

AXIAN TELECOM

Q1 2023 unaudited results

May 30th, 2023



IMPORTANT: You must read the following before continuing. The following applies to this document, the oral presentation of the information in this document, and any question- and-answer session that follows the oral presentation (collectively, the "Information"). In accessing the Information, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

This information and any related oral presentation does not constitute or form part of, and should not be construed as, an offer for sale of, or an invitation or solicitation to purchase or subscribe for or otherwise acquire, any securities or financial instruments of Axian Telecom (the "Company") or any subsidiary or affiliate related to the Company nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities or financial instruments, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment or investment decision whatsoever.

The Information has been obtained from sources believed by the Company to be reliable. Market data used in the Information not attributed to a specific source are estimates of the Company. The Information has not been independently verified and, accordingly, no representation or warranty, expressed or implied, is made by the Company with respect to the fairness, completeness, correctness, reasonableness or accuracy of any Information and opinions contained herein.

The Information is provided for information purposes only and should not be relied upon by recipients and no liability, responsibility, or warranty of any kind is expressed, assumed or implied by the Company for the accuracy, inaccuracy, interpretation, misinterpretation, application, misapplication, use or misuse of any statement, claim, purported fact or financial amount, prediction or expectation. The Information, including but not limited to any forward-looking statements, applies only as of the date of this document, is not intended to give any assurances as to future results and, subject to any obligations the Company may have under applicable securities laws in relation to disclosure and ongoing information, the Company undertakes no obligation to update it.

This presentation may contain certain statements which are not historical facts and are forward-looking. We may from time to time make written or oral forward-looking statements in reports to shareholders and in other communications.

Forward-looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future operating revenues or performance, capital expenditures, financing needs, the expected terms or timeline of the Acquisition, plans or intentions relating to any other acquisitions, our competitive strengths and weaknesses, our business strategy, and the trends we anticipate in the industries and the political and legal environments in which we operate and other information that is not historical information.

Words such as "believe", "anticipate", "estimate", "target", "potential", "expect", "intend", "predict", "project", "could", "should", "may", "will", "plan", "aim", "seek" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

The forward-looking statements contained in this presentation are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. We caution all readers that the forward-looking statements contained in this presentation are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, many of which are beyond our control, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. For the avoidance of doubt, the Company does not accept any liability in respect of any such forward-looking statements.

This information contains numbers which have been rounded and ratios which have been calculated on the basis of rounded numbers. Subtotals and totals may not add, and ratios may not be recalculated exactly, as a result of the applied rounding.



HASSANEIN HIRIDJEE

Chairman and Founder



PHILIPPE PRODHOMME

Chief Financial Officer



NICOLAS SYLVESTRE-BONCHEVAL

Head of Corporate Finance & IR

MACROECONOMIC ENVIRONMENT

Madagascar:

- 2023 projected real GDP of 4.2%⁽¹⁾
- 2023 projected inflation of 9.5%⁽¹⁾ (vs. 8.2% in 2022)
- \$/MGA at 4,343⁽²⁾ in Q1'23, -7.2% YoY

Tanzania:

- 2023 GDP growth projected is 5.2%⁽¹⁾
- 2023 inflation projected is 4.9%⁽¹⁾ (vs. 4.4% 2022)
- \$/TZS at 2,338⁽²⁾ in Q1'23, -0.8% YoY
- Q1'23 Foreign Reserve stood at \$5.01bn⁽³⁾ (-\$0.6bn YoY)

Togo:

- 2023 projected real GDP of 5.5%⁽¹⁾
- 2023 projected inflation of 5.3%⁽¹⁾ (vs. 7.6% in 2022)
- \$/XOF at 604⁽²⁾ in Q1'23, -2.2% YoY

TELECOM INDUSTRY

Madagascar⁽⁴⁾:

- Total subscribers as of Q1'23 were 17.2m which is a +21.7% increase YoY
- Mobile and data penetration of 58.0% and 32.8% respectively as of Q1'23, which is +9.2pp and +3.0pp YoY

Tanzania⁽⁵⁾:

- Total subscribers as of Q1'23 were at 61.9m, which is a +11.8% increase YoY
- Mobile and data penetration of 100.1% and 53.6% respectively as of Q1'23, which is +7.7pp and +3.7pp YoY

Togo⁽⁴⁾⁽⁶⁾:

- Total subscribers as of Q1'23 were at 6.7m which is a +6.8% increase YoY
- Mobile and data penetration of 82.3% and 77.4% respectively as of Q1'23, which is +3.5pp and +4.9pp YoY

AXIAN TELECOM HIGHLIGHTS

- Despite currency deterioration in majority of our markets we continue to deliver strong revenue growth in our existing perimeter including Tanzania with 10% YoY in Q1'23
- Our pro forma Adjusted EBITDA for the existing perimeter including Tanzania grew by 3% YoY in Q1'23, despite the pressure on operating costs and currency devaluation. Excluding impact of FX growth is 8% YoY

In \$m, unless otherwise stated

	Q1'23	Q1'22	Var.
Existing perimeter			
Revenue generating subscribers ('000)	31,243	12,934	142%
Active data users ('000)	7,335	3,284	123%
Active MFS users ('000)	10,593	3,064	246%
Revenue	241	130	85%
Adjusted EBITDA	108	70	55%
<i>Adjusted EBITDA Margin</i>	45%	53%	(8) pp
Capital Expenditure	87	37	138%
<i>As a % of revenue</i>	36%	28%	8 pp
Adjusted Net Debt	863		
Adjusted Net Debt to Adjusted EBITDA ratio (x)	2.1x		

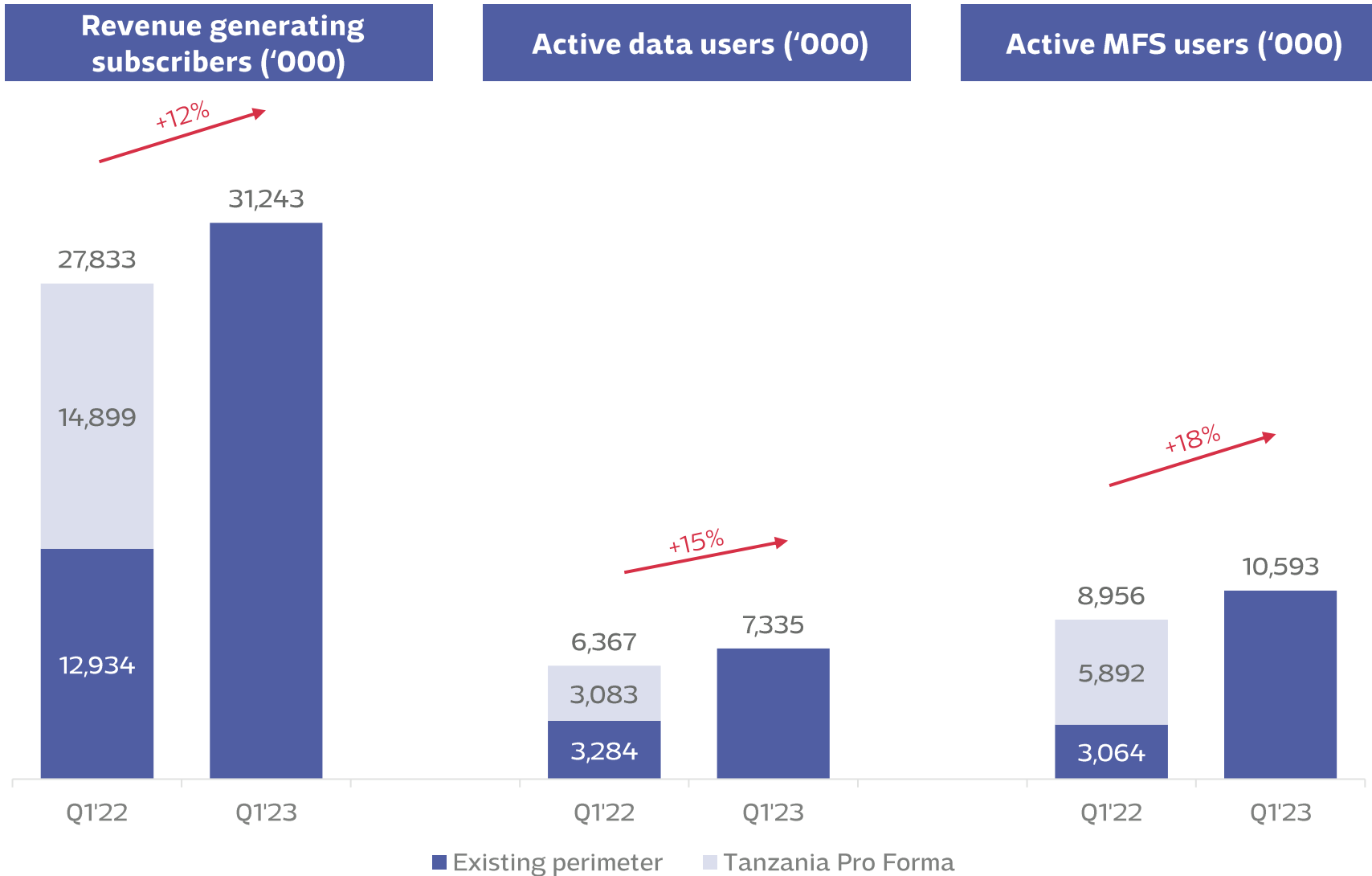
Pro Forma⁽¹⁾

Revenue generating subscribers ('000)	31,243	27,833	12%
Active data users ('000)	7,335	6,367	15%
Active MFS users ('000)	10,593	8,956	18%
Revenue	241	219	10%
Adjusted EBITDA	108	105	3%
<i>Adjusted EBITDA Margin</i>	45%	48%	(3) pp
Capital Expenditure	87	45	95%
<i>As a % of revenue</i>	36%	21%	16 pp

Existing Perimeter Excluding Tanzania

Revenue generating subscribers ('000)	15,159	12,934	17%
Active data users ('000)	3,697	3,284	13%
Active MFS users ('000)	3,876	3,064	27%
Revenue	140	130	7%
Adjusted EBITDA	68	70	(2%)
<i>Adjusted EBITDA Margin</i>	49%	53%	(5) pp
Capital Expenditure	27	37	(27%)
<i>As a % of revenue</i>	19%	28%	(9) pp

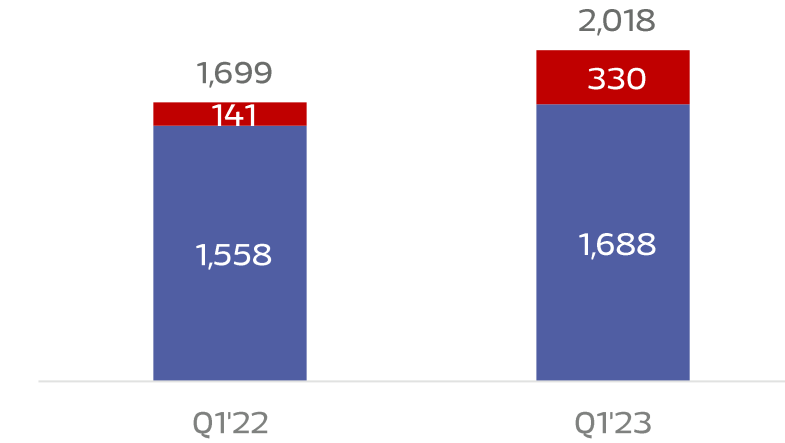
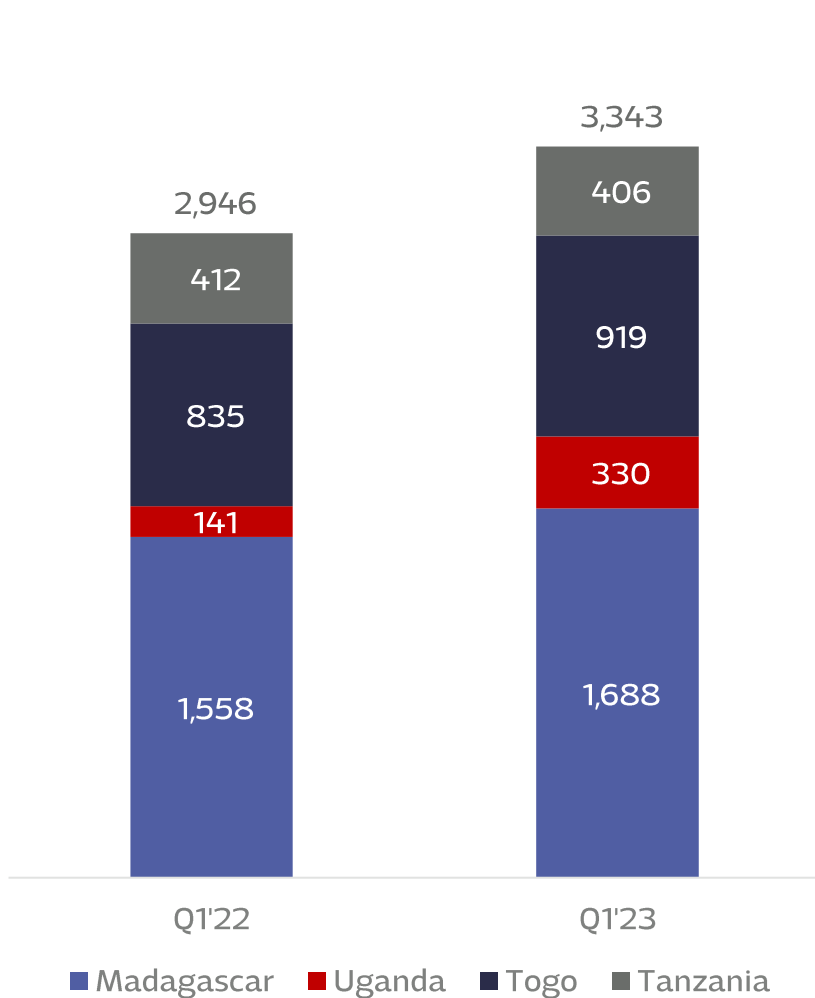
- Double Digit growth in pro forma subscriber base with strong growth in Madagascar
- +10% YoY growth in pro forma combined Revenues for Q1'23
 - +7% growth in our existing perimeter excluding Tanzania
 - +14% growth in Tanzania driven by Mobile services and Mobile Money
- +3% YoY growth in pro forma combined Adjusted EBITDA in Q1'23
- YoY Pro forma combined Revenue and Adjusted EBITDA growth impacted by negative FX impacts of \$11m and \$6m respectively
 - Without FX impact, YoY growth is 15% and 8% respectively
- Capital Expenditure increase due to passive infrastructure rollout, network strengthening in Tanzania, partly offset by timing of supplier payments
- Adjusted Net Debt to Adjusted EBITDA Ratio at 2.1x mainly due to increase in borrowings and lease liabilities



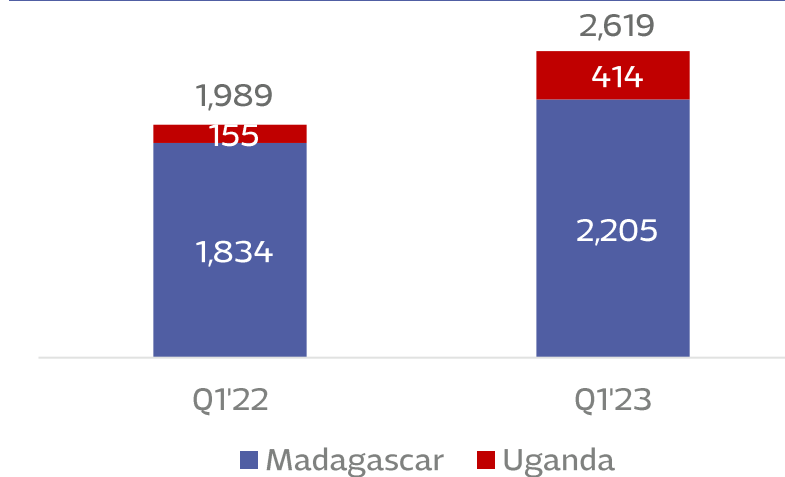
- Revenue generating subscribers +12% YoY, mainly driven by
 - +2.0m subscribers in Madagascar, a 22% increase YoY
 - +0.2m subscribers in Togo, a 6% increase YoY
 - +1.2m subscribers in Tanzania, an 8% increase YoY
- Active data users +15% YoY, strong growth in Tanzania with +0.6m, and Madagascar +0.3m
- Active MFS users +18% YoY with strong growth across all operations
 - +21% and +37% YoY for Madagascar and Togo respectively
 - + 14% YoY growth in Tanzania

Owned Towers

Shared Towers

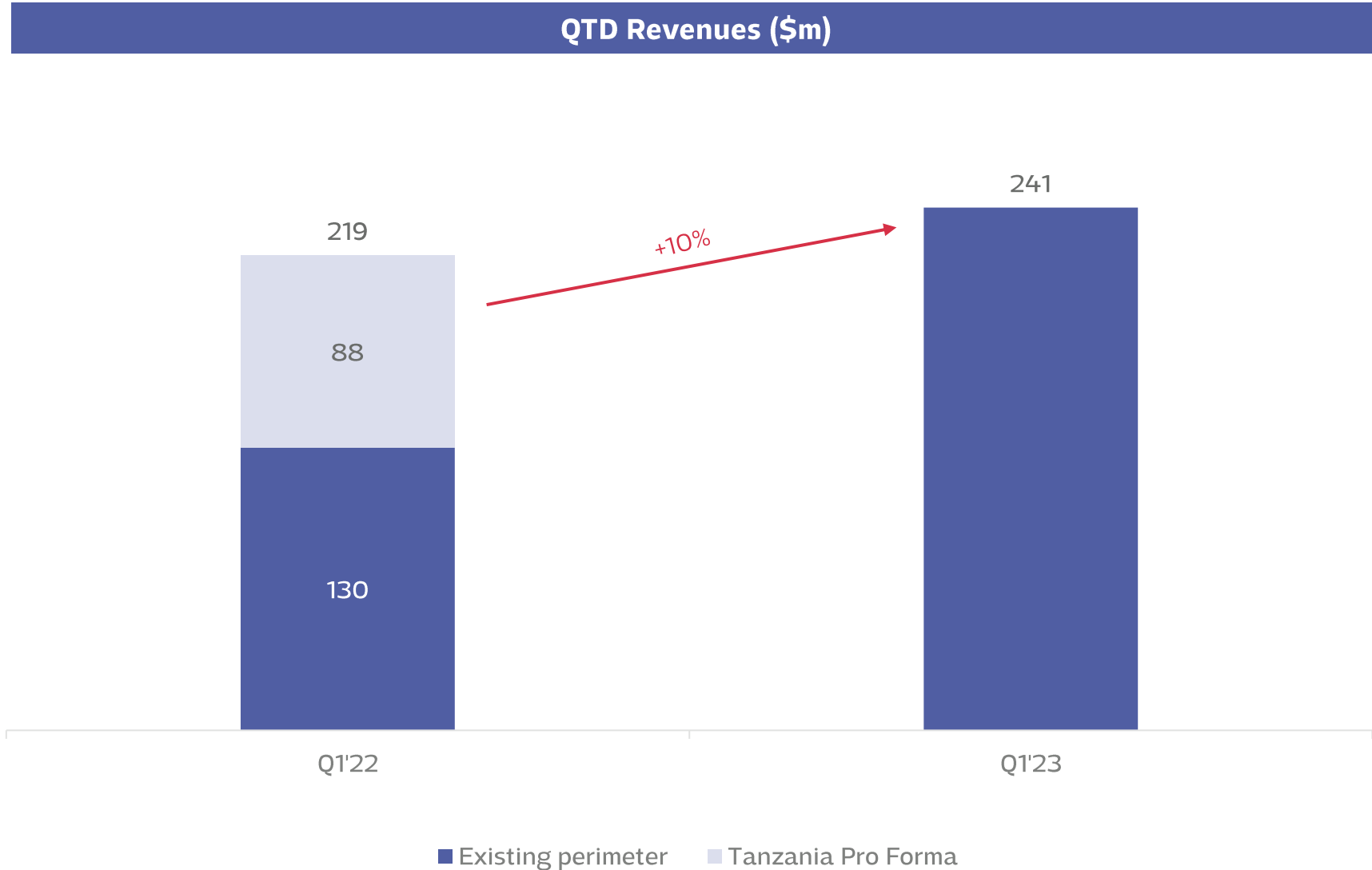


Tenants on Shared Towers



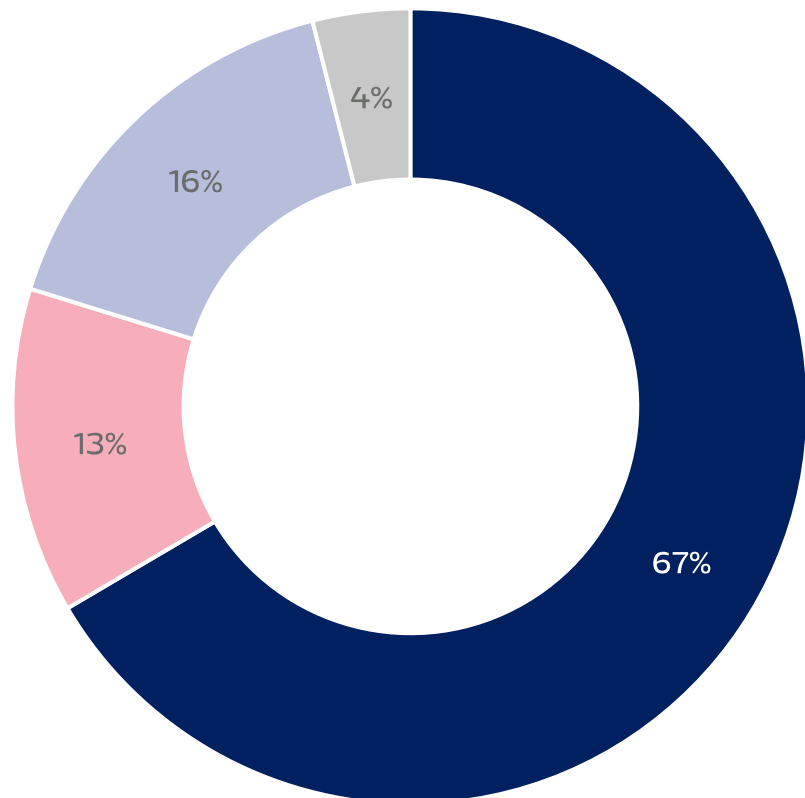
- Number of Owned Towers increased by 397 in Q1'23 YoY, while Shared Towers increased by 319 YoY of which:
 - +130 YoY in Madagascar
 - +189 YoY in Uganda
 - +84 YoY in Togo
 - -6 YoY in Tanzania

- Tenants on Shared Towers increased by 630 in Q1'23 YoY, while Tenancy Ratio grew from 1.17x to 1.30x YoY
 - +371 YoY in Madagascar
 - +259 YoY in Uganda



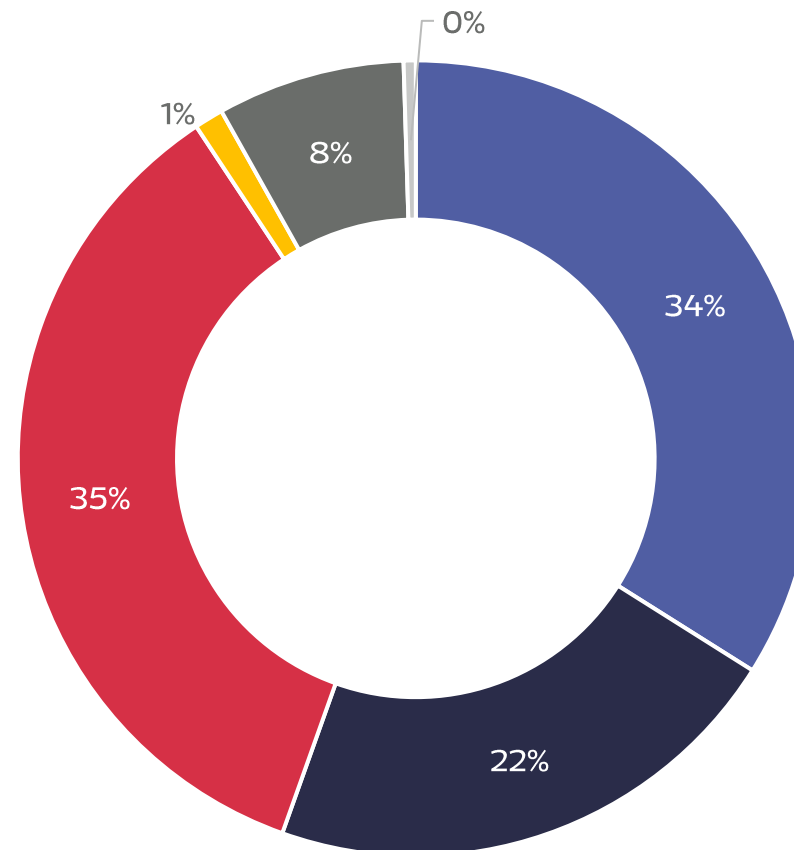
- +85% YoY revenue growth in Q1'23 in our existing perimeter
 - Strong growth in infrastructure revenue with +5m YoY
 - Q1'23 includes \$101m of revenue from MIC Tanzania
- Pro Forma Tanzania revenue +14% YoY with growth in Mobile Services, Fixed Services and Mobile Money Services

Q1'23 Revenue⁽¹⁾ by segment (%)



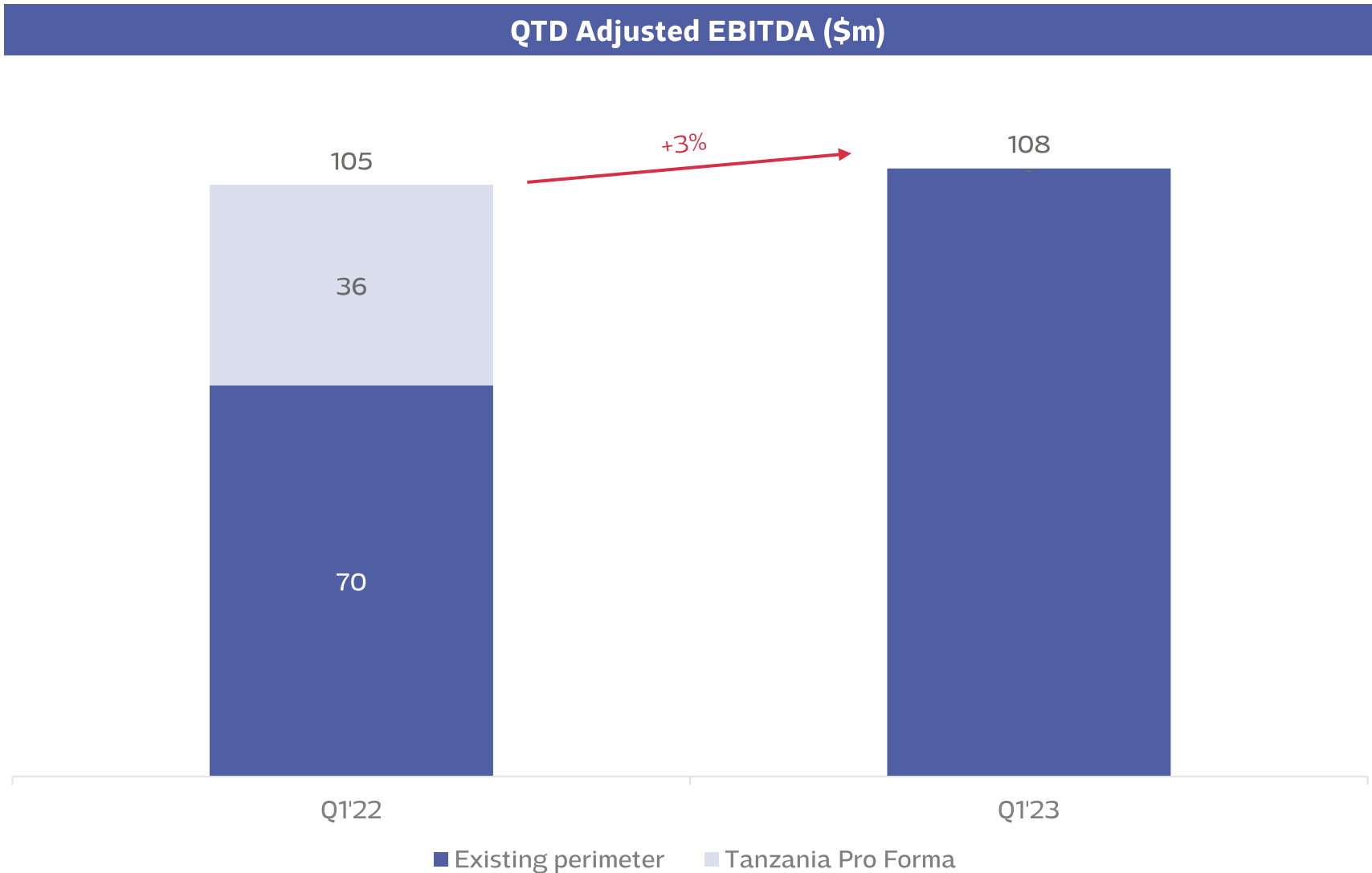
■ Mobile & Fixed ■ Infrastructure ■ Digital ■ Others

Q1'23 Revenue⁽¹⁾ by country (%)



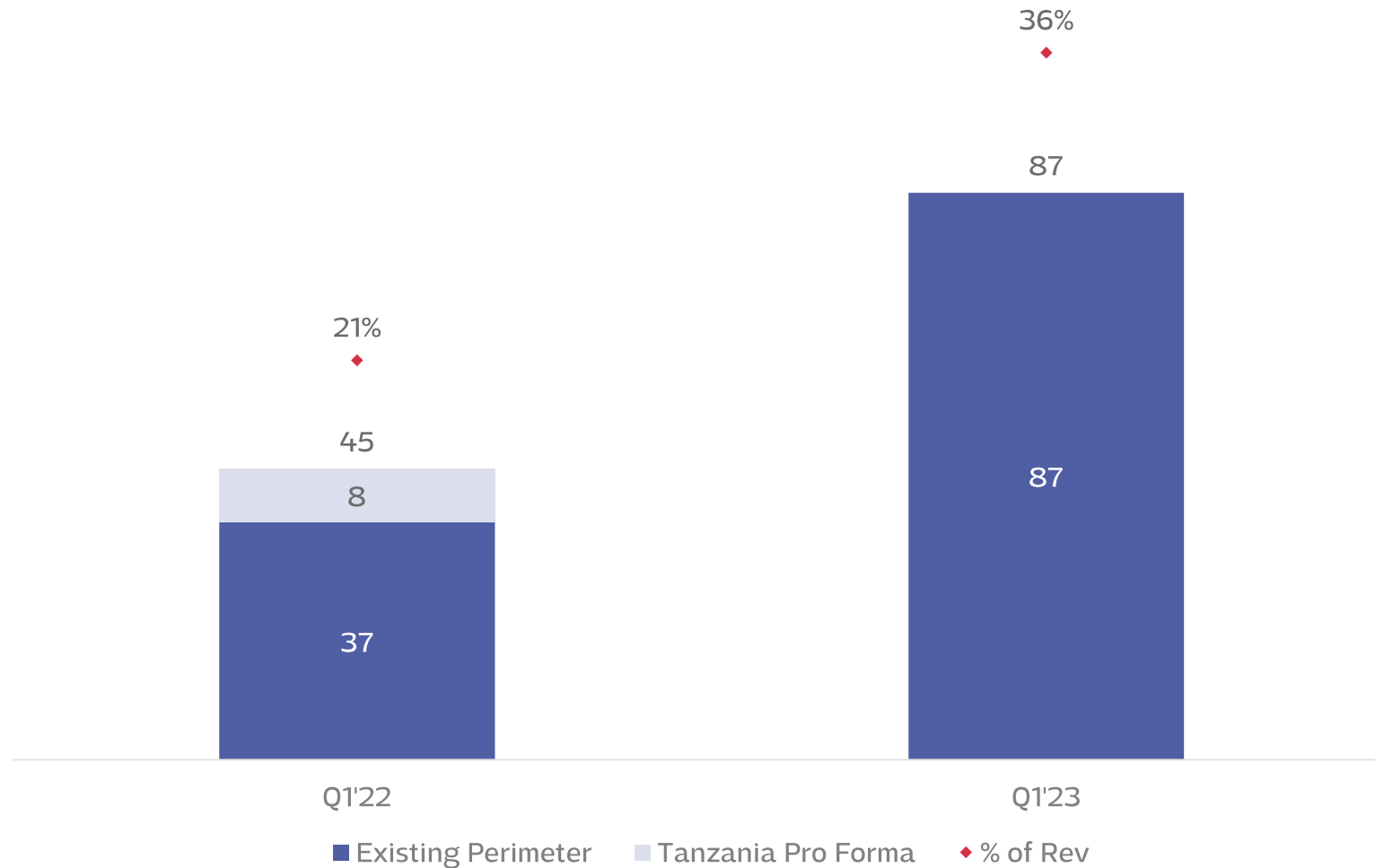
■ Madagascar ■ Togo ■ Tanzania ■ Uganda ■ Mauritius ■ Others

⁽¹⁾On combined basis including MIC Tanzania



- +55% YoY Adjusted EBITDA growth in Q1'23 in our existing perimeter
 - YoY Growth in Mobile Services in Madagascar by \$2m and infrastructure by \$4m
 - Q1'23 includes +\$40m in Adjusted EBITDA from MIC Tanzania
- Pro Forma Tanzania Adjusted EBITDA +13% YoY driven by revenue growth
- Adjusted EBITDA including Tanzania grew 3% YoY. Adverse FX movements impacted organic growth by 5%, of which 3.8pp is attributable to Madagascar and 1.3pp to Togo

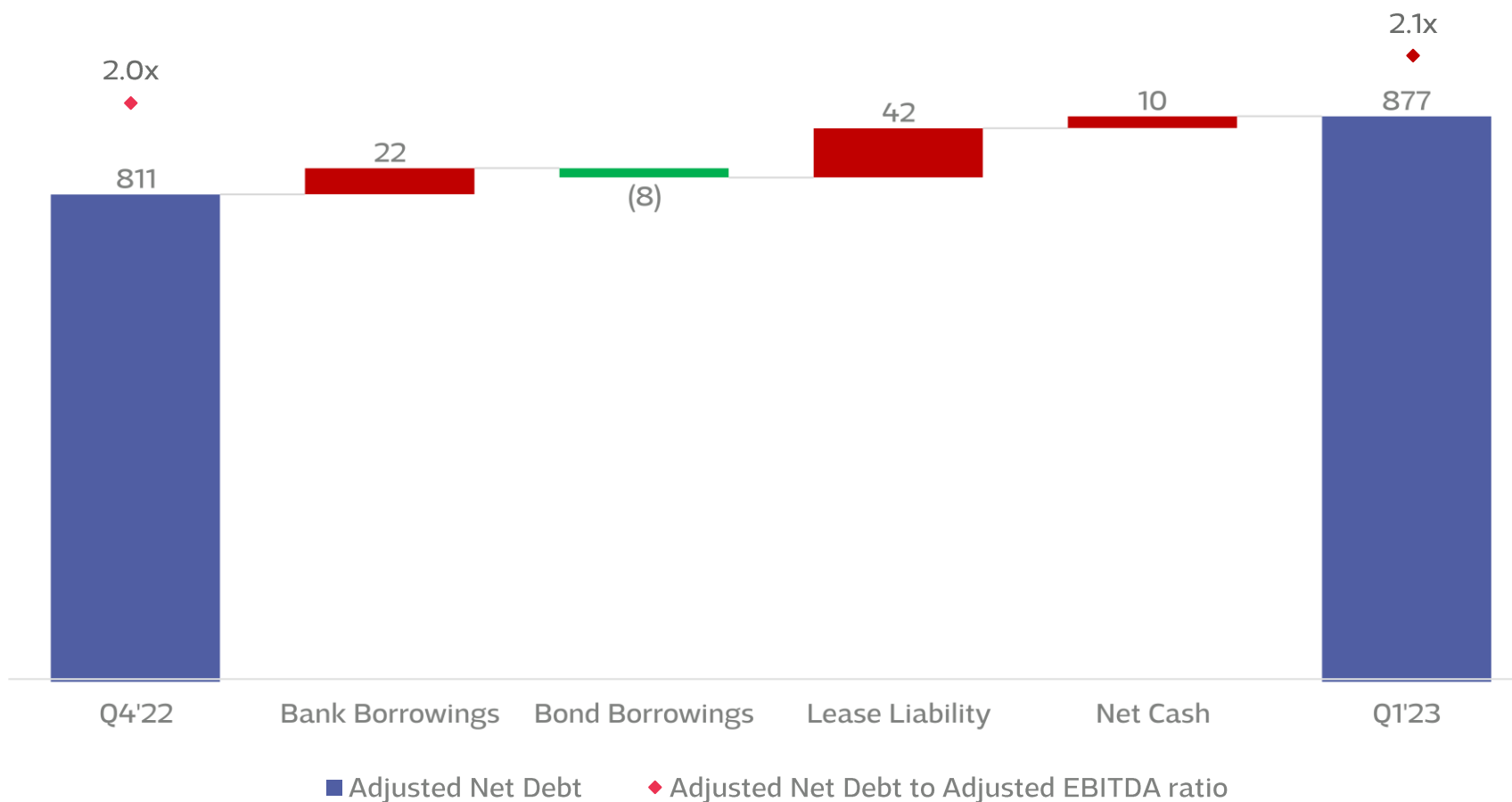
QTD Capital Expenditure (\$m)⁽¹⁾



- Q1'23 Capital Expenditure (“Capex”) for the existing perimeter at \$87m. Pro forma Capex increased to 36% of revenue vs. 21% last year
 - Our Mobile & Fixed segment contributed 91% to the current period’s Capex driven by network development in Tanzania, which contributed \$61m to the Mobile & Fixed perimeter capex
 - Our Infrastructure segment contributed 9% to the current period’s Capex. Lower contribution is mainly driven by timing of the supplier payments in Madagascar

(1) Capex % of revenue are based on Proforma figures presented on a combined basis; combining the results for Axian Telecom and MIC Tanzania as if they were a part of the same group from January 1, 2022. Refer to slide 16 for the definition of Capital Expenditure (“Capex”).

Adjusted Net debt (\$m) and Adjusted Net Debt to Adjusted EBITDA ratio (x)



- Adjusted Net Debt to Adjusted EBITDA ratio of 2.1x as at Q1'23
- Increase is mainly driven by increase in lease liabilities in Tanzania and bank borrowings

Appendix

ADJUSTED EBITDA RECONCILIATION

In \$m, unless otherwise stated

	Q1'23	Q1'22	Q1'23	Q1'22
	Existing perimeter		Proforma⁽¹⁾	
Profit/(loss) for the period	22	23	22	59
Income tax expense/(credit)	11	9	11	(32)
Finance income	(13)	(8)	(13)	(8)
Finance costs	38	21	38	40
Depreciation of property, plant and equipment	31	23	31	33
Amortization of right of use assets	13	6	13	14
Amortization of intangible assets	7	2	7	4
EBITDA	110	75	110	110
Share of net (profit)/loss in joint ventures	(2)	(5)	(2)	(5)
(Gain)/loss on disposal of property, plant and	(0)	-	(0)	(0)
Adjusted EBITDA	108	70	108	105

CALCULATION OF ADJUSTED NET DEBT TO ADJUSTED EBITDA RATIO

Q1'23 - Adjusted Net Debt Calculations (USD)

In \$m, unless otherwise stated

	Q1'23	Q4'22
Borrowings (non-current)	261	263
Borrowings Bonds (non-current)	413	412
Borrowings (current)	69	43
Borrowings Bonds (current)	4	13
Total Borrowings	748	730
Loans payable to related parties (non-current)	153	151
Loans payable to related parties (current)	-	-
IFRS adjustment to the Issuance canceled	(7)	(7)
Less: Adjusted Debt Amount	147	144
Adjusted Borrowings	601	587
IFRS 16 non-current	420	380
IFRS 16 current	45	42
Lease Liability	464	423
Total Adjusted Debt	1,066	1,010
Cash and cash equivalents	225	227
Bank overdraft	(36)	(28)
Excluding: Net Cash	189	199
Adjusted Net Debt	877	811
Last Twelve Month EBITDA	414	411
Leverage Ratio	2.1x	2.0x

In this presentation, we present certain financial measures of the Group that are not defined in, and thus, not calculated in accordance with International Financial Reporting Standard (“IFRS”), United States Generally Accepted Accounting Practice (“U.S. GAAP”) or generally accepted accounting principles in any other relevant jurisdiction. These include EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin (each as defined below). Because these measures are not standardized, they may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. We do not regard these non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

Adjusted EBITDA: EBITDA adjusted for: (i) share of net profit of joint ventures; (ii) loss on disposal of subsidiary; and (iii) gain on disposal of property, plant and equipment;

Adjusted EBITDA Margin: ratio of Adjusted EBITDA to our revenue, expressed as a percentage;

Adjusted Net Debt: Adjusted Total Debt less cash and cash equivalents (excluding deposits held at banks and bank overdraft) as at the date of the consolidated statement of financial position;

Adjusted Net Debt to Adjusted EBITDA ratio: Adjusted Net Debt divided by Adjusted EBITDA for a stated period, expressed as a multiple;

Adjusted Total Debt: current and non-current borrowings plus capitalized debt issuance costs (excluding the Subordinated Shareholder Loans and loans payable to entities under common control) and lease liability as at the date of the consolidated statement of financial position;

Active data users: the total number of customers using more than 5 MB of mobile data over a 30-day period;

Active MFS users: total number of mobile financial users that made, received or participated in a Mobile Money Active Event within 30 days. A Mobile Money Active Event is a transaction initiated by a mobile money user, whether or not it is revenue-generating;

Capital Expenditure: purchases of property, plant and equipment and purchases of intangible assets as stated in the Financial Statements;

EBITDA: profit or loss for the year/period, excluding the impact of: (i) income tax expense; (ii) finance income; (iii) finance costs; (iv) depreciation of property, plant and equipment; (v) amortization of intangible assets; and (vi) amortization of right-of-use assets;

Owned Towers: Refers to ground-based towers, rooftop towers, and cell-on-wheels. Our Towers support wireless telecommunication equipment, and we measure the number of Owned Towers by considering the number of towers which are owned by all consolidated subsidiaries of the Group;

Revenue generating subscribers: revenue generating subscribers over fixed periods, usually a 90-day period at the Group level (a block of which we refer to as an “RGS90”), and one-, seven-, 30- and 60-day periods at the operational level;

Shared Towers: Refers to a subset of Owned Towers, specifically those towers which are owned by companies in our Group which provide passive telecommunications infrastructure services. We measure the number of Shared Towers by considering only those Towers with at least one Tenant at the date of measurement;

Tenancy Ratio: Represents the average number of Tenants per Shared Tower across our portfolio. Tenancy Rate is calculated by dividing the number of Tenants on Shared Towers by the number of Shared Towers at the date of measurement;

Tenants: Refers to the number of distinct customer points of presence across our Shared Tower portfolio;

YoY: Year-over-Year

AXIAN TELECOM

axian-telecom.com

AXIAN
LET'S GROW TOGETHER

