



JET CONTRACTORS S.A

SUMMARY OF THE INFORMATION DOSSIER RELATIVE TO THE COMMERCIAL PAPER ISSUANCE PROGRAM

Date of the initial implementation of the program	05/12/2012
Date of the last update of the program	31/10/2018
Issuance program ceiling	MAD 200 000 000
Face value	MAD 100 000

Financial Advisor and Placement Body



APPROVAL OF THE MOROCCAN CAPITAL MARKET AUTHORITY (AMMC)

In accordance with the provisions of the AMMC circular issued pursuant to Article 15 of law No. 35-94 of December 28, 2012 promulgating Law No. 44-12 on Certain Negotiable Debt Securities, as amended and supplemented, this summary of the Information Dossier concerns the commercial paper issuance program of Jet Contractors S.A.

The information above forms only part of the Information Dossier related to the annual update of the commercial paper issuance program of Jet Contractors, approved by the AMMC on December 23, 2019 under the reference number VI/EM/036/2019.

The Information Dossier approved by the AMMC is composed of:

- The note related to the commercial paper issuance program of Jet Contractors, registered by the AMMC under the reference EN/EM/019/2019 on December 23, 2019;
- The reference document of Jet Contractors for the financial year 2018 and the first half of 2019, registered by the AMMC under the reference EN/EM/018/2019, on December 23, 2019.



DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on December 23, 2019 an Information Dossier relating to the commercial paper issuance program of Jet Contractors.

The AMMC-approved Information Dossier is available at any time at the headquarters of Jet Contractors, on its website www.jet-contractors.com, and at its financial advisor premises.

The Information Dossier is made available to the public on the AMMC website (www.ammc.ma).

This summary has been translated by Lissaniat under the joint responsibility of the said translator and Jet Contractors. In the event of any discrepancy between the content of this summary and that of the AMMC-approved Information Dossier, only the approved Information Dossier will prevail.


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Part I. Presentation of the Operation

I.1. Overall characteristics 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 Issuance

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

The targeted subscribers are natural or legal persons, resident or non-resident of Moroccan or foreign nationality.

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.

Category	Documents to be attached
Associations	Photocopy of the Articles of Association and photocopy of the receipt of the file deposit
Minor children	Photocopy of the page of the family record book attesting to the child's date of birth
Funds (OPCVM) under Moroccan law	Photocopy of the approval decision showing their belonging to this category and:

Foreign legal entities	<ul style="list-style-type: none"> ▪For Mutual Funds, the number of the certificate of deposit at the court registry; ▪For Investment companies with variable capital (SICAVs), the number of the commercial register.
Moroccan legal entities	Model of entries in the commercial register or equivalent
Non-resident, non-Moroccan natural persons	Model of entries in the commercial register
Resident non-Moroccan natural persons	Photocopy of the pages of the passport containing the identity of the person as well as the issue and expiry dates of the document
Resident natural persons and Moroccan nationals abroad	Photocopy of the residency card
	Photocopy of the national identity card

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I.4. Characteristics of the 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.

Said 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 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.

1.7. 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.

1.8. 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.

1.9. 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:

Advisory Body and Global Coordinator	Société Générale Maroc 55 bd Abdelmoumen, Casablanca
Placement Body	Société Générale Maroc 55 bd Abdelmoumen, 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	Marocclear


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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	www.jet-contractors.com
E-mail	contact@jet-contractors.com
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"> ▪ The exercise of all activities for private, professional and public customers, by auction or direct agreement: <ul style="list-style-type: none"> - Buildings, namely: <ul style="list-style-type: none"> ✓ Civil engineering works; ✓ Construction and building works - on a general contracting basis; ✓ Façade, window and partition work; ✓ Miscellaneous works; ✓ Studies and engineering works; - Real Estate Development; - Renewable energies. ▪ The marketing and exploitation of all products and services related to the aforementioned and in particular all processes, patents or licenses; ▪ The import and export of substances, materials, supplies and accessories necessary for its activities. ▪ 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; <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	MAD 148,619,000 divided into 2,972,380 shares with a nominal value of MAD 50 each.
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"> ▪ Dahir No. 1-16-151 of August 25, 2016 promulgating Law No. 19-14

	<p>relating to the Stock Exchange, brokerage companies and financial investment advisors;</p> <ul style="list-style-type: none"> ▪ 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; ▪ General Regulation of the Casablanca Stock Exchange approved by Ministerial Order no. 2208-19 of July 3, 2019, issued by the Ministry of Economy and Finance; ▪ Dahir no. 1-13-21 of March 13, 2013, promulgating Law no. 43-12 relating to the Moroccan Capital Market Authority; ▪ Dahir No. 1-12-55 of Safar 1434 (December 28, 2012) promulgating Law No. 44-12 relating to public offering of securities and the information required from legal entities and organizations conducting a public offering of securities. ▪ General Regulation of the Moroccan Capital Market Authority approved by Order of the Minister of Economy and Finance No. 2169-16 of July 14, 2016; ▪ Dahir No. 1-96-246 of January 9, 1997 promulgating Law No. 35-96 relating to the creation of a central depository and the institution of a general system for the registration of certain securities in accounts (amended and supplemented by Law No. 43-02); ▪ 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; ▪ Dahir no. 1-04-21 of April 21, 2004, promulgating Law 26-03 relating to public offers on the Moroccan stock market, as amended and supplemented by Law 46-06; ▪ Circular 03/19 of the Moroccan Capital Market Authority dated February 20, 2019 relating to financial operations and information.
Location of legal documents	The corporate, accounting and legal documents, the disclosure of which is provided for by law as well as the Articles of Association, may be consulted at the company's registered office
Competent court in case of disputes	Trade court of Rabat
Tax regime	<p>Jet Contractors is governed by the commercial and tax legislation of ordinary law. It is therefore subject to Corporate Income Tax at the rate of the progressive scale.</p> <p>The company's current operations are subject to Value Added Tax at the currently applicable rate of 20%, except in the cases of exemption provided for by the CGI.</p>

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:

Year	General Contracting Works (%)	Frame (%)	Finishing Works (%)
2012	7%	13%	80%
2013	9%	15%	76%
2014	12%	16%	72%
2015	20%	17%	63%
2016	37%	19%	44%
2017	45%	20%	35%
2018	60%	12%	28%

Breakdown of consolidated turnover (TO) by geography

Source: Jet Contractors

Continent	Percentage
Morocco	88%
Africa	12%

Source: Jet Contractors

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II.3. Current shareholding structure

As of June 30, 2019, the detailed breakdown of Jet Contractors' share capital is as follows:

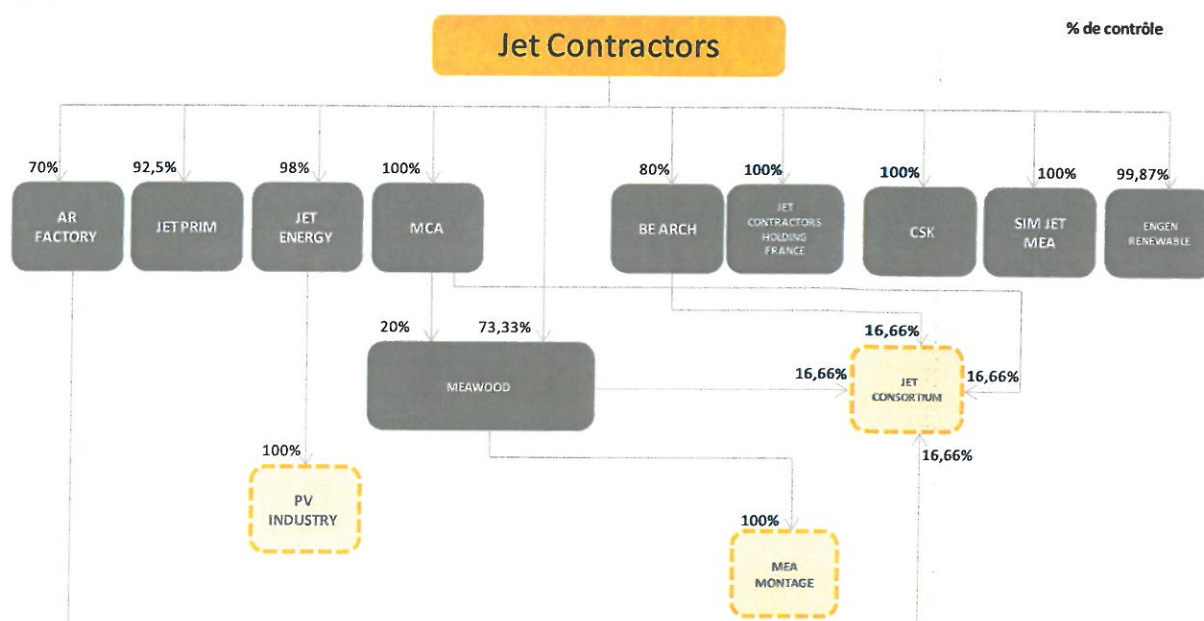
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Shareholders	Number of shares	% in capital and voting rights
AR Corporation	1 100 039	37.0%
Mr. Omar Abdelkader Tadlaoui	299 557	10.08%
Mr. Amine Daoudi	97 143	3.27%
RCAR	354 605	11.93%
Other	1 121 036	37.72%
Total	2 972 380	100.0%

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 Organization Chart

The legal organization chart of the Jet Contractors Group (control percentage), as of June 30, 2019, is as follows:



Source: Jet Contractors


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Part III. Financial data of Jet Contractors

III.1. Consolidated balance sheets

III.1.a. Consolidated annual balance sheets (2016-2018)

Consolidated Assets		Var					
In MAD'000	2016	2016 PF	2017	17/16 PF	2017 PF	2018	18/17 PF
Consolidated non-current assets	5 840	5 840	3 803	-34.9%	3 805	2 213	-41.9%
Preliminary fees	93	93	101	9.0%	104	57	-45.7%
Deferred charges	5 747	5 747	3 701	-35.6%	3 701	2 156	-41.7%
Consolidated intangible assets	2 129	1 418	1 388	-2.1%	67 661	52 131	-22.9%
Goodwill on acquisition	274	274	137	-49.9%	66 410	50 871	-23.4%
Patents, trademarks, rights and similar val.	1 268	1 144	1 251	9.3%	1 251	1 260	0.7%
Goodwill – Other (fonds commercial)	587	0		NA			NA
Consolidated tangible assets	112 982	106 980	109 334	2.2%	112 018	96 983	-13.4%
Land	4 458	4 458	4 458	0.0%	4 458	4 458	0.0%
Constructions	25 039	24 996	23 926	-4.3%	23 926	23 185	-3.1%
Technical installations, equipment and tools	70 839	66 025	73 517	11.4%	75 760	61 447	-18.9%
Transport equipment	1 934	830	646	-22.2%	648	471	-27.4%
Furniture, office equipment & miscellaneous fittings	4 160	4 119	6 159	49.5%	6 598	6 589	-0.1%
Other tangible assets	3	3	2	-26.1%	2	2	-29.4%
Property, plant and equipment in progress	6549	6 549	626	-90.0%	626	832	32.8%
Consolidated financial fixed assets	6 069	7 356	5 002	-32.0%	5 167	5 268	1.9%
Fixed Loans	33.33	33	9	-71.7%	70	90	27.3%
Other financial receivables	5 974	4 589	4934	7.5%	5067	5 148	1.6%
Equity securities	29.69	2699	30	-98.9%	30	30	0.0%
Investments in equity affiliates	32.18	35	29	-17.9%	0	0	NA
Other fixed securities	-	-	0	NA	0	0	NA
Consolidated fixed assets	127 020	121 594	119 527	-1.7%	188 651	156 594	-17.0%
Consolidated inventories	261 261	235 979	313 447	32.8%	366 826	340 519	-7.2%
Goods	-	0		NA	0	0	NA
Consumable materials and supplies	92 140	83 429	87 323	4.7%	90 635	99 642	9.9%
Products in progress	161 092	144 520	216 120	49.5%	266 187	238 277	-10.5%
Intermediate products-Residual products	6 068	6 068	4 592	-24.3%	4 592	0	-100.0%
Finished products	1 962.29	1 962.00	5 411	176.0%	5 411	2 600	-52.0%
Consolidated receivables	1 175 354	1 123 571	1 407 647	25.3%	1 435 423	1 786 899	24.5%
Suppliers debtors advances and down payments	20 242	19 080	29 649	55.4%	30 432	23 077	-24.2%
Accounts receivable and related accounts	979 045	938 079	1 196 353	27.5%	1 217 470	1 536 919	26.2%
Staff	158	5	21	314.0%	21	38	83.6%
State	146 716	140 527	156 089	11.1%	161 855	202 925	25.4%
Partner Accounts - Assets		0	0	NA	0	0	NA
Other debtors	10 817	7 785	5 472	-29.7%	5 472	8 677	58.6%
Accruals and deferred income - Assets	18 377	18 095	20 064	10.9%	20 174	15 263	-24.3%
Consolidated securities and investment values	0	0	NA	NA	NA	NA	NA
Consolidated current assets	1 436 615	1 359 550	1 721 094	26.6%	1 802 249	2 127 418	18.0%
Consolidated cash position assets	17 759	17 374	19 735	13.6%	19 858	20 139	1.4%
Checks and bills awaiting collection	911	911	4978	446.5%	4 978	3 661	-26.5%
Bank Deposits, Cash and Post Office deposit accounts	16119	15734	14384	-8.6%	14 504	15 960	10.0%
Cash, Imprest Accounts and Letters of Credit	729	729	372	-49.0%	376	518	37.7%
Total consolidated assets	1 581 394	1 498 518	1 860 356	24.2%	2 010 758	2 304 151	14.6%
Consolidated liabilities		Var					
In MAD'000	2016	2016 PF	2017	17/16 PF	2017 PF	2018	18/17 PF
Consolidated shareholders' equity	422 191	418 953	520 220	24.2%	529 222	632 315	19.5%
Share Capital	120 000	120 000	120 000		120 000	120 000	-
Share issue, merger, contribution premiums	95 200	95 200	95 200		95 200	95 200	
Revaluation differences							
Legal Reserves	12 989	12 885	12 921	0.3%	12 923	12 993	0.5%
Other reserves	46 359	5 940	6 390	7.6%	6 390	6 390	0.0%
Retained Earnings	111 985	148 935	174 533	17.2%	174 461	262 984	50.7%
Currency translation adjustment	-1 243	-908	-503	44.6%	-503	867	<100%
Net income pending allocation	151	151	0	-100.0%	0	0	
Net income for the financial year (group share)	32 195	32 195	104 423	>100%	113 872	126 959	11.5%
Non-group interest Excluding income	571	571	3 286	>100%	3 129	2 830	-9.6%
Non-group interest in income	3 984	3 984	3 970	-0.4%	3 750	4 092	9.1%
Related equity	2 125	2 068	1 849	-10.6%	1 849	8 579	>100%
Investment grants	2125	2 068	1 849	-10.6%	1 849	8 579	>100%
Consolidated financial debt	316 336	312 912	309 803	-1.0%	309 803	307 578	-0.7%
Bond issuances	300 000	300 000	300 000	0.0%	300 000	300 000	0.0%
Other financial debts	16 336	12 912	9 803	-24.1%	9 803	7 578	-22.7%
Sustainable provisions for risks and charges	15 955	15 955	0	-100.0%	0	370	

III.1.b. Consolidated balance sheets (FY-2018, H1-2019)

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Consolidated liabilities in MAD'000	31/12/2018	30/06/2019	Var 19/18
Consolidated shareholders' equity	632 315	894 444	41,50%
Share Capital	120 000	148 619	23,80%
Share issue, merger, contribution premiums	95 200	266 914	180,40%
Revaluation differences			
Legal Reserves	12 993	15 891	22,30%
Other reserves	6 390	6 390	0,00%
Retained Earnings	262 984	374 848	42,50%
Currency translation adjustment	867	201,4	-76,80%
Net income pending allocation			
Net income for the financial year (group share)	126 959	77 915	-38,60%
Non-group interest Excluding income	2 830	2 178	-23,10%
Non-group interest in income	4 092	1 488	-63,60%
Related equity	8 579	7 725	-10,00%
Investment grants	8 579	7 725	-10,00%
Consolidated financial debt	307 578	151 907	-50,60%
Bond issuances	300 000		-100,00%
Other financial debts	7 578	151 907	1904,60%
Sustainable provisions for risks and charges	370	370	0,00%
Consolidated permanent funding	948 842	1 054 447	11,10%
Consolidated current liabilities	1 021 567	1 211 155	18,60%
Suppliers and related accounts	493 626	613 302	24,20%
Customers creditors advances and down payments	72 283	95 515	32,10%
Staff	12 088	13 388	10,80%
Social organizations	3 407	5 759	69,00%
State	270 010	342 939	27,00%
Partner accounts - Liabilities	23 080	32 650	41,50%
Other creditors	120 970	91 976	-24,00%
Accruals-Liabilities	26 103	15 627	-40,10%
Other provisions for risks and charges	10 368	10 533	1,60%
Currency translation adjustments - Consolidated liabilities			
Consolidated Current Liabilities	1 031 935	1 221 688	18,40%
Discount credit	13 454	11 431	-15,00%
Cash credit	44 726	129 620	189,80%
Banks (Credit balances)	265 194	269 669	1,70%
Cash position - Consolidated liabilities	323 374	410 720	27,00%
Total consolidated liabilities	2 304 151	2 686 854	16,60%

III.2. Income statements

III.2.a. Consolidated income statements (2016-2018)

In MAD'000	2016	2016 PF	2017	Var 17/16PF	2017 PF	2018	Var 18/17 PF
Sales of goods in the unaltered state	36 278	35 414	37 097	4.8%	37 097	26 974	-27.3%
Sales of goods and services produced	1 017 261	949 675	1 200 148	26.4%	1 257 478	1 621 961	29.0%
Consolidated turnover (TO)	1 053 539	985 089	1 237 245	25.6%	1 294 575	1 648 934	27.4%
Change in product inventories	-42 791	-50 024	78 303	>100%	99 726	-41 135	-141.2%
Fixed assets produced by the company	1 394	1 394	960	-31.1%	960	2 098	118.5%
Operating grants	-	0	0	NA	0	191.2	-
Other operating income	10	0	0	NA	0	0	-
Operating reversals	65 956	65 063	92 146	41.6%	92 146	126 144	36.9%
Consolidated Revenues	1 078 109	1 001 522	1 408 655	40.7%	1 487 407	1 736 233	16.7%
Goods purchased for resale	25 382	24 701	26 650	7.9%	26 650	20 326	-23.7%
Consumed purchases of materials and supplies	599 170	575 635	781 417	35.7%	800 196	1 004 385	25.5%
Other external expenses	131 715	101 238	118 835	17.4%	122 771	140 108	14.1%
Taxes and duties	4 358	3 098	3 209	3.6%	3 304	4 139	25.3%
Personnel expenses	112 988	94 217	112 350	19.2%	143 904	179 084	24.4%
Other operating expenses	57	2	4	100.0%	4	972	>100%
Depreciation, amortization and provisions	102 710	101 680	139 972	37.7%	140 325	126 948	-9.5%
Consolidated operating expenses	976 380	900 571	1 182 437	31.3%	1 237 155	1 475 961	19.3%
Consolidated operating income	101 729	100 951	226 218	124.1%	250 252	260 271	4.0%
Income from equity investments and other long-term securities	1	1	1	0.0%	1	1	0.0%
Foreign exchange gains	2 848	2 848	4 434	55.7%	4 437	4 940	11.3%
Interest and other financial income	4	246	0	-100.0%	0	151	-
Financial write-backs, expense transfers	16 293	16 293	10 023	-38.5%	10 023	4 969	-50.4%
Consolidated financial income	19 145	19 388	14 458	-25.4%	14 461	10 061	-30.4%
Interest expenses	31 874	33 872	34 703	2.5%	35 448	47 418	33.8%

Foreign exchange losses	2 009	2 009	2 557	27.3%	2 562	6 069	>100%
Other financial expenses	0	0	5	NA	5	0	-100.0%
Financial allocations	16 159	3 834	5 000	30.4%	5 000	5 112	2.2%
Consolidated financial expenses	50 042	39 714	42 265	6.4%	43 015	58 599	36.2%
Consolidated financial result	-30 896	-20 326	-27 808	36.8%	-28 555	-48 538	70.0%
Consolidated current result	70 833	80 625	198 410	146.1%	221 697	211 733	-4.5%
Income from sales of fixed assets	6 600	6 600	7 246	9.8%	7 246	68 753	>100%
Balancing subsidies	0	0	184	NA	184	0	-100.0%
Write-backs on balancing subsidies	119	119	219	84.0%	219	277	26.7%
Other non-current income	274	84	1 407	1575.0%	1 435	974	-32.1%
Non-current write-backs, expense transfer	192	0		NA	0	4.90084	
Consolidated non-current income	7 186	6 804	9 056	33.1%	9 085	70 009	670.6%
Net book value of sold fixed assets	6 288	6 288	7 113	13.1%	7 113	66 023	>100%
Grants provided	0	0	0	NA	0	0	
Other non-current expenses	6 111	5 734	3 974	-30.7%	4 191	15 495	>100%
Non-current allocations to depreciation, amortization and provisions	0	9 788	15 403	57.4%	15 403		-100.0%
Consolidated non-current expenses	12 399	21 810	26 489	21.5%	26 707	81 518	205.2%
Consolidated non-current result	-5 214	-15 006	-17 433	16.2%	-17 623	-11 509	-34.7%
Consolidated profit before tax	65 619	65 619	180 977	175.8%	204 074	200 224	-1.9%
Share of equity affiliates	-2	-2	-3	50.0%			
Amortization of goodwill	137	137	616	349.6%	8 140	6 144	-24.5%
Consolidated income taxes	29 302	29 302	71 964	145.6%	78 312	63 029	-19.5%
Consolidated net profit	36 178	36 178	108 393	199.6%	117 622	131 051	11.4%
Minority interests	3 984	3 984	3 970	-0.4%	3 750	4 092	9.1%
Net Result Group Share (NRGS)	32 195	32 195	104 423	224.3%	113 872	126 959	11.5%
Net margin (NRGS/TO)	3.06%	3.27%	8.44%	+5.17 Pts	8.80%	7.70%	-1.10 Pts

III.2.b. Consolidated income statements (H1-2018, H1-2019)

In MAD'000	30/06/2018	30/06/2018 PF	30/06/2019	Var 19/18PF
Sales of goods in the unaltered state	14 203	14 203	8 755	-38.4%
Sales of goods and services produced	838 260	864 989	813 946	-5.9%
Consolidated turnover	852 462	879 192	822 701	-6.4%
Change in product inventories	-24 946	-7 160	-24 039	<100%
Fixed assets produced by the company	1 171	1 171	276	-76.4%
Operating grants	191	191	123	-35.6%
Other operating income				
Operating reversals	125 676	125 676	112 393	-10.6%
Consolidated Revenues	954 555	999 070	911 455	-8.8%
Goods purchased for resale	13 131	13 131	8 007	-39.0%
Consumed purchases of materials and supplies	498 601	513 089	457 700	-10.8%
Other external expenses	64 329	67 856	55 610	-18.0%
Taxes and duties	1 999	2 048	2 766	35.1%
Personnel expenses	73 431	90 568	91 066	0.5%
Other operating expenses	679	679	2 944	>100%
Depreciation, amortization and provisions	159 398	159 589	140 194	-12.2%
Consolidated operating expenses	811 568	846 960	758 286	-10.5%
Consolidated operating income	142 987	152 109	153 169	0.7%
Income from equity investments and other long-term securities				
Foreign exchange gains	781	1 324	455	-65.6%
Interest and other financial income	15	15	824	>100%
Financial write-backs, expense transfers	65	65	5 112	>100%
Consolidated financial income	861	1 404	6 391	>100%
Interest expenses	22 889	23 519	21 374	-9.1%
Foreign exchange losses	1 098	1 142	1 741	52.5%
Other financial expenses			5235.1	
Financial allocations	114	114	36	-68.4%
Consolidated financial expenses	24 101	24 775	28 386	14.6%
Consolidated financial result	-23 239	-23 370	-21 995	-5.9%
Consolidated current result	119 748	128 739	131 174	1.9%
Income from sales of fixed assets	47 621	47 621	1 709	-96.4%
Balancing subsidies				
Write-backs on balancing subsidies	109	109	854	>100%
Other non-current income	56	61	421	>100%
Non-current write-backs, expense transfer	12	12	138	>100%
Consolidated non-current income	47 798	47 803	3 122	-93.5%
Net book value of sold fixed assets	46 619	46 619	1 557	-96.7%
Grants provided				
Other non-current expenses	105	466	151	-67.6%
Non-current allocations to depreciation, amortization and provisions				

Part IV. Risks

IV.1. Risks related to the issuer

IV.1.a. 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).

IV.1.b. 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.

IV.1.c. 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.1.d. 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.

IV.1.e. 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.

IV.1.f. 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.

IV.1.g. 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.

IV.1.h. 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).

IV.1.i. 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 and Sotra Jet) 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.

IV.1.j. 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).

IV.1.k. 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).

IV.1.l. 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.

IV.1.m. 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.

IV.1.n. 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.

IV.1.o. 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. Risk related to the proposed operation or securities

IV.2.a. 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.

IV.2.b. 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.

IV.2.c. 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.2.d. 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.

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DISCLAIMER

The above-mentioned information constitutes only part of the Information Dossier approved by the Moroccan Capital Market Authority (AMMC) under reference VI/EM/036/2019.

The AMMC recommends reading the Information Dossier made available to the public in French, in its entirety.


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