to the digital, financial and social inclusion of the populations of West Africa.

# Draft resolution : Allocation of the 2022 consolidated net income

---

The General Assembly, on the proposal of the Board of Directors and after having deliberated, decides to:

- Set at XOF 1.667 the gross dividend accruing to each share. After deduction of the 10% withholding tax for the IRVM, the net dividend of XOF **1.500** will be paid **from May 17, 2023**
- Allocate the remainder of the net result to free reserves.



# 25 years of presence at the BRVM

- One of the largest market capitalizations of the BRVM
- Nearly 27,000 shareholders around the world



**20%**  
Of the  
composite  
index

Across all market  
securities  
46 listed companies

**2 700 Billion XOF**  
Distributed as dividends  
since 1998  
of which  $\approx$  600 billion  
on the floating capital

**22% float holding**  
30% General public / 70% institutions and funds

# Thank you!

with you, for you  
sonatel

