

ALLIANCES دارنا

Alliances Darna S.A. prospectus SUMMARY

ISSUE OF ORDINARY BONDS BACKED BY A PARTIAL GUARANTEE

Characteristics	Tranche A	Tranche B
Issue Ceiling		MAD 534,544,400
Maximum Number		5,345,444 Bonds
Nominal Value		MAD 100
Maturity		10 years
Nominal Interest Rate	Fixed rate of 3%, excluding tax	Annually-revisable interest rate, capped at 3.2% excluding tax, risk premium included, with reference to the full monetary rate of 52-week Commercial Paper plus a risk premium of 60 basis points. For the first year, the 52-week money rate calculated from the reference rate curve of the secondary treasury bill market as published by Bank Al Maghreb on December 3, 2019 is 2.31%, i.e. a nominal interest rate of 2.91%.
Tradability		Tradable over the counter
Repayment	Three years of grace period and deferred interest then straight-line amortization over 7 years with interest capitalized for 3 years	
Security and Partial Guarantee	Property assets as presented in Part II of this prospectus	
Subscription period	From January 6, 2020 to January 24, 2020 inclusive	

**SUBSCRIPTION RESERVED FOR HOLDERS OF BONDS ISSUED ON AUGUST 31, 2012
AND AL DARNA COMMERCIAL PAPER HAVING SIGNED A MEMORANDUM OF UNDERSTANDING**

Advisory Bodies and Global Coordinators



Centralizing and Order-Collecting Body



Domiciliary Body providing the Financial Service of the issuer



Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of the Dahir Law No. 1 -12-55 dated December 28, 2012, promulgating Law No. 44-12 on public offerings and information required of legal entities and savings organizations, this prospectus has been approved by the AMMC on December 25, 2019 under reference VI/EM/038/2019

LISSANIAT
Moroccan Ltd. - Morocco
Lissaniat - Casablanca
Tel: 0522 58 78 89
Fax: 0522 78 99 40

DISCLAIMER

the Moroccan Capital Market Authority (AMMC) approved on December 25, 2019 a prospectus related to the bond issue by Alliances Darna.

The AMMC-approved prospectus is available at any time at the headquarters of Alliances Darna, on its website <https://www.alliances.co.ma/>, and at its financial advisors. It is also available within a maximum of 48 hours at order-collecting institutions.

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

This summary has been translated by **LISSANIAT** under the joint responsibility of the said translator and Alliances Darna. In the event of any discrepancy between the content of this summary and that of the AMMC-approved prospectus, only the approved prospectus will prevail.

PART I. PRESENTATION OF THE OPERATION

Structure of the Offer

Alliances Darna plans to issue 5,345,444 bonds with a nominal value of MAD100 each. The total amount of the issue is MAD 534,544,400.

I.1. Presentation of the Operation Structure

The bond issue covered by this prospectus will be issued in two tranches

- Tranche A at a fixed rate of 3% excluding tax and tradable over the counter. The said tranche has a maturity of ten years and will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years
- Tranche B at an annually-revisable rate capped at 3.2% excluding tax and tradable over-the-counter with a risk premium of 60 basis points. The said tranche has a maturity of ten years and will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years.

The total amount to be allocated under the two above-mentioned tranches may in no case exceed MAD534,544,400.

The total amount (principal and net coupons) of the receivables of each of the investors having signed a memorandum of understanding with a view to the operation covered by this prospectus, amounts to MAD534,544,400 (the methods for determining the receivable are presented in section I.2 below), the difference with the amount of the issue represents the total Balance to be paid to subscribers.

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

Investors I: all holders of bonds issued by Alliances Darna as part of the MAD1,000,000,000 bond issue approved by the CDVM on August 3, 2012 under reference VI/EM/027/2012 (the "**2012 Bonds**") as well as holders of coupons relating to the 2012 Bonds, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

Investors II: all holders of commercial paper issued by Alliances Darna under the commercial paper program for a maximum amount of MAD1,500,000,000 subject to an information package updated and approved by the AMMC on October 7, 2014 under reference VI/EM/031/2014 (the "**Commercial Paper**") as well as holders of coupons relating to the Commercial Paper, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

A subscriber may fall into one of the two categories of investors indicated above in the event that they hold both 2012 Bonds and/or related coupons and related Commercial Paper and/or related coupons.

The following table sets out the lines of the 2012 Bonds and Commercial Paper for which memoranda have been signed with a view to the bond issue covered by this prospectus:

2012 Bonds

Nature of the operation	Total exchange value (KMAD)	Unpaid matured coupons as of December 31, 2018 (MMAD) ¹	ISIN code	Nature of the issue rate	Issue risk premium	Nominal rate	Maturity date	Payment frequency
2012 Bond	29 300	4 546	MA0000091795	Fixe	160 bps	5.77%	31/08/2017	In fine
	123 000	13 681	MA0000091787	Variable	145 bps	5.12%	31/08/2017	In fine
Total	152 300	18 227						

Alliances Darna

Commercial Paper

Total exchange value (KMAD)	Unpaid matured coupons ² as of December 31, 2018 (KMAD)	ISIN code	Nominal rate	Issue risk premium	Maturity	Maturity date	Payment frequency
0.0	130	MA0001406653	4.80%	233	94 days	09/11/2015	In fine
0.0	71	MA0001406695	4.80%	233	77 days	09/11/2015	In fine
0.0	261	MA0001406760	5.20%	263	181 days	14/04/2016	In fine
0.0	894	MA0001406893	5.20%	265	182 days	09/05/2016	In fine
0.0	156	MA0001407198	5.30%	290	59 days	09/05/2016	In fine
0.0	37	MA0001407305	5.30%	329	25 days	09/05/2016	In fine
0.0	552	MA0001406372	5.75%	316	364 days	20/05/2016	In fine
0.0	447	MA0001407396	5.30%	346	49 days	27/06/2016	In fine
0.0	201	MA0001407230	5.30%	305	91 days	27/06/2016	In fine
0.0	2 063	MA0001407503	5.30%	360	182 days	26/12/2016	In fine
0.0	552	MA0001407479	5.75%	385	364 days	19/05/2017	In fine
0.0	2 063	MA0001407743	5.30%	310	182 days	26/06/2017	In fine
0.0	2 063	MA0001407891	5.30%	306	182 days	27/12/2017	In fine
0.0	552	MA0001407883	5.75%	349	364 days	18/05/2018	In fine
0.0	817	MA0001408121	5.30%	306	114 days	18/05/2018	In fine
0.0	6 026	MA0001408105	5.30%	306	182 days	27/06/2018	In fine
0.0	6 026	MA0001408279	5.30%	306	182 days	26/12/2018	In fine
0.0	166	MA0001406281	5.20%	260	185 days	09/11/2015	In fine
0.0	473	MA0001406729	5.20%	266	182 days	11/03/2016	In fine
0.0	394	MA0001406737	5.20%	265	182 days	28/03/2016	In fine

¹ Gross matured coupon (excluding CT/RT restatement) unpaid as of 31/12/2018

² Gross matured coupon (excluding CT/RT restatement) unpaid as of 31/12/2018

18 700	0	MA0001405515	5.95%	302	364 days	13/10/2015	<i>In fine</i>
4 800	192	MA0001405853	5.75%	319	364 days	12/01/2016	<i>In fine</i>
10 200	409	MA0001405887	5.75%	320	364 days	15/01/2016	<i>In fine</i>
1 700	99	MA0001406059	5.75%	321	364 days	11/03/2016	<i>In fine</i>
18 700	1 087	MA0001406091	5.75%	310	364 days	25/03/2016	<i>In fine</i>
60 310	0.0	MA0001408246	5.75%	337	364 days	17/05/2019	<i>In fine</i>
225 066	0.0	MA0001408436	5.30%	292	182 days	26/06/2019	<i>In fine</i>
339 476	25 733						

Alliances Darna

II.1. Characteristics of the bonds to be issued

This issue consists of fixed-rate or variable-rate bonds (capped), tradable over the counter and repayable by straight-line amortization with a 3-year grace period and deferred interest for a maturity of 10 years. The characteristics of the bonds are as follows:

II.1.1. Characteristics relating to Tranche A securities (fixed-rate, over-the-counter tradable bonds)

Nature of securities	Over-the-counter tradable bonds (non listed), dematerialized by registration with the Central Custodian (Maroclear) and registered in an account with authorized affiliates.
Legal form	Bearer Bond.
Unit nominal value	MAD 100.
Unit issue price	At par, i.e. MAD 100.
Maturity of securities	10 ans.
Subscription period	From January 6, 2020 to January 24, 2020 inclusive
Dividend entitlement date	January 31, 2020
Maturity date	January 31, 2030
Nominal interest rate	Fixed rate of 3% excluding tax

Interest will be paid annually, taking into account the payment of accrued interest in the event of Mandatory Early Repayment, after the expiry of a three-year grace period, on the anniversary dates of the bond issue, i.e. on January 31 of each year as from January 31 of the year 2024.

Interests will be paid on the same day or on the first following business day if it is not a business day.

Interests during the franchise period (excluding accrued coupons paid in the event of mandatory early repayment) will be capitalized. Interest will be calculated according to the following formula:

Interest payment

$$\text{Interests} = OC \times i \times \frac{(\text{Anniversary date} - \text{date of last repayment})}{\text{Exact number of days}}$$

Where:

OC: Outstanding capital following the last repayment made (mandatory early repayment, voluntary early repayment or linear annual repayment).

i: Nominal interest rate;

Exact number of days: number of days between a given anniversary date and the next anniversary date;

Date of last payment: the date on which the last repayment was made (mandatory prepayment, voluntary prepayment or

linear annual repayment) or, for the first year, the dividend entitlement date of the new bonds.

The capitalization of interests during the franchise period (excluding accrued coupons paid in the event of mandatory early repayment) and during the first year of amortization will be based on the following formula:

For the 1st year:

$$P_1 = P_0 + (P_0 \times i \times (\text{anniversary date} - \text{date of last payment}) / \text{Exact number of days})$$

For the 2nd year:

$$P_2 = P_1 + (P_1 \times i \times (\text{anniversary date} - \text{date of last payment}) / \text{Exact number of days})$$

For the 3rd year:

$$P_3 = P_2 + (P_2 \times i \times (\text{anniversary date} - \text{date of last payment}) / \text{Exact number of days})$$

For the 4th year:

$$P_4 = P_3 + (P_3 \times i \times (\text{anniversary date} - \text{date of last payment}) / \text{Exact number of days})$$

Where:

P_n: principal to be repaid in year "n" taking into account any mandatory and voluntary prepayment occurring in the same year. (with "n" from the 1st year to the 4th year). As the 4th year is not part of the deferral period, it is presented for the purpose of calculating the principal to be repaid as from the 4th year³;

P₀: initial principal to be repaid (year 0) representing the amount subscribed to the issue taking into account any mandatory early repayment and voluntary early repayment occurring in the same year.

i: Nominal interest rate;

Exact number of days: number of days between a given anniversary date and the next anniversary date.

Interests on the bonds will cease to accrue from the day the principal is repaid by the issuer.

It should be noted that during the franchise period, and excluding accrued coupons paid in the event of mandatory early repayment, the coupons are integrated directly and without detachment into the nominal value of the bond issue.

Each subscriber will be entitled to a number of bonds equal to:

- the sum of (i) the nominal value of the 2012 Bonds held by it, if any, (ii) the exchange value of the Commercial Paper outstanding on the date of signature of the memorandum of understanding, which it holds, if any, (iii) the nominal value of the Commercial Paper due on the date of signature of the memorandum of understanding, that it holds, as the case may be, and (iv) the coupons held in respect of the 2012 Bonds

Allocation method

³ An example of an amortization table is given in Annex I, showing the case of amortization excluding mandatory and voluntary prepayment.

and/or Commercial Paper, as the case may be (as referred to in the memorandum of understanding signed with the said subscriber), net of the withholding of CT and RT

- divided by 100
- rounded down to the nearest whole number

A balance representing, where applicable, the difference between the total receivable of the subscribers, having signed a memorandum of understanding and the amount allocated in the context of this issue, will be calculated per subscription and paid in cash to the subscribers

Annual straight-line amortization in seven installments after the expiry of a three-year grace period on the anniversary dates of the bond issue, i.e. January 31 of each year from January 31, 2024.

Principal will be repaid on the same day or the next business day if it is not a business day.

Principal repayment

The amount to be repaid annually in principal will take into account all mandatory early repayment and voluntary early repayment.

In the event of a merger, demerger or partial contribution of the issuer's assets occurring during the term of the bond issue and resulting in the universal transfer of the assets to a separate legal entity, the rights and obligations with respect to the obligations will automatically be transferred to the legal entity substituted in the issuer's rights and obligations.

Subject to compliance with the conditions provided for this purpose in the issue contract, the real property to which the above-mentioned mortgage guarantees relate may be transferred with the transfer price recorded in the Escrow Account held by the Escrow Agent for this purpose.

The bond issue will be repaid in advance, on a quarterly basis (on the Quarterly Repayment Date), as soon as the balance of the Escrow Account held by the Escrow Agent exceeds MAD25,000,000, according to the terms described below:

- The mandatory early repayment will take the form of a bond repayment with payment of the accrued coupon, the balance of the Escrow Account will be allocated, as soon as it exceeds MAD25,000,000, to the repayment of a fraction of the principal and payment of the accrued coupon, the amount of the accrued coupon being determined according to the formula mentioned below (the "Coupon to Pay");
- The fraction of the principal to be repaid is determined by subtracting the amount of the Accrued Coupon on the Quarterly Payment Date (as defined below) from the amount of the balance in the Escrow Account on the said date;
- The mandatory early repayment will be made on a pro rata basis according to the number of shares in circulation. The unit repayment will be made upon rounding down to the lowest cent of the pole of the total amount of the mandatory early repayment excluding payment of the Coupon to Pay by the number of securities in circulation.

$$\text{Coupon to Pay} = OC \times i \times \frac{(\text{Quarterly repayment date} - \text{date of last repayment})}{\text{Exact number of days}}$$

Where:

OC: Outstanding capital following the last repayment made (mandatory early repayment, voluntary early repayment or linear annual repayment).

i: Nominal interest rate applied to the tranche

Quarterly repayment date: repayment date, i.e. the last day of the calendar quarter in question;

Date of last payment: the date on which the last repayment was made (mandatory prepayment, voluntary prepayment or linear annual repayment) or, for the first year, the dividend entitlement date of the new bonds.

Exact number of days: number of days between a given anniversary date and the next anniversary date.

Each mandatory prepayment:

- will occur on the last day of each calendar quarter, either on the Quarterly Repayment Date, or if this day is not a business day, on the 1st following business day, provided that the condition relating to the amount of the balance in the escrow account is met on the last day of the month preceding the end of the quarter in question, i. e. February 28/29, May 31, August 31 or November 30 of each calendar year (hereinafter referred to as the "Quarterly Payment Date") (or if such day is not a business day, the first following business day) during the term of the bond issue;
- will be notified in writing by the issuer to the representative of the bondholders' body and to the Account Holder no later than the 10th calendar day of the last calendar month of the quarter calendar before the Quarterly Repayment Date on March 10, June 10, September 10 and December 10 (or if that day is not a business day, the 1st following business day);
- will be effected by the payment by the escrow agent of the entire balance of the escrow account (on the Quarterly Payment Date) into the hands of the Centralizing Agent, which will repay and pay the Coupon to Pay on the Quarterly Payment Date; and
 - will be deducted, with regard to the repayment of the principal, from the nearest repayment dates of the bond issue in chronological order of maturity.

Alliances Darna, will have the right at any time to repay all or part of the bond loan in advance, without penalties or fees.

The voluntary early repayment will be made on a pro rata basis according to the number of securities in circulation. The unit repayment will be made by rounding down to the lowest cent of the pole of the total amount of the voluntary early repayment by the number of securities in circulation.

Each voluntary prepayment:

Voluntary Early Repayment

- (i) will be for a minimum amount of MAD10,000,000;
- (ii) must take place on an anniversary date of the bond issue, i.e. January 31 of each year (or if this day is not a business day on the next business day);
- (iii) will be notified in writing by the issuer to the representative of the bondholders' body and to the account holder and the centralizing agent no later than 15 days before the date of the voluntary early repayment;
- (iv) will be made by cash payment into the hands of the centralizing agent no later than 1 day before the voluntary early repayment date; and

(v) will be deducted from the nearest repayment dates of the bond issue according to the chronological order of maturity.

Security

Bonds of this issue are covered by a guarantee consisting of mortgage guarantees detailed in the table set out in section II.3.1 below, it being specified that in order to respect the corporate interest of each of the above-mentioned mortgage guarantees, the aggregate amount guaranteed in respect of the mortgage guarantees granted by a given mortgage guarantee, as security for the bond loan, has been limited by mortgage guarantee to the outstanding amount of the debt held by the issuer on the relevant mortgage guarantee under its shareholder current account, cash advances made, trade receivables and/or any other receivables and the parties to the mortgage guarantee contract have acknowledged that the guarantee undertaking does not constitute an abuse of corporate assets within the meaning of Article 384 of Act No. 17-95 on public limited companies (as amended and supplemented).

The above-mentioned mortgage guarantees benefit the bondholders of Tranches A and B of the bond issue under the same conditions.

Bond buyback

Alliances Darna reserves the right to buy back bonds on the secondary market, provided that legal and regulatory provisions so permit, such buybacks being without consequences for a subscriber wishing to keep their securities until the normal maturity of the bond issue and without affecting the normal repayment schedule. The bonds so purchased will be cancelled.

The bonds will be repurchased in proportion to the securities contributed.

The issuer undertakes prior to any buyback to:

- Inform the Provisional Representative of the Bondholders' Body as well as the AMMC on the buyback operation;
- Communicate the buyback operation through the publication in a legal announcement gazette.

Maintenance of the loan in its rank

Alliances Darna undertakes, until the effective repayment of all the Bonds to institute in favor of other securities that it may subsequently issue, no priority as to their repayment rank in the event of liquidation, without granting the same rights to the securities of the bond issue.

Assimilation clause

The bonds covered by this issue are not subject to any assimilation.

Rank

This issue is not subject to a rating request.

Rank

The bonds in Tranche A constitute direct, general, unconditional and non-subordinated commitments of the Company. However, the bond issue is partially guaranteed by the mortgage guarantees presented in the Bond Issue Contract.

Designated notary

The issuer has appointed Mr. Mustapha Zine as notary in charge of the registration and release formalities relating to the mortgages and mortgage guarantees securing the present Bond Issue.

	<p>Mr. Mustapha Zine is a notary, whose office is located at 5, Rue Draa -Ex Danvillers, Casablanca.</p>
<p>Escrow</p>	<p>BMCE Bank Of Africa acts as escrow agent for the purpose of depositing all or part of the sale price of the property covered by the above-mentioned mortgage guarantees in an escrow account and allocating the balance of this escrow account to the mandatory early repayment of the bond issue.</p>
<p>Representation of Bondholders</p>	<p>Pending the holding of the General Meeting of Bondholders, the Board of Directors of the issuer held on September 19, 2019 appointed Mr. Karim Mouttaki, residing at 30 Rue de la Fontaine, quartier Racine, Casablanca, as provisional representative in accordance with Article 300 of Law 17-95 on public limited companies as amended and supplemented.</p> <p>The General Meeting of the Bondholders will be convened by the Board of Directors of the issuer within 60 days of the date on which the bonds issued in connection with this operation will become entitled to dividends, for the appointment of the permanent representative of bondholders.</p>
<p>Tradability of securities</p>	<p>The bonds are tradable by over-the-counter (not listed on the Casablanca Stock Exchange). There are no restrictions imposed by the terms of the issue on the free tradability of the bonds covered by this prospectus.</p>
<p>Applicable law</p>	<p>Moroccan law.</p>
<p>Calculation Agent</p>	<p>BMCE Bank Of Africa</p>
<p>Competent court</p>	<p>Trade Court of Casablanca.</p>

$$\left[(\text{Actuarial rate} + 1)^{\frac{k}{\text{exact number of days}^* - 1}} \right] \times \frac{360}{k}$$

Where:

k: residual maturity (in days) of the actuarial rate to be transformed (immediately above 52 weeks)

* Exact number of days: 365 or 366 days.

Interest will be paid annually, taking into account the payment of accrued coupons in the event of mandatory early repayment after the expiry of a three-year grace period, on the anniversary dates of the bond issue, i.e. January 31 of each year as from January 31 of the year 2024.

Interest will be paid on the same day or on the first following business day if it is not a business day.

Interest during the grace period (excluding accrued coupons paid in the event of mandatory early repayment) will be capitalized.

Interest is calculated on a monetary basis, i.e.:

$$\text{Interests} = OC \times i \times \frac{(\text{Anniversary date} - \text{date of last repayment})}{360}$$

Where:

OC: Outstanding capital following the last repayment made (mandatory early repayment, voluntary early repayment or linear annual repayment).

i: Nominal interest rate;

Date of last payment: the date on which the last repayment was made (mandatory prepayment, voluntary prepayment or linear annual repayment) or, for the first year, the dividend entitlement date of the new bonds.

Interest payment

The capitalization of interests during the franchise period (excluding accrued coupons paid in the event of mandatory early repayment) and during the first year of amortization will be based on the following formula:

For the 1st year:

$$P_1 = P_0 + (P_0 \times i \times (\text{anniversary date} - \text{date of last payment}) / 360)$$

For the 2nd year:

$$P_2 = P_1 + (P_1 \times i \times (\text{anniversary date} - \text{date of last payment}) / 360)$$

For the 3rd year:

$$P_3 = P_2 + (P_2 \times i \times (\text{anniversary date} - \text{date of last payment}) / 360)$$

For the 4th year:

$$P_4 = P_3 + (P_3 \times i \times (\text{anniversary date} - \text{date of last payment}) / 360)$$

Where:

P_n: principal to be repaid in year "n" taking into account any mandatory and voluntary prepayment occurring in the same year.

(with "n" from the 1st year to the 4th year). As the 4th year is not part of the deferral period, it is presented for the purpose of calculating the principal to be repaid as from the 4th year⁵;

P₀: initial principal to be repaid (year 0) representing the amount subscribed to the issue taking into account any mandatory early repayment and voluntary early repayment occurring in the same year.

I_n: Nominal interest rate.

Interest on the bonds will cease to accrue from the day the principal is repaid by the issuer.

It should be noted that during the franchise period, and excluding accrued coupons paid in the event of mandatory early repayment, the coupons are integrated directly and without detachment into the nominal value of the bond issue.

Allocation method

Each subscriber will be entitled to a number of bonds equal to:

- the sum of (i) the nominal value of the 2012 Bonds held by it, if any, (ii) the exchange value of the Commercial Paper outstanding on the date of signature of the memorandum of understanding, which it holds, if any, (iii) the nominal value of the Commercial Paper due on the date of signature of the memorandum of understanding, that it holds, as the case may be, and (iv) the coupons held in respect of the 2012 Bonds and/or Commercial Paper, as the case may be (as referred to in the memorandum of understanding signed with the said subscriber), net of the withholding of CT and RT
- divided by 100
- rounded down to the nearest whole number

A balance representing, where applicable, the difference between the total receivable of the subscribers, having signed a memorandum of understanding and the amount allocated in the context of this issue, will be paid in cash to the subscribers

Annual straight-line amortization in 7 instalments after the expiry of a three-year grace period on the anniversary dates of the bond issue, i.e. 31 January of each year as from 31 January 2024.

Principal will be repaid on the same day or the next business day if it is not a business day.

Principal repayment

The amount to be repaid annually in principal will take into account all mandatory and voluntary prepayments.

In the event of a merger, demerger or partial contribution of the issuer's assets occurring during the term of the bond issue and resulting in the universal transfer of the assets to a separate legal entity, the rights and obligations with respect to the obligations will automatically be transferred to the legal entity substituted in the issuer's rights and obligations.

Mandatory Early Repayment

Subject to compliance with the conditions provided for this purpose in the issue contract, the real property to which the above-mentioned mortgage

⁵ An example of an amortization table is given in Annex I, showing the case of amortization excluding mandatory and voluntary prepayment.

guarantees relate may be transferred with the transfer price recorded in the Escrow account held by the Escrow Agent for this purpose.

The bond issue will be repaid in advance, on a quarterly basis (on the Quarterly Repayment Date), as soon as the balance of the Escrow Account held by the Escrow Agent exceeds MAD25,000,000, according to the terms described below:

- The mandatory early repayment will take the form of a bond repayment with payment of the accrued coupon, the balance of the Escrow Account will be allocated, as soon as it exceeds MAD25,000,000, to the repayment of a fraction of the principal and payment of the accrued coupon, the amount of the accrued coupon being determined according to the formula mentioned below (the "Coupon to Pay");
- The fraction of the principal to be repaid is determined by subtracting the amount of the Accrued Coupon on the Quarterly Payment Date (as defined below) from the amount of the balance in the Escrow Account on the said date;
- The mandatory early repayment will be made on a pro rata basis according to the number of shares in circulation. The unit repayment will be made upon rounding down to the lowest cent of the pole of the total amount of the mandatory early repayment excluding payment of the Coupon to Pay by the number of securities in circulation.

$$\text{Coupon to Pay} = OC \times i \times \frac{(\text{Quarterly repayment date} - \text{date of last repayment})}{360}$$

Where:

OC: Outstanding capital following the last repayment made (mandatory early repayment, voluntary early repayment or linear annual repayment).

i: Nominal interest rate applied to the tranche

Quarterly repayment date: repayment date, i.e. the last day of the calendar quarter in question;

Date of last payment: the date on which the last repayment was made (mandatory prepayment, voluntary prepayment or linear annual repayment) or, for the first year, the dividend entitlement date of the new bonds.

Each mandatory prepayment:

- will occur on the last day of each calendar quarter, either on the Quarterly Repayment Date, or if this day is not a business day, on the 1st following business day, provided that the condition relating to the amount of the balance in the escrow account is met on the last day of the month preceding the end of the quarter in question, i. e. February 28/29, May 31, August 31 or November 30 of each calendar year (hereinafter referred to as the "Quarterly Payment Date") (or if such day is not a business day, the first following business day) during the term of the bond issue;
- will be notified in writing by the issuer to the representative of the bondholders' body and to the Account Holder no later than the 10th calendar day of the last calendar month of the quarter calendar before the Quarterly Repayment Date on March 10, June

10, September 10 and December 10 (or if that day is not a business day, the 1st following business day;

- will be effected by the payment by the escrow agent of the entire balance of the escrow account (on the Quarterly Payment Date) into the hands of the Centralizing Agent, which will repay and pay the Coupon to Pay on the Quarterly Payment Date; and

will be deducted, with regard to the repayment of the principal, from the nearest repayment dates of the bond issue in chronological order of maturity.

Alliances Darna, will have the right at any time to repay all or part of the bond loan in advance, without penalties or fees.

The voluntary early repayment will be made on a pro rata basis according to the number of securities in circulation. The unit repayment will be made by rounding down to the lowest cent of the pole of the total amount of the voluntary early repayment by the number of securities in circulation.

Each voluntary prepayment:

- (i) will be for a minimum amount of MAD10,000,000;
- (ii) must take place on an anniversary date of the bond issue, i.e. January 31 of each year (or if this day is not a business day on the next business day);
- (iii) will be notified in writing by the issuer to the representative of the bondholders' body and to the account holder and the centralizing agent no later than 15 days before the date of the voluntary early repayment;
- (iv) will be made by cash payment into the hands of the centralizing agent no later than 1 day before the voluntary early repayment date; and
- (v) will be deducted from the nearest repayment dates of the bond issue according to the chronological order of maturity.

Voluntary Early Repayment

Bonds of this issue are covered by a guarantee consisting of mortgage guarantees detailed in the table set out in section II.3.1 below, it being specified that in order to respect the corporate interest of each of the above-mentioned mortgage guarantees, the aggregate amount guaranteed in respect of the mortgage guarantees granted by a given mortgage guarantee, as security for the bond loan, has been limited by mortgage guarantee to the outstanding amount of the debt held by the issuer on the relevant mortgage guarantee under its shareholder current account, cash advances made, trade receivables and/or any other receivables and the parties to the mortgage guarantee contract have acknowledged that the guarantee undertaking does not constitute an abuse of corporate assets within the meaning of Article 384 of Act No. 17-95 on public limited companies (as amended and supplemented).

The above-mentioned mortgage guarantees benefit the bondholders of Tranches A and B of the bond issue under the same conditions.

Security

Alliances Darna reserves the right to buy back bonds on the secondary market, provided that legal and regulatory provisions so permit, such buybacks being without consequences for a subscriber wishing to keep

Bond buyback

	<p>their securities until the normal maturity of the bond issue and without affecting the normal repayment schedule. The bonds so purchased will be cancelled.</p> <p>The bonds will be repurchased in proportion to the securities contributed. The issuer undertakes prior to any buyback to:</p> <ul style="list-style-type: none"> • Inform the Provisional Representative of the Bondholders' Body as well as the AMMC on the buyback operation; • Communicate the buyback operation through the publication in a legal announcement gazette.
Maintenance of the loan in its rank	<p>Alliances Darna undertakes, until the effective repayment of all the Bonds to institute in favor of other securities that it may subsequently issue, no priority as to their repayment rank in the event of liquidation, without granting the same rights to the securities of the bond issue.</p>
Assimilation clause	<p>The bonds covered by this issue are not subject to any assimilation.</p>
Rank	<p>This issue is not subject to a rating request.</p>
Rank	<p>The bonds in Tranche B constitute direct, general, unconditional and non-subordinated commitments of the Company. However, the bond issue is partially guaranteed by the mortgage guarantees presented in the Bond Issue Contract.</p>
Designated notary	<p>The issuer has appointed Mr. Mustapha Zine as notary in charge of the registration and release formalities relating to the mortgages and mortgage guarantees securing the present Bond Issue.</p> <p>Mr. Mustapha Zine is a notary, whose office is located at 5, Rue Draa -Ex Danvillers, Casablanca.</p>
Escrow	<p>BMCE Bank Of Africa acts as escrow agent for the purpose of depositing all or part of the sale price of the property covered by the above-mentioned mortgage guarantees in an escrow account and allocating the balance of this escrow account to the mandatory early repayment of the bond issue.</p>
Representation of Bondholders	<p>Pending the holding of the General Meeting of Bondholders, the Board of Directors of the issuer held on September 19, 2019 appointed Mr. Karim Mouttaki, residing at 30 Rue de la Fontaine, quartier Racine, Casablanca, as provisional representative in accordance with Article 300 of Law 17-95 on public limited companies as amended and supplemented.</p> <p>The General Meeting of the Bondholders will be convened by the Board of Directors of the issuer within 60 days of the date on which the bonds issued in connection with this operation will become entitled to dividends, for the appointment of the permanent representative of bondholders.</p>
Tradability of securities	<p>The bonds are tradable by over-the-counter (not listed on the Casablanca Stock Exchange). There are no restrictions imposed by the terms of the issue on the free tradability of the bonds covered by this prospectus.</p>
Applicable law	<p>Moroccan law.</p>

Calculation Agent	BMCE Bank Of Africa
Competent court	Trade Court of Casablanca.

II.2. issuer default

Constitutes a case of default (an "Event of Default"), the failure to pay any amount, in principal or interest, due by the issuer under any bond unless payment is made within 15 business days of its due date.

In the event of the occurrence of an Event of Default, and provided that the Representative of the bondholders' body has previously given notice to the issuer to remedy the Event of Default within 45 business days of the notice and that the issuer has not remedied the Event of Default within the aforementioned period, the Representative of the bondholders' body may, by decision of the General Meeting of Bondholders, acting under the quorum and majority conditions provided for by law and upon simple written notification to the issuer, with a copy to the centralizing agent, all the bonds shall become due and payable, automatically entailing the obligation for the issuer to repay the said bonds up to the amount of the principal outstanding plus accrued interest.

II.3. Guarantees

II.3.1. Presentation of guarantees

The guarantee mechanisms relating to the bond loan are covered by the Mortgage Guarantee Contract signed before a notary on September 27, 2019 by the provisional agent of the bondholders' body as reproduced in the Annex 4 and forming an integral part of the prospectus.

Under the mortgage guarantee agreement referred to above, the bond loan is partially secured by the following mortgages: Presentation of the properties constituting the partial guarantee of the Bond Loan:

Mortgage guarantor	Project	Designation of mortgaged property	Land title deed	Land registry	Total surface (m ²)	Mortgages registered on the land title deed (other than the mortgage benefiting the bondholders' body)	Rank and registration number of the mortgage benefiting the bondholders' body	Guaranteed amount in MAD	Description	Appraisal value in MAD (*)	
Société Immobilière Nejmat Saïss	Nejmat Saïss	All of the so-called property RNSSTZKFACT34	111565/69	Zouagha Moulay Yacoub	172	First-rank mortgage in favor of the State	Register 149 No. 53 dated December 20, 2019	2,503,869	Land	629,715	Second-rank mortgage
											Register 149 No. 53 dated December 20, 2019
Société Immobilière Nejmat Saïss	Nejmat Saïss	All of the so-called property RNSSTZKFACT35	111566/69	Zouagha Moulay Yacoub	165	First-rank mortgage in favor of the State	Register 149 No. 53 dated December 20, 2019	2,503,869	Land	622,219	Second-rank mortgage
											Register 149 No. 53 dated December 20, 2019
Société Immobilière Nejmat Saïss	Nejmat Saïss	All of the so-called property RNSSTZKFACT36	111567/69	Zouagha Moulay Yacoub	163	First-rank mortgage in favor of the State	Register 149 No. 53 dated December 20, 2019	2,503,869	Land	610,974	Second-rank mortgage
											Register 149 No. 53 dated December 20, 2019
Société Immobilière Nejmat Saïss	Nejmat Saïss	All of the so-called property RNSSTZKFACT37	111568/69	Zouagha Moulay Yacoub	172	First-rank mortgage in favor of the State	Register 149 No. 53 dated December 20, 2019	2,503,869	Land	640,960	Second-rank mortgage
											Register 149 No. 53 dated December 20, 2019

LISSANIAT
 Hajj Nassim Lot. Inassal n°120 Nr. 11
 Liassata - 69 20000
 Tél : 06 22 89 78 29
 GSM : 06 22 78 89 49

Rmila Resort	Rmila	All undivided rights belonging to Rmila Resort in the so-called property Mohamed Mansouri frères	1963/M	Ben Guerir	1 103 132	Five First-rank mortgages (undivided rights) in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	187,878,067	Adobe construction	95,386,430
Rmila Resort	Rmila	All undivided rights belonging to Rmila Resort in the so-called property Bourmila	13241/M	Ben Guerir	429 353	Five First-rank mortgages (undivided rights) in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	187,878,067	Land	37,125,624
Rmila Resort	Rmila	All undivided rights belonging to Rmila Resort in the so-called property Dar Al Assas	13370/M	Ben Guerir	439 516	Five First-rank mortgages (undivided rights) in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	187,878,067	Land	38,004,381
Rmila Resort	Rmila	All of the so-called property Bled Hmia	2138/72	Ben Guerir	119 056	First-rank mortgage in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	187,878,067	Land	10,294,626
Rmila Resort	Rmila	All of the so-called property Jouadi Rmila	2149/72	Ben Guerir	81 729	First-rank mortgage in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	187,878,067	Land	7,067,006
Atlas Nakhil	Rmila	Totality of undivided rights belonging to Atlas Nakhil in the so-called property Mohamed Mansouri frères	1963/M	Ben Guerir	15 021	Five First-rank mortgages (undivided rights) in favor of the State	Second-rank mortgage Register 41 No. 7 dated December 24, 2019	2,321,928	Adobe construction	1,298,690

Atals Nakhil	Rmila	Totality of undivided rights belonging to Atlas Nakhil in the so-called property Bourmila	13241/ M	Ben Guerir	5 846	Five First- rank mortgages (undivided rights) in favor of the State	Register 41 No. 7 dated December 24, 2019	Land	505,536
Atals Nakhil	Rmila	Totality of undivided rights belonging to Atlas Nakhil in the so-called property Dar Al Assas	13370/ M	Ben Guerir	5 985	Five First- rank mortgages (undivided rights) in favor of the State	Register 41 No. 7 dated December 24, 2019	Land	517,502
Riad Soltan	SAG I	Riad Soltan	572/65	Al Haouz	356 116	None	Register 33 No. 421 dated November 20, 2019	Land	157,300,0 00

(*) The appraisal of all the assets constituting the partial guarantee of this operation was carried out by Cap Realty, an independent real estate expert and certified by RICS on July 3, 2018.

The assets of the Nejmat Saïss and Rmila projects, as described above, are subject to a first mortgage for the benefit of the State (registration and stamp service).

Concerning the assets mortgaged by Atlas Nakhil SARL and Rmila Resort SARL consisting of undivided rights, as referred to in the table above, the details of ownership by Atlas Nakhil SARL and Rmila Resort SARL are as follows:

TF	Name	Total surface (m ²)	Surface area corresponding to undivided rights mortgaged for the benefit of the bondholders	Share representing undivided rights mortgaged in favor of the bondholders' body	Details of the co-individuals' share
13370/M	Property known as DAR Al Assas	1 012 000	445 500	44.0%	Atlas Nakhil: 0.6% Rmila Resort: 43.4% State Private Domain (DPE): 50.0% Other: 6.0%
13241/M	Property known as Bourmila	988 600	435 200	44.0%	Atlas Nakhil: 0.6% Rmila Resort: 43.4% State Private Domain (DPE): 50.0% Other: 6.0%
1963/M	Property known as Mohamed El Mansouri et Frères	2 540 000	1 118 153	44.0%	Atlas Nakhil: 0.6% Rmila Resort: 43.4% State Private Domain (DPE): 50.0% Other: 6.0%

Source: Alliances Darna

Each of the mortgage guarantees is a subsidiary of Alliances Darna.

The mortgage guarantee contract provides in particular that:

mortgage guarantees do not constitute an abuse of corporate assets by mortgage guarantees within the meaning of Article 384 of Law No 17-95 on public limited companies (as amended and supplemented);

- i) the granting of the mortgage guarantees has been the subject of a guarantee issue agreement signed between the issuer and the mortgage guarantees; and
- ii) the aggregate amount guaranteed, per mortgage guarantee, in respect of the mortgage guarantees granted as security for this issue shall be limited to the amount corresponding to the aggregate receivable held by the issuer on the relevant mortgage guarantee in respect of its shareholder's current account, cash advances made, trade receivables and/or any other receivable, it being specified that the amount of the issuer's receivables on each of the mortgage guarantees has been set out in the mortgage guarantee contract, with an undertaking not to remunerate these amounts and not to make any repayment, except in the case of releases granted under the conditions provided for in the mortgage guarantee contract). These receivables from the issuer are as follows:

Subsidiary	Amount in MAD
Société Immobilière Nejmat Saïss SA	2 503 869
Riad Soltan SA	157 300 000
Rmila Resort SARL	187 878 067
Atlas Nakhil SARL	2 321 928
Total	350 003 864

Source: Alliances Darna

On the basis of the appraisal carried out by Cap Realty, an independent real estate expert and RICS-certified on July 3, 2018, the total value of the assets used as partial guarantee in this operation represents 65.4% of the maximum amount of the issue.

It should be noted that a mortgage on undivided rights (granted by one of the undivided co-owners) is different from a mortgage on immovable property; a mortgage on undivided rights does not make it possible to seize the immovable property as a whole, but only to seize the undivided rights whose sale can be pursued by the creditor without having to wait for the partition. The value of these rights will depend on the ratio of obligations existing between the undivided co-owners and not only on the intrinsic value of the property.

In the event that the mortgagee does not cause the shares to be sold before the division, his right will be deferred to the property allocated following the division and to the balance, it being specified that the mortgage will lapse, in the event that the grantor is debtor of the undivided share, if the encumbered asset is placed in the lot of another co-individual, the creditor may not be able to assert his rights over the price of the property awarded to a third party to the extent that the price is subsequently allocated in the division to a co-owner whose undivided share was not encumbered by a mortgage. In the present case, it is specified in this respect that the Mortgage Guarantee Contract includes a declaration by the mortgage guarantors that they are not liable for the undivided co-ownership and undertake to maintain this situation as it stands.

The costs relating to mortgage guarantees and the registration of the related mortgages have been fully covered by the issuer.

II.4. Presentation of the mortgage guarantee mechanism

The guarantee mechanisms relating to the bond loan are referred to in the Mortgage Guarantee Contract attached in Annex 4 and forming an integral part of the prospectus.

II.4.1. Mechanisms for the development of Real Property, substitution and release

1) Development and subdivision of the Real Estate Property

In accordance with the Issue Contract, the bondholders covered by this bond issue authorize Alliances Darna, the companies concerned and any agent to develop the Real Estate Assets referred to in section II.3.1 above if they deem it appropriate (the "Real Estate Properties") and to make any improvements, including, in particular, by means of (i) the construction of a subdivision, as defined in Article 1 of Dahir No. 1-92-7 promulgating Law No. 25-90 on subdivisions, housing groups and parcels, above (the "Real Estate Assets") and to make any improvements, including, in particular, by means of (i) the construction of a subdivision, as defined in Article 1 of Dahir No. 1-92-7 promulgating Law No. 25-90 on subdivisions, housing groups and parcels, it being specified that subdivision is defined as the pole by sale, rental or pole of Real Estate Property into several parcels intended for the construction of buildings for residential, industrial, tourist, commercial or craft use, regardless of the surface area of the parcels (the "Parcels"), (ii) the application for and obtaining of any building permit, as defined by articles 40 and 41 of Dahir no.1-92-31 promulgating Moroccan law no.12-90 relating to urban planning, the purpose of which is to carry out any work on the real estate base, and (iii) the carrying out of any construction work, directly or through any service provider, pursuant to a building permit duly issued by the competent authorities under the above-mentioned conditions, in order to obtain any residence permit or certificate of conformity, within the meaning of Article 55 of the aforementioned Act No. 12-90.

In the event of obtaining an authorization to subdivide the Real Estate Property and in the event of the development of all or part of the Real Estate Property, the mortgage guarantees shall automatically refer to each other immediately, after the parent land title to the Real Estate Property has been split, on each of the individual land titles of each of the parcels or constructed properties (the "Constructed Properties"), whether it is a housing group within the meaning of the aforementioned law no.25-90 or a parcel or co-ownership within the meaning of the law 18-00 relating to the status of co-ownership of constructed properties.

In accordance with the issue contract, the bondholders covered by this bond issue also authorize, in addition, (i) marketing, through any means of communication, (ii) marketing, through any research mandate, and (iii) the

conclusion of any contract preparatory to the sale of all or part of the Real Estate in its current state or as Parcels or Constructed Property.

2) Release Mechanism

1. Definitions

For the purposes of section II.4.1, the following definitions shall apply;

- **"Credit"** means, for a Property sold under the conditions set out in section II.4.1 (proper for release) and at a sale price higher than the Minimum Price of such Property, the difference between the actual sale price of such Property and its Minimum Price. Credits are thus recorded and accumulated as they are earned until each mandatory early repayment date to form a balance that will offset the Differences and be reduced accordingly.
- **"Minimum Price"** means, on a given date, for each Real Estate Property, the average of the two valuations indicated for the same Real Estate Property, each of the two Valuation Reports issued for the last past calendar year.
- **"Initial Minimum Price"** means the initial price of the Real Estate Property corresponding to the valuation indicated in section II.3.1 above for each of the Real Estate Property, [based on the expert reports prepared by CAP REALTY on July 3, 2018.
- **"Valuation Reports"** means the two valuation reports issued on an annual basis respectively by each of the two experts appointed by the representative of the estate, and relating to each of the Real Estate Property to which the mortgage guarantees relate, with an indication of the minimum price retained by each of the two experts for each Real Estate Property, it being specified that the average of the two minimum prices for a Real Estate Property corresponds to the Minimum Price of said Real Estate Property.
- **"Balance"** means, if positive, the difference between the amount of the Subscriber's aggregate indebtedness to the issuer subject to the restructuring and the amount of the subscription for the Bonds offered under this prospectus. This Balance is calculated and paid per subscription request and will be paid in cash by the issuer.

2. Release of mortgage bonds upon payment of each annual instalment

The Issue Contract provides that the bondholders covered by this bond issue authorize in advance, on an annual basis as from the expiry of the three-year grace period, the release of the mortgage guarantee(s) (as may be deferred on each of the Parcels and Properties Constructed in accordance with the above section, if applicable) relating to one or more Parcels or Properties or Constructed Property, provided the following conditions are met:

- i) The communication by the issuer to the representative of the bondholders' body of:
 - a) a written request for release for the relevant Real Property and/or, where applicable, for the relevant Parcels and Constructed Property; and
 - b) Valuation reports relating to the last calendar year ended, from which it appears that the sum of the Minimum Prices of the Real Estate Property covered by the Mortgage Guarantees registered on the relevant date, as reduced by the Minimum Prices of the Real Estate in their current state or, where applicable, the Minimum Initial Price of the Real Estate Property on which parcels or Constructed Property have been realized for which the release of the mortgage registration is requested by the issuer, is at least equal to the nominal amount outstanding of the bond loan on the date of payment.
- ii) The annual maturity of the bond issue and the corresponding interest will have been duly paid by the issuer for the year in question:
- iii) The sum of the Minimum Prices of the Real Estate Property covered by the Mortgage Guarantees registered on the relevant date, as reduced by the Minimum Prices of the Real Estate in their current state or, where applicable, by the Minimum Initial Price of the Real Estate Property on which Parcels or Constructed Property have been realized for which the release of the mortgage registration is requested by the issuer, is at least equal to the amount of the outstanding nominal amount of the bond issue.

3. Release of mortgage guarantees in the event of the sale of Real Property, parcels or constructed property

The Issue Contract provides that the bondholders covered by this bond issue authorize in advance the release of any mortgage guarantee (as may be carried over to each of the Parcels and Constructed Assets) relating to one or more Parcels or Real Estate Properties or Constructed Properties, for the purpose of selling the relevant Property (or the Parcel or the Constructed Property), provided that the following conditions are met:

- i) The relevant mortgage guarantee is liable to the issuer on the date of sale of the relevant Property (or Parcel or Constructed Property), up to an amount at least equal to the amount of the sale price of the same Real Property (or Parcel or Constructed Property) and the sale price to be paid to the mortgage guarantee in respect of the sale of the Real Property (or Parcel or Constructed Property) is allocated by the Mortgage Guarantee to repay its debt up to the sale price of the Real Property (or Parcel or Constructed Property);
- ii) In accordance with the escrow contract signed with BMCE as escrow agent and reproduced in the annex 5, the notary undertakes to pay into the escrow account of the escrow agent dedicated to the operation (i) the sale price of the Property or, where applicable, (ii) the price of the Parcels (s) or Constructed Property(s) on a Property up to the Initial Minimum Price relating to the Property concerned, it being specified that (i) for property covered by a mortgage guarantee, any remaining balance of the price of the Parcels or Constructed Property shall revert directly to the mortgage guarantee concerned and that (ii) any remaining balance relating to a Property (assuming that the property is neither subdivided nor constructed) will be paid into the escrow account and integrated into the amount of the Credits;
- iii) When the sale price of the Property concerned by the sale is lower than the Minimum Price for the same Property, the issuer must pay an amount equal to (i) the difference between the Minimum Price of the Property concerned and the sale price of the same Property (hereinafter the "Difference") (ii) reduced, where applicable, by the remaining balance of the Credits (as defined below), up to the amount of the Difference; or
- iv) In the event of the sale of Parcels or Constructed Properties, when the sum of the sale prices of all Parcels or Constructed Properties relating to a single Real Property is less than the Initial Minimum Price of the same Real Property, the issuer must pay at the latest one day before the date of the sale of the last Parcel or Constructed Property in question an amount equal to (i) the difference between the Initial Minimum Price of the said Parcel or Constructed Property and the sum of the sale prices of all the Parcel or Constructed Property considered (ii) reduced, where applicable, by the remaining balance of the Credits, up to the amount of the Difference.

The release of the Mortgage Guarantees under the aforementioned conditions must be issued, for the Real Estate Property, Parcels or Constructed Property concerned, in accordance with the terms and conditions provided for in the Issue Contract.

In addition, the Issue Contract provides that the mortgage guarantees relating to all Parcels and/or Constructed Properties forming part of a single Real Estate Property will be released automatically and without consideration, as soon as the sale of one or more Parcels or Constructed Properties relating to said Real Estate Property has enabled the mandatory early repayment of the bond issue up to the Initial Minimum Price of the same Real Property.

This automatic and free release will take place at the same time as the release of the mortgage guarantee on the Parcel or the Constructed Property, all or part of the price of which will be used for the mandatory early repayment of the bond issue in an amount at least equal to the Initial Minimum Price of the Property concerned.

It is specified, for all purposes, that the Mortgage Guarantors may, subject to the foregoing, assign any Parcel or Constructed Property as and when each such Parcel or Constructed Property is completed, and that the Representative of the Masse, vested with full powers and bound for this purpose by the Issue Contract, shall release the mortgage registration on said Parcel or Constructed Property designated by the relevant Mortgage Guarantee upon simple confirmation of the commitment of the Designated Notary to pay into the Escrow Account the sale price of the Parcel or Constructed Property concerned.

4. Automatic and free release of Mortgage Guarantees in the event of delivery of one or more equipment developed on the Real Estate Property

The Issue Contract provides that the bondholders covered by this bond issue authorize in advance, automatically and without consideration, the release of mortgage guarantees relating to one or more equipment that have been developed on the Property, at the request of an administrative authority or public entity or in accordance with the

specifications or the Ne Varietur plan (with no possibility of change), and this for the purposes of the transfer of said equipment, free of charge to said administrative authority or public entity.

II.4.2. Representation of the Bondholders' body

In accordance with Article 9 of the Issue Contract, the General Meeting of Bondholders will be convened by the Board of Directors of the issuer within 60 days of the dividend entitlement date of the bonds issued in connection with this operation, with the aim of appointing its permanent representative.

In the absence of appointment by the General Meeting of Bondholders of its permanent representative, the latter may be appointed at the request of any interested party by the President of the Trade Court ruling in summary proceedings.

The permanent representative appointed is the same for tranches A and B of the bond issue, which are grouped together in a single body.

The Board of Directors of the issuer undertakes to have the Valuation Reports drawn up and communicated to the Representative of the body within 60 days of the end of each calendar year.

Pending the holding of the General Meeting of Bondholders, the Board of Directors of the issuer held on September 19, 2019 appointed Mr. Karim Mouttaki as provisional representative among the persons authorized to act as business agent, it being specified that the provisional representative appointed is identical for tranches A and B of the bond issue, which are combined in one and the same body.

The representative of the body of creditors is required to convene the general meeting of bondholders annually within 60 days of each anniversary date of the bond issue, i.e. January 31 of each year. The representative of the bondholders' body is required on this occasion to present to the general meeting of bondholders an information report presenting in particular: (i) operations carried out on behalf of the bondholders' body (in particular mortgage releases), (ii) the situation of the guarantee (surfaces mortgaged following possible releases, summary of valuation reports submitted by the issuer, etc.) as well as (iii) any relevant comments on the appraisal of the level of guarantee provided. The said report must be made available to bondholders at least 15 days before the General Meeting of Bondholders is to be held. This requirement does not apply to the first General Meeting of Bondholders, which will be held upon convocation by the Board of Directors of Alliances Darna.

It should be noted that there is no capital, business or other relationship between the representative of the bondholder body and the issuer.

II.5. Risk factors related to investing in the securities offered

The risks inherent in a bond investment are as follows:

- **Default risk:** is the risk that the issuer will not be able to meet their contractual commitments to bondholders, resulting in the non-payment of coupons and/or outstanding capital;
- **Liquidity risk:** the holder of non-listed bonds could be exposed to the risk of holding illiquid securities that cannot be sold quickly without having a major impact on the price;
- **Interest rate risk:** the risk related to changes in interest rates can impact fixed-rated bond yields. Indeed, an increase in interest rates will have the impact of reducing the value of the bonds held;
- **Inflation risk:** changes in inflation rates could impact bondholders' returns (i) if the inflation rate exceeds the yield on bonds held and (ii) if interest rates are adjusted. Thus, an increase in interest rates will reduce the value of the bonds held;
- **Liquidity risk of the assets covered by the guarantee:** is the risk that the assets covered by the guarantees of the bond issue will be illiquid and cannot be sold quickly, which would have an effect on their value as well as on the possibility of recovering the transfer price of the assets in the event that the mortgages are called upon, thus reducing the coverage of the bond issue.

III. Framework of the operation

By notice published in the legal announcement gazette Libération on January 26, 2019, Alliances Darna (the "Company") informed the holders of bonds issued by the Company on 31 August 2012 and related coupons and (ii) the holders of commercial paper issued by the Company and related coupons, that the Company was considering a program to reprofile its private debt through a bond issue reserved for holders who had previously entered into a memorandum of understanding with the Company setting out the terms and conditions of their participation in the new bond issue, subject to obtaining the approval of the Moroccan Capital Market Authority. The Company has informed the holders that the draft memorandum was of their disposal, with each holder wishing to participate in the restructuring of the Company's private debt under the conditions described in the memorandum being requested to contact the Company to complete the missing information and sign the memorandum before 26 February 2019. By notice published in the legal announcement gazette Libération on March 1, 2019, the Company informed the holders of bonds issued by the Company on August 31, 2012 and related coupons as well as the holders of commercial paper issued by the Company and related coupons, that the deadline for signing the memorandum was extended to March 19, 2019.

The Combined General Meeting of 27 February 2019, after having heard the report of the Board of Directors dated 3 January 2019, authorized, pursuant to the provisions of Articles 292 et seq. of Act No. 17-95 relating to public limited companies, as amended and supplemented (the "Act"), the issue by the Company, in one or more tranches, for a period of 5 years from this Meeting, of a bond loan for a maximum aggregate nominal amount of MAD 900,000,000, divided into a maximum number of 9,000,000 bonds with a par value of MAD100 each issued at par, reserved for holders of bonds issued by the Company as of August 31, 2012 and related coupons as well as holders of commercial paper issued by the Company and related coupons, who have signed a memorandum prior to the issuance pursuant to which they have undertaken to subscribe to the restructuring operation.

The Ordinary General Meeting decided that the bond issue may consist of several tranches, it being understood that (i) in the event of a plurality of tranches, the cumulative amount of the bonds issued in connection with the Bond Issue shall in no case exceed the sum of one billion four hundred million dirhams (MAD 1,400,000,000) and (ii) the amount of the bond issue may be limited to the amount of the bonds actually subscribed at the end of the subscription period, in accordance with Article 298 of the Law.

In the event of a plurality of tranches, the tranches comprising the bond issue may, where applicable, be divided into subcategories to be differentiated according to the nature of the interest rates (fixed or variable) and/or according to whether or not the bonds are listed on the Casablanca Stock Exchange.

These bonds will be governed by the provisions of articles 292 to 315 of the Law and may be listed and/or not listed on the Casablanca Stock Exchange.

In this respect, the Ordinary General Meeting of February 27, 2019 delegated to the Board of Directors of the Company the necessary powers to:

- proceed, for a period of five (5) years from this Meeting, at its sole discretion, at such times, on such terms and under such conditions as it deems appropriate (in compliance with the terms and conditions set by this Meeting) set out in an issue contract, to issue the bond issue on one or more occasions;
- determine the nature and all the terms and conditions and characteristics of each of these issues (in compliance with the terms and conditions set by this Meeting) and, in particular, decline the bond issue in several tranches, set the opening and closing dates for subscriptions, draw up and approve the issue contract and the subscription form;
- decide to confer guarantees or securities as a total or partial guarantee of the bond issue, and
- in general, enter into all agreements, take all necessary measures and complete all required formalities, and generally do all that is necessary to carry out the above operation.

The Ordinary General Meeting noted the mortgage guarantees that may, where applicable, be granted by the Company's direct or indirect subsidiaries as partial guarantees for the bond issue, it being specified that the granting of mortgage guarantees by third parties should comply with applicable laws and regulations, in particular with regard to respect for the corporate interests of third parties and be subject to the authorizations required by the legal and regulatory provisions applicable to each third party.

The Ordinary General Meeting delegated to the Board of Directors the necessary powers to enter into the aforementioned mortgage guarantees to be granted by third parties as partial security for the bond loan and delegated all powers to the Board of Directors to (i) enter into assets to be covered by the mortgage guarantees granted by third parties as partial security for the bond loan, (ii) to record the terms and conditions of the related draft mortgage guarantee deeds and (iii) generally, to enter into all agreements, take all necessary measures and carry out all necessary formalities, and generally to do all that is necessary for the completion of the above operation.

As part of the delegation of powers granted by the Combined General Meeting of 27 February 2019, the Board of Directors, meeting on 19 September 2019, decided to issue a bond issue with a maximum nominal amount of MAD900,000,000 divided into a maximum number of 9,000,000 bonds with a nominal value of MAD100 each issued at par and which breaks down as follows⁶:

- **Tranche A at a fixed rate:** this tranche is tradable over the counter, with a maturity of ten years, and will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years. The nominal interest rate is fixed and stands at 3% excluding tax.
- **Tranche B at a variable rate:** this tranche is tradable over the counter, with a maturity of ten years, will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years. The interest rate is revisable, with reference to the full 52-week Treasury Bill monetary rate, and capped at 3.2% excluding taxes.

The Board of Directors also decided to reserve the bond issue for the following three categories of investors:

Investors I: all holders of bonds issued by Alliances Darna as part of the MAD1,000,000,000,000 bond issue approved by the CDVM on August 3, 2012 under reference VI/EM/027/2012 (the "**2012 Bonds**") as well as holders of coupons relating to the 2012 Bonds, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

Investors II: all holders of commercial paper issued by Alliances Darna under the commercial paper program for a maximum amount of MAD1,500,000,000 subject to an information package updated and approved by the AMMC on October 7, 2014 under reference VI/EM/031/2014 (the "**Commercial Paper**") as well as holders of coupons relating to the Commercial Paper, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

The same Board of Directors authorized the repayment by the Company of the 2012 Bonds, the repayment of the Commercial Paper as well as the payment of the coupons relating to the 2012 Bonds and the Commercial Paper, the payment of the subscription to the new bonds being made by way of set-off against the subscriber's receivable with respect to the securities and coupons held and brought to the operation.

Finally, as part of the delegation of powers granted by the Ordinary General Meeting of February 27, 2019, the Board of Directors, meeting on September 19, 2019, approved the guarantees to be granted by the Company's subsidiaries described in section II.3.1 above.

In accordance with the provisions of Article 70 of Law No. 17-95 on Public Limited Companies as amended and supplemented, the Board of Directors of Riad Soltan, SA on 20 September 2019 authorized the creation of a guarantee for the bond issue in favor of the Company by granting mortgage guarantees on the land held by Riad Soltan SA as described in the table in section II.3.1 above.

In accordance with the provisions of Article 70 of Law No. 17-95 relating to public limited liability companies as amended and supplemented, the Board of Directors of Société Immobilière Nejmat Saiss, SA dated 20 September 2019, and, authorized the creation of a guarantee for the bond issue in favor of the Company by granting mortgage guarantees on the land held by Société Immobilière Nejmat Saiss, SA as described in the table in section II.3.1 above.

⁶ See Part relating to the characteristics of tranches A and B
PROSPECTUS SUMMARY – Partially-Secured Bond Issue

The combined general meeting of Rmila Resort SARL held on 20 September 2019 authorized the creation of a guarantee for the bond loan in favor of the Company by granting mortgage guarantees on the land held by Rmila Resort SARL as described in the table reproduced in section II.3.1 above.

The combined general meeting of Atlas Nakhil SARL held on 20 September 2019 authorized the creation of a guarantee for the bond loan in favor of the Company by granting mortgage guarantees on the land held by Atlas Nakhil SARL as described in the table reproduced in section II.3.1 below.

As part of the delegation of powers granted by the Ordinary General Meeting of February 27, 2019, the Board of Directors of the issuer, held on December 9, 2019, set the amount of the bond issue at MAD534,544,400 divided into 5,345,444 bonds with a par value of MAD100 each issued at par and which breaks down as follows:

- Tranche A at a fixed rate: this tranche is tradable over the counter, with a maturity of ten years, and will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years. The nominal interest rate is fixed and stands at 3% excluding tax
- Tranche B at a variable rate: this tranche is tradable over the counter, with a maturity of ten years, and will be repayable after the expiry of a three-year grace period by straight-line amortization over a period of seven years. The interest rate is revisable, with reference to the full 52-week Treasury Bill monetary rate, and capped at 3.2% excluding taxes, plus a risk premium of 60 basis points. For the first year, the nominal interest rate on this tranche is 2.91% calculated on the basis of the reference rate curve for the secondary market for Commercial Paper as published by Bank Al Maghrib on December 3, 2019, i.e. a rate of 2.31% plus a risk premium of 60 basis points.

The amount of the bond issue is limited to the amount of bonds actually subscribed at the end of the subscription period, in accordance with article 298 of the Law.

The terms and conditions of the operation covered by this prospectus, as decided by the Board of Directors on December 9, 2019, upon delegation of authority by the Extraordinary General Meeting, are set out in detail in this prospectus.

IV. Objective of the operation

It should be recalled that the Company issued:

- bonds under the MAD1,000,000,000,000 bond issue covered by the CDVM on August 3, 2012 under reference VI/EM/027/2012; and
- commercial paper under the commercial paper program for a maximum amount of MAD1,500,000,000,000, which is the subject of an information file updated and approved by the AMMC on 7 October 2014 under reference VI/EM/031/2014.

The bond issue covered by this prospectus is part of the financial restructuring plan launched by the Alliances group to which the issuer belongs, the objective of which is to reduce the group's indebtedness, financial charges and structural costs in order to mark a recovery in the group's activity.

This operation is the third step in the overall restructuring plan initiated by the Alliances Group in 2015 following the completion of the first part of the restructuring plan relating to the Alliances Group's bank debt and the second part of the restructuring plan, which reduced the outstanding private debt of Alliances Développement Immobilier and Alliances Darna.

Thus, through the bond issue whose issuance is planned, the Company aims to reprofile the outstanding amount of its private debt, through the issuance of new bonds whose subscription is reserved for holders of 2012 Bonds and/or related coupons who have signed a restructuring memorandum with the Company (investors I) and holders of Commercial Paper and/or related coupons who have signed a restructuring memorandum with the Company (investors II).

Investors I and Investors II wishing to subscribe to the bond issue are therefore invited to participate in an operation which, depending on the securities contributed to the operation, and in consideration for the subscription to the new bonds, will result in a repayment by Darna Alliances of the 2012 Bonds held by the subscriber, if any, a repayment by Darna Alliances of the Commercial Paper held by the subscriber, if any, and a payment of the coupons relating to the 2012 Bonds and/or Commercial Paper held by the subscriber, if any (the

amount of the coupons concerned being determined in accordance with section V of Part 2 of the prospectus), accompanied, where applicable, by the payment of a Balance by the issuer.

The payment of the subscription by each subscriber under the new obligations concerning him/her will be made by offsetting against the subscriber's receivable on the issuer under the 2012 Bonds held by him/her, if any, the Commercial Paper it holds, if any, and the coupons it holds in respect of the 2012 Bonds and/or the Commercial Paper, if any in accordance with the provisions of Articles 357 et seq. of the Dahir of the Bonds and Contracts and subject to any Balance to be paid by the issuer and calculated per subscription request (calculated as indicated above).

V. Investors concerned by the operation

The operation will be reserved for the three categories of investors presented below:

Investors I: all holders of bonds issued by Alliances Darna as part of the MAD1,000,000,000 bond issue approved by the CDVM on August 3, 2012 under reference VI/EM/027/2012 (the "**2012 Bonds**") as well as holders of coupons relating to the 2012 Bonds, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

Investors II: all holders of commercial paper issued by Alliances Darna under the commercial paper program for a maximum amount of MAD1,500,000,000 subject to an information package updated and approved by the AMMC on October 7, 2014 under reference VI/EM/031/2014 (the "**Commercial Paper**") as well as holders of coupons relating to the Commercial Paper, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

The total amount of the receivable (in principal and net coupons) relating to this category is MMAD 170.5. The total amount of the receivable (principal and gross coupon) is as follows

Nature of the operation	Total exchange value (KMAD)	Coupons due to be reprofiled on 31/12/2018 (KMAD) ⁷	Code ISIN	Nature of issue rate	Issue risk premium	Nominal rate	Maturity date	Payment frequency
2012 Bond	29 300	4 546	MA0000091795	Fixed	160 bps	5.77%	31/08/17	In fine
	123 000	13 681	MA0000091787	Revisable	145 bps	5.12%	31/08/17	In fine
Total	152 300	18 227						

Alliances Darna

Investors II: all holders of commercial paper issued by Alliances Darna under the commercial paper program for a maximum amount of MAD1,500,000,000 subject to an information package updated and approved by the AMMC on October 7, 2014 under reference VI/EM/031/2014 (the "**Commercial Paper**") as well as holders of coupons relating to the Commercial Paper, who have signed a memorandum before the issue pursuant to which they have undertaken to subscribe to the restructuring operation.

The total amount of the receivable (in principal and net coupons) relating to this category is MMAD 364.1 according to the following table:

⁷ Net due coupons of the CT/RI as of 31/12/2018

Total exchange value (KMAD)	Unpaid matured coupons ⁸ as of December 31, 2018 (KMAD)	ISIN code	Nominal rate	Issue risk premium	Maturity	Maturity date	Payment frequency
0	130	MA0001406653	4.80%	233	94 days	09/11/2015	In fine
0	71	MA0001406695	4.80%	233	77 days	09/11/2015	In fine
0	261	MA0001406760	5.20%	263	181 days	14/04/2016	In fine
0	894	MA0001406893	5.20%	265	182 days	09/05/2016	In fine
0	156	MA0001407198	5.30%	290	59 days	09/05/2016	In fine
0	37	MA0001407305	5.30%	329	25 days	09/05/2016	In fine
0	478	MA0001406372	5.75%	316	364 days	20/05/2016	In fine
0	447	MA0001407396	5.30%	346	49 days	27/06/2016	In fine
0	201	MA0001407230	5.30%	305	91 days	27/06/2016	In fine
0	2 063	MA0001407503	5.30%	360	182 days	26/12/2016	In fine
0	478	MA0001407479	5.75%	385	364 days	19/05/2017	In fine
0	2 063	MA0001407743	5.30%	310	182 days	26/06/2017	In fine
0	2 063	MA0001407891	5.30%	306	182 days	27/12/2017	In fine
0	478	MA0001407883	5.75%	349	364 days	18/05/2018	In fine
0	817	MA0001408121	5.30%	306	114 days	18/05/2018	In fine
0	5 847	MA0001408105	5.30%	306	182 days	27/06/2018	In fine
0	5 847	MA0001408279	5.30%	306	182 days	26/12/2018	In fine
0	166	MA0001406281	5.20%	260	185 days	09/11/2015	In fine
0	473	MA0001406729	5.20%	266	182 days	11/03/2016	In fine
0	394	MA0001406737	5.20%	265	182 days	28/03/2016	In fine
18 700	0	MA0001405515	5.95%	302	364 days	13/10/2015	In fine
4 800	135	MA0001405853	5.75%	319	364 days	12/01/2016	In fine
10 200	286	MA0001405887	5.75%	320	364 days	15/01/2016	In fine
1 700	69	MA0001406059	5.75%	321	364 days	11/03/2016	In fine
18 700	761	MA0001406091	5.75%	310	364 days	25/03/2016	In fine
60 310	-	MA0001408246	5.75%	337	364 days	17/05/2019	In fine
225 066	-	MA0001408436	5.30%	292	182 days	26/06/2019	In fine
339 476	24 614						

Alliances Darna

⁸ Gross matured coupon (excluding CT/RT restatement) unpaid as of 31/12/2018
PROSPECTUS SUMMARY – Partially-Secured Bond Issue

V.1. Conditions for subscribing to the bond issue

Subscription to the bonds covered by this prospectus implies for each subscriber an express reiteration:

- (i) that the amount of its receivable on the issuer, as determined and indicated in the memorandum signed with the issuer with a view to the bond issue, including the amount of coupons mentioned therein, (i) represents the sum of the nominal value of the 2012 Bonds held, if any, the nominal value of the matured Commercial Paper held by it, if any, and the exchange value of the unmatured Commercial Paper on the date of signature of the memorandum held by it, if any, and the amount of the coupons held, relating to the 2012 Bonds and/or Commercial Paper, if any, and (ii) represents the total amount of the receivable of the subscriber being restructured in connection with the bond issue covered by this prospectus;
- (ii) its acceptance, recorded in the memorandum signed with the issuer with a view to the bond issue, that the 2012 Bonds and Commercial Paper it holds will not generate additional interest and that the amounts of the related coupons will remain unchanged compared to those set out in the above-mentioned memorandum;
- (iii) its waiver, evidenced by the agreement signed with the issuer with a view to the bond issue, to receive payment of any other accrued or matured coupon, in particular (i) in respect of the 2012 Bonds, any interest relating to the period after the maturity date of the 2012 Bonds, and (ii) in respect of the Treasury Bonds, any interest relating to the period after 31 December 2018.

With regard to point (ii) above, the total amount of coupons relating to the 2012 Bonds and Commercial Paper, for which memorandums have been signed, net of the IS/IR impact withheld at source, is reproduced below:

Coupons in MMAD	Coupons relating to 2012 Bonds	Coupons relating to Commercial Paper	Total
Unpaid matured coupons as of December 31, 2018	18.2	24.6	42.8

Alliances Darna

It should be noted that the VAT resulting from this Operation will remain the issuer's liability.

VI. Impact of the operation on the indebtedness of Alliances Darna

The unpaid Coupons due as of 31 December 2018 relating to the securities concerned by the reprofiling operation are estimated at MMAD 42.8 and are recorded under current liabilities (accruals and deferred income).

The difference between the exchange values of the Commercial Paper referenced under ISIN codes MA0001408246 and MA0001408436 and their estimated nominal value of MMAD 2.3 is also recorded under current liabilities.

Following the reprofiling operation, the unpaid matured Coupons as of 31 December 2018 and the difference between the exchange values of the Commercial Paper referenced under ISIN codes no. MA0001408246 and no. MA0001408436 currently recorded under current liabilities (short-term debt) will be reclassified as permanent financing (long-term debt in addition to existing debt).

Following the reprofiling operation, the Commercial Paper concerned by the reprofiling operation will also be reclassified as permanent financing.

VII. Costs related to the operation

The operation costs to be borne by the issuer are estimated at approximately 1.8% excluding VAT of the operation amount. These costs include commissions:

- Financial advice;
- Legal advice;
- The notary;
- Mortgage constitution and registration fees;
- Escrow Account fees;

- Relating to the AMMC approval;
- Order collection;
- Communication;
- Maroclear's commission;
- Account holder/Centralizing body.

VIII. Flow of the operation

VIII.1. Schedule of the operation

Subscription is open at the Order Collector. The schedule for the Operation is as follows:

Order	Steps	Dates
1	Obtention of AMMC approval	25/12/2019
2	Publication of a prospectus extract on the issuer's website	25/12/2019
3	Publication of the prospectus extract in a legal announcement journal	27/12/2019
4	Opening of the subscription period	06/01/2020
5	Closing of the subscription period	24/01/2020
6	Allocation of securities	27/01/2020
7	<ul style="list-style-type: none"> ▪ Delivery of the new Bonds without cash payment by the Centralizing Agent to the Account Holders; ▪ Write-off (i) of the 2012 Bonds and related coupons and (ii) of the Commercial Paper and related Coupons by the Account Holders; ▪ Transfer of the Balance to Account Holders. 	31/01/2020
8	Registration of securities in an account	
9	Publication of the results of the operation in a legal announcement journal and on the issuer's website	04/02/2020

Alliances Darna

VIII.2. Order Collectors and Financial Intermediaries

The financial intermediaries intervening in the context of this bond issue are as follows:

Financial intermediaries	Name	Address
Advisors	BMCE Capital Conseil	63, Boulevard Moulay Youssef, Casablanca
	CFG Bank Corporate Finance	5/7, Rue Ibnou Toufail, Casablanca
Order Collector	BMCE Bank Of Africa	140, Boulevard Hassan II – Casablanca
Operation's centralizing body	BMCE Bank Of Africa	140, Boulevard Hassan II – Casablanca
Escrow	BMCE Bank Of Africa	140, Boulevard Hassan II – Casablanca
Domiciliary establishment providing the financial service of the issuer	BMCE Bank Of Africa	140, Boulevard Hassan II – Casablanca

VIII.3. Subscription terms and conditions

VIII.3.1. Subscription period

The subscription operation for the bond issue, subject of this prospectus, is open from 06/01/2020 to 24/01/2020 inclusive with BMCE Bank of Africa in its capacity as Order Collector.

VIII.3.2. Identification of subscribers

The Order Collector must ensure that the subscriber belongs to one of the categories defined above. In case this does not apply, they must obtain and attach a copy of the subscriber identification document to the subscription form designed for the operation.

For each category of subscriber, the identification documents to be produced are as follows:

Category	Document to be attached
Associations	Photocopy of the Articles of Association and photocopy of the receipt of the file deposit
Minor children	Photocopy of the page of the family record book attesting to the child's date of birth
Non-resident and non-Moroccan natural persons	Photocopy of the pages of the passport containing the identity of the person as well as the issue and expiry dates of the document
Resident and non-Moroccan natural persons	Photocopy of the residency card
Legal entities under Moroccan law	Photocopy of the commercial register
Legal persons under foreign law	Any document authentic in the country of origin attesting to the belonging to the category or any other means deemed acceptable by the order collector
Qualified investors under Moroccan law other than UCITS	Model of the entries in the Commercial Register including the corporate purpose showing their belonging to this category.

UCITS under Moroccan law	Photocopy of the approval decision; For Mutual Funds, the number of the certificate of deposit at the court registry; For Investment companies with variable capital (SICAVs), the number of the commercial register.
Resident and Moroccan natural persons	Photocopy of the national identity card

VIII.3.3. Subscription terms and conditions

BMCE Bank of Africa, in its capacity as Order Collector, will control the compliance of subscription files with the terms and conditions of subscription provided for in the prospectus, in order to avoid the cancellation of subscription applications

The Order Collector must ensure that the subscriber belongs to one of the categories defined above. In case this does not apply, they must obtain and attach a copy of the subscriber identification document to the subscription form⁹ designed for the operation:

- Certificate of blocking of the 2012 Bonds, the Commercial Paper and the coupons relating to the 2012 Bonds and/or the Commercial Paper held by the subscriber in the form attached to the subscription form designed for the operation;
- Copy of the restructuring memorandum signed with the issuer.

i) Subscription terms and conditions by investors I: all holders of the 2012 Bonds (issued by Alliances Darna in 2012) and/or coupons relating to these bonds, having signed a memorandum

Subscribers who are only in the 1st category of investors (**Investors I**), will participate in an operation whereby, in consideration for the subscription to the bonds covered by this prospectus, the issuer will redeem the 2012 Bonds and pay the coupons relating to the 2012 Bonds (subject to the conditions set out in section V of Part 2 of the prospectus) that the subscriber holds, the payment of the subscription to the new bonds being made by offsetting against the totality of the subscriber's receivable on the issuer in respect of the 2012 Bonds and the coupons relating to the 2012 Bonds (subject to the conditions set out in Section V of Part 2 of the prospectus) held by the subscriber, and in the event that the amount of the subscriber's receivable exceeds the subscription price of the bonds, with payment in cash by the issuer of the corresponding Balance.

Such subscribers may make a firm and irrevocable subscription request by specifying the number of 2012 Bonds and the amount of coupons they hold relating to the 2012 Bonds and which they contribute to the operation, as well as the nature of the tranche subscribed as part of the new issue in consideration for the redemption of the 2012 Bonds and the payment of the coupons relating to the 2012 Bonds (subject to the conditions set out in section V of Part 2 of the prospectus).

The number of new bonds subscribed by each Investor I must correspond to:

- the sum of the nominal value of the 2012 Bonds held by it and the coupons relating to the 2012 Bonds (as referred to in section V of Part 2 of the prospectus) net of the CT and RT withholding
- divided by 100
- rounded down to the nearest whole number

All subscriptions of each Investor I must be made with the Order Collector. The subscription form for Investors I includes (i) an application for subscription to the new bonds for the number of bonds determined in accordance with the above formula, (ii) an instruction to write off the debt relating to the 2012 Bonds held by such subscriber and (iii) an instruction to write off the debt relating to the coupons relating to the 2012 Bonds (as referred to [in section V of Part 2 of the prospectus] held by such subscriber with waiver of any other accrued and matured coupon relating to the 2012 Bonds.

⁹ Subscription forms will be formulated by account holder.

Subscription requests for the operation are cumulative on a daily basis, per subscription amount, and subscribers may be served up to the amount of their request.

The Order Collector is required to collect subscription orders from subscribers interested in the operation, using firm and irrevocable subscription forms, duly completed and signed by the subscribers in accordance with the model attached to this prospectus.

Any subscription form must be signed by the subscriber or his representative and sent to the Order Collector. All subscriptions must be made by set-off and must be expressed in number of securities.

The signature of the subscription form constitutes acceptance of the Issuance Agreement attached to this prospectus.

Subscriptions to the Bond Loan will be collected, throughout the subscription period, by the Order Collector who will transmit to the account holders of the subscribers the cancellation instructions together with the results of the allocation, specifying the number of 2012 Bonds to be cancelled, the debt relating to the coupons relating to the 2012 Bonds to be cancelled, as well as the number of new bonds to be recorded in the account for each subscriber and, where applicable, the amount of the Balance to be paid by the issuer to the relevant subscriber, where applicable, as well as the amounts corresponding to the various operations, it being understood that each subscriber must instruct its account holder to carry out the operations concerned.

ii) Subscription terms and conditions for investors II: all holders of Commercial Paper and/or coupons relating to these bonds, having signed a memorandum

Subscribers who are only in the 2nd category of investors (**Investors II**), will participate in an operation whereby, in consideration for the subscription to the bonds covered by this prospectus, the issuer will redeem the Commercial Paper and pay the coupons relating to the Commercial Paper (subject to the conditions set out in section V of Part 2 of the prospectus) which the subscriber holds, the payment of the subscription to the new bonds being made by offsetting against the totality of the subscriber's receivable from the issuer in respect of the Commercial Paper and the coupons relating to the Commercial Paper (subject to the conditions referred to (in section V of Part 2 of the prospectus) which the subscriber holds, and in the event that the amount of the subscriber's receivable exceeds the subscription price of the bonds, with cash payment by the issuer of the corresponding Balance.

Such subscribers may make a firm and irrevocable¹⁰ subscription request by specifying the Commercial Paper and the coupons they hold relating to the Commercial Paper and which they contribute to the operation, as well as the nature of the tranche subscribed as part of the new issue in return for the repayment of the Commercial Paper and the payment of the coupons relating to the Commercial Paper (subject to the conditions set out in Section V of Part 2 of the prospectus).

The number of new bonds subscribed by each Investor II must correspond to:

- the sum of the exchange value of the unmatured Commercial Paper on the date of signature of the memorandums they hold, and the nominal value of the expired Commercial Paper they hold
- divided by 100
- rounded down to the nearest whole number

All subscriptions of each Investor II must be made with the Order Collector. The subscription form for Investors II includes (i) an application for subscription to the new bonds for the number of bonds determined in accordance with the above formula, (ii) an instruction to write off the receivable relating to the Commercial Paper held by such subscriber, if any, and (iii) an instruction to write off the receivable relating to the Commercial Paper coupon (as described in Section V of Part 2 of the prospectus) held by such subscriber with waiver of any other accrued and due Commercial Paper coupon.

Subscription requests for the operation are cumulative on a daily basis, per subscription amount, and subscribers may be served up to the amount of their request.

¹⁰ The subscription form only becomes firm and irrevocable after the end of the subscription period
PROSPECTUS SUMMARY – Partially-Secured Bond Issue

The Order Collector is required to collect subscription orders from subscribers interested in the operation, using firm and irrevocable¹¹ subscription forms, duly completed and signed by the subscribers in accordance with the model attached to this prospectus.

Any subscription form must be signed by the subscriber or his representative and sent to the Order Collector. All subscriptions must be made by set-off and must be expressed in number of securities.

The signature of the subscription form constitutes acceptance of the Issuance Agreement attached to this prospectus.

Subscriptions to the Bond Loan will be collected, throughout the subscription period, by the Order Collector who will transmit to the account holders of the subscribers the cancellation instructions, together with the results of the allocation, specifying the Commercial Paper to be cancelled, and/or the receivable relating to the coupons relating to the Commercial Paper to be cancelled, as well as the number of new bonds to be recorded in the account for each subscriber and, where applicable, the amount of the Balance to be paid by the issuer to the relevant subscriber, where applicable, as well as the amounts corresponding to the various operations, on the understanding that each subscriber must instruct its account holder to execute the operations concerned.

iii) Investors belonging to more than one category of investors

Subscribers belonging to several categories of investors (**Investors I and II**) will participate in an operation whereby, in consideration for the subscription to the bonds covered by this prospectus, the issuer will redeem the 2012 Bonds held by the relevant subscriber, redeem the Commercial Paper, if any, held by the relevant subscriber and pay the interest it holds on the 2012 Bonds and/or Commercial Paper (subject to the terms of Section V of Part 2 of the prospectus), the payment of the subscription to the new bonds being made by offsetting against the totality of the subscriber's receivable on the issuer in respect of the repayment of the 2012 Bonds held by the relevant subscriber, if any, the repayment of any Commercial Paper held by the relevant subscriber and in respect of the payment of the coupons relating to the 2012 Bonds and Commercial Paper (subject to the conditions of Section V of Part 2 of the prospectus) held by the relevant subscriber, if any, and in the event that the amount of the subscriber's receivable exceeds the subscription price of the Bonds, with payment in cash by the issuer of the corresponding Balance.

Such subscribers may make a firm and irrevocable subscription request by specifying the number of 2012 Bonds, the Commercial Paper and the amounts of coupons they hold relating to the 2012 Bonds and/or Commercial Paper and that they contribute to the operation, as well as the nature of the tranche subscribed for in the new issue in consideration for the redemption of the 2012 Bonds held by the relevant subscriber, the redemption of the Commercial Paper held by the relevant subscriber and the payment of the coupons held by the relevant subscriber relating to the 2012 Bonds and/or Commercial Paper (subject to the conditions in Section V of Part 2 of the prospectus).

The number of new bonds subscribed for by a subscriber belonging to several categories of investors must correspond to:

- the sum of (i) the nominal value of the 2012 Bonds held by them, if any, (ii) the exchange value of the outstanding Commercial Paper on the date of signature of the memoranda held by them, if any, (iii) the nominal value of the outstanding Commercial Paper held by them, if any, and (iv) the coupons, if any, relating to the 2012 Bonds and/or Commercial Paper as described in Section V of Part 2 of the prospectus),
- divided by 100
- rounded down to the nearest whole number

All subscriptions of each subscriber belonging to several categories of investors must be made to the Order Collector. The subscription form includes (i) an application to subscribe for the new bonds for the number of bonds determined in accordance with the above formula, (ii) an instruction to write off the receivable relating to the 2012 Bonds held by such subscriber, if any, (iii) an instruction to write off the receivable relating to the 2012 Bond

¹¹ The subscription form only becomes firm and irrevocable after the end of the subscription period

At the end of the subscription period, subscription orders will be consolidated by investor category (I and II) and BMCE Bank of Africa will issue a summary statement of subscriptions.

The requests expressed will be met until the maximum amount of the bond issue is reached. In the event that the total amount of subscriptions received at the closing date of subscriptions is less than the maximum amount of the issue, the total amount allocated shall be limited to the total amount subscribed, in accordance with the decision of the General Meeting of February 27, 2019, to limit the amount of the issue to the amount subscribed.¹³

No order of priority is established between the tranches of the bond issue (tranches A and B) or between the subscriptions received from subscribers (Investors I and II).

At the end of the allocation session attended by the issuer, the Financial Advisors, the Centralizing Agent and the Order Collector, an allocation report (detailed by category of investor and by tranche) will be drawn up by BMCE Bank of Africa.

The allocation will be declared and recognized as "final and irrevocable" by the Centralizing Agent and the Order Collector and the issuer upon signature by the parties of the minutes.

VIII.4.3. Terms and conditions for cancelling securities

Any subscription that does not comply with the conditions contained in this prospectus will be cancelled by the Order Collecting Body.

VIII.5. Terms and conditions for delivering securities

VIII.5.1. Terms and conditions for delivering securities

The delivery operation of the new bonds against the delivery of the securities and/or coupons to be provided for all operations will include:

- the new bond issue;
- the repayment of the 2012 Bonds;
- the payment of the Commercial Paper;
- the payment of coupons relating to the 2012 Bonds and the Commercial Paper;
- the payment of the Balance where applicable, the balance is calculated and paid per subscription request (subscription requests are made by account keeper¹⁴);

and will be carried out between the Centralizing Agent of the issue, namely BMCE Bank of Africa, and the Account Holders of the subscribers.

For each investor, the payment of the subscription price relating to the new bonds subscribed by the latter shall be made by offsetting, on January 31, 2020, in accordance with Articles 357 and following of the Dahir of Obligations and Contracts, with the receivable of this investor as set forth in the signed Memorandum of Understanding, and registered in the name of the subscriber.

Bank of Africa in its capacity as Order Collector will send the subscription forms to the Centralizing Agent of the bond issue on January 31, 2020

The Centralizing Agent of the bond issue will then transmit to each account holder, on January 31, 2020, the new bonds allocated to each of their subscribing clients, namely Investors I, Investors II and investors belonging to several categories.

¹³ See Article 298 of Law 17-95 on public limited companies as amended and supplemented

¹⁴ In the event that a given subscriber has, for their old bonds, two or more account keepers, subscription requests will be made by account keeper, and consequently the payment of the balance will be made by subscription request in accordance with the subscription form relating to the present operation.

For **Investors I**, BMCE Bank of Africa, in its capacity as Centralizing Agent of the Operation, will proceed on 31 January 2020 to deliver, without payment in cash, the new bonds and to pay the Balance, if applicable, to the Account Holders. In return, and on the same day, the Account Holders will proceed with the write-off of the receivable relating to the 2012 Bonds and the related Coupons.

For **Investors II**, BMCE Bank of Africa, in its capacity as Centralizing Agent of the Operation, will proceed on 31 January 2020 to deliver, without payment in cash, the new bonds and to pay the Balance, if any, to the Account Holders. In return, and during the same day, the Account Holders will write off the receivable relating to the Commercial Paper as well as the coupons relating to the Commercial Paper.

In the case of investors belonging to several categories of investors, BMCE Bank of Africa, in its capacity as Centralizing Agent, will proceed on January 31, 2020 to:

- Delivery, without payment in cash, of the new bonds and payment of the Balance, if any, to the Account Holders, in consideration, and on the same day, the Account Holders will proceed with the cancellation of the subscribers' accounts, the receivable relating to the 2012 Bonds and the related Coupons.
- Delivery, without payment in cash, of the new bonds and payment of the Balance, if any, to the Account Holders, in consideration, and on the same day, the Account Holders will proceed to write off the accounts of the subscribers, the receivable relating to the Commercial Paper and the Interests relating to the Commercial Paper.

The registration of the new bonds by the Account Holders on behalf of their subscribing clients will be made no later than (5) business days from the date of delivery of the new securities.

The Centralizing Agent of the Bond Loan shall transmit, at the latest 2 days after the publication of the results of the operation, to the bank holding the 2012 Bonds (Banque Centrale Populaire) a summary statement relating to the 2012 Bonds and the corresponding Coupons. The summary statement should include the following information:

For 2012 Bonds:

- The issuer;
- The ISIN code;
- The maturity of the security;
- The number of securities repaid per asset category (own assets or client assets).

For Coupons:

- The issuer;
- The ISIN code;
- The maturity date;
- The amount of the coupon per security;
- The unit amount of the coupon excluding VAT per security;
- The total amount of the coupon excluding VAT (own assets or client assets).

The Centralizing Agent of the Bond Loan shall transmit, no later than 2 days after the publication of the results of the operation, to the bank holding the Commercial Paper (BMCE Bank of Africa) a summary statement relating to the Commercial Paper, and the coupons relating to the Commercial Paper. The summary statement should include the following information:

For Commercial Paper:

- The issuer;
- The ISIN code;
- The maturity of the security;
- The number of securities repaid per asset category (own assets or client assets).

For Coupons:

- The issuer;

- The ISIN code;
- The maturity date;
- The amount of the coupon per;
- The unit amount of the coupon excluding VAT per security;
- The total amount of the coupon excluding VAT (own assets or client assets).

VIII.5.2. Result of the operation

The results of the operation will be published by the issuer in a legal announcement journal no later than **February 4, 2020**.

VIII.5.3. Domiciliary of the issue

BMCE Bank of Africa is designated as the domiciliary bank for the bonds issued in connection with this transaction. As such, it will represent the issuer before the Maroclear central depository and will execute on its behalf all operations relating to the securities issued in connection with the issuance of this bond issue as well as all operations relating to the redemption of the 2012 Bonds and the Commercial Paper as well as the payment of the coupons relating to the 2012 Bonds and/or the Commercial Paper.

VIII.5.4. Operation costs

All intermediation costs relating to the repayment of the 2012 Bonds and Commercial Paper, including account holder's fees, as well as all taxes and duties payable by investors, will remain at their expense.

IX. Taxation

IX.1. Tax regime of the Operation

Investors' attention is drawn to the fact that the Moroccan tax regime is presented below for information purposes only and does not constitute an exhaustive list of the tax situations applicable to each investor.

Legal entities wishing to participate in this operation are invited to check with their tax advisor to determine the tax treatment applicable to their particular case.

Subject to legal or regulatory changes, the current regime is detailed below.

IX.2. Tax regime for the payment of matured coupons contributed by subscribers in connection with the operation

Coupon taxation

The coupons relating to the 2012 Bonds and the Commercial Paper are subject, as the case may be, to Corporate Income Tax (CT) or General Income Tax (RT) for all legal entities, in this sense the following cases arise:

a. Resident persons

▪ Persons subject to RT:

- 30% for individual beneficiaries who are not subject to the RT under the real net income (BNR) or simplified net income (BNS) regime;
- 20% deductible from the RT contribution with entitlement to restitution for legal entities and natural persons subject to the RT under the BNR or BNS scheme. The said beneficiaries must decline when the coupons are cashed:
 - The surname, first name, address and number of ID card or foreigner's card;
 - The tax article number of the RT.

▪ Persons subject to CT:

The coupons due brought by subscribers are subject to withholding tax at the rate of 20% deductible from the corporate income tax with right to restitution. In this case, the beneficiaries must decline, when collecting the said income:

- The corporate name and address of the registered office or principal place of business;
- The number of the commercial register and the number of the article of corporate tax imposition

b. Non-resident persons

Expired coupons are subject to withholding tax at a rate of 20% on the corporate tax with right to restitution. In this case, the beneficiaries must decline, when collecting the said income:

- The corporate name and address of the registered office or principal place of business;
- The number of the commercial register and the number of the article of corporate tax imposition.

Modalities relating to withholding tax

To the extent that the payment of the coupons relating to the 2015 Bonds and the Commercial Paper contributed by the subscribers to the operation covered by this prospectus is made by offsetting without payment in cash:

- (i) the centralizers of the 2012 Bonds and Commercial Paper will not be able to withhold, on behalf of the Treasury, the value added tax due on such interest, as required under the provisions of the CT (General Tax Code Article 117-I), and the issuer will withhold, on behalf of the Treasury, the value added tax due on the coupons relating to the 2012 Bonds and the Commercial Paper contributed to the transaction covered by this prospectus, for repayment to the Treasury; and
- (ii) the centralizers of the 2012 Bonds and the Commercial Paper will not be able to withhold withholding tax on behalf of the Treasury, corporate income tax or income tax due on such interest, if any, as required under the provisions of the CGI (General Tax Code Article 159-I), and the issuer will withhold on behalf of the Treasury, corporate income tax or general income tax due, if any, on the coupons relating to the 2012 Bonds and the Commercial Paper contributed to the transaction covered by this prospectus, for repayment to the Treasury;

The tax authorities confirmed to the issuer by letters dated July 26, 2018 and April 26, 2019 that, given that centralizers and account keepers do not receive the amount of coupons and therefore cannot physically withhold CT or RI withholding taxes and pay VAT, the issuer is responsible for the reporting and payment obligations for withholding tax, as mentioned above.

IX.3. Income Taxation

Fixed income investment income is subject, as the case may be, to Corporate Income Tax (CT) or General Income Tax (RT) for all legal entities, in this sense the following cases arise:

i) Resident persons

▪ **Persons subject to the RT:**

Fixed income investment income is subject to withholding tax at the rate of:

- 30% for individual beneficiaries who are not subject to the RT under the real net income (BNR) or simplified net income (BNS) regime;
- 20% chargeable on the RT contribution with right to restitution for legal entities beneficiaries and natural persons subject to the RT under the BNR or BNS scheme. The said beneficiaries must decline when the said income is received:
 - The surname, first name, address and number of the CIN or foreigner's card;
 - The tax article number at the RT.

▪ **Persons subject to the CT:**

Fixed-income investment products are subject to withholding tax at a rate of 20% on the corporate income tax with refund rights. In this case, the beneficiaries must decline, when collecting the said income:

- The company name and address of the registered office or principal place of business;
- The number of the commercial register and the number of the article of corporate tax assessment.

ii) Non-resident persons

Income received by natural or legal persons not resident in Morocco is subject to a withholding tax at the rate of 20%, subject to the provisions of the tax treaty between Morocco and the beneficiary's country of residence.

IX.4. Taxation of capital gains

IX.4.1. Resident persons

In accordance with the provisions of the CGI (General Tax Code article 73-II-C), profits from the sale of bonds are subject to the RT or the CT, as the case may be. Gains on disposals are calculated by the difference between:

- The sale price less any costs incurred in connection with the sale (brokerage and commission costs);
- The purchase price plus, where applicable, any costs incurred in connection with such acquisition, such as brokerage and commission costs.

The sale and acquisition price refers to the share capital, excluding accrued and unmatured interest at the dates of such sales and/or acquisition.

IX.4.2. Non-resident persons

Profits from the sale of bonds and other debt securities made by foreign companies are taxable subject to the application of the provisions of international double taxation treaties.

X. Subscription form

The subscription form relating to this operation is attached to the prospectus, annex 2.

PART II. GENERAL OVERVIEW OF THE ISSEUR

I. General information

Company name	Darna Alliances. By abbreviation "Al Darna"
Head Office	Zone d'Aménagement Touristique Agdal Résidence Al Qantara 40 000 Marrakech.
Telephone	+212 5 24 38 15 15
Fax	+212 5 24 38 19 30
E-mail address	info@alliancesdarna.ma
Website	www.alliancesdarna.ma
Legal form	Public limited company governed by law no. 17-95 of August 30, 1996 relating to public limited companies as amended and supplemented by law no. 20-05 of May 23, 2008.
Date of incorporation	November 12, 2006
Lifetime	The term of the company is set at 99 years, unless it is dissolved early or extended by the Articles of Association or by law
Corporate purpose <i>Article 3 of the Articles of Association</i>	<p>The Company's purpose is:</p> <ul style="list-style-type: none"> ▪ The acquisition and management, by all legal means, of all bare land or land involving buildings to be demolished and all movable or immovable property and rights; ▪ To carry out all subdivision operations on these lands, build all buildings used for residential, commercial, professional, industrial or administrative purposes; ▪ The promotion of the tourism and real estate sectors through the study, design, construction, construction, management of any business or company and the direct or indirect marketing of any product related to the activities of the above-mentioned sectors; ▪ To operate the corporate assets thus constituted by the sale, rental or personal use of the lots and buildings; ▪ To take, for the purpose of achieving the corporate purpose thus defined, any shareholdings or interests, by way of partial contributions, contributions, mergers, subscriptions or purchases of securities, in any existing companies or companies in the process of being incorporated with a similar or related purpose; ▪ The granting of any guarantee, in particular guarantees and mortgage guarantees to guarantee the obligations of the companies of the group to which the company belongs; ▪ And more generally, all transactions directly or indirectly relating in whole or in part to one or other of the transactions referred to above, in order to facilitate, promote or develop the company's activity as well as all direct or indirect shareholdings in any form whatsoever in companies pursuing similar or related objectives.
Financial year	From January 1 to December 31
Share capital as of 30/06/2019	MAD 857,000,000,000 composed of 8,570,000 shares with a nominal value of MAD 100.
Consultation of legal documents	The corporate, accounting and legal documents required by law and the Articles of Association to be disclosed may be consulted at the registered office of Alliances Darna.

<p>Registration number in the Commercial Register</p>	<p>RC de Marrakech 35 623.</p>
<p>Legislative and regulatory texts applicable to the Company</p>	<p>By virtue of its legal form, the Company is governed by Moroccan law, Law 17-95 as amended and supplemented.</p> <p>By virtue of its activity, the Company is governed by the following texts:</p> <ul style="list-style-type: none"> ▪ Law no.25-90 promulgated by Dahir no.1-92-7 of 17 June 1992 relating to allotments, housing groups and parcels; ▪ Article 19 of the 1999-2000 Finance Act introducing new tax exemptions for property developers; ▪ Dahir of 12 August 1913 forming the Code of Obligations and Contracts, supplemented by Act No. 44-00 of 3 October 2002 on the sale in a state of future completion; ▪ Law no.18-00 of 3 October 2002 on the status of co-ownership of buildings frames; ▪ Article 92 of the 2010 Finance Act establishing tax exemptions for property developers; ▪ Article 247 of the 2012 Finance Act, introducing new tax exemptions for real estate developers; ▪ Article 247 of the 2013 Finance Act, introducing new tax exemptions for real estate developers. <p>By virtue of its public offering, the Company is governed by the following texts:</p> <ul style="list-style-type: none"> ▪ Dahir no.1-12-55 of 14 safar 1434 (28 December 2012) promulgating Act no. 44-12 on the public offering and information required of legal entities and organizations making public offerings; ▪ Dahir No 1-13-21 of March 13, 2013 promulgating Law No 43-12 relating to the Moroccan Capital Market Authority; ▪ Dahir no 1-95-3 of January 26, 1995 promulgating Law no 35-94 relating to certain negotiable debt securities, as amended and supplemented by Dahir 1-08-95 promulgating Law 33-06; ▪ Dahir 1-95-03 the General Regulations of the AMMC as approved by Order No. 2169/16 of the Minister of Economy and Finance of 14 July 2016; ▪ the General Regulations of the Central Depository approved by Order No. 932-98 of the Minister of Economy and Finance of 16 April 1998 and amended by Order No. 1961-01 of the Minister of Economy, Finance, Privatization and Tourism of 30 October 2001; ▪ Dahir no.1-96-246 of 9 January 1997 promulgating Act no.35-96 relating to the creation of a Central Depository and the establishment of a general regime for the book entry of certain securities (amended and supplemented by Act no.43-02).
<p>Competent court in the event of disputes</p>	<p>Trade Court of Marrakech.</p>
<p>Applicable tax regime</p>	<p>Alliances Darna is governed by the commercial and fiscal legislation of Common Law. It is subject to corporate income tax at the rate of the progressive scale as provided by the General Tax Code.</p> <p>In addition, Alliances Darna benefits from tax advantages under the 2008 Finance Law, the 2010 Finance Law and the 2013 Finance Law for the development of social housing programs.</p>

Source: Alliances Darna

II. Shareholding structure

As of September 30, 2019, the shareholders of Alliances Darna are listed as follows:

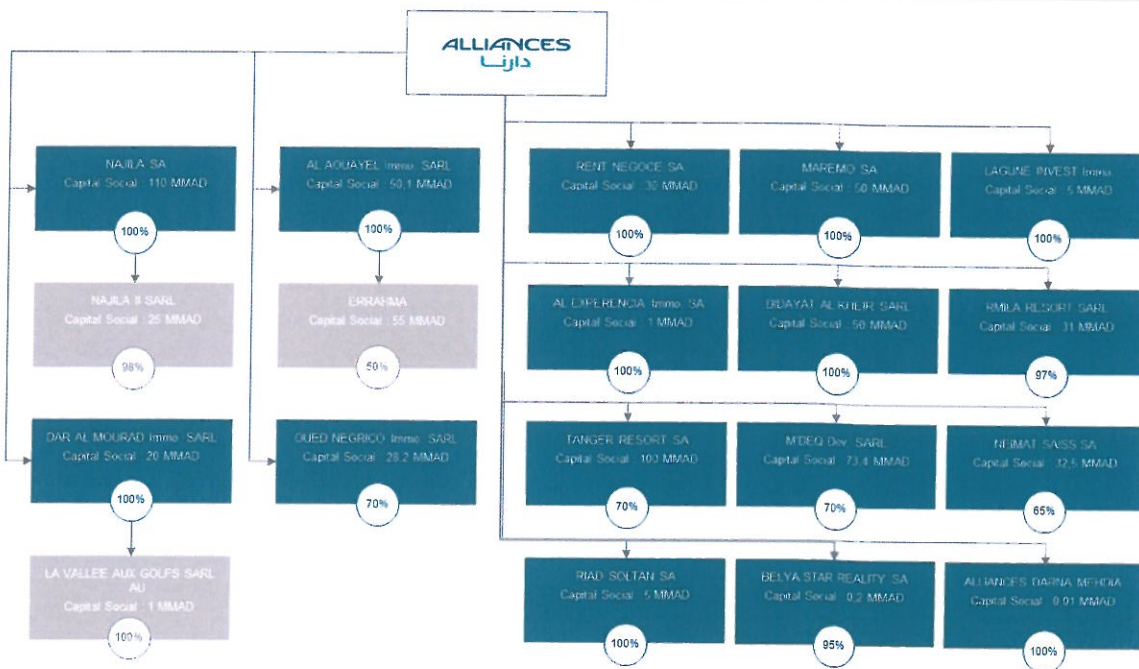
	Number of securities	% in capital and voting rights
ADI	8 569 975	100%
Natural persons members	25	0%
Mr. Mohamed Alami Nafakh Lazraq	5	0%
Mr. Mohamed Nafakh Lazraq	5	0%
Mr. Ali Chekroun	5	0%
Mr. Youssef Kabbaj	5	0%
Mr. Mustapha Nafakh Lazraq	5	0%
Total	8 570 000	100%

Source: Alliances Darna

II.1. Legal organization chart of Alliances Darna

In order to consolidate its position in the social and intermediate housing sector, in 2010 the Alliances Développement Immobilier group merged all project companies operating in the intermediate housing sector into Alliances Darna.

Legal organization chart of Alliances Darna as of 30/06/2019¹⁵



Source: Alliances Darna

¹⁵ The percentage presented corresponds to the percentage of control and holding. The companies presented in blue boxes are direct subsidiaries of Darna Alliances. The companies presented in grey boxes are indirect subsidiaries of Darna Alliances.

II.2. Activity of Alliances Darna

II.II.2.1.1 Products offered by Alliances Darna

Although the Group's offer is essentially in line with the social housing agreement drawn up by the 2010 Finance Act, the Company is positioned across the entire range of intermediate and medium standard housing units.

The main products offered by the Company are as follows:

- Social housing units at KMAD 250 excluding tax: these are social housing units that benefit from the agreement and tax advantages of the 2010 Finance Law, which have a surface area that varies between 50 m² and 60 m² and whose price does not exceed KMAD 250 excluding tax;
- Social housing units at KMAD 200 excluding tax: these are social housing units that benefit from the agreement and tax advantages of the 2008 Finance Law, which have a surface area that varies between 50 m² and 60 m² and whose price does not exceed 200 KMAD excluding tax;
- Intermediate housing units: refers to housing intended for the middle class and whose price is higher than KMAD 250 excluding tax. The surface area of intermediate housing offered by Alliances varies between 60 m² and 75 m². These housing units do not benefit from an agreement with the State;
- Land lots: Alliances Darna sells land lots for various projects (economic housing lots, villas lots, medium luxury lots, private equipment lots);
- Semi-finished villas: The Company markets a few semi-finished villas that do not have an agreement with the State;
- Medium standard housing units: these are housing units intended for the middle class whose surface area is greater than 70 m² and whose price is greater than KMAD 500;
- Businesses: these are shops that are part of a residential project and that benefit from no agreement with the State. The surface area of the shops varies between 15 m² and 1500 m².

11.2.2. Real Estate Programs as of 31/12/2018

Projects	Location	Surface (in ha)	Total number of units	Project company	Status	Marketing launch	Delivery launch	ADI investment MMAD	Progress % (*)	Number of delivered units	Marketing %	Number of units yet to be delivered
Casablanca/Mohammedia region		203	34 188					11 595		22 594		11 594
Riad Louizia I	Mohammedia	18	2 018	Alliances Darna	Realization/ marketing	2012	2013	671	97%	1 678	83%	340
Riad Bernoussi II	Casablanca	8	2 277	Al Expériencia immobilier	Realization/ marketing	2012	2013	1 235	91%	1 040	50%	1 237
Riad Chellalal	Ain Harrouda (Casablanca)	17	2 424	Tanger Resort	Realization/ marketing	2012	2013	699	96%	1 877	89%	547
Riad El Bernoussi I	Casablanca	18	4 000	Al Apouyel immobilier	Realization/ marketing	2010	2011	1 161	98%	3 741	93%	259
Riad Hay Hassani	Casablanca	28	5 790	Najila	Realization/ marketing	2010	2011	1 675	98%	5 307	90%	483
Riad Parc Errahma ¹⁶	Casablanca	36	4 420	Errahma Park	Realization/ marketing	2011	2012	1 739	97%	3 876	89%	544
Riad Sidi moumen	Casablanca	14	3 347	Najila	Realization/ marketing	2010	2011	819	87%	2 815	89%	532
Riad Errahma I	Casablanca	6	1 490	Najila II	Realization/ marketing	2012	2012	408	100%	1 439	93%	51
Riad Errahma II	Casablanca	17	1 045	Rent Negoce	Realization/ marketing	2012	2013	538	99%	821	81%	224
Riad Errahma IV	Casablanca	41	7 377	Bidayat Al Kheir	Under study	-	-	2 650	-	0	0%	7 377

¹⁶ Le projet Riad Parc Errahma porté par la société Errahma Park fait l'objet d'une hypothèque à hauteur de 39 MMAD portée sur 86 units
PROSPECTUS SUMMARY – Partially-Secured Bond Issue

Rabat/Kénitra region		17 483	295	3 743	14 745	2 738						
Sidi Allal Bahraoui ¹⁷	Rabat Salé	59	3 143	Alliances Darna	Realization/market ing	2013	2014	719	81%	1 726	55%	1 417
Ain Aouda	Rabat	11	2 093	Lagune Invest Immo	Realization/market ing	2013	2014	542	90%	1 526	84%	567
Mehdia Extension ¹⁸	Kénitra	123,9	3 634	Alliances Darna	Realization/market ing	2012	2012	804	97%	3 539	97%	95
Riad Mehdia	Kénitra	99,6	8 194	Alliances Darna	Realization/market ing	2008	2010	1 604	97%	7 616	97%	578
Riad Mehdia	Kénitra	1,15	419	Maremco	Realization/market ing	2014	2016	75	98%	338	81%	81
Marrakech/South region		29	809	5 942	5 077	24 432						
Chwiter ¹⁹	Marrakech	207	4 544	Maremco	Realization/market ing	2008	2009	1 261		3 260	73%	1 284
Chwiter	Marrakech	8	1 324	Alliances Darna	Realization/market ing	2008	2009	119	94%	528	75%	796
SAG II (**)	Marrakech	1	1 055	Alliances Darna	Realization/market ing	2013	-	202	96%	0	7%	1 055
Riad Marrakech	Marrakech	200	4 732	Alliances Darna	Realization/market ing	2013	2017	1 607	-	136	11%	4 596
Riad Taddart	Agadir	34	3 437	Najila	Under study			919	0%		0%	3 437

¹⁷ The Sidi Allal Al Bahraoui project carried by Alliances Darna is the subject of a mortgage with an option to date up to 100 MMAD carried out on 293 units
¹⁸ The Mehdia Extension project carried out by Alliances Darna is the subject of a mortgage with an option to date up to 140 MMAD carried out on 218 units. It should be noted that the overall consistency of the Mehdia Extension project has changed from 3,215 units (as published in the Information Note on the FT Domus securitisation fund referred to on 07/03/2018) to 3,634 units at the end of 2018, following the change in the overall project configuration.
¹⁹ The Chwiter project carried out by Maremco is the subject of a mortgage of MMAD 56 on 215 units

Beni Mellal ²⁰	Beni Mellal	359	14 417	Alliances Darna	Realization/market ing	2017	2018	1 834	7%	1152	11%	13 265
North region		103	10 110			3 693		6 616				3 494
Riad Bab Sebta	Fnideq	17	2 699	Oued Negrico immobilier	Realization/market ing	2009	2012	754	92%	2 463	98%	236
Riad Mdeq	Mdeq	61	3 674	Mdeq développement	Realization/market ing	2011	2013	1 633	61%	2 116	58%	1 558
Riad Tanger	Tangier	25	3 737	Tanger Resort	Realization/market ing	2010	2012	1 306	69%	2 037	55%	1 700
Fez/Meknes region		7	232			174		161				71
Riad Nejmat Saiss	Fez	7	232	SI Nejmat saiss	Realization/market ing	2011	2013	174	98%	161	80%	71
Total		1 416	91 522			25 147		49 193				42 329

Source: Alliances Darna

It is important to note that the Nejmat Saiss project developed by the subsidiary Société Immobilière Nejmat Saiss has been the subject of a protocol of donations and sale with right of repurchase, the delivery of which was finalized at the beginning of fiscal year 2019 (for 31 units). As a result, the information presented on the progress and deliveries made on this project (presented as of 12/31/2018) includes all units including those covered by the protocol, the execution of which was finalized in 2019.

In addition, it should be noted that the Chwitter project has also been the subject of a protocol of payments for an amount of 1 MMAD whose execution and accounting was done in the 3rd quarter of fiscal year 2019. Consequently, the number of units still to be delivered presented in the table at the end of 2018 includes the units that were delivered under the said protocol during 2019.

(*) The percentage of completion is calculated on the work undertaken (Road and utility service, construction, etc.)

(**) The SAG II project is presented excluding what is part of the land reserve, the area in hectares remaining at a progress rate of 92%.

²⁰ It should be noted that the overall consistency of the Riad Beni Mellal project has changed from 8,405 units (as published in the Information Note on the FT Domus securitisation fund referred to on 07/03/2018) to 14,417 units at the end of 2018, following the change in the overall project configuration.

*Delivery = Project technically completed and properties in the process of being delivered to customers
Realization/Development = Projects whose work is in progress*

LISSANIAT
Waj Nassim Lot. Nassim Imm 130 N° 11
Lissasfa - Gasabianca
Tél.: 0522 88 78 89
CSRD : 0664 78 99 40

LISSANIAT

As of 31/12/2018, the capacity of the products developed by Alliances Darna is detailed as follows:

Table 1. Presentation of project capacity by product type

Project	Social housing at KMAD 250 excluding tax	Intermediate housing	Lots	Other	Total
Casablanca/Mohammedia region	27 507	3 573	955	2 153	34 188
Riad Louizia I	1 716	-	245	57	2 018
Riad Bernoussi II	1 280	868	-	129	2 277
Riad Chellalat	2 053	-	216	155	2 424
Riad El Bernoussi I	3 424	360	-	216	4 000
Riad Hay Hassani	4 825	608	52	305	5 790
Riad Parc Errahma	3 446	512	-	462	4 420
Riad Sidi moumen	3 135	-	-	212	3 347
Riad Errahma I	1 258	120	-	112	1 490
Riad Errahma II	637	-	367	41	1 045
Riad Errahma IV	5 733	1 105	75	464	7 377
Rabat/Kénitra region	8 998	0	7 185	1 300	17 483
Sidi Allal Bahraoui	1 514	-	1 280	349	3 143
Ain Aouda	2 012	-	-	81	2 093
Mehdia Extension	-	-	3 592	42	3 634
Riad Mehdi	5 472	-	2 313	828	8 613
Marrakech/South region	8 472	1 822	18 293	922	29 509
Chwiter	1 754	870	3 108	136	5 868
SAG II	-	-	1 039	16	1 055
Riad Marrakech	2 770	626	1 146	190	4 732
Riad Taddart	2 448	326	525	138	3 437
Benimellal	1 500	-	12 475	442	14 417
North region	8 148	1 012	692	258	10 110
Riad Bab Sebta	2 240	420	27	12	2 699
Riad Mdeq	2 764	112	665	133	3 674
Riad Tanger	3 144	480	-	113	3 737
Fez/Meknes region	149	0	60	23	232
Riad Nejmat Saiss	149	-	60	23	232
Total	53 274	6 407	27 185	4 656	91 522

Source: Alliances Darna

Table 3. Evolution of consolidated assets over the period 2016-2018

In KMAD	2016	2017	Var16/17	2018	Var17/18
Goodwill on acquisition	29 069	22 981	-21%	19 696	-14%
Intangible fixed assets	1 271	907	-29%	694	-23%
Tangible fixed assets	27 578	25 895	-6%	23 272	-10%
Financial fixed assets	4 756	8 786	85%	417	-95%
Equity method securities	0	0	n.a	0	n.a
Differed taxes assets	6 282	6 921	10%	2 147	-69%
Non-current assets	68 955	65 490	-5%	46 226	-29%
Total Non-current Assets/Total Assets	1%	1%		1%	
Inventories	5 789 967	5 465 254	-6%	4 663 086	-15%
Inventories excluding dations/repurchase agreements	6 393 626	5 474 321		5 405 171	
Total inventories/Total Assets	60%	63%		60%	
Suppliers, advances and installments	169 507	162 047	-4%	255 048	57%
Customers	2 370 845	1 983 277	-16%	1 815 715	-8%
Customer excluding dations/repurchase	1 766 132	1 970 763		1 764 718	
Staff	1 255	1 106	-12%	878	-21%
Debtor's state	829 774	711 208	-14%	604 786	-15%
Shareholders' accounts	131	114	-13%	52 482	>100%
Other receivables	353 613	254 373	-28%	222 878	-12%
Adjustment-Assets	58 181	52 567	-10%	47 869	-9%
Receivables from current assets	3 783 306	3 164 692	-16%	2 999 656	-5%
Total receivables from current assets / Total Assets	39%	36%		39%	
Securities and investment values	802	802	0%	0	-100%
Current assets	9 574 076	8 630 749	-10%	7 662 742	-11%
Total current assets / Total Assets	99%	99%		98%	
Treasury – Assets	36 246	29 551	-18%	75 022	>100%
Total Treasury – Assets / Total Assets	0%	0%		1%	
Total Assets	9 679 277	8 725 789	-10%	7 783 991	-11%

Table 4. Evolution of consolidated liabilities over the period 2016-2018

In KMAD	2016	2017	Var16/17	2018	Var17/18
Equity (group share)	1 929 104	2 232 979	16%	2 346 888	5%
Equity capital	857 000	857 000	0%	857 000	0%
Issue Premiums	-	-	-	-	-
Consolidated Reserves	864 748	1 072 238	24%	1 374 847	28%
Translation adjustment on subsidiaries' translation In foreign currencies	-	-	-	-	-
Net income for the financial year (group share)	207 356	303 742	46%	115 041	-62%
Minority interest	297 450	306 038	3%	314 988	3%
Minority reserves	295 870	295 172	0%	306 350	4%
Minority interests' income	1 580	10 866	588%	8 638	-21%
Shareholders' equity of the consolidated group	2 226 554	2 539 017	14%	2 661 876	5%
<i>Shareholders' equity of the consolidated group/Total liabilities</i>	<i>23%</i>	<i>29%</i>	<i>n.a</i>	<i>34%</i>	<i>18%</i>
Financial debts	1 735 877	777 290	-55%	421 908	-46%
Financial debts excluding datations/repurchase agreements	1 823 015	1 503 890	-100%	777 208	-48.32%
<i>Financial liabilities/Total liabilities</i>	<i>18%</i>	<i>89%</i>	<i>n.a</i>	<i>5%</i>	<i>n.a</i>
Deferred tax liabilities	72 693	63 424	-13%	54 744	-14%
Non-current provisions for risks and costs	-	1 067	>100%	1 067	0%
Suppliers	1 954 605	1 788 919	-8%	1 838 145	3%
Customers advances and installments	476 232	407 198	-14%	488 078	20%
Staff and social organizations	6 388	6 199	-3%	6 286	1%
Creditors' state	433 673	459 028	6%	378 336	-18%
Assets adjustment accounts	278 716	209 781	-25%	121 879	-42%
Other provisions for risks and costs	-	10 104	>100%	-	-100%
Associated credit current accounts	219 253	187 595	-14%	182 564	-3%
Other liabilities	633 067	961 124	52%	923 684	-4%
Other debts excluding datations/repurchase agreements	980 721	290 668	-100%	769 484	>100%
Current liabilities	4 001 934	4 029 948	1%	3 938 972	-2%
<i>Current liabilities/Total liabilities</i>	<i>41%</i>	<i>46%</i>	<i>n.a</i>	<i>50%</i>	<i>n.a</i>
Treasury – Liabilities	1 642 216	1 315 042	-20%	705 424	-46%
Total Treasury – Liabilities / Total Liabilities	17%	15%	n.a	9%	n.a
Total Liabilities	9 679 277	8 725 789	-10%	7 783 991	-11%

Source: Alliances Darna

Table 5. Changes in the consolidated statement of operating balances as of 30/06/2018 and as of 30/06/2019

In KMAD	2016	2017	Var 16/17	2018	Var 17/18
Turnover	1 825 918	1 184 870	-35%	1 564 403	32%
<i>Turnover excluding dations/repurchase agreements</i>	993 991	1	18%	704 785	-40%
Change in product inventories	-932	-324 696	65%	-773 158	>-100%
<i>Ch. in invent. of products excluding dations/repurchase</i>	-328	-314 198	4%	-31 073	>100%
Assets produced by the company for itself	-	-	-	-	-
Production	893 354	860 174	-4%	791 245	-8%
Consumed purchases of materials and supplies	-281	-299 150	-6%	-425 704	-42%
Other external costs	-44 919	-36 925	18%	-39 978	-8%
Consumption for the financial year	-326	-336 074	-3%	-465 682	-39%
Added value	566 486	524 099	-7%	325 563	-38%
<i>Added value/Turnover</i>	31%	44%	n.a	20%	n.a
Operating subsidies	-	-	-	-	-
Taxes and duties	-40 850	-27 489	33%	-25 501	7%
Personnel expenses	-69 609	-66 066	5%	-65 663	1%
Gross operating income (EBITDA)	456 027	430 545	-6%	234 400	-46%
<i>Gross Operating Surplus/ Turnover</i>	25%	36%	n.a	15%	n.a
Other operating income	1 214	-	-100%	-	-
Other operating expenses	-1 540	-	100%	-86	-
Operating write-backs, expense transfers	16 141	7 162	-56%	5 084	-29%
Operating provision	-28 016	-6 621	>100	-5 070	23%
Operating result	443 826	431 086	-3%	234 327	-46%
<i>Operating income/Turnover</i>	24%	36%	n.a	15%	n.a
Financial income	12 949	11 225	-13%	8 125	-28%
Financial expenses	-247	-61 745	>100	-86 983	-
Financial result	-234	-50 520	78%	-78 858	-56%
Pre-tax current income	209 522	380 566	82%	155 470	-18%
Non-current income	52 798	-15 041	<100	-3 479	77%
<i>Non-current income excl. the impact of dations/repurchase</i>	37 525	-15 041	-100%	-3	-
Pre-tax income	262 321	365 525	39%	151 990	-58%
Income tax on profits	-58 454	-56 608	3%	-28 933	49%
Deferred taxes	16 873	11 778	-30%	3 907	-67%
Amortization of goodwill	-11 804	-6 088	48%	-3 286	46%
Reversals of goodwill amortization	-	-	n.a	-	-
Post-tax income	208 936	314 607	51%	123 678	-61%
<i>Net income/Turnover</i>	11%	27%	n.a	8%	n.a
Net income Group share	207 356	303 742	46%	115 041	-62%
Minority share	1 580	10 866	>100	8 638	-21%

Source: Alliances Darna

Table 7. Evolution of consolidated liabilities as of 31/12/2017 and as of 30/06/2018

In KMAD	2016	2017	Var16/17	2018	Var17/18
Equity (group share)	1 929 104	2 232 979	16%	2 346 888	5%
Equity capital	857 000	857 000	0%	857 000	0%
Issue Premiums	-	-	-	-	-
Consolidated Reserves	864 748	1 072 238	24%	1 374 847	28%
Translation adjustment on subsidiaries' translation	-	-	-	-	-
Net income for the financial year (group share)	-	-	-	-	-
Equity capital	207 356	303 742	46%	115 041	-62%
Minority interest	297 450	306 038	3%	314 988	3%
Minority reserves	295 870	295 172	0%	306 350	4%
Minority interests' income	1 580	10 866	588%	8 638	-21%
Shareholders' equity of the consolidated group	2 226 554	2 539 017	14%	2 661 876	5%
Financial debts	1 735 877	777 290	-55%	421 908	-46%
Financial debts excluding datations/repurchase agreements	1 823 015	1 503 890	-100%	777 208	-48.32%
Deferred tax liabilities	72 693	63 424	-13%	54 744	-14%
Non-current provisions for risks and costs	-	1 067	>100%	1 067	0%
Suppliers	1 954 605	1 788 919	-8%	1 838 145	3%
Customers advances and installments	476 232	407 198	-14%	488 078	20%
Staff and social organizations	6 388	6 199	-3%	6 286	1%
Creditors' state	433 673	459 028	6%	378 336	-18%
Assets adjustment accounts	278 716	209 781	-25%	121 879	-42%
Other provisions for risks and costs	-	10 104	>100%	-	-100%
Associated credit current accounts	219 253	187 595	-14%	182 564	-3%
Other liabilities	633 067	961 124	52%	923 684	-4%
Other debts excluding datations/repurchase agreements	980 721	290 668	-100%	769 484	>100%
Current liabilities	4 001 934	4 029 948	1%	3 938 972	-2%
Treasury – Liabilities	1 642 216	1 315 042	-20%	705 424	-46%
Total Liabilities	9 679 277	8 725 789	-10%	7 783 991	-11%

Source: Alliances Darna

PART IV. RISKS

Before making any investment decision, potential investors are advised to carefully consider all the risks described in this prospectus. This part is not intended to be exhaustive, other risks and uncertainties not currently known to the Company or that it currently considers negligible could also affect its business. Potential investors are required to make a personal and independent assessment of all investment considerations relating to this bond issue and to read also the detailed information mentioned in the other parts of this prospectus.

Risks related to the economic environment

The results and growth prospects of Alliances Darna are strongly influenced by national economic conditions, international economic growth and the level of interest rates.

Risks related to competition

The absence of barriers to entry and the favorable profit prospects offered by the sector have had, and continue to have, the effect of attracting many operators to the real estate market. The multiplication of operators, both national and international:

- An erosion of margins, as a result of increasingly intense competition;
- An increase in the cost of land in certain areas where there is strong demand from property developers;
- More difficult access to financing;
- A more restricted choice of subcontractors.

The Alliances Darna group offers quality and standardized products, and has many advantages to remain in a leading position.

Risks related to changes in tax regimes

Changes in tax regulations and, in particular, the reduction in the tax benefits granted to investors and purchasers could have a negative impact on the property market and consequently affect the financial situation of operators in the sector. However, the risk is limited since the measures established by the 2010 Finance Law and 2013 Finance Law are guaranteed until 2020, thus offering tax stability in the context of social housing construction.

Risks related to interest rates

A significant increase in lending interest rates applied to loans taken out by buyers would be a limiting factor in household housing demand and could have a negative impact on Alliances Darna' turnover.

To mitigate this risk, it should be noted that the Alliances Darna group systematically signs agreements with its banking partners so that future buyers of its products can benefit from loans at attractive rates.

Land risk

Attractive credit conditions and a large housing deficit have had the effect of increasing demand and, consequently, of setting the cost of land in urban areas on a marked upward trend in recent years.

Similarly, the cost of land in tourist areas could also continue the upward trend that has prevailed in recent years, driven by increased competition between operators in the sector, as well as by strong demand.

Higher land costs would have a direct impact on the margins generated by Alliances Développement Immobilier. This risk would be all the greater if the company were unable to pass on this increase in land costs to final selling prices, especially in activities other than golf resort programs or high-end real estate.

In the course of its business, the Group acquires land for the purpose of carrying out real estate programs. There may be administrative complications in making the acquired land available, which may result in delays in the launch of these real estate programs. These delays are attributable to:

- Administrative procedures (authorizations, etc.) which sometimes require longer than expected periods of investigation due to the unavailability of the competent authorities (administrative strike period, holiday period, religious holidays, etc.);
- The multiplicity of parties involved and delays by the administration in validating development plans;
- Complications that may be encountered when releasing land illegally occupied by slums.

The above-mentioned delays remain exceptional, thanks in particular to the expertise developed by Alliances Développement Immobilier in land sourcing and early management of acquisition procedures, administrative procedures and the release of land where necessary.

Disclaimer

The above-mentioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under reference VI/EM/038/2019.

AMMC recommends that the entire prospectus, which is available to the public in French, be read in its entirety.