



IMMORENTE

## INFORMATION PACKAGE SUMMARY

### COMMERCIAL PAPER ISSUE PROGRAM

The AMMC has proceeded to the approval of the information package consisting of:

- The Securities Note registered by the AMMC on September 13<sup>th</sup> 2021 under the reference EN/EM/020/2021;
- Immorente Invest's reference document relating to the 2020 financial year registered with the AMMC on September 13<sup>th</sup> 2021 under the reference EN/EM/019/2021.

**Program Implementation Date: 13/09/2021**

**Issue Program Ceiling: MAD 300,000,000**

**Nominal Value: MAD 100,000**

**Financial Advisor**



**Placement Body**



#### **Annual Update of the Commercial Paper Issue Program Information Package**

As of the date of registration of this reference document, the AMMC has approved the annual update of the information package relating to the commercial paper issue program. The said file is composed of:

- this reference document;
- the note relating to the commercial paper issue program registered by the AMMC on September 13<sup>th</sup> 2021 under the reference EN/EM/020/2021 and available via the following link [https://www.ammc.ma/sites/default/files/NO\\_IMR\\_BT\\_025\\_2021\\_0.pdf](https://www.ammc.ma/sites/default/files/NO_IMR_BT_025_2021_0.pdf)

The said update has been approved by the AMMC under the reference VI/EM/025/2021.

## DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on September 13<sup>th</sup> 2021 under the reference VI/EM/025/2021 an Information Package related to the commercial paper issue program by Immorente Invest S.A.

The AMMC-approved information package is available at any time at the issuer's registered office, on the latter's website [www.immorente.ma](http://www.immorente.ma) and from its financial advisor. It is also available within a maximum period of 48 hours from the order-collecting institutions. The information package is also available on the AMMC website [www.ammc.ma](http://www.ammc.ma).

This summary is translated by Lissaniat SARL under the joint responsibility of the said translator and Immorente Invest S.A. In the event of any discrepancy between the contents of this summary and the AMMC-approved Information Package, only the approved Information Package will prevail.

## PART I: PRESENTATION OF THE OPERATION

## I. FRAMEWORK OF THE OPERATION

In accordance with the provisions of Article 15 of Law no. 35-94 promulgated by Dahir no. 1-95-3 of Shâaban 24,1415 (January 26t, 1995) as amended and supplemented by Law 33-06 relating to the securitization of assets (the **Law**) and of the Order of the Minister of Finance and External Investments no. 2560-95 of Joumada I 13, 1416 (October 9, 1995) relating to certain negotiable debt securities (NDS) as amended (the **Order**), the company Immorente Invest S.A. issues to the public interest-bearing commercial paper for a duration inferior or equal to one (1) year.

The current issue program, with a ceiling of three hundred million dirhams (MAD 300,000,000), was authorized by the Board of Directors, held on March 5, 2021, which delegated all powers to the Immorente Invest S.A. CEO for the definition of the characteristics of each issue to be carried out within the framework of the program.

In accordance with the provisions of article 15 of the Law and of the Order, Immorente Invest S.A. has established, together with the advisors, an information package relating to its activity, its economic and financial situation and its commercial paper issue program.

Pursuant to Article 17 of the Law, and as long as the Negotiable Debt Securities are in circulation, the information package will be updated annually within forty-five (45) days after the holding of the Ordinary General Meeting of Shareholders deciding on the accounts of the last financial year.

However, occasional updates may be made in the event of a change in the ceiling on the number of securities issued or any new event likely to have an impact on the price of the securities or on the successful completion of the program.

In application of the provisions of the second paragraph of article 17 of the Law, the note relating to the issue program must be updated at least fifteen (15) days before the effective date of any change relating to the characteristics of the program. An immediate update of the information file will be made in case of any new event likely to have an impact on the evolution of the value of the securities or on the proper performance of the program.

## II. OBJECTIVES OF THE OPERATION

Through this commercial paper issue program, Immorente Invest S.A. aims to:

- Optimize its financing costs; ;
- Diversify its sources of financing;
- Meet one-off cash requirements generated by variations in working capital requirements, particularly in the context of the financing of its built-to-suit operations.

### III. TARGETED INVESTORS UNDER THE PROGRAM

Subscription to the commercial paper described in this note is open to individuals and legal entities, whether resident or non-resident.

### IV. CHARACTERISTICS OF THE COMMERCIAL PAPER TO BE ISSUED

Characteristics of the commercial paper to be issued are as follows:

<b>Nature of Securities</b>	Dematerialized Negotiable Debt Securities by registration with the Central Depository (Maroclear) and registered in account with the authorized affiliates.
<b>Legal Form</b>	Bearer commercial paper.
<b>Issue Ceiling</b>	MAD 300,000,000.
<b>Maximum Number of Securities</b>	3,000.
<b>Unit Nominal Value</b>	MAD 100,000.
<b>Maturity</b>	Between 10 days and 12 months.
<b>Date of Enjoyment</b>	On the settlement date.
<b>Rank</b>	The rank is similar to an ordinary debt incurred by the Company.
<b>Interest Rate</b>	Fixed, determined for each issue according to market conditions.
<b>Interests</b>	Post-counted.
<b>Coupon Payment</b>	<i>In fine</i>
<b>Negotiability of Securities</b>	Over-the-counter. There are no restrictions imposed by the terms of the issue on the free negotiability of these commercial paper.
<b>Principal Repayment</b>	<i>In fine</i> , i.e., upon maturity of each paper.
<b>Assimilation Clause</b>	There is no assimilation of commercial paper with securities from a previous issue.
<b>Guarantee</b>	The commercial paper issued by Immorente Invest S.A. is not subject to any specific guarantee.

## V. INFORMATION COMMITMENT TO AMMC

Immorente Invest S.A. undertakes to transmit to the AMMC the results of the issue (number of securities issued, amounts subscribed and allocated per type of investor, etc.) within seven (7) days following its completion.

## VI. PLACEMENT BODIES AND FINANCIAL INTERMEDIARIES

Type of financial intermediary	Name	Address
Financial Advisor	<b>CFG Bank Corporate Finance</b>	5-7, Rue Ibnou Toufail, Casablanca
Placement Body	<b>CFG Bank</b>	5-7, Rue Ibnou Toufail, Casablanca
Domiciliary institution providing financial services to the Issuer	<b>CFG Bank</b>	5-7, Rue Ibnou Toufail, Casablanca

CFG Finance, the financial advisor mandated by Immorente Invest, is a wholly-owned subsidiary of CFG Bank in the same way as CFG Gestion, which holds a 100% stake in CFG Capital, the management company of Immorente Invest.

## VII. SUBSCRIPTION AND ALLOCATION TERMS

### 1. SUBSCRIPTION PERIOD

Whenever Immorente Invest S.A. expresses a need for cash, the company in charge of the placement shall proceed to the opening of the subscription period at least seventy-two (72) hours before the date of dividend.

Before each issue, the company Immorente Invest S.A. will draw up a document detailing the terms and conditions of the issue and containing the information provided for in article 1.60 of the AMMC circular 03/19 relating to financial operations and information. The said document will be made available to the investors before the opening of the subscription period.

### 2. BENEFICIARIES

Natural or legal persons, resident or non-resident.

Subscriptions must be made in cash, whatever the category of subscribers.

### 3. IDENTIFICATION OF SUBSCRIBERS

The body in charge of the placement must make sure that the subscriber belongs to one of the categories defined above. For this purpose, it must obtain a copy of the document which attests this identification and attach it to the subscription form.

For each category of subscribers, the identification documents to be produced are as follows:

Category	Documents to be attached
Associations	Photocopy of the articles of association and photocopy of the application receipt
Minor children	Photocopy of the page of the family record book certifying the child's date of birth
UCITS of Moroccan law	Photocopy of the approval decision attesting that it belongs to this category. <ul style="list-style-type: none"> <li>▪ For Mutual Funds, the number of the certificate of deposit at the court registry;</li> <li>▪ For Investment companies with variable capital (SICAVs), the number of the commercial register.</li> </ul>
Moroccan and foreign legal entities	Model of entries in the commercial register (or equivalent for foreign legal entities)
Non-resident and non-Moroccan individuals	Photocopy of the pages of the passport containing the identity of the person as well as the issue and expiry dates of the document
Resident and non-Moroccan individuals	Photocopy of the resident card
Moroccan resident individuals and Moroccan nationals abroad	Photocopy of national ID card

#### 4. SUBSCRIPTION TERMS AND CONDITIONS

The placement body is bound to collect subscription orders from its clientele, by means of subscription forms according to the model attached in appendix. These subscription forms, which are considered firm and irrevocable only at the closing of the subscription period, must be filled in and signed by subscribers. CFG Bank is in charge of the centralization of subscriptions collected by its network.

CFG Bank is in charge of processing subscription orders and rejecting applications not complying with the terms and conditions set out in the information package.

Subscriptions will be accepted and registered as and when they are confirmed in writing to CFG Bank and this until the issue's ceiling is reached.

All subscriptions will be in cash, regardless of the category of subscribers:

- Subscriptions on behalf of minors up to the age of 18 are authorized provided they are made by the father, mother, guardian or legal representative of the minor. The placement body is required to obtain a copy of the page of the family record book showing the date of birth of the minor child and to attach it to the subscription form; in this case, the movements are made either to an account opened in the name of the minor child, or to the securities or cash account opened in the name of the father, mother, guardian or legal representative of the minor child and subject to the legal provisions in force;
- In the case of a portfolio management mandate, the manager can subscribe on behalf of the client whose portfolio he manages only by presenting a power of attorney duly signed and legalized by his principal or the management mandate if it provides for an express provision in this sense.

Management companies are exempted from presenting these documents for the UCITS they manage;

- Subscriptions on behalf of third parties are authorized provided that a duly signed and legalized power of attorney is presented by the principal. The placement body is bound to obtain a copy of it and attach it to the subscription form. The subscribed securities must, moreover, be referred to a securities account in the name of the third party concerned, which can only be moved by the latter, except in case of existence of a power of attorney;
- 5. A power of attorney for a subscription can in no case allow the opening of an account for the principal. Also, the opening of an account must be done in the presence of its holder according to the legal or regulatory provisions in force;
- 6. Any bulletin must be signed by the subscriber or their proxy. The placement body must make sure, before accepting a subscription, that the subscriber has the financial capacity to honor their commitments. The underwriter will freely determine the terms of the financial guarantee requested from subscribers, which can be a deposit in cash, in securities, a guarantee. For institutional investors, it will not be required to cover the subscription;
- 7. Investors can place several orders with the placement agency. Orders are cumulative. The attention of subscribers is drawn to the fact that all orders may be satisfied totally or partially according to the availability of securities.

All subscription orders not complying with the above-mentioned conditions will be void and are irrevocable after the closing of the subscription period.

There is no minimum subscription threshold, the subscription ceiling is limited to the amount of the issue.

#### 8. ORDER ALLOCATION TERMS

During the subscription period, allocations will be made on a "first come, first served" basis, according to the subscriptions received and the quantities of commercial paper available. Thus, at the closing of the subscription period, the allocation of securities will be made.

The subscription period may be closed early as soon as the placement of the entire tranche issued has been completed.

#### 9. TERMS OF SETTLEMENT/DELIVERY OF SECURITIES

The payment of subscriptions will be made by transmission, at the date of dividend, of delivery orders against payment (LCP MAROCLEAR) by CFG Bank, in its capacity of managing institution of securities. The securities are payable in cash in one instalment.

#### 10. AMMC'S COMMITMENT TO INFORMATION

Immorente Invest S.A. undertakes to transmit to the AMMC the results of each issue (number of securities issued, amounts subscribed for and allocated by type of investors, etc.) within seven (7) days following its completion.



## PART II: INFORMATION ABOUT THE ISSUER

## I. GENERAL INFORMATION

<b>Corporate Name</b>	Immorrente Invest S.A.
<b>Headquarters</b>	5-7, Ibnou Toufail Street, Casablanca, Morocco
<b>Phone number</b>	+212 (0) 5 22 92 27 50
<b>Fax number</b>	+212 (0) 5 22 99 24 80
<b>Website</b>	<a href="http://www.immorente.ma">www.immorente.ma</a>
<b>Legal Form</b>	Public Limited Company with a Board of Directors
<b>Date of Incorporation</b>	May 23, 2011
<b>Date of conversion into a Public Limited Company</b>	August 28, 2017
<b>Service Life</b>	99 years
<b>Commercial Register</b>	Casablanca Commercial Register No. 238255
<b>Financial Year</b>	January 1 to December 31
<b>Corporate Name</b>	<p>In accordance with Article 2 of the Company's Articles of Association, the Company's purpose, in Morocco and abroad, is as follows:</p> <ul style="list-style-type: none"> <li>▪ rental of furnished real estate;</li> <li>▪ assistance, advice directly or with the help of one or more subcontractors, for the management and administration of real estate assets, both active and passive;</li> <li>▪ realization of all studies, services and marketing services for real estate projects and/or products;</li> <li>▪ performance of all financial engineering, intermediation and representation operations as well as all technical, opportunity, market or feasibility studies in the real estate sector;</li> <li>▪ all activities ancillary and complementary to the above activities;</li> <li>▪ acquisition of interests, in any form whatsoever, in all companies, groups, associations or others relating to the Company's business;</li> <li>▪ participation by the Company, by any means, in all operations that may relate to its purpose through the creation of new companies, the subscription or purchase of shares or corporate rights, mergers or otherwise;</li> <li>▪ and, in general, all financial, commercial, industrial, movable and real estate operations, which may be directly or indirectly related to the above purpose or to any similar or related purposes, likely to promote its development or extension.</li> </ul>
<b>Share Capital (December 31, 2020)</b>	MAD 563,297,780 divided into 9,007,000 shares with a nominal value of MAD 62.54 per share.
<b>Legal Documents</b>	Legal documents, including the Articles of Association, statutory auditors' reports, management reports and minutes of General Meetings may be consulted at the Company's headquarters.
<b>Applicable Laws and Regulations</b>	By virtue of its legal form, the Company is governed by the laws and regulations in force, notably by Dahir No. 1-96-124 of August 30, 1996 promulgating Law No. 17-95 relating to public limited companies as amended by Dahir No. 1-08-18 of May 23, 2008 promulgating Law No. 20-05, Dahir No. 1-15-106 of July 29, 2015 promulgating Law No. 78-12 and Dahir No. 1-19-78 of April 26, 2019 promulgating Law No. 20-19, the decree of application of the said law as well as their subsequent amendments, if any, and the articles of association.

By virtue of its activity, Immorente Invest is governed by Moroccan law, and in particularly:

- Law 39-08 forming the code of real rights as amended by Law 69-16;
- Law 49-16 relating to leases of buildings or premises rented for commercial, industrial and craft use;
- Law 07-03 relating to the revision of the amount of the rent of premises for residential use or for professional, commercial, industrial or artisanal use promulgated by Dahir No. 1-07-134 of Kaada 19, 1428 (November 30, 2007);
- Law No. 67-12 organizing the contractual relations between the lessors and the tenants of premises for residential or professional use promulgated by Dahir No. 1-13-111 of Moharram 15, 1435 (November 19, 2013);
- Law No. 106-12 modifying and supplementing Law No. 18-00 relating to the Status of the Co-ownership of Built Buildings;
- Titles 10 and 11 of Dahir dated September 12, 1913, as amended and supplemented relating to the Code of Obligations and Contracts;
- Dahir No. 1-99-211 of August 25, 1999, promulgation of law No. 64-99 relating to the collection of rents;

By virtue of its listing on the Casablanca Stock Exchange, the Company is subject to all legal and regulatory provisions relating to the financial market, including in particular:

- Dahir 1-16-151 of August 25, 2016, promulgating Act No. 19-14 relating to the Stock Exchange, brokerage firms and financial investment advisors;
- General Rules of the Stock Exchange approved by Order of the Minister of Economy and Finance No. 2208-19 dated July 3, 2019;
- Dahir No. 1-13-21 of March 13, 2013, promulgating Law No. 43-12 relating to the Moroccan Capital Market Authority;
- General Regulation of the Moroccan Capital Market Authority as approved by Order of the Minister of Economy and Finance No. 2169-16 of July 14, 2016;
- Circular of the Moroccan Capital Market Authority No. 03/19 dated February 20, 2019, approved by Order of the Minister of Economy and Finance No. 1704-19 dated May 30, 2019, relating to financial operations and information;
- Dahir No. 1-12-55 of December 28, 2012, promulgating Law No. 44-12 relating to public offerings and information required from legal entities and organizations making public offerings;
- Dahir No. 1-96-246 of January 9, 1997, promulgating Law No. 35-96 relating to the creation of a central depository and the institution of a general system for the registration of certain securities in accounts (amended and supplemented by Law No. 43-02);
- General Regulation of the Central Depository approved by Order of the Minister of Economy and Finance No. 932-98 of April 16, 1998, and amended by Order of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30, 2001, and Order No. 77-05 of March 17, 2005;
- Dahir No. 1-04-21 of April 21, 2004, promulgating Law No. 26-03 relating to public offers on the Moroccan stock market;

	<ul style="list-style-type: none"><li>▪ Dahir 1-95-03 of January 26, 1995, promulgating law no. 35-94 relating to certain negotiable debt securities.</li></ul>
<b>Tax Regime</b>	<ul style="list-style-type: none"><li>▪ Common law regime applicable to the Company:<ul style="list-style-type: none"><li>✓ Corporate tax according to the progressive scale in force</li><li>✓ VAT at a 20% rate</li></ul></li></ul>
<b>Competent Court in case of dispute</b>	<ul style="list-style-type: none"><li>▪ Commercial Court of Casablanca.</li></ul>

Source: *Immorente Invest*

## II. CAPITAL STRUCTURE

As of April 13, 2021, the Company's share capital amounted to MAD 563,297,780 fully paid up.

As of April 13, 2021, the share capital was divided into 9,007,000 shares with a par value of MAD 62.54 each.

Shareholders	April 13, 2021 <sup>1</sup>	
	Number of shares and voting rights	% of capital and voting rights
AXA Assurance Maroc	813 924	9.04%
Compagnie d'Assurance Transport (CAT)	653 762	7.26%
CIMR	574 444	6.38%
Société Centrale de Réassurance (SCR)	489 390	5.43%
Mutandis Automobile <sup>2</sup>	333 500	3.70%
Allianz Maroc	300 578 <sup>3</sup>	3.34%
CFG Bank S.A	193 813	2.14%
Others	957 407	10.63%
<b>Floating</b>	<b>4 690 182</b>	<b>52.07%</b>
<b>Total</b>	<b>9 007 000</b>	<b>100.00%</b>

Source: Immorente Invest

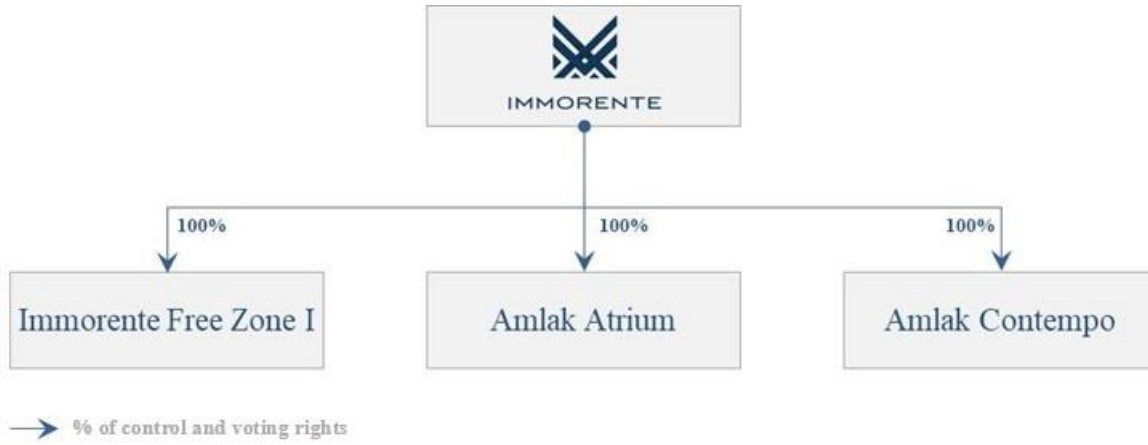
<sup>1</sup> These data are taken from the attendance sheets of the general meeting of Immorente Invest held on April 13, 2021.

<sup>2</sup> It should be noted that as of end April 2021, Mutandis Automobile sold its shares in the Company's capital.

<sup>3</sup> Position as of December 11, 2020. The position of Allianz Maroc as of April 13, 2021 could therefore differ from the one presented in the shareholding table.

### III. IMMORENTE INVEST SUBSIDIARIES

As of December 31, 2020, the legal organization chart of Immorente Invest is as follows:



Source: Immorente Invest

#### IV. PORTFOLIO OF HELD REAL ESTATE ASSETS

As of December 31, 2020, Immorente Invest's portfolio consisted of 10 assets representing a total investment of MAD 617 million excluding tax (including acquisition costs).

The revaluation of the Company's portfolio of assets was carried out in December 2020 by Cap Eval, an independent expert and subsidiary of the Spanish group Tinsa. Cap Eval's valuation report shows an overall value of the portfolio of MAD665.8 million excluding tax (excluding acquisition costs) and

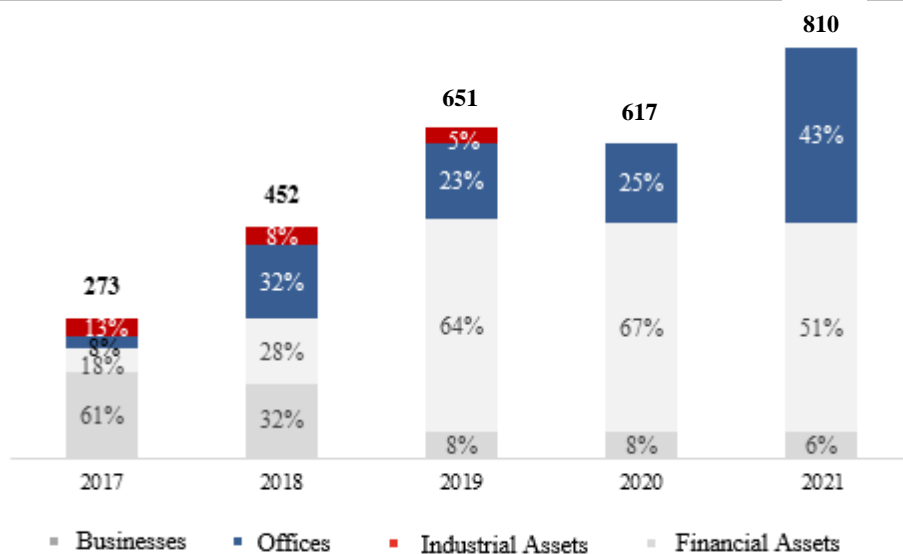
MAD700.6 million excluding tax (including acquisition costs).

In May 2021, Immorente Invest acquired a factory in the Meknes agropolis leased by the automotive equipment manufacturer Aptiv (formerly Delphi), with a surface area of almost 25,000 m2 on 4.7 hectares of land, representing an investment of MAD 191 million.

As of end May 2021, Immorente Invest has 11 assets for a total investment amount of nearly MAD 810 million excluding tax (including acquisition costs).

#### Breakdown of investments

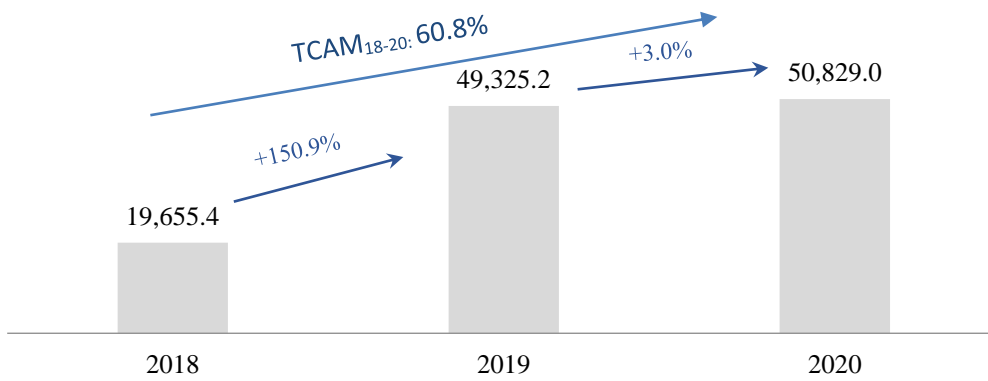
As of May 31, 2021, the breakdown of Immorente Invest's real estate portfolio according to the amount of the investment (excluding tax and including acquisition costs) is as follows (in MAD million)<sup>1</sup>:



Source: Immorente Invest

<sup>1</sup> In 2019, the value of the Company's asset portfolio of MAD 651 million excludes the Rodia asset sold in January 2020.

The graph below shows the change in rental income over the last three financial years (in MAD thousand):



Source: Immorente Invest



## PART III: FINANCIAL DATA

## I. CORPORATE ACCOUNTS

The financial statements presented below correspond to the corporate financial statements prepared in accordance with Moroccan accounting standards.

### Balance sheet

kMAD	2018	2019	2020	var. 18/19	var. 19/20
<b>Fixed assets</b>	<b>442 907.8</b>	<b>579 080.8</b>	<b>776 628.6</b>	<b>30.7%</b>	<b>34.1%</b>
Write-off of fixed assets	5 428.0	16 779.5	19 488.5	>100%	16.1%
Property, plant and equipment	252 958.6	171 318.6	165 996.7	-32.3%	-3.1%
Financial fixed assets	184 521.2	390 982.6	591 143.4	>100%	51.2%
<b>Current assets and cash assets</b>	<b>193 918.6</b>	<b>56 396.4</b>	<b>92 678.6</b>	<b>-70.9%</b>	<b>64.3%</b>
Receivables from current assets	12 425.6	20 098.8	28 702.4	61.8%	42.8%
Securities and investment securities	178 880.8	35 161.1	52 442.4	-80.3%	49.1%
Asset cash flow	2 612.2	1 136.5	11 533.8	-56.5%	>100%
<b>Total assets</b>	<b>636 826.4</b>	<b>635 477.2</b>	<b>869 307.3</b>	<b>-0.2%</b>	<b>36.8%</b>
<b>Equity capital</b>	<b>473 890.1</b>	<b>431 750.2</b>	<b>815 824.1</b>	<b>-8.9%</b>	<b>89.0%</b>
Share capital	308 134.6	308 134.6	563 297.8	0.0%	82.8%
Issue, merger and contribution premiums	137 039.9	78 901.3	191 206.6	-42.4%	>100%
Revaluation difference	24 993.3	24 993.3	24 993.3	0.0%	0.0%
Retained earnings	-	186.1	1 158.5	Ns	>100%
Net income	- 3 204.5	87.2	18 562.4	<-100%	>100%
<b>Financing debts</b>	<b>6 926.7</b>	<b>19 447.6</b>	<b>16 605.5</b>	<b>&gt;100%</b>	<b>-14.6%</b>
<b>Current liabilities and cash liabilities</b>	<b>152 146.5</b>	<b>154 354.1</b>	<b>4 354.1</b>	<b>1.5%</b>	<b>-97.2%</b>
Current liabilities	<b>10 789.8</b>	<b>49 372.9</b>	<b>49 129.1</b>	<b>&gt;100%</b>	<b>-0.5%</b>
Other provisions for liabilities and charges	9 718.9	48 302.0	48 058.2	>100%	-0.5%
Cash and cash equivalents	1 070.9	1 070.9	1 070.9	0.0%	0.0%
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Ns</b>	<b>Ns</b>
<b>Fixed assets</b>	<b>636 826.4</b>	<b>635 477.2</b>	<b>869 307.3</b>	<b>-0.2%</b>	<b>36.8%</b>

Source: Immorente Invest

## Income and expenditure account

kMAD	2018	2019	2020	var. 18/19	var. 19/20
<b>Turnover</b>	<b>22 628.9</b>	<b>31 098.9</b>	<b>24 190.0</b>	<b>37.4%</b>	<b>-22.2%</b>
<b>Production for the financial year</b>	<b>22 628.9</b>	<b>31 098.9</b>	<b>24 190.0</b>	<b>37.4%</b>	<b>-22.2%</b>
Sales of goods and services produced	19 655.4	27 109.0	21 219.4	37.9%	-21.7%
Chargeback of expenses	2 973.5	3 989.9	2 970.6	34.2%	-25.5%
<b>Consumption for the financial year</b>	<b>-5 444.9</b>	<b>-15 577.4</b>	<b>-20 674.9</b>	<b>&gt;100%</b>	<b>32.7%</b>
Consumed purchases of materials and supplies	- 1.4	- 12.3	-	>100%	-100.0%
Other external expenses	-5 443.5	-15 565.2	-20 674.9	>100%	32.8%
<b>Value Added</b>	<b>17 184.0</b>	<b>15 521.4</b>	<b>3 515.1</b>	<b>-9.7%</b>	<b>-77.4%</b>
<i>Value added rate</i>	<i>75.9%</i>	<i>49.9%</i>	<i>14.5%</i>	<i>-26.0 pts</i>	<i>-35.4 pts</i>
Taxes and duties	-5 465.1	-12 418.3	-1 894.4	>100%	-84.7%
<b>Gross Operating Surplus</b>	<b>11 718.9</b>	<b>3 103.2</b>	<b>1 620.7</b>	<b>-73.5%</b>	<b>-47.8%</b>
<i>EBITDA margin rate</i>	<i>51.8%</i>	<i>10.0%</i>	<i>6.7%</i>	<i>-41.8 pts</i>	<i>-3.3 pts</i>
Other operating expenses	- 143.0	- 143.0	- 300.0	0.0%	>100%
Operating write-backs and expense transfers	4 599.2	17 524.4	11 812.0	>100%	-32.6%
Operating allocations	-8 550.9	-10 612.7	-14 199.7	24.1%	33.8%
<b>Gross operating income</b>	<b>7 624.1</b>	<b>9 871.9</b>	<b>-1 067.0</b>	<b>29.5%</b>	<b>&lt;-100%</b>
<i>Operating margin rate</i>	<i>33.7%</i>	<i>31.7%</i>	<i>-4.4%</i>	<i>-1.9 pts</i>	<i>-36.2 pts</i>
Financial products	8 468.0	13 297.1	21 980.6	57.0%	65.3%
Financial expenses	-7 884.7	-6 004.4	-1 300.0	-23.8%	-78.3%
<b>Financial income</b>	<b>583.2</b>	<b>7 292.7</b>	<b>20 680.6</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
Non-current products	29.2	142 606.9	593.6	>100%	-99.6%
Non-current expenses	- 35.3	-133 109.3	-411.0	>100%	-99.7%
<b>Non-current income</b>	<b>- 6.0</b>	<b>9 497.6</b>	<b>182.6</b>	<b>&gt;100%</b>	<b>-98.1%</b>
Income tax expense	-1 274.5	-7 214.6	-3 190.7	>100%	-55.8%
<b>Net income for the financial year</b>	<b>6 926.7</b>	<b>19 447.6</b>	<b>16 605.5</b>	<b>&gt;100%</b>	<b>-14.6%</b>
<i>Net margin rate</i>	<i>30.6%</i>	<i>62.5%</i>	<i>68.6%</i>	<i>31.9 pts</i>	<i>6.1 pts</i>
<b>Internal financing capacity</b>	<b>14 965.0</b>	<b>19 401.3</b>	<b>29 664.1</b>	<b>29.6%</b>	<b>52.9%</b>
<i>In turnover %</i>	<i>66.1%</i>	<i>62.4%</i>	<i>122.6%</i>	<i>-3.7 pts</i>	<i>60.2 pts</i>

Source: Immorente Invest

## Financing table

kMAD	2018	2019	2020	var. 18/19	var. 19/20
<b>Self-financing</b>	<b>14 965.0</b>	<b>-42 186.2</b>	<b>-10 867.4</b>	<-100%	-74.2%
Self-financing capacity	14 965.0	19 401.3	29 664.1	29.6%	52.9%
Distribution of dividends	-	61 587.5	40 531.5	Na	-34.2%
<b>Disposal and reduction of fixed assets</b>	<b>-</b>	<b>142 620.0</b>	<b>35 000.0</b>	<b>Na</b>	<b>-75.5%</b>
Disposal of fixed assets	-	-	-	Na	Na
Disposal of fixed assets	-	142 600.0	-	Na	-100.0%
Disposal of financial assets	-	-	-	Na	Na
Recovery of fixed assets	-	20.0	35 000.0	Na	>100%
<b>Increase in shareholders' equity and similar</b>	<b>386 770.3</b>	<b>-</b>	<b>408 000.0</b>	<b>-100.0%</b>	<b>Na</b>
Capital increase, contributions	386 770.3	-	408 000.0	-100.0%	Na
Investment grants	- 0.0	-	-	Na	Na
<b>Increase in financing debts</b>	<b>970.3</b>	<b>152 207.6</b>	<b>198.9</b>	<b>&gt;100%</b>	<b>-99.9%</b>
<b>Total stable acquisitions</b>	<b>402 705.6</b>	<b>252 641.4</b>	<b>432 331.5</b>	<b>-37.3%</b>	<b>71.1%</b>
<b>Acquisition and increase of fixed assets</b>	<b>180 018.2</b>	<b>262 534.2</b>	<b>235 277.4</b>	<b>45.8%</b>	<b>-10.4%</b>
Acquisition of intangible assets	-	-	-	Na	Na
Acquisition of fixed assets	53 977.4	56 052.8	116.6	3.8%	-99.8%
Acquisition of financial assets	-	95 158.4	-	Na	-100.0%
Increase in fixed assets	126 040.8	111 323.0	235 160.8	-11.7%	>100%
<b>Repayment of equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Na</b>	<b>Na</b>
<b>Repayment of financial debts</b>	<b>44 462.5</b>	<b>150 000.0</b>	<b>150 198.9</b>	<b>&gt;100%</b>	<b>0.1%</b>
<b>Write-offs</b>	<b>4 197.5</b>	<b>16 212.5</b>	<b>10 329.2</b>	<b>&gt;100%</b>	<b>-36.3%</b>
<b>Total stable assets</b>	<b>228 678.2</b>	<b>428 746.7</b>	<b>395 805.4</b>	<b>87.5%</b>	<b>-7.7%</b>
<b>Change in overall financing requirements</b>	<b>171 184.7</b>	<b>-174 629.6</b>	<b>26 128.8</b>	<b>&lt;-100%</b>	<b>&gt;100%</b>
<b>Change in cash and cash equivalents</b>	<b>2 842.7</b>	<b>-1 475.7</b>	<b>10 397.3</b>	<b>&lt;-100%</b>	<b>&gt;100%</b>
<b>Grand total</b>	<b>402 705.6</b>	<b>428 746.7</b>	<b>432 331.5</b>	<b>6.5%</b>	<b>0.8%</b>

Source: Immorente Invest

## II. CONSOLIDATED ACCOUNTS

Following the creation in November 2017 of a subsidiary in the Kenitra free trade zone carrying the industrial assets leased by Faurecia, Immorente Invest carried out the first consolidation of its accounts in 2017 in accordance with national standards as prescribed by the methodology adopted by the CNC on July 15, 1999. The wholly-owned subsidiary of Immorente Invest, known as "IMR Free Zone I", is fully consolidated.

The two SPVs Amlak Atrium and Amlak Contempo, in which Immorente acquired 99.99% of the capital in November 2019, are fully consolidated for the 2020 financial year.

### Scope of consolidation

Immorente's scope of consolidation has changed as follows:

Corporate Name	2018		2019 et 2020	
	Interest %	Consolidation method	Interest %	Consolidation method
Immorente Invest SA	100%	Full consolidation	100%	Full consolidation
IMR Free Zone	100%	Full consolidation	100%	Full consolidation
Amlak Atrium	-	-	100%	Full consolidation
Amlak Contempo	-	-	100%	Full consolidation

Source: Immorente Invest

## Consolidated balance sheet

kMAD	2018	2019	2020	Var. 19/18	Var. 20/19
<b>Fixed assets</b>	<b>442 245.2</b>	<b>761 066.8</b>	<b>746 450.0</b>	<b>72.1%</b>	<b>-1.9%</b>
Goodwill on acquisition	-	82 124.8	73 406.8	Ns	-10.6%
Intangible assets	-	-	-	Ns	Ns
Property, plant and equipment	407 220.5	643 937.3	473 038.5	58.1%	-26.5%
Financial fixed assets	35 024.7	35 004.7	200 004.7	-0.1%	>100%
Equity accounted investments	-	-	-	Ns	Ns
<b>Current assets and cash assets</b>	<b>195 794.5</b>	<b>77 358.4</b>	<b>114 983.4</b>	<b>-60.5%</b>	<b>48.6%</b>
Inventories	-	-	-	Ns	Ns
Accounts receivable and related accounts	1 581.7	13 884.1	11 578.5	>100%	-16.6%
Other receivables and prepayments and accrued income	8 178.6	10 852.7	21 218.6	32.7%	95.5%
Marketable securities	178 880.8	36 084.5	53 365.8	-79.8%	47.9%
Availabilities	7 153.5	16 537.0	28 820.4	>100%	74.3%
<b>Total assets</b>	<b>638 039.7</b>	<b>838 425.2</b>	<b>861 433.4</b>	<b>31.4%</b>	<b>2.7%</b>
<b>Equity capital</b>	<b>461 126.1</b>	<b>403 129.6</b>	<b>774 798.0</b>	<b>-12.6%</b>	<b>92.2%</b>
Capital-related premiums	308 134.6	308 134.6	563 297.8	-	82.8%
Revaluation difference	137 039.9	78 901.3	191 206.6	-42.4%	>100%
Reserves	17 495.3	17 495.3	17 495.3	-	-
Group translation reserves	-5 278.7	-4 992.7	-1 401.6	-5.4%	-71.9%
Net income	-	-	-	Ns	Ns
Capital-related premiums	3 734.9	3 591.0	4 199.9	-3.9%	17.0%
<b>Long-term liabilities</b>	<b>153 217.4</b>	<b>360 602.3</b>	<b>26 139.7</b>	<b>&gt;100%</b>	<b>-92.8%</b>
Provisions	1 070.9	10 190.1	12 725.1	>100%	24.9%
Borrowings and financial debts	152 146.5	350 412.2	13 414.5	>100%	-96.2%
<b>Current liabilities and cash liabilities</b>	<b>23 696.3</b>	<b>74 693.3</b>	<b>60 495.6</b>	<b>&gt;100%</b>	<b>-19.0%</b>
Suppliers and related accounts	5 308.9	13 100.9	5 825.8	>100%	-55.5%
Other liabilities and accruals	16 166.1	60 170.1	54 669.8	>100%	-9.1%
Loans and bank overdrafts due in less than one year	2 221.4	1 422.2	-	-36.0%	-100.0%
<b>Total liabilities</b>	<b>638 039.7</b>	<b>838 425.2</b>	<b>861 433.4</b>	<b>31.4%</b>	<b>2.7%</b>

Source: Immorente Invest

## Consolidated income and expenditure account

The financial statements presented below correspond to the consolidated financial statements prepared in accordance with Moroccan accounting standards.

kMAD	2018	2019	2020	Var. 19/18	Var. 20/19
<b>Turnover</b>	<b>22 777,6</b>	<b>57 265,6</b>	<b>59 603,9</b>	<b>&gt;100%</b>	<b>4,1%</b>
Other operating income	0,0	-	0,0	-100,0%	Ns
Purchases consumed	-5 978,5	-16 283,1	-13 565,4	>100%	-16,7%
Other operating expenses	- 143,0	- 143,0	-300,0	-	>100%
Taxes and duties	-5 465,1	-14 346,0	-4.137,5	>100%	-71,2%
Net changes in amortization and depreciation	-4 546,7	-14 636,1	-26 526,1	>100%	81,2%
<b>Operating income</b>	<b>6 644,2</b>	<b>11 857,5</b>	<b>15 074,9</b>	<b>78,5%</b>	<b>27,1%</b>
<i>Operating margin rate</i>	<i>29,2%</i>	<i>20,7%</i>	<i>25,3%</i>	<i>-8,5 pts</i>	<i>4,6 pts</i>
<b>Financial income</b>	<b>339,2</b>	<b>-3 405,0</b>	<b>5 566,9</b>	<b>&gt;-100%</b>	<b>&gt;-100%</b>
<b>Current income from operations companies</b>	<b>6 983,4</b>	<b>8 452,5</b>	<b>20 641,8</b>	<b>21,0%</b>	<b>&gt;100%</b>
Non-current income	- 6,0	190,3	-3 102,8	>100%	>-100%
Income tax	-1 274,5	-10 464,7	-7 347,6	>100%	-29,8%
Deferred taxes	-1 967,9	10 468,4	2 726,6	>100%	-74,0%
<b>Consolidated net income</b>	<b>3 735,0</b>	<b>8 646,5</b>	<b>12 917,9</b>	<b>&gt;100%</b>	<b>49,4%</b>
Minority interests	-	-	-	Ns	Ns
Amortization of goodwill	-	-5 055,5	-8 718,0	Ns	72,4%
<b>Net income (group share)</b>	<b>3 735,0</b>	<b>3 591,0</b>	<b>4 199,9</b>	<b>-3,9%</b>	<b>17,0%</b>
<i>Net margin rate</i>	<i>16,4%</i>	<i>6,3%</i>	<i>7,0%</i>	<i>-10,1 pts</i>	<i>0,8 pts</i>

Source: Immorente Invest

## Consolidated cash flow statement

kMAD	2018	2019	2020	Var. 19/18	Var. 20/19
Total net income of consolidated companies	3 734.9	3 591.0	4 199.9	-3.9%	17.0%
Elimination of depreciation and provisions	4 435.7	20 804.8	31 831.5	>100%	53.0%
Elimination of the variation of deferred taxes	1 967.9	-10 468.4	-2 736.5	<-100%	-73.9%
Elimination of capital gains and losses on disposals	-	- 194.2	-9 476.2	Ns	>100%
Other non-cash income and expenses	-	5 492.8	10 329.2	Ns	88.0%
<b>Total cash flow</b>	<b>10 138.5</b>	<b>19 226.0</b>	<b>34 147.8</b>	<b>89.6%</b>	<b>77.6%</b>
Dividends received from associates	-	-	-	Ns	Ns
Change in working capital requirements related to operations	2 431.5	20 264.3	-26 605.1	>100%	<-100%
<b>Net cash provided by operating activities</b>	<b>12 570.0</b>	<b>39 490.3</b>	<b>7 542.8</b>	<b>&gt;100%</b>	<b>-80.9%</b>
Acquisition of fixed assets	-177 832.3	-65 700.3	-200 116.7	-63.1%	>100%
Disposal of fixed assets	-	133 296.3	194 913.2	Ns	46.2%
Impact of changes in the scope of consolidation	-	-204 058.6	-	Ns	-100.0%
<b>Total net cash provided by (used in) investing activities</b>	<b>-177 832.3</b>	<b>-136 462.6</b>	<b>-5 203.5</b>	<b>-23.3%</b>	<b>-96.2%</b>
Dividends paid by the parent company	-	-29 562.0	-32 025.5	Ns	8.3%
Capital increases	386 770.3	-	397 670.8	-100.0%	Ns
Decreases in capital	-	-	-	Ns	Ns
Issuance of loans	970.3	152 207.6	-	>100%	-100.0%
Repayment of loans	-44 462.5	-158 286.9	-336 997.7	>100%	>100%
<b>Total net cash provided by (used in) financing</b>	<b>343 278.2</b>	<b>-35 641.3</b>	<b>28 647.7</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
<b>Change in cash and cash equivalents</b>	<b>178 016.1</b>	<b>-132 613.5</b>	<b>30 986.9</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
Opening cash position	5 796.7	183 812.8	51 199.3	>100%	-72.1%
Closing cash position	183 812.8	51 199.3	82 186.2	-72.1%	60.5%

Source: Immorente Invest



### III. PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

The pro forma consolidated financial statements have been prepared following the inclusion of Amlak Atrium and Amlak Contempo in the scope of consolidation on a 12-month basis, as of January 1, 2018, compared to inclusion in the scope of consolidation as of June 1, 2019, in the statutory accounts.

#### Pro forma consolidated balance sheet

kMAD	2018r	2019r	2018p	2019p	2020r	Var. 18p/19p	Var. 19p/20r
<b>Fixed assets</b>	<b>442 245.2</b>	<b>761 066.8</b>	<b>704 938.2</b>	<b>758 269.4</b>	<b>746 450.0</b>	<b>7.6%</b>	<b>-1.9%</b>
Goodwill on acquisition	-	82 124.80	87 180.3	78 492.3	73 406.8	-10.0%	-10.6%
Intangible assets	-	-	-	-	-	Ns	Ns
Property, plant and equipment	407 220.5	643 937.3	582 733.1	644 772.4	473 038.5	10.6%	-26.5%
Financial fixed assets	35 024.7	35 004.7	35 024.7	35 004.7	200 004.7	-0.1%	>100%
Equity accounted investments	-	-	-	-	-	Ns	Ns
<b>Current assets and cash assets</b>	<b>195 794.5</b>	<b>77 358.4</b>	<b>127 391.5</b>	<b>77 358.4</b>	<b>114 983.4</b>	<b>-39.3%</b>	<b>48.6%</b>
Inventories	-	-	-	-	-	Ns	Ns
Accounts receivable and related accounts	1 581.7	13 884.1	13 591.2	13 884.1	11 578.5	2.2%	-16.6%
Other receivables and prepayments and accrued income	8 178.6	10 852.7	9 449.2	10 852.7	21 218.6	14.9%	95.5%
Marketable securities	178 880.8	36 084.5	91 929.7	36 084.5	53 365.8	-60.7%	47.9%
Availabilities	7 153.5	16 537.0	12 421.4	16 537.0	28 820.4	33.1%	74.3%
<b>Total assets</b>	<b>638 039.7</b>	<b>838 425.2</b>	<b>832 329.7</b>	<b>835 627.7</b>	<b>861 433.4</b>	<b>0.4%</b>	<b>2.7%</b>
<b>Equity capital</b>	<b>461 126.1</b>	<b>403 129.6</b>	<b>468 141.5</b>	<b>400 081.6</b>	<b>774 798.0</b>	<b>-14.5%</b>	<b>92.2%</b>
Capital-related premiums	308 134.6	308 134.6	308 134.6	308 134.6	563 297.8	-	82.8%
Revaluation difference	137 039.9	78 901.3	137 039.9	78 901.3	191 206.6	-42.4%	>100%
Reserves	17 495.3	17 495.3	17 495.3	17 495.3	17 495.3	0.0%	0.0%
Group translation reserves	-5 278.7	-4 992.7	-5 278.7	-2 509.5	-1 401.6	-52.5%	-71.9%
Net income	-	-	-	-	-	Ns	Ns
Capital-related premiums	3 734.9	3 591.0	10 750.3	-1 940.1	4 199.9	<-100%	17.0%
<b>Long-term liabilities</b>	<b>153 217.4</b>	<b>360 602.3</b>	<b>268 842.3</b>	<b>360 602.3</b>	<b>26 139.7</b>	<b>34.1%</b>	<b>-92.8%</b>
Provisions	1 070.9	10 190.1	7 700.7	10 190.1	12 725.1	32.3%	24.9%
Borrowings and financial debts	152 146.5	350 412.2	261 141.6	350 412.2	13 414.5	34.2%	-96.2%
<b>Current liabilities and cash liabilities</b>	<b>23 696.3</b>	<b>74 693.3</b>	<b>95 345.9</b>	<b>74 943.8</b>	<b>60 495.6</b>	<b>-21.4%</b>	<b>-19.0%</b>
Suppliers and related accounts	5 308.9	13 100.9	8 706.2	13 100.9	5 825.8	50.5%	-55.5%
Other liabilities and accruals	16 166.1	60 170.1	84 418.2	60 420.6	54 669.8	-28.4%	-9.1%
Loans and bank overdrafts due in less than one year	2 221.4	1 422.2	2 221.4	1 422.2	0.0	-36.0%	-100.0%
<b>Total liabilities</b>	<b>638 039.7</b>	<b>838 425.2</b>	<b>832 329.7</b>	<b>835 627.8</b>	<b>861 433.4</b>	<b>0.4%</b>	<b>2.7%</b>

Source: Immorente Invest

### Pro forma consolidated income and expenditure account

kMAD	2018r	2019r	2018p	2019p	2020r	Var. 18p/19p	Var. 19p/20r
<b>Turnover</b>	<b>22 777.6</b>	<b>57 265.6</b>	<b>51 748.3</b>	<b>69 023.1</b>	<b>59 603.9</b>	<b>33.4%</b>	<b>-13.6%</b>
Other operating income	-	-	-	-	-	Ns	Ns
Purchases consumed	-5 978.5	-16 283.1	-11 132.3	-18 366.2	-13 565.4	65.0%	-26.1%
Other operating expenses	- 143.0	- 143.0	- 143.0	- 143.0	- 300.0	0.0%	>100%
Taxes and duties	-5 465.1	-14 346.0	-8 052.4	-15 413.4	-4 137.5	91.4%	-73.2%
Net changes in amortization and depreciation	-4 546.7	-14 636.1	-9 580.0	-15 912.9	-26 526.1	66.1%	66.7%
<b>Operating income</b>	<b>6 644.2</b>	<b>11 857.5</b>	<b>22 840.5</b>	<b>19 187.6</b>	<b>15 074.9</b>	<b>-16.0%</b>	<b>-21.4%</b>
<i>Operating margin rate</i>	<i>29.2%</i>	<i>20.7%</i>	<i>44.1%</i>	<i>27.8%</i>	<i>25.3%</i>	<i>-16.3 pts</i>	<i>-2.5 pts</i>
<b>Financial income</b>	<b>339.2</b>	<b>-3 405.0</b>	<b>-5 240.7</b>	<b>-11 154.1</b>	<b>5 566.9</b>	<b>&gt;100%</b>	<b>&lt;-100%</b>
<b>Current income from operations companies</b>	<b>6 983.4</b>	<b>8 452.5</b>	<b>17 599.8</b>	<b>8 033.5</b>	<b>20 641.8</b>	<b>-54.4%</b>	<b>&gt;100%</b>
Non-current income	- 6.0	190.3	- 564.6	173.0	-3 102.8	<-100%	<-100%
Income tax	-1 274.5	-10 464.7	-4 317.0	-11 676.4	-7 347.6	>100%	-37.1%
Deferred taxes	-1 967.9	10 468.4	-1 967.9	10 217.9	2 726.6	<-100%	-73.3%
<b>Consolidated net income</b>	<b>3 735.0</b>	<b>8 646.5</b>	<b>10 750.3</b>	<b>6 747.9</b>	<b>12 917.9</b>	<b>-37.2%</b>	<b>91.4%</b>
Minority interests	-	-	-	-	-	Ns	Ns
Amortization of goodwill	-	-5 055.5	-	-8 688.0	-8 718.0	Ns	0.3%
<b>Net income (group share)</b>	<b>3 735.0</b>	<b>3 591.0</b>	<b>10 750.3</b>	<b>-1 940.1</b>	<b>4 199.9</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
<i>Net margin rate</i>	<i>16.4%</i>	<i>6.3%</i>	<i>20.8%</i>	<i>-2.8%</i>	<i>7.0%</i>	<i>-23.6 pts</i>	<i>9.9 pts</i>

Source: Immorente Invest

## Pro forma consolidated cash flow statement

kMAD	2018r	2019r	2018p	2019p	2020r	Var. 18p/19p	Var. 19p/20r
Total net income of consolidated companies	3 734.9	3 591.0	10 750.3	-1 940.1	4 199.9	<-100%	<-100%
Elimination of depreciation and provisions	4 435.7	20 804.8	9 512.7	24 600.9	31 831.5	>100%	29.4%
Elimination of the variation of deferred taxes	1 967.9	-10 468.4	1 967.9	-10 217.9	-2 736.5	<-100%	-73.2%
Elimination of capital gains and losses on disposals	-	- 194.2	196.3	- 194.2	-9 476.2	<-100%	>100%
Other non-cash income and expenses	-	5 492.8	-	-	10 329.2	Ns	Ns
<b>Total cash flow</b>	<b>10 138.5</b>	<b>19 226.0</b>	<b>22 427.3</b>	<b>12 248.8</b>	<b>34 147.8</b>	<b>-45.4%</b>	<b>&gt;100%</b>
Dividends received from associates	-	-	-	-	-	Ns	Ns
Change in working capital requirements related to operations	2 431.5	20 264.3	1 298.0	-35 957.0	-26 605.1	<-100%	-26.0%
<b>Net cash provided by operating activities</b>	<b>12 570.0</b>	<b>39 490.3</b>	<b>23 725.3</b>	<b>-23 708.3</b>	<b>7 542.8</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
Acquisition of fixed assets	-177 832.3	-65 700.3	-177 919.1	-64 679.1	-200 116.7	-63.6%	>100%
Disposal of fixed assets	-	133 296.3	-	133 296.3	194 913.2	Ns	46.2%
Impact of changes in the scope of consolidation	-	-204 058.6	-90 626.3	-	0.0	-100.0%	Ns
<b>Total net cash provided by (used in) investing activities</b>	<b>-177 832.3</b>	<b>-136 462.6</b>	<b>-268 545.4</b>	<b>68 617.2</b>	<b>-5 203.5</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
Dividends paid by the parent company	-	-29 562.0	-	-34 094.3	-32 025.5	Ns	-6.1%
Capital increases	386 770.3	-	386 770.3	-	397 670.8	-100.0%	Ns
Decreases in capital	-	-	-	-	-	Ns	Ns
Issuance of loans	970.3	152 207.6	1 149.5	157 700.4	0.0	>100%	-100.0%
Repayment of loans	-44 462.5	-158 286.9	-57 288.4	-219 445.5	-336 997.7	>100%	53.6%
<b>Total net cash provided by (used in) financing</b>	<b>343 278.2</b>	<b>-35 641.3</b>	<b>330 631.5</b>	<b>-95 839.3</b>	<b>28 647.7</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
<b>Change in cash and cash equivalents</b>	<b>178 016.1</b>	<b>-132 613.5</b>	<b>85 811.5</b>	<b>-50 930.4</b>	<b>30 986.9</b>	<b>&lt;-100%</b>	<b>&lt;-100%</b>
Opening cash position	5 796.7	183 812.8	16 318.3	102 129.7	51 199.3	>100%	-49.9%
Closing cash position	183 812.8	51 199.3	102 129.7	51 199.3	82 186.2	-49.9%	60.5%

Source: Immorente Invest

#### IV. CONSOLIDATED ANALYTICAL INCOME STATEMENT

This section of the reference document presents the consolidated analytical income statement as prepared by the Company.

Real estate companies such as Immorente Invest do not currently have a chart of accounts specific to their activity. Consequently, an analytical presentation of the Company's accounts, and in particular its income and expenditure account, is necessary for a relevant reading of the Company's results and an assessment of its operating performance.

This analytical presentation of the income statement, prepared internally by the Company and not audited, is based on the approach adopted for SIICs and the chart of accounts implemented by OPCIs in France.

kMAD	2018	2019	2020	var. 18/19	var. 19/20
<b>Real estate revenues</b>	<b>19 655.4</b>	<b>49 325.2</b>	<b>50 829.0</b>	<b>&gt;100%</b>	<b>3.0%</b>
Rent on assets	19 655.4	49 325.2	50 829.0	>100%	3.0%
Income from investments	-	-	-	-	-
<b>Real estate operating expenses</b>	<b>4 411.4</b>	<b>7 467.3</b>	<b>11 772.9</b>	<b>69.3%</b>	<b>57.7%</b>
<i>As a % of real estate revenues</i>	<i>22.4%</i>	<i>15.1%</i>	<i>23.2%</i>	<i>-7.3 pt</i>	<i>8.0 pt</i>
Net asset expenses	341.1	1 662.6	1 145.8	>100%	-31.1%
General expenses	1 206.5	968.1	648.9	-19.8%	-33.0%
Management fees	2 401.5	4 410.8	7 885.7	83.7%	78.8%
Other expenses	462.3	425.7	2 092.5	-7.9%	>100%
<b>Provisions</b>	<b>- 114.8</b>	<b>170.8</b>	<b>-4 565.6</b>	<b>&gt;100%</b>	<b>&lt;-100%</b>
<b>Expenses related to the financing of real estate assets</b>	<b>7 499.3</b>	<b>10 760.2</b>	<b>2 026.4</b>	<b>43.5%</b>	<b>-81.2%</b>
<b>Result of the real estate activity</b>	<b>7 630.0</b>	<b>31 268.5</b>	<b>32 464.0</b>	<b>&gt;100%</b>	<b>3.8%</b>
<i>As a % of real estate revenues</i>	<i>38.8%</i>	<i>63.4%</i>	<i>63.9%</i>	<i>24.6 pt</i>	<i>0.5 pt</i>
Income from financial investments	8 511.2	7 355.2	7 644.5	-13.6%	3.9%
Interest expense excluding real estate financing	668.3	-	-	-100%	-
<b>Income from financial investments</b>	<b>7 842.9</b>	<b>7 355.2</b>	<b>7 644.5</b>	<b>-6.2%</b>	<b>3.9%</b>
<b>Non-current income</b>	<b>- 6.0</b>	<b>193.0</b>	<b>12 139.2</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
<b>Corporate income tax</b>	<b>1 274.5</b>	<b>5 664.7</b>	<b>11 773.5</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
<b>Analytical result for the financial year</b>	<b>14 192.3</b>	<b>33 152.1</b>	<b>40 474.1</b>	<b>&gt;100%</b>	<b>22.1%</b>
<i>As a % of real estate revenues</i>	<i>72.2%</i>	<i>67.2%</i>	<i>79.6%</i>	<i>-5.0 pt</i>	<i>12.4 pt</i>

Source: Immorente Invest

## PART IV: RISK FACTORS

As part of its overall strategy, risk management is a key priority for the management of Immorente Invest.

This information package presents the risks inherent in the economic sector and in the activity of Immorente Invest itself.

## **I. RISKS RELATED TO THE ISSUER'S SECTOR OF ACTIVITY**

### **RISK RELATED TO THE ECONOMIC SITUATION**

Immorente Invest is active in different segments of professional rental real estate. The activity is subject to the uncertainties and risks inherent in the cyclical nature of the real estate sector. Cycles are long-term in nature with variable duration.

Fluctuations in the real estate market depend mainly on the balance between supply and demand in a particular sector of the economy and the economic situation in general.

Difficult economic conditions could have a direct impact on the value of the real estate assets held by Immorente Invest and/or reduce the amount of rents derived from them, thereby reducing the level of return for the Company's shareholders.

Immorente Invest's policy of diversifying the asset portfolio by category of property enables it to reduce the risks associated with the general economic conditions.

### **OPERATIONAL RISKS**

The outcome of investments in real estate depends on many factors, including factual, legal, economic and tax considerations. These investments are linked to the risks inherent in this sector, which stem, among other things, from the factors presented below:

#### **Location and situation**

The value of a property depends largely on the site on which it is located and its situation.

Changes that have an impact on the post-acquisition value of a property may result from the fact that a planned infrastructure is not realized (e.g., planned connection to public transport or the road network, direct connections to the motorway network are only made at a later date or not at all) or from the fact that competitive sites (or situations) may be better positioned during the period during which the property is held by the Company.

It may happen that an acquired property has been designed to meet a particular demand and that these tenants are directed to another site in the meantime or that there is no longer a demand for rent due to economic or other industry-specific reasons.

Changes in this area result in losses in terms of rental income and may force the Company to sell the properties at an unfavorable price.

#### **Nature**

The regular acquisition of real estate properties is usually based on expert appraisals carried out by independent experts. If these appraisals do not indicate the need for major maintenance and repair work,

the Company will not carry out its own analyses of the actual condition of the property but will base its purchase decision on the available appraisals.

The expertise on which the Company's purchase decision is based may contain errors of assessment and unforeseen events due to quality defects (e.g., repairs to be carried out, lack of construction quality, etc.) that may arise.

The Company may then be obliged to invest additional funds to carry out repairs and maintenance work that were not planned. Expenditure not provided for in this respect, as well as the possible impossibility of renting the premises for the duration of the work, may have a negative impact on the Company's results and the return to shareholders.

In the event that the Company acquires properties that have not yet been built or are not completed, a deterioration in the returns from these properties may occur if the planned timetable for completion of the work is not met or the cost of completion is higher than the initial budget.

The acquisition of new buildings and the rehabilitation of immovable property are accompanied by risks which may take the form of unforeseeable cost overruns, delays and additional costs as a result of instructions from the building administration and others. Older properties are generally sold under exclusion of any warranty.

The risk of hidden defects, which even experts are unable to identify, cannot be excluded. Such defects can lead to high maintenance costs. Rental and sales risks or risks related to the insolvency of contractual partners who play an important role in the execution of construction work (construction companies).

### **Historical pollution / land charges**

In the case of older properties, it is sometimes not possible to carry out a detailed analysis of the subsoil. It is rare to have evidence of historical pollution on a piece of land or inside a building. In contracts of sale, the seller generally excludes any liability for historical pollution and hidden defects.

If the Company buys a property in which historical pollution is present, it cannot be excluded that the authorities may turn against it for clean-up measures and that it will therefore have to bear the costs of decontamination. It is possible that the clean-up costs may exceed the value of the property. In such cases, the clean-up costs have a lasting impact on the company's results and have a negative impact on the investor's participation.

### **Rental risk**

The rental income of a property may decrease during the time the property is held. It is even possible that there is no longer any rental income. Rental income may decline, for example, if tenants do not make use of the lease extension options offered to them or if rents are not paid, in whole or in part, if tenants' creditworthiness deteriorates or if tenants leave the premises and the Company does not find new tenants.

If the premises are rented again, it is possible that the reference rents in effect or a decline in demand may require the Company to reduce the amount of rent or not pass on all rental charges to tenants or to waive security interests, resulting in a decline in rental income.

Ownership of real estate is always linked to rental charges and taxes that must also be borne when the real estate is not rented or is not used or when the tenant does not pay the rental charges that are basically

chargeable. It is therefore possible that the Company may have to bear costs even though it does not receive corresponding or higher revenues. Other risks may arise after the acquisition of a leased property, such as delays in the payment of rent, or when a lease renewal is not or only on less favorable terms than those agreed in the original lease. In addition, the calculated rental costs may be higher, e.g., due to periods of vacancy, subsidies from the landlord for fitting-out costs, special equipment, higher brokerage and marketing costs, frequent changes of tenants, etc. These costs, taken together, can amount to sums that compromise the performance of the property. The property is then very difficult to sell on the market.

### **Insurance and accidental loss**

If the insurance policies taken out are not willing to pay compensation for a loss or if the agreed insurance benefits are not sufficient to replace the full loss or the current value of the property, this would have a negative impact on the valuation of the Company.

The Company also bears the risk of accidental loss, which cannot be insured. Real estate, particularly when located in urban areas, may be exposed to the risk of war or an act of terrorism. Even if the property is not directly affected by a war or terrorist act, the property may lose some of its economic value if the real estate market at the site where the property is located is severely affected. Negative influences on the value of the real estate property reduce the liquidation proceeds for the Company and the investor's participation.

## **LEGAL RISKS**

### **Defective contracts**

In order to carry out its investment project, the Company has already entered into numerous contracts and will enter into others in the future. It is possible that these contracts may be incomplete, defective and/or disadvantageous. Changes may also occur in the legal framework (amendments to laws, case law and others) and have a negative impact on the contracts.

It is therefore possible that specific clauses in the lease agreements transferred to the Company following the acquisition of the property may prove to be null and void as a result of a change in case law that occurs after the conclusion of the lease in question and that it may not be possible to claim against the tenants to enforce their rights. As a result, the Company has to bear unfunded costs.

It is also possible that the Company or companies in which it participates may be exposed to claims that they can only meet from existing cash resources. If the companies are unable to finance such claims with equity and/or debt, they may be forced to file for bankruptcy, resulting in compulsory liquidation and the liquidation of all assets.

### **Appeals exercised**

It is possible that the courts of competent jurisdiction may have to rule on the non-performance of contracts or on disagreements relating thereto. Such proceedings may be lengthy and the Company may not be able to enforce its rights promptly and may be forced to seek interim financing by borrowing outside capital. In view of the costs involved, the Company's economic situation may deteriorate, at least for a certain period of time. The inability to finance this recourse may put pressure on the Company's liquidity and force it to file for bankruptcy.

It is also possible that the creditworthiness of the opposing party may deteriorate over this long period to the extent that it will no longer be able to obtain payment of the rights, even after successful litigation.



### **Risks related to changes in legislation**

In a context where laws are constantly evolving, future changes, even considerable ones, in the applicable legislation at the expense of the players involved and/or the Company cannot be excluded.

Risks may also arise as a result of changes in civil, corporate, tax or other laws, as well as from decisions that may be taken in the future by courts, tax authorities and/or administrative bodies that deviate from the legislation applicable until then or from the interpretation that has been made of such legislation until then.

These changes could have a negative impact on the Company's profitability and on the return to its shareholders.

### **Risk related to the creation of a business by tenants**

The business is defined by articles 79 and following of the Commercial Code as "*an intangible movable asset consisting of all movable property allocated to the exercise of one or more commercial activities*" which "*must include the clientele and goodwill [but also] all other assets necessary for the operation of the business such as the trade name, signs, leasehold rights, commercial furniture, goods, equipment and tools, patents, licenses, trademarks and service marks, industrial designs and models and, in general, any industrial, literary or artistic property rights attached thereto*".

The lessee can only claim the constitution of a business after a consecutive 2-year period of enjoyment of the property.

If the lessor wishes to evict the lessee after an occupation of more than 2 years, he would be required to compensate the lessee in an amount at least equal to the value of the business.

The lessor could evict the tenant without being required to pay eviction compensation in the following cases:

- If they have a serious and legitimate reason against the tenant;
- If it is established that the building must be demolished for reasons of insalubrity recognized by the competent authorities;
- If they take over the premises to occupy them themselves.

Nevertheless, the Company would only consider evicting a tenant in the event of a dispute with the latter (non-payment of rent, failure to comply with the terms of the lease agreement, etc.). In such a case, legal proceedings would be initiated to demonstrate that the lessor has serious and legitimate grounds for evicting the lessee and that it is therefore not liable for such compensation.

It should be noted that the tenant of a real estate asset has the possibility to pledge his business in the exercise of his activity.

### **FOREIGN EXCHANGE RISK RELATED TO ACQUISITIONS IN FREE ZONES**

Immorente Invest plans to invest in properties in free zones and thus to collect rents in foreign currency. The value in Moroccan dirhams of income received in foreign currencies when translated into Moroccan dirhams may fluctuate and impact the return, in Moroccan dirhams, on the Company's assets.

## **RISKS RELATED TO THE SPLIT OF THE SHAREHOLDER STRUCTURE**

The decisions of the Company's general meetings require compliance with the quorum and majority requirements set out in Part II, Section II of this reference document.

At the end of the period of inalienability of the Company's shares held by the parties to the shareholders' agreement presented in Part II, Section I of this reference document, and due to the absence of a majority shareholder (or group of shareholders), it is possible that decisions, in particular relating to the distribution of returns to be paid to shareholders (mainly in the case of capital reduction transactions) may be blocked due to the absence of a quorum or majority that can approve such decisions.

In order to reduce this risk, the Company plans to communicate massively by all means in order to inform the holders of the shares constituting its capital of the holding of a general meeting. It also plans to directly contact certain investors holding significant stakes in advance of meetings to ensure that the required quorum is obtained.

## **KEY PERSON RISK**

The general management of Immorente Invest is entrusted to Mrs. Soumaya Tazi, who contributed to its creation and development. Faced with this situation, the Company is exposed to a risk of dependence on the Managing Director of the Company in the event of departure.

## **SUBCONTRACTING RISK**

This risk stems from the fact that the management of the Company is entrusted to CFG Capital through a management agreement. As a result, the Company is dependent on CFG Capital to achieve its objectives. This represents a risk in the event that the manager needs to be replaced if it encounters difficulties.

## **DEBT RATIO RISK**

Immorente Invest's strategy is to use bank debt to finance part of its growth.

In order to limit the financial risks, Immorente Invest strictly controls the use of bank debt, in particular by verifying at the end of each investment period that the Company's financing ratio is limited to 40% of the value of the real estate assets in the portfolio and that cash borrowings are limited to 10% of the value of other assets.

## **LIQUIDITY RISK**

In the same way as other players involved in the leasing of real estate assets, Immorente Invest is exposed to liquidity risk given the nature of the assets it holds in its portfolio and its business activity. The purpose of this type of company is to distribute virtually all of its available cash to its shareholders, which could make it difficult for it to meet certain short-term commitments on a timely basis.

## **COMPETITION RISK**

The rental property market is booming in Morocco, particularly following the entry into force of the law on OPCI, which will help structure the market. This development could expose Immorente Invest to the risk of new players entering the market, potentially increasing the competitive intensity of the sector in which the Company operates.

## II. RISKS RELATED TO THE FINANCIAL INSTRUMENTS TO BE ISSUED

### LIQUIDITY RISK

Immorente Invest S.A.'s commercial paper may be subject to a liquidity risk on the secondary market for negotiable debt securities. Indeed, depending on changes in demand and the yield curve, the liquidity of these debt securities may be temporarily affected.

### RATE RISK

The commercial paper issue program, object of this note, is planned at a fixed rate. Thus, the value of securities could vary upwards or downwards, depending on the evolution of the reference rate curve of the secondary market of Treasury Bills published by Bank Al Maghrib.

### PAYMENT DEFAULT RISK

The commercial paper issue program described in this note is not secured by collateral. Thus, and in case of default of Immorente Invest S.A., the subscribers would be subject to the risk of non-repayment.

However, it should be noted that the commercial paper discussed in this note has a maximum term of one (1) year, so the risks associated with it are lower than those associated with long-term private debt instruments.

### ADDITIONAL DEBT RISK

Immorente Invest S.A. may subsequently issue other debts ranking equal to or higher than the commercial paper described in this note. In the event of the liquidation of Immorente Invest S.A., the holders of the said securities could see the repayment of their debt reduced.

## DISCLAIMER

The above-mentioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) on September 13<sup>th</sup> 2021 under the reference VI/EM/025/2021.

AMMC recommends reading the full prospectus, which is available to the public in French.