

Douja Promotion Groupe Addoha



Prospectus Summary

ISSUE OF A BOND LOAN WITH A PARTIAL GUARANTEE AND A PROMISE OF GUARANTEE

TOTAL AMOUNT OF THE ISSUE: MAD 2 000 000 000

	Tranche A	Tranche B	Tranche C	Tranche D
Ceiling	KMAD 2 000 000			
Maximum number of bonds	20 000 Bonds each with a unit face value of MAD 100,000			
Maturity	8 years	8 years	8 years	8 years
Nominal rate	Revisable in reference to the 52-weeks full money rate fixed on the basis of the reference rates curve of the secondary market, increased by a risk premium of 160 Bps. For the 1 st year, the nominal rate will be 4.76% : in reference to the full money rate of 52-weeks Treasury Bonds calculated on the basis of the reference rates curve of the secondary market as published by Bank Al Maghrib on July 11 th , 2014, increased by a risk premium of 160 Bps.	Revisable in reference to the 52-weeks full money rate fixed on the basis of the reference rates curve of the secondary market, increased by a risk premium of 160 Bps. For the 1 st year, the nominal rate will be 4.76% : in reference to the full money rate of 52-weeks Treasury Bonds calculated on the basis of the reference rates curve of the secondary market as published by Bank Al Maghrib on July 11 th , 2014, increased by a risk premium of 160 Bps.	Fixed, i.e. a nominal rate of 5.55%: in reference to the secondary curve of the 8 years Treasury Bonds as published on July 11 th , 2014 by Bank Al Maghrib, increased by a risk premium of 170 Bps.	Fixed i.e. a nominal rate of 5.55%: in reference to the secondary curve of the 8 years Treasury Bonds as published on July 11 th , 2014 by Bank Al Maghrib, increased by a risk premium of 170 Bps.
Nominal risk premium	160 Basis points	160 Basis points	170 Basis points	170 Basis points
Tradability	Over-the-counter	At the Casablanca Stock Exchange	Over-the-counter	At the Casablanca Stock Exchange
Redemption	Straight line depreciation	Straight line depreciation	Straight line depreciation	Straight line depreciation
Subscribers	Addoha bond holders 2010 (MA0000021420, MA0000091126 and MA0000091134), Addoha commercial papers' holders (MA0001404575, MA0001404658, MA0001404880, MA0001404930, MA0001404948, MA0001405101, MA0001405119, MA0001405192, MA0001405184 and MA0001405218) and Moroccan qualified investors enlisted in the Prospectus			
Allocation methods	See the section relating to the allocation methods			

SUBSCRIPTION PERIOD: FROM JULY 23RD, 2014 TO JULY 25TH, 2014

Subscription reserved for Addoha bond holders 2010 (MA0000021420, MA0000091126 and MA0000091134), Addoha commercial papers' holders (MA0001404575, MA0001404658, MA0001404880, MA0001404930, MA0001404948, MA0001405101, MA0001405119, MA0001405192, MA0001405184 and MA0001405218) and Moroccan qualified investors as listed in the prospectus.

Counseling Agency and General Coordinator		Centralizing agency and leader of the placement agents
Agency in charge of the registration of the operation with the Casablanca Stock Exchange	Paying agent providing the financial service of the issuer	Placement agents

Approval of CONSEIL DEONTOLOGIQUE DES VALEURS MOBILIERES (Financial authority)
In accordance with the provisions of the circular of the CDVM, delivered in application of Section 14 of the Decree n° 1-93-212 of September 21st, 1993 related to the Conseil Déontologique des Valeurs Mobilières (CDVM) and to the information required from legal entities issuing securities to the public, as amended and extended, the original copy of the present prospectus has been approved by the CDVM on July 16th, 2014 under the reference VI/EM/017/2014.

WARNING

The Conseil Déontologique des Valeurs Mobilières (CDVM) approved on July 16th, 2014 a prospectus related to the bond issue by Douja Promotion Groupe Addoha.

The prospectus approved by the CDVM is available at any time at the headquarters of Douja Promotion Groupe Addoha and at the financial advisor. It is also available within a maximum deadline of 48 hours from the order collection entities.

The prospectus is publicly available at the headquarters of the Casablanca Stock Exchange (Bourse de Casablanca) and on their website www.casablanca-bourse.com. It's also available on the CDVM web site: www.cdvm.gov.ma.

Partie I. PRESENTATION OF THE OPERATION

I. Operation context

The Ordinary General Meeting held on July 14th, 2014 authorized, after hearing the report of the Board of Directors on May 21st, 2014, in application of the provisions of sections 292 and following of the law 17-95 relating to limited public companies as amended and completed by the law 20-05, the issue by Douja Promotion Groupe Addoha Company, in one or more installments, during a period of five (5) years as of the date of this Meeting, of subordinated or unsubordinated bonds whether or not covered by a mortgage and/or securities, for a maximum amount of two billion dirhams (MAD 2,000,000,000.00). To that end, the Ordinary General Meeting delegated all powers to the Board of Directors to carry out the issue of the said bond Loan in one or several installments during five (5) years and set terms other than those set by the Ordinary General Meeting.

The Ordinary General Meeting decided to restrict the bond loan amount to the amounts actually subscribed in accordance with the section 298 of the law 17-95 relating to public limited companies as amended and completed by the law 20-05.

The Ordinary General Meeting has also authorized Douja Promotion Groupe Addoha Company to grant any mortgage or undertaking to mortgage on the property called « Bled Ouled Sbita », located in Salé, Bouknadel, Plages des Nations Unis, consisting of a parcel of land with buildings and trees on a total surface area of 355 hectares, 67 ares and 90 centiares and subject of the title deed n°27916/58, owned by Douja Promotion Groupe Addoha Company (hereinafter called the “Property”) and on any substitution property to be designated and approved by the group of the bondholders, as a full or partial guarantee of the said bond loan. To that end, the Ordinary General Meeting delegated all powers to the Board of Directors set the terms of any mortgage or undertaking to mortgage granted by Douja Promotion Groupe Addoha Company on this Property and on any substitution property to be designated and approved by the group of the bondholders, as a full or partial guarantee of the said bond loan.

Pursuant to the delegation of powers conferred by the Ordinary General Meeting on July 14th, 2014, the Board of Directors meeting on July 14th, 2014 decided to carry out the issue of a bond loan for a nominal amount of two billion Dirhams (MAD 2,000,000,000.00), divided into twenty thousand (20,000) bonds with a nominal value of one hundred thousand dirhams (MAD 100,000) each issued at par and is broken down as follows¹ :

- Tranche A non listed at annually revisable rate: the said tranche is tradable over the counter, will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of two billion dirhams (MAD 2,000,000,000.00) with a nominal value of one hundred thousand (MAD 100,000) per bond. The rate is revisable, in reference to the full money rate of 52-weeks Treasury Bonds. For the 1st year, the nominal rate relating to this tranche is 4.76% in reference to the full money rate of the 52-weeks Treasury Bonds calculated on the basis of the rates curve of the Treasury Bonds of the secondary market as published by Bank Al Maghrib on July 11th, 2014 increased by a risk premium of 160 basis points;
- Tranche B at an annually revisable rate listed at the Casablanca Stock Exchange: the said tranche will be listed at the Casablanca Stock Exchange, will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of two billion dirhams (MAD 2,000,000,000.00) with a nominal value of one hundred thousand (MAD 100,000) per bond. The rate is revisable, in reference to the full money rate of 52-weeks Treasury Bonds. For the 1st year, the nominal rate relating to this tranche is 4.76% in reference to the full money rate of the 52-weeks Treasury Bonds calculated on the basis of the rates curve of the Treasury Bonds of the secondary market as published by Bank Al Maghrib on July 11th, 2014, increased by a risk premium of 160 basis points;
- Tranche C at a fixed rate and not listed: the said tranche is tradable over the counter, will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of two billion dirhams (MAD 2,000,000,000.00) with a nominal value of one hundred thousand (MAD 100,000) per bond. The nominal interest rate is fixed and made 5.55% in reference to the rate of the Treasury Bonds with a maturity of 8 years calculated on the basis of the rates curve of the Treasury Bonds of the secondary market as published by Bank Al-Maghrib² on July 11th, 2014 increased by a risk premium of 170 basis

¹ See Section relating to the characteristics of the tranches A, B, C and D.

² Fixing the reference rate will be made by the linear interpolation method by using the two points framing the full 8-years maturity (actuarial base)

points;

- Tranche D at fixed rate listed at the Casablanca Stock Exchange the said tranche will be listed at the Casablanca Stock Exchange, will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of two billion dirhams (MAD 2,000,000,000.00) with a nominal value of one hundred thousand (MAD 100,000) per bond. The nominal interest rate is fixed and made 5.55% in reference to the rate of the Treasury Bonds with a maturity of 8 years calculated on the basis of the rates curve of the Treasury Bonds of the secondary market as published by Bank Al-Maghrib³, increased by a risk premium of 170, basis points;

The Board of Directors has also decided to reserve the bond loan for the three categories of investors introduced below:

- Investors I: all holders of bonds issued by Douja Promotion Groupe Addoha Company under the bond loan of an amount of MAD 2,000,000,000 approved by the CDVM on July 21st, 2010 under n° VI/EM/032/2010 and whose bullet redemption is expected on August 11th, 2015. The subscriptions expressed by this category of investors will be served in priority over the other category of investors within the limit of the maximum amount of the said bond loan;
- Investors II: all holders of commercial papers issued by Douja Promotion Groupe Addoha Company under the project subject of the prospectus updated and approved by the CDVM on September 12th, 2013 under the reference VI/EM/022/2013. The subscriptions expressed by this category of investors will be served in priority over the subscriptions of the investors III within the limit of the maximum amount of the said bond loan;
- Investors III: all the Moroccan qualified investors wishing to subscribe within the framework of the issue.

It should also be noted that the total amount of the bond loan to be awarded on tranches A, B, C and D and for all categories of investors can in no event exceed the amount of two billion dirhams (MAD 2,000,000,000).

The Board of Directors has conferred to the Chief Executive Officer of Douja Promotion Groupe Addoha Company the powers necessary for fixing the opening and closing date of the period of subscription to bonds and the date of possession of the bond loan, and in general the bond issue schedule.

Moreover, the same Board of Directors has authorized the repurchase by Douja Promotion Groupe Addoha, from the holders who have made an application for subscription to the said bond loan, of the bonds issued in 2010 due on August 11th, 2015 as well as any commercial papers issued by the Company in order to cancel them in compliance with the legal and regulatory provisions. The Board of Directors has conferred to the Chief Executive Officer of Douja Promotion Groupe Addoha Company the powers necessary for determining the terms and conditions of redemption.

Finally, pursuant to the delegation of powers conferred by the General Meeting of July 14th, 2014, the Board of Directors meeting on July 14th, 2014 authorized Douja Promotion Groupe Addoha Company to grant a first-rank mortgage on the Property in favor of the holders of the bonds issued under the bond issue, as a partial guarantee of this bond loan, for an amount equal to two hundred fifty million dirhams (MAD 250,000,000) and to grant an undertaking to a second-rank mortgage on the Property in favor of the holders of bonds, by virtue of which Douja Promotion Groupe Addoha Company undertakes to register a second-rank mortgage on the Property as a partial guarantee of the said bond loan, up to an amount equal to the outstanding of the bond loan (on the day of subscription) reduced by the amount of the first-rank mortgage under the conditions stipulated in the said undertaking to mortgage.

³ Fixing the reference rate will be made by the linear interpolation method by using the two points framing the full 8-years maturity (actuarial base).

II. Objectives of the operation

It should be recalled that the Company has issued:

- Bonds in connection with the Bond Loan of an amount of MAD 2,000,000,000 approved by the CDVM on July 21st, 2010 under the reference n° VI/EM/032/2010 (hereinafter called the « Existing Bonds»). The said bond loan is repayable at maturity on August 11th, 2015;
- Commercial papers issued as part of the program subject of the prospectus updated and approved by the CDVM on September 12th, 2013 under the reference VI/EM/022/2013 with a maximum amount of MAD 1,000,000,000 (hereinafter called the “Existing Commercial papers”).

The Existing Bonds and the Existing Commercial Papers have been used to finance the needs inherent in the various projects being developed by the group in the segments of social housing, intermediary housing and luxurious housing.

Thus, through the bond loan to be issued, Douja Promotion Groupe Addoha Company aims at carrying out a restructuring of its outstanding private indebtedness through the issue of new bonds reserved for the holders of the said Existing Bonds (Investors I) and the holders of the said Existing Commercial papers (Investors II) as well as new Moroccan qualified investors (Investors III).

The Investors I and the Investors II wishing to subscribe to the bond loan are called to take part in an exchange operation which will consist of the redemption by Douja Promotion Groupe Addoha Company of Existing Bonds and/or Existing Commercial Papers, this redemption is conditioned by the subscription of the same number of securities as part of the bond loan to be issued.

The Investors III may subscribe in cash with priority given to the Investors I then to the Investors II in accordance with the terms set in this Prospectus. The amounts of subscriptions received from the Investors III will be frozen in a special account dedicated to the repayment at their maturity (August 11th, 2015) of the Existing Bonds which may not be redeemed under this operation.

III. Structure of the offer

The bond loan subject of this Prospectus will be issued in 4 tranches:

- A tranche A at a rate annually revisable and tradable over the counter (not listed) with a risk premium of 160 basis points. The said tranche will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of MAD 2,000,000,000 with a nominal value of MAD 100,000 per bond.
- A tranche B at a rate annually revisable and listed at the Casablanca Stock Exchange with a risk premium of 160 basis points. The said tranche will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of MAD 2,000,000,000 with a nominal value of MAD 100,000 per bond.
- A tranche C at a fixed rate and tradable over the counter (not listed) with a risk premium of 170 basis points. The said tranche will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of MAD 2,000,000,000 with a nominal value of MAD 100,000 per bond.
- A tranche D at fixed rate and listed at the Casablanca Stock Exchange, with a risk premium of 170 basis points. The said tranche will be redeemable by equal installments over a period of 8 years and will cover a maximum amount of MAD 2,000,000,000 with a nominal value of MAD 100,000 per bond.

The total amount to be allocated under the abovementioned four tranches will in no event exceed the amount of MAD 2,000,000,000.

The bond loan will be reserved for three categories of investors:

- Investors I: all holders of bonds issued by Douja Promotion Groupe Addoha in 2010 and whose bullet redemption is expected on August 11th, 2015 (the “Existing Bonds”), who wish to participate in an Exchange operation of the Existing Bonds against the new Bonds. The maximum number of the new bonds to be allocated to this category of investors is 20,000 securities with a unit face value of MAD 100,000, i.e. a maximum amount of MAD 2,000,000,000;
- Investors II: all holders of commercial papers issued by Douja Promotion Groupe Addoha under the project subject of the prospectus updated and approved by the CDVM on September 12th, 2013 under the

reference VI/EM/022/2013 (the “Existing Commercial Papers”), who wish to participate in an Exchange operation of the Existing Bonds against the new Bonds. The maximum number of the new bonds to be allocated to this category of investors is 10,000 securities with a unit face value of MAD 100,000, i.e. a maximum amount of MAD 1,000,000,000;

- **Investors III:** all Moroccan qualified investors wishing to subscribe within the framework of the issue. The maximum number of the new bonds to be allocated to this category of investors is 20,000 securities with a unit face value of MAD 100,000, i.e. a maximum amount of MAD 2,000,000,000. The raised funds from this category of Investors III will be frozen and will be used in the repayment of the Existing Bonds which are not part of the exchange operation⁴.

The following table provides the lines of Existing Bonds and Existing Commercial Papers of Douja Promotion Groupe Addoha:

Tableau 1. Lines of existing Bonds and Existing Commercial papers of the Company (07/14/2014):

ISIN Code	Listing at the Casablanca Stock Exchange	Nature of rates	Number of securities	Outstanding (MMAD)	Risk premium at the issue	Nominal rate	Maturity date	Payment frequency
Existing bonds			20 000	2 000				
MA0000021420	Listed	Fixed	2 146	214.6	130 bps	5.18%	08/11/2015	Annual
MA0000091126	Unlisted	Revisable	14 415	1 441.5	120 bps	(*)	08/11/2015	Annual
MA0000091134	Unlisted	Fixed	3 439	343.9	130 bps	5.18%	08/11/2015	Annual
Existing commercial papers			10 000	1 000				
MA0001404575	Unlisted	Fixed	550	55.0	145 bps	5.55%	11/03/2014	At maturity
MA0001404658	Unlisted	Fixed	1 000	100.0	145 bps	5.57%	11/20/2014	At maturity
MA0001404880	Unlisted	Fixed	250	25.0	181 bps	5.55%	02/02/2015	At maturity
MA0001404930	Unlisted	Fixed	200	20.0	155 bps	5.00%	08/22/2014	At maturity
MA0001404948	Unlisted	Fixed	1 850	185.0	185 bps	5.55%	02/19/2015	At maturity
MA0001405101	Unlisted	Fixed	500	50.0	195 bps	5.10%	11/03/2014	At maturity
MA0001405119	Unlisted	Fixed	700	70.0	225 bps	5.55%	05/04/2015	At maturity
MA0001405192	Unlisted	Fixed	450	45.0	194 bps	5.10%	11/20/2014	At maturity
MA0001405184	Unlisted	Fixed	2 500	250.0	229 bps	5.55%	05/21/2015	At maturity
MA0001405218	Unlisted	Fixed	2 000	200.0	196 bps	5.10%	12/01/2014	At maturity

(*) 4.69% on 11/08/2011 ; 4.64% on 11/08/2012 ; 4.79% on 11/08/2013 ; 5.29% on 11/08/2014.

⁴ See the Section relating to the freeze terms of the subscription income of Investors III.

IV. Information relating to the securities to be issued

IV.1. Characteristics relating to the securities of the tranche A (bonds tradable over the counter at revisable rate)

The tranche A consists of bonds at a revisable rate, depreciable annually over 8 years, tradable over the counter. The characteristics of the A tranche are provided hereinafter:

Nature of Securities	OTC tradable bonds (unlisted), dematerialized by registration with the central depositary (Maroclear) and having an account with the chartered affiliates.
Legal form	Bearer bonds
ceiling of the tranche	MAD 2 000 000 000
Nom Maximum number of securities to be issued	20 000 securities.
Unit face value	MAD 100 000.
Maturity	8 years.
Subscription period	From July 23 rd , 2014 to July 25 th , 2014
date of possession	August 11 th , 2014.
maturity date	August 11 th , 2022.
issue price	At par, i.e. MAD 100,000.
interests	The interests shall be served annually at the anniversary dates of the possession date of the loan, i.e. August 11th of each year. The payment of interests shall take place on the very same day or the first business day following August 11th, if this day is not a business day. Due to the annual revision of the nominal rate, the interests will be calculated on a monetary base, i.e.: [remaining due capital x nominal rate x (exact number of days/ 360 days)].
Risk premium	160 Basis points (bps).
Nominal interest rate	Annually revisable rate. For the first year, the nominal interest rate is 4.76%. It is fixed by reference to the full money rate of the 52-weeks Treasury Bonds calculated on the basis of the rates curve of the secondary market Treasury Bonds as published by Bank Al Maghrib on July 11th, 2014, i.e. 3.16%, increased by a risk premium of 160 basis points. Upon each coupon payment date, the 52-weeks money reference rate will be fixed on the basis of the last rates curve of the secondary market Treasury Bonds as published by Bank Al Maghrib 5 trading days before the coupon payment date. The reference rate thus obtained will be increased by risk premium of 160 basis points.
Calculation method	In the event the reference rates are not observed directly on the secondary market reference rates' curve, fixing the rate will be made by the linear interpolation method by using the two points framing the full 52-week maturity (monetary base)
Allocation method	In proportion to the demand with priority given to Investors I then to Investors II.

Redemption of the principal	Linear annual depreciation. In the event of merger, demerger or partial contribution of assets of the Company taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the bonds shall be automatically transferred to the legal entity substituted in the rights and obligations of the Company.
Advance redemption	The Company is not allowed to proceed to the advance redemption of the bonds, subject of the present issue, except in the event of an authorization from the group of bondholders acting in compliance with the terms of the law n°17-95 related to public limited companies, as completed and amended by the law n°20-05 enacted by the Decree 1-08-18 issued on May 23rd, 2008. However, the Company keeps the right to carry out at any moment the repurchase of the bonds in the secondary market, provided the legal and regulatory provisions allow the repurchase. These repurchases which are without any consequences for a subscriber who is wishing to keep its securities till the normal due date and without any incident on the normal amortization schedule. The bonds repurchased will be cancelled.
Assimilation clause	The bonds of tranche A will be subject of no assimilation.
Rank/Subordination	The bonds of Tranche A constitute direct, general, unconditional and unsubordinated undertakings of the Company. The bonds of Tranche A have a first rank mortgage in the amount of MAD 250,000,000.00 and an undertaking to mortgage of the second rank in the amount of the outstanding of the bond loan reduced by the mortgage. The abovementioned mortgage and the undertaking to the mortgage cover the same property.
Rating	This issue has not been subject of any request for rating.
Guarantee /Undertaking to guarantee	The bonds of Tranche A are subject to a partial guarantee, consisting of a first-rank mortgage in the amount of MAD 250,000,000 on the property called « Bled Ouled Sbita », located in Salé, Bouknadel, Plages des Nations Unis, consisting of a parcel of land with buildings and trees on a total surface area of 355 hectares, 67 ares and 90 centiares and subject of the title deed n°27916/58 owned by the Company. Moreover, the bonds of Tranche A are accompanied by an undertaking to a second-rank mortgage covering the abovementioned property in the amount equal to the outstanding of the bond loan reduced by the amount of the entire other mortgage granted as part of this issue operation. The said mortgage and the undertaking to mortgage will be in favor of, under the same conditions, the holders of the bonds of tranches A, B, C and D of the bond loan.
Appointed notary public	The Company appoints Adil EL BITAR Esq., as the Notary Public in charge of the subscription and release procedures relating to the guarantees granted under this issue. Mr. Adil EL BITAR is a Notary Public, having his office at Angle Rue Ali Abderrazak et Ahmed Charci, Residences Champ d'Anfa, Immeuble "D", 3ème étage, Bureau n°5, Arrondissement d'Anfa, Casablanca.
Tradability of securities	Tranche A is tradable over the counter (not listed at the Casablanca Stock

	Exchange).
	No restriction is imposed by the conditions of the issue to the free tradability of the bonds of tranche A.
Applicable law	Moroccan law.
Competent court	Trade Court of Casablanca.

IV.2. Characteristics relating to the securities of tranche B (bonds listed at the Casablanca Stock Exchange at a revisable rate)

The tranche B consists of bonds at a revisable rate, depreciable annually over 8 years and listed at the Casablanca Stock Exchange. The characteristics of tranche B are provided hereinafter:

Nature of Securities	Bonds listed at the Casablanca Stock Exchange, dematerialized by registration with the central depository (Maroclear) and having an account with the chartered affiliates.
Legal form	Bearer bonds.
ceiling of the tranche	MAD 2 000 000 000.
Nom Maximum number of securities to be issued	20 000 securities.
Unit face value	MAD 100 000.
Maturity	8 years.
Subscription period	From July 23 rd , 2014 to July 25 th , 2014
date of possession	August 11 th , 2014.
maturity date	August 11 th , 2022.
issue price	At par, i.e. MAD 100,000.
interests	The interests shall be served annually at the anniversary dates of the possession date of the loan, i.e. August 11th of each year. The payment of interests shall take place on the very same day or the first business day following August 11th, if this day is not a business day. Due to the annual revision of the nominal rate, the interests will be calculated on a monetary base, i.e.: [remaining due capital x nominal rate x (exact number of days/ 360 days)].
Risk premium	160 Basis points (bps).
Nominal interest rate	Annually revisable rate. For the first year, the nominal interest rate is 4.76%. It is fixed by reference to the full money rate of the 52-weeks Treasury Bonds calculated on the basis of the rates curve of the secondary market Treasury Bonds as published by Bank Al Maghrib on July 11th, 2014, i.e. 3.16%, increased by a risk premium of 160 basis points. Upon each coupon payment date, the 52-weeks money reference rate will be fixed on the basis of the last rates curve of the secondary market Treasury Bonds as published by Bank Al Maghrib 5 trading days before the coupon payment date. The reference rate thus obtained will be increased by risk premium of 160 basis points and will be communicated to the Casablanca Stock Exchange 5 trading days before the anniversary date. The revised rate will be subject of an announcement in the official listing form of the Casablanca Stock Exchange.
Calculation method	In the event the reference rates are not observed directly on the secondary market reference rates' curve, fixing the rate will be made by the linear interpolation method by using the two points framing the full 52-week maturity (monetary base).

Allocation method	In proportion to the demand with priority given to Investors I then to Investors II.
Redemption of the principal	Linear annual depreciation. In the event of merger, demerger or partial contribution of assets of the Company taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds shall be automatically transferred to the legal entity substituted in the rights and obligations of the Company.
Advance redemption	The Company is not allowed to proceed to the advance redemption of the bonds, subject of the present issue, except in the event of an authorization from the group of bondholders acting in compliance with the terms of the law n°17-95 related to public limited companies, as completed and amended by the law n°20-05 enacted by the Decree 1-08-18 issued on May 23rd, 2008. However, the Company keeps the right to carry out at any moment the repurchase of the bonds in the secondary market, provided the legal and regulatory provisions allow the repurchase. These repurchases which are without any consequences for a subscriber who is wishing to keep its securities till the normal due date and without any incident on the normal amortization schedule. The bonds repurchased will be cancelled.
Assimilation clause	The bonds of tranche B will be subject of no assimilation.
Procedure of first listing	The listing of tranche B will be made by direct listing in accordance with sections 1.2.6 and 1.2.22 of the General Rules of the Casablanca Stock Exchange.
Rank/Subordination	The bonds of Tranche B constitute direct, general, unconditional and unsubordinated undertakings of the Company. The Bonds of Tranche B have a first rank mortgage in the amount of MAD 250,000,000.00 and an undertaking to mortgage of the second rank in the amount of the outstanding of the bond loan reduced by the mortgage. The abovementioned mortgage and the undertaking to the mortgage cover the same property.
Rating	This issue has not been subject of any request for rating.
Guarantee /undertaking to guarantee	The bonds of Tranche B will be subject of a partial guarantee consisting of a first-rank mortgage, in the amount of MAD 250,000,000, on the property called « Bled Ouled Sbitta », located in Salé, Bouknadel, Plages des Nations Unis, consisting of a parcel of land with buildings and trees on a total surface area of 355 hectares, 67 ares and 90 centiares and subject of the title deed n°27916/58 owned by the Company. Moreover, the bonds of Tranche A are accompanied by an undertaking to a second-rank mortgage covering the abovementioned property in the amount equal to the outstanding of the bond loan reduced by the amount of the entire other mortgage granted as part of this issue operation. The said mortgage and the undertaking to mortgage will be in favor of, under the same conditions, the holders of the bonds of tranches A, B, C and D of the bond loan.
Appointed notary public	The Company appoints Adil EL BITAR Esq., as the Notary Public in charge of the subscription and release procedures relating to the guarantees granted

	under this issue. Mr. Adil EL BITAR is a Notary Public, having his office at Angle Rue Ali Abderrazak et Ahmed Charci, Residences Champ d'Anfa, Immeuble "D", 3ème étage, Bureau n°5, Arrondissement d'Anfa, Casablanca.
Tradability of securities	Tranche B is listed at the Casablanca Stock Exchange. No restriction is imposed by the conditions of the issue to the free negotiability of the bonds of the tranche B.
Listing of the securities	The bonds of the tranche B will be listed at the Casablanca Stock Exchange and will be subject to a request for listing in the bond compartment of the Casablanca Stock Exchange. Their listing date is planned on August 6th, 2014 on the bond compartment under code n°990169 and under Ticker n°OB169. In order to be listed at the Casablanca Stock Exchange, the amount allocated to tranches A and B must be higher or equal to MAD 20 000 000. If at the closing date of the subscription period the aggregate amounts allocated to the tranches A and B are lower than MAD 20,000,000, the subscriptions related to these tranches shall be cancelled.
Applicable law	Moroccan law.
Competent court	Trade Court of Casablanca.

IV.3. Characteristics relating to the securities of tranche C (bonds tradable over the counter at fixed rate)

The tranche C consists of bonds at a fixed rate, depreciable annually over 8 years and tradable over the counter. The characteristics of the tranche C are provided hereinafter:

Nature of Securities	Bonds tradable over the counter, dematerialized by registration with the central depository (Maroclear) and having an account with the chartered affiliates.
Legal form	Bearer bonds.
ceiling of the tranche	MAD 2 000 000 000.
Nom Maximum number of securities to be issued	20 000 securities.
Unit face value	MAD 100 000.
Maturity	8 years.
Subscription period	From July 23 rd , 2014 to July 25 th , 2014
date of possession	August 11 th , 2014.
maturity date	August 11 th , 2022.
issue price	At par, i.e. MAD 100,000.
interests	The interests shall be served annually at the anniversary dates of the possession date of the loan, i.e. August 11th of each year. The payment of interests shall take place on the very same day or the first business day following August 11th, if this day is not a business day

	The interests will be calculated as follows : [remaining due capital x nominal rate]
Risk premium	170 Basis points (bps).
Nominal interest rate	Fixed rate. The nominal fixed interest rate is 5.55%. It is fixed by reference to the secondary rates curve published by Bank Al Maghrib on July 11th, 2014, including a risk premium of 170 basis points.
Calculation method	The nominal interest rate corresponds to the actuarial rate allowing the obtaining, for a bond, of a price equal to 100% of the nominal value by updating the future flows generated by this bond at CP rates Zero coupon increased by a premium risk of 170 basis points.
Allocation method	In proportion to the demand with priority given to Investors I then to Investors II.
Redemption of the principal	Linear annual depreciation. In the event of merger, demerger or partial contribution of assets of the Company taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds shall be automatically transferred to the legal entity substituted in the rights and obligations of the Company.
Advance redemption	The Company is not allowed to proceed to the advance redemption of the bonds, subject of the present issue, except in the event of an authorization from the group of bondholders acting in compliance with the terms of the law n°17-95 related to public limited companies, as completed and amended by the law n°20-05 enacted by the Decree 1-08-18 issued on May 23rd, 2008. However, the Company keeps the right to carry out at any moment the repurchase of the bonds in the secondary market, provided the legal and regulatory provisions allow the repurchase. These repurchases which are without any consequences for a subscriber who is wishing to keep its securities till the normal due date and without any incident on the normal amortization schedule. The bonds repurchased will be cancelled.
Assimilation clause	The bonds of tranche C will be subject of no assimilation.
Rank/Subordination	The bonds of Tranche C constitute direct, general, unconditional and unsubordinated undertakings of the Company. The bonds of Tranche C have a first rank mortgage in the amount of MAD 250,000,000.00 and an undertaking to mortgage of the second rank in the amount of the outstanding of the bond loan reduced by the mortgage. The abovementioned mortgage and the undertaking to the mortgage cover the same property.
Rating	This issue has not been subject of any request for rating.
Guarantee /undertaking to guarantee	The bonds of Tranche C are subject to a partial guarantee, consisting of a first-rank mortgage in the amount of MAD 250,000,000 on the property called « Bled Ouled Sbita », located in Salé, Bouknadel, Plages des Nations Unis, consisting of a parcel of land with buildings and trees on a total surface area of 355 hectares, 67 ares and 90 centiares and subject of the title deed n°27916/58 owned by the Company.

	Moreover, the bonds of Tranche A are accompanied by an undertaking to a second-rank mortgage covering the abovementioned property in the amount equal to the outstanding of the bond loan reduced by the amount of the entire other mortgage granted as part of this issue operation. The said mortgage and the undertaking to mortgage will be in favor of, under the same conditions, the holders of the bonds of tranches A, B, C and D of the bond loan.
Appointed notary public	The Company appoints Adil EL BITAR Esq., as the Notary Public in charge of the subscription and release procedures relating to the guarantees granted under this issue. Mr. Adil EL BITAR is a Notary Public, having his office at Angle Rue Ali Abderrazak et Ahmed Charci, Residences Champ d'Anfa, Immeuble "D", 3ème étage, Bureau n°5, Arrondissement d'Anfa, Casablanca.
tradability of securities	The tranche C is tradable over the counter (not listed at the Casablanca Stock Exchange). No restriction is imposed by the conditions of the issue to the free negotiability of the bonds of tranche C.
Applicable law	Moroccan law.
Competent court	Trade Court of Casablanca.

IV.4. Characteristics relating to securities of tranche D (bonds listed at the Casablanca Stock Exchange and at fixed rate)

The tranche D consists of bonds at a fixed rate, depreciable annually over 8 years and listed at the Casablanca Stock Exchange. The characteristics of the tranche D are provided hereinafter:

Nature of Securities	Bonds listed at the Casablanca Stock Exchange, dematerialized by registration with the central depository (Maroclear) and having an account with the chartered affiliates.
Legal form	Bearer bonds.
ceiling of the tranche	MAD 2 000 000 000.
Nom Maximum number of securities to be issued	20 000 securities.
Unit face value	MAD 100 000.
Maturity	8 years.
Subscription period	From July 23 rd , 2014 to July 25 th , 2014
date of possession	August 11 th , 2014.
maturity date	August 11 th , 2022.
issue price	At par, i.e. MAD 100,000.
interests	The interests shall be served annually at the anniversary dates of the possession date of the loan, i.e. August 11th of each year. The payment of interests shall take place on the very same day or the first business day following August 11th, if this day is not a business day The interests will be calculated as follows: [remaining due capital x nominal rate x].
Risk premium	170 Basis points (bps).
Nominal interest rate	Fixed rate. The nominal fixed interest rate is 5.55%. It is fixed by reference to the secondary rates curve published by Bank Al Maghrib on July 11th, 2014, including a risk premium of 170 basis points.
Calculation method	The nominal interest rate corresponds to the actuarial rate allowing the obtaining, for a bond, of a price equal to 100% of the nominal value by updating the future flows generated by this bond at CP rates Zero coupon increased by a premium risk of 170 basis points.
Allocation method	In proportion to the demand with priority given to Investors I then to Investors II.
Redemption of the principal	Linear annual depreciation. In the event of merger, demerger or partial contribution of assets of the Company taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds shall be automatically transferred to the legal entity substituted in the rights and obligations of the Company.
Advance redemption	The Company is not allowed to proceed to the advance redemption of the bonds, subject of the present issue, except in the event of an authorization

	from the group of bondholders acting in compliance with the terms of the law n°17-95 related to public limited companies, as completed and amended by the law n°20-05 enacted by the Decree 1-08-18 issued on May 23rd, 2008. However, the Company keeps the right to carry out at any moment the repurchase of the bonds in the secondary market, provided the legal and regulatory provisions allow the repurchase. These repurchases which are without any consequences for a subscriber who is wishing to keep its securities till the normal due date and without any incident on the normal amortization schedule. The bonds repurchased will be cancelled.
Assimilation clause	The bonds of the tranche D will be subject of no assimilation.
Procedure of First Listing	The listing of tranche D shall be made by direct listing in accordance with Sections 1.2.6 and 1.2.22 of the General Rules of the Stock Exchange.
Rank/Subordination	The bonds of Tranche D constitute direct, general, unconditional and unsubordinated undertakings of the Company. The bonds of tranche D have a first rank mortgage in the amount of MAD 250,000,000.00 and an undertaking to mortgage of the second rank in the amount of the outstanding of the bond loan reduced by the mortgage. The abovementioned mortgage and the undertaking to the mortgage cover the same property.
Rating	This issue has not been subject of any request for rating.
Guarantee /undertaking to guarantee	The bonds of Tranche D are subject to a partial guarantee, consisting of a first-rank mortgage in the amount of MAD 250,000,000 on the property called « Bled Ouled Sbita », located in Salé, Bouknadel, Plages des Nations Unis, consisting of a parcel of land with buildings and trees on a total surface area of 355 hectares, 67 ares and 90 centiares and subject of the title deed n°27916/58 owned by the Company. Moreover, the bonds of Tranche D are accompanied by an undertaking to a second-rank mortgage covering the abovementioned property in the amount equal to the outstanding of the bond loan reduced by the amount of the entire other mortgage granted as part of this issue operation. The said mortgage and the undertaking to mortgage will be in favor of, under the same conditions, the holders of the bonds of tranches A, B, C and D of the bond loan.
Appointed notary public	The Company appoints Adil EL BITAR Esq., as the Notary Public in charge of the subscription and release procedures relating to the guarantees granted under this issue. Mr. Adil EL BITAR is a Notary Public, having his office at Angle Rue Ali Abderrazak et Ahmed Charci, Residences Champ d'Anfa, Immeuble "D", 3ème étage, Bureau n°5, Arrondissement d'Anfa, Casablanca.
Tradability of securities	The tranche D is listed at the Casablanca Stock Exchange. No restriction is imposed by the conditions of the issue to the free negotiability of the bonds of the tranche D.
Listing of the securities	The bonds of the tranche D will be listed at the Casablanca Stock Exchange and shall be subject to a request for listing in the bond compartment of the Casablanca Stock Exchange. Their listing date is planned on August 6 th , 2014 on the bond compartment under code n°990170 and under Ticker n°OB170.

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In order to be listed at the Casablanca Stock Exchange, the amount allocated to tranches B and D must be higher or equal to MAD 20 000 000. If at the closing date of the subscription period the aggregate amounts allocated to the tranches B and D are lower than MAD 20,000,000, the subscriptions related to these tranches shall be cancelled.

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Applicable law

Moroccan law.

Competent court

Trade Court of Casablanca.

V. Presentation of the mechanisms of mortgage and the undertaking to mortgage

The guarantee mechanisms relating to the bond loan are stipulated in the Bond Issue Agreement, enclosed hereto as schedule VI, and constituting an integral part of this prospectus.

The subscription to the bonds shall automatically entail the approval of every subscriber of the Bond Issue Agreement.

Moreover, any new purchaser of the bonds in the secondary market will be presumed approving the provisions of the Bond Issue Agreement.

V.1. Mechanisms of the guarantee and the bond loan

V.1.1. Mortgage

By virtue of the Mortgage Charging Deed concluded on July 14th, 2014, the bond loan is partially covered by the first-rank mortgage (hereinafter called the “Mortgage”) on the property called « Bled Ouled Sbita », located in Salé, Bouknadel, Plage des Nations, consisting of a parcel of land with buildings and trees over a total surface area of 355 hectares, 67 ares and 90 centiares, and subject of the title deed n°27916/58 owned by Douja Promotion Groupe Addouha (called in this prospectus the “Property”).

Located at about 15 Km at the north of Rabat on the Atlantic coast, the Property has two main facades, the first bordering the national road N1 between Rabat and Kenitra and the second facing the beach on the Atlantic Ocean. The said property consists on the date of this Prospectus of some old scattered buildings, group of trees, buildings and villas under construction as well as some facilities and roads, including the first development works of a cornice.

The Property is subject to a parceling authorization for developing a luxury real estate and resort. The property has not yet been subject of a building permit.

The Property has been subject to two evaluations by two independent experts: (i) a first survey carried out on January 2014 estimating the Property value at MMAD 2,489.7 and the (ii) a second survey carried out on June 2014 estimating its value at MMAD 2,525.3 MDhs⁵.

The mortgage charging deed was signed by the temporary agent of the group of the bondholders and filed in the land records held by the Land Registrar of the land registration department of Sala Al Jadida, on July 15th, 2014, under the number 1281/register 40.

The amount of the debt secured under the Mortgage, as referred to on the land records held by the competent land and mortgage Registrar, is equal to MAD 250,000,000.

V.1.2. Undertaking to mortgage

In addition to the Mortgage (described above), the Company grants the bondholders an undertaking to establish a second-rank mortgage covering the same Property (hereinafter called the “Undertaking to Mortgage”) in the amount of the outstanding of the bond loan reduced by the amount of all the other mortgages granted to the group of the bondholders under this issue operation (hereinafter called the “Remainder of the bond loan”).

The Undertaking to Mortgage has been signed by the temporary agent of the group of the bondholders, by way of a deed signed on July 15th, 2014.

Subject to the expiry of the Undertaking to Mortgage involving the lots subject of a release under the terms stipulated in the Bond Issue Agreement and described hereinafter, the period of the Undertaking to Mortgage shall extend till the full repayment of the 7 first installments of the bond loan by the Company.

The Undertaking to Mortgage is a reciprocal undertaking that may be subject to a specific enforcement, the Company expressly waiving the right to plead the power to execute the said undertaking through damages.

The Undertaking to Mortgage is subject to the prohibition to transfer or mortgage the Property in favor of a third party.

⁵ This estimate contains also building and development works

The Undertaking to Mortgage shall result in the registration of a second-rank mortgage on the Property (hereinafter called “Second-rank Mortgage”) in the event the Company fails to honor its obligation to repay all or part of the bond loan, and/or its obligation to pay the interests applicable on the bond loan, subject to a formal notice sent by the agent of the group of the bondholders to the Company by registered mail with acknowledgement of receipt, remains fruitless at the end of a time limit of 15 business days (hereinafter called the “Non-Payment”).

In the event of non-payment, the Company must sign any deed or document required for the registration of the Second-rank mortgage in the registration records held by the Land Registrar within a time limit of 5 business days as of the date of the notification, which will be made by the agent of the group of the bondholders of the Company, which will be supported by all the required documents.

Failing this, the agent of the group of bondholders shall have the power to have recourse to the presiding judge of the court of the registered office of the Company, acting in chambers, to deliver an order authorizing the registration of the mortgage. Any fees resulting from the registration of the Second-rank Mortgage, including taxes and land registration and notary fees shall be borne by the Company.

The Second-rank mortgage may, after its registration on the registration records held by the Land Registrar, be carried out at the behest of the agent of the group of the bondholders and in favor of this group, in so far as the Company has not remedied the Non-Payment in due course.

V.2. Mechanisms of Property development, substitution and release

V.2.1. Property development and allotment

Each one of the holders of the bonds subject of this bond loan (hereinafter called the « Bondholders »), expressly authorizes the Company, or any agent of its choice, to develop the Property and make any improvement, including, in particular, by means of (i) the carrying out of an allotment as specified in section 1 of the Royal Decree 1-92-7 enacting the law n°25-90 relating to building plots, neighborhoods and land subdivisions, given that the allotment is defined as the division by sale, lease or share of the Property in several lots intended for construction of buildings for housing, industrial, tourist, commercial or handicraft use, regardless of the surface area of the lots, (ii) requesting and obtaining any building permit, as defined by section 40 and 41 of the Royal Decree n°1-92-31 enacting the Moroccan law n°12-90 relating to urbanism, , aiming at the carrying out of any work having for the land base of the Property, and (iii) carrying out of any construction works, directly or through the intermediary of any service provider, in application of a building permit duly delivered by the competent authorities under the abovementioned terms, in order to obtain any occupancy permit or certificate of conformity, under section 55 of the law n°12-90 supra.

The Land Registrar is already expressly authorized to carry out the fragmentation of the title deed of the Property in the parcel title deeds of the residential groups or condominium under the law 18-00.

In the event of obtaining an allotment authorization concerning the Property and after fragmentation of the parent title deed of the said property, all mortgage registrations shown on the parent title deed are referred to by force of the law by follow up of the title deeds of each plot (hereinafter called the “Plots”), either in the case of neighborhoods in the meaning of the law n°25-90 supra or in the case of condominium plots in the meaning of the law 18-00 relating to the condominium status of the built-up buildings.

Each of the bondholders also allows (i) the marketing through any means of communication, (ii) merchandizing through any research mandate and (iii) the conclusion of any preliminary sale contract of the properties resulting from the development of the Property.

V.2.2. Substitution property

Independently from the normal repayment of the bond loan and in order to enable the Company to develop one or more plots constituting the Property, each Bondholder authorizes the partial release of the Mortgage, assuming that the Company will consent the constitution of a new first-rank mortgage on another property (hereinafter called “Substitution Property”, of a maximum amount equal to MAD 250,000,000.

It is understood that the value of the Substitution Property as determined by an independent real estate board shall in no event be less than MAD 250,000,000.

In this case, the Company will, thus, submit the Substitute Property to the group of the bondholders for approval. This request must be supported by an evaluation report prepared by an independent real estate counsel. The group of the bondholders will meet in a general meeting, within 30 days as of the request made by the Company to the agent of the group of the bondholders, in order to approve this request.

The summons of the general meeting of the bondholders called to approve the substitution request will be done under the same terms of the form and time limit as the general meetings of shareholders as stipulated by section 113 of the law n°17-95 relating to public limited companies, as amended and completed by the law n°20-05.

This partial release will be given on a proposal from the Company, for one or more Plots which it designates (hereinafter called "Substituted Plots") and, when the Property has been the subject of an allotment, whose terms are provided above in details. The surface area of the Substituted Plots shall in no event exceed 433,348 square meters.

The mortgage charging deed covering the Substitution Property will be signed by the agent of the group of bondholders.

The amount of the mortgage relating to the Substitution Property will be calculated according to the following from (surface area of the Substituted Plots/433,348 m²) x the annual depreciation amount of the principal of the subscribed bond loan.

By virtue of the Bond Issue Agreement, the Bondholders give powers to the agent of the group of the bondholders in order to reiterate all the above-mentioned authorizations granted to the Company and to sign the release and mortgage charging deed, as well as to the Appointed Notary Public to carry out the crossing off and registration formalities.

The agent of the group of the bondholders must comply with that obligation above within 5 business days as of the date of the notification that will be notified to him by the Company or the Appointed Notary Public, which must be supported by all the required documents, otherwise the Company will have the right to resort to the presiding judge, acting in chambers, of the court of the headquarters of the Company, to order the release by means of legal action.

In the event that a new mortgage would be consented on the Substitution Property, the mechanisms applicable to the Mortgage, mortgage charging deed (including the terms of release and substitution), and to the Property shall apply mutatis mutandis respectively on (i) the mortgage consented on the Substitution Property on (ii) the mortgage charging deed on the said mortgage and on (iii) the Substitution Property.

V.2.3. Release

The Bond Issue Agreement specifies the cases in which the Company is allowed to obtain a release on the Mortgage, the Second-rank Mortgage, if any, or the mortgage on the Substitution Property, if any:

a) Release of the Mortgage on the parcel dedicated mainly to the rehousing of the occupants of the Property

A plot of the Property with a maximum surface area of about 90,000 square meters has been allocated by the Company mainly to the rehousing of some occupants of the Property. Each Bondholder authorizes in advance, immediately after obtaining the title deeds of the lots, the mortgage release, if appropriate, the Second-rank Mortgage on one or several plots, given that this release shall in no event extend to plots with a total surface area exceeding 90,000 square meters.

By virtue of the Bond Issue Agreement, the Bondholders give powers to the agent of the group of the bondholders in order to reiterate this authorization granted to the Company and to sign the mortgage release, as well as to the Appointed Notary Public to carry out the crossing off formalities. To this end, the Company will deliver to the Appointed Notary Public a copy of the certificates issued by the competent Land Registrar regarding the individual titles deeds relating to the Plots concerned by the release.

b) Release of the Mortgage or the Second-rank Mortgage at the payment of every annual installment

In order to enable the Company to develop one or more Plots constituting the Property, since the Property has been the subject of an allotment under the terms described in the section on the development of the Property and provided the Company submits to the agent of the group of the bondholders an evaluation report drawn up 30 days at best before an independent real estate counsel, specifying that the value of the Property after

the release of the mortgage registration on the plots is at least equal to the due remaining capital of the bond loan, each bondholder authorizes in advance the release of the Mortgage and, if applicable, the Second-rank Mortgage on one or several Plots, with a maximum surface area of 433,348 square meters⁶ (hereinafter called the "Authorized surface Area"), to the repayment of each payment of the bond loan made by the Company. In the above case, in addition to the release of the mortgage on the plots defined by the Company, the Undertaking to Mortgage on these Plots shall be null and void by force of the law.

As an exception to the foregoing, in the event of recourse to the substitution mechanism described above, the Authorized Surface Area following the repayment of the installment of the bond loan will be reduced by the number of square meters corresponding to the Substituted Plots. For purposes of the following dates, the Authorized Surface area will be as defined in the previous paragraph.

The release will concern the Plots designated by the Company, provided that the total surface area of these Plots does not exceed the Authorized Surface Area.

In the event the Company chooses to request the Mortgage release relating to one or several Plots, up to a surface area less than the Authorized Surface Area, the Company shall keep the right to require later and at any moment the Mortgage release for a surface area equal to the remainder between the surface area initially liberated and the Authorized Surface Area.

By virtue of the Bond Issue Agreement, the Bondholders give powers to the agent of the group of the bondholders in order to reiterate all the above-mentioned authorizations granted to the Company and to sign the release and mortgage charging deed, as well as to the Appointed Notary Public to carry out the crossing off formalities. To this end, the Company will deliver to the Appointed Notary Public (i) a certificate issued by BMCE Bank confirming the payment of the installments due for the bond loan and (ii) a copy of the certificates issued by the competent Land Registrar regarding the individual titles deeds relating to the Plots concerned by the release.

The agent of the group of the bondholders must comply with that obligation above within 5 business days as of the date of the notification that will be notified to him by the Company or the Appointed Notary Public, which must be supported by all the required documents, otherwise the Company will have the right to resort to the presiding judge, acting in chambers, of the court of the headquarters of the Company, to order the release by means of legal action.

All the above mentioned release authorizations can be given to the Company only when it communicates to the agent of the group of the bondholders an evaluation report, prepared by an independent real estate counsel, specifying that the value of the Property after reducing its plots tax base for which the Company is wishing to get the release remains higher than the remaining due capital of the bond loan.

c) Release of the mortgage on the Substitution Property:

Each bondholder authorizes in advance the release of the Mortgage on the Substitution Property, since the repayment of the installment of the bond loan, taking place immediately after the registration of the mortgage on the Substitution Property.

The Company shall have the opportunity to carry out this release at any moment as of the above repayment.

By virtue of the Bond Issue Agreement, the Bondholders give powers to the agent of the group of the bondholders in order to reiterate this authorization granted to the Company and to sign the release, as well as to the Appointed Notary Public to carry out the crossing off formalities.

The agent of the group of the bondholders must comply with the obligation above within 5 business days as of the date of the notification that will be notified to him by to the Company or the Appointed Notary Public, which must be supported by all the required documents, otherwise the Company will have the right to resort to the presiding judge, acting in chambers, of the court of the headquarters of the Company, to order the release by means of legal action.

⁶ i.e. the 1/8th of the total surface area of the Property reduced from the surface area that may be liberated mainly for the rehousing of Property occupants.

VI. Undertaking to freeze the income of the subscriptions of the Investors III

By virtue of section 7 of the Bond Issue Agreement, the Company undertakes to freeze the amount of the subscriptions received from the Investors III in an account domiciled at BMCE Bank as of the date of the payment of the delivery of the bond issue, i.e. August 11th, 2014 until the maturity date of the Existing Bonds date, i.e. August 11th, 2015.

The amounts credited to this account will be used exclusively for the repayment of the Existing Bonds which have not been subject to redemption under this operation.

VII. Representation of the group of the bondholders

According to section 9 of the Bond Issue Agreement, the Company's Board of Directors undertakes to summon the General Meeting of the Bondholders within a time limit of 60 days as of the date of possession of the bonds issued under this operation, in order to designate its permanent agent.

In the event the General Meeting of the Bondholders fails to appoint its temporary agent, this latter may be appointed by the Presiding Judge of the court, acting in chambers, upon the request of any concerned person.

It should be noted that the appointed permanent agent shall be the same for the tranches A, B, C and D of the bond loan, which are gathered in a one and the same group.

Pending the holding of the General Meeting of bondholders, the Board of Directors of the Company appointed on July 14th, 2014 Mr. Karim MOUTTAKI, shareholder and manager of Mouttaki Partners firm, located in Casablanca, 131, Boulevard Moulay Youssef, as a temporary agent.

This decision shall be effective as of the opening date of the subscription period. It should be noted that the appointed temporary agent shall be the same for tranches A, B, C and D of the bond loan, which are gathered in a one and the same group.

The agent should, at least 15 days before the general meeting of the bondholders, provide to them an annual report presenting mainly: (i) the operations carried out on behalf of the group of the bondholders (releases, possible substitutions, accomplishment of the undertaking to mortgage, etc.), (ii) the situation of the guarantee (mortgaged surface areas due to possible releases, overview of valuation reports submitted by the Company, etc.) as well as (iii) any useful comment about the assessment of the level of the offered guarantee.

The above obligation will not concern the Bondholders' first General Meeting to be held upon the summons of the Board of Directors of Douja Promotion Groupe Addoha as set out above.

VIII. Listing at the Casablanca Stock Exchange

Only the bonds of the tranches B and D subject of this Prospectus are tradable in the market of the Casablanca Stock Exchange:

Tableau 2. Listing at the Casablanca Stock Exchange

Category	Tranche B	Tranche D
Date scheduled for the listing of securities	August 6 th , 2014	August 6 th , 2014
Code of bonds	990169	990170
Ticker	OB169	OB170
Procedure of the first listing	Direct listing	
Centralizing institution	BMCE Bank	
Institution in charge of the registration of the operation at the Casablanca Stock Exchange	BMCE Capital Bourse	

IX. Operation Schedule

The subscription is open at the placement agents. The operation schedule is presented below:

Tableau 3. Schedule of the bond issue

Order	Stages	Deadline
1	Reception of the complete file of the operation by the Casablanca Stock Exchange	July 16 th , 2014
2	Issue of the operation approval notice by the Casablanca Stock Exchange	July 16 th , 2014
3	Reception of the prospectus approved by the CDVM by the Casablanca Stock Exchange	July 16 th , 2014
4	Publication of the announcement relating to the bond issue in the official stock list by the Casablanca Stock Exchange.	July 16 th , 2014
5	Publication of an abstract of the prospectus in a newspaper for legal announcements.	July 18 th , 2014
6	Opening the subscription period	July 23 rd , 2014
7	Closing the subscription period	July 25 th , 2014
8	Reception of the operation results by the Casablanca Stock Exchange (subscription and repurchase)	July 31 st , 2014
9	- Rating of bonds; - Publication of the operation results in the official stock list; - Registration of the transaction in the Stock Exchange.	August 6 th , 2014
10	- Payment/delivery of all transactions. - Crossing off of the listed Existing Bonds in the event of full redemption.	August 11 th , 2014
11	Publication of the operation results by the Company in a newspaper for legal announcements.	August 12 th , 2014

X. Placement agents and financial intermediaries

The placement agents and the financial intermediaries participating in this bond issue operations are as follows:

Tableau 4. Placement agents and financial intermediaries

Investment group and financial intermediaries	Corporate name	Address
Advisory and global coordinator	BMCE Capital Conseil	63, Boulevard My Youssef, Casablanca
Centralizing Entity of the operation	BMCE Bank	140, Boulevard Hassan II, Casablanca
Head of the placement agents	BMCE Bank	140, Boulevard Hassan II, Casablanca
Placement agents ⁷	BMCE Bank	140, Boulevard Hassan II, Casablanca
	CDG Capital	Place Moulay El Hassan, BP 408, Rabat
	Banque Centrale Populaire	101, Bd Zerktouni, Casablanca
Entity in charge of the registration of the operation in The Casablanca Stock Market	BMCE Capital Bourse	Tour BMCE Capital, Rond-point Hassan II, Casablanca
Domiciliary institution providing financial services to the issuer	BMCE Bank	140, Boulevard Hassan II, Casablanca

XI. Subscription terms

XI.1. Subscription period

The subscription period shall take place at the placement agents from July 23rd, to July 25th, 2014 inclusive.

XI.2. Subscribers categories

The operation will be reserved for three categories of investors:

XI.2.1. Investors I

The Investors I represent all holders of bonds issued by Douja Promotion Groupe Addoha in 2010 and whose bullet redemption is expected on August 11th, 2015 (called in this prospectus the “Existing Bonds”), who wish to subscribe under this exchange operation.

The maximum number of the new bonds to be allocated to this category of investors is 20,000 securities with a nominal unit value of MAD 100,000, i.e. a maximum amount of MAD 2,000,000,000.

The ISIN codes of the Existing Bonds are as follows:

Tableau 5. Lines of the Existing Bonds of Douja Promotion Groupe Addoha (07/14/2014)

ISIN Code	Listing at the Casablanca Stock Exchange	Nature of rates	Number of securities	Outstanding (MMAD)	Risk premium at issue	Nominal rate	Maturity date	Payment frequency	Redemption price
MA0000021420	Listed	Fixed	2 146	214.6	130 bps	5.18%	11/08/2015	Annual	MAD 101,425.92
MA0000091126	Unlisted	Revisable	14 415	1 441.5	120 bps	(*)	11/08/2015	Annual	MAD 100,785.71
MA0000091134	Unlisted	Fixed	3 439	343.9	130 bps	5.18%	11/08/2015	Annual	MAD 101,425.92

(*) 4.69% on 08/11/2011 ; 4.64% on 08/11/2012 ; 4.79% on 08/11/2013 ; 5.29% on 08/11/2014.

⁷ It is clearly specified that subscribers wishing to take part in this operation must send their subscriptions to the trading rooms of the placement agent.

XI.2.2. Investors II

Investors II represent all holders of commercial papers issued by Douja Promotion Groupe Addoha under the project subject of the prospectus updated and approved by the CDVM on September 12th, 2013 under the reference VI/EM/022/2013 (called in this Prospectus “Existing Commercial Papers”), who wish to subscribe under this exchange operation.

The maximum number of the new bonds to be allocated to this category of investors is 10,000 securities with a nominal unit value of MAD 100,000, i.e. a maximum amount of MAD 1,000,000,000.

The ISIN codes of the Existing Commercial Papers are as follows:

Tableau 6. Lines of the Existing Commercial Papers of Douja Promotion Groupe Addoha on 07/14/2014

ISIN Code	Listing at the Casablanca Stock Exchange	Nature of rates	Number of securities	Outstanding (MMAD)	Risk premium at issue	Nominal rate	Maturity date	Payment frequency	Redemption price
MA0001404575	Unlisted	Fixed	550	55.0	145 bps	5.55%	11/03/2014	At maturity	MAD 104,770.71
MA0001404658	Unlisted	Fixed	1 000	100.0	145 bps	5.57%	11/20/2014	At maturity	MAD 104,623.80
MA0001404880	Unlisted	Fixed	250	25.0	181 bps	5.55%	02/02/2015	At maturity	MAD 103,861.19
MA0001404930	Unlisted	Fixed	200	20.0	155 bps	5.00%	08/22/2014	At maturity	MAD 102,433.37
MA0001404948	Unlisted	Fixed	1 850	185.0	185 bps	5.55%	02/19/2015	At maturity	MAD 103,690.16
MA0001405101	Unlisted	Fixed	500	50.0	195 bps	5.10%	11/03/2014	At maturity	MAD 101,761.53
MA0001405119	Unlisted	Fixed	700	70.0	225 bps	5.55%	05/04/2015	At maturity	MAD 102,943.87
MA0001405192	Unlisted	Fixed	450	45.0	194 bps	5.10%	11/20/2014	At maturity	MAD 101,599.38
MA0001405184	Unlisted	Fixed	2 500	250.0	229 bps	5.55%	05/21/2015	At maturity	MAD 102,772.05
MA0001405218	Unlisted	Fixed	2 000	200.0	196 bps	5.10%	12/01/2014	At maturity	MAD 101,492.36

XI.2.3. Investors III

Investors III represent all the Moroccan qualified investors listed hereinafter and who wish to subscribe under this issue operation apart from the exchange operation:

- Financial companies set in section 14 of the Royal Decree n°1-05-178 of February 14th, 2006 enacting the law n°34-03 relating to credit institutions and similar entities, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing them;
- Credit institutions set in the first section of the Royal Decree n°1-05-178 above, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing them;
- Undertakings for Collective Investment in Transferable Securities (UCITS) governed by the law 1-93-213 of September 21st, 1993 relating to undertakings for collective investment in transferable securities, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing them;
- Accredited insurance and reinsurance companies as organized by the law n°17-99 establishing Insurance Act, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing them;
- Caisse de Dépôt et de Gestion, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing it;
- Retirement and pension institutions, provided the respect of the legal, regulatory or statutory provisions and the prudential rules governing them;

The maximum number of the new bonds to be allocated to this category of investors is 20,000 securities with a nominal unit value of MAD 100,000, i.e. a maximum amount of MAD 2,000,000,000.

The income of the subscriptions received from the Investors III will be frozen in a special account. The amounts credited to this account will be used exclusively in the repayment of the Existing Bonds which have not been subject to redemption under this operation.

XI.3. Identification of subscribers

The placement agents must make sure of the belonging of the subscriber to one of the categories defined above. They must therefore, if they do not have it yet, get and enclose a copy of the identification document of subscribers to the subscription form established for operation.

For each category of subscribers, the identification documents to provide are the following:

Tableau 7. Identification documents per category of subscribers

Category	Document to provide
Moroccan legal entities	Photocopy of the trade register.
Foreign legal entities	Any document deemed authentic in the country of origin and proving the belonging to this category or any other mean considered acceptable by the placement agents leader.
Moroccan qualified investors off OPCVM	Model of filing in the trade register including the corporate purpose showing their belonging to this category.
Moroccan OPCVM	Photocopy of the approval decision; For mutual funds, the certificate of filing with the court registrar; For SICAV, Unit trust the registration model of the Trade Register.
Natural persons	Photocopy of the ID.

XI.4. Subscription terms

XI.4.1. Terms of subscription by Investors I

Investors I : all holders of the Existing Bonds (issued Douja Promotion Groupe Addoha in 2010), who wish to subscribe under this exchange operation:

The subscribers belonging to the category of Investors I will participate in an exchange operation that will result in a repurchase by Douja Promotion Groupe Addoha of the Existing Bonds issued by the Company in 2010 and due in 2015 held by the said subscribers. The repurchase is conditional upon the subscription of an equal number of new bonds under this issue.

The said subscribers may make a firm and irrevocable exchange application by specifying the number of the Existing Bonds brought to the exchange and the nature of the subscribed tranche under the new issue in return for redemption.

The number of new bonds subscribed by each Investor I must correspond at most to the total number of the Existing Bonds in its possession. Individual subscribers must enclose to their subscription form a freeze certificate of the Existing Bonds they wish to bring to the exchange.

All subscriptions of each Investor I for the exchange offer must be done with the same placement agent member. The subscription form for the Investors I includes: (i) a subscription application to the new bonds for the same number of securities according to the model attached to this Prospectus and (ii) a sell order of the Existing Bonds.

The subscription applications to the exchange operation of the Existing Bonds against new Bonds are cumulative on a daily basis, by the subscription amount, and the subscribers may be served up to their application.

There is no floor or ceiling instituted for subscription within this exchange operation of the Existing Bonds against the new Bonds subject of this Prospectus.

Every subscriber has the possibility to bid for an exchange against the listed and/or unlisted loan at a fixed and/or revisable rate.

The placement agents will have to collect the subscription orders from the subscribers interested by the exchange, through firm and irrevocable subscription forms, duly signed and filled by the subscribers according to the model attached to this Prospectus.

Every subscription form must be signed by the subscriber or his proxy and handed over to the placement agents. All subscriptions will be made in cash and must be expressed in number of securities.

The signature of the subscription form requires compliance with the Bond Issue Agreement attached to this Prospectus.

The subscriptions to the exchange operation of the Existing Bonds against new Bonds will be collected, all along the subscription period, through the placement agents trading rooms).

Each placements agents shall hand over to the depositaries of their clients the sell order supported by the results of the allocation, while specifying the number of the Existing Bonds for sale and the number of the new bonds to subscribe in account for each investor, and the amounts corresponding to the operations (sale of the Existing Bonds and subscriptions to new bonds). It is understood that each subscriber must give instruction to its depositary for the carrying out of the two operations.

The placement agents members should get assured about the financial capacity of the individual subscribers.

XI.4.2. Terms of subscription by Investors II

Investors II : all holders of the Existing Commercial Papers (issued by Douja Promotion Groupe Addoha), who wish to subscribe under this exchange operation:

The subscribers belonging to the category of Investors II will participate in an exchange operation that will result in a repurchase by Douja Promotion Groupe Addoha of the Existing Commercial Papers issued by the Company and held by the said subscribers. The repurchase is conditional upon the subscription of an equal number of new bonds under this issue.

The said subscribers may make a firm and irrevocable exchange application by specifying the number of the Existing Commercial Papers brought to the exchange and the nature of the subscribed tranche under the new issue in return for redemption.

The number of new bonds subscribed by each Investor II must correspond at most to the total number of the Existing Commercial Papers in its possession. Individual subscribers must enclose to their subscription form a freeze certificate of the Existing Commercial Papers they wish to bring to the exchange.

All subscriptions of each Investor II for the exchange offer must be done with the same placement agent member. The subscription form to be filled by the Investors II includes: (i) a subscription application to the new bonds for the same number of securities according to the model attached to this Prospectus and (ii) a sell order of the Existing Commercial Papers.

The subscription applications to the exchange operation of the Existing Commercial Papers against new Bonds are cumulative on a daily basis, by the subscription amount, and the subscribers may be served up to their application and within the limit of the available securities.

There is no floor or ceiling instituted for subscription within this exchange operation of the Existing Bonds against the new Bonds subject of this Prospectus.

Every subscriber has the possibility to bid for an exchange against the listed and/or unlisted loan at a fixed and/or revisable rate.

The placement agents will have to collect the subscription orders from the subscribers interested by the exchange, through firm and irrevocable subscription forms, duly signed and filled by the subscribers according to the model attached to this Prospectus.

Every subscription form must be signed by the subscriber or his proxy and handed over to the placement agents. All subscriptions will be made in cash and must be expressed in number of securities.

The signature of the subscription form requires compliance with the Bond Issue Agreement attached to this Prospectus.

The subscriptions to the exchange operation of the Existing Commercial papers against new Bonds will be collected, all along the subscription period, through the placement agents.

The subscription orders are firm and irrevocable. However, the number of securities for sale and subscription by the Investors II will be defined at the moment of allocation. Each placement agent shall hand over to the depositaries of their clients the sell order supported by the results of the allocation, while specifying the number of the Existing Commercial Papers for sale and the number of the new bonds to subscribe in account for each investor, and the amounts corresponding to the two operations (sale of the Existing Commercial papers and subscriptions to new bonds). It is understood that each subscriber must give instruction to its depositary for the carrying out of the two operations.

The placement agents should get assured about the financial capacity of the individual subscribers.

XI.4.3. Terms of subscription by Investors III

Investors III : all Moroccan qualified investors, who wish to subscribe under an ordinary issue (apart from the exchange operation)

The subscribers belonging to the category of Investors III may make a subscription application by specifying the number of the securities requested and the subscribed tranche. Unless they are null and void, the subscriptions made by the Investors III are cumulative on a daily basis, by the subscription amount, and the subscribers may be served up to their application and within the limit of the available securities.

There is no floor or ceiling instituted for subscription within this Bond Issue subject of this Prospectus.

Every subscriber has the possibility to bid for the listed and/or unlisted loan at a fixed and/or revisable rate.

The placement agents will have to collect the subscription orders from the subscribers interested through firm and irrevocable subscription forms, duly signed and filled by the subscribers according to the model attached to this Prospectus.

Every subscription form must be signed by the subscriber or his proxy and handed over to the placement agents. All subscriptions will be made in cash and must be expressed in number of securities.

The signature of the subscription form requires compliance with the Bond Issue Agreement attached to this Prospectus.

The subscriptions will be collected, all along the subscription period, through the placement agents.

XI.4.4. Subscriptions under three categories

The investors wishing to exchange their Existing Bonds and / or their Existing Commercial Papers and / or subscribe by providing funds may make only one subscription per term: a subscription to exchange the Existing Bonds, a subscription to exchange the Existing Commercial Papers and a subscription by contribution of funds, with the placement agents.

XI.5. Terms of fixing redemption prices of the Existing Bonds and Existing Commercial Papers

XI.5.1. Redemption price of the Existing Bonds

The redemption payment by Douja Promotion Groupe Addoha of the Existing Bonds will be in cash and will correspond to the date of payment/delivery, i.e. on August 11th, 2014, at the unit price of the Existing Bonds after coupon detachment 2014. On August 11th, 2014, the unit price is equal to the clean price of the Bonds, given that Douja Promotion Groupe Addoha will have, at the time of the redemption operation's payment/delivery, previously paid, according to the normal procedure in force, the 2014 coupon at the anniversary date of the Existing Bonds, i.e. August 11th, 2014.

The following table presents the redemption prices of the Existing Bonds and the parameters used in their fixing:

Tableau 8. Characteristics of fixing the redemption price of the Existing Bonds

ISIN Code	Listing	Nature of the rate	Residual maturity (*)	Reference rate	Valuation risk premium	Redemption price
MA0000091126	Unlisted	Revisable ⁸	365 days	3.1571% (**)	40 bps	MAD 100,785.71
MA0000091134	Unlisted	Fixed	365 days	3.2013% (***)	50 bps	MAD101,425.92
MA0000021420	Listed	Fixed	365 days		50 bps	MAD 101,425.92

(*) The number of days between the payment/delivery date, i.e. 08/11/2014 the maturity of the Existing Bonds, i.e. 08/11/2015.

(**) Monetary rate of the Treasury Bonds on the residual maturity, defined on the Treasury Bonds' curve of the secondary market as published by BAM on 07/11/2014.

(***) Actuarial rate of the Treasury Bonds on the residual maturity, defined on the Treasury Bonds' curve of the secondary market as published by BAM on 07/11/2014.

⁸ Increase in value of adjustable bonds based on an estimated 2015's coupon, considering the representative rate equal to the full money rate of the Treasury Bills, 52-weeks calculated on the basis of the yield curve of Treasury bills in the secondary market issued by Bank Al Maghrib on July 11th, 2014, i.e. 3.16%

XI.5.2. Price of redemption of the Existing Commercial Papers

The redemption payment by Douja Promotion Groupe Addoha of the Existing Commercial Papers will be in cash and will correspond to the date of payment/delivery, i.e. on August 11th, 2014, at the unit accrued coupon price of securities, i.e. the clean price of the Existing Commercial Papers increased by the accrued coupon on this date.

The following table presents the redemption prices of the Existing Commercial Papers:

Tableau 9. Characteristics of fixing the redemption price of the Existing Commercial Papers

ISIN Code	Residual maturity(*)	Reference rate	Valuation risk premium	Redemption price
MA0001404575	84 days	3.0400% (**)	40 bps	MAD 104 770.71
MA0001404658	101 days	3.0344% (**)	40 bps	MAD 104 623.80
MA0001404880	175 days	3.0671% (**)	40 bps	MAD 103,861.19
MA0001404930	11 days	3.0600% (**)	40 bps	MAD 102,433.37
MA0001404948	192 days	3.0746% (**)	40 bps	MAD 103,690.16
MA0001405101	84 days	3.0400% (**)	40 bps	MAD 101,761.53
MA0001405119	266 days	3.1073% (**)	40 bps	MAD 102,943.87
MA0001405192	101 days	3.0344% (**)	40 bps	MAD 101,599.38
MA0001405184	283 days	3.1148% (**)	40 bps	MAD 102,772.05
MA0001405218	112 days	3.0393% (**)	40 bps	MAD 101,492.36

(*) The number of days between the payment/delivery date, i.e. 08/11/2014 the maturity of the Existing Commercial Papers.

(**) Monetary rate of the Treasury Bonds on the residual maturity, defined on the Treasury Bonds' curve of the secondary market as published by BAM on 07/11/2014.

XI.6. Terms of orders and allocation

XI.6.1. Terms of orders' centralization

During the subscription period, every placement agent must hand over on a daily basis before 15:00 to BMCE Bank (centralizing body), a consolidated and summarized statement of subscriptions of the Investors I, II and III he/she received during the day. The subscription daily statement must be sent by fax to the number 05.22.43.01.34.

In the event of non-subscription during the day, the subscription statement must be transmitted with the mention « None ».

During the last day of the subscription period, i.e. July 25th, 2014 at 16:00, each placement agent must hand over to BMCE Bank, before 17:00, a consolidated, itemized, final and summarized statement of subscriptions of the Investors I, II and III it will have received.

On July 25th, 2014 after 17:00 at the registered office of BMCE Bank, in the presence of a representative of every placement agent, the following will be carried out:

- The cancellation of applications not fulfilling the abovementioned subscription terms and conditions;
- The consolidation of all admissible subscription applications, i.e. all subscription applications not deemed null and void, and
- The allocation according to the method defined below, See the section relating to allocation methods).

XI.6.2. Terms of allocation

Upon the closing of the subscription period, the orders of subscriptions will be consolidated by categories of investors (I, II and III) and the centralizing institution will send to the placement agents a summarized statement of subscriptions.

BMCE Bank will then have twelve order books representing the subscriptions of the three categories of Investors (I, II and III) in the four tranches of the issue (A, B, C and D).

The application expressed will be served until the maximum amount of the bond loan is reached. The amount awarded for three categories of investors and the four combined tranches of the bond loan should in no event exceed the amount of MAD 2,000,000,000 for the entire issue operation.

If at the closing of the subscriptions, the total amount collected from the subscriptions is less than the maximum amount of the issue, the total amount allocated will be limited to the total subscribed amount in accordance with the decision of the Ordinary General Meeting held on July 14th, 2014 to limit the amount of the issue to the subscribed amount⁹.

No priority order is established between the tranches of the bond loan (tranches A, B, C and D).

The subscriptions collected from the Investors I will be served in priority in comparison with the subscriptions collected from the Investors II and Investors III, whereas the subscriptions collected from the Investors II will be served in priority in comparison with the subscriptions collected from the Investors III.

To be listed at the Casablanca Stock Exchange, the aggregate of the amounts allocated to tranches B and D must be higher than or equal to MAD 20,000,000. If at the closing of the subscription period the aggregate of the amounts allocated to tranches B and D is less than MAD 20,000,000, the subscription relating to these tranches will be cancelled. The amount, thus, cancelled will be allocated to tranches A and C. therefore, a new allocation of all subscriptions will be carried out under the same rules provided in details in this section.

At the end of the allocation session, which will be attended by the representatives of the placement agents, the issuer and the placement agents leader, a report of allocation (itemized by investors' category, by tranche and by placement agent) will be drawn-up by the placement agents leader.

The allocation will be declared and recognized "final and irrevocable" by the placement agents leader, the placement agents and the issuer immediately after the signature of the said report by the parties.

⁹ See section 298 of the law 17-95 relating to public limited companies as amended and completed by the law 20-05.

Allocation rules for the Investors I (all holders of the Existing Bonds in 2010, who wish to subscribe under the exchange operation):

The maximum number of new bonds to be allocated to this investors' category is 20,000 securities with a nominal value of MAD 100,000, i.e. a maximum amount to be allocated of two billion dirhams (MAD 2,000,000,000).

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors I is equal to the maximum amount of the issue (MAD 2,000,000,000), no amount will be allocated to the Investors II and III and the bonds requested by the Investors I will be allocated to them up to the total amount of the subscriptions collected for each tranche.

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors I is less than the maximum amount of the issue (MAD 2,000,000,000), the bonds requested by the Investors I will be allocated to them up to the total amount of the subscriptions collected for each tranche. After the allocation of the subscriptions collected from the Investors I, the remainder of the issue amount which has not been allotted will be allocated in priority to the Investors II within the limit of the amounts they have subscribed and the total amount allocated to the Investors I and II should not be higher than the maximum amount of the issue.

Allocation rules for the Investors II (all holders of the Existing Commercial Papers, who wish to subscribe under the exchange operation):

The maximum number of new bonds to be allocated to this investors' category is 10,000 securities with a nominal value of MAD 100,000, i.e. a maximum amount to be allocated of one billion dirhams (MAD 1,000,000,000).

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors II is less than or equal to the remainder of the issue amount which has not been allotted after the allocation of the subscriptions of the Investors I, the bonds requested by the Investors II will be allocated to them up to the total amount of the subscriptions collected for each tranche.

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors II is higher than the remainder of the issue amount which has not been given after the allocation of the subscriptions of the Investors I, the allocations by tranches of the subscriptions collected from the Investors II will be carried out in proportion with the request expressed for each one of the tranches. The allocation rate will be fixed by the ratio; $\frac{(20,000 - \text{Quantity allocated to the Investors I for all the tranches})}{(\text{Quantity requested by the Investors II for all the tranches})}$.

If the number of securities to be distributed, according to the pro rata rule defined above, is not an integral number, this number of securities will be rounded to the nearest unit. The fractions will be allocated in increments of a bond per subscription, with priority to the strongest applications.

Allocation rules for the Investors III (all Moroccan qualified investors who wish to subscribe under the ordinary issue operation):

The maximum number of new bonds to be allocated to this investors' category is 20,000 securities with a nominal value of MAD 100,000, i.e. a maximum amount to be allocated of two billion dirhams (MAD 2,000,000,000).

If at the closing of the subscription period, the total amount of the bonds allocated to the Investors I and Investors II is less than the maximum amount of the bond loan, the remainder will be allocated to the Investors III.

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors III is less than or equal to the remainder of the issue amount which has not been given after the allocation of the subscriptions of the Investors I and Investors II, the bonds requested by the Investors III will be allocated to them up to the total amount of the subscriptions collected for each tranche.

If at the closing of the subscription period, the total amount of subscriptions collected from the Investors III is higher than the remainder of the issue amount which has not been given after the allocation of the subscriptions of the Investors I and the Investors II, the allocations by tranches of the subscriptions collected from the Investors III will be carried out in proportion with the request expressed for each one of the tranches.

The allocation rate will be fixed by the ratio; “(20,000 – Quantity allocated to the Investors I and Investors II for all the tranches)/ (Quantity requested by the Investors III for all the tranches)”.

If the number of securities to be distributed, according to the pro rata rule defined above, is not an integral number, this number of securities will be rounded to the nearest unit. The fractions will be allocated in increments of a bond per subscription, with priority to the strongest applications.

XI.6.3. Terms of orders' cancellation

Any subscription not meeting the conditions contained in the prospectus or the investment agreement will be cancelled by the placement agents leader.

Likewise, if at the closing of the subscription period the aggregate of the amounts allocated to tranches B and D is less than MAD 20,000,000, the subscriptions related to these tranches will be cancelled by the placement agents leader.

If an investor I or II subscribes with several placement agents, all its subscriptions will be cancelled by the placement agents leader.

In the event where the level of subscription order of an Investor I or II, the number of securities on the sell order is different from that shown on the subscription order, the said form will be cancelled by the placement agents leader.

For the subscriptions of a natural person, In the event where the level of subscription form of an Investor I or II, the number of securities on the sell order and the subscription form is higher that the number of securities shown on the securities-freeze certificate, the said form will be cancelled by the placement agents leader.

In the event of cancelling the subscription of an Investor I or II, the sell order of the former securities attached to the said subscription will also be cancelled.

XI.6.4. Procedure of securities' registration

The institution in charge of the registration of the operation at the Casablanca Stock Exchange is the brokerage company BMCE Capital Bourse. The registration date is fixed on August 6th, 2014.

The registration of the new issue at the Casablanca Stock Exchange for Tranches B and D will be carried out on August 6th, 2014 by BMCE Capital Bourse on the seller side and BMCE Capital Bourse and any other brokerage companies on the purchaser side.

The registration of the redemption of the Existing Bonds at the Casablanca Stock Exchange will be carried out on August 6th, 2014 by BMCE Capital Bourse on the purchaser side and BMCE Capital Bourse and any other brokerage companies on the seller side.

After the allocation, the securities allocated to each subscriber are registered in its securities' account on the day of payment/delivery.

The transactions concerning the listed redeemed Existing Bonds will be registered at the block-trading market.

XI.6.5. Results of the operation

The operation results will be published by the Casablanca Stock Exchange in the official list on August 6th, 2014, and in a newspaper of legal announcements by the Company no later than August 12th, 2014.

XI.6.6. Payment - delivery

The payment/delivery will take place for all operations on August 11th, 2014, directly between the paying agent of the issue and the depositaries of the subscribers at the level of Maroclear platform.

The new bonds are payable once in cash and are registered into account on behalf of the subscribers on the same day, i.e. August 11th, 2014.

Once allocation is made, the securities allocated to every subscriber are registered in its securities account on the day of the payment/delivery.

For Investors I and Investors II, the payment/delivery of the redemption operation by Douja Promotion Groupe Addoha of the Existing Bonds and the Existing Commercial Papers will take place in accordance with the PCL procedure (OTC) on the same day of the payment/delivery of the bonds, i.e. August 11th, 2014.

For the Investors III, the payment delivery will be carried out for the listed bonds over the counter (delivery in return of payment) on August 11th, 2014.

The redemption payment by Douja Promotion Groupe Addoha of the Existing Bonds will be made in cash and will correspond to the date of payment/delivery, i.e. on August 11th, 2014, at the unit price of the Existing Bonds (after coupon detachment 2014). On August 11th, 2014, the unit price is equal to the clean price of the bonds. Given that Douja Promotion Groupe Addoha will have, at the date of the payment/delivery of the redemption operation, previously paid, according to the normal procedure in force, the 2014 coupon at the anniversary date of the Existing Bonds, i.e. August 11th, 2014.

The redemption payment by Douja Promotion Groupe Addoha of the Existing Commercial Papers will be in cash and will correspond to the date of payment/delivery, i.e. on August 11th, 2014, at the accrued coupon prices of the Existing Commercial Papers, i.e. their clean price increased by the accrued coupon on this date.

The payment delivery process for the Investors I and Investors II will be settled as follows: The investor's cash account will be debited in the first time the amount of subscriptions to new bonds, then credited, on the same day, i.e. the day of payment / delivery, the total redemption amount¹⁰. The various depositaries are required to ensure compliance with this order processing.

The Existing Bonds and Existing Commercial Papers repurchased by Douja Promotion Groupe Addoha will be cancelled on the same day, i.e. August 11th, 2014, in accordance with the legal and regulatory provisions.

In the event all the listed Existing Bonds are repurchased by Douja Promotion Groupe Addoha, the Casablanca Stock Exchange will proceed to the crossing off of the said bonds on August 11th, 2014.

XI.6.7. Paying agent of the issue operation

BMCE Bank is designated as the paying agent of the bonds issued under this operation.

As such, it will represent Douja Promotion Groupe Addoha at the central trustee Maroclear and will carry out on its behalf all operations inherent to the securities issued within the framework of this Bond Loan operation, as well as any operations relating to the redemption of the Existing Bonds and the Existing Commercial Papers.

XI.6.8. Transaction fees

All intermediation fees relating to the sale of the Existing Bonds and / or Existing Commercial Paper under the exchange operation, including commissions of the Casablanca Stock Exchange for listed securities and of the depositary, as well as all taxes due from investors remain at their expenses.

¹⁰ The redemption prices are fixed in accordance with terms specified in section XI.5. "Terms of fixing the redemption prices of the Existing Bonds and Existing Commercial papers ».

Partie II. INFORMATION ABOUT THE ISSUER

I. General information

Tableau 1 General information

Corporate Name	Corporate Name: « Douja Promotion Groupe Addoha S.A. ». It is also known under the commercial name of « Groupe Addoha »-
Registered office	Km 7, Route de Rabat, Ain Sebâa, Casablanca
Phone	+212 5 22 67 99 00
Fax	+212 5 22 35 17 63
Website	www.groupeaddoha.com
Email	douja.promotion@addoha.ma
Legal form	Public Limited Company with a Board of Directors
Date of incorporation	April 18 th 1988
Life span	99 years except in case of early dissolution or extension as stipulated by the corporate articles of association or by the law
Registered Capital (December 31 st , 2013)	MAD 3,225,571,180.00 divided into 322,557,118.00 shares of MAD 10 each all of the same category and fully paid up.
Financial year	From January 1st to December 31st.
Number of registration in Trade Register	52 045 – Casablanca
Competent Court in the event of litigation	Commercial Court of Casablanca.
Place for consulting legal documents	The corporate, accounting and legal documents to be communicated by way of the law and the Articles of association to the shareholders and third parties can be consulted at the headquarters of Douja Promotion Groupe Addoha. Km 7. Route de Rabat. Ain Sebâa. Casablanca.
Purpose	According to article 5 of the by-laws. the direct purpose of the company either on its own behalf or on behalf of a third party in Morocco or in any other country: ▪ All real estate operations as spelled out by Royal Decree n° 1.85.100 of 17 August 1985 with regard to enactments of law n°15-85 instituting support for real estate investment. in particular; ▪ Acquisition of built up or non-built up land as well as any other property located in Morocco; ▪ Operation and development of the said land through the division of lots. Site preparation. fitting out, equipment and edification of the said building(s) for residential, commercial, professional, industrial or other uses; ▪ Transformation of building property. sale in co-ownership per lot or unit; ▪ Establishment of deeds testifying to any changes occurring with regard to any real estate property; ▪ Setting up and management of syndicates for all buildings in compliance with the co-ownership rules related thereto including exercise of the management function; ▪ And generally, all real estate or moveable property operations directly or indirectly attached to the purpose of the company.

Source: Douja Promotion Groupe Addoha

II. Capital and shareholding structure

The below Table provides the historical background of the shareholders of Douja Promotion Groupe Addoha in the period from 2011 to 2014:

Tableau 2 Historical background of shareholders between December 31st, 2011 and May 15th, 2014

Shareholders	12/31/2011			12/31/2012			12/31/2013			06/30/2014		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
SEFRIQUI family	176 448 805	56.02 %	56.02%	176 448 805	56.02%	56.02%	182 447 367	56.56 %	56.56%	182 447 367	56.56%	56.56%
Mr. Anas SEFRIQUI	176 422 005	56.01%	56.01%	176 422 005	56.01%	56.01%	182 420 353	56.55%	56.55%	182 420 353	56.55%	56.55%
Mrs. Mounia BENZEKRI	5 360	-	-	5 360	-	-	5 360	-	-	5 360	-	-
Mss Alia SEFRIQUI	5 360	-	-	5 360	-	-	5 360	-	-	5 360	-	-
Mss Kenza SEFRIQUI	5 360	-	-	5 360	-	-	5 360	-	-	5 360	-	-
Mr. Malik SEFRIQUI	5 360	-	-	5 360	-	-	5 360	-	-	5 360	-	-
O.I.P.	5 360	-	-	5 360	-	-	5 574	-	-	5 574	-	-
Stock market float ¹¹	138 551 195	43.98 %	43.98%	138 551 195	43.98%	43.98%	140 109 751	43.44 %	43.44%	140 109 751	43.44%	43.44%
Total	315 000 000	100%	100%	315 000 000	100%	100%	322 557 118	100.0 %	100.0%	322 557 118	100.0%	100.0%

Source: Douja Promotion Groupe Addoha

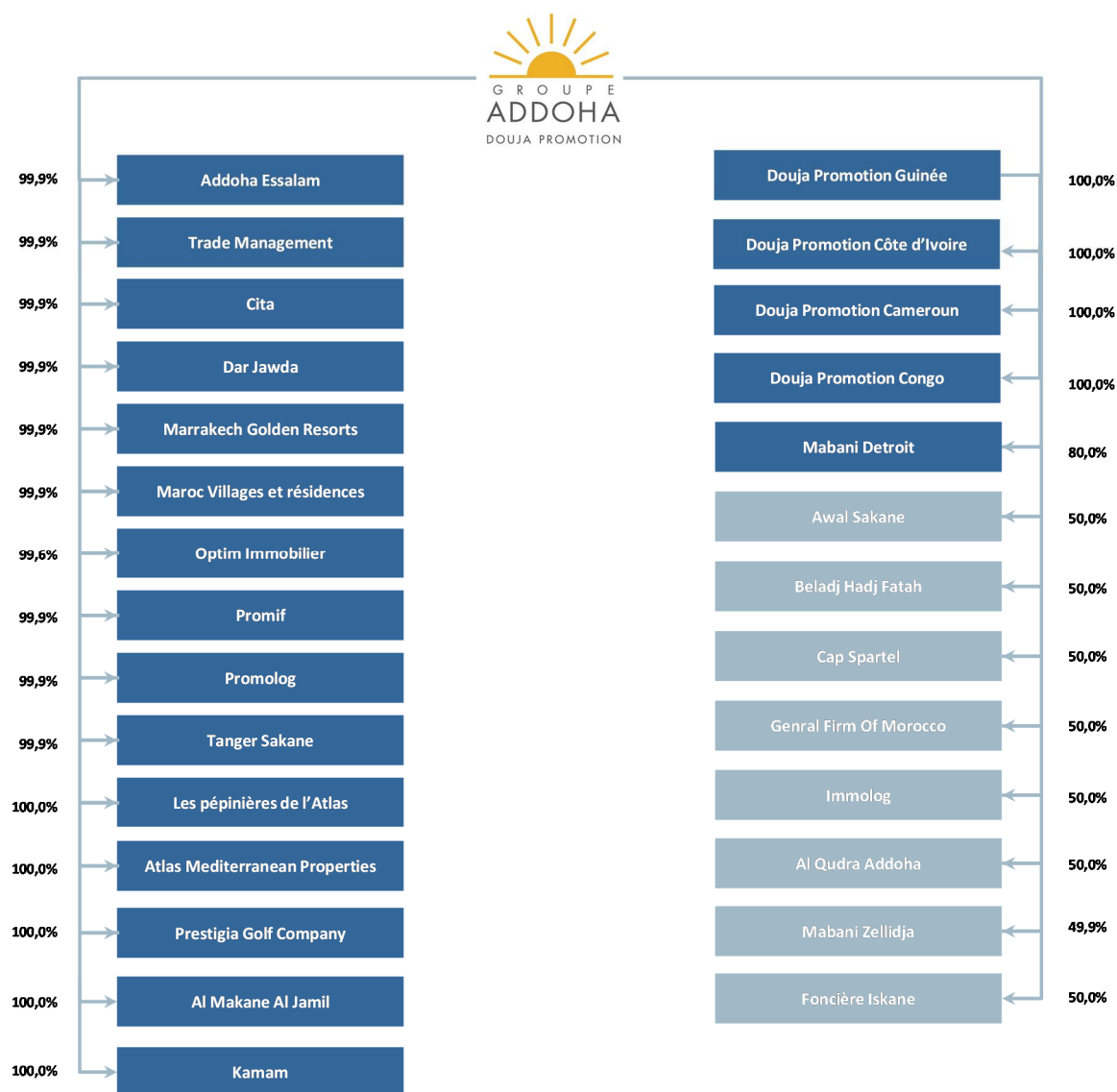
On May 15th, 2014, the shareholding of Douja Promotion Groupe Addoha is owned in majority by SEFRIQUI family with a participating interest amounting to 56.56%. The stock market float represents a participating interest of 43.44% of the share capital of Douja Promotion Groupe Addoha. Moreover, the RCAR participated in the Company's capital in November 2013 after the purchase of 4 772 557 shares of Douja Promotion groupe Addoha crossing upward the Group's participation threshold by 5%, thus reaching 6.48% of the capital.

¹¹ Including more than 6.3% held by RCAR (Régime Collectif d'allocation de Retraite), an institution of social welfare whose purpose is to guarantee personal rights for risks of old age, incapacity and death. RCAR is one of the major institutional investors in the country.

III. Legal flowchart

On December 31st, 2012 the legal flowchart of Douja Promotion Groupe Addoha was as follows:

Figure 1 Participating interests held by Douja Promotion Groupe Addoha December 31st, 2013



Source: Douja Promotion Groupe Addoha

IV. Activity of Douja Promotion Groupe Addoha

WARNING

NB: On December 31st, 2013, the (completed, under construction and have not been launched) social and intermediary programs of Douja Promotion Groupe Addoha include in total 390 097 houses and those related to the (completed, under construction and have not been launched) luxury programs include 37 442 units.

The overall consistencies of the projects set out above are not stopped as they are under construction or have not been launched yet. Thus, they change from a year to the next according to the new modifications introduced by Douja Promotion Groupe Addoha or its subsidiaries on the concerned projects.

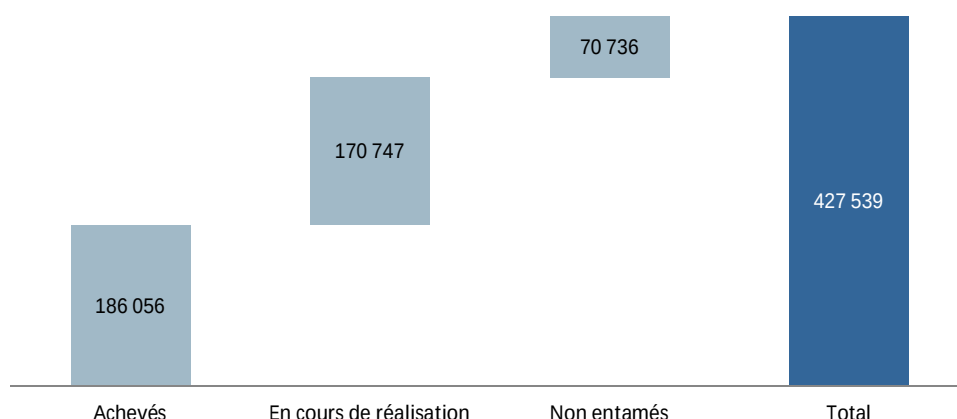
IV.1. General overview

The activity of Douja Promotion Groupe Addoha consists of the carrying out of social and high-end housing programs. The principal activity of the group is social real estate.

Since 2006, the Company has highly reinforced its high-end business materialized by the acquisition of lands dedicated to high-end programs and the creation of subsidiaries with notorious national and foreign partners in order to carry out the real estate and tourist programs.

At the end of 2013, housing programs developed by the group, including the activity of its subsidiaries in the social, intermediate and high-end segments is as follows:

Figure 2 Cumulative projects' production in all segments combined over the period 1995 - 2013 (in units)



Source: Douja Promotion Groupe Addoha

On December 31st, 2013, the programs completed, in process of completion and not yet initiated by Addoha group, all segments combined, amount to 427 539 units divided as follows:

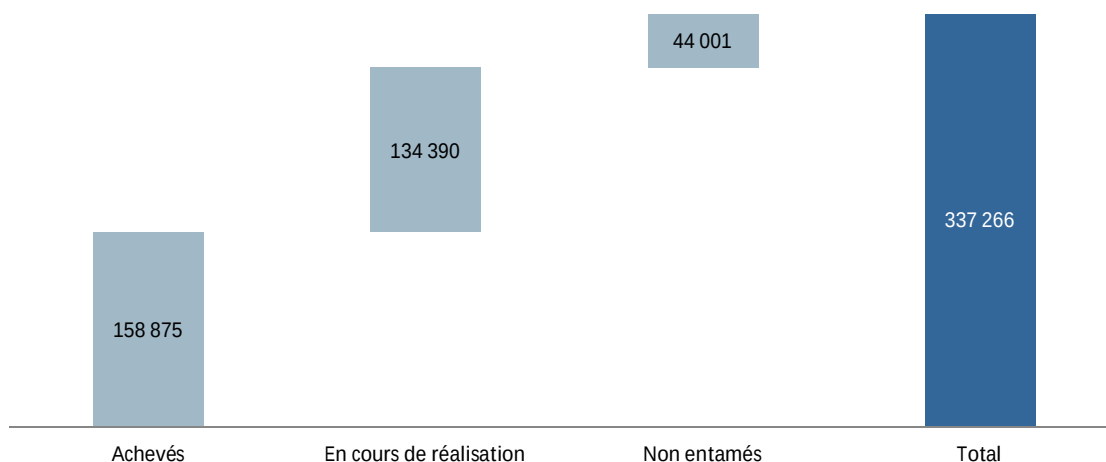
Housing units completed: 186 056;

Housing units in process of completion: 170 747;

Housing units not yet initiated: 70 736.

The below graph presents the projects completed by Douja Promotion Groupe Addoha and the subsidiaries for the social segment as well as the programs which have not been launched yet and the pending programs as of December 31st, 2013:

Figure 3 Cumulative projects production in the social segment on December 31st, 2013 (in units)



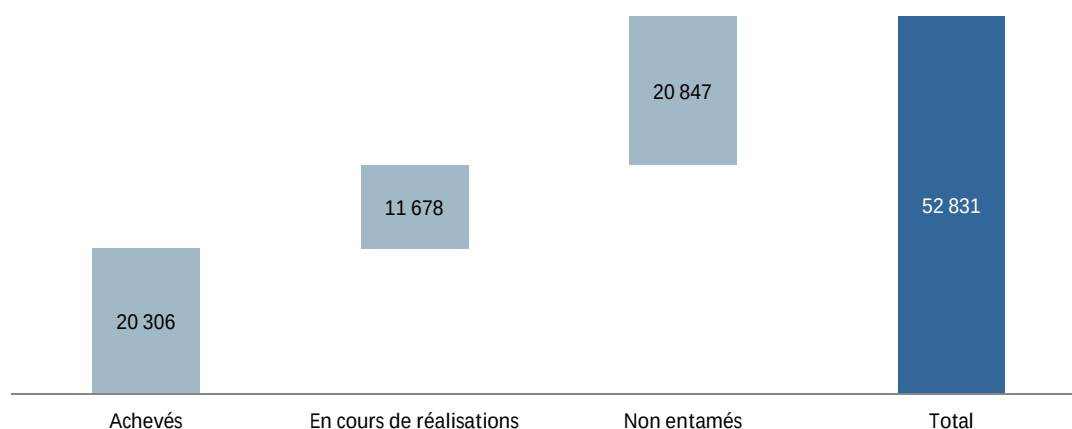
Source: Douja Promotion Groupe Addoha

In the social segment, the group has entirely completed 158,875 units and is in the process of completing real estate programs amounting to 134,390 units.

Other projects not yet initiated are expected to bring this number to 44,001 units in the coming years.

The achievements of Douja Promotion Groupe Addoha and its subsidiaries in the intermediate segment as well as the programs which have not been launched yet and the pending programs are schematized in the following graph:

Figure 4 Cumulative projects production for the intermediate segment on December 31, 2013 (in units)

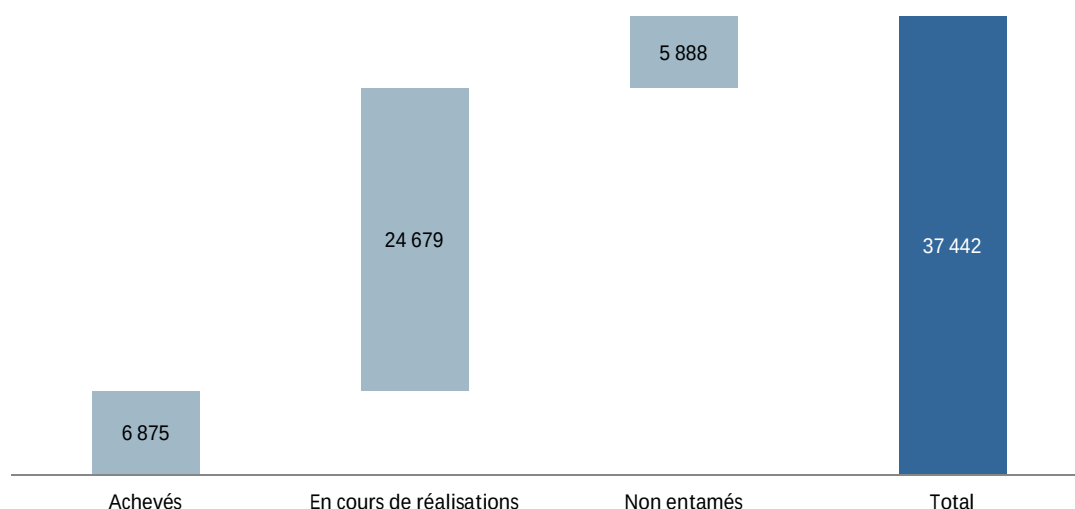


Source: Douja Promotion Groupe Addoha

As shown by the above graph on December 31st, 2013, the completed units in the intermediate segment come to 20 306 housing units. Other programs are in the process of completion and amounts to 11 678 units. Furthermore, intermediate real estate projects are slated for launch to the tune of 20 847 units.

The graph below presents the accomplishments, the programs that have not been initiated yet and projects in the process of completion of Douja Promotion Groupe Addoha and the subsidiaries in the high-en segment.

Figure 5 Cumulative accomplishments in high-end segment on December 31, 2013 (in units)



Source: Douja Promotion Groupe Addoha

On December 31st, 2013 Groupe Addoha completed and delivered 6 875 units in the high-end segment.

At the end of December 2013, the high-end segment programs in the process of completion amounted to 24 679 units. The programs not yet initiated amount to 5 888 units.

Since its incorporation, the Company has taken the lead in the segment of housing, relying in particular on:

- A strong experience in property development through the construction of nearly 428,083 housing units in all segments until the end of 2013;
- A close collaboration with the banks for the establishment of favorable conditions in favor of clients;
- The establishment in 2004 of a single point of contact within the registered office of the Company for carrying out, in return of a nominal sum, all the formalities related to acquisition of houses;
- A real partnership with the leading local providers (Building and Public Works' operators, civil engineers, survey and control offices);
- A perfect proficiency in administrative procedures and a proved experience in obtaining authorizations and dispensations;
- Optimal quality approach making the Company the first real estate developer at the Arab-African level to receive ISO 9001: 2000 for all activities of the Company;
- The granting of a ten-year warranty to the purchasers;
- A strong brand with a great reputation among the Moroccan public.

Partie III. CONSOLIDATED FINANCIAL DATA

I. Consolidated profit and loss statement

WARNING

Given the transition of the publications of Douja Promotion Groupe Addoha from the Moroccan standards to the IFRS in 2013, and for a better comparability between the analyzed financial years, the presentation of the financial analysis of the profit and loss account is divided into two parts. The first part presents the analysis of the consolidated financial years 2011 and 2012 on the basis of the Moroccan standards, and the second concerns the analysis of the financial years 2012 and 2013 according to IFRS.

The breakdown of other operating expenses and other operating earnings in the analysis of the consolidated statement of the financial years 2011, 2012 and 2013 detailed below is based on internal data of the issuer.

Finally, it should be noted that (i) the financial statements consolidated by Moroccan standards for the financial years 2011 and 2012 are certified by the Statutory Auditors, the financial statements consolidated by IFRS for the financial year 2013 are certified by the Statutory Auditors and the financial statements consolidated by IFRS for the financial years 2012 and 2011 have not been certified and have been established for reasons of comparability.

I.1. Profit and loss statement over the period 2011-2012 (Moroccan standards)

The following table represents the major indicators of the consolidated profit and loss statement of Douja Promotion Groupe Addoha for the financial years 2011 and 2012:

In thousands of MAD	2011	2012	Var. 12/11
Turnover	9 332 632	9 418 980	0.9%
Inventory changes	-574 883	-75 047	-86.9%
Fixed assets produced by the company for itself	-	1 291	N.A
Production	8 757 749	9 345 224	6.7%
Purchases consumed of materials and goods	6 137 263	6 414 335	4.5%
Other external expenses	272 493	197 986	-27.3%
Consumption	6 409 756	6 612 321	3.2%
Value added	2 347 993	2 732 903	16.4%
	<i>VA/TO</i>	<i>25.2%</i>	<i>29.0%</i>
Taxes	13 700	8 257	-39.7%
Payroll expenses	212 768	231 291	8.7%
EBITDA	2 121 525	2 493 355	17.5%
	<i>GOS/TO</i>	<i>22.7%</i>	<i>26.5%</i>
Other operating income	909	150 008	N.S
Other operating expenses	1 200	1 000	-16.7%
Operating write downs	116 041	7 360	-93.7%
Operating depreciations	90 303	34 863	-61.4%
Transfer of expenses	46 486	0	-
Operating income	2 193 458	2 614 860	19.2%
	<i>Operating margin (OI/CA)</i>	<i>23.5%</i>	<i>27.8%</i>
Financial products	258 515	331 819	28.4%
Financial expenses	527 235	576 866	9.4%
Financial income	-268 720	-245 047	-8.8%
Pre-tax current income	1 924 738	2 369 812	23.1%
Exceptional products	124 664	38 201	-69.4%
Exceptional expenses	31 700	141 008	N.S
Exceptional income	92 964	-102 807	N.S
Pre-tax income	2 017 701	2 267 005	12.40%
Income tax	83 967	309 771	N.S
Net income of consolidated companies	1 933 734	1 957 234	1.20%
Quota of corporate income by equity method	-3609	-242	93.3%
Depreciation of purchased goodwill	532	532	0.0%
Minority interest	94 639	73 239	-22.6%
Net income (group share)	1 834 954	1 883 221	2.6%
	<i>Net margin (NI/TO)</i>	<i>19.7%¹²</i>	<i>20.0%</i>
			<i>0.3 pt</i>

Source: Douja Promotion Groupe Addoha

¹² Non-restated net margin of the exceptional land sale operation by SAS. This operation restated leaves a net margin of 22.2%. i.e. the same level registered in 2010.

I.2. Profit and loss statement over the period 2012-2013 (IFRS)

The following table represents the major indicators of the consolidated profit and loss statement of Douja Promotion Groupe Addoha for the financial years 2012 and 2013 according to IFRS:

In thousands of MAD	2012	2013	Var. 13/12
Turnover	9 419 638	9 450 777	0.3%
Inventory changes	-84 768	-467 865	N.S
Fixed assets produced by the company for itself	0	0	N.A
Production	9 334 870	8 982 912	-3.8%
Purchases consumed of materials and goods	6 430 699	6 486 353	0.9%
Other external expenses	202 372	168 071	-16.9%
Consumption	6 633 071	6 654 424	0.3%
Value added	2 701 799	2 328 488	-13.8%
<i>VA / TO</i>	<i>28.7%</i>	<i>24.6%</i>	<i>-4.0 pts</i>
Payroll expenses	231 935	233 532	0.7%
Taxes	8 274	13 694	65.5%
Gross operating surplus	2 461 590	2 081 262	-15.5%
<i>EBITDA/TO</i>	<i>26.1%</i>	<i>22.0%</i>	<i>-4.1 pts</i>
Other operating income and expenses	142 549	111 195	-22.0%
Operating write downs	19 803	105 083	N.S
Operating depreciations	39 373	57 921	47.1%
Transfer of expenses	0	0	N.A
Current operating income	2 584 569	2 239 618	-13.3%
<i>OI/TO</i>	<i>27.4%</i>	<i>23.7%</i>	<i>-3.7 pts</i>
Transfer of shares	715	-477	N.S
Other non-current operating income and expenses	-149 497	-37 505	74.9%
Operating income	2 435 787	2 201 637	-9.6%
Net borrowing cost	543 439	660 231	21.5%
Other financial income	314 201	413 591	31.6%
Other financial expenses	6 985	781	-88.8%
Financial income	-236 223	-247 421	-4.7%
Pre-tax income from consolidated companies	2 199 563	1 954 216	-11.2%
Corporate tax	322 592	255 281	-20.9%
Differed tax	13 551	-10 282	N.S
Net income from consolidated companies	1 863 420	1 709 217	-8.3%
Income from associates (equity method)	242	3 389	N.S
Net income from continuing operation	1 863 178	1 705 828	-8.4%
Net income from discontinued activities	0	0	N.A
Income of the consolidated group	1 863 178	1 705 828	-8.4%
Minority interests	64 153	23 995	-62.6%
Net income – Group share	1 799 025	1 681 833	-6.5%
<i>Net margin (NI-GS/TO)</i>	<i>19.1%</i>	<i>17.8%</i>	<i>-1.3 pt</i>
Basic earnings per share (in MAD) – <i>(NI-GS /number of shares)</i>	5.71	5.21	-8.7%

Source: Douja Promotion Groupe Addoha

II. Balance sheet

II.1. Consolidated balance sheet over the period 2011-2012 (Moroccan standards)

The following table represents the major indicators of the consolidated balance sheet of Douja Promotion Groupe Addoha for the financial years 2011 and 2012:

In thousands of MAD	2011	2012	Var. 12/11
ASSETS			
Fixed assets	703 444	588 536	-16.3%
Goodwill	5 412	4 879	-9.8%
Intangible fixed assets	5 007	3 538	-29.3%
Tangible fixed assets	495 981	270 377	-45.5%
Financial fixed assets	24 044	17 172	-28.6%
Securities by equity method	1 387	156 891	>100%
Deferred taxes on assets	171 613	135 678	-20.9%
Current assets	29 758 913	33 529 343	12.7%
Inventories	18 569 901	19 924 096	7.3%
Supplier advances and installments	1 152 380	1 390 889	20.7%
Customers and related accounts	6 651 661	8 479 467	27.5%
Payroll	736	1 435	95.0%
Debtor statements	3 054 705	3 071 672	0.6%
Sundry debts	329 530	661 784	>100%
Availabilities	207 435	138 265	-33.3%
Cash investments in marketable securities	-	-	Na
Availabilities	207 435	138 265	-33.3%
Total Assets	30 669 792	34 256 143	11.7%
LIABILITIES			
Equity of consolidated entity	10 518 238	11 893 346	13.1%
Shareholders' equity (group share)	10 099 266	11 400 928	12.9%
Capital	3 150 000	3 150 000	0.0%
Premiums	3 293 401	3 293 401	0.0%
Consolidated reserves	1 820 911	3 074 305	68.8%
Net income group share	1 834 954	1 883 221	2.6%
Minority interest	418 972	492 418	17.5%
Provisions for risks and expenses	6 635	9 670	45.7%
Financial debts	5 820 510	6 376 682	9.6%
Deferred taxes liabilities	659 047	589 280	-10.6%
Current liabilities	10 795 938	11 613 821	7.6%
Suppliers	4 058 279	4 461 654	9.9%
Customer advances and installments	4 641 508	4 265 021	-8.1%
Payroll and social entities	24 980	28 228	13.0%
Creditor statements	958 475	1 493 669	55.8%
Sundry debts	1 056 618	1 255 180	18.8%
Other provisions	56 078	110 069	96.3%
Overdrafts	2 869 423	3 773 344	31.5%
Total Liabilities	30 669 792	34 256 143	11.7%

Source: Douja Promotion Groupe Addoha

II.2. Consolidated balance sheet over the period 2012-2013 (IFRS)

The following table represents the major indicators of the consolidated balance sheet (IFRS) of Douja Promotion Groupe Addoha for the financial years 2011, 2012 and 2013:

Assets - In thousands of MAD	2011	2012	2013	Var. 12/11	Var. 13/12
Goodwill	452	452	452	0.0%	0.0%
Intangible fixed assets	5 007	3 538	3 251	-29.3%	-8.1%
Tangible fixed assets	496 768	271 355	281 317	-45.4%	3.7%
Investment property	0	0	59 018	N.A	N.S
Investments in equity	0	116 132	112 827	N.A	-2.8%
Other financial assets	29 044	17 172	17 397	-40.9%	1.3%
Deferred taxes' assets	272 870	237 844	259 585	-12.8%	9.1%
Other non-current assets	0	0	0	N.A	N.A
Total non-current assets	804 142	646 493	733 847	-19.6%	13.5%
Inventories	15 558 385	17 241 704	17 798 609	10.8%	3.2%
Receivables	6 621 699	8 352 469	10 320 617	26.1%	23.6%
Other current receivables	4 550 525	5 233 874	5 671 755	15.0%	8.4%
Other financial assets	0	0	0	N.A	N.A
Cash and cash equivalents	208 673	137 812	213 470	-34.0%	54.9%
Total current assets	26 939 281	30 965 858	34 004 451	14.9%	9.8%
Total Assets	27 743 423	31 612 351	34 738 298	13.9%	9.9%

Liabilities - In thousands of MAD	2011	2012	2013	Var. 12/11	Var. 13/12
Capital	3 150 000	3 150 000	3 225 571	0.0%	2.4%
Issue and merger premiums	2 772 395	2 770 313	3 034 812	-0.1%	9.5%
Consolidated reserves	276 129	1 771 958	2 882 900	N.S	62.7%
Net income – Group share	1 834 954	1 799 024	1 681 834	-2.0%	-6.5%
Currency translation adjustment	0	0	0	N.A	N.A
Shareholders' equity – group share	8 033 478	9 491 294	10 825 116	18.1%	14.1%
Minority reserves	174 209	268 848	262 684	54.3%	-2.3%
Minority income	94 639	64 153	23 995	-32.2%	-62.6%
Shareholders' equity – minority share	268 848	333 002	286 678	23.9%	-13.9%
Shareholders' equity of the group	8 302 326	9 824 296	11 111 795	18.3%	13.1%
Non-current financial debts	5 809 965	6 376 550	6 220 501	9.8%	-2.4%
Non-current provisions	1 635	1 635	1 635	0.0%	0.0%
Employee benefits	0	0	0	N.A	N.A
Other non-current liabilities	0	0	0	N.A	N.A
Deferred tax liability	85 114	97 629	112 995	14.7%	15.7%
Total of non-current liabilities	5 896 715	6 475 814	6 335 132	9.8%	-2.2%
Current provisions	60 574	180 081	212 884	197.3%	18.2%
Current financial debts	2 875 090	3 773 849	3 763 934	31.3%	-0.3%
Trade payables	3 934 505	4 356 106	5 686 016	10.7%	30.5%
Other current liabilities	6 674 213	7 002 204	7 628 538	4.9%	8.9%
Total current debts	13 544 383	15 312 241	17 291 371	13.1%	12.9%
Total Liabilities	27 743 423	31 612 351	34 738 298	13.9%	9.9%

Source: Douja Promotion Groupe Addoha.

Partie IV. RISK FACTORS

I. Risks related to the choice of building and public works' contractors

Douja Promotion Groupe Addoha subcontracts « turnkey » operations for the building of dwelling units to external building and public works contractors on the basis of specifications indicating the prices, quality of services and also the relevant completion time limits.

Non availability of a sufficient number of qualified companies in a position to meet the requirements of the specifications could constitute a risk factor likely to impact the completion time limit and/or the quality of service. For lack of competition this could also lead to higher price offerings.

To mitigate this risk, as of 2002 the company searched the international market and identified foreign enterprises with top-flight references in building and public works along with organizational structures allowing them to offer service at prices and within deadlines compliant with the requirements stipulated in the specifications.

The said contractors on behalf of Douja Promotion Groupe Addoha have already built thousands of dwelling units in a framework of strict adherence to the terms and conditions put forth by the company (deadlines, quality and security, etc.) at competitive prices given the large volume of building programs entailed.

Moreover, in return of the exclusivity granted to Douja Promotion Groupe Addoha by these contractors, it ensures to them the full use of their production capacity.

Also to be pointed out is that to meet the requirements of the large number of new programs launched by the company, it is now negotiating agreements with several other international contractors.

II. Risks related to land

Land prices :

Increase of land prices constitutes a risk over the past few years due to galloping demographics and easier access to credit. However, this risk is mitigated by the determination of the State to create 15 new towns by 2020 constituting additional land offerings in urban areas.

Increasingly expensive land prices tend to negatively impact profit margins.

To confront this risk, Douja Promotion Groupe Addoha has adopted the measures hereafter:

Setting up partnerships with public bodies in the framework of which the said bodies agree to marshal land for sale to the Company;

Decision to extend its field of action through the completion of several programs in Casablanca, Tangier, Agadir, Marrakech, Rabat-Salé, Fez-Tamesna and in several Sub-Saharan African countries (Guinea, Côte d'Ivoire, Cameroon, Congo Brazzaville, Mali, Ghana, Senegal and Niger).

Diversification of its programs by initiating intermediate segment projects not subject to ceiling prices set by public administration.

To be pointed out is that the public authorities are upholding their determination to widen the urban scope of several cities of Morocco, in particular Casablanca.

However, this risk has been mitigated by the adoption of a new budget of 2010 pursuant to the rise in social dwelling units prices to MAD 250 000, enabling developers to make up for the risk of the rising cost of land. A higher price of sale allows the keeping of the company margins.

The Property :

Moreover, it should be noted that, within the context of this issue, the Property is subject to a cancellation and restitution clause in favor of the seller (in the form of an ethnic community) and by which the Company (the purchaser) undertakes to carry out, on the concerned land, a real estate project within a period of 5 years after obtaining the authorization to build with the option to extend the said period by a mutual agreement. Failing to abide by this time limit and in the event of disagreement on the additional period, the sale will be cancelled and the Company will have to reconstitute the property to its seller under the same price conditions applied during its purchase.

The sale agreement also stipulates that in the mortgage mentioned in the previous paragraph, the cancellation clause (i) may not prevent the registration of any mortgage or other charges taken on the Property in favor of the registration department and any banking institution for security or guarantee of any loans dedicated to its development and (ii) may not affect the rights of the mortgagees.

In addition, it is specified that until the date of the approval of this prospectus, the Company does not have any authorization to build buildings on the Property.

III. Competition risk

The absence of barriers at the entry level combined with the favorable perspectives that the sector offers, is continuously attracting several operators on the real estate market. The multiplication of both local and international operators could engender a twofold effect:

- Erosion of profit margins resulting from continuously rising competition;
- More expensive land prices in certain areas attracting demand from real estate developers.

IV. Risks relating to the increase in interest rates

An important increasing of debtor interests applied to loans contracted by buyers could cause a limitation of housing demand.

This could result in a potential impact on the turnover of Douja Promotion Groupe Addoha and more particularly on the business volume generated by the social housing segment.

To mitigate this risk, it should be noted that Douja Promotion Groupe Addoha systematically signed agreements with its banking partners to allow its future purchasers to benefit from loans at attractive interest rates.

This risk also affects the Company at the level of its debt and interests payment capacity. To cope with this situation, the Group established a rigorous follow-up of the outstanding of its financial debts which allowed an appropriate anticipation of the payment of its future payments and, therefore, to take the appropriate measures.

V. Risks related to the decrease in demand

An overall drop in national or foreign demand (owing to the international economic situation) is likely to negatively influence the soundness of the sector in general and the business volume in particular.

Nevertheless, to be recalled is that in 2013 the global housing deficit was assessed at 840 000 dwelling units at an annual production rate of some 166 556 dwelling units at the national level¹³.

Further, in advance of the startup of large scale real estate projects Douja Promotion Groupe Addoha is carrying out upstream a pertinent market study to allow a commercial success of the project as well as to choose well adapted positioning.

To conclude, one of the key elements of the strategy adopted by Douja Promotion Groupe Addoha consists of placing emphasis in its portfolio on so-called « liquid » products mirroring intermediate dwelling projects within a logic of risk diversification.

¹³ Ministry of Housing

WARNING

The above information represents only a part of the prospectus approved by Conseil Déontologique des Valeurs Mobilières (CDVM) under the reference n° VI/EM/017/2014 on July 16th, 2014.

The CDVM advises reading the full prospectus available in French.