

## Admissibility decision of the public buyout offer project of Nexans Maroc shares on the initiative of Nexans Participation

Pursuant to Article 31 of Law No. 26-03 relating to public offerings on the stock market as amended and supplemented, the AMMC examined the Public Buyout Offer (PBO) project of Nexans Maroc shares filed under Article 20 bis of the said Law, by Nexans Participations on April 5<sup>th</sup>, 2021.

Following this filing, the AMMC has requested, under the provisions of Article 30 of the aforementioned Law, the Casablanca Stock Exchange to proceed with the suspension of trading on Nexans Maroc shares.

### 1- The general framework of the operation

The Board of Directors of Nexans Participations, on the 1<sup>st</sup> of April 2021, has decided to launch a Public Buyout Offer on Nexans Maroc shares.

The Board of Directors of Nexans Maroc, held on the 1<sup>st</sup> April of 2021, has decided to delist the shares of Nexans Maroc from the Casablanca Stock Exchange and has taken note of the fact that such delisting entails the obligation for Nexans Participation and any person acting in concert with it, on their own initiative and prior to the aforementioned delisting, to proceed with a public Buyout Offer in accordance with the provisions of Article 20 bis of Law 26-03 Mentioned above;

Before filing the Buyout Offer project subject of this decision of admissibility, the shareholding of Nexans Maroc were as follows:

Shareholders	Number of shares	Share of equity and voting rights in %
Nexans Participations	1 939 818	86,46%
Other shareholders	303 702	13,54%
Total	2 243 520	100%

*Reference: Nexans Maroc*

### 2- Terms of the offer

The buyout offer targets the acquisition of Nexans Maroc shares not held by Nexans Participations, i.e. 303 702 shares representing 13,54% of Nexans Maroc capital and voting rights, at a price of 200 MAD per share.

Nexans Maroc shareholders will have the opportunity to tender, fully or partially, their shares to the offer.

Nexans Participation is committed to acquire firmly and irrevocably all shares tendered to the Public Buyout Offer by the shareholders of Nexans Maroc.

No waiver threshold is provided for as part of this Public Buyout Offer.

### 3- Examination of admissibility :

With reference to the provisions of Articles 13 and 32 of the aforementioned Law, the AMMC has assessed the proposed Public Buyout Offer in terms of the following:

#### ☛ The characteristics of the proposed offer

The AMMC has examined the characteristics of the proposed offer with regards to the principles of the Article 13 and in particular the principles of transparency and equal treatment of shareholders. As such, the AMMC noted that the equal treatment requirement is met to the extent that the offer targets all the shares of Nexans Maroc not held by the initiator.

In addition, the valuation of the shares targeted by the offer has been undertaken by the independent valuator “Hdid et Associés”, represented by M. Mohamed HDID whose nomination has been approved beforehand by the AMMC

In addition, the multi-criteria analysis used for pricing has been reviewed by the AMMC and assessed as follows:

- **Stock prices Approach :** this method is based on the use of the volume weighted average prices of Nexans Maroc’s share over 12, 24 and 36 months preceding the 19<sup>th</sup> of March,2021 . The share value that results from the application of this method is **129,2 MAD;**
- **Market comparables method:** The valuation is performed on the basis of a sample of comparable listed international companies. The multiple used for the valuation of Nexans Maroc is the EV/EBITDA Multiple. The resulting value of Nexans Maroc share is **305,3 MAD;**
- **Discounted cash flows method (DCF):** In this method, the valuation is based on the future cash flows arising from Nexans Maroc business Plan, discounted at the average weighted cost of capital. The resulting share value from the application of this method is **164,1 MAD.**

A summary of the valuation made by the independent valuator is included in the following table:

Valuation method	Equity value (en MMAD)	Share Price (en MAD)	Weights
DCF	368,2	164,1	40%
Stock prices Approach	289,8	129,2	45%
Market comparables method	684,9	305,3	15%
<b>Weighted Mean</b>	<b>380,5</b>	<b>169,6</b>	<b>100%</b>

The price per share determined by the initiator’s board of directors for the Public Buyout Offer is **200 MAD per share.**

Given all the above, the AMMC considers the methods used as relevant and commonly used, based on known, accurate, objective, significant and multiple criteria that correspond to the characteristics of the target company. Also, the AMMC deems the characteristics of the offer to be consistent with the principles set out in Article 13 above.



الهيئة المغربية لسوق الرساميل  
+ⴰⵎⴰⵔⴰⵏⴰ ⵜⴰⵎⴰⵔⴰⵏⴰ ⵜⴰⵎⴰⵔⴰⵏⴰ ⵜⴰⵎⴰⵔⴰⵏⴰ ⵜⴰⵎⴰⵔⴰⵏⴰ ⵜⴰⵎⴰⵔⴰⵏⴰ  
AUTORITÉ MAROCAINE DU MARCHÉ DES CAPITAUX

#### ☛ Opinion of the independent valuator

The report of the independent valuator concludes to the fairness of the price offered to minority shareholders of Nexans Maroc in the framework of the public buy-out offer subject of the present admissibility decision.

#### ☛ National strategic interests

Pursuant to Article 29 of the aforementioned law 26-03, the AMMC has submitted the offer project to the Minister of Economy and Finance for its assessment in terms of strategic national interests. The Minister has not expressed any objection on the project.

#### 4- AMMC Decisions:

##### ☛ Agreement to the proposed offer

In view of all the above, the AMMC declares admissible the proposed Public Buyout Offer initiated by Nexans participation on Nexans Maroc shares at a price of 200 MAD.

##### ☛ Schedule

The final schedule of the offer will be determined later. It has to be approved beforehand by the Casablanca Stock Exchange.

##### ☛ Resumption of Nexans Maroc shares trading

The AMMC will request the Casablanca Stock Exchange to resume trading of Nexans Maroc share's on the 6<sup>th</sup> of July 2021.

Rabat, July the 2<sup>nd</sup>, 2021

CONTACT AMMC :

Tél : 05 37 68 89 71

E-Mail : [OperationsFinancieres@ammc.ma](mailto:OperationsFinancieres@ammc.ma)

DE/EM/001/2021