CMGP Group SA

Prospectus Summary relating to the Initial Public Offering (IPO) by way of a Share Capital Increase Reserved for the Public through the Issue of 1,500,000 New Shares, with Cancellation of Shareholders' Preferential Subscription Rights, and the Sale of 4,000,000 Shares

The AMMC-approved prospectus comprises the following documents: (i) the reference document for the 2023 financial year and the first half of 2024 registered by the AMMC on November 21, 2024 under reference no. EN/EM/027/2024 (ii) and the Securities Note.

Firm Price Offer

Type of securities	**Common shares**
Subscription price	**MAD 200**
Nominal value	**MAD 100**
Number of new shares to be issued	**1,500,000 shares**
Maximum number of shares to be sold	**4,000,000 shares**
Maximum total amount (including issue premium)	**MAD 1,100,000,000**
Subscription period	**from 12/02/2024 to 12/06/2024 at 3:30 p.m. inclusive**

This offer does not apply to money-market and short-term bond UCITS

Financial Advisor and Global Coordinator

CFG BANK CORPORATE FINANCE

Financial Co-Advisor

Attijari Finances Corp.

Leader of the Underwriting Syndicate

CFG BANK CAPITAL MARKETS

Co-Leader of the Underwriting Syndicate

Attijari Intermédiation — CDG CAPITAL BOURSE — BMCE CAPITAL BOURSE

Members of the Underwriting Syndicate

CFG BANK, Al Barid Bank, Artbourse, Oaklins Atlas Capital, Attijariwafa bank, Banque Populaire, Al Wassit, Bank of Africa BMCE Group, BMCI Groupe BNP Paribas, BMCI Bourse Groupe BNP Paribas, Capital Trust Securities, Crédit Agricole, Crédit du Maroc, CDM Capital Bourse, Alma Finance Group, CIH Bank, M.S.IN, Redmed Securities, Société Générale Sogécapital Bourse, Société Générale, Upline Securities, Valoris Securities

Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular issued in application of article 5 of law 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings, the prospectus was approved by the AMMC on November 21, 2024 under reference no. VI/EM/035/2024.

The Securities Note is only part of the AMMC-approved prospectus. The latter is made up of the following documents: (i) the reference document relating to the 2023 financial year and the first half of 2024 registered by the AMMC on November 21, 2024 under reference no. EN/EM/027/2024 (ii) and the Securities Note.

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Disclaimer

On November 21, 2024, the AMMC approved a prospectus relating to the Initial Public Offering of CMGP Group by way of a share capital increase reserved for the public through the issue of 1,500,000 new shares, with cancellation of shareholders' preferential subscription rights, and the sale of 4,000,000 shares.

The AMMC-approved prospectus is available at any time from CMGP Group's head office, on its website www.cmgp-group.com and from its financial advisors. It is also available within 48 hours from order-collecting institutions.

The approval of the Moroccan Capital Market Authority (AMMC) relates to the prospectus consisting of:

- The Securities Note relating to CMGP Group's IPO;
- The reference document for the 2023 financial year and the 1st half of 2024 registered by the AMMC on November 21, 2024 under reference no. EN/EM/027/2024.

The AMMC-approved prospectus is available at any time on:

- the CMGP Group website: www.cmgp-group.com
- the AMMC website: www.ammc.ma
- the Casablanca Stock Exchange website: www.casablanca-bourse.com

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

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PART I – OFFER STRUCTURE

I. Offer structure

Operation amount

CMGP Group is planning an initial public offering (IPO) of MAD 1,100,000,000 by way of:

- a share capital increase in cash by issuing 1,500,000 shares at a subscription price of MAD 200 per share, i.e., a nominal value of 100 MAD and an issue premium of 100 MAD. The total amount of the capital increase will be 300,000,000 MAD, of which MAD 150,000,000 as a nominal value and MAD 150,000,000 as issue premium;
- the sale of 4,000,000 shares for a price of MAD 200 per share, i.e., a total amount of MAD 800,000,000.

Offer structure

Order type	I	II
Subscribers	▪ Natural persons, resident or non-resident, of Moroccan or foreign nationality; ▪ Legal entities under Moroccan or foreign law not belonging to the categories of qualified investors as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, and having been in existence for more than one year at the date of subscription; ▪ Qualified investors under Moroccan law as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, excluding money-market and short-term bond UCITS; ▪ Qualified foreign investors as defined by article 1.30 paragraph (c) of AMMC circular no. 03/19 as amended and supplemented.	▪ Natural persons, resident or non-resident, of Moroccan or foreign nationality; ▪ Legal entities under Moroccan or foreign law not belonging to the categories of qualified investors as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, and having been in existence for more than one year at the date of subscription; ▪ Qualified investors under Moroccan law as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, excluding money-market and short-term bond UCITS; ▪ Qualified foreign investors as defined by article 1.30 paragraph (c) of AMMC circular no. 03/19 as amended and supplemented.
Offer amount	MAD 750,000,000	MAD 350,000,000
As a % of the total operation amount	68.2%	31.8%
Number of shares	3,750,000	1,750,000
Subscription price	MAD 200 per share	MAD 200 per share

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Minimum subscription per investor	15,000 shares, i.e., MAD 3,000,000	No minimum
Subscription ceiling per investor	▪ For investors other than UCITS, 10% of the total number of shares offered in the operation, representing 550,000 shares, i.e., MAD 110,000,000; ▪ For UCITS, the minimum between: ✓ 10% of the total number of shares offered under the operation, representing 550,000 shares, i.e. MAD 110,000,000 and; ✓ 10% of the net assets of the UCITS corresponding to the net asset value as of November 29, 2024.	▪ For investors other than UCITS, 10% of the total number of shares offered in the operation, representing 550,000 shares, i.e., MAD 110,000,000; ▪ For UCITS, the minimum between: ✓ 10% of the total number of shares offered under the operation, representing 550,000 shares, i.e. MAD 110,000,000 and; ✓ 10% of the net assets of the UCITS corresponding to the net asset value as of November 29, 2024.
Placement	▪ For qualified investors under Moroccan law as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular no. 03/19 as amended and completed, excluding UCITS: Leader and co-leader of the underwriting syndicate; ▪ For qualified foreign investors as defined by article 1.30 paragraph (c) of AMMC circular no. 03/19 as amended and supplemented: All members of the underwriting syndicate; ▪ For other categories of investors excluding money-market and short-term bond UCITS: All members of the underwriting syndicate.	▪ For qualified investors under Moroccan law as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular no. 03/19 as amended and completed, excluding UCITS: Leader and co-leader of the underwriting syndicate; ▪ For qualified foreign investors as defined by article 1.30 paragraph (c) of AMMC circular no. 03/19 as amended and supplemented: All members of the underwriting syndicate; ▪ For other categories of investors excluding money-market and short-term bond UCITS: All members of the underwriting syndicate.
Subscription coverage	▪ For natural persons or legal entities under Moroccan or foreign law (non-qualified), subscriptions must be 100% covered by: ✓ an actual deposit (cheque, cash or bank transfer) to the subscriber's account, and/or; ✓ collateral consisting of securities as follows: - government bonds: taken up to a maximum of 100% of the value on the subscription date;	▪ For natural persons or legal entities under Moroccan or foreign law (non-qualified), subscriptions must be 100% covered by: ✓ an actual deposit (cheque, cash or bank transfer) to the subscriber's account, and/or; ✓ collateral consisting of securities as follows: - government bonds: taken up to 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; - UCITS units with daily net asset value (excluding money-market funds), term deposits, listed shares: taken at a maximum of 80% of the value on the subscription date. ▪ For qualified investors under Moroccan law: no coverage at the time of subscription. ▪ For qualified foreign investors (i) who have been in existence for more than one year at the date of subscription of this operation or (ii) who have already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the time of subscription. ▪ For qualified foreign investors (i) who have not been in existence for more than one year at the date of subscription of this operation and (ii) who have not already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30% coverage by an effective deposit (cheque, cash or bank transfer) or 100% coverage by a bank guarantee. Collateral coverage is subject to the discretion of each member of the underwriting syndicate selected by the subscriber. Subscription coverage in cash, cheque, bank transfer and/or collateral must remain blocked until the securities are allocated on December 11, 2024.	- Money market UCITS with daily net asset value: taken at 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: taken at a maximum of 80% of the value on the subscription date. ▪ For qualified investors under Moroccan law: no coverage at the time of subscription. ▪ For qualified foreign investors (i) who have been in existence for more than one year at the date of subscription of this operation or (ii) who have already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the time of subscription. ▪ For qualified foreign investors (i) who have not been in existence for more than one year at the date of subscription of this operation and (ii) who have not already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30% coverage by an effective deposit (cheque, cash or bank transfer) or 100% coverage by a bank guarantee. Collateral coverage is subject to the discretion of each member of the underwriting syndicate selected by the subscriber. Subscription coverage in cash, cheque, bank transfer and/or collateral must remain blocked until the securities are allocated on December 11, 2024.
Allocation terms and conditions	▪ Allocation on a pro rata basis	▪ 1st allocation: by iteration up to 300 shares per subscriber; ▪ 2nd allocation: allocation of the remainder in proportion to the number of requests in excess of 300 shares.

Transfer rules	▪ If the number of shares requested under Order Type I is less than the corresponding offer, the difference is allocated to Order Type II.	▪ If the number of shares requested under Order Type II is less than the corresponding offer, the difference is allocated to Order Type I.

Financial instruments offered

Characteristics of securities offered

Type of securities	Common shares all of the same class
Legal form	The shares concerned by this operation will all be bearer shares. They are fully dematerialized, registered with financial intermediaries and admitted to trading on Maroclear.
Operation amount	MAD 1,100,000,000[1]
Total number of shares to be issued and sold	5,500,000 shares, including 1,500,000 new shares to be issued in connection with the capital increase and 4,000,000 shares in connection with the sale of shares
Subscription price	MAD 200 per share
Initial listing procedure	Firm Price Offer
Nominal value	MAD 100 per share
Issue premium	MAD 100 per share
Share payment	The shares covered by this operation will be fully paid up and free of any commitment.
Listing line	1st line
Entitlement date	January 1, 2024[2] (current dividend entitlement of new shares, fully assimilated to existing shares)
Subscription period	From 12/02/2024 to 12/06/2024 at 3:30 p.m. inclusive
Tradability of securities	The shares involved in this operation are freely tradable.

[1] Including (i) a capital increase of MAD 150,000,000 as nominal value and MAD 150,000,000 as issue premium, i.e. a total operation amount of MAD 300,000,000 and (ii) a sale of 4,000,000 shares for a total amount of MAD 800,000,000.

[2] The new shares will entitle their holders to any distribution of profits or allocation of reserves that may be decided by the Company from the date of completion of the IPO Capital Increase, it being specified for all purposes that the new shares to be created by the Company under the IPO Capital Increase and the shares sold will not entitle their holders to any distribution of profits or allocation of reserves, premiums or reduction in capital of any kind whatsoever distributed prior to the date of completion of the operation.

	There are no statutory clauses restricting free trading in the Company's shares. Note that: (i) the shareholders of CMGP Group constituting the Stable Shareholder Group (SSG) undertake to hold, without being able to transfer them, directly or indirectly, any of the shares it holds in the capital of the Company, as presented in section "Operation impact on the Company's shareholding structure", for a period of three (3) years from the first day of listing of the Company's shares on the Casablanca Stock Exchange. It is understood that this commitment does not apply to shares sold by a shareholder in connection with this operation; (ii) Notwithstanding the above provisions, each of the SSG Members may freely transfer all of its shares held at the IPO subject to: (a) transfer the said shares to one of its affiliates, provided that (i) the said affiliate has undertaken to retrocede the shares to the ASG Member that originally transferred them to it in the event that it loses its status as an affiliate[3], (ii) the said affiliate has expressly adhered to the deed of commitment under the same conditions as if it had originally signed it, and (iii) the ASG Member who has transferred its shares remains jointly and severally liable for its affiliate's obligations under the deed of commitment and has signed the deed of commitment to this effect; (b) transfer a proportion of the Company's capital and voting rights in excess of 40% of the Company's share capital to one or more investors acting in concert, without prejudice to the constraints and consequences under Moroccan regulations, in particular with regard to public offerings on the stock market, which would be applicable in such a case; (c) transfer at least 34% of the Company's share capital and voting rights to one or more Eligible Investors[4] acting in concert. The deed of commitment is presented in the appendices to the prospectus.
Method of paying up shares and payment of the share transfer price	In cash (excluding any payment by way of set-off against liquid and due receivables from the Company)
Listing of the shares involved in this operation	The shares to be sold and issued in connection with this IPO will be admitted to the Main Market, compartment "Principal B" of the Stock Exchange.
ISIN code	MA0000012718

[3] Means, in relation to any person or entity, any other person or entity (whether incorporated or unincorporated, including any fund) that directly or indirectly controls, is controlled by, or is under common control with such person or entity.
[4] Refers to (i) an investor who is a sovereign wealth fund or an affiliate of a sovereign wealth fund, or (ii) a Moroccan institutional investor whose vocation is to collect savings from natural persons and whose commitments and/or assets are governed by a legislative or regulatory text, such as credit institutions, insurance and/or reinsurance companies, pension funds, retirement funds, mutual insurance companies, mutual funds and Caisse de Dépôt et de Gestion, or (iii) a Moroccan investor with an affiliate meeting the criterion in (ii) above.

Listing date of the new shares	December 16, 2024
Rights attached to newly-issued shares	All shares benefit from the same rights, both in the distribution of profits and in the distribution of liquidation surpluses. Each share carries one voting right at General Meetings.
Preferential subscription rights	The Extraordinary General Meeting of November 21, 2024, decided to cancel shareholders' preferential subscription rights in favor of the public (i.e. any person entitled to subscribe to the capital increase) in respect of all the shares to be issued under the operation.

Listing characteristics of the shares to be issued and sold

Date of 1st listing	December 16, 2024
Wording	CMGP GROUP
Ticker	CMG
Listing compartment	Principal B
Sector of activity	Agriculture
Trading cycle	Continuous
MBS (Minimum Block Size)	82,500[5]
Listing line	1st line
Number of shares to be issued and sold	5,500,000 shares
Entity in charge of registering the operation (seller's side)	CFG Marchés

[5] Based on a nominal value of MAD 100 /share

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I.1 Assessment of offer terms

Determination of the subscription price

In accordance with the powers vested in it by the Extraordinary General Meeting of November 21, 2024, the Board of Directors, meeting on November 21, 2024, decided in particular to float the Company on the stock market by way of:

- a capital increase for an amount of MAD 300,000,000, through the issue of 1,500,000 shares at a subscription price of MAD 200 per share (of which MAD 100 as nominal value and MAD 100 as issue premium);
- the sale of 4,000,000 shares for MAD 800,000,000, i.e. a sale price of MAD 200 per share.

The said Board also set the definitive characteristics of the operation.

Valuation methodology

Discarded valuation methods

Stock market comparables

The stock market comparables method is an analogous valuation method for estimating a company's equity value based on the valuation levels of comparable companies listed on the stock market. Once the sample of comparable companies has been determined, the principle consists in selecting the indicators to be used as a basis for comparison, calculating the multiples induced by the market value and aggregates of the comparables, and then applying these multiples to the aggregates of the company being valued.
Several parameters need to be checked when applying this method:

- Dispersion of multiples data within the sample of comparables, which may render average multiples insignificant;
- Consistency of the assumptions underlying the construction of the benchmark comparables (growth, risk, size, business sector, legal/tax/regulatory environment, accounting standards, etc.);
- Identification of companies whose activities are close to those of CMGP Group.

Given (i) CMGP Group's growth profile, (ii) its size and (iii) the difficulty of identifying listed companies with comparable activities, this valuation approach has not been used.

Transactional comparables

This method involves valuing a company on the basis of the implied valuation multiples of a sample of transactions in its business sector, whose target companies have comparable financial and operating characteristics to the company being valued.

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

Dividend Discount Model (DDM)

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

This involves 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 shareholders' equity (E_v) corresponds to the sum of (i) the discounted dividends that the company expects to pay its shareholders over the explicit time horizon, and (ii) the discounted terminal value.

Given that the dividend distribution policy depends on a number of parameters, including (i) the payout ratio decided by shareholders and (ii) the financing structure chosen by management, it seems very difficult to anticipate these parameters over the long term for the purposes of a valuation exercise. Consequently, this method was not used.

Valuation methods used

Two valuation methods were used to value CMGP Group's securities in the context of this operation:

- The discounted cash flow (DCF) method;
- The transactional reference.

Discounted Cash-Flows (DCF)

The *Discounted Cash-Flow* method is a benchmark for determining a company's intrinsic value.

This method consists of calculating the value of a company's economic assets (enterprise value) by the sum of 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 required by providers of funds (shareholders and creditors) weighted by their respective levels of commitment to financing the company's economic assets. Once the enterprise value has been determined, the value of shareholders' equity is obtained by deducting net debt and minority interests.

Transactional Reference

The transactional reference method consists in valuing a company on the basis of the prices at which recent transactions involving its capital have taken place.

Main assumptions of the pre-money business plan

The forecasts below are based on assumptions made by CMGP Group's management, the realization of which is by nature uncertain. Actual aggregates 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 CMGP Group's pre-money business plan, which does not take into account the cash flows that would be generated in particular by the investments planned following the capital increase, which is the subject of the securities note.

General assumptions

The pre-money business plan (i.e. not taking into account the impact of the capital increase which is the subject of this operation) used as the basis for the DCF valuation was prepared by CMGP Group's management over an explicit 7-year horizon: 2024e - 2030p.

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

- The acquisition of a 30%[6] stake in AGROSEM (a Moroccan company specializing in seed distribution) in the first quarter of 2024, which was not included in the business plan;
- The signing in 2023 of a $36 million RSF[7] with the IFC and Banque Centrale Populaire (BCP) to support the development of the micro-irrigation, solar energy and water efficiency sectors in Morocco. This partnership aims to (i) facilitate access to financing for Moroccan SMEs (farmers, industrialists and service companies) operating in the above-mentioned sectors, and (ii) open up growth opportunities for the Group in its irrigation and solar energy projects.

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

Revenue assumptions

Consolidated revenues correspond to the sum of revenues generated by all the Group's activities, adjusted for all intra-Group flows (mainly from manufacturing operations).

Group revenues are expected to grow over the period 2024e - 2030p at an CAGR CAGRof 9.9%, to reach MMAD 4,069, compared with an CAGR of 8.3% over the period 2021 - 2024e. This growth stems mainly from the increases in revenues anticipated by the Group in its business lines:

- **Agro-equipment business**: Revenues of the agro-equipment business are expected to reach MMAD 1,186 in 2030p, compared with MMAD 853 in 2024e, representing average annual revenue growth of 5.6% over the period 2024e - 2030p. This upward trend should be driven mainly by:
  - Revenue growth in the Irrigation segment (+ 5.0% CAGR over the period 2024e - 2030p) to reach MMAD 966 in 2030p, compared with MMAD 721 in 2024e. This trend is in line with

[6] The CMGP group has an option to acquire a further 40% of Agrosem's capital by the end of 2025. It should be noted that the seller also retains an option to buy back the 30% sold at the end of 2025. As a result, Agrosem's projections have not been included in the business plan presented.
[7] This business plan does not take into account the additional business that could be generated by the signing of the said RSF.

anticipated growth in the Moroccan irrigation market, which is expected to reach 5%[8] per year, as a result of numerous government initiatives aimed at addressing water availability issues, notably through (i) the construction of new dams, (ii) the desalination of sea water, (iii) the reuse of wastewater and (iv) the interconnection of basins between the south and north of the country. Against this backdrop, the Group benefits from a strong positioning in this segment, enabling it to capitalize on this growth through (i) ongoing innovation of its products and equipment, coupled with investments aimed at increasing its production capacity for PE and PVC pipes for irrigation, notably through the acquisition of a sophisticated new line in 2023; (ii) the reinforcement of its distribution network in dynamic areas of the Kingdom, with the opening of new distribution centers in Marrakech and Errachidia, scheduled to be operational by the fourth quarter of 2024, and a distribution center in Larache scheduled for 2025. It should be noted that Irrigation segment revenues include the "Retail" Business Unit and the "Project[9]" Business Unit, which respectively account for an average of 70% and 30% of total Irrigation segment revenues over the 2024e-2030p period. At the end of September 2024, revenues generated by the "Project" BU amounted to MMAD 166, with an order book[10] of MMAD 34, representing 92% of expected revenues from irrigation projects, estimated at MMAD 218 for 2024e;

- Solar segment revenues growth at an CAGR of 8.3% over the period 2024e - 2030p to reach MMAD 153 by the end of the business plan, compared with MMAD 94 in 2024e. This growth will be driven primarily by the Group's strategy of focusing on new customers (manufacturers), while strengthening its position with its traditional customers (farmers). This dynamism is part of a favorable context for the adoption of solar solutions in agriculture, supported by government initiatives aimed at increasing the share of renewable energies to 52%[11] of energy consumption by 2030. In addition, the national solar pumping program, integrated into irrigation water management projects, subsidizes small and medium-sized farmers targeted by the Group's dealers, thus stimulating the adoption of these products in the agricultural sector. To this end, several measures have been taken by the Group, such as (i) the development of the product offering following, in particular, the recent partnership with Huawei Digital Power (signed in 2024), which will enable CMGP Group to offer innovative solutions integrating, in particular, inverters, storage systems and advanced monitoring options, aimed in particular at helping manufacturers respond effectively to the challenges of the energy transition, (ii) the RSF program, which includes dedicated financing for industrialists wishing to develop solar projects, (iii) the recruitment of revenues staff dedicated to the industrial sector, and (iv) the strengthening of the distribution network to increase proximity to dealers, with the opening of three distribution centers in strategic areas (Marrakech and Errachidia from Q4 2024, and Larache from 2025). It should be noted that CMGP Group has the necessary expertise to carry out solar projects for industrial customers (notably in terms of rooftop installation, in the form of parking lot shading, etc.) and has already equipped the Group's industrial sites with solar systems. It should be noted that revenues in the Solar segment include the "Retail" Business Unit and the "Project" Business

[8] Management estimates based on data from the French Ministry of Agriculture. Indeed, as part of the 2020-2030 Green Generation plan, efforts to save water and modernize irrigation systems will continue, with the aim of equipping a further 350,000 hectares by 2027, bringing the total area equipped with water-saving systems to 940,000 hectares, i.e. around 60% of the irrigated area. This represents an annual growth rate of 6.9% between 2020 and 2027. Based on these data, Management estimates that the irrigation market should record average annual growth of 5% between 2024 and 2030, reaching MAD 3.8 billion in 2030.

[9] This business unit encompasses the development, management and implementation of turnkey projects, as well as the supply of customized solutions to meet specific customer needs in the Irrigation and Solar segments.

[10] The order book includes only signed projects (not yet delivered) and excludes projects currently being prospected. For the Irrigation segment (excluding government contracts), the order cycle offers short-term visibility, generally 2 to 3 months, and covers fiscal 2024 only.

[11] Ministry of Energy Transition and Sustainable Development

Unit, representing on average 69% and 31% respectively of total revenues in the Solar segment over the period 2024e-2030p. At the end of September 2024, revenues generated by the "Project" BU amounted to MMAD 14, with an order book[12] of MMAD 2, representing 85% of expected revenues from solar projects, estimated at MMAD 19 for 2024e;

- Revenue growth in the Public Contracts segment, which is expected to reach MMAD 68 in 2030p, compared with MMAD 38 in 2024e, representing an CAGR of 10.0% over the period 2024e - 2030p. This growth is mainly due to Morocco's increased investment in water management, particularly irrigation. The Group, with its experience and expertise in this market, is well positioned to seize these opportunities. At the end of September 2024, the order book[13] , estimated at MMAD 83, already represented 94% of the revenues forecast for the period 2025p-2026p. It should be noted that, given the non-recurring nature of public market irrigation projects, these may be subject to fluctuations from one year to the next, depending on public demand. However, in view of the structuring infrastructure projects announced for the coming years by the Moroccan government in terms of water resource management, a significant increase in public offers for the implementation of these projects is expected over the next few years. The Group thus aims to gradually return to its historical levels, with a target of MMAD 68 by 2030, close to 2019's performance (MMAD 70).

- **Agro-supply business:** Revenues in this business should reach MMAD 2,111 by the end of the business plan, compared with MMAD 1,194 in 2024e, representing average annual growth of 10.0% over the period 2024e - 2030p.

  Agro-supply revenues growth assumptions by product category are as follows:
  - Average annual growth of 13.1% in fertilizer revenues over the period 2024e - 2030p, to reach MMAD 1,307 by the end of the business plan. This momentum will be underpinned by two major industrial projects: (i) the expansion of current capacity[14] by transferring Process's existing fertilizer blending plant (located at Anza[15]) to a new site (Drarga), with a larger surface area and state-of-the-art equipment (scheduled to come on stream in November 2024), and (ii) the construction of a new industrial unit at Jorf Lasfar (scheduled to come on stream in September 2024) dedicated to the packaging and production of soluble and solid fertilizers. The launch of the Jorf Lasfar and Drarga industrial units will enable the Group (i) to strengthen its positioning in solid fertilizers (nitrogen and NPK) by increasing its market share, (ii) to introduce new products, notably soluble NPK and fertilizers, and (iii) to increase its production capacity, enabling it to target both farmers and wholesalers/distributors, as well as to respond to public tenders to which it was previously unable to bid due to insufficient capacity to meet the volumes requested. The table below shows the tonnage growth in volumes produced by plant over the period 2023 - 2030p:

In tons	2023	2030	Tonnage growth (2023 - 2030p)
Drarga[16]	4 206	6 618	2 412
El Jadida[17]	18 547	0	-18 547

[12] The order book includes only signed projects (not yet delivered) and excludes projects currently being prospected. For the Solar segment (excluding government contracts), the order cycle offers short-term visibility, generally 2 to 3 months, and covers fiscal 2024 only.

[13] The order book includes only signed projects (not yet delivered) and excludes projects under prospecting. Note that for government contracts, the order cycle offers medium-term visibility, generally 15 months, and thus covers Q4 2024 and fiscal 2025.

[14] The transfer to the Drarga site should enable production to grow by around 2,200 tonnes over the period 2024e - 2030p, thanks to increased storage capacity and advanced technical resources, facilitating the introduction of new products and increased production volumes.

[15] The Anza plant may be sold once all its activities have been transferred to Drarga. The impact of this sale has not been taken into account in the Business Plan.

[16] Volumes produced in 2023 correspond to the Anza plant, which will be transferred to Drarga at the end of 2024.

[17] The El Jadida plant, currently dedicated to the blending of NPK fertilizers, will be transferred to Jorf Lasfar as of 2027, following the commissioning of the 2nd tranche of the plant. The El Jadida plant is currently leased, and the lease will be terminated in 2027. The rental savings resulting from this transfer have not been included in the Business Plan. The plant will continue to operate until the transfer date.

Jorf Lasfar	0	111 815	111 815
Total	**22 753**	**118 433**	**95 680**

Source: CMGP Group

- Growth in revenues of crop protection products at an CAGR of 5.1% over the period 2024e - 2030p, reaching MMAD 594 MMAD in 2030p. This growth would be driven by diversification of the existing product portfolio, including several new product categories introduced in 2024 such as innovative pesticide families, bio-control solutions and trapping systems. In addition, the reinforcement of commercial synergies between CAS and the Group's subsidiaries will foster a better integration of offerings, thus optimizing this growth dynamic;
- Growth in seed revenues at an CAGR of 11.6% over the period 2024e - 2030p, to reach MMAD 96 in 2030p, driven mainly by an increase in the Group's market share in this segment thanks in particular to the introduction of new product varieties and the conclusion of new exclusive partnerships with renowned suppliers, currently in progress, which will enable the Group to benefit from exclusivity on marketed products. CMGP Group aims to achieve an organic market share of 3.8% in 2030p, compared with 2.4% in 2023;
- Growth in revenues of plastic films at an CAGR of 7.5% over the period 2024e - 2030p, reaching MMAD 68 in 2030p. This expansion would be supported in particular by (i) the pooling of customer portfolios between CAS and CMGP and (ii) the strengthening of the Group's positioning in greenhouse films[18] while maintaining its current market share in mulching films[19] . To support this mutualization, concrete and ongoing actions will be implemented, in particular the strengthening of the Group's geographical presence with customers through its 16 distribution centers, 8 of which are specifically dedicated to storage. It should be noted that since the acquisition of CAS in 2021, its distribution centers are used exclusively for warehousing, enabling the Group to extend its warehousing capacities by city and better meet the needs of its local customers. This organization will enable the Group to expand its distribution network, reaching a greater number of customers, both retailers and farmers, while highlighting the organizational and commercial synergies arising from the operation. Growth in greenhouse films will also be supported by the establishment of new strategic partnerships, notably in 2024 with a major global player in plastic film production.

- **Infrastructure business:** average annual revenues growth of 7.5% over the period 2024e - 2030p, to reach MMAD 252 by the end of the business plan, compared with MMAD 164 in 2024e. The main parameters taken into account in determining revenues growth assumptions for this business are as follows:
  - The introduction of new production lines for the launch of new products (notably a bi-oriented PVC line scheduled to come on stream in Q4 2024 and a large-diameter (400-1200 mm) HDPE pressure line scheduled to come on stream in Q1 2025), designed to better meet the requirements of the wastewater, drinking water and construction sectors;
  - The evolution of (i) the size of the urban population, which requires more sanitation and drinking water supply projects, and (ii) the number of projects initiated by the government in response to water availability issues (seawater desalination, water transfer and distribution, etc.). Indeed, the proportion of Morocco's population living in urban areas, currently around

[18] Greenhouse films are used for the permanent covering of large plastic tunnels or multi-hood greenhouses, to protect crops from the elements and optimize growing conditions (light, temperature, etc.).
[19] Mulch films are designed to cover the soil of a crop and are applied to vegetable crops. They limit evapotranspiration and protect soil structure by improving earliness and UV exposure, depending on the film color (black, transparent, etc.).

64%[20] , is expected to continue growing, reaching around 75%[21] by 2050. Against this backdrop, Morocco is considering the creation of "new towns" to meet the housing needs of a growing urban population, requiring infrastructures adapted to this development. This growth will also require infrastructure projects adapted to this evolution.

It should be noted that by the end of the business plan, production volumes[22] should reach 13,644 tonnes, up by 5,944 tonnes on 2023. At end-September 2024, revenues amounted to MMAD 105, with an order book[23] of MMAD 38, representing 87% of estimated revenues in 2024e (MMAD 164).

- **International business[24]:** gradual growth in international business, which should account for 12.8% of Group revenues in 2030p, compared with 4.0% in 2024e, reaching MMAD 520 in 2030p, compared with MMAD 92 in 2024e. This momentum would be driven mainly by:
    - Geographic diversification following the launch in early 2024 of new subsidiaries in Ghana and Mauritania, whose revenues should reach MMAD 125 and MMAD 19 respectively by the end of the business plan, in line with the Group's ambition to become a pan-African operator;
    - Diversification of activities, following the success of the Moroccan model, and deployment of the Group's "one-stop-shop" model[25] . This approach aims to increase revenues at its African subsidiaries, particularly in Senegal and Côte d'Ivoire, where revenues are expected to reach MMAD 103 and MMAD 187 respectively by the end of the business plan, compared with MMAD 38 and MMAD 22 in 2024e. Since 2024, the Group has broadened its offering by integrating a wide range of products, notably in the field of agro-supplies, to better meet the varied needs of farmers. In addition, CMGP Group plans to introduce solar energy solutions, thereby strengthening its position in the African market. It should be noted that the business plan takes into account only the Group's current locations.

Gross margin assumptions

Consolidated gross margin is expected to average 28.6% over the business plan horizon, lower than the level recorded over the 2021 - 2023 period (29.4% on average) and slightly higher than the level recorded in 2023 (28.3%). This trend is mainly due to a change in the business mix, with the Agro-supply business making a greater contribution to total revenues (representing 51.7% of revenues on average over the period 2024e - 2030p vs. 50.5% on average over the period 2021 - 2023), with margin levels slightly lower (24.4% on average over the business plan horizon) than the Group's average margin over the same period.

Operating expense assumptions

- **Other external expenses:** These expenses represent on average 4.5% of consolidated revenues over the business plan horizon, down slightly on the average for the 2021-2023 period (4.9%).

[20] World Bank
[21] World Bank
[22] The volumes produced refer only to the infrastructure business and exclude those of the agro-equipment business.
[23] It should be noted that the order book includes only signed projects (not yet delivered) and does not include projects in the pipeline.
[24] The Business Plan is limited to the Group's existing sites in Senegal, Côte d'Ivoire, Ghana and Mauritania, while taking into account the export of goods and the implementation of projects in Africa.
[25] The merger between CMGP SA and CAS in 2021 has enabled the Group to offer a complete range of agri-equipment products (irrigation, solar, pumping) and agri-supplies (crop protection products, fertilizers, seeds, plastics, agricultural nets), thus meeting the essential needs of farmers in terms of products and services from a single supplier. This model gives the Group a 360° view of its customers' needs and expectations, enabling it to offer them better support across the entire value chain.

- Other external expenses for the Moroccan business (excluding the Jorf Lasfar fertilizer production project[26]) represent on average 81.9% of the Group's total other external expenses over the duration of the business plan, and consist mainly of:
  - Variable costs, corresponding mainly to (i) transport costs, estimated at 1.3% of revenues for the Moroccan business (excluding the Jorf Lasfar fertilizer project) over the business plan horizon, in line with the average observed over the 2021-2023 period, and (ii) temporary staff costs, estimated at 0.6% of consolidated revenues over the business plan horizon, in line with the average observed over the 2021-2023 period;
  - Fixed expenses, corresponding mainly to (i) property rental expenses (subject to a 10% triennial revision), (ii) maintenance and repair expenses (annual growth of 3.0% over the duration of the business plan) and (iii) other operating expenses, consisting mainly of advertising costs, fees and other overheads (annual growth of 3.0% over the duration of the business plan).
- Other external expenses for the international business represent on average 17.7% of the Group's total other external expenses over the business plan horizon. These expenses should increase at an CAGR of 18.9% over the period 2024e - 2030p, in order to support the Group's growth and geographical diversification, notably through the start-up of new subsidiaries in Ghana and Mauritania from early 2024.

▪ **Personnel costs:** Personnel costs are both fixed and variable.
- Personnel expenses for the Moroccan business (excluding the Jorf Lasfar fertilizer production project[27]) represent on average 86.5% of the Group's total personnel expenses over the duration of the business plan:
  - Variable costs correspond mainly to production personnel, whose payroll is correlated to the trend in industrial revenues. Indeed, for activities in Morocco (excluding the Jorf Lasfar fertilizer project), production personnel costs are expected to increase at an CAGR of 6.1% over the period 2024e - 2030p, in line with the average annual growth in industrial activity (driven by Sicda and Sicda Infra) estimated at 6.1% over the business plan period;
  - Fixed costs correspond mainly to administrative and management staff, whose payroll will grow at an average annual rate of 2.7% over the period 2024e - 2030p, and will include both salary increases and new hires, notably to support business growth (creation of the new production unit at Jorf Lasfar and expansion in Africa).
- Personnel expenses for the International business represent on average 12.5% of total Group personnel expenses over the business plan period. These expenses are expected to increase at an CAGR of 13.2% over the period 2024e - 2030p, in line with the Group's geographic diversification following the start-up of new subsidiaries in Ghana and Mauritania at the beginning of 2024, and the recruitment of revenues staff.

▪ **Depreciation and amortization**: These expenses are modelled on the basis of accounting depreciation schedules. In accordance with applicable accounting standards, they concern all fixed assets (including those financed by finance leases).

▪ **Provisions (net of reversals)**: These expenses are estimated at 0.4% of revenues over the life of the business plan, in line with the average observed over the 2022-2023 period.

[26] The assumptions used to project other external expenses for the Jorf Lasfar fertilizer production project have been defined differently from those for the Group's other activities, due to the gradual ramp-up of the project's operations. Moreover, these expenses represent less than 1% of the Group's total other external expenses over the business plan horizon. In view of their low impact, it has been deemed inappropriate to detail them in the Securities Note.

[27] The assumptions used to project personnel costs for the Jorf Lasfar fertilizer production project have been defined differently from those used for the Group's other activities, due to the gradual ramp-up of the project's operations. In addition, these expenses represent less than 1% of the Group's total personnel costs over the business plan horizon. In view of their low impact, it has been deemed inappropriate to detail them in the Securities Note.

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Financial result assumptions

Net financial expense is estimated at -0.6% of consolidated revenues on average over the period 2024e - 2030p, compared with -1.7% on average over the period 2021 - 2023. This trend is due in particular to the finalization of the investment program (on the pre-money perimeter) and the gradual repayment of financial debt raised to finance the investment plan, i.e. short and medium-term financing lines and 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 contribution[28] provided for in Morocco according to the scale set out in the general tax code:

- 0% for profits of less than KMAD 1,000,
- 1.5% for profits between KMAD 1,000 and KMAD 5,000,
- 2.5% for profits between KMAD 5,000 and KMAD 10,000,
- 3.5% for profits between KMAD 10,000 and KMAD 40,000,
- 5.0% for profits over KMAD 40,000

It should be noted that the social solidarity contribution is calculated at the level of each of the Group's activities in Morocco (industrial and non-industrial) conservatively over the period 2024e- 2030p, although the deadline for its application is scheduled for the end of 2025 (inclusive) in accordance with the 2023 Finance Act.

Working capital assumptions

Working capital requirements are estimated at 209 days of revenues excluding VAT on average over the business plan period, down from 249 days in 2023. This change is mainly due to a gradual reduction in trade receivables turnover times over the business plan horizon, while inventory turnover times and supplier payment times are expected to remain relatively stable over the business plan horizon.

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

- Slightly lower turnover of trade receivables[29] (net of intra-group flows) over the business plan horizon: 228 days of revenues in 2024e, 208 in 2025p, 186 in 2026p and 181 in 2027p, 179 in 2028p and 176 from 2029p onwards. These levels, lower than the average turnaround time observed historically (234 days[30] over the period 2021 - 2023), are based on the following assumptions:
    - A trade receivables turnaround time for the Moroccan business (excluding the Jorf Lasfar fertilizer project) of 235 days in 2024e, 218 in 2025p and 200 from 2026p, i.e. shorter than the historical average (236 days on average over the period 2021 - 2023[31]), taking into account (i) the implementation in July 2023 of the new law on payment terms in Morocco[32] and (ii) the setting up in 2022 of the "Cash & Credit Management" department, whose objective is to ensure rigorous monitoring of trade receivables, thus contributing to speeding up their

[28] Contribution introduced by the public authorities as part of the 2021 Finance Act with a view to strengthening the mobilization of resources (from natural persons and companies) in favor of populations particularly affected by the COVID-19 crisis. This scheme was renewed by the 2023 and 2024 Finance Acts and remains in force until 2025, in accordance with the 2025 Finance Act.

[29] Turnaround time on trade receivables = (trade receivables / revenues) x 360

[30] Based on consolidated trade receivables net of intra-group flows

[31] The trade receivables turnover period for the Moroccan business (excluding the Jorf Lasfar fertilizer project) has been reduced from 236 days in 2022 to 241 days in 2023. This slight increase is mainly due to higher growth in trade receivables (42 million MAD, or +3.2%) than in revenues excluding VAT (MMAD 17, i.e., +0.9%). It should be noted that the results of the actions implemented by the Cash & Credit Management department will begin to be reflected progressively over the business plan horizon.

[32] Law 69-21, which came into force on July 1, 2023, has modified payment terms in Morocco, which were previously governed by a 2011 law. The maximum payment period stipulated by the law has been set at 120 days from the invoice issue date.

collection; and Credit Management" department, the aim of which is to ensure rigorous monitoring of customer receivables, thereby helping to speed up their collection;

- A trade receivables turnaround time of 120 days over the business plan horizon for the fertilizer production activity at Jorf Lasfar, to be launched in 2024;
- A trade receivables turnaround time of 90 days over the business plan horizon for the "International" activity, i.e. lower than the historical average (106.5 days over the 2021 - 2023 period), particularly in view of the implementation in 2022 of the "Cash & Credit Management" department, whose aim is to ensure rigorous monitoring of trade receivables, thereby helping to speed up their collection. These receivables concern operations in Senegal, Côte d'Ivoire, Ghana and Mauritania.

- An inventory turnaround time[33] (net of intra-group flows) which should remain relatively stable over the business plan horizon: 70 days of revenues over the business plan horizon (compared with 68 days[34] in 2023).

- A turnaround time for trade payables[35] (net of intra-group flows) which should remain relatively stable over the business plan horizon: 75 days for costs of revenues and other external charges over the business plan horizon (compared with 77 days[36] in 2023).

Investment assumptions

An overall capital expenditure program of MMAD 274 is planned over the period 2024e - 2030p, representing an average of 1.3% of revenues over the timeframe of the BP, which includes in particular:

- An investment of MMAD 35 in 2024e, MMAD 7 in 2025p and MMAD 22 in 2026p linked to the construction and fitting out of a fertilizer production unit in Jorf Lasfar, an industrial fertilizer blending unit in Drarga and three agencies respectively in Marrakech (construction and fitting out works), Errachidia (construction and fitting out works) and Larache (acquisition of land and construction and fitting out works);
- A planned investment in Ghana of MMAD 16 over the period 2024e - 2030p, including MMAD 10 for the acquisition of land, the construction and fitting out of offices and warehouses, and 6 MMAD for vehicle leasing. This investment is part of the Group's drive to strengthen its position in Africa;
- Investments in maintenance and renewal of production lines amounting to MMAD 25 per year over the business plan horizon, i.e. a total of MMAD 175 over the period 2024e - 2030p. Also, in 2024e, the Group plans to renew and introduce 2 new production lines for the launch of new products, for a total amount of MMAD 18.5 (a bi-oriented PVC line for MMAD 10.5, scheduled to start up in Q1 2025, and a large-diameter HDPE pressure line (400-1200 mm) for MMAD 9, scheduled to start up in Q4 2024).

[33] Inventory turnaround time = (inventory / revenues excluding VTA) x 360
[34] Based on consolidated inventories net of intra-group flows
[35] Turnaround time on trade payables = (trade payables / cost of revenues + other external expenses excluding VTA) x 360
[36] On the basis of consolidated trade payables net of intra-group flows

The table below summarizes the investments made/underway in 2024 and 2025:

	Provisional opening year	Progress stage	Objective	Total planned investment (in MMAD)	Investment made before 2023 (in MMAD)	Investment made as of 10.31.2024 (in MMAD)	Investment remaining to be made in 2024 (in MMAD)	Investment remaining to be made in 2025 (in MMAD)	Financing arrangements
Industrial fertilizer production unit at Jorf Lasfar	Q3 2024	Delivered	Development and strengthening of the Group's capabilities and market share in fertilizers, particularly solid fertilizers	**57**	43	14	-	-	Bank debt (MMAD 24) / FP (MMAD 33)
Industrial fertilizer blending unit at Drarga	Q1 2025	Construction work completed, awaiting administrative approvals	Relocation of current Anza activities to a new site in the Drarga industrial zone	**24**	14	9	1	-	Bank debt (MMAD 9) / Eq (MMAD 15)
Construction of a distribution center in Marrakech	Q4 2024	Construction work completed, awaiting administrative approvals	Consolidation of the 2 existing distribution centers of CMGP SA and CAS in Marrakech around a common, larger distribution center.	**31**	28	3	-	-	Bank debt (MMAD 15) / Eq (MMAD 16)
Construction of a distribution center in Errachidia	Q4 2024	Delivered	Fast-growing region (numerous projects in the area), fast-growing agro-supplies business and strengthening of customer proximity in the southern region.	**7**	5	2	-	-	100% Eq

Bi-Orient PVC production line (SICDA 2 plant)	Q1 2025	Machine received, currently being tested	Diversification and enhancement of the product portfolio	**11**	-	11	-	-	100% Eq
Large-diameter HDPE production line (SICDA Infra plant)	Q4 2024	Machine received, currently being tested	Diversification and enhancement of the product portfolio	**9**	-	9	-	-	Leasing
Construction of a distribution center in Larache	Q4 2025	Land acquired and in the process of obtaining building permits	Consolidation of the 2 existing distribution centers of CMGP SA and CAS in Larache around a common distribution center with a larger surface area, thus benefiting from the strong growth of the area.	**12**	-	-	5	7	100% Eq
Total				**151**	**90**	**48**	**6**	**7**	

Source: CMGP Group

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Assumption of medium- and long-term debt

The investment plan for Morocco will be partly financed by medium-term bank loans. In this respect, the business plan provides for two additional bank financings of MMAD 30 and MMAD 15 for the 2024^{e}, contracted respectively with Attijariwafa Bank and BMCI in 2023, with the first drawings taking place in 2024^{e}.

The investments planned under the Ghana investment plan will be financed up to 25% by medium-term bank loans, repayable over 7 years, for a total borrowing of MMAD 2.5 over the business plan period.

It should be noted that maintenance and renewal investments will be fully financed by leasing, with the exception of the bi-oriented PVC production line, which will be 100% financed by the Group's own funds.

Dividend assumptions

Subject to approval by the Annual General Meeting, the Company plans to propose an annual dividend of between 50% and 60% of its net income over the business plan horizon.

The business plan assumes an average annual payout of 60% of consolidated net income over the period 2025p - 2030p.

Main aggregates of the pre-money business plan

The main consolidated aggregates shown in CMGP Group's pre-money business plan are presented in the following table:

In MMAD	2021	2022	2023	2024e	2025p	2026p	2027p	2028p	2029p	2030p	CAGR 21st-24th	CAGR 24e-30p
Agricultural equipment	826	803	802	853	903	955	1 011	1 070	1 126	1 186	1.1%	5.6%
in % of revenues	*45.6%*	*39.0%*	*38.6%*	*37.1%*	*36.1%*	*33.6%*	*31.1%*	*30.2%*	*29.2%*	*29.1%*	*n.a*	*n.a*
Agri-imputs	846	1 075	1 093	1 194	1 283	1 448	1 684	1 836	2 020	2 111	12.2%	10.0%
in % of revenues	*46.7%*	*52.1%*	*52.7%*	*51.8%*	*51.3%*	*50.9%*	*51.8%*	*51.9%*	*52.4%*	*51.9%*	*n.a*	*n.a*
Infrastructure	124	142	142	164	180	198	218	229	240	252	9.7%	7.5%
in % of revenues	*6.8%*	*6.9%*	*6.9%*	*7.1%*	*7.2%*	*7.0%*	*6.7%*	*6.5%*	*6.2%*	*6.2%*	*n.a*	*n.a*
International	15	41	37	92	135	244	338	406	470	520	84.5%	33.4%
in % of revenues	*0.8%*	*2.0%*	*1.8%*	*4.0%*	*5.4%*	*8.6%*	*10.4%*	*11.5%*	*12.2%*	*12.8%*	*n.a*	*n.a*
Revenues figures	1 811	2 061	2 074	2 303	2 500	2 845	3 252	3 541	3 856	4 069	8.3%	9.9%
% change	-	*13.8%*	*0.7%*	*11.0%*	*8.6%*	*13.8%*	*14.3%*	*8.9%*	*8.9%*	*5.5%*	*n.a*	*n.a*
EBITDA	341	344	319	374	410	483	564	623	688	735	3.1%	11.9%
in % of revenues	*18.8%*	*16.7%*	*15.4%*	*16.2%*	*16.4%*	*17.0%*	*17.3%*	*17.6%*	*17.8%*	*18.1%*	*n.a*	*n.a*
Consolidated net income	154	142	123	178	200	252	304	346	392	427	4.9%	15.7%
in % of revenues	*8.5%*	*6.9%*	*5.9%*	*7.7%*	*8.0%*	*8.9%*	*9.4%*	*9.8%*	*10.2%*	*10.5%*	*n.a*	*n.a*
Net investments	350	71	49	63	38	51	28	37	30	26	-43.5%	-13.8%
in % of revenues	*19.3%*	*3.5%*	*2.3%*	*2.7%*	*1.5%*	*1.8%*	*0.9%*	*1.0%*	*0.8%*	*0.6%*	*n.a*	*n.a*
Net financial debt	587	684	568	503	386	284	274	224	157	46	-5.0%	-33.0%
Debt/equity ratio (D/(D+E))	*23.4%*	*25.0%*	*20.7%*	*17.6%*	*13.6%*	*9.9%*	*9.1%*	*7.2%*	*4.8%*	*1.4%*	*n.a*	*n.a*
Gearing (D/E)	*30.6%*	*33.2%*	*26.0%*	*21.3%*	*15.7%*	*11.0%*	*10.0%*	*7.7%*	*5.1%*	*1.4%*	*n.a*	*n.a*

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Dividends [37]	6	0	0	0	107	120	151	183	207	235	-100%	n.a
Rate of return [38]	*0.2%*	*n.a*	*n.a*	*n.a*	*3.4%*	*3.9%*	*4.9%*	*5.9%*	*6.7%*	*7.6%*	*n.a*	*n.a*

Source: CMGP Group

Net financial debt (including finance lease liabilities) = Financial debt + Finance lease liabilities + Cash liabilities - Cash assets - Securities and marketable securities

[37] Dividends distributed in year (n) in respect of the financial year of (n-1)

[38] Calculated on the basis of a pre-money valuation of MMAD 3,100. Dividend yield is calculated as follows Dividend yield = Dividends / equity value.

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DCF valuation method

Method presentation

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

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

The enterprise value (EV) as of December 31, 2024[e], also known as the economic asset value, is estimated by discounting forecast free cash flows and comprises:

- The present value of free cash flows over the explicit time horizon (from January 1[er] 2025[p] to December 31 2030[p]);
- Terminal value (TV) represents the value of the company at the end of the explicit horizon. It is determined using the Gordon Shapiro method, by discounting normative free cash flow to infinity:

$$\textbf{Terminal value} = \frac{\textbf{Normative cash flow}}{\textbf{WACC} - \boldsymbol{g}}$$

Where:

- Normative cash flow: Cash flow calculated on the basis of the latest available cash flow aggregates over the business plan horizon, and on the following elements:
  - ✓ Growth rate to infinity of 2.5%, applied to revenues forecast for 2030[p]. This rate corresponds to the level of long-term inflation forecast by the IMF for Morocco (2.1% by 2028), to which 0.4% has been added to take account of (i) inflation levels in countries where the Group is present in Africa, notably Ghana (8% by 2028) and Mauritania (4% by 2028), and (ii) the weight of the "International" business, which should account for 12.8% of Group revenues by the Business Plan horizon (2030p). It should be noted that the level of long-term inflation forecast by the IMF for Senegal and Côte d'Ivoire is 2.0% by 2028, relatively in line with the level of inflation forecast for Morocco;
  - ✓ EBITDA margin equal to that of 2030[p] (18.1%);
  - ✓ Working capital requirement maintained at 196 days of revenues, a ratio equal to that of 2030[p];
  - ✓ Capital expenditure estimated at 0.6% of normative revenues (corresponding to the level forecast for 2030[p]);
- WACC: Weighted Average Cost of Capital set at 9.19%.
- g: Growth rate to infinity set at 2.5%.

The value of equity (V_{eq}) is obtained as follows:

$$\boldsymbol{V_{eq} = EV - NFD}$$

Where:

- EV: Enterprise Value as of December 31, 2024[e];
- Net financial debt as of December 31, 2024[e]

WACC calculation

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

$$WAAC = C_{eq} \times \frac{E}{D+E} + C_d \times (1-T) \times \frac{D}{D+E}$$

Where:

- C_{ep}: Cost of equity;
- E: Equity value;
- D: Value of net debt with a target gearing (D/E) of 26.04% corresponding to the Group's 2023 gearing[39];
- C_d: Market cost of debt of 5.5% before tax[40];
- T: Income tax rate (32.4%[41]) corresponding to the effective tax rate over the business plan horizon.

The cost of equity was 10.62%. This is calculated as follows:

$$C_{eq} = r_f + (L\beta \times m_r)$$

Where:

- rf: Risk-free rate (rate on 10-year Treasury Bills on the secondary market as of November 11, 2024, i.e. 3.24%);
- Lβ: Leveraged beta (i.e. 1.13 based on a deleveraged beta of 0.96[42]);
- rm: Equity market risk premium (i.e. 6.53%[43]);

Note that the transition from deleveraged to Leveraged beta is made using the following formula:

$$L\beta = D\beta \times [1 + (1 - \mathrm{T}) \times \mathrm{G}]$$

Where:

- Lβ: Leveraged beta;
- Dβ: Deleveraged beta;
- T: Corporate income tax rate;
- G: Target gearing (net debt / shareholders' equity), i.e. 26.04%.

On the basis of the above, the weighted average cost of capital for CMGP Group is 9.19%.

CMGP Group's WACC	
Risk-free rate - 10-year TB as of October 14, 2024	3.24%
Market risk premium[44]	6.53%
Corporate income tax rate	32.39%

[39] The Group's 2023 gearing of 26.04% corresponds to the Group's target normative gearing.
[40] CFG estimate based on current market financing conditions.
[41] The social solidarity contribution is excluded from the normative tax rate, although it has been conservatively included in projections for the 2024e-2030p period, given that its application deadline is set at the end of 2025 (inclusive), in accordance with the 2023 Finance Act. This scheme, renewed by the 2023 and 2024 Finance Acts, remains in force until the end of 2025, according to the 2025 Finance Act.
[42] Deleveraged beta estimated by CFG. As an indication, the Emerging Markets deleveraged beta of 297 companies operating in the "Farming / Agriculture" sector published by Damodaran in 2024 shows 0.55. Similarly, the Emerging Markets deleveraged beta of 673 companies operating in the "Retails (Distributors)" sector published by Damodaran in 2024 is 0.50.
[43] Average risk premiums from CFG Research (at 5.2%, obtained using a prospective method) published in October 2024, Attijari Intermédiation (at 5.6%, obtained using a survey method) published in May 2024 and BMCE Capital Research (at 8.8%, obtained using a prospective method) published in October 2024.
[44] It should be noted that no specific risk premium has been retained, due to the absence of significant operational risks, such as major changes in the Group's size or the launch of Greenfield projects. In addition, the beta used is well above the sector beta published by Damodaran, which also justifies the absence of a specific risk premium.

Debt-free beta	0.96
Indebted beta	1.13
Target gearing (D/E)	26.04%
Cost of equity	**10.62%**
Cost of debt (net of corporate income tax)	**3.72%**
WACC	**9.19%**

Results of the DCF method

In MMAD		2024e	2025p	2026p	2027p	2028p	2029p	2030p	Normative flow
Revenue figures		2 303	2 500	2 845	3 252	3 541	3 856	4 069	4 170
EBITDA	374	410	483	564	623	688	735	753	753
Theoretical CIT on REX		-97	-109	-135	-160	-181	-201	-217	-235
Change in WCR			-10	-49	-185	-143	-153	-118	-55
Investments			-38	-51	-28	-37	-30	-26	-26
Free cash flow		**278**	**278**	**253**	**248**	**190**	**263**	**303**	**373**
Terminal value									**6 514**
Discounted cash flow [45]			**242**	**217**	**153**	**193**	**204**	**230**	**4 016**

Sum of discounted cash flow for 2025p - 2030p	1 239
Discounted terminal value	4 016
Enterprise Value	**5 256**
- Projected net debt as of 31.12.2024e	-503
Value of equity	**4 753**
Value of equity - MAD/share	**307**

Based on a discount rate of 9.19% and a growth rate to infinity of 2.5%, CMGP Group's shareholders' equity is valued at MMAD 4,753, representing a value per share of MAD 307 on the basis of a nominal value per share of MAD 100.

The table below presents a sensitivity analysis of CMGP Group's equity value (in MMAD) to the WACC and the growth rate to infinity:

		WACC				
		8.19%	8.69%	9.19%	9.69%	10.19%
Growth rate to infinity	2.00%	5 428	4 954	4 548	4 195	3 886
	2.25%	5 576	5 075	4 646	4 277	3 954
	2.50%	5 738	5 205	**4 753**	4 364	4 027
	2.75%	5 915	5 346	4 867	4 458	4 104
	3.00%	6 108	5 500	4 991	4 558	4 187

[45] Cash flows have been discounted at mid-year to better represent the continuous distribution of these flows throughout the year. This approach, known as the "mid-year" discounting method, is a widely adopted international convention. It makes it possible to estimate the value of cash flows by taking into account the fact that they do not occur only at the end of the year, thus reducing the discounting bias.

The table below presents a sensitivity analysis of CMGP Group's share price (in MAD/share), based on a nominal value of MAD 100 /share, to the WACC and growth rate to infinity:

		WACC				
		8.19%	8.69%	9.19%	9.69%	10.19%
Growth rate to infinity	2.00%	350	320	293	271	251
	2.25%	360	327	300	276	255
	2.50%	370	336	**307**	282	260
	2.75%	382	345	314	288	265
	3.00%	394	355	322	294	270

Valuation using the Transactional Reference method

Method presentation

This method involves valuing a company on the basis of implied valuation multiples resulting from the prices at which recent transactions involving its capital have taken place.

In September 2022, Fipar Holding, a subsidiary of CDG Invest, the investment arm of the Caisse de Dépôt et de Gestion (CDG) group, acquired 229,643 CMGP Group shares from existing shareholders, representing 14.8% of the Company's share capital and voting rights, at an acquisition price of MAD 1,741.83[46] per share (including issue premium of which 1,000 MAD as nominal value and 741.83 MAD as issue premium), i.e. a price of MAD 174.18 per share based on a nominal value of MAD 100.

Given the recent nature of the transaction and the significant proportion of the capital acquired by Fipar Holding in September 2022, this operation has been used as a transactional reference for the purposes of our operation.

The table below shows the transaction reference used:

Date	Purchaser	% acquired	Equity value (MMAD)	Consolidated net income 2022 (MMAD)	Induced P/E
September 2022	Fipar Holding	14.8%	2 700	142	19.0x

On the basis of the transactional reference presented above, the valuation of CMGP Group using the Transactional Reference method is as follows:

In MMAD	2024e
P/E multiple of the selected Transactional Reference	19.0x
Consolidated net income 2024e	200
Value of equity	**3 801**
MAD / share	**245**

The value of CMGP Group's shareholders' equity calculated using this method comes to MMAD 3,801, i.e., a value per share of MAD 245 based on a nominal value per share of 100 per share.

[46] Based on a MAD 1,000 nominal value per share.

For information purposes, the table below shows the implied EV/EBITDA multiple of the transactional reference selected:

Date	Purchaser	% acquired	Enterprise Value (MMAD)	Adjusted EBITDA 2021 (MMAD)	Induced EV/EBITDA
September 2022	Fipar Holding	14.8%	3 384	344	9.8x

On the basis of the EV/EBITDA multiple presented above, the valuation of CMGP Group using the Transaction Reference method is as follows:

In MMAD	2024e
EV/EBITDA multiple of the selected Transactional Reference	9.8x
Consolidated EBITDA 2024e	410
Enterprise Value	**4 038**
- Net debt as of 12.31.2024e	503
Value of equity	**3 535**
MAD / share	**228**

Thus, CMGP Group's equity value calculated on the basis of an EV/EBITDA multiple is MMAD 3,535, i.e., a value per share of MAD 228 on the basis of a nominal value per share of MAD 100.

It should be noted that the capital increases[47] carried out prior to Fipar Holding's acquisition of a stake mainly (i) concerned the acquisition of stakes in Africa Agriculture and MPEF IV, or (ii) were reserved for Mr. Youssef Moamah and Mr. Jacques Alléon. These operations took place prior to the merger between CMGP SA and CAS, and therefore do not reflect the Group's current structure or the synergies resulting from the merger. Consequently, these operations have not been included in the present valuation method, as they do not reflect the true value of CMGP Group in its current organizational and strategic configuration.

Summary of valuation methods used

The table below shows the discount/premium on the subscription price of the shares involved in this operation (i.e. MAD 200 /share including issue premium) compared with the value per share resulting from the two methods presented:

Summary (MMAD, unless indicated)	DCF	Transactional reference P/E
Value of equity	4 753	3 668
In MAD/share	307	237
Subscription price (MAD/share)	**200**	
Discount (-) / premium (+) to subscription price	**-34.8%**	**-15.5%**

Based on the retained price of MAD 200 /share, corresponding to an equity valuation of MMAD 3,100, the resulting valuation multiples are as follows:

Valuation summary	2024e	2025p
Induced EV/EBITDA	9.6x	8.8x
Induced P/E	17.4x	15.5x

[47] Information on previous operations involving CMGP Group's share capital is provided in section "2.2. Share capital history" of the Reference Document.

It should be noted that in the absence of stock market comparables with a similar activity to that of CMGP Group, it is not relevant to compare sector multiples with those of the Group.

Risk factors relating to the financial instruments offered

Liquidity risk

Subscribers to CMGP Group shares may be subject to liquidity risk on the stock market. Depending on market conditions and share price trends, the stock's liquidity may be temporarily affected. Thus, a shareholder wishing to sell his or her shares may, to a certain extent, be unable to sell all or part of the shares held within a short timeframe, with or without a discount on the capital.

Price volatility risk

Listed shares are subject to the rules of supply and demand, which determine their value on the stock market. Share price trends are determined in particular by the achievements and financial performance of listed companies, and the development prospects anticipated by investors. As a result, investors may experience a significant rise or fall in the value of the listed securities they hold.

Capital loss risk

Participation in a company's capital involves the risks inherent in any investment. Should one or more of these risks materialize, losses may be incurred 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 investment, the maximum risk is higher, since the obligations arising from the loan contract continue to be owed to the lender, regardless of how the investment in CMGP Group's capital develops, and the lender can recover from the investor a sum in excess of the capital invested.

Operation framework

General framework

CMGP Group's Board of Directors, meeting on April 22, 2024, decided in principle to list the Company's shares on the Casablanca Stock Exchange under 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 through:
  - ✓ a share capital increase reserved for the public[48] up to a maximum amount (including issue premium) of MAD 300,000,000; and
  - ✓ the sale to the public of shares in the Company, the number of which will be determined by a subsequent decision of the Company's Board of Directors.

At its meeting of October 30, 2024, the Board of Directors notably:

- proposed to the Extraordinary Shareholders' Meeting to reduce the par value of the Company's shares from MAD 1,000 to MAD 100 with effect from the adoption of the said decision by the Shareholders' Meeting;

The Extraordinary General Meeting held on November 21, 2024, having considered the report of the Board of Directors, decided in particular to reduce the nominal value of the shares comprising the Company's share capital from MAD 1,000 to MAD 100, with effect from the adoption of the said decision by the General Meeting of Shareholders, i.e. November 21, 2024;

The aforementioned Extraordinary General Meeting, having considered the Board of Directors' report and the Statutory Auditors' special report on the cancellation of shareholders' pre-emptive subscription rights, notably:

- authorized the initial public offering of the Company's shares on the main market by means of:
  - ✓ a share capital increase reserved for the public, up to a maximum amount (including issue premium) of three hundred million (300,000,000) dirhams; and
  - ✓ the sale to the public of shares in the Company, the number of which is set by decision of the Company's Board of Directors.
- decided to waive shareholders' preferential subscription rights in favor of the public in respect of the entire share capital increase;
- decided that the new shares will be subscribed and paid up in full in cash, to the exclusion of any payment by way of set-off against liquid and due receivables due from the Company. The new shares will give entitlement 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 increase in share capital reserved for the public, it being specified for all practical purposes that the new shares to be created by the Company in respect of the said increase in share capital will not give entitlement to any distribution of profits or allocation of reserves, premiums or, reduction in share capital, of any nature whatsoever, paid prior to the date of completion of the said increase in share capital.
- set off the costs of the capital increase against the amount of the issue premium, if any;
- delegated full powers to the Board of Directors, in particular to:
  - ✓ set the final amount of the operation;
  - ✓ decide on the share capital increase reserved for the public, up to the amount authorized by the Annual General Meeting, and set the subscription price;

[48] The term "public" refers to any person entitled to subscribe for or acquire shares in the Company as part of the Company's IPO.

- ✓ set the number of shares to be sold to the public and the price at which they will be sold;
- ✓ set the terms and conditions for the capital increase, record its completion and amend the bylaws accordingly;
- ✓ take all necessary steps to complete the capital increase, record the subscription, payment and final completion of the capital increase, and take all measures and carry out all formalities required for the final completion of the capital increase and the listing of the Company's shares on the Casablanca Stock Exchange;
- ✓ and generally, carry out all operations required in connection with the Company's IPO, set all the terms and conditions of the IPO and its final characteristics, and take all decisions necessary for the final completion of the opera

The Extraordinary General Meeting held on November 21, 2024 also decided to make the necessary amendments to the Company's articles of association in order to bring them into line with the legal provisions governing companies whose shares are listed on the Casablanca Stock Exchange.

The Ordinary General Meeting held on November 21, 2024 took note of the resignation of all the Company's directors with effect from the listing date, and the appointment with effect from the same date of the following directors:

- Mr. Youssef Moamah;
- Mr. Jacques Alléon;
- Mr. Jade Del-Lero-Moreau;
- Mr. Ghali Filali Amine;
- Mr. Driss Bennani Hassan;
- Mrs. Ann Wyman;
- Mrs. Ghita Lahlou, independent director;
- Mrs. Myriem Tazi, independent director.

The shareholders members of the SSG have indicated their wish to sell 4,000,000 of the 15,500,830 shares they hold in the Company's capital to the public.

On November 21, 2024, the Board of Directors made use of the powers delegated to it by the Extraordinary General Meeting of November 21, 2024:

- decided to increase the share capital by MAD 150,000,000 through the issue of 1,500,000 new shares at a subscription price of MAD 200 per share (i.e. MAD 100 in nominal value and MAD 100 in issue premium).
  The total amount of the capital increase will be MAD 300,000,000, of which MAD 150,000,000 as nominal value and MAD 150,000,000 as issue premium. This would increase the Company's share capital from MAD 1,550,090,000 to MAD 1,700,090,000;
- set at 4,000,000 shares the number of shares to be sold by shareholders in connection with the Transaction at a unit price of MAD 200, having taken note of the firm and irrevocable decision of the SSG members selling their shares to sell 4,000,000 shares at a price of MAD 200 per share, i.e. a total amount of MAD 800,000,000.

In accordance with Article 188 of Law no. 17-95, the share capital increase must be fully subscribed. Failing this, the capital increase will be deemed null and void. The amount of the sale may be limited to the share purchase proposals actually received.

I.2 Objectives

Driven by the Company's size and development prospects, the operation would enable CMGP Group to achieve the following main objectives:

- To finance the Group's future development plan, notably through external growth operations, of which MMAD 60 will be used to acquire 40% of Agrosem's share capital by 2025. The remainder will enable the Group to seize investment and growth opportunities to strengthen its position in certain segments and develop new ones, notably in generic crop protection products, water treatment and solar energy.
  It should be noted that over the last five years, the Group has carried out four M&A operations to diversify its product portfolio and expand its geographical presence in West Africa;
- To enhance the Company's reputation and proximity to its partners and the general public;
- To facilitate recourse to external financing through direct access to financial markets.
- To optimize the Company's financing costs; and
- To offer shareholders liquidity.

Intention of shareholders and directors

To the best of the Company's knowledge, the Company's shareholders and directors are not expected to subscribe to the operation.

Operation impact

Operation impact on the Company's shareholders' equity

Following completion of the operation, CMGP Group's consolidated shareholders' equity will be as follows:

Operation impact on corporate financial statements

KMAD unless indicated	Pre-operation position 30.06.2024	Operation impact	Post-operation position
Number of shares (units)	15 500 900[49]	1 500 000	17 000 900
Share capital	1 550 090	150 000	1 700 090
Share capital premiums	158 045	150 000	308 045
Legal reserve	6 219	-	6 219
Other reserves	95 454	-	95 454
Retained earnings	17 058	-	17 058
Net income	- 3 021	-	- 3 021
Shareholders' equity	**1 823 845**	**300 000**	**2 123 845**

Source: CMGP Group

[49] Presented on the basis of a nominal value of MAD 100. It should be noted that the EGM held on November 21, 2024 decided to reduce the nominal value of the Company's shares from MAD 1,000 to MAD 100, effective immediately, i.e. on November 21, 2024.

Operation impact on the consolidated financial statements

KMAD unless indicated	Pre-operation position 30.06.2024	Operation impact	Post-operation position
Number of shares (units)	15 500 900[50]	1 500 000	17 000 900
Share capital	1 550 090	150 000	1 700 090
Share capital premiums	158 045	150 000	308 045
Consolidated reserves	467 852	-	467 852
Consolidated net income	94 163	-	94 163
Consolidated shareholders' equity	**2 270 150**	**300 000**	**2 570 150**

Source: CMGP Group

Operation impact on the Company's shareholding structure

Following completion of the operation, CMGP Group's shareholding structure will be as follows:

Shareholders	Before the Operation 09.30.2024		Sale of shares		After the Operation	
	No. of shares	*%*	*No. of shares*	*%*	*No. of shares*	*%*
SSG	15 500 830	100.0%	4 000 000	25.8%	11 500 860	67.6%
ADP II Holding 10 Luxembourg	7 838 380	50.6%	2 022 701	13.0%	5 815 699	34.2%
Africa Agriculture	2 675 620	17.3%	690 447	4.5%	1 985 183	11.7%
FIPAR Holding	2 296 420	14.8%	592 592	3.8%	1 703 828	10.0%
Youssef Moamah	1 881 730	12.1%	485 580	3.1%	1 396 150	8.2%
Jacques Alléon	650 840	4.2%	167 949	1.1%	482 891	2.8%
MPEF IV	157 840	1.0%	40 731	0.3%	117 109	0.7%
Others (PP directors)	70	0.0%	-	0.0%	40	0.0%
Floating	-	0.0%	-	0.0%	5 500 000	32.4%
Total	**15 500 900**	**100.0%**	**4 000 000**	**25.8%**	**17 000 900**	**100.0%**

Source: CMGP Group

Undertaking by SSG members to exercise control

Subject to the effective completion of the operation:

(a) Subject to free transfers (as provided for in paragraph (c) below), all SSG Members undertake to hold, without being able to transfer them, directly or indirectly, the Company's shares, the number of which is set out in the table below, for a period of three (3) years from the first day of listing of the Company's shares on the Casablanca Stock Exchange:

[50] Presented on the basis of a nominal value of MAD 100. It should be noted that the EGM held on November 21, 2024 decided to reduce the nominal value of the Company's shares from MAD 1,000 to MAD 100, effective immediately, i.e. on November 21, 2024.

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Shareholders	*No. of shares (SSG commitment)*
SSG	8 517 425
ADP II Holding 10 Luxembourg	4 541 899
Africa Agriculture	1 550 372
FIPAR Holding	1 330 642
Youssef Moamah	833 044
Jacques Alléon	170 009
MPEF IV	91 459

Source: CMGP Group

(b) As from the date occurring at the end of a period of three (3) years as from the first day of listing of the Company's shares on the Casablanca Stock Exchange, the SSG Members will be free to transfer the shares subject to the SSG;

(c) Notwithstanding the provisions of paragraph (a) above, each of the SSG Members may freely transfer the SSG shares in the following circumstances:

(i) the transfer by any SGG Member of the SSG shares it owns to one of its affiliates (as this term is defined in the deed of commitment appended to the present transaction memorandum), provided that (i) the said affiliate has undertaken to retrocede the shares to the SSG Member that initially transferred them to it in the event that it loses its status as an affiliate, (ii) the said affiliate has expressly adhered to the deed of commitment under the same conditions as if it had been the original signatory, and (iii) the SSG member having transferred its shares remains jointly and severally liable for its affiliate's obligations under the deed of commitment and has signed the deed of commitment to this effect;

(ii) the transfer of more than 40% of the Company's share capital and voting rights to one or more investors acting in concert, without prejudice to the constraints and consequences under Moroccan regulations, in particular with regard to public offerings on the stock market, which would be applicable in such a case;

(iii)the transfer of at least 34% of the Company's share capital and voting rights to one or more Eligible Investors[51] acting in concert.

SSG members' commitments are presented in the appendix to this securities note.

Commitment relating to the composition of corporate governance bodies

(a) Composition of the Board of Directors

In accordance with applicable legal provisions and statutory stipulations, the Company's Board of Directors is composed of a minimum of three (3) members and a maximum of fifteen (15) members, it being specified that the Members of the SSG undertake to use their best efforts to ensure that the Board of Directors is composed as follows as from the date of the IPO:

- two (2) directors nominated by ADP II;
- one (1) director nominated by Fipar-Holding;
- one (1) director nominated by MPEF;

[51] Refers to (i) an investor who is a sovereign wealth fund (*a sovereign wealth fund is a fund owned by a state or government*) or an affiliate of a sovereign wealth fund, or (ii) a Moroccan investor: (a) an institution whose vocation is to collect savings from individuals and whose commitments and/or assets are governed by a legislative or regulatory text, such as credit institutions, insurance and/or reinsurance companies, pension funds, retirement funds, mutual insurance companies, mutual funds and the Caisse de Dépôt et de Gestion, or (b) an affiliate of which meets the criterion set out in (a) above.

- two (2) directors nominated by Mr. Youssef Moamah;
- two (2) independent directors as defined by applicable regulations.

The SSG Members undertake to do everything necessary to ensure that the appointments, replacements or co-optations of the Company's directors are carried out throughout the term of the deed of commitment, in particular by voting at meetings of the Board of Directors and at general meetings (as the case may be) in favor of the appointment of the said directors proposed by the SSG Members in accordance with the stipulations of the deed of commitment.

The SSG Members undertake to ensure that the directors nominated by them will, in the event of impediment, use their best endeavors to ensure that a power of representation on the Company's Board of Directors is, in all circumstances, granted to one or more directors nominated by the other SSG Members.

(b) Composition of committees

i. General principles

The SSG Members acknowledge that the following committees have been set up at Company level as advisory bodies responsible for making recommendations to the Board of Directors and recognize, in this context, that the said committees are to be maintained for the duration of the Deed of Commitment:

- an Audit and Risks Committee
- a Nominating and Remuneration Committee; and
- a Strategy and Investment Committee.

The SSG members agree that, unless otherwise stipulated, committee members shall be appointed by a simple majority of the Company's Board of Directors in accordance with French law no. 17-95 relating to public limited companies, as amended and supplemented.

The SSG Members undertake to ensure that the directors appointed in accordance with the aforementioned stipulations will vote in favor of the appointment of members to represent the SSG Members on the various committees, so that the composition of the committees will, for the duration of the deed of commitment, comply with the stipulations below.

ii. Audit and Risk Committee

The SSG Members undertake to use their best efforts to ensure that the Audit and Risk Committee is:

- composed of at least five (5) members, including (A) one (1) director appointed on the proposal of ADP II, (B) one (1) director appointed on the proposal of Fipar-Holding, (C) one (1) director appointed on the proposal of MPEF and (D) two (2) independent directors;
- chaired by an independent director.

iii. Nomination and Remuneration Committee

The SSG Members undertake to use their best efforts to ensure that the Nomination and Remuneration Committee is:

- composed of at least three (3) members, including (i) one (1) director nominated by ADP II, (ii) Mr. Youssef Moamah and (iii) one (1) independent director;
- chaired by Mr. Youssef Moamah.

iv. Strategy and Investment Committee

The SSG Members undertake to use their best efforts to ensure that the Strategic and Investment Committee is:

- composed of at least seven (7) members, including (i) two (2) directors appointed on the proposal of ADP II, (ii) one (1) director appointed on the proposal of Fipar-Holding, (iii) one (1) director appointed on the proposal of MPEF, (iv) Mr. Youssef Moamah, (v) one (1) director appointed by Mr. Youssef Moamah (vi) one (1) independent director;
- chaired by Mr. Youssef Moamah.

(c) Composition of governance bodies in the event of a free transfer by one of the SSG Members during the 3-year lock-up period

In the event of a free transfer, in accordance with the holding commitments of the SSG Members, the SSG Members (as well as any entity that has signed up to the deed of commitment and that will have the status of SSG Member following the said transfer) will agree by mutual consent and by written amendment on the changes to be made to the composition of the governance bodies. (i.e. board of directors, committees) in terms of the number of seats and representatives authorized to attend.

Operation impact on indebtedness

As the operation described in the Securities Note is a capital increase coupled with a share sale, it has no impact on CMGP Group's indebtedness.

Operation impact on corporate governance

The operation described in the Securities Note should have no impact on CMGP Group's corporate governance, which complies with the provisions of law 17-95. It should be noted that the two independent directors appointed by the Shareholders' Meeting of November 21, 2024 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 in the "Composition of the Board of Directors" section of the Reference Document for the 2023 financial year and the first half of 2024.

It should be noted that the shareholders' agreement, the main provisions of which are described in the "Shareholders' agreement" section of CMGP Group's registration document for the 2023 financial year and the first half of 2024, will no longer be in force as from the company's first day of listing on the Casablanca Stock Exchange.

Operation impact on strategic orientations

The operation described in the Securities Note will enable the Company to pursue its development strategy and achieve its objectives as set out in the "Objectives" section of the Securities Note.

A detailed presentation of CMGP Group's strategic directions is given in the "CMGP Group's strategic directions" section of the Reference Document for the 2023 financial year and the first half of 2024.

Completion guarantee

The operation described in this Securities Note does not benefit from any completion guarantee.

Target investors

With the exception of money-market and short-term bond UCITS, this operation is aimed at all categories of investors, i.e.:

- Resident or non-resident natural persons of Moroccan or foreign nationality;

- Legal entities under Moroccan or foreign law not belonging to the categories of qualified investors as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, and having been in existence for more than one year at the date of subscription;
- Qualified investors under Moroccan law as defined by article 3 of law no. 44-12 and article 1.30 of AMMC circular 03/19 as amended and supplemented, excluding money-market and short-term bond UCITS;
- Qualified foreign investors as defined in article 1.30 paragraph (c) of AMMC circular 03/19 as amended and supplemented.

I.1 Operation expenses

Miscellaneous commissions

Expenses relating to the operation that will be borne by the Issuer are estimated at approximately 5% of the amount of the capital increase. These expenses include commissions paid to:

- the financial advisor;
- the legal advisor;
- members of the underwriting syndicate;
- the statutory auditors;
- communication agencies;
- the account holder;
- AMMC;
- the Casablanca Stock Exchange;
- the central depository Maroclear;
- the translation agency.
- the stockbroker responsible for registering the Transaction on the seller's side.

In accordance with the decision of CMGP Group's Extraordinary General Meeting held on November 21, 2024, all costs arising from the capital increase will be deducted from the issue premium arising from the capital increase.

Commissions invoiced to subscribers

In connection with this placement operation, each member of the underwriting syndicate explicitly and irrevocably undertakes, vis-à-vis the Issuer, the financial advisor and global coordinator, the leader of the underwriting syndicate, the co-leader of the underwriting syndicates and the other members of the underwriting syndicate, to charge subscribers, for all orders registered on the Casablanca Stock Exchange, the following commissions:

- 0.1% (excluding tax) for the Casablanca Stock Exchange in respect of the listing fee payable to it on registration;
- 0.2% (excluding tax) for settlement and delivery fees;
- 0.6% (excluding tax) for the brokerage company. It is applied to the amount corresponding to the actual allocation at the time of settlement/delivery.

Value-added tax (VAT) at the rate of 10% will be added.

In order to ensure equal treatment of subscribers regardless of where they subscribe, each underwriting syndicate member formally and expressly undertakes not to make any rebates to subscribers or repayments of any kind either simultaneously with or subsequent to the subscription.

Placement fees invoiced to the Issuer

Underwriting syndicate members will receive a commission of:

- 0.9% excluding tax on amounts allocated corresponding to orders submitted by natural persons or legal entities under Moroccan or foreign law;
- 0.6% excluding tax on amounts allocated corresponding to orders submitted by foreign qualified investors;
- 0.4% excluding tax on amounts allocated corresponding to orders submitted by qualified investors under Moroccan law.

This commission, payable by the Issuer, will be collected by CFG Marchés, which will pay its share into the Bank Al-Maghrib accounts of each underwriting syndicate member within 30 days of receipt by CFG Marchés of the underwriting syndicate member's invoice. At the end of the allotment, the Casablanca Stock Exchange will communicate the results of the subscriptions and the amounts raised by each underwriting syndicate member and by investor category to CFG Marchés and AMMC.

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PART II – OPERATION CONDUCT

III. Operation conduct

III.1 Operation schedule

The table below sets out the operation's schedule:

Order	Steps	Date
1	Issuance by the Casablanca Stock Exchange of the operation's approval notice AMMC approval of the prospectus	11/21/2024
2	Publication of the prospectus on the Issuer's website	11/21/2024
3	Publication by the Casablanca Stock Exchange of the operation's notice	11/22/2024
4	Publication of the press release by the Issuer in a legal announcement journal	11/22/2024
5	Opening of the subscription period	12/02/2024
6	Closing of the subscription period at 3:30 p.m. inclusive	12/06/2024
7	Receipt of subscriptions by the Casablanca Stock Exchange before 6:30 p.m.	12/06/2024
8	Centralization and consolidation of subscriptions by the Casablanca Stock Exchange	12/09/2024
9	Processing of rejects by the Casablanca Stock Exchange	12/10/2024
10	Allocation of subscriptions and submission by the Casablanca Stock Exchange of the subscription list to the Issuer Submission by the Casablanca Stock Exchange of allocations by account holder to CFG Marchés before 12:00 p.m. Delivery by the Casablanca Stock Exchange of securities allocations to underwriting syndicate members before 12:00 p.m.	12/11/2024
11	Meeting of the Issuer's governing body to record the operation's definitive completion	12/12/2024
12	Receipt by the Casablanca Stock Exchange of the minutes of the Issuer's body having recorded the operation's completion before 12:00 p.m.	12/12/2024
13	Initial listing and registration of the operation on the Stock Exchange Publication by the Casablanca Stock Exchange of the operation's results	12/16/2024
14	Publication of the operation's results in a legal announcement journal and on the Issuer's website	12/18/2024
15	Settlement / Delivery	12/19/2024

III.2 Underwriting syndicate and financial intermediaries

Type of financial intermediary	Name	Address
Financial Advisor and Global Coordinator	CFG Finance	5-7, rue Ibnou Toufail, Casablanca
Financial Co-Advisor	Attijari Finances Corp.	163, avenue Hassan II, Casablanca
Leader of the underwriting syndicate	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca
Co-leader of the underwriting syndicate	Attijari Intermédiation	163, avenue Hassan II, Casablanca
	CDG Capital Bourse	7, Bd Kennedy, Anfa Sup, Casablanca
	BMCE Capital Bourse	140, avenue Hassan II, 7ème étage, Casablanca
Members of the underwriting syndicate	Al Barid Bank	798, bd Ghandi - Angle Boulevard Ghandi Et Boulevard Brahim Roudani à 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
	CFG Bank	5-7, rue Ibnou Toufaïl, Casablanca
	Crédit Agricole du Maroc	Place des Alouyine, Rabat
	Crédit du Maroc	201, bd. d'Anfa, Casablanca
	CDM Capital Bourse	201, bd. d'Anfa, Casablanca
	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
	Red Med Securities	23, rue Ibnou Hilal Quartier Racine, Casablanca
	Société Générale	55, bd Abdelmoumen, Casablanca
	Sogecapital Bourse	55, bd Abdelmoumen, Casablanca
	Upline Securities	101, bd. Zerktouni, Casablanca
	Valoris Securities	Angle Route El Jadida et Rue Abou Dhabi, Casablanca
Entity providing financial services for securities	CFG Bank	5-7, rue Ibnou Toufail, Casablanca
Entity in charge of centralizing the operation	CFG Bank	5-7, rue Ibnou Toufail, Casablanca
Entity in charge of registering securities on the stock exchange (seller's side)	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca

III.3 Capital ties with financial intermediaries participating in the operation

It should be noted that Attijari Finances Corp. is a 100% subsidiary of Attijariwafa Bank, with which the Group has contracted medium-term loans.

There is no capital link between CFG Finance and Attijari Finances Corp. on the one hand, and CMGP Group on the other.

There is no capital tie between the financial intermediaries and investment syndicate members on the one hand and CMGP Group on the other.

III.4 Subscription terms and conditions

Distribution threshold

In accordance with the provisions of article 1.35 of the AMMC circular, a minimum distribution threshold has been set for this operation:

- the distribution threshold in terms of target audience is 500 people;
- the minimum number of target subscribers is 100.

Subscription period

The CMGP Group shares covered by the Securities Note may be subscribed for from December 2 to December 6, 2024, at 3:30 p.m., inclusive.

(c) Opening an account

With the exception of minors and incapacitated adults, subscription operations are recorded in a securities and cash account in the name of the subscriber, opened with the same underwriting syndicate member with which the subscription is made. If this member does not have account-keeper status, the account may be opened with an institution that does have account-keeper status.

Any person wishing to subscribe with an underwriting syndicate member must have or open an account with that underwriting syndicate member. The underwriting syndicate member will comply with current legislation when opening accounts, and will require at least the following documents:

- Copy of client identification document (national identity card (CIN), residence permit, commercial register, passport, copy of approval decision, etc.);
- Account opening contract duly signed by the subscriber and the underwriting syndicate member, if not already signed by the client.

Accounts can only be opened by the subscriber.

Accounts for minors and incapacitated adults can only be opened by the father, mother, guardian or legal representative of the minor or incapacitated adult.

It is strictly forbidden to open an account by proxy.

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

In the case of minors and incapacitated adults, subscriptions may be registered either in their own accounts or in the accounts of persons authorized to subscribe on their behalf, i.e. the father, mother, guardian or legal representative of the minor or incapacitated adult.

(d) Subscription terms

All subscriptions must be expressed in number of shares.

Each subscriber may submit only one subscription order.

Subscriptions will be made using the subscription form available from the underwriting syndicate members and included in the Securities Note. A copy of the subscription form must be given to the subscriber with acknowledgement of receipt.

Subscription forms must be signed by the subscriber (or the subscriber's agent under a portfolio management mandate allowing this), validated and time-stamped by the underwriting syndicate member.

Subscriptions are irrevocable after the close of the subscription period.

All underwriting syndicate members, including those who will collect orders via an internet platform, undertake to comply with the subscription collection procedure.

Before accepting a subscription, the underwriting syndicate members must ensure that the subscriber has the financial capacity to honor their commitments. They are therefore obliged to accept subscription orders from any person entitled to participate in the operation, provided that said person provides the necessary financial guarantees. Underwriting syndicate members are obliged to keep in the file relating to their client's subscription the documents and supporting evidence which enabled them to ascertain the said financial capacity.

Each member of the underwriting syndicate undertakes to require his client to cover his subscription according to the category to which he belongs:

- **For resident or non-resident natural persons, and legal entities governed by Moroccan or foreign law not belonging to the categories of qualified investors as defined by Article 3 of Law 44-12 and Article 1.30 of AMMC Circular NO. 03/19 as amended and supplemented, and having been in existence for more than one year as of the subscription date:**

  Subscriptions must be 100% covered by:
  - ✓ an actual deposit (cheque, cash or bank transfer) on the subscriber's account. and/or;
  - ✓ collateral consisting of securities as follows:
    - government bonds: taken up to 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;
    - UCITS units with daily net asset value (excluding money-market UCITS), term deposits, listed equities: taken at a maximum of 80% of the value on the subscription date.

- **For qualified investors under Moroccan law:**
  - ✓ No coverage

- **For qualified foreign investors (i) who have been in existence for more than one year at the date of subscription of this operation or (ii) who have already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:**
  - ✓ No coverage

- **For qualified foreign investors (i) who have not been in existence for more than one year at the date of subscription of this operation and (ii) who have not already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:**
  - ✓ 30% coverage by a deposit (cheque, cash or bank transfer) or 100% coverage by a bank guarantee.

For all coverages, cheques deposited to cover actual deposits must be presented for collection before the subscription is validated, transfers must be received before the subscription is validated, and the actual deposit must be debited from the subscriber's account and blocked immediately after the subscription.

Underwriting syndicate members who collect orders via an Internet platform must comply with the following rules:

- the client must be clearly identified, and the act of subscription must be documented (time-stamping and archiving of subscription orders);
- the prospectus must be made available to the subscriber;
- all information on the subscription form must be sent to the client before subscription;
- the subscription must be validated only if the cash account has a sufficient balance to cover it in accordance with the terms of coverage defined in this Securities Note, or if the guarantee or collateral covers it in full in accordance with the terms of coverage defined in this Securities Note;
- the amount of coverage must be blocked immediately after subscription;
- the client must be informed that his subscription will be rejected in the event of a formal defect;

- Members of the underwriting syndicate who collect orders via an Internet platform must close the subscription period at the same time as the other underwriting syndicate members, i.e. on December 6,2024, at 3:30 p.m.;
- Members of the underwriting syndicate who collect orders via an internet platform must ensure that subscription limits are respected;
- Members of the underwriting syndicate who collect orders via an Internet platform must, before validating the subscription, receive the subscriber's acceptance of the terms and conditions of the operation, or have the subscriber validate a definitive subscription confirmation form summarizing the characteristics of the operation and the subscription order (a copy of said confirmation must be archived by the underwriting syndicate member).

It should be noted that underwriting syndicate members who collect orders via an Internet platform will reject subscriptions in the event of lack of cover in accordance with the terms and conditions set out in the Securities Note, or in the event of incomplete applications (e.g. absence of proof of acceptance of the terms and conditions of the operation, absence of family record book for subscriptions by minors, etc.).

Subscriptions by underwriting syndicate members or their employees for their own accounts must be made on the first day of the subscription period.

(e) Underwriting 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 adults who are unable to pay, are authorized provided they are made by the father, mother, guardian or legal representative of the minor or adult who is unable to pay. If they do not already have one, underwriting syndicate members are required to obtain a copy of the page of the family record book showing the date of birth of the minor child, or to obtain proof for the incapacitated adult, when opening the account, or when subscribing on behalf of the minor or incapacitated adult in question, as the case may be, and to attach it to the subscription form. In this case, movements are made either to an account opened in the name of the minor or incapacitated adult, or to the securities or cash account opened in the name of the father, mother, guardian or legal representative;
- subscriptions on behalf of minors or incapacitated adults must be made with the same underwriting syndicate member with which the father's, mother's, guardian's or legal representative's subscription was made;
- in the case of a portfolio management mandate, the manager may only subscribe on behalf of the client whose portfolio he is managing by presenting a power of attorney duly signed and authenticated by the principal, or by presenting the management mandate if it expressly provides for this. Authorized Moroccan or foreign management companies are exempted from presenting these supporting documents for the UCITS they manage;
- any agent within the framework of a portfolio management mandate may only transmit a single order on behalf of the same third party.

Subscriptions from qualified foreign investors may be communicated (i) directly to an IPO member, or (ii) via an international intermediary (*broker)* approved by a market authority member of the International Organization of Securities Commissions (IOSCO) and holding an account with an IPO member. The underwriting syndicate member acts solely as a business introducer, with delivery settlements made directly between the foreign-qualified investors and the underwriting syndicate member.

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(f) Multiple subscriptions

Multiple subscriptions are only authorized in the following cases:

- A natural person may subscribe to Order Type I on their own behalf and to Order Type II on behalf of their minor children, or vice versa;

Each subscriber may transmit only one order on behalf of each minor child or incapacitated adult.

Subscriptions on behalf of minors can only be made through one parent. Subscriptions on behalf of minors by both parents are considered as multiple subscriptions.

Natural persons subscribing on behalf of minors and incapacitated adults must subscribe through a single underwriting syndicate member. Subscriptions on behalf of minors through several underwriting syndicate members are considered as multiple subscriptions.

Subscriptions made to several members of the underwriting syndicate, including those made on behalf of minors or incapacitated adults, are prohibited. All subscription orders not complying with the above conditions will be rendered null and void in their entirety (see procedure for control and registration by the Casablanca Stock Exchange).

(g) Identification of subscribers

Underwriting syndicate members must ensure that the subscriber belongs to one of the categories defined below. To this end, they must obtain a copy of the document attesting to the subscriber's membership of the category and attach it to the subscription form.

In addition, each organization in charge of the investment 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 by virtue of a mandate from which they benefit.

Subscriber category	Documents to enclose
Resident natural persons of Moroccan nationality	Photocopy of national identity card or passport
Moroccan natural persons resident abroad	Photocopy of national identity card or passport
Resident and non-Moroccan natural persons	Photocopy of residence permit or passport
Non-resident and non-Moroccan natural persons	Photocopy of passport
Minor child	Photocopy of family record book page showing child's date of birth
Incapacitated adult	Any document proving inability, at the discretion of the underwriting syndicate member
Moroccan legal entities	Photocopy of commercial register showing more than one year of existence at date of subscription
Foreign legal entities	Photocopy of the commercial register or equivalent document, authentic in the country of origin, attesting to membership of the category, and proving that the company has been in existence for more than one year at the date of subscription.
Moroccan associations	Photocopy of articles of association and photocopy of receipt for filing of application proving that the company has been in existence for more than one year at the date of subscription.

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Moroccan-registered UCITS (excluding money-market and short-term bond UCITS)	Photocopy of approval decision plus: For Fonds Communs de Placement (FCP): the certificate of deposit at the court registry; For Sociétés d'Investissement à Capital Variable (SICAV): the certificate of filing with the court clerk's office and the model of the entries in the commercial register.
Qualified investors under Moroccan law (excluding UCITS)	Photocopy of articles of incorporation and any other documents and evidence to demonstrate compliance with the conditions for qualified investor status The legal entities referred to in paragraph (e) and paragraph (f) of article 1.30 of AMMC Circular no. 03/19 as amended and supplemented must provide proof of the AMMC's approval of their status as qualified investors.
Moroccan banks	Photocopy of approval decision issued by Bank Al-Maghrib
Qualified foreign investors	Photocopy of the commercial register or equivalent in the country of origin and copy of the approval attesting to compliance with the conditions required for approved investor status.

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

The subscription form must be used by all underwriting syndicate members. Subscription orders are irrevocable after the close of the subscription period.

Should the underwriting syndicate members already have these documents in the client's file, subscribers are exempted from producing them. If the investor concerned is a legal entity referred to in paragraph (e) and (f) of article 1.30 of AMMC Circular no. 03/19 as amended and completed, the underwriting syndicate member(s) must attach the above-mentioned documents to the subscription form.

III.5 Order processing

Allocation rules

At the end of the subscription period, CMGP Group shares will be allocated as described below:

Order type I

The number of shares allocated to this type of order is 3,750,000 shares.

If the number of shares offered "NSO" is less than the number of shares requested "NSR", then the NSO will be allocated pro rata to the request. If this is not the case, the request will be served in full. The allocation ratio will be calculated as follows: NSO / NSR. If the number of shares calculated by multiplying the number of shares requested by the subscriber by the allocation ratio for order type I is not a whole number, this number of shares will be rounded down to the nearest whole number.

Fractional shares will be allocated in increments of one share per subscriber, with priority given to the largest requests.

Depending on overall demand, some subscriptions may not be filled.

Order type II

The number of shares allocated to this type of order is 1,750,000 shares.

1st allowance

For an initial allocation, shares will be allocated by iteration at the rate of 300 shares per subscriber.

Shares will be allocated on the basis of one share per subscriber, with priority given to the highest number of requests. The mechanism for allocating one share per subscriber, within the limit of their demand, will be iterated until a maximum of 300 shares per subscriber is reached, within the limit of the number of shares allocated. It is specified that, depending on the number of subscribers served, the said maximum may not be reached.

2nd allocation

Following the 1st allocation, if the balance of securities offered ("BSO") resulting from this allocation is less than the balance of securities requested ("BSR"), then the " BSO" will be allocated in proportion to the request. Otherwise, the request will be served in full.

The allocation ratio will be calculated as follows: BSO / BSR.

If the number of shares calculated by multiplying the remaining shares requested by the subscriber by the allocation ratio is not a whole number, this number of shares will be rounded down to the nearest whole number. Fractional shares will be allocated in increments of one share per subscriber, with priority given to the largest requests.

Depending on overall demand, some subscriptions may not be filled.

Transfer clauses

- If the number of shares requested under Order Type I is less than the corresponding offer, the difference is allocated to Order Type II.
- If the number of shares requested under Order Type II is less than the corresponding offer, the difference is allocated to Order Type I.

In accordance with article 188 of law no. 17-95, the amount of the share capital increase must be fully subscribed. Failing this, the capital increase is deemed to be null and void. The amount of the sale may be limited to the share purchase proposals actually received.

III.6 Control and registration procedure by the Casablanca Stock Exchange

Centralization

During the subscription period, members of the underwriting syndicate will transmit daily to the Casablanca Stock Exchange, by 10:00 a.m. at the latest, via the subscription centralization tool (SCT), all subscriptions collected on previous days. Otherwise, they must enter the consolidated subscription statistics on the SCT.

The members of the underwriting syndicate must transmit on December 6, 2024, before 6.30 p.m. to the Casablanca Stock Exchange, through the SCT, all the subscriptions collected within the framework of the operation. After this deadline, subscriptions will be rejected.

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

The Casablanca Stock Exchange will consolidate the various subscription files and reject subscriptions that do not comply with the subscription conditions predefined in this Securities Note.

On December 11, 2024, before 12:00 p.m., the Casablanca Stock Exchange will inform the members of the underwriting syndicate of the results of the allocation.

The following table summarizes the cases in which subscriptions are rejected:

Case scenarios	Rejected subscription(s)
Natural persons who have subscribed on their own behalf and on behalf of their children with different underwriting syndicate members	All subscriptions

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Subscriber who has subscribed more than once (except in the cases listed below)	All subscriptions
Subscriber having subscribed to both order types I and II (with the exception of the cases listed below the table)	All subscriptions
Subscription not respecting the minimum number of subscriptions stipulated for order type I	The subscription concerned
Moroccan or foreign natural person subscribing on their own behalf and on behalf of adult children	All subscriptions in the name of this natural person, including those for minors and adult children
Subscriptions not respecting the subscription ceiling	Subscriptions concerned
Subscriptions with several underwriting syndicate members	All subscriptions
Subscription made with an underwriting syndicate member not authorized to receive it	The subscription concerned

It should be noted that the following cases of subscription do not constitute cases of rejection:

- A parent subscribing to Order Type I for their own account and subscribing to Order Type II for the account of their minor child, it being specified that subscriptions made by a parent for their own account and for their minor children must be made with the same underwriting syndicate member;
- A parent who subscribes to Order Type II for their own account and who subscribes to Order Type I for the account of their minor child, it being specified that subscriptions made by a parent for their own account and for their minor children must be made with the same underwriting syndicate member.

III.7 Entities in charge of registering the operation

Operations in connection with this operation (on the seller's side) will be recorded on December 16, 2024 through the brokerage firm CFG Marchés.

All underwriting syndicate members having the status of a brokerage firm will proceed to the registration of the allotments they have collected (on the buyers' side), on December 16, 2024, whereas underwriting syndicate members not having the status of a brokerage firm are free to designate the brokerage firm member of the underwriting syndicate which will proceed to the registration of their subscriptions with the Casablanca Stock Exchange.

These syndicate members must inform the chosen brokerage firm in writing, with a copy sent to the Casablanca Stock Exchange, before the start of the subscription period.

Operations resulting from this operation will be recorded at the price of 200 MAD per share. This price will serve as the reference price of the CMGP Group share on the first day of listing.

The Casablanca Stock Exchange will transmit to each brokerage firm the operations that concern it, broken down by account holder.

CMGP Group

III.8 Terms of settlement / delivery of securities

Settlement and delivery of the securities, the subject of this operation, will take place on December 19, 2024 in accordance with the procedures in force on 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 the shares allocated to each underwriting syndicate member, plus commissions.

CMGP Group has also appointed CFG Bank as exclusive account holder for the CMGP Group securities issued in connection with this operation.

III.9 Restitution of balance

The underwriting syndicate members undertake to reimburse their clients within a period not exceeding 3 working days from the date of delivery of the securities allocations to the underwriting syndicate members, i.e. December 16, 2024, the cash balances arising from the difference between the net amount paid by their clients on subscription and the net amount corresponding to their actual allocations.

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

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

III.10 Publication of results

The results of this operation will be published by the Casablanca Stock Exchange on December 16, 2024, and by CMGP Group through the press in a legal announcement journal and on its website www.cmgp-cas.com by December 18, 2024, at the latest.

III.11 Information procedures

At the end of the operation, and within a maximum of 3 days from publication of the results, i.e. December 19, 2024, each underwriting syndicate member will send subscribers a notice containing the following minimum information:

- Subscription date
- Instrument name
- Quantity requested
- Quantity allocated
- Price per unit
- Gross amount at allocation
- Net amount after deduction of commissions and VAT on these commissions
- Balance, if any, to be returned to the subscriber
- Fees payable to the underwriting syndicate member, the account keeper and the Casablanca Stock Exchange

PART III – ABOUT THE ISSUER

II. General information

Corporate name	CMGP GROUP[52]
Registered office	Parc Industriel Sapino, lot 102 à 105 Nouaceur, Casablanca
Phone	+212 5 22 49 56 10
Website	https://cmgp-cas.com/
Legal form	Public limited company with a Board of Directors[53]
Date of incorporation	08/29/2018
Service life	99 years
Commercial register number and location	411083, Casablanca
Financial year	From January 1 to December 31
Corporate purpose	According to article 3 of CMGP Group's articles of association, the company's purpose, both in Morocco and abroad, is to: ▪ acquire, directly or indirectly, through holding or other companies, equity interests and to make, directly or indirectly, through holding or other companies, investments giving direct or indirect access to the capital of companies located in Morocco or abroad; ▪ Invest in all securities, transferable securities, UCITS or, more generally, in all financial products. And generally, any financial, commercial, industrial, civil, securities or real estate operations that may be directly or indirectly related to its main purpose specified above or to any similar or related purpose likely to promote the development of the Company's business.
Share capital as of November 21, 2024	MAD 1,550,090,000, comprising 15,500,900 shares with a nominal value of MAD 100. It should be noted that the Extraordinary General Meeting, held on November 21, 2024, decided to reduce the nominal value of CMGP Group shares from MAD 1,000 to MAD 100 MAD with effect from the date of the aforementioned Annual General Meeting.
Legal documents	The Company's legal documents, in particular its articles of association, minutes of shareholders' meetings and statutory auditors' reports, may be consulted at the Company's registered office.
Legislation and regulations applicable to CMGP Group	The Company's legal form is governed by Act no. 17-95 promulgated by Dahir no. 1-96-124 of August 30, 1996 relating to public limited companies, as amended and supplemented. As a result of its future listing on the Casablanca Stock Exchange, CMGP Group will be subject to the following provisions: ▪ Dahir no. 1-12-55 du Safar 14, 1434 (December 28, 2012 promulgating law no. 44-12 relating to public offerings of securities and the information required of legal entities and organizations making public offerings; ▪ Dahir providing law 43-12 relating to the AMMC; ▪ AMMC's General Regulations as approved by Minister of Economy and Finance Order no. 2169/16 of July 14, 2016; ▪ Current AMMC circulars; ▪ Dahir bearing law no. 1-96-246 of January 9, 1997, promulgating law no. 35-96 relating to the creation of a central depository and the establishment of a general system for the registration of certain securities in accounts (amended and supplemented by law no. 43-02);

[52] The Company was incorporated under the name ADP II Holding 10 Morocco. The EGM held on January 15, 2021 decided to change the Company's name to CMGP Group with effect from that date.
[53] The EGM held on January 26, 2021 approved the transformation of CMGP Group SARL into a limited liability company (Société Anonyme) with a Board of Directors.

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The General Regulations of the Central Depository approved by Order of the Minister of the Economy and Finance no. 932-98 of April 16, 1998 and amended by Order of the Minister of the Economy, Finance, Privatization and Tourism no. 1961-01 of October 30, 2001, and by Order no. 77-05 of March 17, 2005;
Dahir No. 1-16-151 of August 25, 2016 promulgating Law No. 19-14 on the Stock Exchange, brokerage companies and financial investment advisors;
The General Regulations of the Casablanca Stock Exchange, approved by Ministerial Order no. 2208-19 of July 3, 2019;
Dahir no. 1-04-21 of April 21, 2004 promulgating law no. 26-03 on public offerings on the Moroccan stock market, as amended and supplemented by law no. 46-06.

CMGP Group's activities are governed by Moroccan law. CMGP Group is a holding company in the form of a Société Anonyme. The company is governed by the laws and regulations of the SA. CMGP Group's operating subsidiaries are in some cases governed by laws and regulations specific to certain of their activities (see below).
For the Agro-equipment business (irrigation and solar energy):

Joint decree of the Minister of Equipment and the Minister responsible for regional planning, urban development, housing and the environment no. 1276-01 of 10 Chaabane 1423 (October 17, 2002) setting quality standards for water intended for irrigation;
Order of the Ministry of Equipment no. 1554-02 relating to the setting of thresholds for digging wells, drilling boreholes and withdrawing groundwater within the area of action of the Bou Regreg and Chaouia Water Basin Agency;
Law no. 13-09 on renewable energies, promulgated by Dahir no. 1-10-16;
Law 40-19 amending and supplementing law 13-09 on renewable energies.

For the Agro-supply business (seeds, crop protection products and fertilizers):

Dahir no. 1-69-169 of Jumada I 10, 1389 (July 25, 1969) regulating the production and marketing of seeds and seedlings, amended and supplemented by Dahir bearing law no. 1-76-472 of Shawal 5, 1397 (September 19, 1977);
Order of the Ministry of Agriculture and Agrarian Reform no. 971-75 of Shawal 8, 1397 (September 22, 1977) concerning the approval of the technical regulations relating to the control of standard vegetable seeds;
Decree no. 2-99-106 of Muharrem 18, 1420 (May 5, 1999) on the import, manufacture and marketing of pesticides for agricultural use;
Decree no. 2-99-105 of Muharrem 18, 1420 (May 5, 1999) on the approval of pesticides for agricultural use;
Order of the Ministry of Agriculture and Maritime Fishing no. 2290-14 of Shaaban 27, 1435 (June 25, 2014) setting the conditions of use of liquefied phosphine for desensitization by fumigation;
Vizier decree of November 4, 1942 (Shawal 25, 1361) regulating trade in fertilizers and soil improvers.

</td></tr>
<tr><td>Tax system</td><td>CMGP Group is governed by general tax law. It is subject to corporate income tax. Its operations are subject to VAT at a rate of 20%.</td></tr>
<tr><td>Competent court in case of dispute</td><td>Casablanca Commercial Court</td></tr>
</table>

Source: CMGP Group

V. CMGP Group activity description

V.1 Overview of the Group's activities

The CMGP group is an integrated pan-African player, present through its subsidiaries across the entire value chain in the agricultural sector, and specializing in irrigation, agro-supply, solar solutions and water infrastructure.

In its 30 years of existence, the Group has become a major player in the agricultural sector in Morocco and Africa, benefiting from solid knowledge of the markets in which it operates and complete mastery of the supply chain.

The Group offers a wide range of products and services covering all its customers' needs. This offer is based primarily on the solid expertise of its teams, strategic and long-term partnerships with international suppliers, a fully integrated value chain with industrial and commercial units, and a vast distribution network covering Morocco and West Africa.

The CMGP group's customers include farmers, distributors, public enterprises, as well as companies in the construction and telecommunications sectors.

As of November 21, 2024, the Group had:

- a workforce of 1,068 (as of end December 2023);
- a broad and diversified portfolio of products and services: +2,000 references in irrigation and +2,000 in Agri-imputs;
- 6 industrial units, including 3 units dedicated to the manufacture of PE, PVC and HDPE pipes for irrigation and water infrastructure, and 3 units dedicated to the packaging and processing of fertilizers;
- 16 sales agencies (each with a distribution center), including 11 in Morocco, 2 in Senegal, 1 in Côte d'Ivoire, 1 in Mauritania and 1 in Ghana;
- 8 distribution centers (logistics depots);
- 120,000 m² of storage space in Morocco.

Group activities

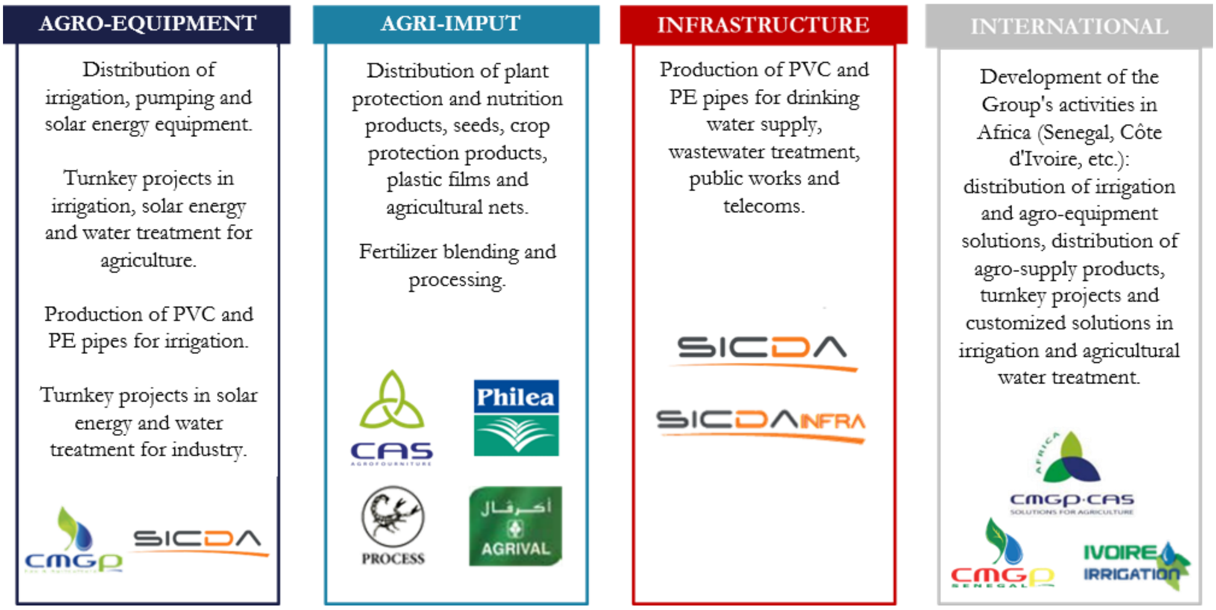
The CMGP Group is structured around the following activities:

- **Agricultural equipment:** Through its subsidiaries CMGP SA and SICDA, the Group has become a major player in the distribution of irrigation systems, pumping equipment for water supply and solar solutions for sustainable energy (since 2019), as well as the production of PE and PVC pipes for irrigation. The Group also carries out end-to-end water and irrigation infrastructure projects, turnkey irrigation projects, large-scale turnkey projects in the fields of irrigation, solar energy and water treatment (desalination, pumping, etc.), specially tailored to the needs of private companies, water boards[54] and the state;
- **Agro-supplies:** Through its subsidiaries CAS, PHILEA, PROCESS, AGRIVAL and AGROSEM, the CMGP Group is also present in the distribution of a broad and diversified portfolio of agro-supply products, including plant protection and nutrition products, seeds and plastic films. The Group also specializes in the blending and processing of fertilizers;

[54] These are public utilities operating in drinking water distribution and wastewater network management, such as Lydec, Rédal, Amendis and others.

- **Infrastructure:** Through its subsidiaries SICDA and SICDA Infra, the CMGP group is also active in the production of PVC and HDPE pipes for drinking water supply, wastewater treatment and construction projects in the public works and telecommunications sectors;
- **International:** To meet the needs and strong demand of the African market, the Group has gradually expanded its presence across the continent, first in Senegal through the start-up of its subsidiary CMGP Senegal in 2020, then in Côte d'Ivoire through the acquisition in 2022 of Delta Irrigation (a Senegalese entity) and its Ivorian subsidiary Ivoire Irrigation, and in other African countries (Mauritania and Ghana) where operations began in early 2024. These successive projects and acquisitions testify to the Group's determination to build on its model in Morocco.
  It should also be noted that CMGP Senegal will merge with Delta Irrigation in 2022, creating a more significant player in the irrigation and agro-supply sector in Senegal.

The diagram below summarizes the Group's activities and the goods and services it markets/manufactures.



Source: CMGP Group

Group operating model by Business Unit

Committed to a dynamic of progress that is both responsible and inclusive, the CMGP Group is committed to building, with and for its stakeholders, models that are economically competitive, socially responsible and respectful of the Earth and natural resources. To this end, the Group is increasingly developing specific, higher value-added solutions that are better adapted to customer needs, in line with the trend towards personalized agricultural products. With this in mind, the Group has structured its activities in 2023 around 4 Business Units:

- **Retail**: direct revenues of irrigation and agricultural supply products to farmers and distributors/retailers;
- **Project**: the development, management and implementation of turnkey projects, as well as the provision of customized solutions to meet specific customer needs;

- **Industry**: the transformation and manufacture of products through 6 production units, enabling the Group to diversify its activities and add value to its supply chain. The BU Industry offers the Group a range of strategic advantages, enabling it to develop high-quality, durable and reliable products in line with customer requirements, ensure rigorous quality control at every stage of production, provide greater flexibility and responsiveness to market developments, and control costs. The Industry BU's role is also to reinforce the Group's industrial integration through production capacity extensions and the development of new products in synergy with the Group's activities. The 6 production units are as follows:
  - ✓ 3 industrial units dedicated to the production of pipes and tubes (2 operated by SICDA for the manufacture of PE and PVC pipes, and 1 operated by SICDA Infra for the manufacture of Double-Wall HDPE pipes). These pipes are essential in numerous sectors such as agriculture, hydraulics, construction and infrastructure. They are used for a wide range of applications, including agricultural irrigation, drinking water distribution and sewage network construction;
  - ✓ 3 industrial units operated by PROCESS, dedicated to the packaging and processing of fertilizers (solid, liquid and acid fertilizers). These 3 units enable us to create specific blends of fertilizers to meet crop needs and promote growth and yield.
- **International**: the development of the Group's activities in Africa, aimed at expanding its presence on the continent.

Breakdown of Group consolidated revenues over the period 2021 - 2023

The table below shows the breakdown of Group consolidated revenues by activity for the period 2021 - 2023:

In MMAD	2021	2022	2023	CAGR 21-23
Agroequipment	826	803	802	-1.5%
in % of consolidated revenues	*45.6%*	*39.0%*	*38.6%*	-7.0 pts
Agri-inputs	846	1 075	1 093	13.7%
in % of consolidated revenues	*46.7%*	*52.1%*	*52.7%*	6.0 pts
Infrastructure	124	142	142	7.2%
in % of consolidated revenues	*6.8%*	*6.9%*	*6.9%*	0.0 pts
International	15	41	37	58.7%
in % of consolidated revenues	*0.8%*	*2.0%*	*1.8%*	1.0 pts
Total consolidated revenues	**1 811**	**2 061**	**2 074**	**7.0%**

Source: CMGP Group

Agro-equipment and agro-supplies are the CMGP Group's main activities, representing on average 91.6% of consolidated revenues over the 2021-2023 period.

Consolidated revenues will reach MMAD 2,061 in 2022, compared with MMAD 1,811 in 2021. This increase (+MMAD 250, i.e. +13.8%) is mainly driven by growth in the agro-supply business (+MMAD 229, i.e. +27.0%) resulting from growth across all business lines, notably fertilizers, seeds, crop protection products and plastic films.

Consolidated revenues will amount to MMAD 2,074 in 2023, a slight increase of MMAD 13 (+0.7%). This growth was mainly driven by the agro-supply business (+MMAD 18, or +1.7%), while the contribution of other activities to revenues remained relatively stable between 2022 and 2023.

The table below shows the breakdown of Group consolidated revenues by Business Unit over the period 2021 - 2023:

In MMAD	2021	2022	2023	CAGR 21-23
Retail	1 364	1 608	1 641	9.7%
in % of consolidated revenues	*75.3%*	*78.0%*	*79.1%*	3.8 pts
Project	309	270	254	-9.3%
in % of consolidated revenues	*17.0%*	*13.1%*	*12.2%*	-4.8 pts
Industry	459	494	471	1.2%
in % of consolidated revenues	*25.4%*	*24.0%*	*22.7%*	-2.7 pts
International	15	41	37	58.7%
in % of consolidated revenues	*0.8%*	*2.0%*	*1.8%*	1.0 pts
Total aggregate revenues	**2 146**	**2 413**	**2 403**	**5.8%**
Intercos[55]	-335	-352	-328	-1.0%
in % of consolidated revenues	*-18.5%*	*-17.1%*	*-15.8%*	2.7 pts
Total consolidated revenues	**1 811**	**2 061**	**2 074**	**7.0%**

Source: CMGP Group

The "Retail" BU is the main contributor to the Group's consolidated revenues, representing on average 77.5% of revenues over the 2021-2023 period, followed by "Industry", representing on average 24.0% over the 2021-2023 period.

It should be noted that revenues generated by SICDA and Process are fully eliminated in the consolidated financial statements, as these two entities market their entire production to CMGP SA and CAS respectively.

In 2022, consolidated revenues growth of MMAD 250 (+13.8%) will be driven mainly by Retail (+MMAD 244), itself buoyed by the good performance recorded by Agro Supplies following the acquisition of CAS and the commercial synergies implemented during the year.

In 2023, consolidated revenues were up by MMAD 13 (+0.7%), mainly driven by the Retail business (+MMAD 33), itself buoyed by the good performance recorded by the Agro-supply business, and partially offset by the MMAD 23 drop in revenues in the industry business.

The Project BU recorded an CAGR of -9.3% over the period, mainly due to the fall in the selling price of PVC, used in project installations. This drop in PVC prices is a consequence of the peak recorded during 2021 under the influence of several macroeconomic and geopolitical factors.

Lastly, revenues in Africa recorded an CAGR of 58.7% to stand at MMAD 37 in 2023 versus 15 MMAD in 2021, in line with the development of the Group's activities on the continent following the creation/acquisition of subsidiaries in 2021 and 2022.

[55] Includes only intercompany eliminations relating to the "Industry" BU. Revenues for the "Retail", "Project" and "International" BUs have been restated for related intra-group flows.

The table below shows the breakdown of Group consolidated revenues by geographic area for the period 2021 - 2023:

In MMAD	2021	2022	2023	CAGR 21-23
Souss - Massa		782	787	na
Casablanca - Settat		361	414	na
Tangier - Tetouan - Al Hoceima		192	178	na
Marrakech - Safi		168	186	na
Fez - Meknes		161	136	na
Rabat - Salé - Kénitra		124	128	na
Beni Mellal - Khénifra		102	78	na
Oriental region		92	83	na
Drâa - Tafilalet		38	47	na
Morocco[56]	**1 796**	**2 020**	**2 037**	**6.5%**
in % of consolidated revenues	*99.2%*	*98.0%*	*98.2%*	-1.0 pts
Senegal	11	21	23	45.6%
Côte d'Ivoire	-	8	5	na
Other countries	4	12	9	52.2%
International	**15**	**41**	**37**	**58.7%**
in % of consolidated revenues	*0.8%*	*2.0%*	*1.8%*	1.0 pts
Total consolidated revenues	**1 811**	**2 061**	**2 074**	**7.0%**

Source: CMGP Group

Morocco is the main contributor to the Group's consolidated revenues, representing on average 98.5% of revenues over the 2021-2023 period.

The "Souss - Massa" region is the biggest contributor to Group revenues in Morocco, accounting for an average of 38.7% of revenues over the 2022-2023 period, followed by the "Casablanca - Settat" region, accounting for an average of 19.1% over the 2022-2023 period.

Revenues for "Morocco" will amount to MMAD 2,037 in 2023, compared with MMAD 1,796 in 2021, representing average annual growth of +6.5% over the period, mainly due to the good performance recorded by Agro-supplies (notably fertilizers, seeds, crop protection products and plastic films) following the acquisition of CAS and the commercial synergies implemented during the period.

International" revenues will amount to MMAD 37 in 2023 compared with MMAD 15 in 2021, representing average annual growth of +58.7% over the period, mainly due to the strengthening of the Group's presence in Senegal and Côte d'Ivoire.

It should be noted that Senegal is the leading contributor to international revenues, representing an average of 62.2% over the 2021-2023 period.

[56] The breakdown of Group revenues in Morocco by geographic region is not available until the 2022 financial year.

VI. CMGP Group shareholding structure

Changes in CMGP Group's shareholding structure over the last five years were as follows:

Changes in CMGP Group's shareholding structure

Shareholders	12/31/2019		12/31/2020		12/31/2021		12/31/2022		12/31/2023	
	Number of shares and voting rights	% in capital and voting rights	Number of shares and voting rights	% in capital and voting rights	Number of shares and voting rights	% in capital and voting rights	Number of shares and voting rights	% in capital and voting rights	Number of shares and voting rights	% in capital and voting rights
ADP II HOLDING 10 Luxembourg	760 819	100%	762 171	100%	920 158	59.4%	783 837	50.6%	783 837	50.6%
AFRICA AGRICULTURE[57]	-	-	-	-	314 095	20.3%	267 562	17.3%	267 562	17.3%
FIPAR HOLDING	-	-	-	-	-	-	229 642	14.8%	229 642	14.8%
Youssef Moamah	-	-	-	-	220 898	14.3%	188 173	12.1%	188 173	12.1%
Jacques Alleon	-	-	-	-	76 403	4.9%	65 084	4.2%	65 084	4.2%
MPEF IV	-	-	-	-	18 529	1.2%	15 784	1.0%	15 784	1.0%
Other shareholders[58]	-	-	-	-	7	0.0%	8	0.0%	8	0.0%
Sofiane Lahmar	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Marc Stoneham	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Jade Del Lero Moreau	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Ghali Filali Amine	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Khalil Lakhoua	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Mehdi Mahtat	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*	*1*	*0.0%*
Driss Bennani Hassan	-	-	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*
Pierre Ferrand	-	-	-	-	-	-	*1*	*0.0%*	*1*	*0.0%*
Giancarlo Di Paola	-	-	-	-	*1*	*0.0%*	-	-	-	-
Total	**760 819**	**100%**	**762 171**	**100%**	**1 550 090**	**100%**	**1 550 090**	**100%**	**1 550 090**	**100%**

Source: CMGP Group

[57] Africa Agriculture and MPEF IV are two investment vehicles managed by AfricInvest.
[58] "Other shareholders" includes only directors holding guarantee shares in respect of their membership of the Board of Directors.

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In September 2022, FIPAR Holding, a subsidiary of CDG Invest, the investment arm of the CDG Group, acquired 229,643 shares in the Company from existing shareholders, at a purchase price of MAD 1,741.83 per share, under a share purchase and sale agreement dated February 21, 2022. Following this acquisition, FIPAR Holding holds 14.8% of CMGP Group's share capital.

Current shareholders

As of November 21, 2024, the Company's shareholding structure is as follows:

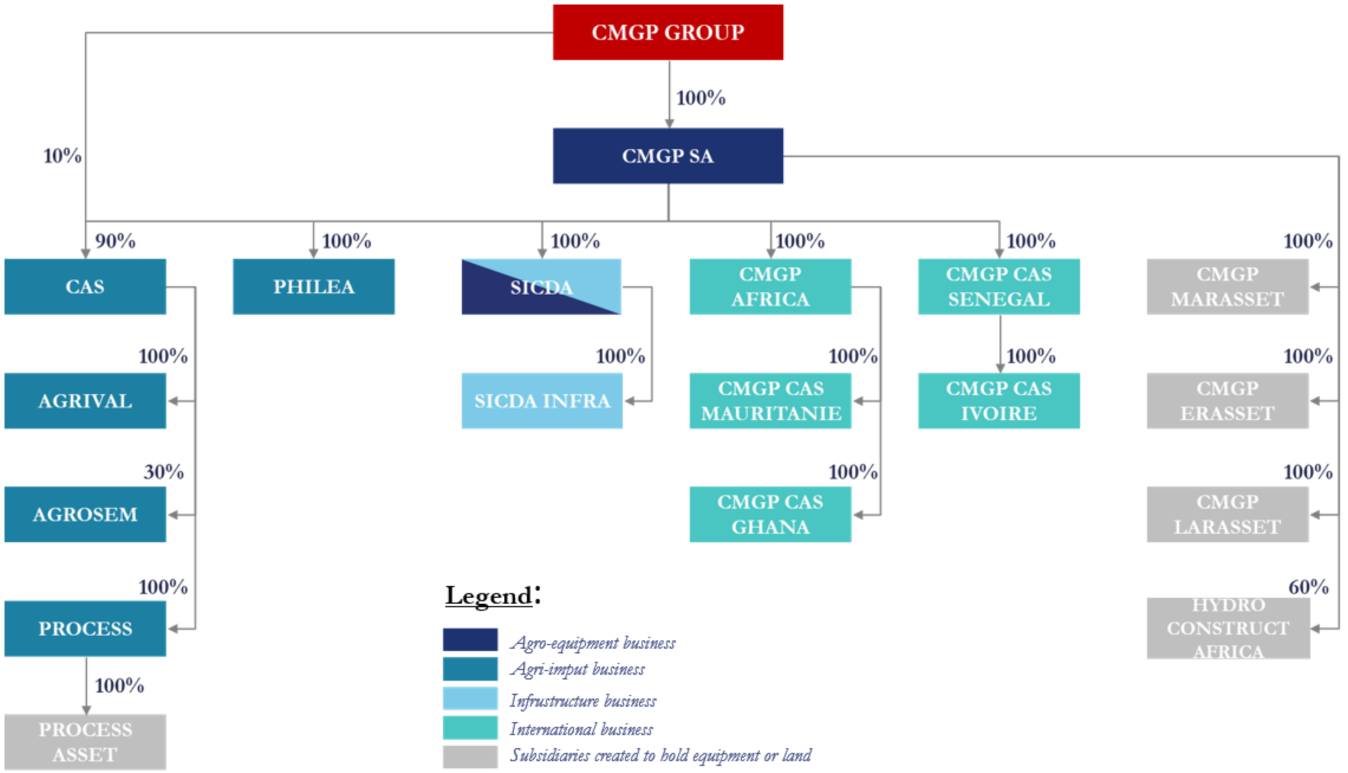
Shareholders	Number of shares and voting rights	% in capital and voting rights
ADP II HOLDING 10 Luxembourg	7 838 380	50.6%
AFRICA AGRICULTURE	2 675 620	17.3%
FIPAR HOLDING	2 296 420	14.8%
Youssef Moamah	1 881 730	12.1%
Jacques Alleon	650 840	4.2%
MPEF IV	157 840	1.0%
Other shareholders	70	0.0%
Sofiane Lahmar	*10*	*0.0%*
Marc Stoneham	*10*	*0.0%*
Jade Del Lero Moreau	*10*	*0.0%*
Ghali Filali Amine	*10*	*0.0%*
Khalil Lakhoua	*10*	*0.0%*
Mehdi Mahtat	*10*	*0.0%*
Driss Bennani Hassan	*10*	*0.0%*
Total	**15 500 900**	**100%**

Source: CMGP Group

It should be noted that the Extraordinary General Meeting, held on November 21, 2024, decided to reduce the nominal value of CMGP Group shares from MAD 1,000 to MAD 100, with effect from the date of the said General Meeting.

VII. CMGP Group subsidiaries

As of November 21, 2024, CMGP Group's legal structure is as follows:



Source: CMGP Group

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Percentages of ownership are equivalent to percentages of control for all subsidiaries

The Group's various subsidiaries work closely together to share knowledge, expertise and resources, thereby fostering innovation and strengthening customer confidence.

A description of the various CMGP Group subsidiaries is given below.

PART IV – FINANCIAL DATA

VIII. Annual financial statements analysis

VIII.1 Annual financial statements analysis

VIII.1.1 Income statement analysis

The table below shows CMGP Group's main income statement indicators for the period 2021-2023:

In KMAD	2021	2022	2023	Var. 21-22	Var. 22-23
Revenue figures	**-**	**-**	**-**	***n.a***	***n.a***
Purchases consumed	-	-	-	*n.a*	*n.a*
Other external expenses	-1 675	-1 321	-417	*21.2%*	*68.4%*
Added value	**-1 675**	**-1 321**	**-417**	***21.2%***	***68.4%***
Personnel expenses	-	-	-	*n.a*	*n.a*
Taxes	-1 792	-	-	*100.0%*	*n.a*
Gross operating surplus	**-3 468**	**-1 321**	**-417**	***61.9%***	***68.4%***
Operating allowances	-456	-456	-358	*0.0%*	*21.4%*
Operating reversals, expense transfers	1 792	-	-	*-100.0%*	*n.a*
Other operating expenses	-	-0	-0	*n.a*	*98.0%*
Operating income	**-2 132**	**-1 777**	**-775**	***16.6%***	***56.4%***
Financial income	61 816	30 985	32 200	*-49.9%*	*3.9%*
Financial expenses	-9 662	-5 623	-4 129	*41.8%*	*26.6%*
Net financial income	**52 153**	**25 362**	**28 071**	***-51.4%***	***10.7%***
Current income	**50 022**	**23 585**	**27 295**	***-52.8%***	***15.7%***
Non-current income	0	-4	-	*<-100%*	*100.0%*
Profit before tax	**50 022**	**23 582**	**27 295**	***-52.9%***	***15.7%***
Income tax	-155	-186	-81	*-20.3%*	*56.7%*
Net income	**49 867**	**23 396**	**27 215**	***-53.1%***	***16.3%***

Source: CMGP Group

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VIII.1.2Balance sheet analysis

The following table shows the main indicators of CMGP Group's social balance sheet for the period 2021-2023:

In KMAD	2021	2022	2023	Var. 21-22	Var. 22-23
Fixed assets written off	1 532	1 075	717	-29.8%	-33.3%
Long-term investments	1 340 359	1 878 559	1 878 559	40.2%	0.0%
Fixed assets	**1 341 891**	**1 879 635**	**1 879 276**	**40.1%**	**0.0%**
Weight on total balance sheet	*71.0%*	*99.7%*	*99.7%*	*28.7 pts*	*0.0 pts*
Tax receivables	-	31	105	n.a	>100%
Other debtors	547 877	-	-	-100.0%	n.a
Prepayments and accrued income	825	5 387	5 387	>100%	0.0%
Marketable securities	148	148	148	0.0%	0.0%
Current assets	**548 850**	**5 565**	**5 640**	**-99.0%**	**1.3%**
Weight on total balance sheet	*29.0%*	*0.3%*	*0.3%*	*-28.7 pts*	*0.0 pts*
Cash assets	**160**	**199**	**249**	**24.1%**	**25.3%**
Total assets	**1 890 901**	**1 885 399**	**1 885 165**	**-0.3%**	**0.0%**
Share capital	1 550 090	1 550 090	1 550 090	0.0%	0.0%
Additional paid-in capital	158 045	158 045	158 045	0.0%	0.0%
Legal reserve	1 195	3 689	4 858	>100%	31.7%
Other reserves	-	47 374	69 600	n.a	46.9%
Retained earnings	17 058	17 058	17 058	0.0%	0.0%
Net income for the year	49 867	23 396	27 215	-53.1%	16.3%
Total shareholders' equity	**1 776 255**	**1 799 651**	**1 826 866**	**1.3%**	**1.5%**
Weight on total balance sheet	*93.9%*	*95.5%*	*96.9%*	*1.5 pts*	*1.5 pts*
Other borrowings	109 744	82 308	54 872	-25.0%	-33.3%
Financial liabilities	**109 744**	**82 308**	**54 872**	**-25.0%**	**-33.3%**
Trade accounts payable	700	666	527	-4.9%	-20.9%
Tax liabilities	70	104	-	49.3%	-100.0%
Associates' current accounts	1 332	253	253	-81.0%	0.0%
Other creditors	1 300	1 292	1 892	-0.7%	46.4%
Accruals and deferred income - liabilities	1 499	1 125	756	-25.0%	-32.8%
Current liabilities	**4 902**	**3 440**	**3 427**	**-29.8%**	**-0.4%**
Weight on total balance sheet	*0.3%*	*0.2%*	*0.2%*	*-0.1 pts*	*0.0 pts*
Cash and cash equivalents - liabilities	**-**	**-**	**-**	**n.a**	**n.a**
Total liabilities	**1 890 901**	**1 885 399**	**1 885 165**	**-0.3%**	**0.0%**

Source: CMGP Group

VIII.1.3Income statement analysis

The table below shows the CMGP Group's consolidated income statement for the period 2021 - 2023:

In KMAD	2021	2022*	2022**	2023	Var. 21-22*	Var. 22*-23
Revenue figures	**1 811 108**	**2 060 745**	**2 060 745**	**2 074 209**	***13.8%***	***0.7%***
Change in product inventories	38 113	-161	2 326	-24 499	*<-100%*	*>100%*
Ordinary income	**1 849 221**	**2 060 585**	**2 063 072**	**2 049 711**	***11.4%***	***-0.5%***
Purchases consumed	-1 282 755	-1 470 371	-1 470 371	-1 459 299	*14.6%*	*-0.8%*
External expenses	-94 032	-95 335	-95 335	-104 347	*1.4%*	*9.5%*
Added value	**472 434**	**494 879**	**497 366**	**486 065**	***4.8%***	***-1.8%***
in % of revenues	*26.1%*	*24.0%*	*24.1%*	*23.4%*	*-2.1 pts*	*-0.6 pts*
Personnel expenses	-123 353	-146 584	-146 584	-161 306	*18.8%*	*10.0%*
Taxes	-3 750	-4 066	-4 066	-4 331	*8.4%*	*6.5%*
Other income and expenses	-4 299	-315	-2 040	-1 087	*-92.7%*	*>100%*
Gross operating surplus	**341 032**	**343 914**	**344 676**	**319 341**	***0.8%***	***-7.1%***
in % of revenues	*18.8%*	*16.7%*	*16.7%*	*15.4%*	*-2.1 pts*	*-1.3 pts*
Operating allowances	-58 953	-60 959	-60 959	-71 429	*3.4%*	*17.2%*
Farm takeovers	11 846	6 788	6 026	9 442	*-42.7%*	*39.1%*
Income from operations	**293 924**	**289 743**	**289 743**	**257 354**	***-1.4%***	***-11.2%***
in % of revenues	*16.2%*	*14.1%*	*14.1%*	*12.4%*	*-2.2 pts*	*-1.7 pts*
Other income from non-operating activities	13 714	12 315	12 315	14 822	*-10.2%*	*20.4%*
Other expenses from non-operating activities	-46 220	-20 586	-20 586	-38 540	*-55.5%*	*87.2%*
Operating income	**261 418**	**281 472**	**281 472**	**233 636**	***7.7%***	***-17.0%***
Financial income	9 262	10 640	10 640	12 492	*14.9%*	*17.4%*
Financial expenses	-32 628	-57 905	-57 905	-41 308	*77.5%*	*-28.7%*
Net financial income	**-23 366**	**-47 265**	**-47 265**	**-28 816**	***>100%***	***-39.0%***
Consolidated profit before tax	**238 053**	**234 206**	**234 206**	**204 820**	***-1.6%***	***-12.5%***
Income tax	-87 249	-87 855	-87 855	-82 360	*0.7%*	*-6.3%*
Deferred tax	3 404	-4 184	-4 184	105	*<-100%*	*>100%*
Net income	**154 207**	**142 168**	**142 168**	**122 565**	***-7.8%***	***-13.8%***
in % of revenues	*8.5%*	*6.9%*	*6.9%*	*5.9%*	*-1.6 pts*	*-1.0 pts*

Source: CMGP Group

** Source: Independent auditor's report on the consolidated financial statements for the year ended December 31, 2022.*
*** Source: Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2023 (year n-1).*

VIII.1.4Balance sheet analysis

The table below shows CMGP Group's consolidated balance sheet for the period 2021-2023:

In KMAD	2021	2022*	2022**	2023	Var. 21-22*	Var. 22*-23
Goodwill	858 872	858 872	858 872	858 872	*0.0%*	*0.0%*
Intangible assets	1 040	16 232	16 232	15 953	*>100%*	*-1.7%*
Property, plant and equipment	443 970	430 165	430 165	435 723	*-3.1%*	*1.3%*
Long-term investments	4 674	55 929	55 929	77 908	*>100%*	*39.3%*

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Deferred tax assets	8 461	7 546	7 546	6 240	*-10.8%*	*-17.3%*
Non-current assets	**1 317 017**	**1 368 743**	**1 368 743**	**1 394 697**	***3.9%***	***1.9%***
Weight on total balance sheet	*40.6%*	*39.8%*	*39.8%*	*40.1%*	*-0.7 pts*	*0.2 pts*
Stocks	424 261	447 672	447 672	391 195	*5.5%*	*-12.6%*
Accounts receivable	1 148 757	1 340 086	1 340 086	1 380 956	*16.7%*	*3.0%*
Other operating receivables	52 006	74 029	201 931	72 710	*42.3%*	*-1.8%*
Current tax assets	136 397	131 480	3 578	109 314	*-3.6%*	*-16.9%*
Short-term financial assets	73 247	8 527	8 527	33 440	*-88.4%*	*>100%*
Non-current assets held for sale	8 947	8 947	8 947	8 947	*0.0%*	*0.0%*
Current assets	**1 843 614**	**2 010 741**	**2 010 741**	**1 996 562**	***9.1%***	***-0.7%***
Weight on total balance sheet	*56.8%*	*58.5%*	*58.5%*	*57.3%*	*1.7 pts*	*-1.2 pts*
Cash assets	**86 668**	**56 682**	**56 682**	***90424***	***-34.6%***	***59.5%***
TOTAL ASSETS	**3 247 299**	**3 436 166**	**3 436 166**	**3 481 684**	***5.8%***	***1.3%***
Share capital	1 550 090	1 550 090	1 550 090	1 550 090	*0.0%*	*0.0%*
Additional paid-in capital	158 045	158 045	158 045	158 045	*0.0%*	*0.0%*
Revaluation/translation surplus	985	-	-	-	*-100.0%*	*n.a*
Consolidated reserves	58 984	206 237	206 237	349 501	*>100%*	*69.5%*
Consolidated net income for the year	154 207	142 168	142 168	122 565	*-7.8%*	*-13.8%*
Shareholders' equity	**1 922 311**	**2 056 539**	**2 056 539**	**2 180 201**	***7.0%***	***6.0%***
Weight on total balance sheet	*59.2%*	*59.8%*	*59.8%*	*62.6%*	*0.7 pts*	*2.8 pts*
Other non-current provisions	47	64	64	650	*37.0%*	*>100%*
Non-current borrowings	467 488	440 483	440 483	378 695	*-5.8%*	*-14.0%*
Deferred tax liabilities	63 716	64 602	64 602	63 291	*1.4%*	*-2.0%*
Investment grants	7 777	12 003	-	-	*54.3%*	*-100.0%*
Other non-current liabilities	3	-	-	3 743	*-100.0%*	*n.a*
Non-current liabilities	**539 031**	**517 152**	**505 149**	**446 380**	***-4.1%***	***-13.7%***
Weight on total balance sheet	*16.6%*	*15.1%*	*14.7%*	*12.8%*	*-1.5 pts*	*-2.2 pts*
Trade payables	336 238	364 857	364 857	339 680	*8.5%*	*-6.9%*
Short-term borrowings	28 843	35 942	35 942	73 107	*24.6%*	*>100%*
Other current liabilities	46 625	73 684	188 821	81 247	*58.0%*	*10.3%*
Credit statements	121 696	115 138	-	107 122	*-5.4%*	*-7.0%*
Current provisions	1 623	362	362	-	*-77.7%*	*-100.0%*
Investment grants	-	-	12 003	13 042	*n.a*	*n.a*
Accruals and deferred income	-	-	-	1 062	*n.a*	*n.a*
Current liabilities	**535 024**	**589 982**	**601 986**	**615 260**	***10.3%***	***4.3%***
Weight on total balance sheet	*16.5%*	*17.2%*	*17.5%*	*17.7%*	*0.7 pts*	*0.5 pts*
Cash and cash equivalents - liabilities	**250 933**	**272 492**	**272 492**	**239 843**	***8.6%***	***-12.0%***
TOTAL LIABILITIES	**3 247 299**	**3 436 166**	**3 436 166**	**3 481 684**	***5.8%***	***1.3%***

Source: CMGP Group

** Source: Independent auditor's report on the consolidated financial statements for the year ended December 31, 2022.*
*** Source: Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2023 (year n-1).*

IX. Half-year parent financial statements analysis

IX.1 CMGP Group's financial position

IX.1.1 Management balance analysis

The table below shows the main indicators of CMGP Group's management balance statement as of June 30, 2023 and 2024:

In KMAD	H1 2023	H1 2024	Var. H1 23 - H1 24
Revenue figures	**-**	**-**	***n.a***
Purchases consumed	-	-	*n.a*
Other external expenses	-274	-1 329	*<-100%*
Added value	**-274**	**-1 329**	***<-100%***
Personnel expenses	-	-	*n.a*
Taxes	-	-5	*n.a*
Gross operating surplus	**-274**	**-1 334**	***<-100%***
Operating allowances	-228	-179	*21.4%*
Operating reversals, expense transfers	-	-	*n.a*
Other operating expenses	-	-	*n.a*
Operating income	**-502**	**-1 513**	***<-100%***
Financial income	-	-	*n.a*
Financial expenses	-2 249	-1 499	*33.3%*
Net financial income	**-2 249**	**-1 499**	***33.3%***
Current income	**-2 751**	**-3 013**	***-9.5%***
Non-current income	-	-8	*n.a*
Profit before tax	**-2 751**	**-3 021**	***-9.8%***
Income tax	-	-	*n.a*
Net income	**-2 751**	**-3 021**	***-9.8%***

Source: CMGP Group

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IX.1.2 Balance sheet analysis

The following table shows the main indicators of CMGP Group's social balance sheet as of December 31, 2023 and June 30, 2024:

In KMAD	2023	H1 2024	Var. 23 – H1 24
Fixed assets written off	717	538	*-25.0%*
Long-term investments	1 878 559	1 878 559	*0.0%*
Fixed assets	**1 879 276**	**1 879 097**	***0.0%***
Weight on total balance sheet	*99.7%*	*99.7%*	*-0.01 pts*
Tax receivables	105	305	*>100%*
Other debtors	-	180	*n.a*
Prepayments and accrued income	5 387	5 387	*0.0%*
Marketable securities	148	148	*0.0%*
Current assets	**5 640**	**6 020**	***6.7%***
Weight on total balance sheet	*0.3%*	*0.3%*	*0.02 pts*
Cash assets	**249**	**48**	***-80.7%***
Total assets	**1 885 165**	**1 885 165**	***0.0%***
Share capital	1 550 090	1 550 090	*0.0%*
Additional paid-in capital	158 045	158 045	*0.0%*
Legal reserve	4 858	6 219	*28.0%*
Other reserves	69 600	95 454	*37.1%*
Retained earnings	17 058	17 058	*0.0%*
Net income for the year	27 215	-3 021	*<-100%*
Total shareholders' equity	**1 826 866**	**1 823 845**	***-0.2%***
Weight on total balance sheet	*96.9%*	*96.7%*	*-0.2 pts*
Other borrowings	54 872	54 872	*0.0%*
Financial liabilities	**54 872**	**54 872**	***0.0%***
Trade accounts payable	527	648	*23.1%*
Tax liabilities	-	-	*n.a*
Associates' current accounts	253	253	*0.0%*
Other creditors	1 892	3 292	*74.0%*
Accruals and deferred income - liabilities	756	2 255	*>100%*
Current liabilities	**3 427**	**6 448**	***88.1%***
Weight on total balance sheet	*0.2%*	*0.3%*	*0.2 pts*
Cash and cash equivalents - liabilities	**-**	**-**	***n.a***
Total liabilities	**1 885 165**	**1 885 165**	***0.0%***

Source: CMGP Group

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IX.2 CMGP Group's consolidated financial position

IX.2.1 Income statement analysis

The table below shows the CMGP Group's consolidated income statement as of June 30, 2023 and 2024:

In KMAD	H1 2023	H1 2024	Var. H1 23 - H1 24
Revenue figures	**1 026 221**	**1 116 910**	***8.8%***
Change in product inventories	-18 585	7 879	*>100%*
Purchases consumed	-714 574	-794 166	*11.1%*
External expenses	-49 459	-55 683	*-12.6%*
Added value	**243 603**	**274 940**	***12.9%***
in % of revenues	*23.7%*	*24.6%*	*0.9 pts*
Personnel expenses	-79 174	-85 939	*-8.5%*
Taxes	-2 473	-2 364	*4.4%*
Other operating income and expenses	-278	-119	*57.1%*
Gross operating surplus	**161 678**	**186 517**	***15.4%***
in % of revenues	*15.8%*	*16.7%*	*0.9 pts*
Operating allowances	-21 942	-35 595	*-62.2%*
Farm takeovers	3 939	6 923	*75.7%*
Income from operations	**143 675**	**157 845**	***9.9%***
in % of revenues	*14.0%*	*14.1%*	*0.1 pts*
Net exceptional income	-4 697	-3 130	*33.4%*
Operating income	**138 978**	**154 714**	***11.3%***
Financial income	5 271	4 862	*-7.8%*
Financial expenses	-18 982	-18 138	*4.4%*
Net financial income	**-13 711**	**-13 276**	***3.2%***
Consolidated profit before tax	**125 267**	**141 438**	***12.9%***
Income tax	-47 950	-48 326	*-0.8%*
Deferred tax	-1 721	-929	*46.0%*
Share of profit of associates	-	1 980	*n.a*
Net income	**75 597**	**94 163**	***24.6%***
in % of revenues	*7.4%*	*8.4%*	*1.1 pts*
of which Share of associates	-	*1 980*	*n.a*
of which net income, Group share	*75 597*	*92 182*	*21.9%*

Source: CMGP Group

IX.2.2 Balance sheet analysis

The table below shows CMGP Group's consolidated balance sheet as of end 2023 and as of June 30, 2024:

In KMAD	2023	H1 2024	Var. 23 H1 24
Goodwill	858 872	858 872	*0.0%*
Intangible assets	15 953	15 481	*-3.0%*
Property, plant and equipment	435 723	503 598	*15.6%*
Long-term investments	77 908	63 242	*-18.8%*
Deferred tax assets	6 240	5 855	*-6.2%*
Non-current assets	**1 394 697**	**1 447 049**	***3.8%***
Weight on total balance sheet	*40.1%*	*39.8%*	*-0.3 pts*
Stocks	391 195	483 815	*23.7%*
Accounts receivable	1 380 956	1 335 445	*-3.3%*
Other operating receivables	72 710	95 220	*31.0%*
Current tax assets	109 314	146 330	*33.9%*
Short-term financial assets	33 440	70 217	*>100%*
Non-current assets held for sale	8 947	8 947	*0.0%*
Current assets	**1 996 562**	**2 139 973**	***7.2%***
Weight on total balance sheet	*57.3%*	*58.9%*	*1.5 pts*
Cash assets	**90 424**	**48 223**	***-46.7%***
TOTAL ASSETS	**3 481 684**	**3 635 244**	***4.4%***
Share capital	1 550 090	1 550 090	*0.0%*
Additional paid-in capital	158 045	158 045	*0.0%*
Consolidated reserves	349 501	467 852	*33.9%*
Consolidated net income for the year	122 565	94 163	*-23.2%*
Shareholders' equity	**2 180 201**	**2 270 150**	***4.1%***
Weight on total balance sheet	*62.6%*	*62.4%*	*-0.2 pts*
Other non-current provisions	650	683	*5.1%*
Non-current borrowings	378 695	353 411	*-6.7%*
Deferred tax liabilities	63 291	63 220	*-0.1%*
Other non-current liabilities	3 743	1 712	*-54.3%*
Non-current liabilities	**446 380**	**419 025**	***-6.1%***
Weight on total balance sheet	*12.8%*	*11.5%*	*-1.3 pts*
Trade payables	339 680	381 508	*12.3%*
Short-term borrowings	73 107	90 626	*24.0%*
Other current liabilities	81 247	120 570	*48.4%*
Credit statements	107 122	137 865	*28.7%*
Investment grants	13 042	13 002	*-0.3%*
Accruals and deferred income	1 062	879	*-17.2%*
Current liabilities	**615 260**	**744 451**	***21.0%***
Weight on total balance sheet	*17.7%*	*20.5%*	*2.8 pts*
Cash and cash equivalents - liabilities	**239 843**	**201 619**	***-15.9%***
TOTAL LIABILITIES	**3 481 684**	**3 635 244**	***4.4%***

PART V – RISK FACTORS

X. Risk factors

X.1 Competitive risk

Competitive risk covers both the risk of the emergence of a new organized competitor, and the risk of losing ground to existing competitors. The CMGP group could thus face intensifying competition on the Moroccan market or on the African irrigation and agro-supply markets, which would lead to a loss of market share and a reduction in the CMGP group's revenues.

To mitigate this risk, the Group has set up a competitive intelligence system and offers attractive clauses to partners.

X.2 Commodity price risk

The main risk associated with raw material price trends is cost volatility. The prices of these raw materials can fluctuate considerably due to factors such as global demand, supply, economic conditions, government policies, production costs and geopolitical events.

To mitigate this risk and thus ensure cost stability and maintain its competitiveness in the market, the Group has implemented the following key actions:

- Forward contracts with suppliers. These contracts guarantee a fixed price for a given quantity of raw materials over a given period, thereby reducing the uncertainty associated with price trends;
- Supplier diversification to reduce dependence on a single supplier. This can offer greater flexibility in terms of price negotiation, and reduce the risks associated with possible shortages or disruptions at a specific supplier;
- Build up stocks when prices are low. This would protect against sudden price rises and guarantee continuous supply for a limited period;
- Monitoring the market for raw materials, and the factors that influence their prices. By monitoring market trends and analyzing forecasts, Group teams can anticipate price fluctuations and make strategic decisions accordingly.

X.3 Input supply/import risk

Input supply/import risks relate to:

- Non-conformity of the goods supplied;
- Late delivery;
- A break in the supply chain.

To mitigate this risk and ensure efficient management of input supply and imports, the Group has implemented the following key actions:

- The creation of (i) a committee specialized in "**Purchasing and Supply Chain**" and (ii) a complete department dedicated to "**Supply Chain Management**" to ensure better management of procurement as part of its new organization implemented in 2022;
- The implementation of a consolidated system to optimize its supply chain and inventory management policy;
- The setting up annual or multi-year contracts with raw materials suppliers. It should be noted that the average supply lead time is 2 to 8 weeks, depending on the source (Europe or Asia).
- The optimization of inventory management, by anticipating the needs of each activity, supply lead times and fluctuating raw material prices, in particular through:
  - ✓ Introducing electronic reverse auctions for the purchase of commodities;
  - ✓ Commodities market watch using the world's most renowned platforms;
  - ✓ Rationalizing procurement using the CBN method (Calculation of Net Requirements);
  - ✓ Digitizing inventories with PDAs (Personal Digital Assistants);
  - ✓ Implementing BI (Business Intelligence) inventory management applications;
  - ✓ Referencing foreign and Moroccan suppliers;

- Organizing workshops and training courses regularly with a view to the continuous improvement of supply management methods.

X.4 Risk related to the agricultural sector

The Group's operations are highly dependent on the agricultural sector, and are strongly impacted by trends in this sector, such as variations in agricultural commodity prices, adverse weather conditions and the seasonal nature of the business.

The following factors could have an impact on the CMGP Group's business:

- Disruptions to weather patterns and climate change in certain regions. However, this risk is mitigated by the Group's geographical diversification;
- Lower prices for agricultural products, leading to a reduction in production and thus a drop in demand for the CMGP group's products;
- Seasonal variations in the application period for certain products, particularly crop protection products, leading to major fluctuations in demand over the seasons.

X.5 Risk related to production unit obsolescence

The CMGP Group regularly invests in the maintenance of its production units/equipment in order to keep them in top condition and achieve productivity gains.

To address this risk and its implications, the Group is implementing the following measures:

- Strategic planning: Obsolescence management is an integral part of the Group's strategic planning. This involves anticipating technological developments, closely monitoring market trends and planning the investments needed to keep the Group technologically up to date;
- Technology watch and partnerships: the Group keeps abreast of technological advances in its various businesses. It collaborates with suppliers, industry experts and renowned technological partners. In addition, the Group has implemented a preventive approach through employee training and the use of IT tools enabling it to anticipate any possible failure of its production tools;
- Modernization and upgrading: where justified, the Group modernizes or upgrades obsolete equipment. This may involve replacing certain components, automating processes or even setting up new facilities. A thorough cost-benefit analysis must be carried out to assess the appropriateness of this decision.

X.6 Operational risk related to acquisitions

The CMGP group's development plan includes external growth, such as the acquisition of CAS and Delta Irrigation. M&A operations can entail a risk of poor integration of the target company. In order to mitigate this risk, M&A operations are subject to a structured upstream analysis and validation process, including phases of (i) selection, (ii) due diligence, (iii) validation by investment committees, (iv) preparation for deployment and (v) deployment.

The Group's M&A teams lead the acquisition process, with the support of operational teams who contribute their expertise and prepare to integrate the target company. In addition, in-depth due diligence is carried out by leading experts, notably on tax, legal, operational and accounting issues, to effectively limit the risks associated with the planned operation.

X.7 Country risk

Country risk encompasses macroeconomic, microeconomic, financial, political, institutional, legal, social, health, technological, industrial and climatic risks likely to affect the Group's activities in the various countries in which it operates.

These risks are nonetheless mitigated by (i) geographic diversification in several countries, (ii) carrying out preliminary studies before setting up in a new country, and (iii) setting up monitoring systems.

X.8 Foreign exchange risk

The Group is exposed to foreign exchange risk arising from flows from subsidiaries based in Senegal and Côte d'Ivoire, and from international purchases. As a result, the Company's financial results may rise or fall depending on fluctuations in the currencies of the countries in which it operates.

It should be noted that the FCFA, the currency of Senegal and Côte d'Ivoire, is expected to remain stable, with no risk of devaluation affecting the Group's profitability in Senegal or Côte d'Ivoire.

X.9 Interest rate risk

Interest rates are subject to parameters beyond the Group's control, such as the monetary policies of central banks, economic conditions and political factors in general.

A rise in interest rates will result in an increase in the Group's interest expenses, mainly those relating to debts not yet contracted. It should be noted that all existing borrowings are at fixed rates.

X.10 Risk related to access to financing

In order to finance its activities and development, the CMGP Group relies on its own funds, as well as on bank financing: lines of credit, overdraft facilities, discounting lines, guarantees, etc. However, in the event of a deterioration in the economic or operating situation, access to financing could prove limited. However, in the event of a deterioration in the economic or operating situation, access to financing could prove limited. In addition, the Group has historically demonstrated its ability to cover its financing needs and honor its commitments.

X.11 Debt risk

Debt is an integral part of the Group, and is both a means of development through the action possibilities it offers, and a risk in the event that the Group fails to keep its debt ratio under control. The risk of over-indebtedness arises when the level of credit and interest charges reaches a critical threshold, potentially leading to default.

To mitigate the risk of over-indebtedness, the CMGP Group (i) uses fixed-rate debt for the majority of borrowings, (ii) implements rigorous financial monitoring, (iii) establishes prudent credit policies, (iv) diversifies its sources of financing and (v) implements efficient cash management.

Disclaimer

The above information makes only part of the prospectus approved by the Moroccan Capital Market authority (AMMC) under reference no. VI/EM/035/2024 dated November 21, 2024.

AMMC recommends that you read the full prospectus, which is made available to the public in the French language.