

**AKDITAL S.A**

**Prospectus Summary Relating to the Initial Public Offering by way of a Share Capital Increase Reserved for the Public through the Issue of 2,666,660 New Shares, with Cancellation of the Shareholders' Preferential Subscription Rights and the Sale of 1,333,400 Shares**

**Fixed Price Offer**

The AMMC-approved prospectus is composed of the following documents: (i) the reference document for the 2021 financial year and the first half of 2022 registered by the AMMC on November 21, 2022 under reference no. EN/EM/032/2022 (ii) and the securities note.

Nature of securities	Ordinary shares
Subscription price	MAD 300
Nominal value	MAD 10
Number of new shares to be issued	2,666,660 shares
Maximum number of shares to be sold	1,333,400 shares
Maximum total amount of the operation (Including issue premium)	MAD 1,200,018,000
Subscription period	from 11/29/2022 to 12/06/2022 at 3:30 pm

**This offer is not intended for money market and short-term bond UCITS**

**Advisory Body and Global Coordinator**



**Financial Co-Advisor**



**Leader of the Placement Syndicate**



**Co-Leaders of the Placement Syndicate**



**Members of the Placement Syndicate**



**Approval from the Moroccan Capital Market Authority (AMMC)**

In accordance with the provisions of the AMMC Circular issued pursuant to Article 5 of Law 44-12 relating to public offerings and information required from corporate entities and organizations making public offerings, this prospectus was approved by the AMMC dated November 21, 2022, under the reference no. VI/EM/038/2022.

The securities note constitutes only a part of the AMMC-approved prospectus. The latter is composed of the following documents: (i) The reference document relating to the 2021 financial year and the first half of 2022 registered by the AMMC on November 21, 2022, under reference no. EN/EM/032/2022 (ii) and the securities note.

## Disclaimer

*In view of Akdital IPO, covered by the securities note, the Extraordinary General Meeting, held on November 16, 2022, decided to reduce the nominal value of shares constituting the Company's share capital from MAD 100 to MAD 10, with effect as from the first day of listing on the Casablanca Stock Exchange, scheduled on December 14, 2022. In this context, all information presented in the securities note is based on a unit nominal value of MAD 10 (unless indicated).*

The AMMC approved on November 21, 2022, a prospectus relating to Akdital's IPO by way of increase in share capital reserved to the public through the issue of 2,666,660 new shares, with cancellation of the shareholders' preferential subscription right and the sale of 1,333,400 shares.

The AMMC-approved prospectus is available at any time at Akdital's head office, on its website [www.akdital.ma](http://www.akdital.ma) and from its financial advisors. It is also available within a maximum period of 48 hours from the order-collecting institutions.

AMMC's approval concerns the prospectus composed of:

- The securities note relating to Akdital's IPO;
- The Reference Document relating to the 2021 financial year and to the first half of 2022 registered by the AMMC on November 21, 2022, under reference no. EN/EM/032/2022.

The AMMC-approved prospectus is available at any time:

- on Akdital's website: [www.akdital.ma](http://www.akdital.ma);
- on AMMC's website: [www.ammc.ma](http://www.ammc.ma);
- on the Casablanca Stock Exchange website: [www.casablanca-bourse.com](http://www.casablanca-bourse.com).

This summary is translated by the company Lissaniat under the joint responsibility of the said Translator and Akdital. In the event of a discrepancy between the content of this summary and that of the AMMC-approved prospectus, only the prospectus will be taken in consideration.

## **PART I - STRUCTURE OF THE OFFER**

*Prospectus Summary - Akdital IPO*

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## I. Structure of the offer

### I.1. Amount of the Operation

Akdital plans to carry out an IPO for an amount of MAD 1,200,018,000 by way of:

- The increase in the share capital in cash through the issue of 2,666,660 shares at a subscription price per share of MAD 300, i.e. MAD 10 as nominal value and MAD 290 as issue premium. The total contribution of the capital increase will be MAD 799,998,000, including MAD 26,666,600 as nominal amount and MAD 773,331,400 as issue premium;
- The sale of 1,333,400 shares for a selling price per share of MAD 300, i.e. a global amount of MAD 400,020,000.

### I.2. Structure of the offer

Order Type	I	II
<b>Subscribers</b>	<ul style="list-style-type: none"> <li>• Natural persons, resident or non-resident, of Moroccan or foreign nationality;</li> <li>• Legal Entities, of Moroccan or foreign law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence at the date of subscription;</li> <li>• Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, except money market and short-term bond UCITS;</li> <li>• Qualified investors of foreign law as defined by Article 1.30 paragraph (c) of the AMMC circular no. 03/19.</li> </ul>	<ul style="list-style-type: none"> <li>• Natural persons, resident or non-resident, of Moroccan or foreign nationality;</li> <li>• Legal Entities, of Moroccan or foreign law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence at the date of subscription;</li> <li>• Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, except money market and short-term bond UCITS;</li> <li>• Qualified investors of foreign law as defined by Article 1.30 paragraph (c) of the AMMC circular no. 03/19.</li> </ul>
<b>Amount of the offer</b>	MAD 700,000,200	MAD 500,017,800
<b>in % of the total amount of the Operation</b>	58.3%	41.7%
<b>Number of shares</b>	2,333,334	1,666,726
<b>Subscription price</b>	MAD 300 per share	MAD 300 per share
<b>Minimum subscription per investor</b>	10,000 shares, i.e. MAD 3,000,000	No minimum

<p><b>Subscription limit per investor</b></p>	<ul style="list-style-type: none"> <li>• For all investors except OPCVM, 10% of the global number of shares offered as part of the Operation, representing 400,006 shares, i.e. MAD 120,001,800;</li> <li>• For UCITS, the minimum between: <ul style="list-style-type: none"> <li>✓ 10% of the global number of shares offered as part of the Operation, representing 400,006 shares, i.e. MAD 120,001,800 and;</li> <li>✓ 10% of the net assets of the UCITS corresponding to the net asset value as of November 25, 2022.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• For all investors except OPCVM, 10% of the global number of shares offered as part of the Operation, representing 400,006 shares, i.e. MAD 120,001,800;</li> <li>• For UCITS, the minimum between: <ul style="list-style-type: none"> <li>✓ 10% of the global number of shares offered as part of the Operation, representing 400,006 shares, i.e. MAD 120,001,800 and;</li> <li>✓ 10% of the net assets of the UCITS corresponding to the net asset value as of November 25, 2022.</li> </ul> </li> </ul>
<p><b>Placement</b></p>	<ul style="list-style-type: none"> <li>• For qualified investors of foreign law as defined by article 1.30 paragraph (c) of the AMMC circular no. 03/19, except UCITS: All PS members;</li> <li>• For qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, excluding UCITS: PS Leader and Co-leaders;</li> <li>• For the other categories of investors except money market and short-term bond UCITS: All the PS members.</li> </ul>	<ul style="list-style-type: none"> <li>• For qualified investors of foreign law as defined by article 1.30 paragraph (c) of the AMMC circular no. 03/19, except UCITS: All PS members;</li> <li>• For qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, excluding UCITS: PS Leader and Co-leaders;</li> <li>• For the other categories of investors except money market and short-term bond UCITS: All the PS members.</li> </ul>
<p><b>Subscription coverage</b></p>	<ul style="list-style-type: none"> <li>• For natural or legal persons of Moroccan or foreign law (not qualified), the subscriptions must be covered at 100% by: <ul style="list-style-type: none"> <li>✓ an actual deposit (check, cash or bank transfer) to the Subscriber's account, and/or;</li> <li>✓ collateral consisting of securities as follows: <ul style="list-style-type: none"> <li>• Government bonds: taken at a maximum of 100% of the value on the subscription date;</li> <li>• Money market UCITS with daily net asset value: taken at a maximum of 100% of the value on the subscription date;</li> <li>• UCITS units with daily net asset value (except money market), term deposits, listed shares: taken at a maximum</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• For natural or legal persons of Moroccan or foreign law (not qualified), the subscriptions must be covered at 100% by: <ul style="list-style-type: none"> <li>✓ an actual deposit (check, cash or bank transfer) to the Subscriber's account, and/or;</li> <li>✓ collateral consisting of securities as follows: <ul style="list-style-type: none"> <li>• Government bonds: taken at a maximum of 100% of the value on the subscription date;</li> <li>• Money market UCITS with daily net asset value: taken at a maximum of 100% of the value on the subscription date;</li> <li>• UCITS units with daily net asset value (except money market), term deposits, listed shares: taken at a maximum</li> </ul> </li> </ul> </li> </ul>

	<p>of 80% of the value on the subscription date.</p> <ul style="list-style-type: none"> <li>For qualified investors under Moroccan law: no coverage at the time of subscription.</li> <li>For qualified investors of foreign law (i) justifying of more than one year of existence on the date of subscription of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the time of subscription.</li> <li>For qualified investors of foreign law (i) not having more than one year of existence on the date of subscription for this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30 % coverage by an effective deposit (check, cash or bank transfer) or 100 % coverage by a bank guarantee.</li> </ul> <p>The collateral cover is subject to the appreciation of each PS member retained by the subscriber. The subscription coverage in cash, check, transfer and/or collateral will have to remain blocked, until allocation of the securities on December 9, 2022.</p>	<p>of 80% of the value on the subscription date.</p> <ul style="list-style-type: none"> <li>For qualified investors under Moroccan law: no coverage at the time of subscription.</li> <li>For qualified investors of foreign law (i) justifying of more than one year of existence on the date of subscription of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the time of subscription.</li> <li>For qualified investors of foreign law (i) not having more than one year of existence on the date of subscription for this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30 % coverage by an effective deposit (check, cash or bank transfer) or 100 % coverage by a bank guarantee.</li> </ul> <p>The collateral cover is subject to the appreciation of each PS member retained by the subscriber. The subscription coverage in cash, check, transfer and/or collateral will have to remain blocked, until allocation of the securities on December 9, 2022.</p>
<b>Allocation terms and conditions</b>	<ul style="list-style-type: none"> <li>Pro-rated allocation</li> </ul>	<ul style="list-style-type: none"> <li>1<sup>st</sup> allocation: by iteration up to 150 shares per subscriber;</li> <li>2<sup>nd</sup> allocation: allocation of the remainder in proportion to the excess of applications over the 150 shares.</li> </ul>
<b>Transfer rules</b>	<ul style="list-style-type: none"> <li>If the number of shares requested at the level of Order Type I is inferior to the corresponding offer, the difference will be allocated to Order Type II.</li> </ul>	<ul style="list-style-type: none"> <li>If the number of shares requested at the level of Order Type II is inferior to the corresponding offer, the difference will be allocated to Order Type I.</li> </ul>

## II. Financial instruments offered

### II.1 Characteristics of the securities offered

<b>Nature of the securities</b>	Ordinary shares, all of the same class
<b>Legal form</b>	The shares covered by this operation will all be bearer shares. These shares are entirely dematerialized and admitted to trading on Maroclear.
<b>Amount of the operation</b>	MAD 1,200,018,000 <sup>1</sup>
<b>Number of shares to be sold</b>	4,000,060 shares, including 2,666,660 new shares to be issued in connection with the capital increase and 1,333,400 shares in connection with the sale of shares
<b>Subscription price</b>	MAD 300 per share
<b>First listing procedure</b>	Fixed price offer
<b>Nominal value</b>	MAD 10 per share
<b>Issue premium</b>	MAD 290 per share
<b>Payment of the issued shares</b>	The shares covered by this Operation will be fully paid up and free of any commitment.
<b>Listing line</b>	1 <sup>st</sup> line
<b>Entitlement date</b>	January 1, 2022 <sup>2</sup> (current entitlement to dividends of the new shares, fully assimilated to the existing shares)
<b>Subscription period</b>	From 11/29/2022 to 12/06/2022 at 3:30 pm inclusive
<b>Tradability of securities</b>	<p>The shares covered by this Operation are freely tradable.</p> <p>There is no statutory clause restricting the free trading of the shares making up the Company's capital.</p> <p>It is to be noted that:</p> <p>(i) Akdital shareholders, constituting the Stable Shareholders Group, undertake to hold together a 57.9 % quota of the Company's capital and voting rights during a three (3) year period as from the first day of listing of the Company's shares on the Casablanca Stock Exchange, this quota being able to be decreased to a minimum of 40 % at the end of the above-mentioned three (3) year period for an additional two (2) years period</p>

<sup>1</sup> Including (i) a capital increase for an amount of MAD 799,998,000, of which MAD 26,666,600 as nominal amount and MAD 773,331,400 as issue premium and (ii) a sale of 1,333,400 shares for a global amount of MAD 400,020,000.

<sup>2</sup> The new shares will give right to the distribution of profits or allocation of reserves that may be decided by the Company as from the date of final completion of the IPO Capital Increase, it being specified for all intents and purposes that the new shares to be created by the Company pursuant to the IPO Capital Increase, as well as the transferred shares, will not give right to any distribution of profits or allocation of reserves, premiums or reduction of capital of any kind whatsoever, distributed prior to the date of completion of the Operation.

	(ii) MC III Al Razi undertakes to hold at least ten percent (10%) of Akdital capital and voting rights plus one (1) share of the said Company for a period of twelve (12) months as from the first day of listing of the Company's shares on the Casablanca Stock Exchange. The characteristics and methods of these undertakings are annexed to the securities note.
<b>Payment of shares and payment of shares' transfer price</b>	In cash (excluding any payment by way of set-off against liquid and due receivables from the Company)
<b>Listing of the shares covered by this operation</b>	The shares to be sold and issued as part of this IPO will be admitted to the Main Market, compartment "Main B" of the Stock Exchange
<b>ISIN code</b>	MA0000012585
<b>Listing date of the new shares</b>	12/14/2022
<b>Rights attached to newly issued shares</b>	All shares have the same rights in the distribution of profits and liquidation surpluses. Each share gives the right to vote at general meetings.
<b>Preferential subscription rights</b>	The Extraordinary General Meeting of November 16, 2022 has decided to cancel the shareholders' preferential subscription rights in favor of the public (i.e. any person entitled to subscribe to the capital increase) for all the shares to be issued under the Operation.

## II.2 Listing characteristics of the shares to be issued and sold

<b>1<sup>st</sup> listing date</b>	12/14/2022
<b>Name</b>	AKDITAL
<b>Ticker</b>	AKT
<b>Listing compartment</b>	Principal B
<b>Sector of activity</b>	Healthcare
<b>Trading cycle</b>	Continuous
<b>MBS (Minimum Block Size)</b>	529,400 <sup>1</sup>
<b>Listing line</b>	1 <sup>st</sup> line
<b>Number of shares to be issued and sold</b>	4,000,060 shares
<b>Institution in charge of the registration of the Operation (seller side)</b>	CFG Marchés

<sup>1</sup>On the basis of a nominal value of 10 MAD / share

## II.3 Elements used to assess the terms of the offer

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### Subscription price determination

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In accordance with the powers granted to it by the Extraordinary Shareholders' Meeting of November 16, 2022, the Board of Directors, meeting on November 17, 2022, decided, among other things, to list the Company on the Stock Exchange by:

- A capital increase for an amount of MAD 799,998,000, by issuing 2,666,660 shares at a subscription price per share of MAD 300 after reduction of its nominal value (MAD 10 as nominal value and MAD 290 as issue premium);
- The sale of 1,333,400 shares at an amount of MAD 400,020,000, i.e. a selling price per share of MAD 300 after reduction of its nominal value.

The said Board also fixed the final characteristics of the Operation.

### Valuation methodology

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#### **Discarded valuation methods**

##### *Transactional comparables*

This method is based on the valuation of a company on the basis of the implied valuation multiples of a sample of transactions that have occurred in its sector of activity and whose target companies have comparable financial and operational characteristics to the company being valued.

Given the unavailability of public and verified financial information (such as transaction amounts and implied multiples) relating to recent previous transactions involving companies comparable to Akdital, this method was not used.

It should be noted that the valuation induced by the acquisition of a stake in Akdital by MCIII Al Razi Ltd. in March 2020<sup>1</sup> has not been retained as a relevant valuation reference insofar as Akdital is today fundamentally different from what it was before the acquisition of the stake by MCIII Al Razi Ltd<sup>2</sup>.

Indeed, Akdital will have in 2020 (date of entry of MCP in the Issuer's capital) 5 establishments (CJO, CCAB, HPC, CIOC and CMCL) all located in Casablanca with a total bed capacity of 600 beds. By the end of 2022, the Group will have 17 operational establishments with a bedding capacity of 1,822 beds spread over the cities of Casablanca, El Jadida, Agadir, Tangier, Safi and Salé. The Group's development project deployed since MCP's entry has also enabled it to further diversify the Group's range of specialties (nuclear medicine, hematology, marrow transplant units, etc.) and to duplicate the hospital complex model implemented in El Jadida (which brings together a multidisciplinary private hospital and an oncology center equipped with state-of-the-art technical platforms) in several cities in the Kingdom.

Finally, since the opening of its capital in 2020, the Group has been drawing up its consolidated accounts.

##### *Dividend Discount Model (DDM)*

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<sup>1</sup> In March 2020, MCP acquired, through the MC III Al Razi fund, a 20% stake in the share capital of Akdital in return for an investment of MMAD 250, which is broken down as follows:

- the subscription to a capital increase reserved to MC III Al Razi for a total amount of MAD 231,250,000
- A current account deposit of MAD 18,750,000 to Akdital

<sup>2</sup> The detail of the historical operations on Akdital's capital is presented in section "VI.2 Capital History" of the Akdital Reference Document.

This method, like the *Discounted Cash-Flows* (DCF) presented below, is based on the principle of discounted cash flows.

It consists of calculating the value of the company's equity by discounting the future dividends expected to be paid to shareholders at the cost of equity (corresponding to the shareholders' return requirement). The equity value ( $E_{q_v}$ ) corresponds to the sum of (i) the discounted dividends that can be paid by the company to its shareholders over the explicit horizon and (ii) the discounted terminal value.

Given that the dividend distribution policy depends on many parameters, including (i) the distribution rate decided by the shareholders and (ii) the financing structure chosen by the management, it seems very difficult to anticipate these parameters over the long term for the purposes of a valuation exercise. Consequently, this method has been discarded.

### **Retained valuation methods**

Two valuation methods have been used for the valuation of Akdital's shares as part of this Operation:

- The discounted cash flow (DCF) method;
- The market comparison method, for information purposes.

It is to be noted that the method of the reconstruction net asset value has been retained for the valuation of the minority share held by Akdital in the capital of Akdital Immo.

#### *Discounted Cash-Flows (DCF)*

The Discounted Cash-Flow method is a reference method for determining the intrinsic value of a company.

This method consists of calculating the value of the economic assets of a company (enterprise value) by the sum of the future cash flows generated by the company (free cash flow to the firm) discounted at the weighted average cost of capital. The weighted average cost of capital (WACC) represents the return requirement of the providers of funds (shareholders and creditors) weighted by their respective levels of commitment to the financing of the economic assets of the company. Once the enterprise value has been determined, the value of its equity is obtained by deducting net debt and minority interests.

#### *Stock market comparables*

The comparable stock market method is an analogous valuation method that makes it possible to estimate the value of a company's equity based on the valuation levels of comparable companies listed on the stock market. Once the sample of comparable companies has been determined, the principle consists of selecting the indicators that will serve as a basis for comparison, calculating the multiples induced by the market value and the aggregates of the comparables and then applying these multiples to the aggregates of the company being valued.

Several parameters must be checked when applying this method:

- Dispersion of multiple data within the sample of comparables, which may make the average multiples insignificant;
- Homogeneity of the assumptions underlying the construction of the benchmark of comparables (growth, risk, size, sector of activity, legal, fiscal and regulatory environment, accounting standards, etc.);
- Identification of companies with similar activities to Akdital's.

These parameters, which are often difficult to gather in a "normal" economic context, are even more difficult to gather in the current exceptional context inherent to the economic and geopolitical tensions weighing significantly on the stock markets in Morocco and internationally (i.e. impact on the levels of multiples

observed). Indeed, macroeconomic and sectoral developments in each country as well as the specific situation of each "comparable" make the application of this method very difficult and potentially irrelevant.

Moreover, given the Akdital Group's growth profile (doubling its capacity from 912 operational beds in 2021 to more than 2,200 beds at the beginning of 2023), an analogous valuation approach such as the multiples of stock market comparables does not make it possible to value the growth potential, since the historical and forecast multiples of the comparables used are applied to the Company's aggregates, which are not normative.

The application of an intrinsic valuation method such as the DCF remains the most appropriate. Nevertheless, the market comparison method has been presented for information purposes.

#### Reconstitution net asset value

The reconstitution NAV is one of the methods used internationally for valuing real estate companies. This method is based on a logic of continuing the business and therefore of preserving the assets held. It consists of calculating a market value of the equity corresponding to a floor value of the company being valued.

The first step consists of calculating the Net Book Value (NBV) corresponding to the shareholders' equity and similar assets reduced by the amount of fixed assets that have been written off. The reconstitution NAV is then obtained by increasing the NBV by all unrealized capital gains on fixed or current assets and the reconstitution elements of these assets.

This approach has been implemented in order to estimate the value of Akdital Immo's equity.

#### Valuation of Akdital's equity

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##### Main assumptions of pre-money business plan

**The forecasts below are based on assumptions made by Akdital's management, whose realization is by nature uncertain. Actual results may differ significantly from the information presented. These forecasts are provided for information purposes only and may not be considered as a firm or implicit commitment on the part of the Issuer, especially as they are based on Akdital's pre-money business plan, which does not take into account the flows that would be generated in particular by the investments planned following the capital increase, subject of the securities note.**

#### *General assumptions*

The pre-money business plan (i.e. excluding the impact of the capital increase covered by this Operation) used as a basis for the DCF valuation has been prepared by Akdital's management over an explicit 6-year horizon: 2022e - 2027p.

The business plan presented below does not include in its operating assumptions the following main upsides generated by:

- The generalization of medical coverage, which would significantly increase access to healthcare for a larger segment of the Moroccan population;
- The announced revision of the National Reference Pricing for certain medical procedures used<sup>1</sup> as a basis for reimbursement under the compulsory health insurance scheme, which would have the effect of increasing the turnover of health players.

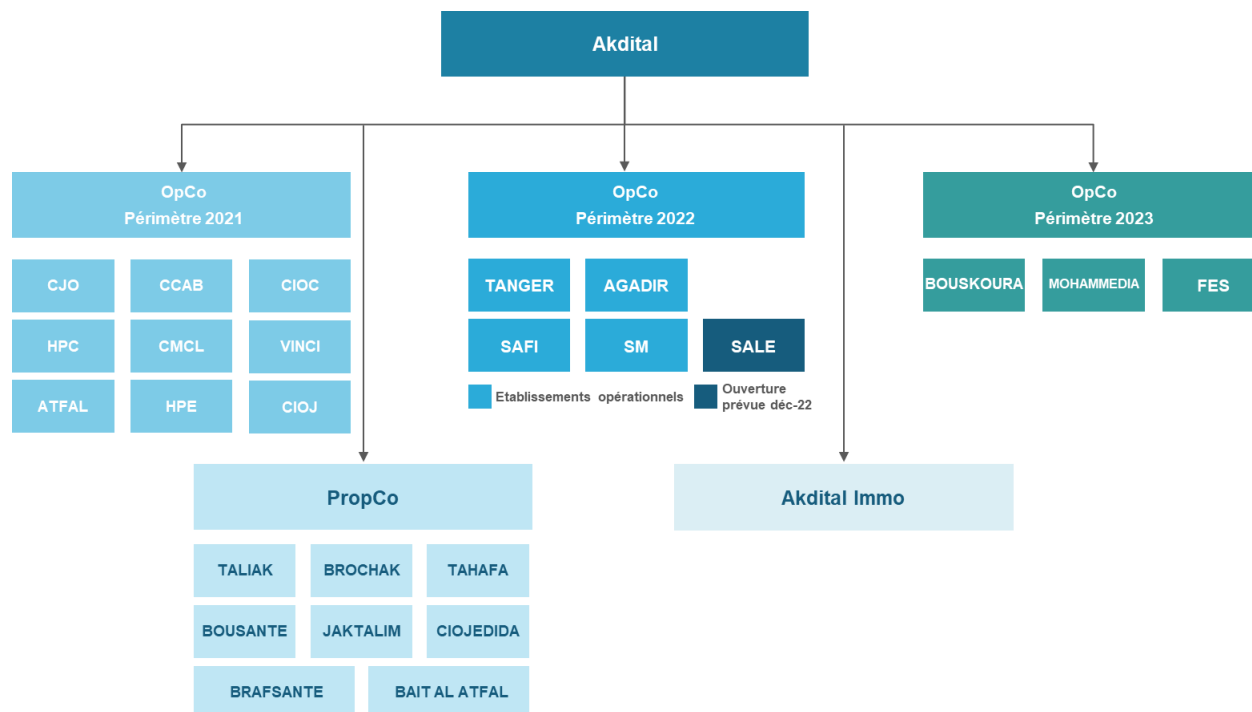
The main assumptions of the pre-money business plan are presented below:

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<sup>1</sup> CNSS 2019 Annual Report  
*Prospectus Summary - Akdital IPO*

### Scope of the pre-money business plan

The pre-money scope consists of 21 healthcare facilities, including 15 hospitals and multidisciplinary clinics as well as 6 oncology centers. These healthcare facilities total 2,242 beds, comprising (i) 1,602 beds operational as of November 21, 2022, (ii) 220 beds operational in December 2022 (Salé) and (iii) 420 beds planned for the beginning of 2023. (Bouskoura, Fez et Mohammedia).



For each entity retained in the business plan, the ownership levels (%) as of 11/21/2022 as well as those retained in the pre-money business plan are contained in section "Ownership assumptions in the various Group subsidiaries" presented below

## Turnover assumptions

Consolidated revenues correspond to the sum of revenues generated by all Group entities, adjusted for all intra-group flows (mainly arising from (i) rents paid by the clinics (OpCos) to the companies owning the medical premises and equipment (PropCos) and (ii) management fees paid by the subsidiaries to Akdital)

### Operational clinics as of end 2021

The assumptions used to estimate revenues from operating clinics as of end 2021 are in line with the historical levels achieved by these clinics between 2019 and 2021.

Indeed, the revenues of these facilities should reach MMAD 1,259 by the end of the business plan, representing an AAGR of 5.1% over the period 2022-2027p, compared with an AAGR of 53.6% over the period 2019-2021.

### Projects due to open in 2022 and in the final stages of completion

The main parameters taken into account in determining the revenue growth assumptions for facilities opening in 2022 and scheduled to open in late 2022 and early 2023 are as follows:

- the location of the establishments, distinguishing between locations with (i) very high growth potential, (ii) high growth potential and (iii) relatively moderate growth, based on the analysis indicators used, notably (a) size population growth rate and GDP per capita, (b) proportion of urban population, (c) proportion of population over 60, (d) proportion of working population by city/region, and (e) level of competition with respect to existing supply in the city/region<sup>1</sup>;
- the start-up utilization rate and the annual growth rate of the capacity utilization rate, which varies according to (i) the nature of the specialties, (ii) the location and/or (iii) the rates observed historically in comparable entities in terms of size and activity;
- the revenue per bed/full capacity<sup>2</sup> specific to each specialty. It should be noted that the assumption used corresponds to the average of the revenues generated by specialty in 2021 by the main operating entities, namely CJO, CCAB, CIOC, CMCL and HPC.

The following table summarizes the locations of the Group's new facilities according to the criteria set out above.

City	Growth potential
Tangier	Very high
Agadir	Very High
Salé	Very high
Safi	High
Mohammedia	High
Fez	High
Casablanca - Bouskoura	Relatively moderate
Casablanca - Sidi Maarouf	Relatively moderate

Source: Akdital

<sup>1</sup> In accordance with the conclusions of the sector study conducted by Serec

<sup>2</sup> Assumption of 100% capacity utilization rate

The assumptions below have been estimated on the basis of historical achievements by specialty observed in respect of operational facilities as of end 2021. Therefore:

- For new facilities located in a location with very high growth potential, the utilization rate at start-up varies, depending on the specialty, between 25% and 40% for multidisciplinary facilities and between 10% and 50% for facilities dedicated to oncology. Also, the utilization rate at start-up increases at a rate of 50% the year after opening, 30% in the second year, reaching 5% in the fifth year before stabilizing at 2.5% the following year.
- For new facilities located in high-growth locations, the utilization rate at start-up varies, depending on the specialty, between 15% and 40% for multidisciplinary facilities and between 10% and 50% for facilities dedicated to oncology. Also, the utilization rate at start-up increases at a rate of 30% the year after opening, 15% in the second year, reaching 5% in the fourth year before stabilizing at 2.5% the following year.
- For establishments with relatively moderate growth potential, the utilization rate at start-up varies between 15% and 40%, depending on the specialty, and increases at a rate of 15% in the first and second years following opening, reaching 5% in the fourth year before stabilizing at 2.5% the following year, given the strong competition in the sector in Casablanca.

The AAGR in revenues for the "pre-money" establishments opened in 2022 and 2023 amounts to 16.2% over the period 2023<sub>p</sub>-2027<sub>p</sub>.

#### Gross margin assumptions

The consolidated gross margin rate<sup>1</sup> is expected to reach 60.7% by the end of the business plan period, slightly higher than the level recorded between 2019 and 2021 (58.3% on average), resulting in particular from economies of scale to be achieved on group purchases of medical devices and instrumentation, in connection with (i) higher volumes ordered in line with the pace of new facility openings and (ii) invitations to tender launched by the Group in order to increase competition between the Group's suppliers and thus optimize the cost of purchasing equipment.

#### Operating expense assumptions

- **Operating expenses:** These expenses represent an average of 13.1% of consolidated revenues over the business plan period, slightly higher (+1.4%) than the average for the period 2019-2021. They consist mainly of (i) real estate rental expenses (subject to three-yearly reviews of 10%) and movable property expenses (medical equipment and supplies), representing on average 5.6% of revenues over the business plan period, and (ii) other operating expenses (consisting mainly of advertising, transport, fees and other overheads) representing on average 5.6% of revenues over the business plan period, slightly up on the level recorded historically (4.9%).
- **Staff expenses:** Staff expenses are mainly composed of two categories, namely:
  - i. Paramedical staff, whose payroll represents an average of 10.5% of consolidated revenues over the business plan horizon, which is close to the level observed historically (10.2% over the period 2019 - 2021). This payroll will grow at an AAGR of 30.3% over the period 2021-2027<sub>p</sub>, compared with 32.7% over the period 2019-2021.
  - ii. Administrative and management staff (considered as fixed costs), whose payroll is growing at a rate of 2.5% per year.
- **Depreciation and amortization:** These expenses are modeled on the basis of the accounting depreciation tables. In accordance with applicable accounting standards, they concern all fixed assets (including those financed by leasing).

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<sup>1</sup> Consolidated gross margin rate = consolidated gross margin / consolidated revenues  
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- **Provisions:** No provision allocations are foreseen over the time horizon of the business plan. It should be noted that the estimated working capital requirement takes into account the level of receivables net of provisions.

#### Financial income assumptions

Financial income is estimated at -KMAD 26,117 in 2022e , -KMAD 51,788 in 2023p and should reach -KMAD 29,485 by the end of the business plan, i.e. an average of -1.7% of consolidated revenues over the period 2022e - 2027p, compared with an average of -2.9% for the period 2019-2021. This evolution is explained in particular by the finalization of the investment program (on the pre-money scope) and the progressive repayment of the financial debts raised for the financing of the medical equipment, namely the financing lines (short and medium term) and the leases.

#### Corporate income tax and social solidarity contribution assumptions

Corporate income tax is calculated according to the common law scales in force in Morocco in 2022.

It should be noted that the majority of consolidated companies are subject to a tax rate on profits of 31%.

The business plan takes into account the social solidarity contribution according to the scale provided by the general tax code:

- 0% for a profit below 1,000 KMAD,
- 1.5% for a profit between KMAD 1,000 and KMAD 5,000
- 2.5% for a profit between KMAD 5,000 and KMAD 10,000
- 3.5% for a profit between KMAD 10,000 and KMAD 40,000
- 5.0% for a profit above KMAD 40,000

Note that the social solidarity contribution is calculated at the level of each Group entity over the period 2022e - 2027p.

#### Minority interest assumptions

Minority interests amount to 9.6% in 2027p, calculated on the basis of their share in consolidated equity over the business plan horizon.

#### Working capital requirement assumptions

The working capital requirement is estimated on average over the duration of the business plan at -12 days of revenues excluding VAT, up from the level observed in 2021 (-22 days), taking into account in particular the development of activity driven by the opening of new healthcare facilities.

The estimate of working capital requirements is based in particular on:

- a slightly higher DSO<sup>1</sup> (net of intra-group flows) over the business plan horizon: 108 days of revenues in 2022e, 115 in 2023p, 116 in 2024p and 117 from 2025p. These levels, slightly higher than the average turnaround time observed historically (114 days<sup>2</sup> over the period 2019 - 2021), are based on the following assumptions:
  - A DSO of 150 days on average for patients covered by the health insurance organizations (CNOPS, CNSS, CMIM, Insurance, etc.), which is longer than what has been observed historically (125 days on average in 2021 for example). It should be noted that these receivables concern patients under care, who are expected to represent 80% of patients from 2023 onwards, given the generalization of medical coverage in Morocco.

<sup>1</sup> DSO (days sales outstanding) = (trade receivables and related accounts / revenues) x 365

<sup>2</sup> On the basis of consolidated trade receivables net of intra-group flows

- A DSO of 0 days for "paying" clients, who are not covered by any organization and are expected to represent 20% of the patient base as of 2023, given the generalization of medical coverage in Morocco.
- a slight increase in supplier payment terms<sup>1</sup> over the business plan horizon: 90 days of revenues in 2022e, 100 in 2023p, reaching 104 days in 2027p (compared with an average supplier payment term of 122 days<sup>2</sup> over the period 2019-2021).  
For institutions operating in 2021, these settlement times are determined on the basis of ratios observed historically in these institutions.  
For facilities scheduled to open in 2022 or later, the supplier payment terms used are those of CCAB for multidisciplinary facilities (i.e. 106 days of sales) and CIOC for oncology centers (i.e. 120 days of revenues), taking into account their activity and their suppliers.

#### Investment assumptions

An overall investment of MAD 1.3 billion is planned over the period 2022e - 2027p, i.e. an average of 14.8% of revenues over the period of the BP, which breaks down as follows:

- an investment plan linked to the openings planned in 2022e (MMAD635) and 2023p (MMAD285). This amount has been calculated on the basis of purchase orders for facilities opened in the second half of 2022 or in the process of being opened at the end of 2022, and on similar assumptions for future openings; and
- renewal investments corresponding to an average of 2.5% of consolidated revenues over the period 2024p-2027p, i.e. a total budget of MMAD 287 (i.e. an average of MMAD 71.8 per year).

#### Medium and long-term debt assumption

Investments relating to the acquisition of medical equipment and fittings and the work involved in opening the new health care facilities will be financed up to 65% by a medium-term bank loan repayable over 7 years.

In this respect, the business plan provides for additional bank financing of MMAD 598 for the years 2022 and 2023p, which has already been secured. It should be noted that maintenance and renewal investments will be fully financed by leasing.

#### Dividend assumptions

Subject to approval by the General Meeting, the Company plans to propose the distribution of 50% to 100% of its distributable income each year. It should be noted that the Company distributed an average of 93.9% of its distributable income over the period 2020-2021.

For the period 2022-2027p, the Business Plan takes into account an annual distribution of (i) 100% of the net income of the subsidiaries and (ii) 70% of the net income of Akdital over the period.

#### Assumptions of participation in the various Group subsidiaries

In the framework of the IPO, and subject to the effective realization of the latter at the latest on December 31, 2022, Akdital undertakes, as from the first day of quotation, in accordance with the decision of the Board of Directors of the Company dated November 17, 2022, to hold and maintain its shareholding in the companies retained within the framework of the valuation work carried out in view of the IPO, as listed below, at a level at least equal to the minimum shareholding threshold defined below, for a period of five (5) years (the "Shareholding Commitment").

<sup>1</sup> DSO (days sales outstanding) = (suppliers payables and related accounts / revenues) x 365

<sup>2</sup> On the basis of supplier payables net of intra-group flows

The table below presents the current levels of Akdital's holding in the said subsidiaries and those retained in the pre-money business plan.

Companies selected for the IPO valuation	Ownership level as of 11/21/2022	Ownership level used in the pre-money business plan <sup>1</sup>
Jerrada Oasis Clinic	100%	100%
Ain Borja Clinic	79.8%	79.8%
International Oncology Center of Casablanca	80.0%	80.0%
Longchamps Medical and Surgical Clinic	100%	100%
Casablanca Ain Sebaa Private Hospital	85.9%	80.0%
Atfal Pediatric Clinic	75.0%	75.0%
Gimes Da Vinci	100%	80.0%
El Jadida Private Hospital	100%	80.0%
El Jadida International Oncology Center	100%	80.0%
Boughaz International Oncology Center of Tangier	90.0%	80.0%
Tangier Private Hospital	90.0%	80.0%
Agadir International Hospital	100%	80.0%
Agadir International Oncology Center	100%	80.0%
International Hospital of Salé	100%	80.0%
International Oncology Center of Salé	100%	80.0%
Panorama Clinic Sidi Maarouf	100%	80.0%
Safi Clinic	100%	80.0%
Mohammedia Clinic	-	80.0%
Fez International Oncology Center	-	80.0%
Fez International Hospital* (Fez)	-	80.0%
Bouskoura	100%	80.0%
Ciojedida	100%	80.0%
Bait Al Atfal	100%	100.0%
Taliak	80.0%	80.0%
Brochak	80.0%	80.0%
Brafsante	100%	100%
Tahafa	85.6%	80.0%
Bousante	100%	80.0%
Jaktalim	100%	100%

<sup>1</sup> Corresponds to the minimum shareholding threshold as described in the Shareholding Commitment attached to this document.  
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*Source: Akdital*

*(\*) Legal entities not yet incorporated as of November 21, 2022.*

It should be noted that for all the projects launched from 2020 onwards, Akdital has made the strategic choice to separate its operational activities from real estate activities in order to (i) focus more on operational management and (ii) allocate its resources more efficiently to the financing of medical equipment in particular. As a result, Akdital Immo is not part of the Shareholding Commitment.

## Main aggregates of the pre-money business plan

The main consolidated aggregates of Akdital's pre-money business plan are presented in the following table<sup>1</sup>:

In mMAD	2019	2020	2021	2022e	2023p	2024p	2025p	2026p	2027p	AAGR 19-22e	AAGR 22e-27p
Turnover	325	507	768	1 100	2 061	2 508	2 796	2 959	3 032	50.1%	22.5%
<i>Variation %</i>	-	55.9%	51.4%	43.3%	87.3%	21.7%	11.5%	5.8%	2.5%	<i>n.a</i>	<i>n.a</i>
Including 2021 scope	325	507	768	983	1 096	1 174	1 217	1 240	1 259	44.6%	5.1%
<i>Variation %</i>		55.9%	51.4%	28.1%	11.5%	7.1%	3.6%	1.9%	1.5%	<i>n.a</i>	<i>n.a</i>
Including 2022 operational scope as of 11/21/ 2022	-	-	-	105	558	747	886	959	986	NA	56.5%
<i>Variation %</i>				<i>n.a</i>	>100%	33.9%	18.7%	8.2%	2.8%	<i>n.a</i>	<i>n.a</i>
Including 2022 and 2023 scopes (opening planned in Dec. 2022 and Q1 2023)	-	-	-	12	407	587	693	759	788	NA	17.9%
<i>Variation %</i>				-	>100%	44.3%	17.8%	9.6%	3.8%	<i>n.a</i>	<i>n.a</i>
EBITDA	65	110	178	286	544	690	770	811	810	64.2%	23.1%
<i>in % of revenues</i>	19.9%	21.8%	23.1%	26.0%	26.4%	27.5%	27.5%	27.4%	26.7%	<i>n.a</i>	<i>n.a</i>
Consolidated net income	7	28	46	100	199	301	360	392	396	>100%	31.8%
<i>in % of turnover</i>	2.1%	5.4%	6.0%	9.0%	9.7%	12.0%	12.9%	13.3%	13.1%	<i>n.a</i>	<i>n.a</i>
Net investments	211	192	596	700	315	67	70	74	76	49%	-36%
<i>in % of turnover</i>	65.0%	37.8%	77.6%	63.6%	15.3%	2.7%	2.5%	2.5%	2.5%	<i>n.a</i>	<i>n.a</i>
Net financial debt*	565	320	765	1 059	986	638	322	64	-138	23%	-167%
<i>Debt ratio (D/ (D+E))</i>	89.8%	45.2%	63.6%	65.9%	58.7%	41.9%	23.3%	5.1%	-12.3%	<i>n.a</i>	<i>n.a</i>
Dividends <sup>2</sup>	-	0	5	20	44	73	135	203	254	NA	66%
<i>Dividend yield <sup>3</sup></i>	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	1.5%	2.4%	4.5%	6.8%	8.5%	<i>n.a</i>	<i>n.a</i>

Source: Akdital

Net financial debt = Leasing debt + Bank debt + Debt to suppliers of fixed assets + Associated current account liabilities - Cash liabilities - Cash assets

<sup>1</sup> It should be noted that Akdital Immo, created in 2020, is fully consolidated for the years 2020 and 2021, and accounted for by the equity method as from January 2022. The consolidation of Akdital Immo by the equity method for the year 2021 would have an impact on the 2021 sales of +0.3%, the 2021 EBITDA of +5.6% and the 2021 consolidated net income of +10.6%, and the 2021 net financial debt of -24.3%.

<sup>2</sup> Dividends distributed in year (n) in respect of year (n-1)

<sup>3</sup> Dividends distributed in year (n) in respect of year (n-1)

Calculated on the basis of a pre-money valuation of MMAD 3,000. The rate of return is calculated as follows: Dividend yield = Dividends / equity value.

## Valuation methods used

### Valuation by the DCF method

#### Presentation of the method

The DCF method measures the capacity of a company to create value. This value creation results from the difference between the return on invested capital and the remuneration demanded by shareholders and financial backers.

This valuation method provides a dynamic view of a company's value and is based on projections of free cash flows generated by operations, taking into consideration the main factors that influence the value of the economic assets of companies. These cash flows are then discounted using a rate that takes into account the target financial structure and the intrinsic risk.

The enterprise value (EV) as of December 31, 2022e, also known as the economic asset value, is estimated by discounting the forecasted free cash flows and includes:

- The discounted value of free cash flows over the explicit time horizon (January 1, 2023p to December 31, 2027p);
- The terminal value (TV) representing the value of the company at the end of the explicit horizon. It is determined on the basis of the Gordon Shapiro method by discounting to infinity the normative free cash flow:

$$\text{Terminal Value} = \frac{\text{Normative Flow}}{\text{WAAC} - g}$$

Where:

- Normative flow: flow calculated on the basis of the latest available cash flow aggregates over the business plan horizon, and on the following elements:
  - ✓ Perpetual growth rate of 2.0% applied to revenues forecast in 2027p. This rate corresponds to the level of long-term inflation forecast by the IMF for Morocco;
  - ✓ EBITDA margin equal to that of 2027p (26.7%);
  - ✓ Working capital requirement maintained at -14 days of revenues, equal to that of 2027p;
  - ✓ Capital expenditure estimated at 5.9% of corresponding normative revenues. These normative investments consist of two elements:
    - Maintenance investments: 2.5% of consolidated revenues;
    - Renewal investments: 3.4% of consolidated revenues, based on the initial investments per bed for the equipment of the Group's healthcare facilities to be commissioned in 2022<sup>1</sup> (Agadir, Tangier, Sidi Maarouf, Safi) and scheduled to open at the end of 2022/beginning of 2023 (Salé, Fez and Mohammedia). This equipment is depreciated over a period of 15 years;
- WACC: Weighted Average Cost of Capital set at 9.96%
- g: perpetual growth rate set at 2.00%.

The equity value (Eq<sub>v</sub>) is obtained as follows:

$$\text{Eq}_v = \text{EV} - \text{NED}$$

Where:

- EV: Enterprise Value as of December 31, 2022e;

<sup>1</sup> Excluding the "Bouskoura Wellness Clinic" given the specificity of its activities (geriatrics, addictology, etc.) generating less important investments than a multidisciplinary or oncology establishment

- NFD: Net Financial Debt as of December 31, 2022<sup>e</sup>

### WACC calculation

The discount rate used is equal to the Weighted Average Cost of Capital (WACC). This is calculated as follows:

$$WACC = E_c \times \frac{E}{D + E_v} + D_c \times (1 - T_{itr}) \times \frac{D}{D + E_v}$$

Where:

- $E_c$ : Equity cost;
- $E$ : Equity value;
- $D$ : Net debt value with a target gearing ( $D/E$ ) of 18.03% corresponding to the gearing of 131 companies operating in the "Hospitals/Healthcare Facilities" sector published by Damodaran in January 2022<sup>1</sup>;
- $D_c$ : Market cost of debt of 4.5% before tax <sup>2</sup>;
- $T_{itr}$ : Income tax rate (31%).

The equity cost amounts to 11.19%. This is calculated as follows:

$$E_c = r_f + (\beta_l \times m_r) + sr$$

Where:

- $r_f$ : Risk-free rate (10-year Treasury bill rate on the secondary market as of October 12, 2022, i.e. 3.24%);
- $\beta_l$ : Leveraged beta (i.e. 0.91 based on a deleveraged beta of 0.81<sup>3</sup>);
- $m_r$ : Equity market risk premium (i.e. 7.07%<sup>4</sup>);
- $sr$ : Specific risk premium (i.e. 1.5%) taking into account in particular the number of clinics delivered in 2022 and remaining to be delivered in December 2022/early 2023, which are expected to reach their full capacity only 3 to 5 years after their commissioning.

Note that the transition from deleveraged to leveraged beta is done using the following formula:

$$\beta_l = \beta_d \times [1 + (1 - R) \times G]$$

Where:

- $\beta_l$ : Leveraged Beta;
- $\beta_d$ : Deleveraged Beta;
- $R$ : Corporate tax rate;
- $G$ : Target Gearing (Net Debt/Equity) of 18.03%.

<sup>1</sup> The retained ratio (18.0%) is consistent with the target gearing of Akdital's management

<sup>2</sup> Corresponds to the financing conditions modeled in Akdital's BP

<sup>3</sup> Emerging Markets deleveraged beta of 131 companies operating in the "Hospital/Healthcare Facilities" sector published by Damodaran in January 2022

<sup>4</sup> Average risk premiums of CFG Research (coming out at 4.9% and obtained by a prospective method) published in October 2022, Attijari Intermédiation (coming out at 7.5% and obtained by survey) published in May 2022 and BMCE Capital Research (coming out at 8.8% and obtained by a prospective method) published in October 2022

Thus, on the basis of the elements presented above, the Weighted Average Cost of Capital retained for Akdital is 9.96%.

<b>Akdital WACC</b>	
Risk-free rate - 10-year TB as of October 12, 2022	3.24%
Market risk premium	7.07%
Corporate income tax rate	31.00%
Deleveraged Beta	81.16%
Leveraged beta	91.26%
Target Gearing (D/E)	18.03%
Specific risk premium	1.50%
<b>Equity cost</b>	<b>11.19%</b>
<b>Cost of debt (net of corporate income tax)</b>	<b>3.11%</b>
<b>WACC</b>	<b>9.96%</b>

### Results of the DCF method

In mMAD	2023p	2024p	2025p	2026p	2027p	Normative flow
Turnover	2 061	2 508	2 796	2 959	3 032	3 093
EBITDA	544	690	770	811	810	826
Theoretical corporate income tax on operating income	-109	-153	-178	-191	-190	-199
Change in WCR	49	26	16	9	4	2
Investments	-315	-67	-70	-74	-76	-185
<b>Free cash flow</b>	<b>169</b>	<b>495</b>	<b>538</b>	<b>555</b>	<b>548</b>	<b>445</b>
<b>Terminal Value</b>						<b>5 593</b>
<b>Discounted FCFF</b>	<b>153</b>	<b>409</b>	<b>405</b>	<b>379</b>	<b>341</b>	<b>3 480</b>
Sum of discounted FCFF 2023p - 2027p	1 688					
Discounted terminal value	3 480					
<b>Enterprise Value</b>	<b>5 167</b>					
- NFD	-1 059					
Minority interests	- 395					
+ Akdital Immo shareholding <sup>1</sup>	72					
<b>Equity value - Group share</b>	<b>3 785</b>					
<b>Equity value - MAD/share</b>	<b>379</b>					

On the basis of a discount rate of 9.96% and a perpetual growth rate of 2.0%, the value of Akdital's equity amounts to MMAD 3,785, i.e. a value per share of MAD 379 based on a nominal value per share of MAD 10.

<sup>1</sup> The valuation of Akdital Immo is presented in the section "Results of the RNAV method" below  
*Prospectus Summary - Akdital IPO*

The table below presents a sensitivity analysis of the Akdital group's equity value (in MMAD) to the WACC and the perpetual growth rate:

Perpetual growth rate	WACC			
	1.75%	9.71%	9.96%	10.21%
1.75%		3 821	3 774	3 728
2.00%		3 833	3 785	3 739
2.25%		3 844	3 796	3 750

The table below shows a sensitivity analysis of the price per Akdital share (in MAD/share), based on a nominal value of MAD 10/share, to the WACC and the perpetuity growth rate:

Perpetual growth rate	WACC			
	1.75%	9.71%	9.96%	10.21%
1.75%		382	377	373
2.00%		383	379	374
2.25%		384	380	375

## Valuation of Akdital Immo by the method of the Reconstitution Net Asset Value (RNAV)

### Presentation of the method

Reconstruction NAV is one of the methods used internationally for valuing real estate companies (listed or unlisted). This method is based on the logic of continuing the business and therefore of preserving the assets held. It consists of calculating a market value of the equity, corresponding to a floor value of the Company. The first step consists of calculating the net asset value (NAV) corresponding to the shareholders' equity and similar assets reduced by the amount of fixed assets that have been written off. The NAV is then obtained by increasing the NAV by (i) all unrealized capital gains on fixed and current assets, without taking into account the deferred tax related to unrealized capital gains on real estate assets, and (ii) the acquisition costs necessary to reconstitute the Company's portfolio of assets.

### Results of the RNAV method

Results of the RNAV method

The table below presents the calculation of the RNAV of Akdital Immo established on the basis of the budget as of December 31, 2022:

In mMAD	
Equity	102
+ Partners' Current Accounts <sup>1</sup>	85
- Non-valued fixed assets	-6
<b>Adjusted equity = Adjusted book net assets (1)</b>	<b>181</b>
+ Market value of land and buildings	802
El Jadida	151
Tangier	276
Agadir	77
Sale	163
Safi	134
+ Land and building acquisition costs	48
- Net book value of revalued land and buildings	804 <sup>2</sup>
<b>= Capital gains on land and buildings (2)</b>	<b>45</b>
<b>Reconstitution net assets (1) + (2)</b>	<b>226</b>
<b>Akdital Holding share</b>	<b>72</b>

The RNAV as of December 31, 2022 gives a valuation of Akdital Immo's equity of MMAD 226. The valuation of Akdital's minority stake (31.9%) in Akdital Immo amounts to MMAD 72.

The market values of the tangible assets used in the calculation of the RANR were appraised by the consulting firm specialized in fixed assets, Colliers Conseil Maroc in May and June 2022.

<sup>1</sup> In accordance with the investment protocol signed between the AI shareholders, the shareholders' contributions should be composed of (i) 50% of equity contributions and (ii) 50% of current accounts of associates at the end of the lock-up period. Also, the share of the C/Cs converted into equity (mMAD 85) corresponds to the amount allowing to reach the balance between equity and C/Cs as part of the total funds injected into AI as of the end of 2022.

<sup>2</sup> Considering the acquisition date of the Khouribga land (Q3 2022), the value of the land retained in the valuation of Akdital Immo is equal to its acquisition value.

Valuation using the comparable stock market method (for information only).

As a reminder, the valuation method using stock market comparables is presented for information purposes only. As explained above, macroeconomic and sectoral developments as well as the specific situation of each "comparable" make the application of this method very difficult and potentially irrelevant in the current context of economic and geopolitical tensions weighing significantly on the stock markets in Morocco and internationally (i.e. impact on the levels of multiples observed). The application of an intrinsic valuation method such as the DCF remains the most appropriate.

On a national scale, Akdital would be the first healthcare group to be listed on the Casablanca Stock Exchange.

Consequently, there are no listed companies comparable to the Group on the basis of which the valuation of Akdital could be carried out.

In the absence of local comparables, the sample of companies "comparable" to Akdital consists entirely of international companies. The selection of companies in the sample was based on various criteria, including mainly:

- Country: exclusion of companies operating in countries with advanced healthcare systems<sup>1</sup>;
- Size: the market capitalization of the selected companies is less than EUR 1 billion;
- Sector: the operation of multidisciplinary clinics must represent at least 50% of revenues in 2021;
- Tracking: prospective data must be available to allow for an assessment based on 2022e and 2023p aggregates.

The table below shows the sample of companies selected:

Company	Country	Cap. Stock market (mEUR) <sup>2</sup>	EV/EBITDA		P/E	
			2022e	2023p	2022e	2023p
Cleopatra Hospital Company	Egypt	295	8.7x	6.7x	16.0x	13.7x
Ladprao General Hospital PCL	Thailand	112	8.3x	9.1x	14.8x	19.8x
Med Life SA	Romania	424	10.9x	8.7x	37.9x	23.8x
Thai Nakarin Hospital PCL	Thailand	171	9.6x	9.0x	15.0x	14.8x
<b>Average</b>			<b>9.4x</b>	<b>8.4x</b>	<b>20.9x</b>	<b>18.0x</b>

Source: Infront Analytics

On the basis of the sample presented above, the valuation of Akdital by the market comparison method is as follows:

<sup>1</sup> Countries excluded: Belgium, Germany, Spain, France, Italy, Ireland, United Kingdom, Switzerland, Sweden, Cyprus, Liechtenstein, Norway, Finland, New Zealand, Australia, United States, Canada, Japan, Taiwan, Singapore

<sup>2</sup> Data as of 11/09/2022

### Valuation by EV/EBITDA multiple

In MMAD	2023p
Multiple EV/EBITDA of the sample of comparables retained	8.4x
Akdital consolidated EBITDA	544
<b>Enterprise value</b>	<b>4 548</b>
- 2022b NFD*	-1 059
- 2022b NFD adjusted for ND PQ of institutions opened in 2023	-188
- Minority interests	-328
+ Akdital Immo shareholding <sup>1</sup>	72
<b>Equity value</b>	<b>3 045</b>
<b>MAD / share</b>	<b>304</b>

\* Net financial debt = Leasing debt + Bank debt + Debt to suppliers of fixed assets + Associated current account liabilities -+ Cash liabilities - Cash assets

### Valuation by P/E multiple

In MMAD	2023p
P/E multiple of the selected sample of comparables	18.0x
SSC adjusted net income	206
(-) Minority interests	-20
= Adjusted net income (group share)	185
+ Akdital Immo shareholding	72
<b>Equity value</b>	<b>3 407</b>
<b>MAD / share</b>	<b>341</b>

It should be noted that the value (i) of the equity and (ii) per share of the Akdital group which emerges from the 2022 multiples has not been presented in the securities note insofar as:

- It includes very partially the contribution of the 8 establishments opened in 2022 (operational during H2 2022);
- It does not include the contribution of the 4 establishments scheduled to open in 2023 ("pre-money" scope);
- The contribution of the new entities (2022 and 2023 pre-money scope) to the Group's 2023 consolidated EBITDA and net income is significant (43.4% and 36.7% respectively).

It should also be noted that the valuation of the Akdital Group, which is derived from the 2023 multiples, does not fully capture the full potential of the new openings. Indeed, the average time to full operation of a new establishment is between 3 and 5 years.

### Summary of the retained valuation methods

The table below presents in particular the level of discount of the subscription price of the shares, subject of the current operation (i.e. MAD 300/share including the issue premium), compared to the value per share resulting from the two methods presented:

Summary (mMAD, unless indicated)	DCF	Average resulting from the P/E 2023e
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<sup>1</sup> The valuation of Akdital Immo is presented in the section "Results of the RNAV method" above  
*Prospectus Summary - Akdital IPO*

		and EV/EBITDA 2023e multiples
Equity value	3 785	3 226
In MAD/share	379	323
<b>Subscription price (MAD/share)</b>		<b>300</b>
<b>Discount (-) / premium (+) compared to the subscription price</b>	<b>-20.7%</b>	<b>-7.0%</b>

On the basis of the retained price of MAD 300/share, corresponding to an equity valuation of MMAD 3,000, the resulting valuation multiples are as follows:

Summary (mMAD, unless indicated)	2023p
EV/ EBITDA <sup>1</sup>	7.9x
CSS adjusted P/E <sup>2</sup>	15.8x

<sup>1</sup> [Price per share (MAD 300) x number of shares (10,000,010) + ND (MMAD 1,059) + Minority Interests (MMAD 311)] - Valuation of IA (MMAD 72) / EBITDA 2023p (MMAD 544)

<sup>2</sup> [Price per share (MAD 300) x number of shares (10,000,010) - Share held by Akdital in Akdital Immo (MMAD 72)] / [Adjusted net income of CSS (group share) (MMAD 185)]; with Adjusted net income of the CSS (group share) = Net income (MAD 199 million) + CSS (MMAD 6) - Share of the net income of the minorities (MMAD 20). As the numerator (net income) does not take into account Akdital Immo, the numerator has also been restated for the sake of consistency.

*Prospectus Summary - Akdital IPO*

### III. Framework of the Operation

#### III.1 General framework

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The Akdital Board of Directors, held on July 20, 2022, decided the principle of listing the Company's shares on the Casablanca Stock Exchange according to the following modalities:

- The IPO will be made on the main market of the Casablanca Stock Exchange;
- The IPO will be carried out by way of:
  - ✓ A share capital increase reserved to the public<sup>1</sup> up to a maximum amount (including the issuing premium) of MAD 800,000,000; and
  - ✓ a sale to the public of the Company's shares, the number of which will be fixed by subsequent decision of the Company's Board of Directors.

The Board of Directors has proposed to the Company's shareholders a capital increase reserved to the public within the framework of the Company's listing on the Stock Exchange up to a maximum amount of MAD 800,000,000, by issuing new shares with a nominal value of MAD 100 each at a subscription price (including the issue premium) comprised within a range between MAD 3,000 and MAD 4,000 per share. It should be noted that the Board of Directors, meeting on July 20, 2022, proposed to the Extraordinary General Meeting to reduce the nominal value of the shares constituting the Company's capital from MAD 100 to MAD 10 with effect as from the first day of listing of the shares on the Casablanca Stock Exchange.

The Extraordinary General Meeting of November 16, 2022, having considered the report of the Board of Directors and the special report of the Statutory Auditor on the cancellation of shareholders' preferential subscription rights, has notably authorized:

- the Company's initial public offering on the main market by way of:
  - ✓ a share capital increase reserved to the public up to a maximum amount (including issue premium) of MAD eight hundred million dirhams (800,000,000); and
  - ✓ the sale to the public of the Company's shares, the number of which will be fixed by decision of the Company's Board of Directors
- The cancellation of the shareholders' preferential subscription right in favor of the public within the framework of the Company's IPO;
- The carrying out of the Operation at a subscription price (including the issuing premium) comprised within a range between MAD 3,000 and MAD 4,000 per share. The new shares will be subscribed for and paid up in full in cash, excluding any payment by way of set-off against liquid and due debts on the Company;
- The reduction of the nominal value of the shares constituting the Company's capital from MAD 100 to MAD 10 with effect from the first day of listing of the shares on the Casablanca Stock Exchange;
- The delegation to the Board of Directors of the widest powers in order to, in particular:
  - ✓ set the overall amount of the Company's IPO;
  - ✓ decide on the completion of the capital increase within the limit of the authorized amount and to set the subscription price within the range referred to above;
  - ✓ set the number of shares to be sold to the public and the selling price of said shares;

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<sup>1</sup> Le terme « public » désigne toute personne ayant vocation à souscrire ou à acquérir des actions de la Société dans le cadre de l'introduction en bourse de la Société.

- ✓ fix the methods of carrying out the increase in capital, to notice its realization and to proceed with the corresponding modification of the by-laws, to carry out the necessary steps for the carrying out of the said increase in capital, to notice the subscription, the payment and the final realization of the increase in capital, and to take all useful measures and to carry out all formalities necessary for the final realization of the increase in capital and the listing of the Company's shares on the Casablanca Stock Exchange;
- ✓ record the taking effect of the modification of Article 6 of the Company's by-laws in order to reflect therein the MAD 10 nominal value as well as the new number of shares composing the registered capital at the end of the reduction of the nominal value;
- ✓ carry out the operations necessary to the carrying out of the aforementioned reduction of the nominal value and to accomplish all the formalities necessary to the final carrying out, if need be, of the reduction of the nominal value;
- ✓ and generally, carry out all the operations required within the framework of the Company's IPO, to determine all the terms and conditions of the said IPO and its final characteristics and to take all the decisions necessary for the final realization of the said operation.

The Extraordinary General Meeting held on November 16, 2022 also decided to:

- make the necessary amendments to the Company's Articles of Association in order to put them in conformity with the legal provisions governing companies whose shares are listed on the Casablanca Stock Exchange;
- charge, if need be, the expenses of the capital increase on the amount of the issue premium

The new shares will carry current dividend rights so as to be fully comparable to the existing shares of the Company as of January 1 of the year in which the shares are issued.

The new shares will be entitled to the distributions of profits or reserves that could be decided by the Company as from the date of final completion of the Operation.

MC III Al Razi and the shareholders members of the SSG, with the exception of Mr. Rochdi Talib, have announced their wish to sell to the public 133,340 shares out of the 839,966 shares they hold in the Company's capital.

The board of directors, on November 17, 2022, making use of the delegation of powers granted to it by the extraordinary general meeting dated November 16, 2022:

- decided the carrying out of the increase in registered capital up to an amount of MAD 26,666,600 by issuing 266,666 new shares at a subscription price per share of MAD 3,000 (i.e. MAD 100 as nominal amount and MAD 2,900 as issuing premium);
- took note of the firm and irrevocable decision of MC III Al Razi and the assigning SSG Members to sell 133,340 shares at a price of MAD 3,000
- Has fixed the final characteristics of the Operation as presented in the minutes of the Board of Directors;
- noted that the total contribution of the increase in capital will be MAD 799,998,000, of which MAD 26,666,600 as nominal amount and MAD 773,331,400 as issue premium. The Company's registered capital will be increased from MAD 100,000,100 to MAD 126,666,700;
- authorized the Company to enter into an undertaking, the purpose of which is to guarantee the maintenance of a minimum holding of the Company's interests in the companies retained within the framework of the valuation works carried out for the IPO, at a level at least equal to the defined minimum holding threshold, and this for a period of five (5) years.

In accordance with article 188 of the Law no. 17-95, the amount of the increase of the registered capital must be entirely subscribed. Otherwise, the increase in capital is deemed to be null and void. As for the amount of the transfer, it could be limited to the proposals of acquisition of securities actually received.

It is important to note that in case the capital increase would not be entirely subscribed, the Operation as a whole will be deemed not to be carried out.

### III.2 Objectives of the Operation

Given the size and development prospects of the Company, the Operation would enable the following main objectives to be achieved:

- To raise funds and allocate them as follows:
  - ✓ MMAD 514 to finance identified future investments<sup>1</sup>, including 8 new establishments respectively in Kenitra, Khouribga, Rabat (2 establishments), Tetouan, Taghazout, Marrakech and Benguerir. These investments will allow Akdital to consolidate its position in the private health sector and reach about 25% of the private sector's bedding capacity at the national level. It should be noted that the land has already been acquired by Akdital Immo and/or its real estate partners in Khouribga and Tetouan. The investment in equipment and development of these projects is estimated at MMAD 514<sup>2</sup> and is broken down as follows:

Project	Estimated opening year <sup>3</sup>	Stage of progress	Total planned investment <sup>4</sup> (in KMAD)
Taghazout	2023	n.a	48 029
Kenitra	2023	Land in the process of acquisition	63 201
Khouribga	2023	Land acquired and studies in progress	63 201
Tetouan	2023	Land acquired and studies in progress	77 829
Marrakech	2024	n.a	48 029
Rabat Multi	2024	n.a	104 733
Rabat Onco	2024	n.a	54 395
Benguerir	2024	n.a	54 395
<b>Total</b>			<b>513 812</b>

Source: Akdital

- ✓ MMAD 286 to optimize the Group's financial structure in order to finance additional future developments.
  - To provide liquidity to its shareholders;
  - To increase the Company's reputation and proximity to its partners and the general public
  - To optimize the Company's financing costs; and

<sup>1</sup> The projects presented in this section are not taken into account in the pre-money business plan used for the valuation of the Company (see section "II.3 Elements used to assess the terms of the offer)

<sup>2</sup> It should be noted that no amount has been invested as of June 30, 2022 in these projects

<sup>3</sup> Estimates as of June 30, 2022

<sup>4</sup> Investment in equipment and development borne by the Akdital group

- To facilitate recourse to external financing through direct access to the financial markets.

The capital increase will be used to finance Akdital's development plan and will enable it to pursue its development plan presented in the securities note.

### III.3 Intent of shareholders and directors

To the best of the Company's knowledge, except for MC III AL Razi, the shareholders and directors of the Company may subscribe to the Operation.

### III.4 Impact of the Operation

#### Impact of the Operation on the Company's equity

Following the completion of the Operation, the corporate and consolidated shareholders' equity of Akdital will be as follows:

##### *Impact of the Operation on the corporate financial statements*

kMAD unless indicated	Position excluding the Operation 12.31.2022e	Impact of the Operation	Position including the Operation	Position after the Operation and reduction of the nominal value
Number of shares (unit)	1 000 001	266 666	1 266 667	12 666 670
Share capital	100 000	26 667	126 667	126 667
Capital-linked premiums	266 023	773 331	1 039 354	1 039 354
Legal reserves	1 319	-	1 319	1 319
Retained income	440	-	440	440
<b>Net income</b>	66 121	-	66 121	66 121
<b>Equity</b>	<b>433 903</b>	<b>799 998</b>	<b>1 233 901</b>	<b>1 233 901</b>

Source: Akdital

##### *Impact of the Operation on consolidated financial statements*

kMAD unless indicated	Position excluding the Operation 12.31.2022e	Impact of the Operation	Position including the Operation	Position after the Operation and reduction of the nominal value
Number of shares (unit)	1 000 001	266 666	1 266 667	12 666 670
Share capital	100 000	26 667	126 667	126 667
Additional paid-in capital, reserves and minority interests	266 023	773 331	1 039 354	1 039 354 <sup>1</sup>
Consolidated reserves	81 449	-	81 449	81 449
Consolidated net income	99 575	-	99 575	99 575
<b>Consolidated equity</b>	<b>547 047</b>	<b>799 998</b>	<b>1 347 045</b>	<b>1 347 045</b>

Source: Akdital

<sup>1</sup> Excluding the costs of the Operation to be deducted from the amount of the issue premium resulting from the capital increase  
Prospectus Summary - Akdital IPO

## Impact of the Operation on the Company's shareholding structure

Following the completion of the Operation, Akdital's shareholding will be as follows:

Shareholders	Prior to the operation		After the operation			
			Nominal value of MAD 100 per share		Nominal value of MAD 10 per share	
	Nb. of shares	%	Nb. of shares	%	Nb. of shares	%
SSG	799 956	80.0%	733 286	57.9%	7 332 860	57.9%
Rochdi Talib	159 989	16.0%	159 989	12.6%	1 599 890	12.6%
Fatima Akdim	159 989	16.0%	119 987	9.5%	1 199 870	9.5%
Ahmed Akdim	159 989	16.0%	153 322	12.1%	1 533 220	12.1%
Brahim Akdim	159 989	16.0%	153 322	12.1%	1 533 220	12.1%
Jaouad Zakaria	80 000	8.0%	73 333	5.8%	733 330	5.8%
Mohammed El Mrini	80 000	8.0%	73 333	5.8%	733 330	5.8%
Other shareholders	46	0.0%	46	0.0%	460	0.0%
MCIH Al Razi	199 999	20.0%	133 329	10.5%	1 333 290	10.5%
Floating	-	-	400 006	31.6%	4 000 060	31.6%
<b>Total</b>	<b>1 000 001</b>	<b>100%</b>	<b>1 266 667</b>	<b>100%</b>	<b>12 666 670</b>	<b>100%</b>

Source: Akdital

### Commitment of the SSG Members to maintain its shareholding in Akdital

Subject to the effective completion of the Operation by December 31, 2022 at the latest,

- (a) all Members of ASG undertake to hold (net of shares transferred by them at the IPO):
- (i) during a period of three (3) years as from the first day of quotation of the Company's shares on the Casablanca Stock Exchange, all the shares they hold within the Company's capital, with the exception, however, of the shares they could acquire within the framework of the IPO and after the date of its completion; and
  - (ii) for a period starting on the date occurring at the end of the three (3) year period referred to in paragraph (i) above, and ending on the date occurring at the end of a five (5) year period starting on the first day of listing of the Company's shares on the Casablanca Stock Exchange, together, a proportion of the Company's capital and voting rights which may not be less than forty percent (40%), it being specified that the fraction of the Company's capital and voting rights held by the Members of SSG beyond the said threshold may be freely transferred by the latter in proportion to the share that their holdings represent in relation to the cumulated holding of all the Members of SSG.
- (b) As from the date occurring at the end of a period of five (5) years as from the first day of quotation of the Company's shares on the Casablanca Stock Exchange, the Members of SSG will be free to transfer their respective holdings in the Company's capital.

The commitments of the SSG Members are presented in the annex of the Reference Document.

### Commitment of MCIH Al Razi to maintain its shareholding in Akdital

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Within the framework of the IPO, and subject to the effective realization of the latter at the latest on December 31, 2022, MC III Al Razi undertakes to hold at least ten percent (10%) of the Company's capital and voting rights plus one (1) share of the said Company, and this for a period of twelve (12) months as from the first day of quotation of the Company's shares on the Casablanca Stock Exchange.

The undertakings of MCIII Al Razi are detailed in the annex of the Reference Document.

### Impact of the Operation on indebtedness

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The Operation covered by the securities note being a capital increase coupled with a share sale, the latter has no impact on the indebtedness of Akdital.

### Impact of the Operation on governance

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The Operation covered by the securities note, should have no impact on the governance of Akdital, the latter being in conformity with the provisions of Law 17-95. It should be noted that the two independent directors appointed by the general meeting of November 16, 2022 will take up their functions as from the date of the first listing of the Company's shares. A presentation of the independent directors is available under the heading "Composition of the Board of Directors" in the Reference Document for the year 2021 and the first half of 2022.

Moreover, subject to the effective completion of the Operation, the commitments of the members of the Sustainable Shareholders Group (SSG) in terms of governance are the following:

- As regards Messrs Rochdi Talib and Jaouad Zakaria: Mr. Rochdi Talib and Mr. Jaouad Zakaria undertake, each for what concerns him, not to resign from their respective functions of Chairman and Chief Executive Officer and Deputy Chief Executive Officer of the Company, for a period of six (6) years as from the first day of quotation of the Company's shares on the Casablanca Stock Exchange and this, except in case of incapacity which would have the effect of preventing them from fully exercising their functions (the "**Commitment of Maintenance of Functions**");
- As regards all the Members of the SSG, with the exception of Messrs. Rochdi Talib and Jaouad Zakaria: All the Members of the SSG, except Messrs Rochdi Talib and Jaouad Zakaria, undertake each one for what concerns them to maintain Messrs Rochdi Talib and Jaouad Zakaria in their respective functions of Chairman and Chief Executive Officer and Deputy Chief Executive Officer of the Company for a period of six (6) years as from the first day of quotation of the Company's shares on the Casablanca Stock Exchange, and this, except in case of incapacity which would have the effect of preventing them from exercising fully their functions (the "**Commitment of Maintenance of Governance**"); and

This Commitments of Maintenance of Functions and Governance are firm and irrevocable.

It should be noted that the shareholders' agreement, the main provisions of which are described in the "Shareholders' agreement" section of the registration document relating to the 2021 financial year and the first half of 2022 of Akdital, was concluded in March 2020 following the acquisition of a stake by MC III Al Razi in the capital of Akdital and will end as of the completion of the IPO subject of the securities note.

### Impact of the Operation on strategic orientations

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The Operation covered by the securities note, will enable the Company to pursue its development strategy and to achieve its objectives as specified in the "Objectives of the Operation" section of the securities note. The funds raised should be used, in particular, to finance the opening of new care facilities located in:

- Kenitra, Khouribga, Tetouan and Taghazout in 2023 for an overall investment of about MMAD 252;

*Prospectus Summary - Akdital IPO*

- Rabat, Marrakech and Benguerir in 2024 for a total investment of about MMAD 262.

A presentation detailing Akdital's strategic orientations is presented in the section "Akdital's strategic orientations" of the reference document relating to the 2021 financial year and the first half of 2022.

### Completion guarantee

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The Operation covered by the securities note does not benefit from any completion guarantee.

### Target investors for the Operation

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With the exception of money market and short-term bond UCITS, this Operation targets all categories of investors, namely:

- Natural Persons, resident or non-resident, of Moroccan or foreign nationality;
- Legal Entities, of Moroccan or foreign Law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence on the subscription date;
- Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, except money market and short-term bond UCITS;
- Qualified investors of foreign law as defined by Article 1.30 paragraph (c) of the AMMC circular no. 03/19.

## III.5 Expenses related to the Operation

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### Various commissions

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The expenses relating to the Operation that will be borne by the Issuer are estimated at approximately 3.8% of the amount of the capital increase. These expenses include the commissions to:

- financial advisors;
- the legal advisor;
- members of the placement syndicate;
- the statutory auditor;
- the real estate valuer;
- the communication agencies;
- the communication agencies;
- the account holder;
- the AMMC;
- the Casablanca Stock Exchange;
- the central depository Maroclear;
- the translation agency.

In accordance with the decision of Akdital's extraordinary general meeting held on November 16, 2022, all the expenses resulting from the capital increase will be charged to the amount of the issue premium resulting from the capital increase.

### Commissions charged to subscribers

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As part of this operation, each PS member undertakes explicitly and irrevocably, towards the Issuer, the Global Financial Advisor and Coordinator, the PS leader, the PS co-leaders and the other PS members, to charge to subscribers, for all orders registered on the Casablanca Stock Exchange, the following commissions:

*Prospectus Summary - Akdital IPO*

- 0.1 % (excluding taxes) for the Casablanca Stock Exchange as an admission commission due to it at the time of registration on the Stock Exchange
- 0.2% (excluding taxes) as settlement and delivery commissions
- 0.6% (excluding taxes) for the brokerage firm. It is applied on the amount corresponding to the effective allocation at the time of settlement / delivery.

The value added tax (VAT) at the rate of 10% will be applied in addition.

In order to ensure equal treatment of subscribers, whatever the place of subscription, each PS member formally and expressly undertakes not to practice any rebate to subscribers or any kind of repayment simultaneously or after subscription.

### Placement fees charged to the Issuer

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PS members will receive a commission of:

- 0.9% exclusive of tax on allotted amounts corresponding to orders submitted by Natural Persons or Corporate Entities of Moroccan or foreign Law;
- 0.6% exclusive of tax on amounts allotted corresponding to orders submitted by qualified investors of foreign Law;
- 0.4% exclusive of tax on allotted amounts corresponding to orders submitted by qualified investors of Moroccan Law.

This commission, due by the Issuer, will be collected by CFG Marchés, which will be in charge of paying on Bank Al-Maghrib accounts of each PS member its share, within 30 days following the receipt by CFG Marchés of the PS member's invoice. The Casablanca Stock Exchange will be in charge of communicating, at the end of the allocation, the results of subscriptions and the amounts raised by each PS member and by category of investors to CFG Marchés and AMMC.

## **PART II – CONDUCT OF THE OPERATION**

## I. Conduct of the Operation

### I.1 Schedule of the Operation

The following table presents the Operation's schedule:

Order	Steps	Date
1	Issue by the Casablanca Stock Exchange of the Operation approval notice AMMC approval of the prospectus	11/21/2022
2	Publication of the prospectus on the Issuer's website	11/21/2022
3	Publication by the Casablanca Stock Exchange of the operation notice	11/22/2022
4	Publication of the press release by the Issuer in a legal announcement journal	11/22/2022
5	Opening of the subscription period	11/29/2022
6	Closing of the subscription period at 3:30 pm inclusive	12/06/2022
7	Receipt of subscriptions by the Casablanca Stock Exchange before 6:30 pm	12/06/2022
8	Centralization and consolidation of subscriptions by the Casablanca Stock Exchange	12/07/2022
9	Processing of rejections by the Casablanca Stock Exchange	12/08/2022
10	Allocation of subscriptions and delivery by the Casablanca Stock Exchange of the subscription list to the Issuer Delivery by the Casablanca Stock Exchange of allocations by account holder to CFG Marchés before 12.00 p.m. Delivery by the Casablanca Stock Exchange of securities allocations to the PS members before 12.00 p.m.	12/09/2022
11	Holding of the meeting of the Issuer's body having to acknowledge the final completion of the Operation	12/12/2022
12	Receipt by the Casablanca Stock Exchange of the minutes of the Issuer's body having recorded the carrying out of the Operation before 12.00 p.m.	12/13/2022
13	First listing, reduction of the nominal value from MAD 100 to MAD 10 and registration of the operation on the Stock Exchange Publication by the Casablanca Stock Exchange of the Operation results	12/14/2022
14	Publication of the results of the Operation in a legal announcement journal and on the Issuer's website	12/19/2022
15	Payment / Delivery	12/19/2022

## I.2 Placement syndicate and financial intermediaries

Type of financial intermediaries	Name	Address
<b>Financial Advisor and Global Coordinator</b>	CFG Finance	5-7, rue Ibnou Toufail, Casablanca
<b>Financial Co-Advisor</b>	BMCE Capital Conseil	63, boulevard Moulay Youssef, Casablanca
<b>Leader of the Placement Syndicate</b>	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca
<b>Co-Leader of the Placement Syndicate</b>	BMCE Capital Bourse	140, avenue Hassan II, Casablanca
	CIH	187, avenue Hassan II, Casablanca
	CDG Capital Bourse	7, bd. Kennedy, Anfa Sup, Casablanca
	Valoris Securities	Angle Route El Jadida et rue Abou Dhabi, Casablanca
	Upline Securities	37, bd. Abdellatif Ben Kaddour angle rue Ali Abderrazak, Casablanca
<b>Members of the Placement Syndicate</b>	Al Barid Bank	Angle bd. Ghandi et bd. Brahim Roudani, n° 798 bd. Ghandi, Casablanca
	Alma Finance Groupe	92, boulevard d'Anfa, Casablanca
	Artbourse	7, bd. Abdelkrim Al Khatabi, Casablanca
	Atlas Capital Bourse	88, rue Benbrahim El Marrakchi, quartier Hippodrome, Casablanca
	Attijariwafa Bank	2, bd. Moulay Youssef, Casablanca
	Attijari Intermédiation	163, avenue Hassan II, Casablanca
	Wafabourse	416 Rue Mustapha El Maani Casablanca
	Banque Centrale Populaire	101, bd. Zerktouni, Casablanca
	Bank Of Africa	140, avenue Hassan II, Casablanca
	BMCI	26, place des Nations Unies, Casablanca

	BMCI Bourse	Bd. Bir Anzarane, imm. Romandie I, Casablanca
	Capital Trust Securities	50. bd. Rachidi, Casablanca
	CFG Bank	5-7, rue Ibnou Toufail, Casablanca
	Crédit Agricole du Maroc	Place des Alouyine, Rabat
	Crédit du Maroc	48, bd. Mohammed V, Casablanca
	ICF Al Wassit	Espace Porte d'Anfa, 29, rue Bab El Mansour, Casablanca
	M.S.I.N	Imm. Zénith, Rés. Tawfiq, Sidi Maârouf, Casablanca
	Redmed Capital Securities	23, rue Ibnou Hilal Quartier Racine, Casablanca
	Société Générale	55, bd Abdelmoumen, Casablanca
	Sogecapital Bourse	55, bd Abdelmoumen, Casablanca
<b>Organization providing financial services for securities</b>	CFG Bank	5-7, rue Ibnou Toufail, Casablanca
<b>Organization in charge of the registration of securities on the stock exchange (seller's side)</b>	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca

### I.3 Capital ties with the financial intermediaries participating in the Operation

### IV.3 Capital ties with the financial intermediaries participating in the Operation

There is no capital relationship between CFG Finance and BMCE Capital Conseil on the one hand, and Akdital on the other hand.

There is no capital relationship between the financial intermediaries and PS members on the one hand and Akdital on the other hand.

### IV.4 Subscription terms and conditions

#### Circulation threshold

In accordance with the provisions of Section 1.35 of AMMC Circular, a minimum circulation threshold has been established for this Operation:

- the circulation threshold in terms of the number of people targeted is 500;
- the minimum number of targeted subscribers is 100 subscribers.

#### Subscription period

Akdital shares covered by this securities note could be subscribed for from November 29 to December 6, 2022 at 3.30 p.m. inclusive.

## Subscription terms and conditions

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### **(a) Account opening**

Except for minor children and incapable adults, subscription operations are registered in a securities and cash account in the name of the subscriber, opened with the same PS member where the subscription is made. In case this one does not have the status of account keeper, the account can be opened with an institution having the status of account keeper.

Any person wishing to subscribe with an PS member must have or open an account with the said member. The PS member will comply with the legislation in force for opening accounts and will ask for the following documents at least

- Copy of the client's identification document (national identity card (CIN), residence card, trade register, passport, copy of the approval decision, etc.);
- Account opening contract duly signed by the subscriber and the PS member in case the client has not already signed it.

Account openings can only be made by the subscriber himself.

The opening of accounts for minors and incapable adults can only be done by the father, mother, tutor or legal representative of the minor or incapable adult.

It is strictly forbidden to open an account by proxy.

Subscriptions on behalf of third parties are authorized within the framework of a portfolio management mandate containing an express clause allowing it.

For minors and incapable adults, subscriptions can be registered either on their accounts or on the accounts of the persons authorized to subscribe on their behalf, i.e. the father, mother, tutor or legal representative of the minor or incapable adult.

### **(b) Subscription terms**

All subscriptions must be expressed in number of securities.

Each subscriber will be able to transmit only one subscription order.

Subscriptions will be made using the subscription form, available at the PS members and integrated into the operation memorandum. A copy of the subscription form must be given to the subscriber with acknowledgement of receipt.

Subscription forms must be signed by the subscriber (or their proxy within the framework of a portfolio management mandate allowing it), validated and time-stamped by the PS member.

Subscriptions are irrevocable after the closing of the subscription period.

All PS members, including those who will proceed to the collection of orders via an Internet platform, undertake to respect the procedure of collection of subscriptions.

PS members must make sure, before accepting a subscription, that the subscriber has the financial capacity to honor their commitments. Therefore, they are bound to accept subscription orders from any person entitled to take part in the Operation, provided that the said person provides the necessary financial guarantees. PS members are bound to keep in the file relating to their client's subscription the documents and vouchers, which enabled them to make sure of the said financial capacity.

*Prospectus Summary - Akdital IPO*

Each PS member undertakes to require from its client the coverage of its subscription according to the category to which it belongs:

- **For natural persons, resident or non resident, and corporate bodies of Moroccan or foreign law, not belonging to the categories of qualified investors as defined by Article 3 of Law 44-12 and by Article 1.30 of AMMC Circular No. 03/19 and justifying of more than one year of existence at the subscription date:**

Subscriptions must be covered at 100% in the following manner:

- ✓ an effective deposit (check, cash or transfer) on the account of the subscriber. and/or;
  - ✓ a collateral made up of securities according to the following conditions:
    - Government bonds: taken at a maximum of 100% of the value at the subscription date;
    - Money market UCITS with daily net asset value: taken at a maximum of 100% of the value on the subscription date;
    - Units of UCITS with daily net asset value (except money market), term deposits, listed shares: taken at a maximum of 80% of the value on the subscription date.
- **For qualified investors under Moroccan law:**
    - ✓ No coverage
  - **For qualified investors of foreign law (i) justifying of more than one year of existence on the date of subscription for the current operation or (ii) having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange:**
    - ✓ No coverage
  - **For qualified investors of foreign law (i) not having more than one year of existence on the date of subscription of the current operation and (ii) not having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange:**
    - ✓ 30% coverage by an effective deposit (check, cash or transfer) or 100% coverage by a bank guarantee.

For all coverages, checks deposited to cover Actual Deposits must be presented for collection prior to underwriting, transfers must be received prior to underwriting, and the Actual Deposit must be debited from the Subscriber's account and blocked immediately after the subscription.

The PS members who will proceed to the collection of orders via an internet platform must respect the following rules:

- the client must be clearly identified, and the act of subscription must be materialized (timestamping and filing of subscription orders);
- the prospectus must be made available to the subscriber
- all the mentions appearing on the subscription form must be transmitted to the client before their subscription;
- the subscription must be validated only if the cash account presents a sufficient balance to cover it according to the coverage methods defined in the operation memorandum or if the guarantee or the collateral covers it entirely according to the coverage methods defined in the operation memorandum

*Prospectus Summary - Akdital IPO*

- the amount of the cover must be blocked immediately after the subscription;
- the client must be informed that their subscription will be rejected in case of a formal defect
- PS members, proceeding to the collection of orders via an Internet platform, will have to close the subscription period at the same time as the other PS members, i.e. on 06/12/2022 at 3.30 p.m.;
- PS members, who will proceed to the collection of orders via an Internet platform, must make sure that the subscription ceilings are respected
- PS members, which will proceed to the collection of orders via an Internet platform, must, before validating the subscription, receive acceptance of the Operation's terms and conditions from the subscriber, or make the subscriber validate a final confirmation form of the subscription, recapitulating the Operation's characteristics and the subscription order (a copy of the said confirmation must be filed by the PS member).

It is to be noted that PS members, proceeding to the collection of orders via an Internet platform, will proceed to the rejection of subscriptions in case of absence of coverage according to the methods presented in the operation memorandum or in case of incomplete file (Example: absence of proof of acceptance of the Operation methods, absence of family record book for subscriptions of minors, etc.).

Subscriptions made by PS members or by their collaborators for their own accounts must be made on the first day of the subscription period.

### **(c) Subscription on behalf of third parties**

Subscriptions on behalf of third parties are authorized in the following cases:

- Subscriptions on behalf of minors whose age is inferior to 18 years or on behalf of incapable adults are authorized provided they are made by the father, mother, tutor or legal representative of the minor or the incapable adult. The PS members are required, in case they do not already have it, to obtain a copy of the page of the family record book showing the date of birth of the minor child or to obtain a proof for the incapable adult when opening the account, or when subscribing for the account of the minor or the incapable adult in question, if need be, and to attach it to the subscription form. In this case, movements are made either to an account opened in the name of the minor or the incapable adult, or to the securities or cash account opened in the name of the father, mother, tutor or legal representative;
- Subscriptions on behalf of minors or on behalf of incapable adults must be made with the same PS member where the subscription of the father, mother, tutor or legal representative has been made;
- In case of a portfolio management mandate, the manager can subscribe on behalf of the client whose portfolio he manages only by presenting a power of attorney duly signed and legalized by their principal or the management mandate if it provides for an express provision in this sense. Authorized Moroccan or foreign management companies are exempted from presenting these documents for the UCITS they manage;
- Any agent within the framework of a portfolio management mandate, can transmit only one order on behalf of the same third party.

Subscriptions of foreign qualified investors can be communicated (i) directly to an PS member or (ii) via an international intermediary (broker) approved by a market authority member of the International Organization of Securities Commissions (IOSCO) and having an account opened with a PS member. The latter acts only as a business introducer, the deliveries will be made directly between the foreign qualified investors and the PS member.

### **(d) (Multiple subscriptions**

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Multiple subscriptions are prohibited. Thus, a same subscriber can subscribe only once to the Operation.

Each subscriber can transmit only one order for the account of each minor child or incapable of age.

Subscriptions on behalf of minor children can be made through one parent only. Any subscription on behalf of minor children by both parents is considered as a multiple subscription.

Natural persons subscribing on behalf of minors and incapable adults must subscribe through a single PS member. Any subscription on behalf of minors with several PS members is considered as multiple subscription.

Subscriptions made with several PS members, including those made on behalf of minors or adult incapacitated persons, are forbidden. All subscription orders not meeting the above conditions will be struck with nullity in their entirety (see the procedure of control and registration by the Casablanca Stock Exchange).

#### **(e) Subscriber Identification**

PS members must make sure that the subscriber belongs to one of the categories defined below. As such, they must obtain a copy of the document, which attests the membership of the subscriber to the category and attach it to the subscription form. Moreover, each organization in charge of the placement must make sure that the subscriber's representative has the capacity to act on behalf of the subscriber either in their capacity of legal representative or by virtue of a mandate he has.

<b>Subscriber category</b>	<b>Documents to attach</b>
<b>Natural persons resident in Morocco with Moroccan nationality</b>	Photocopy of national identity card or passport
<b>Moroccan natural persons residing abroad</b>	Photocopy of national identity card or passport
<b>Resident and non-Moroccan natural persons</b>	Photocopy of the resident card or passport
<b>Non-resident and non-Moroccan natural persons</b>	Photocopy of passport
<b>Minor child</b>	Photocopy of the page of the family record book showing the child's date of birth
<b>Incapable adult</b>	Any document proving the inability, at the discretion of the PS Member
<b>Legal persons under Moroccan law</b>	Photocopy of the commercial register proving more than one year of existence at the date of subscription
<b>Legal entities under foreign law</b>	Photocopy of the commercial register or equivalent document, authentic in the country of origin, attesting to membership in the category, and justifying more than one year of existence at the date of subscription
<b>Moroccan Associations</b>	Photocopy of the articles of association and photocopy of the receipt of the application form proving that the company has been in existence for more than one year at the date of subscription
<b>UCITS under Moroccan law (excluding money market and short-term bond UCITS)</b>	Photocopy of the approval decision and in addition : For FCP (Fonds Communs de Placement): the certificate of deposit at the court registry;

	For the Sociétés d'Investissement à Capital Variable (SICAV): the certificate of deposit at the clerk's office of the court and the model of the inscriptions in the trade register.
<b>Qualified investors under Moroccan law (excluding UCITS)</b>	Photocopy of the articles of association and any document and proof of compliance with the conditions required for the status of qualified investor The legal entities referred to in paragraph (e) of article 1.30 of the AMMC Circular no. 03/19 must provide a proof of the agreement of the AMMC on their status of qualified investor
<b>Banks under Moroccan law</b>	Photocopy of the approval decision issued by Bank Al-Maghrib
<b>Qualified foreign investors</b>	Photocopy of the commercial register or equivalent in the country of origin and a copy of the approval attesting to compliance with the requirements for approved investor status.

All subscriptions not complying with the above conditions will be null and void.

The subscription form must be used imperatively by all PS members. Subscription orders are irrevocable after the closing of the subscription period.

In case the PS members would already have these documents in the client's file, subscribers are exempted from producing these documents. In case the concerned investor is a corporate entity referred to within paragraph (e) of article 1.30 of the AMMC Circular no. 03/19, the PS member(s) must attach to the subscription form the above-mentioned documents.

## IV.5 Order processing procedures

### 5.1 Attribution rules

At the end of the subscription period, the allocation of Akdital shares will be made in the following manner:

#### Order type I

The number of shares allocated to this Order Type is 2,333,334 shares.

If the number of offered shares "NOS" is inferior to the number of shares applied for "NDS", then the NTO will be allocated pro rata to the application. Otherwise, the application will be served in full.

The allocation ratio will be calculated as follows NOS/ NDS. In case the number of securities calculated by multiplying the number of securities applied for by the subscriber to the allocation ratio to Order Type I is not a whole number, this number of securities will be rounded down to the lower unit. Fractions will be allotted by level of one share per subscriber, with priority given to the highest applications.

According to the expressed global demand, some subscriptions might not be served.

#### Order type II

The number of shares allocated to this type of order is 1,666,726 shares.

#### 1<sup>st</sup> allocation

Within the framework of a first allocation, shares will be served by iteration up to 150 shares per subscriber.

Shares will be allotted at the rate of one share per subscriber with priority given to the highest applications. The mechanism of allocation of one share per subscriber, within the limit of their application, will be made by iteration until reaching a maximum of 150 shares per subscriber within the limit of the number of shares allocated. It is specified that, according to the number of subscribers served, the said maximum may not be reached.

### **2<sup>nd</sup> allocation**

Following the 1<sup>st</sup> allocation, if the remainder of the securities offered ("ROS") resulting from this allocation is lower than the remainder of the securities requested ("RDS"), then the "ROS" will be allocated in proportion to the request. Otherwise, the request will be served in full.

The allocation ratio will be calculated as follows ROS/ RDS.

In case the number of securities calculated by multiplying the remainder of securities applied for by the subscriber to the allocation ratio is not a whole number, this number of securities will be rounded down to the lower unit. The fractional shares will be allotted by level of one share per subscriber, with priority given to the highest applications.

According to the expressed global demand, some subscriptions might not be served.

### **5.2 Transfer Clauses**

If the number of securities applied for by Order Type I remains inferior to the corresponding offer, the Joint Lead Managers of the PS in collaboration with the Casablanca Stock Exchange will allocate the difference to Order Types II.

If the number of securities applied for within Order Type II remains inferior to the corresponding offer, the Joint Lead Managers of the PS in collaboration with the Casablanca Stock Exchange will allocate the difference to Order Types I.

## **IV.6 Control and registration procedure by the Casablanca Stock Exchange**

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### **Centralization**

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During the subscription period, the PS members will transmit daily to the Casablanca Stock Exchange, at 10.00 a.m. at the latest, through the subscription centralization tool (SCT), all subscriptions collected during the previous days. Otherwise, they must fill in the consolidated statistics of subscriptions on the SCT.

The IP members must transmit on December 6, 2022 before 6.30 p.m. to the Casablanca Stock Exchange, through the SCT, all subscriptions collected within the framework of the operation. After this deadline, subscriptions will be rejected.

The Casablanca Stock Exchange will communicate daily the consolidated statistics of subscriptions to CFG Marchés and to the Issuer.

The Casablanca Stock Exchange will proceed to the consolidation of the different subscription files and to the rejection of subscriptions not respecting the subscription conditions predefined in the operation memorandum.

On December 9, 2022, before 12.00 p.m., the Casablanca Stock Exchange will communicate to PS members the results of allotment.

The cases leading to subscription refusals are summarized in the following table:

*Prospectus Summary - Akdital IPO*

Case scenarios	Rejected subscription(s)
Natural person having subscribed on their own behalf and on behalf of their children, with different PS members	All subscriptions
Subscriber having subscribed more than once	All subscriptions
Subscriber having subscribed to both types of orders	All subscriptions
Subscription not respecting the minimum of subscriptions provided for within Order Type I	The subscription concerned
Moroccan or foreign natural person having subscribed for their own account and for that of adult children	All subscriptions in the name of this natural person, including those for their minor and adult children
Subscriptions not meeting the subscription limit	The subscriptions concerned
Subscriptions at several PS members	All subscriptions
Subscription made with a PS member not authorized to receive it	The subscription concerned

#### IV.7 Entities in charge of registering the Operation

The registration of transactions in the framework of the present Operation (on the sell-side) will take place on 12/14/2022 through the brokerage firm CFG Marchés.

All PS members having the status of brokerage firm will proceed to the registration of allotments they will have collected (purchaser's side), on December 14, 2022, while PS members not having the status of brokerage firm are free to designate the brokerage firm member of the PS, which will be in charge of registering their subscriptions with the Casablanca Stock Exchange.

These PS members must inform the chosen brokerage firm in writing with a copy addressed to the Casablanca Stock Exchange, and this, before the beginning of the subscription period.

The registration of transactions resulting from the current operation will be made at the price of MAD 300 per share. This price will be used as reference price of the Akdital share on the first day of quotation.

The Casablanca Stock Exchange will transmit to each brokerage firm the transactions that concern it, detailed by account holder.

#### IV.8 Terms of settlement / delivery of securities

The settlement and delivery of securities, subject of the current operation, will take place on December 19, 2022 according to the procedures in force at the Stock Exchange.

In accordance with the procedures in force at the Stock Exchange, the Bank Al-Maghrib accounts of the account-holding institutions will be debited with funds corresponding to the value of shares allotted to each PS member, increased by the commissions.

Akdital has moreover designated CFG Bank as exclusive account holder of Akdital securities issued within the framework of this operation.

#### **IV.9 Restitution of the remainder**

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The PS members undertake to reimburse clients within a period not exceeding

3 working days as from the date of delivery of the allotments of securities to PS members, i.e. on December 14, 2022, the cash remainders resulting from the difference between the net amount paid by its clients at subscription and the net amount corresponding to their real allocations.

The refund of the remaining amount must be made either by transfer to a bank or postal account, or by delivery of a check, and subject to the effective cashing by the intermediary of the amount deposited for the subscription.

In case of failure of the Operation, the subscriptions must be reimbursed within 3 working days, as from the decision of cancellation, and subject to the effective cashing by the Intermediary of the amount deposited for the subscription.

#### **IV.10 Methods of publication of results**

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The results of this Operation will be published by the Casablanca Stock Exchange on 12/14/2022 and by Akdital by way of a press release in legal announcements journal and on its website [www.Akdital.ma](http://www.Akdital.ma) no later than 12/19/2022.

#### **IV.11 VII. Information requirements**

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At the end of the Operation, and within a maximum period of 3 days as from the announcement of the results, i.e. 12/19/2022, each PS member will send to the subscribers a notice containing the following minimum mentions:

- Subscription date;
- Instrument name;
- Quantity requested;
- Attributed quantity;
- Price per unit;
- Gross amount at attribution;
- Net amount after deduction of commissions and VAT on these commissions;
- Balance to be repaid to the subscriber if applicable;
- Commissions accruing to the PS member, the account keeper and the Casablanca Stock Exchange.

## PART III – ABOUT THE ISSUER

*Prospectus Summary - Akdital IPO*

**LISSANIAT**  
Hay Nassim Ltd. Napsim Item 130 N° 11  
Lissafa - Gasabianca  
Tel : 0522 99 78 89  
GSM : 0664 78 99 40

## I. General information

<b>Corporate name</b>	AKDITAL <sup>1</sup>
<b>Registered office</b>	246 Route de l'Oasis, Casablanca <sup>2</sup>
<b>Phone</b>	+212 (0) 5 22 23 14 14
<b>Website</b>	<a href="https://akdital.ma/">https://akdital.ma/</a>
<b>Legal form<sup>3</sup></b>	Public limited company with a Board of Directors
<b>Incorporation date</b>	August 19, 2016
<b>Lifetime</b>	99 years
<b>Number and place of registration in the commercial register</b>	357999, Casablanca
<b>Fiscal year</b>	From January 1 <sup>st</sup> to December 31 <sup>st</sup>
<b>Corporate purpose</b>	<p>According to article 3 of Akdital's articles of association, the purpose of the Company is:</p> <ul style="list-style-type: none"> <li>• The creation or the acquisition of shares in the capital of any company whatever its purpose and legal form, both in Morocco and abroad, with a view to taking control of it, influencing its decision making or simply making a financial investment;</li> <li>• Advise and more precisely the offer of services, support, assistance and expertise, in any form whatsoever, in the regulatory and legal fields, management, operational and organizational strategy;</li> <li>• The acquisition of any land with a view to its construction or any building in order to use it for the needs of the company or its subsidiaries;</li> <li>• The acquisition, representation, import or export of any material, equipment, goods, consumables of any kind etc. with a view to their exploitation or resale;</li> <li>• The realization of any study, documentation, analysis, research, training, relating to its activity or its annexed activities.</li> </ul> <p>And generally any commercial, financial, industrial, property or real estate operations directly or indirectly related, in whole or in part, to one of the above-mentioned purposes or likely to promote the Company's development.</p>
<b>Share capital as of October 31, 2022</b>	MAD 100,000,100, composed of 1,000,001 shares with a nominal value of MAD 100 <sup>4</sup>
<b>Legal documents</b>	The Company's legal documents, in particular the articles of association, the minutes of the shareholders' meetings and the auditors' reports, may be consulted at the Company's registered office.
<b>Laws and regulations applicable to Akdital</b>	By its legal form, the Company is governed by the law no. 17-95 promulgated by the Dahir no. 1-96-124 of August 30, 1996 relating to public limited companies, as amended and completed by the laws no. 81-99, 23-01, 20-05, 78-12, 20-19 and 19-20. Due to its activity,

<sup>1</sup> The Combined General Meeting of May 30, 2022 decided to change the Company's name to "AKDITAL". Previously, the Company's name was "AKDITAL HOLDING".

<sup>2</sup> The Combined General Meeting of May 30, 2022 decided to transfer the registered office of the Company to the following address Casablanca, 246 Route de l'Oasis. Previously, the registered office of the Company was located at Casablanca, Green Office 19 and 20, Beau Séjour, Angle route d'Al Jadida et boulevard Abderrahim Bouabid, 2<sup>nd</sup> floor.

<sup>3</sup> Akdital was transformed into a public limited company on 09/28/2018.

<sup>4</sup> In view of Akdital's listing on the Stock Exchange, the Extraordinary General Meeting held on November 16, 2022, decided to reduce the nominal value of shares constituting the Company's registered capital from MAD 100 to MAD 10, with effect as from the first day of listing on the Casablanca Stock Exchange scheduled on December 13, 2022.

Akdital is governed by Moroccan law and in particular by the following main texts governing the medical activity of Akdital's subsidiaries operating clinics:

- Dahir No. 1-15-26 of Rabii 1 29, 1436 (February 19, 2015) promulgating law No. 131-13 relating to the practice of medicine as amended by BO No. 6384 of Shaoual 20, 1436 (August 6, 2015);
- Dahir No. 1-13-16 of Jumada I 1, 1434 (March 13, 2013) promulgating Law 08-12 on the National Order of Physicians;
- Dahir No. 1-11-83 of Rejeb 29, 1432 (July 2, 2011) promulgating the framework law No. 34-09 relating to the health system and the supply of care;
- Dahir No. 1-06-151 of Shaoual 30, 1427 (November 22, 2006) promulgating the law No. 17-04 on the code of medicine and pharmacy;
- Dahir 1-13-90 of Shaoual 22, 1434 (August 30, 2013) promulgating the law 84-12 relating to medical devices;
- Dahir No. 1-02-296 of Rejeb 25, 1423 (October 3, 2002) promulgating Law No. 65-00 on the basic medical coverage code as amended by Dahir No. 1-05-04 of Moharrem 7, 1426 (February 16, 2005) promulgating Law No. 01-05, by the Dahir No. 1-11-46 of Jumada II 29, 1432 (June 2, 2011) promulgating the law 19-11 and by the Dahir No. 1-14-141 of Shaoual 25, 1435 (August 22, 2014) promulgating the law 120-13;
- Decree no. 2-15-447 of Jumada II 6, 1437 (March 16, 2016) taken for the application of the law 131-13 relating to the practice of medicine;
- Decree No. 2-86-14 of Safar 3, 1407 (October 8, 1986) delegating powers to the Minister of Public Health and setting the conditions for the recognition of the "high standing" quality to clinics;
- Decree No. 2-21-225 of Kaada 6, 1442 (June 17, 2021) relating to the code of ethics of the medical profession;
- Decree No. 2-18-967 of December 20, 2018 issued for the implementation of Article 37 of Law 08-12 on the Medical Order;
- Decree No. 2-09-139 of Jumada I 25, 1430 (May 21, 2009) on the management of medical and pharmaceutical waste;
- Order No. 1693-00 of Shaaban 5, 1421 (November 2, 2000), as amended and supplemented by the Order of the Minister of Health No. 1334-09 of Jumada 29, 1430 (May 25, 2009) setting the technical standards of clinics;
- Order of the Minister of Health No. 1961-06 of Rejeb 9, 1427 (August 4, 2006) approving the national convention concluded between the managing bodies of the compulsory health insurance, doctors and health care institutions of the private sector;
- Order of the Minister of Health No. 177-06 of Hija 26, 1426 (January 27, 2006) establishing the general nomenclature of professional acts;
- Circular of the Ministry of Public Health dated November 22, 1996 on cleanliness, hygiene of premises, management and treatment of waste in health care institutions.

As a result of its future listing on the CSE, Akdital will be subject to the following provisions:

- Dahir No. 1-12-55 of Safar 14, 1434 (December 28, 2012) promulgating Law No. 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings;
- Dahir providing Law 43-12 relating to the AMMC;
- The AMMC General Regulation as approved by the Order of the Minister of Economy and Finance No. 2169/16 of July 14, 2016;
- The AMMC circulars in force;
- Dahir providing Law No. 1-96-246 of January 9, 1997, promulgating Law No. 35-96 relating to the creation of a central depository and to the institution of a general regime for the registration in accounts of certain securities (amended and supplemented by Law No. 43-02);

	<ul style="list-style-type: none"> <li>• The General Regulations of the Central Depository approved by Order No; 932-98 of the Minister of Economy and Finance, dated April 16, 1998, and amended by Order No. 161-01 of the Minister of Economy, Finance, Privatization and Tourism, dated October 30, 2001, and by Order No. 77-05 of March 17, 2005;</li> <li>• Dahir No. 1-16-151 of August 25, 2016 promulgating law no. 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisers;</li> <li>• The General Rules of the Casablanca Stock Exchange approved by Ministerial Order No 2208-19 of July 3, 2019;</li> <li>• Dahir no. 1-04-21 of April 21, 2004, promulgating law no. 26-03 relating to public offerings on the Moroccan stock market, as amended and completed by law no. 46-06.</li> </ul>
<b>Fiscal system</b>	Akdital is governed by the tax legislation of common law. It is subject to corporate income tax. Its operations are subject to VAT at the rate of 20%.
<b>Competent court in case of dispute</b>	Commercial Court of Casablanca

*Source: Akdital*

## II. Description of Akdital's activity

A major player in the private health sector in Morocco, Akdital (organized since 2016 as a Holding Company) holds today more than 15% of the bed capacity of the private health sector in Morocco with 1,602 beds spread over 15 establishments, including 8 in Casablanca, 2 in El Jadida, 2 in Agadir, 2 in Tangier and 1 in Safi, which offer to their patients and to the doctors practicing in them, the entire range of medical disciplines (surgical-medical specialties, oncology, nuclear medicine, imaging... ) through facilities and medical equipment at the cutting edge of technology and in accordance with international standards.

With more than 2,700 employees as of mid-November 2022 (of which nearly 80% are women), Akdital is a player that is (i) integrated in its ecosystem and (ii) responsible and committed to the development of the country's current healthcare system.

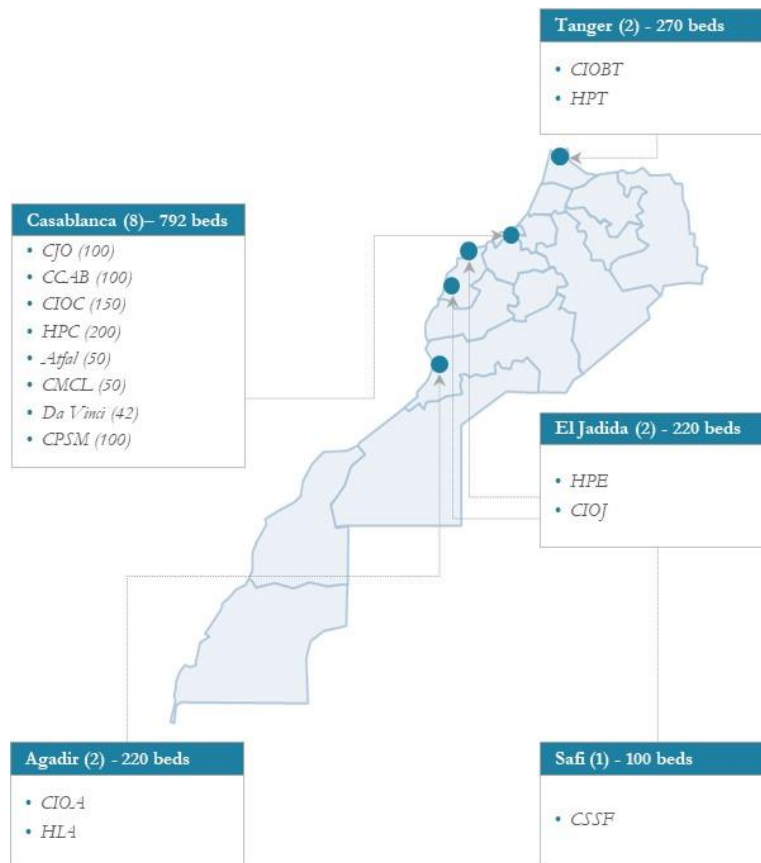
After starting its development plan outside the city of Casablanca in 2021 with the opening of the private hospital of El Jadida and the International Oncology Center of El Jadida, Akdital has inaugurated:

- the Agadir International Hospital and the Agadir International Oncology Center in July 2022;
- the Tangier Private Hospital and the Tangier Boughaz International Oncology Center in October 2022;
- the Safi Specialty Clinic in November<sup>1</sup> 2022.

Thus, through its strategy (i) of geographical expansion on the national territory and (ii) of improvement of the accessibility of care for patients, Akdital is in line with the structuring projects of social protection reform, namely, the profound overhaul of the national health system and the generalization of health insurance.

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<sup>1</sup> November 12, 2022

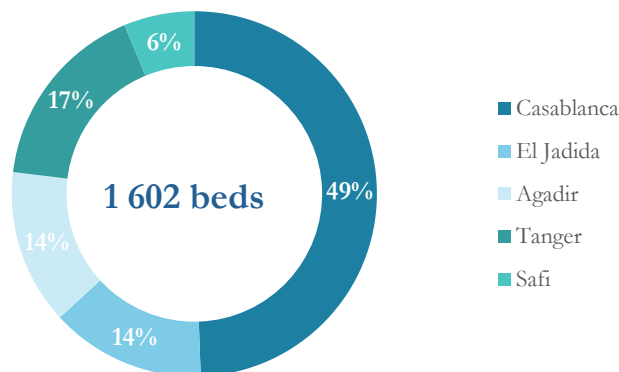


Source: Akdital

As of the date of registration of the Reference Document, the Akdital Group has a total of 15 health establishments with a capacity of 1,602 beds distributed between Casablanca, El Jadida, Agadir, Tanger and Safi.

As of the date of registration of the Reference Document, the Akdital Group's distribution of the number of beds per city is as follows:

Distribution of the number of beds by city to date

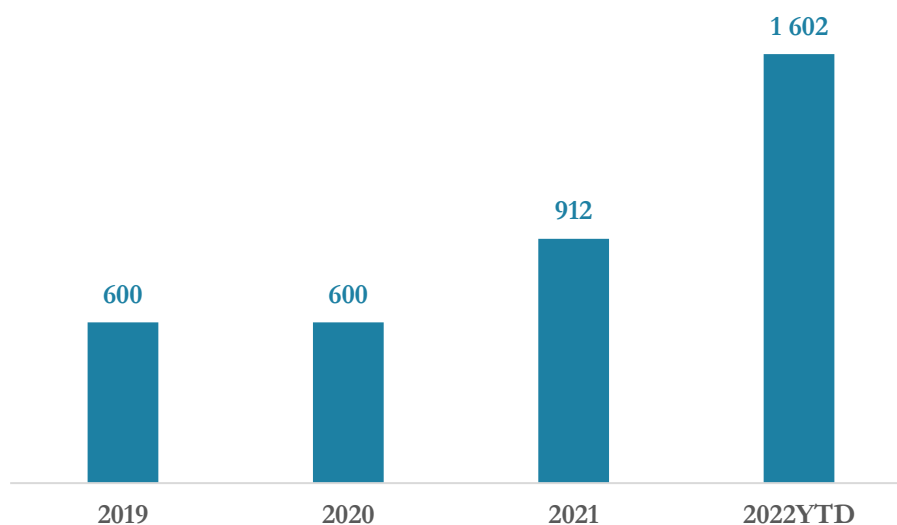


Source: Akdital

Prospectus Summary - Akdital IPO

## Evolution of the Akdital Group's bed capacity

*Bed capacity evolution over the period 2019 - 2022 YTD<sup>1</sup>*



*Source: Akdital*

The bed capacity of the Akdital Group has increased from 600 beds in 2019 to 1,602 beds as of November 12, 2022, in accordance with the implementation of the development program established by the Group.

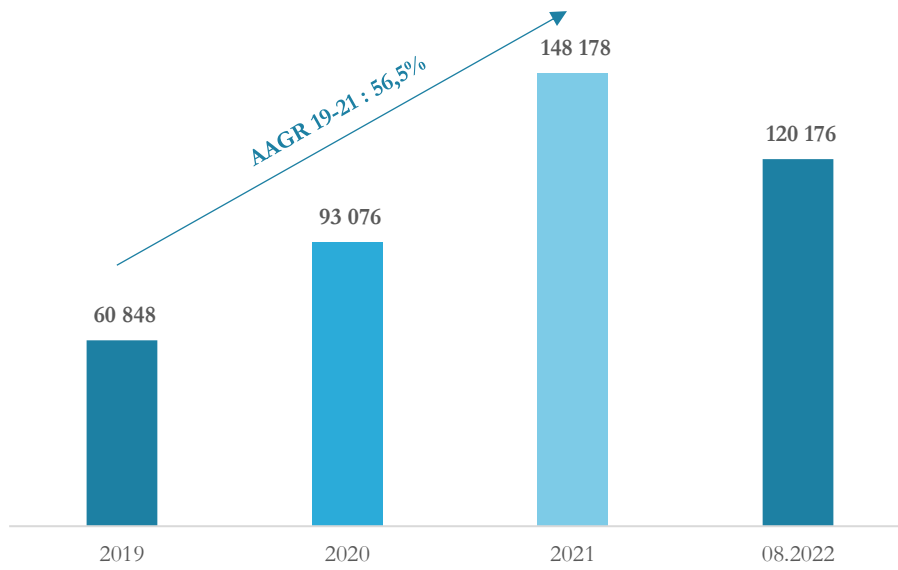
A 1<sup>st</sup> part of the Group's development program has already been successfully executed, with the opening of El Jadida Private Hospital and El Jadida International Oncology Center in 2021, in addition to the acquisition of Clinique Vinci and Clinique Pédiatrique Atfal. These openings and acquisitions have brought the Group's bed capacity to 912 beds by the end of 2021.

A second part of the Group's development program was initiated in 2022 with the opening of the Agadir International Hospital and the Agadir International Oncology Center, the Panorama Sidi Maarouf Clinic, the Tangier Private Hospital and the Boughaz International Oncology Center in Tangier, and the Safi Specialty Clinic, bringing the Group's bed capacity to 1,602 beds as of November 12, 2022.

## Evolution of the number of patient admissions in Akdital Group facilities

*Evolution of the number of patient admissions in Akdital Group facilities between 2019 and August 2022*

<sup>1</sup> 2022 YTD: November 14, 2022



Source: Akdital

Between 2019 and 2021, Akdital Group's admitted patient volume has grown at an AAGR of 56.5% from 60,848 to 148,178 patients.

## I. Akdital's shareholding

The evolution of Akdital's shareholding over the last five years is as follows:

Tableau 1: Evolution of Akdital's shareholding

Shareholders	2017		2018		2019		2020		2021		October 31, 2022	
	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights	Number of shares and voting rights	% of capital and voting rights
Mrs. Fatima Akdim	11 900	21.25%	11 888	21.23%	19 990	19.99%	159 989	16.00%	159 989	16.00%	159 989	16.00%
Mr. Rochdi Talib	11 900	21.25%	11 887	21.23%	19 990	19.99%	159 989	16.00%	159 989	16.00%	159 989	16.00%
Mr. Ahmed Akdim	11 900	21.25%	11 887	21.23%	19 990	19.99%	159 989	16.00%	159 989	16.00%	159 989	16.00%
Mr. Brahim Akdim	11 900	21.25%	11 888	21.23%	19 990	19.99%	159 989	16.00%	159 989	16.00%	159 989	16.00%
Mr. Jaouad Zakaria	5 600	10.00%	5 600	10.00%	10 000	10.00%	80 000	8.00%	80 000	8.00%	80 000	8.00%
Mr. Mohammed El Mrini	2 800	5.00%	2 800	5.00%	10 000	10.00%	80 000	8.00%	80 000	8.00%	80 000	8.00%
MC III Al Razi Company	-	-	-	-	-	-	199 998	20.00%	199 998	20.00%	199 999	20.00%
Other shareholders	-	-	50 <sup>1</sup>	0.09%	40 <sup>2</sup>	0.04%	46 <sup>3</sup>	0.00%	46 <sup>4</sup>	0.00%	46 <sup>5</sup>	0.00%
<b>Total</b>	<b>56 000</b>	<b>100%</b>	<b>56 000</b>	<b>100%</b>	<b>100 000</b>	<b>100%</b>	<b>1 000 000</b>	<b>100%</b>	<b>1 000 000</b>	<b>100%</b>	<b>1 000 001</b>	<b>100%</b>

Source: Akdital

<sup>1</sup> Miss Mouna Talib, Miss Maria Talib, Mr. Mehdi Akdim, Mr. Ayman Akdim and Mr. Houssein El Bouzidi holding 10 shares each

<sup>2</sup> Ms. Mouna Talib, Ms. Maria Talib, Mr. Mehdi Akdim and Mr. Ayman Akdim holding 10 shares each

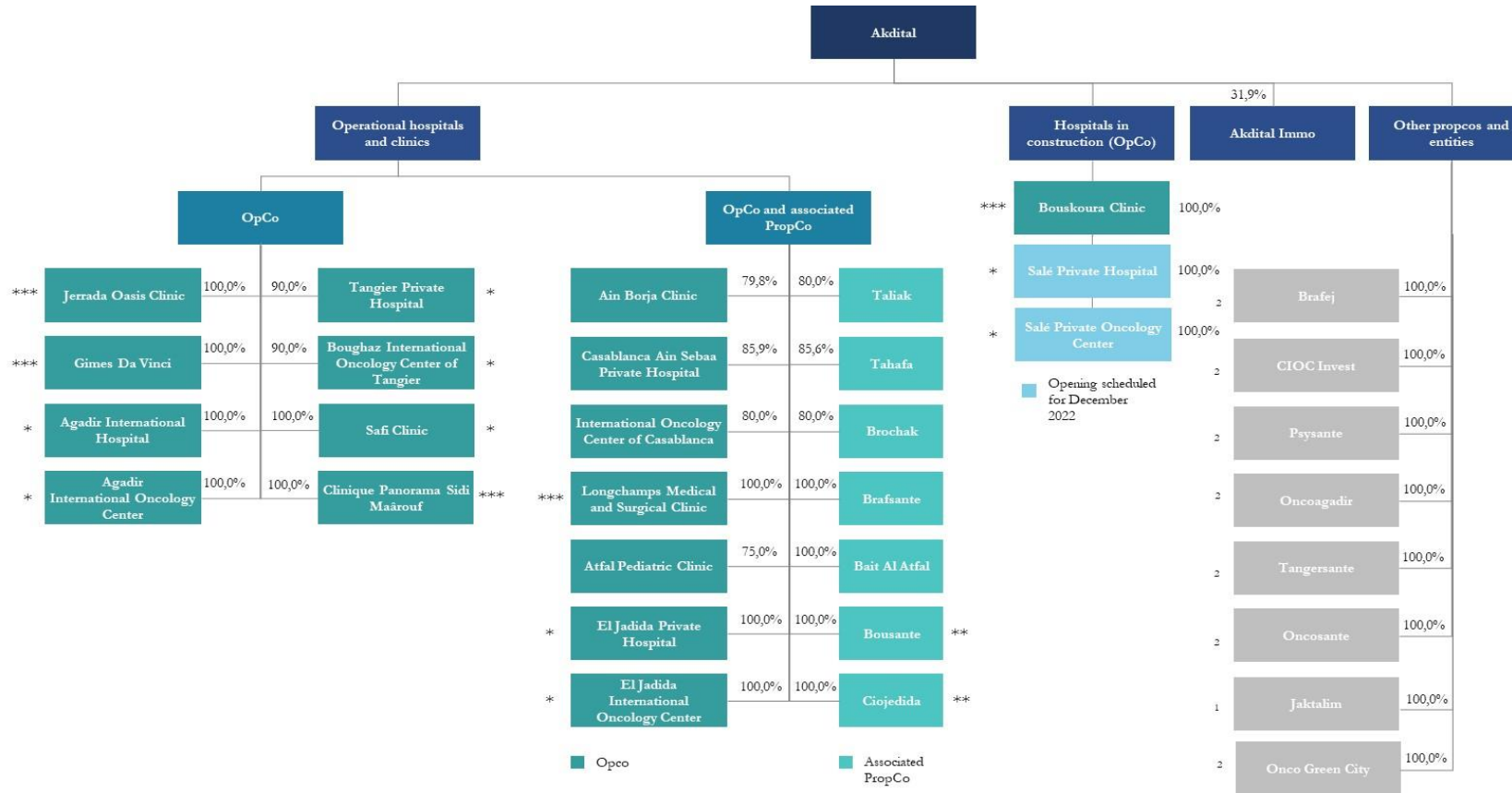
<sup>3</sup> Miss Mouna Talib, Miss Maria Talib, Mr. Mehdi Akdim and Mr. Ayman Akdim holding 11 shares each and MCH Team Ltd holding 2 shares

<sup>4</sup> Miss Mouna Talib, Miss Maria Talib, Mr. Mehdi Akdim and Mr. Ayman Akdim holding 11 shares each and MCH Team Ltd holding 2 shares

<sup>5</sup> Miss Mouna Talib, Miss Maria Talib, Mr. Mehdi Akdim and Mr. Ayman Akdim holding 11 shares each and MCH Team Ltd holding 2 shares

## II. Akdital's subsidiaries

At the registration date of the reference document, Akdital's legal organization chart is as follows:



Source: Akdital

(\*) PropCo (constructions) held by Akdital Immo

(\*\*) holding medical equipment only

(\*\*\*) PropCo (constructions) held by the Group's third-party partners

(1) Jaktalim is a hybrid entity that owns both the operation and the walls of the convalescent residence

(2) Subsidiaries with no activity as of the date of registration of the reference document

The holding percentages are equivalent to the control percentages for all the subsidiaries.

## PART IV – FINANCIAL DATA

## I. Annual financial statement analysis

### I.1 Annual corporate accounts analysis

#### I.1.1 Management balance analysis

The following table shows Akdital's key management balance indicators over the 2019-2021 period:

In KMAD	2019	2020	2021	Var. 19-20	Var. 20-21
<b>Turnover</b>	<b>11 609</b>	<b>16 116</b>	<b>33 572</b>	<b>38.8%</b>	<b>&gt;100%</b>
Changes in inventories of work in progress and finished goods	-	-	-	<i>n.a.</i>	<i>n.a.</i>
Purchases consumed	-601	-697	-2 501	16.0%	>100%
Other external expenses	-2 294	-3 166	-7 392	38.0%	>100%
<b>Added value</b>	<b>8 714</b>	<b>12 252</b>	<b>23 678</b>	<b>40.6%</b>	<b>93.3%</b>
<i>in % of turnover</i>	<i>75.1%</i>	<i>76.0%</i>	<i>70.5%</i>	<i>1.0 pts</i>	<i>-5.5 pts</i>
Staff costs	-3 803	-10 444	-20 404	>100%	95.4%
Taxes and duties	-8	-36	-19	>100%	-46.3%
<b>Gross operating surplus</b>	<b>4 904</b>	<b>1 773</b>	<b>3 256</b>	<b>-63.8%</b>	<b>83.6%</b>
<i>in % of turnover</i>	<i>42.2%</i>	<i>11.0%</i>	<i>9.7%</i>	<i>-31.2 pts</i>	<i>-1.3 pts</i>
Operating allowances	-1 394	-2 069	-3 364	48.4%	62.6%
Operating reversals, expense transfers	-	-	-	<i>n.a.</i>	<i>n.a.</i>
Other operating income and expenses	-257	-972	-1 044	>100%	7.4%
<b>Operating income</b>	<b>3 253</b>	<b>-1 268</b>	<b>-1 153</b>	<b>&lt;-100%</b>	<b>-9.1%</b>
<i>in % of turnover</i>	<i>28.0%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Financial income	1 331	3 835	26 600	>100%	>100%
Financial expenses	-789	-3 322	-4 487	>100%	35.1%
<b>Financial income</b>	<b>541</b>	<b>513</b>	<b>22 113</b>	<b>-5.2%</b>	<b>&gt;100%</b>
<b>Current income</b>	<b>3 794</b>	<b>-755</b>	<b>20 961</b>	<b>&lt;-100%</b>	<b>&gt;100%</b>
Non-current income	4	1 079	-17	>100%	<-100%
<b>Income before taxes</b>	<b>3 798</b>	<b>324</b>	<b>20 943</b>	<b>-91.5%</b>	<b>&gt;100%</b>
Income tax	-	-105	-301	<i>n.a.</i>	>100%
<b>Net income</b>	<b>3 798</b>	<b>219</b>	<b>20 642</b>	<b>-94.2%</b>	<b>&gt;100%</b>
<i>in % of turnover</i>	<i>32.7%</i>	<i>1.4%</i>	<i>61.5%</i>	<i>-31.4 pts</i>	<i>60.1 pts</i>

Source: Akdital

## I.1.2 Balance sheet analysis

The table below shows the main indicators of Akdital's corporate balance sheet for the 2019-2021 period:

In KMAD	2019	2020	2021	Var. 19-20	Var. 20-21
Non-valued fixed assets	4 408	5 230	6 966	18.7%	33.2%
Intangible fixed assets	201	501	282	>100%	-43.7%
Tangible fixed assets	1 206	5 578	36 887	>100%	>100%
Financial fixed assets	81 923	260 530	372 125	>100%	42.8%
<b>Fixed assets</b>	<b>87 738</b>	<b>271 839</b>	<b>416 260</b>	<b>&gt;100%</b>	<b>53.1%</b>
<i>Weight on total balance sheet</i>	<i>75.4%</i>	<i>55.9%</i>	<i>79.6%</i>	<i>-19.5 pts</i>	<i>23.7 pts</i>
Accounts receivable, advances & down payments	178	2 198	4 500	>100%	>100%
Trade receivables and related accounts	10 136	13 274	42 521	31.0%	>100%
Staff	5	-	-	n.a.	n.a.
State	1 580	2 031	6 301	28.6%	>100%
Other debtors	-	2 090	20 100	n.a.	>100%
Accruals and deferred income	1 701	1 602	8 158	-5.9%	>100%
<b>Current assets</b>	<b>13 600</b>	<b>21 196</b>	<b>81 581</b>	<b>55.9%</b>	<b>&gt;100%</b>
<i>Weight on total balance sheet</i>	<i>11.7%</i>	<i>4.4%</i>	<i>15.6%</i>	<i>-7.3 pts</i>	<i>11.2 pts</i>
<b>Cash flow - assets</b>	<b>15 075</b>	<b>193 182</b>	<b>25 252</b>	<b>&gt;100%</b>	<b>-86.9%</b>
<b>Total assets</b>	<b>116 413</b>	<b>486 217</b>	<b>523 092</b>	<b>&gt;100%</b>	<b>7.6%</b>
Capital	10 000	100 000	100 000	>100%	0.0%
Issue premiums	29 935	247 273	247 273	>100%	0.0%
Legal reserve	86	276	287	>100%	4.0%
Retained earnings	1 576	5 183	391	>100%	-92.5%
Net income for the year	3 798	219	20 642	-94.2%	>100%
<b>Total shareholders' equity</b>	<b>45 394</b>	<b>352 951</b>	<b>368 594</b>	<b>&gt;100%</b>	<b>4.4%</b>
<i>Weight on total balance sheet</i>	<i>39.0%</i>	<i>72.6%</i>	<i>70.5%</i>	<i>33.6 pts</i>	<i>-2.1 pts</i>
Other financial debts	50 410	91 637	68 676	81.8%	-25.1%
<b>Financial debts</b>	<b>50 410</b>	<b>91 637</b>	<b>68 676</b>	<b>81.8%</b>	<b>-25.1%</b>
Suppliers and related accounts	6 451	7 036	7 494	9.1%	6.5%
Accounts payable, advances & down payments	-	4	4	n.a.	0.0%
Staff	76	253	615	>100%	>100%
Social organizations	188	593	662	>100%	11.7%
State	1 922	4 399	7 054	>100%	60.4%
Partners' current accounts	11 624	27 833	-	>100%	n.a.
Other creditors	-	1 426	8 840	n.a.	>100%
Accruals and deferred income - liabilities	346	83	6 492	-75.9%	>100%
Translation difference, liability	0.3	-	-	n.a.	n.a.
<b>Current liabilities</b>	<b>20 609</b>	<b>41 628</b>	<b>31 161</b>	<b>&gt;100%</b>	<b>-25.1%</b>
<i>Weight on total balance sheet</i>	<i>17.7%</i>	<i>8.6%</i>	<i>6.0%</i>	<i>-9.1 pts</i>	<i>-2.6 pts</i>
<b>Cash flow - liabilities</b>	<b>-</b>	<b>-</b>	<b>54 663</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Total liabilities</b>	<b>116 413</b>	<b>486 217</b>	<b>523 092</b>	<b>&gt;100%</b>	<b>7.6%</b>

Source: Akdital

Prospectus Summary - Akdital IPO

## I.2 Consolidated annual financial statement analysis

### I.2.1 Management balance analysis

The table below shows Akdital Group's consolidated income statement for the 2019 - 2021 period:

In KMAD	2019	2020	2021	Var. 19-20	Var. 20-21
<b>Turnover</b>	<b>325 270</b>	<b>507 136</b>	<b>767 620</b>	<b>55.9%</b>	<b>51.4%</b>
Purchases consumed	-137 968	-219 959	-317 586	59.4%	44.4%
Other external expenses	-32 399	-41 266	-75 711	27.4%	83.5%
<b>Added value</b>	<b>154 903</b>	<b>245 912</b>	<b>374 323</b>	<b>58.8%</b>	<b>52.2%</b>
<i>in % of turnover</i>	<i>47.6%</i>	<i>48.5%</i>	<i>48.8%</i>	<i>0.9 pts</i>	<i>0.3 pts</i>
Staff costs	-85 855	-123 961	-183 746	44.4%	48.2%
Taxes and duties	-4 334	-11 549	-12 909	>100%	11.8%
<b>Gross operating surplus</b>	<b>64 714</b>	<b>110 402</b>	<b>177 669</b>	<b>70.6%</b>	<b>60.9%</b>
<i>in % of turnover</i>	<i>19.9%</i>	<i>21.8%</i>	<i>23.1%</i>	<i>1.9 pts</i>	<i>1.4 pts</i>
Depreciation and amortization (excluding goodwill)	-44 660	-66 880	-85 858	49.8%	28.4%
Operating reversals, expense transfers	2 023	16 345	20 809	>100%	27.3%
Other operating income and expenses	-554	-1 529	-1 218	>100%	-20.3%
<b>Operating income</b>	<b>21 523</b>	<b>58 338</b>	<b>111 402</b>	<b>&gt;100%</b>	<b>91.0%</b>
<i>in % of turnover</i>	<i>6.6%</i>	<i>11.5%</i>	<i>14.5%</i>	<i>4.9 pts</i>	<i>3.0 pts</i>
Financial income	1 300	4 820	4 823	>100%	0.1%
Financial expenses	-12 097	-20 390	-28 255	68.6%	38.6%
<b>Financial income</b>	<b>-10 797</b>	<b>-15 570</b>	<b>-23 432</b>	<b>44.2%</b>	<b>50.5%</b>
Non-current income	2 482	2 508	3 643	1.1%	45.2%
Non-current expenses	-2 084	-2 093	-9 475	0.5%	>100%
<b>Non-current income</b>	<b>398</b>	<b>415</b>	<b>-5 833</b>	<b>4.2%</b>	<b>&lt;-100%</b>
<b>Income before taxes</b>	<b>11 125</b>	<b>43 184</b>	<b>82 137</b>	<b>&gt;100%</b>	<b>90.2%</b>
Goodwill amortization	-	-37	-1 472	<i>n.a.</i>	>100%
Income taxes	-4 361	-15 555	-34 269	>100%	>100%
<b>Net income</b>	<b>6 764</b>	<b>27 592</b>	<b>46 396</b>	<b>&gt;100%</b>	<b>68.2%</b>
<i>in % of turnover</i>	<i>2.1%</i>	<i>5.4%</i>	<i>6.0%</i>	<i>3.4 pts</i>	<i>0.6 pts</i>
Of which minority interests	2 581	1 830	2 900	-29.1%	58.5%
Of which net income, Group share	4 182	25 762	43 495	>100%	68.8%

Source: Akdital

## I.2.2 Balance sheet analysis

In KMAD	2019	2020	2021	Var. 19-20	Var. 20-21
Goodwill	-	331	27 559	<i>n.a</i>	>100%
Assets in non-value	17 693	27 360	29 798	54.6%	8.9%
Intangible assets	3 595	3 253	3 215	-9.5%	-1.2%
Tangible assets	615 541	721 730	1 254 614	17.3%	73.8%
Financial assets	17 341	21 854	5 323	26.0%	-75.6%
Deferred tax assets	5 290	2 393	1 427	-54.8%	-40.3%
<b>Fixed assets</b>	<b>659 461</b>	<b>776 922</b>	<b>1 321 937</b>	<b>17.8%</b>	<b>70.2%</b>
<i>Weight on total balance sheet</i>	<i>73.5%</i>	<i>58.6%</i>	<i>73.8%</i>	<i>-14.8 pts</i>	<i>15.1 pts</i>
Inventories and work in progress	27 642	27 435	21 917	-0.7%	-20.1%
Trade accounts receivable, advances & prepayments	4 827	26 855	81 473	>100%	>100%
Trade receivables and related accounts	146 655	230 847	240 484	57.4%	4.2%
Staff	118	472	816	>100%	73.0%
State	17 855	17 706	42 025	-0.8%	>100%
Other debtors	19 702	14 264	18 703	-27.6%	31.1%
Prepayments and accrued income	1 217	2 457	1 436	>100%	-41.6%
<b>Current assets</b>	<b>218 015</b>	<b>320 037</b>	<b>406 854</b>	<b>46.8%</b>	<b>27.1%</b>
<i>Weight on total balance sheet</i>	<i>24.3%</i>	<i>24.1%</i>	<i>22.7%</i>	<i>-0.1 pts</i>	<i>-1.4 pts</i>
<b>Cash flow - assets</b>	<b>20 272</b>	<b>228 515</b>	<b>63 370</b>	<b>&gt;100%</b>	<b>-72.3%</b>
<b>Total assets</b>	<b>897 748</b>	<b>1 325 474</b>	<b>1 792 161</b>	<b>47.6%</b>	<b>35.2%</b>
Capital	10 000	100 000	100 000	>100%	0.0%
Issue premium	29 935	247 273	247 273	>100%	0.0%
Legal reserve	-	-	-	<i>n.a</i>	<i>n.a</i>
Other reserves & retained earnings	-	-	-	<i>n.a</i>	<i>n.a</i>
Consolidated reserves	17 649	13 923	43 719	-21.1%	>100%
Consolidated net income	6 764	27 592	46 396	>100%	68.2%
<b>Total shareholders' equity - Group share</b>	<b>50 778</b>	<b>383 878</b>	<b>422 374</b>	<b>&gt;100%</b>	<b>10.0%</b>
Minority interests	13 569	4 910	15 014	-63.8%	>100%
<b>Total shareholders' equity</b>	<b>64 347</b>	<b>388 788</b>	<b>437 388</b>	<b>&gt;100%</b>	<b>12.5%</b>
<i>Weight on total balance sheet</i>	<i>7.2%</i>	<i>29.3%</i>	<i>24.4%</i>	<i>22.2 pts</i>	<i>-4.9 pts</i>
Bonds	-	-	-	<i>n.a</i>	<i>n.a</i>
Other financial debts	471 175	460 382	554 602	-2.3%	20.5%
<b>Financial debts</b>	<b>471 175</b>	<b>460 382</b>	<b>554 602</b>	<b>-2.3%</b>	<b>20.5%</b>
<b>Long-term provisions for liabilities and charges</b>	<b>1 610</b>	<b>1 593</b>	<b>30 340</b>	<b>-1.0%</b>	<b>&gt;100%</b>
Suppliers and related accounts	150 384	227 536	307 458	51.3%	35.1%
Accounts payable, advances & down payments	6 120	4	1 688	-99.9%	>100%
Staff	2 285	5 202	10 341	>100%	98.8%
Social organizations	4 001	5 439	5 578	35.9%	2.6%
State	19 136	38 697	62 405	>100%	61.3%
Partners' accounts - creditors	99 377	56 672	65 016	-43.0%	14.7%
Other creditors	62 500	104 379	98 880	67.0%	-5.3%
Accruals and deferred income - liabilities	1 772	4 485	9 306	>100%	>100%
Other provisions for liabilities and charges	-	416	780	<i>n.a</i>	87.5%
<b>Current liabilities</b>	<b>345 573</b>	<b>442 829</b>	<b>561 451</b>	<b>28.1%</b>	<b>26.8%</b>
<i>Weight on total balance sheet</i>	<i>38.5%</i>	<i>33.4%</i>	<i>31.3%</i>	<i>-5.1 pts</i>	<i>-2.1 pts</i>
<b>Cash flow - liabilities</b>	<b>15 043</b>	<b>31 882</b>	<b>208 380</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
<b>Total liabilities</b>	<b>897 748</b>	<b>1 325 474</b>	<b>1 792 161</b>	<b>47.6%</b>	<b>35.2%</b>

Source: Akdital

Prospectus Summary - Akdital IPO

## II. Half-yearly financial statements analysis

### II.1 Annual corporate accounts analysis

#### II.1.1 Management balance analysis

The following table presents the main indicators of Akdital's management balances as of June 30, 2021 and 2022:

In KMAD	H1 2021	H1 2022	Var. H1 21 - H1 22
<b>Turnover</b>	16 168	22 903	41.7%
Changes in inventories of work in progress and finished goods	0	0	n.a
Purchases consumed	-182	-1 601	>100%
Other external expenses	-2 787	-6 062	>100%
<b>Added value</b>	13 200	15 241	15.5%
<i>in % of turnover</i>	81.6%	66.5%	-15.1 pts
Staff costs	-9 330	-15 642	67.7%
Taxes and duties	-19	-1	-96.9%
<b>Gross operating surplus</b>	3 851	-401	<-100%
<i>in % of turnover</i>	23.8%	-1.8%	-25.6 pts
Operating allowances	-1 468	-2 337	59.2%
Operating reversals, expense transfers			n.a
Other operating income and expenses	-522	-600	14.9%
<b>Operating income</b>	1 861	-3 338	<-100%
<i>in % of turnover</i>	11.5%	-14.6%	-26.1 pts
Financial income	24 321	45 316	86.3%
Financial expenses	-3 349	-3 215	-4.0%
<b>Financial income</b>	20 972	42 101	>100%
<b>Current income</b>	22 833	38 763	69.8%
Non-current income	-1	-9	>100%
<b>Income before taxes</b>	22 832	38 754	69.7%
Income tax	-753	-341	-54.6%
<b>Net income</b>	22 079	38 413	74.0%
<i>in % of turnover</i>	136.6%	167.7%	31.2 pts

Source: Akdital

## II.1.2 Balance sheet analysis

The following table presents the main indicators of Akdital's corporate balance sheet as of December 31, 2021 and June 30, 2022:

In KMAD	2021	H1 2022	Var. 21-H1 22
Non-valued fixed assets	6 966	5 707	-18.1%
Intangible fixed assets	282	163	-42.2%
Tangible fixed assets	36 887	37 014	0.3%
Financial fixed assets	372 125	444 804	19.5%
<b>Fixed assets</b>	<b>416 260</b>	<b>487 687</b>	<b>17.2%</b>
<i>Weight on total balance sheet</i>	<i>79.6%</i>	<i>74.8%</i>	<i>-4.8 pts</i>
Accounts receivable, advances & down payments	0	0	n.a
Trade receivables and related accounts	4 500	10 727	>100%
Staff	42 521	63 496	49.3%
State	0	0	n.a
Other debtors	6 301	7 220	14.6%
Accruals and deferred income	20 100	65 719	>100%
<b>Current assets</b>	<b>8 158</b>	<b>16 909</b>	<b>&gt;100%</b>
<i>Weight on total balance sheet</i>	<i>81 581</i>	<i>164 070</i>	<i>&gt;100%</i>
<b>Cash flow - assets</b>	<i>15.6%</i>	<i>25.2%</i>	<i>9.6 pts</i>
<b>Total assets</b>	<b>25 252</b>	<b>0</b>	<b>-100.0%</b>
Capital	523 092	651 757	24.6%
Issue premiums	100 000	100 000	0.0%
Legal reserve	247 273	247 273	0.0%
Retained earnings	287	1 319	>100%
Net income for the year	391	2	-99.6%
<b>Total shareholders' equity</b>	<b>20 642</b>	<b>38 413</b>	<b>86.1%</b>
<i>Weight on total balance sheet</i>	<i>368 594</i>	<i>387 006</i>	<i>5.0%</i>
Other financial debts	70.5%	59.4%	-11.1 pts
<b>Financial debts</b>	<b>68 676</b>	<b>68 351</b>	<b>-0.5%</b>
Suppliers and related accounts	68 676	68 351	-0.5%
Accounts payable, advances & down payments	7 494	13 553	80.9%
Staff	4	4	0.0%
Social organizations	615	669	8.9%
State	662	1 046	58.0%
Partners' current accounts	7 054	15 247	>100%
Other creditors	0	17 200	n.a
Accruals and deferred income - liabilities	8 840	3 209	-63.7%
Translation difference, liability	6 492	8 002	23.3%
<b>Current liabilities</b>	<b>31 161</b>	<b>58 929</b>	<b>89.1%</b>
<i>Weight on total balance sheet</i>	<i>6.0%</i>	<i>9.0%</i>	<i>3.1 pts</i>
<b>Cash flow - liabilities</b>	<b>54 663</b>	<b>137 470</b>	<b>&gt;100%</b>
<b>Total liabilities</b>	<b>523 092</b>	<b>651 757</b>	<b>24.6%</b>

Source: Akdital

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## II.2 Akdital's consolidated financial statement analysis

### II.2.1 Management balance analysis

The table below shows Akdital Group's consolidated income statement for H1 2021 and H1 2022:

In KMAD	H1 2021	H1 2021 PF	H1 2022	Var. H1 2021 PF-H1 2022
<b>Turnover</b>	341 972	341 972	450 450	31.7%
Purchases consumed	-152 702	-151 132	-173 575	14.8%
Other external expenses	-37 638	-31 593	-51 019	61.5%
<b>Added value</b>	<b>151 632</b>	<b>159 247</b>	<b>225 856</b>	<b>41.8%</b>
<i>in % of turnover</i>	44.3%	46.6%	50.1%	3.6 pts
Staff costs	-83 940	-83 940	-111 599	33.0%
Taxes and duties	-4 904	-4 890	-8 643	76.8%
<b>Gross operating surplus</b>	<b>62 788</b>	<b>70 417</b>	<b>105 614</b>	<b>50.0%</b>
<i>in % of turnover</i>	18.4%	20.6%	23.4%	2.9 pts
Depreciation and amortization (excluding goodwill)	-37 619	-37 285	-63 373	70.0%
Operating reversals, expense transfers	10 240	4 235	11 109	>100%
Other operating income and expenses	-337	-669	-857	28.1%
<b>Operating income</b>	<b>35 072</b>	<b>36 697</b>	<b>52 493</b>	<b>43.0%</b>
<i>in % of turnover</i>	10.3%	10.7%	11.7%	0.9 pts
Financial income	8 523	6 354	1 367	-78.5%
Financial expenses	-14 901	-11 651	-15 394	32.1%
<b>Financial income</b>	<b>-6 379</b>	<b>-5 297</b>	<b>-14 027</b>	<b>&gt;100%</b>
Non-current income	552	552	14 489	>100%
Non-current expenses	-4 849	-5 374	-3 784	-29.6%
<b>Non-current income</b>	<b>-4 297</b>	<b>-4 822</b>	<b>10 705</b>	<b>n.a.</b>
<b>Income before taxes</b>	<b>24 397</b>	<b>26 578</b>	<b>49 172</b>	<b>85.0%</b>
Income from equity accounted companies	-	-394	-361	-8.4%
Amortization of goodwill	-636	-636	-636	0.0%
Income taxes	-12 719	-12 492	-19 774	58.3%
<b>Net Income</b>	<b>11 042</b>	<b>13 056</b>	<b>28 401</b>	<b>&gt;100%</b>
<i>in % of turnover</i>	3.2%	3.8%	6.3%	2.5 pts

Source: Akdital

## II.2.2 Balance sheet analysis

In KMAD	2021	2021 PF	H1 2022	Var. 2021 PF -H1 2022
Goodwill	27 559	26 224	23 109	-11.9%
Assets in non-value	29 798	24 510	18 838	-23.1%
Intangible assets	3 215	3 215	4 740	47.5%
Tangible assets	1 254 614	888 740	977 748	10.0%
Financial assets	5 323	104 307	110 340	5.8%
Deferred tax assets	1 427	1 427	2 155	51.0%
<b>Fixed assets</b>	<b>1 321 937</b>	<b>1 048 422</b>	<b>1 136 931</b>	<b>8.4%</b>
<i>Weight on total balance sheet</i>	<i>73.8%</i>	<i>71.6%</i>	<i>71.8%</i>	<i>0.2 pts</i>
Inventories and work in progress	21 917	21 917	30 812	40.6%
Trade accounts receivable, advances & prepayments	81 473	38 773	45 283	16.8%
Trade receivables and related accounts	240 484	245 726	296 371	20.6%
Staff	816	323	295	-8.6%
State	42 025	27 555	30 457	10.5%
Other debtors	18 703	17 478	28 842	65.0%
Prepayments and accrued income	1 436	3 716	8 226	>100%
<b>Current assets</b>	<b>406 854</b>	<b>355 487</b>	<b>440 287</b>	<b>23.9%</b>
<i>Weight on total balance sheet</i>	<i>22.7%</i>	<i>24.3%</i>	<i>27.8%</i>	<i>3.5 pts</i>
<b>Cash flow - assets</b>	<b>63 370</b>	<b>59 385</b>	<b>5 488</b>	<b>-90.8%</b>
<b>Total assets</b>	<b>1 792 161</b>	<b>1 463 294</b>	<b>1 582 705</b>	<b>n.a.</b>
Capital	100 000	100 000	100 000	0.0%
Issue premium	247 273	247 273	247 273	0.0%
Legal reserve	-	-	-	n.a.
Other reserves & retained earnings	-	-	-	n.a.
Consolidated reserves	43 719	34 996	62 719	79.2%
Consolidated net income	46 396	55 888	28 401	-49.2%
<b>Total shareholders' equity - Group share</b>	<b>422 374</b>	<b>423 398</b>	<b>427 885</b>	<b>1.1%</b>
Minority interests	15 014	14 760	10 508	-28.8%
<b>Total shareholders' equity</b>	<b>437 388</b>	<b>438 158</b>	<b>438 393</b>	<b>0.1%</b>
<i>Weight on total balance sheet</i>	<i>24.4%</i>	<i>29.9%</i>	<i>27.7%</i>	<i>-2.2 pts</i>
Bonds	-	-	-	n.a.
Other financial debts	554 602	479 602	486 889	1.5%
<b>Financial debts</b>	<b>554 602</b>	<b>479 602</b>	<b>486 889</b>	<b>1.5%</b>
Long-term provisions for liabilities and charges	29 592	13 056	12 859	-1.5%
Deferred tax liabilities	748	1 731	728	-58.0%
Suppliers and related accounts	307 458	223 260	248 146	11.1%
Accounts payable, advances & down payments	1 688	1 688	4	-99.8%
Staff	10 341	10 341	7 861	-24.0%
Social organizations	5 578	5 578	7 057	26.5%
State	62 405	62 377	66 119	6.0%
Partners' accounts - creditors	65 016	18 353	41 297	>100%
Other creditors	98 880	94 731	74 553	-21.3%
Accruals and deferred income - liabilities	9 306	4 174	4 873	16.8%
Other provisions for liabilities and charges	780	780	440	-43.6%
<b>Current liabilities</b>	<b>561 451</b>	<b>421 281</b>	<b>450 349</b>	<b>6.9%</b>
<i>Weight on total balance sheet</i>	<i>31.3%</i>	<i>28.8%</i>	<i>28.5%</i>	<i>-0.3 pts</i>
<b>Cash flow - liabilities</b>	<b>208 380</b>	<b>109 467</b>	<b>193 487</b>	<b>76.8%</b>
<b>Total liabilities</b>	<b>1 792 161</b>	<b>1 463 294</b>	<b>1 582 705</b>	<b>8.2%</b>

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## **PART V – RISK FACTORS**

## **I. Competitive risk**

The Group is facing increasingly intense competition in the healthcare market. Indeed, the development of the private health sector in Morocco and its regulatory framework has removed several barriers to entry in this market, thus allowing several new players to emerge.

In order to face this competition, Akdital puts the quality of care and patient satisfaction at the heart of its concerns. As such, the Group has a technical platform composed of equipment at the cutting edge of available medical technologies and collaborates with highly qualified medical professionals. In addition, the Group has a development plan which aims at promoting accessibility to care, bringing its contribution to more than 15% of the national private bed capacity, with more than 1,800 beds spread over more than 17 establishments throughout the Kingdom by 2022.

## **II. Risk related to the availability of qualified physicians and health care personnel**

The operation and quality of care provided in the Group's healthcare facilities depend on the availability of qualified physicians and nursing staff. As is customary in the private health care market in Morocco, doctors<sup>1</sup> are not salaried employees of the clinics in which they work. Thus, the Group could be confronted with a lack of human resources. However, the Akdital Group has several assets that enable it to attract and retain highly qualified doctors and nursing staff within its establishments, including:

(i) a good brand image reinforced by obtaining ISO 9001 certifications, (ii) a state-of-the-art technical platform and (iii) high recruitment and training standards.

## **III. Operational risk and common liability of practitioners and staff**

Hospital groups may be subject to legal proceedings against them by patients or other stakeholders. In order to deal with these risks, Akdital gives paramount importance to (i) the reputation of the doctors and the training of the paramedical staff who work within its establishments and (ii) the provision of the latter to high-quality technical platforms. level. In addition to these preventive measures, Akdital subscribes annually to a civil liability insurance policy to guarantee damage to third parties caused by its personnel and facilities. Doctors must also take out insurance covering, in particular, civil liability arising from their medical acts.

## **IV. Risk of maintaining the operating license**

The operating license is issued by the Ministry of Health following visits to check compliance with the specifications and standards in force governing the management of clinics and similar establishments, carried out by the Ministry's permanent commission. Consequently, a major non-respect of the said standards in force could lead to the withdrawal of the operating license.

In order to face this risk, Akdital has put the quality approach at the heart of its operating system in order to ensure the maintenance (in quality and quantity), the safety of its material assets, and the continuous improvement of the services provided to patients (care, management) and related services (catering, cleaning...).

## **V. Epidemic and infectious risks**

Healthcare professionals are by definition potentially exposed to epidemic and infectious risks, which could present a significant operational risk for a group like Akdital. However, the Group has put in place rigorous prevention and control processes within each of its establishments, including the creation of a Safety and Hygiene Committee (CSH), the implementation of (i) quarterly microbiological analyses of surfaces, (ii)

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<sup>1</sup> Apart from those who hold a management position in the Group.  
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internal QHSE control procedures (service, kitchen), (iii) procedures for the treatment and sorting of waste from care activities, (iv) a microbiological monitoring procedure, (v) a sterilization procedure, and (vi) an isolation procedure in the event of infection.

## **VI. Counterparty payment risk**

The Group is subject to the payment terms applied by the various medical coverage organizations (CNSS, CNOPS, private mutual insurance companies, etc.) that take care of their members when they visit Akdital's facilities. Historically, the payment terms observed from these organizations are between 60 and 120 days.

It should be noted that in certain cases, particularly when partial or total coverage by the coverage organizations is refused, the balance payable by the patients may be subject to recovery difficulties by the latter.

## **VII. Procurement and service provider risk**

The Group obtains its daily supplies (medical equipment, medical consumables, pharmaceutical products, etc.) from national and international distributors. Akdital also uses service providers to perform certain services within its facilities (catering, cleaning and sanitization, security, etc.). The use of these distributors and service providers could expose the Group to certain risks, including (i) the unavailability of certain products due to stock-outs or delivery delays, (ii) price or rate increases, etc.

In order to mitigate these risks, the Group selects reliable and recognized suppliers and service providers with whom it builds a relationship of trust. In addition, the Group has implemented a global sourcing policy that enables it to benefit from a good negotiating capacity.

## **VIII. Risk related to the cost of medical supplies and equipment**

As part of its development plan, the Group is required to finance the acquisition of medical equipment and heavy equipment relating to the various specialties offered by its facilities. It is therefore exposed to the risk of an increase in the price of equipment, which could have a negative impact on the investment plan over the next few years. However, Akdital has already secured the main equipment for the openings planned for 2022 and 2023, particularly for imaging and oncology (gas pedals, etc.), thus protecting it from any significant price increase.

In addition, the Group has set up a purchasing department that enables it to place group orders with equipment suppliers and thus benefit from greater negotiating power.

## **IX. Risk related to regulatory requirements**

The Group is subject to the regulations in force in the private health sector (standards and operating conditions for clinics, safety, hygiene and environmental standards, etc.). Akdital must also deal with possible compliance issues in the event of changes in or stricter application of one or more regulatory provisions. Thus, the Group has a dedicated internal audit team that ensures compliance with the Group's various standards.

## **X. Risk related to information systems and personal data protection**

The information system within a health care institution is a fundamental parameter in the quality of the management of the patient's journey from admission to the dispatch of the file to the medical coverage organizations. Any disruption or failure of the information system could lead to risks related to the following two aspects:

**Operational aspect:** (i) stoppage/delay in the transfer of patient data from one department to another during the medical course, (ii) delay in invoicing and in the dispatch of reimbursement files to the organizations, which could lead to file foreclosures.

In order to avoid/limit the said risks, Akdital has decided in 2019 to develop its own ERP in order to control its information system and to be able to quickly adapt the management modules to the specific needs of the management of the patient pathway and to mitigate potential dysfunctions.

**Personal data protection aspect:** any misuse and/or manipulation of personal data of patients and their families could be considered as a breach of privacy and could therefore expose Akdital to legal proceedings and damage its reputation. The protection of personal data is governed by several laws and decrees, in particular law 09-08 relating to the protection of individuals with regard to the processing of personal data. In September 2022, Akdital launched a project to comply with the said law with the aim of ensuring the security and confidentiality of data, protecting the privacy of individuals, processing data in a fair and legitimate manner and establishing better transparency in the use of personal data.

## **XI. Risk related to indebtedness**

Akdital uses debt to partially finance its development programs. The Group could be exposed to a risk of over-indebtedness that could impact its solvency and financial flexibility. Nevertheless, the precise and regular monitoring of the Group's finances (in particular by the finance and support division) allows for a better understanding of these risks and the optimization of the Group's management and financial structure.

## **XII. Risk related to debt contract concentration with CIH**

The development of Akdital's healthcare facilities has been mainly financed through a long-standing partnership with the banking institution CIH.

Aware of this exposure, the management has already started to diversify its financing sources. Thus, concerning the projects whose opening is planned in 2022, more than 50% of the loans contracted or in the process of being concluded by the OpCos are carried out with new banking partners of the place, thus making it possible to limit the financial exposure towards CIH.

## **XIII. Interest rate risk**

As Akdital relies in particular on debt for the partial financing of its development programs, the Group could be exposed to the risk of an increase in interest rates that could increase the cost of servicing its debt and thus impact its operating performance. Nevertheless, the debt contracts signed with banks are negotiated in most cases on the basis of a fixed rate, or one whose fluctuation is capped in the case of a variable rate, thus enabling risk control.

## **XIV. Risk related to access to financing**

In order to finance its development program, the Group uses a mix of equity and financial debt in various forms (CMT, credit lines, leasing, etc.). However, in the event of a deterioration in the Group's economic and/or operational situation, access to financing could be limited.

The risk of access to financing is notably offset by rigorous financial management at the level of each of the establishments as well as at Group level. It should be noted that Akdital has carried out a capital increase of MAD 250 million following the entry of MCP in its capital in order to contribute to the Group's development via equity. Finally, the IPO envisaged by Akdital will notably take the form of a capital increase, enabling it to reinforce its equity capital and to access the capital market to finance new development projects.

## **XV. Risk related to the concentration of activity in the Casablanca region**

As the Akdital Group has started its development in the city of Casablanca, with 8 establishments out of 14 operating in the region at the end of October 2022, it is exposed to a strong concentration of its activities which could impact the volume of business in case of increased development of competition.

Nevertheless, the Group has already begun its geographic diversification in 2021 with the opening of HPE and CIOJ, and in 2022 with the opening of the Agadir International Hospital, the Agadir International Oncology Center, the Tangier Private Hospital and the Boughaz International Oncology Center in Tangier, the Safi Specialty Clinic and the Salé Private Hospital and the Salé Private Oncology Center and intends to continue this diversification with several openings planned outside the Casablanca region in 2023 in Fez and Mohammedia.

## **XVI. Risk related to the opening of health centers**

The Group is engaged in an ambitious development plan which should enable it to double its bed capacity by 2023 with the opening of several multidisciplinary and specialized health establishments in Bouskoura, Fez and Mohammedia in particular.

The opening of these health establishments can only be effective after obtaining the authorizations to practice issued by the Ministry of Health. These authorizations could be delayed for various reasons: delay in the delivery of premises or medical equipment, unavailability of doctors or nursing staff, etc.

In order to face the risk related to these new openings, the construction of almost all the premises of the future health establishments is ensured by a dedicated entity (Akdital Immo), 68% of whose capital is held by real estate specialists (Aradei Capital and BFO). Moreover, in anticipation of each new opening, the paramedical staff is recruited six months before the clinic's opening date and benefits from intensive training in the Group's reference centers in Casablanca.

The medical equipment required to operate the new clinics is ordered in advance from reliable and nationally recognized suppliers with whom the Group has built long-term relationships based on trust and respect for deadlines.

Finally, the Group has a qualified administrative department that takes care of all the necessary steps to obtain the operating authorizations required for the opening of the clinics from the various associated public administrations.

## **XVII. Risk related to the fluctuation of the real estate market**

The development of the Akdital group being strongly linked to the construction and/or rental of buildings requiring expensive works and fittings, it is exposed to the fluctuations of the real estate market. These fluctuations have intensified in the last two years following the COVID-19 crisis which has highlighted the vulnerability of the supply chains of materials on a global scale, which can lead to additional costs as well as delays in delivery.

However, the Akdital Group has shown resilience in the face of these risks, notably by forging partnerships with leading construction players throughout the Kingdom. Moreover, the creation of the real estate company Akdital Immo has enabled the Group to join forces with major players in real estate in Morocco (Aradei Capital and BFO) and to benefit from their expertise in this field. As a shareholder, Akdital regularly monitors the evolution of the majority of Akdital Immo's projects under development.

## **XVIII. Risk related to the name and reputation of the Akdital brand**

All the risks presented in this section could, if they were to occur, negatively affect the reputation of the Akdital group.

Therefore, the Akdital group has put in place a set of measures enabling it to anticipate and manage these risks in order to preserve its reputation.

## **XIX. Risk factors relating to the financial instruments offered**

### **Liquidity risk**

Subscribers to Akdital shares may be subject to a liquidity risk of the security on the stock market. Indeed, depending on the market conditions and on the evolution of the stock exchange price, the liquidity of the share may be momentarily affected. Thus, a shareholder wishing to sell their shares may, to a certain extent, not succeed in selling all or part of the shares held within a short period of time, with or without a discount on the capital.

### **Price volatility risks**

Listed shares are subject to the rules of supply and demand that determine their value on the stock market. Share price movements are determined in particular by the achievements and financial performance of listed companies and the development prospects anticipated by investors. Thus, the investor may experience a significant appreciation or depreciation in the value of the listed securities held.

### **Capital loss risk**

Participation in the capital of a company involves the risks inherent in any investment. If one or more of these risks occur, they may result in losses up to and including the total loss of the contribution and related transaction costs, and therefore of the entire capital invested.

In addition, if the investor has borrowed external capital to pay for the investment, the maximum risk is higher, as the obligations under the loan agreement remain with the lender regardless of the development of the investment in Akdital and the lender may claim back from the investor an amount exceeding the invested capital.

## Disclaimer

The aforementioned information forms only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) on November 21, 2022, under the reference VI/EM/038/2022.

The AMMC recommends reading through the entire information dossier that is available to the public in French.