



DISTY TECHNOLOGIES

PROSPECTUS SUMMARY RELATING TO THE INITIAL PUBLIC OFFERING BY WAY OF A CAPITAL INCREASE RESERVED FOR THE PUBLIC THROUGH THE ISSUE OF 218,310 NEW SHARES WITH CANCELLATION OF SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS AND THE SALE OF 386,191 SHARES

FIXED PRICE OFFER

Nature of security	Ordinary shares
Issue price	MAD 284
Nominal value	MAD 100
Number of new shares to be issued	218,310 shares
Number of new shares to be sold	386,191 shares
Maximum total amount of the operation (Including issue premium)	MAD 171,678,284
Subscription period	From July 5 to 8 at 3:30 p.m. inclusive

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

Advisory Body and Global Coordinator



Leader of the Placement Syndicate



MEMBERS OF THE PLACEMENT SYNDICATE



APPROVAL OF THE MOROCCAN CAPITAL MARKET AUTHORITY (AMMC)

In accordance with the provisions of the AMMC Circular issued pursuant to Article 5 of Dahir No. 1-12-55 of December 28, 2012, promulgating Law 44-12 relating to public offerings and information required from corporate entities and organizations making public offerings, this prospectus was approved by the AMMC on June 27, 2022, under reference no. VI/EM/017/2022.

DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on June 27, 2022, a prospectus relating to the IPO by way of a capital increase reserved to the public by issuing 218,310 new shares with cancellation of the shareholders' preferential subscription right and sale of 386,191 shares of Disty Technologies.

The AMMC-approved prospectus is available at any time at Disty Technologies headquarters, on its website www.disty.ma and from its financial advisor. It is also available within a maximum period of 48 hours from the order-collecting institutions.

The prospectus is made available to the public at the headquarters of the Casablanca Stock Exchange and on its website www.casablanca-bourse.com. It is also available on the AMMC website www.ammc.ma.

This summary has been translated by LISSANIAT, under the joint responsibility of the said translator and Disty Technologies. In the event of any discrepancy between the contents of this summary and the AMMC-approved prospectus, only the approved prospectus will prevail.

PART I. PRESENTATION OF THE OPERATION

I. STRUCTURE OF THE OFFER

I.1. TOTAL AMOUNT OF THE OPERATION

Disty Technologies intends to proceed to an IPO for a total amount of MAD 171,678,284 through:

- The increase in the registered capital by issuing 218,310 shares at a subscription price of MAD 284 per share, i.e., MAD 100 as nominal amount and MAD 184 as issue premium, which is a total amount of MAD 62,000,040.
- The sale of 386,191 shares for a selling price of MAD 284 per share, i.e., a total amount of MAD 109,678,244.

I.2. PLACE OF LISTING

Shares to be sold and issued under this initial public offering will be admitted to the alternative market, compartment "alternative a" of the stock exchange.

I.3. MAIN ELEMENTS OF THE OFFER

Subscribers	<ul style="list-style-type: none"> ▪ Natural persons, resident or non-resident, of Moroccan or foreign nationality; ▪ Legal Entities, of Moroccan or foreign Law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence on the subscription date; ▪ Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, except money market and short-term bond UCITS; ▪ Qualified investors of foreign law as defined by Article 1.30 paragraph (c) of AMMC circular no. 03/19.
Amount of the Offer	MAD 171,678,284
Number of shares	604,501 shares
Subscription price	MAD 284/share
In % of share capital following the Operation	60.6%
Minimum subscriptions	No minimum required
Subscription ceiling	<ul style="list-style-type: none"> ▪ For all investors, except UCITS, 10% of the total number of shares offered as part of the Operation, representing 60,450 shares, i.e., MAD 17,167,800; ▪ For UCITS, the minimum between: <ul style="list-style-type: none"> ✓ 10% of the global number of shares proposed in the Operation, representing 60,450 shares, i.e., MAD 17,167,800, and ✓ 10% of the net assets of the UCITS corresponding to the net asset value as of July 1st, 2022.

<p>Placement</p>	<ul style="list-style-type: none"> ▪ For qualified investors of Moroccan Law as defined by Article 1.30 of AMMC Circular no. 03/19 excluding UCITS: <ul style="list-style-type: none"> ○ Attijari Intermédiation; ○ BMCE Capital Bourse; ○ CDG Capital Bourse; ○ CFG Marchés; ○ Upline Securities. ▪ For qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19 excluding UCITS: <ul style="list-style-type: none"> ○ Attijari Intermédiation ; ○ BMCE Capital Bourse ; ○ CDG Capital Bourse ; ○ CFG Marchés ; ○ Upline Securities. ▪ For UCITS, except monetary and short-term bond UCITS: All members of the placement syndicate. ▪ For other categories of investors, except for monetary and short-term bond UCITS: All members of the placement syndicate.
<p>Subscription coverage</p>	<p>Natural Persons, resident or non-resident, of Moroccan or foreign nationality and Legal Entities of Moroccan or foreign law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence on the subscription date:</p> <p>Subscriptions must be covered at 100% by:</p> <ul style="list-style-type: none"> ▪ An effective deposit (cheque, cash or transfer) on the subscriber's account, and/or; ▪ A collateral consisting in securities according to the following modalities: <ul style="list-style-type: none"> ○ Government bonds: taken at a maximum of 100% of the value on the subscription date; ○ Money market UCITS with daily net asset value taken at a maximum of 100% of the value on the subscription date; ○ Units of UCITS with daily net asset value (except money-market funds), term deposits, and listed shares taken at 80% maximum of the value at the subscription date. <p>The subscription coverage in check, cash, transfer and/or collateral will have to remain blocked, until the security is allocated.</p> <p>Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, excluding money monetary and short-term UCITS and qualified investors of foreign Law as defined by Article 1.30 paragraph (c) of AMMC Circular no. 03/19:</p> <ul style="list-style-type: none"> ▪ For qualified investors of Moroccan law: no coverage at the time of subscription; ▪ For qualified investors of foreign law (i) justifying of more than one year of existence on the date of subscription of the current operation or (ii) having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the time of subscription; ▪ For qualified investors of foreign law (i) not having more than one year of existence on the date of subscription of this operation and (ii) not having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange: 30 % coverage by an effective deposit (cheque, cash or transfer) or 100 % by a bank guarantee. <p>The coverage by collateral is subject to the appreciation of each member of the placement syndicate retained by the subscriber. The subscription coverage in cash, check, transfer and/or collateral will have to remain blocked, until allocation of securities on July 15, 2022.</p>

Allocation methods

- 1st allocation: by iteration up to 120 shares per subscriber;
- 2nd allocation: allocation of the remainder in proportion to the excess of applications over the 120 shares.

II. FINANCIAL INSTRUMENTS OFFERED

II.1. CHARACTERISTICS OF THE SECURITIES OFFERED

Nature of the securities	Ordinary shares, all of the same class
Legal form	The shares, subject of this operation, will all be bearer shares. Disty Technologies shares will be admitted to trading on Maroclear.
Amount of the operation	MAD 171,678,284 ¹
Total number of shares to be issued and sold	604,501 shares, including 218,310 new shares to be issued in connection with the capital increase and 386,191 shares in connection with the sale of shares.
Issue price	MAD 284 per share
1st listing procedure	Fixed Price Offer (FPO)
Nominal value	MAD 100 per share
Issue premium	MAD 184 per share
Payment of shares	The offered shares will be fully paid up and free of any commitment.
Listing line	1 st line
Entitlement date	January 1 st , 2022, current dividend entitlement for the new shares, fully assimilated to the existing shares. The new shares would give the right to the distribution of profits or the distribution of reserves that may be decided by the company as from January 1 st of the current year.
Subscription period	From July 5 to 8 at 3:30 pm inclusive
Listing compartment	Alternative Compartment A
Tradability of shares	According to Article 2.2.7 of the Stock Exchange General Rules, and as mentioned also in the shareholders' agreement, Mr. Younès El Himdi and Mr. Ahmed Reda Chami undertake to keep their securities (248,153 shares for Mr. El Himdi and 45,393 for Mr. Chami) for a period of two years as from the date of admission to listing. The Investment Fund, PME Croissance also undertakes to keep its securities (99,811 shares) for a period of 6 months as from the date of listing. The shares subject to this operation are freely tradable. There is no statutory clause restricting the free trading of the shares making up the Company's capital.
Payment method of shares to be issued and sold	In cash
ISIN code	MA0000012536
Listing date of new shares	July 20, 2022
Rights attached to the newly issued shares	All shares have the same rights in the distribution of profits and liquidation surpluses. Each share gives the right to one vote at the General Meetings.
Preferential subscription right	The Extraordinary General Meeting of June 17, 2022, decided to cancel the shareholders' preferential subscription rights in favor of the public (i.e., any person entitled to subscribe to the capital increase) for all the shares to be issued under the Operation.

¹ including (i) a MAD 62,000,040 capital increase, of which MAD 21,831,000 as nominal amount and MAD 40,169,040 as issue premium and (ii) a sale of 386,191 shares for a total amount of MAD 109,678,244.

II.2. LISTING CHARACTERISTICS OF THE SHARES TO BE SOLD

Date of 1 st listing	July 20, 2022
Name	DISTY TECHNOLOGIES
Ticker	DYT
Listing compartment	Alternative A
Sector of activity	Computer hardware, software and services
Trading cycle	Continuous
Minimum block size	12,400
Listing line	1 st line
Maximum number of shares to be sold and issued	604,501 shares
Operation registration body	Attijari Intermédiation

III. ELEMENTS OF PRICE ASSESSMENT

III.1. DISCARDED VALUATION METHODS

Asset approach - Net Asset Value

The Net Asset Value (NAV) method consists of valuing the various assets and liabilities of a company separately, without taking into account the company's prospects. This method is generally applied in a context of divestment and liquidation of assets, in order to provide a better allocation of resources, or to value financial or portfolio companies.

Insofar as Disty Technologies does not meet the conditions for the application of this valuation method, this method has been rejected.

Transactional multiples

This method is based on the valuation of a company by reference to multiples of a sample of transactions involving companies operating in the same business and having comparable financial and operational characteristics.

Given the unavailability of public financial information (such as transaction amounts and multiples) relating to recent past transactions involving companies comparable to Disty Technologies, this method has not been used.

Reference transactions

The reference transactions method concerns the last two capital increases carried out by PME Croissance and the capital increase operation reserved for the founder Mr. El Himdy:

- **capital increase by conversion of a partner's current account:** the partner's current account agreement signed on December 24, 2012, between the shareholders and the Company allowed the investment fund to convert the current account from the 24th month following the CCA disbursement. The valuation basis corresponded to the amount of paid-up share capital compounded at 6% per annum. On December 28, 2021, this valuation showed a share value lower than the nominal value (MAD 82). Consequently, the nominal value was retained for this increase.
- **Capital increase by conversion of bonds:** in accordance with the convertible bonds' agreement signed on November 3, 2017, the premium is calculated by taking as a valuation basis 100 % of the Company's capital corresponding to the sum of the following amounts:
 - i. Twenty-eight million dirhams (MAD 28,000,000) ;
 - ii. Any amount brought in following the subscription of the bond issue, in the form of capital increase by contribution in cash or conversion of the associate current account, less all capital increases by incorporation of issue premiums, retained earnings or reserves;

It being specified that the amounts mentioned in (i) and (ii) will be capitalized at a rate of 6% per annum from the date of subscription of the bond issue until the date of conversion. On December 28, 2021, this valuation showed a share value lower than the nominal value (MAD 88). Consequently, the nominal value was retained for this increase.

As these references are based on a historical agreement concluded between the shareholders in 2013 for CCA and in 2017 for convertible bonds, and showing valuation levels below the nominal value, this method has been discarded.

- **Capital increase reserved to the founder Mr. El Himdy:** the partners' current account agreement binding the shareholders and the Company provided for an anti-dilution mechanism obliging the founder to personally contribute an amount equal to the amount having been the object of the conversion of the CCAs by the investment fund and this through a capital increase in cash within a period of 12 months following this conversion. This capital increase reserved for the founder was to be carried out under the same price conditions as those applied to the investment fund when it converted the CCAs.

For the same reasons mentioned above, this operation was rejected.

III.2. RETAINED VALUATION METHODS

Two valuation methods were used for the valuation of Disty Technologies' shares in the context of this Operation:

- the discounted cash flow (DCF) method;
- the market comparison method, which is provided for information purposes.

III.3. DISCOUNTED CASH FLOW (DCF) METHOD

Methodological review

The Discounted Cash Flow (DCF) method is the fundamental valuation method for companies.

The DCF method gives a dynamic view of the enterprise value, since it is based on the projections of probable flows and takes into account the main factors that influence the business, such as the evolution of profitability, cyclicity, financial structure and intrinsic risk.

This method consists of calculating the value of the economic assets of a company (enterprise value) by the sum of the future flows generated by the company (free cash flow to the firm) discounted at the weighted average cost of capital. The weighted average cost of capital (WACC) represents the return requirement of the providers of funds (shareholders and creditors) weighted by their respective levels of commitment to the financing of the economic assets of the company.

The valuation using this method follows the following steps:

- modeling of future cash flows (based on a business plan);
- estimation of the normative cash flows used to calculate the terminal value;
- determination of the weighted average cost of capital (WACC);
- determination of the enterprise value, equal to the sum of the future cash flows after tax and the terminal value, discounted at the WACC;
- determination of the equity value by deducting from the enterprise value the net debt and all liabilities of a debt nature.

The equity value is calculated according to the following formula:

$$Eq_v = E_v - ND$$

Where:

- E_v : enterprise value
 - ND: net debt and debt-like liabilities

Enterprise Value (EV) is calculated as follow:

$$EV = \sum_{i=1}^n \frac{CF_i}{(1 + WACC)^i} + \frac{TV}{(1 + WACC)^n}$$

Where:

- CF_i : future available cash flows (projections based on a business plan)
- WACC: weighted average cost of capital
- n: discount period
- g: perpetual growth rate
- TV: terminal value representing the enterprise value at the end of the explicit horizon. It is determined on the basis of the Gordon Shapiro method according to the following formula:

$$TV = \frac{\text{normative flow} * (1 + g)}{(WACC - g)}$$

- Normative flow: Flow calculated on the basis of the last available cash flow aggregates at the business plan horizon, and with a perpetual growth rate of 2%.

Projected business plan

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

The pre-money business plan (i.e., not taking into account the impact of the capital increase subject of this Operation) used as a basis for the DCF valuation has been prepared by Disty Technologies' management on an explicit 7-year horizon: 2022e - 2028p.

The business plan presented below was established on the basis of the following assumptions:

- Taking into account an average annual growth rate of 5.1% in turnover between 2022e and 2028p. The turnover projections have been made by product family as follows:
 - ✓ Computer turnover: 6% AAGR;
 - ✓ Printer turnover: 4% AAGR;
 - ✓ Accessories turnover: 2% AAGR;
 - ✓ Server and network turnover: 2% AAGR;
 - ✓ Photo and video turnover: 5% AAGR;
 - ✓ Software and cloud turnover: 2% AAGR;
 - ✓ Goods and services turnover: 7% AAGR.

- A forecast gross margin rate in line with historical levels, averaging 12.2% between 2019 and 2021, compared with 12.5% on average between 2022e and 2028p;
- Other external expenses represent an average of 2.8% of revenues over the business plan period, corresponding to the level observed in 2020. It should be noted that these expenses represented 2.9% of revenues on average over the period 2019-2021. For Disty Technologies, these expenses are divided between (i) fixed expenses (consisting mainly of rental expenses, insurance premiums and external personnel) which are increasing by an average of 5% per year and (ii) variable expenses (consisting mainly of fees, maintenance, transport and travel expenses) representing 1.6% of revenues on average, slightly higher than historical levels (1.4% on average over the period 2019-2021);
- Staff costs represent 2.5% of revenues over the business plan horizon, which is higher than the level achieved between 2019 and 2021 (2.1% on average);
- Depreciation and amortization charges are modeled on the basis of accounting depreciation tables; provisions are not forecast over the business plan horizon;
- Corporate income tax is calculated according to the common law scales in force in Morocco. The business plan also takes into account the social solidarity contribution at the rate in force for the years 2022e, 2023p and 2024p;
- Working capital requirements are estimated at 117 days of revenues on average over the period 2022e-2028p, in line with the level recorded in 2020 (118 days);
- Global annual investments estimated at MAD 2 million. It should be noted that the projected investments concern fixed assets held in non-value (MAD 1 million), intangible assets (MAD 0.7 million) and tangible assets (MAD 0.3 million). These investments should focus on the continuation of the digitalization project of Disty Technologies (acquisition of internet portal, platform, etc.);
- Disty Technologies foresees the repayment of a Damane Oxygène financial debt of MAD 8 million raised in 2021 for a maturity of 5 years. All the current accounts of associates have been converted into share capital in 2021 (MAD 12.2 million). On the horizon of the business plan, no current account of associates is projected;

Subject to the approval of the general meeting, Disty Technologies plans to propose the distribution of 77% to 82% of its distributable result each year.

The Ordinary and Extraordinary General Meeting of June 17, 2022, decided that the new shares would be entitled to the profit distributions of January 1st of the current year. To that end, an exceptional dividend of MAD 14,971,650 will be lodged in a distributable reserve account and will be distributed post-operation under the following conditions:

- in case of completion of the IPO Capital Increase: after the date of completion of the IPO Capital Increase, an exceptional distribution will be proposed to the Ordinary General Meeting of Shareholders of the Company and will give the right, for each share held after the date of completion of the IPO Capital Increase (including the shares that would be issued under the IPO Capital Increase), to an exceptional dividend of MAD 15 per share; or
- in the event of non-completion of the IPO Capital Increase: after the date of acknowledgement of the non-completion of the IPO Capital Increase, an exceptional distribution will be proposed to the ordinary general meeting of shareholders of the Company, which will give the right, for each share held by the current shareholders of the Company, to an exceptional dividend in the amount of MAD 19.2 per share.

The main aggregates of the pre-money business plan are as follows:

IN MAD million	2021	2022e	2023p	2024p	2025p	2026p	2027p	2028p	AAGR 22p-28p
Turnover	456.1	481.6	506.0	531.7	558.8	587.4	617.5	649.2	5.1%
<i>Variation in %</i>		5.6%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	
Gross margin	60.7	59.8	62.9	66.0	69.4	72.9	76.7	80.6	5.1%
<i>% of TA</i>	13.4%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	
EBITDA	37.1	33.3	35.2	37.2	39.3	41.5	43.9	46.4	5.7%
<i>% of TA</i>	8.1%	6.9%	6.9%	7.0%	7.0%	7.1%	7.1%	7.1%	
Net result	18.3	19.5	21.5	23.0	24.3	25.8	27.4	29.2	7.0%
<i>% of TA</i>	4.0%	3.9%	4.1%	4.2%	4.4%	4.4%	4.4%	4.5%	
Net investments ²	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	0.0%
<i>% of TA</i>	0.0%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	
Net debt	56.4	46.0	45.8	45.7	44.1	43.1	41.7	40.7	-2.0%
<i>D/(D+E)</i>	35.1%	27.6%	26.6%	25.7%	24.0%	22.8%	21.4%	20.2%	
<i>D/E</i>	54.0%	38.2%	36.2%	34.6%	31.6%	29.5%	27.2%	25.3%	
Dividends ³	0.0	15.0	15.0	16.5	17.0	19.0	20.1	21.9	6.6%
<i>Pre-money return rate⁴</i>	0.0%	6.8%	6.8%	7.4%	7.7%	8.6%	9.1%	9.9%	
<i>Post-money return rate⁵</i>	0.0%	5.3%	5.3%	5.8%	6.0%	6.7%	7.1%	7.7%	

Source: Disty Technologies

Discount rate calculation (WACC)

The WACC is the weighted average profitability requirement of the Company's capital providers. It is calculated using the following formula:

$$WACC = C_e \times E / (D+E) + C_d \times (1-IS) \times D / (D+E)$$

Where:

- C_e : cost of equity
- E: equity value
- D: Net debt value
- $C_d \times (1-IS)$: after-tax cost of debt

The cost of debt is estimated on the basis of the Company's cost of financing.

The cost of equity is calculated as follows:

$$C_e = R_f + \beta e \times (R_m - R_f)$$

Where:

- R_f : Risk-free rate (10-year Treasury bill rate on the secondary market on May 23, 2022), i.e., 2.48%⁶;
- $R_m - R_f$: Risk premium on the Moroccan market according to the survey method as calculated by Attijari Global Research, i.e., 7.5%;
- β : Levered beta calculated on the basis of the average of the unlevered betas of a sample of local and international companies operating in the IT distribution sector, re-levered on the basis of Disty Technologies' 2021 gearing. The table below presents this sample:

² Investments net of divestments

³ Dividends distributed in n for the year n+1

⁴ Pre-money return = dividends / pre-money equity value

⁵ Post-money return = dividends / post-money equity value

⁶ Source: Bank Al-Maghrib, May 23, 2022 (value date)

Sample	Ticker	Country	Levered beta	Unlevered beta
			5 years	5 years
ALSO Holding AG	SWX:ALSN	Switzerland	1.09	1.09
Despec Bilgisayar	IBSE:DESPC	Turkey	0.72	0.44
DistIT AB	OM:DIST	Sweden	0.95	0.73
Disway S.A.	CBSE:DWY	Morocco	0.88	0.88
Logicom Public Limited	CSE:LOG	Cyprus	1.92	1.15
Average unlevered beta				0.86

Source: Capital IQ

The sample used to calculate the beta differs from that of the stock market comparables presented in section "III.4 Stock market comparables method" due to the following factors:

- deletion of Arena Bilgisayar, Datagate Bilgisayr because the coefficient of determination⁷ r^2 is too low;
- deletion of the company Smart Tunisie due to its listing in December 2021 and therefore has no historical depth to calculate a beta;
- integration of DistIT AB to broaden the sample base of the beta calculation.

The company's levered beta was calculated on the basis of a gearing of 54% (net debt/equity) representing the company's financial structure at 31/12/2021. Disty Technologies' re-levered beta is 1.18. Note that the re-levered beta is calculated by applying the following formula:

$$\beta_{pre-leveraged} = \beta_{deleveraged} * \{(1 + (1 - R)) * Gearing\}$$

R: Tax rates

Thus, based on the elements presented above, the weighted average cost of capital for Disty Technologies is 8.68%.

WACC CALCULATION	
Risk-free rate (Rf)	2.48%
Unlevered Beta	0.86
Levered beta (β_l)	1.18
Risk premium (Rm-Rf)	7.5%
Cost of equity (Ce)	11.3%
Cost of debt (Cd)	5.5%
Tax rate (R)	31%
After-tax cost of debt	3.8%
Gearing (Net Debt/Equity)	54%
Weighted average cost of capital	8.68%

Valuation

- perpetual growth rate: the perpetual growth rate used to calculate the terminal value is 2%. This rate is lower than the level of growth in the sector forecast by IDC and is also lower than the growth forecast for the Moroccan economy in 2023 published by the International Monetary Fund;
- Net debt: the DCF method takes into account the net financial debt of Disty Technologies as of 31/12/2021 which amounts to MAD 56.4 million.

⁷ The coefficient of determination r^2 determines the extent to which the change in the price of an asset is correlated with a reference index

As of 31/12/2021, the net debt and liabilities of a debt nature taken into account in the calculation of Disty Technologies' equity value are detailed as follows:

Data as of 12/31/2021 (in MAD thousand)	
Financing debt (Damane Oxygen)	7 969.0
Cash and cash equivalents Liabilities	64 146.6
CCA Liabilities	0.0
Leasing debt	0.0
Cash assets	15 667.5
Net debt	56 448.1

Source: Disty Technologies

In MAD million	2022e	2023p	2024p	2025p	2026p	2027p	2028p
Turnover	481.6	506.0	531.7	558.8	587.4	617.5	649.2
EBITDA	33.3	35.2	37.2	39.3	41.5	43.9	46.4
Theoretical tax rate ⁸	9.7	10.4	11.0	11.6	12.2	13.0	13.8
Change in WCR	5.8	5.1	5.3	5.5	5.7	6.0	6.2
Investments	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Free cash flow	15.8	17.6	18.9	20.2	21.5	22.9	24.4
Terminal value							372.7
Discounted FCF	14.6	14.9	14.7	14.5	14.2	13.9	13.6
Sum of discounted FCF							100.4
Discounted terminal value							208.1
Enterprise value as of 12/31/2021							308.5
Net debt as of 12/31/2021							56.4
Equity value							252.0
MAD/Share							323.2

Source: Disty Technologies

On the basis of the WACC of 8.68% and a perpetual growth rate of 2%, the enterprise value amounts to MAD 308.5 million, made up of (i) the discounted sum of the 2022e-2028p free cash-flow for MAD 100.4 million and (ii) the terminal value for MAD 208.1 million.

After deduction of the net debt and liabilities in the nature of debt as of 31/12/2021 (MAD 56.4 million), the valuation of Disty Technologies' equity amounts to MAD 252.0 million, i.e., a value of MAD 323 per share.

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

WACC Discount Rate	Perpetual Growth Rate		
	1.50%	2%	2.50%
9.7%	199.0	210.2	222.9
9.2%	216.6	229.6	244.6
8.7%	236.6	252.0	270.0
8.4%	247.7	264.5	284.2
7.9%	272.5	292.8	316.7

The table below presents a sensitivity analysis of the Company's price per share (in MAD/share) to the WACC and the perpetual growth rate:

⁸ Theoretical tax rate = Operating income * 31%.

WACC Discount Rate	Perpetual Growth Rate		
	1.50%	2%	2.50%
9.7%	255.2	269.5	285.8
9.2%	277.7	294.5	313.7
8.7%	303.4	323.2	346.2
8.4%	317.7	339.3	364.5
7.9%	349.5	375.4	406.2

III.4. MARKET COMPARABLES METHOD (PRESENTED FOR INFORMATION PURPOSES)

Methodological review

The market comparables valuation method consists of applying to the financial aggregates of the company to be valued the valuation multiples observed on a sample of comparable companies listed on the stock exchange and operating in the same sector of activity and with similar operational characteristics.

Once the sample of comparable companies has been determined, the principle consists of selecting the indicators that will serve as a basis for comparison (turnover, EBITDA, net income, etc.), calculating the multiples induced from the market value and the aggregates of the comparables and applying these multiples to the aggregates of the company to be valued.

Several parameters must be checked when applying this method:

- identification of perfectly comparable companies;
- dispersion of the multiples data within the sample of comparables, which may render the average multiples insignificant;
- consistency of the assumptions underlying the construction of the benchmark of comparables (growth, risk, size, business sector, legal and fiscal environment, accounting standards, etc.).

For the valuation of distribution companies in general and Disty Technologies in particular, the valuation approach based on the EBITDA multiple is preferred. Indeed, the latter allows us to take into account the operating profitability of the selected companies, while neutralizing the differences linked to the depreciation policy, to exceptional items, as well as to the elements due to the financial structure and to the tax system.

The above parameters, often difficult to gather in a stable economic context, are even more difficult in the exceptional context of the COVID-19 pandemic and the political crisis in Europe. Indeed, macroeconomic and sectoral developments in each country as well as the specific situation of each comparable company make the application of this method very difficult. The application of an intrinsic valuation method such as the DCF remains the most appropriate. Nevertheless, the market comparison method has been presented as an indication.

Selected sample

The selection of a sample of companies comparable to Disty Technologies at the local and international level was made taking into account a number of criteria:

- activity: companies operating in the computer hardware distribution sector
- growth: companies showing an annual growth in turnover between 2020 and 2021 that could reach up to 20%.

The sample of comparable companies is as follows:

Company	Country	Activity	Market capitalization as of 05/21/2022	Enterprise value as of 21/05/2022	2021 turnover	Growth in turnover	EBITDA margin rate	Net margin rate	EV/EBITDA		P/E	
			(US\$ mn)	(US\$ mn)	(US\$ mn)	2020-2021	2021	2021	2021	2021	2022e	2021
ALSO Holding AG	Switzerland	Distribution of computer equipment	2 562.7	2 369.6	13 075.6	4.2%	1.9%	1.2%	10.5x	7.9x	15.9x	14.5x
Arena Bilgisayar Sanayi	Turkey	Distribution of computer equipment	83.4	118.1	381.5	19.0%	2.8%	1.1%	8.1x	9.1x	19.9x	14.4x
Datagate Bilgisayar Malzemeleri	Turkey	Distribution of computer equipment	20.9	38.1	109.2	11.4%	2.9%	1.7%	9.9x	9.9x	10.1x	10.2x
Despec Bilgisayar Pazarlama	Turkey	Distribution of computer equipment	14.6	24.1	44.7	17.6%	5.2%	5.4%	10.5x	6.6x	5.7x	5.2x
Disway S.A.	Morocco	Distribution of computer equipment	159.8	159.0	181.8	6.7%	9.7%	5.9%	9.0x	8.4x	13.9x	16.4x
Logicom Public Limited	Cyprus	Distribution of computer equipment	142.2	252.7	1 001.4	10.1%	3.7%	2.6%	6.7x	6.5x	5.7x	N.D
Smart Tunisie ¹⁰	Tunisia	Distribution of computer equipment	58.2	58.0	93.7	7.0%	11.9%	4.8%	8.4x	8.4x	9.7x	9.0x
Average									9.1x	8.1x	11.6x	11.6x

Source: Capital IQ

¹⁰ The EV/EBITDA multiple of Smart Tunisie is the one related to its IPO in 2021.

Resulting valuation

Based on the sample presented above, Disty Technologies' valuation by the market comparables method is as follows:

Valuation by the market comparables	
EV/EBITDA comparables multiple	9.1x
2021 EBITDA	37.1
Enterprise value	335.4
-Net debt as of 31/12/2021	56.4
Equity value (MAD million)	278.9
Value per share (MAD)	357.7

III.5. SUMMARY OF THE METHODS PRESENTED

The table below shows the discount level of the shares subscription price as part of this operation (i.e., MAD 284/share including the issue premium) compared to the value per share resulting from the valuation methods presented:

Valuations summary	DCF	Market Comparables
Equity value (MAD million)	252	279
Share value (MAD)	323	358
Equity value retained after discount (MAD million)		221
Discount to the subscription price	12.13 %	14.42%
Subscription price (MAD/share)		284

Based on the selected price of MAD 284/share, corresponding to an equity valuation of MAD 221.5 million, the resulting valuation multiples are as follows:

Multiples induced	2021	2022e	2023p	2024p
EV/EBITDA	7.5x	8.4x	7.9x	7.5x
P/E	12.1x	11.8x	10.7x	10.0x
P/B	2.1x	1.8x	1.8x	1.7x
Pre-money Dividend Yield ¹¹	6.8%	6.8%	7.4%	7.7%
Post-money Dividend Yield ¹²	5.3%	5.3%	5.8%	6.0%

¹¹ Dividend n to be paid in n+1 | Dividend Yield = Dividend / EqV pre-money discount

¹² Dividend n to be paid in n+1 | Dividend Yield = Dividend / EqV post-money discount

IV. FRAMEWORK OF THE OPERATION

IV.1. GENERAL FRAMEWORK OF THE OPERATION

Disty Technologies' Board of Directors, held on July 1st, 2022, decided the following principles:

- Proposal to the Combined General Meeting of the listing of the Company's shares on the Casablanca Stock Exchange by way of
 - ✓ a capital increase reserved to the public up to a maximum amount (including issue premium) of MAD 62,000,040; and
 - ✓ the sale to the public of shares in the Company, the number of which shall be determined by decision of the Board of Directors.
- Proposal to the Combined General Meeting of the cancellation of the shareholders' preferential subscription right as regards the increase in registered capital to be made within the framework of the Company's listing on the Stock Exchange;
- Proposal to the Combined General Meeting of the global revision of the Company's Articles of Association in order to align them with the legal provisions governing companies listed on the Casablanca Stock Exchange;
- Proposal to the Combined General Meeting of the delegation of powers to the Board of Directors with a view in particular to record the final carrying out of the capital increase that should intervene within the framework of the IPO.

The Combined General Meeting of the Company held on July 17, after having taken note of the report of the Board of Directors and the special report of the auditor relating to the cancellation of the shareholders' preferential subscription rights, authorized in particular:

- The increase in share capital reserved to the public with cancellation of the shareholders' preferential subscription right, up to a maximum of MAD 62,000,040 including issue premium by issuing new shares with a MAD 100 par value each at a subscription price (including issue premium) of MAD 284 per share;
- The cancellation of the shareholders' preferential subscription right in favor of the public within the framework of the Company's listing on the Stock Exchange;
- the transfer to the public of the Company's shares, the number of which will be fixed by decision of the Company's Board of Directors;
- the appointment of Mazars as second statutory auditor with effect from the first day of listing for a period of three years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the year 2024.

The General Meeting also decided, subject to the condition precedent of the listing of the Company's shares on the Casablanca Stock Exchange, to amend the Company's Articles of Association in order to comply with the legal provisions relating to companies making a public offering, in particular Act 17-95 relating to public limited companies and Dahir providing Act 1-93-212 of September 21, 1993 relating to the Moroccan Capital Market Authority and the information required from legal entities making a public offering, as amended and supplemented. These amendments will come into force as from the first day of listing of the Company's shares on the Casablanca Stock Exchange.

The new shares will be subscribed for and paid up in full in cash, to the exclusion of any payment by way of set-off against liquid and due receivables from the Company.

If the number of subscriptions has not absorbed the totality of the capital increase relating to the Company's IPO, the amount of the capital increase will be limited to the amount of subscriptions. The amount of the sales may be limited to the proposals of acquisition of shares actually received, it being specified that the new shares issued within the framework of the capital increase must be subscribed for in priority to the shares to be sold, the number of which will be fixed by decision of the Board.

The new shares would give right to the distribution of profits or allocation of reserves that could be decided by the Company as from January 1st of the current year. For this purpose, a fraction of distributable profits, corresponding to MAD 14,971,650, will be allocated to a distributable reserves account. The purpose of the said appropriation will be to allow the distribution of an exceptional dividend under the following conditions:

- In case of completion of the increase in capital: after the date of completion of the increase in capital, an exceptional distribution will be proposed to the Ordinary General Meeting of shareholders of the Company, which will give the right, for each share held after the date of completion of the increase in capital (including the shares that would be issued within the framework of the increase in capital), to an exceptional dividend of MAD 15 per share; or
- In case of non-completion of the capital increase: after the date of acknowledgement of the non-completion, an exceptional distribution will be proposed to the Ordinary General Meeting of Shareholders of the Company, which will give the right, for each share held by the current shareholders of the Company, to an exceptional dividend of MAD 19.19 per share.

The Extraordinary General Meeting also authorizes, subject to the condition precedent of the completion of the IPO Capital Increase, the charging of the expenses arising from the said capital increase against the amount of the issue premium relating to this same capital increase.

It also authorizes the delegation to the Board of Directors of the widest powers, in particular with a view to:

- ✓ set the total amount of the Company's initial public offering;
- ✓ decide on the capital increase within the limit of the amount authorized by the Extraordinary Shareholders' Meeting of the Company;
- ✓ set the number of shares to be sold to the public and the price at which they will be sold;
- ✓ set the terms and conditions of the capital increase, record its completion and amend the Articles of Association accordingly;
- ✓ if the amount of subscriptions has not absorbed the entire capital increase, the amount of the capital increase will be limited to the amount of subscriptions, while the amount of sales may be limited by the Board to the proposals for the acquisition of shares actually received, the new shares issued within the framework of the capital increase having to be subscribed for in priority to the shares to be sold;
- ✓ take the necessary steps for the carrying out of the increase in capital, to notice the subscription, the paying up and the final carrying out, to take all useful measures and to carry out all formalities necessary for the final carrying out of the increase in capital and for the listing of the Company's shares on the Casablanca Stock Exchange;
- ✓ and generally, carry out all the operations required in connection with the Company's initial public offering, set all the terms and conditions for the completion of the said initial public offering and its final characteristics, and take all decisions necessary for the final completion of the said operation.

Disty Technologies' Board of Directors, held on June 27, 2022, using the delegation of powers granted to it by the Mixed General Meeting held on June 17, 2022:

- decided to increase the Company's registered capital reserved to the public up to an amount of MAD 62,000,040 by issuing 218,310 new shares at a subscription price per share of MAD 284 (i.e. MAD 100 as nominal value and MAD 184 as issue premium);
- decided that within the framework of the listing of the Company's shares on the Casablanca Stock Exchange, 386,191 shares at a global price of MAD 109,678,244, i.e. MAD 284 per share, will be sold as follows:
 - ✓ Mr. Younès El Himdy will sell 15,596 shares;
 - ✓ Mr. Ahmed Reda Chami will sell 15,596 shares; and
 - ✓ PME Croissance will sell 354,999 shares.

The number of shares to be sold may be limited to the number of shares actually received, it being specified that the new shares issued in the context of the capital increase must be subscribed for in priority to the shares to be sold.

- decided (i) that the increase in capital will be carried out with cancellation of the preferential subscription right, (ii) that the new shares will be subscribed for and paid up in full up to MAD 284 (including the issue premium) (iii) that the new shares will bear current dividend rights so as to be totally assimilated to the existing shares of the Company as from January 1st of the year during which the said shares will be issued, and (iv) that the new shares will give right to the distribution of profits or the distribution of reserves that could be decided by the Company as from January 1st of the current year.

IV.2. OBJECTIVES OF THE OPERATION

From a growth and development perspective, Disty Technologies' IPO is part of a strategy of outreach and openness towards its customers, partners and the financial community.

The main objectives pursued by Disty Technologies through this IPO are the following:

- to finance the Company's development plan and thus enable it to reach a new level of growth;
- to develop its reputation in the financial community and among the general public by developing a strong and coherent identity;
- to pursue and strengthen the Company's commitment to transparency and performance by submitting to the market's judgement;
- to increase the company's proximity to its customers by offering them the possibility to participate in its capital;
- to allow, if necessary, the recourse to external financing through direct access to the financial markets in support of growth and the achievement of its strategic objectives;
- to optimize the Company's financing costs.

The funds raised through this capital increase will allow Disty Technologies:

- support the development of the Company's management tools and resources;
- finance the Company's working capital requirements;
- finance external growth opportunities.

IV.3. INTENTION OF SHAREHOLDERS AND EXECUTIVES

As part of the Operation, PME Croissance, a 58.3% shareholder of the Company, intends to sell 45.5% of the shares held in the capital of Disty Technologies, i.e. 354,999 shares. The investment fund undertakes to retain its remaining shares, i.e. 99,811 shares, for a period of 6 months from the date of listing. However, any transfer of the entirety of the holding could intervene during this period provided that it is carried out to the benefit of a transferee having subscribed, before the said transfer, a commitment to maintain the entirety of the holding and this, for a period ending, at the latest, one year from the date of the said transfer.

Mr. Ahmed Reda Chami, shareholder of the Company up to 7.8%, intends to transfer 15,596 shares held in the capital of Disty Technologies, that is 2% of the capital. Mr. Chami undertakes to keep the remainder of his shares, i.e. 45,393 shares, and not to sell or transfer them for a period of two years as from the date of the listing.

Mr. Younès El Himdy, shareholder of the Company up to 33.9%, intends to sell 15,596 shares held in the capital of Disty Technologies, i.e. 2% of the capital. Within the framework of the liquidity contract, signed between the Company and the brokerage firm Attijari Intermédiation, he will bring 250 shares to the brokerage firm. This contract is valid for a minimum period of 2 years as from the date of admission to listing. Mr. El Himdy undertakes to keep the remainder of his securities, that is 248,153 and not to assign or transfer them for a period of two years as from the date of admission to listing.

IV.4. GUARANTEE OF SUCCESSFUL COMPLETION OF THE OPERATION

The Operation covered by this prospectus does not carry any guarantee of successful completion.

IV.5. TARGET INVESTORS OF THE OPERATION

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

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

IV.6. IMPACT OF THE OPERATION

Company's equity

Following the completion of the Operation, the shareholders' equity of Disty Technologies will be as follows:

	Pre-operation situation	Impact of the Operation	Post-operation situation
Number of shares (unit)	779 800	218 310	998 110
Share capital	77 980 000	21 831 000	99 811 000
Issue premiums	1 000 000	40 169 040	41 169 040
Reserves	2 077 131	-	2 077 131
Retained earnings	17 495 484	-	17 495 484
Net result	18 270 593	-	18 270 593
Equity	116 823 208	62 000 040	178 823 248

Company's shareholding structure

Following the completion of the Operation, Disty Technologies' shareholding structure is as follows:

	Pre-operation situation		Post-operation situation	
	Number of shares	% of capital and voting rights	% of capital and voting rights	% of capital and voting rights
Mr. Younès El Himdy	263 999	33.9%	248 403	24.9%
Mr. Ahmed Reda Chami	60 989	7.8%	45 393	4.5%
PME Croissance	454 810	58.3%	0	0%
Private Equity Initiatives	1	0.0%	1	0%
NSYGEN	1	0.0%	1	0%
Floating on the stock market	0	0.0%	704 312	70.6%
Total	779 800	100.00%	998 110	100%

As part of the Operation, PME Croissance, a 58.3% shareholder of the Company, intends to sell 45.5% of the shares held in the capital of Disty Technologies, i.e., 354,999 shares. The investment fund undertakes to retain its shares (99,811 shares) for a period of 6 months from the date of listing.

Mr. Younès El Himdy and Mr. Ahmed Reda Chami undertake to keep all their shares in the Company, with the exception of:

- The securities held by each of them and representing 2% of the capital and voting rights subject to sale as part of the Operation covered by this prospectus;
- The securities to be contributed by Mr. El Himdy within the framework of the liquidity contract.

The remaining shares of the two shareholders are as follows:

- 248,153 shares belonging to Mr. El Himdy
- 45,393 shares belonging to Mr. Chami

These shares will be blocked in accordance with article 2.2.7 of the Stock Exchange General Rules, and as mentioned also in the shareholders' agreement signed between Mr. El Himdy and Mr. Chami.

Company's indebtedness

The Operation covered by this prospectus, as it is a capital increase coupled with a sale of shares, has no impact on Disty Technologies' indebtedness.

Company's governance

The Operation covered by this prospectus, should not have any impact on the governance of Disty Technologies, the latter being in conformity with the provisions of Law 17-95. The composition of the Board of Directors will be impacted in the sense that PME Croissance will no longer be a director of the Board and will be replaced by Mr. Ahmed Reda Chami.

It is to be noted that Mr. Ahmed Reda Chami and the independent directors appointed by the General Meeting of June 17, 2022 will take up their functions as from the date of the first listing of the Company's securities.

New shareholders' pact

Mr. Younès El Himdy (the Founder Shareholder) and Mr. Ahmed Reda Chami (the Historical Shareholder) have concluded a shareholders' pact dated June 24, 2022 relating to the company Disty Technologies.

The agreement is intended, in particular, to govern the relations between shareholders within the Company as well as the terms and conditions of the exercise of the general management of the latter, which will be governed by this shareholders' agreement (the "Pact"), which will come into force on the Completion Date.¹³

¹³ The Completion Date means the first day on which the Company's shares are listed on the Casablanca Stock Exchange

The two shareholders take note and acknowledge that their agreements within the framework of the pact constitute an action in concert within the meaning of Article 10 of Dahir no. 1 04-21 of April 21, 2004, promulgating Law no. 26-03 relating to public offerings on the stock market (as amended and supplemented by Law no. 19-14 and Law no. 46-06).

General Management of the Company

As from the Completion Date, the Parties¹⁴ undertake to ensure that the Founding Shareholder is appointed as chairman and CEO of the Company (the "CEO"). It being specified that:

- with respect to the Founding Shareholder: the Founding Shareholder undertakes not to resign from his duties as CEO of the Company for a period of two (2) years from the Completion Date, except in the event of incapacity which would prevent him from fully performing his duties; and
- with respect to the Historical Shareholder: the Historical Shareholder undertakes to do everything in its power to maintain the Founding Shareholder in his functions as CEO of the Company, and in particular to vote against any decision to remove him from such functions, for a period of two (2) years from the Completion Date, except in the event of incapacity which would prevent him from fully exercising his functions.

In exercising his powers, the CEO must comply with the provisions of the Shareholders' Pact and/or the Articles of Association.

Inalienability of the parties' securities

The Parties undertake, expressly and irrevocably, to keep directly, without being able to transfer them (with the exception, however, of shares to be transferred by the Parties within the framework of the listing of the Company's shares on the Casablanca Stock Exchange), the Securities of the Company that they hold or that they will come to hold subsequently, and this, whatever the origin of the Securities, for a period of two (2) years as from the Completion Date (the "Inalienability Period").

The lock-up period referred to above will be recorded in conspicuous characters in the Company's securities register and an instruction relating to such lock-up period has been sent to the custodian-account holder and will also be recorded in the securities account of each of the Parties in which all of the Company's Securities held by such Parties will be recorded. Each Party undertakes for this purpose to hand over to the Casablanca Stock Exchange, on the date of the settlement and delivery of the shares subject of the operation of listing of the Company's shares on the Casablanca Stock Exchange, a certificate from the account keeper-custodian in charge of keeping its securities account, relating to the registration of the non-transferability on the said account for a period corresponding to the Transferability Period.

The Parties agree that any Transfer of Company Securities made in violation of the provisions of this Article shall be null and void and shall not be binding on the Parties or the Company.

Duration

The Pact takes effect from the Completion Date for a period of two (2) years. At the end of this period, the Agreement will be automatically extended, without further formality, by tacit renewal for successive periods of one (1) year, unless one of the Parties decides otherwise and gives six (6) months' notice to the other Party.

The Pact shall be terminated early with the written agreement of all Parties to the Pact. Without prejudice to the provisions of the Article "Inalienability of the Parties' Securities", it is further specified that the Agreement shall cease to have effect with respect to a Party in the event of the sale by such Party of its entire interest in the Company, it being understood that such Party shall only be released from its obligations under the Agreement as of the date on which it has fully performed them.

¹⁴ The Founding Shareholder and the Historical Shareholder are hereinafter collectively referred to as the "Parties"

Company's strategic orientations

The Operation will enable the Company to pursue its development strategy and to achieve its objectives as specified in section "IV.2 Objectives of the Operation" of this prospectus.

Support agreement

Disty Technologies has entered into a support agreement for a period of two years from the date of listing.

IV.7. EXPENSES RELATED TO THE OPERATION

Various commissions

The expenses relating to the Operation, which will be borne by the Issuer, are estimated at approximately 3.2% of the amount of the capital increase.

These expenses include the commissions paid to:

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

In accordance with the decision of the Extraordinary General Meeting of Disty Technologies held on June 17, 2022, all costs resulting from the capital increase will be charged to the amount of the issue premium resulting from the capital increase.

Commissions charged to subscribers

As part of this Operation, each PS member explicitly and irrevocably undertakes, towards the Issuer, the financial advisor and global coordinator, the PS leader, and the other PS members, to charge the subscribers, for all orders registered on the Casablanca Stock Exchange, the following commissions:

- 0.05 % (excluding taxes) for the Casablanca Stock Exchange as an admission commission due to it at the time of registration on the Stock Exchange;
- 0.2% (excluding taxes) as settlement and delivery commissions;
- 0.6% (excluding taxes) for the brokerage firm. It is applied on the amount corresponding to the effective allocation at the time of settlement / delivery.

The value added tax (VAT) at the rate of 10% will be applied as an additional charge.

In order to ensure equal treatment of subscribers, whatever the place of subscription, each PS member formally and expressly undertakes not to apply any kind of rebate to subscribers nor any kind of repayment, simultaneously or after subscription.

Placement fees charged to the Issuer

The PS members will receive a commission of:

- 0.4% exclusive of tax on allocated amounts corresponding to orders submitted by natural persons or legal bodies of Moroccan or foreign law;

- 0.4% exclusive of tax on allocated amounts corresponding to orders submitted by qualified investors of foreign law;
- 0.4% exclusive of tax on allocated amounts corresponding to orders submitted by qualified investors of Moroccan Law.

This commission, payable by the Issuer, will be collected by Attijari Intermédiation, which will be in charge of paying on Bank Al-Maghrib accounts of each PS member its share, within the 30 days following receipt by Attijari Intermédiation of the PS member's invoice.

The Casablanca Stock Exchange will be in charge of communicating, at the end of the allocation, the results of subscriptions and the amounts raised by each PS member and by category of investors to Attijari Intermédiation and AMMC.

V. CONDUCT OF THE OPERATION

V.1. INDICATIVE SCHEDULE OF THE OPERATION

The following table presents the Operation's schedule:

Order	Steps	Deadline
1	Issue by the Casablanca Stock Exchange of the Operation approval notice Approval by the AMMC of the prospectus	27/06/2022
2	Publication of the prospectus on the Issuer's website	27/06/2022
3	Publication of the Operation notice in the Listing Bulletin	28/06/2022
4	Publication of a press release informing of the AMMC's approval in a legal announcement gazette	29/06/2022
5	Opening of the subscription period	05/07/2022
6	Closing of the subscription period at 3:30 pm inclusive	08/07/2022
7	Receipt of subscriptions by the Casablanca Stock Exchange (before 6 p.m.)	08/07/2022
8	Centralization and consolidation of subscriptions by the Casablanca Stock Exchange	13/07/2022
9	Processing of rejected subscriptions by the Casablanca Stock Exchange	14/07/2022
10	Allocation of subscriptions and submission by the Casablanca Stock Exchange of the subscription list to the Issuer Submission by the Casablanca Stock Exchange of allocations by account holder to the PS leader before 12.00 p.m. Submission by the Casablanca Stock Exchange of allocations of securities to PS members before 12.00 p.m.	15/07/2022
11	Holding of the Issuer's body having to note the final realization of the operation	18/07/2022
12	Receipt by the Casablanca Stock Exchange of the minutes of the Issuer's body having recorded the completion of the Operation before 12.00 p.m.	19/07/2022
13	First listing and registration of the Operation on the Stock Exchange	20/07/2022
14	Publication of the operation results in the listing bulletin	20/07/2022
15	Publication of the Operation results by the Company in a legal announcement gazette and on the Issuer's website	22/07/2022
16	Settlement and delivery	25/07/2022

V.2. PLACEMENT SYNDICATE AND FINANCIAL INTERMEDIARIES

Type of financial intermediaries	Name	Address
Financial advisor and global coordinator	Attijari Finances Corp.	163, Avenue Hassan II - Casablanca
Leader of the placement syndicate	Attijari Intermédiation	163, Avenue Hassan II - Casablanca
	Alma Finance Groupe	92, Boulevard d'Anfa - Casablanca
Members of the placement syndicate	Artbourse	16, rue Ksar Sghir, Quartier CIL – Casablanca
	Atlas Capital Bourse	88, rue Benbrahim El Marrakchi - Casablanca
	Attijariwafa bank	2, bd Moulay Youssef - Casablanca
	Banque Centrale Populaire	101, Boulevard Zerktouni - Casablanca
	Bank Of Africa	140, Avenue Hassan II - Casablanca
	BMCE Capital Bourse	63, Boulevard Moulay Youssef
	BMCI	26, place des Nations Unies - Casablanca
	BMCI Bourse	Boulevard Bir Anzarane, imm. Romandie I - Casablanca
	Capital Trust Securities	50, Boulevard Rachidi - Casablanca
	CDG Capital Bourse	9, Boulevard Kennedy - Casablanca
	CFG Bank	5-7, rue Ibnou Toufaïl - Casablanca
	CFG Marchés	5-7, rue Ibnou Toufaïl - Casablanca
	Crédit Agricole du Maroc	Place des Alouyine - Rabat
	Crédit du Maroc	48, Boulevard Mohammed V- Casablanca
	CIH Bank	187, avenue Hassan II - Casablanca
	ICF Al Wassit	Espace Porte d'Anfa, 29 rue Bab Al Mansour – Casablanca
	M.S.I.N	Imm. Zénith, Rés. Tawfiq, Sidi Maârouf - Casablanca
	Red Med Securities	23, rue Ibnou Hilal, Quartier Racine - Casablanca
	Société Générale	55, Boulevard Abdelmoumen - Casablanca
	Sogecapital Bourse	55, Boulevard Abdelmoumen - Casablanca
Upline Securities	101, Boulevard Mohamed Zerktouni – Casablanca	
Valoris Securities	Angle route El Jadida et rue Abou Dhabi - Casablanca	
Body providing securities financing services	Attijariwafa bank	2, bd Moulay Youssef - Casablanca
Body in charge of the registration of the securities on the stock exchange	Attijari Intermédiation	163, Avenue Hassan II, Casablanca

There are no capital ties between the Issuer and the intermediaries participating in the Operation.

V.3. SUBSCRIPTION TERMS AND CONDITIONS

Diffusion threshold

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

- the circulation threshold in number of targeted public is 300 persons;
- the minimum number of targeted subscribers is 100 subscribers.

According to Article 2.2.7 of the Stock Exchange General Rules, the minimum circulation threshold for listing in compartment "Alternative A" is of a minimum amount of MAD 5 million.

Subscription period

Disty Technologies shares, subject of this Prospectus, can be subscribed for from July 5 to 8, inclusive at 3:30 p.m.

Subscription conditions

a. Opening of accounts

- Except for minor children and incapacitated adults, subscription operations are recorded in a securities and cash account in the subscriber's name, opened with the same PS member with whom the subscription is made. If the latter does not have the status of account keeper, the account may be opened with an institution having the status of account keeper.
- Any person wishing to subscribe with a PS member must have or open an account with the said member. The PS member will comply with the legislation in force for the opening of accounts and will request at least the following documents:
 - ✓ Copy of the client's identification document (national identity card), residence permit, trade register, passport, etc.);
 - ✓ copy of the approval decision for undertakings for collective investment (UCIs);
 - ✓ account opening contract duly signed by the subscriber and the PS member in case the client has not already signed it.
- Accounts may only be opened by the Subscriber. Accounts for minors and incapacitated adults can only be opened by the father, mother, guardian or legal representative of the minor or incapacitated adult.
- It is strictly forbidden to open an account by proxy.
- Subscriptions on behalf of third parties are authorized within the framework of a portfolio management mandate including an express clause allowing it.
- For minors and incapacitated adults, subscriptions can be registered either on their account or on that of the persons authorized to subscribe on their behalf, i.e., the father, mother, tutor or legal representative of the minor/incapacitated adult.

b. Subscription terms and conditions

- All subscriptions must be expressed in number of shares;
- Each subscriber can transmit only one subscription order;
- Subscriptions will be made through subscription forms available at PS members and integrated to the present prospectus. A copy of the subscription form must be given to the subscriber with acknowledgement of receipt;
- Subscription forms must be signed by the subscriber (or their proxy within the framework of a portfolio management mandate allowing it) and validated and time-stamped by the PS member
- Subscriptions are irrevocable after the closing of the subscription period;
- All PS members, including those who will proceed to the collection of orders via an Internet platform, undertake to respect the procedure of collection of subscriptions;
- PS members must make sure, before accepting a subscription, that the subscriber has the financial capacity to honor their commitments. Therefore, they are bound to accept subscription orders from any person entitled to take part in the operation, provided that the said person provides the necessary financial guarantees. PS members are bound to keep in the file relating to their client's subscription the documents and supporting papers, which enabled them to ensure the said financial capacity. Each PS member must make sure, before the validation of the subscription, that the applicable limits are respected;
- Each PS member undertakes to demand from its client the coverage of their subscriptions. This coverage differs according to the category one belongs to:

- **Natural Persons, resident or non-resident, of Moroccan or foreign nationality and Legal Entities of Moroccan or foreign law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence on the subscription date:**

Subscriptions must be 100% covered by:

- An effective deposit (remittance of check, cash or transfer) on the subscriber's account. and/or;
- A collateral consisting of securities according to the following modalities:
 - ✓ Government bonds: taken up to a maximum of 100% of the value on the subscription date;
 - ✓ Monetary UCITS with daily net asset value: taken up to a maximum of 100% of the value on the subscription date;
 - ✓ UCITS units with daily net asset value (excluding money market funds), term deposits, listed shares: up to a maximum of 80% of the value on the subscription date.

Subscription coverage by check, cash, transfer and/or collateral must remain blocked until the security is allocated.

- **Qualified investors under Moroccan law:**
 - No coverage;
 - **Qualified investors governed by foreign law (i) justifying more than one year of existence on the subscription date of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:**
 - No coverage;
 - **Qualified investors governed by foreign law (i) not having been in existence for more than one year on the subscription date of this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange;**
 - Coverage at 30% by an effective deposit (remittance of check, cash or bank transfer) or at 100% by a bank guarantee.
- Checks deposited to cover actual deposits must be presented for collection prior to validation of the subscription. For foreign qualified investors, transfers must be received before validating the subscription;
 - The effective deposit must be debited from the subscriber's account and blocked immediately after the subscription;
 - The collateral presented to cover subscriptions must be blocked until the allocation of securities. The blocking certificate must be attached to the subscription form in case the subscription is made through a brokerage firm which does not hold the said collateral;
 - Subscriptions must be made by the subscriber personally. In case of a portfolio management mandate including an express clause allowing it, the proxy holder can proceed to the subscription in place of the principal;
 - PS members, who will proceed to the collection of orders via an Internet platform, must respect the following rules
 - ✓ The client will have to be clearly identified, and the subscription act materialized (time stamping and archiving of subscription orders);

- ✓ The prospectus must be made available to the subscriber;
 - ✓ All the information appearing on the subscription form must be transmitted to the client before the subscription;
 - ✓ The subscription must be validated only if the cash account presents a sufficient balance to cover it according to the coverage modalities defined in this prospectus or if the guarantee or the collateral covers it according to the coverage modalities defined in this prospectus;
 - ✓ The amount of the coverage must be blocked immediately after the subscription;
 - ✓ the client must be informed that their subscription will be rejected in case of formal defect (example: subscription to an order type reserved to another category of subscribers);
 - ✓ PS members, who will collect orders via an Internet platform, must close the subscription period at the same time as other PS members, i.e., on July 8, 2022 at 3.30 p.m. inclusive;
 - ✓ PS members, who will proceed to the collection of orders via an Internet platform, will have to ensure that the subscription ceilings are respected;
 - ✓ PS members, which will proceed to the collection of orders via an Internet platform, must, before validating the subscription, receive an e-mail from the subscriber, accepting the operation methods, or make the subscriber validate a final confirmation form of the subscription, recapitulating the operation characteristics and the subscription order (a copy of the said confirmation must be filed by the PS member).
- It must be noted that PS members, proceeding to the collection of orders via an Internet platform, will reject subscriptions in case of absence of coverage according to the methods presented in this prospectus or in case of incomplete file (Example: absence of an e-mail of acceptance of the operation methods, absence of a family record book for minors' subscriptions, etc.);
 - Subscriptions made by PS members or by their collaborators for their own accounts must be made on the first day of the subscription period.

c. Subscriptions on behalf of third parties

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

- Subscriptions on behalf of minors under the age of 18 or on behalf of incapacitated adults are authorized provided that they are made by the father, mother, tutor or legal representative of the minor or incapacitated adult. The members of the placement syndicate are required, if they do not already have one, to obtain a copy of the page of the family record book showing the date of birth of the minor child or to obtain a receipt for the incapacitated person of full age when opening an account or subscribing for the account of the minor or incapacitated person of full age in question, as the case may be, and to attach it to the subscription form. In this case, the transactions are carried either to an account opened in the name of the minor child or the incapacitated person of full age, or to the securities or cash account opened in the name of the father, mother, tutor or legal representative;
- Subscriptions on behalf of minors or incapacitated adults must be made with the same PS member with whom the subscription of the father, mother, tutor or legal representative was made;
- In the case of a portfolio management mandate, the manager may subscribe on behalf of the client whose portfolio they manage only by presenting a power of attorney duly signed and legalized by their principal or the management mandate if the latter makes express provision to that effect. Moroccan or foreign management companies are exempted from presenting such proofs for the UCITS they manage;
- Any agent within the framework of a portfolio management mandate may transmit only one order on behalf of the same third party.
- Subscriptions from qualified investors governed by foreign law may be communicated (i) directly to a PS member or (ii) through an international intermediary (broker) approved by a market authority which is a member of the International Organization of Securities Commissions (IOSCO)

and has an account with a PS member. The said international intermediary (broker) acts solely as a business introducer, the settlement and delivery will be made directly between the qualified investors under foreign law and the PS member.

d. Multiple Subscriptions

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

Each subscriber can transmit only one Order on behalf of each minor child or of incapacitated adult.

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

Individuals subscribing on behalf of minor children and incapacitated adults must subscribe through a single PS member. Any subscription on behalf of minor children with several PS members is considered as a multiple subscription.

Subscriptions made with several PS members, including those made on behalf of minor children or incapacitated adults, are prohibited.

All subscription orders not complying with the above conditions will be void in their entirety.

e. Identification of subscribers

PS members must ensure that the subscriber belongs to one of the categories defined below. As such, they must obtain a copy of the document attesting the subscriber's belonging to the category and attach it to the subscription form.

In addition, each entity in charge of the placement must ensure that the subscriber's representative has the capacity to act on behalf of the subscriber either in their capacity as legal representative or under a mandate from which they benefit.

Subscriber Category	Documents to be attached
Resident natural persons of Moroccan nationality	Photocopy of national identity card or driving license or passport.
Moroccan natural persons residing abroad	Photocopy of national identity card or driving license or passport.
Resident non-Moroccan natural persons	Photocopy of the resident card or passport.
Non-resident, non-Moroccan natural persons	Photocopy of the passport containing the identity of the person and the dates of issue and expiration of the document.
Minor child	Photocopy of the page of the family record book certifying the child's date of birth.
Incapacitated adult	Any document proving incapacity, at the discretion of the PS member.
Legal entities under Moroccan law	Photocopy of the commercial register proving more than one year's existence on the date of subscription.
Legal entities under foreign law	Photocopy of the commercial register or equivalent document that is authentic in the country of origin and that proves that the company belongs to the category, and that it has been in existence for more than one year on the date of subscription.
Moroccan Associations	Photocopy of the articles of association and photocopy of the receipt of deposit of the file justifying more than one year of existence on the subscription date.
Qualified Moroccan investors (excluding UCITS)	Photocopy of the articles of association and all documents and proofs capable of attesting the fulfillment of the conditions required for the status of qualified investor. The legal entities referred to in (e) article 1.30 of the AMMC Circular No. 03/19 must provide a proof of the AMMC's agreement on their status of qualified investor.
UCITS under Moroccan law (excluding monetary and short-term bond UCITS)	Photocopy of the approval decision and additionally: For Mutual Funds: the certificate of deposit at the court registry. For open-ended investment companies (SICAV): the certificate of deposit at the court registry and the model of the entries in the commercial register.
Banks under Moroccan law	Photocopy of the approval decision issued by Bank Al-Maghrib.
Qualified investors under foreign law	Photocopy of the commercial register or equivalent authentic in the country of origin and the copy of the approval certifying compliance with the requirements for the status of approved investor.

All subscriptions that do not comply with the above conditions will be null and void.

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

In case PS members would already have these documents in the client's file, subscribers are exempted from the production of these documents. In case the concerned investor is a legal entity referred to in paragraph (e) of Article 1.30 of AMMC Circular 03/19, the PS member(s) must attach to the subscription form an updated version of the above-mentioned documents.

V.4. ORDER PROCESSING METHODS

Attribution rules

At the end of the subscription period, the allocation of Disty Technologies shares offered to the public will take place as described below.

a. First allocation

For the first allocation, shares will be served in an iterative way up to 120 shares per subscriber.

The shares will be allocated at the rate of one share per subscriber with priority given to the highest applications. The allocation mechanism of one share per subscriber, within the limit of their application, will be made by iteration until reaching a maximum of 120 shares per subscriber within the limit of the number of shares allocated. It is specified that, according to the number of subscribers served, the said maximum could not be reached.

b. Second allocation

Following the first allocation, if the remaining number of securities offered ("RTO") resulting from this allocation is less than the remaining number of securities requested ("RTD"), then the "RTO" will be allocated on a pro rata basis. Otherwise, the request will be served in full.

The allocation ratio will be calculated as follows: RTO / RTD .

In the event that the number of securities calculated by multiplying the remaining number of securities requested by the subscriber to the allocation ratio is not a whole number, this number of securities will be rounded down to the nearest whole number.

Odd lots will be allocated in increments of one share per subscriber, with priority to the highest requests.

Depending on the overall demand expressed, some subscriptions may not be served.

Partial subscription to the Operation

The General Meeting has decided, pursuant to Article 191 of Law no. 17-95 relating to public limited companies, that if the amount of subscriptions has not absorbed the totality of the IPO Capital Increase, the amount of the IPO Capital Increase will be limited to the amount of subscriptions. The amount of the sales may be limited to the proposals for the acquisition of shares actually received, it being specified that the new shares issued within the framework of the IPO Capital Increase must be subscribed for in priority to the shares to be sold, the number of which will be fixed by decision of the Board.

V.5. PROCEDURE FOR CONTROL AND REGISTRATION BY THE CASABLANCA STOCK EXCHANGE

Centralization

During the subscription period, the PS members will transmit daily to the Casablanca Stock Exchange, at 10:00 a.m. at the latest, through the subscription centralization tool (OCS), all subscriptions collected during the previous days. Failing that, they must fill in the consolidated statistics of subscriptions on the OCS.

The PS members must transmit on July 8 before 6.30 p.m. to the Casablanca Stock Exchange, through the OCS, all subscriptions collected within the framework of the operation. After this deadline, subscriptions will be rejected.

The Casablanca Stock Exchange will communicate on a daily basis the consolidated statistics of subscriptions to ATTIJARI INTERMEDIATION and to the Issuer.

The Casablanca Stock Exchange will communicate on a daily basis the consolidated subscription statistics to CFG Marchés and the Issuer.

The Casablanca Stock Exchange will proceed to the consolidation of the various subscription files and to the rejection of subscriptions that do not comply with the subscription conditions predefined in this securities note.

On July 15 starting at 12:00 noon., the Casablanca Stock Exchange will communicate to the PS members the results of the allocation.

The table below shows the cases leading to the rejection of subscriptions by the Casablanca Stock Exchange:

Case scenarios	Rejected subscription(s)
Natural person having subscribed for their own account and for the account of their children, with different PS members	All subscriptions
Subscriber having subscribed more than once	All subscriptions
Moroccan or foreign natural person having subscribed for their own account and for that of children over the age of majority	All subscriptions in the name of this natural person, including those for their minor and adult children.
Subscription not respecting the subscription ceiling	The concerned subscriptions
Subscriptions from several PS members	All subscriptions
Subscription to an order type, made with a PS member not entitled to receive it	The concerned subscription

V.6. ENTITIES IN CHARGE OF THE REGISTRATION OF THE OPERATION

The registration of shares issued as part of this operation (Sellers' side) will be made on July 20, 2022, by the brokerage company Attijari Intermédiation.

All PS members having the status of brokerage company will proceed to the registration of allocations they will have collected (purchasers' side), on July 20, 2022.

PS members, not having the status of a brokerage firm, are free to designate the PS member brokerage firm, which will be in charge of registering their subscriptions with the Casablanca Stock Exchange. These PS members must inform the chosen brokerage firm in writing with a copy addressed to the Casablanca Stock Exchange, and this, before the beginning of the subscription period.

The registration of transactions resulting from this operation will be made at the price of MAD 284 per share. This price will be used as reference price of the DYT instrument on the first day of listing.

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

V.7. TERMS OF SETTLEMENT / DELIVERY OF SECURITIES

Settlement / delivery of securities

The settlement and delivery of securities will take place on July 25, 2022, according to the procedures in force at the Casablanca Stock Exchange.

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

Disty Technologies has also designated Attijariwafa bank as exclusive account holder of the Disty Technologies securities put up for sale within the framework of this Operation.

Restitution of the remainder

PS members undertake to reimburse to their clients, within a period not exceeding 3 working days as from the date of delivery of securities allocations to the PS members, i.e., on July 20, the cash remainders resulting from the difference between the net amount paid by their clients at subscription and the net amount corresponding to their real allocations.

The refunding of the remainder must be made either by transfer on a bank or postal account, or by handing over a check, and subject to the effective cashing by the intermediary of the amount deposited for subscription.

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

V.8. PUBLICATION OF RESULTS

The results of this Operation will be published by the Casablanca Stock Exchange in the listing Bulletin on July 20 and by Disty Technologies through the press in a legal announcements gazette and by electronic means on its website on July 22, 2022.

V.9. INFORMATION REQUIREMENTS

At the end of the Operation, and within a maximum period of 3 working days as from the announcement of the results, i.e. July 25, 2022, each PS member will send to the subscribers a notice containing the following minimum mentions:

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

PART II. ABOUT DISTY TECHNOLOGIES

SUMMARY DESCRIPTION OF THE ACTIVITY

I.1. GENERAL INFORMATION

Corporate Name	Disty Technologies
Registered Office	12, rue Mohamed Abdou, Casablanca
Phone / Fax	Phone: 05.22.99.85.00 Fax : 05.22.98.53.55
Website	www.disty.ma
Legal Form	Public Limited Company
Date of incorporation	21/02/2011
Commercial Register	The company is registered in the Casablanca Commercial Register under the number RC 232335
Lifespan	99 years
Financial Year	From January 1 to December 31
Corporate purpose (article 3 of Disty Technologies' articles of association)	<p>The company's corporate purpose is, either directly or indirectly:</p> <ul style="list-style-type: none"> ▪ Advice and service in new technologies; ▪ Training on products and solutions of new technologies; ▪ Maintenance of hardware and software and any technological solution; ▪ The conception, implementation and marketing of technical solutions; ▪ Import, purchase, sale, distribution, export of any product concerning the new technologies of information; ▪ Development of new information technology professions; ▪ Advice, training, provision of services in new information technologies; ▪ Design, maintenance, sale and distribution of software and hardware related to the above purposes; ▪ Acquisition of interests in all companies having a similar or related object by way of company creation, contribution to existing companies, partnership, merger or by way of partnership, purchase of securities, joint venture or otherwise; ▪ And more generally, all commercial, industrial, financial, securities or real estate operations directly or indirectly related to the corporate purpose or which may facilitate the expansion and development of the company.
Share Capital as of 01/04/2022	Disty Technologies' share capital is MAD 77,980,000
Number of shares forming the capital as of 01/04/2022	779,800, with a nominal value of MAD 100 per share
Places to consult legal documents	<p>The legal documents relating to Disty Technologies, in particular the articles of association, the minutes of General Meetings, the auditors' reports and the management reports can be consulted at the company's headquarters and on its website</p> <p>By virtue of its legal form, the Company is governed by Law No 17-95 promulgated by Dahir No 1-96-124 of August 30, 1996, relating to public limited companies, as amended and supplemented by Laws No 81-99, 23-01, 20-05, 78-12, 20-19 and 19-20.</p> <p>By virtue of its future listing on the Casablanca Stock Exchange, Disty Technologies is subject to all legal and regulatory provisions relating to the financial market and in particular:</p>
Applicable laws and regulations	<ul style="list-style-type: none"> ▪ The AMMC General Regulations approved by Order of the Minister of Economy and Finance No. 2169-16 of July 14, 2016; ▪ The AMMC circulars in force; ▪ Dahir No. 1-16-151 promulgating Law No. 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisers; ▪ The General Rules of the Stock Exchange approved by the Order of the Minister of Economy and Finance no. 2208-19 of July 3, 2019;

- Dahir providing Law No 1-96-246 of January 9, 1997, promulgating Law No 35-96 relating to the creation of a central depository and to the institution of a general regime of registration in account of certain securities, as amended by Law No 43-02;
- The General Regulations of the Central Depository approved by Order No. 932-98 of the Minister of the Economy and Finance, dated April 16, 1998, and amended by Order No. 1961-01 of the Minister of the Economy, Finance, Privatization and Tourism, dated October 30, 2001, and Order No. 77-05 of March 17, 2005;
- Dahir No 1-12-55 of December 28, 2012, promulgating the law No 44-12 relating to the public offering and the information required from legal entities and organizations making public offerings.
- Dahir No 1-04-21 of April 21, 2004, promulgating Act No 26-03 relating to public offerings on the Moroccan stock market as amended and completed by Act No 46-06.

Tax Regime	The company is subject to the ordinary tax system.
Competent Court	Commercial Court of Casablanca.

Source: Disty Technologies

I.2. PRODUCTS AND BUSINESS LINES

I.2.1. Company's business lines

Disty Technologies is a wholesale importer and distributor of IT products and solutions, covering all the needs of professional and private end customers. Its product and brand portfolio is segmented into homogeneous product and solution categories.

The company constantly selects new products and solutions worldwide and brings them closer to all end-user segments (Key Accounts, SME/SMI, Retail) via its reseller network. It proceeds exclusively via an agreement with manufacturers and avoids the Trade approach which consists of purchasing batches of goods without a distribution agreement with the manufacturers.

The Company also provides after-sales service for most of the products it markets through a team of dedicated resources.

I.2.2. Company's product portfolio

Computing

This category includes desktop computers, laptops and workstations intended for private or professional end users.

Disty Technologies has an agreement with two (2) of the four (4) main world manufacturers, namely: HP and Lenovo.

This category represents, by the nature of its volume and price, the first contribution to the Company's sales.

Printing solutions

This category includes printers, copiers, scanners and their consumables. To date, the Company has an agreement with two (2) major players among the three (3) main world manufacturers, namely: HP and Canon. The latter represent nearly 80% of the Moroccan market (source IDC).

The Company's product portfolio in this segment is detailed as follows:

- laser printers: HP, Canon;
- inkjet printers: HP, Canon;
- scanners: HP, Canon;

- copiers: HP, Canon.

The Company also offers consumable products for the printers it distributes. They are divided into 4 product families:

- liquid ink cartridges;
- toner cartridges (powder);
- ink bottles;
- paper and printing media.

Software

This product category includes all software and IT solutions. The Company mainly distributes products and solutions for professional use and its offer includes

- Microsoft OEM products: Windows operating systems with all their variants (clients and servers) as well as the flagship product of the editor, namely the Office suite (Word, Excel, PowerPoint, Outlook and Access) and the Cloud offer;
- Bitdefender products: these products are designed to ensure the security of computer data through Internet security protection modules, software against malicious code, online intrusions (firewall) and spam;
- Autodesk's Autocad products for architects and design offices.

Server and network infrastructure

This category includes servers, local and global networking and security products:

- computer cabling;
- splitters (network equipment at the cabling level) ;
- switches (local network equipment allowing switching);
- routers (remote network equipment enabling routing);
- convergence solutions.

The company has a distribution contract with HPE, one of the two major manufacturers operating in Morocco. HPE is the result of the separation of HP Corp in 2014 into 2 global entities: HP Inc (having taken over the computing and printing range) and HPE (having taken over the servers and networks range and services).

Photos and Videos

The photo and video range includes cameras, video cameras and photo/video accessories. This is a segment where historically Morocco has always been a major market since the 1970s with brands like Canon, Sony, Nikon, Polaroid and Fujifilm.

Disty Technologies signed a distribution agreement with Canon in 2017 and this offer is experiencing a major progression by relying on the historical network of specialized stores and professional photographers. The Canon brand also covers offerings for video professionals and image and video transmission boards.

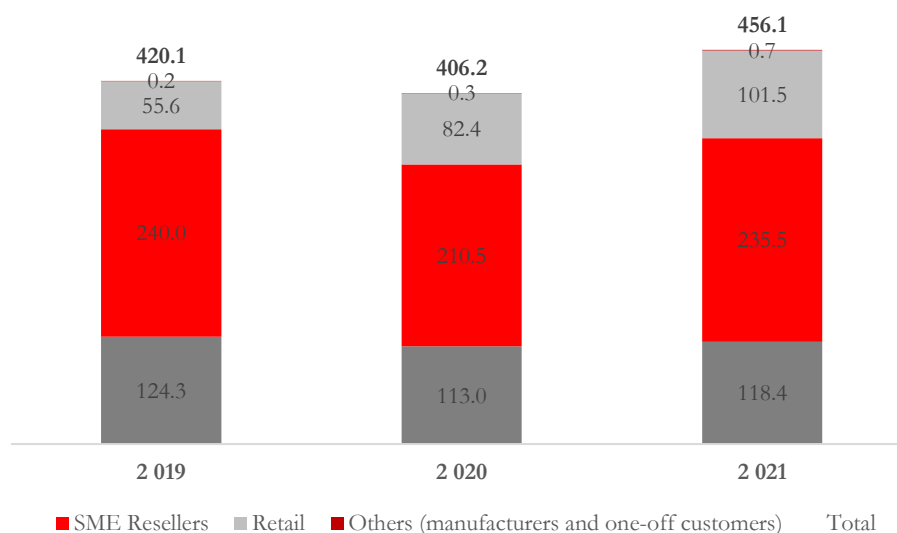
The contribution of Canon PV (Canon's Photo and Video range) to the Company's revenues is constantly increasing.

I.2.3. Analysis of the Company's sales

Breakdown of turnover by distribution channel

Disty Technologies' turnover is divided into four distribution channels as detailed below (in MAD million):

Evolution of turnover by distribution channel (in MAD million) over the 2019-2021 period



Source: Disty Technologies

Breakdown of turnover by brand

The Company distributes numerous brands of computer hardware and software. The turnover by brand is detailed below (in MAD million):

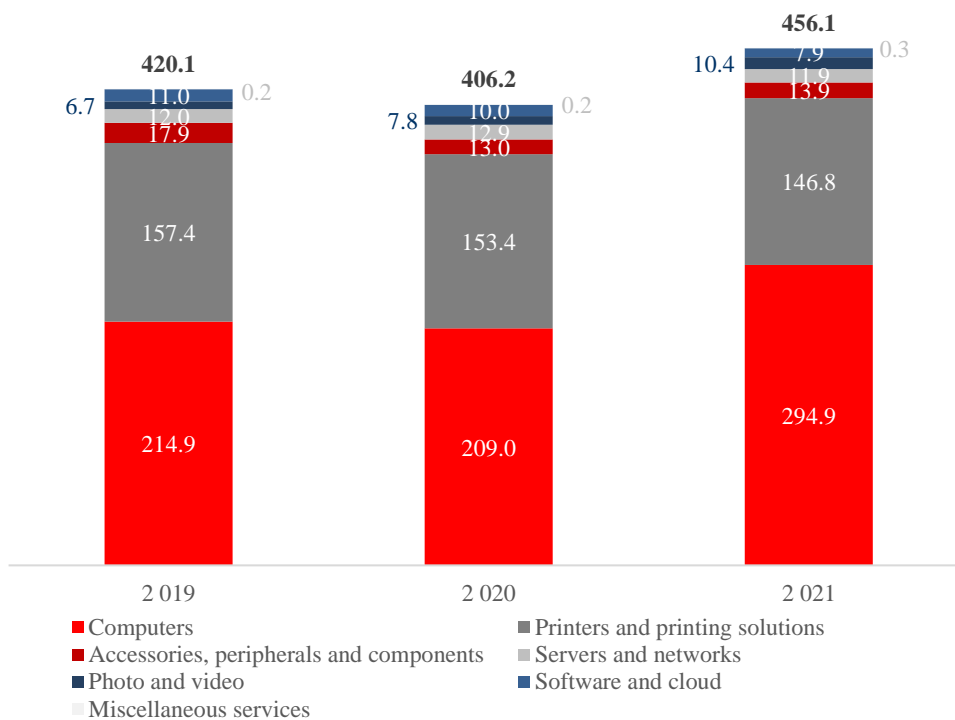
	2 019	2 020	2 021
HP	293.5	268.9	324.0
LENOVO	41.8	30.9	34.7
CANON (Printing)	24.1	33.8	26.1
ASUS	13.1	20.5	29.0
HPE	13.0	12.1	11.9
EATON	14.7	11.6	9.7
CANON (Photo-video)	6.7	7.8	10.4
MICROSOFT	11.0	10.0	7.7
Miscellaneous	2.2	10.6	2.4
Grand total	420.1	406.3	456.1

Source: Disty Technologies

Breakdown of turnover by type of product

The Company's turnover is divided into six segments, detailed below (in MAD million):

Evolution of the turnover breakdown by segment (in MAD million) over the 2019-2021 period



Source: Disty Technologies

II. SHAREHOLDING

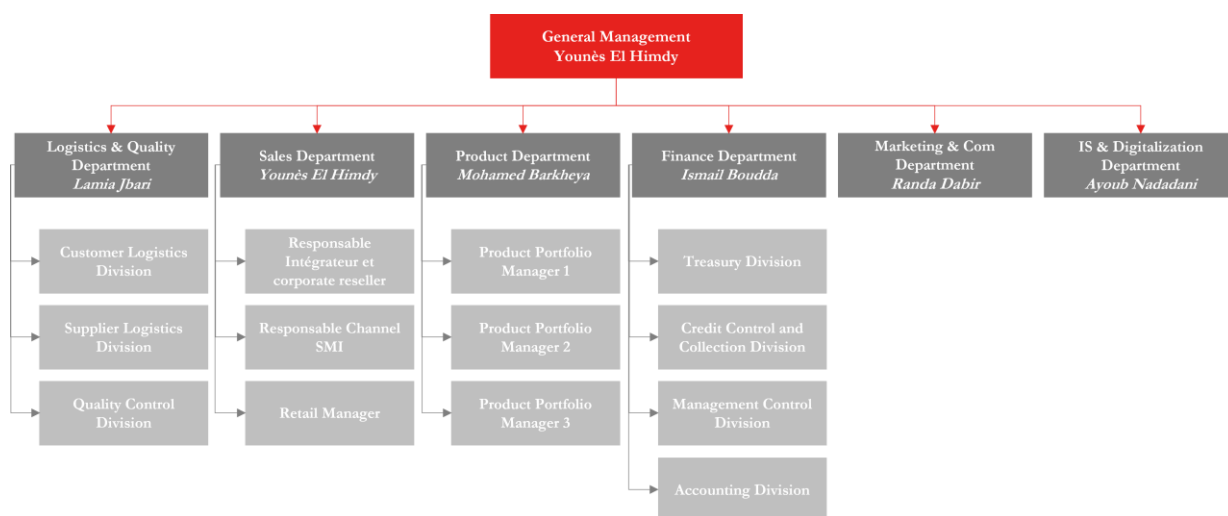
Disty Technologies' shareholding as of 30/04/2022 is as follows:

Shareholders	Number of shares	30/04/2022	
		Voting rights	% of capital
Mr. Younès El Himdy	263 999	263 999	33.85%
NSYGEM	1	1	0.00%
Mr. Ahmed Reda Chami	60 989	60 989	7.82%
PME Croissance	454 810	454 810	58.32%
Private Equity Initiative	1	1	0.00%
Total	779 800	779 800	100%

Source: Disty Technologies

III. ORGANIZATION CHART

Disty Technologies organization chart:



Source: Disty Technologies

PART III. DISTY TECHNOLOGIES FINANCIAL DATA

I. STATEMENT OF OPERATING BALANCES

In MAD thousand	2019	2020	2021	Var. 20/19	Var. 21/20
Sale of goods	418 484.8	404 158.5	453 913.7	-3.4%	+12.3%
Resold purchases of goods	374 937.5	352 552.1	393 219.1	-6.0%	+11.5%
Gross margin on sales (1)	43 547.4	51 606.4	60 694.6	+18.5%	+17.6%
<i>Gross margin rate (GM/Turnover)</i>	<i>10.4%</i>	<i>12.7%</i>	<i>13.3%</i>	<i>234 bps</i>	<i>60 bps</i>
Sale of goods and services produced	1 591.7	2 081.7	2 157.6	+30.8%	+3.6%
Turnover	420 076.5	406 240.2	456 071.4	-3.3%	+12.3%
Change in product inventories	-	-	-	Ns	Ns
Other operating income	-	-	-	Ns	Ns
Production (2)	1 591.7	2 081.7	2 157.6	+30.8%	+3.6%
Consumed purchases of materials and supplies	1 912.0	3 961.6	3 484.9	>100.0%	-12.0%
Other external expenses	12 790.2	11 355.0	13 101.2	-11.2%	+15.4%
Consumption for the financial year (3)	14 702.2	15 316.6	16 586.1	+4.2%	+8.3%
Value added (1) + (2) - (3)	30 436.9	38 371.5	46 266.2	+26.1%	+20.6%
<i>Value added rate (AV/Turnover)</i>	<i>7.2%</i>	<i>9.4%</i>	<i>10.1%</i>	<i>220 bps</i>	<i>70 bps</i>
Operating subsidy	-	-	-	Ns	Ns
Taxes and duties	137.2	124.2	69.2	-9.5%	-44.3%
Staff costs	9 265.5	8 421.0	9 141.4	-9.1%	+8.6%
Gross operating surplus	21 034.1	29 826.3	37 055.5	+41.8%	+24.2%
<i>Gross operating margin (EBITDA/Turnover)</i>	<i>5.0%</i>	<i>7.3%</i>	<i>8.1%</i>	<i>233 bps</i>	<i>78 bps</i>
Other operating income	-	-	-	Ns	Ns
Other operating expenses	200.0	-	600.0	-100.0%	Ns
Operating reversals; expense transfers	-	4 299.7	26.4	Ns	-99.4%
Operating provisions	5 468.2	1 616.1	4 374.3	-70.4%	>100.0%
Operating result	15 365.9	32 509.9	32 107.6	>100.0%	-1.2%
<i>Operating margin (REX/Turnover)</i>	<i>3.7%</i>	<i>8.0%</i>	<i>7.0%</i>	<i>434 bps</i>	<i>-96 bps</i>
Financial income	2 336.6	3 112.6	1 317.4	+33.2%	-57.7%
Foreign exchange gains	1 642.4	2 877.1	1 221.4	+75.2%	-57.5%
Interest and other financial income	95.3	8.1	1.3	-91.5%	-84.3%
Financial reversals, transfer of expenses	598.9	227.4	94.8	-62.0%	-58.3%
Financial expenses	10 875.1	9 709.7	6 694.7	-10.7%	-31.1%
Interest expenses	8 290.3	5 919.7	3 583.5	-28.6%	-39.5%
Foreign exchange losses	2 357.4	3 676.9	2 610.1	56.0%	-29.0%
Other financial expenses	-	18.3	97.3	Ns	>100.0%
Financial provisions	227.4	94.8	403.9	-58.3%	>100.0%
Financial result	-8 538.5	-6 597.1	-5 377.3	+22.7%	+18.5%
Current income	6 827.4	25 912.8	26 730.4	>100.0%	+3.2%
Non-current income	3.0	0.0	140.3	-99.1%	>100.0%
Income from the sale of fixed assets	2.9	-	10.0	-100.0%	Ns
Other non-current income	0.0	0.0	130.3	-45.5%	>100.0%
Non-current expenses	267.3	17 227.0	408.1	>100.0%	-97.6%
Net book value of fixed assets sold	-	26.7	23.9	Ns	-10.3%
Other non-current expenses	267.3	17 200.4	384.2	>100.0%	-97.8%
Non-current provisions	-	-	-	Ns	Ns
Non-current income	-264.4	-17 227.0	-267.8	<-100.0%	+98.4%
Pre-tax income	6 563.1	8 685.8	26 462.5	32.3%	>100.0%
Income tax	2 312.0	2 953.0	8 191.9	27.7%	>100.0%
Net income	4 251.1	5 732.8	18 270.6	34.9%	>100.0%
<i>Net Margin (NR/Turnover)</i>	<i>1.0%</i>	<i>1.4%</i>	<i>4.0%</i>	<i>40 bps</i>	<i>259 bps</i>

Source: Disty Technologies

II. BALANCE SHEET

In MAD thousand	2019	2020	2021	Var. 20/19	Var. 21/20
Assets					
Fixed assets	3 829.3	3 405.1	3 259.0	-11.1%	-4.3%
Fixed assets held in non-value	1 051.1	1 018.4	1 029.0	-3.1%	+1.0%
Preliminary fees	58.6	29.3	-	-50.0%	-100.0%
Deferred charges over several fy	992.5	989.1	1 029.0	-0.3%	+4.0%
Intangible assets	1 240.5	1 024.5	926.7	-17.4%	-9.6%
Other intangible assets	1 240.5	1 024.5	926.7	-17.4%	-9.6%
Tangible fixed assets	1 362.5	1 186.9	1 128.1	-12.9%	-5.0%
Land	-	-	-	Ns	Ns
Buildings	-	-	-	Ns	Ns
Technical installations, equipment and tools	208.4	175.7	209.6	-15.7%	+19.3%
Transport equipment	58.3	33.2	18.5	-43.1%	-44.2%
Furniture, office equipment and other fittings	1 095.8	978.1	900.0	-10.7%	-8.0%
Financial fixed assets	175.2	175.2	175.2	0.0%	0.0%
Non-current loans	-	-	-	Ns	Ns
Other financial receivables	175	175	175.2	0.0%	0.0%
Equity investments	-	-	-	Ns	Ns
Other long-term investments	-	-	-	Ns	Ns
Currency conv. differences - Assets	-	-	-	Ns	Ns
Current assets (excluding PST)	295 392.8	204 237.9	323 245.9	-30.9%	+58.3%
Stocks	56 558.2	29 099.3	62 367.2	-48.5%	>100.0%
Goods	56 558.2	29 099.3	62 367.2	-48.5%	>100.0%
Receivables from current assets	238 607.2	175 043.9	260 474.7	-26.6%	+48.8%
Trade accounts receivable, advances and down payments	13 524.5	4 420.2	2 043.4	-67.3%	-53.8%
Trade receivables and related accounts	151 457.4	112 477.4	134 317.2	-25.7%	19.4%
Staff	1.0	2.5	-	>100.0%	-100.0%
State	53 159.4	40 148.1	46 161.6	-24.5%	+15.0%
Trade accounts receivable, advances and down payments	-	-	-	Ns	Ns
Trade receivables and related accounts	-	-	-	Ns	Ns
Staff	20 465.0	17 995.8	77 952.6	-12.1%	>100.0%
State	227.4	94.8	403.9	-58.3%	>100.0%
Cash - Assets (including PST)	17.8	11 731.8	15 667.5	>100.0%	33.5%
Checks and bills awaiting collection	-	-	-	Ns	Ns
Bank Deposits, Cash and Post Office deposit accounts	-	11 719.7	15 658.5	Ns	+33.6%
Cash, Imprest Accounts and Letters of Credit	17.8	12.1	8.9	-31.9%	-26.5%
Securities and investment values	-	-	-	Ns	Ns
Total ASSETS	299 239.9	219 374.9	342 172.3	-26.7%	56.0%

In MAD thousand	2019	2020	2021	Var. 20/19	Var. 21/20
Liabilities					
Permanent financing	68 319.8	74 052.6	112 542.2	+8.4%	+52.0%
Shareholders' equity	55 319.8	61 052.6	104 573.2	+10.4%	+71.3%
Share capital	40 480.0	40 480.0	65 730.0	0.0%	+62.4%
Additional paid-in capital	1 000.0	1 000.0	1 000.0	0.0%	0.0%
Legal reserve	1 577.9	1 790.5	2 077.1	+13.5%	+16.0%
Other reserves	-	-	-	Ns	Ns
Retained earnings	8 010.8	12 049.3	17 495.5	+50.4%	+45.2%
Net income for the fy	4 251.1	5 732.8	18 270.6	+34.9%	>100.0%
Equivalent shareholders' equity	-	-	-	Ns	Ns
Financing debts	13 000.0	13 000.0	7 969.0	0.0%	-38.7%
Bonds	13 000.0	13 000.0	-	0.0%	-100.0%
Other financial liabilities	-	-	7 969.0	Ns	Ns
Long-term provisions for liabilities and charges	-	-	-	Ns	Ns
Currency conversion differences - Liabilities	-	-	-	Ns	Ns
Current liabilities	90 267.5	84 350.8	165 073.7	-6.6%	+95.7%
Accounts payable and related accounts	44 267.4	43 019.2	121 666.4	-2.8%	>100.0%
Accounts payable, advances and deposits	18.2	59.0	422.8	>100.0%	>100.0%
Staff	327.8	1 036.4	1 923.6	>100.0%	+85.6%
Social organizations	238.2	212.0	228.9	-11.0%	+7.9%
State	32 477.0	27 251.2	40 309.1	-16.1%	+47.9%
Partners' accounts	12 416.0	12 250.0	-	-1.3%	-100.0%
Other creditors	-	-	-	Ns	Ns
Accrued expenses and deferred income	522.9	522.9	522.9	0.0%	0.0%
Other provisions for liabilities and charges	227.4	94.8	403.9	-58.3%	>100.0%
Currency conversion differences - liabilities (current items)	192.4	790.5	6.0	>100.0%	-99.2%
Cash - Liabilities	140 232.9	60 086.2	64 146.6	-57.2%	+6.8%
Discount credits	52 180.2	22 615.0	12 406.8	-56.7%	-45.1%
Cash credits	-	-	-	Ns	Ns
Banks (credit balances)	88 052.7	37 471.2	51 739.8	-57.4%	+38.1%
Total LIABILITIES	299 239.9	219 374.9	342 172.3	-26.7%	+56.0%

Source: Disty Technologies

III. CASH FLOW STATEMENT

In MAD thousand	2019	2020	2021	Var. 20/19	Var. 21/20
I. I. Stable resources for the financial year					
Auto-financement	5 416.7	6 914.5	19 388.0	+27.7%	>100.0%
Cash flow from operations	5 416.7	6 914.5	19 388.0	+27.7%	>100.0%
Distribution of profits	-	-	-	Ns	Ns
Disposals and reductions of fixed assets	2.9	83.3	40.6	>100.0%	-51.3%
Disposal of intangible assets	-	83.3	30.6	Ns	-63.3%
Disposal of property, plant and equipment	2.9	-	10.0	-100.0%	Ns
Disposal of financial assets	-	-	-	Ns	Ns
Recovery of fixed assets	-	-	-	Ns	Ns
Increase in shareholders' equity and similar	-	-	-	Ns	Ns
Capital increases, contributions	-	-	-	Ns	Ns
Investment grants	-	-	-	Ns	Ns
Increase in financing liabilities (net of repayment premiums)	-	-	7 969.0	Ns	Ns
Total stable resources	5 419.6	6 997.8	27 397.6	+29.1%	>100.0%
II. Stable assets for the financial year					
Acquisitions and increases in fixed assets	747.5	237.3	420.7	-68.3%	+77.3%
Acquisitions of fixed assets in non-value	-	-	-	Ns	Ns
Acquisition of intangible assets	126.0	83.3	95.8	-33.9%	+15.0%
Acquisition of tangible assets	621.5	154.0	324.9	-75.2%	>100.0%
Acquisition of financial assets	-	-	-	Ns	Ns
Increase in fixed assets	-	-	-	Ns	Ns
Repayment of equity	-	-	-	Ns	Ns
Repayment of financing debt	-	-	-	Ns	Ns
Assets held in non-value	257.3	603.5	591.2	>100.0%	-2.0%
Total stable assets	1 004.8	840.8	1 011.9	-16.3%	+20.4%
III. Change in the overall financing requirement	-32 712.8	-85 703.7	26 510.4	<-100.0%	>100.0%
IV. Change in cash¹⁵	37 127.5	91 860.7	-124.8	>100.0%	<-100.0%

Source: Disty Technologies

¹⁵ Change in cash = Stable resources - Stable uses - Change in net assets

PART IV. RISKS

I. RISK RELATED TO THE ECONOMIC SITUATION

The IT equipment distribution sector depends on domestic and foreign demand. A sluggish economic environment could lead to a decline in public and private investment in renewal, and consequently have a negative impact on the Company's business. A global economic crisis could lead to a contraction in the economic environment in which the Company operates and impact it directly or indirectly.

Nevertheless, the quality of Disty Technologies' management, the diversification of its portfolio, as well as its positioning on high value-added products are factors that mitigate this risk.

II. COMPETITIVE RISK

The computer equipment distribution sector is experiencing strong competition, mainly from historical players. In order to face this competition, Disty Technologies gives a major importance to the quality of its services, its flexibility and the permanent availability of its products.

Disty Technologies has warehouses with a total surface area of 5,000 m² allowing it to have almost immediate availability to meet the needs of its customers.

Disty Technologies aspires to maintain a competitive and constantly improving offer, especially through its commercial site which allows it to reach all customer segments.

III. CUSTOMER RISK

Disty Technologies gives an important priority to customer risk management. In this context, the Credit-Control function was set up since the creation of the Company and is composed today of three (3) persons, in charge of the follow-up and the collection.

In addition, the company has contracted a customer risk insurance with EULER HERMES ACMAR. This insurance covers 44% of the clients with an annual turnover superior to MAD 10 thousand.

IV. SUPPLIER RISK

The Company has several distribution contracts with various international manufacturers and publishers. HP represents a large part (71%) of Disty Technologies' revenues due to the importance of this manufacturer on the market and the diversification of its offer which includes computers, printers and consumables.

Disty Technologies diversifies its portfolio and its suppliers to reduce this risk of dependence.

The risk of breach of contract exists but remains very limited. The Company strives to bring added value to its suppliers and to respect all the commitments stipulated in the distribution contracts.

V. FOREIGN EXCHANGE RISK

Like all Moroccan importing companies, Disty Technologies is confronted with exchange rate variations between foreign currencies (USD and EUR) and the Dirham. These variations can have a significant impact on the company's results.

In order to reduce this risk, Disty Technologies is equipped with decision support tools and ensures a daily follow-up of its foreign exchange positions and negotiates permanently with its partner banks¹⁶, the best rates.

¹⁶ Disty Technologies ensures the coverage of foreign exchange risk with lines released at the trading rooms of Attijariwafa bank and Banque Populaire.

VI. PRODUCT RISK

The computer equipment distribution sector is confronted with the risk of product obsolescence, which is controlled, however, by the intervention of manufacturers to allow a rotation of the stock of importers-distributors.

Indeed, a dormant stock at an importer-distributor is an immobilized capital that does not participate in sales. For the manufacturers, the stock of a wholesaler represents an extension of theirs and impacts their performance. It is therefore an almost weekly follow-up that is carried out on the evolution of the stocks with each of the manufacturers and concrete actions are undertaken to allow the disposal of the stock through special price discounts.

VII. RISK RELATED TO THE COVID-19 PANDEMIC

According to the evolution of the pandemic in Morocco and abroad, and depending on the barrier measures put in place, Disty Technologies could be confronted with a slowdown in its activity level as observed between March and June 2020.

VIII. RISK RELATED TO THE BREAKDOWN OF THE SHAREHOLDING STRUCTURE

At the end of the period of inalienability of the shares held by the shareholders Mr. Younès El Himdy and Mr. Ahmed Reda Chami, and due to the absence of a majority shareholder (or group of shareholders), it is possible that decisions, in particular concerning the distribution of returns to be served to the shareholders, may be blocked due to the absence of a quorum or of a majority able to approve such decisions.

In order to reduce this risk, the Company plans to contact certain investors with significant shareholdings directly in advance of meetings to ensure that the required quorum is obtained.

IX. KEY PERSON RISK

The key employee risk is related to the absence of Mr. Younès El Himdy, founder, President and CEO of Disty Technologies. However, this risk is mitigated in view of the rules of good governance established by the Company and its management bodies.

X. REGULATORY RISK

Disty Technologies must meet the regulatory requirements of its sector. Indeed, a change in the law or a change in regulations can directly or indirectly impact the profitability of the sector.

XI. RISK RELATED TO SUPPLY CONDITIONS

The customs administration regularly announces new compliance requirements for imported products. As an importer, Disty Technologies is used to the import process and adapts to the market requirements.

The routing of imports is handled by international manufacturers for the sake of economy of scale and optimization between their plants and Morocco. As such, supply times are delayed only in extreme cases such as a shortage of components or an international crisis such as that between Russia and Ukraine currently.

XII. RISK FACTORS RELATED TO THE FINANCIAL INSTRUMENTS OFFERED

The admission of Disty Technologies' shares to trading on the Casablanca Stock Exchange entails the exposure of each investor to certain risks resulting from the operating conditions of the financial market.

Liquidity risk

Depending on market conditions, the investor may be exposed to liquidity risk. Liquidity risk determines the extent to which a financial instrument can be bought and sold. Stocks characterized by low trading volumes may be more difficult to dispose of and present a risk, as the investor may, to some extent, not be able to dispose of part or all of the securities held within a short period of time with or without a discount to the principal.

Price volatility risk

Equity markets can be volatile and investors experience unpredictable increases and decreases in the value of the securities they hold. When a stock price fluctuates rapidly and significantly, this volatility can have a significant impact on a portfolio.

Capital loss risk

The risk of capital loss is the risk that all or part of the capital invested by an investor will not be returned to them (risk of total or partial loss) when they sell their financial instrument. The value of the financial instrument depends on the situation of the markets, and the past performance of this investment does not predict future performance.

Disclaimer

The aforementioned information constitutes only a part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under the reference no. VI/EM/017/2022 on June 27, 2022.

The AMMC recommends reading the whole prospectus, which is made available to the public in French.