



LES EAUX MINÉRALES D'OULMES S.A.

PROSPECTUS SUMMARY

COMMERCIAL PAPER ISSUANCE PROGRAM ANNUAL AND OCCASIONAL UPDATE RELATING TO FINANCIAL YEAR 2016

**New Issuance Program Ceiling: 300 000 000 MAD
Former Issuance Program Ceiling: 200 000 000 MAD
Nominal Value: 100 000 MAD**

**RESERVED FOR INVESTORS LISTED IN THE INFORMATION PACK
(TERMS OF SUBSCRIPTION SECTION)**

FINANCIAL ADVISOR AND GLOBAL COORDINATOR/ INVESTMENT MANAGEMENT AGENCY



VISA of the Moroccan Capital Market Authority

In accordance with article 18 of Dahir No. 1-95-3 of 24 Sha'ban, 1415 (January 26, 1995) promulgating Law No. 35-94 relating to certain negotiable debt securities as amended and supplemented, The original copy of the present prospectus has been submitted for assessment by the Autorité Marocaine du Marché des Capitaux, which approved it under its reference number VI/EM/025/2017 on 14/ 09/ 2017.

DISCLAIMER

The AMMC approved on 14/09/2017, a prospectus for the annual and occasional update of the commercial paper issuance programme of Les Eaux Minérales d'Oulmès.

The Prospectus Summary approved by the AMMC is available at any time at the headquarters of Les Eaux Minérales d'Oulmès and its financial advisor BMCI. It will also be available at the collection of orders bodies.

The prospectus is also available on the website of the AMMC <http://www.ammc.ma>.

SECTION I : OVERVIEW OF THE OPERATION

I. OPERATION FRAMEWORK

Pursuant to article 15 of Law No. 35-94 promulgated by Dahir No. 1-95-3 of 24, Sha'ban 1415 (January 26, 1995) and the decree of the Minister of Finance and Foreign Investments No. 2560-95 of October 9, 1995 relating to Negotiable Debt Securities ("TCN"), the company "Les Eaux Minéraux d'Oulmès" is publicly issuing commercial paper bearing interest representing a debt obligation for a term less than or equal to one year.

The first issuance program, with a ceiling of 100,000,000 Dirhams, was authorized by the Board of Directors on 25 July 2013, which gave full powers to the Chairman of the Board of Directors to determine the characteristics of each issuance of commercial paper on such terms as it deems appropriate and, in general, to do all that is necessary for the successful realization of the issue so authorized.

As of March 19, 2014; the board of directors of the "Les Eaux Minéraux d'Oulmès" company has decided to authorize the increase of the ceiling of the above issue from 100 million Dirhams to 200 million Dirhams. For this purpose, the Board of Directors gives full powers to the Chairman and Chief Executive Officer, Mr. Mohamed Hassan BENSALAH, in order to increase, in accordance with the provisions of Law No 35-94 and in particular Article 17, to the increase of the Commercial Paper issuance ceiling, as well as for the update of the summary prospectus and in general to do all that is necessary for the successful implementation of the increase of the ceiling thus authorized.

In order to meet the additional working capital requirements generated by the growth of the company's business and to optimize its financing resources, the Board of Directors of the "Les Eaux Minéraux d'Oulmès" company decided on 23 May 2017, to authorize the increase of the ceiling of the issue from 200 million Dirhams to 300 million Dirhams. To this effect, the Board of Directors gives full powers to the Chairman and Chief Executive Officer, Mr. Mohamed Hassan BENSALAH, with a view to proceed in accordance with the legal provisions to increase the ceiling for the issue of Commercial Paper and to update the summary prospectus and in general to do all that is necessary for the successful implementation of the increase of the ceiling thus authorized.

Pursuant to Article 17 of the aforementioned law, and as long as the commercial papers are outstanding, the Summary prospectus will be updated annually within 45 days after the holding of the Ordinary General Meeting of Shareholders approving the accounts for the last fiscal year. However, occasional updates may be made in the event of a change in the ceiling of outstanding securities issued or any new event likely to affect the price performance of the securities or the successful completion of the program.

II. OBJECTIVES OF THE ISSUE

The main purpose of this Commercial Paper issuance, subject of this summary prospectus, is to:

- To optimize short-term financing costs;
- To meet the additional working capital requirements generated by the Company's business;
- To meet its one-time cash requirements resulting from fluctuations in working capital requirements during the year (driven by fluctuations in the payment terms of the Company's various counterparties in high season);
- To diversify sources of financing for better negotiation with financial partners;
- To consolidate its image among institutional investors through increased exposure to the capital market.

III. INFORMATION ON SECURITIES TO BE ISSUED

Type of securities	Negotiable Debt Securities dematerialized by registration with the Central Depository (Marocclear) and registered with the authorized affiliates.
Legal form of securities	Bearer Paper.
Former Issuance Program Ceiling	MAD 200 000 000
New Issuance Program Ceiling	MAD 300 000 000
Outstanding on 30/06/2017	MAD 200 000 000
Nominal Value	MAD 100 000
Maturity	From 10 days to 12 months. To be set with each issuance.
Entitlement date	On the payment date.
Interest rate	Determined for each issuance depending on market conditions.
Interest	Accrued
Coupon Payment	Ultimately, at maturity of each Note.
Principal repayment	Ultimately, at maturity of each Note.
Assimilation clause	The commercial paper issued is not assimilated to securities of a previous issuance.
Securities negociability	No restrictions are imposed by the terms of the issue on the negotiability of commercial paper issued. Securities are negotiable over-the-counter.
Guarantee	The issuance is not guaranteed.
Rank	The Treasury Notes issued by Les Eaux Minérales d'Oulmès constitute direct, general, unconditional and unsubordinated commitments by the Issuer that rank equally with each other and all other current and future debts of the Issuer, Unsecured and non-privileged under the law, for a fixed term.

IV. UNDERWRITER SYNDICATE - FINANCIAL INTERMEDIARIES

Type of financial intermediary	Name	Address
Financial Adviser & Global Coordinator	BMCI	26, Place des Nations Unies, 20 000 - Casablanca.
Body responsible for underwriting	BMCI	26, Place des Nations Unies, 20 000 - Casablanca.
Domiciliation agent, providing the Issuer's financial service	BMCI	26, Place des Nations Unies, 20 000 - Casablanca.

SECTION II : GENERAL OVERVIEW OF "LES EAUX MINÉRALES D'OULMÈS"

I. GENERAL INFORMATION

Company name	Les Eaux Minérales d'Oulmès
Registered Headquarters	Zone Industrielle de Bouskoura, 20180 Casablanca - Maroc
Telephone	(212) 5 22 33 47 42
Fax	(212) 5 22 33 47 52 / 33 49 07
Website	www.oulmes.ma
Legal Form	Public Limited Company of Moroccan law with Board of Directors
Date of creation	March 7, 1934 under the name "Société des Eaux Minérales d'Oulmès"
Lifespan	99 years
Trade Register	RC N° 2215 - Casablanca
Fiscal Year	From January 1 to December 31
Company Purpose (extract from article 3 of the statutes)	"The Company's purpose is: <ul style="list-style-type: none">- The sourcing and exploitation, import, export, industry and trade in all its forms of all mineral waters and all waters known as Moroccan or foreign "source waters", as well as all derived products , natural gas, etc.;- The production, purchase and sale of soft drinks, table waters, beers, lemonades, sodas and derivatives;- The acquisition, creation, rental, direct or indirect exploitation of all workshops, factories or warehouses for the above purposes ;- The manufacture, purchase, sale, import, export, rental of any material relating to its industry or trade;- The creation, acquisition and operation of all establishments, spas, hotels, casinos, theaters, bars, refreshment counters etc., playgrounds or sports grounds, which may be directly or indirectly useful for the development of the company, and to the sale or exploitation of mineral waters;- All real estate transactions, including the purchase, subdivision, sale, exchange of any structure, whether built or undeveloped, the erection of any buildings, the execution of any work or installations on behalf of the company;- Direct or indirect operation of such buildings, the lease of all buildings;- Obtaining from the relevant administrations all concessions, authorizations to exploit springs etc;- The taking, purchase, sale, operation of any patents, licenses, trademarks or processes relating to its industry or trade;- And more generally, all commercial, industrial, financial, movable and immovable transactions directly or indirectly related to the corporate purpose and all similar or related purposes;- The participation of the company by any means in any transactions, companies or businesses that may relate directly or indirectly to the company's purpose, in particular by creating new companies, contributions, sponsorship, subscription or purchase of securities or commercial rights, mergers, alliance, joint venture or otherwise. "- The transport and distribution throughout the national territory of all kinds of goods, for its own account as well as for third parties ;- The acquisition and / or rental of all new and used vehicles for the purpose of its transport and distribution activities.
Share capital (as of December 31, 2016)	198,000,000 DH, consisting of 1,980,000 shares with a nominal value of DH 100 each.
Legal Documents	The Company accounting and legal documents that must be made public under the law and also pursuant to the Company's articles of association may be consulted at the Company's registered office. .
Legislation applicable to the issuer	Due to its legal form, Les Eaux Minérales d'Oulmès is governed by Law n ° 17-95 promulgated by Dahir n ° 1-96-124 of August 30, 1996 relating to public limited companies as amended and supplemented by Law n ° 20-05 and 78-12.

By virtue of its activity, the company is subject to the provisions of Law No. 10-95 on water as supplemented and amended by Law No. 19-98 promulgated by Dahir No. 1-99-174 of 16 Rabii I 1420 (June, 30 1999).

By virtue of its listing on the Stock Exchange of Casablanca, it is subject to all legal and regulatory provisions relating to financial markets and in particular:

- Dahir bearing Law No. 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 54-06;

- General regulations of the Casablanca Stock Exchange approved by the Minister of Economy and Finance's decree n ° 1268-08 of 7 July 2008 amended and supplemented by the decree of the Minister of the Economy and Finances n ° 30-14 of 06 January 2014;

- Dahir bearing Act No. 1-93-212 of 21 September 1993, as amended and supplemented by Laws Nos. 23-01, 36-05 and 44-06;

- Dahir n ° 1-96-246 of January 9, 1997 promulgating law n ° 35-96 relative to the creation of a central depository and the institution of a general regime of the inscription in the account of certain Values (amended and supplemented by Law No. 43-02);

- General regulations of the central depository approved by the Decree of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of 30 October 2001 ;

- Dahir n ° 1-04-21 of April 21, 2004 promulgating Law n ° 26-03 relating to public offers on the Moroccan stock market as amended by Law n ° 46-06;

- Circular of the AMMC;

- General regulations of the AMMC approved by the decree of the Minister of Economy and Finance n ° 2169-16 of 9 Shoual, 1437.

Through its commercial paper program, Les Eaux Minérales d'Oulmès is subject to the provisions of Law 35-94 relating to certain negotiable debt securities.

Tax system

The Company is subject to a number of taxes:

- VAT at the rate of 20% (collection system since 2008);

- Corporate tax at the rate of 31%;

- Domestic consumption tax on shares:

- 8 DH per hectoliter for water

- 30 DH per hectoliter for flavored waters containing less than 10% Juice

- 10 DH per hectoliter for flavored water containing sugar and more than 10% juice.

- Communal tax in respect of the shares fixed at the maximum rate of 10 centimes for each liter or fraction of a liter of mineral and table waters to be delivered for consumption in the form of bottles;

- Fiscal marker at the rate of 1 MAD cent per bottle of water.

Export sales are exempt from VAT, TIC and refund of subsidy on sugar and subject to a reduced rate of 17.7%

The refund of the subsidy on sugar: 1dh per kg of sugar consumed.

Court of competent jurisdiction in case of dispute

Casablanca Commercial Court.

II. INFORMATION ABOUT THE ISSUER'S CAPITAL

The share capital of Les Eaux Minérales d'Oulmès at the end of December 2016 amounted to 198,000,000 DH. It is fully paid-up and consists of 1,980,000 shares with a nominal value of 100DH, all of the same category.

1. Shareholder structure:

Over the period 2013-2016, the shareholding structure of Les Eaux Minérales d'Oulmès remained identical and was as follows:

Shareholders	Dec-14	Part 14*	Dec-15	Part 15*	Dec-16	Part 16*	Jun 17*	Part jun'17
HOLMARCOM	478 451	24.16%	478 451	24.16%	478 451	24,16%	478 451	24,16%
OMI	421 959	21.31%	421 959	21.31%	421 959	21,31%	421 959	21,31%
ATLANTA	379 082	19.15%	379 082	19.15%	379 082	19,15%	379 082	19,15%
SOCHEPAR	222 087	11.22%	222 087	11.22%	222 087	11,22%	222 087	11,22%
SANAD	198 000	10.00%	198 000	10.00%	198 000	10,00%	198 000	10,00%
BENSALAH and Children Estate	85 258	4.31%	85 258	4.31%	85 258	4,31%	85 258	4,31%
Various public	195 163	9.86%	195 163	9.86%	195 163	9,85%	195 163	9,85%
TOTAL	1 980 000	100.00%	1 980 000	100.00%	1 980 000	100,00%	1 980 000	100,00%

* Each share held confers on its owner a simple voting right

Source : Les Eaux Minérale d'Oulmès

III. ADMINISTRATIVE BODIES

Pursuant to Article 16 of the Articles of Association of Les Eaux Minérales d'Oulmès, the Board of Directors is composed of at least 3 members and no more than 15 members, chosen from among the shareholders and appointed by the General Meeting.

Administrators are appointed or renewed by the ordinary general meeting of shareholders. The term of office of the directors appointed during the life of the company is 6 years maximum.

An Administrator 's duties end with the meeting of the Ordinary GM; a meeting that is held the following year and which approves the accounts for the last fiscal year of Administrator's mandate.

Administrators may be reappointed and may be removed at any time by the AGO even if the matter is not included in the agenda.

As of May 31, 2017, the Board of Directors of Les Eaux Minérales d'Oulmès is composed as follows:

Name	Capacity	Date of last appointment	Expiry of term of office	Relationship
Mr. Mohamed Hassan BENSALAH	Chairman and Chief Executive Officer, shareholder	AGM of 09/05/2017	AGM approving the financial statements of 2022	Himself
Mrs. Latifa BENSALAH born EL MOUTARAJJI	Administrator, shareholder	AGM of 27/05/2014	AGM approving the financial statements of 2019	Mother
Mrs. Miriem BENSALAH CHAQROUN	Administrator Chief Operating Officer Shareholder and employee	AGM of 05/05/2016	AGM approving the financial statements of 2021	Sister
Mr. Moulay Amine EI	Independent administrator	AGM of 05/05/2016	AGM approving the	-

ALAOUI			financial statements of 2021	
Mr. Mustapha FARIS	Independent administrator	AGM of 27/05/2013	A AGM approving the financial statements of /2018	-
Mr. Abdeltif TAHIRI	Independent administrator	AGM of 05/05/2016	AGM approving the financial statements of 2021	-
HOLMARCOM, represented by Mr. Mohamed Hassan BENSALAH -CEO	Administrator, shareholder	AGM of 24/05/2012	AGM approving the financial statements of 2017	-
SANAD, represented by Mr. Abdelilah LAAMARTI (COO)*	Administrator, shareholder	AGM of 24/05/2012	AGM approving the financial statements of 2017	Mr Mohamed Hassan Bensaleh is himself CEO of SANAD
ATLANTA, represented by Mr. Jalal Benchekroun (COO)*	Administrator, shareholder	AGM of 24/05/2012	AGM approving the financial statements of 2017	Mr Mohamed Hassan Bensaleh is himself CEO of ATLANTA
OMI, represented by Mr. Karim CHIOUAR (Group COO)*	Administrator, shareholder	AGM of 24/05/2012	A AGM approving the financial statements of 2017	Mr Mohamed Hassan Bensaleh is himself CEO of OMI

Source : Les Eaux Minérales d'Oulmès
* DGD: Chief Operating Officer

In accordance with the legal provisions and the article of the articles of association of Les Eaux Minérales d'Oulmès, the board of directors held on May 15, 2017, has maintained its option to combine the functions of Chairman of the Board of Directors and Chairman and Chief Executive Officer of Mr. Mohamad Hassan Bensalah.

For the validity of the deliberations, the effective attendance of at least half of the Administrators is required. Subject to this reservation, an administrator may be represented by another administrator with special written power.

Decisions are taken by a majority of the votes of the members present or represented, each present Administrator being allowed to hold only one power. In the event of a tie, the vote of the Chairman of the meeting shall prevail.

IV. MANAGEMENT BODIES

1. The Leaders

As of May 31, 2017, the principal managers of Les Eaux Minérales d'Oulmès are:

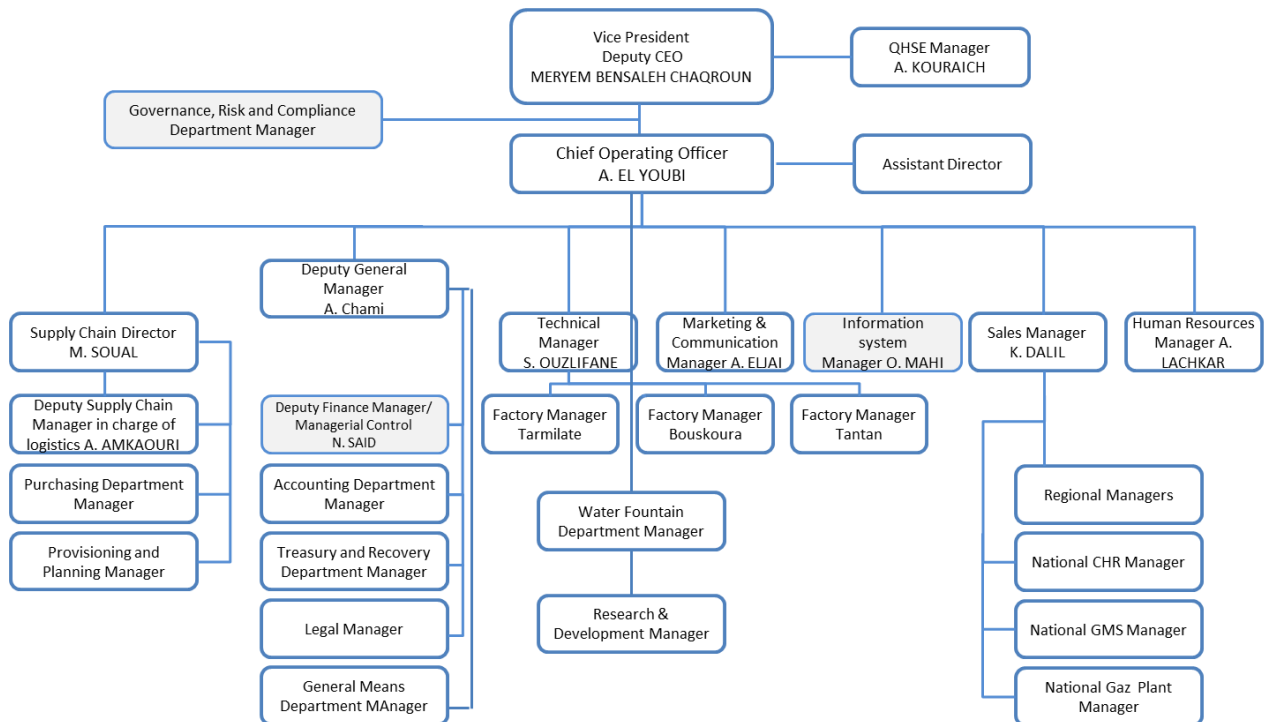
Name	Date of entry into position	Current position
Mr. Mohamed Hassan Bensalah	1993	Chief Executive Officer
Mrs. Miriem Bensalah Chaqroun	November 1989	Vice President Deputy CEO
Mr. Abdelkhalek El Youbi	1995	Chief Operating Officer
Mr. Ali Chami	January 2007	Deputy General Manager

Mr. Boubker Guerch	1971	Advisor to the General Management
Mr. Mohamed Soual	2000	Director, Supply Chain
Mr. Kamal Dalil	April 2002	Director, Sales
Mrs. Asmaa Eljay	May 2007	Director, Marketing
Mr. Oukacha Mahi	July 2001	Director, Systems and Information
Mr. Alami Lachkar	November 2009	Director, Human Resources
Mr. Said Ouzlifane	February 2002	Technical Director,
Ms. Aicha Kouraich	November 2009	QHSE Director

Source : Les Eaux Minérales d'Oulmès

The Chairman and Chief Executive Officer also manages other mandates within the Group since he is Chairman and Chief Executive Officer of virtually all of the Group's companies, with the exception of Air Arabia Maroc where he is Chairman of the Board of Directors And Radio Plus where he is a director.

2. Organization Chart for Les Eaux Minérales d'Oulmès



Source : Les Eaux Minérales d'Oulmès 31/12/2016

SECTION III : ACTIVITY OF LES EAUX MINERALES D'OULMES

I. ACTIVITY OF LES EAUX MINÉRALES D'OULMÈS

1. The strategic activities of the company

The commercial activity of "Les Eaux Minérales d'Oulmès" covers:

- The collection, exploitation and marketing of natural mineral water, natural mineral water, carbonated and all derived products such as Carbon Dioxide, etc.;
- Production and marketing of purified still water;
- Production of preforms serving the needs of Oulmès.

It should be noted that until 31 December 2010 the company manufactured and marketed sodas, and that from 2017 it will start production and marketing of Orangina products in Morocco.

1.1 The strategic reversal in 2010 (divestment of the Soda business):

In 2010, nearly 7 years after signing the franchise agreement with Pepsico for the bottling and distribution of soft drinks from Pepsi, Mirinda and 7up, "Les Eaux Minérales d'Oulmès" decided to sell its assets related to this activity to refocus on its core business, namely water.

Strategic thinking began in 2008. Indeed, at that time, national and international political discourse began to emphasize the negative effects of soda on public health. As such, Les Mineral Waters of Oulmes could not logically develop two parallel activities, one based on the therapeutic virtues of water and the other on sodas with the harmful effects that the nutritionists ascribe to it.

Moreover, in terms of profitability, the success of an activity and its profitability can only be achieved if significant volumes are achieved with the correct gross margins. These volumes could only be achieved by investing significant funds in marketing, of course, but also in production tools. However, it became difficult to make these investments profitable in an increasingly competitive market taxed by the authorities (increase of ICT, implementation of tax marking, etc.). It should be recalled that from 2009, several countries, including Morocco, introduced new taxes that slowed down or slowed sales of soft drinks. This is essentially the increase of the municipal tax of 50% (which has risen from 20 to 30 dhs / HI), and the fiscal marking which was established at 3 cents per bottle soda produced.

Finally, the global economic crisis of 2008 put the Pepsico Group's marketing budget under pressure, thereby reducing the multinational's investments in Moroccan territory.

On the basis of this diagnosis, Les Eaux Minérales d'Oulmès decided to refocus on its historical business activities, which:

- show growth with more comfortable margins,
- benefit from a strong brand image
- and which, moreover, belong to the company.

1.2 Partnership with SuntoryBeverage&Foods (SBF)

As of March 7, 2016, the LEMO company entered into a partnership agreement with the division of SuntoryBeverage & Foods in charge of the EMEA region in order to invest together to ensure the development of the SBF brand portfolio in Morocco.

This collaboration between SBF and LEMO is carried out:

- The establishment of a joint venture which will hold the licenses to operate the trademarks of the SBF portfolio and which will act as a commercial operator for Moroccan territory. This joint venture will be responsible for the marketing strategy and the distribution of the products concerned;
- Through the creation of a new entity, wholly-owned by LEMO, which will be the exclusive industrial partner of the new commercial operator.

1.3 Product lines

a. Natural Mineral Waters Segment

Les Eaux Minérales d'Oulmès operates two concessions with a radius of 30 km around the geodesic point of Oulmès. In order to protect the water sources from all forms of pollution, the company has erected a protection perimeter in accordance with the provisions of Law 10-95.

- Main provisions of the first concession to exploit sources Sidi Ali Chérif and Lalla Haya:

=> Date of first acquisition: 1934

=> Renewal date: December 1, 2010 for a period of 25 years.

There are two sources on this territory operated by EMO: Sidi Ali Chérif and Lalla Haya.

- Main provisions of the second operating concession for the source of Hammou Aguemguem:

=> Date of acquisition: January 10, 2009 for a period of 30 years.

	Sidi Ali Chérif Spring	Lalla Haya Spring	HammouAguemguem ¹ Spring
Location	Located in the province of Khémisset, these natural mineral springs are located in the heart of the volcanic massif Zaïan [1] at 1,100 m altitude west of the Middle Atlas. This spring is located in the bed of Oued TalatNarset, a small tributary of the right bank of the wadi Aguenour, about 3 Km from Tarmilate.	The source is on the banks of the Oued Aguenour, 552 m above sea level, at the foot of Tarmilate tray and the massif of Zguit.	This spring springs from the basalt of the mountains of the Middle Atlas at 4Km from Oulmès and is at 25Km from the bottling plant in Tarmilate on the road to Khénifra,
Marketing Date	1978	1934	2009
Type of product	Still mineral water	Sparkling mineral water	Still mineral water
Product Brand	Sidi Ali	Oulmès	Ain Atlas
Product Description	A natural mineral water of underground origin that emerges on the surface at a temperature of 19 ° C. As it moves towards the surface, it takes on minerals and trace elements.	A naturally sparkling mineral water (8 g / l CO ₂) which emerges in the granite through cracks at a temperature of 42.6 ° C.	A natural mineral water that forms under the earth's crust, It is pure water free from any surface pollution, It is particularly rich in trace elements of all kinds,
Packaging / Format	Pack of : - 12 33cl bottles in PET - 12 50clbottles in PET - 6 150cl bottles in PET - 6 75cl bottles in PET (sport opening) 1L and 75cl and 50cl Glass Bottles Flavored Sidi Ali : - 12 33cl bottles in PET	<u>Oulmès classic</u> Pack of : - 12 50cl bottles in PET - 12 33cl bottles in PET - 6 100cl bottles in PET Plastic Case of: - 30 20cl bottles in returnable glass - 30 25cl in returnable glass - 12 90cl bottles in returnable glass - 12 100cl bottles in returnable glass pack of : - 6 25cl cans - 12 25cl cans	Pack of : - 12 50cl bottles in PET - 12 33clbottles in PET (launched in 2013) - 6 150cl bottles in PET - 2 5L bottles in PET

¹Become natural mineral water since mid-2012. As a reminder, to be natural spring water, the company must prove the stability of the physicochemical components of its water for a certain duration (generally 4 seasons, ie 1 year). Subsequently, once on the market and if the company wants to label its water as an NMW, it must provide a study that proves the therapeutic interest of its spring water. Generally, it is addressed to a panel of multidisciplinary academic researchers including several doctors to carry out this study. The report is then attached to an application for approval submitted to the Thermalism Board, which reports to the Ministry of Health and which has status on the application. The registration process is lengthy and the duration of 2 years is an empirical period observed in the field.

[1] The ZAÏAN massif is an essentially eruptive mass, with very ancient volcanism, dating from the end of the Primary Era, and more recent volcanism, at the end of the Tertiary.

Oulmès light :

- 12 50cl bottles in PET
- 6 100cl bottles in PET

Source : Les Eaux Minérales d'Oulmès

b. Table Water Segment

Since 2001, Les Eaux Minérales d'Oulmès has also positioned itself on the table water market with the launch of the Bahia brand. This product is bottled on the sites of Casablanca and Tan Tan. It should be noted that the installation of a new production site at TAN TAN for the bottling of Bahia table water took place at the end of 2010.

The Casablanca site uses Lydec water.

The Tan Tan site uses ONEE water and has a concession to operate a non-drinkable water well:

=> Date of license : September 24, 2012 for a period of 30 years

Purified water that has undergone reverse osmosis demineralization as well as deodorization and disinfection.

Bahia table water is produced and packaged at the Bouskoura III site in:

- 18.9L PET bottle.
- Pack of 6 bottles of 150cl;
- Pack of 2 cans of 5L PET ;

In addition, Bahia water is packed on the Tan Tan site in :

- Pack of 6 bottles of 1.75L PET ;
- Pack of 12 bottles of 0.6L PET ;
- Pack of 2 cans of 5L PET.

c. Production process

The production line is fully automated so as to minimize human intervention. Apart from the manipulation and control of the various machines or the control of products, the human factor does not intervene at any stage of the production process.

2. Commercial and geographical positioning of les Eaux Minérales d'Oulmès

Breakdown of gross sales before reductions, discounts and rebates by Volume (KI) and value by product type (in KDH):

Activity/Brand	2014		2015		2016		Var 14-15		Var 15-16		CAGR 14-16	
	Vol	TO	Vol	TO	Vol	TO	Vol	TO	Vol	TO	Vol	TO
NMW	413 633	1 033 586	450 402	1 141 957	496 018	1 286 224	8,89%	10,48%	10,13%	12,63%	9,51%	11,55%
Part	70,70%	76,00%	70,77%	76,30%	71,51%	76,98%	0,07pts	0,30pts	0,74pts	0,68pts	NA	NA
SMW	39 581	165 820	43 220	180 847	45 909	194 321	9,19%	9,06%	6,22%	7,45%	7,70%	8,25%
Part	6,77%	12,19%	6,79%	12,08%	6,62%	11,63%	0,02pts	-0,11pts	-0,17pts	-0,45pts	NA	NA
TW	131 846	160 643	142 814	173 814	151 722	190 209	8,32%	8,20%	6,24%	9,43%	7,27%	8,81%
Part	22,54%	11,81%	22,44%	11,61%	21,87%	11,38%	-0,10pts	-0,20pts	-0,57pts	-0,23pts	NA	NA
Overall Total	585 060	1 360 049	636 436	1 496 618	693 649	1 670 754	8,78%	10,04%	8,99%	11,64%	8,89%	10,84%

Source : Les Eaux Minérales d'Oulmès

**SECTION IV. FINANCIAL SITUATION OF "LES EAUX MINERALES D'OULMES" –
ANNUAL FINANCIAL STATEMENTS**

INTRODUCTION :

1. Overview of the Income and expense account of "Les Eaux Minérales d'Oulmès":

The table below details the evolution of profit & loss statement of Les Eaux Minérales d'Oulmès over the period 2014-2016.

In KDH	2014	2015	2016	Var 14-15	Var 15-16	TCAM
Operating revenues						
Sale of goods (as is)	20	0	176	-100,0%	> 100%	> 100%
Sale of goods and services	1 350 340	1 485 061	1 654 914	10,0%	11,4%	10,7%
Turnover	1 350 361	1 485 061	1 655 090	10,0%	11,4%	10,7%
Change in inventories of products (+ or -)	1 981	365	-410	-81,6%	-212,5%	-
Property produced by the company for itself	17 972	0	0	-100,0%	-	-100,0%
Operating reversals: expense transfers	11 986	1 149	186	-90,4%	-83,8%	-87,5%
Total	1 382 300	1 486 574	1 654 866	7,5%	11,3%	9,4%
Operating expenses						
Retail Purchases of Goods	86	26	13	-69,8%	-49,2%	-60,8%
consumed purchases of materials and supplies	429 068	459 841	480 039	7,2%	4,4%	5,8%
Other external charges	369 908	374 519	421 012	1,2%	12,4%	6,7%
Taxes and duties	121 155	132 099	147 413	9,0%	11,6%	10,3%
Personnel expenses	146 086	161 823	177 529	10,8%	9,7%	10,2%
Other operating expenses	1 375	1 375	1 375	0,0%	0,0%	0,0%
Operating costs	122 965	136 956	156 593	11,4%	14,3%	12,8%
Total	1 190 644	1 266 638	1 383 973	6,4%	9,3%	7,8%
Operating income	191 655	219 936	270 892	14,8%	23,2%	18,9%
Financial products						
Exchange gains	493	2930	1 453	494,3%	-50,4%	71,7%
Interest and other financial income	326	237	630	-27,3%	165,9%	39,0%
Financial reversals: expense transfers	75	97	207	29,3%	113,7%	66,2%
Total	894	3 263	2 290	265,0%	-29,8%	60,1%
Financial expenses						
Interest expense	19 921	18 338	19 517	-7,9%	6,4%	-1,0%
Exchange losses	2018	4 235	695	109,9%	-83,6%	-41,3%
Financial allocations	97	207	130	113,4%	-37,4%	15,6%
Total	22 035	22 780	20 342	3,4%	-10,7%	-3,9%
Financial result	-21 141	-19 517	-18 052	-7,7%	-7,5%	-7,6%
Current income	170 514	200 419	252 841	17,5%	26,2%	21,8%
Non-current products						
Proceeds from disposal of fixed assets	1 183	607	497	-48,7%	-18,2%	-35,2%
Other non-current income	7 190	6 439	5 918	-10,4%	-8,1%	-9,3%
Non-current reversals: expense transfers	8 000	-	-	-	-	-100,0%
Total	16 372	7 046	6 415	-57,0%	-9,0%	-37,4%
Non-recurring expenses						
Net depreciation of fixed assets	70	158	175	125,7%	10,7%	58,0%
Other non-recurring expenses	33 107	6 004	2 562	-81,9%	-57,3%	-72,2%
Non-current depreciation, amortization and provisions	0	0	4 000	> 100%	-	-
Total	33 176	6 162	6 737	-81,4%	9,3%	-54,9%
Non-current income	-16 804	884	-322	-105,3%	-136,5%	-86,2%
Profit before tax	153 710	201 303	252 519	31,0%	25,4%	28,2%
Income taxes	48 677	65 452	84 297	34,5%	28,8%	31,6%
Net profit	105 033	135 851	168 222	29,3%	23,83%	26,6%

Source: Les Eaux Minérales d'Oulmès

2. Balance sheet Overview for "Les Eaux Minérales d'Oulmès":

The following table shows the historical balance sheet data of Les Eaux Minérales d'Oulmès for the years ending December 31, 2014, 2015 and 2016.

In KDH	2014	2015	2016	Var 14-15	Var 15-16	TCAM
Non-current assets	12 234	7 681	5 105	-37,22%	-33,54%	- 35,40%
Intangible assets	7 569	7 996	8 271	5,64%	3,44%	4,54%
Property, plant and equipment	778 097	850 774	933 305	9,34%	9,70%	9,52%
Financial fixed assets	2 054	25 079	76 059	1120,98 %	203,28%	>100%
Fixed assets	799 954	891 530	1 022 741	11,45%	14,72%	13,07%
Stocks	103 846	165 947	110 570	59,80%	-33,37%	3,19%
Receivables from current assets	361 456	390 090	424 238	7,92%	8,75%	8,34%
Marketable securities	58	58	58	-	-	-
Exchange differences	97	207	130	>100%	-37,35%	15,63%
Current assets	465 457	556 303	534 996	19,52%	-3,83%	7,21%
Cash assets	39 928	47 849	56 749	19,84%	18,60%	19,22%
Total assets	1 305 339	1 495 682	1 614 486	14,58%	7,94%	11,21%
Shareholders' equity	552 910	589 761	639 183	6,66%	8,38%	7,52%
Financial debts	240 101	300 000	240 000	24,95%	-20,00%	-0,02%
Permanent funding	793 011	889 761	879 183	12,20%	-1,19%	5,29%
Current liabilities	339 069	381 954	458 506	12,65%	20,04%	16,29%
Other provisions for contingencies and charges	97	207	4 130	>100%	>100%	>100%
Exchange differences	176	260	510	47,73%	96,04%	70,18%
Current liabilities	339 341	382 422	463 145	12,70%	21,11%	16,83%
Treasury Liabilities	172 986	223 499	272 157	29,20%	21,77%	25,43%
Total liabilities	1 305 339	1 495 682	1 614 486	14,58%	7,94%	11,21%

Source: Les Eaux Minérales d'Oulmès

**SECTION V. FINANCIAL SITUATION OF LES EAUX MINERALES D'OULMÈS GROUP -
CONSOLIDATED ANNUAL ACCOUNTS**

Note : 2015 is the first year in which the accounts of "Les Eaux Minérales d'Oulmès" have been consolidated.

I. SCOPE OF CONSOLIDATION:

1. Accounting standards and methods

The consolidated financial statements of Les Eaux Minérales d'Oulmès were drawn up in accordance with Opinion No. 5 of the French National Accounting Board (CNC) of May 26, 2005 and in accordance with the provisions of Appendix III.2.A. Of the AMMC Circular which sets out the content of proforma information.

➤ Scope of consolidation at the end of December 2016

The scope of consolidation includes the parent company Les Eaux Minérales d'Oulmès and its subsidiaries:

Entity	Activity	Consolidation method	% controlled	% interest
Eau Technologie Environnement « ETE »	Water collection, operation, industry and trade of all kinds of beverages	Global integration	55%	55%
Oulmès Drinks Development « ODD »	Extract, manufacture, import and export, bottle, promote and distribute all types of beverages	Global integration	100%	100%
Orangina Maroc	Promotion and distribution of all types of beverages belonging to the Suntory Food and Beverage Group	Equity method	34%	34%

Source : les Eaux Minérales d'Oulmès

- **Eau Technologie Environnement (ETE)**

A company governed by Benin law, is owned by Les Eaux Minérales d'Oulmès within the framework of the implementation of its development strategy in Africa and more particularly Sub-Saharan Africa.

- **Oulmès Drinks Development « ODD »**

Company created in April 2016 and wholly owned by Les Eaux Minérales d'Oulmès, with 30MDH of capital. The company's activity is the manufacture and distribution of all types of beverages. It should be the exclusive supplier of Orangina in Morocco.

- **Orangina Maroc**

Owned by Les Eaux Minérales d'Oulmès, with a 34% stake since April 2016. Its main objective is to trade, promote and distribute all types of beverages belonging to the Suntory Food and Beverage Group.

II. CONSOLIDATED PROFIT & LOSS STATEMENT:

The following table shows the historical data of the consolidated income statement of “Les Eaux Minéraux d'Oulmès” Group for the financial years 2014 (proforma), 2015 and 2016:

In KDH	2014	2014 (P)	2015	2016	Var 14(P)/15	Var 15/16	TCAM
Operating revenues	1 382 300	1 406 437	1 517 306	1 687 853	7,88%	11,24%	9,55%
Turnover	1 350 361	1 374 163	1 515 584	1 686 394	10,29%	11,27%	10,78%
Other operating income	31 939	32 274	1 721	1 459	-94,67%	-15,25%	-78,74%
Operating expenses	1 172 460	1 190 743	1 275 879	1 403 558	7,15%	10,01%	8,57%
Consumed purchases	429 155	438 440	471 903	490 135	7,63%	3,86%	5,73%
External charges	363 450	366 831	373 537	418 873	1,83%	12,14%	6,86%
Taxes and duties	121 155	121 434	132 410	147 736	9,04%	11,58%	10,30%
Personnel expenses	146 086	149 443	166 588	184 697	11,47%	10,87%	11,17%
Other operating expenses	1 375	2 167	1 789	2 844	-17,45%	59,04%	14,58%
Operating allowances	111 238	112 427	129 652	159 272	15,32%	22,85%	19,02%
Operating income (I-II)	209 840	215 695	241 426	284 295	11,93%	17,76%	14,81%
Financial expenses and revenue	-22 408	-23 669	-22 369	-20 079	-5,49%	-10,24%	-7,90%
Income from consolidated companies	187 432	192 026	219 057	264 216	14,08%	20,61%	17,30%
Non-current expenses and income	-16 804	-16 643	841	- 1 099	-105,05%	-230,64%	-74,31%
Income taxes	48 677	49 853	66 571	86 354	33,54%	29,72%	31,61%
Deferred income taxes	4 927	4 956	5 492	1 429	10,81%	-73,98%	-46,30%
Net income of consolidated companies	117 023	120 574	147 836	175 334	22,61%	18,60%	20,59%
Share of results of equity affiliates	0	0	0	- 679			-
Amortization of goodwill	0	1 700	1 700	1 700	0,00%	0,00%	0,00%
Consolidated net income	117 023	118 873	146 135	172 955	22,93%	18,35%	20,62%
Minority interests	0	1 598	1 366	2 336	-14,47%	70,99%	20,94%
Net income Group share	117 023	117 276	144 769	170 619	23,44%	17,86%	20,62%
Earnings per share	59	59	73	86	23,44%	17,86%	20,73%

III. CONSOLIDATED BALANCE SHEET:

ASSETS (in KDH)	2014	2014 (P)	2015	2016	Var 14 (p)-15	Var 15-16	TCAM
Non-current Assets	941 819	966 450	1 057 367	1 214 269	9,41%	14,84%	12,09%
Goodwill	0	15 304	15 304	13 603	-	-11,11%	-5,72%
Net intangible assets	7 569	7 635	8 090	8 356	-5,96%	3,29%	4,62%
Tangible fixed assets	925 903	934 965	1 026 532	1 174 541	9,79%	14,42%	12,08%
Financial Fixed Assets	2 054	2 251	2 631	16 326	16,88%	>100%	>100%
Investments in associates	0	0	0	1 361	16,88%	-	-
Deferred taxes	6 293	6 295	4 810	82	-	-98,30%	-88,59%
Current Assets	505 289	516 565	614 554	664 235	23,58%	8,08%	13,40%
Inventories and Works-in-process	103 846	105 550	167 314	115 507	18,97%	-30,96%	4,61%
Customers and Related Accounts	234 194	238 605	252 211	262 601	58,52%	4,12%	4,91%
Other Receivables and Accruals	127 263	129 014	143 491	169 870	5,70%	18,38%	14,75%
Marketable securities	58	58	58	58	-	-	-
Cash assets	39 928	43 339	51 481	116 200	18,79%	>100%	63,74%
Total Assets	1 447 108	1 483 015	1 671 922	1 878 504	-	12,36%	12,55%

LIABILITIES (in KDH)	2014	2014 (P)	2015	2016	Var 14p-15	Var 15-16	TCAM
Shareholders' equity	637 752	636 033	681 591	727 934	7,16%	6,80%	6,98%
Capital	198 000	198 000	198 000	198 000	-	-	0,00%
Share premium	166 980	166 980	166 980	166 980	-	-	0,00%
Reserves	155 749	153 820	171 868	192 351	11,73%	11,92%	11,83%
Net income for the fiscal year	117 023	117 275	144 769	170 619	23,44%	17,86%	20,62%
Exchange differential	0	-42	-26	-15	-36,94%	-42,24%	-39,65%
Minority interests	0	4 730	4 519	6 818	-4,45%	50,85%	20,06%
Non-current liabilities	297 300	320 203	371 979	381 960	16,17%	2,68%	9,22%
Loans and Financial Debts	256 118	278 956	326 725	340 006	17,12%	4,06%	10,40%
Deferred Tax Liabilities	41 182	41 247	45 254	41 954	9,71%	-7,29%	0,85%
Current Liabilities	512 055	522 049	613 833	761 793	17,58%	24,10%	20,80%
Accounts payable	136 217	137 649	142 202	196 506	3,31%	38,19%	19,48%
Other Debts and Accrued Accounts	202 852	211 150	248 123	288 968	17,51%	16,46%	16,98%
Other provisions for contingencies and charges	0	261	7	4 160	-97,26%	>100%	>100%
Liability cash flow	172 986	172 989	223 501	272 159	29,20%	21,77%	25,43%
Total liabilities	1 447 108	1 483 015	1 671 922	1 878 504	12,74%	12,36%	12,55%

SECTION VI – RISK FACTORS

1- Competition risk

Current operators in the mineral water sector face the risk of new local products entering the market. Given the importance of the human and operational financial investment required for such an operation, their chances of success remain negligible.

The lowering of customs duties favors the importation of foreign mineral waters. However, the effect of these imports is limited given the important barriers to the non-existence of a distribution network and the considerable transport costs.

Given its low market value in relation to its volume, a given "Water" product can only be profitably marketed according to the principle of proximity. Indeed, customs duties can reach 25% excluding VAT.

2- Regulatory risk

In addition to the risks related to the sector, the company faces the following risks:

- Risk of non-renewal of the concession: however, the State undertakes not to grant a similar concession to use mineral water for bottling within 30 km around the geodesic point of Oulmès without having previously invited "les Eaux Minérales d'Oulmès" to submit a request for concession which will have equal priority on all similar requests. Currently the company has 2 concessions in operation: Sidi Ali / Oulmès signed in 2010 for 25 years and that of Ain Atlas signed in 2009 for 30 years.
- Risk of repurchase of the concession: at any time the concession can be bought back by the State. Should the State make use of this option it would be obliged to notify the concessionaire of its intentions at least two years in advance.
- Risk of loss of authorization: Law 10-95 provides conditions and prerequisites for the exploitation of a natural resource. Only failure to comply with these conditions may create a cause for modification of the concession contract unless the public interest is threatened (which would be a case of force majeure), in which case such modification or revocation may open compensation rights to the holder of the authorization if the licensee suffers directly.

Since 1933, when the first concession was granted, "Les Eaux Minérales d'Oulmès" always ensured that the conditions laid down in the concession contracts were scrupulously respected. The company was organized in order to verify at all times that the exploitation of the springs complies with the requirements of the concession contract:

- a. Creation of a research and development department which works closely with the Basin Agency in order to keep the company in a constant state of vigilance as regards the smooth running of the operation. The latter coordinates the water extraction and collection actions and transmits all the information to the State's administrative bodies;
- b. Creation of a "Quality Department" which intervenes at each stage in the production chain in order to verify that the licensed water continuously respects the State's sanitary obligations. Thus a sampling is carried out every ½ hour for sanitary and mineralogical chemical analysis.

Finally, "Les Eaux Minérales d'Oulmès" has diversified its activities by launching a line of table water so that the company's dependence on natural mineral waters is less.

3- Currency risk

Currency risk affects imported packaging products (PET preforms and caps). However, this risk is very limited since the main import currencies, namely the Euro and the US Dollar, have a very strong correlation coefficient (close to -1).

4- Customer default risk

The risk of failure of the customers of the company Les Eaux Minérales d'Oulmès is very low given that the sales are distributed over a set of distribution channels each containing several tens if not hundreds of customers. This specificity makes the dependence and the impact of a customer failure insignificant in terms of the size of the company.

5- Health risk

Due to its activity of industrialization of all waters known as "source waters", Les Eaux Minérales d'Oulmès is exposed to a health risk in the process of manufacturing bottled water. To this end, Les Eaux Minérales d'Oulmès has put in place a whole process aimed at improving the quality of the marketed products.

6- Environmental risk

The production of natural or gaseous mineral water as well as table water requires the use of water which is the main input in the production process and on the other hand used for cleaning glass containers and compartments intended for packaging the final product. To this end, some sites discharge wastewater into the urban sewerage systems of the towns where the factories are located, which could constitute a possible negative impact toward respect for the environment.

Aware of this challenge, in 2011 the company began an ISO 14000 environmental management certification process which it successfully obtained in 2012.

In doing so, "Les Eaux Minérales d'Oulmès" has put in place, in particular, the following actions:

- ✓ Lightweight, environmentally friendly packaging design;
- ✓ Establishment of an environmental protection charter;
- ✓ Protection of the Oulmès forest around the Tarnilate plant and sensitization of local farmers on the dangers of pesticides;
- ✓ Conservation of the springs thanks to 3 protection zones (close and remote health) ;
- ✓ Planting of trees around springs in operation.

Disclaimer

The above information is only part of the prospectus approved by the Moroccan Capital Markets Authority (AMMC) under the reference No. VI/EM/025/2017 On 14/09/2017.

The AMMC recommends reading the full prospectus that is made available to the public in French.