



JET CONTRACTORS SA

SUMMARY OF THE REFERENCE DOCUMENT AND THE INFORMATION PACKAGE RELATING TO THE COMMERCIAL PAPER ISSUE PROGRAM

REGISTRATION BY THE MOROCCAN CAPITAL MARKETS AUTHORITY (AMMC)

In accordance with the provisions of the AMMC circular, the summary of the reference document has been registered by the AMMC on 01/09/2022 and under the following reference EN/EM/019/2022 .

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

ANNUAL UPDATE OF THE INFORMATION PACKAGE ON THE COMMERCIAL PAPER ISSUE PROGRAM

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

- This reference document;
- The note related to Jet Contractors' commercial paper issue program, registered by the AMMC under the reference EN/EM/019/2019 on December 23, 2019, and available on the following link:
https://www.ammc.ma/sites/default/files/Note_BT_JET_019_19_2.pdf

The update has been approved by the AMMC under the reference VI/EM/023/2022



DISCLAIMER OF THE MOROCCAN CAPITAL MARKETS AUTHORITY (AMMC)

This reference document has been registered by the AMMC (= *Autorité Marocaine du Marché des Capitaux*). This registration does not imply any authentication of the information presented. It has been made after examination of the relevance and consistency of the information given.

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

This document may be updated or rectified. Users of this reference document are invited to ensure that they have access to any such updates and rectifications.



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.

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

Pursuant to article 17 of the said law, and if the NDS are in circulation, this Information Package shall be updated annually within 45 days of the holding of the shareholders' Ordinary General Meeting 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 issue 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 financing sources for better negotiations with its financial partners;
- consolidate its image with institutional investors through increased visibility on the capital market.

I.3. TARGET SUBSCRIBERS

Before carrying out the subscription, the Placement Body must ensure that the subscriber's representative has the capacity to act either in their capacity as legal representative, or by virtue of a mandate they hold. The Placement Body 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 this and attach it to the subscription form.

Subscriber category	Documents to attach
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: <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.
Foreign legal entities	Model of entries in the commercial register or equivalent.
Moroccan legal entities	Model of entries in the commercial register.
Non-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 non-Moroccan natural persons	Photocopy of the residency card.
Resident natural persons and Moroccan nationals abroad	Photocopy of the national identity card.



I.4. CHARACTERISTICS OF THE PROGRAM AND 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 Paper
Program Ceiling	MAD 200,000,000
Unit nominal value	MAD 100,000
Maximum number of securities	2,000 commercial paper
Maturity	From 10 days to 12 months - to be determined for each issue
Date of entitlement	Upon the payment date
Interest rates	Fixed, determined for each issue 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 issue.
Negotiability of securities	There are no restrictions imposed by the terms of issue 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 issue 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 issue has been completed.

PRIOR INFORMATION TO SUBSCRIBERS

Prior to any issue, Jet Contractors undertakes to draw up a document detailing the terms of the issue and containing the information elements as defined by Article No. 1-60 of AMMC circular 03/19 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 that 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 submit 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 Issue.

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 Package.

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.

SUBSCRIPTION 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 this 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. COMMITMENT TO INFORM THE AMMC

Jet Contractors undertakes to transmit to the AMMC, at the end of each issue, 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, Casablanca, Casablanca
Domiciliary agent providing financial services for the securities and centralizing agent of the issue program	CDG Capital Tour Mamounia, Place Moulay El Hassan - Rabat
Central depository	Maroclear



PART II. PRESENTATION OF THE ISSUER

LISSANIAT
Société Anonyme
Rég. au Tribunal de Commerce de Beyrouth
N° 15090
TÉL: 00961 3 53 24 01
0514 9224 75 99 40

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 st to December 31 st
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, 2022	MAD 151,476,100 divided into 3,029,522 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 issue 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 relating to the Stock Exchange, brokerage companies and financial investment advisors; ▪ 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. JET CONTRACTORS' FIELD OF 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.

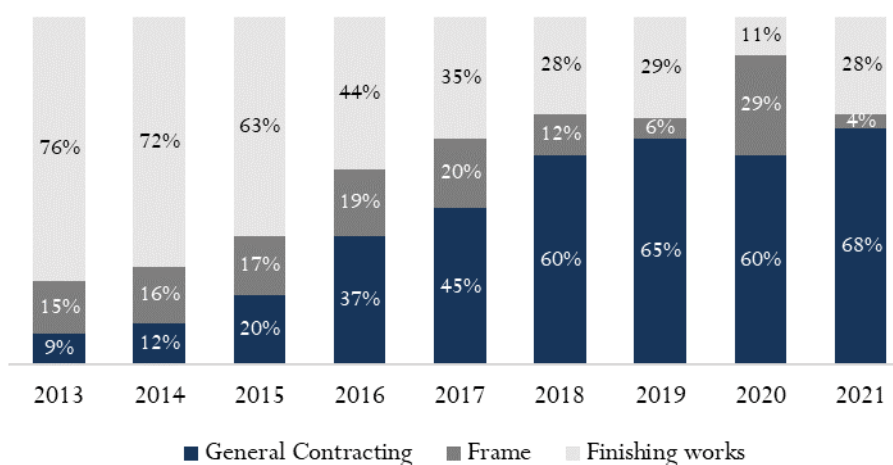
In addition, the company has undergone a name change from Jet Alu Maroc to Jet Contractors, in January 2015, to better reflect the evolution of its positioning.

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 Parclosé* = 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 Agrapé* = 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 woodwork:** It represent 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 m² 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 6,000m² 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

Consolidated turnover (in MDH)	2019	2020	Var 20/19	2021	Var 21/20
Morocco	1 664	1 223	-27%	1 345	10%
In %	97%	84%	-13 pts	80%	-4 pts
Sub-Saharan Africa	48	233	>100%	323	39%
In %	3%	16%	13 pts	19%	3 pts
Other	0	1	>100%	12	>100%
In %	0%	0.1%	+0.1 pts	1%	1 pt.
Consolidated turnover	1 712	1 458	-15%	1 680	15%

Source: Jet Contractors

II.3. CURRENT SHAREHOLDING STRUCTURE

Shareholders	30/06/2022	
	Number of shares	% In capital and voting rights
AR Corporation	1 128 610	37.3%
M.Omar TADLAOUI	297 657	9.8%
RCAR	328 525	10.8%
Other	1 149 016	37.9%
Amine DAOUDI	125 714	4.1%
Total	3 029 522	100.0%

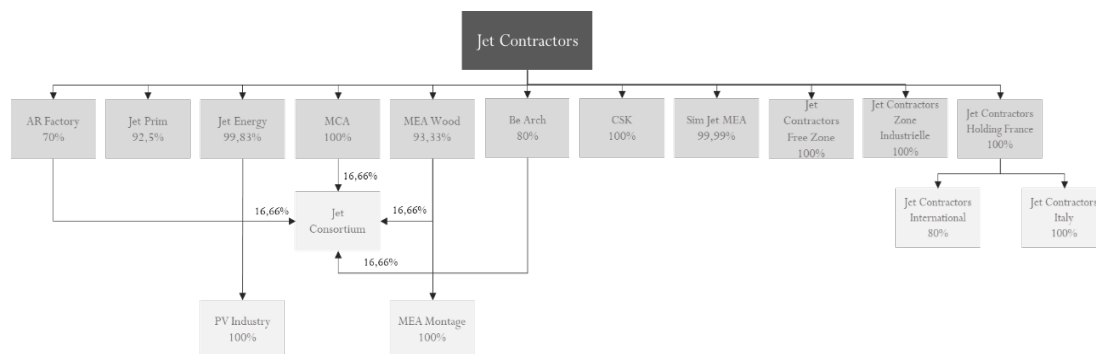
Source: Jet Contractors

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



II.4. LEGAL ORGANIZATIONAL CHART

The legal organizational chart of Jet Contractors Group (control percentage), as of December 31, 2021, is as follows:



Source: Jet Contractors

PART III. JET CONTRACTORS' FINANCIAL DATA



III.1. CONSOLIDATED BALANCE SHEET

Consolidated assets In MAD '000	2019	2020	Var 20/19	2021	Var 21/20
Consolidated non-current assets	2 566	7 000	>100.0%	5 531	-21.0%
Preliminary fees	2 026	1 510	-25.5%	1 304	-13.7%
Deferred charges	540	5 490	>100.0%	4 227	-23.0%
Consolidated intangible assets	68 229	59 773	-12.4%	53 680	-10.2%
Goodwill on acquisition	67 086	58 700	-12.5%	50 315	-14.3%
Patents, trademarks, rights, and similar val.	1 143	823	-27.9%	750	-8.9%
Goodwill – Other (fonds commercial)	-	-	-	-	-
Other intangible assets	-	249	>100.0%	2 615	>100%
Consolidated tangible assets	98 453	109 884	11.6%	90 107	-18.0%
Land	4 458	4 458	0.0%	4 458	0.0%
Constructions	23 314	23 430	0.5%	21 870	-6.7%
Technical installations, equipment, and tools	63 546	66 017	3.9%	51 702	-21.7%
Transport equipment	286	175	-38.8%	190	8.7%
Furniture, office equipment & miscellaneous fittings	6 550	7 873	20.2%	5 492	-30.2%
Other tangible assets	1	0	-68.5%	3 911	>100%
Property, plant, and equipment in progress	300	7 931	>100.0%	2 484	-68.7%
Consolidated financial fixed assets	7 991	10 338	29.4%	23 902	>100%
Fixed Loans	106	254	>100.0%	1 269	>100%
Other financial receivables	7 856	9 938	26.5%	22 486	>100%
Equity securities	30	147	>100.0%	147	0.0%
Investments in equity affiliates	-	-	-	-	-
Other fixed securities	-	-	-	-	-
Consolidated fixed assets	177 240	186 995	5.5%	173 220	-7.4%
Consolidated inventories	323 431	421 627	30.4%	498 229	18.2%
Goods	-	-	-	-	-
Consumable materials and supplies	128 045	120 567	-5.8%	130 123	7.9%
Products in progress	195 011	300 865	54.3%	368 074	22.3%
Intermediate products-Residual products	-	-	-	-	-
Finished products	374	195	-48.0%	32	-83.7%
Consolidated receivables	2 306 414	2 395 644	3.9%	2 453 964	2.4%
Suppliers' debtors advances and down payments	31 692	32 486	2.5%	67 372	>100%
Accounts receivable and related accounts	2 035 456	2 095 967	3.0%	2 167 731	3.4%
Staff	51	40	-20.6%	218	>100%
State	223 147	245 111	9.8%	197 475	-19.4%
Partner Accounts - Assets	-	-	-	-	-
Other debtors	6 499	5 531	-14.9%	5 714	3.3%
Accruals and deferred income - Assets	9 570	16 508	72.5%	15 454	-6.4%
Consolidated securities and investment values	-	-	-	-	-
Consolidated current assets	2 629 845	2 817 271	7.1%	2 952 193	4.8%
Consolidated cash position assets	18 993	165 673	>100.0%	119 021	-28.2%
Checks and bills awaiting collection	5 320	804	-84.9%	839	4.4%
Bank Deposits, Cash and Post Office deposit accounts	13 527	163 973	>100.0%	118 020	-28.0%
Cash, Imprest Accounts and Letters of Credit	146	896	>100.0%	162	-81.9%
Total consolidated assets	2 826 079	3 169 939	12.2%	3 244 434	2.4%

Source: Jet Contractors



Consolidated liabilities In MAD '000	2019	2020	Var 20/19	2021	Var 21/20
Consolidated shareholders' equity	938 043	939 996	0.2%	974 908	3.7%
Share Capital	148 619	148 619	0.0%	151 476	1.9%
Share issue, merger, contribution premiums	266 914	266 914	0.0%	284 057	6.4%
Revaluation differences	-	-	-	-	-
Legal Reserves	15 891	16 115	1.4%	16 437	2.0%
Other reserves	6 390	6 390	0.0%	6 390	0.0%
Retained Earnings	375 365	492 287	31.1%	493 329	0.2%
Currency translation adjustment	643	48	-92.6%	1 062	>100%
Net income pending allocation	-	-	-	-	-
Net income for the financial year (group share)	117 504	235	-99.8%	10 811	>100%
Non-group interest Excluding income	2 178	6 716	>100.0%	9 388	39.8%
Non-group interest in income	4 538	2 672	-41.1%	1 958	-26.7%
Consolidated shareholders' equity	7 660	6 740	-12.0%	5 970	-11.4%
Investment grants	7 660	6 740	-12.0%	5 970	-11.4%
Consolidated financial debt	136 788	475 015	>100%	430 553	-9.4%
Bond issues	-	200 000	>100%	171 429	-14.3%
Other financial debts	136 788	275 015	>100%	259 125	-5.8%
Sustainable provisions for risks and charges	370	370	0.0%	1 332	>100%
Consolidated permanent funding	1 082 861	1 422 122	31.3%	1 412 763	-0.7%
Consolidated Current Liabilities	1 293 087	1 254 667	-3.0%	1 364 879	8.8%
Suppliers and related accounts	690 215	522 567	-24.3%	614 044	17.5%
Customers creditors advances and down payments	67 266	228 639	>100.0%	279 718	22.3%
Staff	15 486	22 407	44.7%	26 820	19.7%
Social organizations	8 548	12 897	50.9%	16 494	27.9%
State	379 217	417 837	10.2%	402 991	-3.6%
Partner accounts - Liabilities	31 685	26 099	-17.6%	6 484	-75.2%
Other creditors	84 051	2 971	-96.5%	3 238	9.0%
Accruals-Liabilities	16 618	21 251	27.9%	15 091	-29.0%
Other provisions for risks and charges	11 007	11 116	1.0%	11 973	7.7%
Currency translation adjustments - Consolidated liabilities	-	-	-	-	-
Consolidated Current Liabilities	1 304 094	1 265 783	-2.9%	1 376 852	8.8%
Discount credit	21 406	36 153	68.9%	31 968	-11.6%
Cash credit	172 786	231 113	33.8%	152 582	-34.0%
Banks (Credit balances)	244 932	214 769	-12.3%	270 268	25.8%
Cash position - Consolidated liabilities	439 124	482 034	9.8%	454 819	-5.6%
Total consolidated liabilities	2 826 079	3 169 939	12.2%	3 244 434	2.4%

Source: Jet Contractors



III.2. CONSOLIDATED INCOME STATEMENT

In MAD '000	2019	2020	Var 20/19	2021	Var 21/20
Sales of goods in the unaltered state	24 086	12 799	-46.9%	21 474	67.8%
Sales of goods and services produced	1 688 119	1 445 288	-14.4%	1 658 371	14.7%
Consolidated turnover (TO)	1 712 205	1 458 087	-14.8%	1 679 845	15.2%
Change in product inventories	-46 116	106 272	>100.0%	67 046	-36.9%
Fixed assets produced by the company	615	81	-86.8%	164	>100.0%
Operating grants	175	220	25.0%	129	-41.4%
Other operating income	-	-	-	54	>100%
Operating reversals	112 393	142 344	26.6%	119 108	-16.3%
Consolidated Revenues	1 779 273	1 707 004	-4.1%	1 866 346	9.3%
Goods purchased for resale	21 053	10 975	-47.9%	17 687	61.2%
Consumed purchases of materials and supplies	1 030 777	1 103 629	7.1%	1 200 101	8.7%
Other external expenses	122 427	124 475	1.7%	151 699	21.9%
Taxes and duties	4 503	11 129	>100.0%	3 950	-64.5%
Personnel expenses	194 966	221 102	13.4%	254 191	15.0%
Other operating expenses	3 229	583	-82.0%	2 683	>100.0%
Depreciation, amortization, and provisions	156 988	131 035	-16.5%	130 085	-0.7%
Consolidated operating expenses	1 533 942	1 602 926	4.5%	1 760 396	9.8%
Consolidated operating income	245 330	104 078	-57.6%	105 949	1.8%
Income from equity investments and other long-term securities	1	2	17.7%	1	-15.0%
Foreign exchange gains	2 170	5 010	>100%	1 730	-65.5%
Interest and other financial income	859	97	-88.7%	162	67.0%
Financial write-backs, expense transfers	5 112	-	-100.0%	-	-
Consolidated financial income	8 143	5 108	-37.3%	1 894	-62.9%
Interest expenses	40 483	46 368	14.5%	50 312	8.5%
Foreign exchange losses	5 692	6 528	14.7%	9 094	39.3%
Other financial expenses	5 233	-	-100.0%	142	>100%
Financial allocations	-	-	-	-	-
Consolidated financial expenses	51 408	52 896	2.9%	59 548	12.6%
Consolidated financial result	-43 265	-47 788	-10.5%	-57 655	-20.6%
Consolidated current result	202 065	56 291	-72.1%	48 295	-14.2%
Income from sales of fixed assets	13 736	20 538	49.5%	26 751	30.3%
Balancing subsidies	-	-	-	-	-
Write-backs on balancing subsidies	919	919	0.0%	925	0.7%
Other non-current income	1 033	1 195	15.7%	896	-25.0%
Non-current write-backs, expense transfer	136	-	-100.0%	965	>100%
Consolidated non-current income	15 824	22 652	43.2%	29 539	30.4%
Net book value of sold fixed assets	13 381	20 019	49.6%	26 149	30.6%
Grants provided	-	-	-	-	-
Other non-current expenses	2 786	10 462	>100.0%	1 594	-84.8%
Non-current allocations to depreciation, amortization, and provisions	-	-	-	-	-
Consolidated non-current expenses	16 167	30 481	88.5%	27 742	-9.0%
Consolidated non-current result	-343	-7 829	<-100.0%	1 796	>100%
Consolidated profit before tax	201 723	48 462	-76.0%	50 091	3.4%
Share of equity affiliates	-	-	-	-	-
Amortization of goodwill	8 785	8 386	-4.5%	8 386	0.0%
Consolidated income taxes	70 895	37 169	-47.6%	28 936	-22.1%
Consolidated net profit	122 042	2 907	-97.6%	12 769	>100%
Minority interests	4 538	2 672	-41.1%	1 958	-26.7%
Net Result Group Share (NRGS)	117 504	235	-99.8%	10 811	>100%
Net margin (NRGS/TO)	6.9%	Ns	-6.9 pts	0.64%	0.63 pts

Source: Jet Contractors



PART IV. RISKS

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.

Also, a global economic crisis (due to war, pandemic, etc.) could have indirect negative impacts on the company as a result of the contraction of the economic environment in which the Group operates.

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.

However, this risk is limited by the fact that Jet Contractors often uses sister companies or subsidiaries. Also, due to the agility of the Group, the unavailability of service providers may also be an opportunity to create, where possible and appropriate, this activity within the Group.

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. However, the likelihood of occurrence of this type of risk is almost zero.

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. 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 several 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 like 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).

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:

- Difficulty integrating the acquired companies, their networks, products or services,
- Not being able to retain key personnel of the acquired companies or to recruit the qualified personnel that may be required,
- Not benefiting from expected synergies or economies of scale,
- making 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 over the management of the acquired companies with other major shareholders, including public authorities, and
- Not adapting 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 several clean-up measures:

- A judicial liquidation of 3 companies: Silver Construction, Mic Jet and Sotra Jet;
- A provisioning at the level of Jet Contractors at 100% of all current account advances made to these companies;
- Deconsolidation of the international subsidiaries with the exception of Jet Contractors Holding France.

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 to maintain their financial autonomy. For subsidiaries with promising development prospects, Jet Contractors has decided to recapitalize 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: Jet Contractors' activity requires a demand for technical skills both at the management level (engineers and technicians) and at the worker level (welders, fitters...). The company could therefore be faced



with a risk of a labor shortage. To mitigate this problem, the company has implemented a policy of training its staff and has undertaken in 2019 to create its own training center.

Also, Jet Contractors is committed to the digitization of its trades allowing great anticipation in its work. The Group's industrialization also allows it to consider prefabrication for certain projects.

- 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 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 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. Jet Contractors was one of the first players in Morocco to introduce BIM in its business and implement plans to digitize the business to migrate to an industry 4.0.

xvi. ACCESS TO FUNDING RISK

The development of Jet Contractors necessarily involves external financing needs. However, the company diversifies its sources of financing to mitigate the risk that access to financing could represent. Thus, Jet Contractors finances itself through its own funds, lines of credit, the private debt market and customer advances.

xvii. INDEBTEDNESS RISK

Like companies operating in the construction sector, Jet Contractors uses external debt to meet its operating needs. Nevertheless, the company implements all means to control its indicators relating to indebtedness.

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 issue of Commercial Papers covered by this Information Package may provide for fixed-rate tranches, calculated based on 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 issues would reduce the amount recoverable by the holders of these securities in the event of liquidation of the issuer.

iv. PAYMENT DEFAULT RISK

The Commercial Papers referred to in this Information Package 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 Information Package approved by the Moroccan Capital Market Authority (AMMC) under reference EN/EM/019/2022. The AMMC recommends reading the Information Package made available to the public in French, in its entirety.

