





Prospectus Summary

ISSUE OF BONDS REDEEMABLE INTO SHARES (LISTED AND UNLISTED)

TOTAL AMOUNT OF THE ISSUE: 636 753 200 MAD

	Tranche A: Unlisted fixed rate bonds payable on a period of 1 year and 6 months	Tranche B: Listed fixed rate Bonds payable on a period of 1 year and 6 months
Maximum Amount	636 753 200 MAD	
Maximum Number of bonds	6 367 532 Bonds	
Nominal Value	100 MAD	
Maturity	1 year and 6 months	1 year and 6 months
Rates	Fixed, being a nominal value of 5.87% by reference to the market value of the 1 year and 6 months Treasury Bonds determined on the secondary curve as published on 24/07/2014 by Bank Al Maghrib, with an increased risk premium of 260 bps.	Fixed, being a nominal value of 5.87% by reference to the market value of the 1 year and 6 months Treasury Bonds determined on the secondary curve as published on 24/07/2014 by Bank Al Maghrib, with an increased risk premium of 260 bps.
Issue price	100 MAD	100 MAD
Risk Premium	260 basis points	260 basis points
Tradability	By mutual agreement	At the Casablanca stock exchange
Redemption	<i>In shares</i>	<i>In shares</i>

SUBSCRIPTION PERIOD: FROM AUGUST 13TH, 2014 TO SEPTEMBER 12TH, 2014
SUBSCRIPTION RESERVED TO FORMER SHAREHOLDERS AND HOLDERS OF PREFERENTIAL SUBSCRIPTION RIGHTS

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

Approval of CONSEIL DEONTOLOGIQUE DES VALEURS MOBILIERES (Financial authority)

In accordance with the provisions of the circular of the CDVM, delivered in application of Section 14 of the Decree n° 1-93-212 of September 21st, 1993 related to the Conseil Déontologique des Valeurs Mobilières (CDVM) and to the information required from legal entities issuing securities to the public, as amended and extended, the original copy of the present prospectus has been approved by the CDVM on 31/07/2014 under the reference VI/EM/020/2014.

WARNING

The Conseil Déontologique des Valeurs Mobilières (CDVM) approved on 31/07/2014 a prospectus related to the issue of bonds redeemable in shares by Risma Company (Hereafter referred to as «Risma » or the « Company»).

The prospectus summary approved by the CDVM is available at any time at the headquarters of the Company and through its financial advisor. It is also available within a maximum deadline of 48 hours through order collection entities.

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

PART I PRESENTATION OF THE OPERATION

I. Operation Objectives

The issue of Bonds Redeemable in Shares (BRS) in question involves a total sum of nearly 637 million MAD, to be paid-up in cash and/or by set-off with the current accounts of shareholders.

The funds raised under this issue will enable the Risma Group to finance a part of its inherent requirements in its investment plan for the period 2014-2016.

In addition, the Risma Group aims through this operation to: (i) Strengthen its working capital and strengthen its financial structure, (ii) Reduce its financial burdens in order to improve its profitability and yield dividend for its shareholders and (ii) Allow its reference shareholders to benefit from the opportunity to consolidate their holdings in the capital.

II. Information relating to the securities to be issued

II.1. Characteristics relating to the securities of Tranche A (fixed rate bonds, unlisted)

Tranche A consists of fixed-rate bonds, negotiable OTC and repayable at maturity with a maturity of 1 year and 6 months. The characteristics of the Tranche A are as follows:

Nature of Securities	Bonds redeemable in shares dematerialized by registration with the central depository and having an account with the chartered affiliates
Legal form	Bearer bonds
Maximum number of bonds to be issued	6 367 532 BRS.
Ceiling of the Tranche	636 753 200 MAD
Face Value	100 MAD.
Issue price	At par, i.e. 100 MAD
Maturity	1 year and 6 months. This duration is less than the maximum period of three years. Article 188 of Law 17-95 relating to public limited companies, as amended and supplemented by Law 20-05 between the date of holding an extraordinary general assembly authorizing a capital increase and the date of completion of the capital increase. The expiration of the period of 1 year and 6 months time is hereinafter the "Maturity Date".
Subscription period	From August 13 th , 2014 to September 12 th , 2014
Date of possession	September 30 th , 2014
Maturity Date	March 30 th , 2016
Redemption date	The "Redemption Date" corresponds to the Maturity Date or the following first business day if the due date is a non working day.
Redemption parity	The Bonds redeemable in shares shall be repaid in new shares of the Company to be issued at a price that will be set at the Redemption Date. In this regard, holders of the bonds may not under any circumstances request their redemption in cash. The issuance price of a share shall be equal to the weighted average price of Risma shares during the last three months preceding the Redemption Date, as seen in the central market of the Casablanca Stock Exchange, on which a 20 % discount is applied which is then rounded to the next whole number, provided that, in any event, pursuant to Article 185 of law No. 17-95 on Joint Stock

Companies as supplemented and amended by law No. 20 -05, the issue price shall not be less than the par value of the shares of the Company.

The weighted average rate is calculated by dividing the total value of Risma shares trade in dirhams on the total number of shares traded on the abovementioned three months.

The redemption value shall be equal to the division of the issue price of new shares issued by the nominal value of the bonds.

In case the number of shares to which the redemption of the redeemable bonds gives entitlement to the Redemption Date, and does not correspond to a whole number, the bond holders receive the whole number of shares immediately below, and in this case, they shall receive a sum equal to the fractional share by the fractional share value calculated on the basis of the issue price of shares to be issued in redemption of the BRS.

Risk premium	260 Basis points (bps) which is fixed throughout the whole term of the loan.
Nominal interest rate	Fixed rate. The Nominal interest rate is equal to 5.87%. It corresponds to the rate of Treasury bonds with a maturity of 1 year and 6 months determined on the secondary curve as published on 24/07/2014 by Bank Al-Maghrib, with an increased risk premium of 260 bps.
Calculation method of the reference rate	Determining the fixed reference rate will be done through the linear interpolation method using the two points bordering the maturity of 1 year and 6 months on the secondary market yield curve as published by Bank Al Maghrib on the 24/07 / 2014.
Interest payments	Interests shall be served annually on the date of possession of the loan. At the Date of Redemption of the redeemable bonds, interest due for the year of repayment will be paid on a pro rata basis. Interest payments will start the same day or the first following trading day if it is not a trading day. Formula: nominal value x interest rate. Interest on the bonds shall cease to accrue on the Maturity Date. No deferral of interest will be possible in the context of this operation: issuance of BRS.
Bond rank	The principal and interests of the bonds redeemable in shares are direct, unsecured obligations, general, unconditional, unsubordinated, and are (subject to exceptions under existing regulations) pari passu among themselves and pari passu with all other present or future unsecured debts and guarantees belonging to Risma. The shares to be issued upon redemption of bonds shall be paid by offsetting the amount of BRS held. The claim on the Company in the amount of the BRS will be a statement of account prepared by the Management of Risma and certified by its auditors.
Classification of BRS	In the financial statements, the BRS shall be treated as conventional bonds. In the consolidated accounts, the BRS can be classified in an intermediate level between consolidated equity and consolidated debts.
Tradability	Over the counter. There are no restrictions imposed by the terms of issue on the free transferability of the BRS of Tranche A.
Assimilation Clause	There is no assimilation for the BRS to securities of a previous issue. If Risma subsequently issues new securities identical in all respects to those of the present prospectus, it may proceed to the assimilation of all successive securities issuances, thus unifying all operations relating to their management

	and trading.
	<p>For the subscription of the Bonds Redeemable in Shares, the subscription rights shall be assigned to the shareholders of the Company for a preferential subscription right for each share.</p> <p>Throughout the whole subscription period, the preferential subscription rights granted to shareholders are freely tradable on the Casablanca Stock Exchange. Preferential subscription rights, both irreducible and reducible, must be exercised within this period under the penalty of forfeiture.</p> <p>Preferential subscription rights holders may irreducibly subscribe for four (4) Bonds Redeemable in Shares of a nominal value of one hundred (100) Dirhams each, for five (5) preferential subscription rights.</p> <p>In addition, each shareholder may individually, if desired, waive their preferential subscription right.</p> <p>Bonds Redeemable in Shares which were not irreducibly subscribed would be allocated to shareholders or holders of preferential subscription rights who have subscribed to a number of BRSs higher than that to which they could subscribe irreducibly.</p> <p>The number of bonds to be assigned to a subscriber on a reducible basis corresponds to the number of non-subscribed irreducible bonds multiplied by the share of rights exercised by the subscriber on an irreducible basis in the total number of rights exercised irreducibly, within the limits of the request of the subscriber and with disregard to fractions. This process can be repeated until all BRS to allocate are exhausted or all demands are met.</p> <p>Shareholders who wish to exercise their preferential subscription rights will have a period of 20 trading days from 13/08/2014.</p> <p>Preferential subscription rights may be exercised only up to a number of PSR allowing subscription for a whole number of bonds. Shareholders or transferees of their preferential subscription rights who do not possess, under their irreducible subscription, existing sufficient shares for an integer number of BRS, may proceed with the purchase or sale of shares before the subscription period and the purchase or sale of their preferential subscription rights in market conditions during the subscription period.</p> <p>Preferential subscription rights may be transferred fractionally or completely on the market during the subscription period.</p>
Preferential subscription rights	
Method of payment for BRS	The BRSs subject of the present prospectus shall be paid for either in cash or by offsetting debts recorded in shareholders' current accounts.
Rights Attached	BRS give their holders the right for a yearly coupon and repayment of their original bonds in the form of new shares of the Company.
Reimbursement Guarantee of Issuance	This issue has not been the subject of any guarantee.
Issue Rating	This issue has not been the subject of any rating.
Representation of BRS holders	<p>Pending the holding of the General Meeting of the holders of BRSs, the Supervisory Board of the Company held on June 24th, 2014 appointed Mr. Mohamed Hdid as provisional representative.</p> <p>This decision shall take effect from the beginning of the subscription period, having specified that the interim representative appointed is the same for both tranches A and B of the issuance, which are grouped into the same body.</p>
Applicable Law	Moroccan law.
Competent Court	Commercial Court of Casablanca.

II.2. Characteristics relating to securities of Tranche B (fixed rates bonds, listed on the Casablanca Stock Exchange)

Tranche B consists of fixed-rate bonds, negotiable at the Casablanca Stock Exchange and repayable at the end of a 1 year and 6 months maturity. The characteristics of the Tranche B are as follows:

Nature of Securities	Bonds redeemable in shares dematerialized by registration with the central depositary and having an account with the chartered affiliates
Legal form	Bearer bonds
Maximum number of bonds to be issued	6 367 532 BRS.
Ceiling of the Tranche	636 753 200 MAD
Face Value	100 MAD.
Issue price	At par, i.e. 100 MAD
Maturity	<p>1 year and 6 months.</p> <p>This duration is less than the maximum period of three years.</p> <p>The Article 188 of Law 17-95, relating to public limited companies as amended and supplemented by Law No. 20-05 the period between the date of holding an extraordinary general assembly authorizing a capital increase and the date of completion of the capital increase .</p>
Subscription period	From August 13 th , 2014 to September 12 th , 2014
Date of possession	September 30 th , 2014
Maturity date	March 30 th , 2016
Redemption date	The Redemption Date corresponds to the Maturity Date or the first following business day if the due date is a day not a working day.
Redemption parity	<p>The Bonds redeemable in shares shall be repaid in new shares of the Company to be issued at a price that will be set at the Redemption Date.</p> <p>In this regard, holders of the bonds may under any circumstances request their redemption in cash.</p> <p>The issuance price of a share shall be equal to the weighted average price of Risma shares during the last three months preceding the Redemption Date, as seen in the central market of the Casablanca Stock Exchange, on which a 20 % discount is applied which is then rounded to the next whole number, provided that, in any event, pursuant to Article 185 of law No. 17-95 on Joint Stock Companies as supplemented and amended by law No. 20 -05, the issue price shall not be less than the par value of the shares of the Company.</p> <p>The weighted average rate is calculated by dividing the total value of Risma shares trade in dirhams on the total number of shares traded on the abovementioned three months.</p> <p>The redemption value shall be equal to the division of the issue price of new shares issued by the nominal value of the bonds.</p> <p>In case the number of shares to which the redemption of the redeemable bonds gives entitlement to the Redemption Date, and does not correspond to a whole number, the bond holders receive the whole number of shares immediately below, and in this case, they shall receive a sum equal to the fractional share by the fractional share value calculated on the basis of the Issue Price of shares issued for BRS redemption.</p>
Risk premium	260 bps. The said risk premium is fixed throughout the whole term of the loan.

Nominal interest rate	<p>Fixed rate.</p> <p>The Nominal interest rate is equal to [5.87%]. It corresponds to the rate of Treasury bonds with a maturity of 1 year and 6 months determined on the secondary curve as published on 24/07/2014 by Bank Al-Maghrib, with an increased risk premium of 260 bps.</p>
Calculation method of the reference rate	<p>Determining the fixed reference rate will be done through the linear interpolation method using the two points bordering the maturity of 1 year and 6 months on the secondary market yield curve as published by Bank Al Maghrib on the 24/07/2014.</p>
Interest payments	<p>Interests shall be served annually on the date of possession of the loan.</p> <p>At the date of redemption of the redeemable bonds, interest due for the year of repayment will be paid on a pro rata basis.</p> <p>Interest payment will start the same day or the first following trading day if it is not a trading day.</p> <p>Formula: nominal value x interest rate.</p> <p>the bonds shall cease to accrue on the Maturity Date. No deferral of interest will be possible in the context of this operation.</p>
Bond rank	<p>The principal and interests of the bonds redeemable in shares are direct, unsecured obligations, general, unconditional, unsubordinated, and are (subject to exceptions under existing regulations) pari passu among themselves and pari passu with all other present or future unsecured debts and guarantees belonging to Risma.</p> <p>The shares to be issued upon redemption of bonds shall be paid by offsetting the amount of BRS held by holders of BRS. The claim on the Company in the amount of the BRS will be a statement of account prepared by the Management of Risma and certified by its auditors.</p>
Classification of BRS	<p>In the financial statements, the BRS are treated as conventional bonds.</p> <p>In the consolidated accounts, the BRS can be classified in an intermediate level between consolidated equity and consolidated debts.</p>
Procedure of the first listing	<p>Direct listing in accordance with sections 1.2.6 and 1.2.22 of the General Regulation of the Casablanca Stock Exchange.</p>
Tradability	<p>In the Casablanca stock exchange.</p> <p>Tranche B BRS shall be listed on the Casablanca stock exchange in dirhams.</p> <p>There are no restrictions imposed by the terms of issue on the free transferability of the BRS of Tranche B.</p>
Listing of the BRS	<p>The obligations of the Tranche B shall be listed on the Casablanca Stock Exchange and will thus be the subject of an application for admission to the bond market in the Casablanca Stock Exchange. Their listing date is scheduled for 30/0908/2014 on the bond market, under the code 990171 and the tickerOB171.</p> <p>To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche B must be greater than or equal to 20 000 000 MAD.</p> <p>If at the end of the subscription period, the amount allocated to Tranche B is less than 20 000 000 MAD, subscriptions for the tranche in question shall be canceled.</p>
Assimilation Clause	<p>There is no assimilation for the BRS to securities of a previous issue.</p> <p>If Risma subsequently issues new securities identical in all respects to those of the present prospectus, it may proceed to the assimilation of all successive securities issuances, thus unifying all operations relating to their management and trading.</p>

Preferential subscription rights	<p>For the subscription of the Bonds Redeemable in Shares, the subscription rights shall be assigned to the shareholders of the Company for a preferential subscription right for an existing share.</p> <p>Throughout the whole subscription period, the preferential subscription rights granted to shareholders are freely tradable on the Casablanca Stock Exchange. Preferential subscription rights, both irreducible and reducible, must be exercised within this period under the penalty of forfeiture.</p> <p>Preferential subscription rights holders may irreducibly subscribe for four (4) Bonds Redeemable in Shares of a nominal value one hundred (100) Dirhams each, for five (5) preferential subscription rights.</p> <p>In addition, each shareholder may individually, if desired, waive their preferential subscription right.</p> <p>Bonds Redeemable in Shares which were not irreducibly subscribed would be allocated to shareholders or holders of preferential subscription rights who have subscribed to a number of BRSs higher than that to which they could subscribe irreducibly.</p> <p>The number of bonds to be assigned to a subscriber on a reducible basis corresponds to the number of non-subscribed irreducible bonds multiplied by the share of rights exercised by the subscriber on a irreducible basis in the total number of rights exercised irreducibly, within the limits of the request of the subscriber and with disregard to fractions. This process can be repeated until all bonds to allocate are exhausted or all demands are met.</p> <p>Shareholders who wish to exercise their preferential subscription rights will have a period of 20 trading days starting from 13/08/2014.</p> <p>Preferential subscription rights may be exercised only up to a number of PSR allowing to subscribe for a whole number of bonds. Shareholders or transferees of preferential subscription rights who do not possess, under their irreducible subscription, existing sufficient shares for an integer number of Bonds, may proceed with the purchase or sale of shares before the subscription period and the purchase or sale of preferential subscription rights in market conditions during the subscription period.</p> <p>Preferential subscription rights may be transferred fractionally or completely on the market during the subscription period.</p>
Method of payment for BRS	The BRSs subject of the present section shall be paid for either in cash or by offsetting debts recorded in shareholders' current accounts.
Rights Attached	BRS give their holders the right for a yearly coupon and repayment of their original bonds in the form of new shares of the Company.
Reimbursement Guarantee of Issuance	This issue has not been the subject of any guarantee.
Issue Rating	This issue has not been the subject of any rating.
Representation of BRS holders	<p>Pending the holding of the General Meeting of the Holders of BRSs, the Supervisory Board of the Company held on June 24th, 2014 appointed Mr. Mohamed Hdid as provisional representative.</p> <p>This decision shall take effect from the beginning of the subscription period, having specified that the interim representative appointed is the same for both tranches A and B of the issuance, which are grouped into the same body.</p>
Applicable Law	Moroccan law.
Competent Court	Commercial Court of Casablanca.

III. Characteristics of the securities issued for BRS reimbursement

Legal form	Bearer shares
Vesting date	Retroactive vesting date on January 1 st of the year of maturity in which the issuance of shares for BRS reimbursement shall be made.
Attached rights to the new shares	<p>Once the Executive Board of Risma has decided on a capital increase by issuing shares for the reimbursement of BRS, Risma shall liaise with the Casablanca Stock Exchange in order to define the characteristics of new shares and the date of listing.</p> <p>Shares issued for the reimbursement of BRS shall, starting from their issuance, be subject to all the provisions of the Articles of Association of Risma and they will be entitled in respect of the reimbursement corresponding to the year in which the issuance of BRS shall be realized and subsequent years, at par value, the same dividend as existing shares.</p> <p>It is specified, in particular, that each share entitles its holder to share profits and liquidation proceeds to a share equal to the pro rata portion of the registered capital.</p>
Listing of new shares resulting from the reimbursement of the BRS	In case of distribution of dividends for the year 2015, shares issued as reimbursement of the BRS shall be quoted at the Casablanca Stock Exchange on the second line. Otherwise, they shall be quoted on the footing as the existing shares (first line).
Treating the fractional reimbursement shares of the BRS	In case the number of Shares to which the repayment of obligations entitles the Redemption Date, does not correspond to a whole number, BRS holders shall receive a whole number of shares immediately below, and in this case, they receive a cash amount equal to the divided value of the share by the fractional share value calculated on the basis of the issue price of shares to be issued in redemption of the BRS.

IV. Exchange Listing

IV.1. Characteristics of the preferential subscription rights

Expected listing date	13/08/2014
Code	8702
Ticker	RISB
Label	DS RIS (AN14 4P5)

IV.2. Characteristics of BRS listings

Only the BRSs of Tranche B, object of the prospectus at hand, are traded on the market of the Casablanca Stock Exchange

Chart 1 *Listing of BRS on the Casablanca Stock Exchange*

Category	Tranche B
Scheduled date for securities trading	30/09/2014
BRS Code	990171
<i>Ticker</i>	OB171
Procedure of the first listing	Direct listing
Centralizing Institution	BMCE Capital Bourse
Institution in charge of the registration of the transaction in the Casablanca Stock Exchange	BMCE Capital Bourse

The Tranche B Bonds Redeemable in Shares of this issuance shall be traded at the bond market of the Casablanca Stock Exchange provided that the amount allocated for this Tranche is greater than or equals 20 million dirhams.

V. Timetable of the transaction

Number	Steps	Dates
1	Receipt of the complete file of the transaction by the Casablanca Stock Exchange	31/07/2014
2	Issuance of the notice of approval and transaction timetable by the Casablanca Stock Exchange	31/07/2014
3	Approval of the CDVM of the Summary Prospectus	31/07/2014
4	Receipt of the Prospectus approved by the CDVM by Casablanca Stock Exchange	31/07/2014
5	Publication of the announcement relating to the bond issue in the official stock list by the Casablanca Stock Exchange.	01/08/2014
6	Publication of an abstract of the prospectus in a legal Gazette.	05/08/2014
7	Detachment of subscription rights and purge order book of Risma value	08/08/2014
8	Release of the theoretical preferential subscription rights value by the Casablanca Stock Exchange	09/08/2014
9	Opening of the subscription period and trading in subscription rights	13/08/2014
10	Closing of the subscription period	12/09/2014
11	Radiation of subscription rights	15/09/2014
12	Centralization of Subscription Rights by the centralizing body	17/09/2014
13	Allocation of subscription orders	19/09/2014
14	Holding the Executive Board to note the completion of the operation	22/09/2014
15	Receipt of the minutes of the Executive Board having recorded the completion of the transaction and approved the amount issued	24/09/2014 before 12H
16	Receipt of allocation results by the Casablanca Stock Exchange and order collectors	24/09/2014 before 12H
17	Listing of the Bonds redeemable in shares Recording of the transaction in the stock exchange Announcement of the results of the operation in the stock list by the Casablanca Stock Exchange	30/09/2014
18	Settlement and delivery	30/09/2014
19	Publication of the operation results by the Company in a legal gazette.	02/10/2014

VI. Financial intermediaries

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

Chart 2 *Financial intermediaries*

Financial intermediaries	Corporate name	Address
Advisory and global coordinator	BMCE Capital Conseil	63, Boulevard My Youssef, Casablanca
Centralizing Entity of the operation	BMCE Capital Bourse	140, Boulevard Hassan II, Casablanca
Entity in charge of the registration of the operation in The Casablanca Stock Market	BMCE Capital Bourse	140, Boulevard Hassan II, Casablanca
Domiciliary institution providing financial services to the issuer	BMCE Bank	140, Boulevard Hassan II, Casablanca

PART II OVERVIEW OF RISMA

I. General information

Corporate name	▪ RISMA.
Registered office	▪ 97, boulevard Massira Al Khadra – 5 th floor- Casablanca.
Phone	▪ +212 520 401 010.
Fax	▪ +212 520 401 011.
Legal form	▪ Limited company with a Management Board and Supervisory Board, subject to the provisions of Law No. 17-95 promulgated by Decree No. 1-96-124 of 30 August 1996 on limited liability companies, as amended and supplemented by law No. 20-05.
Email	▪ contact@risma.com
Date of incorporation	▪ 1993.
Life span	▪ 99 years except in case of early dissolution or extension as stipulated by the corporate Articles of Association or by the law
Date of initial public offering	▪ May 2006.
Trade Register registration No.	▪ RC Casablanca 98309.
Financial year	▪ From January 1st to December 31st.
Capital (31st, 2013)	▪ 795 941 500 MAD divided into 7 959 415 with a par value of 100 MAD each on the day before the operation.
Purpose	<ul style="list-style-type: none"> ▪ According to Article 2 of the Articles of Association, the Company's purposes in Morocco are to: <ul style="list-style-type: none"> ✓ The operation of all activities relating to the hotel, catering and tourism including activities related to accommodation, conferences and seminars, thalassotherapy, hydrotherapy, leisure activities, casinos; ✓ The acquisition, the lease or lease management, operation, construction, marketing, equipment and the sale of properties such as hotel and catering, tourism and leisure centers including business centers, apart hotel, clubs, hotels, restaurants, cafes, bars, discos, casinos and their direct and indirect operation; ✓ All related and complementary activities to the abovementioned activities such as leasing and direct or indirect use of shops, design, manufacture and sale of all derived products, including care, cosmetics and leisure; ✓ The study, development, creation, enhancement, management, equipment and operation whether by the Company itself by any person whom it would contract to that effect, Hotel facilities, leisure, thalassotherapy, spa, restaurant, bar, casino, staff training for hotel restaurants and leisure, as well as the organization of trips, seminars and recreational activities; ✓ Real estate development, purchase, sale and construction of buildings on an exceptional basis; ✓ Taking interest, in any form whatsoever, in any companies, groups, associations or other relating to the business of the Company; ✓ The participation of the Company, by any means, in any transaction that may relate to its object through the creation of new companies, subscription or purchase of securities or rights, merger or otherwise; ✓ And generally all financial, commercial, industrial, movable and immovable, which may be directly or indirectly related to the abovementioned purposes or any similar or related purpose, in view to enhance its development or extension.
Access to legal documents	▪ Corporate, legal and accounting documents whose disclosure is required by law and the Articles of Association for shareholders and third parties may be consulted at the headquarters of Risma: 97, Boulevard Massira Al Khadra - 5th Floor - Casablanca.
Laws and regulations	▪ By its legal form, the Company is governed by Moroccan law, 17-95 on limited companies as amended and supplemented by Law No. 20-05, as well as its statutes

- By its activity, it is governed in particular by:
 - ✓ The Order of the Minister of Tourism No. 1751-1702 of 23 Shawwal 1424 (December 18th, 2003) establishing classification standards for tourist facilities;
 - ✓ Decree No. 2-02-640 of 2 Sha'ban 1423 (October 9th, 2002) made for the purposes of the abovementioned Law No. 61-00;
 - ✓ Law No. 61-00 on the status of tourist establishments, promulgated by Decree No. 1-02-176 1 Rabi II 1423 (June 13th, 2002);
 - ✓ The August 12th, 1913 Decree forming the Code of Obligations and Contracts, supplemented by Law No. 44-00 of October 3rd, 2002 on sale before completion.
- By its listing on the Casablanca Stock Exchange, it is subject to all laws and regulations relating to the financial market, including:
 - ✓ The Decree No. 1-93-211 of 21 September 1993 on the Stock Exchange as amended and supplemented by Laws 34-96, 29-00, 52-01 and 45-06;
 - ✓ The General Regulations of the Stock Exchange approved by the Decree of the Minister of Economy and Finance No. 499-98 of July 27th, 1998 and amended by Order of the Minister of Economy, Finance, Privatization and Tourism No. 1960-1901 of 30 October 2001. This was modified by the amendment in June 2004 came into effect in November 2004 and by decree No. 1268-08 of July 7, 2008;
 - ✓ The Decree No. -93 to 212 of September 21st, 1993 concerning the Conseil Déontologique des Valeurs Mobilières and the information required of legal entities making public offerings as amended and supplemented by Laws n ° 23-01, 36-05, and 44-06;
 - ✓ Decree No. 1-96-246 of January 9th, 1997 promulgating Law No. 35-96 on the establishment of a central depository and the establishment of a general system of account registration of certain values as amended and supplemented by law No. 43-02;
 - ✓ The general regulations of the central depository approved by Order of the Minister of Economy and Finance No. 932-98 dated on April 16th, 1998 and amended by Order of the Minister of Economy, Finance, Privatization and Tourism No. 1961-1901 of October 30th, 2001 and by decree No. 77-05 of March 17th, 2005;
 - ✓ Decree No. 1-04-212 of April 21st, 2004 promulgating Law No. 26-03 relating to public offerings on the Moroccan stock market as amended and supplemented by Law No. 46-06;
- The general regulation of the Conseil Déontologique des Valeurs Mobilières approved by the order of the Minister of Economy and Finance No. 822-08 of April 14, 2008.

Competent court

- Commercial Court of Casablanca.

Taxation applicable

- In the same manner as all tourist establishments, Risma benefits under its hotel business, for the part of the taxable base corresponding to its turnover in foreign currency duly repatriated directly by it for its own account or through travel agencies:
 - ✓ From the total exemption from corporate tax for a period of 5 consecutive years which runs from the year in which the first hosting operation took place in foreign currency;
 - ✓ Applying the reduced rate of 17.5% for the corporate tax beyond this period.
- The turnover in MAD is taxed at the corporate tax rate of 30%.
- Regarding the Added Value Tax, the Company is subject to the reduced rate of 10% with deductibility of regarding accommodation, catering, hotel rentals and tourist activities.

II. Company Shareholders

II.1. Change in shareholding structure

The shareholding Risma during past 3 financial years is as follows:

Chart 3 *Changes in Risma shareholding structure between 2011 and 2013 in 06/16/2014*

Shareholders	Number of shares on 31/12/2011	% of ownership and voting rights on 31/12/2011	Number of shares on 31/12/2012	% of Ownership and voting rights on 31/12/2012	Number of shares on 31/12/2013	Ownership and voting rights on 31/12/2013	Number of shares on 16/06/2014	Ownership and voting rights on 16/06/2014
Accor and SIET	2 617 960	33.5%	2 617 960	33.2%	2 617 960	32.9%	2 653 669	33.3%
RMA Watanya and funds managed by RMA Watanya	1 661 067	21.2%	1 667 883	21.2%	2 201 267	27.7%	2 255 267	28.3%
CIMR	728 771	9.3%	797 310	10.1%	797 310	10.0%	797 310	10.0%
Mamda-Mcma	523 877	6.7%	523 877	6.6%	523 877	6.6%	523 877	6.6%
Reference shareholders	5 531 675	70.7%	5 607 030	71.1%	6 140 414	77.1%	6 230 123	78.3%
TCapital	473 172	6.0%	473 172	6.0%	473 172	5.9%	473 172	5.9%
CFG Group	135 714	1.7%	179 504	2.3%	238 243	3.0%	238 243	3.0%
BMCE Bank	279 628	3.6%	279 628	3.5%	10	0.0%	10	0.0%
Floating stock	1 403 496	17.9%	1 343 601	17.0%	1 107 576	13.9%	1 071 867	12.8%
Total	7 823 685	100.0%	7 882 935	100.0%	7 959 415	100.0%	7 959 415	100.0%

Source: Risma

II.2. Presentation of institutional shareholders of Risma

The major shareholders of Risma to the date of publication of this Prospectus are as follows:

- Accor, the European leader in hotels industry, is present in 92 countries with more than 3,500 hotels and 450,000 rooms. Accor is the founding shareholder of Risma in 1993;
- RMA Wataniya, a subsidiary of FinanceCom group, was established following the merger between the Royale Marocaine d'Assurances and Al Wataniya in 2005, itself a result of the acquisition of the Alliance Africaine in 2001. Watanya RMA is one the major Moroccan insurance companies. It is present in all segments of the insurance sector of activity (non-life and life insurance) and covers all of Morocco. RMA Wataniya has a dense sales network with over 140 outlets and also has strong synergies with its subsidiaries;
- Being a 100% subsidiary of the group RMA Watanya, RMA Capital is a renowned operator of asset management with nearly 5 billion dollars in assets under management at end-December 2013. Founded in 2007, RMA Capital is the first manager of equity in Morocco (with a market share of 43.6% at the end of 2012);
- The Interprofessional Moroccan Pension Fund (CIMR) was created in July 1949. It has the status of non-profit organization, it has until 31/12/2012, 5 385 member companies, manages 297 817 contributing members and 254 524 affiliated with rights and serves pensions to nearly 143 322 retirees. On 31/12/2012, CIMR served pensions totaling 2 816.2 million MAD, and collected contributions totaling 6 182.05 million MAD. CIMR is, due to its financial standing, among the most active in institutional investors in Morocco with interests in several funds or companies operating in key sectors of the Moroccan economy;

- MAMDA (Mutuelle Agricole Marocaine d'Assurances) and MCMA (Mutuelle Centrale Marocaine d'Assurances), governed since 2005 by the Moroccan code of insurance, were created respectively in 1963 and 1968. MAMDA handles agricultural risks and MCMA non-agricultural risks. The MAMDA-MCMA group is among the most active institutional investors and has interest in taking part in several funds or management companies operating in different key sectors of the Moroccan economy;
- T Capital Group is an investment company operating in tourism sector and was created in December 2007. It holds shares in several companies developing and operating tourism assets in Morocco;
- CFG Group is a Moroccan investment bank founded in 1992. CFG Group is active in the fields of corporate finance, capital markets, asset management and private equity.

Moreover, to the date of writing this prospectus and to the knowledge of the Company's management, no Risma action is held by the Company itself or by a company with which it participates in more than 50%.

II.3. Shareholders Agreement

To date, no shareholders' agreement is in effect between the shareholders of Risma.

The shareholders' agreement signed between Risma Reference Shareholders on 14/12/2011 (which canceled and replaced all previous agreements) is no longer applicable since the update of the articles of association of the Company to integrate governance rules agreed upon by shareholders under the said agreement (see the section on the Articles of Association's provisions relating to the duties of the Supervisory Board).

II.4. Intentions of Reference Shareholders

To the knowledge of the Company, Reference Shareholders (listed in the following table) intend to subscribe to this issue of BRS up to a minimum of 333 157 600 MAD distributed as follows:

Reference Shareholders	Amounts
Accor	157 672 800 MAD
RMA*	100 041 600 MAD
CIMR	43 892 000 MAD
Mamda	15 474 400 MAD
Mcma	16 076 800 MAD
Total	333 157 600 MAD

Source : Risma – (*)RMA Wataniya and funds managed by RMA Wataniya

The amounts presented in the aforementioned chart shall be released in cash and/or by offsetting debts recorded in shareholders' current accounts.

Apart from the operation subject of this Prospectus and to the knowledge of the Company, Reference Shareholders do not intend to make significant transactions of Risma capital over the next 12 months.

III. Executive Board

Risma has adopted since 1999 a structure comprising of an Executive Board and a Supervisory Board.

III.1. Statutory provisions relating to the Executive Board of Risma

According to Article 15 of the Articles of Association of Risma, the Board is vested with the broadest powers to act in all circumstances on behalf of the Company; it does so within the limits of the corporate purpose and subject to the powers expressly granted by law during the Supervisory Board and shareholders' meetings.

In this regard, the Management of Risma is tasked with the following:

- Develop the strategic development plan and ensure its implementation after the approval of the Supervisory Board;
- Identify development projects, site location, land bases negotiation, looking for potential partnerships, configure products and develop business plans;
- Construction follow-up
- Raise finances (Bank and across markets) ;
- Keep the accounts of Risma and its subsidiaries in addition to treasury management;
- Ensure the follow-up of the relationship with the investment manager through management control and optimization of operating costs;
- Carry-out the monitoring of the business plan and financial disclosure;
- Maintaining the social life of the Company by the calling for proceedings and monitoring of legal risks.

The Executive Board is also responsible for the information directed to shareholders and prescribed in sections 153 to 156 of Law 17-95, as amended and supplemented by Law No. 20-05 public.

The members of the Executive Board may, with the authorization of the Supervisory Board, distribute them management tasks between them. However, this distribution may, under any circumstances, have the effect of undermining the Board's character of collectively managing the Company.

Finally, no rule on constituting a quorum or vote on the Executive Board is provided for in the Articles of Risma.

According to Article 11 of the Statute, *"members of the Executive Board are appointed by the Supervisory Board appoints one of them as president.*

(...)

Members of the Executive Board or the Sole Managing Director may be dismissed by the General Assembly or by the Supervisory Board. If the dismissal is unfounded, it may give rise to compensation for damages. "

III.2. Composition the Executive Board of Risma

By virtue of the Articles of Association of the Company, the Management may consist of 2 to 5 members who serve a maximum of 6 years.

To date, it consists of two members as follows:

Chart 4 *Composition the Executive Board of Risma up to the date of publication of the present prospectus*

Members	Function	Date of appointment	Expiry of the current term
M. Amine Echcherki	Chairman of the Executive Board	03/05/2012	At the end of the General Assembly which votes on the accounts of the financial year ending December 31, 2014
Mme Sofia Benhamida	Membre du Directoire en charge de la finance	07/12/2012	

Source : Risma

M. Amine Echcherki, Chairman of the Executive Board

Mr. Echcherki holds a degree from Ecole Supérieure d'Informatique de Paris and an MBA from Henley University in the United Kingdom. He started his career in 1990 at the IBM headquarters in France where he successively held the positions of project engineer and manager in charge of business and then Director of Operations in Africa and Middle East.

Mr. Echcherki was appointed in 1999 CEO of IBM Morocco and held this position until 2007, making him the first Moroccan to lead IBM since its inception in Morocco and the youngest CEO of an IBM country branch at the age 34 years old.

Mr. Echcherki joined FinanceCom group in 2007, he successively held the following posts, CEO of Magshore (subsidiary specializing in offshoring), Chairman of Finatech Group (Company specializing in energy and digital

information technology and communication), Chairman of Budget at Locasom (100% subsidiary of BMCE Bank, in charge of long duration cars leasing), and CEO of Risma Group from May 2012.

Mrs. Sofia Lopez Benhamida, Board Member in charge of finance

Mrs. Benhamida holds a degree from the Ecole des Hautes Etudes Commerciales du Nord (EDHEC Lille), Grandes Ecoles program.

Mrs. Benhamida started her career in 2001 with the firm Mazars & Guerrard in Paris where she held the position of head of audit assignments.

In 2004, she joined the Accor Group in Paris, in the direction of consolidation. In 2008, she was transferred to the Accor Gestion Maroc headquarters, where she assumed the post of Financial Manager and Administrative Assistant.

Mrs. Benhamida was appointed Financial Director of Risma group in September 2010, and was appointed member of the Management Board in charge of finance in December 2012.

IV. Supervisory Board

IV.1. Statutory provisions relating to the Supervisory Board Risma

According to Article 11 of the Statute of Risma, *"The Supervisory Board is composed of at least three members and at most fifteen members. (...)*

Each member of the Supervisory Board must hold at least five shares of the Company during his term in office (...)

Members of the Supervisory Board are appointed at the ordinary General Assembly. Their term of office may not exceed six years. (...)

Members of the Supervisory Board may be reelected. They can be removed at any time by the Ordinary General Assembly".

According to Article 14 of the Statute of Risma, *"The Supervisory Board holds permanent control over the management of Risma by the Executive Board. It appoints and dismisses the members of the Board and the CEO.*

The sale of real property, the total or partial transfer of holdings shown in fixed assets, the establishment of security and the guarantees and warranties are subject to the approval of the Supervisory Board. This sets an amount for each transaction. However, the Management Board may be allowed to give unlimited amount of endorsements and guarantees for tax and customs administrations. (...)

At any given time of the year, the Supervisory Board performs the checks and controls it deems appropriate and may request any documents it deems useful for the accomplishment of its mission. Board members may review any information or data relating to the life of the Company. (...)

The Supervisory Board presents at the annual ordinary general assembly its comments on the report of the Executive Board as well as financial statements. (...)

Furthermore, the Supervisory Board is governed by specific provisions relating to the quorum and voting. Thus, there is a quorum with the presence of at least half of the Board members and the voting is done by the majority of present members.

Notwithstanding the abovementioned provisions, the following decisions are passed by a majority of two thirds of present or represented members of the Supervisory Board:

- *Any acquisition of a property in a non-strategic geographical location, or of an unusual size for a hotel of the proposed class, or does not match the exclusive positioning of a brand;*
- *Any participation, alone or with others, in a project that would not only be as a hotel project;*

- Any sale of a strategic asset, either by size or price, or by its contribution to the density of a network, either because its profitability is certain and offers a lasting certain value, or a property that is not sold with the obligation to comply with the terms of the management contract with the manager of that property;
- Any loans, guarantees, warranties, deposits and / or securities whose amount in a transaction exceeds a certain percentage of the value of the property being secured or being acquired (construction and / or renovation included) and including a direct debt on acquired asset, or which takes part, because of its signature, in the downgrade of debt / equity ratio of Risma, defined as debt capital and holds, more than a certain ratio;
- The nomination of the members of the Executive Board;
- The appointment of the Chairman of the Supervisory Board;
- Authorized signature of regulated agreements;
- Any issuance of securities by private placement or offering..

In addition, the following decisions shall be submitted by the Management Board to the Supervisory Board who will vote by simple majority:

- The transfer of any hotel/institution, following the third full year of operation, will be less than a certain percentage of IRR for three consecutive years. If the institution or the hotel was a reversal of an existing establishment, complete operation from which the average IRR is calculated, will be considered as the second year of operation. IRR is the gross operating income (before taxes) on the total cost of the investment project (whatever the funding);
- The commitment for all debts, granting all guarantees below a certain value, or whose debt is above a certain percentage of the total commitment. However, any waiver of debts or providing guarantees are not subject to this procedure in projects already approved by the Supervisory Board;
- Any investment, acquisition or disposal of hotel units or assets of less than or greater than a certain value on transfer of hotel units without obligation of the transferee to comply with the terms and obligations of the management contracts of said units;
- Any signature or termination of a lease;
- The main terms and conditions of any contractual commitment whose amount exceeds the aggregated amounts

All amounts, securities or percentages mentioned below shall be defined by the Supervisory Board by a majority of two thirds. "

IV.2. Composition of the Supervisory Board

To the date of the publication of the present prospectus, the Supervisory Board of Risma is composed of the following members:

Chart 5 *Composition of the Supervisory Board of Risma up to the date of publication of the present prospectus*

Member of the Supervisory Board	Current position	Date of appointment or reappointment	Expiry of the current term	Relationship with the Chairman
M. Gérard Pélisson	Honorary President	04/15/2009	AGM called to approve the financial statements on 31/12/2015	None
M. Sven Boinet	Chairman of the Board	10/03/2014	AGM called to approve the financial statements at 31/12/2015	Himself
M. Azeddine Guessous	Member and Vice-Chairman of the Board	03/05/2012	AGM called to approve the financial statements at 31/12/2015	None
Mme Marie-Claire Bizot Gregory	Member	17/06/2013	AGM called to approve the financial statements at	None

		31/12/2015		
M. Christian Karaoglanian	Member	04/12/2009	AGM called to approve the financial statements at 31/12/2015	None
M. Zouhair Bensaid	Member	10/06/2010	AGM called to approve the financial statements at 31/12/2015	None
M. Khalid Cheddadi représentant CIMR	Member	28/06/2011	AGM called to approve the financial statements at 31/12/2015	None
M. Hicham Belmrah représentant MAMDA- MCMA	Member	19/02/2013	AGM called to approve the financial statements at 31/12/2015	None
M. Aryn Alami	Member	04/12/2009	AGM called to approve the financial statements at 31/12/2015	None
M. Hamid Benbrahim El- Andaloussi	Member	04/12/2009	AGM called to approve the financial statements at 31/12/2015	None

Source : Risma

IV.3. Other duties of the Chairman of the Supervisory Board

Along with his duties as Chairman of the Supervisory Board Risma, Sven Boinet is the Deputy CEO of Accor S.A.

V. Other governing bodies

On February 28th, 2014, in addition to the hotels staff, Risma has a headquarter personal assigned to three departments:

Department	Person in charge	Date of joining the Company
Administrative and Financial Officer	Mrs. Sofia Benhamida	September 2010
Legal department	Mr. Karim Ibnousoufiane	June 2010
Construction department	Mr. Coubard	July 2010

Source: Risma

PART III BUSINESS ACTIVITY OF RISMA

I. Company Background

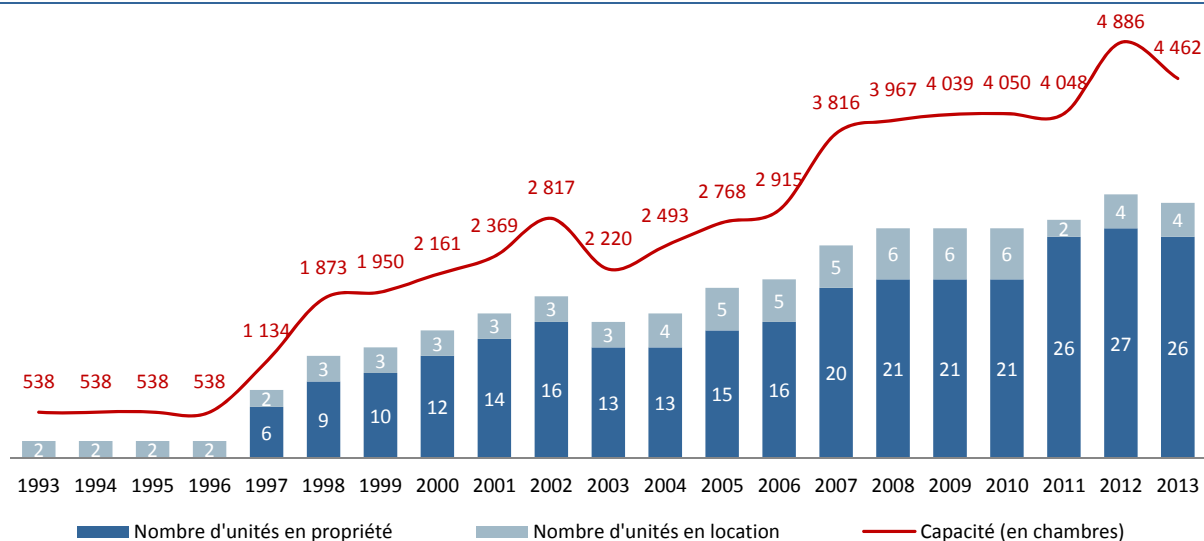
Risma was created in 1993 by Accor group to house management and rental contracts of two holiday villages under the name Coralia.

In 1999, Risma opens its capital to a Moroccan institutional group in the framework of a partnership with Accor group for the creation of a tourist reference operator in Morocco.

Risma then began its development through the acquisition, rental or construction of hotel units and reached by the end of 2013 a portfolio of 30 hotels with a total capacity of 4,462 rooms.

The following graph shows the evolution of Risma's number of hotel units and their capacity over the last decade:

Figure 1. Evolution of the number of units and their capacity in the portfolio of Risma



Source : Risma

With the aim to acquire the necessary resources for the refinancing of its development strategy, Risma regularly resorts to the financial market. The Company made an issuance of loan bonds in 2002, then an issuance of Bonds Redeemable in Shares in 2003. In 2006, Risma was listed in the stock market through a capital increase and thus became the first tourism company listed on the Casablanca Stock Exchange.

In 2010, Risma issued Bonds Redeemable in Shares amounting to 346.2 million MAD.

The main key dates in the history of Risma are as follows:

Chart 6 Key dates in the history of Risma

1993	<ul style="list-style-type: none"> Establishment of Risma by Accor, Limited Liability Company; Signature of management lease contracts of two holiday villages Coralia: Palmariva in Marrakech and La Kasbah in Agadir.
1996	<ul style="list-style-type: none"> Transformation of Risma to public limited company.
1997	<ul style="list-style-type: none"> Acquisition auprès de l'ONA et de l'ONCF de 66,66% de la chaîne Moussafir, constituée à cette date de six unités. La chaîne est développée par la suite sous l'enseigne Ibis Moussafir. Acquisition of 66.66% of Moussafir hotel chain from ONA and ONCF, consisting at that time of six units. The chain was later developed in the Ibis Moussafir.
1998	<ul style="list-style-type: none"> Management lease agreement of Palais Jamai signed, for a period of 20 years, renewable; Acquisition of 3 hotel units from Almohades chain through management lease for a period of 5 years. They are henceforth operated under the Mercure Almohads brand (Agadir, Tangier and Casablanca).

1999	<ul style="list-style-type: none"> ▪ Acquisition of Hotel Sheherazade Rabat, operated under the Mercure brand; ▪ Opening up of Risma's capital on institutional investors mainly Moroccan: RMA Cap Dynamique, CFG Développement, BMCE Bank, Mamda-Mcma, Asma Invest and Nexity ; ▪ Acquisition of 40% of the company Fastotel, holding company of the Diwan hotel in Rabat. The hotel is then operated under the Sofitel brand.
2000	<ul style="list-style-type: none"> ▪ Opening of Sofitel Essaouira Mogador.
2001	<ul style="list-style-type: none"> ▪ Opening of two Ibis Moussafir hotels in Meknes and Tangier.
2002	<ul style="list-style-type: none"> ▪ Purchase of the remaining 60% of the company Fastotel, owner of Sofitel Diwan; ▪ Opening of a Sofitel Marrakech; ▪ Opening of the Ibis Moussafir Fnideq; ▪ expansion of the financing round, with the opening up of the capital on CIMR; ▪ Issuance of bonds valued at 180 million MAD.
2003	<ul style="list-style-type: none"> ▪ 33% Participation in the creation of Saemog, company in charge of the development of the Azur Mogador station; ▪ Issuance of Bonds Redeemable in Shares amounting to 201.5 million MAD, listed on the Casablanca Stock Exchange; ▪ Removal of 3 Mercure Almohades hotels from the scope of consolidation of Risma (Agadir, Casablanca et Tangier) by end 2003.
2004	<ul style="list-style-type: none"> ▪ Resumed rental of a hotel in Agadir, under the Sofitel brand.
2005	<ul style="list-style-type: none"> ▪ Opening of two Ibis Moussafir hotels in El Jadida and Ouarzazate; ▪ Resumed rental of a hotel in Ouarzazate under the Mercure brand.
2006	<ul style="list-style-type: none"> ▪ Opening of the Ibis Marrakech Palmeraie; ▪ Stock market launch of Risma through a capital increase for a total of 250 million MAD.
2007	<ul style="list-style-type: none"> ▪ Acquisition by Risma of Emirotel company, holding company of the Hilton Rabat, to operate the hotel under the Sofitel brand starting from 2009; ▪ Opening of the first Novotel in Africa in Casablanca; ▪ Opening of two Ibis hotels in Casablanca: Ibis Sidi Maarouf and Ibis Casa City Center; ▪ Stake increase in Saemog by 40%.
2008	<ul style="list-style-type: none"> ▪ Opening of the Ibis Essaouira; ▪ Stake increase of Saemog by 48% ; ▪ Starting the renovation of the Coralia la Kasbah Agadir (work spread over a period of two years).
2009	<ul style="list-style-type: none"> ▪ Opening of the first Novotel Suite in Morocco, in Marrakech; ▪ Reclassification of Sofitel Diwan under the name MGallery in the framework of repositioning Sofitel brand in the market; ▪ Closing the Coralia Palmariva Marrakech, rented by Risma, for renovation work carried out by the owner (Somed group); ▪ Closure of the former Hilton Rabat for renovation work from January to November to be operational under the name Sofitel Rabat Jardin des Roses; ▪ Sale of 8% of Saemog securities. The contribution of Risma in Saemog falls to 40%; ▪ Creation of SMHE (Société Marocaine d'Hôtellerie Economique) for the development of Ibis Budget chain (formerly Etap) in partnership with Akwa group.
2010	<ul style="list-style-type: none"> ▪ Capital increase of SMHE by 24 million MAD; ▪ Completion of renovation works of the Sofitel Luxury Mogador Golf & Spa ; ▪ Completion of construction works in Ibis Tanger Centre to be open in January 2011 ; ▪ Augmentation of the number of hotel rooms: Ibis Oujda (+6 rooms), Ibis Rabat (+4 rooms) and Ibis Casablanca (+1 ch) following their renovation.
2011	<ul style="list-style-type: none"> ▪ Opening of Ibis Tanger Center in January (196 rooms) ;

	<ul style="list-style-type: none"> Opening of the Sofitel Luxury Mogador Golf & Spa ; Opening of the first Ibis Budget in Morocco (Tangier) with a capacity of 112 rooms.
2012	<ul style="list-style-type: none"> Strengthening the hotel portfolio of the Company with the opening of five hotels in the following cities: Marrakech (Marrakech Pullman), Agadir (Agadir and Ibis Budget Sofitel Agadir Thalassa Sea & Spa), El Jadida (Ibis Budget El Jadida) and Casablanca (Sofitel Casablanca Tour Blanche), a total capacity of 838 rooms.
2013	<ul style="list-style-type: none"> Streamlining of Risma's hotel portfolio with the deconsolidation of 3 structurally deficient units namely Ibis Essaouira, Agadir Coralia Club and Mercure Ouarzazate, with a total capacity of 424 rooms.
2014	<ul style="list-style-type: none"> Opening of Ibis Casaneashore (128 rooms) in Casablanca in May 2014; Creation of an accordion operation (capital reduction by absorption of past losses followed by a capital increase by incorporation of a portion of the premium).

Source: Risma

II. The Belonging of the issuer to a group

II.1. Presentation and background of Accor group

II.1.1. General presentation of the Accor group

Established in 1967, Accor is the world's leading hotel operator and market leader in Europe. The French group is present in five continents, in 92 countries with 3,576 hotels, 461,719 rooms and a turnover of 5,536 million Euros on 31 December 2013.

With more than 170,000 employees worldwide, the Group offers an extensive offer ranging from luxury to economy, through a portfolio of brands that includes Sofitel, Pullman, MGallery, Grand Mercure, Novotel, Suite Novotel, Mercure, Adagio, Ibis, Ibis Styles, Ibis budget and Hotel F1.

II.1.2. Background of the Accor group

The following chart sheds the light on key dates in the history of the Accor group:

Chart 7 Key dates in the history of the Accor group

1967	<ul style="list-style-type: none"> Creating of SIEH (Société d'investissement et d'exploitation hôtelière) by Mr Gérard Pélisson and Paul Drubule; Opening of the first Novotel hotel in Lille Lesquin.
1974	<ul style="list-style-type: none"> Opening of the first Ibis in Bordeaux ; Takeover of Courtepaille.
1975	<ul style="list-style-type: none"> acquisition of Mercure chaine.
1976	<ul style="list-style-type: none"> Starting hotel activities in Brazil ; Exporting the Ticket Restaurant ® to several countries: Brazil, Italy, Germany, Belgium, and Spain.
1980	<ul style="list-style-type: none"> Acquisition of the Sofitel chain (43 hotels and two thalassotherapy centers).
1981	<ul style="list-style-type: none"> Stock market launch of SIEH ; Implementation of the business Services in Mexico.
1982	<ul style="list-style-type: none"> Takeover of Jacques Borel International, European leader of collective catering (Générale de Restauration) and concession restaurants (Café Route, L'Arche), and world leader in the launching of Ticket Restaurant ®.
1983	<ul style="list-style-type: none"> The Novotel SIEH-Jacques Borel International becomes Accor group.
1985	<ul style="list-style-type: none"> Launching of the Formule 1 chain of low cost hotels.

	<ul style="list-style-type: none"> ▪ Creation of Accor Academy, the first business university service activities in France; ▪ Acquisition of Lenotre (catering, gourmet restaurant and cooking school).
1988	<ul style="list-style-type: none"> ▪ Launching of 100 hotels and 250 restaurants during the year; ▪ Entering Argentinian market.
1989	<ul style="list-style-type: none"> ▪ First implantation of Formule 1 abroad with two hotels in Belgium ▪ Association with the Lucien Barrière SAS Groupe for joint development of casino hotels.
1990	<ul style="list-style-type: none"> ▪ Acquisition of Motel 6 chain in the United States (comprising 550 hotels) Accor becomes world number 1 managed or owned hotels (excluding franchises); ▪ Starting of Ticket Restaurant[®] business in Venezuela.
1991	<ul style="list-style-type: none"> ▪ Acquisition of Compagnie Internationale des Wagons-Lits et du Tourism operating in hotels (Pullman, PLM, Altea, Arcade), car rental (Europcar), railways (Wagon-Lits), travel agencies (Wagonlit travel), mass catering (Eurest) and highway restaurants (Relais Autoroute); ▪ Launching of Etap Hotel chain.
1993	<ul style="list-style-type: none"> ▪ Establishment of the Accor group in Morocco through the creation of Risma; ▪ Creation of Accor Asia Pacific Corp. following the merger of Accor activities in the region with Quality Pacific Corp.; ▪ Acquisition of stakes in Pannonia chain (24 hotels), in the framework of privatizations in Hungary ; ▪ Integrating several countries: Czech Republic, Austria and Luxembourg.
1994	<ul style="list-style-type: none"> ▪ Partnership between Carlson and Wagonlit Travel in the sector of business travel; ▪ Ticket Restaurant[®] expands into Slovakia, Hungary and Uruguay.
1995	<ul style="list-style-type: none"> ▪ Sale of Eurest to Compass; ▪ Sale of 80% of its shares in concession catering.
1996	<ul style="list-style-type: none"> ▪ Consolidation of Ibis, Etap Hotel and Formule 1 under the auspices of la société Sphere International ; ▪ Accor becomes number 1 in Asia with 144 hotels in 16 countries and 56 projects under construction..
1997	<ul style="list-style-type: none"> ▪ Successful merger between Accor business travel and Carlson Companies; ▪ Tender Offer on the entire capital of Accor Asia Pacific Corp.; ▪ Acquisition of the majority shares in SPIC, renamed Accor Casinos.
1998	<ul style="list-style-type: none"> ▪ Creation of multiple partnerships with corporates: Air France, American Express, Credit Lyonnais, SNCF, Danone, France Telecom, etc..
1999	<ul style="list-style-type: none"> ▪ Acquisition of Red Roof in the United States; ▪ Sale of 50% in Europcar International.
2000	<ul style="list-style-type: none"> ▪ Creation of accorhotels.com website ; ▪ Minority equity participation in Go Voyages (38,5% of the capital) ; ▪ Sale of 80% of shares in COURTEPAILLE.
2001	<ul style="list-style-type: none"> ▪ Breakthrough in the Hotel sector in China through the partnership between Zénith Hotel International et Beijing Tourism Group ; ▪ Launching of Suitehotel in the European market.
2002	<ul style="list-style-type: none"> ▪ Acquisition of 30% of the shares of German hotel group Dorint AG (15,257 rooms); ▪ Accor Casinos group is jointly owned by Accor and Colony Capital (Accor holds the management); ▪ Accor raised its shares in Go Voyages to 60%.
2003	<ul style="list-style-type: none"> ▪ Buy out of minority stake holders thus raising Accor share to 35.38%. ▪ Acquisition of an additional 10% stake in Go Voyages raising its participation to 70%; ▪ Cobranding Hotels with the Sofitel, Novotel and Mercure brands.
2004	<ul style="list-style-type: none"> ▪ Creation of the Group Lucien Gates gathering casino and hotel operators of the Hotel Company of the barrier chain, Société des Hôtels et Casino de Deauville , Accor Casinos and its subsidiaries (

	<ul style="list-style-type: none"> new entity owned in 34% by Accor); ▪ Accor brings its participation in Go Voyages to 100%; ▪ Accor acquires a 28.9% stake in Club Méditerranée.
2005	<ul style="list-style-type: none"> ▪ Colony Capital invests € 1 billion in the capital of Accor through an issuance of bonds redeemable in shares and convertible bonds, € 500 million each.
2006	<ul style="list-style-type: none"> ▪ Sale of non-strategic assets: 1.42% in Compass Group PLC and 50% in Carlson Wagonlit Travel; ▪ Accor sells the majority of its stakes in Club Méditerranée and retains 6% stake in its capital; ▪ The Wagons-Lits company wins the tender launched by SNCF for catering on board of TGV East Europeans; ▪ Sofitel Accor sells a joint venture in the United States comprised of GEM Realty, Whitehall Street Global Real Estate Limited Partnership 2005. Accor retains a minority 25% stake in the new company and ensures the management of these facilities under the Sofitel brand through a management contract of 25 years.
2007	<ul style="list-style-type: none"> ▪ Sale of two other Sofitel hotels in United States to the abovementioned companies following the same pattern; ▪ Sale of 30 hotels managed by Accor in the United Kingdom in the framework on a leasing contract ; ▪ Sale of 72 hotels managed by Accor in the Germany in the framework on a leasing contract ; ▪ Accor Services acquires Kadeos, Prepay Technologies and Surf Gold; Sale of Red Roof Inn in Citi's Global Special Situations Group and Westbridge Hospitality Fund II, LP; Sale of the mass catering sector in Italy to Barclays Private Equity; ▪ Accor maintains its expansion with the opening of 28,400 new rooms during the year.
2008	<ul style="list-style-type: none"> ▪ As part of its strategy of focusing on its core businesses, services and hotels, Accor announces the sale its remaining 50% share in mass catering business in Brazil to Compass Group; ▪ Continuing the implementation of its strategy of adapting methods of holding its hotel assets, Accor realizes a transaction of Sale & Management Back on the Sofitel The Grand in Amsterdam for an enterprise value of € 92 million; ▪ As part of its hotel development strategy in Central Europe, Accor acquires 4.53% of the capital of Orbis and raises its stake to 50% in the Polish group; ▪ Accor launches AClub, a free global loyalty program in more than 2,000 hotels in 90 countries; ▪ Accor continues to expand with the opening of 28,000 new rooms.
2009	<ul style="list-style-type: none"> ▪ Accor raises its stake in Lucien Barriere 4 Group to 49%; ▪ As part of its continuing asset right policy, Accor announces a major real estate transaction in low cost hotel sector in France, with the sale of 158 F1 hotels, representing 12,300 rooms 1; ▪ Accor opens new 27 300 room.
2010	<ul style="list-style-type: none"> ▪ The group's intention to separate between the two sectors of operation, Hotel business and prepaid services, for which the project was launched in 2009, was approved by the General Assembly on June 29, 2010 and made effective on July 2 following the integration of services Edenred company in the stock market; ▪ Sale of restoration activities on trains of Wagons-Lits company; ▪ Sale of five hotels in Europe to Invesco Real Estate in February and another of 49 hotels in Europe to Predica and Foncière des Murs in August; ▪ Operation of Sale & Franchise Back 18 hotels in Sweden on December; ▪ Le parc hôtelier d'Accor compte à la fin de l'année plus de 500 000 chambres avec l'ouverture de 25 000 nouvelles chambres en 2010. ▪ The hotel portfolio of Accor counts at the end of the year more than 500 000 rooms with the opening of 25,000 new rooms in 2010.
2011	<ul style="list-style-type: none"> ▪ Sale of 49% stake of the Lucien Barriere group and the closing of the sale with Lenotre to Sodexo;

	<ul style="list-style-type: none"> ▪ Sale in Sale & Franchise back deal of its 52.6% stake in Hotel Formula 1 (South Africa), 7 Suite hotels Novotel in sale and variable leaseback (France) and Novotel New York Times Square, Pullman Paris Bercy Sofitel Arc de Triomphe in Sale & Management back; ▪ Strengthening the Group's presence in Australia and New Zealand with the acquisition of Mirvac which consists of 48 hotels (6,100 rooms) and a 21.9% interest in Mirvac Wholesale Hotel Fund (MWHF); ▪ Signing a franchise contract of 24 hotels (2,664 rooms) with Jupiter Hotels Ltd. This contract covers 68 Mercure hotels in the UK; ▪ The group creates 38,700 new rooms in 2011: a record for Accor.
2012	<ul style="list-style-type: none"> ▪ In the framework of restructuring its portfolio in North America, Accor sells its hotel chain Motel 6 6/Studio; Sale of Pullman Paris Rive Gauche hotels and refinancing of hotels in Sale & Management Back such as the Pullman Paris Tour Eiffel, Novotel Times Square in New York and the Sofitel Paris La Défense; ▪ Opening of 38,000 new rooms in all segments, mostly through management and franchise contracts, spread over 70% of emerging markets; ▪ Acquisition Posadas hotel chain in Brazil ; ▪ Several openings in Sofitel Mumbai, Bangkok or Agadir, and the start of an extensive renovation program in the Pullman chain.
2013	<ul style="list-style-type: none"> ▪ In 2013, Accor has conducted several major operations. Some of them have focused on the progress of projects undertaken previously, such as the renovation of several Pullman hotels, upmarket and visibility of the MGallery brand and the end of the deployment of mega-brand ibis. At the same time, ACCOR continued on its development police with some iconic among other openings in the Middle East, including a first Pullman hotel in Dubai, and ibis / Novotel complex in Abu Dhabi. Finally, the Group continued its policy of optimizing its real estate, including two major operations: the sale of Sofitel Paris Le Faubourg in Sale and Management back carried earlier this year, and the sale of its shares in TAHL group, owner of hotels in Australia; ▪ Merger of Siet by the Accor Group.

Source : Accor

II.1.3. Accor group shareholding

As of 31/12/2013, the shareholding of the Accor group is as follows:

Chart 8 Shareholding of the Accor group on 31/12/2013

Shareholders	Number of Shares	Number of voting rights	Percentage of the capital	percentage of voting rights
ColDay/Legendre Holding 19 ¹	48 673 442	85 313 908	21,34%	31,18%
Founders	5 923 809	9 312 958	2,60%	3,40%
Other members of the Board of Directors	14 031	18 631	0,01%	0,01%
floating	173 441 820	178 995 907	76,05%	65,41%
Total Shareholding	228 053 102	18 631	100,0%	100,0%

Source : Accor

As of December 31st, 2013, the capital consisted of 228 053 102 shares, representing a total number of voting rights of 273 641 404, all of which are exercisable. The number of double voting rights is 45,588,302.

¹ Acting in concert as of December 31, 2013 between ColDay (Colony Capital, LLC), which holds 17,706,869 shares and 31,286,044 voting rights and Legendre Holding 19 (controlled by Eurazeo), which holds 23,061,291 shares and 46,122,582 vote rights.

II.2. Activities of the Accor group

Being the world's leading hotel operator, Accor offers to its clients and partners its dual operator-franchisor (HotelServices) and owner-investor (Hotelinvest) expertise with the aim of achieving sustainable growth and development.

With 3 576 hotels and 461 719 rooms at the end of 2013, Accor welcomes business and leisure travelers in 92 countries on all types: luxury and upscale hotels with Sofitel, Pullman, MGallery, Grand Mercure; midscale with Novotel, Suite Novotel, Mercure, Adagio; and economy with ibis, ibis Styles and ibis budget and hotel F1.

Moreover, the Group possesses a powerful digital system including a website for reservations (accorhotels.com), with its brand websites and its loyalty program called Club Accorhotels.





With the first hotel school in the world, Accor is committed to the development of its 170 000 employees, since they are the ambassadors of the everyday culture of service and innovation that drives the Group for over 45 years.

II.2.1. The hotel portfolio of the Group as of 31 December 2013

Accor has a strong portfolio of complementary brands, well-positioned in their respective target markets.

The following chart presents the major luxury and upscale brands of the Accor group:





Chart 9 Main luxury and upscale brands

Brands	Description
	<ul style="list-style-type: none"> The Sofitel brand is present in the world's dream destinations and capitals where it offers hotels and Resorts (i) ultra-contemporary through Sofitel So and (ii) renovated centuries-old hotels through Sofitel Legend. Network as of 31/12/2013: 120 hotels, 28 216 rooms in 41 countries
	<ul style="list-style-type: none"> Located in the heart of the most sought-after city and tourist destinations, its hotels and resorts cater to an international clientele from around the world, traveling for business or pleasure. Network as of 31/12/2013: 81 hotels, 23 264 rooms in 24 countries.
	<ul style="list-style-type: none"> MGallery is a Collection of high-end hotels located around the world, each of which expresses a unique personality and narrative that guests experience through the architecture, interior design and amenities. Network as of 31/12/2013: 68 hotels, 6 917 rooms in 22 countries.
	<ul style="list-style-type: none"> Grand Mercure is the regional upscale brand of Accor, it is present all-over Pacific-Asia in the main economic and touristic cities of the region. The brand's concept allows for tourists to experience the local culture. Network as of 31/12/2013: 15 hotels and 4 488 rooms in 2 countries.

Source : Accor

The following chart presents the major midscale brands of the Accor group:






Chart 10 *Main midscale brands*

Brands	Description
	<ul style="list-style-type: none"> Novotel, our international midscale brand, features hotels located in the heart of major international cities, as well as in business districts and tourist destinations. Network as of 31/12/2013: 402 hotels, 76 383 rooms in 60 countries..
	<ul style="list-style-type: none"> Suite Novotel offers hotels located mainly in city centers targeting medium-stay guests by offering 30 sq.m modular suites. Network as of 31/12/2013: 30 hotels, 3,736 rooms in 9 countries.
	<ul style="list-style-type: none"> In city centers, by the sea or in the mountains, the Mercure network welcomes business and leisure travelers around the world.. Network as of 31/12/2013: 743 hotels, 91 083 rooms in 51 countries..
	<ul style="list-style-type: none"> Adagio Aparthotels offer modern apartments with a kitchen and hotel services in urban locations for extended stays, based on tiered pricing from the fourth night onwards. Network as of 31/12/2013: 90 aparthotels, 9 848 apartments in 8 countries.

Source : Accor

The following chart presents the major economy brands of the Accor group:

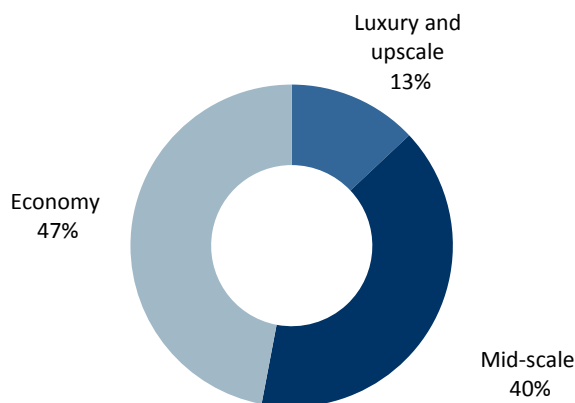
Chart 11 *Main economy brands*

Marques	Descriptifs
	<ul style="list-style-type: none"> Ibis, the European leader in economy lodging, offers guests the finest accommodations and highest quality services in its category at the market's lowest price: modern, connected, soundproofed rooms, comfortable bed, breakfast from 4:00 am to noon, and a wide range of restaurant concepts. Network as of 31/12/2013: 999 hotels, 124 022 rooms in 59 countries.
	<ul style="list-style-type: none"> An economy non-standardized brand essentially developed into a franchise, Ibis Styles addresses business and leisure clientele with its different offers. Network as of 31/12/2013: 233 hotels, 21 156 rooms in 21 countries.
	<ul style="list-style-type: none"> Ibis budget (formerly Etap Hotel) is a world benchmark in hotel industry. It is a casual brand that expresses the values of simplicity and modernity. Network as of 31/12/2013: 506 hotels, 46 547 rooms in 16 countries.
	<ul style="list-style-type: none"> Aparthotels Adagio Access offers good price aparthotels close to city centers. Network as of 31/12/2013: 51 aparthotels, 5 145 apartments.
	<ul style="list-style-type: none"> Hotel F1 offers Duo and Trio rooms featuring a contemporary design as well as practical reception areas. Network as of 31/12/2013: 238 hotels in France, 17 906 rooms.

Source : Accor

As of the end of 2013, Accor’s hotel portfolio is characterized by the following:

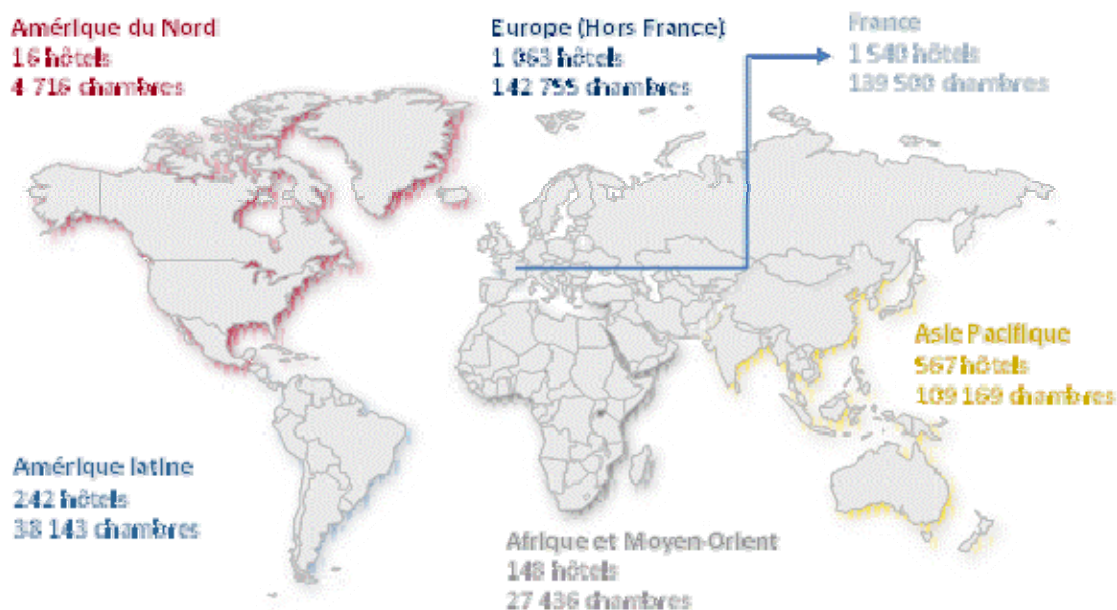
Figure 2. Hotel portfolio by segment as of 31/12/2013



Source: Accor – Percentage by number of rooms

Accor is the largest hotel group in Europe, with a network of 2 603 hotels and 282 255 rooms as of December 31, 2013 accounting for 61% of its owned rooms, its expertise is deployed in all regions of the world through 567 hotels (24% of owned rooms) in the Asia-Pacific region, 242 hotels in Latin America, 148 hotels in Africa and the Middle East and 16 hotels (1% of owned rooms) in North America.

Figure 3. International presence of the group as of 31/12/2013 (in percentage of owned rooms)



Source : Accor

The strategy of Accor group consists of choosing the operation method for its hotels in terms of:

- Their positioning (luxury and upscale, midscale or economy);
- The size and type of the country (developed or emerging);
- Their location (large, mid-size or small city);
- Their return on capital employed;
- Their earnings volatility;

- Their EBIT margin.

In mature markets, the Group, henceforth, prefers asset-light ownership structures based on:

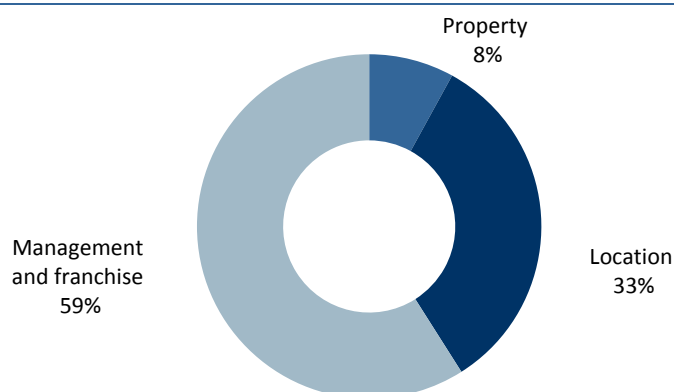
- Management contracts in the luxury segment;
- Management contracts or franchise agreements in the upscale segment;
- Management contracts and/or franchise agreements in the midscale;
- Franchise agreements in the economy segment in Europe.

In the emerging markets, the Group focuses on:

- f Management contracts in the luxury and upscale segments;
- f Joint ventures with local partners in some countries and management contracts in the midscale segment;
- f All types of ownership in the economy segments referring to brand/location in key cities.

As of the end of 2013, 59% of the owned rooms were operated under arrangements that limited earnings volatility (management and franchise contracts).

Figure 4. Distribution of Accor hotel portfolio by ownership structure at the end of 2013



Source : Accor – Percentage in number of rooms

II.3. Key financial aggregates of the Accor group (2011-2013)

Key consolidated aggregates of Accor over the period 2011-2013:

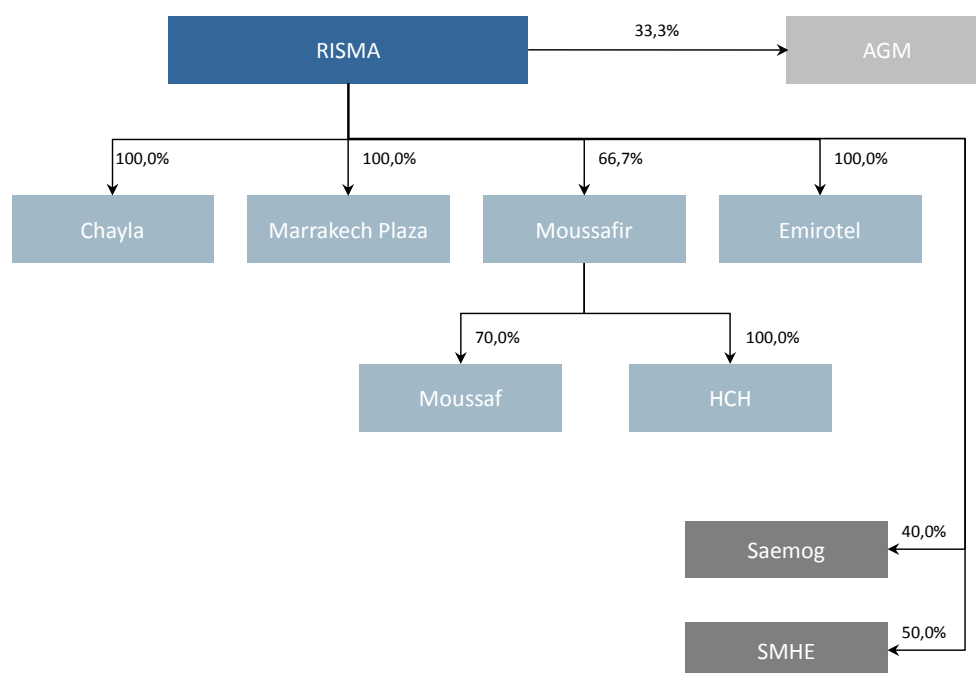
Chart 12 Main financial consolidated aggregates (2011-2013)

In million of Euros	Published in 2011	Published in 2012	Published in 2013
Consolidated revenue	5 568	5 649	5 536
EBITDAR	1 759	1 788	1 759
Net profit	27	-599	126
Group share of equity	3 537	2 759	2 539
Dividend per share (in € per share)	1,15	0,76	0,80
Gearing ^(*)	6,0%	14,1%	8,4%

Source : Accor – (*) Net debt / consolidated equity

III. Subsidiaries of the issuer

Figure 5. Organizational Chart of Risma At 30/06/2014



Source : Risma

Risma Group includes the following public companies:

- **Risma SA** : with a capital of 795.9 million MAD by end of 2013, Risma SA is owned in 32.9% by the Accor group and in 53.2% by Moroccan institutional investors (RMA Cap Dynamique, T Capital, BMCE Bank, Mamda-MCMA, CIMR, BMCE Bank, CFG Group). Risma SA owns the Novotel CCC, Sofitel Casa Tour Blanch, Sofitel Agadir Thalassa and operates under lease the Sofitel Agadir, Royal Bay, Sofitel Fès, Suite Novotel Marrakech, MGallery Diwan (under sale and leaseback contract) and Mercure Sheherazade (under sale and leaseback contract)
- **Moussafir Hotels SA**: with a capital of 193 million MAD by the end of 31/12/2013, Moussafir Hotels SA is owned since its acquisition in April 1999 in 66.7% by Risma in 33.3% by Attijariwafa Bank. At the end of 2013, Moussafir owns 13 units²: Ibis Moussafir Agadir, Casablanca (three units), Fes, Marrakech, Oujda, Rabat, Meknes, Fnideq, El Jadida, Ouarzazate and Tangier. In May 2014, Moussafir puts into service a fourth Ibis Casablanca property held Ibis Casanearshore (128 rooms);
- **Moussaf SA**: with a capital of 49 million MAD by the end of 2013, Moussaf SA is held since its inception in September 2000 in 70.00% by Moussafir SA and in 30.00% by AKWA group. Moussaf holds the ownership of the Ibis Moussafir Tangier and the Ibis Moussafir Marrakech Palmeraie;
- **HCH SA**: with a capital of 300 000 MAD by the end of 2013, the company Horizons Compétences Hôtelières was created in August 2006 to accommodate a training academy for hotel careers in Agadir intended for the staff of Accor group;

²Excluding the sale of Ibis Essaouira hotel in January 2013.

- **Chayla SA:** with a capital of 43 million MAD at the end of 2013, Chayla SA was held in 90.00% by Risma at its creation in May 1999. In 2001, Risma increased its stake in the said company to 100.00% level. Chayla owns the MGallery Essaouira;
- **Marrakech Plaza SA:** with a capital of 83.1 million MAD at the end of 2013, Marrakech Plaza SA is owned by Risma in 100.00% since its creation in August 2001. Marrakech Plaza owns Sofitel Marrakech and the Pullman Marrakech (in leasing contract);
- **Emirotel SA:** with a capital of 279.3 million MAD at the end of 2013, Emirotel is owned by Risma in 100.00% since its acquisition in 2007. Emirotel owns the Sofitel Rabat Jardin des Roses (formerly known as Hilton).

Risma also holds the following minority stakes (equity-accounted shareholdings in the consolidated financial statements of Risma Group):

- **Accor Gestion Maroc (AGM):** company with a capital of 1 million MAD at 31/12/2013, 33% of which is owned by Risma and 66% by Accor. AGM is responsible for the management of operated hotels under different Accor in Morocco;
- **Saemog SA:** with a capital of 420.0 million MAD at 31/12/2013, Saemog is owned in 40% by Risma and in 60% by T Capital. Saemog was established in 2003 and is responsible for the planning and development of the Azur Mogador resort in Essaouira. Saemog owns the Golf de Mogador Hotel and the Residence du Golf de Mogador;
- **SMHE SA:** with a capital of 60 million MAD at 31/12/2013, the Société Marocaine d'Hôtellerie Economique (Moroccan Economy Hotels Corporation) was established in July 2009 for the development of the Ibis Budget chain. This company is owned in 50% by Risma alongside with Akwa and owns at the end of 2013 owned hotels Ibis Budget Tanger, El Jadida et Agadir hotels.

Chart 13 *Key financial aggregates of subsidiaries and affiliates of Risma at 31/12/2013*

Companies	Registered office	Capital 2013 (million MAD)	Turnover 2013 (million MAD)	Net profit 2013 (million MAD)	Equity capital 2013 (million MAD)	Dividends received by Risma in 2013 (million MAD)
Risma	97, boulevard Massira Al Khadra – 5e étage - Casablanca	795.9	620.8	-60.3	859.7	N.A.
Moussafir Hotels SA	La Colline II, N°33, route de Nouasser – Sidi Maarouf - Casablanca	193.0	284.4	49.9	306.1	47.4
Moussaf Sa	La Colline II, N°33, route de Nouasser – Sidi Maarouf - Casablanca	49.0	30.9	-1.2	48.6	-
HCH SA	La Colline II, N°33, route de Nouasser – Sidi Maarouf - Casablanca	0.3	2.4	0.1	0.6	-
Chayla SA	La Colline II, N°33, route de Nouasser – Sidi Maarouf - Casablanca	43.3	40.8	-8.3	17.5	-
Marrakech Plaza SA	Angle rue el yarmouk et rue haroun errachid, Marrakech	83.1	360.6	36.1	127.6	36.1
Emirotel SA	BP 450, Souissi Aviation, Rabat	279.3	209.2	107.1	247.2	-
AGM SA	La Colline II, N°33, route de Nouasser – Sidi Maarouf - Casablanca	1.0	192.8	25.1	26.2	25.1
Saemog SA	97, boulevard massira al khadra, Casablanca	420.0	19.1	-49.9	118.7	-
SMHE SA	Lotissement attaoufik immeuble le zénith 1, 4ème étage sidi maarouf,	60.0	18.8	-7.4	43.6	-

Casablanca

Source: Risma – Social accounts of Risma SA and its subsidiaries

IV. Activity

IV.1. Overview of the Risma portfolio

With a portfolio of 30 hotels with a total capacity of 4462 rooms spread across 12 cities in Morocco at the end of 2013, Risma is present on all the market segments, from luxury to economy hotels.

Risma position itself as the first Moroccan hotel group with 1 522 749 overnight stays at the end of 2013, i.e. an 8% share in a market characterized by a high fragmentation of supply.

The following chart highlights Risma's portfolio at December, 31 2013:

Chart 14 *General overview of Risma's portfolio at 31/12/2013*

Current portfolio	Stars	Segment	Year of entry into the scope	Operating mode	Number of rooms at the end 2013
Ibis Moussafir Agadir	3*	Economy	2004	Property	104
Ibis Moussafir Casa Gare	3*	Economy	1997	Propriety	106
Ibis Moussafir CCC	3*	Economy	2007	Property	266
Ibis Moussafir El Jadida	3*	Economy	2005	Property	103
Ibis Moussafir Fès	3*	Economy	1997	Property	123
Ibis Moussafir Fnideq	3*	Economy	2002	Property	102
Ibis Moussafir Marrakech Gare	3*	Economy	1997	Property	109
Ibis Moussafir Meknès	3*	Economy	2001	Property	104
Ibis Moussafir Ouarzazate	3*	Economy	2005	Property	104
Ibis Moussafir Oujda	3*	Economy	1997	Property	80
Ibis Moussafir rabat	3*	Economy	1997	Property	99
Ibis Moussafir Casa sidi maarouf	3*	Economy	2007	Property	85
Ibis Moussafir Tanger CC	3*	Economy	2011	Property	196
Ibis Moussafir Tanger FZ	3*	Economy	2001	Property	104
Ibis Moussafir Palmeraie	3*	Economy	2006	Property	147
Ibis Budget Tanger	2*	Low cost	2011	Property	121
Ibis Budget EL Jadida	2*	Low cost	2012	Property	121
Ibis Budget Agadir	2*	Low cost	2012	Property	121
Mgallery Diwan	4*	Upscale	2000	Sale & leaseback	94
Mgallery Essaouira	5*	Upscale	2000	Property	117
Mercure Shéhérazade	4*	Upscale	1999	Sale & leaseback	77
Pullman Marrakech Palmariva	5*	Upscale	2000	Management lease ^(*)	252
Suite N. Marrakech	4*	Midscale	2009	Management lease ^(*)	112
Novotel CCC	4*	Midscale	2007	Property	281
Sofitel Rabat Palais des Roses	5*	Luxury	2007	Property	229
Sofitel Marrakech	5*	Luxury	2001	Property	346
Sofitel Fès Palais Jamai	5*	Luxury	1998	Management lease ^(*)	142
Sofitel Agadir Royal Bay Resort	5*	Luxury	2004	Management lease ^(*)	273
Sofitel Casablanca Tour Blanche	5*	Luxury	2012	Property	171
Sofitel Agadir Thalassa	5*	Luxury	2012	Property	173
Total					4 462

Source : Risma – (*) : Variable leases

Given the mode of operation of hotels, 4 462 rooms operated by Risma on 31 December 2013 are divided as follows: (i) 78.7% of the rooms are operated in property and (ii) 21.3% in lease.

IV.2. Introduction of the products and brands of Risma

IV.2.1. Luxury segment

IV.2.1.1 Introduction of the Sofitel Luxury brand

Description

Sofitel is the luxury brand of the Accor group. Each of hotel of this brand combines cultural and historical specificity of its places of implantation with its services.

Following the restructuring of the Accor brand portfolio, the Sofitel brand was moved from the upscale segment to the luxury segment worldwide. The brand becomes Sofitel Luxury for units complying with the new brand standards, while other units were repositioned under the name MGallery.

Because of its high market positioning based on average revenue per room, Sofitel represents 57.1% of the hotel overall GOP of Risma Group at 31 December 2013.

Nevertheless, this brand remains more sensitive to economic conditions than the lower hotel segments.

Portfolio

The Sofitel chain has six units in Morocco located in Marrakech, Fez, Agadir (2 hotels), Casablanca and Rabat with a total capacity of 1 334 rooms at the end of 2013, representing 29.9% of total capacity of Risma and contributing with 32.4% of overnight stays, 60.2% of turnover and 57.1% of the GOP in 2013.

Throughout, the said portfolio, Risma has successfully positioned the Sofitel brand in the major cities of Morocco in strategic locations with:

- Sofitel Rabat Jardin des Roses in the center of the capital, near the Royal Palace and the embassy district;
- Sofitel Marrakech located in l'hivernage neighborhood only few meters from the Medina;
- Sofitel Agadir Royal Bay Resort and Sofitel Thalassa Agadir and with a strategic coastline position;
- Sofitel Fès Palais Jamai Fes overlooking the medina of Fez;
- Sofitel Casablanca Tour Blanche located in the city center of Casablanca, close to the business district and to the seaport.

Sofitel Rabat Jardin des Roses

Sofitel Rabat became in the ownership of Risma following the acquisition, in 2007, of the company Emirotel, holding company of the former Hilton Rabat, for a total of 736 million MAD. Originally under a management contract with Hilton until 31 December 2008, the hotel was closed for ten months (January-October 2009) for complete renovation of guest rooms, lobby and restaurant areas. The renovation budget amounted to 316 million MAD.

Sofitel Rabat Jardin des Roses includes, nowadays, 229 luxury rooms.

Sofitel Marrakech

Open since June 2002, Sofitel Marrakech was acquired by Risma following the acquisition of 100% of the shares Marrakech Plaza company. This unit was originally equipped with 260 rooms to which 86 other rooms were later added in 2004. The total investment amounted to 450 MMAD.

As part of the repositioning to allow the Sofitel Marrakech hotel to meet the new international requirements of the brand, the hotel was split in 2008 into two units: (i) the Sofitel Marrakech Palais Imperial with a capacity of

189 rooms and (ii) the Sofitel Marrakech Lounge and Spa with a capacity of 157 rooms, the majority of which are suite (both hotels have a total capacity of 346 rooms).

This restructuring has allowed for the creation of a special offer adapted to the needs of each segment of the target clientele of the hotel. The contemporary style of Sofitel Marrakech Lounge and Spa and its zen atmosphere are directed to very upscale customers, whereas the Sofitel Marrakech Palais Imperial targets family and professional customers (seminars).

Sofitel Agadir Royal Bay Resort

Sofitel Agadir Royal Bay Resort has a capacity of 273 rooms. The operation of this hotel by Risma started in April 2004 following the signing of a lease contract with the company ABS Hotel Properties for a term of 10 years and 8 months renewable. The said lease contract was renewed until 2019.

Risma has performed a series of renovations on the hotel, mainly concerning rooms finish, development of the beach, the construction of a pool, a restaurant, a conference center and a night club.

Sofitel Thalassa Agadir

Sofitel Agadir Thalassa boasts a strategic beach location in the tourist area of Agadir. It has an accommodation capacity of 173 rooms. The opening of this hotel by Risma took place in March 2012 after a construction period requiring a total investment of 531 million MAD.

Since its opening in March 2012, the Sofitel Agadir Thalassa performed better than expected and ended the year of 2013 with a turnover of 117 million MAD and GOP 53 million MAD.

Sofitel Fès Palais Jamaï

Palais Jamaï is an authentic 19th century palace, located within the ancient walls of the medina of Fez.

The operation of this hotel by Risma started in the summer of 1998 through a lease contract with ONCF over a period of 20 years (renewable for successive periods of 5 years unless a contrary intention of one of the parties). After closing for seven months for renovation, Palais Jamaï reopened its doors in April 1999 and now has 142 rooms with an investment 67 million MAD by Risma.

Sofitel Casablanca Tour Blanche

Sofitel Casablanca Tour Blanche has an ideal location promoting business tourism and exploring the city. It has a capacity of 171 rooms.

Open in July 2012, the said hotel required a total investment of 540 million MAD.

In 2013, Sofitel Casablanca Tour Blanche performance has exceeded expectations with a turnover of 114 million MAD and GOP 39 million MAD.

IV.2.2. Upscale and Midscale segments

IV.2.2.1 Introduction of the MGallery brand

Description

MGallery is a brand launched by the Accor Group in September 2008 as part of its strategy to redefine the group's portfolio. The brand name is given to charming boutique hotels, distinguished by their design, their history or location.

Portfolio

The MGallery brand is represented in Morocco by MGallery Diwan in Rabat and MGallery Essaouira. With a capacity of 211 rooms operated under Sofitel, these hotels are reclassified under the MGallery brand in the frame work of Sofitel's strategy in Morocco.

MGallery Essaouira hotel is owned by Risma, while MGallery Diwan hotel (originally owned Risma) is operated under sale and leaseback contract sealed in December 2012 for a period of 15 years.

IV.2.3. Economy segment

IV.2.3.1 Introduction of the Economy segment brands

Description

Leader of the economic segment in Europe, Ibis is characterized by a number of affordable of quality offers services.

By their positioning, the hotels of this brand have a light cost structure on the Company, thus, providing a high margin of GOP³ of 53.2% of revenues in Morocco at the end of 2013.

Budget hotels segment has the advantage of offering standardized products operating under less-capital intensive and generating high levels of profitability. During periods of declining economic activity, this segment managed to maintain its level of performance since it perfectly meets the change in consumers' behavior looking for the best quality for the best price.

Portfolio

At the end of 2013, the Ibis chain has fifteen units in Morocco, equals to a portfolio of 1 832 rooms located in the main cities of the country. Thus, this segment now represents 41.1% of total capacity Risma and contributes in 42.4% of the night stays, 20.3% in sales and 24.8% in the GOP of the group in 2013.

It should be noted, that Risma has opened in May 2014 a new Ibis in Casablanca in the Casanearshore area with a capacity of 128 rooms (for a total investment of 80 million MAD).

³ Total GOP

IV.2.4. Budget Hotels

IV.2.4.1 Introduction of the brands of the Budget hotels segment

Description

Ibis budget brand is the benchmark of the Accor group in the very-economical segment. This brand combines simplicity and need and focuses on comfort as a good price.

Regarding their positioning, Ibis Budget hotels are less-capital intensive compared to the costs of other segments, thus providing a GOP margin of 55.0% at the end of 2013.

Portfolio

At the end of 2013, the Risma Group portfolio consists of 3 Ibis Budget, with capacity of 363 rooms located in the cities of Tangier, Agadir and El Jadida. This segment represents, at the end of 2013, 8.1% of the total capacity of Risma and contributes in 6.1% of night stays, 0.6% in turnover and 1.6% in the GOP of the Group in 2013.

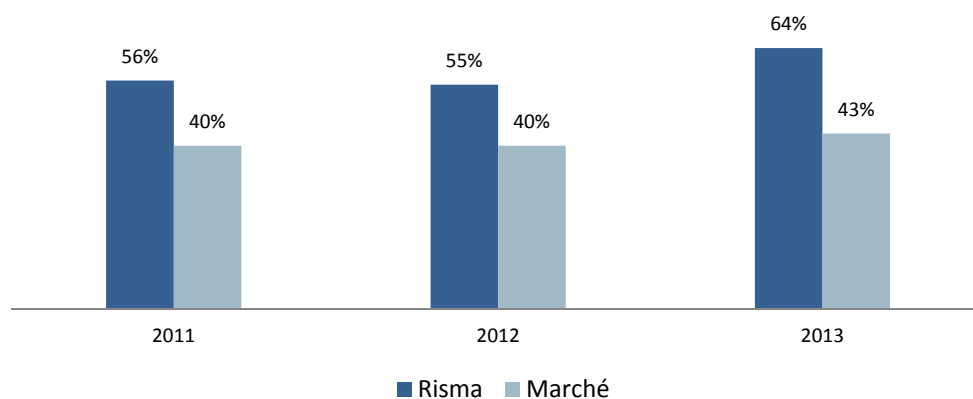
IV.2.5. Summary

The business model of Risma is based on risk spreading and the balance of the asset portfolio.

In this regard, the strategy adopted by Risma seeks to minimize its exposure to economic and seasonal fluctuations, and focuses of the diversification of its portfolio of products offered by brands with strong national and international reputation to satisfy a diverse clientele.

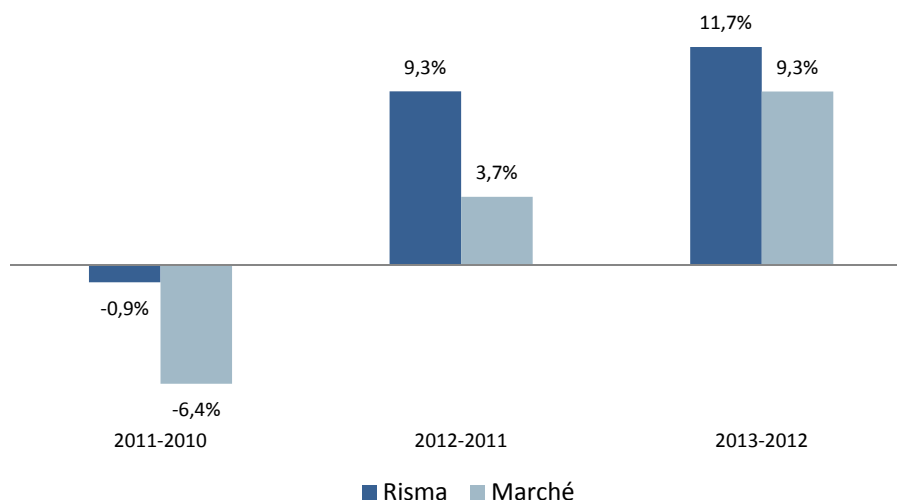
The Hotel portfolio of Risma has been characterized with a remarkable performance in the Moroccan market. The following chart shows a comparison between the actual occupancy rate recorded by Risma hotels and occupancy rates by all the Moroccan market:

Figure 6. Occupancy rate of Risma vs. Occupancy rate of all Moroccan market during 2011-2013



Source : Risma

Similarly, the following chart shows a comparison in terms of evolution of night stays between the Risma portfolio and the Moroccan hotel market:

Figure 7. Variation of night stays for Risma vs. Moroccan market

Source : Risma

Thus, Risma has performed between 2011 and 2013 in terms of the rate of evolution of night stays well above the Moroccan market. This outperformance attests to the Group's strategy success, which is based on the reputation of its brands and the management of its portfolio consisting of being strongly present in all segments.

La politique de diversification de Risma peut être scindée en trois principaux piliers :

The diversification policy of Risma can be divided into three main pillars:

- Diversification of segments;
- Diversification of targeted customers;
- Geographic diversification.

IV.2.5.1 A portfolio of diversified segments

The Portfolio diversification in terms of brands allows Risma efficient control of risks:

- Being less exposed to economic and seasonal changes, the economy segment serves a shock absorber for Risma and is well positioned with "business" clientele representing 71.4% of overnight stays generated by the Group in 2013;
- The luxury segment is a fast profit generator, but remains highly sensitive to seasonal and economic conditions. This weakness appears mainly in "entertainment" segment units;
- Upscale and midscale segments and offer a variety of brands that answer the needs of a diverse clientele (Business, leisure, families, long stays, etc..).

IV.2.5.2 A diversified customer mix

The clientele of Risma hotels is diverse and consists of a large proportion of French and Moroccan clients. Both markets are not so volatile, very captive to hotel offers of the Company and they account together for 58.6% of all overnight stays in 2013.

In addition, the client profile is balanced between business and leisure segments, representing respectively 51.4% and 48.6% at the end of 2013.

IV.2.5.3 An expanded geographical coverage

The group is present in major Moroccan cities in terms of economic activity and tourism (10 cities) with a spread capacity of up to 21.6% in Marrakech, 20.4% in Casablanca, Agadir 15% capacity, 11.2% in Rabat and 9.4% Tangier.

The said cities, hold 78% of the capacity of Risma and represent the main cities of the Kingdom in terms of tourist destinations and overnight stays and get above-average occupancy rate (in 2013, 53% in Casablanca 52% in Marrakech, 55% in Rabat, 59% in Agadir and 48% in Tangier).

PART IV FINANCIAL SITUATION

I. Analysis of income accounts and yearly consolidated expenses

The following chart shows the main indicators of the income accounts and consolidated expenses of Risma between 2011 and 2013:

Chart 15 *Income accounts and consolidated expenses of Risma between 2011 and 2013*

In million MAD	2011	2012	2013	Var. 11-12	Var. 12-13
Turnover	1 174	1 295	1 475	10.3%	13.9%
Operating expenses	824	996	1 024	20.8%	2.7%
<i>Operating expenses (in%)</i>	<i>70.2%</i>	<i>76.9%</i>	<i>69.4%</i>	<i>+6.7 pts</i>	<i>-7.5 pts</i>
Gross operating income	350	299	451	-14.6%	51.1%
Lease	35	48	40	39.3%	-16.8%
Gross operating income	315	250	411	-20.6%	64.2%
<i>EBITDA (in%)</i>	<i>26.8%</i>	<i>19.3%</i>	<i>27.9%</i>	<i>-7.5 pts</i>	<i>+8.5 pts</i>
Depreciation and provisions	136	257	219	89.2%	-14.8%
Operating income	179	-7	192	NS	NS
<i>Operating margin (in %)</i>	<i>15.3%</i>	<i>-0.5%</i>	<i>13.0%</i>	<i>-15.8 pts</i>	<i>+13.5 pts</i>
Financial income	-93	-131	-140	NS	NS
<i>financial income (in %)</i>	<i>-7.9%</i>	<i>-10.1%</i>	<i>-9.5%</i>	<i>-2.2 pts</i>	<i>+0.6 pts</i>
Share in the net income of equity affiliates	-61	-56	-41	-7.8%	-25.8%
Profit before tax	26	-193	10	NS	NS
Restructuring charges	0	0	15	0.0%	0.0%
Result of the management of hotel properties	0	-1	0	0.0%	-100.0%
Result of the management of other assets	0	0	15	0.0%	0.0%
Operating profit before tax	26	-194	11	NS	NS
Taxes	6	10	-41	69.2%	NS
Net income of consolidated group	32	-184	-30	NS	NS
<i>Net margin</i>	<i>2.7%</i>	<i>-14.2%</i>	<i>-2.1%</i>	<i>-17.0 pts</i>	<i>+12.2 pts</i>
Minority interests	17	15	16	-14.8%	9.9%
Net profit after minority	15	-199	-46	NS	NS
<i>Net margin (in %)</i>	<i>1.3%</i>	<i>-15.4%</i>	<i>-3.1%</i>	<i>-16.6 pts</i>	<i>+12.2 pts</i>

Source: Risma

II. Analysis of the consolidated balance sheet

The following chart shows the main indicators of the consolidated balance sheet Risma between 2011 and 2013:

Chart 16 Consolidated balance sheet of Risma between 2011 and 2013

Assets in million MAD	2011	2012	2013	Var. 11-12	Var. 12-13
Goodwill	282	282	282	0.0%	0.0%
Intangible assets	5	11	8	NS	-26.5%
Fixed assets	3 257	3 262	3 280	0.1%	0.6%
Financial assets	61	2 ⁴	-46	NS	NS
Deferred tax assets	82	122	122	49.6%	-0.8%
Total Fixed assets	3 687	3 678	3 646	0.2%	-1.0%
<i>Fixed Assets / Total Assets (%)</i>	<i>87.0%</i>	<i>82.6%</i>	<i>81.2%</i>	<i>-4.0 pts</i>	<i>-1.8 pts</i>
Supply	41	50	57	21.7%	13.9%
Clients	93	106	160	13.5%	50.8%
Other third parties	401	569 ⁵	630	41.9%	10.7%
Assets available for sale	0	44	0	0.0%	-100.0%
Current assets	535	769	847	43.7%	10.1%
<i>Current Assets / Total Assets (%)</i>	<i>12.6%</i>	<i>17.3%</i>	<i>18.8%</i>	<i>+4.3 pts</i>	<i>+1.9 pts</i>
Availability	15	4	0	-74.5%	-100.0%
Cash at bank	15	4	0	-74.5%	-100.0%
<i>Cash assets / Total Assets (%)</i>	<i>0.4%</i>	<i>0.1%</i>	<i>0.0%</i>	<i>-0.3 pts</i>	<i>-0.1 pts</i>
Total assets	4 237	4 451	4 492	5.1%	0.9%

Liabilities in million MAD	2011	2012	2013	Var. 11-12	Var. 12-13
Capital	782	788	796	0.8%	1.0%
Share premium reserves	466	469	477	0.7%	1.7%
Reserves	-104	-90	-293	-12.9%	NS
Consolidated net income	15	-199	-46	NS	-76.7%
Shareholders' equity	1 159	968	933	-16.5%	-3.6%
Minority interests	122	121	123	-1.2%	1.5%
Consolidated equity capital	1 282	1 089	1 056	-15.1%	-3.0%
<i>Equity / total liabilities (in%)</i>	<i>30.3%</i>	<i>24.5%</i>	<i>23.5%</i>	<i>-5.8 pts</i>	<i>-1.0 pts</i>
Associated current account	0	0	350	0.0%	0.0%
Provisions	3	2	2	-15.8%	-14.4%
Long-term financial debts	2 002	1 775	2 032	-11.4%	14.5%
Bonds redeemable in shares	20	12	0	-42.5%	-100.0%
Deferred tax liabilities	4	0	0	-100.3%	-100.0%
Permanent capitals	3 311	2 877	3 440	-13.1%	19.6%
<i>Permanent capitals / Total Liabilities (%)</i>	<i>78.1%</i>	<i>64.6%</i>	<i>76.6%</i>	<i>-13.5 pts</i>	<i>+16.3 pts</i>
Suppliers	342	351	315	2.8%	-10.3%
Other third parties and Company tax	255	492	272	92.5%	-44.6%
Provisions for risks and charges	11	60	10	NS	-82.8%
Short-term financial debts	71	485	245	NS	-49.5%
Current liabilities	679	1 388	842	NS	-39.3%
<i>Current liabilities / Total Liabilities (%)</i>	<i>16.0%</i>	<i>31.2%</i>	<i>18.7%</i>	<i>+15.2 pts</i>	<i>-16.8 pts</i>
Liabilities	248	186	211	-24.8%	13.1%
<i>Liabilities / Total liabilities (en%)</i>	<i>5.8%</i>	<i>4.2%</i>	<i>4.7%</i>	<i>-1.7 pts</i>	<i>+0.5 pts</i>
Total Liabilities	4 237	4 451	4 492	5.1%	0.9%

Source : Risma

⁴ Taking into account the total net loss of Semog

⁵ Excluding depreciation of current accounts vis-à-vis Saemog reclassified MEE securities (investments) – Refer to the footnote on the previous page.

PART V RISK FACTORS

I. Risks associated with the operation of hotels

The business volume and the operating margins of Risma can be affected by three kinds of risks:

I.1. The market risk

The market risk is the risk of reduced flows and tourists' spending worldwide due to the persistence of the economic crisis or the occurrence of geopolitical crises.

Despite the different crisis that hit the world (natural disasters, political conflicts, epidemics or economic crises), the tourism sector witnessed an average annual growth of 4% in the number of tourists and 5.9% in tourists' spending between 1999 and 2012.

In 2013, the tourism sector continued its momentum and showed its strength with tourist arrivals increasing by 5% worldwide.

Moroccan tourism sector has shown great resilience during the global economic crisis, the consequences of the "Arab Spring" as well as episodes of terrorist attacks.

Thanks to the sectoral policy adopted by the government, the stability of Morocco, its geographical location and its strategic vision, the tourism sector, which is of a great importance to the Moroccan economy, managed to redress the situation and enhance its momentum. Thus, the tourism sector was able to increase its arrivals with 7% and 9% for overnight stays between 2012 and 2013.

Thanks to the 2010 Vision, Morocco was able to achieve its goal of 10 million tourists and aims, with the 2020 Vision, to attract 20 million tourists, noting that to achieve this goal, the Kingdom has implemented a plan targeting emerging markets, particularly in Eastern Europe, Asia, North America and Latin America.

In addition, the positioning of Morocco on the premium segment allows for it to mitigate the impact of the economic downturn with a clientele that is affected by the crisis, unlike customers with limited purchasing power.

Moreover, given the geopolitical risks which may create a climate of insecurity, Morocco has repeatedly demonstrated in the past its high capacity to absorb shocks in a short period. As a reminder, the negative impact of the Casablanca attacks in May 2003 lasted only three months as the sector registered an increase of 8% of arrivals in upscale hotels during the following month of July compared to the month of July 2002. Only the months of May and June have registered negative returns with respective declines of 9% and 5%. This strong resilience to geopolitical tensions in the region is the result of the country's political stability, the country's endeavor to strengthen its security, the involvement of many actors in the promotion of the destination and the positive image of Morocco in its main markets.

The year of 2011 has also been marked with the impact of the Arab Spring and the bombing of Marrakech. Despite these factors, Morocco this year recorded an increase in tourist arrivals of 4%, outperforming by far other North African markets. In this regard, Tunisia has decreased by more than a third of its tourist arrivals, and the Egyptian sector has meanwhile dropped by 60%.

Morocco has also proceeded to diversify its tourism offer to meet the expectations of visitors and to strengthen its airline connections through partnership agreements with several low-cost airlines.

Finally, the diversification of Risma's portfolio with a presence in several cities of the Kingdom, and a multi-line/multi-product positioning (business meetings, seminars, leisure) allows for it to increase its resilience in case of any unfavorable condition. In addition, budget hotels (41% of the capacity of Risma's portfolio in 2013) allows Risma attract domestic customers through standardized products and excellent quality for an excellent price. This recurring and stable clientele represents 42% of night stays for Risma Group.

I.2. Competitive risk

Competitive risk includes both the risk of emergence of a new organized competitor and the risk of falling behind due to the lack of price competitiveness or because of poor quality.

In this regard, it should be noted that the hotel portfolio of Risma has several competitive advantages that we can sum up in the following:

- International sales and fidelity channels through (i) the TARS reservation system (69 million overnight stays marketed in 2013) (ii) Web Site Accorhoteles.com (attracting over 10 million visitors per month in 2013), (iii) the websites of the group's different brands (attracting 135 million visitors in 2013), Accor Smartphone apps (23 million unique visitors in 2013), a strong presence on social networks (1.5 million followers) and Accor's fidelity program (10 500 new members per day in 2013);
- Quality locations in the center of tourist and economic activities of the most important cities of Morocco in terms of visitor numbers;
- Notorious brands offering products with the highest standards of hotel industry;
- Its weight within the sector which gives the group a significant standing in negotiations with tour operators;
- A strict maintenance policy aiming to preserve the quality of its hotel facilities.

Thereby, Risma recorded a continuously increasing market share (in terms of night stays) going from 7.4% in 2011, to 7.8% in 2012, to 8.0% in 2013.

I.3. Risks in management contracts

Risks associated with management contracts are mainly the risk of Risma losing the management profit of these units by Accor Management Morocco, which would result in the loss of the profit of Accor brands and the risk of having to assign our units to a third party that could manage them inefficiently.

The risk of Risma losing profit through the management of AGM is minimized due the legal structure of the relationship between Accor (owner of brands), AGM (manager) and Risma (operator) inducing (i) current management contracts up to December 31, 2031 (renewable) concerning the entire hotel, (ii) the obligation by Accor to maintain at least 20% in the capital of Risma up to the said date, (iii) the participation of Risma in the capital of Accor Gestion Maroc, owner of the master franchises of Accor.

Concerning the risk a competition to Risma by Accor group through a developed management by third parties under one of the brands operated by Risma, it should be noted that by virtue of the memorandum of agreement between Accor, Risma and AGM, Accor is committed to propose to Risma any new hotel project in Morocco within the whole duration of the said agreement, with Risma holding the right of refusal. In return, Risma entrusts AGM with the exclusive management of its hotel units.

II. Development risk

The development risk includes the risk of not carrying out the projects within the allocated budget and the initial timeframe mainly because of administrative delays, weather conditions or construction delays which have a negative impact on the rate of return of projects.

Today, Risma has accumulated experience in carrying out hotel projects in Morocco. The Risma Group holds in the first half of 2014, an expanded portfolio of 31 hotels and built and/or renovated 7 more units since 2011 including 2 Ibis, 3 Ibis Budget and 2 Sofitel hotels. On all projects, the construction period does not exceed three years.

The risk associated with development is reduced by the fact that since 2006 Risma has a dedicated development team founded on the experience acquired by Risma in the Moroccan market and has expertise in carrying out the different directives of Accor Maroc Gestion, and those of Accor group as a whole.

Warning

The abovementioned information are only a part of the prospectus covered by le Conseil Déontologique des Valeurs Mobilières (CDVM) under the reference VI/EM/020/2014 the 31/07/2014.

The CDVM recommends reading the prospectus made available to the public in the French language.