



## Prospectus Summary

### ORDINARY BOND ISSUE SECURED BY A REAL MORTGAGE GUARANTEE IN FAVOR OF THE BONDHOLDERS' BODY

**Maximum issue amount: MAD 454,025,000**

	Tranche A, fixed	Tranche B, revisable
Type	Ordinary bonds	
Issue ceiling	MAD 454,025,000	
Maturity	6 years	
Nominal value	MAD 25,000	
Issue price	At par, 100% of the nominal value	
Securities' listing	Not listed	
Facial interest rate	4.93%	4.54% for the 1 <sup>st</sup> year
Risk premium	300 bps	300 bps
Securities' tradability	Over-the-counter	Over-the-counter
Repayment guarantee	<ul style="list-style-type: none"> <li>The bond issue is secured by a 2<sup>nd</sup> rank mortgage on the real estate property named "Bled Ouled Sbita" located in Salé - Bouknadel, covering an area of 348 hectares, 48 ares and 80 centiares, object of the land title number 27916/58.</li> </ul>	
Repayment method	Annual straight-line amortization	Annual straight-line amortization
Subscription period	From July 26 to July 28, 2021, inclusive	

The prospectus approved by the AMMC consists of:

The securities note and the DPGA reference document registered by the AMMC on 07/16/2021 under the reference EN/EM/011/2021

Subscribers: Holders of bonds issued under the 2014 Douja bond issue Promotion Addoha Group under the following ISIN codes (MA0000092231 and MA0000092223)

Financial Advisor and Global  
Coordinator

Placement Body

Domiciliary body for securities  
and centralizer of the transaction



#### Approval of the Moroccan Capital Market Authority

In accordance with the provisions of AMMC's circular issued in application of Article 5 of Law 44-12, relating to the public offering and information required from legal entities and organizations making public offerings, this summary relates to the bond issue of Douja Promotion Groupe Addoha.

The AMMC-approved prospectus includes the following documents:

- The Securities Note;
- The Reference Document of Douja Promotion Groupe Addoha for the financial year 2020, registered by the AMMC on 07/16/2021 under the reference EN/EM/011/2021.

## DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on 07/16/2021 a prospectus relating to the issue of an ordinary bond loan guaranteed by Douja Promotion Groupe Addoha.

The prospectus approved by the AMMC is available at any time at the registered office of Douja Promotion Groupe Addoha, on the latter's website (<https://ir.groupeaddoha.com/>), and from its financial advisor. It is also available within a maximum period of 48 hours from the order-collecting institution.

The prospectus is available on the AMMC website [www.ammc.ma](http://www.ammc.ma).

This summary is translated by Lissaniat under the joint responsibility of the said translator and Douja Promotion Groupe Addoha. In the event of any discrepancy between the contents of this summary and the AMMC-approved Prospectus, only the approved Information Package will prevail.

## **PART I: PRESENTATION OF THE OPERATION**

### **I. Structure of the offer**

This operation relates to the issue of a bond loan for a maximum global amount of MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand). DPGA intends to issue 18,161 (eighteen thousand one hundred and sixty-one) unlisted ordinary bonds with a nominal value of twenty-five thousand (25,000) dirhams.

The bond loan subject of this operation note will be issued in 2 tranches:

- A fixed-rate tranche A, tradable over-the-counter (unlisted) with a risk premium of 300 basis points. The said tranche will be repayable by straight-line annual amortization over a period of 6 and will concern a maximum amount of MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand) with a nominal value of twenty-five thousand (25,000) MAD per bond;
- An annually revisable rate tranche B, tradable over-the-counter (unlisted) with a risk premium of 300 basis points. The said tranche will be repayable by annual straight-line amortization a period of 6 and will concern a maximum amount of MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand) with a nominal value of twenty-five thousand (25,000) MAD per bond.

The maximum amount that can be allocated to the fixed tranche A cannot exceed MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand).

The maximum amount that can be allocated to the revisable tranche B cannot exceed MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand).

The total amount allocated under the two above-mentioned tranches cannot in any case exceed MAD 454,025,000 (four hundred and fifty-four million twenty-five thousand).

The amount of the Bond issue will be limited to subscriptions actually received.

The bond issue will be reserved for the holders of the Existing Bonds.

### **II. Financial instruments offered**

#### **Characteristics relating to fixed tranche A securities:**

Tranche A consists of unlisted, fixed-rate, over-the-counter bonds with a maturity of 6 years. The characteristics of Tranche A are as follows:

Nature of securities	Unlisted ordinary bonds, fully dematerialized by book-entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear)
Legal form of securities	Bearer bonds
Issue Ceiling	MAD 454,025,000
Maximum number of securities to be issued	18,161 securities
Nominal value per unit	MAD 25,000
Subscription price	At par, 100% of the nominal value
Maturity	6 years
Subscription period	From July 26 to July 28, 2021, inclusive
Date of enjoyment	August 2, 2021
Maturity date	August 2, 2027
Rights attached to the Bonds	The Bonds entitle the holders thereof to an annual coupon and to repayment of the principal of the Bonds.

<b>Facial interest rate</b>	The facial interest rate is a fixed rate of 4.93%.
<b>Facial rate calculation method</b>	The facial interest rate is obtained by adding a risk premium of 300 basis points to the rate calculated on the basis of the zero-coupon rate curve reconstituted from the reference rate curve of the secondary market of treasury bills of 06/07/2021 as published by Bank Al Maghrib on 07/07/2021. It makes it possible to obtain, for a bond, a price equal to 100% of the nominal value by discounting the future flows generated by this bond.
<b>Risk premium</b>	300 basis point
<b>Interest calculation method</b>	Interest will be calculated according to the following formula: Bond DRB x Face Interest Rate]. [CRD des Obligations x Taux d'intérêt facial].
<b>Coupon payment</b>	The coupons will be served annually on the anniversary date of the loan's effective date, i.e. August 2 of each year. Interest will be paid on the same day or on the first business day thereafter if it is not a business day. The date of payment of the first coupon of the Bonds will occur on August 2, 2022. No postponement of coupon payments is provided for under this Bond Issue.
<b>Tradability of securities</b>	Over the counter. There are no restrictions imposed by the terms of the issue on the free negotiability of these bonds.
<b>Principal Repayment</b>	The principal of the loan, which is the subject of this operation note, will be repaid annually, starting in 2022, and on a straight-line basis on each anniversary date of the date on which the issue becomes effective or on the first business day in Morocco following that date if the issue is not made in Morocco. The repayment date of the first maturity of the Bond will occur on August 2, 2022.
<b>Repayment price</b>	At par, 100% of the nominal value
<b>Early repayment</b>	Douja Promotion Groupe Addoha undertakes not to proceed with the early repayment of the Bonds, unless otherwise provided, in particular in the event of an event of default.
<b>Assimilation clause</b>	The bonds issued by DPGA are not assimilated to the securities of a previous issue. In the event that DPGA subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, proceed with the assimilation of all the securities of the successive issues, so unifying all the operations relating to their management and trading.
<b>Loan rank</b>	The principal and interest of the Bonds are secured commitments on the Real Estate Assets.
<b>Repayment guarantee</b>	The bond issue is secured by a second rank mortgage up to MAD 454,025,000 (the Mortgage) on the real estate property called "Bled Ouled Sbita" located in Salé - Bouknadel, with a surface area of 348 hectares, 48 ares and 80 centiares, object of the land title number 27916/58 (the Property). Once the Existing Bonds are no longer outstanding and after the release of the first rank mortgage registered on the Property as security for the repayment of the debenture loan issued by the Company in August 2014 under the following ISIN codes MA0000092231 and MA0000092223, the Mortgage will be registered in first rank.
<b>Bond repurchase</b>	The Issuer reserves the right to repurchase Bonds on the secondary market. It must offer the same price in writing to all Bondholders by means of the insertion of a notice in a newspaper authorized to carry legal advertisements, and repurchase on a pro rata basis from those who accept in accordance with the quantities held by each of them. Such repurchase will not affect the normal redemption schedule of the Bonds still outstanding. The Bonds so repurchased by the Issuer will be immediately cancelled and may not subsequently be put back into circulation.
<b>Rating</b>	The bonds issued by DPGA have not been the subject of a rating request.
<b>Competent Jurisdiction</b>	Commercial Court of Casablanca.
<b>Representation of bondholders</b>	Pending the General Meeting of Bondholders which must appoint the definitive proxy within 60 days from the opening date of the subscription period, the Board of Directors of Douja Promotion Groupe Addoha, held on July 8, 2021, appointed Mr. Mohammed Hdid as provisional proxy of the Bondholders. This decision will take effect from the opening of the subscription period. It should be noted that the provisional proxy is identical for all tranches, which are grouped together in a single mass. The Board of Directors of Douja Promotion Groupe Addoha undertakes to transmit to the AMMC the minutes of the General Meeting of Bondholders as soon as it is held.

**Characteristics relating to Tranche B annually-revisable securities:**

Tranche B consists of unlisted bonds with an annually revisable interest rate, traded over the counter and with a 6-year maturity. The characteristics of Tranche B are as follows:

Nature of securities	Unlisted ordinary bonds, fully dematerialized by book-entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear)
Legal form of securities	Bearer bonds
Issue Ceiling	MAD 454,025,000
Maximum number of securities to be issued	18,161 securities
Nominal value per unit	MAD 25,000
Subscription price	At par, 100% of the nominal value
Maturity	6 years
Subscription period	From July 26 to July 28, 2021, inclusive
Date of enjoyment	August 2, 2021
Maturity date	August 2, 2027
Rights attached to the Bonds	The Bonds entitle the holders thereof to an annual coupon and to repayment of the principal of the Bonds.
Facial interest rate	<p>Annually-revisable rate. For the first year, the facial interest rate is 4.54%. It is determined with reference to the full monetary rate of 52-week Treasury Bills calculated on the basis of the reference rate curve of the secondary market of Treasury Bills of 16/07/2021 as published by Bank Al Maghrib on 07/07/2021, i.e. 1.54% increased by a risk premium of 300 basis points. Beyond the 1st year, the 52-week monetary reference rate will be determined on the basis of the reference rate curve of the secondary market of Treasury bills as published by Bank Al Maghrib and bearing a value date prior to 5 trading days on the anniversary date of the effective date. The reference rate thus obtained will be increased by a risk premium of 300 basis points.</p> <p>The facial interest rate will be published by Douja Promotion Groupe Addoha four (4) business days before the anniversary date of the date of enjoyment on a newspaper of legal announcements and on the Issuer's website: <a href="https://ir.groupeaddoha.com/">https://ir.groupeaddoha.com/</a>.</p>
Facial rate calculation method	<p>On each anniversary date of the date of enjoyment, the facial interest rate will be determined according to the reference rate, which is set as follows:</p> <p>The reference rate will be calculated on the basis of the 52-week monetary 52-week Treasury bill rate recorded or calculated by linear interpolation on the basis of the reference rate curve of the secondary market of Treasury bills as published by Bank Al Maghrib and bearing a value date prior to 5 trading days on the anniversary date of the date of enjoyment.</p> <p>This linear interpolation will be calculated using the two points framing the full 52-week maturity (monetary base). This linear interpolation will be performed after conversion of the rate immediately above the 52-week maturity (actuarial basis) into an equivalent monetary rate.</p> <p>The formula for calculating the conversion is:</p> $\left[ (\text{actuarial rate} + 1)^{\frac{k}{\text{exact number of days}}} - 1 \right] * \frac{360}{k}$ <p>Exact number of days: 365 or 366 days  k: residual maturity (in days) of the actuarial rate to be transformed (immediately above 52 weeks)</p> <p>This reference rate will be increased by a risk premium of 300 basis points to obtain the facial rate.</p>
Coupon payment	Interest will be paid annually on the anniversary dates of the loan's effective date, i.e. August 2 of each year. Interest will be paid on the same day or the first business day thereafter if it is not a business day.
Risk premium	The payment date of the first coupon of the Bond will be August 2, 2022.
Interest calculation method	Interest will be calculated according to the following formula: outstanding principal * exact number of days/360 * face rate
Tradability of securities	Over the counter. There are no restrictions imposed by the terms of the issue on the free negotiability of these bonds.

<b>Principal Repayment</b>	The principal of the loan, which is the subject of this operation note, will be repaid annually, starting on August 2, 2020, and on a straight-line basis on each anniversary date of the date on which the issue becomes effective or on the first business day in Morocco following that date if the issue is not made in Morocco. The repayment date of the first maturity of the Bond will occur on August 2, 2022.
<b>Repayment price</b>	At par, 100% of the nominal value
<b>Early repayment</b>	Douja Promotion Groupe Addoha undertakes not to proceed with the early repayment of the Bonds, except in the event of default.
<b>Assimilation clause</b>	The bonds issued by DPGA are not assimilated to the securities of a previous issue. In the event that DPGA subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, proceed with the assimilation of all the securities of the successive issues, so unifying all the operations relating to their management and trading.
<b>Loan rank</b>	The principal and interest of the Bonds are secured commitments on the Real Estate Assets.
<b>Repayment guarantee</b>	The bond issue is secured by a second rank mortgage up to MAD 454,025,000 (the Mortgage) on the real estate property called "Bled Ouled Sbita" located in Salé - Bouknadel, with a surface area of 348 hectares, 48 ares and 80 centiares, object of the land title number 27916/58 (the Property). Once the Existing Bonds are no longer outstanding and after the release of the first rank mortgage registered on the Property as security for the repayment of the debenture loan issued by the Company in August 2014 under the following ISIN codes MA0000092231 and MA0000092223, the Mortgage will be registered in first rank.
<b>Repayment guarantee</b>	The Issuer reserves the right to repurchase Bonds on the secondary market. It must offer the same price in writing to all Bondholders by means of the insertion of a notice in a newspaper authorized to carry legal advertisements, and repurchase on a pro rata basis from those who accept in accordance with the quantities held by each of them. Such repurchase will not affect the normal redemption schedule of the Bonds still outstanding. The Bonds so repurchased by the Issuer will be immediately cancelled and may not subsequently be put back into circulation.
<b>Rating</b>	The bonds issued by DPGA have not been the subject of a rating request.
<b>Competent Jurisdiction</b>	Commercial Court of Casablanca.
<b>Representation of bondholders</b>	Pending the General Meeting of Bondholders which must appoint the definitive proxy within 60 days from the opening date of the subscription period, the Board of Directors of Douja Promotion Groupe Addoha, held on July 8, 2021, appointed Mr. Mohammed Hdid as provisional proxy of the Bondholders. This decision will take effect from the opening of the subscription period. It should be noted that the provisional proxy is identical for all tranches, which are grouped together in a single mass. The Board of Directors of Douja Promotion Groupe Addoha undertakes to transmit to the AMMC the minutes of the General Meeting of Bondholders as soon as it is held.

### III. Objectives of the operation

DPGA wishes to carry out a bond issue of a maximum of four hundred and fifty-four million twenty-five thousand dirhams (MAD 454,025,000), with the main objective of extending the maturity of its debt.

### IV. Guarantees

The bond issue is secured by a second rank mortgage up to MAD 454,025,000 (the Mortgage) on the real estate property called "Bled Ouled Sbita" located in Salé - Bouknadel, with a surface area of 348 hectares, 48 ares and 80 centiares, object of the land title number 27916/58 (the Property).

Once the Existing Bonds are no longer outstanding and after the release of the first rank mortgage registered on the Property as security for the repayment of the debenture loan issued by the Company in August 2014 under the following ISIN codes MA0000092231 and MA0000092223, the Mortgage will be registered in first rank.

## V. Target investors of the operation

The investors targeted by the operation are the holders of DPGA Existing Bonds.

The following table sets forth the lines of the Existing Bonds in the exchange for the new bonds, as listed below:

ISIN code	Nominal rate	Quantity of securities	Nominal value	Outstanding (in MAD)	Date of enjoyment	Maturity date
MA0000092231	Annually revisable	16 273	25 000	406 825 000	11/08/2014	11/08/2022
MA0000092223	5.55% - Fixed	3 727	25 000	93 175 000	11/08/2014	11/08/2022
		<b>20 000</b>		<b>500 000 000</b>		

The maximum number of new bonds to be allotted is 18,161 securities with a unit nominal value of MAD 25,000 (twenty-five thousand), i.e. a maximum amount of MAD 454,025,000 (four hundred fifty-four million twenty-five thousand).

## VI. Schedule of the operation

No.	Stages	Date
1	Obtaining the AMMC approval	16/07/2021
2	Publication of the extract of the prospectus on the issuer's website	16/07/2021
3	Publication of the press release by the issuer in a newspaper of legal announcements	20/07/2021
4	Opening of the subscription period	26/07/2021
5	Closing of the subscription period	28/07/2021
6	Centralization of subscription orders	28/07/2021
7	Allocation of shares	28/07/2021
8	Settlement/Delivery of all transactions	02/08/2021
9	Publication of the results of the Transaction in a newspaper of legal notices by the issuer and on its website	03/08/2021

## VII. Terms and conditions for determining the repurchase prices of existing due Treasury Notes

Payment for the repurchase by DPGA of the Existing Bonds will be made in cash and will correspond on the settlement/delivery date, i.e. August 2, 2021, to the repurchase price of the Existing Bonds. The following table sets forth the repurchase prices of the Existing Bonds by line as well as the parameters used for their determination

Maroclear code	Entitlement	Maturity	Securities	Initial maturity in days	Facial rate	Repurchase date	Residual maturity in days	Unit purchase price
MA0000092231 - revisable	11/08/2014	11/08/2022	16 273	365	3.27%	02/08/2021	9	25 809.60
MA0000092223 - fixed	11/08/2014	11/08/2022	3 727	365	5.55%	02/08/2021	374	26 643.74
			<b>20 000</b>					

### For the line MA0000092231 - revisable:

The repurchase price corresponds to the coupon price plus the accrued coupon as of August 2, 2021, calculated on the basis of the discounted future cash flows of DPGA's Existing Bonds, calculated as follows:

$$N \times (1 + FR \times IM/360) / (1 + Y \times RM/360)$$

N: Remaining Capital Due

FR: Facial Rate

IM: Initial maturity in days (365 days - between 11/08/2020 and 11/08/2021)

Y: Yield (2.986% - calculated on the basis of the reference yield curve of the secondary market of treasury bills on 06/07/2021 as published by Bank Al Maghrib on 07/07/2021 plus 160 basis points)

RM: Residual maturity in days (9 days - between 02/08/2021 and 11/08/2021)

**For the line MA0000092223 - fixed:**

The repurchase price is determined on the basis of the discounted flows with reference to the zero coupon curve reconstituted from the reference rate curve of the secondary market of treasury bills of 06/07/2021 as published by Bank Al Maghrib on 07/07/2021 according to the following formula

$$P = \sum_{i=1}^n \frac{CF_i}{(1 + Z_i)^{(n_d/b)}}$$

Where:

$P$ : Security price

$Z_i$ : the zero coupon rate plus a risk premium of 170 bps (with  $Z_1 = 3.115\%$  and  $Z_2 = 3.263\%$ )

$CF_i$ : Flow as of date  $i$  (Coupon + Amortization)

$n_d$ : number of days remaining until the next flow date

$n$ : number of remaining future flows

$b$ : basis of calculation: 366 days if the year is leap year or 365 otherwise.



## PART II: INFORMATION ON DOUJA PROMOTION GROUPE ADDOHA

### I. General information

<b>Corporate name</b>	The Company has the corporate name: "Douja Promotion Groupe Addoha S.A.". It also uses the trade name "Groupe Addoha".
<b>Registered office</b>	Km 7, Route de Rabat, Ain Sebâa, Casablanca
<b>Phone</b>	+212 5 22 67 99 00
<b>Fax</b>	+212 5 22 35 17 63
<b>Website</b>	<a href="http://www.groupeaddoha.com">www.groupeaddoha.com</a>
<b>Email</b>	<a href="mailto:douja.promotion@addoha.ma">douja.promotion@addoha.ma</a>
<b>Legal form</b>	Limited company (Ltd.) with a Board of Directors
<b>Date of establishment</b>	April 18, 1988
<b>Lifetime</b>	99 years, unless early dissolution or extension provided for by the Articles of Association or by law
<b>Share capital (as of April 30, 2021)</b>	MAD 4,025,512,540 divided into 402,551,254 shares of MAD 10 each, all fully paid and of the same class.
<b>Financial year</b>	From January 1 to December 31.
<b>Registration number in the Commercial Register</b>	52 045 – Casablanca
<b>Competent court in case of litigation</b>	Commercial Court of Casablanca.
<b>Location of legal documents</b>	The corporate, accounting and legal documents whose communication is provided for by law and the Articles of Association in favor of shareholders and third parties may be consulted at the registered office of Douja Promotion Groupe Addoha, at Km 7, Route de Rabat, Ain Sebâa, Casablanca.
<b>Corporate purpose</b>	<p>According to Article 5 of the Articles of Association, the Company's direct purpose is to carry out, either for itself, or in partnership, or for a third party in Morocco or any other country:</p> <ul style="list-style-type: none"> <li>• All real estate development operations as defined by Dahir No. 1.85.100 of August 17, 1985 promulgating Law No. 15/85 establishing measures to encourage real estate investment and, more particularly,</li> <li>• The acquisition of any land, built or not, as well as any property located in Morocco;</li> <li>• The exploitation and development of the said lands by means, in particular, of subdivision, servicing, development, equipment and construction of residential, commercial, professional, industrial or other construction;</li> <li>• The transformation of real estate, their sale in co-ownership batch-wise or per unit;</li> <li>• The drafting of deeds recording the transfer of any real estate property;</li> <li>• The constitution and management of syndicates of any building in accordance with the regulations governing condominiums and any related operations, including the exercise of the role of the managing agent.</li> <li>• And more generally, any property or real estate-related operations that may be directly or indirectly related to the company's purpose.</li> </ul>

**Applicable laws and regulations**

Douja Promotion Groupe Addoha is governed by Moroccan law, law 17-95 relating to limited liability companies as amended and supplemented as well as its articles of association.

By virtue of its activity, it is governed by the following Dahir:

- Law No. 25-90 promulgated by Dahir No. 1-92-7 of June 17, 1992 on subdivisions, housing groups and parcels;
- Law No. 17-95 promulgated by Dahir No. 1-96-124 of August 30, 1996 relating to limited companies as amended and completed by law 20-05 and by law 78-12;
- Dahir of August 12, 1913 forming the Code of Obligations and Contracts, supplemented by Law No. 44-00 of October 3, 2002 on the sale before completion;
- Law No. 18-00 of October 3, 2002 relating to the status of co-ownership of buildings;
- Article 19 of the 1999-2000 Finance Act establishing tax exemptions for real estate developers, as amended and supplemented by Article 16a of the 2001 Finance Act;
- Article 92 of the 2010 Finance Act introducing new tax exemptions for real estate developers;
- Article 247 of the 2012 Finance Act, introducing new tax exemptions for real estate developers;
- Article 247 of the 2013 Finance Act, introducing new tax exemptions for real estate developers.

As a public company and an issuer of commercial paper, the Company is subject to the provisions of the following texts:

- Dahir No. 1-16-151 of Dhu al-Qaada 21, 1437 (August 25, 2016) promulgating law no. 19-14 relating to the stock exchange, stockbrokers and financial investment advisers;
- General Regulations of the Stock Exchange approved by Order No. 2208-19 of the Minister of the Economy and Finance of July 3, 2019;
- Dahir no. 1-12-55 of Safar 14, 1434 (December 28, 2012) promulgating law no. 44-12 relating to the public offering 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 custodian and the establishment of a general regime for the book entry of certain securities, amended and supplemented by law no. 43-02;
- General regulations of the central custodian approved by Order No. 932-98 of the Minister of Economy and Finance of April 16, 1998 and amended by Order No. 1961-01 of the Minister of Economy, Finance, Privatization and Tourism of October 30, 2001 and by Order No. 77-05 of March 17, 2005;
- General regulations of the AMMC as approved by Order No. 2169-16 of the Minister of Economy and Finance of July 14, 2016;
- Dahir no. 1-04-21 of April 21, 2004 promulgating law no. 26-03 relating to public offers on the Moroccan stock market as amended and supplemented by law 46-06;
- Dahir No. 1-13-21 of Jumada I 1, 1434 (March 13, 2013) promulgating Law No. 43-12 on the AMMC;
- AMMC circular No. 03/19 on Financial Operations and Information;
- Dahir 1-95-03 of January 26, 1995 promulgating law No. 35-94 on certain tradable debt securities.

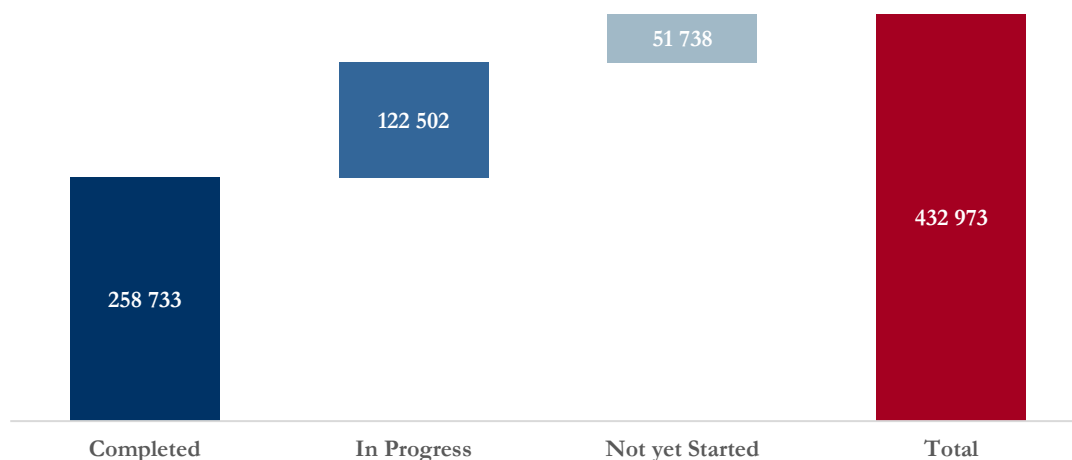
## II. Brief Activity description

### i. Groupe Addoha products and markets as of end-December 2020

Douja Promotion Groupe Addoha's activity consists of the implementation of economic and luxury housing programs, the core business of which is the economic housing segment.

As of end-2020, Douja Promotion Groupe Addoha's cumulative projects, including the activity of its subsidiaries in the economic, intermediate and high standing segments in Morocco, were as follows:

**Figure 1 Cumulative achievements for all segments combined (in units / Morocco)**



Source: Douja Promotion Groupe Addoha

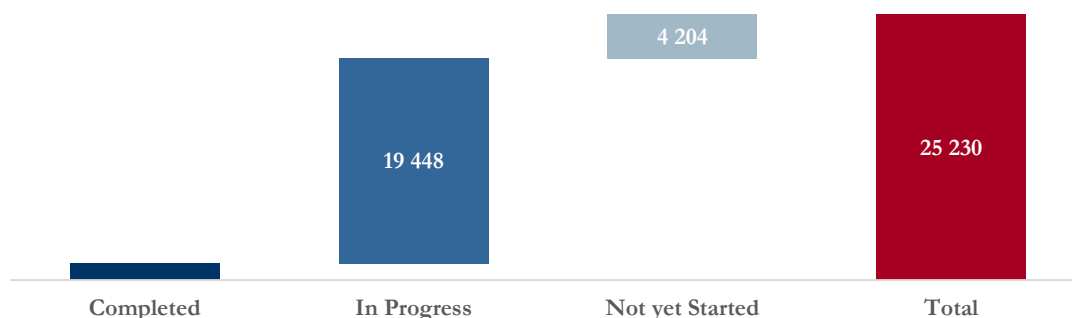
As of December 31, 2020, the programs completed, in progress and not yet started by Groupe Addoha, all segments combined in Morocco, total 432,973 units, distributed as follows:

- Fully completed dwellings: 258,733 units;
- Dwellings under construction: 122,502 units;
- Dwellings not yet started: 51,738 units.

It should be noted that following the exit of General Firm of Morocco from the scope of DPGA, its units have been deducted from the cumulative achievements explaining consequently the differential compared to the Registration Document relating to the fiscal year 2019 and the first half of 2020.

In addition, the cumulative projects of Douja Promotion Groupe Addoha, including the activity of its subsidiaries in the economic, intermediate and high standing segments in Sub-Saharan Africa are as follows

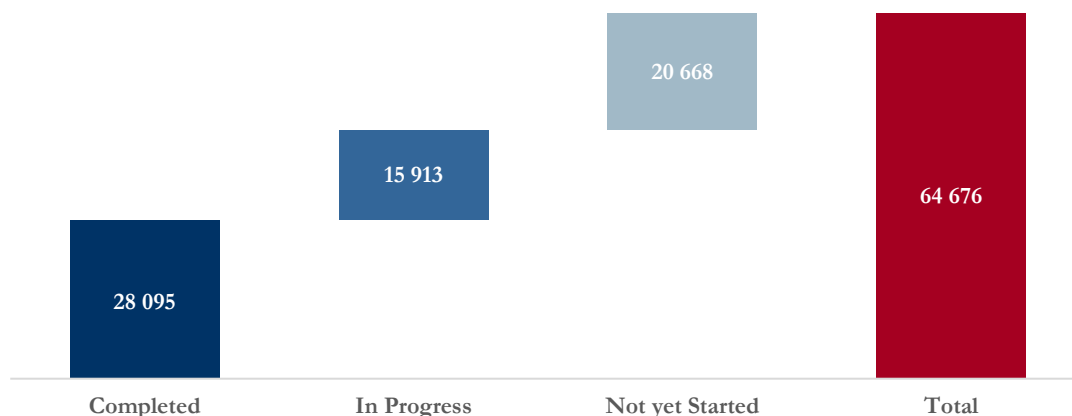
**Figure 2 Cumulative achievements for all segments combined (in units / Sub-Saharan Africa)**



Source: Douja Promotion Groupe Addoha



**Figure 4 Cumulative achievements for the intermediate segment in Morocco as of 12/31/2020 (in units)**



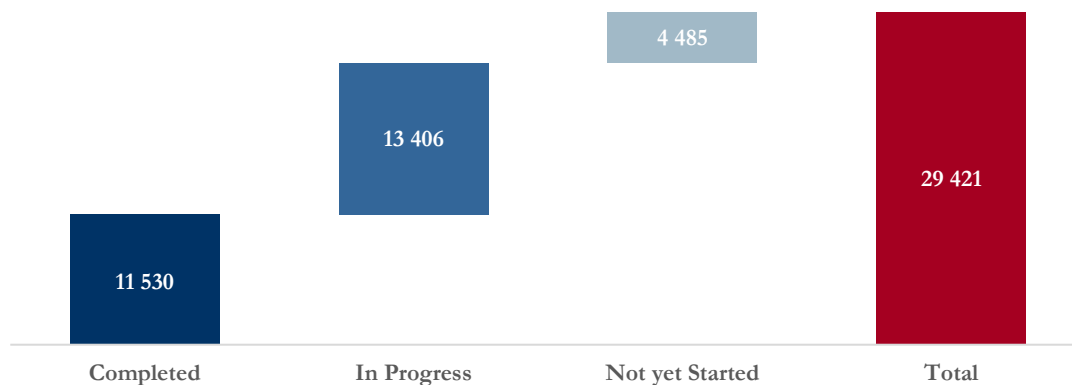
Source: Douja Promotion Groupe Addoha

As illustrated in the graph above, as of December 31, 2020, the intermediate segment units completed in Morocco totaled 28,095 housing units. Other programs are in progress and cover 15,913 units.

In addition, intermediate real estate projects will have to be launched and would cover approximately 20,668 units.

The graph below shows the achievements, programs not yet started and in progress of Douja Promotion Groupe Addoha and its subsidiaries in the high standing segment.

**Figure 5 Cumulative achievements for the high standing segment in Morocco as of 12/31/2020 (in units)**



Source: Douja Promotion Groupe Addoha

As of December 31, 2020, Groupe Addoha fully completed and marketed 11,530 units in the high standing segment in Morocco. In addition, the high standing programs currently in progress include 13,406 units. The programs not yet started by the group include 4,485 units.

It should be noted that following the exit of General Firm of Morocco from the scope of DPGA, its units have been deducted from the cumulative achievements explaining consequently the differential compared to the Registration Document relating to the fiscal year 2019 and the first half of 2020.

### III. Shareholding structure

As of June 22, 2021, DPGA's share capital is made up of 402,551,254 shares and breaks down as follows:

#### Shareholding structure as of June 22, 2021

**Table 1**

Shareholders	22/06/2021	
	% of capital and voting rights	Number of securities
<b>Sefrioui Family</b>	<b>64.11%</b>	<b>258 093 313</b>
<i>Mr. Anas Sefrioui</i>	<i>64.10%</i>	<i>258 066 665</i>
<i>Mrs. Mounia Benzekri</i>	<i>0.00%</i>	<i>6 662</i>
<i>Miss Alia Sefrioui</i>	<i>0.00%</i>	<i>6 662</i>
<i>Miss Kenza Sefrioui</i>	<i>0.00%</i>	<i>6 662</i>
<i>Mr. Malik Sefrioui</i>	<i>0.00%</i>	<i>6 662</i>
<b>Mr. Anas Berrada Sounni</b>	<b>0.00%</b>	<b>10</b>
<b>Other shareholders</b>	<b>35.89%</b>	<b>144 457 931</b>
<b>Total</b>	<b>100.00%</b>	<b>402 551 254</b>

Source: Bourse de Casablanca

It should be noted that the administrators Mr. Philippe Faure, Mr. Jean-René Fourtou, Mr. Azzedine Kettani and Mr. Mohamed El Mernissi declared, on November 13, 2020, that they no longer held shares in DPGA in order to comply with Law 20-19 in terms of director independence criteria.

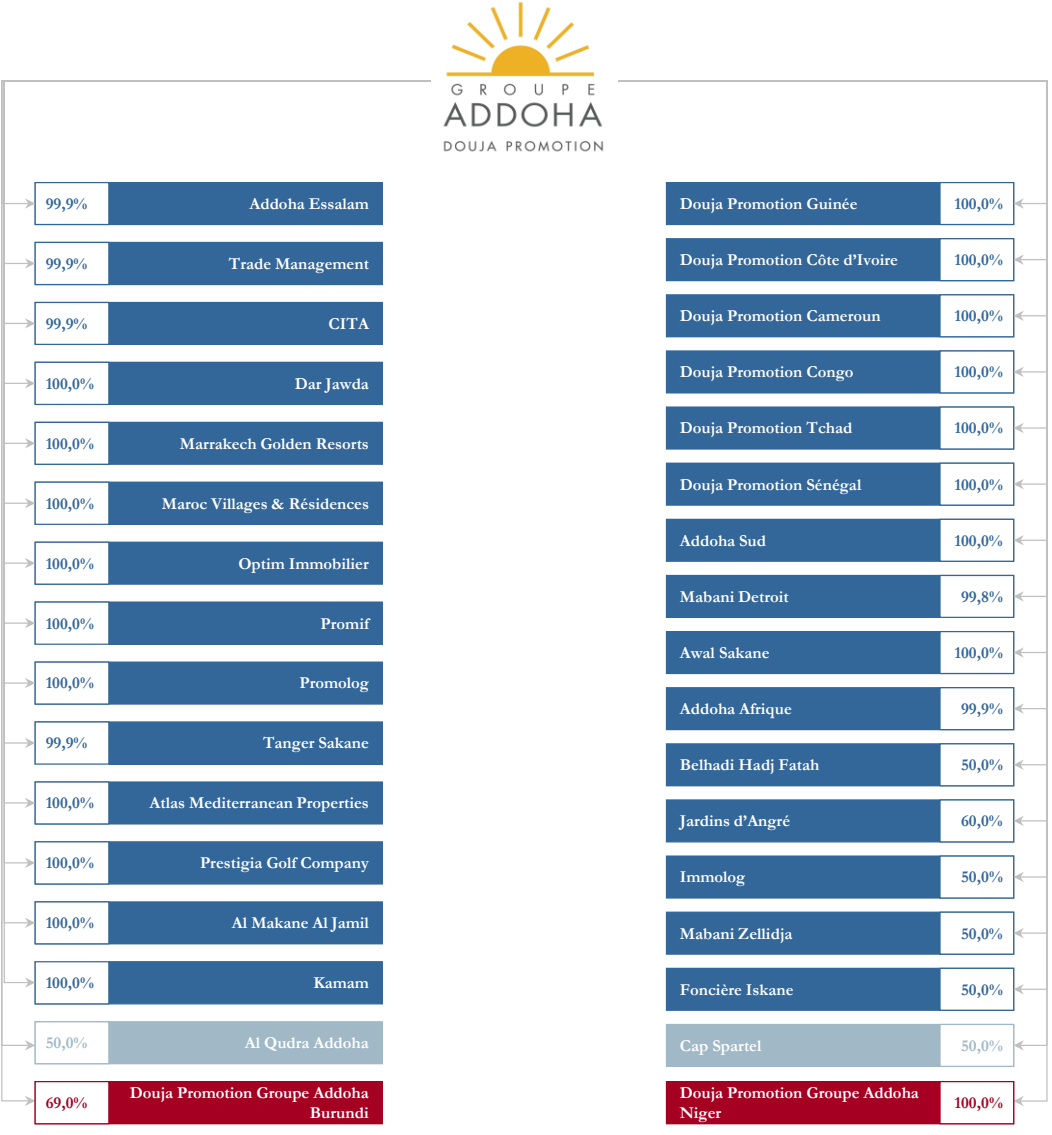
In order to comply with Article 11 of the Articles of Incorporation, Mr. Anas Berrada Sounni holds as of November 03, 2020, 10 shares of DPGA.

### IV. Organization Chart of Douja Promotion Groupe Addoha

The organization chart of Douja Promotion Groupe Addoha, as of April 30, 2021, is as follows:



As of December 31, 2020, the legal organization chart of Groupe Addoha is as follows:



Source : Douja Promotion Groupe Addoha

Full Consolidation
  Equity Method
  Outside Consolidation scope (XX%)
 % of interest & control

LISSANIAT  
 Société Anonyme Marocaine à capital mixte  
 Siège Social : Casablanca, Maroc  
 Tel : 0522 85 76 89  
 GSM : 0664 72 99 40



**Part III: Financial Data****I. Balance sheet****i. Douja Promotion Groupe Addoha consolidated balance sheet for the period 2018-2020**

Assets - In KMAD	2018	2019	Var. 18/19	2020	Var. 19/20
Goodwill	542	542	0.0%	0	n.a
Intangible assets	1 730	1 048	-39.4%	973	-7,2%
Property, plant and equipment	689 045	317 059	-54.0%	439 236	38,5%
Investment properties	479 821	377 962	-21.2%	80 614	-78,7%
Equity-accounted securities	153 114	1 875	-98.8%	1 863	-0,6%
Other financial assets	20 817	20 885	0.3%	4 907	-76,5%
- Including loans and receivables	20 529	20 598	0.3%	4 907	-76,2%
- Including available-for-sale securities	288	288	-	0	n.a
Deferred tax assets	1 098 368	1 083 875	-1.3%	883 475	-18,5%
Other non-current assets	166	140	-15.7%	25	-81,8%
<b>Total non-current assets</b>	<b>2 443 602</b>	<b>1 803 386</b>	<b>-26.2%</b>	<b>1 411 093</b>	<b>-21,8%</b>
Inventories and net outstanding	15 680 687	14 709 755	-6.2%	12 540 977	-14,7%
Net customer receivables	3 957 173	3 826 263	-3.3%	3 115 514	-18,6%
Other net current receivables	4 530 456	4 256 268	-6.1%	2 999 023	-29,5%
Other financial assets	-	14	n.a	0	n.a
- Including AFS financial assets	-	14	n.a	0	n.a
Cash and cash equivalents	636 536	504 936	-20.7%	362 949	-28,1%
<b>Total Current Assets</b>	<b>24 804 852</b>	<b>23 297 236</b>	<b>-6.1%</b>	<b>19 018 463</b>	<b>-18,4%</b>
<b>Total Assets</b>	<b>27 248 454</b>	<b>25 100 622</b>	<b>-7.9%</b>	<b>20 429 556</b>	<b>-18,6%</b>

Liabilities - In KMAD	2018	2019	Var. 18/19	2020	Var. 19/20
Share capital	3 225 571	3 225 571	0.0%	4 025 513	24,8%
Share issue and merger premiums	3 034 812	3 034 812	0.0%	3 034 812	0,0%
Reserves	3 441 324	2 875 502	-16.4%	2 628 641	-8,6%
Results	376 583	335 579	-10.9%	-744 348	-321,8%
Currency translation differences	2 829	-979	n.a	30	>100%
<b>Shareholders' equity - group share</b>	<b>10 081 119</b>	<b>9 470 485</b>	<b>-6.1%</b>	<b>8 944 647</b>	<b>-5,6%</b>
Minority reserves	1 032 862	994 581	-3.7%	958 965	-3,6%
Minority result	32 873	58 416	77.7%	-45 265	-177,5%
<b>Shareholders' equity - minority share</b>	<b>1 065 735</b>	<b>1 052 997</b>	<b>-1.2%</b>	<b>913 700</b>	<b>-13,2%</b>
<b>Consolidated shareholders' equity</b>	<b>11 146 855</b>	<b>10 523 482</b>	<b>-5.6%</b>	<b>9 858 347</b>	<b>-6,3%</b>
Non-current financial debts	4 467 133	4 076 631	-8.7%	3 331 902	-18,3%
Non-current provisions	601	573 481	>100%	60 542	-89,4%
Other non-current liabilities	26 511	34 767	31.1%	24 673	-29,0%
Deferred tax liabilities	354 335	294 651	-16.8%	225 719	-23,4%
<b>Total non-current liabilities</b>	<b>4 848 581</b>	<b>4 979 530</b>	<b>2.7%</b>	<b>3 642 836</b>	<b>-26,8%</b>
Current provisions	193 321	200 583	3.8%	2 086	-99,0%
Current financial debts	1 879 704	1 636 579	-12.9%	1 803 742	10,2%

Trade payables	3 494 131	2 855 792	-18.3%	1 864 784	-34,7%
Other current liabilities	5 685 864	4 904 655	-13.7%	3 257 760	-33,6%
<b>Total current liabilities</b>	<b>11 253 019</b>	<b>9 597 609</b>	<b>-14.7%</b>	<b>6 928 373</b>	<b>-27,8%</b>
<b>Total Liabilities</b>	<b>27 248 454</b>	<b>25 100 621</b>	<b>-7.9%</b>	<b>20 429 556</b>	<b>-18,6%</b>

Source: Douja Promotion Groupe Addoha

## II. Income statement

### II.1. Income statement for the 2018-2020 financial years

In KMAD	2018	2019	Var. 18/19	2020	Var. 19/20
Turnover	4 062 318	3 479 785	-14.3%	1 173 466	-66,3%
Other operating income	-884 960	-1 371 657	-55.0%	-140 150	-89,8%
<b>Income from ordinary activities</b>	<b>3 177 358</b>	<b>2 108 128</b>	<b>-33.7%</b>	<b>1 033 316</b>	<b>-51,0%</b>
Consumed purchases of materials and goods	-2 250 643	-1 310 110	41.8%	-822 277	-37,2%
Personnel expenses	-226 804	-199 729	11.9%	-149 667	-25,1%
Taxes and duties	-39 223	-23 098	41.1%	-22 458	-2,8%
Depreciation, amortization and operating provisions	151 814	166 805	9.9%	-518 270	-410,7%
Other operating income and expenses	-180 176	-131 383	27.1%	-178 131	35,6%
<b>Current operating expenses</b>	<b>-2 545 031</b>	<b>-1 497 515</b>	<b>41.2%</b>	<b>-1 690 803</b>	<b>12,9%</b>
<b>Current operating income</b>	<b>632 327</b>	<b>610 613</b>	<b>-3.4%</b>	<b>-657 487</b>	<b>-207,7%</b>
Sale of assets	11 662	0	-100.0%	-63 311	n.a
Other non-recurring operating income and expenses	-46 343	-91 597	-97.7%	-92 323	0,8%
<b>Other operating income and expenses</b>	<b>-34 681</b>	<b>-91 597</b>	<b>-164.1%</b>	<b>-155 634</b>	<b>69,9%</b>
<b>Income from operating activities</b>	<b>597 646</b>	<b>519 016</b>	<b>-13.2%</b>	<b>-813 121</b>	<b>-256,7%</b>
Cost of net financial debt	-412 651	-344 577	16.5%	-307 786	-10,7%
Other financial income	332 219	313 340	-5.7%	157 659	-49,7%
Other financial expenses	131 845	49 612	-62.4%	246 050	395,9%
<b>Financial income</b>	<b>51 413</b>	<b>18 375</b>	<b>-64.3%</b>	<b>95 923</b>	<b>422,0%</b>
<b>Pre-tax income of consolidated companies</b>	<b>649 059</b>	<b>537 391</b>	<b>-17.2%</b>	<b>-717 198</b>	<b>-233,5%</b>
Corporate income tax	-134 213	-55 559	58.6%	-14 963	-73,1%
Deferred tax	-94 025	-82 049	12.7%	-57 439	-30,0%
<b>Net income of consolidated companies</b>	<b>420 821</b>	<b>399 783</b>	<b>-5.0%</b>	<b>-789 600</b>	<b>-297,5%</b>
Share in the income of equity-accounted companies	-11 365	-5 787	49.1%	-12	-99,8%
<b>Net income from ongoing operations</b>	<b>409 456</b>	<b>393 996</b>	<b>-3.8%</b>	<b>-789 612</b>	<b>-300,4%</b>
Net income of discontinued operations	-	-	n.a	-	n.a
<b>Consolidated net income</b>	<b>409 456</b>	<b>393 996</b>	<b>-3.8%</b>	<b>-789 612</b>	<b>-300,4%</b>
Minority interests	-32 873	-58 417	-77.7%	45 265	177,5%
<b>Net income - Group share</b>	<b>376 583</b>	<b>335 579</b>	<b>-10.9%</b>	<b>-744 347</b>	<b>-321,8%</b>
<b>NIGS/TO</b>	<b>9.3%</b>	<b>9.6%</b>	<b>0.3 pts</b>	<b>-63.4%</b>	<b>- 73 pts</b>
Basic income per share (in MAD)	1.18	1.05	-11.0%	-1.86	-277,1%
Diluted income per share (in MAD)	1.18	1.05	-11.0%	-1.86	-277,1%

Source: Douja Promotion Groupe Addoha

## Part IV: Risks

### I. Issuer-related risks

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#### I.1. Land risk

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The soaring price of land is a risk noted in recent years because of population growth and the facilitation of access to credit. However, this risk is mitigated by the government's desire to create 15 new cities by 2020 that will provide additional land in urban areas, which will tend to dampen the surge in prices. The increase in land prices is likely to have a negative impact on the profit margin.

In response to this risk, Douja Promotion Groupe Addoha has adopted the following measures:

- Establishment of partnerships with public bodies under which the latter undertake to mobilize land and transfer it to the Company;
- Decision to extend its field of intervention through the implementation of several programs in Casablanca, but also in Tangier, Agadir, Marrakech, Rabat-Salé, Fez, Tamesna and several countries in Sub-Saharan Africa (Guinea, Côte d'Ivoire, Cameroon, Senegal and Chad);
- Diversification of its programs by also engaging in medium-standing housing projects not subject to a price cap by the Administration

It should also be noted that the public authorities are continuing their desire to extend the urban perimeter of several cities in the Kingdom, particularly in Casablanca.

Conflict with local populations is a risk when acquiring land.

#### I.2. Competitive risk

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The absence of barriers to entry and the favorable profit prospects offered by the sector have had, and continue to have, the effect of attracting many operators to the real estate market. The multiplication of both national and international operators could have a double effect:

- An erosion of margins, as a result of increasingly intense competition;
- An increase in the cost of land in certain areas where there is strong demand from property developers.

#### I.3. Demand reduction risk

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A decrease in domestic or foreign demand (due to poor international conditions) would have a negative impact on the health of the sector in general, and on business volume.

In terms of the social housing deficit, the Ministry of Housing, in 2018, has set itself the objective of further reducing the imbalance to 200,000 units by 2021.

In addition, prior to the start of major real estate projects, Douja Promotion Groupe Addoha conducts a relevant market study upstream in order to ensure the commercial success of the project on the one hand and to choose an appropriate positioning on the other hand.

Finally, one of the key elements of the strategy adopted by Douja Promotion Groupe Addoha consists in favoring so-called liquid products in its portfolio, such as intermediate housing products, as part of a risk diversification strategy.

#### I.4. Risk related to the change in tax regimes

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Notwithstanding the fact that the measures established by the 2010 Finance Law relating to the construction of social housing are guaranteed until 2020, the evolution of tax regulations could have a negative influence on the real estate market and consequently influence the financial situation of operators in the sector.

It should be noted, however, that as part of the measures aimed at supporting the public authorities in the sectors severely affected by the coronavirus pandemic, the Amending Finance Law 2020 has extended by one (1) year the deadlines of the agreements concluded between the State and real estate developers who are having difficulty in completing their social housing construction programs in the final stages within the 5-year period. This measure applies to agreements for social housing construction programs for which the building permit was issued before the start date of the state of emergency.

### **I.5. Risk related to prime contractors and suppliers**

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In order to provide its customers with a quality product, Douja Promotion Groupe Addoha solicits its historical partners to support it in the realization of all its projects. These partners are selected on the basis of their technical qualifications and references in the construction market in order to best meet the project specifications of the various DPGA subsidiaries in terms of both quality and turnaround times.

The trust relationship established between DPGA and its partners allows it to face the risk of unavailability of subcontractors due to competition.

### **I.6. Risk related to the increase in interest rates**

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A significant increase in lending rates applied to loans taken out by buyers would be a limiting factor for household housing demand.

This would therefore have a relatively significant potential impact on Douja Promotion Groupe Addoha's turnover and more particularly on the turnover generated by the economic housing segment.

To mitigate this risk, it should be noted that Douja Promotion Groupe Addoha systematically signs agreements with its banking partners so that future buyers of its products can benefit from loans at attractive rates.

This risk also impacts the Company's ability to borrow and pay interest. To meet these challenges, the Group has set up a rigorous monitoring of its outstanding financial debts, making it possible to anticipate payment of its future installments in an appropriate manner and to take appropriate measures accordingly.

### **I.7. Risk related to over-indebtedness**

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It should be noted that Douja Promotion Groupe Addoha launched the Cash Generation Plan in 2015, which aims to reduce the Group's overall debt and transform assets into cash, thereby reducing its exposure to this risk. The PAC 2020 (cash priority) takes over from the CGP with a strategy that remains in line with the previous plan.

### **I.8. Risk related to access to finance**

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The development of the Douja Promotion Groupe Addoha necessarily involves external financing needs. The Group is financed through its equity, credit lines and customer advances.

The difficulties experienced by the real estate sector and its impact on DPGA's business and financial position could have a negative impact on the Company's ability to continue to obtain financing on favorable terms, if these difficulties are not overcome.

## **II. Risks related to the proposed securities**

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Risks related to a bond investment:

**Default risk:** the risk that the issuer will not be able to honor their contractual commitments to bondholders, resulting in non-payment of coupons and/or outstanding principal.

**Liquidity risk:** the holder of unlisted bonds could be exposed to the risk of holding illiquid securities that cannot be sold quickly without a major effect on the price.

**Interest rate risk:** the risk related to changes in interest rates may impact the yield on bonds. Indeed, an increase in interest rates will have an impact on the decrease in the value of the bonds held.

**Inflation risk:** the evolution of inflation rates could impact the yield of bondholders (i) if the evolution of inflation exceeds the yield of the bonds held and (ii) in the event of a readjustment of interest rates. Thus, an increase in interest rates will decrease the value of the bonds held.

## DISCLAIMER

The aforementioned information is only a part of the Prospectus approved by the Moroccan Capital Market Authority (AMMC) on 07/16/2021 under reference No. VI/EM/013/2021.  
AMMC recommends reading the complete Prospectus made available to the public in French.