

TRAVAUX GENERAUX DE CONSTRUCTION DE CASABLANCA S.A

Prospectus Summary - Initial Public Offering through a Capital Increase reserved for the public through the issue of 2,205,890 new shares, with cancellation of shareholders' preferential subscription rights, and sale of 2,205,890 Shares

Fixed Price Offer

| | |
|---|---|
| Nature of the security | Ordinary shares |
| Subscription price | MAD 136 |
| Nominal value | MAD 10 |
| Number of new shares to be issued | 2,205,890 shares |
| Maximum number of shares to be sold | 2,205,890 shares |
| Maximum total amount of the operation (including issue premium) | MAD 600,002,080 |
| Subscription period | from November 29 to December 3, 2021 at 3:30 pm |

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

Financial Advisor and Global Coordinator



Financial Co-Advisor



Leader of the Placement Syndicate



Co-Leaders of the Placement Syndicate



Members of the Placement Syndicate



Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of the Dahir Law No. 44-12 on public offerings and information required of legal entities and savings organizations, this prospectus was approved by the AMMC on November 19, 2021, under reference no. VI/EM/031/2021.

The Operation Note constitutes only a part of the AMMC-approved prospectus. The latter is composed of the following documents: (i) The reference document relating to the financial year 2020 and the first half of 2021 registered by the AMMC on November 19, 2021 under reference no. EN/EM/029/2021 (ii) and the operation note.

Disclaimer

In view of the TGCC S.A. IPO, subject of the operation note, the Extraordinary General Meeting held on November 10, 2021, decided to reduce the nominal value of shares constituting the Company's registered capital from MAD 100 to MAD 10, effective as from the first day of listing on the Casablanca Stock Exchange, scheduled for December 16, 2021. In this context, all the information presented in the operation note is based on a unit nominal value of MAD 10 (unless indicated).

The AMMC approved on November 19, 2021 a prospectus related to the listing on the Casablanca Stock Exchange by increase of the registered capital reserved to the public with cancellation of the subscription preferential right by issuing 2,205,890 TGCC shares and by sale of 2,205,890 shares.

The approval of the Moroccan Capital Market Authority (AMMC) concerns the prospectus composed of:

- The Operation Note relating to TGCC's IPO;
- The Reference Document relating to the financial year 2020 and to the first half of 2021 registered by the AMMC on November 19, 2021 under reference no. EN/EM/029/2021.

The AMMC-approved prospectus is available at any time:

- On TGCC's website: www.tgcc.ma
- On the Casablanca Stock Exchange website: www.casablanca-bourse.com
- On the AMMC website: www.ammc.ma

This summary has been translated by the company Lissaniat, under the joint responsibility of the said translator and TGCC S.A. In the event of any discrepancy between the contents of this summary and the AMMC-approved prospectus, only the approved prospectus will prevail.

PART I - STRUCTURE OF THE OFFER

Prospectus Summary - TGCC's IPO

I. Structure of the Offer

I.1. Amount of the Operation

TGCC S.A. plans to carry out an IPO for an amount of MAD 600,002,080 through:

- The increase in the registered capital in cash by issuing 2,205,890 shares at a subscription price of MAD 136 per share of, i.e. MAD 10 as nominal amount and MAD 126 as premium. The total contribution of the capital increase will amount MAD 300,001,040, of which MAD 22,058,900 as nominal amount and MAD 277,942,140 as premium;
- The sale of 2,205,890 MC II Concrete shares for a selling price per share of MAD 136, i.e. a total amount of MAD 300,001,040.

I.2. Structure of the Offer

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|--|---|
| Subscribers | <ul style="list-style-type: none"> ▪ Natural persons, resident or non-resident, of Moroccan or foreign nationality; ▪ Legal entities, of Moroccan or foreign Law, not belonging to the categories of qualified investors as defined by Article 3 of Law no. 44-12 and by Article 1.30 of AMMC Circular no. 03/19 and justifying of more than one year of existence at the subscription date; ▪ Qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular no. 03/19, except money market and short-term bond UCITS; ▪ Qualified investors of foreign law as defined by Article 1.30 paragraph (c) of AMMC circular no. 03/19. |
| Amount of the Offer | MAD 600,002,080 |
| Number of shares | 4,411,780 |
| In % of share capital following the Operation | 13.94% |
| Subscription price | MAD 136 per share |
| Minimum subscription per investor | No minimum |
| Subscription ceiling per investor | <ul style="list-style-type: none"> ▪ For all investors, except UCITS, 10% of the total number of shares offered as part of the Operation, representing 441,170 shares, i.e. MAD 59,999,120; ▪ For UCITS, the minimum between: <ul style="list-style-type: none"> ✓ 10% of the global number of shares offered as part of the Operation, representing 441,170 shares, i.e. MAD 59,999,120 and; ✓ 10% of the net assets of the UCITS corresponding to the net asset value as of November 26, 2021. |
| Placement | <ul style="list-style-type: none"> ▪ For qualified investors of foreign law as defined by article 1.30 of AMMC circular n°. 03/19, except UCITS: Leader and Co-Leaders of the Placement Syndicate; ▪ For qualified investors of Moroccan Law as defined by Article 3 of Law no. 44-12 and Article 1.30 of AMMC Circular n°.03/19, excluding UCITS: Leader and Co-Leaders of the Placement Syndicate; ▪ For other categories of investors, except for monetary and short-term bond UCITS: All members of the Placement Syndicate. |
| Subscription coverage | <ul style="list-style-type: none"> ▪ For natural or legal persons of Moroccan or foreign law (non-qualified), subscriptions must be covered at 100% by: <ul style="list-style-type: none"> ✓ An effective deposit (cheque, cash or transfer) on the subscriber's account, and/or; |

| | |
|----------------------------------|--|
| | <ul style="list-style-type: none"> ✓ A collateral consisting in securities according to the following modalities: <ul style="list-style-type: none"> • Government bonds: taken at a maximum of 100% of the value on the subscription date; • Money market UCITS with daily net asset value: taken at a maximum of 100% of the value on the subscription date; • Units of UCITS with daily net asset value (except money-market funds), term deposits, and listed shares: taken at 80% maximum of the value at the subscription date. ▪ For qualified investors of Moroccan law: no coverage at the time of subscription. ▪ For qualified investors of foreign law (i) justifying of more than one year of existence on the date of subscription of the current operation or (ii) having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the subscription period. ▪ For qualified investors of foreign law (i) not having more than one year of existence on the date of subscription of this operation and (ii) not having already carried out a transaction on the primary or secondary market of the Casablanca Stock Exchange: 30 % coverage by an effective deposit (cheque, cash or transfer) or 100 % by a bank guarantee. <p>Coverage by collateral is subject to the appreciation of each member of the Syndicate Placement Syndicate selected by the subscriber. The subscription coverage in cash, cheque, transfer and/or collateral will have to remain blocked, until allocation of securities on December 8, 2021.</p> |
| <p>Allocation methods</p> | <ul style="list-style-type: none"> ▪ 1st allocation: by iteration up to 700 shares per subscriber; ▪ 2nd allocation: allocation of the remainder in proportion to the excess of requests over the 700 shares. |

II. Financial instruments offered

II.1 Characteristics of the securities offered

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|---|--|
| Nature of the securities | Ordinary shares all of the same category |
| Legal form | The shares, subject of this operation, will all be bearer shares. These shares are entirely dematerialized and admitted to trading on Maroclear. |
| Amount of the operation | MAD 600,002,080 ¹ |
| Total number of shares to be issued and sold | 4,411,780 shares, including 2,205,890 new shares to be issued as part of the capital increase and 2,205,890 shares as part of the sale of shares |
| Subscription price | 136 MAD per share |
| Procedure of initial listing | Fixed Price Offer |
| Nominal value | MAD 10 per share |
| Issue premium | MAD 126 per share |
| Payment of shares | The offered shares will be fully paid up and free of any commitment. |
| Line of listing | 1 st line |
| Entitlement date | January 1, 2021 ² (current entitlement of the new shares, fully assimilated to the existing shares) |
| Subscription period | From November 29 to December 3, 2021 at 3:30 pm included. |
| Tradability of securities | The shares subject to this operation are freely tradable. There is no statutory clause restricting the free trading of the shares making up the Company's capital. No commitment restricts the free trading of the shares subject to this Operation. |
| Method of payment of shares and payment of the selling price of shares | In cash (excluding any payment by way of compensation against due liquid and receivables of the Company) |
| Listing of shares subject of this operation | The shares to be sold and issued as part of this IPO will be admitted to the Main Market, compartment "Principal F" of the Stock Exchange. |

¹ Including (i) a capital increase for an amount of MAD 300,001,040, of which MAD 22,058,900 as nominal amount and MAD 277,942,140 as issue premium and (ii) a sale of 2,205,890 shares for a global amount of MAD 300,001,040.

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

| | |
|---|---|
| ISIN Code | MA0000012528 |
| Listing date of new shares | December 16, 2021 |
| Rights attached to the newly issued shares | All shares have the same rights in the distribution of profits and liquidation surpluses. Each share gives the right to vote at general meetings. |
| Preferential subscription right | The Extraordinary General Meeting of November 10, 2021 decided to cancel the shareholders' preferential subscription rights in favor of the public (i.e. any person entitled to subscribe to the capital increase) for all the shares to be issued under the Operation. |

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

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|---|-------------------------------------|
| Date of 1st listing | December 16, 2021 |
| Name | TGCC S.A. |
| Ticker | TGC |
| Listing compartment | Main F |
| Sector of activity | Building and construction materials |
| Trading cycle | Continuous |
| Minimum Block Size | 259,000 ³ |
| Listing line | 1 st line |
| Maximum number of shares to be sold and issued | 4,411,780 shares |
| Registration body of the Operation | CFG Marchés |

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

Subscription price determination

In accordance with the powers granted to it by the Extraordinary Shareholders' Meeting of November 10, 2021, the Board of Directors, at its meeting of November 19, 2021, decided to list the Company on the Casablanca Stock Exchange through:

³ Based on a nominal value of MAD 10 per share
Prospectus Summary - TGCC's IPO

- Increasing its share capital for an amount of MAD 300,001,040, through the issue of 2,205,890 shares at a subscription price of MAD 136 per share after reduction of its nominal value (MAD 10 as nominal value and MAD 126 as issue premium);
- Sale of 2,205,890 shares for MAD 300,001,040, i.e. a sale price of MAD 136 per share after reduction of its nominal value.

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

Valuation methodology

Discarded valuation methods

Revalued net asset

The revalued net asset is a patrimonial approach that consists in valuing separately the different assets and liabilities of a company, without taking into account its future evolution prospects. This method is generally applied in a context of divestment and liquidation of assets, in order to provide a better allocation of resources, or to value financial, real estate or portfolio companies.

As TGCC is an integrated group that does not meet the conditions for the application of this valuation method, this method has not been applied.

Transactional peers

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

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

It should be noted that the valuation induced by the acquisition of a stake in TGCC by MCII Concrete Ltd. has not been retained as a relevant valuation reference as (i) this is an old operation (carried out on the basis of the aggregated 2015 and 2016 parent company financial statements) and (ii) TGCC is today fundamentally different from what it was before the acquisition of the stake by MCII Concrete Ltd. (availability of consolidated financial statements, scope of activities, geographical locations, governance, volume of business, etc.).

Dividend Discount Model (DDM)

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

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

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

Retained valuation methods

Prospectus Summary - TGCC's IPO

Two valuation methods have been used for the valuation of TGCC shares in the context of this Operation, they are:

- The discounted cash-flows (DCF) method;
- The peer trading multiples, for information purposes.

Discounted Cash-Flows (DCF)

The Discounted Cash-Flows method is a benchmark method for determining the intrinsic value of a company.

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

Peer trading multiples

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

Several parameters must be checked when applying this method:

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

These parameters, often difficult to gather in a "normal" economic context, are even more difficult in the exceptional context of the COVID-19 pandemic. Indeed, macroeconomic and sectoral developments in each country, as well as the specific situation of each "peer", make the application of this method very difficult and potentially irrelevant.

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

Valuation of TGCC's equity

Main assumptions of the pre-money business plan

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

General assumptions

Prospectus Summary - TGCC's IPO

The pre-money business plan (i.e. not taking into account the impact of the capital increase) used as a basis for the DCF valuation has been prepared by TGCC's management over an explicit 7-year horizon: 2021e - 2027p.

The business plan presented below has been established on the basis of assumptions below the historical financial performance achieved by the TGCC Group in recent years and the growth forecasts of the construction market:

- The consideration of an average annual growth rate between 2021e and 2027p of new orders (1.6%) lower than the forecasts of the construction sector in Morocco (3.6% on average) published by Fitch Solutions in November 2020 in its study "Morocco Infrastructure Report";
- A conservative estimate of TGCC S.A.'s new orders at the end of 2021 (MAD 4,150 million), given that as of October 31, 2021, these had reached MAD 3,956 million (i.e., more than 95% of the target set at the end of 2021);
- A global gross margin forecast lower than the levels achieved historically, averaging 37.0% between 2017 and 2019, compared with 32.8% on average between 2021e and 2027p;
- No integration of the upside represented by the West African markets targeted by TGCC. No new projects have been included in Senegal, Gabon or in the new countries in which the Group wishes to develop.

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

Turnover assumptions

The consolidated turnover corresponds to the sum of the turnover generated by TGCC S.A.

(the latter representing on average 87% of the consolidated turnover over the forecast period) and of all its subsidiaries, adjusted for all intra-group flows (coming from almost all the flows of (i) Emene Prefa, (ii) Arte Lignum, (iii) Oxy Revet and (iv) Infinite):

TGCC S.A.

The assumptions used to estimate TGCC S.A.'s turnover, in line with the historical levels achieved by the Group in 2018 and 2019⁴, are presented below:

Turnover (year n) = 55% of the backlog⁵ (beginning of year n) +20% of new orders⁶ (flow in year n).

New orders totaled 3,956 mMAD as of October 31, 2021, i.e. more than 95% of the forecast level as of end 2021e (MAD 4,150m), demonstrating the recovery of activity after the slowdown recorded in 2020 in the context of the COVID-19 pandemic. The order book should thus be at MAD 4,652 m at the end of 2021.

New orders are expected to stabilize at MAD 3,800 m in 2022p before growing at an annual rate of 5% in 2023p and 2024p and 3% between 2025p and 2027p, in line with the growth forecasts for the Moroccan construction sector published in November 2020 by Fitch Solutions in its "Morocco Infrastructure Report" study.

Besix - TGCC Grouping

The turnover of the Besix - TGCC joint venture is expected to evolve in accordance with the forecast invoicing rhythm: (i) 37% in 2021e, (ii) 35% in 2022p and (iii) 9% in 2023p, the remainder having been invoiced during past years.

TGCC Côte d'Ivoire / TGCC Senegal / T2G

TGCC Côte d'Ivoire's turnover is expected to increase in line with the development of new orders, estimated by management at MAD 300 m per year in 2021 and 2022p, and then between 2024p and 2027p. In 2023p, the order intake is estimated at MAD 600 m.

Over the period 2021e-2027p, the turnover generated by projects carried out by subsidiaries in West Africa should represent 8.4% of consolidated revenues (compared with an average of 5.9% between 2017 and 2019).

For reasons of prudence, the business plan does not foresee any revenues from new orders from TGCC Senegal and T2G (Gabon).

Gross margin assumptions

The consolidated gross margin is expected to reach 32.8% on average over the business plan horizon, which is lower than the level recorded between 2017 and 2019 (37.0% on average) as a result of (i) increased competition, which has required reduction in margins in order to boost sales volumes, and (ii) a one-off increase in the cost of construction materials (steel, wood, etc.). In this respect, the Company expects to reach the same level of gross margin of 2019 (34.1%) until 2025p (33.8%).

Operating expense assumptions

- **Operating expenses⁷:** These expenses represent on average 3.9% of the consolidated turnover over the business plan horizon, in line with the level observed in 2019. For TGCC S.A., these expenses are divided between (i) fixed expenses (consisting mainly of rental charges, rolling stock maintenance and deposits) which are increasing by an average of 3% per year and (ii) variable

⁴ The average contract period for a project is almost 24 months. As a result, slightly more than half of the order backlog at the end of a given year (about 55%) must be filled the following year. As for the order intake of the year, it is usually executed at about 20% in the same year. These execution times have been used for the 2022p - 2027p forecasts.

⁵ The order backlog corresponds to all orders booked but not yet completed at a given date.

⁶ New orders correspond to all orders booked and not fulfilled during the same period.

⁷ Other operating income and other operating expenses are not expected over the business plan horizon.

expenses (consisting mainly of equipment rental, insurance, transport costs and fees) representing 1.1% of revenues, in line with the level recorded historically;

- **Staff costs:** These costs represent on average 15.1% of the consolidated turnover over the business plan period, which is close to the level achieved between 2017 and 2019 (15.9% on average). For TGCC S.A., staff expenses are of a fixed and variable nature. Fixed costs, which correspond mainly of head office employees and site and production department managers, are expected to increase by 7% per annum over the forecast period and will involve both salary increases and new recruitments. Variable remuneration, corresponding to workers on the various sites, is estimated as a percentage of revenues from structural works. This ratio is estimated at an average of 21.1% over the business plan period, in line with the ratios observed historically.
- **Depreciation and amortization:** These expenses are modeled on the basis of the accounting depreciation tables. In accordance with applicable accounting standards, they concern all fixed assets (including those financed by leasing).
- **Provisions:** No provision allocations are foreseen over the time horizon of the business plan. It should be noted that the estimated working capital requirement takes into account the level of receivables net of provisions.

Financial result assumptions

Financial result is estimated at -1.4% on average of the consolidated turnover, in line with historical ratios. Net financial expense consists mainly of financial expenses relating to (i) financing lines (short and medium term) and (ii) leases.

Corporate income tax and social solidarity contribution assumptions

Corporate income tax is calculated in accordance with the standard tax rates in force in the countries where the Company operates.

The business plan also takes into account the social solidarity contribution⁸ provided for in Morocco at the rate in force for fiscal years 2021e and 2022p. For 2022p, the rate of 5% provided for in the 2022 Finance Bill has been retained as a precaution.

Assumptions related to minority interests

Minority interests are estimated at 0.7% of consolidated net income between 2021e and 2027p, corresponding to the ratio of minority interests to consolidated equity at the end of 2021e.

Working capital requirement assumptions

Working capital requirements are estimated at 161 days of turnover excluding VAT, i.e. the average level recorded between 2017 and 2019 (the 2020 level considered non normative given the slowdown in activity in the context of the COVID-19 pandemic).

Investment assumptions

A total investment of mMAD 549 (between MAD 74 m and MAD 82 m per year) is planned for the period 2021e - 2027p, representing an average of 1.8% of turnover. This level, which is slightly lower than the levels historically observed between 2017 and 2019 (2.1%), is explained by the increase in investments over the last few years, which have enabled the Group to strengthen its equipment base to support a large part

⁸ Contribution introduced by the government as part of the 2021 Finance Bill to strengthen the mobilization of resources (from individuals and companies) for populations particularly affected by the COVID-19 crisis. In 2022, the social solidarity contribution was renewed.

of the forecast growth. It should be noted that the forecast investment should concern the acquisition of various equipment and tools financed by leases, repayable over 5 years.

In October 2021, financial receivables for an amount of 128 mMAD were repaid by sister companies of the TGCC Group. At the end of 2021 and over the entire horizon of the business plan, no financial receivables from the Group's sister companies are projected in TGCC projected balance sheet.

Medium and long-term debt assumption

The Group expects to repay the two state-guaranteed loans raised in 2020 in accordance with the initial schedule (i.e. maturity in 2027). The amounts raised are respectively MAD 100 m for TGCC S.A. and MAD 10 m for Emene Prefa. No additional medium or long term debt is projected in the business plan.

All the current accounts were repaid in October 2021 (MAD 114m). As of end 2021 and over the horizon of the business plan, no current account is projected.

Dividend assumptions

Subject to the approval of the General Meeting, the Company plans to propose the distribution of 50% to 100% of its distributable income each year. It should be noted that the Company has distributed 100% of its 2019 and 2020 results.

The business plan assumes an average annual distribution of 70% of consolidated net income over the period 2021e - 2027p.

At this average distribution rate, both existing and new shareholders would receive a post-IPO dividend for the year 2021e, corresponding to a post-money dividend yield of 3.9%⁹.

⁹ Calculated based on a post-money equity valuation of mMAD 4,303 (i.e. integrating the capital increase, subject of the prospectus, of an amount of mMAD 300 including the issue premium).

Main aggregates of the pre-money business plan

The main consolidated aggregates that emerge from TGCC's pre-money business plan are presented in the following table:

| In mMAD | 2018 | 2019 | 2020 | 2021e | 2022p | 2023p | 2024p | 2025p | 2026p | 2027p | CAGR 18-21e | CAGR 21e-27p |
|----------------------------------|--------|-------|--------|-------------------|--------|-------|-------|-------|-------|-------|----------------|-----------------|
| Turnover ¹⁰ | 2 250 | 3 039 | 2 278 | 3 698 | 4 109 | 4 137 | 4 328 | 4 545 | 4 733 | 4 905 | 18.0% | 4.8% |
| % variation | n.a. | 35.1% | -25.0% | 62.3% | 11.1% | 0.7% | 4.6% | 5.0% | 4.1% | 3.6% | n.a. | n.a. |
| EBITDA | 371 | 424 | 174 | 474 | 536 | 571 | 612 | 652 | 677 | 702 | 8.5% | 6.8% |
| EBITDA margin (%) | 16.5% | 14.0% | 7.6% | 12.8% | 13.1% | 13.8% | 14.1% | 14.3% | 14.3% | 14.3% | n.a. | n.a. |
| Consolidated net income | 217 | 191 | 14 | 242 | 261 | 295 | 318 | 335 | 351 | 369 | 3.7% | 7.3% |
| in % of turnover | 9.6% | 6.3% | 0.6% | 6.5% | 6.4% | 7.1% | 7.4% | 7.4% | 7.4% | 7.5% | n.a. | n.a. |
| including minority interests | 4 | 0 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | -21.6% | 7.3% |
| Net investments ¹¹ | 51 | 65 | 60 | 74 | 82 | 79 | 78 | 77 | 80 | 78 | 13% | 1% |
| in % of turnover | 2.3% | 2.1% | 2.6% | 2.0% | 2.0% | 1.9% | 1.8% | 1.7% | 1.7% | 1.6% | n.a. | n.a. |
| Net financial debt ¹² | 1 075 | 858 | 840 | 970 | 1 151 | 1 039 | 996 | 960 | 909 | 845 | -3.4% | -2.3% |
| Debt ratio (D/ (D+E)) | 58.4% | 48.0% | 47.5% | 50.3% | 52.3% | 47.2% | 43.8% | 40.9% | 37.7% | 34.2% | n.a. | n.a. |
| Gearing (D/E) | 140.6% | 92.5% | 90.4% | 101.1% | 109.5% | 89.2% | 78.1% | 69.1% | 60.4% | 51.9% | n.a. | n.a. |
| Dividends ¹³ | 120 | 98 | - | 232 ¹⁴ | 169 | 183 | 207 | 223 | 235 | 246 | n.a. | n.a. |
| Dividend yield ¹⁵ | n.a. | n.a. | n.a. | n.a. | 4.2% | 4.6% | 5.2% | 5.6% | 5.9% | 6.1% | n.a. | n.a. |

Source: TGCC

Valuation methods used

Valuation using the DCF method

Presentation of the method

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

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

The enterprise value (EV) as of January 1, 2022^p, also known as the economic asset value, is estimated by discounting the projected free cash flows and includes:

- The present value of free cash flows over the explicit time horizon (January 1, 2022^p to December 31, 2027^p);
- The terminal value (TV) represents the value of the company at the end of the explicit horizon. It is determined on the basis of the Gordon Shapiro method by discounting to infinity the normative free cash flow:

¹⁰ It should be noted that the quasi-stability of the Group's consolidated revenues in 2023^p is mainly due to the end of the Mohamed VI Tower project carried out by the subsidiary BESIX TGCC, which is 45% owned by the Group.

¹¹ Investments net of divestments and excluding the impact of changes in the scope of consolidation.

¹² Including securities and investment securities.

¹³ Dividends distributed in n for n-1.

¹⁴ Dividends distributed in 2021 based on the net income recorded by TGCC S.A. in 2019 and 2020.

¹⁵ Calculated based on a pre-money valuation of MAD 4,003 million. The dividend yield is calculated as follows Dividend Yield = Dividends / Equity Value.

$$\text{Terminal value} = \frac{\text{Normative flow}}{\text{WACC} - g}$$

Where:

- Normative cash flow: Cash flow calculated based on the last available cash flow aggregates for the business plan horizon, and on the following elements:
 - ✓ Perpetual growth rate of 2.5%, applied to 2027p EBITDA forecast;
 - ✓ Working capital requirement maintained at 161 days of turnover, corresponding to the 2027p level;
 - ✓ Capital expenditure estimated at 1.6% of revenues in 2027p (corresponding to the forecast level for 2027p);
- WACC: Weighted Average Cost of Capital;
- G : Perpetual growth rate set at 2.5%, in line with the economic and demographic growth forecasts for Morocco published by the International Monetary Fund (IMF) in November 2021. This growth rate is lower than the level of growth of the construction sector in Morocco forecast by the Fitch Solutions study.

The value of equity (V_e) is obtained as follows:

$$V_e = EV - NFD$$

Where:

- EV: Enterprise Value as of January 1, 2022p;
- NFD: Net Financial Debt as of December 31, 2021e.

WACC calculation

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

$$WACC = C_e \times \frac{E}{D + E} + C_d \times (1 - T) \times \frac{D}{D + E}$$

Where:

- C_e : Cost of equity;
- E: Value of equity;
- D: Value of net debt with a target gearing (D/E) of 51.9% corresponding to the 2027p gearing resulting from the TGCC Group's pre-money business plan;
- C_d : Market cost of debt of 4.8% before tax¹⁶;
- T: Income tax rate (31%).

The cost of equity amounts to 10.45%. This is calculated as follows:

$$C_e = r_f + (\beta_e \times r_m)$$

¹⁶ CFG estimate based on current market financing conditions.

Where:

- r_f : Risk-free rate (10-year Treasury bill rate on the secondary market as of November 3, 2021, i.e. 2.32%);
- β_e : Leveraged beta (i.e. 1.30 based on a deleveraged beta of 0.96¹⁷);
- r_m : Equity market risk premium (i.e. 6.23%¹⁸).

It should be noted that the transition from unleveraged to leveraged beta is carried out using the following formula:

$$\beta_e = \beta_d \times [1 + (1 - T) \times G]$$

Where:

- β_e : Levered beta;
- β_d : Delevered beta;
- R: Corporate income tax rate;
- G: Target debt-to-equity ratio (Debt/Equity), i.e. 51.9%.

Thus, based on the elements presented above, the Weighted Average Cost of Capital retained for TGCC is 8.01%.

| TGCC's WACC | |
|---|---------------|
| Risk-free rate - 10-year BDT as of November 3, 2021 | 2.32% |
| Market risk premium | 6.23% |
| Corporate income tax rate | 31.00% |
| Unlevered Beta | 0.96 |
| Levered beta | 1.30 |
| Target Gearing (D/E) | 51.89% |
| Cost of equity | 10.45% |
| Cost of debt (net of corporate income tax) | 3.31% |
| WACC | 8.01% |

¹⁷ 5-year unlevered beta estimated by CFG. As an indication, the Emerging Markets deleveraged beta of 869 companies operating in the Engineering / Construction sector published by Damodaran in 2021 shows 0.51. Similarly, the average 5-year levered beta of the sample of international companies "comparable" to TGCC (see stock market comparables) is 0.68.

¹⁸ Average risk premiums of CFG Research (coming out at 5.2% and obtained by a prospective method) published in October 2021, Attijari Intermédiation (coming out at 5.6% and obtained by survey) published in May 2021 and BMCE Capital Research (coming out at 7.9% and obtained by a prospective method) published in October 2021.

Prospectus Summary - TGCC's IPO

DCF method results

| In mMAD | 2022p | 2023p | 2024p | 2025p | 2026p | 2027p | Normative cash flow |
|--|--------------|------------|------------|------------|------------|------------|---------------------|
| Turnover | 4 109 | 4 137 | 4 328 | 4 545 | 4 733 | 4 905 | 5 028 |
| EBITDA | 536 | 571 | 612 | 652 | 677 | 702 | 719 |
| Theoretical corporate income tax on REX | -138 | -149 | -161 | -172 | -179 | -188 | -198 |
| Variation in WCR | -281 | -13 | -85 | -97 | -84 | -77 | -55 |
| Investments | -82 | -79 | -78 | -77 | -80 | -78 | -80 |
| Free cash flow | 35 | 331 | 288 | 306 | 334 | 359 | 386 |
| Terminal value | | | | | | | 7 005 |
| Discounted FCFF | 32 | 284 | 229 | 225 | 227 | 226 | 4 412 |
| Sum of discounted FCFF 2022p - 2027p ¹⁹ | 1 222 | | | | | | |
| Discounted terminal value | 4 412 | | | | | | |
| Enterprise value as of January 1, 2022p | 5 635 | | | | | | |
| Forecast consolidated net debt 2021e | -970 | | | | | | |
| Minority interests | -33 | | | | | | |
| Equity value | 4 631 | | | | | | |
| MAD / share | 157 | | | | | | |

Based on a discount rate of 8.01% and a perpetual growth rate of 2.5%, the value of TGCC's equity amounts to mMAD 4,631, i.e. a value per share of MAD 157 based on a nominal value per share of MAD 10.

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

| | | WACC | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|
| | | 7.51% | 7.76% | 8.01% | 8.26% | 8.51% |
| Perpetual growth rate | 2.00% | 4 880 | 4 608 | 4 359 | 4 130 | 3 918 |
| | 2.25% | 5 045 | 4 754 | 4 489 | 4 246 | 4 023 |
| | 2.50% | 5 226 | 4 915 | 4 631 | 4 373 | 4 136 |
| | 2.75% | 5 427 | 5 091 | 4 787 | 4 511 | 4 259 |
| | 3.00% | 5 650 | 5 286 | 4 958 | 4 662 | 4 393 |

The table below presents a sensitivity analysis of TGCC share price (in MAD/share), based on a nominal value of 10 MAD/share, to the WACC and the perpetual growth rate:

| | | WACC | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|
| | | 7.51% | 7.76% | 8.01% | 8.26% | 8.51% |
| Perpetual growth rate | 2.00% | 166 | 157 | 148 | 140 | 133 |
| | 2.25% | 171 | 162 | 153 | 144 | 137 |
| | 2.50% | 178 | 167 | 157 | 149 | 141 |
| | 2.75% | 184 | 173 | 163 | 153 | 145 |
| | 3.00% | 192 | 180 | 168 | 158 | 149 |

Valuation by the method of stock market peers (presented for information purposes only).

As a reminder, the valuation method using stock market peers is presented for information purposes only. As explained above, macroeconomic and sectoral developments as well as the specific situation of each "peer" make the application of this method very difficult and potentially irrelevant in the context of the

¹⁹ The 2021st flow is not included in the sum of free cash flows because it is included in the net financial debt (i.e. the CFD used is that as of end 2021e).
Prospectus Summary - TGCC's IPO

COVID-19 pandemic. The application of an intrinsic valuation method such as the DCF remains the most appropriate.

Jet Contractors is the only listed company in the construction industry on the Casablanca Stock Exchange. However, it was not selected as a comparable, in particular because of its size, its liquidity and its low coverage by local equity research departments.

In the absence of relevant local and regional peers, the sample of companies "comparable" to TGCC is entirely made up of international companies. The selection of the peers in the sample was based on various criteria, mainly:

- *Sector*: construction should represent at least 50% of the turnover in 2020;
- *Profitability*: EBITDA margin and net margin for 2018 and 2019 should be in the same range as those achieved by the Company;
- *Tracking*: forward-looking data to be available to allow an assessment based on trailing (2021e) and forward (2022p) multiples.

The table below showcases the sample of companies selected:

| Company | Country | Market capitalization as of November 16, 2021 (mEUR) | Enterprise value as of November 16, 2021 (mEUR) | Construction share in turnover | EBITDA margin rate (%) | | Net margin rate (%) | | P/E | |
|--------------------------------|----------------|--|---|--------------------------------|------------------------|--------------|---------------------|--------------|--------------|--------------|
| | | | | | 2018 | 2019 | 2018 | 2019 | FY21 | FY22 |
| SHO-BOND Holdings Co., Ltd. | Japan | 2 075 | 1 846 | 93% | 20.3% | 19.9% | 13.3% | 13.3% | 22.9x | 22.2x |
| Gamuda Bhd. | Malaysia | 1 606 | 2 191 | 50% | 24.2% | 28.1% | 12.2% | 15.5% | 13.0x | 12.7x |
| Dilip Buildcon Ltd. | India | 1 029 | 2 202 | 91% | 19.3% | 17.3% | 5.9% | 3.9% | 22.8x | 13.0x |
| Sunway Construction Group Bhd. | Malaysia | 439 | 464 | 91% | 9.3% | 10.4% | 6.4% | 7.3% | 14.8x | 13.2x |
| Henry Boot PLC | United Kingdom | 421 | 395 | 52% | 13.8% | 14.3% | 9.5% | 9.9% | 14.8x | 11.4x |
| Shenzhen Capol International | China | 391 | 393 | 89% | 18.4% | 16.5% | 13.9% | 11.5% | 12.8x | 10.1x |
| Ahluwalia Contracts | India | 343 | 297 | 99% | 11.1% | 7.7% | 6.8% | 3.5% | 18.3x | 13.8x |
| AME Elite Consortium Bhd. | Malaysia | 245 | 249 | 50% | 23.9% | 27.7% | 14.0% | 16.9% | 21.1x | 17.2x |
| Average | | | | | 17.5% | 17.7% | 10.2% | 10.2% | 17.5x | 14.2x |

Source: Infront Analytics

According to the sample presented above, TGCC's valuation by the peer trading multiples method is as follows:

| Valuation by the trading multiples method (MAD m, unless indicated) | 2021e | 2022p | Average 2021e - 2022p |
|---|--------------|--------------|-----------------------|
| P/E multiple of the selected sample of peers | 17.5x | 14.2x | n.a. |
| TGCC consolidated net income | 242 | 261 | n.a. |
| (+) Adjustment of the social solidarity contribution ²⁰ | 11 | 16 | n.a. |
| (-) Minority interests | 2 | 2 | n.a. |
| = Adjusted net income (group share) | 251 | 276 | n.a. |
| Equity value | 4 399 | 3 907 | 4 153 |
| MAD / share | 149 | 133 | 141 |

Summary of the valuation methods used

The table below presents the discount level of the share's subscription price proposed of the IPO (i.e. MAD 136/share including the issue premium) compared to the value per share resulting from the valuation methods used:

| Summary (mMAD, unless indicated) | DCF | Peers trading multiples (average 21e-22p) |
|---|---------------|---|
| Equity value | 4 631 | 4 153 |
| In MAD/share | 157 | 141 |
| Subscription price (MAD/share) | | 136 |
| Discount to the subscription price | -13.6% | -3.6% |

Based on the retained price of MAD 136/share, corresponding to an equity valuation of MAD 4,003 m, the table below presents the implicit valuation multiples:

| Valuation summary (mMAD, unless indicated) | 2021e | 2022p |
|---|-------|-------|
| P/E | 16.6x | 15.3x |
| Adjusted P/E for the social solidarity contribution | 15.9x | 14.4x |
| Adjusted P/E for the social solidarity contribution and the post-IPO corporate income tax deduction ²¹ | 15.9x | 13.2x |
| Pre-money dividend yield ²² | 4.2% | 4.6% |
| Post-money dividend yield ²³ | 3.9% | 4.2% |

²⁰ Given the non-recurring nature of the social solidarity contribution scheduled only for 2021e (in accordance with the 2021 General Tax Code) and 2022p (in accordance with the 2022 Finance Bill), net income has been adjusted for this contribution. The basic principle of the comparable method is to use so-called normative and recurring aggregates to assess the equity of a given company.

²¹ Following its listing on the stock exchange, TGCC S.A. will benefit from a tax deduction of 25% of the corporate income tax to be paid over a period of 3 years, starting from the year 2022.

²² Dividend n to be paid in n+1. The Dividend Yield is calculated based on a pre money valuation of mMAD 4,003.

²³ Dividend n to be paid in n+1. The Dividend Yield is calculated based on a post money valuation of mMAD 4,303.

Prospectus Summary - TGCC's IPO

Risk factors related to the financial instruments offered

Liquidity risk

The subscriber to TGCC S.A. shares may be subject to a liquidity risk of the share on the stock market. Indeed, depending on the market conditions and the evolution of the share price, the liquidity of the share may be temporarily affected. Thus, a shareholder wishing to sell their shares may, to a certain extent, not succeed in selling some or all of the shares held within a short period of time with or without a discount on the capital.

Price volatility risks

Listed shares are subject to the rules of supply and demand, determining their value on the stock market. The evolution of share prices is determined in particular by the achievements and financial performance of listed companies and the development prospects anticipated by investors. Thus, investors may experience a significant appreciation or depreciation in the value of the listed securities they hold.

Capital loss risk

Participation in the capital of a company involves the risks inherent in any investment. If one or more of the risks are realised, they can lead to losses up to and including the total loss of the contribution and related transaction costs, and thus of the entire capital invested.

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

III. Framework of the Operation

III.1 General Framework of the Operation

TGCC Board of Directors, held on September 13, 2021, decided the principle of listing the Company's shares on the Casablanca Stock Exchange according to the following terms and conditions

- The IPO will be carried out on the main market of the Casablanca Stock Exchange;
- The IPO will be carried out by way of:
 - ✓ An increase in the registered capital reserved to the public²⁴ up to a maximum amount (including the issuing premium) of MAD 400,000,000; and
 - ✓ A sale to the public of the Company's shares, the number of which will be fixed by a subsequent decision of the Company's Board of Directors.

The Board of Directors has, in this respect, proposed an increase in capital reserved to the public within the framework of the Company's listing on the Stock Exchange up to a maximum amount of MAD 400,000,000, by issuing new shares with a nominal value of MAD 100 each, at a subscription price (including the issuing premium) comprised within a range between MAD 1,300 and MAD 1,450 per share. It should be noted that the Board of Directors, held on September 13, 2021, proposed to the General Meeting of shareholders to reduce the nominal value of the shares constituting the Company's capital from MAD 100 to MAD 10 with effect as from the first day of listing of the shares on the Casablanca Stock Exchange.

²⁴ The term "public" refers to any person entitled to subscribe for or acquire shares in the Company in connection with the Company's initial public offering.
Prospectus Summary - TGCC's IPO

The Extraordinary General Meeting, held on November 10, 2021, after having taken cognizance of the Board of Directors' report and of the Statutory Auditor's special report on the cancellation of the shareholders' preferential subscription right, has specifically authorized:

- An increase in the registered capital reserved to the public (i.e. any person having the right to subscribe to the increase in capital) with cancellation of the shareholders' preferential subscription right, up to a maximum amount including the issue premium of MAD 400,000,000;
- The cancellation of the shareholders' preferential subscription right in favor of the public within the framework of the Company's listing on the Stock Exchange;
- The sale to the public of the Company's shares, the number of which will be fixed by decision of the Company's Board of Directors;
- The carrying out of the Operation at a subscription price (including the issuing premium) comprised within a range between MAD 1,300 and MAD 1,450 per share. The new shares will be subscribed for and paid up in full in cash, excluding any payment by way of set-off against liquid and due debts on the Company;
- The reduction of the nominal value of the shares constituting the Company's capital from MAD 100 to MAD 10 with effect from the first day of quotation of the shares on the Casablanca Stock Exchange;
- The delegation to the Board of Directors of the widest powers in order to:
 - ✓ set the overall amount of the Company's IPO;
 - ✓ decide on the capital increase within the limit of the authorized amount and to set the subscription price within the range referred to above;
 - ✓ set the number of shares to be sold to the public and the selling price of said shares;
 - ✓ fix the methods of carrying out the increase in capital, to notice its realization and to proceed with the corresponding amendment of the by-laws, to carry out the necessary steps for the carrying out of the said increase in capital, to notice the subscription, the payment and the final realization of the increase in capital, and to take all useful measures and to carry out all formalities necessary for the final realization of the increase in capital and the listing of the Company's shares on the Casablanca Stock Exchange;
 - ✓ amend Article 7 of the Company's By-laws in order to reflect therein the MAD 10 nominal value and the new number of shares composing the registered capital after the reduction of the nominal value;
 - ✓ carry out the operations necessary to the realization of the aforementioned reduction of the nominal value and to accomplish all the formalities necessary to the final realization, if need be, of the reduction of the nominal value;
 - ✓ and generally, carry out all the operations required in the context of the Company's initial public offering, to determine all the terms and conditions of the said initial public offering and its definitive characteristics and to take all decisions necessary for the final completion of the said operation.

The Extraordinary General Meeting held on November 10, 2021, decided also to:

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

The new shares will bear current dividend so as to be totally assimilated to the existing shares of the Company as from January 1st of the year during which the said shares will be issued.

Prospectus Summary - TGCC's IPO

The new shares will entitle their holders to any distribution of profits or allocation of reserves that may be decided by the Company as from the date of final completion of the Transaction, it being specified for all purposes that the new shares to be created by the Company by virtue of the capital increase, as well as the transferred shares, will not entitle their holders to any distribution of profits or allocation of reserves, premiums or reduction of capital of any kind whatsoever, distributed prior to the date of completion of the Operation.

MC II Concrete, has announced its wish to sell 220,589 of the 603,395 shares it holds in the Company's capital to the public.

The board of directors, held on November 19, 2021, using the delegation of powers granted to it by the extraordinary general meeting of November 10, 2021:

- decided to increase the registered capital by an amount of MAD 22,058,900 through the issue of 220,589 new shares at a subscription price per share of MAD 1,360 (i.e. MAD 100 as nominal amount and MAD 1,260 as issue premium);
- took note of the firm and irrevocable decision of MC II Concrete to transfer 220,589 shares at the price of MAD 1,360;
- fixed the definitive characteristics of the Operation as presented in the minutes of the Board of Directors;
- noted that the total contribution of the capital increase will be of an amount of MAD 300,001,040, of which MAD 22,058,900 as nominal amount and MAD 277,942,140 as issue premium. The Company's registered capital will be increased from MAD 294,339,600 to MAD 316,398,500.

In accordance with Article 188 of Law 17-95, the amount of the increase in registered capital must be entirely subscribed for. If not, the increase in capital will be deemed null and void. As for the amount of the sale, it could be limited to the proposals of acquisition of securities actually received.

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

III.2 Objectives of the Operation

Given the Company's size and development prospects, the Operation would allow the Company to achieve the following objectives:

- Raising funds in order to finance future investments identified;
- Offering liquidity to its shareholders;
- Increasing the Company's reputation and proximity to its partners and the general public;
- Optimizing the Company's financing costs; and
- Facilitating recourse to external financing through direct access to the financial markets.

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

III.3 Shareholders' and Directors' intent

To the Company's knowledge, except for MC II Concrete Ltd, the shareholders and directors of the Company could subscribe to the Operation.

III.4 Impact of the Operation

Impact of the Operation on the Company's equity

Following the completion of the Operation, the consolidated shareholders' equity of TGCC will be as follows:

| kMAD unless indicated | Pre-operation situation | Impact of the Operation | Post-operation situation | Situation after the Operation and reduction of the nominal value |
|---|-------------------------|-------------------------|--------------------------|--|
| Number of shares (unit) | 2 943 396 | 220 589 | 3 163 985 | 31 639 850 |
| Share capital | 294 340 | 22 059 | 316 399 | 316 399 |
| Additional paid-in capital, reserves and minority interests | 423 833 | 277 942 | 701 775 | 701 775 |
| Consolidated net income | 241 592 | - | 241 592 | 241 592 |
| Consolidated shareholders' equity | 959 765 | 300 001 | 1 259 766 | 1 259 766 |

Impact of the Operation on the Company's shareholding structure

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

| Shareholders | Before the Operation ²⁵ | | After the Operation ²⁶ | |
|------------------------|------------------------------------|-------------|-----------------------------------|-------------|
| | Nb. of shares | % | Nb. of shares | % |
| Mr. Mohammed Bouzoubaa | 2 339 995 | 79.50% | 23 399 950 | 73.96% |
| MC II Concrete | 603 395 | 20.50% | 3 828 060 | 12.10% |
| Others | 6 | 0.00% | 60 | 0.00% |
| Floating | - | - | 4 411 780 | 13.94% |
| Total | 2 943 396 | 100% | 31 639 850 | 100% |

Impact of the Operation on indebtedness

The Operation covered by this operation note consisting in a capital increase coupled with a share sale, has no impact on the indebtedness of TGCC.

Impact of the Operation on governance

The Operation covered by this operation note should not have any impact on the governance of TGCC S.A., the latter being in compliance with the provisions of the law 17-95. It should be noted that the two independent directors appointed by the general meeting of November 10, 2021 will take up their functions as from the date of the first listing of the Company's shares). A presentation of the independent directors is available under the heading "Composition of the Board of Directors" in the Reference Document for the year 2020 and the first half of 2021.

It should further be noted that the shareholders' agreement, the main provisions of which are described in the section "Shareholders' agreement" of the registration document relating to the financial year 2020 and the first half of 2021 of TGCC, was concluded in 2018 following the acquisition of a stake in the capital of

²⁵ Based on a nominal value of MAD 100 / share

²⁶ Based on a nominal value of MAD 100 / share

TGCC by MC II Concrete Ltd and will terminate as from the completion of the IPO which is the subject of this operation note.

Impact of the Operation on strategic orientations

The Operation covered by the operation note will enable the Company to pursue its development strategy and to achieve its objectives as specified under the heading "Objectives of the Operation". The raised funds should be used as follows:

- **MAD 150 m dedicated to diversification:** To reinforce the Group's activities in the construction industry with a diversification of activities especially in public works through the realization of various engineering structures (bridges, viaducts, etc.), dams and maritime works;
- **MAD 100 m dedicated to internationalization:** Financing the growth of the Group's activity in Africa (contribution to the financing of project construction, creation of a regional hub based in Abidjan, etc.) and developing potential new subsidiaries;
- **MAD 50 m dedicated to verticalization:** To continue the development of the Group's activities (technical lots, steel structures, facades, etc.).

A detailed presentation of TGCC's strategic orientations is presented in the section "TGCC's strategic orientations" of the Reference Document for the year 2020 and the first half of 2021.

Successful completion guarantee

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

Target investors of the Operation

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

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

III.5 Expenses related to the Operation

Various commissions

The expenses relating to the Operation, which will be borne by the Issuer, are estimated at approximately 2.4% of the amount of the capital increase. These expenses include the commissions paid to:

- the financial advisors;
- the legal advisor;
- the members of the placement syndicate;
- the statutory auditor;
- the communication agencies;
- the account holder;

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- The AMMC;
- The Casablanca Stock Exchange;
- the central depository Maroclear;
- the translation agency.

In accordance with the decision of the Extraordinary General Meeting of TGCC S.A., held on November 10, 2021, all the expenses resulting from the increase in capital will be supported by the Company.

In accordance with the decision of the TGCC S.A. Extraordinary General Meeting held on November 10, 2021, all the expenses resulting from the increase in capital will be charged to the amount of the issue premium resulting from the capital increase.

Commissions charged to subscribers

As part of the current placement Operation, each Placement Syndicate member undertakes explicitly and irrevocably, towards the Issuer, the Global Financial Advisor and Coordinator, the Co-Financial Advisor, the Placement Syndicate Leader, the Placement Syndicate Co-Leaders and the other Placement Syndicate members, to charge to subscribers, for all orders registered on the Casablanca Stock Exchange, the following commissions:

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

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

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

Placement fees charged to the Issuer

The Placement Syndicate members will receive a commission of:

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

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

IV. Conduct of the Operation

IV.1 Operation schedule

The following table presents the Operation's schedule:

| Order | Steps | Date |
|-------|---|------------|
| 1 | Issue by the Casablanca Stock Exchange of the Operation approval notice Approval by the AMMC of the prospectus | 19/11/2021 |
| 2 | Publication of the prospectus on the Issuer's website | 19/11/2021 |
| 3 | Publication by the Casablanca Stock Exchange of the notice relating to the Operation | 22/11/2021 |
| 4 | Publication of the press release by the Issuer in a legal gazette | 22/11/2021 |
| 5 | Opening of the subscription period | 29/11/2021 |
| 6 | Closing of the subscription period at 3.30 p.m. inclusive | 03/12/2021 |
| 7 | Receipt of subscriptions by the Casablanca Stock Exchange before 6.30 p.m. | 03/12/2021 |
| 8 | Centralization and consolidation of subscriptions by the Casablanca Stock Exchange | 06/12/2021 |
| 9 | Processing of rejections by the Casablanca Stock Exchange | 07/12/2021 |
| 10 | Allocation of subscriptions and remittance by the Casablanca Stock Exchange of the subscription list to the Issuer Delivery by the Casablanca Stock Exchange of allotments by account holder to CFG Marchés before 12.00 p.m. Delivery by the Casablanca Stock Exchange of allotments of securities to PS members before 12.00 p.m. | 08/12/2021 |
| 11 | Holding of the meeting of the Issuer's body having to note the final carrying out of the Operation | 09/12/2021 |
| 12 | Receipt by the Casablanca Stock Exchange of the minutes of the Issuer's body having noted the carrying out of the Operation before 6.30 p.m. | 10/12/2021 |
| 13 | First listing, reduction of the nominal value from MAD 100 to MAD 10 and registration of the operation on the Stock Exchange Publication by the Casablanca Stock Exchange of the operation results | 16/12/2021 |
| 14 | Publication of the Operation's results in a legal gazette and on the Issuer's website | 21/12/2021 |
| 15 | Settlement / Delivery | 21/12/2021 |

IV.2 Placement syndicate and financial intermediaries

| Type of financial intermediaries | Name | Address |
|---|--------------------------------|---|
| Financial Advisor and Global Coordinator | CFG Finance | 5-7, rue Ibnou Toufai, Casablanca |
| Financial Co-Advisor | BMCE Capital Conseil | 63, boulevard Moulay Youssef, Casablanca |
| Leader of the Placement Syndicate | CFG Marchés | 5-7, rue Ibnou Toufai, Casablanca |
| Co-Leaders of the Placement Syndicate | Attijari Intermédiation | 163, avenue Hassan II, Casablanca |
| | BMCE Capital Bourse | 140, avenue Hassan II, Casablanca |
| | Valoris Securities | Angle Route El Jadida et rue Abou Dhabi, Casablanca |
| Members of the Placement Syndicate | Al Barid Bank | Angle bd. Ghandi et bd. Brahim Roudani, n° 798 bd. Ghandi, Casablanca |
| | Alma Finance Groupe | 92, boulevard d'Anfa, Casablanca |
| | Artbourse | 7, bd. Abdelkrim Al Khatabi, Casablanca |
| | Atlas Capital Bourse | 88, rue Benbrahim El Marrakchi, quartier Hippodrome, Casablanca |
| | Attijariwafa Bank | 2, bd. Moulay Youssef, Casablanca |
| | Banque Centrale Populaire | 101, bd. Zerktouni, Casablanca |
| | Bank Of Africa | 140, avenue Hassan II, Casablanca |
| | BMCI | 26, place des Nations Unies, Casablanca |
| | BMCI Bourse | Bd. Bir Anzarane, imm. Romandie I, Casablanca |
| | Capital Trust Securities | 50. bd. Rachidi, Casablanca |
| | CDG Capital Bourse | 7, bd. Kennedy, Anfa Sup, Casablanca |
| | CFG Bank | 5-7, rue Ibnou Toufai, Casablanca |
| | Crédit Agricole du Maroc | Place des Alouyine, Rabat |
| Crédit du Maroc | 48, bd. Mohammed V, Casablanca | |

Prospectus Summary - TGCC's IPO

| | | |
|---|---------------------------|---|
| | CIH Bank | 187, avenue Hassan II, Casablanca |
| | ICF Al Wassit | Espace Porte d'Anfa, 29, rue Bab El Mansour, Casablanca |
| | M.S.I.N | Imm. Zénith, Rés. Tawfiq, Sidi Maârouf, Casablanca |
| | Redmed Capital Securities | 23, rue Ibnou Hilal Quartier Racine, Casablanca |
| | Société Générale | 55, bd Abdelmoumen, Casablanca |
| | Sogecapital Bourse | 55, bd Abdelmoumen, Casablanca |
| | Upline Securities | 37, bd. Abdellatif Ben Kaddour angle rue Ali Abderrazak, Casablanca |
| | Wafa Bourse | 416, rue Mustapha El Maâni, Casablanca |
| Body in charge of the financial service of the securities | CFG Bank | 5-7, rue Ibnou Toufail, Casablanca |
| Body in charge of the registration of the securities on the stock exchange (seller's side) | CFG Marchés | 5-7, rue Ibnou Toufail, Casablanca |

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

There is no capital relation between CFG Finance and BMCE Capital Conseil on the one hand and TGCC S.A. on the other hand.

IV.4 Subscription terms and conditions

Dissemination threshold

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

- the dissemination threshold in number of targeted public is 500 persons;
- the minimum number of targeted subscribers is 100 subscribers.

In accordance with the provisions of Article 2 of Instruction No. IN-2020-006 relating to the creation of a new compartment of the Main Market "Main F", the minimum amount to be disseminated to the public has been set by the Casablanca Stock Exchange at MAD 200,000,000 for this operation.

Subscription period

TGCC shares, subject of the operation note, will be available for subscription from November 29 to December 3, 2021 at 3.30 p.m. inclusive.

Subscription conditions

(a) Opening of accounts

Prospectus Summary - TGCC's IPO

Except for minor children and incapacitated adults, subscription operations are recorded in a securities and cash account in the subscriber's name, opened with the same PS member with whom the subscription is made. If the latter does not have the status of account keeper, the account may be opened with an institution having the status of account keeper.

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

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

The opening of accounts can only be carried out by the subscriber themselves.

Account openings for minor children can only be carried out by the father, mother, tutor or legal representative of the minor child.

It is strictly forbidden to open an account by proxy.

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

For minors, subscriptions may be registered either on their accounts or on that of the persons authorized to subscribe on their behalf, i.e. the father, mother, tutor or legal representative of the minor child.

(b) Subscription terms and conditions

All subscriptions must be expressed in number of securities.

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

Subscriptions will be carried out using the subscription form available at the PS members' offices and integrated in the present operation note. A copy of the subscription form must be handed over to the subscriber with acknowledgement of receipt.

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

Subscriptions are irrevocable after the closing of the subscription period.

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

PS members must make sure, prior to the acceptance of a subscription, that the subscriber has the financial capacity to honor their commitments. They are thus bound to accept subscription orders from any person entitled to participate in the Operation, provided that the said person provides the necessary financial guarantees. The PS members are bound to keep in the file relating to their client's subscription the documents and vouchers which enabled them to ensure the said financial capacity.

Each PS member undertakes to require their client to cover their subscription according to the category to which they belong:

- **For natural and legal persons under Moroccan or foreign law:**

Prospectus Summary - TGCC's IPO

Subscriptions must be covered at 100% by:

- ✓ an effective deposit (remittance of check, cash or transfer) on the subscriber's account. and/or;
- ✓ a collateral consisting of securities according to the following modalities
 - government bonds: taken up to a maximum of 100% of the value on the subscription date;
 - Money market funds with daily net asset value: taken up to a maximum of 100% of the value on the subscription date;
 - UCITS units with daily net asset value (excluding money market funds), term deposits, listed shares: up to a maximum of 80% of the value on the subscription date
- **For qualified investors under Moroccan law:**
 - ✓ No coverage
- **For qualified investors governed by foreign law (i) justifying more than one year of existence on the subscription date of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:**
 - No coverage
- **For qualified investors governed by foreign law (i) not having been in existence for more than one year on the subscription date of this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:**
 - ✓ Coverage at 30% by an effective deposit (remittance of check, cash or bank transfer) or at 100% by a bank guarantee.

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

- the client must be clearly identified, and the act of subscription materialized (time stamping and archiving of subscription orders);
- the Prospectus must be made available to the subscriber;
- all the information on the subscription form must be sent to the client prior to subscription
- the subscription must be validated only if the cash account has a sufficient balance to cover it according to the terms of coverage defined in this Prospectus or if the guarantor or collateral covers it in full according to the terms of coverage defined in this Prospectus;
- the amount of coverage must be blocked immediately after subscription;
- the client must be informed that their subscription will be rejected in the event of a defect in the collateral;
- the PS members who will proceed to the collection of orders via an internet platform will have to close the subscription period at the same time as the other PS members, i.e. on December 4, 2020 at 3:30 p.m.;
- the PS members who will collect orders through an internet platform will have to make sure that the subscription limits are respected;

Prospectus Summary - TGCC's IPO

- the PS members who will proceed to the collection of orders via an internet platform must, before validating the subscription, receive the acceptance of the terms and conditions of the Operation from the subscriber or validate from the subscriber a form of final confirmation of the subscription summarizing the characteristics of the Operation and the subscription order (a copy of the said confirmation must be filed by the PS member).

It should be noted that the PS members who will collect orders via an internet platform will reject subscriptions in case of lack of coverage according to the terms presented in the Prospectus or incomplete file (example: absence of an e-mail of acceptance of the terms of the Operation, absence of family book for subscriptions of minors, etc.).

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

(c) Subscription on behalf of third parties

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

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

Subscriptions from qualified investors governed by foreign law may be communicated (i) directly to a PS member or (ii) through an international intermediary (broker) approved by a market authority which is a member of the International Organization of Securities Commissions (IOSCO) and has an account with a PS member. The latter acts solely as a business introducer, the settlement and delivery will be made directly between the qualified investors under foreign law and the PS member.

(d) Multiple Subscriptions

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

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

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

Prospectus Summary - TGCC's IPO

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

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

All subscription orders not complying with the above conditions will be void in their entirety (see procedure of control and registration by the Casablanca Stock Exchange).

(e) Identification of subscribers

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

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

| Subscriber Category | Documents to be attached |
|--|---|
| Resident natural persons of Moroccan nationality | Photocopy of national identity card or driving license or passport |
| Moroccan natural persons residing abroad | Photocopy of national identity card or driving license or passport |
| Resident non-Moroccan natural persons | Photocopy of residence card |
| Non-resident, non-Moroccan natural persons | Photocopy of the passport containing the identity of the person and the dates of issue and expiry of the document |
| Minor child | Photocopy of the page of the family record book certifying the child's date of birth |
| Incapable adult | Any document proving incapacity, at the discretion of the PS member |
| Legal entities under Moroccan law | Photocopy of the commercial register proving more than one year's existence on the date of subscription |
| Legal entities under foreign law | Photocopy of the commercial register or equivalent document that is authentic in the country of origin and that proves that the company belongs to the category, and that it has been in existence for more than one year on the date of subscription. |
| Moroccan Associations | Photocopy of the articles of association and photocopy of the receipt of deposit of the file justifying more than one year of existence on the subscription date. |
| UCITS under Moroccan law (excluding money market and short-term bond UCITS) | Photocopy of the approval decision and additionally: For Mutual Funds: the certificate of deposit at the court registry; For open-ended investment companies (SICAV): the certificate of deposit at the court registry and the model of the entries in the commercial register. |

| | |
|---|--|
| Qualified Moroccan investors (excluding UCITS) | Photocopy of the articles of association and all documents and evidence that can attest to the fulfillment of the conditions required for the status of qualified investor. The legal entities referred to in paragraph (e) of Article 1.30 of AMMC Circular No. 03/19 must provide proof of AMMC's agreement to their status as qualified investors. |
| Banks under Moroccan law | Photocopy of the approval decision issued by Bank Al-Maghrib. |
| Qualified investors under foreign law | Photocopy of the commercial register or equivalent authentic in the country of origin and the copy of the approval certifying compliance with the requirements for the status of approved investor. |

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

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

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

IV.5 Order processing methods

Attribution rules

1st allocation

Within the framework of a first allocation, the shares will be served up to 700 shares per subscriber.

The shares will be allocated at the rate of one share per subscriber with priority to the highest applications. The mechanism of allocation of one share per subscriber, within the limit of their request, will be made by iteration until reaching a maximum of 700 shares per subscriber within the limit of the number of allocated shares. It is specified that, depending on the number of subscribers served, the said maximum may not be reached.

2nd allocation

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

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

In the event that the number of securities calculated by multiplying the remaining number of securities requested by the subscriber to the allocation ratio is not a whole number, this number of securities will be rounded down to the nearest whole number. Odd lots will be allocated in increments of one share per subscriber, with priority to the highest requests.

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

IV.6 Procedure for control and registration by the Casablanca Stock Exchange

Centralization

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

The PS members must transmit on December 3, 2021 before 6.30 p.m. to the Casablanca Stock Exchange, through the OCS, all subscriptions collected within the framework of the operation. After this deadline, subscriptions will be rejected.

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

The Casablanca Stock Exchange will proceed to the consolidation of the different subscription files and to the rejection of subscriptions not complying with the subscription conditions predefined in the current operation note.

On December 8, 2021 before 12.00 p.m., the Casablanca Stock Exchange will communicate to the PS members the results of the allocation.

The following table summarises the situations that lead to rejections of subscriptions:

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

IV.7 Entities in charge of the registration of the operation

The registration of the transactions within the framework of the present Operation (seller's side) will be made on December 16, 2021 through the brokerage company CFG Marchés.

Prospectus Summary - TGCC's IPO

All PS members having the status of a brokerage firm will proceed to the registration of the allocations they will have collected (buyers' side), on December 16, 2021, while PS members not having the status of a brokerage firm are free to designate the PS member brokerage firm which will be in charge of the registration of their subscriptions at the Casablanca Stock Exchange.

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

The registration of transactions resulting from the current Operation will be made at the price of MAD 136 per share. This price will serve as reference price of the instrument TGC on the first day of listing.

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

IV.8 Terms of settlement / delivery of securities

The settlement and delivery of securities, subject of the current operation, will take place on December 21st 2021 according to the procedures in force at the Stock Exchange.

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

Moreover, TGCC SA has appointed CFG Bank as exclusive account holder of the TGCC securities issued within the framework of the current Operation.

IV.9 Restitution of the remainder

The PS members undertake to reimburse to their clients within a period not exceeding 3 working days as from the date of delivery of securities allocations to the PS members, i.e. December 16th 2021, the cash remainders resulting from the difference between the net amount paid by their clients at subscription and the net amount corresponding to their real allocations.

The reimbursement of the balance must be made either by transfer to a bank or post office account or by delivery of a cheque, subject to the actual receipt by the intermediary of the amount deposited for the subscription.

In the event of failure of the Operation, subscriptions must be reimbursed within 3 working days of the decision to cancel, subject to the actual receipt by the intermediary of the amount deposited for the subscription.

IV.10 Publication of results

The results of the current operation will be published by the Casablanca Stock Exchange on December 16th 2021 and by TGCC S.A. through the press in a newspaper of legal announcements and on its website www.tgcc.ma at the latest on December 21st 2021.

IV.11 Information requirements

At the end of the Operation, and within a maximum period of 3 days as from the announcement of the results, i.e. December 21st, 2021, each PS member will send to the subscribers a notice containing the following minimum mentions:

Prospectus Summary - TGCC's IPO

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

PART II - INFORMATION ON TGCC S.A.

I. General information

| | |
|--|--|
| Corporate Name | Travaux Généraux de Construction de Casablanca |
| Registered Office | 4 Rue Imam Mouslim Casablanca Oasis |
| Phone | +212 (0) 5 22 23 88 93 |
| Fax | +212 (0) 5 22 23 88 67 |
| Website | www.tgcc.ma |
| Legal Form | Public limited company with a board of directors |
| Date of incorporation | October 2, 1991 |
| Lifespan | 99 years |
| Registration Number in the Commercial Register | 63.907 Casablanca |
| Financial Year | From January 1 st to December 31 st |
| Corporate Purpose | <p>According to article 2 of TGCC's by-laws, the Company's purpose both in Morocco and abroad is:</p> <ul style="list-style-type: none"> ▪ The design and realization of all building and civil engineering works as well as any related activity ; ▪ The execution, directly or indirectly, of all works relating to the field of construction and furnishing ; ▪ The acquisition and sale of real estate as well as any operation within the framework of real estate development ; ▪ The acquisition of shares by right in existing companies or companies in formation having a similar or related object ; ▪ And more generally, all industrial, commercial, financial, movable or real estate operations that may be directly or indirectly related to the corporate purpose or likely to facilitate its extension or development. |
| Share Capital as of September 30, 2021 | MAD 294,339,600, consisting of 2,943,396 shares with a nominal value of MAD 100. |
| Legal Documents | The Company's legal documents, in particular the articles of association, the minutes of the shareholders' meetings and the auditors' reports, may be consulted at the Company's registered office. |
| Legislative and regulatory texts applicable to TGCC | <p>Due to its legal form, the Company is governed by the law No. 17-95 promulgated by the Dahir No. 1-96-124 of August 30, 1996 relating to public limited companies, as amended and completed by the laws No. 81-99, 23-01, 20-05, 78-12, 20-19 and 19-20.</p> <p>By virtue of its activity, TGCC is governed by Moroccan law, particularly:</p> <ul style="list-style-type: none"> ▪ Law no. 39-08 forming the code of real rights promulgated by dahir no. 1-11-178 dated 25 hijja (November 22, 2011) as amended and supplemented; ▪ Law no. 12-90 relating to urban planning (promulgated by dahir no. 1-92-31 dated 15 hijja 1412 (June 17, 1992), as amended and supplemented by law no. 66-12 relating to the repression of offences in the urban planning and construction sector (promulgated by dahir no. 1-16-124 dated 21 kaada (August 25, 2016); ▪ Law no. 25-90 relating to subdivisions, groups of dwellings and parcels (promulgated by dahir no. 1-92-7 dated 15 hijja 1412 (June 17, 1992)), as amended and supplemented by law no. 66-12 relating to the repression of |

offences in the urban planning and construction sector (promulgated by dahir no. 1-16-124 dated 21 kaada (August 25, 2016);

- The applicable provisions of the Dahir of September 12, 1913, as amended and supplemented, on the Code of Obligations and Contracts.

Due to its future listing on the Stock Exchange, TGCC will be subject to the following provisions:

- The Dahir providing Law 44-12 relating to the public offering and to the information required from corporate entities and organizations making public offerings;
- The Dahir providing Law 43-12 relating to the AMMC;
- The AMMC General Regulation as approved by the Order of the Minister of Economy and Finance no. 2169/16 dated July 14, 2016;
- The circulars of the AMMC in force;
- The Dahir providing Law no. 1-96-246 of January 9, 1997 promulgating Law no. 35-96 relating to the creation of a central depository and the institution of a general regime of registration in account of certain securities (amended by Law no. 43-02);
- The general regulations of the central depository approved by Order no. 932-98 of the Minister of Economy and Finance, dated April 16, 1998, and amended by Order no. 1961-01 of the Minister of Economy, Finance, Privatization and Tourism, dated October 30, 2001, and by Order no. 77-05 of March 17, 2005;
- The Dahir no. 1-16-151 of August 25, 2016 promulgating the law no. 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisors;
- The General Rules of the Casablanca Stock Exchange approved by Ministerial Order no. 2208-19 of July 3, 2019, issued by the Ministry of Economy and Finance;
- The Dahir no.1-04-21 of April 21st 2004, promulgating Act no. 26-03 relating to public offerings on the Moroccan stock market, as amended and supplemented by Act no. 46-06.

| | |
|---|--|
| Tax Regime | TGCC is governed by common law tax legislation. It is subject to corporate income tax at the progressive scale rate. Its operations are subject to VAT at the rate of 20%. |
| Competent Court in case of dispute | Commercial Court of Casablanca |

Source: TGCC

II. Capital structure of TGCC S.A.

| Shareholders | 2018 | | 2019 | | 2020 | | 31 October 2021 | |
|-------------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|--------------------------------|
| | Number of shares and voting rights | % of capital and voting rights | Number of shares and voting rights | % of capital and voting rights | Number of shares and voting rights | % of capital and voting rights | Number of shares and voting rights | % of capital and voting rights |
| Mr. Mohammed Bouzoubaa | 2 339 995 | 88.52% | 2 339 995 | 83.08% | 2 339 995 | 83.08% | 2 339 995 | 79.50% |

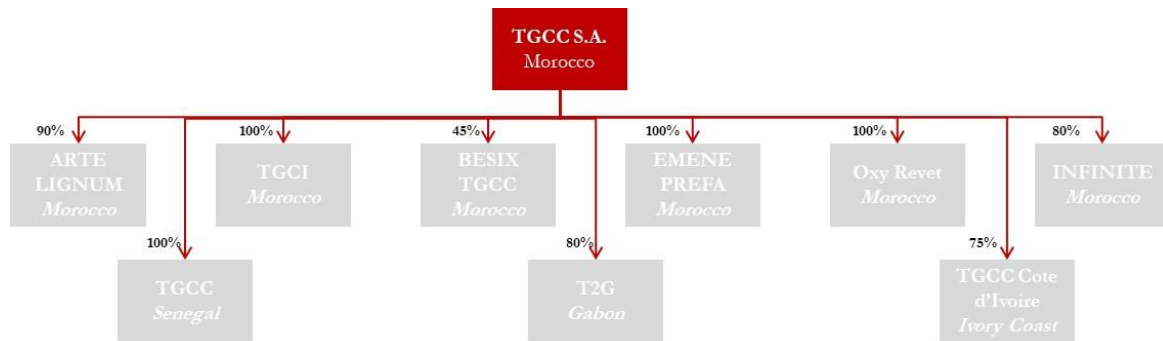
Prospectus Summary - TGCC's IPO

| | | | | | | | | |
|---------------------------|------------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|
| MC II Concrete | 303 331 | 11.48% | 476 665 | 16.92% | 476 665 | 16.92% | 603 395 | 20.50% |
| Other shareholders | 7 | 0.00% | 6 | 0.00% | 6 | 0.00% | 6 | 0.00% |
| Total | 2 643 333 | 100.00% | 2 816 666 | 100.00% | 2 816 666 | 100.00% | 2 943 396 | 100.00% |

III. Presentation of TGCC S.A. and its subsidiaries

As of September 30, 2021, TGCC Group's organizational chart is as follows²⁷ :

Legal organization chart of TGCC S.A. as of 30.06.2021

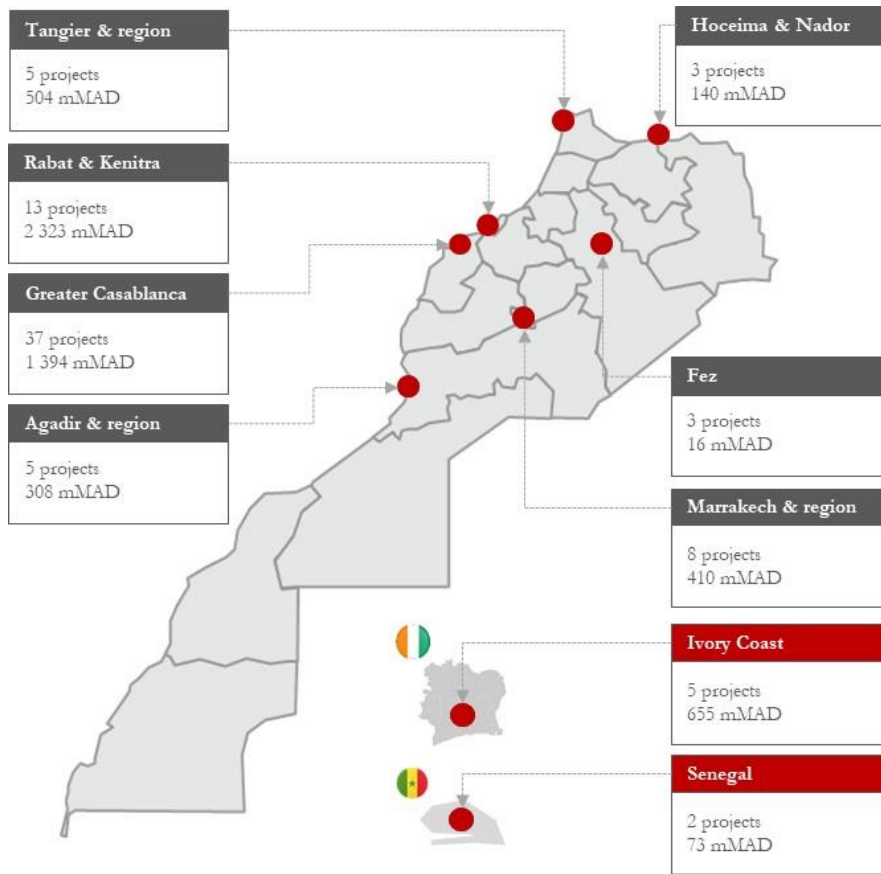


Source: TGCC

²⁷The shareholding percentages are equivalent to the percentages of control for all the Company's subsidiaries.
Prospectus Summary - TGCC's IPO

IV. Mapping of TGCC Group's order book

Mapping of TGCC Group's order book as of June 30, 2021 (construction projects)



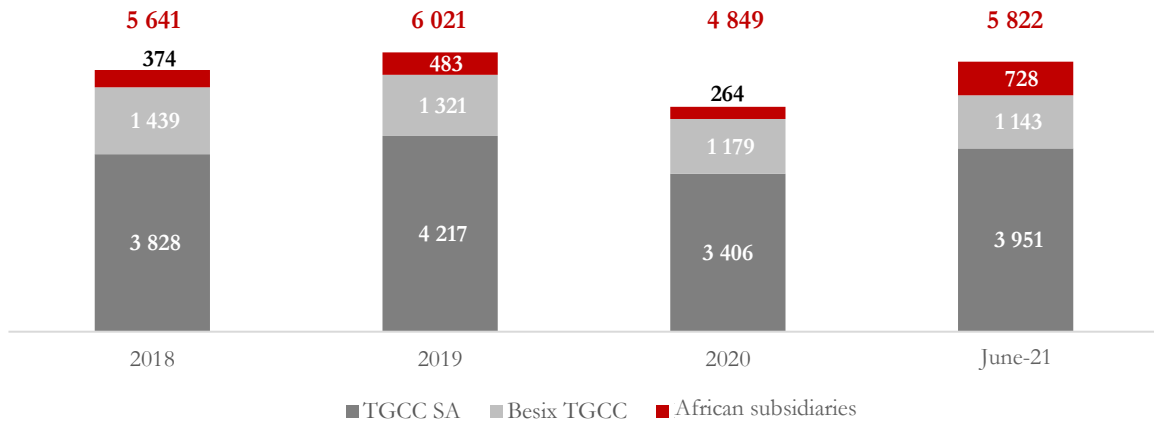
Source: TGCC

V. Evolution of TGCC Group's order book

The table below shows the evolution of TGCC Group's order book over the period 2018 - June 2021:

Evolution of TGCC Group's order book over the period 2018 - 2020 (annual basis) and over the first half of 2021

mMAD



Source: TGCC

PART III – FINANCIAL DATA

I. Analysis of the annual accounts

1. CORPORATE FINANCIAL STATEMENTS

1.1. Income Statement

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|---|------------------|------------------|------------------|-----------------|-----------------|
| Turnover | 2 139 295 | 2 769 236 | 2 111 560 | 29.4% | -23.7% |
| Changes in inventories of work in progress and finished goods | 144 606 | 85 878 | 76 103 | -40.6% | -11.4% |
| Purchases consumed | -1 474 254 | -1 898 954 | -1 613 085 | 28.8% | -15.1% |
| Other external expenses | -132 798 | -135 623 | -115 331 | 2.1% | -15.0% |
| Added value | 676 849 | 820 537 | 459 247 | 21.2% | -44.0% |
| <i>in % of turnover</i> | <i>31.6%</i> | <i>29.6%</i> | <i>21.7%</i> | <i>-2.0 pts</i> | <i>-7.9 pts</i> |
| Staff costs | -376 320 | -462 557 | -370 979 | 22.9% | -19.8% |
| Taxes and duties | -2 809 | -3 190 | -3 717 | 13.6% | 16.5% |
| EBITDA | 297 720 | 354 789 | 84 551 | 19.2% | -76.2% |
| <i>in % of turnover</i> | <i>13.9%</i> | <i>12.8%</i> | <i>4.0%</i> | <i>-1.1 pts</i> | <i>-8.8 pts</i> |
| Operating expenses | -27 933 | -49 785 | -91 734 | 78.2% | 84.3% |
| Operating reversals, expense transfers | 19 910 | 17 350 | 103 430 | -12.9% | >100% |
| Other operating income and expenses | -1 057 | -1 214 | -1 245 | 14.9% | 2.6% |
| EBIT | 288 640 | 321 140 | 95 003 | 11.3% | -70.4% |
| <i>in % of turnover</i> | <i>13.5%</i> | <i>11.6%</i> | <i>4.5%</i> | <i>-1.9 pts</i> | <i>-7.1 pts</i> |
| Financial income | 13 225 | 9 006 | 7 958 | -31.9% | -11.6% |
| Financial expenses | -51 150 | -62 834 | -32 673 | 22.8% | -48.0% |
| Financial result | -37 925 | -53 828 | -24 715 | 41.9% | -54.1% |
| Current result | 250 715 | 267 313 | 70 289 | 6.6% | -73.7% |
| Non-current result | 33 733 | 12 330 | -1 359 | -63.4% | n.a. |
| Pre-tax income | 284 448 | 279 643 | 68 929 | -1.7% | -75.4% |
| Tax on profits | -86 034 | -90 100 | -26 500 | 4.7% | -70.6% |
| Net income | 198 414 | 189 543 | 42 429 | -4.5% | -77.6% |
| <i>in % of turnover</i> | <i>9.3%</i> | <i>6.8%</i> | <i>2.0%</i> | <i>-2.4 pts</i> | <i>-4.8 pts</i> |

Source: TGCC

1.2. Balance sheet

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|--|------------------|------------------|------------------|-----------------|-----------------|
| Non-value assets | 375 | 578 | 69 272 | 54.1% | >100% |
| Intangible fixed assets | 2 603 | 2 036 | 1 103 | -21.8% | -45.8% |
| Tangible fixed assets | 85 056 | 105 514 | 105 648 | 24.1% | 0.1% |
| Financial fixed assets | 162 056 | 142 597 | 202 452 | -12.0% | 42.0% |
| Fixed assets | 250 089 | 250 725 | 378 475 | 0.3% | 51.0% |
| <i>Weight on total balance sheet</i> | <i>8.3%</i> | <i>7.5%</i> | <i>11.6%</i> | <i>-0.8 pts</i> | <i>4.1 pts</i> |
| Inventories and work in progress | 315 361 | 471 354 | 514 969 | 49.5% | 9.3% |
| Accounts receivables, advances & prepayments | 82 725 | 94 273 | 94 771 | 14.0% | 0.5% |
| Trade receivables and related accounts | 1 938 020 | 2 041 297 | 1 832 789 | 5.3% | -10.2% |
| Staff | 265 | 273 | 202 | 3.0% | -26.0% |
| State | 287 851 | 348 419 | 296 881 | 21.0% | -14.8% |
| Other receivables | 118 870 | 113 522 | 129 587 | -4.5% | 14.2% |
| Adjustment account | 19 943 | 23 157 | 20 452 | 16.1% | -11.7% |
| Currency translation differences - assets | 0 | 6 | 224 | >100% | >100% |
| Current assets | 2 763 035 | 3 092 301 | 2 889 874 | 11.9% | -6.5% |
| <i>Weight on total balance sheet</i> | <i>91.7%</i> | <i>92.5%</i> | <i>88.4%</i> | <i>0.8 pts</i> | <i>-4.1 pts</i> |
| Cash and cash equivalents - assets | 958 | 517 | 635 | -46.1% | 22.9% |
| Total assets | 3 014 082 | 3 343 542 | 3 268 985 | 10.9% | -2.2% |
| Capital | 264 333 | 281 667 | 281 667 | 6.6% | - |
| Share premium | 45 667 | 208 333 | 208 333 | >100% | - |
| Legal reserve | 26 433 | 28 167 | 28 167 | 6.6% | - |
| Other reserves | 397 | 397 | 397 | - | - |
| Retained earnings | 108 855 | 98 340 | 287 883 | -9.7% | >100% |
| Net income | 198 414 | 189 543 | 42 429 | -4.5% | -77.6% |
| Total equity | 644 099 | 806 447 | 848 876 | 25.2% | 5.3% |
| <i>Weight on total balance sheet</i> | <i>21.4%</i> | <i>24.1%</i> | <i>26.0%</i> | <i>2.7 pts</i> | <i>1.8 pts</i> |
| Bonds | 200 000 | 20 000 | 20 000 | -90.0% | - |
| Other financial debts | - | 92 526 | 190 525 | >100% | >100% |
| Financial debts | 200 000 | 112 526 | 210 525 | -43.7% | 87.1% |
| Accounts payable and related accounts | 942 682 | 1 032 128 | 1 020 917 | 9.5% | -1.1% |
| Accounts payable, advances & down payments | 224 134 | 295 142 | 210 233 | 31.7% | -28.8% |
| Staff | 3 186 | 4 859 | 4 861 | 52.5% | 0.1% |
| Social organizations | 10 938 | 11 261 | 10 301 | 3.0% | -8.5% |
| State | 222 280 | 334 552 | 252 742 | 50.5% | -24.5% |
| Associate - creditor account | 131 430 | 90 735 | 20 161 | >100% | -77.8% |
| Other creditors | 5 933 | 9 422 | 48 787 | 58.8% | >100% |
| Adjustment account | 4 879 | 6 655 | 5 310 | 36.4% | -20.2% |
| Other provisions for liabilities and charges | 2 050 | 1 891 | 1 933 | -7.8% | 2.2% |
| Currency translation differences - liabilities | 430 | 430 | 61 | - | -85.7% |
| Current liabilities | 1 547 941 | 1 787 074 | 1 575 308 | 15.4% | -11.8% |
| <i>Weight on total balance sheet</i> | <i>51.4%</i> | <i>53.4%</i> | <i>48.2%</i> | <i>2.1 pts</i> | <i>-5.3 pts</i> |

Prospectus Summary - TGCC's IPO

| | | | | | |
|--|------------------|------------------|------------------|--------------|--------------|
| Cash and cash equivalents - liabilities | 622 041 | 637 495 | 634 276 | 2.5% | -0.5% |
| Total liabilities | 3 014 082 | 3 343 542 | 3 268 985 | 10.9% | -2.2% |

Source: TGCC

1.3. Cash Flow Statement

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|--|-----------------|-----------------|-----------------|----------------|-----------------|
| Auto financing | 126 654 | 34 717 | 88 462 | -72.6% | >100% |
| Cash flow from operations | 246 654 | 241 912 | 88 462 | -1.9% | -63.4% |
| Dividends | -120 000 | -207 195 | - | 72.7% | -100.0% |
| Sale and write-downs of fixed assets | 14 654 | 17 536 | 3 953 | 19.7% | -77.5% |
| Sale of intangible fixed assets | - | - | - | n.a. | n.a. |
| Sale of tangible fixed assets | 14 654 | 17 536 | 3 953 | 19.7% | -77.5% |
| Sale of financial fixed assets | - | - | - | n.a. | n.a. |
| Recovery of receivables on property, plant and equipment | - | - | - | n.a. | n.a. |
| Increase in shareholders' equity and equivalents | 50 000 | - | - | -100.0% | n.a. |
| Capital increase, contributions ²⁸ | 50 000 | - | - | -100.0% | n.a. |
| Increase in financing debts | 200 000 | 92 526 | 97 998 | -53.7% | 5.9% |
| TOTAL STABLE RESOURCES | 391 308 | 144 780 | 190 413 | -63.0% | 31.5% |
| Acquisitions and increases in fixed assets | 58 767 | 69 969 | 177 736 | 19.1% | >100% |
| Acquisitions of intangible fixed assets | 1 170 | 331 | 86 160 | -71.7% | >100% |
| Acquisitions of tangible fixed assets | 48 023 | 61 297 | 31 720 | 27.6% | -48.3% |
| Acquisitions of financial fixed assets | 9 575 | 794 | 59 856 | -91.7% | >100% |
| Acquisitions of fixed assets receivables | - | 7 547 | - | n.a. | -100.0% |
| Repayment of equity | - | - | - | n.a. | n.a. |
| Repayment of financial debts | - | - | - | n.a. | n.a. |
| Write-offs | - | 572 | - | n.a. | -100.0% |
| TOTAL STABLE USES | 58 767 | 70 541 | 177 736 | 20.0% | >100% |
| Change in financing needs | 504 793 | 90 133 | 9 339 | -82.1% | -90% |
| Change in cash and cash equivalents | -172 253 | -15 894 | 3 337 | -90.8% | n.a. |
| NET CASH POSITION | -621 084 | -636 978 | -633 641 | 2.6% | -0.5% |

Source: TGCC

²⁸ The capital increase carried out in 2019 does not appear in the account because it was made by offsetting the bond issue of MMAD 17.

2. CONSOLIDATED FINANCIAL STATEMENTS

2.1. Income Statement

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|---|------------------|------------------|------------------|-----------------|-----------------|
| Turnover | 2 250 476 | 3 039 465 | 2 278 206 | 35.1% | -25.0% |
| Changes in inventories of work in progress and finished goods | 156 395 | 84 670 | 84 023 | -45.9% | -0.8% |
| Purchases consumed | -1 527 854 | -2 086 594 | -1 658 764 | 36.6% | -20.5% |
| Other external expenses | -106 305 | -109 514 | -94 046 | 3.0% | -14.1% |
| Added value | 772 711 | 928 026 | 609 419 | 20.1% | -34.3% |
| <i>in % of turnover</i> | <i>34.3%</i> | <i>30.5%</i> | <i>26.7%</i> | <i>-3.8 pts</i> | <i>-3.8 pts</i> |
| Staff costs | -396 241 | -498 467 | -429 815 | 25.8% | -13.8% |
| Taxes and duties | -5 249 | -5 477 | -5 382 | 4.3% | -1.7% |
| EBITDA | 371 221 | 424 082 | 174 222 | 14.2% | -58.9% |
| <i>in % of turnover</i> | <i>16.5%</i> | <i>14.0%</i> | <i>7.6%</i> | <i>-2.5 pts</i> | <i>-6.3 pts</i> |
| Depreciation and amortization (excl. goodwill) | -66 855 | -112 821 | -129 631 | 68.8% | 14.9% |
| Amortization of goodwill | -1 057 | -1 057 | -3 414 | - | >100% |
| Operating reversals, expense transfers | 27 556 | 28 755 | 108 939 | 4.4% | >100% |
| Other operating income and expenses | 4 119 | 2 713 | -86 856 | -34.1% | n.a. |
| EBIT | 334 983 | 341 672 | 63 259 | 2.0% | -81.5% |
| <i>in % of turnover</i> | <i>14.9%</i> | <i>11.2%</i> | <i>2.8%</i> | <i>-3.6 pts</i> | <i>-8.5 pts</i> |
| Financial income | 8 904 | 12 015 | 11 792 | 35.0% | -1.9% |
| Financial expenses | -60 864 | -73 279 | -43 136 | 20.4% | -41.1% |
| Financial result | -51 960 | -61 263 | -31 345 | 17.9% | -48.8% |
| Non-current income | 49 934 | 36 849 | 21 572 | -26.2% | -41.5% |
| Non-current expenses | -17 152 | -24 221 | -23 604 | 41.2% | -2.5% |
| Non-current result | 32 782 | 12 628 | -2 031 | -61.5% | n.a. |
| Pre-tax income | 315 805 | 293 037 | 29 884 | -7.2% | -89.8% |
| Tax on profits | -99 249 | -102 450 | -16 013 | 3.2% | -84.4% |
| Net income | 216 555 | 190 587 | 13 871 | -12.0% | -92.7% |
| <i>in % of turnover</i> | <i>9.6%</i> | <i>6.3%</i> | <i>0.6%</i> | <i>-3.4 pts</i> | <i>-5.7 pts</i> |
| Including minority interests | 3 520 | 120 | 772 | -96.6% | >100% |
| Including net income, Group share | 213 035 | 190 467 | 13 098 | -10.6% | -93.1% |

Source: TGCC

2.2. Balance sheet

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|--|------------------|------------------|------------------|-----------------|-----------------|
| Goodwill | 7 396 | 6 340 | 26 497 | -14.3% | >100% |
| Intangible fixed assets | 2 603 | 2 267 | 1 416 | -12.9% | -37.5% |
| Intangible fixed assets | 325 863 | 385 914 | 360 846 | 18.4% | -6.5% |
| Financial fixed assets | 145 703 | 117 823 | 133 701 | -19.1% | 13.5% |
| Fixed assets | 481 564 | 512 344 | 522 460 | 6.4% | 2.0% |
| <i>Weight on total balance sheet</i> | <i>14.2%</i> | <i>12.9%</i> | <i>13.4%</i> | <i>-1.3 pts</i> | <i>0.6 pts</i> |
| Inventories and work in progress | 353 108 | 506 709 | 564 005 | 43.5% | 11.3% |
| Trade accounts receivable, advances & prepayments | 100 522 | 113 883 | 136 960 | 13.3% | 20.3% |
| Trade receivables and related accounts | 2 009 356 | 2 157 132 | 2 019 178 | 7.4% | -6.4% |
| Staff | 283 | 337 | 656 | 18.9% | 94.8% |
| State | 297 817 | 370 224 | 325 084 | 24.3% | -12.2% |
| Other receivables | 119 114 | 125 999 | 140 853 | 5.8% | 11.8% |
| Adjustment account | 19 944 | 24 087 | 23 252 | 20.8% | -3.5% |
| Currency translation differences - assets | - | 63 000 | 72 000 | >100% | 14.3% |
| Current assets | 2 900 143 | 3 361 371 | 3 281 989 | 15.9% | -2.4% |
| <i>Weight on total balance sheet</i> | <i>85.4%</i> | <i>84.5%</i> | <i>84.4%</i> | <i>-0.9 pts</i> | <i>-0.1 pts</i> |
| Cash and cash equivalents - assets | 14 788 | 102 992 | 83 027 | >100% | -19.4% |
| Total assets | 3 396 496 | 3 976 707 | 3 887 476 | 17.1% | -2.2% |
| Capital | 264 333 | 281 667 | 281 667 | 6.6% | - |
| Share premium | 45 667 | 208 333 | 208 333 | >100% | - |
| Legal reserve | 26 433 | 28 167 | 28 167 | 6.6% | - |
| Other reserves & retained earnings | 109 252 | 98 738 | 288 281 | -9.6% | >100% |
| Consolidated reserves | 90 394 | 105 050 | 103 078 | 16.2% | -1.9% |
| Consolidated net income | 213 035 | 190 467 | 13 098 | -10.6% | -93.1% |
| Total shareholders' equity - Group share | 749 115 | 912 421 | 922 623 | 21.8% | 1.1% |
| Minority interests | 15 598 | 15 565 | 7 521 | -0.2% | -51.7% |
| Total equity | 764 713 | 927 987 | 930 144 | 21.4% | 0.2% |
| <i>Weight on total balance sheet</i> | <i>22.5%</i> | <i>23.3%</i> | <i>23.9%</i> | <i>0.8 pts</i> | <i>0.6 pts</i> |
| Bonds | 200 000 | 20 000 | 20 000 | -90.0% | - |
| Other financial debts | 115 194 | 226 802 | 300 290 | 96.9% | 32.4% |
| Financial debts | 315 194 | 246 802 | 320 290 | -21.7% | 29.8% |
| Long-term provisions for risks and expenses | 1 241 | 17 188 | 17 262 | >100% | 0.4% |
| Accounts payable and related accounts | 976 076 | 1 081 374 | 1 065 560 | 10.8% | -1.5% |
| Accounts payable, advances & down payments | 251 347 | 465 925 | 470 879 | 85.4% | 1.1% |
| Staff | 3 253 | 5 122 | 6 181 | 57.4% | 20.7% |
| Social organizations | 12 367 | 12 679 | 12 401 | 2.5% | -2.2% |
| State | 281 005 | 419 294 | 318 268 | 49.2% | -24.1% |
| Shareholder account | 131 468 | 90 851 | 21 641 | -30.9% | -76.2% |
| Other creditors | 8 362 | 14 313 | 63 952 | 71.2% | >100% |
| Adjustment account | 5 967 | 6 665 | 5 326 | 11.7% | -20.1% |
| Other provisions for liabilities and charges | 2 050 | 2 085 | 2 040 | 1.7% | -2.2% |
| Currency translation differences - liabilities | - | -0.0 | 0.0 | n.a. | n.a. |
| Current liabilities | 1 671 895 | 2 098 308 | 1 966 249 | 25.5% | -6.3% |
| <i>Weight on total balance sheet</i> | <i>49.2%</i> | <i>52.8%</i> | <i>50.6%</i> | <i>3.5 pts</i> | <i>-2.2 pts</i> |

Prospectus Summary - TGCC's IPO

| | | | | | |
|--|------------------|------------------|------------------|--------------|--------------|
| Cash and cash equivalents - liabilities | 643 453 | 686 422 | 653 530 | 6.7% | -4.8% |
| Total liabilities | 3 396 496 | 3 976 707 | 3 887 476 | 17.1% | -2.2% |

Source: TGCC

2.3. Cash Flow Statement

| In KMAD | 2018 | 2019 | 2020 | Var. 18-19 | Var. 19-20 |
|---|------------------|-----------------|-----------------|---------------|---------------|
| Net income of consolidated companies | 216 555 | 190 587 | 13 871 | -12.0% | -92.7% |
| Net allocations to depreciation of tangible and intangible fixed assets | 89 765 | 101 939 | 89 763 | 13.6% | -11.9% |
| Net allocations to long-term provisions for risks and expenses | -1 087 | 16 002 | -85 | n.a. | n.a. |
| Change in deferred taxes | 6 369 | 1 957 | -19 461 | -69.3% | n.a. |
| Net book value of assets sold | 14 212 | 18 912 | 1 847 | 33.1% | -90.2% |
| Sale price of fixed assets | -17 757 | -18 953 | -3 969 | 6.7% | -79.1% |
| Operating income before changes in working capital | 308 058 | 310 443 | 81 966 | 0.8% | -73.6% |
| Change in current assets receivables | -487 255 | -246 521 | 148 971 | -49.4% | n.a. |
| Change in net inventories | -178 617 | -146 451 | -57 038 | -18.0% | -61.1% |
| Change in current liabilities | 166 824 | 423 463 | -112 981 | >100% | n.a. |
| Change in working capital requirements related to operations | - 499 048 | 30 492 | - 21 049 | n.a. | n.a. |
| Net cash flow from operating activities | - 190 990 | 340 935 | 60 917 | n.a. | -82.1% |
| Acquisition of intangible fixed assets | -1 170 | -624 | -263 | >100% | >100% |
| Acquisition of tangible fixed assets | -58 948 | -82 504 | -48 078 | 40.0% | -41.7% |
| Acquisition of financial fixed assets | -500 | - | - | -100.0% | n.a. |
| Sale of financial fixed assets | -8 095 | -402 | -15 842 | -95.0% | >100% |
| Sale price of fixed assets | 17 757 | 18 953 | 3 969 | 6.7% | -79.1% |
| Impact of changes in the scope of consolidation | - | - | -35 592 | n.a. | n.a. |
| Cash flow from investment activities | -50 956 | -64 577 | -95 806 | 26.7% | 48.4% |
| Capital increase | 50 010 | -180 | - | n.a. | -100.0% |
| Subscription/repayment of loans | -54 202 | -53 322 | -50 845 | -1.6% | -4.6% |
| Dividends paid | -122 072 | -207 195 | - | 69.7% | -100.0% |
| Increase in financing liabilities | 200 810 | 91 237 | 108 158 | -54.6% | 18.5% |
| Change in bank overdrafts | 67 446 | 3 046 | 32 491 | -95.5% | >100% |
| Cash flow from financing activities | 141 993 | -166 414 | 89 805 | n.a. | n.a. |
| Change in cash and cash equivalents | -99 954 | 109 944 | 54 915 | n.a. | -50.1% |
| Impact of foreign currency fluctuations | 2 916 | 1 337 | -498 | -54.1% | n.a. |

Source: TGCC

II. Analysis of half-yearly accounts

1. CORPORATE FINANCIAL STATEMENTS

1.1. Income Statement

| In KMAD | S1 2020 | S1 2021 | Var. S1 2020-S1 2021 |
|---|----------------|------------------|----------------------|
| Turnover | 991 989 | 1 038 463 | 4.7% |
| Changes in inventories of work in progress and finished goods | 115 319 | 177 308 | 53.8% |
| Purchases consumed | -840 681 | -851 360 | 1.3% |
| Other external expenses | -53 664 | -49 813 | -7.2% |
| Added value | 212 962 | 314 598 | 47.7% |
| <i>in % of turnover</i> | <i>21.5%</i> | <i>30.3%</i> | <i>8.8 pts</i> |
| Staff costs | -179 020 | -216 308 | 20.8% |
| Taxes and duties | -1 503 | -1 411 | -6.1% |
| EBITDA | 32 439 | 96 879 | >100% |
| <i>in % of turnover</i> | <i>3.3%</i> | <i>9.3%</i> | <i>6.1 pts</i> |
| Operating allocations | -15 105 | -24 048 | 59.2% |
| Operating reversals, expense transfers | 7 234 | 15 028 | >100% |
| Other operating income and expenses | -1 245 | - | -100.0% |
| EBIT | 23 324 | 87 859 | >100% |
| <i>in % of turnover</i> | <i>2.4%</i> | <i>8.5%</i> | <i>6.1 pts</i> |
| Financial income | 3 785 | 3 028 | -20.0% |
| Financial expenses | -10 077 | -18 942 | 88.0% |
| Financial result | -6 292 | -15 914 | >100% |
| Current result | 17 032 | 71 944 | >100% |
| Non-current result | -3 401 | -663 | -80.5% |
| Pre-tax income | 13 631 | 71 281 | >100% |
| Tax on profits | -5 244 | -24 087 | >100% |
| Net income | 8 387 | 47 194 | >100% |
| <i>in % of turnover</i> | <i>0.8%</i> | <i>4.5%</i> | <i>3.7 pts</i> |

Source: TGCC

1.2. Balance sheet

| In KMAD | 2020 | S1 2021 | Var. 2020-S1 2021 |
|---|------------------|------------------|-------------------|
| Non-valuable fixed assets | 69 272 | 60 598 | -12.5% |
| Intangible fixed assets | 1 103 | 650 | -41.0% |
| Intangible fixed assets | 105 648 | 108 681 | 2.9% |
| Financial fixed assets | 202 452 | 203 354 | 0.4% |
| Fixed assets | 378 475 | 373 284 | -1.4% |
| <i>Weight on total balance sheet</i> | <i>11.6%</i> | <i>10.8%</i> | <i>-0.8 pts</i> |
| Inventories and work in progress | 514 969 | 495 896 | -3.7% |
| Trade accounts receivable, advances & prepayments | 94 771 | 175 889 | 85.6% |
| Trade receivables and related accounts | 1 832 789 | 1 989 711 | 8.6% |
| Staff | 202 | - | -100.0% |
| State | 296 881 | 260 020 | -12.4% |
| Other debtors | 129 587 | 130 796 | 0.9% |
| Adjustment account | 20 452 | 23 728 | 16.0% |
| Currency translation differences - assets | 224 | 224 | - |
| Current assets | 2 889 874 | 3 076 263 | 6.4% |
| <i>Weight on total balance sheet</i> | <i>88.4%</i> | <i>89.2%</i> | <i>0.7 pts</i> |
| Cash and cash equivalents - assets | 635 | 1 081 | 70.1% |
| Total assets | 3 268 985 | 3 450 628 | 5.6% |
| Capital | 281 667 | 281 667 | - |
| Share premium | 208 333 | 208 333 | - |
| Legal reserve | 28 167 | 28 167 | - |
| Other reserves | 397 | 397 | - |
| Retained earnings | 287 883 | 98 340 | -65.8% |
| Net income for the financial year | 42 429 | 47 194 | 11.2% |
| Total equity | 848 876 | 664 098 | -21.8% |
| <i>Weight on total balance sheet</i> | <i>26.0%</i> | <i>19.2%</i> | <i>-6.7 pts</i> |
| Bonds | 20 000 | 20 000 | - |
| Other financial debts | 190 525 | 184 035 | -3.4% |
| Financial debts | 210 525 | 204 035 | -3.1% |
| Accounts payable and related accounts | 1 020 917 | 1 035 113 | 1.4% |
| Accounts payable, advances & down payments | 210 233 | 309 761 | 47.3% |
| Staff | 4 861 | 14 213 | >100% |
| Social organizations | 10 301 | 9 128 | -11.4% |
| State | 252 742 | 240 954 | -4.7% |
| Shareholder account | 20 161 | 189 940 | >100% |
| Other creditors | 48 787 | 792 | -98.4% |
| Adjustment account | 5 310 | - | -100.0% |
| Other provisions for liabilities and charges | 1 933 | 1 933 | - |
| Currency translation differences - liabilities | 61 | 61 | - |
| Current liabilities | 1 575 308 | 1 801 896 | 14.4% |
| <i>Weight on total balance sheet</i> | <i>48.2%</i> | <i>52.2%</i> | <i>4.0 pts</i> |

Prospectus Summary - TGCC's IPO

| | | | |
|--|------------------|------------------|--------------|
| Cash and cash equivalents - liabilities | 634 276 | 780 599 | 23.1% |
| Total liabilities | 3 268 985 | 3 450 628 | 5.6% |

Source: TGCC

2. CONSOLIDATED FINANCIAL STATEMENTS

2.1. Income Statement

| In KMAD | S1 2020 | S1 2021 | Var. S1 2020-S1 2021 |
|---|------------------|------------------|----------------------|
| Turnover | 1 051 946 | 1 171 177 | 11.3% |
| Changes in inventories of work in progress and finished goods | 131 652 | 260 875 | 98.2% |
| Purchases consumed | -867 277 | -974 051 | 12.3% |
| Other external expenses | -43 385 | -50 254 | 15.8% |
| Added value | 272 936 | 407 747 | 49.4% |
| <i>in % of turnover</i> | <i>25.9%</i> | <i>34.8%</i> | <i>8.9 pts</i> |
| Staff costs | -198 161 | -257 677 | 30.0% |
| Taxes and duties | -2 710 | -6 045 | >100% |
| EBITDA | 72 065 | 144 025 | 99.9% |
| <i>in % of turnover</i> | <i>6.9%</i> | <i>12.3%</i> | <i>5.4 pts</i> |
| Operating allocations | -41 242 | -45 372 | 10.0% |
| Operating reversals, expense transfers | 11 190 | 16 446 | 47.0% |
| Other operating income and expenses | -13 248 | -113 | -99.1% |
| EBIT | 28 765 | 114 986 | >100% |
| <i>in % of turnover</i> | <i>2.7%</i> | <i>9.8%</i> | <i>7.1 pts</i> |
| Financial income | 5 951 | 3 501 | -41.2% |
| Financial expenses | -13 492 | -21 524 | 59.5% |
| Financial result | -7 541 | -18 024 | >100% |
| Current result | 21 224 | 96 962 | >100% |
| Non-current result | -3 838 | -2 536 | -33.9% |
| Pre-tax income | 17 387 | 94 426 | >100% |
| Tax on profits | -6 789 | -30 259 | >100% |
| Net income | 10 597 | 64 167 | >100% |
| <i>in % of turnover</i> | <i>1.0%</i> | <i>5.5%</i> | <i>4.5 pts</i> |

Source: TGCC

2.2. Balance sheet

| In KMAD | 2020 | S1 2021 | Var. 2020-S1 2021 |
|--|------------------|------------------|-------------------|
| Goodwill | 26 497 | 24 791 | -6.4% |
| Intangible fixed assets | 1 416 | 888 | -37.2% |
| Intangible fixed assets | 360 846 | 350 645 | -2.8% |
| Financial fixed assets | 133 701 | 134 950 | 0.9% |
| Fixed assets | 522 460 | 511 274 | -2.1% |
| <i>Weight on total balance sheet</i> | <i>13.4%</i> | <i>12.1%</i> | <i>-1.3 pts</i> |
| Inventories and work in progress | 564 005 | 671 551 | 19.1% |
| Trade accounts receivable, advances & prepayments | 136 960 | 203 939 | 48.9% |
| Trade receivables and related accounts | 2 019 178 | 2 139 372 | 6.0% |
| Staff | 656 | 470 | -28.4% |
| State | 325 084 | 309 003 | -4.9% |
| Other debtors | 140 853 | 131 444 | -6.7% |
| Prepayments and accrued income | 23 252 | 27 915 | 20.1% |
| Currency translation differences - assets | 72 000 | 72 000 | - |
| Current assets | - | -25 | <i>n.a.</i> |
| <i>Weight on total balance sheet</i> | <i>3 281 988</i> | <i>3 555 669</i> | <i>8.3%</i> |
| Inventories and work in progress | <i>84.4%</i> | <i>84.4%</i> | <i>0.0 pts</i> |
| Cash and cash equivalents - assets | 83 027 | 144 477 | 74.0% |
| Total assets | 3 887 476 | 4 211 420 | 8.3% |
| Capital | 281 667 | 281 667 | - |
| Share premium | 208 333 | 208 333 | - |
| Legal reserve | 28 167 | 28 167 | - |
| Other reserves & retained earnings | 288 281 | 98 738 | -65.7% |
| Consolidated reserves | 103 078 | 73 066 | -29.1% |
| Consolidated net income | 13 098 | 63 865 | >100% |
| Total shareholders' equity - Group share | 922 623 | 753 836 | -18.3% |
| Minority interests | 7 521 | 7 511 | -0.1% |
| Total equity | 930 144 | 761 347 | -18.1% |
| <i>Weight on total balance sheet</i> | <i>23.9%</i> | <i>18.1%</i> | <i>-5.8 pts</i> |
| Bonds | 20 000 | 20 000 | - |
| Other financial debts | 300 290 | 277 731 | -7.5% |
| Financial debts | 320 290 | 297 731 | -7.0% |
| Long-term provisions for risks and expenses | 17 262 | 16 582 | -3.9% |
| Accounts payable and related accounts | 1 065 560 | 1 118 678 | 5.0% |
| Accounts payable, advances & down payments | 470 879 | 662 734 | 40.7% |
| Staff | 6 181 | 18 888 | >100% |
| Social organizations | 12 401 | 12 172 | -1.8% |
| State | 318 268 | 342 896 | 7.7% |
| Shareholder account | 21 641 | 191 638 | |
| Other creditors | 63 952 | -1 785 | <i>n.a.</i> |
| Adjustment account | 5 326 | 1 048 | -80.3% |
| Other provisions for liabilities and charges | 2 040 | 2 040 | - |
| Currency translation differences - liabilities | 0 | -18 | <i>n.a.</i> |
| Current liabilities | 1 966 249 | 2 348 291 | 19.4% |
| <i>Weight on total balance sheet</i> | <i>50.6%</i> | <i>55.8%</i> | <i>5.2 pts</i> |

Prospectus Summary - TGCC's IPO

| | | | |
|---|------------------|------------------|-------------|
| Cash and cash equivalents - liabilities | 653 530 | 787 469 | 20.5% |
| Total liabilities | 3 887 476 | 4 211 420 | 8.3% |

Source: TGCC

PART IV - RISK FACTORS

I. Risk related to demand and the economic environment

The construction sector depends on domestic and foreign demand. A weak economic environment could result in a decline in public and private investment, and therefore have a negative impact on the Company's business. A global economic crisis (resulting from a pandemic, war, etc.) could cause a contraction in the economic environment in which the Company operates and impact it directly or indirectly.

However, the quality of the TGCC's management, the diversification of its portfolio and its positioning in high-potential sectors are factors that mitigate this risk.

II. Competitive risk

TGCC faces competition from many Moroccan and international companies operating in the construction sector.

In order to face this competition, TGCC attaches major importance to the quality of its services, in order to build customer loyalty and to be present on the largest construction sites in Morocco. TGCC has a strong brand image in the Moroccan market built on its competitive advantages based on flexibility and speed of execution of projects.

In addition, TGCC has considerable human resources (nearly 8,000 employees) and one of the largest fleets of construction equipment in Morocco, which allows the Group to have an almost immediate availability to meet the needs of its customers.

III. Contract performance and subcontracting risk

The risk of non-execution of contracts is linked to the failure of one or more links in the value chain due to various factors such as the quality of the service, the execution time, the non-availability and the quality of subcontractors.

These risks are mitigated by the quality of the Group's human resources management, the optimisation of its equipment fleet, the continuous solicitation of Group companies and the implementation of a well-targeted subcontracting policy. TGCC is certified according to the ISO 9001:2015 standard, which attests to its ability to consistently provide products and services that meet customer, legal and regulatory requirements and aim to increase customer satisfaction.

IV. Labour risk

The TGCC Group's activities are labour-intensive. The labour-related risks can be summarised as follows:

- The risk of accidents at work: the nature of TGCC's activities implies risks of accidents in the workplace. The company makes continuous efforts to limit these risks. In addition to strict compliance with the safety rules for the various professions, TGCC has insurance policies adapted to the various activities carried out. The Group has been certified since 2018 according to the ISO 45001 V2018 standard, which specifies the requirements for an occupational health and safety (OSH) management system. TGCC is also the first Moroccan Group to certify its health risk management system according to the international SOCOTEC standard.

- The risk of labour shortage: TGCC's activities require precise and high quality skills. Thus, TGCC could be faced with a risk of labour shortage (engineers, technicians, workers, etc.). To address this risk, the company implements annual training plans. In addition, the Group benefits from a strong

reputation in the Moroccan market, which enables it to attract many employees and talents trained in Morocco and abroad.

V. Counterparty risk

The TGCC Group is exposed to the risk of default and non-payment by its customers. However, this risk is mitigated by the quality of the TGCC's customers, which are mainly well-known public and private companies, and by regular monitoring of receivables and collection management. Nevertheless, the Company may be exposed to payment delays that vary from one customer to another, or even to longer payment delays, which may have an impact on its working capital requirements and cash flow.

VI. Risk related to the fluctuation of raw material prices

TGCC's production costs depend, among other things, on raw materials (cement, marble, aluminum, wood, etc.). These materials are subject to volatility due to supply and demand on both the local and international markets.

VII. Risk related to rising interest rates

In the course of its business, TGCC uses bank financing. Thus, changes in Bank Al-Maghrib's key interest rate may lead to a variation in interest rates, which may have an impact (upwards or downwards) on the Company's financing costs.

VIII. Foreign exchange risk

TGCC is exposed to foreign exchange risk arising from flows from its subsidiaries in Gabon, Côte d'Ivoire and Senegal, and from purchases made abroad. Thus, the Company's financial results may increase or decrease depending on the fluctuation of the currencies presented above.

TGCC is confronted with a foreign exchange risk arising from the flows coming from the subsidiaries based in Gabon, Ivory Coast and Senegal, and from purchases made abroad. Thus, the Company's financial result may increase or decrease depending on the fluctuation of these currencies.

IX. Risk related to the COVID-19 pandemic

Depending on the evolution of the pandemic in Morocco as well as internationally, and depending on the barrier measures put in place, the TGCC Group could be confronted with a slowdown in the level of its activity as was observed between March and June 2020, following the generalized containment put in place by the public authorities

X. Risk related to access to financing

In order to finance its activities and development, TGCC uses its own funds, but also bank products: credit lines, overdraft facilities, discount lines, guarantees, etc. However, in the event of a deterioration in the economic or operational situation, access to financing could be limited.

The risk of access to financing is mitigated by the Group's good solvency indicators with an average net debt to total balance sheet ratio of 23.9% over the 2018 - 2020 period. Furthermore, in the context of its activities, TGCC has historically demonstrated its ability to pledge markets to cover its financing. Finally, the IPO envisaged by the Company includes a capital increase component (i.e. MAD 300 million) which would allow the Company to benefit from both (i) an additional means of financing and (ii) to further optimise its debt ratios given the strengthening of its equity.

XI. Risk related to regulatory requirements

TGCC must meet regulatory requirements and remain flexible in order to adapt to a constantly changing environment. Indeed, a change in law or regulation can directly or indirectly impact the profitability of the sector. TGCC could, for example, be exposed to a slowdown in activity as a result of new laws or regulations, or stricter interpretation or application of legal texts by the courts or authorities of the various countries in which the Group operates.

XII. Country risk

Country risk includes macroeconomic, microeconomic, financial, political, institutional, legal, social, health, technological, industrial and climatic risks that may affect TGCC's activities in the various countries in which the Group operates.

XIII. Key person risk

The key employee risk is related to the absence of Mr Mohammed Bouzoubaa, founder, chairman and managing director of the TGCC Group. However, this risk is mitigated by the rules of good governance established by the Company and its management bodies, allowing it to continue its activities despite the occasional absence of key persons.

XIV. Risk related to indebtedness

Debt is an integral part of the life of TGCC, it is both a means of development through the possibilities of action it offers and a risk in the event that the Company does not manage to control its debt ratio. The risk of over-indebtedness arises when the level of credits and expenses paid reaches a critical threshold, implying the possibility of defaulting on payments.

XV. Risk related to sector concentration

Sector concentration risk may result from an unbalanced distribution of exposures across sectors of activity.

At the end of June 2021, the hotel industry is the most represented sector in the TGCC Group's order book (23.8%). The remaining 76.2% of the order book is spread over 8 different sectors, thus mitigating this risk.

XVI. Risk related to turnover concentration

The nature of the Company's business and the size of the major projects it undertakes could result in a risk of revenue concentration on a limited number of customers. However, given the diversity of its customer base and the projects that make up its backlog, the largest revenue contributor represents only 7.2% of consolidated revenues in 2020. Similarly, the Company may face a risk of revenue concentration with CCGT's sister companies. At the end of 2020, these companies represent only 15% of trade receivables.

Disclaimer

The above-mentioned information is only a part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) on November 19, 2021 under reference no. VI/EM/031/2021.

The AMMC recommends reading the whole prospectus, which is made available to the public in French language according to the terms indicated in this summary.