

SUMMARY PROSPECTUS

JORF LASFAR ENERGY COMPANY



INITIAL PUBLIC OFFERING BY CAPITAL INCREASE FIXED-PRICE OFFERING

Price per share: MAD 447.5

Par value: MAD 100

Number of shares: MAD 2,234,638

Total amount of offering: MAD 1,000,000,505

Subscription period: December 10th –12th 2013 inclusive

Possibility of early closure on December 11th,2013

This offering is not open to monetary, contractual or bond UCITS.

Advisory Bodies



Lead Bookrunners Syndicate



Members of Bookrunners Syndicate



APPROVAL BY THE CONSEIL DEONTOLOGIQUE DES VALEURS MOBILIERES

In accordance with the circular issued by CDVM, the Moroccan securities regulator, which entered into force on April 1st 2012 upon being adopted pursuant to article 14 of the *Dahir* promulgating Law 1-93-212 of September 21th 1993 on the *Conseil Déontologique des Valeurs Mobilières* (CDVM) and the information required from corporations proceeding to public share offerings, as amended and supplemented, the original of the present summary was approved by CDVM on December 2nd, 2013 under reference no. VI/EM/033/2013.

WARNING

On December 2nd, 2013, *Conseil Déontologique des Valeurs Mobilières* (CDVM) approved a prospectus for a capital increase in cash by Jorf Lasfar Energy Company.

The prospectus approved by CDVM may be consulted at any time or within 48 hours, at the following places:

- Registered Headquarters of Jorf Lasfar Energy Company, km 23, Route Régionale 301, Commune de Moulay Abdellah, El Jadida – Morocco. Tel. +212 523 34 53 71.
- The collection points of all the members of the bookrunning syndicate.

The prospectus is available to the public at the Headquarters of the Casablanca Stock Exchange and on its website, www.casablanca-bourse.com. It is also available on the CDVM website, www.cdvm.gov.ma.

PART I: OPERATION OVERVIEW

I. CONTEXT OF OPERATION

On November 13th 2013, the Company's Executive Board decided the principle of offering the Company's shares on the Casablanca Stock Exchange through a capital increase.

The Executive Board decided that prior to the IPO, the Company would proceed to a private placement for institutional investors that increases its share capital to MAD 111,732,800.

The total contribution of the Pre-IPO Capital Increase will be MAD 499,999,804, of which MAD 111,731,800 par value and MAD 388,268,005 issuing premium.

The Company's Supervisory Board met on November 14th 2013 and approved the Executive Board's decision, and summoned an Ordinary and Extraordinary Meeting of the Company's shareholders.

The Extraordinary General Meeting was held on December 1st 2013 and, having taken note of the Executive Board's report, approved the report of the Supervisory Board and the Auditor's special report on the cancellation of shareholders' preferential subscription rights for the Pre-IPO and the IPO Capital Increase projects as proposed by the Company's Executive Board and agreed by the Supervisory Board on November 14th 2013, and decided:

- To increase the share capital by MAD 111,731,800, through a private placement, by issuing 1,117,318 new shares at nominal value of MAD 100 each, to be issued at MAD 447.5, for an issue premium per share of MAD 347.5 (“**Pre-IPO Capital Increase**”);
- To cancel the preferential subscription rights of shareholders and to reserve subscriptions for shares issued under the Pre-IPO Capital Increase to *Société Centrale de Réassurances (SCR)*, *RMA Watanya (RMA)* and *Mutuelle Centrale Marocaine d'Assurances (MCMA)*;
- Under the condition precedent to the completion of the Pre-IPO Capital Increase, to increase the share capital by MAD 223,463,800 in the context of the Company's entry onto the Casablanca Stock Exchange by issuing 2,234,638 new shares at nominal value of MAD 100 each, issued at a price of MAD 447.5, for an issue premium per share of MAD 347.5 (“**IPO Capital Increase**”);
- To cancel shareholders' preferential subscription rights and to reserve subscriptions for shares issued under the Capital Increase IPO to the public.

The total contribution of the Pre-IPO Capital Increase will be MAD 499,999,805, of which 111,731,800 will be at par value and MAD 388,268,005 at the issue premium.

The total contribution of the IPO Capital Increase will be MAD 1,000,000,505, of which MAD 223,463,800 will be at par value and MAD 776,536,705 at the issue premium.

Following the completion of the IPO Capital Increase, the Company's share capital will have been increased from MAD 2,135,390,400 to MAD 2,358,854,200.

The Extraordinary General Meeting gave extensive powers to the Executive Board to proceed to:

- Duly record the Pre-IPO Capital Increase and amend the Company's Articles of Association accordingly, take the necessary steps to carry out the capital increase, and duly record the subscription, paying-up and completion of the Pre-IPO Capital Increase;
- Set the modalities of the IPO Capital Increase, duly record the IPO Capital Increase and amend the Company's Articles of Association accordingly in order to reflect the Company's new total share capital, take the necessary steps to carry out the said capital increase, and duly record the subscription, paying-up and completion of the IPO Capital Increase; and
- In general, to take all appropriate actions and complete all necessary formalities for the completion of the IPO Capital Increase and the listing of the Company's shares in the Casablanca Stock Exchange.

Also, the Annual General Meeting, taking note of the Executive Board's decision of 13 August 2013 and the Supervisory Board's decision of 13 November 2013 relating to the Company's listing in the Casablanca Stock Exchange, and after consideration of the report of the Executive Board and the report of the Supervisory Board, decided to appoint "Benjelloun Touimi Consulting SARL", represented by Mr. Abdelmajid Benjelloun Touimi, as the Company's second Auditor, under the condition precedent of the completion of the Company's IPO on the Casablanca Stock Exchange.

The functions are to be conferred upon the Auditor for a period of three financial years until the closing of the General Meeting of Shareholders called to approve the accounts for the year ending 31 December 2015.

II. PRESENTATION OF THE IPO OPERATION

II.1. OBJECTIVES OF THE OPERATION

With the present IPO, JLEC's objectives are the following:

- To institutionalize JLEC by bringing new partners into its shareholding and enhancing its notoriety among – and its proximity to – institutional investors, stakeholders, and the general public;
- To optimize JLEC's financing costs;
- To facilitate access to financing by having direct access to the financial markets to underpin JLEC's growth and the achievement of its strategic objectives;
- To subject JLEC's performance to market judgment.

II.2. PRE-IPO PRIVATE PLACEMENT OPERATION

At its meeting on 13 November 2013, the Company's Executive Board proposed a capital increase of MAD 111,731,800 by issuing 1,117,318 new shares with a par value of MAD 100 each, to be issued at the price of MAD 447.5, for an issue premium per share of MAD 347.50, with cancellation of shareholders' preferential rights of subscription in favour of the following institutions:

- *Société Centrale de Réassurances;*
- *RMA Watanya;*
- *Mutuelle Centrale Marocaine d'Assurances*

(hereinafter the "Private Placement").

The Executive Board's second decision stipulated that the Private Placement was subject to the following conditions precedent:

- No opposition on the part of CDVM concerning the applicability to the Private Placement of article 12-3 of the *Dahir* promulgating Law 1-93-212 of 21 September 1993 on CDVM and the information required from legal persons making public share offerings, as amended and supplemented;
- The holding of an Extraordinary General Meeting of the Company's shareholders to decide upon the Private Placement;
- Issuance by CDVM of its approval of the prospectus for the Company's IPO.

At its meeting on 14 November 2013, the Supervisory Board took knowledge of and gave its approval to the conditions and procedures for effecting the Private Placement as decided upon by the Executive Board on 13 November 2013.

The Extraordinary General Meeting held on 1 December 2013 decided, after noting the reports by the Executive Board, the Supervisory Board and the Auditor in relation to the cancellation of shareholders' preferential rights of subscription, and under the condition precedent of issuance by CDVM of its approval of the prospectus for the Company's Initial Public Offering, a share capital

increase reserved to SCR, RMA and MCMA of MAD 111,731,800 by an issue of 1,117,318 new shares of a par value of MAD 100 each, to be issued at a price of MAD 447.5, for an issue premium of MAD 347.50 per share.

The total contribution to the Company of the Private Placement would be MAD 499,999,805, of which MAD 111,732,800 would be from the par value and MAD 388,268,005 from the issue premium. The shares in the Private Placement will be paid up in full and will rank for dividend related to 2013 fiscal year.

The General Meeting decided also to amend the Company's Articles of Association under condition precedent of the completion of the Private Placement operation as summarized above, to delegate all powers to the Executive Board with a view in particular to its duly recording the subscription, paying-up and completion of the Private Placement, and to amend the Company's Articles of Association accordingly.

Under the provisions of article 5.1 of the subscription agreement for the Pre-IPO Capital Increase, each of the Institutional Investors that subscribed to the said operation shall refrain from ceding any and all of the new shares that it holds into the Company's capital, and shall do so for a period of four (4) years commencing on the date of completion of the operation in December 2013.

II.3. POST-IPO OPERATION

After the IPO, the Company's historical shareholders (i.e., Jorf Lasfar EnergiAktiebolag, Jorf Lasfar Power Energy AB, Jorf Lasfar Handelsbolag, Tre Kronor Investment AB, AB Cythere 61, and AB Cythere 63) plan to cede all the JLEC securities they hold to Abu Dhabi National Energy Company PJSC (TAQA).

That operation will be carried out on the block trading market. Its objective will be to make a rapprochement between JLEC and its major shareholder by simplifying its shareholding structure.

II.4. PROCEEDS OF IPO

The Company has not paid dividends over the past three years inasmuch as its available cash was used to finance its expansion project. Indeed, the IPO operation is taking place after the investment which TAQA has already contributed for the construction of Units 5 and 6 of the Jorf Lasfar Thermal Power Station. In so doing, TAQA bore the risks of construction, financing, development and contract negotiation for Units 5 and 6. The net proceeds of the offering will be used for the dividends distribution in 2014 of the Company's retained earnings to the shareholders (majority shareholder and new shareholders).

The completion of the Operation will also contribute towards strengthening the Company's net equity value with both share capital and the issue premium.

II.5. AGREEMENTS REQUIRED FOR COMPLETION OF THE OPERATION

The Power Purchase Agreement between ONEE, the Moroccan National Electricity and Water Supply Office, and JLEC 5&6 requires that before such time as Unit 6 comes on line, TAQA and/or the Government of Abu Dhabi must directly or indirectly hold all the share capital in JLEC 5&6.

Given the objectives of the operation that is the subject of the present prospectus, on 4 November 2013 ONEE granted a waiver from article 22 (e) of the aforementioned contract to allow the IPO (including the private placement with institutional investors amounting to 5% of JLEC's share capital) for no more than 15% of the Company's share capital and voting rights.

Apart from the points mentioned in the context of the conditions precedent set forth in the Minutes of the Executive Board's 13 November 2013 meeting, no other formal agreement is required for the completion of the Company's IPO.

III. INTENTIONS OF SHAREHOLDERS AND BOARD MEMBERS

To the Company's knowledge, the current non-executive shareholders in the Company holding 5% or more of the Company's capital do not intend to participate in the present operation as subscribers.

To the Company's knowledge, the institutional investors that subscribed to the Pre-IPO Capital Increase (RMA, SCR and MCMA) may participate in this operation.

In addition, some members of the Executive and Supervisory Boards may participate in the present operation.

IV. SHAREHOLDING STRUCTURE BEFORE AND AFTER IPO

JLEC's shareholding structure is set forth in the following table.

	Before Pre-IPO(*)		After Pre-IPO and before IPO		After IPO	
	No. of shares	% of capital	No. of shares	% of capital	No. of shares	% of capital
AB Cythere 63	20,187,776	99.76%	20,187,776	94.54%	20,187,776	85.58%
AB Cythere 61	45,947	0.23%	45,947	0.22%	45,947	0.19%
Tre Kronor Investment AB	110	0.00%	110	0.00%	110	0.00%
Jorf Lasfar Handelsbolag	110	0.00%	110	0.00%	110	0.00%
Jorf Lasfar Power Energy Aktiebolag	1,265	0.01%	1,265	0.01%	1,265	0.01%
Jorf Lasfar EnergiAktiebolag	1,375	0.01%	1,375	0.01%	1,375	0.01%
Carl Robert Sheldon	1	0.00%	1	0.00%	1	0.00%
Frank Joseph Perez	1	0.00%	1	0.00%	1	0.00%
Khaled Al Sayari	1	0.00%	1	0.00%	1	0.00%
<i>RMA Watanya</i>	0	0.00%	446,927	2.09%	446,927	1.89%
<i>Société Centrale de Réassurance</i>	0	0.00%	446,927	2.09%	446,927	1.89%
<i>Mutuelle Centrale Marocaine d'Assurances</i>	0	0.00%	223,464	1.05%	223,464	0.95%
Floating	0	0.00%	0	0.00%	2,234,638	9.47%
Total	20,236,586	100.00%	21,353,904	100.00%	23,588,542	100.00%

Source: JLEC

(*) Situation as of 31 October 2013

V. STRUCTURE OF OFFERING

V.1. TOTAL AMOUNT OF OFFERING

The total amount of the operation is MAD 1,000,000,505, being an issue of 2,234,638 new shares at the price of MAD 447.5 per share of par value MAD 100.

V.2. LISTING

The Company's shares will listed in the 1st compartment of the Casablanca Stock Exchange.

V.3. PRINCIPAL ELEMENTS OF THE OFFERING

Type of order	I	II	III	IV	V
Subscribers	<ul style="list-style-type: none"> Permanent employees of JLEC and its subsidiary JLEC 5&6 Permanent employees of TAQA North Africa 	<ul style="list-style-type: none"> Resident and non-resident physical persons of Moroccan or other nationality Legal persons under Moroccan or other national law not pertaining to the category of investors authorized to subscribe to types IV and V and able to show proof of over one year of existence as of 1st June 2013 	<ul style="list-style-type: none"> Resident and non-resident physical persons of Moroccan or other nationality Legal persons under Moroccan or other national law not belonging to the category of investors authorized to subscribe to types IV and V and able to show proof of over one year of existence as of 1st June 2013 	<ul style="list-style-type: none"> Qualified Moroccan-law investors¹ as defined in article III.1.21 of the CDVM circular, including: <ul style="list-style-type: none"> ✓ Share and diversified UCITS ✓ Insurance and reinsurance companies ✓ Superannuation and pension bodies; ✓ <i>Caisse de Dépôt et de Gestion</i> (CDG) ✓ Banks 	<ul style="list-style-type: none"> Approved non-Moroccan institutional investors Non-Moroccan-law joint-stock companies able to show proof of over one year of existence as of 1st June 2013 whose principal or regular activity is investing in shares
Number of shares	78,213	402,235	301,676	893,854	558,660
Amount	MAD 35,000,317.50	MAD 180,000,162.50	MAD 135,000,010.00	MAD 399,999,665.00	MAD 250,000,350.00
As % of total operation amount	3.5%	18.0%	13.5%	40.0%	25.0%
Minimum subscription	–	–	561 shares, i.e., MAD 251,047.50	–	–
Subscription ceiling	12 months' gross salary, including annual bonus and 13th month	560 shares, i.e., MAD 250,600	11,174 shares, i.e., MAD 5,000,365	<ul style="list-style-type: none"> 111,731 shares, i.e., MAD 49,999,622.50, for diversified UCITS 223,463 shares, i.e., MAD 99,999,692.50 for other investors 	223 463 shares, i.e., MAD 99,999,692.50

¹ Apart from monetary, bond and contractual UCITS.

Type of order	I	II	III	IV	V
Members of syndicate of underwriters	<ul style="list-style-type: none"> ▪ BMCE Bank ▪ Société Générale Marocaine de Banques 	<ul style="list-style-type: none"> ▪ All members of the syndicate of underwriters 	<ul style="list-style-type: none"> ▪ All members of the syndicate of underwriters 	<ul style="list-style-type: none"> ▪ Attijari Intermédiation ▪ BMCE Capital Bourse ▪ CDG Capital Bourse ▪ Sogécapital Bourse ▪ Upline Securities 	<ul style="list-style-type: none"> ▪ Atlas Capital Bourse ▪ Attijari Intermédiation ▪ BMCE Capital Bourse ▪ CDG Capital Bourse ▪ CFG Marchés ▪ Société Générale Marocaine de Banques ▪ Sogécapital Bourse ▪ Upline Securities
Subscription coverage	100%, by cash deposit and/or bank loan	100%, by cash deposit (cheque or cash)	100%, by cash deposit (cheque or cash deposit)	–	30%, by cash deposit
Allocation methods	By iteration	By iteration	Pro rata to numbers requested	Pro rata to numbers requested	Pro rata to numbers requested
“Decanting” rules	If the number of shares is lower than predicted in I, the remainder is transferred into II, then III, then IV, then V	If the number of shares is lower than predicted in II, the remainder is transferred into III, then IV, then V, then I	If the number of shares is lower than predicted in III, the remainder is transferred into II, then IV, then IV, then I	If the number of shares is lower than predicted in IV, the remainder is transferred into II, then III, then V, then I	If the number of shares is lower than predicted in V, the remainder is transferred into II, then III, then IV, then I

V.4. DISTRIBUTION OF OFFERING

The offering is structured into five types of orders:

Type I

Reserved to:

- Salaried employees of JLEC with permanent contracts, regardless of length of service, who submit orders in amounts less than or equal to 12 months of gross salary, including the 13th month and annual bonus.
- Salaried employees of JLEC 5&6 with permanent contracts, regardless of length of service, who submit orders in amounts less than or equal to 12 months of gross salary, including the 13th month and annual bonus.
- Salaried employees of TAQA North Africa with permanent contracts, regardless of length of service, who submit orders in amounts less than or equal to 12 months of gross salary, including the 13th month and annual bonus.

Type II

Reserved to:

- Resident and non-resident physical persons of Moroccan or other nationality who submit orders for numbers of shares less than or equal to 560
- Legal persons under Moroccan or other national law not pertaining to the category of investors authorized to subscribe to types IV and V and able to show proof of over one year of existence as of 1st June 2013, that submit orders for numbers of shares less than or equal to 560

Type III

Reserved to:

- Resident and non-resident physical persons of Moroccan or other nationality who submit orders for over 560 shares and less than or equal to 11,174 shares
- Legal persons under Moroccan or other national law not pertaining to the category of investors authorized to subscribe to types IV and V and able to show proof of over one year of existence as of 1 June 2013 that submit orders for over 560 shares and less than or equal to 11,174 shares

Type IV

Reserved to qualified Moroccan-law investors² as defined in article III.1.21 of the CDVM circular, including:

- Share and diversified Undertakings for Collective Investment in Transferable Securities (UCITS) governed by the *Dahir* promulgating Law 1-93-213 of 4 Rabi II 1414 (21 September 1993)
- Insurance and reinsurance companies as governed by Law 17-99, the Insurance Code
- Superannuation and pension bodies
- The Moroccan *Caisse de Dépôt et de Gestion* (CDG)
- Banks

The maximum number of shares that may be requested for this type of order (excluding diversified UCITS) is 10% of the total number of shares offered in the context of the IPO operation (i.e., 223,463 shares).

The maximum number of shares that may be requested by any one diversified UCITS is 5% of the total number of shares offered in the context of the IPO operation (i.e., 111,731 shares).

Type V

Reserved to:

- Approved non-Moroccan institutional investors
- Non-Moroccan-law joint-stock companies able to show proof of over one year of existence as of 1st June 2013 whose principal or regular activity is investing in shares

The maximum number of shares that may be requested for this type of order is 10% of the total number of shares offered in the context of the IPO operation (i.e., 223,463 shares).

² Apart from monetary, bond and contract UCITS.

V.5. DECANTING CLAUSE

If the number of shares requested per order type is less than the corresponding offer, the Co-Leaders of the Syndicate of Underwriters, in collaboration with the Advisors and Overall Coordinators, the Jorf Lasfar Energy Company and the Casablanca Stock Exchange will allocate the difference to the other types of order. The decanting procedures are set forth in Part V.3.

VI. DETAILS OF SHARES TO BE ISSUED

Nature of shares	Jorf Lasfar Energy Company shares, all in the same category
Legal form	Bearer Jorf Lasfar Energy Company shares are fully dematerialized and registered in an account with Maroclear.
Number of shares	2,234,638
First listing procedure	Fixed-price
Issue price	MAD 447.5
Par value	MAD 100
Issue premium	MAD 347.5
Paying-up	The shares offered will be fully paid-up and free of any covenant.
Vesting date	1 st January 2013
Listing line	1 st line
Preferential subscription rights	The Extraordinary General Assembly has decided to cancel the preferential subscription rights for the capital increase from the present IPO. This will have the effect of a post-private-placement dilution of 9.47% for the existing shareholders.
Listing compartment	1 st
Negotiability	Freely negotiable. There is no provision in the Articles of Association restricting the free tradability of shares in the Company's share capital.
Rights	All shares enjoy the same rights in regard to both the distribution of profits and the division of the liquidation surplus. Each share carries the right to vote at shareholder meetings.

VII. PRICE ASSESSMENT

The JLEC Extraordinary General Meeting on December 1st 2013 fixed the issue price at 447.5 MAD based on the Executive Board report. It also gave the Chairman of the Executive Board all necessary powers to carry out all legal procedures and formalities necessary for the Company's IPO and to establish the definitive procedures for the IPO operation.

The valuation of JLEC resulting in the proposed price of the shares in the context of the present IPO was based on the following valuation methods:

- The discounted cash flow (DCF) method;
- The discounted future dividends (DDM) method.

Those methods are based on JLEC's projected business plans (Units 1–4 of the Jorf Lasfar power station) and JLEC 5&6 (Units 5 and 6) in a pre-money valuation by the Company's management covering the following periods of contractual operation:

- For JLEC: from 2013e to 2027p, i.e., for the duration of the residual contractual life;
- For JLEC 5&6: from 2014p to 2044p, corresponding to 30 years of operation of Units 5 and 6 as defined in the contracts agreed between JLEC 5&6 and ONEE.

VII.1. VALUATION METHODS NOT USED

There were valuation methods, specifically the listed peer group valuation and the peer group transaction methods that were not used in the valuation of JLEC and JLEC 5&6. Those methods are based on identifying a sample of comparable listed companies or transactions that concerned such comparable companies. However, the specifics of the JLEC business model limit comparability with other companies and make such comparisons irrelevant, in particular with regard to the following criteria:

- Most of the companies operating in the same industry as JLEC combines the activities of electricity generation and distribution whereas JLEC has just one activity (electricity generation);
- JLEC's production of electricity is based on coal alone whereas most of the companies in the sector generate electricity from several sources (coal, gas, wind, solar, etc.);
- JLEC's particular contractual arrangement involves a so-called take or pay Power Purchase Agreement (PPA) over a 30-year period;
- The companies operating in the same sector as JLEC are at different stages in their operating cycles;
- The regulated nature of the Moroccan electricity market, in which JLEC operates, is different from the market in which most of the other operators do (free markets, in Europe and the United States in particular).

VII.2. SUMMARY OF VALUATION METHODS

The evaluation methods used lead to the following valuations:

Company	Method	
	DCF	DDM
JLEC (100%) (in million MAD)	4 072	4 356
JLEC 5&6 (100%) (in million MAD)	7 494	7 194
Overall valuation of JLEC* (in million MAD)	9 017	9 103

(*) 100% of JLEC + 66% of JLEC 5&6.

VII.3. DETERMINATION OF THE ISSUE PRICE

The valuation used by the shareholders for JLEC's introduction onto the stock exchange was MAD 9,060 (for a value per share rounded to MAD 447.5) corresponding to the mean of the overall valuations from the DCF and DDM valuation methods:

Valuation method	Overall valuation of JLEC	Weighting
DCF (in million MAD)	9 017	50%
DDM (in million MAD)	9 103	50%
Overall valuation of JLEC (in million MAD) that was used:	9 060	

VII.4. OTHER ELEMENTS OF ASSESSMENT OF ISSUE PRICE

Based on a transaction price rounded to 447.5 MAD per share, the induced multiple valuations stood as follows:

Valuation method	Aggregated JLEC financial aggregates	Multiples induced
P/E 2013e	Net income 2013e = 351.2 million MAD	25.8x
P/E 2014p	Net income 2014p = 514.7 million MAD	17.6x
P/E 2015p	Net income 2015p = 711.4 million MAD	12.7x

* Aggregates calculated before capital increase, corresponding to 100% of JLEC's aggregates + 66% of aggregates of JLEC 5&6.

VIII. STOCK EXCHANGE LISTING

VIII.1. PLACE OF LISTING

The shares, subject of the present transaction will be listed in the first compartment (main market) of the Casablanca Stock Exchange.

VIII.2. PROCEDURE OF THE 1ST QUOTATION

Admission shares of JLEC will be effected by a procedure of the first listing based on the Fixed Price Offering in accordance with the dispositions of the General Regulations of the Stock Exchange.

VIII.3. INDICATIVE CALENDAR OF THE OPERATION

Order	Steps	Date
1	Receipt by the Casablanca Stock Exchange of the complete file of the introduction operation in Stock of the JLEC company	2/12/2013
2	Issuance of the prospectus approval of the Casablanca Stock Exchange on the operation	2/12/2013
3	Receipt by the Casablanca Stock Exchange of the prospectus approved by the CDVM	2/12/2013
4	Publication in the <i>Bulletin de la Cote</i> of the prospectus relating to the JLEC company share IPO	3/12/2013
5	Publication of the prospectus extract	4/12/2013
6	Opening of the subscription period	10/12/2013
7	<ul style="list-style-type: none"> ▪ Recognition by the JLEC Executive Board of completion of the Pre-IPO Capital Increase ▪ Receipt by Casablanca Stock Exchange of the results of the Pre-IPO operation and the Minutes of the JLEC Executive Board recognizing the completion of the Pre-IPO Capital Increase 	10/12/2013
8	Publication of the results of the Pre-IPO operation in the <i>Bulletin de la Cote</i>	11/12/2013
9	Possible early closing of subscription period	11/12/2013 at 3:30 p.m.
10	End of the subscription period	12/12/2013 at 3:30 p.m.
11	Receipt of subscriptions by the Casablanca Stock Exchange against proof of receipt	13/12/2013 before noon In the event of early closure, 12/12/2013 before noon
12	Centralization and consolidation of subscriptions by the Casablanca Stock Exchange	16/12/2013
13	Processing of rejected subscriptions	17/12/2013
14	<ul style="list-style-type: none"> ▪ Allocation of subscriptions and delivery by the Casablanca Stock Exchange to the issuer of the listing of subscriptions for the capital increase; ▪ Delivery of the allocation by the depositary to the Co-Leads. 	18/12/2013
15	Recognition of the completion of the capital increase by the JLEC Supervisory Board	19/12/2013
16	Receipt by the Casablanca Stock Exchange of the JLEC Supervisory Board Minutes ratifying the capital increase and the <i>letter comptable</i> from Maroclear	19/12/2013
17	Remittance of the share allocations to the members of the investment syndicate	20/12/2013
18	<ul style="list-style-type: none"> ▪ First listing, and recording of the operation ▪ Announcement of results of the operation in the <i>Bulletin de la Cote</i> 	24/12/2013
19	Settlement of the Operation	27/12/2013
20	Collection of the admission fees	30/12/2013

NB: The days concerned are Stock Exchange trading days.

VIII.4.CHARACTERISTICS OF JLEC SHARE LISTING

JLEC shares will be traded on the Main Market using a Fixed Price Offering procedure under the following characteristics:

Long form	JORF LASFAR ENERGY COMPANY
Short form	JORF LASFAR ENERGY
Compartment	Casablanca Stock Exchange 1 st
Business activity sector	Electricity
1st listing procedure	Fixed price offering
Listing mode	Continuous
Code	011900
Ticker	JLC
Date of 1st listing	December 24 th 2013

VIII.4.1. Subscribing modes

- All subscribing operations shall be carried out in cash and shall be expressed in number of securities;
- Each subscriber may issue one subscribing order only (with the exception of the employees);
- Subscribing operations shall be carried out by means of a subscription form available with the Members of the Investment Syndicates. A copy of the subscription form shall be handed to subscribers;
- Subscription forms shall be duly signed by subscribers (or their duly authorized representatives in case this is authorized by a portfolio management mandate), validated and dated by the Member of the bookrunning Syndicate;
- Subscriptions are irrevocable after the closing of the subscription period, even in case of early closing;
- All Members of the bookrunning Syndicate, including those who collect orders using an internet platform, undertake to respect the subscription procedure;
- Members of the bookrunning Syndicate shall, prior to the acceptance of any subscription, make sure that subscribers are able to honour their financial. They should accept all subscription orders from any person authorized to take part in such operation, provided the person submit the necessary financial guarantee. Members of the bookrunning Syndicate shall preserve all the supporting documents on the basis of which they have been able to ensure subscribers' financial guarantee;
- Each Member of the bookrunning Syndicate thus undertakes to demand that their clients (other than type IV order subscribers, given the constraints applicable to them) provide a margin requirement to cover their subscription. Therefore, type I, II ad III order subscribers shall have 100% coverage through personal contribution and/ or through bank loans for type I order or an actual deposit (remittance of a cheque or cash) to subscribers' account for II and III orders, a deposit which shall remain blocked until securities are granted.

- Type V order subscribers shall have a margin requirement (shall be covered) up to 30% through an actual deposit (remittance of a cheque or cash) to subscribers' account for V orders, a deposit which shall remain blocked until securities are granted.
- Subscription coverage through a collateral is not accepted;
- Cheques remitted to cover actual deposits shall be remitted for cashing prior to subscription validation;
- Actual deposits shall be actually debited to subscribers' account and frozen at subscription;
- Subscriptions by Members of Investment Syndicates or by their collaborators for their account shall be carried out during the first two days of the subscription;
- The maximum number of shares requested by the same type II order subscriber shall be limited to 560 shares;
- The maximum number of shares requested by the same type III order subscriber shall be limited to 11 174 shares;
- The maximum number of shares requested by the same type IV order subscriber shall be limited to 111 731 shares for diversified UCITS and limited to 223 463 shares for other investors categories;
- The maximum number of shares requested by the same type V order subscriber shall be limited to 223 463 shares;
- All subscriptions of employees to type I, II (or III) orders and those of their young children II (or III) shall be carried out with the same Member of Investment Syndicate (*i.e.* BMCE Bank or Société Générale Marocaine de Banques);
- Subscriptions shall be carried out by subscribers themselves. In case of a portfolio management mandate including a formal and explicitly stated clause permitting this, the authorized representatives can carry out subscriptions in the place of the principal solely for type II, III, IV and V order subscribers;
- Subscriptions of employees to type I order on the one hand, and those of type II or III orders on the other hand, shall be carried out using different subscription forms;
- The financing of subscriptions of wage earners of Jorf Lasfar Energy Company, its subsidiary Jorf Lasfar Energy Company 5&6 and TAQA North Africa by appointed banks (BMCE Bank and Société Générale Marocaine de Banques) shall be duly formalized through contracts signed both by the appointed bank and the wage earner prior to subscription;
- Deposits covering type I, II, III and V orders shall be carried out with the Member of the bookrunning Syndicate with whom subscriptions are carried out. If the latter is not a depositary agent, the said deposit shall be carried out with another Member of the bookrunning Syndicate who has the legal status of depositary; if deposits are carried out with depositary agents that are not Members of the Investment Syndicate, the stock exchange shall automatically cancel subscription orders, except type IV order subscriptions
- Members of the Investment Syndicate collecting orders through an internet Platform should comply with the following regulations:
 - ✓ Clients shall be clearly identified and subscription shall be materialized (dating and recording of subscription orders);
 - ✓ An information memorandum shall be placed at subscribers' disposal;
 - ✓ All information appearing on the subscription form shall be given to clients prior to subscription;
 - ✓ Subscriptions shall only be validated if the cash account balance is sufficient to fully cover it;

- ✓ Subscription amounts shall be frozen immediately subsequent to subscription;
 - ✓ Clients shall be informed that their subscriptions shall be rejected in case of legal flaw or procedural irregularity (e.g. subscription to an order type destined to another category of subscribers);
 - ✓ Members of the bookrunning Syndicate collecting orders through an internet Platform shall close the subscription period at the same time as the other Members of Syndicate, i.e. on 12 December 2013 at 3:30 p.m. Casablanca time; in the event that the subscription period is closed early, the date and time shall 11 December 2013 at 3:30 p.m. Casablanca time;
 - ✓ Members of the bookrunning Syndicate collecting orders through an internet Platform must, prior to subscription validation, receive e-mails from subscribers indicating their acceptance of the *modus operandi*.
- It should be noted that Members of the bookrunning Syndicate collecting orders through an internet Platform shall reject subscriptions in case there is no cash coverage or in case of incomplete dossier (e.g. absence of subscribers' mail indicating acceptance of *modus operandi*, absence of family record book for younger children, etc.).
 - Subscriptions by Members of bookrunning Syndicates or by their collaborators for their own account shall be carried out during the first day of the subscription period;
 - In case of subscriptions with a Member of the bookrunning Syndicate that do not have the legal status of depositary, subscription shall only be carried upon the submission of a fund blocking certificate with another Member of the Investment Syndicate having the legal status of legal depositary (except for type IV orders).

VIII.4.2. Third Party Subscriptions

Subscriptions for the account of third parties are accepted in the following cases:

- Subscriptions for younger children, of whom the age is inferior or equal to 18 years, are accepted provided they are carried out by fathers, mothers, guardians and younger children's legal representatives. Members of the Investment Syndicate should, if not already obtained, obtain a copy of the family record book showing the younger child's birth date during the opening of account or during subscription on behalf of the young children in question, should the occasion arise, and append it to the subscription form. In this case, movements are put down either to the young child's account or to the father's, mother's, guardian's or legal representative's Securities or cash account;
- Subscriptions for the account of younger children shall be carried out with the same Member of the Investment Syndicate with which the father's, mother's, guardian's and legal representative's subscriptions are carried out;
- In case of a portfolio management mandate, the manager (authorized representative) can only subscribe for clients' accounts upon submission of a mandate duly signed and legalized by the principal or the management mandate is the latter includes a formal and explicitly stated provision to this effect; Authorized Moroccan or foreign management companies are exempt from submitting these supporting documents for the investment trusts (UCITS) they are managing;
- All authorized representatives within the framework of a portfolio management mandate can issue only one order for the same third party.

VIII.4.3. Multiple Subscriptions

- Subscribers can only issue one order for their own account. Multiple subscriptions are forbidden. Thus, the same subscriber can only subscribe once to the same order type, except wage earners who are allowed to subscribe to type II or III orders;
- Each subscriber can only issue one order on behalf of each younger child;

- Subscriptions on behalf of younger children can solely be carried out by only one parent's representative. Any subscription on behalf of younger children by both parents is considered as a multiple subscription;
- Subscriptions with several members of the bookrunning Syndicate on behalf of younger children are forbidden;
- Salaried employees of Jorf Lasfar Energy Company, its subsidiary Jorf Lasfar Energy Company 5&6 and TAQA North Africa, besides their subscriptions to type I orders, are allowed to subscribe to type II or III with the same member of the bookrunning Syndicate with whom their type I order subscription have been carried out, i.e., *BMCE Bank* or *Société Générale Marocaine de Banques*.

All subscriptions that are not in compliance with the above conditions shall be cancelled.

It should be noted that employees' subscriptions to type II or III orders and those of their younger children that are not carried out with the same member of the bookrunning Syndicate with whom their type I order subscriptions have been carried out, i.e., *BMCE Bank* or *Société Générale Marocaine de Banques* shall be cancelled without this entailing the invalidity of Type I order subscriptions.

VIII.5. INVESTMENT SYNDICATE AND FINANCIAL INTERMEDIARIES

Type of financial intermediary	Name	Address	Order type
Advisory bodies and global coordinators	Attijari Finances Corp.	163 avenue Hassan II, Casablanca	-
	<i>Société Générale Marocaine de Banques</i>	55 bd Abdelmoumen, Casablanca	-
	Upline Corporate Finance	37 bd Abdellatif Ben Kaddour, Casablanca	-
Bookrunning Syndicate Co-Leaders	<i>Attijari Intermédiation</i>	163 avenue Hassan II, Casablanca	II, III, IV, V
	<i>Sogécapital bourse</i>	55 bd Abdelmoumen, Casablanca	II, III, IV, V
	Upline Securities	37 bd Abdellatif Ben Kaddour, Casablanca	II, III, IV, V
Members of bookrunning Syndicate	Alma Finance	4 Lot. La Colline, Casablanca 20190	II, III
	<i>Art Bourse</i>	7 bd Abdelkrim Al Khatabi, Casablanca	II, III
	<i>Atlas Capital Bourse</i>	88 Rue El Marrakchi, Quartier Hippodrome, Casablanca	II, III, V
	Attijariwafa bank	2 bd Moulay Youssef, Casablanca	II, III
	<i>Banque Centrale Populaire</i>	101 bd Zerktouni, Casablanca	II, III
	BMCE Bank	140 avenue Hassan II, Casablanca	I, II, III
	<i>BMCE Capital Bourse</i>	140 Avenue Hassan II, 7th floor, Casablanca	II, III, IV, V
	BMCI	26 place des Nations Unies, Casablanca	II, III
	<i>BMCI Bourse</i>	Bd Bir Anzarane, Bdg. Romandie I, Casablanca	II, III
	Capital Trust Securities	50 bd Rachidi, Casablanca	II, III
	<i>CDG Capital Bourse</i>	7 bd Kennedy, Anfa Sup., Casablanca	II, III, IV, V
	CFG Group	5-7 rue Ibn Toufaïl, Quartier Palmier, Casablanca	II, III
	<i>CFG Marchés</i>	5-7 rue Ibn Toufaïl, Quartier Palmier, Casablanca	V
	<i>Crédit Agricole du Maroc</i>	Place des Alouyines, Rabat	II, III
	<i>Crédit du Maroc</i>	48 bd Mohammed V, Casablanca	II, III
	<i>Crédit du Maroc Capital</i>	8 rue Ibnou Hilal, Casablanca	II, III
	<i>Crédit Immobilier et Hôtelier</i>	187 avenue Hassan II, Casablanca	II, III
	Eurobourse	Avenue des FAR, Tour Habous, 5th floor, Casablanca	II, III
	ICF Al Wassit	Espace Porte d'Anfa, 29 rue Bab El Mansour, Casablanca	II, III
	<i>Integra Bourse</i>	23 rue Ibnou Hilal, Quartier Racine, Casablanca	II, III
M.S.I.N.	Imm Zénith, Résidence Tawfiq, Sidi Maârouf, Casablanca	II, III	
<i>Société Générale Marocaine de Banques</i>	55 bd Abdelmoumen, Casablanca	I, II, III, V	

Type of financial intermediary	Name	Address	Order type
	Wafa Bourse	413 rue Mustapha El Maâni, Casablanca	II, III

IX. DELIVERY PAYMENT MODES

IX.1. SECURITIES DELIVERY AND PAYMENT

The securities payment and delivery shall be carried out on December 27th 2013 in accordance with the procedures in effect at the Casablanca Stock Exchange.

In accordance with the aforementioned procedures, the Bank Al-Maghrib accounts of depositary agents shall be debited with the funds corresponding to the value of shares granted to each Member of the bookrunning Syndicate, to which is added the value of the commissions.

Jorf Lasfar Energy Company, moreover, has appointed the *Société Générale Marocaine de Banques* as exclusive custodian agent of Jorf Lasfar Energy Company securities put on sale within the framework of the present operation.

IX.2. REIMBURSEMENT OF REMAINDER

Members of the Investment Syndicate undertake, within a period not exceeding 3 working days from the date of the remittance of securities allocations to the Members of the Investment Syndicate (i.e., 25th December 2013), to reimburse the cash remainder arising from the difference between the net amount paid by clients for their subscriptions and the net amount of their real allocations.

The reimbursement of remainder shall be paid to a bank or postal account, i.e., by remittance of cheque, subject to actual cashing by intermediary of the amount deposited for subscription.

In case of the financial operation fails, subscribers shall be reimbursed within 3 working days as of the date of the publication of results and subject to actual cashing by intermediary of the amount deposited for subscription.

X. RESULT PUBLICATION MODES

Results of the present operation shall be published by the Casablanca Stock Exchange at the listing bulletin on 24 December 2013 and by Jorf Lasfar Energy Company via the press in a newspaper carrying legal notices on **26th December 2013**.

XI. COMMISSIONS

XI.1. COMMISSIONS CHARGED TO SUBSCRIBERS

Within the framework of the present operation, each Member of the bookrunning Syndicate undertakes, explicitly and irrevocably, vis-à-vis the co-leaders, global coordinators and the other Members of the bookrunning Syndicate, to charge, for all orders recorded at the Casablanca Stock Exchange, the following commissions:

- 0.1% (exclusive of tax) for the Casablanca Stock Exchange as admittance fee for subscription registration;
- 0.2% (exclusive of tax) as payment and delivery fee;
- 0.6% (exclusive of tax) for the brokerage fee. It applies to the amount corresponding to the actual allocation during delivery payment.
- VAT at the rate of 10% shall be added.

In order to ensure equal treatment of subscribers, regardless of where the subscription takes place, each Member of the bookrunning Syndicate undertakes, formally and explicitly, to grant subscribers no discount or refund, whatsoever, upon or subsequent to subscription, whatever the reason, whether among Members of the bookrunning Syndicate or with third parties.

XI.2. BOOK RUNNING FEES

Members of the bookrunning Syndicate shall be given a 0.2% (before tax fee) on the amounts invested by each of them respectively.

Such a commission, payable by the issuer, shall be paid to the accounts opened with Bank Al Maghrib by each of the Members of the bookrunning Syndicate

PART II: GENERAL INTRODUCTION TO JORF LASFAR ENERGY COMPANY

I. GENERAL INFORMATION

Name	Jorf Lasfar Energy Company
Headquarters	Centrale thermique de Jorf Lasfar – Km 23 Route Régionale 301, Commune de Moulay Abdellah, El Jadida – Morocco
Phone	+212 (0)5 23 34 53 71
Fax	+212 (0)5 23 34 53 75
Website	www.jlec.ma
Legal forms	A limited liability company incorporated under Moroccan law with a board of directors and a supervisory board.
Company Register	El Jadida – 2145
Incorporation Date	1997
Life time	99 years
Fiscal Year	From January 1 st to December, 31 st
Social capital (in 31/10/2013)	2,023,658,600 MAD divided into 20,236,586 shares at par value of 100 MAD each, all of the same class and fully paid.
Company purposes	<p>According to article 2 of the Articles of Association, the Company purposes are:</p> <ul style="list-style-type: none"> ▪ The construction, operation, management and maintenance of electrical power plants, including units 1, 2, 3 and 4 of the power plant of Jorf Lasfar and other related works; ▪ Any import / export activity of any product, raw material, fuel, equipment and material, chartering ships and vessels, aircraft, trains and any other means of transport; ▪ Any port operation, including loading / unloading, storage, mooring services, transport, management, maintenance, etc., including operations to be carried out in the Port of Jorf Lasfar; ▪ and, more generally, all commercial, industrial, financial, real or personal operations pertaining directly or indirectly to the objects above or to any other object similar or related, or likely to promote development in any form whatsoever.
Applicable Laws and Regulations	<p>Due to its legal form, the company is governed by Act No. 17-95 on public limited-liability companies promulgated by <i>Dahir</i> No. 1-96-124 dated August 30, 1996, as amended and supplemented, and by its statutes.</p> <p>Due to its activity, the company is governed by the Moroccan law, including:</p> <ul style="list-style-type: none"> ▪ <i>Dahir</i> 1-11-160 of 29 September 2011 promulgating Law 40-09 relating to National Electricity & Drinking Water Office (ONEE); ▪ <i>Dahir</i> of 25 August 1914 applying legislation on unhealthy, uncomfortable or hazardous establishments, as amended; ▪ <i>Dahir</i> 1-03-59 dated May 12, 2003 promulgating Law 11-03

relating to the protection and improvement of the environment;

- *Dahir* 1-03-60 of 12 May 2003 promulgating Law 12-03 relating to environmental impact assessments;
- *Dahir* 1-06-153 of 2 November 2006 promulgating Law 28-00 relating to the treatment and disposal of waste, as amended;
- *Dahir* 1-05-146 promulgating Law 15-02 relating to ports and establishing the National Ports Agency.

Through its future stock exchange listing, it is subject to all legal and regulatory provisions relating to the financial market, and particularly:

- *Dahir* 1-93-211 of 21 September 1993 relating to the Casablanca Stock Exchange, as amended and supplemented by Laws 34-96, 29-00, 52-01 and 45-06;
- General Regulations of the Casablanca Stock Exchange approved by Decree of the Minister of Economy and Finance no. 499-98 of 27 July 1998, as amended by Decree of the Minister of Economy, Finance, Privatization and Tourism no. 1960-01 of 30 October 2001. This has been further modified by the amendment of June 2004, which entered into force in November 2004, and by Decree 1268-08 of 7 July 2008;
- Regulations of the *Conseil Déontologique des Valeurs Mobilières* approved by Decree of the Minister of Economy and Finance no. 822-08 of 14 April 2008;
- *Dahir* promulgating Law 1-93-212 of 21 September 1993 on CDVM and the information required from legal persons making public share offerings, as amended and supplemented by Laws 23-01 and 36-05-44-06;
- *Dahir* 1-96-246 of 9 January 1997 promulgating Law 35-96 on the creation of a central depository and establishment of a general accounting system for certain securities, as amended and supplemented by Law 43-02;
- General Regulations of the Central Depository approved by Decree of the Minister of Economy and Finance no. 932-98 of 16 April 1998 and amended by Decree of the Minister of Economy, Finance, Privatization and Tourism no. 1961-01 of 30 October 2001 and Decree 77-05 of 17 March 2005;
- *Dahir* 1-04-21 of 2 April 2004 promulgating Law 26-03 relating to public offerings on the Moroccan stock market.

Competent court in the event of litigation

Arbitration procedure

Tax scheme

- Corporation tax: normal rate of 30%.
 - Value Added Tax: rate of 14% on electric power bills addressed to the ONEE and rate of 20% on coal imports;
 - Customs duties: customs duties on coal imports are paid by JLEC then re-billed monthly at the level of energy costs. Customs duties on imports of capital assets and spare parts are considered as expenses;
 - Business tax: business tax is paid by JLEC instead of ONEE, then passed on to the latter in monthly electric power bills in April of each year.
-

II. INFORMATION ON THE SHARE CAPITAL OF JLEC

The JLEC shareholding structure is as follows:

	Before pre-IPO(*)		After pre-IPO & Before IPO		After IPO	
	No. of shares	% of capital	No. of shares	% of capital	No. of shares	% of capital
AB Cythere 63	20 187 776	99.76%	20 187 776	94.54%	20 187 776	85.58%
AB Cythere 61	45 947	0.23%	45 947	0.22%	45 947	0.19%
Tre Kronor Investment AB	110	0.00%	110	0.00%	110	0.00%
Jorf Lasfar Handelsbolag	110	0.00%	110	0.00%	110	0.00%
Jorf Lasfar Power Energy Aktiebolag	1 265	0.01%	1 265	0.01%	1 265	0.01%
Jorf Lasfar EnergiAktiebolag	1 375	0.01%	1 375	0.01%	1 375	0.01%
TAQA Group	20 236 583	100.00%	20 236 583	94.77%	20 236 583	85.79%
Carl Robert Sheldon	1	0.00%	1	0.00%	1	0.00%
Frank Joseph Perez	1	0.00%	1	0.00%	1	0.00%
Khaled Al Sayari	1	0.00%	1	0.00%	1	0.00%
Members of the Supervisory Board	3	0.00%	3	0.00%	3	0.00%
RMA Watanya	0	0.00%	446 927	2.09%	446 927	1.89%
SCR	0	0.00%	446 927	2.09%	446 927	1.89%
MCMA	0	0.00%	223 464	1.05%	223 464	0.95%
Institutional investors	0	0.00%	1 117 318	5.23%	1 117 318	4.74%
Floating stock	0	0.00%	0	0.00%	2 234 638	9.47%
Total	20 236 586	100.00%	21 353 904	100.00%	23 588 542	100.00%

Source: JLEC

(*) Situation as of 31 October 2013

As a result of the present operation of initial public offering, AB Cythere 63 will remain the main shareholder of JLEC with more than 85.58% of its capital and voting rights. TAQA will also remain the main indirect shareholder of JLEC with 85.79%.

After the IPO, the historical shareholders of the company (namely Jorf Lasfar EnergiAktiebolag, Jorf Lasfar Power Energy AB, Jorf Lasfar Handelsbolag, Tre Kronor Investment AB, AB Cythere 61, and AB Cythere 63 corporations) are planning to transfer all of the JLEC securities they hold to Abu Dhabi National Energy Company PJSC (TAQA). This operation will be held in blocks of the Casablanca Stock Exchange. It will aim to operate a rapprochement between JLEC and its reference shareholder in simplifying the shareholder structure.

III. SUPERVISORY BOARD OF JLEC

The Supervisory Board of the company in October 31, 2013 is composed of the following members:

Member of the Supervisory Board	Function	Nomination date	Expiry date of the mandate	Number of shares held
Carl Robert Sheldon	President	July 30, 2013	Ordinary General Meeting ruling on the statements for financial year ending December 31, 2018	1
Frank Joseph Perez	Vice-President	February 23, 2012	Ordinary General Meeting ruling on the statements for financial year ending December 31, 2014	1
Khaled Al Sayari	Member	July 30, 2013	Ordinary General Meeting ruling on the statements for financial year ending December 31, 2018	1

Source: JLEC

IV. EXECUTIVE BOARD OF JLEC

The JLEC Executive Board as of 31 October 2013 is composed of the following people:

Management Board member	Function	Date of appointment	End of term of office
Abdelmajid Iraqui Houssaini	Chairman	16 March 2009	15 March 2015
David Edward O'Hanian II	Member	22 December 2009	22 December 2015
Omar Alaoui M'hamdi	Member	21 March 2011	22 December 2015
Kenneth Boyle	Member	30 July 2013	22 December 2015
John Keith McLaren	Member	30 July 2013	22 December 2015

Source: JLEC

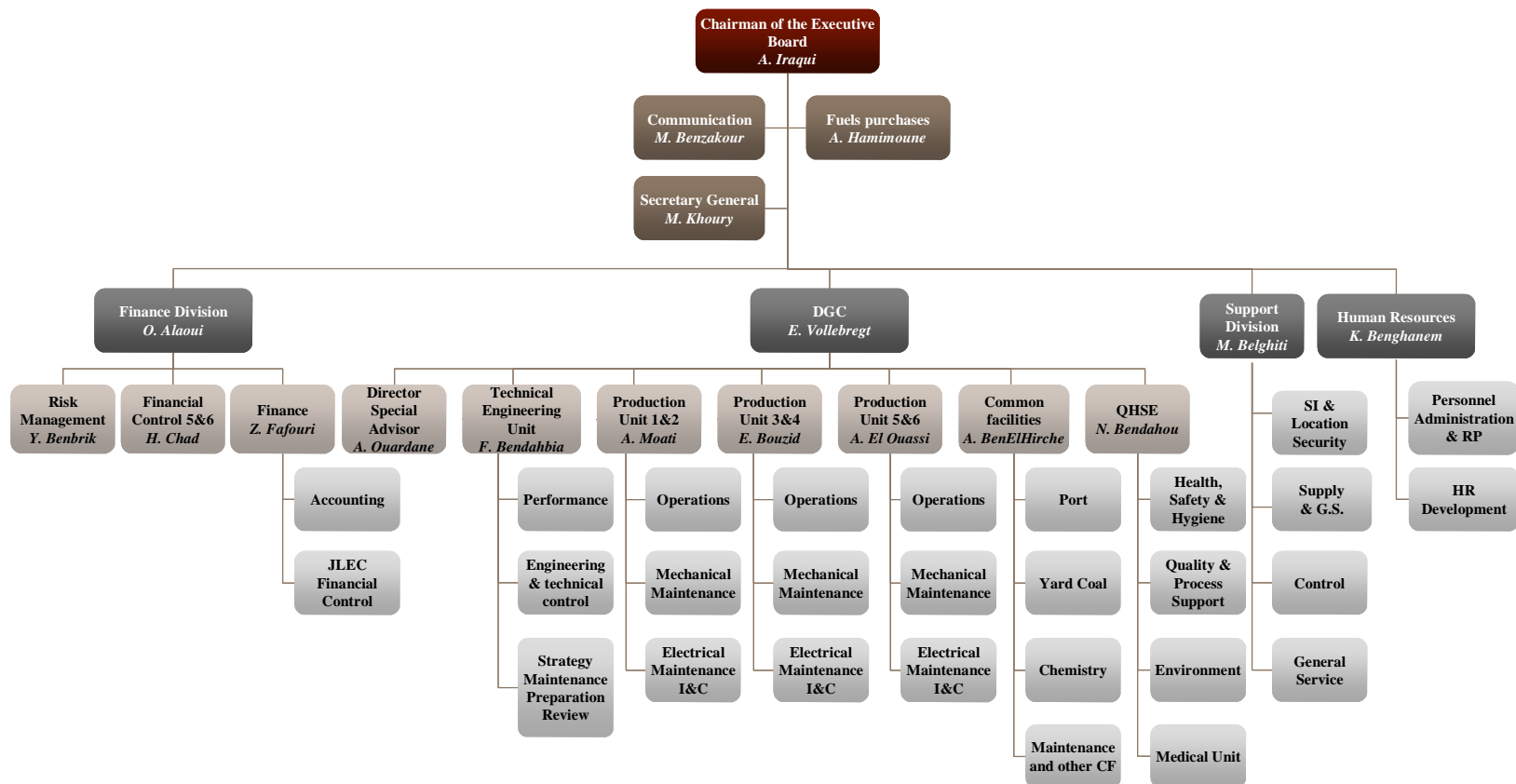
None of the members of the Executive Board of JLEC is employed by the company. However, the various members have indirect ties with JLEC:

- TAQA North Africa, where Mr. Iraqui Houssaini and Mr. Alaoui M'hamdi are employees;
- TAQA, where Mr. Boyle, McLaren and Mr. O'Hanian II are employees.

V. ORGANIZATION CHART OF JLEC

JLEC's organization chart is as follows.

JLEC Operational organization chart as of October 31st 2013



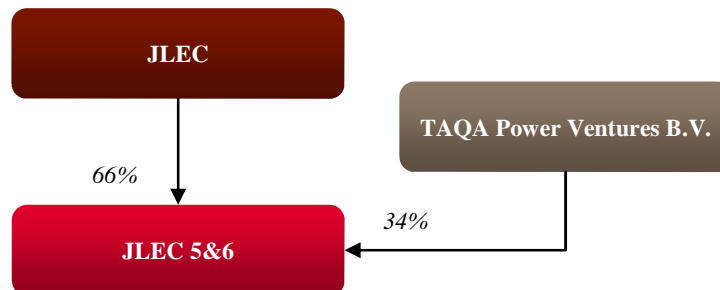
NB: Given the business model of JLEC, the above organization chart shows a broader vision encompassing both JLEC, JLEC 5&6 as well as the personnel of TAQA Group and TAQA North Africa (Manager Central Company)

VI. PRESENTATION OF JLEC'S SUBSIDIARY

VI.1. LEGAL ORGANIZATION CHART OF JLEC GROUP

The legal organization chart of JLEC Group is as follows:

Legal organization chart of The Group JLEC:



Source: JLEC

VI.2. PRESENTATION OF JLEC 5&6

VI.2.1. General Information

Company name	Jorf Lasfar Energy Company 5&6 S.A.
Date of creation	December 2010
Registered Office	Casablanca Business Centre, Lot. Mandarona, no. 2, Sidi Maârouf, 20270 Casablanca
Legal form	Limited company with a board of directors and a supervisory board.
Activity	Production of electrical energy
Share capital as of 31 October 2013	1 818 200 000 MAD, consisting of 18 182 000 shares with a nominal value of 100 MAD each
Financial year	From October 1 st to September 30 th
Planned date of release	1 st semester 2014

Source: JLEC

VI.2.2. SHARE CAPITAL AND SHARE OWNERSHIP OF JLEC 5&6

The share capital of JLEC 5&6 is distributed as follows as of October 31st 2013:

	Number of shares	Capital (in MAD)	% of capital	% of voting rights
JLEC	11 999 997	1 199 999 700	66.0%	66.0%
TAQA Power Ventures B.V.	6 182 000	618 200 000	34.0%	34.0%
Members of the Supervisory Board	3	300	0.0%	0.0%
TOTAL	18 182 000	1 818 200 000	100.0%	100.0%

Source: JLEC

VII. ACTIVITY OF JLEC

Founded in 1997, JLEC is the country's first electricity supplier. The company is governed by a specific contractual framework governing its activity and its relationship with the various stakeholders, namely; its unique customer (ONEE), its operating company (TAQA North Africa), the ANP and Office des Changes.

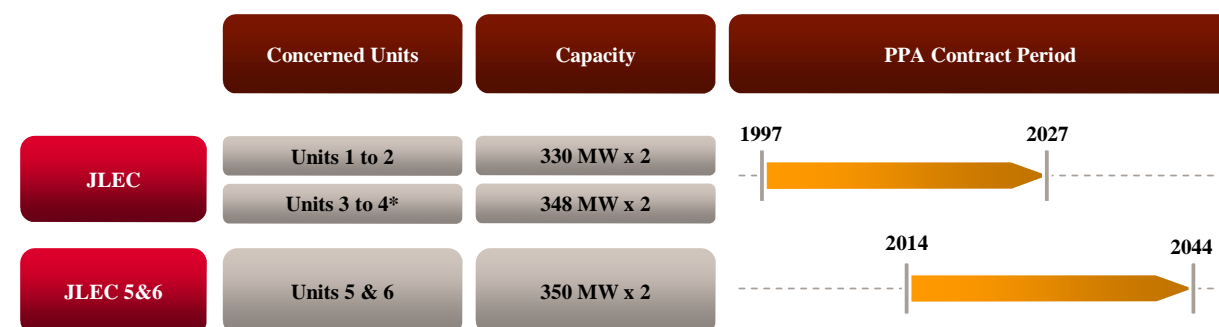
The electricity supply by JLEC to ONEE is ruled by the Power Purchase Agreement (PPA) in the form of a take-or-pay contract, under which ONEE undertakes to pay JLEC on the basis of the available power.

In addition, TAQA Group in May 2009 signed an agreement with ONEE to extend the capacity of the thermal plant Jorf Lasfar by the addition of two new units (Unit 5 and Unit 6) with an installed capacity of 350 MW each.

Units 5 and 6 should be operational in the first half of 2014.

The diagram below shows the organization of the Thermal Plant units of Jorf Lasfar:

Overview of plant units of Jorf Lasfar



Source: JLEC

* Start operating dates of Units 3 and 4: June 2000 and February 2001, respectively

The following table summarizes the main achievements of JLEC over the past 3 years:

Indicators	2010	2011	2012
Net production (MWh)	9 847 258	10 133 979	10 190 720
<i>Market share in domestic production</i>	<i>43%</i>	<i>42%</i>	<i>39%</i>
Average plant availability	91.75%	91.84%	91.80%
Coal consumption (in metric tons)	3 632 926	3 688 369	3 610 072
Specific consumption (kJ / kWh)	9 357	9 355	9 207

Source: JLEC

VIII. FINANCIAL STATEMENTS OF JLEC

VIII.1. INCOME STATEMENT OF JLEC

In million MAD	2010	2011	2012	H1 2012	H1 2013
Sales of goods (as presented)	0	0	0	0	0
Resold purchases of goods	0	0	0	0	0
Gross margin on sales as presented (1)	0	0	0	0	0
Sales of goods and services	4 894	5 422	5 883	3 104	2 347
Turnover	4 894	5 422	5 883	3 104	2 347
Assets produced by the company itself	0	0	0	0	0
Changes in inventories of products	0	0	0	0	0
Production (2)	4 894	5 422	5 883	3 104	2 347
Cost of supplies and consumable materials	3 038	3 533	3 985	2 066	1 506
Other external expenses	187	186	199	106	92
Consumption for the year (3)	3 225	3 719	4 184	2 172	1 598
Added Value (1) + (2) - (3)	1 669	1 703	1 699	932	749
<i>Rate of value added (VA / CA)</i>	<i>34.1%</i>	<i>31.4%</i>	<i>28.9%</i>	<i>30,0%</i>	<i>31.9%</i>
Taxes and charges	24	25	24	34	23
Personnel expenses	142	160	169	80	97
EBITDA	1 503	1 518	1 507	819	628
<i>Gross operating margin (EBITDA / CA)</i>	<i>30.7%</i>	<i>28.0%</i>	<i>25.6%</i>	<i>26,4%</i>	<i>26.8%</i>
Other operating income	4	4	58	43	16
Recovery operating, transfer of charges	211	90	136	58	27
Other operating expenses	0	0	0	0	0
Operating Allowances	615	653	672	318	315
Operating income	1 102	959	1 029	602	356
<i>Operating margin (REX / CA)</i>	<i>22.5%</i>	<i>17.7%</i>	<i>17.5%</i>	<i>19,4%</i>	<i>15.2%</i>
Financial Products	132	83	62	36	38
financial charges	483	446	393	208	191
Financial Result	-351	-363	-331	-172	-153
Current Result	751	596	698	431	203
Non-recurring income	335	380	70	27	1
Non-recurring expenses	408	357	89	55	6
Non-operating income	-73	23	-18	-28	-5
Pre-tax result	678	619	680	403	198
Corporation tax	163	182	207	118	65
Net result	514	437	472	285	132
<i>Net Margin (RN/CA)</i>	<i>10.5%</i>	<i>8.06%</i>	<i>8.03%</i>	<i>9,19%</i>	<i>5.63%</i>

VIII.2. BALANCE SHEET OF JLEC

In million MAD	2010	2011	2012	S1 2013
ASSETS				
Fixed assets	7 962	8 417	7 937	7 689
Assets under no value	354	318	254	212
Intangible assets	7 130	6 705	6 277	6 064
Tangible assets	155	174	191	200
Financial assets	323	1 219	1 215	1 213
Translation differences - Assets	0	0	0	0
Current assets	2 407	2 867	2 856	2 701
Stocks	967	1 173	1 196	1 005
Current assets receivables	1 432	1 681	1 654	1 689
Translation differences - Assets (current items)	7	12	6	7
Cash - Assets³	1 598	744	865	707
Of which marketable securities	1 324	723	812	679
Total Assets	11 966	12 027	11 657	11 097
LIABILITIES				
Permanent funding	10 744	10 479	10 153	10 087
Equity	3 549	3 986	4 458	4 590
Equity treated	0	0	0	0
Financing debts	6 824	6 426	5 681	5 482
Term provisions for liabilities and charges	371	67	14	14
Translation differences - Liabilities	0	0	0	0
Current liabilities debts	1 211	1 525	1 492	1 006
Other provisions for liabilities and charges	7	14	3	2
Translation differences - Liabilities (current items)	2	10	9	1
Cash - Liabilities	2	0	0	0
Total Liabilities	11 966	12 027	11 657	11 097

Source: JLEC

³ Marketable securities are included in the calculation of the cash assets

IX. FINANCIAL STATEMENTS OF JLEC 5&6

IX.1. INCOME STATEMENT OF JLEC 5&6

In million MAD	Sept. 11	Sept. 12	June-12	June 13
Sales of goods (as presented)				
Resold purchases of goods				
Gross margin on sales as presented (1)	0	0	0	0
Sales of goods and services				
Turnover	0	0	0	0
Assets produced by the company itself				
Changes in inventories of products				
Production (2)	0	0	0	0
Cost of supplies and consumable materials	67	121	0	33
Other external expenses	3	22	8	32
Consumption for the year (3)	70	143	8	65
Added value (1) + (2) - (3)	-70	-143	-8	-65
<i>Rate of added value (VA/CA)</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>
Tax and charges				1
Personnel expenses	2	10	4	10
EBITDA	-72	-153	-12	-77
<i>Gross operating margin (EBITDA / CA)</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>
Other operating Income	0	2	2	0
Recovery operating, transfer of charges	119	153	11	73
Other operating expenses				
Operating allowances	18	44	21	28
Operating income	29	-42	-19	-33
<i>Operating margin (REX/CA)</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>
Financial products	59	293	180	426
Financial charges	109	282	234	372
Financial Results	-50	11	-53	54
Current Result	-21	-30	-73	21
Non-recurring income	0	0	0	0
Non-recurring expenses	0	0	0	0
Non-operating Income	0	0	0	0
Pre-tax result	-21	-30	-73	21
Corporation Tax	0	0	0	0
Net Result	-21	-30	-73	21
<i>Net margin (RN/CA)</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>	<i>Ns</i>

Source: JLEC

IX.2. BALANCE SHEET OF JLEC 5&6

The following table details the components of the social balance sheet of JLEC 5&6 over the period 2011-H1 2013:

In million MAD	Sept. 11	Sept. 12	Dec- 12	June 13
ASSETS				
Fixed Assets	1 932	6 718	8 010	9 060
Assets under no value	71	159	155	178
Intangible Assets	1	1	1	6
Tangible Assets	1 824	6 521	7 798	8 833
Financial Assets	0	0	0	0
Translation differences - Assets	36	36	54	44
Current Assets	26	70	87	163
Stocks	0	0	0	0
Current assets receivables	22	70	87	163
Translation differences - Assets (current items)	4	1	1	1
Cash - Assets⁴	396	290	172	1 468
Of which marketable securities	394	83	156	797
Total ASSETS	2 354	7 078	8 269	10 692
LIABILITIES				
Permanent Funding	2 059	5 806	6 971	10 406
Equity	979	1 767	1 788	1 809
Equity treated	0	0	0	0
Financing debts	1 044	4 003	5 075	8 537
Term provisions for liabilities and charges	36	36	0	44
Translation differences - Liabilities	0	0	107	15
Current liabilities debt	291	1 264	1 290	285
Other provisions for liabilities and charges	4	1	1	1
Translation differences - Liabilities (current items)	0	8	8	0
Cash - Liabilities	0	0	0	0
Total LIABILITIES	2 354	7 078	8 269	10 692

Source: JLEC

⁴ Marketable securities are included in the calculation of the cash assets

X. CONSOLIDATED FINANCIAL STATEMENTS OF JLEC

X.1. CONSOLIDATED INCOME STATEMENT

The following table presents data of the consolidated result of JLEC Group for the period 2010-H1 2013:

In million MAD	2010 pro forma	2011 pro forma	2012	June-12	June 13
Net turnover	4 894	5 422	5 883	3 104	2 347
Other operating income	4	4	58	43	16
Recovery operating and transfer of charges	211	90	136	58	27
Total operating expenses	5 109	5 515	6 077	3 206	2 390
Purchases and Other external expenses	3 225	3 719	4 184	2 172	1 598
Taxes and charges	24	25	24	34	23
Personnel expenses	142	160	169	80	97
Depreciation, amortization and provisions	574	612	652	308	320
Total operating allowances	3 965	4 515	5 028	2 594	2 039
Operating result	1 143	1 000	1 049	612	351
<i>Operating margin (Rex/CA)</i>	<i>23.4%</i>	<i>18.5%</i>	<i>17.8%</i>	<i>19,7%</i>	<i>14.9%</i>
Financial result	-446	-355	-333	-179	-161
Current result	697	646	716	434	190
Non-recurring result	-73	23	20	11	-5
Pre-tax result	624	668	736	444	185
<i>Pre-tax margin (RAI/CA)</i>	<i>12.7%</i>	<i>12.3%</i>	<i>12.5%</i>	<i>14,3%</i>	<i>7.9%</i>
Income taxes	168	193	228	128	64
Proportionate share in the result of Equity accounted companies	-7	-67	59	-79	-64
Net depreciation and amortization of goodwill	0	0	0	0	0
Consolidated net result	449	409	567	236	57
<i>Net margin (RN/CA)</i>	<i>9.2%</i>	<i>7.5%</i>	<i>9.6%</i>	<i>7,6%</i>	<i>2.4%</i>
Of which Net result - Group share	449	409	567	236	57
Of which minority interests	0	0	0	0	0
<i>Net income per share (in MAD)</i>	<i>22</i>	<i>20</i>	<i>28</i>		

Source: JLEC

X.2. CONSOLIDATED BALANCE SHEET

The following table details the components of the balance sheet of JLEC Group over the period 2010–H1 2013:

In million MAD	2010 pro forma	2011 pro forma	2012	June 13
ASSETS				
Fixed Assets	7 950	8 073	8 080	7 763
Intangible Assets	7 581	7 162	6 689	6 429
Goodwill	0	0	0	0
tangible Assets	155	174	191	200
Financial Assets	23	19	15	13
Investments in associates	191	718	1 184	1 120
Translation differences Assets	0	0	0	0
Current Assets	2 421	2 867	2 856	2 701
Stocks and W.I.P	967	1 173	1 196	1 005
Operating receivables	1 045	1 117	1 064	1 171
Sundry receivables	401	564	590	518
Translation differences Assets	7	12	6	7
Cash - Assets	1 598	744	865	707
Of which marketable securities	1 324	723	812	679
Total ASSETS	11 969	11 684	11 800	11 171
LIABILITIES				
Permanent funding	10 725	10 123	10 262	10 120
Consolidated Shareholders' equity	3 530	3 630	4 567	4 624
Capital	2 024	2 024	2 024	2 024
Consolidated reserves	1 057	1 198	1 976	2 543
Net income Group share	449	409	567	57
<i>Shareholders' equity Group share</i>	<i>3 530</i>	<i>3 630</i>	<i>4 567</i>	<i>4 624</i>
<i>Minority interests</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Provisions for liabilities and charges	371	67	14	14
Financing debts	6 824	6 426	5 681	5 482
Current Liabilities	1 242	1 561	1 538	1 050
Operating debts	645	854	734	333
Other debts	597	706	804	718
Cash Liabilities	2	0	0	0
Total LIABILITIES	11 969	11 684	11 800	11 171

Source: JLEC

PART III: RISK FACTORS

I. INDUSTRIAL RISK

The availability rate of units 1 to 6 is the key indicator of industrial performance of the plant. This availability rate is likely to be affected by the occurrence of (i) human error, (ii) repetitive technical problems, (iii) coal supply disruptions or coal quality problems, (iv) availability of spare parts, consumables, chemicals, water and electricity, and / or (v) industrial accidents (explosion, fire, etc.) with a partial or total impact on the production level at the plant.

The Company conducts a policy of careful maintenance based on the highest international standards. This maintenance policy ensures levels of reliability and high availability to the plant.

In addition, the personnel attached to the operation of the plant has a proven track record of over a decade, during which he has benefited from many training sessions on the management of industrial and operational risks that may occur on the site of Jorf Lasfar.

Finally, the major industrial risks mentioned above are ensured by renewable insurance policies each year through tacit agreement.

The construction project of Units 5 and 6 incurs a risk of late delivery of the units and the build quality of these units. In case of delay to launch Units 5 and 6, JLEC 5&6 shall pay the ONEE late penalties for each day of delay between the date of the operation guarantee and date of operation of the unit concerned.

However, by its nature as a turnkey contract (fixed price, commitment to delivery), the construction contract (EPC contract) signed with a leading consortium “Daewoo Engineering & Construction and Mitsui & Co Ltd. “(i) specifies precisely technical and industrial characteristics of new units (5 and 6), and (ii) provides for penalties paid by the manufacturer in favor of JLEC 5&6 in the case of late delivery of new units (covering in particular penalties for the aforementioned delay being caused by JLEC 5&6 at ONEE) or in case of non-compliance with contractual requirements in terms of performance guarantees.

In the event of delay in the delivery of Units 5 and 6, a default event for JLEC 5&6 is foreseen. However, this risk is covered by the delivery time limits in the construction contract. This risk is reduced, moreover, by the rate of project progress, and the synchronization of Unit 5 with the national grid in October 2013 and thereafter. Synchronization of Unit 6 is scheduled for January 2014.

The construction contract also provides for a trial period, with ONEE, new units before final acceptance. These tests are intended as a first step to verify (i) the mechanical operation of the devices of major equipment of each unit, (ii) the operational stability and security of facilities and (iii) the reliability of each unit. Once these tests completed, each unit will undergo performance testing to verify whether the guarantees (including performance (i) a net power full load at least equal to 296.888 MW per unit (95% of 312.514 MW) and (ii) specific fuel consumption at full load up to 9 518.23 kJ / kWh (or 103% of 9241 kJ / kWh) (based on a PCI 6000 Kcal / Kg)) were achieved. The completion of these performance tests is a prerequisite for the operation of each of the Units 5&6. In the event that these performance guarantees are not met, the manufacturer shall pay penalties relative to the net power guarantees and/or guaranteed specific net consumption, which may not exceed a total of 10% of the construction contract price.

Given the geographical location of Units 5 and 6 (adjacent to the old units), the extension project of the plant presents a risk of interference incurred by the activity of Units 1 to 4 which appears mainly upon connection and in the development of common resources to six units.

II. SECURITY RISK

The plant covers 38.5% of the national electricity production in Morocco in 2012, making the company a strategic player in the Moroccan energy.

Therefore, the Company has put in place against potential security risks, a prevention policy and safety standards up to the responsibility entrusted to it by the ONEE and conforming to international standards.

This policy is embodied in particular through:

- Access controls;
- The installation of protection systems against intrusion (remote monitoring, security service / performance security, etc.).
- Support by the Moroccan army security.

Added to this, the fact that JLEC and JLEC 5&6 have insurance covering certain security risks and benefit from a guarantee of the Kingdom of Morocco expressed in the Letter of Support and Guarantee against any political violence.

III. ENVIRONMENTAL RISK

The operation of a coal power plant requires the management of chemicals and leads inexorably solid and gaseous wastes which have a direct impact on the natural environment.

The Company adopted an environmental policy to ensure: (i) compliance with the value limits regarding its releases, (ii) upgrading of waste and (iii) minimizing the impact of chemicals, waste and other dangerous substances on its environment.

In this capacity, it developed an extensive program of management and environmental protection. The latter meets the requirements of International Financial Institutions (World Bank, U.S. Eximbank, OPIC, etc.) which provided the original funding for the project at its inception in 1997.

This program covers:

- Controlled storage of ashes;
- Monitoring of stack emissions;
- Controlling the quality of the ambient air;
- Management of solid waste;
- Controlled management of chemicals;
- Monitoring water quality, and
- Personnel awareness through regular training.

This environmental policy meet demanding international standards, is likely to enable the Company to limit any potential liability for any damage caused to the natural environment and to comply with applicable environmental regulations to which reference is made to in paragraph I of Part III (General Presentation of Jorf Lasfar Energy Company).

Since 2004, JLEC had been certified ISO 14001 relating to its environmental management.

Units 5&6 have been designed and developed to ensure compliance with international environmental standards required by funders of JLEC 5&6 in respect of the World Bank standards, Equator Principles and standards of export credit Japanese agencies (JBIC) and Korean (KEXIM) and the requirements of the environmental acceptability ruling issued to JLEC 5&6 by the Department of Environment of the State Secretary at the Ministry of Energy, Mines, Water and Environment, in charge of Water and Environment. In this respect, as JLEC and JLEC 5&6 are holders of authorizations required under applicable laws and regulations on environmental matters, including:

Decisions of projects' environmental acceptability (Units 1 and 4, Units 5 and 6, Shared Facilities, Waste Treatment Centre) required pursuant to the law n ° 12-03 on studies of environmental impact promulgated by *Dahir* No. 1-03-59 of 12 May 2003;

The necessary licenses to operate establishments classified in categories 1 and 2 and by JLEC and JLEC 5&6, required under the *Dahir* of 25 August 1914 concerning regulation of unsanitary, inconvenient or dangerous establishments;

Necessary authorizations to store hydrocarbons, required under the *Dahir* No. 1-72-255 of 18 Muharram 1393 A.H (22 February 1973) on the import, export, refining, recovery in refinery and in center packer, storage and distribution of hydrocarbons, and

Authorization to open a center for waste treatment in accordance with the provisions of Law No. 28-00 related to waste management and disposal promulgated by *Dahir* No. 106153 of 22 November 2006.

IV. CURRENCY RISK

In Accordance with the Contract of Supply of Electrical Energy (PPA) :

- Payments in power costs are calculated on the basis of a fee schedule inserted at the Contract Supply of Electric Power and its amendments and denominated in U.S. dollars, Euros and Moroccan Dirhams (with a predominance of the dollar);
- Energy costs, corresponding to the consumption of coal invoiced primarily in U.S. dollars, are therefore exclusively indexed to the U.S. dollar.

The monthly invoice addressed to the ONEE, taking the cost of power and energy costs is in accordance with the Contract Supply of Electric Power, denominated in Moroccan dirhams based on the exchange rate EUR / MAD and USD / MAD published at the date of invoice. Differences in exchange rates between the billing date and the date of actual payment shall be charged on the next monthly bill.

Because of the dominance of the U.S. dollar in the calculation of the Company's revenues, investors operating in a monetary context in which the dollar is not predominant bear currency risk related to the evolution of the parity between USD / MAD and EUR / MAD. In fact, this parity has a direct influence on the amount of distributable earnings of the Company in Moroccan dirham:

- if the U.S. dollar appreciates against the Moroccan dirham, the impact on net income and the distribution of dividends of the Company will be positive;
- Conversely, if the U.S. dollar depreciates against the Moroccan dirham, the impact on net income and the distribution of dividends of the Company will be negative.

In addition, investors operating in a monetary context in which the dollar is predominant would be less exposed to currency risk related to the evolution of the parity between the USD / MAD.

Long-term financing of the Company is denominated in Moroccan dirham, and long-term financing of JLEC 5&6 is denominated in U.S. dollars, Euros, and Moroccan dirhams. Because of the dominance of the U.S. dollar and the euro in the calculation of the Company's revenues and those of JLEC 5&6, investors operating in a monetary context in which the Moroccan dirham is not predominant bear currency risk related to the evolution of the parity in force between the USD / MAD and EUR / MAD that could affect the annual distributable results of JLEC and JLEC 5&6.

V. CUSTOMER RISK

Due to the concentration of total sales of JLEC and those of JLEC 5&6 at ONEE, companies bear a business risk related to the possibility of non-payment and/or late payment of their monthly bills.

This risk is limited, however, by the credit rating of ONEE and alternatively by a letter of credit given by ONEE concerning an amount equivalent to a monthly bill for JLEC and two monthly bills for JLEC 5&6.

VI. COAL SUPPLY RISK

VI.1. PURCHASE RISK

For its operating needs, the JLEC Group shall be required to import an average of nearly 5.5 million tons of coal, the main source of electric power generation at the plant. Coal is by nature a limited resource.

However, given the current and future importance of reserves of coal on international markets, the JLEC Group is insured about future supply volume through diversification of its supply geographically, and long term relationships with coal senior suppliers.

VI.2. SUPPLIER RISK

The JLEC Group bear a commercial risk materializing the possibility that one of its suppliers may default.

This risk is limited with respect to (i) its policy of keeping coal to a volume equivalent to approximately 35 days of consumption, (ii) the fact that suppliers are pre-qualified according to strict criteria defined by the Group, and finally (iii) the fact that the Group diversifies its sources of supply.

VI.3. QUALITY RISK

The JLEC Group bear an industrial risk and a risk of productivity related to the quality of coal purchased.

This risk is however limited by the fact that the coal supply contracts allow the Group to reject coal not meeting the specifications therein to hedge against possible damage to its technical facilities.

VII. RISK OF EARLY TERMINATION AND/OR TERMINATION OF THE CONTRACTUAL ARRANGEMENTS

The contract for the supply of electrical energy each of JLEC and concluded JLEC 5&6 provides several cases of default that may result in termination of the contract either by ONEE or by JLEC or JLEC 5&6 (as applicable). In addition, each contract provides the possibility of termination by ONEE or JLEC or JLEC 5&6 (as applicable) upon the occurrence of an event of prolonged force majeure substantially affecting the production of Units 1 to 4 and the construction or production of the units 5 and 6, respectively. These events could result in termination of electricity supply are generally consistent with internationally recognized practices within the framework of PPIS.

The termination of electricity supply concluded by JLEC causes simultaneous termination, vis-à-vis JLEC and other project agreements to which the Company is a party.

The termination of electricity supply concluded by JLEC 5&6 causes simultaneous termination, vis-à-vis JLEC 5&6 and other project contracts which JLEC 5&6 is a party.

In the event of early termination of the contractual arrangement for JLEC or JLEC 5&6, termination compensation calculated in accordance with the contractual arrangement shall be owed by ONEE to JLEC or JLEC 5&6, as appropriate. That compensation is also guaranteed by the Kingdom of Morocco.

VIII. FINANCIAL RISK

The dividend distribution of JLEC 5&6 and JLEC is conditioned upon its compliance with ratios and financial covenants included in credit agreements of both companies. However, this risk is limited due to the strength and stability of the business plan in the short, medium and long term. Added to this, are the good operating performance of industrial facilities and the expertise of human capital of JLEC and JLEC 5&6.

The table below shows the historical and projected levels of financial commitments ratios of JLEC.

	Dec. 10	Dec. 11	Dec. 12	June 13	Dec. 13	Dec. 14	Dec. 15	Dec. 16
Net debt ratio	55.6%	55.2%	51.9%	51.0%	26.3%	48.4%	43.9%	40.2%
<i>Maximum net debt ratio</i>	<i>75.0%</i>	<i>75.0%</i>	<i>75.0%</i>	<i>75.0%</i>	<i>75.0%</i>	<i>65.0%</i>	<i>65.0%</i>	<i>65.0%</i>
Debt Service Coverage Ratio - DSCR	2.9 x	2.9 x	2.5 x	2.4 x	3.1 x	5.6 x	2.6 x	2.8 x
<i>Minimum DSCR</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>	<i>1.2 x</i>

Source: JLEC

For JLEC, the DSCR is calculated as follows:

$$DSCR = \text{Cash available to service the forecast debt} / \text{Service of forecast debt}$$

Where:

$$\text{Cash available to service the forecast debt} = \text{Cash at beginning of financial year} + \text{Gross operating profit} - \text{Real corporation tax} - \text{Change in Working Capital Requirement} - \text{Investment}$$

Over the period from 2017 to 2027, the forecast debt coverage ratios and net debt ratios remain in conformity with the agreements.

In the event that the net debt ratio and debt coverage ratio limits are not complied with, the financing contract provides for reasonable time to correct the default situation. In the event that the default situation persists over and above the time limit for correction, the financing contract makes provision for early repayment.

The figures for the ratios and future financial commitments for JLEC 5&6 are shown in the table below.

	Nov. 14	May 15	Nov. 15	May 16	Nov. 16
Debt Service Coverage Ratio - DSCR	1.69 x	1.54 x	1.46 x	1.43 x	1.41 x
<i>Minimum DSCR*</i>	<i>1.07 x</i>	<i>1.07 x</i>	<i>1.07 x</i>	<i>1.07 x</i>	<i>1.07 x</i>
Loan Life Cover Ratio - LLCR	1.64 x	1.66 x	1.65 x	1.68 x	1.68 x
<i>Minimum LLCR*</i>	<i>1.10 x</i>	<i>1.10 x</i>	<i>1.10 x</i>	<i>1.10 x</i>	<i>1.10 x</i>

Source: JLEC

* Levels constituting instances of default.

For JLEC 5&6, DSCR is calculated as follows:

$$DSCR \text{ for half-year } S = (\text{Operational cash-flow } S + \text{Operational cash flow } S-1) / (\text{Debt service } S + \text{Debt service } S-1)$$

LLCR is calculated as follows:

$$LLCR \text{ on date of calculation} = (\text{Discounted value of forecast operational cash flows from the date of calculation up until the last date of payment of debt principal}) / \text{Net debt}$$

The financing contracts for JLEC 5&6 provide for three levels for the above ratios: (i) a minimum; (ii) a dividend payment halting level (which in that event provides for a period to correct the situation); and (iii), a level constituting an instance of default.

IX. REGULATORY RISK

The activities of JLEC and JLEC 5&6 are governed by regulations referred to in paragraph I of Part III (General Presentation of Jorf Lasfar Energy Company). JLEC and JLEC 5&6 bear a risk related to the amendment of applicable laws after the date of signing the contract related to applicable electric power supply.

This risk is covered under the contract of applicable electrical energy supply which provides generally accepted protections as part of PPIs, including (i) regarding payment of alleged available power in case JLEC or JLEC 5&6 (as applicable) would be forced to stop operation of the applicable units due to the occurrence of a legislative amendment and (ii) with respect to adjustment of the financial conditions to ensure that the situation of JLEC, in terms of cash flow, and as a result of legislative changes, is neither better nor worse than the situation before the applicable legislative amendment.

Furthermore, the Company's future projects will be developed in compliance with any legislative changes related to the private electricity generation sector.

X. COMPETITIVE RISK

In accordance with the contractual documentation, the billing of ONEE is based on a "take or pay" guarantee, which eliminates any competitive risk compared to the business plan referred to in this information note (see Elements of appreciation of the price, Part: Operation Framework).

However, the rise of renewable energy and other energy sources are not likely to be a competitive risk to JLEC Group.

The competitive environment for private electricity generation in Morocco depends on the evolution of the regulatory framework, strategic choices of the Government of Morocco, calls for tender launched by ONEE, and the funding opportunities for these projects.

XI. EXCEPTIONAL FACTORS AND LITIGATION

XI.1. EXCEPTIONAL EVENTS

At the time of writing this information note there are no exceptional events likely to affect significantly the results, financial condition or business of the Company.

XI.2. LITIGATION

There is no litigation or contentious cases that may have or have had in the recent past a significant impact on the financial position, earnings, business or assets of the Company.

WARNING

The aforementioned information are only part of the prospectus approved by the *Conseil Déontologique des Valeurs Mobilières* (CDVM) under reference N°VI/EM/033/2013 on December 2nd, 2013. The CDVM recommends reading the entire prospectus that is available to the public in French.