



Travaux Généraux de Construction de Casablanca (TGCC S.A.)

SUMMARY OF THE INFORMATION PACKAGE RELATING TO THE COMMERCIAL PAPER ISSUE PROGRAM

Program implementation date	February 21, 2023
Program ceiling	MAD 500,000,000
Nominal value	MAD 100,000

CO-ADVISOR AND GLOBAL COORDINATOR



VALORIS CORPORATE FINANCE
CONSEIL ET INGENIERIE

FINANCIAL CO-ADVISORS



CAPITAL TRUST
FINANCE



CFG BANK
CORPORATE FINANCE

CO-LEADERS OF THE UNDERWRITING SYNDICATE



VALORIS SECURITIES
Société de Bourse



CAPITAL TRUST
SECURITIES



CFG BANK

Registration of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, this reference document was registered by the AMMC on 24/09/2024 under the reference EN/EM/020/2024.

This reference document may only be used as a basis for canvassing or for collecting orders in connection with a financial operation if it forms part of a prospectus duly approved by the AMMC.

Annual update of the information package relating to the commercial paper issue program:

At 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 said file comprises:

- the reference document;
- the note relating to the commercial paper issue program, registered by the AMMC on February 21, 2023, the under reference EN/EM/007/2023 and available via the following link:

<https://tgcc.ma/dataup/2023/02/EBT-TGCC-Note-doperation-VF.pdf>

The said update has been approved by the AMMC under the reference VI/EM/028/2024.

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II. AMMC Disclaimer

The Moroccan Capital Market Authority (AMMC) approved on 24/09/2024, under the reference VI/EM/028/2024, the annual update of the information package relating to the annual update of the commercial paper issue program by TGCC S.A.

The AMMC-approved information package is available at any time:

- At TGCC registered office: 4, rue Imam Mouslim, Casablanca Oasis - Casablanca and on its website: <https://tgcc.ma/>;
- From the financial advisors:
 - Valoris Corporate Finance: Angle Route d'El Jadida et, Rue Abou Dhabi, Casablanca 20410;
 - Capital Trust Finance: 50, Boulevard Rachidi, Casablanca;
 - CFG Finance: 5-7, rue Ibnou Toufaïl, Casablanca.
- From the underwriting bodies, within a maximum of 48 hours:
 - Valoris Securities: Angle Route d'El Jadida et, Rue Abou Dhabi, Casablanca 20410;
 - Capital Trust Securities: 50, Boulevard Rachidi, Casablanca;
 - CFG Bank: 5-7, rue Ibnou Toufaïl, Casablanca.

The information package is 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 TGCC S.A.

In the event of any discrepancy between the contents of this summary and the AMMC-approved prospectus, only the approved information package will prevail.

Part I. Presentation of the Operation

I. Framework

In accordance with the provisions of Article 15 of Law 35-94 promulgated by Dahir 1-95-3 of Sha'ban 24, 1415 (January 26, 1995) and Order 2560-95 of the Minister of Finance and Foreign Investment of October 9, 1995 relating to Negotiable Debt Securities (NDS), TGCC S.A. issues to the public interest-bearing commercial paper in representation of a right to claim for a duration inferior or equal to one (1) year.

The Board of Directors held on November 15, 2022, authorized this issue program, with a ceiling of MAD 500,000,000, and delegated all powers to Mr. Mohammed Bouzoubaa, in his capacity of CEO of TGCC S.A., in order to determine the operation terms and conditions that he will judge opportune and necessary for the realization of the commercial paper issue.

To this end, TGCC S.A. will issue with a public offering interest-bearing commercial paper in representation of a right to claim, for a term less than or equal to one year.

In accordance with the provisions of Article 15 of Law no. 35-94 promulgated by Dahir no. 1-95-3 of Sha'ban 24, 1415 (January 26, 1995) and with the decree of the Minister of Finance and Foreign Investments no. 2560-95 of October 9, 1995, relating to negotiable debt securities (NDS), TGCC S.A. has drawn up, together with the Advisors, this information package relating to its activity, its economic and financial situation as well as its commercial paper issue program.

Pursuant to article 17 of the said law, and as long as the Commercial Paper is in circulation, the information package will be updated annually within 45 days after the Ordinary General Meeting of Shareholders approving the accounts of the previous financial year.

However, occasional updates may be made in the event of a change in the ceiling on the number of securities issued or any new event likely to have an impact on the price of the securities or the successful completion of the program.

I.1. Program objectives

TGCC aims to issue commercial paper in order to:

- optimize the cost of short-term financing by partially replacing existing bank facilities with commercial paper;
- meet its one-off cash requirements;
- diversify sources of financing.

II. Target investors

Subscription to the commercial paper covered by this note is intended for natural or legal persons, whether resident or non-resident.

III. Program characteristics

III.1. Information relating to the program and the securities to be issued

Nature of securities	Dematerialized Negotiable Debt Securities by registration with the Central Depository (Maroclear) and registered in accounts with authorized affiliates.
Legal form	Bearer commercial paper
Program ceiling	MAD 500,000,000
Maximum number of securities	5,000

Unit nominal value	MAD 100,000
Maturity	Between 10 days and 12 months
Entitlement date	On the settlement date.
Rank	the rank is equivalent to an ordinary debt contracted by the Company.
Interest rate	Fixed. Determined for each issue according to market conditions.
Interests	Post-counted
Principle repayment	<i>In fine</i> , at due date of each commercial paper.
Tradability of securities	Over-the-counter. There are no restrictions imposed by the terms of the issue on the free tradability of the commercial paper.
Assimilation clause	The commercial paper issued is not assimilated with securities from a previous issue
Guaranty	The program has no specific guarantee

IV. Conduct of issues under the program

IV.1. Underwriting syndicate and financial intermediaries

The financial intermediaries involved in this commercial paper program are as follows:

Underwriting body and financial intermediaries	Name	Address
Financial Advisors	Valoris Corporate Finance	Angle Route El Jadida et Rue Abou Dhabi, Oasis, 20410, Casablanca
	Capital Trust Finance	50, Boulevard Rachidi, Casablanca
	CFG Finance	5-7, rue Ibnou Toufaïl, Casablanca
Underwriting Syndicate	Valoris Securities	Angle Route El Jadida et Rue Abou Dhabi, Oasis, 20410, Casablanca
	Capital Trust Securities	50, Boulevard Rachidi, Casablanca
	CFG Bank	5-7, rue Ibnou Toufaïl, Casablanca
Central depository	Maroclear	Route 1077 par route d'El Jadida, 8 Cité Laia – 20200 Casablanca
Domiciliary of securities	CFG Bank	5-7, rue Ibnou Toufaïl, Casablanca

IV.2. Subscription and allocation terms

IV.2.1. Subscription period

Each time TGCC expresses a need of cash, Valoris Securities, Capital Trust Securities and CFG Bank will proceed to the opening of the subscription period at least 72 hours before the entitlement date.

Before each issue, the issuer will draw up a document detailing the terms and conditions of the issue and containing the information mentioned in article 1.60 of AMMC Circular 03/19. The said document will be put at the disposal of investors before the opening of the subscription period.

IV.2.2. Beneficiaries

Natural persons and legal entities, resident and non-resident.

Subscriptions must be made in cash, whatever the category of subscribers.

IV.2.3. Subscribers' identification

The Underwriting bodies must make sure that the subscriber belongs to one of the categories defined above. For this purpose, they must obtain a copy of the document attesting this identification and attach it to the subscription form. For each category of subscribers, the identification documents to be produced are as follows:

Category	Documents to enclose
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 the child's date of birth
UCITS under Moroccan law	Photocopy of the approval decision attesting that it belongs to this category. <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 and the certificate of deposit at the court registry.
Moroccan and foreign legal entities	Model of entries in the commercial register (or equivalent for foreigners)
Non-resident and 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 and non-Moroccan natural persons	Photocopy of the residency card
Natural persons resident in Morocco and Moroccan nationals abroad	Photocopy of the national identity card

IV.2.4. Subscription terms and conditions

Subscriptions will be collected from clients, by means of subscription forms according to the form attached hereto, which become firm and irrevocable after the closing of the subscription period. These subscription forms must be filled in and signed by the subscribers and sent to:

- Valoris Securities: E-mail address: market@capitalgestiongroup.com ;

- Capital Trust Securities: E-mail address: market.cts@capitaltrust.ma ;
- CFG Bank: E-mail address: sdm@cfgbank.com.

Subscriptions will be confirmed by the underwriters by e-mail as soon as they are accepted and this, until the issue ceiling is reached.

All subscriptions will be made in cash

- Subscriptions on behalf of minors under the age of 18 are authorized provided they are made by the father, mother, guardian or legal representative of the minor. The organization in charge of the investment is required to obtain a copy of the page of the family record book or an equivalent document showing the date of birth of the minor child and to attach it to the subscription form; in this case, the movements are made either to an account opened in the name of the minor child or to the securities or cash account opened in the name of the father, mother, guardian or legal representative of the minor child and subject to the legal provisions in force;
- In the case of a portfolio management mandate, the manager can only subscribe on behalf of the client whose portfolio they manage by presenting a power of attorney duly signed and authenticated by his principal or the management mandate if it provides for an express provision to this effect. Management companies are exempted from presenting these documents for the UCITS they manage;
- Subscriptions on behalf of third parties are authorized on condition that a power of attorney duly signed and legalized by the principal is presented. The body in charge of placement is bound to obtain a copy of it and to attach it to the subscription form the subscribed securities must, moreover, be referred to a securities account in the name of the third party concerned, which can only be moved by the latter, except in case of existence of a power of attorney;
- A power of attorney for a subscription cannot in any case allow the opening of an account for the principal, so the opening of an account must be done in the presence of its holder according to the legal or regulatory provisions in force;
- Any form must be signed by the subscriber or his proxy. The organization in charge of placement must make sure, before accepting a subscription, that the subscriber has the financial capacity to honor his commitments, the latter will freely determine the terms of the financial guarantee requested from the subscribers, which can be a deposit in cash, in securities or a guarantee;
- Investors can place several orders with the investment firm. The orders are cumulative. The attention of subscribers is drawn to the fact that all orders can be satisfied totally or partially according to the availability of securities.

There is no minimum subscription threshold, the subscription ceiling is limited to the amount of the issue.

IV.3. Order cancellation terms and conditions

All subscription orders:

- Not complying with the above conditions will be null and void;
- Are irrevocable after the closing of the subscription period.

Subscription orders that do not meet the above-mentioned conditions are cancelled at the end of the collection of all subscription orders.

IV.4. Order allocation terms and conditions

During the subscription period, allocations will be made on a "first come, first served" basis, according to received subscriptions and available commercial papers. Thus, the allocation of securities will be done at the closing of the subscription period.

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

IV.5. Securities settlement/delivery arrangements

Settlement/delivery of the securities will take place through the OTC channel on the entitlement date. CFG Bank will be responsible for the book-entry of the issued commercial paper.

IV.6. AMMC information commitment

TGCC undertakes to transmit to AMMC the results of each issue (number of securities issued, amounts subscribed and allocated by type of investors, etc.) within 7 days following its completion.

Part II. About TGCC

I. Brief activity description

I.1. General information

Corporate Name	Travaux Généraux de Construction de Casablanca
Registered Office	4 Rue Imam Mouslim Casablanca Oasis
Phone	+212 (0) 5 22 23 88 93
Fax	+212 (0) 5 22 23 88 67
Website	www.tgcc.ma
Legal Form	Public limited company with a board of directors
Date of incorporation	October 2, 1991
lifespan	99 years
Registration Number in the Commercial Register	63.907 Casablanca
Financial Year	From January 1 st to December 31 st
Corporate Purpose	<p>According to article 2 of TGCC's by-laws, the Company's purpose both in Morocco and abroad is:</p> <ul style="list-style-type: none"> • The design and realization of all building and civil engineering works as well as any related activity; • The execution, directly or indirectly, of all works relating to the field of construction and furnishing; • The acquisition and sale of real estate as well as any operation within the framework of real estate development; • The acquisition of shares by right in existing companies or companies in formation having a similar or related object; • And more generally, all industrial, commercial, financial, movable or real estate operations that may be directly or indirectly related to the corporate purpose or likely to facilitate its extension or development.
Share Capital as of December 31, 2023	MAD 316,398,500, comprising 31,639,850 shares with a nominal value of MAD 10 each, fully subscribed and paid up, all of the same class.
Legal Documents	The Company's legal documents, in particular the articles of association, the minutes of the shareholders' meetings and the auditors' reports, may be consulted at the Company's registered office.
Legislative and regulatory texts applicable to TGCC	<p>Due to its legal form, the Company is governed by the law No. 17-95 promulgated by the Dahir No. 1-96-124 of August 30, 1996 relating to public limited companies, as amended and completed by the laws No. 81-99, 23-01, 20-05, 78-12, 20-19 and 19-20. By virtue of its activity, TGCC is governed by Moroccan law, particularly:</p> <ul style="list-style-type: none"> • Law no. 39-08 forming the code of real rights promulgated by dahir no. 1-11-178 dated 25 hijja (November 22, 2011) as amended and supplemented. • Law no. 12-90 relating to urban planning (promulgated by dahir no. 1-92-31 dated 15 hijja 1412 (June 17, 1992), as amended and supplemented by law no. 66-12 relating to the repression of offences in the urban planning and construction sector (promulgated by dahir no. 1-16-124 dated 21 kaada (August 25, 2016).

- Law no. 25-90 relating to subdivisions, groups of dwellings and parcels (promulgated by dahir no. 1-92-7 dated 15 hijja 1412 (June 17, 1992), as amended and supplemented by law no. 66-12 relating to the repression of offences in the urban planning and construction sector (promulgated by dahir no. 1-16-124 dated 21 kaada (August 25, 2016.
- The applicable provisions of the Dahir of September 12, 1913, as amended and supplemented, on the Code of Obligations and Contracts

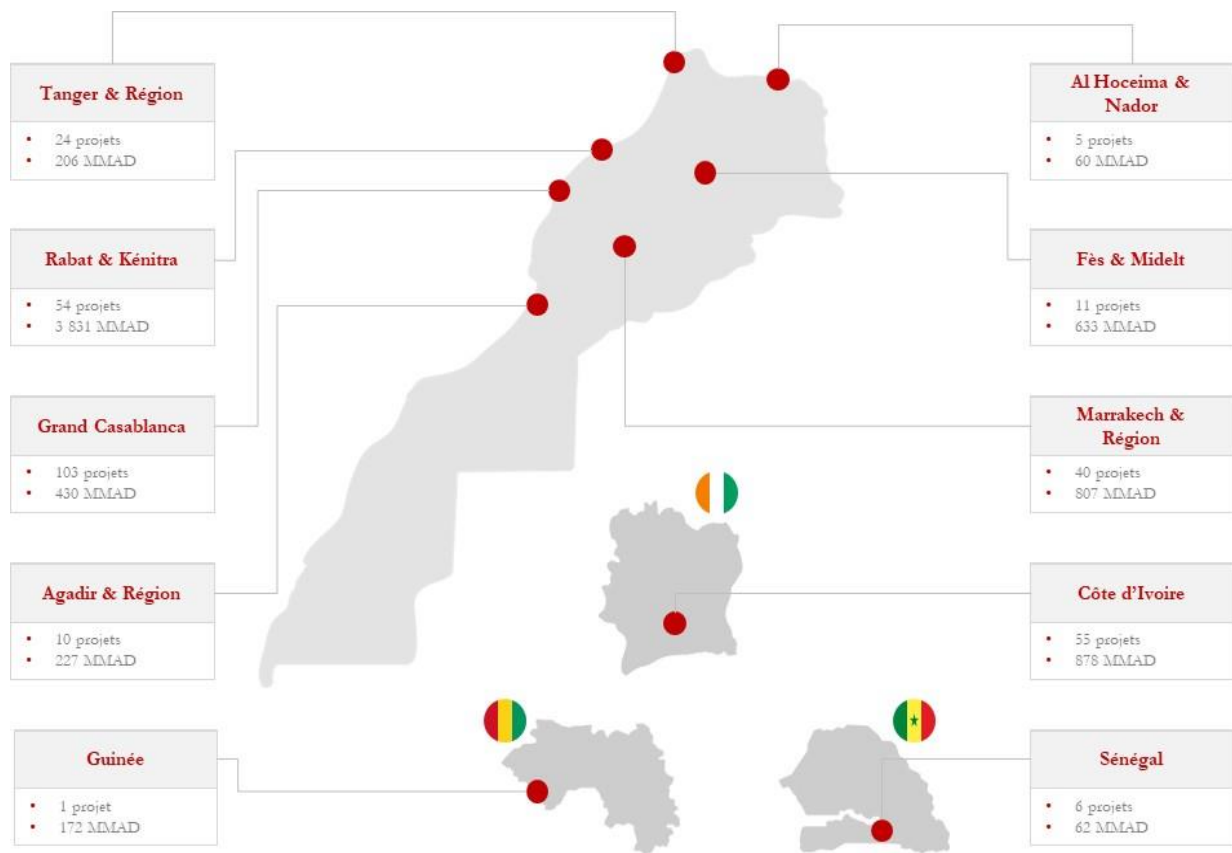
As a listed company on the Casablanca Stock Exchange and an issuer of commercial paper, TGCC will be subject to the following provisions:

- The Dahir providing Law 44-12 relating to the public offering and to the information required from corporate entities and organizations making public offerings;
- The Dahir providing Law 43-12 relating to the AMMC;
- The AMMC General Regulation as approved by the Order of the Minister of Economy and Finance no. 2169/16 dated July 14, 2016;
- The circulars of the AMMC in force;
- The Dahir providing Law no. 1-96-246 of January 9, 1997 promulgating Law no. 35-96 relating to the creation of a central depository and the institution of a general regime of registration in account of certain securities (amended by Law no. 43-02);
- The general regulations of the central depository approved by Order no. 932-98 of the Minister of Economy and Finance, dated April 16, 1998, and amended by Order no. 1961-01 of the Minister of Economy, Finance, Privatization and Tourism, dated October 30, 2001, and by Order no. 77-05 of March 17, 2005
- The Dahir no. 1-16-151 of August 25, 2016 promulgating the law no. 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisors;
- The General Rules of the Casablanca Stock Exchange approved by Ministerial Order no. 2208-19 of July 3, 2019, issued by the Ministry of Economy and Finance;
- The Dahir no.1-04-21 of April 21st 2004, promulgating Act no. 26-03 relating to public offerings on the Moroccan stock market, as amended and supplemented by Act no. 46-06.
- The Dahir 1-95-03 of January 26, 1995 promulgating the law no. 35-94 relating to certain Negotiable Debt Securities.

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

I.2. Mapping of TGCC's order book

Mapping of TGCC Group's order book as of December 31, 2023 (construction projects)

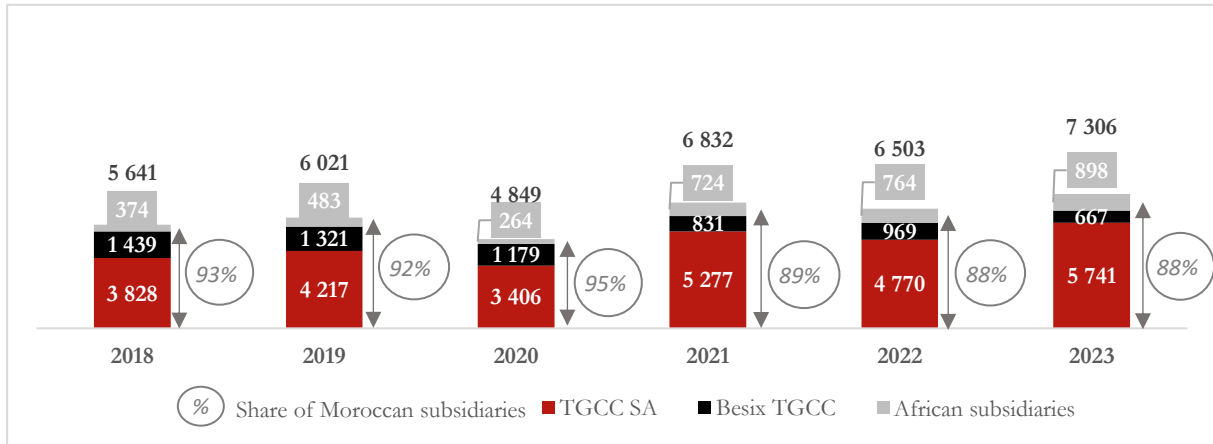


Source: TGCC

I.3. Evolution of the order book

The table below shows the evolution of TGCC Group's order book over the period 2018 – 2023 :

Evolution of the TGCC Group's order book over the period 2018 – 2023 in MMAD



Source: TGCC

II. Shareholding

Over the last six years, TGCC's shareholding structure has evolved as follows:

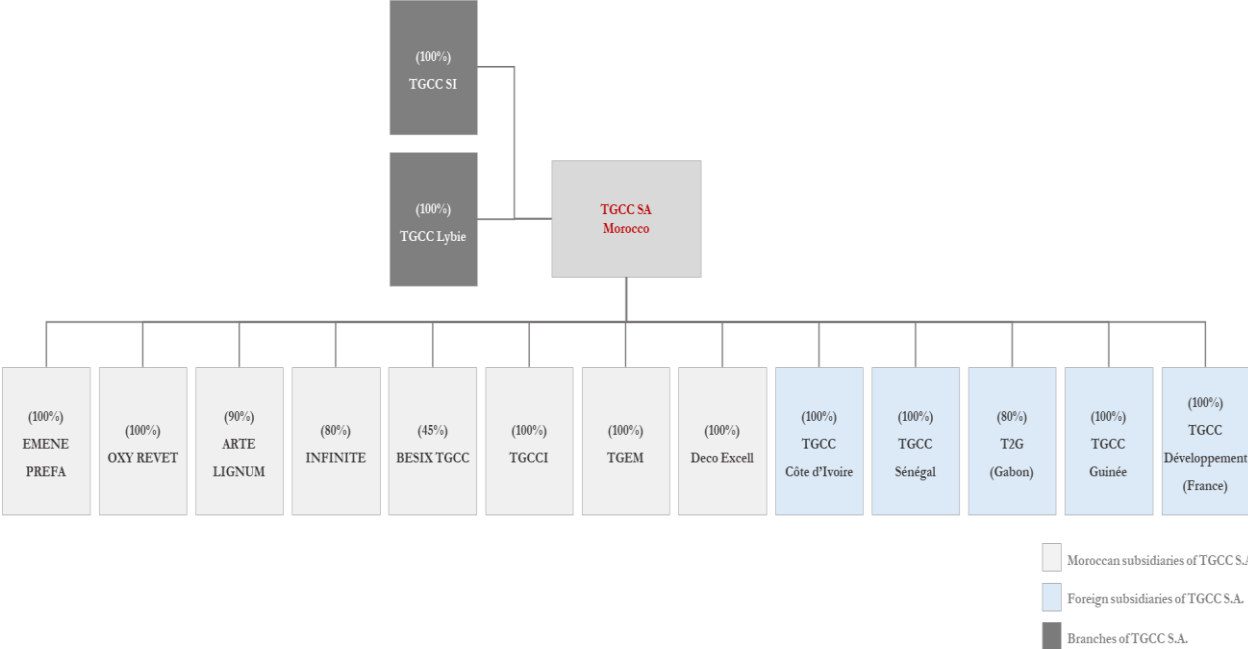
Shareholders	2018		2019		2020		2021		2022		2023	
	Number of securities and voting rights	% of capital and voting rights	Number of securities and voting rights	% of capital and voting rights	Number of securities and voting rights	% of capital and voting rights	Number of securities and voting rights	% of capital and voting rights	Number of securities and voting rights	% of capital and voting rights	Number of securities and voting rights	% of capital and voting rights
Mr. Mohammed Bouzoubaa	2 339 995	88.5%	2 339 995	83.1%	2 339 995	83.1%	23 399 950	74.0%	23 399 950	74.0%	23 399 950	74.0%
Floating	-	-	-	-	-	-	5 031 780	15.9%	5 031 780	15.9%	6 643 182	21.0%
MC II Concrete	303 331	11.5%	476 665	16.9%	476 665	16.9%	3 208 060	10.1%	3 208 060	10.1%	1 596 658	5.0%
Other shareholders	7	0.0%	6	0.0%	6	0.0%	60	0.0%	60	0.0%	60	0.0%
Total	2 643 333	100.0%	2 816 666	100.0%	2 816 666	100.0%	31 639 850	100.0%	31.639.850	100.0%	31.639.850	100.0%

Source: TGCC

III. Legal organization chart

As of December 31, 2023, TGCC's organizational chart is as follows 1:

TGCC's legal organization chart as of 31.12.2023



Source: TGCC

1/ The shareholding percentages are equivalent to the percentages of control for all the Company's subsidiaries.



Part III. Financial data

I. Annual financial statements

I.1. Corporate annual financial statements

I.1.1. Balance and management statement

In KMAD	2021	2022	Var. 21-22	2023	Var. 22-23
Turnover	3 202 775	4 425 020	38.2%	5 816 905	31.5%
Changes in inventories of work in progress and finished goods	(46 997)	40 710	>100%	381 035	>100.0%
Purchases consumed	(2 257 481)	(3 379 299)	49.7%	(4 566 939)	35.1%
Other external expenses	(109 599)	(179 204)	63.5%	(251 233)	40.2%
Added value	788 699	907 227	15.0%	1 379 767	52.1%
<i>in % of turnover</i>	<i>24.6%</i>	<i>20.5%</i>	<i>-4.1 pts</i>	<i>23.7%</i>	<i>3.2 pts</i>
Staff costs	(456 529)	(541 120)	18.5%	(805 712)	48.9%
Taxes and duties	(3 368)	(5 418)	60.9%	(7 590)	40.1%
Gross operating surplus	328 801	360 690	9.7%	566 465	57.1%
<i>in % of turnover</i>	<i>10.3%</i>	<i>8.2%</i>	<i>-2.1 pts</i>	<i>9.7%</i>	<i>1.6 pts</i>
Operating allocations	(74 894)	(107 303)	43.3%	(171 300)	59.6%
Amortization of goodwill	-	-	0.0%	-	0.0%
Operating reversals, expense transfers	23 666	3 201	-86.5%	41 243	>100.0%
Other operating income and expenses	(857)	(7 632)	<-100.0%	(5 314)	30.4%
Operating income	276 718	248 957	-10.0%	431 095	73.2%
<i>in % of turnover</i>	<i>8.6%</i>	<i>5.6%</i>	<i>-3.0 pts</i>	<i>7.4%</i>	<i>1.8 pts</i>
Financial income	5 942	65 504	>100.0%	38 322	-41.5%
Financial expenses	(38 344)	(38 443)	0.3%	(55 991)	45.6%
Financial result	(32 401)	27 061	>100%	(17 669)	<-100%
Current result	244 316	276 018	13.0%	413 426	49.8%
Non-current result	26 845	(2 370)	<-100.0%	(10 130)	<-100.0%
Pre-tax income	271 162	273 648	0.9%	403 296	47.4%
Tax on profits	(85 901)	(62 916)	-26.8%	(93 952)	49.3%
Net income	185 260	210 732	13.7%	309 344	46.8%
<i>in % of turnover</i>	<i>5.8%</i>	<i>4.8%</i>	<i>-1.0 pts</i>	<i>5.3%</i>	<i>0.6 pts</i>

Source: TGCC

I.1.2. Balance sheet

In KMAD - Assets	2021	2022	Var. 21-22	2023	Var. 22-23
Non-valuable fixed assets	51 925	34 579	-33.4%	23 899	-30.9%
Intangible fixed assets	702	515	-26.6%	1 337	>100.0%
Intangible fixed assets	129 923	137 832	6.1%	181 829	31.9%
Financial fixed assets	79 159	84 905	7.3%	102 006	20.1%
Fixed assets	261 710	257 831	-1.5%	309 071	19.9%
<i>Weight on total balance sheet</i>	<i>6.4%</i>	<i>6.4%</i>	<i>0.0 pts</i>	<i>5.9%</i>	<i>-0.5 pts</i>
Inventories and work in progress	580 663	622 806	7.3%	1 012 346	62.5%
Trade accounts receivable, advances & prepayments	258 431	245 621	-5.0%	460 619	87.5%
Trade receivables and related accounts	2 431 179	2 376 115	-2.3%	2 707 307	13.9%
Staff	264	49	-81.4%	446	>100.0%
State	322 960	395 171	22.4%	598 279	51.4%
Other debtors	39 043	84 287	>100.0%	32 749	-61.1%
Prepayments and accrued income	21 882	19 851	-9.3%	30 206	52.2%
Currency translation differences - assets	260	208	-20.1%	25	-88.0%
Investment securities	-	-	0.0%	5 000	100.0%
Current assets	3 654 682	3 744 108	2.4%	4 846 976	29.5%
<i>Weight on total balance sheet</i>	<i>88.7%</i>	<i>92.9%</i>	<i>4.2 pts</i>	<i>92.0%</i>	<i>-1.0 pts</i>
Cash and cash equivalents - assets	203 403	26 608	-86.9%	115 125	>100.0%
Total assets	4 119 795	4 028 546	-2.2%	5 271 172	30.8%

In KMAD - Liabilities	2021	2022	Var. 21-22	2023	Var. 22-23
Capital	316 399	316 399	0.0%	316 399	0.0%
Share premium	481 717	481 717	0.0%	481 717	0.0%
Legal reserve	28 167	31 640	12.3%	31 640	0.0%
Other reserves	397	397	0.0%	397	0.0%
Retained earnings	98 340	106 108	7.9%	127 001	19.7%
Net income for the financial year	185 260	210 732	13.7%	309 344	46.8%
Total equity	1 110 280	1 146 993	3.3%	1 266 497	10.4%
<i>Weight on total balance sheet</i>	<i>26.9%</i>	<i>28.5%</i>	<i>1.5 pts</i>	<i>24.0%</i>	<i>-4.4 pts</i>
Bonds	-	-	0.0%	-	0.0%
Other financial debts	85 215	71 976	-15.5%	58 589	-18.6%
Financial debts	85 215	71 976	-15.5%	58 589	-18.6%
Accounts payable and related accounts	1 442 258	1 522 029	5.5%	2 493 479	63.8%
Accounts payable, advances & down payments	620 089	375 789	-39.4%	397 103	5.7%
Staff	7 634	12 271	60.7%	21 287	73.5%
Social organizations	13 432	15 439	14.9%	19 809	28.3%
State	296 300	266 916	-9.9%	212 710	-20.3%
Associate - creditor account	-	-	0.0%	-	0.0%
Other creditors	506	306	-39.6%	190	-38.0%
Accruals and deferred income - liabilities	6 104	4 999	-18.1%	7 220	44.4%
Other provisions for liabilities and charges	3 316	2 065	-37.7%	10 629	>100.0%
Currency translation differences - liabilities	-	-	100.0%	-	0.0%

Current liabilities	2 389 639	2 199 814	-7.9%	3 162 427	43.8%
<i>Weight on total balance sheet</i>	<i>58,0%</i>	<i>54,6%</i>	<i>-3,4 pts</i>	<i>60,0%</i>	<i>5,4 pts</i>
Cash and cash equivalents - liabilities	534 661	609 763	14,0%	783 660	28,5%
Total liabilities	4 119 795	4 028 546	-2,2%	5 271 172	30,8%

Source: TGCC

I.1.3. Financing table

In KMAD	2021	2022	Var. 21-22	2023	Var. 22-23
Self-financing	1 639	91 332	>100.0%	194 144	>100.0%
Self-financing capacity	233 611	265 351	13.6%	383 983	44.7%
Distribution of profits	(231 972)	(174 019)	-25.0%	(189 839)	9.1%
Disposal and reduction of fixed assets	145 755	14 483	-90.1%	32 624	>100.0%
Disposal of tangible fixed assets	22 612	8 524	-62.3%	32 624	>100.0%
Disposal of intangible fixed assets	131	5 959	>100.0%	-	-100.0%
Recovery of fixed assets	123 012		-100.0%	-	0.0%
Increase in equity and similar	288 116	-	-100.0%	-	0.0%
Increase in capital, contributions	288 116		-100.0%	-	0.0%
Total stable resources	435 510	105 814	-75.7%	226 768	>100.0%
Acquisition and increase of fixed assets	77 341	65 222	-15.7%	148 504	>100.0%
Acquisition of intangible assets	308	197	-36.1%	1 096	>100.0%
Acquisition of tangible assets	77 033	53 320	-30.8%	124 740	>100.0%
Acquisition of financial assets	-	11 705	100.0%	22 668	93.7%
Repayment of shareholders' equity	105 310	13 238	-87.4%	13 388	1.1%
Use of non-valuable assets	-	-	0.0%	10 000	100.0%
Total stable uses	182 651	78 460	-57.0%	171 892	>100.0%
Change in financing needs	(49 523)	279 251	-663.9%	140 255	-49.8%
Change in cash and cash equivalents	302 382	(251 897)	-183.3%	(85 379)	-66.1%
Net cash position	(331 259)	(583 157)	76.0%	(668 536)	14.6%

Source: TGCC

I.2. Consolidated annual financial statements

I.2.1. Balance and management statement

In KMAD	2021	2022	Var. 21-22	2023	Var. 22-23
Turnover	3 625 503	5 177 633	42.8%	6 865 942	32.6%
Changes in inventories of work in progress and finished goods	76 269	62 270	-18.4%	416 521	>100.0%
Purchases consumed	(2 558 463)	(3 765 849)	47.2%	(5 123 142)	36.0%
Other external expenses	(117 389)	(221 982)	89.1%	(303 617)	36.8%
Added value	1 025 920	1 252 072	22.0%	1 855 704	48.2%
<i>in % of turnover</i>	<i>28.3%</i>	<i>24.2%</i>	<i>-4.1 pts</i>	<i>27.0%</i>	<i>2.8 pts</i>
Staff costs	(556 329)	(683 068)	22.8%	(1 003 582)	46.9%
Taxes and duties	(7 874)	(10 891)	38.3%	(21 330)	95.9%
Gross operating surplus	461 717	558 113	20.9%	830 792	48.9%
<i>in % of turnover</i>	<i>12.7%</i>	<i>10.8%</i>	<i>-2.0 pts</i>	<i>12.1%</i>	<i>1.3 pts</i>
Operating allocations	(117 734)	(165 362)	40.5%	(237 726)	43.8%
Amortization of goodwill	(3 414)	(1 190)	-65.2%	(3 414)	>100.0%
Operating reversals, expense transfers	25 841	20 776	-19.6%	4 928	-76.3%
Other operating income and expenses	(2 243)	(7 015)	>100.0%	(16 506)	>100.0%
Operating income	364 167	405 323	11.3%	578 074	42.6%
<i>in % of turnover</i>	<i>10.0%</i>	<i>7.8%</i>	<i>-2.2 pts</i>	<i>8.4%</i>	<i>0.6 pts</i>
Financial income	7 585	11 890	56.8%	3 236	-72.8%
Financial expenses	(44 379)	(48 700)	9.7%	(72 041)	47.9%
Financial result	(36 794)	(36 811)	0.0%	(68 805)	-86.9%
Non-current result	60 222	73 050	21.3%	46 536	-36.3%
Non-current expenses	(38 831)	(89 409)	>100.0%	(61 000)	-31.8%
Non-current result	21 391	(16 359)	<-100	(14 464)	11.6%
Pre-tax income	348 764	352 153	1.0%	494 805	40.5%
Tax on profits	(110 223)	(102 185)	-7.3%	(128 326)	25.6%
Net global income	238 541	249 968	4.8%	366 479	46.6%
<i>in % of turnover</i>	<i>6.6%</i>	<i>4.8%</i>	<i>-1.8 pts</i>	<i>5.3%</i>	<i>0.5 pts</i>
Including minority interests	2 536	4 645	83.2%	3 903	-16.0%
Including net income - Group share	236 004	245 323	3.9%	362 576	47.8%

Source: TGCC

Current liabilities	3 048 019	3 096 155	1,6%	4 241 161	37,0%
<i>Weight on total balance sheet</i>	<i>60,2%</i>	<i>58,9%</i>	<i>-1,3 pts</i>	<i>61,1%</i>	<i>2,2 pts</i>
Cash and cash equivalents - liabilities	529 911	632 170	19,3%	864 056	36,7%
Total liabilities	5 060 966	5 254 064	3,8%	6 935 765	32,0%

Source: TGCC

I.2.3. Cash flow statement

In KMAD	2021	2022	Var. 21-22	2023	Var. 22-23
Net income of consolidated companies	238 541	249 968	4.8%	366 479	46.6%
Net depreciation of tangible and intangible fixed assets	98 140	108 980	11.0%	134 710	23.6%
Net allocations to long-term provisions for risks and expenses	888	(17 322)	-2050.7%	8 864	-151.2%
Change in deferred taxes	4 870	6 279	28.9%	(923)	-114.7%
Net book value of assets sold	28 337	10 302	-63.6%	32 762	>100.0%
Disposal price of fixed assets	(31 270)	(11 431)	-63.4%	(37 811)	>100.0%
Operating profit before changes in working capital	339 506	346 776	2.1%	504 081	45.4%
Change in current assets	(797 254)	(240 137)	-69.9%	(1 054 874)	>100.0%
Change in net inventories	(229 720)	(119 216)	-48.1%	(382 644)	>100.0%
Change in current liabilities	1 066 649	47 872	-95.5%	1 181 930	>100.0%
Change in working capital requirements related to operations	39 674	(311 481)	>100	(255 588)	17.9%
Net cash flow from operating activities	379 180	35 294	-90.7%	248 493	>100.0%
Acquisition of intangible assets	(320)	(247)	-22.8%	(1 428)	>100.0%
Acquisition of tangible assets	(116 588)	(74 548)	-36.1%	(181 222)	>100.0%
Acquisition of financial assets	-	-	0.0%	(35 270)	0.0%
Disposal of financial assets	122 495	1 034	-99.2%	1 087	5.1%
Disposal price of fixed assets	31 270	11 431	-63.4%	37 811	>100.0%
Impact of changes in the scope of consolidation	-	(9 538)	0.0%	(100)	-99.0%
Cash flow from investing activities	36 857	(71 868)	<-100	(179 122)	<-100
Capital increase	-	-	0.0%	-	0.0%
Subscription/repayment of loans	141 980	(134 481)	-194.7%	(78 141)	-41.9%
Dividends paid	(231 927)	(178 332)	-23.1%	(192 880)	8.2%
Increase in borrowings	2 996	63 124	>100.0%	(2 850)	-104.5%
Change in bank overdrafts	(114 737)	38 581	-133.6%	(786)	-102.0%
Cash flow from financing activities	(201 687)	(211 108)	4.7%	(274 657)	30.1%
Change in cash and cash equivalents	214 349	(247 682)	-215.6%	(205 286)	-17.1%
Impact of changes in foreign currencies	(45)	92	-304.4%	(312)	-439.1%

Source: TGCC

Part IV. Risk factors

I. Risks related to the issuer

I.1. Risk related to demand and the economic environment

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

Nevertheless, the quality of TGCC's management, the diversification of its portfolio, as well as its positioning on high-potential sectors are factors likely to mitigate this risk.

I.2. Competitive risk

TGCC faces competition from many Moroccan and international companies operating in the construction sector (see section "main players in the sector").

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

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

I.3. Contract performance and subcontracting risk

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

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

I.4. Workforce risk

TGCC Group's operations are labor-intensive. The risks related to the workforce can be summarized as follows:

- **Risk of work accidents:** the nature of TGCC's activities implies the risk of accidents in the workplace. The company makes continuous efforts to limit these risks. In addition to strict compliance with the safety rules related to the various professions, TGCC has insurance policies adapted to the various activities carried out. The Group has been certified since 2018 according to the ISO 45001 V2018 standard, which specifies the requirements for an occupational health and safety (OHS) management system. TGCC is also the first Moroccan Group to certify its health risk management system according to the international SOCOTEC standard.
- **Risk of labor shortage:** TGCC's activities require precise and high-quality skills. Thus, TGCC could be confronted with a risk of manpower shortage (engineers, technicians, workers, etc.). To address this risk, the company implements annual training plans described in the human resources section of this document. In addition, the Group benefits from a strong reputation on the Moroccan market, which enables it to attract many employees and talents trained in Morocco and abroad.

I.5. Counterparty risk

TGCC Group is exposed to the risk of default and non-payment by its customers. However, this risk is mitigated by the quality of TGCC's customers, which are mostly well-known public and private companies, and by regular monitoring of receivables and collection management. Nevertheless, the Company may be exposed to payment

delays that vary from one customer to another, or even to longer payment delays, which may have an impact on its working capital requirements and cash flow.

I.6. Risk related to the fluctuation of raw material prices

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

I.7. Risk related to rising interest rates

In the course of its business, TGCC uses bank financing. Thus, the evolution of the Bank Al Maghrib's key rate may lead to a variation of the interest rates which may have an impact (upward or downward) on the Company's financing cost.

I.8. Foreign exchange risk

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

I.9. Risk related to access to financing

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

The risk of access to financing is mitigated by the Group's good solvency indicators with an average "net debt/total assets" ratio of 11.6% over the period 2021-2023 (see section "Part IV - Financial Position"). Furthermore, in the context of its activities, TGCC has historically demonstrated its ability to pledge markets to cover its financing.

I.10. Risk related to regulatory requirements

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

I.11. Country risk

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

I.12. Key person risk

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

I.13. Risk related to indebtedness

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

I.14. Risk related to sector concentration

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

As of end 2023, the education sector (schools and universities) is the most represented sector in the TGCC Group's order book (36%). The remainder of the order book is spread over 8 different sectors, thus mitigating this risk.

I.15. Risk related to turnover concentration

Given the nature of its business and the size of the major projects it undertakes, the Company could be exposed to the risk of concentrating its sales on a limited number of customers. However, given the diversity of its customer base, the projects making up its order book and the Group's international reach, this risk remains limited. In 2023, the customer making the largest contribution to sales will account for 41% of consolidated sales, compared with 14% in 2021 and 21% in 2022. Similarly, the concentration of receivables from sister companies out of total receivables represents 9% in 2023 vs. 17% of trade receivables in 2022.

II. Risks related to commercial paper

Risks associated with investing in Commercial Paper:

- **Risk of default:** The commercial paper described in this note is a debt security without any guarantee of repayment. Therefore, any investor is subject to the risk of non-repayment in case of default of CCGT;
- **Liquidity risk:** The existence of an active secondary market for the negotiable debt securities is not guaranteed, the investor could be exposed to the risk of holding illiquid securities, which cannot be sold quickly without a major effect on the price;
- **Interest rate risk:** In general, a rise in interest rates has a negative impact on the yield of debt securities, particularly negotiable debt securities;
- **Inflation risk:** Changes in inflation rates could affect the yield of holders of negotiable debt securities (i) if changes in inflation exceed the yield of the negotiable debt securities held and (ii) in the event of a readjustment of interest rates. Thus, an increase in interest rates will reduce the value of the negotiable debt securities held.
- **The risk associated with additional debt:** TGCC could subsequently issue other debt ranking equal to or higher than the commercial paper described in this note. Such issues would reduce the amount recoverable by the holders of the present securities in the event of liquidation of the issuer.

Disclaimer

The above-mentioned information is only a part of the information package approved by the Moroccan Capital Market Authority (AMMC) under reference no. VI/EM/028/2024 on 24/09/2024. The AMMC recommends reading the whole information package, which is made available to the public in French language.