

Information Package Summary

COMMERCIAL PAPER ISSUE PROGRAM

The AMMC-approved prospectus comprises:

- The Securities Note;
- The Reference Document of Douja Promotion Groupe Addoha registered by the AMMC on December 5th, 2019 under reference No. EN/EM/013/2019.

PROGRAM IMPLEMENTATION DATE: AUGUST 19, 2011

LATEST UPDATE OF THE COMMERCIAL PAPER PROGRAM: JANUARY 4, 2019


PROGRAM CEILING: MAD 1,000,000,000

NOMINAL VALUE: MAD 100,000

Financial Advisor and Global Coordinator

BMCE CAPITAL
CONSEIL 

Placement Body

BMCE BANK OF AFRICA
البنك المغربي للتجارة الخارجية لإفريقيا 

Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 18 of Dahir 1-95-3 of Shaban 24, 1425 (January 26, 1995) promulgating Law 35-94 on certain tradable debt securities, as amended and supplemented, this note concerns the commercial paper issue program by Douja Promotion Groupe Addoha.

This Securities Note, registered by the AMMC on December 9th, 2019 under reference EN/EM/014/2019 constitutes only part of the program's information package.

The information package consisting of this note and the reference document recorded by the AMMC on December 5th, 2019 under reference EN/EM/013/2019, has been approved by the AMMC on December 9th, 2019 under reference VI/EM/031/2019.

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DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on December 9th, 2019 under reference no. VI/EM/031/2019 an Information Package the commercial paper issue program by Douja Promotion Groupe Addoha.

The AMMC-approved Information Package is available at any time at the headquarters of Douja Promotion Groupe Addoha and on its website <http://www.groupeaddoha.com/fr/investisseurs-communication-financiere/>. It is also available within 48 hours at its financial advisor.

The Information Package is available on the AMMC website www.ammc.ma.

This summary has been 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 Information Package, only the approved Information Package will prevail.

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PART I: PRESENTATION OF THE OPERATION

I. Overall characteristics of the Operation

In accordance with the provisions of Article 15 of Law No. 35-94 promulgated by Dahir No. 1-95-3 of Shaban 24, 1415 (January 26, 1995) and Order No. 2560-95 of the Minister of Finance and Foreign Investments of October 9, 1995 on Tradable Debt Securities (TDS), Douja Promotion Groupe Addoha issues interest-bearing commercial paper to the public in respect of a right of claim for a period not exceeding one year.

This program, ceiled at MAD 1,000,000,000, was authorized by the Board of Directors on July 1, 2011, which granted full powers to the Chairman of the Board of Directors to determine the terms and conditions of the operation that he deems appropriate and necessary to complete the issue of commercial paper.

II. Objectives of the Operation

Douja Promotion Groupe Addoha wishes to carry out a commercial paper issue program in order to:

- Optimize the cost of short-term financing by partially or totally replacing existing bank loans with commercial paper;
- Diversify funding sources for better negotiation with financial partners;
- Consolidate its image with institutional investors through increased visibility on the capital market.

III. Beneficiaries

Resident or non-resident natural or legal persons.

IV. Identification of subscribers

The placement body must ensure that the subscriber belongs to one of the predefined categories. As such, it must obtain a copy of the document attesting to whether the subscriber belongs to the category and attach it to the subscription form.

Table 1 Subscriber identification documents

Category	Document to be attached
Associations	Photocopy of the Articles of Association and photocopy of the receipt of the file deposit
Minor children	Photocopy of the page of the family record book attesting to the child's date of birth
UCITS under Moroccan law	Photocopy of the approval decision attesting that it belongs to this category. <ul style="list-style-type: none"> • For Mutual Funds, the number of the certificate of deposit at the court registry; • For Investment companies with variable capital (SICAVs), the number of the commercial register.
Foreign legal entities ¹	Model of entries in the commercial register or equivalent
Moroccan legal entities	Model of entries in the commercial register
Non-resident and non-Moroccan natural persons	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 natural persons	Photocopy of the residency card
Natural persons resident in Morocco and Moroccan nationals abroad	Photocopy of the national identity card

¹ Foreign legal entities or equivalent attesting to belonging to the category or any means deemed acceptable by the placement body.

V. Characteristics of the securities to be issued

Nature of securities	Tradable debt securities dematerialized by registration with the Central Custodian (Maroclear) and the authorized affiliates
Legal form	Bearer commercial paper
Issue ceiling	MAD 1,000,000,000
Maximum number of securities	10,000 securities
Nominal value	MAD 100,000
Maturity	From 10 days to 12 months
Vesting date	On the payment date
Rank	The rank is similar to an ordinary debt contracted by the Company
Interest rate	Flat, determined for each issue based on market conditions
Interests	Post counted
Coupon payment	In fine, i.e. at the maturity of each paper
Principle repayment	In fine, i.e. at the maturity of each paper
Assimilation clause	Commercial paper issued is not assimilated to securities of a previous issue
Tradability of securities	No restrictions are imposed by the terms of the issue on the tradability of the commercial paper issued. The securities are tradable over-the-counter. Tradability is ensured by BMCE Bank of Africa
Guarantee	The issue does not benefit from any guarantee

VI. Subscription period

Whenever Douja Promotion Groupe Addoha manifests a cash requirement, BMCE Bank of Africa will open the subscription period at least 72 hours prior to the dividend date.

VII. Subscription terms and conditions

Beforehand, Douja Promotion Groupe Addoha undertakes to draw up a document detailing the terms and conditions of the issue and containing the information elements as defined in article 1.60 of circular n°03/19 relating to the AMMC's financial operations and information. This document will be made available to investors prior to the opening of the subscription period.

BMCE Bank of Africa is required to collect subscription orders from investors, using firm and irrevocable subscription forms, after the end of the subscription period, in accordance with the model attached hereto. These forms must be completed and signed by the subscribers.

Subscriptions will be accepted and registered, as and when confirmed in writing to BMCE Bank of Africa, until the issue ceiling is reached.

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

- Subscriptions on behalf of minor children whose age is under or equal to 18 years old are authorized only if they are made by the father, mother, guardian or legal representative of the minor child. The placement body must obtain a copy of the page of the family record book showing the date of birth of the minor child and attach it to the subscription form; in this case, the movements are recorded either on an account opened in the name of the minor child or on the securities or cash account opened in the name of the father, mother, guardian or legal representative;

- Subscriptions on behalf of third parties are authorized only if a power of attorney duly signed and authenticated by the principal is presented. The placement body is required to obtain a copy and attach it to the subscription form. The securities subscribed must also refer to a securities account in the name of the third party concerned, which may only be moved by the latter, unless there is a power of attorney;
- A power of attorney for a subscription may under no circumstances allow the opening of an account for the principal, and the opening of an account must be done in the presence of its holder in accordance with the legal or regulatory provisions in force;
- All forms must be signed by the subscriber or their representative. The placement body must ensure, prior to the acceptance of a subscription, that the subscriber has the financial capacity to honor their commitments;
- Investors may place several orders with the placement body. Orders are cumulative. Subscribers' attention is drawn to the fact that all orders can be satisfied in whole or in part depending on the availability of securities.

All subscription orders that do not comply with the above conditions will be null and void.

All subscription orders are irrevocable after the end of the subscription period.

It should be noted that the subscription ceiling is similar to the ceiling of the issue, and consequently, there is no threshold or ceiling for subscription.

VIII. Allocation methods

During the subscription period, allocations will be made on a "first-come-first-served" basis, taking into account subscriptions received and quantities of available commercial paper. Thus, at the end 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 issue has been completed.

IX. Order cancellation methods

All subscription orders:

- not complying with the above conditions will be declared void;
- are irrevocable after the end of the subscription period.

Cancellation of subscription orders that do not meet the above conditions is carried out at the end of the collection of all subscription orders.

X. Subscription payment methods

Payment for subscriptions will be made by transmission, on the dividend vesting date, of delivery against payment orders (LCP MAROCLEAR) by BMCE Bank of Africa, in its capacity as custodian of the securities. Securities are payable in cash in a single payment.

XI. AMMC information commitment

Douja Promotion Groupe Addoha undertakes to transmit to the AMMC the results of the issue (number of securities issued, amounts subscribed and allocated by type of investor, etc.) within 7 days of its completion.

XII. Financial intermediaries

The financial intermediaries involved in this commercial paper program are as follows:

Placement body And financial intermediaries	Name	Address
Advisor and Global Coordinator	BMCE Capital Conseil	63, Boulevard My Youssef, Casablanca
Placement body	BMCE Bank of Africa	140, Boulevard Hassan II, Casablanca
Securities account holder institution	BMCE Bank of Africa	140, Boulevard Hassan II, Casablanca
Central custodian	Maroclear	Route 1077 par route d'El Jadida, 18 Cité Laia – 20200 Casablanca

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PART II: INFORMATION ON DOUJA PROMOTION GROUPE ADDOHA

I. General information

Corporate name	The Company has the corporate name: "Douja Promotion Groupe Addoha S.A.". It also uses the trade name "Groupe Addoha".
Registered office	Km 7, Route de Rabat, Ain Sebâa, Casablanca
Phone	+212 5 22 67 99 00
Fax	+212 5 22 35 17 63
Website	www.groupeaddoha.com
Email	douja.promotion@addoha.ma
Legal form	Limited company (Ltd.) with a Board of Directors
Date of establishment	April 18, 1988
Lifetime	99 years, unless early dissolution or extension provided for by the Articles of Association or by law
Share capital (as of November 30, 2019)	MAD 3,225,571,180 divided into 322,557,118 shares of MAD 10 each, all fully paid and of the same class.
Financial year	From January 1 to December 31.
Registration number in the Commercial Register	52 045 – Casablanca
Competent court in case of litigation	Commercial Court of Casablanca.
Location of legal documents	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.
Corporate purpose	<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">• 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,• The acquisition of any land, built or not, as well as any property located in Morocco;• 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;• The transformation of real estate, their sale in co-ownership batch-wise or per unit;• The drafting of deeds recording the transfer of any real estate property;• 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.• And more generally, any property or real estate-related operations that may be directly or indirectly related to the company's purpose.

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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:

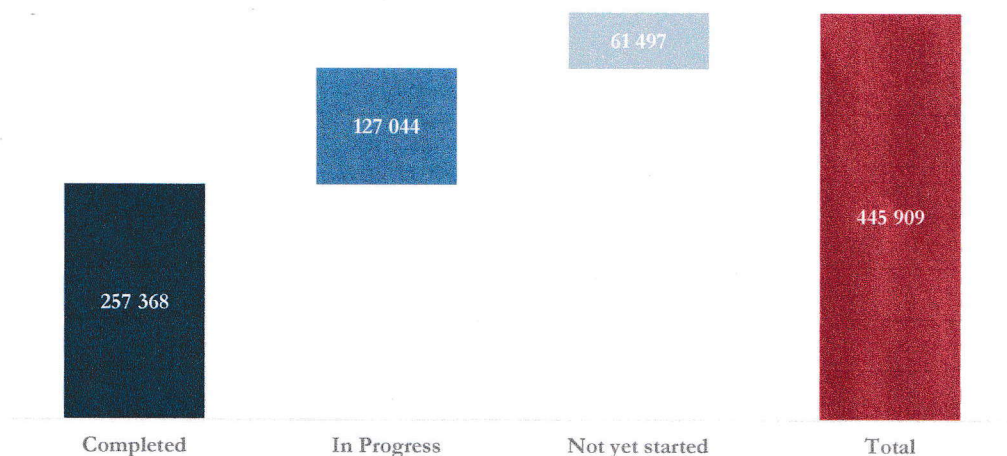
- Dahir No. 1-16-151 of Dhu al-Qaada 21, 1437 (August 25, 2016) promulgating law no. 19-14 relating to the stock exchange, stockbrokers and financial investment advisers;
- General Regulations of the Stock Exchange approved by Order No. 2208-19 of the Minister of the Economy and Finance of July 3, 2019;
- 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 description of the Activity

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-2018, 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)



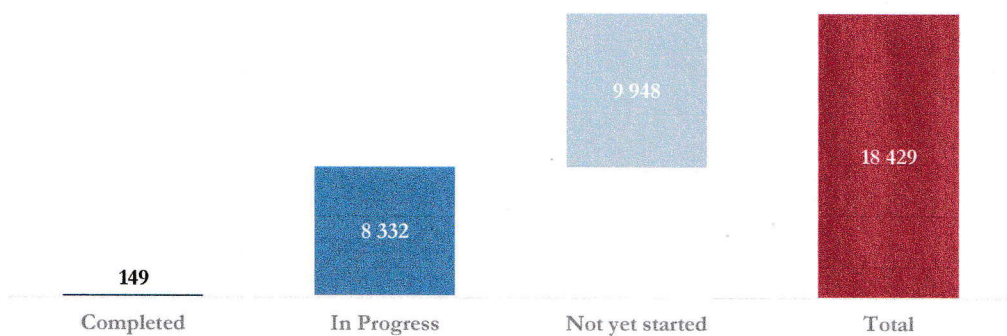
Source: Douja Promotion Groupe Addoha

As of December 31, 2018, the programs completed, in progress and not yet started by Groupe Addoha, all segments combined in Morocco, total 445,909 units, distributed as follows:

- Fully completed dwellings: 257,368 units;
- Dwellings under construction: 127,044 units;
- Dwellings not yet started: 61,497 units

In addition, Douja Promotion Groupe Addoha's cumulative projects, 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

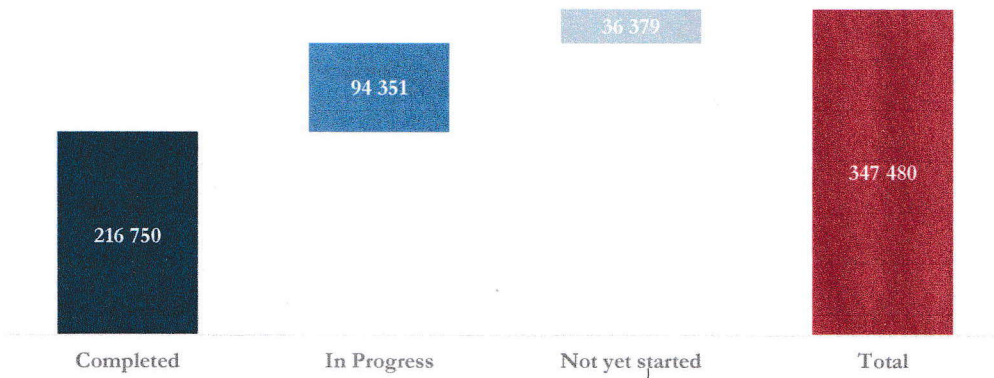
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As of December 31, 2018, the programs completed², in progress and not yet started by Groupe Addoha, all segments combined in Sub-Saharan Africa, total 18,429 units, broken down as follows:

- Fully completed dwellings: 149 units;
- Dwellings under construction: 8,332 units;
- Dwellings not yet started: 9,948 units.

The graph below shows the achievements of Douja Promotion Groupe Addoha and its subsidiaries in the economic segment as well as the programs not yet started and in progress as of December 31, 2018 (excluding units in sub-Saharan Africa):

Figure 3 Cumulative achievements for the economic segment in Morocco as of 12/31/2018 (in units)

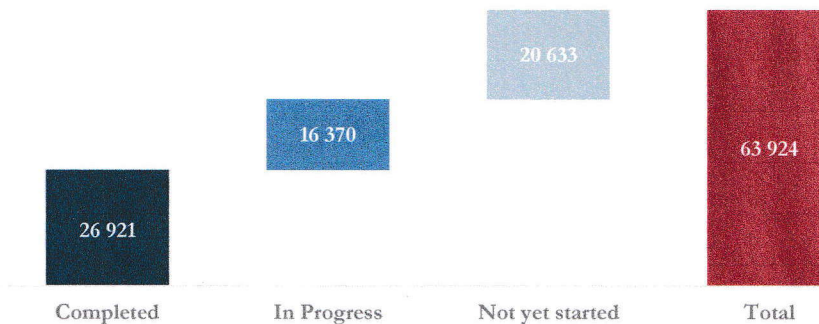


Source: Douja Promotion Groupe Addoha

In the economic segment in Morocco, Addoha group has completed 216,750 units and is in the process of completion of a series of real estate projects totaling 94,351 units. Other projects not yet started are expected to include 36,379 units in the future.

The achievements of Douja Promotion Groupe Addoha and its subsidiaries (excluding units in sub-Saharan Africa) in the intermediate segment as well as the programs not yet started and in progress are shown in the following graph:

Figure 4 Cumulative achievements for the intermediate segment in Morocco as at 12/31/2018 (in units)



Source: Douja Promotion Groupe Addoha

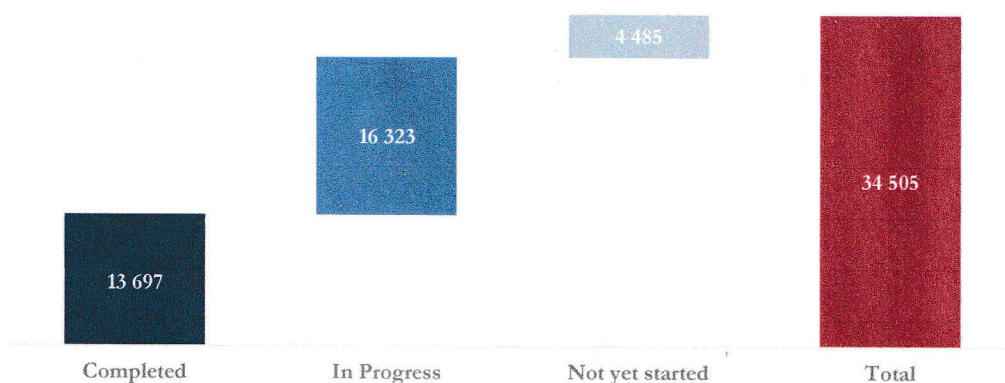
² Only countries where construction is in progress, namely Côte d'Ivoire, Senegal and Guinea, are taken into account

As illustrated in the graph above, as of December 31, 2018, the intermediate segment units completed in Morocco totaled 26,921 housing units. Other programs are in progress and cover 16,370 units.

In addition, intermediate real estate projects will have to be launched and would cover approximately 20,633 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 at 12/31/2018 (in units)



Source: Douja Promotion Groupe Addoha

As of December 31, 2018, Groupe Addoha fully completed and marketed 13,697 units in the high standing segment in Morocco. In addition, the high standing programs currently in progress include 16,323 units. The programs not yet started by the group include 4,485 units.

III. Shareholding structure

As of end-September 2019, DPGA's shareholding structure was as follows:

Table 2 Shareholding structure as of end-September 2019

Shareholders	09/30/2019	
	Number of securities	% in capital and voting rights
Sefrioui family	182 441 793	56.6%
Mr. Anas Sefrioui	182 420 353	56.6%
Mrs. Mounia Benzekri	5 360	0.0%
Miss Alia Sefrioui	5 360	0.0%
Miss Kenza Sefrioui	5 360	0.0%
Mr. Malik Sefrioui	5 360	0.0%
O.I.P.	-	0.0%
Treasury shares held by the Company	2 723 024	0.8%
RCAR	20 417 866	6.3%
Mr. Anas Berrada Sounni	1	0.0%
Mr. Philippe Faure	1	0.0%
Mr. Jean-René Fourtou	1	0.0%

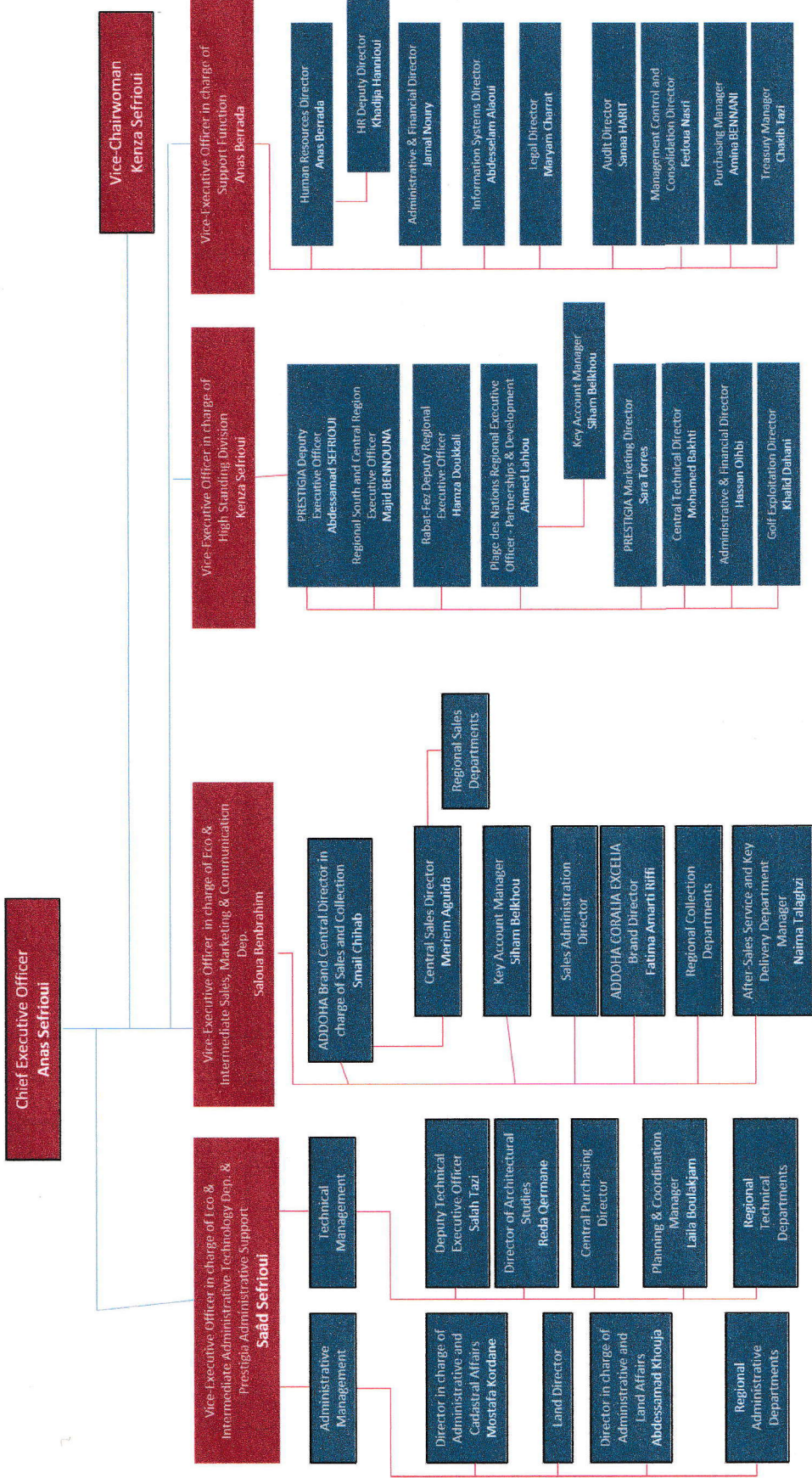
Mr. Azzedine Kettani	1	0.0%
Mr. Mohamed El Mernissi	1	0.0%
Other shareholders	116 974 430	36.3%
Total	322 557 118	100.0%

Source: Douja Promotion Groupe Addoha

IV. Organization Chart of Douja Promotion Groupe Addoha

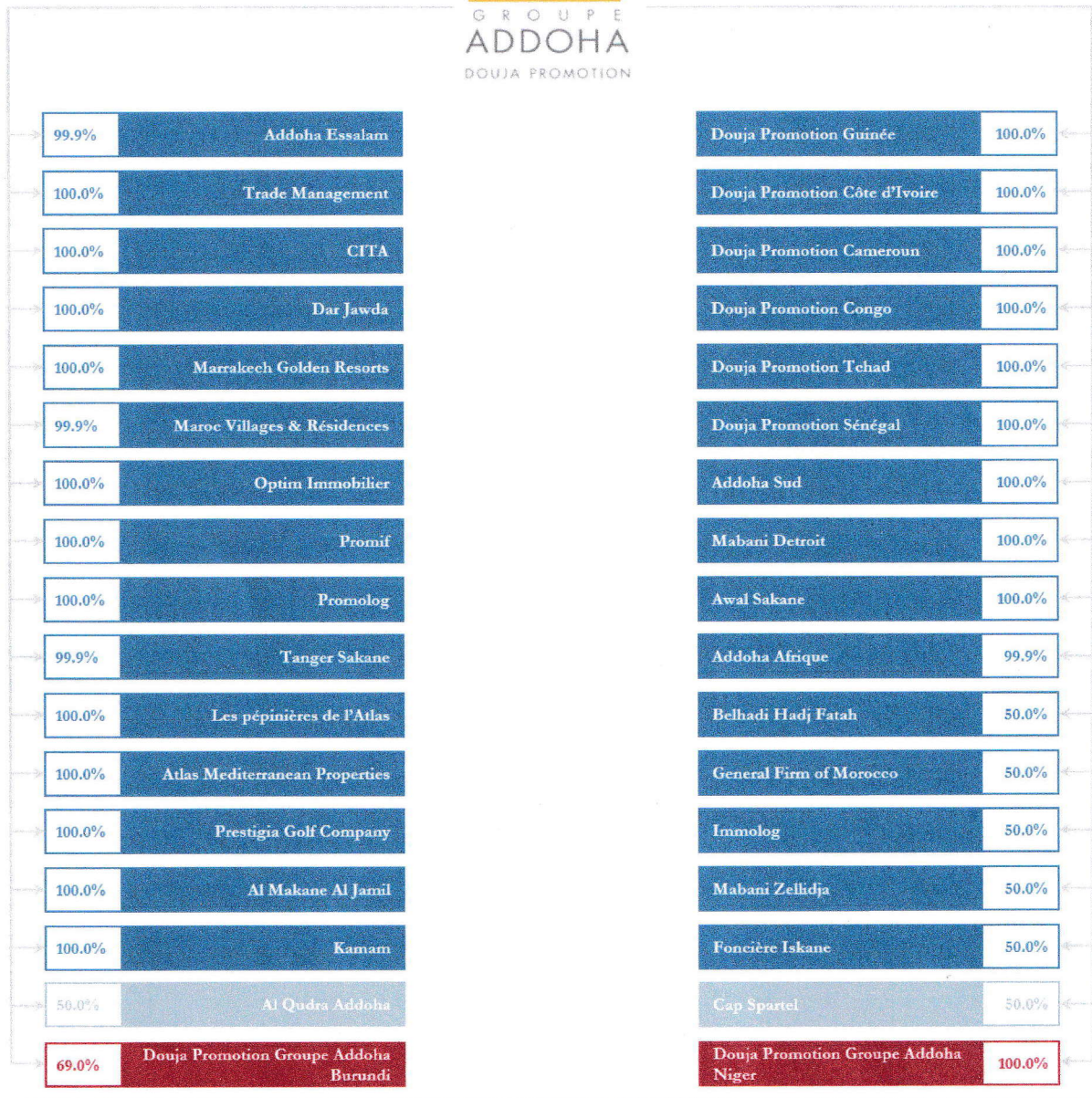
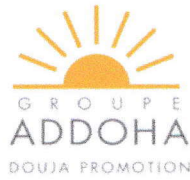
The organization chart of Douja Promotion Groupe Addoha, as of November 30, 2019, is as follows:

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As of October 31, 2019, 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 and control

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Part III: Financial data**I. Balance sheet****I.1. DPGA consolidated balance sheet for the period 2016-2018**

Assets - In KMAD	2016	2016 pro-forma	2017	Var. 16 pro forma/17	1/1/2018	2018	Var. 17/ 18
Goodwill	-	542	542	0.0%	542	542	0.0%
Intangible assets	3 400	3 467	2 493	-28.1%	2 493	1 730	-30.6%
Property, plant and equipment	705 278	709 315	722 750	1.9%	722 750	689 045	-4.7%
Investment properties	173 514	173 514	522 453	201.1%	522 453	479 821	-8.2%
Equity-accounted securities	479 852	180 129	166 479	-7.6%	166 479	153 114	-8.0%
Other financial assets	6 206	25 994	25 517	-1.8%	25 517	20 817	-18.4%
Deferred tax assets	246 818	310 414	388 668	25.2%	1 180 318	1 098 368	182.6%
Other non-current assets	0	0.088	6	6718.2%	6	166	2674.2%
Total non-current assets	1 615 067	1 403 374	1 828 909	n.a	2 620 559	2 443 602	33.6%
Inventories and net outstanding	15 277 213	16 702 653	16 008 035	-4.2%	16 008 035	15 680 687	-2.0%
Net customer receivables	7 156 256	7 445 285	7 086 832	-4.8%	4 533 122	3 957 173	-44.2%
Other net current receivables	2 575 415	3 602 123	4 430 328	23.0%	4 430 328	4 530 456	2.3%
Other financial assets	-	-	-	n.a	-	-	n.a
Cash and cash equivalents	836 866	896 208	862 692	-3.7%	862 692	636 536	-26.2%
Total Current Assets	25 845 750	28 646 270	28 387 886	-0.9%	25 834 176	24 804 852	-12.6%
Total Assets	27 460 817	30 049 643	30 216 795	0.6%	28 454 735	27 248 454	-9.8%

Liabilities - In KMAD	2016	2016 pro-forma	2017	Var. 16 pro forma/17	1/1/2018	2018	Var. 17/ 18
Share capital	3 225 571	3 225 571	3 225 571	0.0%	3 225 571	3 225 571	0.0%
Share issue and merger premiums	3 034 812	3 034 812	3 034 812	0.0%	3 034 812	3 034 812	0.0%
Reserves	4 266 082	4 266 082	4 485 238	5.1%	3 136 422	3 441 324	-23.3%
Results	1 009 164	1 009 164	763 909	-24.3%	763 909	376 583	-50.7%
Currency translation differences	1 896	1 896	1 954	3.1%	1 954	2 829	44.8%
Shareholders' equity - group share	11 537 525	11 537 525	11 511 484	-0.2%	10 162 668	10 081 119	-12.4%
Minority reserves	625 043	1 093 936	1 113 537	1.8%	932 965	1 032 862	-7.2%
Minority result	112 560	91 996	102 352	11.3%	102 352	32 873	-67.9%
Shareholders' equity - minority share	737 603	1 185 932	1 215 888	2.5%	1 035 317	1 065 735	-12.3%
Consolidated shareholders' equity	12 275 128	12 723 457	12 727 372	0.0%	11 197 985	11 146 855	-12.4%
Non-current financial debts	4 828 680	4 868 566	4 392 602	-9.8%	4 392 603	4 467 133	1.7%
Non-current provisions	93	93	213	128.0%	213	601	181.9%
Other non-current liabilities	12	233	26 511	>100%	26 511	26 511	0.0%
Deferred tax liabilities	181 177	182 711	369 568	102.3%	369 568	354 335	-4.1%
Total non-current liabilities	5 009 963	5 051 604	4 788 895	-5.2%	4 788 895	4 848 581	1.2%
Current provisions	172 550	377 446	191 735	-49.2%	-40 937	193 321	0.8%
Current financial debts	2 181 882	2 185 697	2 636 700	20.6%	2 636 700	1 879 704	-28.7%
Trade payables	3 220 862	3 771 267	4 208 789	11.6%	4 208 789	3 494 131	-17.0%
Other current liabilities	4 600 432	5 940 172	5 663 304	-4.7%	5 663 304	5 685 864	0.4%
Total current liabilities	10 175 726	12 274 582	12 700 528	3.5%	12 467 856	11 253 019	-11.4%
Total Liabilities	27 460 817	30 049 643	30 216 795	0.6%	28 454 735	27 248 454	-9.8%

Source: Douja Promotion Groupe Addoha

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I.2. DPGA balance sheet as of S1, 2019

Assets - In KMAD	2018	06/30/2019	Var. 2018 / S1 2019
Goodwill	542	542	0.0%
Intangible assets	1 730	1 363	-21.2%
Property, plant and equipment	689 045	692 796	0.5%
Investment properties	479 821	485 157	1.1%
Equity-accounted securities	153 114	147 209	-3.9%
Other financial assets	20 817	21 913	5.3%
Deferred tax assets	1 098 368	963 920	-12.2%
Other non-current assets	166	147	-11.9%
Total non-current assets	2 443 602	2 313 046	-5.3%
Inventories and net outstanding	15 680 687	15 126 407	-3.5%
Net customer receivables	3 957 173	3 969 207	0.3%
Other net current receivables	4 530 456	4 351 753	-3.9%
Other financial assets	0	0	n.a
Cash and cash equivalents	636 536	569 441	-10.5%
Total Current Assets	24 804 852	24 016 807	-3.2%
Total Assets	27 248 454	26 329 853	-3.4%

Liabilities - In KMAD	2018	06/30/2019	Var. 2018 / S1 2019
Share capital	3 225 571	3 225 571	0.0%
Share issue and merger premiums	3 034 812	3 034 812	0.0%
Reserves	3 441 324	3 736 029	8.6%
Results	376 583	340 465	-9.6%
Currency translation differences	2 829	-237	n.a
Shareholders' equity - group share	10 081 119	10 336 640	2.5%
Minority reserves	1 032 862	1 073 719	4.0%
Minority result	32 873	81 673	148.5%
Shareholders' equity - minority share	1 065 735	1 155 392	8.4%
Consolidated shareholders' equity	11 146 855	11 492 031	3.1%
Non-current financial debts	4 467 133	4 380 403	-1.9%
Non-current provisions	601	60 315	9943.8%
Employees' benefits	0	221	n.a
Other non-current liabilities	26 511	54 090	104.0%
Deferred tax liabilities	354 335	323 165	-8.8%
Total non-current liabilities	4 848 581	4 818 195	-0.6%
Current provisions	193 321	195 439	1.1%
Current financial debts	1 879 704	1 682 001	-10.5%
Trade payables	3 494 131	3 155 475	-9.7%
Other current liabilities	5 685 864	4 986 713	-12.3%
Total current liabilities	11 253 019	10 019 627	-11.0%
Total Liabilities	27 248 454	26 329 854	-3.4%

Source: Douja Promotion Groupe Addoha

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II. Income Statement

II.1. Income statement for the 2016-2018 financial years

In KMAD	2016	2016 pro-forma	2017	Var. 16 pro-forma/17	2018	Var. 17/ 18
Turnover	7 116 230	7 431 748	5 916 504	-20.4%	4 062 318	-31.3%
Other operating income	-1 647 063	-1 749 923	-816 453	53.3%	-884 960	-8.4%
Income from ordinary activities	5 469 168	5 681 825	5 100 051	-10.2%	3 177 358	-37.7%
Consumed purchases of materials and goods	-3 395 928	-3 645 659	-3 555 245	-2.5%	-2 250 643	-36.7%
Personnel expenses	-264 980	-273 265	-241 221	-11.7%	-226 804	-6.0%
Taxes and duties	-11 965	-17 626	-29 562	67.7%	-39 223	32.7%
Depreciation, amortization and operating provisions	-46 038	-47 690	-44 556	-6.6%	151 814	n.a
Other operating income and expenses	-281 805	-289 363	-220 636	23.8%	-180 176	18.3%
Current operating expenses	-4 000 716	-4 273 602	-4 091 220	4.3%	-2 545 031	37.8%
Current operating income	1 468 452	1 408 223	1 008 831	-28.4%	632 327	-37.3%
Sale of assets	0	0	864	n.a	11 662	1249.8%
Other non-recurring operating income and expenses	121 056	178 800	122 523	-31.5%	-46 343	n.a
Other operating income and expenses	121 056	178 800	123 387	-31.0%	-34 681	n.a
Income from operating activities	1 589 508	1 587 022	1 132 217	-28.7%	597 646	-47.2%
Cost of net financial debt	-453 850	-460 566	-415 913	-9.7%	-412 651	-0.8%
Other financial income	372 721	373 918	337 633	-9.7%	332 219	-1.6%
Other financial expenses	-5 082	-4 805	145 720	n.a	131 845	-9.5%
Financial income	-86 211	-91 453	67 440	n.a	51 413	-23.8%
Pre-tax income of consolidated companies	1 503 296	1 495 570	1 199 657	-19.8%	649 059	-45.9%
Corporate income tax	-341 002	-360 866	-227 651	-36.9%	-134 213	-41.0%
Deferred tax	-19 086	-9 038	-92 096	919.0%	-94 025	2.1%
Net income of consolidated companies	1 143 208	1 125 666	879 911	-21.8%	420 821	-52.2%
Share in the income of equity-accounted companies	-21 484	-24 775	-13 650	44.9%	-11 365	16.7%
Net income from ongoing operations	1 121 724	1 100 891	866 261	-21.3%	409 456	-52.7%
Net income of discontinued operations	-	-	-	n.a	-	n.a
Consolidated net income	1 121 724	1 100 891	866 261	-21.3%	409 456	-52.7%
Minority interests	-112 560	-91 726	-102 352	11.6%	-32 873	-67.9%
Net income - Group share	1 009 164	1 009 164	763 909	-24.3%	376 583	-50.7%
NIGS/TO	14.2%	13.6%	12.9%	-0.7 pts	9.3%	-3.6 pts
Basic income per share (in MAD)	3.16	3.16	2.39	-24.4%	1.18	-50.6%
Diluted income per share (in MAD)	3.16	3.16	2.39	-24.4%	1.18	-50.6%

Source: Douja Promotion Groupe Addoha

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II.2. Income statement as of S1, 2019

In KMAD	06/30/2018 published	06/30/2018 pro forma	06/30/2019	Var. S1 2018 pro forma/S1 2019
Turnover	2 562 465	2 562 465	2 016 831	-21.3%
Other operating income	-620 857	-620 857	-751 368	-21.0%
Income from ordinary activities	1 941 609	1 941 609	1 265 463	-34.8%
Consumed purchases of materials and goods	-1 254 210	-1 254 210	-841 768	-32.9%
Personnel expenses	-118 772	-118 772	-100 206	-15.6%
Taxes and duties	-14 976	-14 976	-13 397	-10.5%
Depreciation, amortization and operating provisions	15 636	63 638	179 720	182.4%
Other operating income and expenses	-103 673	-103 673	-62 322	-39.9%
Current operating expenses	-1 475 995	-1 427 993	-837 973	-41.3%
Current operating income	465 614	513 616	427 490	-16.8%
Sale of assets	0	0	0	n.a
Other non-recurring operating income and expenses	28 263	28 263	26 176	-7.4%
Other operating income and expenses	28 263	28 263	26 176	-7.4%
Income from operating activities	493 877	541 879	453 667	-16.3%
Cost of net financial debt	-219 215	-219 215	-189 313	13.6%
Other financial income	216 143	216 143	174 585	-19.2%
Other financial expenses	58 513	122 367	147 558	20.6%
Financial income	55 441	119 295	132 830	11.3%
Pre-tax income of consolidated companies	549 317	661 174	586 497	-11.3%
Corporate income tax	-87 438	-87 438	-50 106	42.7%
Deferred tax	-41 919	-76 595	-108 348	-41.5%
Net income of consolidated companies	419 960	497 141	428 043	-13.9%
Share in the income of equity-accounted companies	-4 651	-4 651	-5 905	-26.9%
Net income from ongoing operations	415 309	492 490	422 138	-14.3%
Net income of discontinued operations	0	0	0	n.a
Consolidated net income	415 309	492 490	422 138	-14.3%
Minority interests	-41 404	-37 954	-81 673	-115.2%
Net income - Group share	373 905	454 536	340 465	-25.1%
NIGS/TO	14.6%	17.7%	16.9%	-4.8 pts
Basic income per share (in MAD)	1.17	1.42	1.06	
Diluted income per share (in MAD)	1.17	1.42	1.06	

Source: Douja Promotion Groupe Addoha

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Part IV: Risks

I. Issuer-related risks

I.1. Land risk

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.

I.2. Competitive risk

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

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

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.

I.5. Risk related to prime contractors and suppliers

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

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

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

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

Liquidity risk

Subscribers to Douja Promotion Groupe Addoha's commercial paper may be exposed to a liquidity risk of the security on the secondary private debt market. Indeed, depending on market conditions (liquidity, changes in the yield curve, etc.), the liquidity of these debt securities may be temporarily affected.

Interest rate risk

The commercial paper issue program covered by this note is scheduled to be carried out at a fixed rate. Thus, the value of the securities could rise or fall, depending on the evolution of the reference yield curve of the secondary treasury bill market published by Bank Al Maghrib.

Risk related to additional indebtedness

The issuer may subsequently issue other debt ranking at or above the commercial paper covered by this note. Such issues would reduce the recoverable amount by the holders of these securities in the event of liquidation of the issuer.

Risk of non-payment

The commercial paper covered by this note is debt securities that are not subject to repayment guarantees. Consequently, any investor is subject to the risk of non-repayment in the event of Addoha's default.

➔ It should be noted that these commercial paper are intended to finance the current operations of DPGA over a maximum period of one year, and consequently the risks inherent therein are deemed to be lower compared to those related to long-term private debt instruments.

DISCLAIMER

The aforementioned information is only a part of the Information Package approved by the Moroccan Capital Market Authority (AMMC) on December 9th, 2019 under reference No. VI/EM/031/2019. AMMC recommends reading the complete Information Package made available to the public in French.

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