



IMMORENTE

IMMORENTE INVEST S.A.

Prospectus Summary

Issue of Common Shares within the framework of a Capital Increase Reserved for the Public with Cancellation of Preferential Subscription Rights

Nature of Security	Shares
Issue Price	MAD 100
Nominal Value	MAD 62.54
Number of Shares Issued	4,080,000
Total Amount of the Operation (Including Issue Premium)	MAD 408,000,000
Subscription Period	From January 27 to 31, 2020 at 3:30 p.m. inclusive

This offer is not intended for Money Market and Short-Term Bond UCITS

Financial Advisor and Global Coordinators



Co-Leaders of the Placement Syndicate



Members of the Placement Syndicate



Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of the Dahir Law No. 1-12-55 dated December 28, 2012, promulgating Law No. 44-12 on public offerings and information required of legal entities and savings organizations, this prospectus has been approved by the AMMC on January 8, 2020 under reference VI/EM/001/2020.

DISCLAIMER

The AMMC approved on January 8, 2020 a prospectus relating to a capital increase reserved for the public with cancellation of preferential subscription rights by Immorente Invest.

The AMMC-approved prospectus is available at any time from the following entities:

- The headquarters of Immorente Invest: 5-7 rue Ibnou Toufail, 20 100 Casablanca;
- On Immorente Invest website: www.immorente.ma;
- From financial advisors:
 - ✓ CFG Finance: 5-7 rue Ibnou Toufail, 20 100 Casablanca;
 - ✓ Upline Corporate Finance: 162, bd d'Anfa ang. Rue Molière, Racine Casablanca;
- From the members of the placement syndicate (PS);
- At the headquarters of the Casablanca Stock Exchange: Angle Avenue des Forces Armées Royales and Rue Arrachid Mohamed Casablanca, and on its website www.casablanca-bourse.com;
- On AMMC's website: www.ammc.ma.

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PART I: PRESENTATION OF THE OPERATION

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I. STRUCTURE OF THE OFFER

1. AMOUNT OF THE OPERATION

Immorente Invest plans to carry out a cash capital increase for an amount of MAD 408,000,000, including the issue premium, through the issue of 4,080,000 new shares with a nominal value of MAD 62.54 each, with an issue premium of MAD 37.46 per share, i.e. an issue price of MAD 100 per share.

This operation will result in a share capital increase of MAD 255,163,200 and an issue premium of MAD 152,836,800.

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2. STRUCTURE OF THE OFFER

Order Type	I	II
Subscribers	Resident or non-resident natural persons of Moroccan or foreign nationality;	Investors qualified under Moroccan law as defined by Article 3 of Law No. 44-12 and by Article 1.30 of AMMC Circular No. 03/19, excluding money market and short-term bond UCITS;
	Legal entities of Moroccan or foreign law not belonging to the categories of qualified investors as defined by Article 3 of Law No. 44-12 and by Article 1.30 of AMMC Circular No. 03/19 and justifying more than one year of existence at the date of subscription;	Investors qualified under foreign law as defined by Article 1.30 paragraph (c) of AMMC Circular No. 03/19.
	Investors qualified under Moroccan law as defined by Article 3 of Law No. 44-12 and by Article 1.30 of AMMC Circular No. 03/19, excluding money market and short-term bond UCITS;	Investors subscribing under this tranche will be required to sign, at the time of subscription, a deed of commitment enabling them to adhere to the shareholders' agreement entered into on May 11, 2018 in connection with the IPO of Immorente Invest.
	Investors qualified under foreign law as defined by Article 1.30 paragraph (c) of AMMC Circular No. 03/19.	The deed of commitment and the shareholders' agreement are attached to this prospectus.
Amount of the Offer	MMAD 220	MMAD 188
Number of Shares	2,200,000	1,880,000
In % of share capital after the Operation	24.4%	20.9%
In % of Operation	53.9%	46.1%
Subscription Price	100 MAD per share	100 MAD per share
Minimum Subscription per Investor	No minimum	4.9% of the total number of shares proposed within the framework of the Operation, representing 200,000 shares, i.e. MAD 20,000,000.
Subscription Ceiling per Investor	For all investors other than UCITS, 10% of the total number of shares offered within the framework of the Operation, representing 408,000 shares, i.e. MAD 40,800,000;	For all investors other than UCITS, 10% of the total number of shares offered within the framework of the Operation, representing 408,000 shares, i.e. MAD 40,800,000;
	For UCITS, the minimum between:	For UCITS, the minimum between:

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✓ 10% of the total number of shares offered within the framework of the Operation, representing 408,000 shares, i.e. MAD 40,800,000; and	✓ 10% of the total number of shares offered within the framework of the Operation, representing 408,000 shares, i.e. MAD 40,800,000; and
✓ 10% of the net assets of the UCITS corresponding to the last net asset value as of January 24, 2020. ■ All members of the Placement Syndicate ■ For natural persons or legal entities under Moroccan or foreign law (non-qualified), subscriptions must be 100% covered by: ✓ an effective deposit (remittance of check, cash or transfer) on the subscriber's account, and/or; ✓ a collateral consisting of securities in accordance with the following terms and conditions: - Government bonds: taken up to a maximum of 100% of the value on the subscription date; - Money market UCITS with daily net asset value: taken up to a maximum of 100% of the value on the subscription date; - units of UCITS with daily net asset value (excluding money market funds), term deposits, listed shares: taken up to a maximum of 80% of the value on the subscription date;	✓ 10% of the net assets of the UCITS corresponding to the last net asset value as of January 24, 2020. ■ Co-Leaders of the Placement Syndicate ■ For qualified investors under Moroccan law: no coverage at the time of subscription. ■ For qualified investors under foreign law (i) justifying of more than one year of existence at the subscription date of the current Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the subscription date. ■ For qualified investors under foreign law (i) not justifying more than one year of existence on the subscription date of the current Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30% coverage by an effective deposit (remittance of check, cash or transfer) or 100% coverage by a bank guarantee. Coverage by collateral is subject to the assessment of the placement syndicate's co-leaders selected by the subscriber. The coverage of the subscription in cash, check, bank transfer and/or collateral must remain blocked until the allocation of the securities on February 5, 2020.
■ For qualified investors under Moroccan law: no cover at the time of subscription. ■ For qualified investors governed by foreign law (i) justifying of more than one year of existence at the subscription date of the current Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: no coverage at the subscription date. ■ For qualified investors under foreign law (i) not justifying more than one year of existence on the subscription date of the current Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange: 30% coverage by an effective deposit (remittance of check, cash or transfer) or 100% coverage by a bank guarantee.	

Subscription Coverage

Coverage by collateral is subject to the appreciation of each placement syndicate member selected by the subscriber. The coverage of the subscription in cash, check, transfer and/or collateral must remain blocked until the allocation of securities on February 5, 2020.

- 1st allocation: by iteration up to 500 shares per subscriber;
- Pro-rata allocation

Allocation Methods

- 2nd allocation: allocation of the remainder in proportion to the excess of requests over 500 shares.

- If the number of shares applied for within Order Type I is inferior to the corresponding offer, the difference is allocated to Order Type II.
- If the number of shares applied for within Order Type II is inferior to the corresponding offer, the difference is allocated to Order Type I.

Transfer Rules

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II. FINANCIAL INSTRUMENTS OFFERED

1. CHARACTERISTICS OF THE SECURITIES OFFERED

Nature of Securities	Immorente Invest shares all of the same category
Legal Form	Bearer shares, entirely dematerialized and admitted to Maroclear's operations
Amount of the Operation	MAD 408,000,000 (including MAD 255,163,200 in nominal and share premium of MAD 152,836,800)
Total number of Shares to be issued	4,080,000 new shares to be issued
Issue Price	MAD 100 per share
Nominal Value	MAD 62.54 per share
Share Premium	MAD 37.46 per share
Payment of Shares	Shares offered will be fully paid up and free of any commitment.
Date of Enjoyment	January 1, 2020 ¹ (in the same way as the former shares)
Subscription Period / Payment of Funds	January 27, 2020 to January 31, 2020 at 3:30 p.m. inclusive.
Negotiability of Securities	Shares subject to the present Operation are freely negotiable. No clause in the Articles of Association restricts the free trading of the shares making up the capital of the Company. In addition, the shareholders' agreement, presented in Part III of this prospectus, provides for: ▪ The inalienability of shares applicable during a period of 3 years as from May 11, 2018, date of admission of the Company's shares to listing on the Casablanca Stock Exchange (the IPO), applicable to investors having subscribed within Order Type III, whose subscription was retained within the framework of the admission of the Company's shares to listing on the Casablanca Stock Exchange on May 11, 2018; ▪ An undertaking by each of the parties to the agreement not to sell or transfer the shares it will hold in the Company's capital as from the aforementioned admission date, to one or several other parties to the agreement. The undertakings referred to above apply to the shares that each of the parties held in the Company's share capital (i) prior to the date of completion of the IPO, (ii) to the shares that were allocated to the said investors within the framework of the IPO and (iii) shall apply to the shares subscribed for within the framework of Tranche II following the completion of the capital increase described in this Prospectus.
Payment method of Shares	In cash
Listing of new Shares	Shares issued under this increase in the share capital will be listed on the first line with the former shares listed on the Casablanca Stock Exchange.
Listing Date of the New Shares	February 11, 2020
ISIN code of Shares	MA0000012387

¹ The new shares will give the right to any distribution made by the Company after completion of the Operation. It is specified that the new shares will not give right to the exceptional distribution of the return of MAD 6.5 million/share (i.e. a total of MAD 32,025,500) decided by the combined general meeting of Immorente Invest held on November 14, 2019. This return was paid on January 6, 2020.

Rights attached to Shares Issued

All shares have the same rights both in the distribution of profits and in the distribution of the liquidation bonus. Each share gives the right to one vote at General Meetings.

Preferential Subscription Right

The Extraordinary Shareholders' Meeting of November 14, 2019 decided to cancel the preferential subscription right reserved for shareholders in favor of the public (i.e., any person entitled to subscribe to the capital increase) for all the shares to be issued under the Operation.

2. LISTING CHARACTERISTICS OF NEW SHARES

Listing Date of new Shares	February 11, 2020
Label	IMMORENTE INVEST
Ticker	IMO
ISIN Code	MA0000012387
Listing Compartment	Principal B
Sector of Activity	Real estate Investment Companies
Negotiation Round	Continuous
Listing Line	1 st line
Number of Shares Issued	4,080,000 new shares to be issued
Establishment in charge of the Operation Registration	Upline Securities

3. ELEMENTS FOR ASSESSING THE TERMS OF THE OFFER

3.1 Determination of the subscription price

In accordance with the powers conferred on it by the Extraordinary General Meeting held on November 14, 2019, the Board of Directors, meeting on January 7, 2020, decided to increase the share capital by MAD 255,163,200 through the issue of 4,080,000 shares at a subscription price of MAD 100 per share (including MAD 62.54 as nominal value and MAD 37.46 as issue premium) and set the final characteristics of the operation. Indeed, in order to align the price per share of the new shareholders with that of the old shareholders, it was retained as a principle that the issue price of the new shares is equivalent to that of the shares issued by the Company at the time of each capital increase operation carried out since its incorporation, including at the time of its initial public offering, i.e. MAD 100 per share.

3.2 Valuation methodology

3.2.1 Valuation methods used

Three valuation methods were used for the valuation of Immorente Invest in the context of this Operation:

- The NAV Reconstitution Method;
- The Dividend Discounting Model (DDM);
- The stock Price Method.

NAV Reconstitution Method

Reconstitution NAV is an internationally accepted method for the valuation of land (listed or unlisted). This method is part of a business continuity rationale and therefore a way of preserving the assets held. It consists of calculating a market value of shareholders' equity, corresponding to a floor value for the Company.

The first step consists of calculating the net book assets (NBA) corresponding to the shareholders' equity and similar reduced by the value of the fixed assets. The reconstitution NAV is then obtained by increasing the NBA (i) by all unrealized capital gains on fixed or current assets, without taking into account the deferred tax related to unrealized capital gains on real estate assets and (ii) acquisition costs necessary to reconstitute the Company's asset portfolio.

Dividend Discounting Model (DDM)

This method consists of calculating the value of a company's equity by discounting the expected future return to be served to its shareholders at the cost of equity (corresponding to the shareholders' return requirement).

The equity value (EVA) is the sum of (i) the discounted return to be served by the company to its shareholders over the explicit horizon and (ii) the discounted terminal value.

Stock Price Method

Valuation based on stock market prices consists of assessing the value of a company by reference to its stock market price observed over similar periods. The relevance of this method depends mainly on the efficiency of the stock market.

As Immorente Invest is a company listed on the Casablanca Stock Exchange, stock market prices enable to assess the value of its shareholders' equity based on a weighted average of homogeneous prices over a representative time horizon.

3.2.2 Valuation methods not used

Stock Market Comparables

This method makes it possible to estimate the value of a company based on the valuation levels of comparable listed companies. Once the sample of comparable companies has been determined, the principle consists in selecting the indicators to be used as a basis for comparison (sales, gross operating profit, net income, equity, etc.), calculating multiples based on the stock market value and the aggregates of the comparables and applying these multiples to the aggregates of the company being valued.

On a national scale, Immorente Invest is the first listed modern real estate company. Internationally, real estate companies operate in a much more developed and mature economic, legal, accounting and tax framework. As a result, there are no listed companies comparable to the Company and on the basis of which the valuation of Immorente Invest could be carried out.

Transactional Comparables

This method is based on the valuation of a company by reference to multiples of a sample of transactions involving companies operating in the same business and having comparable financial and operational characteristics. Given the unavailability of public financial information (such as the amount of the transactions and the resulting multiples) relating to previous transactions involving companies comparable to Immorente Invest, this valuation method was not used.

Discounted Cash Flows (DCF)

This method consists of calculating the value of a company's economic assets (company value) by the sum of the future flows generated by it (Free Cash-Flow to the Firm) discounted at the weighted average cost of capital. The weighted average cost of capital (WACC) is representative of the return requirement of the providers of funds (shareholders and creditors) weighted by their respective levels of involvement in the financing of the company's economic assets. Once the company's value has been determined, the value of its equity is obtained by deducting net debt in particular.

This method, like the DDM, is based on the principle of discounting the future cash flows generated by the Company. Its use would therefore be redundant.

Furthermore, it has the limitation of not taking into account the possible mismatch between free cash flows and the return that can be served to shareholders. Consequently, the DCF method is not relevant.

Liquidation NAV

The liquidation NAV method consists in valuing separately the various assets and liabilities of a company in a context of disinvestment and liquidation of the latter. Since Immorente Invest does not meet the conditions for the application of this method, it was not used.

3.3 *Valuation of Immorente Invest's Equity Capital*

3.3.1 *Valuation using the NAV reconstitution method*

The table below shows the calculation of the reconstitution NAV of Immorente Invest based on the consolidated financial statements as of October 31, 2019² (unaudited) and attached to this prospectus:

KMAD, unless indicated	October 31, 19
Consolidated equity = Net Accounting Assets (1)	431 130
- Goodwill	-78 462
- Net book value of property, plant and equipment	-644 919
+ Market value of property, plant and equipment	788 877
+ Acquisition costs on property, plant and equipment ³	42 415
+ Unrealized capital gain on the disposal of Rodia ⁴	9 453
= Gain on property, plant and equipment (2)	117 363
+ Cancellation of deferred tax on unrealized capital gains (3)⁵	2 438
Reconstitution revalued net assets (1) + (2) + (3)	550 932
Value per share (MAD)	111.8

The reconstitution NAV as of October 31, 2019 gives a valuation of Immorente Invest's equity of KMAD 550,932 corresponding to a value of MAD 111.8 per share.

The market values of property, plant and equipment used in the calculation of the reconstitution NAV were estimated by the real estate consulting firm Cap Eval. The summary report prepared by this expert dated October 8, 2019 is presented in the Appendix section of this Prospectus.

3.3.2 *Valuation using the DDM method*

Return to Shareholders

The return to Immorente Invest's shareholders presented below comes from the Company's pre-money business plan, which does not include the financial impacts related to the capital increase that is the subject of this Prospectus:

KMAD	2020 p	2021 p	2022 p	2023 p	2024 p	2025 p
Consolidated analytical result for the financial year	44 514	35 810	34 432	37 923	36 021	37 528
Return to shareholders	32 026	32 026	32 026	33 011	34 489	35 967
<i>Return on investment</i> ⁶	6.5%	6.5%	6.5%	6.7%	7.0%	7.3%
Treasury (corporate)	51 175	56 206	8 294	12 762	13 221	13 389

² Compared with the financial statements published as of the end of June 2019, shareholders' equity as of October 31, 2019 includes income generated by the business of Immorente Invest, IMR Free Zone I, as well as the income from Amlak Atrium & Contempo following the acquisition of these subsidiaries.

³ With the exception of the assets carried by Immorente Free Zone I, acquisition costs are estimated at 6.15% (i.e. 4% registration fees, 1.5% property conservation fees and 0.65% notary fees). For Immorente Free Zone I, a subsidiary in the free zone, these costs are estimated at 2.15% (i.e. 1.5% land registry fees and 0.65% notary fees).

⁴ Gain not included in the market value of property, plant and equipment following the sale & lease back of Rodia assets. The leasing contract will be transferred to Univers Motors by January 15, 2020 at the latest.

⁵ Deferred tax relating to the deferred capital gain on Rodia, Plein Ciel 1&2, Samir 4 and Marina B19 & B20.

⁶ Return on equity = Return to shareholders / capital invested

Cost of Equity

The discount rate used for the valuation of Immorente Invest's equity is equal to the equity cost (r_e). The latter is calculated as follows:

$$r_e = r_f + (\beta_e \times r_m)$$

Where:

- r_f : Risk-free rate (10-year BDT rate on the secondary market as of November 26, 2019, i.e. 2.75%);
- β_e : Indebted beta (i.e. 0.76 based on a de-indebted beta of 0.52⁷);
- r_m : Equity market risk premium (i.e., 6.2%⁸).

It should be noted that the transition from de-indebted beta to indebted beta is done using the following formula:

$$\beta_e = \beta_d \times [1 + (1 - T) \times G]$$

Where:

- β_e : Indebted beta;
- β_d : De-indebted beta;
- T: Effective income tax rate;
- G: Target debt/equity ratio, i.e. 66.7%⁹.

On this basis, Immorente Invest's cost of equity was 7.5%.

Terminal Value

Given the specificities of the professional real estate rental sector, the terminal value corresponds to the revalued net asset value of Immorente Invest as of the end of 2025p.

It should be noted that the value of Immorente Invest's asset portfolio corresponds to (i) the normative rent at maturity (average rent 2023p-2025p) (ii) capitalized at a rate of return of 8.4%.

This rate corresponds to the average rate of return on the Company's assets as estimated by Cap Eval in its appraisal reports weighted by the asset value of the portfolio¹⁰.

⁷ Source: CFG Research and Upline Research. It should be noted that the historical beta of Immorente Invest (since its IPO on May 11, 2018) is 0.21. The latter was not retained because the calculation horizon of this beta is insufficient. For information, the REIT Emerging Market beta published by Damodaran stands at 0.33%.

⁸ Average risk premiums of CFG Research (4.9%) and Upline Research (6.2%) Attijari Intermédiation (6.2%), and BMCE Capital Research (7.5%).

⁹ Target debt to equity ratio expected by the Company, in line with the target debt level expected for real estate companies in Morocco.

¹⁰ Calculated on the basis of the average rent (2023p - 2025p) capitalized at the rate of return of each asset as provided by the Cap Eval appraisal reports.

Results of the DDM Method

The table below shows the calculation of the equity value of Immorente Invest as of January 1, 2020 on the basis of the DDM method:

KMAD, unless indicated	2020 p	2021 p	2022 p	2023 p	2024 p	2025 p
Return to shareholders	32 026	32 026	32 026	33 011	34 489	35 967
Discount Rate ¹¹	1.0	0.91	0.85	0.79	0.73	0.68
Discounted return to shareholders	32 026	29 090	27 067	25 959	25 235	24 486
Terminal value¹²						619 245
Gross Discounted Return (2020p-2025p)	163 861					
Discounted terminal value	421 567					
Equity value	585 429					
Value per share (MAD)	118.8					

The MDD method leads to a valuation of Immorente Invest's equity capital of KMAD 585,429, corresponding to a value of KMAD 118.8 per share.

¹¹ Return distribution on January 6, 2020 and at the end of April of each year from 2021 onwards (i.e. a discounting step in 2021 of 16/12).
¹² Corresponds to the revalued net asset value of Immorente Invest as of the end of 2025.

3.3.3 Valuation using the market price method

The table below shows Immorente Invest's share price as of December 24, 2019 and the average share price weighted by volumes traded observed over periods of 1, 3 and 6 months:

	Dec. 24, 2019	Stock price		
		1 month (Retained)	3 months (Indicative)	6 months (Indicative)
In MAD / Share	107.5	106.9	105.9	102.2
Market capitalization (KMAD)	529 652.5	526 901.6	521 682.6	503 715.9

Source: Casablanca Stock Exchange

For all the horizons studied, the last price used to calculate the CMP is the IMO share price on December 24, 2019 (the day before the detachment of the MAD 6.5/share coupon decided by the Company's General Meeting of November 14, 2019).

Only the 1-month CMP includes homogeneous Immorente Invest share prices. Indeed, since the decision to distribute the exceptional yield by the Company's General Meeting of Shareholders on November 14, 2019, Immorente Invest's share price has gradually appreciated until the detachment of the coupon on December 25, 2019.

3.3.4 Summary of valuation methods

The table below presents the subscription price discount level of the shares subject to this operation (i.e. MAD 100 million / share including share premium) compared to the value per share resulting from the valuation methods adopted:

Summary	Reconstitution NAV	DDM	Stock price 1m
Value per share - Coupon Attached (MAD/Share)	111.8	118.8	106.9
Value per share - Detached Coupon (MAD/Share) ¹³	105.3	112.3	100.4
Subscription price (MAD / share)	100.0	100.0	100.0
Discount to subscription price (%)	-5.0%	-11.0%	-0.4%

3.3.5 Induced multiples

For information purposes only, this price corresponds to a 2018 bp¹⁴ of 1.07, a 2019e bp of 1.14 and a 2020e bp of 1.18.

4. RISK FACTORS RELATED TO THE FINANCIAL INSTRUMENTS OFFERED

Liquidity risk

Subscribers to Immorente Invest shares may be subject to a liquidity risk of the share on the stock market. Indeed, depending on market conditions and stock price trends, the liquidity of the share may

¹³ Restated valuation of the exceptional return of MAD 6.5 million/share decided by the Company's General Meeting of Shareholders held on November 14, 2019. Coupon detachment took place on December 25, 2019. Payment of the coupon was made on 6 January 2020.

¹⁴ Given (i) the specificities of the professional real estate rental sector and (ii) the limits of the accounting standard applicable to real estate companies in Morocco, the multiples of results are not relevant. As an indication, the BP 2020e has been calculated on the basis of the Company's pre-money business plan.

be temporarily affected. Thus, a shareholder wishing to sell their shares could, to a certain extent, see their liquidity reduced.

However, the number of shares making up Immorente Invest's free float at the end of November 2019 (nearly 64% of Immorente Invest's share capital) contributes to improving the liquidity of the share and controlling this risk.

Price volatility and capital loss risk

Listed shares are subject to the rules of supply and demand, determining their value on the stock market. Share price movements are determined mainly by the achievements and financial performance of listed companies and the development prospects anticipated by investors. Thus, investors may notice an appreciation or depreciation in the value of the listed securities they hold.

5. COMMITMENT TO CONTINUOUS INFORMATION

In addition to its disclosure obligations since its stock market listing, Immorente Invest will continue to publish its revalued net asset value twice a year, at the same time as the publication of its half-year and annual financial statements. The latter will be carried out on the basis of (i) the annual valuation of its portfolio of real estate assets carried out by a real estate expert and (ii) the Company's consolidated financial statements.

The full asset valuation reports prepared annually by the property expert will be made available to the shareholders at the headquarters of Immorente Invest. A summary report of these evaluation reports prepared by the same expert will be published on the Company's website.

III. FRAMEWORK OF THE OPERATION

1. GENERAL FRAMEWORK OF THE OPERATION

Immorente Invest's Board of Directors, held on September 27, 2019, proposed to the Company's shareholders to authorize a share capital increase by public offering, reserved to the public (i.e. any person having vocation to subscribe to the capital increase) of a maximum amount of MAD 600,000,000 including issue premium, by issuing a maximum of 6,000,000 new shares with a nominal value of MAD 62.54 each to be issued at a subscription price (including share premium) of between MAD 95 and MAD 105 per share.

The same Board of Directors proposed to the Ordinary General Meeting to proceed to the distribution to the shareholders, on an exceptional basis, of sums to be deducted from the "share premium" item up to an amount of MAD 32,025,500, i.e. MAD 6.50 per share. This yield was distributed to shareholders on January 6, 2020.

The extraordinary general meeting of November 14, 2019, after having reviewed the report of the board of directors and the special report of the statutory auditors on the cancellation of shareholders' preferential subscription rights, notably authorized a share capital increase by way of a public offering reserved for the public (i.e., any person having the right to subscribe to the share capital increase) up to a maximum amount, including the issue premium, of 600.MAD 6,000,000, by issuing a maximum of 6,000,000 new shares with a nominal value of MAD 62.54 each to be issued at a subscription price (including issue premium) of between MAD 95 and MAD 105 per share.

The new shares will be subscribed and paid up in full in cash.

The new shares will carry current dividend rights in such a way as to be fully assimilated to the Company's existing shares as of January 1 of the year during which the said shares are issued.

- to pursue and strengthen the transparency and performance logic in which Immorente Invest operates by submitting itself to the market's judgment.

3. INTENTION OF SHAREHOLDERS AND DIRECTORS

To the Company's knowledge, shareholders holding at least 5% of the Company's share capital and the directors of Immorente Invest could subscribe to the Operation.

4. IMPACT OF THE OPERATION

4.1 *Impact of the operation on the company's equity capital*

Following the capital increase described in this prospectus and the exceptional distribution of a return of MAD 32,025,500 by the Company prior to the completion of the Operation, the consolidated equity of Immorente Invest will be as follows:

KMAD, unless indicated	Position as of 31/10/2019	Position after exceptional return distribution	Operation impact	Post-operation position
Number of shares (unit)	4 927 000	4 927 000	4 080 000	9 007 000
Share capital	308 135	308 135	255 163	563 298
Capital-related premiums	110 927	78 901	152 837 ¹⁶	231 738
Equity capital	431 130	399 105	408 000	807 105

4.2 *Impact of the Operation on the Company's shareholding structure*

Following the completion of the share capital increase, Immorente Invest's shareholding structure will be as follows¹⁷:

Identity	Pre-operation		Post-operation	
	Number of shares	%	Number of shares	%
Group of stable shareholders	1 786 700	36.3%	3 666 700	40.7%
Mutandis Automobile SCA	613 500	12.5%	613 500	6.8%
AXA Assurance Maroc SA	513 637	10.4%	513 637	5.7%
Compagnie d'Assurance Transport	363 636	7.4%	363 636	4.0%
Société Centrale de Réassurance	272 727	5.5%	272 727	3.0%
CFG Bank SA	23 200	0.5%	23 200	0.3%
New shareholders signing the agreement	-	-	1 880 000	20.9%
Other shareholders (free floating)	3 140 300	63.7%	5 340 300	59.3%
Floating	3 140 300	63.7%	3 140 300	34.9%
New shareholders	-	-	2 200 000	24.4%
Total	4 927 000	100.0%	9 007 000	100.0%

¹⁶ Excluding operation costs to be deducted from the amount of additional paid-in capital resulting from the capital increase.

¹⁷ Except in the case of transfer between Order Types I and II

4.3 Impact of the Operation on indebtedness

As the Operation covered by this prospectus is a capital increase, it has no impact on Immorente Invest's indebtedness.

4.4 Impact of the Operation on governance

The Operation covered by this prospectus could result in the opening of Directors' positions to investors who have been selected under Tranche II.

4.5 Impact of the Operation on strategic orientations

The Operation covered by this prospectus has no impact on the Company's strategic orientations.

5. EXPENSES RELATED TO THE OPERATION

5.1 Miscellaneous commissions

The expenses relating to the operation that will be borne by the issuer are estimated at approximately 2.5% of the amount of the operation. These expenses include commissions paid to:

- the financial advisor;
- the placement syndicate;
- legal advice;
- the statutory auditors;
- the communications agency;
- the account keeper;
- the AMMC;
- the Casablanca Stock Exchange;
- the central depository Maroclear;
- legal fees;
- translation costs.

In accordance with the decision of Immorente Invest's Board of Directors, meeting on January 7, 2020, all the expenses of the Operation will be charged against the amount of the share premium resulting from the capital increase.

5.2 Commissions charged to subscribers

Within the framework of this Placement Operation, each PS member explicitly and irrevocably undertakes, with respect to the Issuer, the co-lead managers, the advisory bodies and the other members of the placement syndicate, to charge the subscribers, for all orders registered at the Casablanca Stock Exchange, the following commissions: 0.1% (exclusive of tax) for the Casablanca Stock Exchange for the admission fee due to it upon registration on the Stock Exchange;

- 0.2% (excluding taxes) as settlement and delivery commissions;
- 0.6% (excluding taxes) for the brokerage company for Order Types I and II. It applies to the amount corresponding to the effective allocation at the time of settlement-delivery;
- Value Added Tax (VAT) at the rate of 10% will be applied in addition.

In order to ensure an equal treatment of subscribers whatever the place of subscription, each PS member formally and expressly undertakes not to grant any discount to subscribers or any kind of refunding whatsoever, either simultaneously or after subscription.

5.3 Placement fees charged to the Issuer

PS members will receive a commission of:

- 0.6% (excluding taxes) on the allocated amounts corresponding to Type I orders submitted by natural or legal persons of Moroccan or foreign law;
- 0.4% (excluding taxes) on the allocated amounts corresponding to the orders of types I and II submitted by qualified investors of Moroccan or foreign law.

This commission, due by the Issuer, will be paid to CFG Marchés which will be in charge of paying into the Bank Al-Maghrib accounts of Upline Securities and of each of the other members of the placement syndicate its share. The Casablanca Stock Exchange will be in charge of communicating at the end of the allocation the results of subscriptions and the amounts raised by each PS member to CFG Marchés and AMMC.

IV. CONDUCT OF THE OPERATION

1. SCHEDULE OF OPERATION

The table below shows the Operation's schedule:

Oder	Steps	Date
1	Receipt by the Casablanca Stock Exchange of the Operation's complete file	06/01/2020
2	Issue of the Casablanca Stock Exchange's notice of approval of the Operation	08/01/2020
3	Receipt by the Casablanca Stock Exchange of the AMMC-approved prospectus	08/01/2020
4	Publication of the extract of the prospectus on the Issuer's website	08/01/2020
5	Publication in the Official List of the notice relating to the Operation	09/01/2020
6	Opening of the subscription period	27/01/2020
7	Closing of the subscription period at 3:30 p.m.	31/01/2020
8	Receipt of subscriptions by the Casablanca Stock Exchange, before 6:30 p.m.	31/01/2020
9	Centralization and consolidation of subscriptions	03/02/2020
10	Treatment of rejected applications by the Casablanca Stock Exchange	04/02/2020
	- Allocation of subscriptions and submission by the Casablanca Stock Exchange of the list of subscriptions relating to the capital increase to the Issuer;	
11	- Delivery by the Casablanca Stock Exchange of the allocations by account holder to PS co-leaders before 10:00 a.m.;	05/02/2020
	- Submission by the Casablanca Stock Exchange of securities allocations to PS members before 12:00 p.m.	
12	Holding of the meeting of the Issuer's body required to record the final completion of the capital increase	06/02/2020
13	Receipt by the Casablanca Stock Exchange of the minutes of the Issuer's body having acknowledged the capital increase before 12:00 p.m.	07/02/2020
14	Delivery of new securities	10/02/2020
	- Listing of the new shares	
15	- Registration of the Operation on the Stock Exchange	11/02/2020
	- Publication of the results of the Operation in the Official List	
16	Publication of the results of the Operation in a legal announcement journal and on the Issuer's website	14/02/2020

2. PLACEMENT SYNDICATE AND FINANCIAL INTERMEDIARIES

Type of financial intermediaries	Name	Address	Order type
Financial advisors	CFG Finance	5-7, rue Ibnou Toufail, Casablanca	-
	Upline Corporate Finance	162, angle bd. d'Anfa et rue Molière, Casablanca	
Co-Leaders of the Placement Syndicate	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca	I and II
	Upline Securities	37, bd. Abdellatif Ben Kaddour angle rue Ali Abderrazak, Casablanca	
Members of the Placement Syndicate	Al Barid Bank	Angle bd. Ghandi et bd. Brahim Roudani, n° 798 bd. Ghandi, Casablanca	I
	Alma Finance Groupe	92, boulevard d'Anfa, Casablanca	
	Arthourse	7, bd. Abdelkrim Al Khatabi, Casablanca	
	Atlas Capital Bourse	88, rue Benbrahim El Marrakchi, quartier Hippodrome, Casablanca	
	Attijari Intermédiation	163, avenue Hassan II, Casablanca	
	Attijariwafa Bank	2, bd. Moulay Youssef, Casablanca	
	Banque Centrale Populaire	101, bd. Zerkouni, Casablanca	
	BMCE Bank	140, avenue Hassan II, Casablanca	
	BMCE Capital Bourse	140, avenue Hassan II, 7 ^e étage, Casablanca	
	BMCi	26, place des Nations Unies, Casablanca	
	BMCi Bourse	Bd. Bir Anzarane, imm. Romandie I, Casablanca	
	Capital Trust Securities	50, bd. Rachidi, Casablanca	
	CDG Capital Bourse	7, bd. Kennedy, Anfa Sup, Casablanca	
	CFG Bank	5-7, rue Ibnou Toufail, Casablanca	
	Crédit Agricole du Maroc	Place des Alouyine, Rabat	
	Crédit du Maroc	48, bd. Mohammed V, Casablanca	
	Crédit du Maroc Capital	8, rue Ibnou Hilal, Casablanca	
	CIH Bank	187, avenue Hassan II, Casablanca	
	ICF Al Wassit	Espace Porte d'Anfa, 29, rue Bab El Mansour, Casablanca	
	MENA Capital Partners	23, rue Ibnou Hilal Quartier Racine, Casablanca	
	M.S.I.N	Imm. Zénith, Rés. Tawfiq, Sidi Maârouf, Casablanca	
	Société Générale	55, bd Abdelmoumen, Casablanca	
	Sogecapital Bourse	55, bd Abdelmoumen, Casablanca	
	Valoris Securities	416, avenue des FAR, tour Habous, 5 ^{ème} étage	
	Wafa Bourse	416, rue Mustapha El Maâni, Casablanca	
Body providing securities-related financial services	CFG Marchés	5-7, rue Ibnou Toufail, Casablanca	
Body in charge of the registration of securities on the Stock Exchange (seller's side)	Upline Securities	37, bd. Abdellatif Ben Kaddour angle rue Ali Abderrazak, Casablanca	

Capital ties with the financial intermediaries participating in the Operation

CFG Finance, co-financial advisor of the present Operation, is a wholly-owned subsidiary of CFG Bank. The same applies to CFG Gestion, which holds a 100% stake in CFG Capital, the management company of Immorente Invest. Similarly, Mutandis Automobile, a shareholder of the Company, is a sister company of Mutandis, a shareholder of CFG Bank. Finally, Axa Assurance Maroc, a shareholder of Immorente Invest, also holds a stake in CFG Bank.

3. SUBSCRIPTION TERMS AND CONDITIONS

3.1 Subscription period

Immorente Invest shares, subject of this prospectus, may be subscribed for from January 27, 2020 to January 31, 2020 inclusive at 3:30 p.m.

3.2 Subscription conditions

Opening of accounts

- Except for minor children and incapacitated adults, subscription operations are recorded in a securities and cash account in the subscriber's name, opened with the same PS member with whom the subscription is made. If the latter does not have the status of account keeper, the account may be opened with an institution having the status of account keeper;
- Any person wishing to subscribe with a PS member must have or open an account with the said member. The PS member will comply with the legislation in force for the opening of accounts and will request at least the following documents:
 - ✓ copy of the client's identification document (national identity card), residence permit, trade register, passport, etc.);
 - ✓ account opening contract duly signed by the subscriber and the PS member in case the client has not already signed it.
- The opening of accounts can only be carried out by the subscriber themselves;
- Account openings for minor children can only be carried out by the father, mother, tutor or legal representative of the minor child;
- It is strictly forbidden to open an account by proxy;
- Subscriptions on behalf of third parties are authorized within the framework of a portfolio management mandate including an express clause allowing it;
- For minors, subscriptions may be registered either on their accounts or on that of the persons authorized to subscribe on their behalf, i.e. the father, mother, tutor or legal representative of the minor child.

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Subscription terms and conditions

- All subscriptions must be expressed in number of securities;
- Each subscriber may transmit only one subscription order, with the exception of (i) qualified investors governed by Moroccan law as defined by Article 1.30 of the AMMC Circular No. 03/19, excluding money-market and short-term bond UCITS and (ii) qualified investors governed by foreign law as defined by Article 1.30 paragraph (c) of the AMMC Circular No. 03/19, in which case subscriptions must be made with the same PS co-leader and their accumulation must not exceed the subscription ceiling.
- Subscriptions will be made using the subscription form available from PS members and integrated in this Prospectus. A copy of the subscription form must be delivered to the subscriber with acknowledgement of receipt;
- The subscription forms must be signed by the subscriber (or their proxy within the framework of a portfolio management mandate allowing it), validated and time-stamped by the PS member;
- Subscriptions are irrevocable after the closing of the subscription period;
- The subscriptions are irrevocable after the closing of the subscription period; All PS members, including those who will proceed to the collection of orders via an internet platform, undertake to respect the procedure of collection of subscriptions;
- The PS members must make sure, prior to the acceptance of a subscription, that the subscriber has the financial capacity to honor their commitments. They are thus bound to accept subscription orders from any person entitled to participate in the Operation, provided that the said person provides the necessary financial guarantees. The IP members are required to keep in the file relating to their client's subscription the documents and supporting documents which enabled them to ascertain the said financial capacity;

Each PS member undertakes to require their client to cover its subscription. This coverage differs according to each Order Type:

Order Type I Subscriptions:

- For natural and legal persons under Moroccan or foreign law:
 - Subscriptions must be covered at 100% by:
 - an effective deposit (remittance of check, cash or transfer) on the subscriber's account. and/or;
 - a collateral consisting of securities according to the following modalities:
 - ✓ government bonds: taken up to a maximum of 100% of the value on the subscription date;
 - ✓ Money market funds with daily net asset value: taken up to a maximum of 100% of the value on the subscription date;
 - ✓ UCITS units with daily net asset value (excluding money market funds), term deposits, listed shares: up to a maximum of 80% of the value on the subscription date.
- For qualified investors under Moroccan law:
 - No coverage
- For qualified investors governed by foreign law (i) justifying more than one year of existence on the subscription date of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:

- No coverage
- For qualified investors governed by foreign law (i) not having been in existence for more than one year on the subscription date of this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:
 - Coverage at 30% by an effective deposit (remittance of check, cash or bank transfer) or at 100% by a bank guarantee.
- Order Type II Subscriptions:
 - For qualified investors under Moroccan law:
 - No coverage
 - For qualified investors governed by foreign law (i) justifying more than one year of existence on the subscription date of this Operation or (ii) having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:
 - No coverage
 - For qualified investors governed by foreign law (i) not having been in existence for more than one year on the subscription date of this Operation and (ii) not having already carried out an operation on the primary or secondary market of the Casablanca Stock Exchange:
 - Coverage at 30% by an effective deposit (remittance of check, cash or bank transfer) or at 100% by a bank guarantee.
- Checks deposited to cover effective deposits must be presented for collection before validating the subscription. For foreign qualified investors, transfers must be received before validating the subscription;
- The effective deposit must be effectively debited from the subscriber's account and blocked on the date of subscription.
- The collateral presented as coverage for subscriptions (within Order Type I) must be blocked until the allocation of securities. The certificate of blocking must be attached to the subscription form in case the subscription is made via a brokerage company not holding the account of the said collateral.
- The maximum number of shares applied for by the same subscriber within Order Types I and II, excluding UCITS, is limited to 408,000 shares.
- The maximum number of shares requested by a UCITS is the minimum number of shares required:
 - ✓ 10% of the total number of shares offered within the framework of the Operation, representing 408,000 shares, i.e. MAD 40,800,000;
 - ✓ 10% of the UCITS' net assets corresponding to the last net asset value as of January 24, 2020.
- The minimum number of shares to be applied for per investor to subscribe within Order Type II is set at 200,000 shares.
- Each UCITS must indicate on its subscription form the amount of its net assets corresponding to the last net asset value before the opening of the subscription period, i.e. 24 January 2020. The PS member must make sure that the subscription complies with the above-mentioned ceilings before accepting the subscription.

- Subscriptions must be made by the subscriber themselves. In the case of a portfolio management mandate containing an express clause allowing this, the agent may make the subscription in place of the principal.
- Deposits covering subscriptions within Order Type I and subscriptions of qualified investors of foreign law within Order Type II, when applicable, must be made with the PS member with whom subscriptions are made. In case the PS member does not keep the subscriber's assets, the subscription can only be made upon presentation of a certificate of freezing of funds or securities with an establishment having the status of an account holder in Morocco or a bank guarantee for qualified investors of foreigners subscribing within Order Type II. This certificate/guarantee must be attached to the subscription form and handed over to the PS member before the validation of subscription.
- The PS members who will proceed to the collection of orders via an internet platform will have to respect the following rules:
 - ✓ the client must be clearly identified, and the act of subscription materialized (time stamping and archiving of subscription orders);
 - ✓ the Prospectus must be made available to the subscriber;
 - ✓ all the information on the subscription form must be sent to the client prior to subscription;
 - ✓ the subscription must be validated only if the cash account has a sufficient balance to cover it according to the terms of coverage defined in this Prospectus or if the guarantor or collateral covers it in full according to the terms of coverage defined in this Prospectus;
 - ✓ the amount of coverage must be blocked immediately after subscription;
 - ✓ the client must be informed that his subscription will be rejected in the event of a defect in the collateral;
 - ✓ the PS members who will proceed to the collection of orders via an internet platform will have to close the subscription period at the same time as the other PS members, i.e. on January 31, 2020 at 3:30 p.m.;
 - ✓ the PS members who will collect orders through an internet platform will have to make sure that the subscription limits are respected;
 - ✓ the PS members who will proceed to the collection of orders via an internet platform must, before validating the subscription, receive the acceptance of the terms and conditions of the Operation from the subscriber or have the subscriber validate a form of final confirmation of the subscription summarizing the characteristics of the Operation and the subscription order (a copy of the said confirmation must be filed by the PS member).
- It should be noted that the PS members who will collect orders via an internet platform will reject subscriptions in case of lack of coverage according to the terms presented in the Prospectus or incomplete file (example: absence of an e-mail of acceptance of the terms of the Operation, absence of family book for subscriptions of minors, etc.).
- Subscriptions by PS members or their collaborators for their own accounts must be made on the first day of the subscription period.
- The subscribers within Order Type II must attach to the subscription form a signed copy of the commitment deed enabling them to adhere to the Shareholders' Agreement concluded on May 11, 2018. The model deed of commitment and the shareholders' agreement are attached to this Prospectus.

Subscription on behalf of third parties

Subscriptions on behalf of third parties are authorized in the following cases:

- Subscriptions on behalf of minors under the age of 18 or on behalf of incapable adults are authorized provided that they are made by the father, mother, tutor or legal representative of the minor or incapable adult. The members of the placement syndicate are 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 or to obtain a receipt for the incapable person of full age when opening an account or subscribing for the account of the minor or incapable person of full age in question, as the case may be, and to attach it to the subscription form. In this case, the transactions are carried either to an account opened in the name of the minor child or the incapable person of full age, or to the securities or cash account opened in the name of the father, mother, tutor or legal representative;
- subscriptions on behalf of minors or incapable adults must be made with the same PS member with whom the subscription of the father, mother, tutor or legal representative was made;
- in the case of a portfolio management mandate, the manager may subscribe on behalf of the client whose portfolio they manage only by presenting a power of attorney duly signed and legalized by their principal or the management mandate if the latter makes express provision to that effect. Moroccan or foreign management companies are exempted from presenting such proofs for the UCITS they manage;
- any agent within the framework of a portfolio management mandate may transmit only one order on behalf of the same third party.
- Subscriptions from qualified investors governed by foreign law may be communicated (i) directly to an PS member or (ii) through an international intermediary (broker) approved by a market authority which is a member of the International Organization of Securities Commissions (IOSCO) and has an account with an PS member. The latter acts solely as a business introducer, the settlement and delivery will be made directly between the qualified investors under foreign law and the PS member.

Multiple Subscriptions

- With the exception of (i) qualified investors governed by Moroccan law as defined by Article 3 of Law 44-12 and by Article 1.30 of AMMC Circular 03/19, excluding money market and short-term bond UCITS, and (ii) qualified investors governed by foreign law as defined by Article 1.30 paragraph (c) of AMMC Circular 03/19, multiple subscriptions are prohibited. Thus the same subscriber not belonging to the aforementioned categories of investors can subscribe only once to the Operation.
- Each subscriber can transmit only one Order on behalf of each minor child or of incapable adult.
- Subscriptions on behalf of minor children can only be made through one parent only. Any subscription on behalf of minor children by both parents is considered as a multiple subscription.
- Individuals subscribing on behalf of minor children and incapable adults must subscribe through a single PS member. Any subscription on behalf of minor children with several PS members is considered as a multiple subscription.
- Subscriptions made with several PS members, including those made on behalf of minor children or incapacitated adults, are prohibited.

All subscription orders not complying with the above conditions will be void in their entirety (see procedure of control and registration by the Casablanca Stock Exchange).

Identification of subscribers

Members of the placement syndicate must ensure that the subscriber belongs to one of the categories defined below. As such, they must obtain a copy of the document certifying the subscriber's membership to the category and attach it to the subscription form as regards Type I and II orders.

In addition, each entity in charge of the placement must ensure that the subscriber's representative has the capacity to act on behalf of the subscriber either in their capacity as legal representative or under a mandate from which they benefit.

Order Type I

Subscriber Category	Documents to be attached
Resident natural persons of Moroccan nationality	Photocopy of national identity card or driving license or passport
Moroccan natural persons residing abroad	Photocopy of national identity card or driving license or passport
Resident non-Moroccan natural persons	Photocopy of residence card
Non-resident, non-Moroccan natural persons	Photocopy of the passport containing the identity of the person and the dates of issue and expiry of the document
Minor child	Photocopy of the page of the family record book certifying the child's date of birth
Incapable adult	Any document proving incapacity, at the discretion of the PS member
Legal entities under Moroccan law	Photocopy of the commercial register proving more than one year's existence on the date of subscription
Legal entities under foreign law	Photocopy of the commercial register or equivalent document that is authentic in the country of origin and that proves that the company belongs to the category, and that it has been in existence for more than one year on the date of subscription.
Moroccan Associations	Photocopy of the articles of association and photocopy of the receipt of deposit of the file justifying more than one year of existence on the subscription date.
UCITS under Moroccan law (excluding money market and short-term bond UCITS)	Photocopy of the approval decision and additionally: ✓ For Mutual Funds: the certificate of deposit at the court registry; ✓ For open-ended investment companies (SICAV): the certificate of deposit at the court registry and the model of the entries in the commercial register.
Qualified Moroccan investors (excluding UCITS)	Photocopy of the Articles of Association and all documents and justifications able to attest the respect of the conditions required for the status of qualified investor and the membership of the subscriber to one of the categories within Order Type II The legal entities referred to in paragraph (e) of Article 1.30 of AMMC Circular No. 03/19 must provide proof of AMMC's agreement to their status as qualified investors.
Banks under Moroccan law	Photocopy of the approval decision issued by Bank Al-Maghrib.
Qualified investors under foreign law	Photocopy of the commercial register or equivalent authentic in the country of origin and the copy of the approval certifying compliance with the requirements for the status of approved investor.

Order Type II

Subscriber Category	Documents to be attached
Qualified investors under Moroccan law, as defined by Article 3 of Law 44-12 and by Article 1.30 of AMMC Circular 03/19, excluding money market and short-term bond UCITS;	Photocopy of the articles of association and any documents or evidence to prove that the investor belongs to one of the above categories.
Qualified investors under foreign law, as defined by Article 1.30 paragraph (c) of AMMC Circular 03/19.	

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

The subscription form must imperatively be used by all PS members according to the Order Types. Subscription orders are irrevocable after the closing of the subscription period.

In case PS members would already have these documents in the client's file, subscribers are exempted from the production of these documents. In case the concerned investor is a legal entity referred to in paragraph (e) of Article 1.30 of AMMC Circular 03/19, the PS member(s) must attach to the subscription form an updated version of the above-mentioned documents.

4. ORDER PROCESSING METHODS

4.1 Attribution rules

At the end of the subscription period, the allocation of Immorente Invest shares offered to the public will take place as described below:

Order Type I

The number of shares allocated to this Order Type is 2,200,000 shares.

1st allocation

Within the framework of a first allocation, shares of this Order Type will be allocated at the rate of 500 shares per subscriber.

The shares will be allocated on the basis of one share per subscriber with priority to the highest applications. The mechanism of allocation of one share per subscriber, within the limit of their application, will be done by iteration up to a maximum of 500 shares per subscriber within the limit of the number of shares allocated to Order Type I.

2nd allocation

Following the 1st allocation, if the remainder of the offered securities "RTO" resulting from this allocation is less than the remainder of the requested securities "RTD", then the "RTO" will be allocated in proportion to the request. Otherwise, the request will be served in full.

The allocation ratio will be calculated as follows: RTO / RTD .

In case the number of shares calculated by multiplying the remainder of shares applied for by the subscriber to the allocation ratio within Order Type I is not a whole number, this number of shares will

On February 5, 2020 before 12:00 p.m., the Casablanca Stock Exchange will communicate to the PS members the results of the allocation.

Cases resulting in subscription rejections are summarized in the following table:

Case scenarios	Rejected subscription(s)
Natural person having subscribed within Order Type I for their own account and for the account of their children, with different PS members.	All subscriptions
Subscriber having subscribed more than once within the same Order Type	All subscriptions
Moroccan or foreign natural person having subscribed for their own account and for that of children over the age of majority	All subscriptions in the name of this natural person, including those for their minor and adult children.
Subscription not respecting the subscription ceiling for an Order Type	The concerned subscriptions
Subscriptions not respecting the minimum subscription for Order Type II	The concerned subscriptions
Subscriptions from several PS members	All subscriptions
Subscription to an order type, made with an PS member not entitled to receive it	The concerned subscription
Subscriptions within Order Types I and II, the accumulation of which exceeds the subscription ceiling	All subscriptions

6. ENTITIES IN CHARGE OF THE REGISTRATION OF THE OPERATION

The registration of the securities issued in the context of this Operation (seller's side) will take place on February 11, 2020 through the brokerage firm Upline Securities.

All PS members having the status of a brokerage firm will proceed to the registration of the allocations they will have collected (on the buyers' side), on February 11, 2020, while PS members not having the status of a brokerage firm are free to designate the PS member brokerage firm which will be in charge of the registration of their subscriptions with the Casablanca Stock Exchange (within the framework of the types of orders reserved to them).

These PS members will have to inform the chosen brokerage firm in writing with a copy addressed to the Casablanca Stock Exchange, before the beginning of the subscription period.

The registration of transactions resulting from this Operation will be made at the price of MAD 100 per share.

The Casablanca Stock Exchange will transmit to each brokerage firm the transactions that concern it detailed by account holder.

7. TERMS AND CONDITIONS OF SECURITIES DELIVERY

The delivery of securities, which are subject to this capital increase, will take place on February 10, 2020.

Immorente Invest has also appointed CFG Bank as exclusive account holder of the Immorente Invest securities issued in the framework of this Operation.

8. RESTITUTION OF THE REMAINDER

The PS members undertake to reimburse to clients within a period not exceeding 3 business days from the date of delivery of the allocations of the securities to the PS members, i.e. February 10, 2020, the cash remainders resulting from the difference between the net amount paid by their clients upon subscription and the net amount corresponding to their actual allocations.

Repayment of the remainder must be made either by transfer to a bank or post office account or by remittance of a check, and subject to actual cashing through the amount deposited for the subscription.

In the event of failure of the Operation, subscriptions must be repaid within a period of 3 working days, as from the cancellation decision, and subject to the effective receipt of the amount deposited for the subscription.

9. PUBLICATION OF RESULTS

The results of this Operation will be published by the Casablanca Stock Exchange in the official list on February 11, 2020 and by Immorente Invest in a legal announcement journal and on its website www.immorente.ma no later than February 14, 2020.

10. INFORMATION REQUIREMENTS

At the end of the Operation, and within a maximum period of 3 days as from the announcement of the results, i.e. February 14, 2020, each PS member will send to the subscribers a notice containing the following minimum information:

- Subscription date
- Denomination of value
- Quantity requested
- Attributed quantity
- Price per unit
- Gross amount at attribution
- Balance to be repaid to the subscriber if applicable
- Commissions accruing to the PS member, the account keeper and the Casablanca Stock Exchange.

PART II: INFORMATION ABOUT THE ISSUER

I. GENERAL PRESENTATION OF IMMORRENTE INVEST

1. GENERAL INFORMATION

Corporate Name	Immorrente Invest S.A.
Headquarters	5-7, rue Ibnou Toufail, Casablanca, Morocco
Phone number	+212 (0) 5 22 92 27 50
Fax number	+212 (0) 5 22 99 24 80
Website	www.immorente.ma
Legal Form	Public Limited Company with a Board of Directors
Date of Incorporation	May 23, 2011
Date of conversion into a Public Limited Company	August 28, 2017
Service Life	99 years
Commercial Register	Casablanca Commercial Register No. 238255
Financial Year	January 1 to December 31
Corporate purpose	In accordance with Article 2 of the Company's Articles of Association, the Company's purpose, in Morocco and abroad, is as follows: - rental of furnished real estate; - assistance, advice directly or with the help of one or more subcontractors, for the management and administration of real estate assets, both active and passive; - realization of all studies, services and marketing services for real estate projects and/or products; - performance of all financial engineering, intermediation and representation operations as well as all technical, opportunity, market or feasibility studies in the real estate sector; - all activities ancillary and complementary to the above activities; - acquisition of interests, in any form whatsoever, in all companies, groups, associations or others relating to the Company's business; - participation by the Company, by any means, in all operations that may relate to its purpose through the creation of new companies, the subscription or purchase of shares or corporate rights, mergers or otherwise; - and, in general, all financial, commercial, industrial, movable and real estate operations, which may be directly or indirectly related to the above purpose or to any similar or related purposes, likely to promote its development or extension.
Share Capital	As of October 31, 2019, MAD 308,134,580 divided into 4,927,000 shares with a nominal value of MAD 62.54 per share.
Legal Documents	Legal documents, including the Articles of Association, statutory auditors' reports, management reports and minutes of General Meetings may be consulted at the Company's headquarters.
Applicable Laws and Regulations	By virtue of its legal form, the Company is governed by the laws and regulations in force, notably by Dahir No. 1-96-124 of August 30, 1996 promulgating Law No. 17-95 relating to public limited companies as amended by Dahir No. 1-08-18 of May 23, 2008 promulgating Law No. 20-05, Dahir No. 1-15-106 of July 29, 2015 promulgating Law No. 78-12 and Dahir No. 1-19-78 of April 26, 2019 promulgating Law No. 20-19, the decree of application of the said law as well as their subsequent amendments, if any, and the articles of association.

By virtue of its activity, Immorente Invest is governed by Moroccan law, and in particular:

- Law 39-08 forming the code of real rights as amended by Law 69-16;
- Law 49-16 relating to leases of buildings or premises rented for commercial, industrial and craft use;
- Law 07-03 relating to the revision of the amount of the rent of premises for residential use or for professional, commercial, industrial or artisanal use promulgated by Dahir No. 1-07-134 of Kaada 19, 1428 (November 30, 2007);
- Law No. 67-12 organizing the contractual relations between the lessors and the tenants of premises for residential or professional use promulgated by Dahir No. 1-13-111 of Moharram 15, 1435 (November 19, 2013);
- Law No. 106-12 modifying and supplementing Law No. 18-00 relating to the Status of the Co-ownership of Built Buildings;
- Titles 10 and 11 of Dahir dated September 12, 1913 as amended and supplemented relating to the Code of Obligations and Contracts;
- Dahir No. 1-99-211 of August 25, 1999 promulgation of law No. 64-99 relating to the collection of rents;

By virtue of its listing on the Casablanca Stock Exchange, the Company is subject to all legal and regulatory provisions relating to the financial market, including in particular:

- Dahir 1-16-151 of August 25, 2016 promulgating Act No. 19-14 relating to the Stock Exchange, brokerage firms and financial investment advisors;
- General Rules of the Stock Exchange approved by Order of the Minister of Economy and Finance No. 2208-19 dated July 3, 2019;
- Dahir No. 1-13-21 of March 13, 2013 promulgating Law No. 43-12 relating to the Moroccan Capital Market Authority;
- General Regulation of the Moroccan Capital Market Authority as approved by Order of the Minister of Economy and Finance No. 2169-16 of July 14, 2016;
- Circular of the Moroccan Capital Market Authority No. 03/19 dated February 20, 2019 approved by Order of the Minister of Economy and Finance No. 1704-19 dated May 30, 2019 relating to financial operations and information;
- Dahir No. 1-12-55 of December 28, 2012 promulgating Law No. 44-12 relating to public offerings and information required from legal entities and organizations making public offerings;
- 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 Regulation of the Central Depository approved by Order of the Minister of Economy and Finance No. 932-98 of April 16, 1998 and amended by Order of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30, 2001 and Order No. 77-05 of March 17, 2005;
- Dahir No. 1-04-21 of April 21, 2004 promulgating Law No. 26-03 relating to public offers on the Moroccan stock market;

Tax Regime

- Common law regime applicable to the Company:
- ✓ Corporate tax according to the progressive scale in force

	✓ VAT at a 20% rate
Competent Court in case of dispute	▪ Commercial Court of Casablanca.

Source: Immorente Invest

2. SHARE CAPITAL OF IMMORENTE INVEST

2.1. Capital Structure

As of October 31, 2019, Immorente Invest's share capital amounts to MAD 308,134,580, fully paid up.

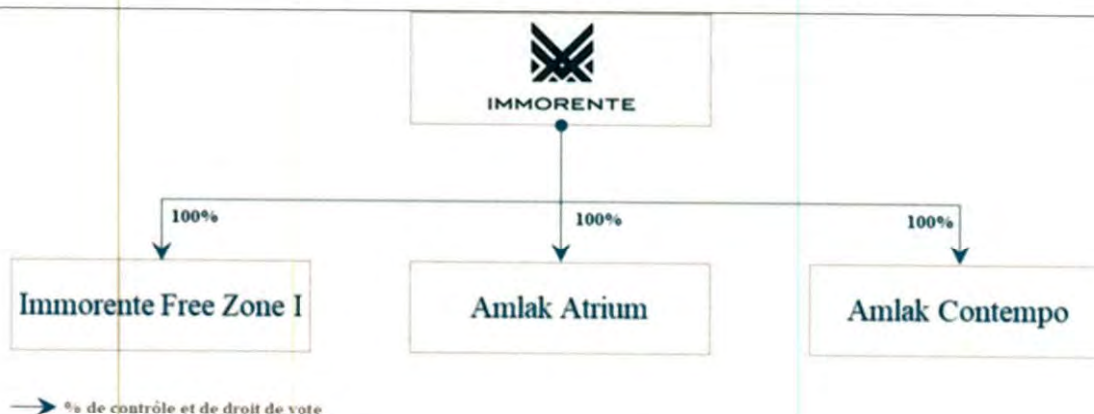
As of October 31, 2019, the share capital is made up of 4,927,000 shares with a nominal value of MAD 62.54 each.

Identity	Number of shares	%
Group of stable shareholders	1 786 700	36.30%
Mutandis Automobile SCA	613 500	12.50%
AXA Assurance Maroc SA	513 637	10.40%
Compagnie d'Assurance Transport (CAT)	363 636	7.40%
Société Centrale de Réassurance (SCR)	272 727	5.50%
CFG Bank SA	23 200	0.50%
Other shareholders (free floating)	3 140 300	63.70%
Total	4 927 000	100.00%

Source: Immorente Invest

3. SUBSIDIARIES OF IMMORENTE INVEST

As of October 31, 2019, the legal organization chart of Immorente Invest is as follows:



Source: Immorente Invest

% of control and voting right

4. PORTFOLIO OF HELD REAL ESTATE ASSETS

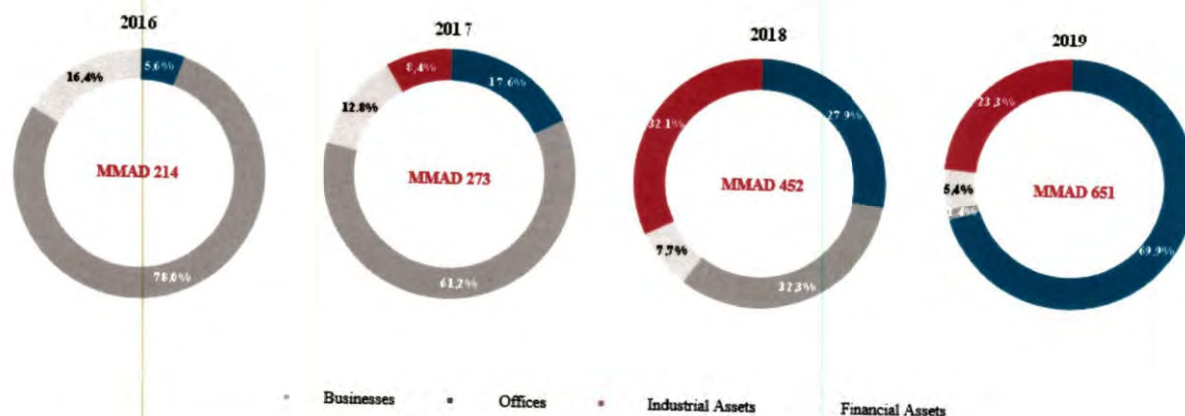
As of October 31, 2019, Immorente Invest's portfolio consists of 18 assets¹⁸ representing a total investment of MMAD 651 excluding tax (including acquisition costs).

Calculated on the basis of real estate appraisals carried out by Cap Eval (RICS), a subsidiary of the Tinsa group, the Net Asset Value (NAV) of the reconstituted portfolio stands at MMAD 496.0 as of June 30, 2019, i.e. MMAD 100.7 per share.

The reconstitution NAV as of October 31, 2019 gives a floor valuation of Immorente Invest's shareholders' equity (coupon attached) of KMAD 550,932, corresponding to a value of MAD 111.8 per share. After detachment of the coupon of MAD 6.5/share decided by the General Meeting of November 14, 2019, the value of Immorente Invest's share would amount to MAD 105.3.

1.1 Breakdown of investments

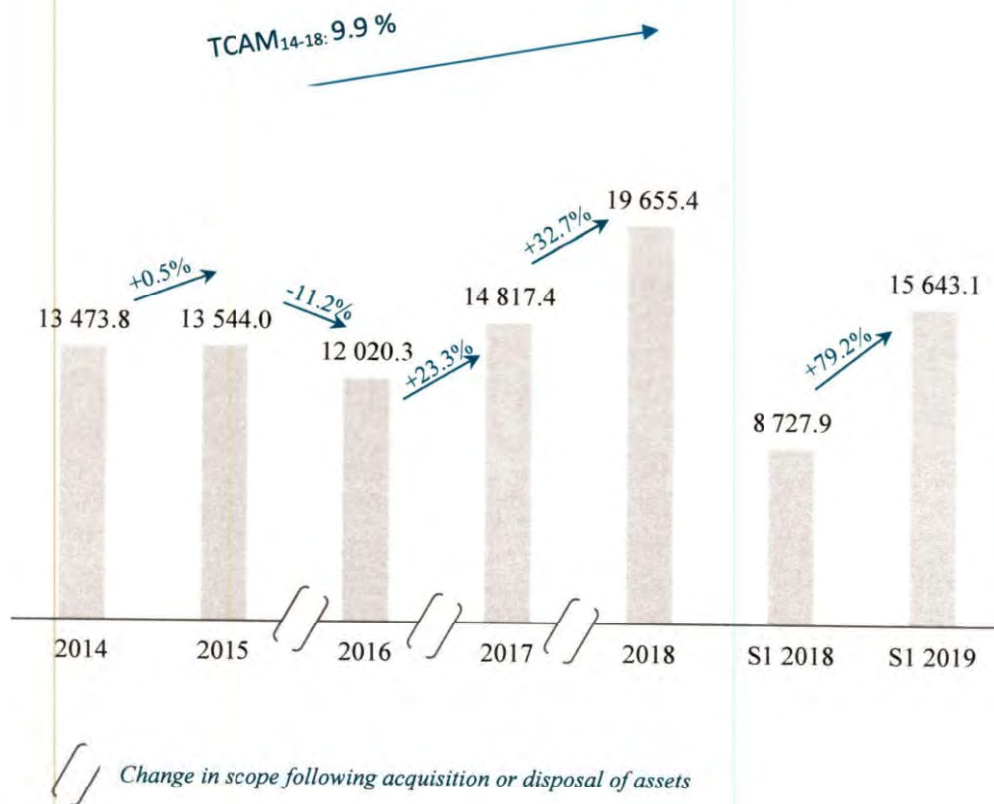
As of October 31, 2019, the breakdown of Immorente Invest's real estate portfolio according to the amount invested over the last 4 years is as follows:



Source: Immorente Invest

¹⁸ This portfolio includes all of the Company's assets, including the Second Financial Bonds and excluding Rodia.

The graph below shows the change in rental income over the last five years and for the first semesters of 2018 and 2019:



Source: Immorente Invest

PART III: FINANCIAL DATA

I. CORPORATE ACCOUNTS

The financial statements presented below correspond to the corporate financial statements prepared in accordance with Moroccan accounting standards.

1. BALANCE SHEET

KMIAD	2016	2017	2018	var. 17/16	var. 18/17
Fixed assets	193 107.4	266 730.4	442 907.8	38.1%	66.1%
Write-off of fixed assets	4 490.1	4 833.0	5 428.0	7.6%	12.3%
Property, plant and equipment	153 612.6	203 416.9	252 958.6	32.4%	24.4%
Financial fixed assets	35 004.7	58 480.4	184 521.2	67.1%	>100%
Current assets and cash assets	88 841.2	23 994.9	193 918.6	-73.0%	>100%
Receivables from current assets	6 683.8	12 697.2	12 425.6	90.0%	-2.1%
Securities and investment securities	58 342.5	10 000.0	178 880.8	-82.9%	>100%
Asset cash flow	23 814.9	1 297.7	2 612.2	-94.6%	>100%
Total assets	281 948.6	290 725.3	636 826.4	3.1%	>100%
Equity capital	64 401.9	80 193.1	473 890.1	24.5%	>100%
Share capital	77 172.8	57 974.6	308 134.6	-24.9%	>100%
Issue, merger and contribution premiums	425.0	429.6	137 039.9	1.1%	>100%
Revaluation difference	-	24 993.3	24 993.3	Ns	0.0%
Retained earnings	-8 188.3	-	- 3 204.5	-100.0%	>100%
Net income	-5 007.6	-3 204.5	6 926.7	-36.0%	>100%
Financing debts	202 297.2	195 638.6	152 146.5	-3.3%	-22.2%
Current liabilities and cash liabilities	15 249.5	14 893.6	10 789.8	-2.3%	-27.6%
Current liabilities	9 818.2	12 294.5	9 718.9	25.2%	-20.9%
Other provisions for liabilities and charges	947.4	1 070.9	1 070.9	13.0%	0.0%
Cash and cash equivalents	4 484.0	1 528.2	-	-65.9%	-100.0%
Total liabilities	281 948.6	290 725.3	636 826.4	3.1%	>100%

Source: Immorente Invest

2. INCOME AND EXPENDITURE ACCOUNT

KMIAD	2016	2017	2018	var. 17/16	var. 18/17
Turnover	13 485.3	17 149.4	22 628.9	27.2%	32.0%
Production for the financial year	13 485.3	17 149.4	22 628.9	27.2%	32.0%
Sales of goods and services produced	12 020.3	14 817.4	19 655.4	23.3%	32.7%
Chargeback of expenses	1 464.9	2 332.0	2 973.5	59%	28%
Consumption for the financial year	-4 435.5	-3 027.1	-5 444.9	-31.8%	79.9%
Consumed purchases of materials and supplies	-103.2	-70.8	-1.4	-31.4%	-98.0%
Other external expenses	-4 332.4	-2 956.3	-5 443.5	-31.8%	84.1%
Value Added	9 049.8	14 122.3	17 184.0	56.1%	21.7%
<i>Value added rate</i>	<i>67.1%</i>	<i>82.3%</i>	<i>75.9%</i>	<i>15.2 pts</i>	<i>-6.4 pts</i>
Taxes and duties	-5 646.5	-4 919.2	-5 465.1	-12.9%	11.1%
Gross Operating Surplus	3 403.3	9 203.0	11 718.9	>100%	27.3%
<i>EBITDA margin rate</i>	<i>25.2%</i>	<i>53.7%</i>	<i>51.8%</i>	<i>28.4 pts</i>	<i>-1.9 pts</i>
Other operating expenses	-	-	-143.0	Ns	Ns
Operating write-backs and expense transfers	6 329.0	3 126.1	4 599.2	-50.6%	47.1%
Operating allocations	-8 190.7	-7 333.9	-8 550.9	-10.5%	16.6%
Gross operating income	1 541.6	4 995.2	7 624.1	>100%	52.6%
<i>Operating margin rate</i>	<i>11.4%</i>	<i>29.1%</i>	<i>33.7%</i>	<i>17.7 pts</i>	<i>4.6 pts</i>
Financial products	2 279.3	3 914.8	8 468.0	71.8%	>100%
Financial expenses	-6 132.9	-12 105.9	-7 884.7	97.4%	-34.9%
Financial income	-3 853.6	-8 191.1	583.2	<-100%	>100%
Non-current products	0.0	452.7	29.2	>100%	-93.5%
Non-current expenses	-2 616.8	-353.8	-35.3	-86.5%	-90.0%
Non-current income	-2 616.8	98.9	-6.0	>100%	<-100%
Income tax expense	-78.8	-107.6	-1 274.5	36.5%	>100%
Net income for the financial year	-5 007.6	-3 204.5	6 926.7	36.0%	>100%
<i>Net margin rate</i>	<i>-37.1%</i>	<i>-18.7%</i>	<i>30.6%</i>	<i>18.4 pts</i>	<i>49.3 pts</i>
Operating allocations (excluding provisions)	8 190.7	6 932.3	8 038.3	-15.4%	16.0%
Business turnarounds	-	-	-	Ns	Ns
Internal financing capacity	3 183.1	3 727.8	14 965.0	17.1%	>100%
<i>In turnover %</i>	<i>23.6%</i>	<i>21.7%</i>	<i>66.1%</i>	<i>-1.9 pt</i>	<i>44.4 pts</i>

Source: Immorente Invest

II. CONSOLIDATED ACCOUNTS

Following the creation in November 2017 of a subsidiary in the Kenitra free trade zone carrying the industrial assets leased by Faurecia, Immorente Invest carried out the first consolidation of its accounts in 2017 in accordance with national standards as prescribed by the methodology adopted by the CNC on July 15, 1999. The wholly-owned subsidiary, IMR Free Zone, is fully consolidated.

Scope of consolidation

Immorente's scope of consolidation has changed as follows:

Corporate Name	2016		2017 - 2018	
	Interest %	Consolidation method	Interest %	Consolidation method
Immorente Invest SA	100%	Full consolidation	100%	Full consolidation
IMR Free Zone	-	-	100%	Full consolidation

Source: Immorente Invest

1. BALANCE SHEET

KMIAD	Pro forma		Real		var. 17p/16 p	var. 18/17p
	2016	2017	2017	2018		
Fixed assets	195 491.1	261 588.4	261 588.4	442 245.2	33.8%	69.1%
Goodwill on acquisition	-	-	-	-	Ns	Ns
Intangible assets	-	-	-	-	Ns	Ns
Property, plant and equipment	160 486.4	226 583.7	226 583.7	407 220.5	41.2%	79.7%
Financial fixed assets	35 004.7	35 004.7	35 004.7	35 024.7	0.0%	0.1%
Equity accounted investments	-	-	-	-	Ns	Ns
Current assets and cash assets	90 567.1	23 937.8	23 937.8	195 794.5	-73.6%	>100%
Inventories	-	-	-	-	Ns	Ns
Accounts receivable and related accounts	2 148.5	2 952.8	2 952.8	1 581.7	37.4%	-46.4%
Other receivables and prepayments and accrued income	6 261.2	9 599.0	9 599.0	8 178.6	53.3%	-14.8%
Marketable securities	58 342.5	10 000.0	10 000.0	178 880.8	-82.9%	>100%
Availabilities	23 814.9	1 385.9	1 385.9	7 153.5	-94.2%	>100%
Total assets	286 058.2	285 526.1	285 526.1	638 039.7	-0.2%	>100%
Equity capital	65 904.2	70 477.1	70 477.1	461 126.1	6.9%	>100%
Capital-related premiums	77 172.8	57 974.6	57 974.6	308 134.6	-24.9%	>100%
Revaluation difference	425.0	429.6	429.6	137 039.9	1.1%	>100%
Reserves	-	12 108.5	17 495.3	17 495.3	Ns	44.5%
Group translation reserves	-4 192.2	1 502.1	-3 309.6	-5 278.7	<-100%	100%
Net income	-	-	-	-	Ns	Ns
Capital-related premiums	-7 501.4	-1 537.7	-2 112.8	3 734.9	79.5%	>100%
Long-term liabilities	212 806.5	202 298.7	196 709.5	153 217.4	-4.9%	-24.3%
Provisions	947.4	1 070.9	1 070.9	1 070.9	13.0%	0.0%
Borrowings and financial debts	211 859.1	201 227.8	195 638.6	152 146.5	-5.0%	-24.4%
Current liabilities and cash liabilities	7 347.6	12 750.2	18 339.4	23 696.3	73.5%	85.9%
Suppliers and related accounts	5 386.2	8 357.1	8 357.1	5 308.9	55.2%	-36.5%
Other liabilities and accruals	1 961.4	4 393.2	4 393.2	16 166.1	>100%	>100%
Loans and bank overdrafts due in less than one year	-	-	5 589.2	2 221.4	Ns	100%
Total liabilities	286 058.2	285 526.1	285 526.1	638 039.7	-0.2%	>100%

Source: Immorente Invest

2. CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

The financial statements presented below correspond to the consolidated financial statements prepared in accordance with Moroccan accounting standards.

KMIAD	Pro forma		Real		var. 17p/16 p	var. 18/17p
	2016	2017	2017	2018		
Turnover	13 485.3	17 149.4	17 149.4	22 777.6	27.2%	32.8%
Other operating income	-	640.0	640.0	0.00	>100%	-100.0%
Purchases consumed	-4 435.5	-4 384.7	-4 384.7	-5 978.5	-1.1%	36.3%
Other operating expenses	-	-	-	-143.0	Ns	>100%
Taxes and duties	-6 067.7	-4 833.7	-4 833.7	-5 465.1	-20.3%	13.1%
Net changes in amortization and depreciation	-2 690.3	-3 729.1	-4 550.7	-4 546.7	38.6%	21.9%
Operating income	291.8	4 841.9	4 020.3	6 644.2	>100%	37.2%
<i>Operating margin rate</i>	<i>2.2%</i>	<i>28.2%</i>	<i>23.4%</i>	<i>29.2%</i>	<i>26.1 pts</i>	<i>0.9 pt</i>
Financial income	-6 039.7	-6 353.2	-6 353.2	339.2	-5.2%	>100%
Current income from operations companies	-5 747.9	-1 511.3	-2 332.9	6 983.4	73.7%	>100%
Non-current income	-2 616.8	98.9	98.9	-6.0	>100%	>-100%
Income tax	863.3	-125.3	-107.6	-1 274.5	<-100%	>100%
Deferred taxes	-	-	228.7	-1 967.9	Ns	<-100%
Consolidated net income	-7 501.4	-1 537.7	-2 112.8	3 734.9	79.5%	>100%
Minority interests	-	-	-	-	Ns	Ns
Net income (group share)	-7 501.4	-1 537.7	-2 112.8	3 734.9	79.5%	>100%
<i>Net margin rate</i>	<i>-55.6%</i>	<i>-9.0%</i>	<i>-12.3%</i>	<i>16.4%</i>	<i>46.7 pts</i>	<i>25.4 pts</i>

Source: Immorente Invest

3. CONSOLIDATED ANALYTICAL INCOME STATEMENT

This section of the prospectus presents the consolidated analytical income statement as prepared by the Company.

Property companies such as Immorente Invest do not currently have a chart of accounts specific to their activity. Consequently, an analytical presentation of the Company's financial statements, and in particular its income and expense account, is necessary for a relevant reading of the Company's results and an assessment of its operating performance.

This analytical presentation of the income statement, prepared internally by the Company and unaudited, is based on the approach adopted for SIICs as well as on the chart of accounts implemented by the OPCI (French REITs) in France.

KMIAD	2017	2018	var. 18/17
Property products	14 817.4	19 655.4	32.7%
Rents on assets	14 817.4	19 655.4	32.7%
Income from investments	-	-	Ns
Property operating expenses	2 514.1	4 411.4	75.5%
<i>% in property income</i>	<i>17.0%</i>	<i>22.4%</i>	<i>5.5 pts</i>
Net expenses related to assets	416.4	341.1	-18.1%
Overheads	1 070.1	1 206.5	12.7%
Management commission	937.6	2 401.5	>100%
Other expenses	90.0	462.3	>100%
Provisions	-401.6	-114.8	n.a
Expenses related to the financing of property assets	7 679.3	7 499.3	-2.3%
Income from property activity	4 222.4	7 630.0	80.7%
<i>% in property income</i>	<i>28.5%</i>	<i>38.8%</i>	<i>10.3 pts</i>
Income from financial investments	3 769.7	8 511.2	>100%
Interest expense excluding financing of property assets	2 443.5	668.3	-72.7%
Income from financial investments	1 326.1	7 842.9	>100%
Non-current income	98.9	-6.0	<-100%
Corporate income tax	107.6	1 274.5	>100%
Analytical income of the financial year	5 539.8	14 192.3	>100%
<i>% in property income</i>	<i>37.4%</i>	<i>72.2%</i>	<i>34.8 pts</i>
(-) Acquisition costs and write-offs	3 732.3	4 054.0	8.6%
(-) Amortization charges net of reversals	4 149.1	4 435.4	6.9%
(-) Other consolidation adjustments	-228.7	1 968.0	>100%
Consolidated net income	-2 112.8	3 734.9	>100%

Source: Immorente Invest

III. HALF-YEARLY CORPORATE ACCOUNTS

1. BALANCE SHEET

KMAD	31/12/2018	30/06/2019	var. 19/18
Fixed assets	442 907.8	441 056.9	-0.4%
Write-off of fixed assets	5 428.0	5 278.4	-2.8%
Property, plant and equipment	252 958.6	250 553.4	-1.0%
Financial fixed assets	184 521.2	185 225.2	0.4%
Current assets and cash assets	193 918.6	180 820.5	-6.8%
Receivables from current assets	12 425.6	16 246.3	30.7%
Securities and investment securities	178 880.8	95 988.2	-46.3%
Asset cash flow	2 612.2	68 585.9	>100%
Total assets	636 826.4	621 877.4	-2.3%
Equity capital	473 890.1	451 283.7	-4.8%
Share capital	308 134.6	308 134.6	0.0%
Issue, merger and contribution premiums	137 039.9	110 926.8	-19.1%
Revaluation difference	24 993.3	24 993.3	0.0%
Reserves	-	186.1	>100%
Retained earnings	-3 204.5	87.2	>100%
Net income	6 926.7	6 955.6	0.4%
Financing debts	152 146.5	152 146.5	0.0%
Current liabilities and cash liabilities	10 789.8	18 447.2	71.0%
Current liabilities	9 718.9	17 376.3	78.8%
Other provisions for liabilities and charges	1070.9	1070.9	78.8%
Cash and cash equivalents	-	-	Ns
Total liabilities	636 826.4	621 877.4	-2.3%

Source: Immorente Invest

2. INCOME AND EXPENDITURE ACCOUNT

The financial statements presented below correspond to the corporate financial statements prepared in accordance with Moroccan accounting standards.

KMIAD	30/06/2018	30/06/2019	var 19/18
Turnover	9 918.0	13 231.8	33.4%
Production for the financial year	9 918.0	13 231.8	33.4%
Sales of goods and services produced	8 727.9	11 437.0	31.0%
Chargeback of expenses	1 190.1	1 794.8	50.8%
Consumption for the financial year	-1 952.5	-3 593.0	84.0%
Consumed purchases of materials and supplies	-	-	Ns
Other external expenses	-1 952.5	-3 593.0	84.0%
Other operating expenses	-	-	Ns
Value Added	7 965.6	9 638.8	21.0%
<i>Value added rate</i>	<i>80.3%</i>	<i>72.8%</i>	<i>-7.5 pts</i>
Taxes and duties	-4 470.8	-1 272.4	-71.5%
Gross Operating Surplus	3 494.8	8 366.4	>100%
<i>EBITDA margin rate</i>	<i>35.2%</i>	<i>63.2%</i>	<i>28.0 pts</i>
Operating write-backs and expense transfers	3 993.5	732.9	-81.6%
Operating allocations	-3 761.2	-3 340.5	-11.2%
Gross operating income	3 727.1	5 758.8	54.5%
<i>Operating margin rate</i>	<i>37.6%</i>	<i>43.5%</i>	<i>5.9 pts</i>
Financial products	2 020.3	5 806.8	>100%
Financial expenses	-4 366.6	-3 436.5	-21.3%
Financial income	-2 346.3	2 370.3	>100%
Non-current products	20.5	3.9	-81.0%
Non-current expenses	-34.8	-	-100.0%
Non-current income	-14.2	3.9	>100%
Income tax expense	-59.8	-1 177.3	>100%
Net income for the financial year	1 306.8	6 955.6	>100%
<i>Net margin rate</i>	<i>13.2%</i>	<i>52.6%</i>	<i>39.4 pts</i>
Operating allocations (excluding provisions)	3 761.2	3 340.5	-11.2%
Business turnarounds	-	-	Ns
Internal financing capacity	5 068.0	10 296.2	>100%
<i>In turnover %</i>	<i>51.1%</i>	<i>77.8%</i>	<i>26.7 pts</i>

Source: Immorente Invest

IV. HALF-YEARLY CONSOLIDATED ACCOUNTS

Following the creation in November 2017 of a subsidiary in the Kenitra free trade zone carrying the industrial assets leased by Faurecia, Immorente Invest carried out the first consolidation of its accounts in 2017 in accordance with national standards as prescribed by the methodology adopted by the CNC on July 15, 1999. The wholly-owned subsidiary, IMR Free Zone, is fully consolidated.

Scope of consolidation

The scope of consolidation as of 30/06/2018 and 30/06/2019 is as follows:

Corporate Name	Interest %	Consolidation method
Immorente Invest SA	100%	Full consolidation
IMR Free Zone	100%	Full consolidation

Source: Immorente Invest

1. BALANCE SHEET

KMAD	31/12/2018	30/06/2019	var. 19/18
Fixed assets	442 245.2	439 800.2	-0.6%
Goodwill on acquisition	-	-	Ns
Intangible assets	-	-	Ns
Property, plant and equipment	407 220.5	404 775.5	-0.6%
Financial fixed assets	35 024.7	35 024.7	0.0%
Equity accounted investments	-	-	Ns
Current assets and cash assets	195 794.5	180 200.6	-8.0%
Inventories	-	-	Ns
Accounts receivable and related accounts	1 581.7	3 278.3	>100%
Other receivables and prepayments and accrued income	8 178.6	6 573.3	-19.6%
Marketable securities	178 880.8	95 988.2	-46.3%
Availabilities	7 153.5	74 360.8	>100%
Total assets	638 039.7	620 000.8	-2.8%
Equity capital	461 126.1	438 796.0	-4.8%
Capital-related premiums	308 134.6	308 134.6	0.0%
Revaluation difference	137 039.9	110 926.8	-19.1%
Reserves	17 495.3	17 495.3	0.0%
Group translation reserves	-5 278.7	-4 992.7	-5.4%
Net income	-	-	Ns
Capital-related premiums	3 734.9	7 232.0	93.6%
Long-term liabilities	153 217.4	153 217.4	0.0%
Provisions	1 070.9	1 070.9	0.0%
Borrowings and financial debts	152 146.5	152 146.5	0.0%
Current liabilities and cash liabilities	23 696.3	27 987.4	18.1%
Suppliers and related accounts	5 308.9	7 695.6	45.0%
Other liabilities and accruals	16 166.1	14 633.9	-9.5%
Loans and bank overdrafts due in less than one year	2 221.4	5 657.9	>100%
Total liabilities	638 039.7	620 000.8	-2.8%

Source: Immorente Invest

2. CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

The financial statements presented below correspond to the half-yearly consolidated financial statements prepared in accordance with Moroccan accounting standards.

KMIAD	30/06/2018	30/06/2019	var. 19/18
Turnover	9 918.0	18 028.3	81.8%
Other operating income	3 993.5	-	-100.0%
Purchases consumed	-3 434.2	-3 724.4	8.4%
Other operating expenses	-	-	Ns
Taxes and duties	-7 000.4	-1 864.1	-73.4%
Net changes in amortization and depreciation	-1 980.3	-4 955.0	>100%
Operating income	1 496.7	7 484.8	>100%
<i>Operating margin rate</i>	<i>15.1%</i>	<i>41.5%</i>	<i>26.4 pts</i>
Financial income	-2 465.7	823.0	<-100%
Current income from operations companies	-969.0	8 307.8	<-100%
Non-current income	-14.3	3.4	<-100%
Income tax	211.4	98.1	-53.61%
Deferred taxes	-59.8	-1 177.3	>100%
Consolidated net income	-831.7	7 232.0	>100%
Minority interests	-	-	Ns
Net income (group share)	-831.7	7 232.0	>100%
<i>Net margin rate</i>	<i>-8.4%</i>	<i>40.1%</i>	<i>48.5 pts</i>

Source: Immorente Invest

3. CONSOLIDATED ANALYTICAL INCOME STATEMENT

This section of the prospectus presents the consolidated analytical income statement as prepared by the Company.

Property companies such as Immorente Invest do not currently have a chart of accounts specific to their activity. Consequently, an analytical presentation of the Company's financial statements, and in particular its income and expense account, is necessary for a relevant reading of the Company's results and an assessment of its operating performance.

This analytical presentation of the income statement, prepared internally by the Company and unaudited, is based on the approach adopted for SIICs as well as on the chart of accounts implemented by the OPCI (French REITs) in France.

KMIAD	30/06/2018	30/06/2019	var. 19/18
Property products	8 727.9	15 643.1	79.2%
Rents on assets	8 727.9	15 643.1	79.2%
Income from investments	-	-	Ns
Property operating expenses	1 231.6	2 455.8	99.4%
<i>% in property income</i>	<i>14.1%</i>	<i>15.7%</i>	<i>1.6 pts</i>
Net expenses related to assets	188.7	226.9	20.3%
Overheads	337.9	334.1	-1.1%
Management commission	678.0	1 747.3	>100%
Other expenses	27.0	147.5	>100%
Expenses related to the financing of property assets	3 812.5	3 522.5	-7.6%
Interest expense on bank borrowings	390.8	85.9	-78.0%
Interest expense on bonds	3 421.6	3 436.5	0.4%
Provisions	-	4.0	Ns
Income from property activity	3 683.9	9 668.9	>100%
<i>% in property income</i>	<i>42.2%</i>	<i>61.8%</i>	<i>19.6 pts</i>
Income from financial investments	1 219.3	4 340.6	>100%
Interest expense excluding financing of property assets	-673.5	-	-100.0%
Income from financial investments	545.8	4 340.6	>100%
Non-current income	-14.3	3.4	>100%
Corporate income tax	59.8	1 177.3	>100%
Analytical income of the financial year	4 155.6	12 835.5	>100%
<i>% in property income</i>	<i>47.6%</i>	<i>82.1%</i>	<i>34.4 pts</i>
(-) Acquisition costs and write-offs	-	746.6	Ns
(-) Amortization charges net of reversals	1 980.3	4 955.0	>100%
(+) Other consolidation adjustments ¹⁹	-3 218.4	-	-100.0%
(+) Deferred Taxes	211.4	98.1	
Consolidated net income	-831.7	7 232.0	>100%

Source: Immorente Invest

¹⁹ These restatements mainly concern acquisition costs and deferred taxes.

PART IV: RISKS

I. RISKS RELATED TO GENERAL ECONOMIC CONDITIONS

Immorente Invest is active in different segments of professional rental real estate. The activity is subject to the uncertainties and risks inherent in the cyclical nature of the real estate sector. Cycles are long-term in nature with variable duration.

Fluctuations in the real estate market depend mainly on the balance between supply and demand in a particular sector of the economy and the economic situation in general.

Difficult economic conditions could have a direct impact on the value of the real estate assets held by Immorente Invest and/or reduce the amount of rents derived from them, thereby reducing the level of return for the Company's shareholders.

Immorente Invest's policy of diversifying the asset portfolio by category of property enables it to reduce the risks associated with the general economic conditions.

II. OPERATIONAL RISKS

The outcome of investments in real estate depends on many factors, including factual, legal, economic and tax considerations. These investments are linked to the risks inherent in this sector, which stem, among other things, from the factors presented below:

1. LOCATION AND SITUATION

The value of a property depends largely on the site on which it is located and its situation.

Changes that have an impact on the post-acquisition value of a property may result from the fact that a planned infrastructure is not realized (e.g. planned connection to public transport or the road network, direct connections to the motorway network are only made at a later date or not at all) or from the fact that competitive sites (or situations) may be better positioned during the period during which the property is held by the Company.

It may happen that an acquired property has been designed to meet a particular demand and that these tenants are directed to another site in the meantime or that there is no longer a demand for rent due to economic or other industry-specific reasons.

Changes in this area result in losses in terms of rental income and may force the Company to sell the properties at an unfavorable price.

2. NATURE

The regular acquisition of real estate properties is usually based on expert appraisals carried out by independent experts. If these appraisals do not indicate the need for major maintenance and repair work, the Company will not carry out its own analyses of the actual condition of the property, but will base its purchase decision on the available appraisals.

The expertise on which the Company's purchase decision is based may contain errors of assessment and unforeseen events due to quality defects (e.g. repairs to be carried out, lack of construction quality, etc.) that may arise.

The Company may then be obliged to invest additional funds to carry out repairs and maintenance work that were not planned. Expenditure not provided for in this respect, as well as the possible impossibility

of renting the premises for the duration of the work, may have a negative impact on the Company's results and the return to shareholders.

In the event that the Company acquires properties that have not yet been built or are not completed, a deterioration in the returns from these properties may occur if the planned timetable for completion of the work is not met or the cost of completion is higher than the initial budget.

The acquisition of new buildings and the rehabilitation of immovable property are accompanied by risks which may take the form of unforeseeable cost overruns, delays and additional costs as a result of instructions from the building administration and others. Older properties are generally sold under exclusion of any warranty.

The risk of hidden defects, which even experts are unable to identify, cannot be excluded. Such defects can lead to high maintenance costs. Rental and sales risks or risks related to the insolvency of contractual partners who play an important role in the execution of construction work (construction companies).

3. HISTORICAL POLLUTION/LAND CHARGES

In the case of older properties, it is sometimes not possible to carry out a detailed analysis of the subsoil. It is rare to have evidence of historical pollution on a piece of land or inside a building. In contracts of sale, the seller generally excludes any liability for historical pollution and hidden defects.

If the Company buys a property in which historical pollution is present, it cannot be excluded that the authorities may turn against it for clean-up measures and that it will therefore have to bear the costs of decontamination. It is possible that the clean-up costs may exceed the value of the property. In such cases, the clean-up costs have a lasting impact on the company's results and have a negative impact on the investor's participation.

4. RENTAL RISK

The rental income of a property may decrease during the time the property is held. It is even possible that there is no longer any rental income. Rental income may decline, for example, if tenants do not make use of the lease extension options offered to them or if rents are not paid, in whole or in part, if tenants' creditworthiness deteriorates or if tenants leave the premises and the Company does not find new tenants.

If the premises are rented again, it is possible that the reference rents in effect or a decline in demand may require the Company to reduce the amount of rent or not pass on all rental charges to tenants or to waive security interests, resulting in a decline in rental income.

Ownership of real estate is always linked to rental charges and taxes that must also be borne when the real estate is not rented or is not used or when the tenant does not pay the rental charges that are basically chargeable. It is therefore possible that the Company may have to bear costs even though it does not receive corresponding or higher revenues.

Other risks may arise after the acquisition of a leased property, such as delays in the payment of rent, or when a lease renewal is not or only on less favorable terms than those agreed in the original lease. In addition, the calculated rental costs may be higher, e.g. due to periods of vacancy, subsidies from the landlord for fitting-out costs, special equipment, higher brokerage and marketing costs, frequent changes of tenants, etc. These costs, taken together, can amount to sums that compromise the performance of the property. The property is then very difficult to sell on the market.

5. INSURANCE AND ACCIDENTAL LOSS

If the insurance policies taken out are not willing to pay compensation for a loss or if the agreed insurance benefits are not sufficient to replace the full loss or the current value of the property, this would have a negative impact on the valuation of the Company.

The Company also bears the risk of accidental loss, which cannot be insured. Real estate, particularly when located in urban areas, may be exposed to the risk of war or an act of terrorism. Even if the property is not directly affected by a war or terrorist act, the property may lose some of its economic value if the real estate market at the site where the property is located is severely affected. Negative influences on the value of the real estate property reduce the liquidation proceeds for the Company and the investor's participation.

III. LEGAL RISKS

1. DEFECTIVE CONTRACTS

In order to carry out its investment project, the Company has already entered into numerous contracts and will enter into others in the future. It is possible that these contracts may be incomplete, defective and/or disadvantageous. Changes may also occur in the legal framework (amendments to laws, case law and others) and have a negative impact on the contracts.

It is therefore possible that specific clauses in the lease agreements transferred to the Company following the acquisition of the property may prove to be null and void as a result of a change in case law that occurs after the conclusion of the lease in question and that it may not be possible to claim against the tenants to enforce their rights. As a result, the Company has to bear unfunded costs.

It is also possible that the Company or companies in which it participates may be exposed to claims that they can only meet from existing cash resources. If the companies are unable to finance such claims with equity and/or debt, they may be forced to file for bankruptcy, resulting in compulsory liquidation and the liquidation of all assets.

2. APPEALS EXERCISED

It is possible that the courts of competent jurisdiction may have to rule on the non-performance of contracts or on disagreements relating thereto. Such proceedings may be lengthy and the Company may not be able to enforce its rights promptly and may be forced to seek interim financing by borrowing outside capital. In view of the costs involved, the Company's economic situation may deteriorate, at least for a certain period of time. The inability to finance this recourse may put pressure on the Company's liquidity and force it to file for bankruptcy.

It is also possible that the creditworthiness of the opposing party may deteriorate over this long period to the extent that it will no longer be able to obtain payment of the rights, even after successful litigation.

3. RISKS RELATED TO CHANGES IN LEGISLATION

In a context where laws are constantly evolving, future changes, even considerable ones, in the applicable legislation at the expense of the players involved and/or the Company cannot be excluded.

Risks may also arise as a result of changes in civil, corporate, tax or other laws, as well as from decisions that may be taken in the future by courts, tax authorities and/or administrative bodies that deviate from

the legislation applicable until then or from the interpretation that has been made of such legislation until then.

These changes could have a negative impact on the Company's profitability and on the return to its shareholders.

4. RISK RELATED TO THE CREATION OF A BUSINESS BY TENANTS

The business is defined by articles 79 and following of the Commercial Code as "*an intangible movable asset consisting of all movable property allocated to the exercise of one or more commercial activities*" which "*must include the clientele and goodwill [but also] all other assets necessary for the operation of the business such as the trade name, signs, leasehold rights, commercial furniture, goods, equipment and tools, patents, licenses, trademarks and service marks, industrial designs and models and, in general, any industrial, literary or artistic property rights attached thereto*".

The lessee can only claim the constitution of a business after a consecutive 2-year period of enjoyment of the property.

If the lessor wishes to evict the lessee after an occupation of more than 2 years, he would be required to compensate the lessee in an amount at least equal to the value of the business.

The lessor could evict the tenant without being required to pay eviction compensation in the following cases:

- If they have a serious and legitimate reason against the tenant;
- If it is established that the building must be demolished for reasons of insalubrity recognized by the competent authorities;
- If they take over the premises to occupy them themselves.

Nevertheless, the Company would only consider evicting a tenant in the event of a dispute with the latter (non-payment of rent, failure to comply with the terms of the lease agreement, etc.). In such a case, legal proceedings would be initiated to demonstrate that the lessor has serious and legitimate grounds for evicting the lessee and that it is therefore not liable for such compensation.

It should be noted that the tenant of a real estate asset has the possibility to pledge his business in the exercise of his activity.

IV. RATE RISK

Recourse to debt (bank, bond, etc.) exposes Immorente Invest to the risk of interest rate fluctuations when financing is based on revisable rates. In the event of a rise in market rates, the interest charges borne by Immorente Invest could increase.

V. FOREIGN EXCHANGE RISK RELATED TO ACQUISITIONS IN FREE ZONES

Immorente Invest plans to invest in properties in free zones and thus to collect rents in foreign currency. The value in Moroccan dirhams of income received in foreign currencies when translated into Moroccan dirhams may fluctuate and impact the return, in Moroccan dirhams, on the Company's assets.

VI. RISKS RELATED TO THE SPLIT OF THE SHAREHOLDER STRUCTURE

The decisions of the Company's general meetings require compliance with the quorum and majority requirements set out in Part III, Section II of this Prospectus.

At the end of the period of inalienability of the Company's shares held by the parties to the shareholders' agreement presented in Part III, Section I of this Prospectus, and due to the absence of a majority

shareholder (or group of shareholders), it is possible that decisions, in particular relating to the distribution of returns to be paid to shareholders (mainly in the case of capital reduction transactions) may be blocked due to the absence of a quorum or majority that can approve such decisions.

In order to reduce this risk, the Company plans to communicate massively by all means in order to inform the holders of the shares constituting its capital of the holding of a general meeting. It also plans to directly contact certain investors holding significant stakes in advance of meetings to ensure that the required quorum is obtained.

VII. KEY PERSON RISK

The general management of Immorente Invest is entrusted to Mrs. Soumaya Tazi, who contributed to its creation and development. Faced with this situation, the Company is exposed to a risk of dependence on the Managing Director of the Company in the event of departure.

VIII. SUBCONTRACTING RISK

This risk stems from the fact that the management of the Company is entrusted to CFG Capital through a management agreement. As a result, the Company is dependent on CFG Capital to achieve its objectives. This represents a risk in the event that the manager needs to be replaced if it encounters difficulties.

IX. DEBT RATIO RISK

Immorente Invest's strategy is to use bank debt to finance part of its growth.

In order to limit the financial risks, Immorente Invest strictly controls the use of bank debt, in particular by verifying at the end of each investment period that the Company's financing ratio is limited to 40% of the value of the real estate assets in the portfolio and that cash borrowings are limited to 10% of the value of other assets.

X. LIQUIDITY RISK

In the same way as other players involved in the leasing of real estate assets, Immorente Invest is exposed to liquidity risk given the nature of the assets it holds in its portfolio and its business activity. The purpose of this type of company is to distribute virtually all of its available cash to its shareholders, which could make it difficult for it to meet certain short-term commitments on a timely basis.

XI. COMPETITION RISK

The rental property market is booming in Morocco, particularly following the entry into force of the law on OPCI, which will help structure the market. This development could expose Immorente Invest to the risk of new players entering the market, potentially increasing the competitive intensity of the sector in which the Company operates.

Disclaimer

The above-mentioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under reference no. VI/EM/001/2020 on January 8, 2020.

The AMMC recommends reading the entire prospectus which is available to the public in French under the terms and conditions indicated in this summary.