



## JET CONTRACTORS SA

# ***SUMMARY OF THE INFORMATION PACKAGE OF THE COMMERCIAL PAPER ISSUANCE PROGRAM***

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### REGISTRATION BY THE MOROCCAN CAPITAL MARKET AUTHORITY

In accordance with the provisions of the AMMC circular, the reference document has been registered by the AMMC on 07/07/2020 and under the following reference EN/EM/006/2020.

This reference document may not be used as a basis for canvassing or for collecting orders in the context of a financial transaction unless it is part of a prospectus duly approved by the AMMC.

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### ANNUAL UPDATE OF THE INFORMATION PACKAGE RELATIVE TO THE COMMERCIAL PAPER ISSUANCE PROGRAM

As of the date of registration of this reference document, the AMMC has approved the annual update of the information package relating to the commercial paper issuance program. The file is composed of:

- this reference document;
- the note relating to the commercial paper issuance program registered by the AMMC on December 23, 2019, under the reference EN/EM/019/2019 and available on the following link: [http://www.ammc.ma/sites/default/files/Note\\_RT\\_JET\\_019\\_19\\_2.pdf](http://www.ammc.ma/sites/default/files/Note_RT_JET_019_19_2.pdf)

The said update was approved by the AMMC under the reference VI/EM/012/2020.

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**DISCLAIMER OF THE MOROCCAN CAPITAL MARKET AUTHORITY**

This reference document has been registered by the AMMC. Registration of the reference document does not imply authentication of the information presented. It was registered after examination of the relevance and consistency of the information provided.

The public's attention is drawn to the fact that this reference document may not be used as a basis for canvassing or collecting orders to participate in a financial transaction if it is not part of a prospectus approved by the AMMC.

This document may be subject to updates or corrections. Users of this registration document are called upon to ensure that they have access to such updates and corrections, where applicable.

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## PART I. PRESENTATION OF THE OPERATION

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### I.1. SCOPE OF THE OPERATION

In accordance with the provisions of Article 15 of Law No. 35-94 promulgated by Dahir No. 1-95-3 of Chaabane 24, 1415 (January 26, 1995) and Order of the Minister of Finance and Foreign Investment No. 2560-95 of October 9, 1995 relating to Negotiable Debt Securities (NDS) and AMMC Circular No. 03/19 of February 20, 2019 relating to financial operations and information, Jet Contractors issues to the public interest-bearing commercial paper in representation of a debt claim for a period up to one year. Within this framework, Jet Contractors has drawn up with the Advisory Body this Information Dossier relating to its activity, its economic and financial situation and its issuance program.

The Board of Directors, held on October 12, 2012, authorized the issuance of Commercial Paper with a ceiling of MAD 200,000,000 and gave full powers to the Managing Director (Directeur Général) to define the characteristics of each issuance of Commercial Paper on the terms he deems appropriate.

Pursuant to article 17 of the said law, and as long as the securities are in circulation, this Information Dossier shall be updated annually within 45 days of the holding of the Ordinary General Meeting of shareholders ruling on the accounts for the last financial year.

However, occasional updates may occur in the event of a modification relating to the ceiling on the outstanding amount of the securities issued or following any new event likely to have an impact on the evolution of the prices of the securities or on the successful completion of the program.

### I.2. OBJECTIVES OF THE PROGRAM

Jet Contractors has carried out a Commercial Paper issuance program in order to:

- optimize the cost of short-term financing by partially or totally substituting existing bank loans with Commercial Paper;
- meet temporary cash requirements resulting from changes in working capital requirements during the year (due to fluctuations in the payment terms of the Company's various counterparties);
- diversify the sources of financing for better negotiations with its financial partners;
- consolidate its image with institutional investors through increased visibility on the capital market.

### I.3. IDENTIFICATION OF SUBSCRIBERS

Before carrying out the subscription, the Placement Body must ensure that the representative of the subscriber has the capacity to act either in his capacity as legal representative, or under a mandate which he has.

The Placement Body must ensure that the subscriber belongs to one of the categories defined below. To this end, the placement body must obtain a copy of the document attesting to this and attach it to the subscription form.

Catégorie de souscripteur	Documents à joindre
<b>Associations</b>	Photocopy of the Articles of Association and photocopy of the receipt of the file deposit
<b>Minor children</b>	Photocopy of the page of the family record book attesting to the child's date of birth
<b>Funds (OPCVM) under Moroccan law</b>	Photocopy of the approval decision showing their belonging to this category and: <ul style="list-style-type: none"> <li>▪ For Mutual Funds, the number of the certificate of deposit at the court registry;</li> <li>▪ For Investment companies with variable capital (SICAVs), the number of the commercial register.</li> </ul>
<b>Foreign legal entities</b>	Model of entries in the commercial register or equivalent
<b>Moroccan legal entities</b>	Model of entries in the commercial register
<b>Non-resident, non-Moroccan natural persons</b>	Photocopy of the pages of the passport containing the identity of the person as well as the issue and expiry dates of the document
<b>Resident non-Moroccan natural persons</b>	Photocopy of the residency card
<b>Resident natural persons and Moroccan nationals abroad</b>	Photocopy of the national identity card



#### I.4. INFORMATION ON THE PROGRAM AND SECURITIES TO BE ISSUED

Nature of securities	Negotiable Debt Securities dematerialized by registration with the Central Depository (Maroclear) and registered in account with the authorized affiliates.
Legal form	Bearer Commercial Papers.
Program Ceiling	MAD 200,000,000.
Unit nominal value	MAD 100,000.
Maximum number of securities	2,000 commercial papers.
Maturity	From 10 days to 12 months - to be determined for each issuance.
Date of entitlement	Upon the payment date.
Interest rates	Fixed, determined for each issuance according to market conditions.
Interests	Post-counted.
Coupon payment	<i>In fine</i> , i.e. at the maturity of each commercial paper.
Repayment	<i>In fine</i> , i.e. at the maturity of each commercial paper.
Assimilation clause	Commercial papers issued bear no assimilation with securities of a previous issuance.
Negotiability of securities	There are no restrictions imposed by the terms of issuance on the negotiability of the Commercial Papers issued. The securities are negotiable over-the-counter.
Rank	The rank is comparable to that of an ordinary debt contracted by the company.
Rating	Commercial papers issued are not subject to any rating.
Guarantee	The issuance does not carry any guarantee.

#### I.5. SUBSCRIPTION PERIOD

Each time Jet Contractors shows a need for cash, Société Générale Marocaine de Banques will open the subscription period at least 3 working days prior to the date of entitlement.

It should be noted that the subscription period may be closed as soon as the placement of the entire issuance has been completed.

#### PRIOR INFORMATION TO SUBSCRIBERS

Prior to any issuance, Jet Contractors undertakes to draw up a document detailing the terms of the issuance and containing the information as defined by Article No. 1-60 of circular 03/19 of the AMMC relating to financial operations and information.

The aforementioned document will be made available to investors prior to the opening of the subscription period.

#### I.6. SUBSCRIPTION TERMS AND CONDITIONS

Société Générale Marocaine de Banques is required to collect subscription orders from investors, using subscription forms which become firm and irrevocable after the closing of the subscription period. These subscription forms must be completed and signed by the subscribers or their representatives.

Subscribers may formulate one or more subscription requests, specifying the number of securities requested. Subscribers may be served up to the amount of their request and within the limit of available securities.

There is no minimum or maximum subscription amount set for the Issuance.

Société Générale Marocaine de Banques is responsible for processing subscription orders and rejecting applications that do not comply with the terms and conditions set out in this Information Dossier.

The Placement Body must ensure, prior to the acceptance of a subscription, that the subscribers have the financial capacity to meet their commitments. The Placement Body will freely determine the terms and conditions of the financial guarantee required from subscribers, which may be a deposit in cash, securities or a guarantee. For institutional investors, no coverage of the subscription will be required. Subscription orders are irrevocable at the end of the subscription period.

### Subscriptions on behalf of third parties

Subscriptions on behalf of third parties are authorized but within the following limits:

- Subscriptions on behalf of third parties are accepted on condition that the subscribers present a power of attorney duly signed and legalized by their principal delimiting exactly the scope of the power of attorney. The Placement Body must obtain a copy of the said power of attorney and attach it to the subscription form. The power of attorney must provide for an express stipulation concerning the purchase and sale of transferable securities and must be signed and legalized and mention the number of the securities and cash account in which the securities will be deposited;
- The representative must specify the references of the principal's securities and cash accounts, in which the movements in securities or cash linked to the Commercial Paper subject of the present operation, will be recorded respectively. The said account may only be moved by the account holder unless a power of attorney exists. A power of attorney for a subscription can in no case allow the opening of an account for the principal. Therefore, the opening of an account must be done in the presence of the account holder, in accordance with the legal or regulatory terms and conditions in force;
- Subscriptions on behalf of minors under the age of 18 are permitted provided that they are made by the father, mother, guardian or legal representative of the minor. The account keeper is required, if they do not already have one, to obtain a copy of the page of the family record book showing the date of birth of the minor child in question, if appropriate, and attach it to the subscription form. In this case, the movements are entered either in an account opened in the name of the minor child, or in the securities or cash account opened in the name of the father, mother, guardian or legal representative;
- In the case of a portfolio management mandate, the manager may only subscribe on behalf of the client whose portfolio they manage by presenting a power of attorney duly signed and legalized by their principal or the management mandate if the latter makes express provision for this. Management companies are exempted from presenting such evidence for the funds (OPCVM) they manage.

### I.7. ALLOCATION METHODS

During the subscription period, allocations will be made on a "first come first served" basis, depending on subscriptions received and the quantities of Commercial Paper available. Thus, at the closing of the subscription period, the allocation of securities will be made.

The subscription period may be closed as soon as the placement of the entire tranche issued has been completed.

### I.8. METHODS OF SETTLEMENT/DELIVERY OF SECURITIES

The settlement of subscriptions will be made, on the date of entitlement, within the framework of the over-the-counter channel, by CDG Capital, in its capacity as custodian. The securities are payable in cash in a single installment.

### I.9. AMMC INFORMATION COMMITMENT

Jet Contractors undertakes to transmit to the AMMC, at the end of each issuance, the characteristics of the Commercial Paper issued (number of securities issued, maturity, nominal interest rate, date of entitlement, maturity date, etc.) as well as the results of the investment of the Commercial Paper by category of subscribers within a period of 7 days following its completion, in accordance with article 1.60 of AMMC circular no. 03/19.



**I.10. FINANCIAL INTERMEDIARIES**

The advisory and placement bodies are as follows:

Financial advisor	Red Med Finance 57 Avenue Mehdi Ben Barka, Souissi Rabat
Placement body	Société Générale Maroc 55 bd Abdelmoumen, Casablancamen, Casablanca
Domiciliary agent providing financial services for the securities and centralizing agent of the issuance program	CDG Capital Tour Mamounia, Place Moulay El Hassan – Rabat
Central depository	Maroclear

## PART II. PRESENTATION OF THE ISSUER



## II.1. GENERAL INFORMATION

Jet Contractors is a public limited company with a board of directors that is positioned in different segments of the construction market.

Company Name	Jet Contractors
Registered Office	78, quartier industriel de Takaddoum, Rabat
Adm. headquarters and production site	Quartier industriel de Oued Ykem - CP 12040 Skhirate - Maroc
Phone	05 37 74 92 92
Fax	05 37 74 92 30
Website	<a href="http://www.jet-contractors.com">www.jet-contractors.com</a>
E-mail	<a href="mailto:contact@jet-contractors.com">contact@jet-contractors.com</a>
Creation date	1992
Date of transformation into a limited company	2009
Legal form	Public limited company with a Board of Directors
Commercial register number	53431 - Rabat
Financial year	January 1 to December 31.
Corporate purpose	<p>According to Article 3 of the Articles of Association, the Company's main purpose is, either directly or indirectly, in Morocco and in all countries:</p> <ul style="list-style-type: none"> <li>▪ The exercise of all activities for private, professional and public customers, by auction or direct agreement: <ul style="list-style-type: none"> <li>- Buildings, namely: <ul style="list-style-type: none"> <li>✓ Civil engineering works;</li> <li>✓ Construction and building works - on a general contracting basis;</li> <li>✓ Façade, window and partition work;</li> <li>✓ Miscellaneous works;</li> <li>✓ Studies and engineering works;</li> </ul> </li> <li>- Real Estate Development;</li> <li>- Renewable energies.</li> </ul> </li> <li>▪ The marketing and exploitation of all products and services related to the aforementioned and in particular all processes, patents or licenses;</li> <li>▪ The import and export of substances, materials, supplies and accessories necessary for its activities.</li> <li>▪ All commercial, industrial, financial, movable and immovable property transactions relating directly or indirectly to the above purpose or to any similar or related purposes, or contributing to the realization of these purposes;</li> </ul> <p>And, more generally, the management and acquisition of all shareholdings, in the form of subscription, purchase, contribution, exchange or by any other means, of shares, bonds and all other securities of companies already in existence or to be created, and the right to sell such shareholdings.</p>
Share capital as of June 30, 2019	<ul style="list-style-type: none"> <li>▪ MAD 148,619,000 divided into 2,972,380 shares with a nominal value of MAD 50 each.</li> </ul>
Legislation and regulations applicable to Jet Contractors	<p>By virtue of its legal form, Jet Contractors is a public limited company with a Board of Directors governed by the provisions of Law 17/95 on public limited companies, as amended and supplemented.</p> <p>By virtue of its public offering through its listing and issuance of debt securities, Jet Contractors is subject to all the following legal and regulatory provisions:</p> <ul style="list-style-type: none"> <li>▪ Dahir No. 1-16-151 of August 25, 2016 promulgating Law No. 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisors;</li> <li>▪ Dahir No. 1-95-3 of January 26, 1995 promulgating Law No 35-94 relating to certain negotiable debt securities, as amended and supplemented by Dahir 1-08-95 promulgating Law 33-06;</li> </ul>

*Source: Jet Contractors*



## II.2. BRIEF DESCRIPTION OF THE ACTIVITY

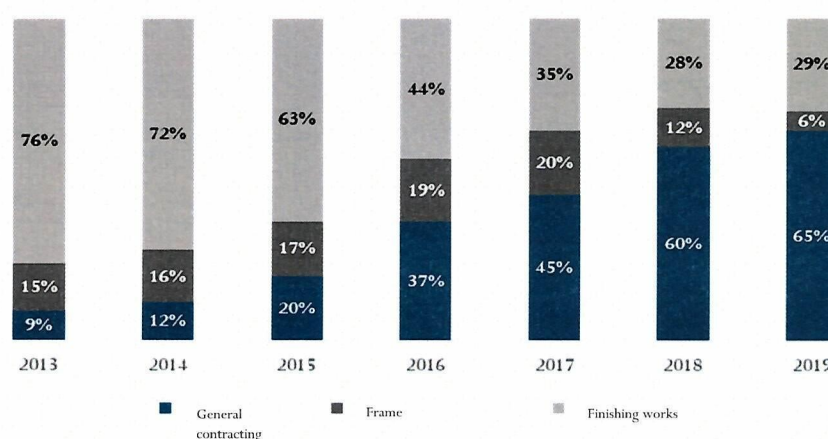
Jet Contractors is a General Contracting company that puts value chain integration at the heart of its business model. This integration allows the group not only to position itself on major projects but also to better manage risk in a context of strong competition and margin erosion.

In addition, the company has undergone a name change from Jet Alu Maroc to Jet Contractors, in January 2015, to better reflect the evolution of its positioning.

Today, Jet Contractors is an integrated operator working in various fields of activity:

- **Construction:** Construction is the field in which Jet Contractors is increasingly positioned. This has been made possible thanks to the awarding by the Ministry of Equipment of various qualifications allowing bidding for public contracts (qualifications obtained according to an award scale defined by the Ministry). Thus the company is able to deliver various turnkey works including structural works, structures and building envelopes. The various works can be of the type of:
  - Public facilities: stadiums, schools, hospitals, universities, etc.
  - Tertiary works: industrial buildings, warehouses, headquarters and offices, etc.
  - Residential real estate: high end real estate programs
- **Light and semi-light facades:** a light facade is a facade built on a building frame with light, industrial materials, as opposed to traditional masonry or concrete construction. The company offers its customers several types of facades, including VEC, VEP, VEA, steel facades, etc.:
  - VEC facades (*Verre Extérieur Collé* = glued exterior glass): VEC is a technique where glass is used as an exterior facing. It is glued to a removable frame. This structural adhesive allows the transmission of the climatic loads and the weight of the glass to the frame elements.
  - VEP facades (*Verre Extérieur Parcloé* = beaded glass façades): VEP facade is a curtain or semi-curtain facade where the view of the fixed frame is equal to that of the window opening outwards on a horizontal axis.
  - VEA facades (*Verre Extérieur Agraphé* = stamped external glass): VEA facade is a curtain wall in metal structure. The glass is stamped with metal crosses and ball-and-socket joints.
  - Steel facades: The steel facade is a curtain wall that allows the glazing to be installed at a great height. The main structure is made of steel and the hoods are made of aluminium.
- **Metal and wood work:** It represents all the techniques leading to the manufacture of building elements or furniture in wood/metal. At the beginning of 2011, the wood activity was transferred to a dedicated workshop of 5,300 m<sup>2</sup> covered on two levels, "Jet Contractors 2" in Ain Atiq, which groups together all Jet Contractors' wood joinery activities. In 2014, Jet Contractors purchases an additional 6,000m<sup>2</sup> workshop dedicated to wood fabrication work at the Oued Ikem site.
- **Removable partitions:** Removable partitions can be used to transform or fit out office spaces. Indeed, its use allows having a workspace adapted to the needs of the user by changing and modulating the dimensions of existing offices.
- **Metal works and structures:** Jet Contractors is strengthening its "metal works and structures" business line, supported by its subsidiaries AR Factory and Mea Wood. Jet Contractors has produced and installed medium and large size steel and glued laminated timber structures on flagship projects over the past 10 years. With dedicated entities for each type of structure, Jet Contractors delivers with a constantly optimized industrial approach the design, dimensioning, fabrication, delivery and installation of structures for leisure buildings, industrial units and engineering structures.

## Distribution of Jet Contractors' consolidated turnover by business areas



Source: Jet Contractors

## Breakdown of consolidated turnover by geographical areas

Turnover in MAD millions	2017	2018	Var 18/17	2019	Var 19/18
Morocco	1 206	1 453	21%	1 664	15%
En %	98%	88%	-10 pts	97%	9 pts
Subsaharian africa	28	196	>100%	48	-76%
En %	2%	12%	10 pts	3%	-9 pts

Source: Jet Contractors

## II.3. CURRENT SHAREHOLDING STRUCTURE

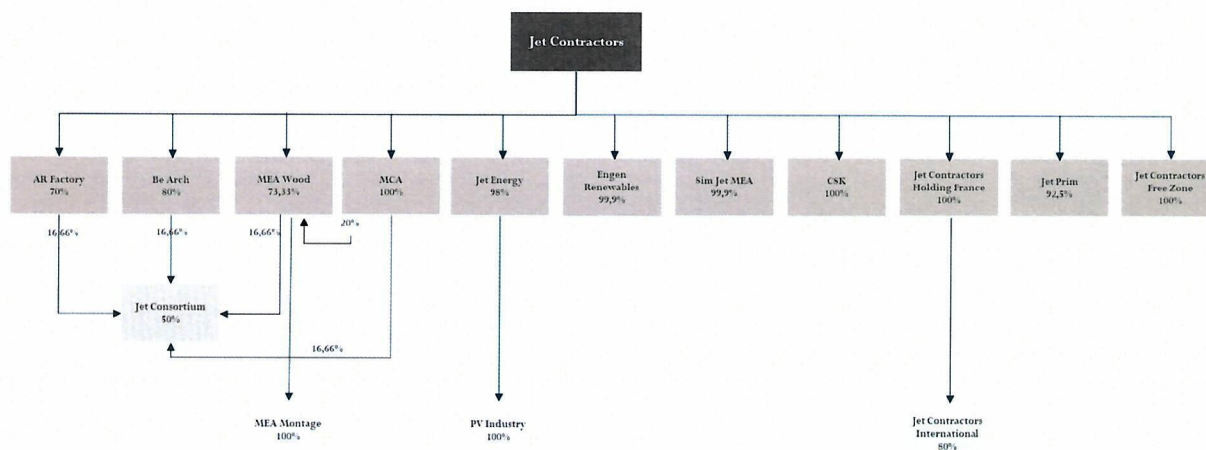
Shareholders	Number of shares	% in capital and voting rights
AR Corporation	1 100 039	37.0%
M.Omar TADLAOUI	302 404	10.2%
RCAR	359 361	12.1%
Autres	1 113 433	37.4%
Amine DAOUDI	97 143	3.3%
<b>Total</b>	<b>2 972 380</b>	<b>100.0%</b>

Source: Jet Contractors

NB: It should be noted that the percentage of share capital held corresponds to the percentage of voting rights..

## II.4. LEGAL ORGANIZATIONAL CHART

The legal organizational chart of Jet Contractors Group (control percentage), as of June 30, 2020, is as follows:



Source: Jet Contractors

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## PART III. FINANCIAL DATA OF JET CONTRACTORS

### III.1. CONSOLIDATED BALANCE SHEET

The changes in the consolidated assets of Jet Contractors over the period 2017-2019 are as follows:

Consolidated assets In MAD thousand	2017	2017 PF	2018	Var 18/17 PF	2019	Var 19/18
<b>Consolidated non-current assets</b>	<b>3 803</b>	<b>3 805</b>	<b>2 213</b>	<b>-41.9%</b>	<b>2 566</b>	<b>16.0%</b>
Preliminary fees	101	104	57	-45.7%	2026	>100%
Deferred charges	3 701	3 701	2 156	-41.7%	540	-75.0%
<b>Consolidated intangible assets</b>	<b>1 388</b>	<b>67 661</b>	<b>52 131</b>	<b>-22.9%</b>	<b>68 229</b>	<b>30.9%</b>
Goodwill on acquisition	137	66 410	50 871	-23.4%	67 086	31.9%
Patents, trademarks, rights and similar val.	1 251	1 251	1 260	0.7%	1 143	-9.3%
Goodwill – Other (fonds commercial)	-	-	-	-	-	-
<b>Consolidated tangible assets</b>	<b>109 334</b>	<b>112 018</b>	<b>96 983</b>	<b>-13.4%</b>	<b>98 453</b>	<b>1.5%</b>
Land	4 458	4 458	4 458	0.0%	4 458	0.0%
Constructions	23 926	23 926	23 185	-3.1%	23 314	0.5%
Technical installations, equipment and tools	73 517	75 760	61 447	-18.9%	63 546	3.4%
Transport equipment	646	648	471	-27.4%	286	-39.3%
Furniture, office equipment & miscellaneous fittings	6 159	6 598	6 589	-0.1%	6 550	-0.6%
Other tangible assets	2	2	2	-29.4%	1	-54.3%
Property, plant and equipment in progress	626	626	832	32.8%	300	-64.0%
<b>Consolidated financial fixed assets</b>	<b>5 002</b>	<b>5 167</b>	<b>5 268</b>	<b>1.9%</b>	<b>7 991</b>	<b>51.7%</b>
Fixed Loans	9	70	90	27.3%	106	17.2%
Other financial receivables	4934	5067	5 148	1.6%	7856	52.6%
Equity securities	30	30	30	0.0%	30	-1.0%
Investments in equity affiliates	29	-	-	-	-	-
Other fixed securities	-	-	-	-	-	-
<b>Consolidated fixed assets</b>	<b>119 527</b>	<b>188 651</b>	<b>156 594</b>	<b>-17.0%</b>	<b>177 240</b>	<b>13.1%</b>
<b>Consolidated inventories</b>	<b>313 447</b>	<b>366 826</b>	<b>340 519</b>	<b>-7.2%</b>	<b>323 431</b>	<b>-5.0%</b>
Goods						
Consumable materials and supplies	87 323	90 635	99 642	9.9%	128 045	29.0%
Products in progress	216 120	266 187	238 277	-10.5%	195 011	-18.0%
Intermediate products-Residual products	4 592	4 592	0	-100.0%	-	-
Finished products	5 411	5 411	2 600	-52.0%	374	-86.0%
<b>Consolidated receivables</b>	<b>1 407 647</b>	<b>1 435 423</b>	<b>1 786 899</b>	<b>24.5%</b>	<b>2 306 414</b>	<b>29.1%</b>
Suppliers debtors advances and down payments	29 649	30 432	23 077	-24.2%	31 692	37.3%
Accounts receivable and related accounts	1 196 353	1 217 470	1 536 919	26.2%	2 035 456	32.4%
Staff	21	21	38	83.6%	51	34.2%
State	156 089	161 855	202 925	25.4%	223 147	10.0%
Partner Accounts – Assets	-	-	-	-	-	-
Other debtors	5 472	5 472	8 677	58.6%	6 499	-25.1%
Accruals and deferred income - Assets	20 064	20 174	15 263	-24.3%	9 570	-37.3%
Consolidated securities and investment values						
<b>Consolidated current assets</b>	<b>1 721 094</b>	<b>1 802 249</b>	<b>2 127 418</b>	<b>18.0%</b>	<b>2 629 845</b>	<b>23.6%</b>
<b>Consolidated cash position assets</b>	<b>19 735</b>	<b>19 858</b>	<b>20 139</b>	<b>1.4%</b>	<b>18 993</b>	<b>-5.7%</b>
Checks and bills awaiting collection	4978	4 978	3 661	-26.5%	5 320	45.3%
Bank Deposits, Cash and Post Office deposit accounts	14384	14 504	15 960	10.0%	13 527	-15.2%
Cash, Imprest Accounts and Letters of Credit	372	376	518	37.7%	146	-71.8%
<b>Total consolidated assets</b>	<b>1 860 356</b>	<b>2 010 758</b>	<b>2 304 151</b>	<b>14.6%</b>	<b>2 826 079</b>	<b>22.6%</b>

Source: Jet Contractors

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The changes in the consolidated liabilities of Jet Contractors over the period 2017-2019 are as follows:

Consolidated liabilities In MAD thousand	2017	2017 PF	2018	Var 18/17 PF	2019	Var 19/18
<b>Consolidated shareholders' equity</b>	<b>520 220</b>	<b>529 222</b>	<b>632 315</b>	<b>19.5%</b>	<b>938 043</b>	<b>48.3%</b>
Share Capital	120 000	120 000	120 000	-	148 619	23.8%
Share issue, merger, contribution premiums	95 200	95 200	95 200	-	266 914	>100%
Revaluation differences						
Legal Reserves	12 921	12 923	12 993	0.5%	15 891	22.3%
Other reserves	6 390	6 390	6 390	0.0%	6 390	0.0%
Retained Earnings	174 533	174 461	262 984	50.7%	375 365	42.7%
Currency translation adjustment	-503	-503	867	>100%	643	-25.8%
Net income pending allocation	-	-	-	-	-	-
Net income for the financial year (group share)	104 423	113 872	126 959	11.5%	117 504	-7.4%
Non-group interest Excluding income	3 286	3 129	2 830	-9.6%	2 178	-23.0%
Non-group interest in income	3 970	3 750	4 092	9.1%	4 538	10.9%
<b>Related equity</b>	<b>1 849</b>	<b>1 849</b>	<b>8 579</b>	<b>&gt;100%</b>	<b>7 660</b>	<b>-10.7%</b>
Investment grants	1 849	1 849	8 579	>100%	7 660	-10.7%
<b>Consolidated financial debt</b>	<b>309 803</b>	<b>309 803</b>	<b>307 578</b>	<b>-0.7%</b>	<b>136 788</b>	<b>-55.5%</b>
Bond issuances	300 000	300 000	300 000	-		-100.0%
Other financial debts	9 803	9 803	7 578	-22.7%	136 788	>100%
<b>Sustainable provisions for risks and charges</b>	<b>-</b>	<b>-</b>	<b>370</b>	<b>-</b>	<b>370</b>	<b>0.0%</b>
<b>Consolidated permanent funding</b>	<b>831 872</b>	<b>840 874</b>	<b>948 842</b>	<b>12.8%</b>	<b>1 082 861</b>	<b>14.1%</b>
<b>Consolidated current liabilities</b>	<b>818 325</b>	<b>947 341</b>	<b>1 021 567</b>	<b>7.8%</b>	<b>1 293 087</b>	<b>26.6%</b>
Suppliers and related accounts	392 734	413 134	493 626	19.5%	690 215	39.8%
Customers creditors advances and down payments	76 543	76 543	72 283	-5.6%	67 266	-6.9%
Staff	8 732	11 163	12 088	8.3%	15 486	28.1%
Social organizations	2 947	4 652	3 407	-26.8%	8 548	>100%
State	268 157	281 804	270 010	-4.2%	379 217	40.4%
Partner accounts - Liabilities	1 817	7 503	23 080	>100%	31 685	37.3%
Other creditors	46 507	131 535	120 970	-8.0%	84 051	-30.5%
Accruals-Liabilities	20 889	21 007	26 103	24.3%	16 618	-36.3%
<b>Other provisions for risks and charges</b>	<b>10 821</b>	<b>10 821</b>	<b>10 368</b>	<b>-4.2%</b>	<b>11 007</b>	<b>6.2%</b>
<b>Currency translation adjustments - Consolidated liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated Current Liabilities</b>	<b>829 146</b>	<b>958 162</b>	<b>1 031 935</b>	<b>7.7%</b>	<b>1 304 094</b>	<b>26.4%</b>
Discount credit	1 988	8 888	13 454	51.4%	21 406	59.1%
Cash credit	100 000	100 000	44 726	-55.3%	172 786	>100%
Banks (Credit balances)	97 350	102 835	265 194	>100%	244 932	-7.6%
<b>Cash position - Consolidated liabilities</b>	<b>199 337</b>	<b>211 723</b>	<b>323 374</b>	<b>52.7%</b>	<b>439 124</b>	<b>35.8%</b>
<b>Total consolidated liabilities</b>	<b>1 860 356</b>	<b>2 010 758</b>	<b>2 304 151</b>	<b>14.6%</b>	<b>2 826 079</b>	<b>22.6%</b>

Source: Jet Contractors

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## III.2. CONSOLIDATED INCOME STATEMENT

The income statement of Jet Contractors over the period 2017-2019 is as follows:

In MAD '000	2017	2017 PF	2018	Var 18/17 PF	2019	Var 19/18
Sales of goods in the unaltered state	37 097	37 097	26 974	-27.3%	24 086	-10.7%
Sales of goods and services produced	1 200 148	1 257 478	1 621 961	29.0%	1 688 119	4.1%
<b>Consolidated turnover (TO)</b>	<b>1 237 245</b>	<b>1 294 575</b>	<b>1 648 934</b>	<b>27.4%</b>	<b>1 712 205</b>	<b>3.8%</b>
Change in product inventories	78 303	99 726	-41 135	<-100%	-46 116	-12.1%
Fixed assets produced by the company	960	960	2 098	>100%	615	-70.7%
Operating grants	-	-	191	N.A	175	-8.1%
Other operating income	-	-	-	-	-	-
Operating reversals	92 146	92 146	126 144	36.9%	112 393	-10.9%
<b>Consolidated Revenues</b>	<b>1 408 655</b>	<b>1 487 407</b>	<b>1 736 233</b>	<b>16.7%</b>	<b>1 779 273</b>	<b>2.5%</b>
Goods purchased for resale	26 650	26 650	20 326	-23.7%	21 053	3.6%
Consumed purchases of materials and supplies	781 417	800 196	1 004 385	25.5%	1 030 777	2.6%
Other external expenses	118 835	122 771	140 108	14.1%	122 427	-12.6%
Taxes and duties	3 209	3 304	4 139	25.3%	4 503	8.8%
Personnel expenses	112 350	143 904	179 084	24.4%	194 966	8.9%
Other operating expenses	4	4	972	>100%	3 229	>100%
Depreciation, amortization and provisions	139 972	140 325	126 948	-9.5%	156 988	23.7%
<b>Consolidated operating expenses</b>	<b>1 182 437</b>	<b>1 237 155</b>	<b>1 475 961</b>	<b>19.3%</b>	<b>1 533 942</b>	<b>3.9%</b>
<b>Consolidated operating income</b>	<b>226 218</b>	<b>250 252</b>	<b>260 271</b>	<b>4.0%</b>	<b>245 330</b>	<b>-5.7%</b>
Income from equity investments and other long-term securities	1	1	1	0.0%	1	0.0%
Foreign exchange gains	4 434	4 437	4 940	11.3%	2 170	-56.1%
Interest and other financial income	-	-	151	N.A	859	>100%
Financial write-backs, expense transfers	10 023	10 023	4 969	-50.4%	5 112	2.9%
<b>Consolidated financial income</b>	<b>14 458</b>	<b>14 461</b>	<b>10 061</b>	<b>-30.4%</b>	<b>8 143</b>	<b>-19.1%</b>
Interest expenses	34 703	35 448	47 418	33.8%	40 483	-14.6%
Foreign exchange losses	2 557	2 562	6 069	>100%	5 692	-6.2%
Other financial expenses	5	5	-	-100.0%	5 233	N.A
Financial allocations	5 000	5 000	5 112	2.2%	-	-100.0%
<b>Consolidated financial expenses</b>	<b>42 265</b>	<b>43 015</b>	<b>58 599</b>	<b>36.2%</b>	<b>51 408</b>	<b>-12.3%</b>
<b>Consolidated financial result</b>	<b>-27 808</b>	<b>-28 555</b>	<b>-48 538</b>	<b>-70.0%</b>	<b>-43 265</b>	<b>10.9%</b>
<b>Consolidated current result</b>	<b>198 410</b>	<b>221 697</b>	<b>211 733</b>	<b>-4.5%</b>	<b>202 065</b>	<b>-4.6%</b>
Income from sales of fixed assets	7 246	7 246	68 753	>100%	13 736	-80.0%
Balancing subsidies	184	184	-	-100.0%	-	N.A
Write-backs on balancing subsidies	219	219	277	26.5%	919	>100%
Other non-current income	1 407	1 435	974	-32.1%	1 033	6.0%
Non-current write-backs, expense transfer	-	-	5	N.A	136	>100%
<b>Consolidated non-current income</b>	<b>9 056</b>	<b>9 085</b>	<b>70 009</b>	<b>&gt;100%</b>	<b>15 824</b>	<b>-77.4%</b>
Net book value of sold fixed assets	7 113	7 113	66 023	>100%	13 381	-79.7%
Grants provided	-	-	-	-	-	-
Other non-current expenses	3 974	4 191	15 495	>100%	2 786	-82.0%
Non-current allocations to depreciation, amortization and provisions	15 403	15 403	-	-100.0%	-	Ns
<b>Consolidated non-current expenses</b>	<b>26 489</b>	<b>26 707</b>	<b>81 518</b>	<b>&gt;100%</b>	<b>16 167</b>	<b>-80.2%</b>
<b>Consolidated non-current result</b>	<b>-17 433</b>	<b>-17 623</b>	<b>-11 509</b>	<b>34.7%</b>	<b>-343</b>	<b>97.0%</b>
<b>Consolidated profit before tax</b>	<b>180 977</b>	<b>204 074</b>	<b>200 224</b>	<b>-1.9%</b>	<b>201 723</b>	<b>0.7%</b>
Share of equity affiliates	-3	-	-	-	-	-
Amortization of goodwill	616	8 140	6 144	-24.5%	8 785	43.0%
Consolidated income taxes	71 964	78 312	63 029	-19.5%	70 895	12.5%
<b>Consolidated net profit</b>	<b>108 393</b>	<b>117 622</b>	<b>131 051</b>	<b>11.4%</b>	<b>122 042</b>	<b>-6.9%</b>
Minority interests	3 970	3 750	4 092	9.1%	4 538	10.9%
<b>Net Result Group Share (NRGS)</b>	<b>104 423</b>	<b>113 872</b>	<b>126 959</b>	<b>11.5%</b>	<b>117 504</b>	<b>-7.4%</b>
Net margin (NRGS/TO)	8.4%	8.8%	7.7%	-1.1 pts	6.9%	-0.8 pts

Source: Jet Contractors

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## PART IV. RISK FACTORS

#### IV.1. RISKS RELATED TO THE ISSUER

##### i. RISK RELATED TO THE PRICE FLUCTUATION OF RAW MATERIALS

The production cost of Jet Contractors is partly made up of purchases of raw materials (aluminium, wood, metal, etc.). These materials are subject to volatility due to supply and demand on both the local and international markets. It should be noted that the additional cost of raw materials is passed on to the customer (price revision clauses in the contracts).

##### ii. RISK RELATED TO THE ECONOMIC ENVIRONMENT

A weak economic climate, which would notably lead to a drop in public investment, would be likely to have a negative impact on the company's activity. Nevertheless, the diversification of the Company's client portfolio and its positioning in high-potential sectors are factors that would mitigate this risk.

##### iii. SUBCONTRACTING DEPENDENCY / GROUP DEPENDENCY

Jet Contractors uses subcontractors to carry out its projects. A potential risk would be related to the non-availability and quality of subcontractors' services.

Nevertheless, this risk is limited by the fact that Jet Contractors often uses sister companies or subsidiaries. This could lead to a dependency risk.

##### iv. RISK RELATED TO COMPLIANCE WITH CONTRACTING OPERATIONS

The company is exposed to the risk of non-performance of its contracts, linked to a failure in one of the links in the value chain due to factors related to the quality of the services provided, or to turnaround times. These risks are mitigated by the continuous solicitation of sister or daughter companies over which Jet Contractors can exercise control or influence.

##### v. RISK RELATED TO INVENTORY DEPRECIATION

Jet Contractors positions itself on large projects, with a considerable supply, particularly of raw materials, implying a risk of inventory depreciation. In order to reduce its inventories, the company uses lean manufacturing to make the production process more fluid, and plans to resell non-moveable inventories for a long period of time to suppliers. In addition, the weight of charges related to the provision for inventory write-downs has been mitigated through the implementation of a new sizing method, since 2016, in line with the typically long lead times for these projects.

##### vi. COMPETITIVE RISK

The world economy has undergone a major transformation in recent years, with the opening of borders and the abolition of customs duties for a number of products.

As a result of this situation, competition at the global level has been exacerbated by the possibilities offered to foreign operators and investors to carry out activities similar to those of Jet Contractors at the national level.

However, the strengthening of the competitiveness of the company through the integration of its activity, the development of its human resources, and the continuous renewal of its production tool should make it possible to face any type of local or international competition.

In addition, the company may also face a risk of loss of exclusivity on certain products. In fact, the Company holds several product licenses that may not be renewed.

##### vii. COUNTERPARTY RISK

Like all commercial companies, Jet Contractors is exposed to the risk of default and non-payment by its customers. However, this risk is mitigated by the following factors:

- The quality of Jet Contractors' customers, who are mostly public or semi-public sector companies. However, the Company may be exposed to fluctuations or even longer payment terms, which impacts its working capital requirements and cash position.

- To a lesser extent, an effort is made by the sales department in the monitoring of receivables and collection management.

#### viii. FOREIGN EXCHANGE RISK

As Jet Contractors obtains most of its supplies on the international market, it is subject, like any importing company, to the risks inherent in exchange rate fluctuations on the currency market (price revision clause).

In order to mitigate this risk, the company systematically includes a safety margin for exchange rate fluctuations in its selling prices.

The company is also subject to the risk of exchange rate fluctuations in view of its international activities (France, Algeria, Sub-Saharan Africa).

#### ix. RISK RELATED TO INTERNATIONAL EXPANSION

Jet Contractors has undertaken various acquisitions and partnerships abroad with a view to reducing its dependence on national construction programs, establishing itself in high-potential markets and developing international expertise in certain lines of business.

However, the company may be confronted with risks inherent to its international expansion, such as:

- difficulties in integrating acquired companies, their networks, products or services,
- failure to retain key personnel of acquired companies or to recruit the qualified personnel that may be required,
- not benefiting from expected synergies or economies of scale,
- make investments in countries where the political, economic or legal situation presents risks, such as civil or military unrest, lack of effective or comprehensive protection of shareholders' rights, or disagreements on the management of the acquired companies with other reference shareholders, including public authorities, and
- not to adapt to the specificities of the countries in which companies may be acquired.

It should be noted that certain French subsidiaries (Silver Constructions, Mic Jet, Sotra Jet and Jet Alu Sas) have experienced difficulties that have led Jet Contractors to undertake a number of clean-up measures:

- Gathering of the activities of the French subsidiaries into Jet Alu SAS, which is the only subsidiary of Jet Alu International having financial autonomy;
- A judicial liquidation of 3 companies: Silver Construction, Mic Jet and Sotra Jet;
- A provision at the level of Jet Contractors for 100% of all current account advances made to these companies.

As regards the other French subsidiary (Sim Jet SAS), its vocation is to carry possible future projects in France within the framework of the partnership with Simco Tecnocovering.

Also, the Algerian subsidiary (Jet Algeria) is today in a voluntary liquidation process.

#### x. RISK RELATED TO THE LACK OF FINANCIAL AUTONOMY OF CERTAIN SUBSIDIARIES

Certain subsidiaries of Jet Contractors group have negative net worth, which implies support from the parent company in order to maintain their financial autonomy. For subsidiaries with promising development prospects, Jet Contractors has decided to recapitalize in order to ensure the continuity of the business (Mea Wood). Those with less convincing prospects will not be supported (French subsidiaries in liquidation).

#### xi. RISK RELATED TO THE WORKFORCE

Jet Contractors is a labor-intensive business. The risks associated with this activity can be of several kinds.

- The risk of labor shortages: The activity of Jet Contractors requires technical skills both at management level (engineers and technicians) and at worker level (welders, fitters,...). The company could therefore be faced with a risk of labor shortages. To alleviate this problem, the company has put in place a training policy for its staff and is planning to build its own training center (a project currently being carried out in collaboration with the OFPPT)
- The risk of work accidents: the nature of Jet Contractors' activities implies risks of accidents in the workshops. The company tries to limit these risks by making continuous efforts to comply with the safety regulations relating to the profession. In this context, it has been awarded OSHAS 18001 accreditation for compliance with occupational



safety standards. In addition, Jet Contractors has the various insurances in force in the sector (civil liability, all construction site risks for the works, third-party insurance for site and office personnel and insurance for vehicles).

xii. DEPENDENCE ON PATENTS AND MARKETING, DISTRIBUTION OR MANUFACTURING LICENSES

Jet Contractors, by virtue of its sectoral positioning as a general construction company and the diversity of its product offering, is not dependent on any particular marketing, distribution or manufacturing license.

xiii. CONCENTRATION OF SALES

Like all companies operating in the construction sector, Jet Contractors may be directly or indirectly subject to structuring projects at the initiative of the State. However, thanks to its positioning as a reference player in its sector, Jet Contractors can capitalize on its sector expertise and geographic diversifications, particularly in Africa, to mitigate if not limit this type of risk.

xiv. RISKS RELATED TO OPERATING ASSETS NOT HELD BY THE COMPANY

Like any company operating in the construction sector, Jet Contractors was subject to a risk of operating assets that could potentially partially impede the proper functioning of ongoing projects, however, with the acquisition of MCA in 2019, Jet Contractors has substantially limited this risk.

xv. TECHNOLOGICAL DEVELOPMENT RISK

Like all capital-intensive sectors, the construction sector is a sector in constant technological evolution, a so-called evolution that can tangibly impact the effectiveness and efficiency of companies. However, thanks to a constant technological watch, combined with an investment effort, Jet Contractors can on the contrary use technological leverage as a means of diversification.

## IV.2. RISKS RELATED TO THE PROPOSED OPERATION OR SECURITIES

i. LIQUIDITY RISK

Subscribers to Jet Contractors' Commercial Papers may be subject to a liquidity risk of the security in the secondary market for private debt. Indeed, depending on market conditions (liquidity, evolution of the yield curve, etc.) the liquidity of Jet Contractors' negotiable debt securities may be temporarily affected.

ii. INTEREST RATE RISK

The issuance of Commercial Papers covered by this Information Dossier may provide for fixed-rate tranches, calculated on the basis of the secondary curve for Treasury Bills as published by Bank Al Maghrib. Thus, the value of fixed-rate Commercial Papers could rise or fall, depending on changes in the secondary yield curve published by Bank Al Maghrib.

iii. RISK RELATED TO THE ADDITIONAL INDEBTEDNESS OF JET CONTRACTORS

The issuer may subsequently issue other debt with a ranking equal to or higher than that of the Commercial Papers covered by this note. Such issuances would reduce the amount recoverable by the holders of these securities in the event of liquidation of the issuer.

iv. RISK OF PAYMENT DEFAULT

The Commercial Papers referred to in this Information Dossier are debt securities with no repayment guarantees. Consequently, all investors are subject to the risk of non-repayment in the event of default by Jet Contractors.

However, Jet Contractors uses Commercial Papers to compensate for the delays often encountered with customers in collecting receivables.



## DISCLAIMER

The above-mentioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under reference VI/EM/012/2020. The AMMC recommends reading the prospectus made available to the public in French, in its entirety.

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