

In Accordance with the provisions of the article 31 of the Law No. 26-03 relating to public offers on the stock market as amended and supplemented, the CDVM examined the Public Buyout Offer (PBO) project targeting CGI listed shares, filed by CDG Développement on May the 7th, 2015.

1 - The offer's global context

The respective boards of Directors of CDG Développement and CGI, both held on the 22nd of october 2014, have approved the principle of delisting CGI shares from the Casablanca Stock Exchange. Both Boards of Directors have acknowledged in accordance with the provisions of article 20 bis of the abovementioned Law No. 26-03 that the delisting decision leads to the obligation, for the for persons holding, alone or in concert, the majority stake of the company, to make a buyout offer prior to the actual delisting.

Following this decisions, CDG développement has filed a Public Buyout Offer project, targeting CGI shares that are not held by CDG Développement or CDG. Also, CDG développement has requested the opinion of the ministry of economy and finance on the public buyout offer with regards to the provisions of article 9 of the Law 39-89 authorising the transfer of public enterprises to the private sector as supplemented and amended. The minister of economy and finance has notified his non-opposition to the buyout offer projet.

Prior to the filing of the Public Buyout Offer project subject of this decision of admissibility, the shareholding of CGI is as follows:

Shareholders	Shares number	% of capital and voting rights
CDG Développement	14 015 095	76.1%
CDG	1 006 810	5.5%
RMA Watanya	1 566 061	8.5%
Free float	1 820 034	9.9%
Total	18 408 000	100.0%

Source : CDG Développement

2- Terms of the public offer

The public buyout offer concerns the acquisition by CDG développement of all CGI shares that not held by CDG développement or CDG, that is 3 386 095 shares at a unit price of 725 Dhs;

CGI shareholders will be able to tender, fully or partially, their shares to the offer.

CDG Développement is committed, firmly and irrevocably, to acquire all CGI shares that are tendered to the offer.

No waiver threshold is considered by CDG Développement as part of this operation.

3- Admissibility Examination

Referring to Articles 13 and 32 of the aforementioned Law, the CDVM appraised the public offer with regards to the following:

- The characteristics of the offer project

The CDVM examined the characteristics of the public offer project with regards to the principles set out by the abovementioned article 13 and in particular the principles of transparency and equal treatment of shareholders. As such, the CDVM noted that the criterion of equal treatment was respected since the offer targets all CGI shares that are not held by CDG développement or CDG.

Furthermore, the valuation of the shares targeted by the offer was made by two independent valuers, whose appointments have been approved beforehand by the CDVM, in accordance with the provisions of the article 25 of the abovementioned Law 26-03.

The first valuation was conducted by the firm Mazars Audit et Conseil represented by Mr. Nouafal El Khatib.

The second valuation of the target shares was conducted by Ernst & Young et Associés, represented by Mr. Khalil Benhssein.

The two above mentioned valuation were based on the following multi-criteria approaches:

- **Discounted cash Flows Method:** the valuation is made on the basis of future cash flows from the CGI business plan, discounted at the weighted average cost of capital. The resulting value of the CGI shares according to Mazars Audit et Conseil and Ernst & Young et associés is respectively 436,7 dirhams and 403 dirhams.
- **Stock market prices method:** this method analyzes CGI share prices over a horizon deemed representative by each valuator. The valuation that emerges from the application of this method by Mazars Audit et Conseil and Ernst & Young et associés is 731 dirhams and 739 dirhams respectively.
- **Stock market comparables method:** the valuation was performed on the basis of multiples observed on a comparable listed companies sample that is deemed representative by each valuator. The resulting value of the CGI shares according to Mazars Audit et Conseil and Ernst & Young et associés is respectively 374,8 dirhams and 257 dirhams.
- **Comparable Transactions Method :** This method consists of applying to the financial aggregates of CGI average multiples of a sample, deemed representative by each valuator, and encompassing transactions that were realized on comparable companies. The valuation that emerges from the application of this method by Mazars Audit et Conseil and Ernst & Young et associés is 272 dirhams and 330 dirhams respectively.

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The following table summarizes the results of the two independent valuations:

Valuation Method	First Valuation (Mazars)		Second Valuation (Ernst & Young)	
	Price per share	Weight	Price per share	Weight
<i>DCF</i>	436,7	40%	403	25%
<i>Stock Market Prices</i>	731	35%	739	25%
<i>Stock comparables market</i>	374,8	25%	257	25%
<i>Comparable transactions</i>	272	0%	330	25%
Value per Share (MAD)	524.2		432	

The share price set for the public buyout offer is 725 dirhams per share.

Given the abovementioned elements, the CDVM considers that the methods used for the valuation are based on objective, significant and multiple criteria. Moreover, these criteria are relevant and usually applied, and correspond to the characteristics of the target company. Hence, the CDVM believes that the offer characteristics are consistent with the principles set out in Article 13 mentioned above.

- Opinion of the two independent valuers

The reports of both independent valuers, " Mazars audit et Conseil" and " Ernst & Young et Associés" concluded to the fairness of the price offered to CGI minority shareholders in the framework of the buyout offer subject of the present admissibility decision.

- National strategic interests

Pursuant to the provisions of the article 29 of the aforementioned Law 26-03, the CDVM submitted the public offer project to the Minister of Economy and Finance for its appraisal with regards to national strategic interests. The Minister has not expressed any objection to the said project.

4 - CDVM decisions

- Approval of the offer project

Considering all the above elements, the CDVM declares admissible the public buyout offer project launched by CDG Développement on CGI shares at a price of 725 Dhs per share.

- Schedule

The final schedule of the operation will be determined later. It must be validated beforehand by the Casablanca Stock Exchange.

- Resumption of trading on CGI shares

The CDVM will request from Casablanca Stock Exchange to resume trading on CGI shares starting the 21st of May 2015.

Rabat, May the 18th, 2015

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