



Managem

Summary of the Information Package related to the Update of the Commercial Paper Issue Program for the 2021 Fiscal Year and the First Half of 2022

Date of initial implementation of the Program	December 2017
Date of last program update	December 2021
Ceiling of the issue program	MAD1 000,000,000

Financial Advisor

ATTIJARI FINANCES CORP.



التجاري للاستشارة المالية
Attijari Finances Corp.

Placement Agent

ATTIJARIWAFABANK



التجاري وفا بنك
Attijariwafa bank

Registration of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the circular of the Moroccan Capital Market Authority (AMMC), this Reference Document was registered by the AMMC on January 4, 2023, under the reference EN/EM/001/2023.

This Reference Document can be used as a basis for canvassing or for collecting orders as part of a financial operation only if it is part of a prospectus duly approved by the AMMC.

Annual Update of the Information Package on the Commercial Paper Issue Program:

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

- This reference document;
- The note relating to the commercial paper issue program registered by the AMMC on December 30, 2019, under the reference EN/EM/027/2019 and available via the following link:
http://www.ammc.ma/sites/default/files/Note_BT_Managem_027_2019_0.pdf

The said update was approved by the AMMC on January 4, 2023, under the reference VI/EM/001/2023.

DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on January 4, 2023, under the reference VI/EM/001/2023 the annual update of the information package relating to the commercial paper issue by Managem.

The information package approved by the AMMC is available at any time at Managem's headquarters, on Managem's website (<http://www.managemgroup.com/medias/communiqués-et-publications-0>) and from the financial advisor. It is also available within a maximum period of 48 hours from the order-collecting institutions.

The information package is available to the public on the AMMC website www.ammc.ma.

This summary has been translated by LISSANIAT under the joint responsibility of the said translator and Managem. In the event of any discrepancy between the contents of this summary and the AMMC-approved information package, only the approved information package shall prevail.

I. PRESENTATION OF THE OPERATION

I.1. Overall characteristics of the operation

In accordance with the provisions of Article 15 of Law 35-94 promulgated by Dahir 1-95-3 of Sha'ban 24, 1415 (January 26, 1995) and Order 2560-95 of the Minister of Finance and Foreign Investment of October 9, 1995 relating to negotiable debt securities (NDS), Managem S.A. issues commercial paper to the public, bearing interest and representing a right to claim for a period of less than or equal to one year.

The Board of Directors, meeting on September 18, 2017, authorized the issuance of Commercial Paper with a ceiling of MAD 1,000,000,000 and granted full powers to Mr. Imad Toumi, Chairman and Chief Executive Officer of Managem S.A., to define the characteristics of each issue carried out under the program.

To this end, Managem S.A. will issue commercial paper to the public, bearing interest to represent a debt claim, for a term of less than or equal to one year.

In accordance with the provisions of Article 15 of Law 35-94 promulgated by Dahir 1-95-3 of Sha'ban 24, 1415 (January 26, 1995) and Order 2560-95 of the Minister of Finance and Foreign Investment of October 9, 1995 relating to negotiable debt securities, Managem S.A. has prepared this information package with the Advisory Body relating to its business, economic and financial situation and its issuance program.

Pursuant to article 17 of said law, and as long as the negotiable debt securities are in circulation, this file will be updated annually within 45 days after the Ordinary Shareholders' Meeting called to approve the financial statements for the last financial year.

Pursuant to the provisions of the second paragraph of Article 17 of Law 35-94, Managem S.A. will update our notice relating to the commercial paper issuance program at least 15 days prior to the effective date of any change in the characteristics of said program.

Managem S.A. will immediately update the information package in the case of any event likely to have an impact on changes in the price of the securities issued or on the successful completion of the issuance program.

I.2. Objectives of the operation

Managem S.A. aims to issue commercial paper in order to:

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

I.3. Target investors of the program

The investors targeted by issuance under the Commercial Paper Program are as follows:

- Individuals or legal entities, resident or non-resident of Moroccan or foreign nationality.

I.4. Program characteristics

Program Ceiling	MAD 1 000 000 000
Distribution of the overall ceiling among different types of instruments or tranches	Not Applicable

Authorized duration of the issuance program	Undefined
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Source: Managem

I.5. Characteristics of the securities to be issued

Nature of securities	Dematerialized Negotiable Debt Securities by registration with the Central Depository (Maroclear) and registered in accounts with authorized affiliates.
Face value per unit	MAD 100 000
The maximum outstanding amount (in value)	1 000 000 000 MAD
Maximum outstanding (in securities)	10 000
Legal form of securities	Commercial papers out to bearer
Maturity	Between 10 days et 12 months
Interest Rate	Fixed for each issue depending on market conditions
Interest	Post-counted
Coupon Payment	In fine, at due date of each commercial paper
Repayment	In fine, at due date of each commercial paper
Commercial Paper Rank	The ranking is similar to an ordinary debt contracted by the Company. The commercial paper program is not subordinated to any other debt of the Company.
Guarantee	The issuance program of commercial paper has no specific guarantee
Rating	The issue is not rated
Tradability	There are no restrictions imposed by the terms of issue on the marketability of the commercial paper issued. The securities are negotiable over-the-counter
Vesting Date	To be defined at the time of each issue
Maturity Date	To be defined at the time of each issue
Assimilation Clause	Commercial paper issued is not assimilated to securities of a previous issue.

Source: Managem

I.6. Placement syndicate and financial intermediaries

Type of financial intermediaries	Entity	Address
Financial Advisor	Attijari Finances Corp.	163, Avenue Hassan II Casablanca
Placement Agent	Attijariwafa bank	2, boulevard Moulay Youssef Casablanca
Account holding institution	Attijariwafa bank	2, boulevard Moulay Youssef Casablanca
Securities financial services	Attijariwafa bank	2, boulevard Moulay Youssef Casablanca

Source: Managem

Attijari Finances Corp. is a 100.0% subsidiary of Attijariwafa bank, which has the same reference shareholder as Managem, namely AL MADA.

I.7. Subscription period

Each time Managem S.A. shows a cash need, Attijariwafa bank will open the subscription period at least 3 working days before the dividend entitlement date.

It should be noted that the subscription period could be closed early as soon as the placement of the entire issue has been completed.

I.8. Identification of subscribers

Prior to the completion of the subscription, the placement institution must ensure that the subscriber's representative has the capacity to act either in their capacity as legal representative or under a power of attorney at their disposal.

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

Category	Documents to be attached
Associations	Photocopy of the Articles of Association and photocopy of the receipt of the file deposit
Minor Children	Photocopy of the page of the family record book attesting to the child's date of birth
UCITS under Moroccan law	Photocopy of the approval decision attesting that it belongs to this category. <ul style="list-style-type: none"> ▪ For Mutual Funds, the number of the certificate of deposit at the court registry ▪ For Investment companies with variable capital (SICAVs), the number of the commercial register and the certificate of deposit at the court registry.
Foreign legal entities	Model of entries in the commercial register or equivalent
Moroccan legal entities	Model of entries in the commercial register
Non-residents and non-Moroccans natural persons	Photocopy of the pages of the passport containing the identity of the person as well as the issue and expiry dates of the document

Residents and non-Moroccan natural persons	Photocopy of the residency card
Natural persons resident in Morocco and Moroccan nationals abroad	Photocopy of the national identity card

Source: Managem

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

I.9. Subscription terms and conditions

Before each issue, Managem undertakes to make available to investors (prior to the opening of the subscription period) a document detailing the terms and conditions of the issue and containing the information referred to in article 1.60 of AMMC circular no. 03/19.

Attijariwafa bank is required to collect the subscription orders from the investors, by means of firm and irrevocable subscription forms, after the closing of the subscription period, according to the attached model. These subscription forms must be filled in, dated and signed by the subscribers or their representatives and transmitted to the placing organization. In addition, a copy of the subscription form must be given to the subscriber.

Subscribers may formulate one or more subscription requests, specifying the number of securities requested and the corresponding amount.

Attijariwafa bank is in charge of the processing of subscription orders and the rejection of applications that do not comply with the terms and conditions stated in the information file.

Subscriptions will be accepted and registered as and when they are confirmed in writing to Attijariwafa bank and this, until the ceiling of the issue is reached.

All subscriptions will be in cash, regardless of the category of subscribers:

- Subscriptions on behalf of minor children up to the age of 18 years are permitted provided that they are made by the father, mother, guardian or legal representative of the minor child. The organization in charge of the placement is required to obtain a copy of the page of the family record book showing the date of birth of the minor child and to attach it to the subscription form; in this case, the movements shall be made either to an account opened in the name of the minor child or to the securities or cash account opened in the name of the father, mother, tutor or legal representative.
- Subscriptions on behalf of third parties are authorized on condition that a power of attorney duly signed and legalized by the principal is presented. The placement institution is required to obtain a copy of this power of attorney and to attach it to the subscription form. The securities subscribed for must, in addition, refer to a securities account in the name of the third party concerned, which may only be moved by the latter, unless a power of attorney exists;
- a power of attorney for a subscription can in no case allow the opening of an account for the principal. Also, the opening of an account must be done in the presence of its holder according to the legal or regulatory provisions in force;
- all forms must be signed by the subscriber or their representative. Before accepting a subscription, the placement institution must ensure that the subscriber has the financial capacity to honor its commitments. The placement organization shall freely determine the terms of the financial guarantee required from subscribers, which may be a cash deposit, securities deposit or a surety. For institutional investors, no coverage of the subscription will be required;
- Subscribers must indicate the number of securities they intend to subscribe for within the framework of this operation;

- investors may place multiple orders with the placement agency. Orders are cumulative. Subscribers' attention is drawn to the fact that all orders may be satisfied in whole or in part depending on the availability of securities;
- In the case of a portfolio management mandate, the manager may subscribe on behalf of the client whose portfolio he manages only by presenting a power of attorney duly signed and authenticated by their principal, or the management mandate if the latter makes express provision to that effect. Management companies are exempted from presenting such evidence for the UCITS they manage.

All subscription orders:

- are not complying with the above conditions will be null and void;
- are irrevocable after the end of the subscription period.

I.10. Methods of processing orders

Allocations will be made in accordance with orders transmitted by investors. In the event that the number of securities requested exceeds the number of securities available, the allocation of securities will be made on a daily pro rata basis of the amounts subscribed. If the number of securities is not a whole number, the allocation of the remaining commercial paper will be made by drawing lots.

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

I.11. Securities settlement/delivery arrangements

The payment of subscriptions will be made by transmission, at the vesting date, of delivery orders against payment (LCP MAROCLEAR) by Attijariwafa bank, in its capacity as securities depository institution. The securities are payable in cash in a single installment.

I.12. AMMC information commitment

Managem S.A. undertakes, prior to each issue, to make available to investors, prior to the opening of the subscription period, a document detailing the terms and conditions of the issue and containing the information referred to in Article 1.60 of AMMC Circular no. 03/19. The results of the issue (number of securities issued, amounts subscribed and allocated by type of investor, etc.) will be communicated to the AMMC within 7 days of its completion.

II. OVERVIEW OF MANAGEM

II.1. General information

Corporate name	Managem
Registered Office	Twin center, tour A, angle boulevard Zerktouni et Al Massira Al Khadra, BP 5199, Casablanca – Maroc
Phone / Fax	(212) 522 95 65 97 (212) 522 95 64 64
Legal form	Public limited company with a Board of Directors
E-mail	managem@managemgroup.com
Website	http://www.managemgroup.com/
Date of incorporation	November 17, 1930
Lifespan	The lifespan of the company is set at 99 years, except in the event of early dissolution or extension provided for in the articles of association or by law.
Commercial Register No.	Registered on June 4, 1951, in the CR of Casablanca no. 17 883
Financial year	From January 1 to December 31.
Share capital as of 30/06/2022	The share capital is set at MAD 999,130,800, divided into 9,991,308 shares of a single class of MAD 100 each, and fully paid up at their nominal value.
Consulting legal documents	The Company's legal documents, in particular the Articles of Association, the minutes of Shareholders' Meetings, management reports and statutory auditors' reports may be consulted at Managem's registered office.
Corporate purpose	According to Article 3 of the Articles of Association, the Company's purpose is: <ul style="list-style-type: none">▪ to acquire direct or indirect equity interests in any operations or businesses through the creation of companies, participation in their formation or in the capital increase of existing companies, or through limited partnerships, the purchase of shares or corporate rights or otherwise;▪ the management of all mining, real estate, securities, financial, industrial or commercial businesses, companies or enterprises;▪ the purchase, sale and exchange of all securities and interest shares;▪ and, more generally, all transactions of any nature whatsoever relating to any of the above purposes.
Competent court in case of dispute	Commercial court of Casablanca
Legislative texts	By virtue of its legal form, the Company is governed by Law 17-95 relating to public limited companies, as amended and supplemented, and by its Articles of Association. By virtue of its activity, it is subject to the Dahir of 16 April 1951 on mining regulations in Morocco and all legislative texts amending and supplementing the said Dahir, in particular: <ul style="list-style-type: none">▪ Dahir of 18 June 1958 modifying the Dahir of 9 Rajab 1370 on mining regulations;▪ Dahir no 1-58-229 of 4 Moharem 1378 (21 July 1958) supplementing and amending the Dahir of 9 Rajab 1370 on mining regulations;▪ decree no 2-59-392 of 25 Hija 1378 (July 2, 1959) supplementing decree no 2-57-1647 of 24 Jumada 1377 (December 17, 1957) fixing certain applications of the provisions of the Dahir of 9 rajab 1370 (April 16, 1951) relating to mining regulations;▪ Dahir no1-62-097 of 16 Safar 1382 (July 19, 1962) supplementing and modifying the Dahir of 9 Rajab 1370 on mining regulations;▪ Dahir no 1-62-193 of 24 Jomada 1 1382 (24 October 1962) amending the Dahir of 9 Rajab 1370 on mining regulations;▪ decree no 2-80-273 of Rebia 1 1401 (January 9, 1981) approving the book fixing the procedure applicable to the adjudication of concessions provided for in article 89 of the dahir of 9 Rajab 1370 (April 16, 1951) on mining regulations;▪ decree no2-79-298 fixing the attributions and organization of the Ministry of Energy and Mines.

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

- Dahir no 1-16-151 of 21 kaada 1437 (August 25th 2016) relating to the promulgation of Law no19-14 relating to the Stock Exchange, brokerage firms and financial investment advisors;
- the general regulations of the Stock Exchange approved by the Order of the Minister of Economy and Finance no2208-19 of July 3, 2019;
- the General Regulation of the Moroccan Capital Market Authority as approved by Order no2169-19 of the Minister of Economy and Finance;
- Dahir 1-95-3 of January 26, 1995 promulgating Act 35-94 relating to certain negotiable debt instruments, as amended and supplemented;
- the circular of the Moroccan Capital Market Authority;
- Dahir 1-96-246 of January 9, 1997 promulgating Act 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 Act 43-02);
- the General Regulations of the central depository approved by Order of the Minister of the Economy and Finance no932-98 of April 16, 1998 and amended by Order of the Minister of the Economy, Finance, Privatization and Tourism no1961-01 of October 30, 2001 and Order no77-05 of March 17, 2005;
- Dahir no1-04-21 of April 21, 2004 promulgating Act no26-03 relating to public offers on the Moroccan stock market, amended and supplemented by Act 46-06;
- Act 43-12 relating to the Moroccan Capital Market Authority;
- Act 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings.

Tax system

- Corporate income tax at the standard rate, 30% at the end of 2015 and 31% from 2016 (by exception, the export of goods and services is subject to corporate income tax at the reduced rate of 17.5%);
- Value added tax: 20% on sales of services;
- Business tax: 30%.

Source: Managem

II.2. Brief overview of Managem's activity

The Group Managem was created in 1928 and currently operates in three business segments: research, exploitation and valorization.

Managem's historical business consists of prospecting, extracting, developing and marketing various minerals, namely base metals (copper, zinc, lead), precious metals (gold and silver), special metals (cobalt cathode, nickel, etc.) from the hydro-metallurgical activity, and finally useful substances (fluorite).

a. Production

The table below lists Managem's various activities as of June 30, 2022:

Company	Site	Starting Date	Substance	Mined deposits	31/12/2020 production	31/12/2021 production	30/06/2022 production
AGM	Akka	2007	Copper	Tazalakht and Agoujgal	40 676 t concentrate	39 458 t concentrate	20 320 t concentrate
CMG	Hajjar	1992	Zinc, copper and lead	Hajjar	60 003 t zinc concentrate, 8 700 t copper concentrate, 13 882 t lead concentrate	52 706 t zinc concentrate, 8 471 t copper concentrate, 12 574 t lead concentrate	25 501 t zinc concentrate, 5 148 t copper concentrate, 5 701 t lead concentrate
					Draâ Sfar	2004	Draâ Sfar
	Tighardine	2007		Tighardine			
	Guemassa	2002		Zinc oxide	Riche	7 791 t	2 237 t
CMO	Oumejrane	2014	Copper	Bounhass, Rich Merzoug, Afilou N'khoul, Oumejrane Nord, Boukerzia	16 110 t concentrate	17 324 t concentrate	9 238 t concentrate
CTT	Bou-Azzer	1930	Cobalt	Bou-Azzer	2 416 t Cobalt	1 796 t Cobalt	736 t Cobalt
	Guemassa	1996	Sulfuric Acid	ND	55 115 t	55 115 t	51 518 t
	Guemassa	1999	Arsenic	ND	7 694 t	6 883 t	2 298 t
	Guemassa	2013	Gold	ND	143 kg	147 kg	87 kg
	Guemassa	2013	Iron Oxide	ND	65 382 t	48 933 t	54 094 t
	Guemassa	2006	Nickel derivative	ND	142 t	147 t	83 t
Guemassa	2002	Zinc Oxide	ND	4 791 t	2 237 t	0 t	
SAMINE	El Hammam	1974*	Fluorine	El Hammam	39 847 t concentrate	34 945 t concentrate	0 t concentrate
SMI	Imiter	1969	Silver	Imiter	143 t silver metal	147 t silver metal	59 t silver metal
SOMIFER	Bleida	2013	Copper	Jbel Laâssal	42 114 t concentrate	44 760 t concentrate	21 970 t concentrate
REG**	Bakoudou (Gabon)	2012	Gold	Bakoudou	0 kg	0 kg	0 kg
Manub	Soudan	2013	Gold	Block 15 – Gabgaba	1 688 kg	1 332 kg	925 kg
TRIK-K	Guinée	2021	Gold		0 kg	3 422 kg	3 913 kg

Source: Managem

(*) Starting date of production

(**) The mine has been inactive since 2017

b. Sales

The breakdown of sales by type of concentrate and the related metal prices for the three previous years are as follows¹:

	Unit	2019	2020	2021	Var 20/19	Var 21/20
Consolidated Revenue	MMAD	4 553	4 726	7 423	3.8%	57.1%
<i>Average parity of sales*</i>	<i>\$/MAD</i>	9.62	9.44	9.0	-1.9%	-4.7%
Zinc						
Revenue	MMAD	320	323	458	0.9%	41.8%
Quantity	(t)	63 419	60 525	52 510	-4.6%	-13.2%
Price	(\$/t)	2 459	2 358	3 038	-4.1%	28.8%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>7.03%</i>	<i>6.8%</i>	<i>6.17%</i>	<i>-19 bps</i>	<i>-66 bps</i>
Lead						
Revenue	MMAD	109	158	141	45%	-10.8%
Quantity	(t)	9 688	15 584	12 478	60.9%	-19.9%
Price	(\$/t)	2 026	1 811	2 259	-10.6%	24.7%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>2.4%</i>	<i>3.3%</i>	<i>1.9%</i>	<i>95 bps</i>	<i>-140 bps</i>
Group copper						
Revenue	MMAD	940	1 243	1 575	32.2%	26.7%
Quantity	(t)	100 453	111 180	109 851	10.7%	-1.2%
Price	(\$/t)	6 002	6 341	9 140	5.6%	44.1%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>20.6%</i>	<i>26.3%</i>	<i>21.22%</i>	<i>566 bps</i>	<i>-508 bps</i>
Fluorine**						
Revenue	MMAD	234	124	95	-47.0%	-23.4%
Quantity	(t)	51 348	39 531	35 602	-23.0%	-9.9%
Price	(\$/t)	471	330	304	-29.9%	-7.9%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>5.1%</i>	<i>2.6%</i>	<i>1.28%</i>	<i>-252 bps</i>	<i>-132 bps</i>
SMI silver						
Revenue	MMAD	840	837	683	-0.4%	-18.4%
Quantity	(Kg)	174 421	139 708	116 260	-19.9%	-16.8%
Price	(\$/Oz)	16.08	20	20.87	24.8%	4.0%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>18.4%</i>	<i>17.7%</i>	<i>9.2%</i>	<i>-74 bps</i>	<i>-515 bps</i>
Group gold						
Revenue	MMAD	910	861	2 366	-5.4%	174.8%
Quantity	(Kg)	2 077	1 763	4 585	-15.1%	160.1%
Price	(\$/Oz)	1 422	1 776	1 779	21.9%	3.0%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>20%</i>	<i>18.2%</i>	<i>31.87%</i>	<i>-177 bps</i>	<i>-467 bps</i>
cobalt cathodes***						
Revenue	MMAD	730	766	820	4.9%	7.0%
Quantity	(kg)	2 262 183	2 397 058	1 835 401	6.0%	-23.4%
Price	(\$/Lb)	17	15	22	-15.0%	46.7%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>16%</i>	<i>16.2%</i>	<i>11.05%</i>	<i>18 bps</i>	<i>-515 bps</i>
Hydrometallurgical products						
Revenue	MMAD	239	188	122	-21.3%	-35.1%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>5.2%</i>	<i>4.0%</i>	<i>1.64%</i>	<i>-127 bps</i>	<i>-236 bps</i>
Services and other products						
Revenue	MMAD	231	225	282	-2.6%	25.3%
<i>Revenue Contribution</i>	<i>(%)</i>	<i>5.1%</i>	<i>4.8%</i>	<i>3.8%</i>	<i>-31 bps</i>	<i>-100 bps</i>

¹ The product "Quantity * Price" is not equal to the revenue per metal. This situation is explained by sales formulas that include components such as treatment charges for metal concentrates, etc.

II.3. Shareholding structure

As of December 31, 2022, Managem's shareholding structure is as follows:

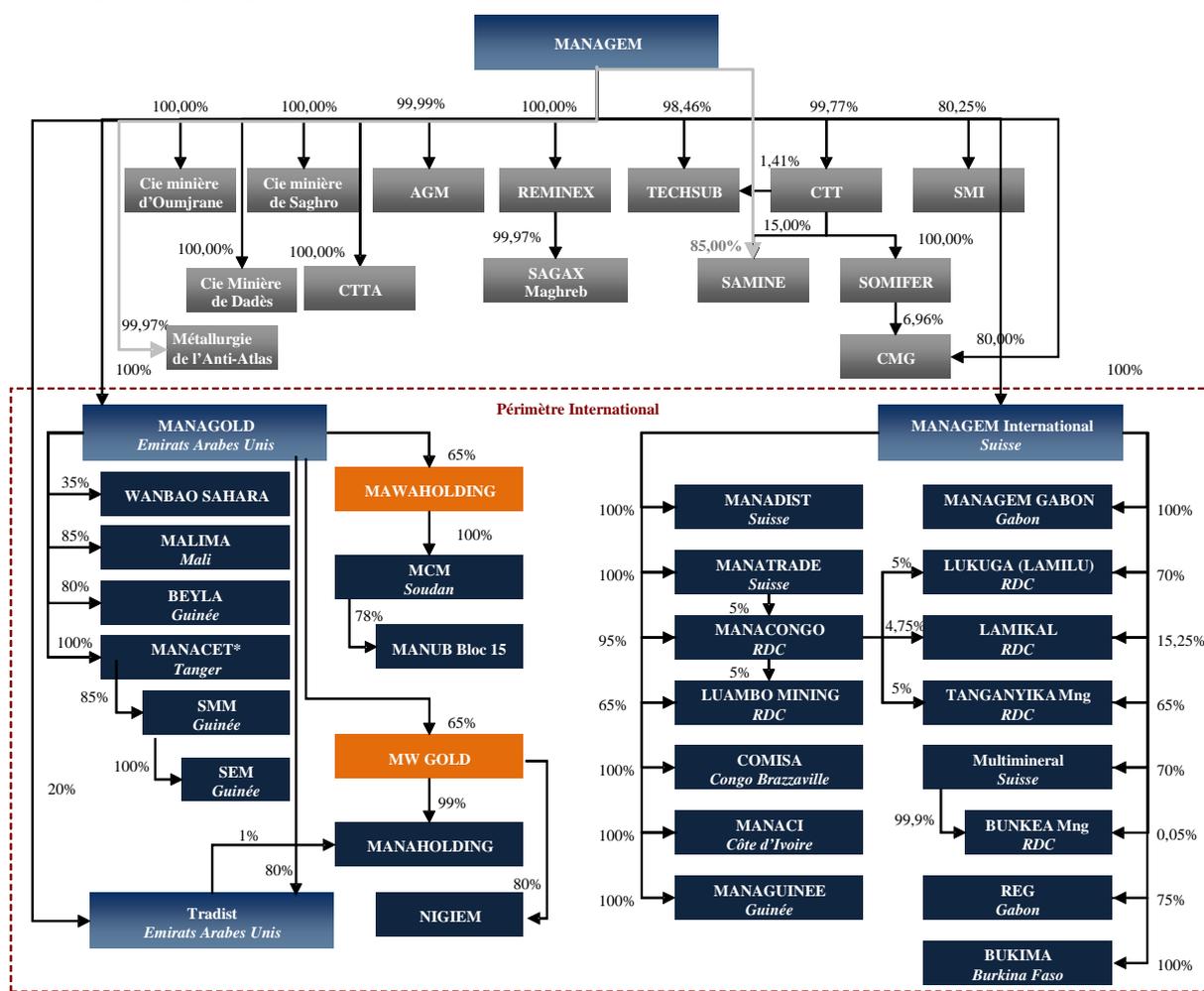
Shareholders	Number of shares and voting rights	Capital and voting rights %
Al Mada	7 150 648	71.6%
CIMR	868 565	8.7%
DAN Maroc	492 500	4.9%
S.F.G.P (SOCIETE FINANCIERE DE GESTION ET DE PLACEMENT)	492 500	4.9%
Various shareholders - float	987 095	9.9%
Total	9 991 308	100.00%

Source: Managem

II.4. Legal organization chart

Managem has both domestic and international subsidiaries. The structure of the Group as of June 30, 2022 is as follows:

Managem's legal organization chart as of June 30, 2022

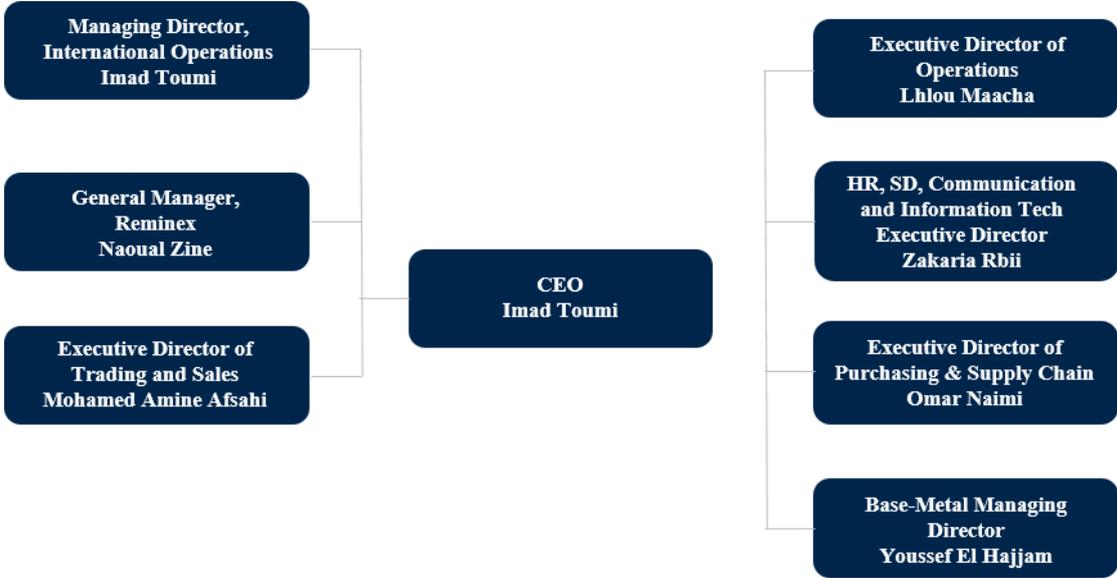


Source: Managem

* Manacet is the result of a JV with the company Avocet. Managem wanted to position itself in the international zone of Tangier, which encourages foreign investment.

As of June 30, 2022, Managem's functional organization chart was as follows:

Managem's functional organization chart



Source: Managem

III. FINANCIAL DATA

III.1. Annual accounts

Balance sheet

The following table shows the changes in Managem's balance sheet aggregates over the period 2019-2021:

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
ASSETS					
Fixed assets	3 038	3 228	3 308	6.3%	2.5%
Non-valued fixed assets	9	5	2	-49.1%	-48.0%
Preliminary fees	8	4	-	-56.3%	-100.0%
Expenses to be spread over several fy	1	1	2	0.0%	>100.0%
Intangible fixed assets	112	114	71	2.2%	-37.9%
Fixed assets in research and development	-	5	2	NA	-50.0%
Patents, trademarks, rights and similar values	6	2	3	-71.2%	59.8%
Other intangible assets	105	108	66	2.1%	-39.0%
Property, plant and equipment	76	74	70	-3.1%	-5.0%
Land	13	13	13	0.0%	0.0%
Constructions	54	50	47	-6.2%	-6.6%
Technical installations, equipment and tools	3	3	2	-16.1%	-19.2%
Transport equipment	0	-	1	-100.0%	NA
Furniture, office equipment and miscellaneous fittings	4	4	6	-13.6%	53.7%
Property, plant and equipment in progress	2	4	1	95.8%	-67.2%
Financial fixed assets	2 840	3 036	3 164	6.9%	4.2%
Fixed loans	-	393	296	NA	-24.7%
Other financial receivables	0	0	0	>100.0%	-85.7%
Equity investments	2 840	2 642	2 868	-7.0%	8.5%
Translation adjustments - Assets	-	-	-	NA	NA
Decrease in fixed assets	-	-	-	NA	NA
Increase in financial debt	-	-	-	NA	NA
Current assets (excluding PST)	2 719	3 289	3 393	21.0%	3.1%
Stocks	-	-	-	NA	NA
Goods	-	-	-	NA	NA
Consumable materials and supplies	-	-	-	NA	NA
Products in progress	-	-	-	NA	NA
Intermediate and residual products	-	-	-	NA	NA
Finished products	-	-	-	NA	NA
Receivables from current assets	2 717	3 229	3 357	18.8%	4.0%
Accounts payable, advances and down payments	29	29	29	0.0%	0.0%
Trade receivables and related accounts	236	288	499	21.9%	73.4%
Staff	0	0	0	-12.6%	-29.9%
State	136	78	107	-42.8%	38.4%
Associate Accounts	2 312	2 771	2 718	19.9%	-1.9%
Other receivables	0	0	-	0.0%	-100.0%
Accrued income and prepaid expenses	4	62	3	>100.0%	-95.6%
Translation adjustments - assets (current items)	2	61	36	>100.0%	-41.3%
Cash - Assets (including PST)	0	181	18	>100.0%	-90.2%
Cheques and securities to be cashed	-	-	-	NA	NA
Banks, TG and CCP	-	181	18	NA	-90.3%
Cash, imprest accounts and letters of credit	0	0	0	>100.0%	-47.6%
Securities and investment securities	-	-	-	NA	NA
Total ASSETS	5 757	6 698	6 718	16.4%	0.3%

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
LIABILITIES					
Permanent funding	3 502	3 423	5 389	-2.3%	57.4%
Shareholders' equity	2 382	2 124	2 742	-10.8%	29.1%
Capital stock	999	999	999	0.0%	0.0%
Issue, merger and contribution premiums	1 684	1 684	1 684	0.0%	0.0%
Legal reserve	100	100	100	0.0%	0.0%
Other reserves	300	300	300	0.0%	0.0%
Carry forward	77	-702	-960	<-100%	-36.7%
Net income for the fy	-779	-258	618	66.9%	>100.0%
Similar shareholders' equity	-	-	-	NA	NA
Investment grant	-	-	-	NA	NA
Provisions for accelerated depreciation	-	-	-	NA	NA
Financing debts	1 120	1 293	2 646	15.4%	>100.0%
Investment grant	-	-	1 500	NA	NA
Provisions for accelerated depreciation	1 120	1 293	1 146	15.4%	-11.3%
Long-term provisions for liabilities and charges	-	6	-	NA	-100.0%
Provisions for risks	-	6	-	NA	-100.0%
Provisions for charges	-	-	-	NA	NA
Currency translation adjustment - Liabilities	-	-	-	NA	NA
Increase in fixed assets	-	-	-	NA	NA
Decrease in financial debt	-	-	-	NA	NA
Current liabilities	158	856	1 083	>100.0%	26.6%
Trade payables and related accounts	28	44	43	55.4%	-3.4%
Accounts payable, advances and down-payments	-	-	-	NA	NA
Staff	13	13	14	-2.2%	13.3%
Social Organizations	10	10	12	-2.8%	20.4%
State	6	13	9	>100.0%	-33.4%
Associate Accounts	70	726	981	>100.0%	35.0%
Other creditors	-	-	-	NA	NA
Accruals and deferred income	31	50	25	61.3%	-50.4%
Other provisions for liabilities and charges	2	61	36	>100.0%	-41.3%
Translation adjustments - liabilities (current items)	1	3	10	>100.0%	>100.0%
Cash - Liabilities	2 094	2 356	201	12.5%	-91.5%
Discount Credits	-	-	-	NA	NA
Cash credits	-	-	200	NA	NA
Banks (credit balances)	2 094	2 356	1	12.5%	-100.0%
Total LIABILITIES	5 757	6 698	6 718	16.4%	0.3%

Source: Managem

Statement of management balances (Corporate Accounts)

The following table shows changes in the main aggregates of Management's management balances over the period 2019-2021:

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
Sale of goods and services produced	200	229	294	14.1%	28.2%
Turnover	200	229	294	14.1%	28.2%
Fixed assets produced by the company for itself	12	14	3	15.5%	-78.1%
Change in product inventories	-	-	-	NA	NA
Production (1)	212	243	297	14.8%	22.1%
Consumed purchases of materials and supplies	51	27	25	-46.1%	-9.9%
Other external expenses	52	59	60	12.2%	1.3%
Expenditure for the fiscal year (2)	103	86	84	-16.4%	-2.3%
added value (1) - (2)	109	157	213	44.3%	35.4%
<i>Added value rate</i>	<i>54.5%</i>	<i>68.6%</i>	<i>72.4%</i>	<i>0 bps</i>	<i>0 bps</i>
Operating Grants	-	-	-	NA	NA
Taxes and duties	2	1	9	-75.8%	>100.0%
Personnel expenses	74	67	86	-8.8%	28.7%
Gross Operating Surplus	33	89	117	>100.0%	31.1%
<i>Gross operating margin</i>	<i>16.4%</i>	<i>39.0%</i>	<i>39.9%</i>	<i>>100.0%</i>	<i>0 bps</i>
Other operating income	9	9	0	3.8%	-96.8%
Recovery of operations, transfer of charges	-	-	-	NA	NA
Other operating expenses	1	1	2	0.0%	>100.0%
Operating allocations	25	22	53	-11.6%	>100.0%
Operating income	16	75	62	>100.0%	-17.4%
<i>Operating margin</i>	<i>7.9%</i>	<i>33.0%</i>	<i>21.2%</i>	<i>>100.0%</i>	<i>0 bps</i>
Financial Products	108	150	507	39.5%	>100.0%
Income from equity interests and other long-term securities	2	5	66	>100.0%	>100.0%
Foreign exchange gains	0	1	2	>100.0%	>100.0%
Interest and other financial income	105	143	152	36.5%	6.6%
Financial withdrawals, transfer of charges	1	2	286	>100.0%	>100.0%
Financial expenses	399	605	190	51.8%	-68.6%
Interest expenses	127	142	144	12.0%	1.3%
Foreign exchange losses	0	5	11	>100.0%	>100.0%
Other financial expenses	-	-	-	NA	NA
Financial allocations	272	459	36	68.7%	-92.3%
Financial income	-291	-455	317	-56.3%	>100.0%
Current income	-275	-380	379	-37.8%	>100.0%
Non-current revenue	-	166	275	NA	65.3%
Proceeds from disposal of fixed assets	-	0	5	NA	>100.0%
Other non-current income	-	-	-	NA	NA
Non-current take-backs, expense transfers	-	166	270	NA	62.1%
Non-current expenses	502	43	33	-91.5%	-21.8%
Net book value of fixed assets sold	-	-	5	NA	NA
Grants awarded	-	-	-	NA	NA
Other non-current expenses	-	1	1	NA	-11.0%
Non-current allocations	502	41	27	-91.7%	-35.0%
Non-current income	-502	124	242	>100.0%	95.4%
Pre-tax income	-777	-256	621	67.1%	>100.0%
Income Taxes	2	2	2	23.2%	16.0%
Net income	-779	-258	619	66.9%	>100.0%
<i>Net Margin</i>	<i>-390.2%</i>	<i>-112.7%</i>	<i>210.8%</i>	<i>27 753 bps</i>	<i>32 342 bps</i>

Source: Managem

Consolidated balance sheet

The table below shows changes in the Managem Group's consolidated balance sheet between 2019 and 2021:

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
ASSETS					
Goodwill	305	305	305	0.0%	0.0%
Intangible fixed assets	2 162	2 219	2 365	2.6%	6.6%
Property, plant and equipment	4 920	5 786	6 701	17.6%	15.8%
Fixed assets with right of use	294	290	251	-1.2%	-13.6%
Investment properties	9	9	9	0.0%	0.0%
Investments in associates	140	120	195	-14.1%	61.5%
Other financial assets	291	313	318	7.6%	1.7%
<i>Hedging derivative instruments</i>	15	-	-	-100.0%	NA
<i>Loans and receivables</i>	15	54	57	>100.0%	5.0%
<i>Available-for-sale financial assets</i>	261	259	262	-0.7%	0.9%
Deferred tax assets	194	231	129	19.4%	-44.4%
Non-current assets	8 316	9 274	10 272	11.5%	10.8%
other financial assets	-	2	-	NA	-100.0%
<i>of which hedging derivatives</i>	-	2	-	NA	-100.0%
Inventories and ongoing	927	868	1 131	-6.4%	30.4%
Trade receivables	1 081	977	2 227	-9.6%	>100.0%
Other current receivables	1 289	1 623	1 536	25.9%	-5.3%
Cash and equivalents	838	918	1 727	9.5%	88.1%
Current assets	4 135	4 388	6 622	6.1%	50.9%
Total assets	12 450	13 662	16 894	9.7%	23.7%

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
LIABILITIES					
Shares	999	999	999	0.0%	0.0%
Issue and merger premiums	1 657	1 657	1 657	0.0%	0.0%
Reserves	2 083	1 265	2 117	-39.3%	67.4%
Currency translation differences	159	69	154	-56.5%	>100.0%
Net profit attributable to equity holders of the group	-427	225	862	>100.0%	>100.0%
Shareholders' equity - group share	4 471	4 215	5 789	-5.7%	37.4%
Minority interests	395	280	455	-29.2%	62.6%
Consolidated shareholders' equity	4 866	4 495	6 244	-7.6%	38.9%
Provisions	88	115	161	31.3%	39.5%
Pension liabilities	231	259	298	12.3%	15.3%
Non-current financial debts	2 590	3 444	5 426	33.0%	57.5%
<i>of which derivative financial instruments</i>	-	450	205	NA	-54.4%
<i>of which due to credit institutions</i>	1 326	1 835	2 588	38.5%	41.0%
<i>of which debt securities</i>	1 120	1 000	2 500	-10.7%	>100.0%
<i>of which debts related to finance leases</i>	-	-	-	NA	NA
<i>Of which Payables related to right-of-use contracts</i>	145	159	133	10.0%	-16.5%
Deferred tax liabilities	32	33	32	3.8%	-2.8%
Other non-current credits	1	0	0	-71.8%	-24.1%
Non-current liabilities	2 942	3 852	5 918	30.9%	53.6%
Current financial debts	2 703	3 213	543	18.9%	-83.1%
<i>of which derivative financial instruments</i>	10	3	10	-67.3%	>100.0%
<i>of which due to credit institutions</i>	2 693	3 210	533	19.2%	-83.4%
Current trade payables	902	797	1 328	-11.6%	66.5%
Other current creditors	1 037	1 305	2 862	25.8%	>100.0%
Non-current liabilities	4 642	5 316	4 732	14.5%	-11.0%
Total liabilities	12 450	13 662	16 894	9.7%	23.7%

Source: Managem

* The item "Investments in associates" corresponds to the valuation of the residual interest in Lamikal, recorded at fair value.

Consolidated income statement

The table below shows changes in the Managem Group's consolidated income statement aggregates over the period 2019 – 2021:

In MMAD	2019	2020	2021	Var. 20/19	Var. 21/20
Turnover	4 553	4 726	7 423	3.8%	57.1%
Other income from operations	89	-8	210	<-100%	>100.0%
Revenue from ordinary activities	4 642	4 718	7 633	1.6%	61.8%
Purchases, net of changes in inventories	2 352	1 967	3 254	-16.3%	65.4%
Gross Margin	2 291	2 750	4 379	20.1%	59.2%
<i>(Gross Margin/ Turnover)</i>	<i>50.3%</i>	<i>58.2%</i>	<i>59.0%</i>	<i>789 bps</i>	<i>79 bps</i>
Other external expenses	-1 037	-1 134	-1 875	-9.4%	-65.3%
Staff costs	-1 108	-1 084	-1 139	2.1%	-5.0%
Tax and duties	-63	-47	-79	24.8%	-67.9%
Depreciation, amortization and provisions	-1 103	-1 125	-1 453	-2.0%	-29.1%
Other net operating (income) expenses	1 086	1 163	1 485	7.1%	27.7%
Current operating income	66	522	1 318	>100.0%	>100.0%
Disposal of assets	0	1	1	>100.0%	-22.7%
Disposals of subsidiaries and affiliates	0	0	0	NA	NA
Negative goodwill	0	0	0	NA	NA
Results on financial instruments	-5	-4	9	22.4%	>100.0%
Other non-current operating income and expenses	-405	-76	-68	81.3%	10.4%
Income from operating activities	-345	444	1 260	>100.0%	>100.0%
<i>operational margin</i>	<i>-7.6%</i>	<i>9.4%</i>	<i>17.0%</i>	<i>1 696 bps</i>	<i>759 bps</i>

Income from interest	18	56	40	>100.0%	-29.3%
Expenses from interest	-183	-239	-313	-30.6%	-31.0%
Net financial debt cost	-165	-183	-273	-10.7%	-49.5%
Other financial income and expenses	53	41	25	-22.7%	-40.1%
Financial income	-112	-142	-249	-26.6%	-75.4%
Pre-tax income of consolidated companies	-457	302	1 012	>100.0%	>100.0%
<i>Pre-tax margin</i>	<i>-10.0%</i>	<i>6.4%</i>	<i>13.6%</i>	<i>1 642 bps</i>	<i>724 bps</i>
Income taxes	-59	-46	-80	21.9%	-73.0%
Deferred Taxes	126	4	-72	-97.1%	<-100%
Net income for the consolidated group	-	259.6	859.2	Ns	>100.0%
Share in results of companies accounted for by the equity method	-	-10.6	67.0	Ns	>100.0%
Net income from continuing operations	-390	249	926.2	>100.0%	>100.0%
<i>Net Margin</i>	<i>-8.6%</i>	<i>5.3%</i>	<i>12.5%</i>	<i>1 383 bps</i>	<i>721 bps</i>
Minority interests	37	24	65	-34.8%	>100.0%
Net income - Group share	-427	225	862	>100.0%	>100.0%
Earnings per share (EPS)	-43	23	86	>100.0%	>100.0%

Source: Managem

III.2. Half-yearly financial statements

Balance sheet

The following table shows changes in Managem's balance sheet aggregates over the period 2021-June 2022:

In MMAD	31/12/2021	June-22	Var. %
ASSETS			
Fixed assets	3 307.6	4 203.8	27.1%
Non-valued fixed assets	2.5	2.8	13.9%
Preliminary fees	-	-	NA
Expenses to be spread over several fy	2.5	2.8	13.9%
Intangible fixed assets	70.9	32.8	-53.7%
Fixed assets in research and development	2.4	1.2	-50.0%
Patents, trademarks, rights and similar values	2.9	5.2	80.7%
Other intangible assets	65.6	26.4	-59.8%
Property, plant and equipment	70.1	67.8	-3.3%
Land	12.8	12.8	0.0%
Constructions	47.0	45.4	-3.5%
Technical installations, equipment and tools	2.2	2.0	-11.9%
Transport equipment	1.1	0.9	-14.3%
Furniture, office equipment and miscellaneous fittings	5.5	4.2	-24.0%
Property, plant and equipment in progress	1.4	2.5	75.0%
Financial fixed assets	3 164.1	4 100.4	29.6%
Fixed loans	296.2	297.5	0.4%
Other financial receivables	0.0	0.0	0.0%
Equity investments	2 867.9	3 802.9	32.6%
Translation adjustments - Assets	0.0	0.0	NA
Decrease in fixed assets	-	-	NA
Increase in financial debt	-	-	NA
Current assets (excluding PST)	3 392.6	4 539.2	37.2%
Stocks	0.0	0.0	NA
Goods	-	-	NA
Consumable materials and supplies	-	-	NA
Products in progress	-	-	NA
Intermediate and residual products	-	-	NA
Finished products	-	-	NA
Receivables from current assets	3 357.0	4 527.1	34.9%
Accounts payable, advances and down payments	29.2	29.2	0.0%
Trade receivables and related accounts	499.2	437.1	-12.4%
Staff	0.3	0.8	>100%
State	107.3	118.7	10.6%
Associate Accounts	2 718.2	3 154.0	16.0%
Other receivables	-	783.8	NA
Accrued income and prepaid expenses	2.8	3.6	30.9%
Translation adjustments - assets (current items)	35.6	12.0	-66.1%
Cash - Assets (including PST)	17.7	2.6	-85.3%
Cheques and securities to be cashed	-	-	NA
Banks, TG and CCP	17.6	2.3	-86.9%
Cash, imprest accounts and letters of credit	0.1	0.3	>100%
Securities and investment securities	-	-	NA
Total ASSETS	6 717.9	8 745.7	30.2%

Source: Managem

In MMAD	31/12/2021	June-22	Var, %
LIABILITIES			
Permanent funding	5 388.6	6 437.9	19.5%
Shareholders' equity	2 742.3	3 364.7	22.7%
<i>in % of total balance sheet</i>	<i>34.0%</i>	<i>38.5%</i>	<i>4.5 pts</i>
Capital stock	999.1	999.1	0%
Issue, merger and contribution premiums	1 684.1	1 684.1	0%
Legal reserve	99.9	99.9	0%
Other reserves	300.5	100.6	-66.5%
Carry forward	-959.6	-341.4	-64.4%
Net income for the fy	618.3	822.3	33.0%
Similar shareholders' equity	-	-	NA
Investment grant	-	-	NA
Provisions for accelerated depreciation	-	-	NA
Financing debts	2 646.3	3 073.2	16.1%
Investment grant	1 500.0	2 000.0	33.3%
Provisions for accelerated depreciation	1 146.3	1 073.2	-6%
Long-term provisions for liabilities and charges	-	-	NA
Provisions for risks	-	-	NA
Provisions for charges	-	-	NA
Currency translation adjustment - Liabilities	-	-	NA
Increase in fixed assets	-	-	NA
Decrease in financial debt	-	-	NA
Current liabilities	1 083.2	2 123.3	96.0%
<i>in % of total balance sheet</i>	<i>14.5%</i>	<i>24.3%</i>	<i>-9.8 pts</i>
Trade payables and related accounts	42.5	43.8	3.0%
Accounts payable, advances and down-payments	-	-	NA
Staff	14.5	15.6	7.6%
Social Organizations	11.7	12.2	4.3%
State	8.6	28.1	>100%
Associate Accounts	981.1	1,044.1	6.4%
Other creditors	-	935.0	NA
Accruals and deferred income	24.8	44.5	79.7%
Other provisions for liabilities and charges	35.6	12.0	-66.1%
Translation adjustments - liabilities (current items)	9.6	100.2	>100%
Cash - Liabilities	201.0	72.2	-64.1%
Discount Credits	-	-	NA
Cash credits	-	-	NA
Banks (credit balances)	201.0	72.2	-64.1%
Total LIABILITIES	6 717.9	8 745.7	30.2%

Source: Managem

Statement of management balances (Corporate Accounts)

The following table shows changes in the main aggregates of Managem's management balances over the period from June 2021 to June 2022:

In MMAD	June-21	June-22	Var. %
Sale of goods and services produced	117.7	184.7	56.9%
Turnover	117.7	184.7	56.9%
Fixed assets produced by the company for itself	0.0	0.8	NA
Change in product inventories	-	-	NA
Production (1)	117.7	185.4	57.6%
Consumed purchases of materials and supplies	8.6	12.5	45.4%
Other external expenses	25.5	38.0	48.9%
Expenditure for the fiscal year (2)	34.1	50.6	48.4%
added value (1) - (2)	83.6	134.9	61.4%
<i>Added value rate</i>	<i>71.0%</i>	<i>73.0%</i>	<i>68 pts</i>
Operating Grants	-	-	NA
Taxes and duties	0.5	8.8	>100%
Personnel expenses	33.0	43.7	32.2%
Gross Operating Surplus	50.0	82.3	64.6%
<i>Gross operating margin</i>	<i>42.5%</i>	<i>44.6%</i>	<i>2 pts</i>
Other operating income	-	2.4	NA
Recovery of operations, transfer of charges	-	8.6	NA
Other operating expenses	2.0	1.6	-18.0%
Operating allocations	20.6	45.4	>100%
Operating income	27.4	46.3	68.8%
<i>Operating margin</i>	<i>23.3%</i>	<i>25.1%</i>	<i>-2 pts</i>
Financial Products	205.1	910.2	>100%
Income from equity interests and other long-term securities	66.0	783.8	>100%
Foreign exchange gains	2.3	15.7	>100%
Interest and other financial income	76.1	75.1	-1.4%
Financial withdrawals, transfer of charges	60.6	35.6	-41.3%
Financial expenses	152.1	226.9	49.2%
Interest expenses	73.5	64.9	-11.6%
Foreign exchange losses	10.6	0.0	NA
Other financial expenses	-	-	NA
Financial allocations	68.0	162.0	>100%
Financial income	52.9	683.2	>100%
Current income	80.4	729.4	-9.3%
Non-current revenue	6.1	134.0	>100%
Proceeds from disposal of fixed assets	-	-	NA
Other non-current income	-	-	NA
Non-current take-backs, expense transfers	6.1	134.0	>100%
Non-current expenses	0.4	36.5	>100%
Net book value of fixed assets sold	-	-	NA
Grants awarded	-	-	NA
Other non-current expenses	0.4	13.4	>100%
Non-current allocations	-	23.1	NA
Non-current income	5.7	97.5	>100%
Pre-tax income	86.1	826.9	>100%
Income Taxes	1.3	4.6	>100%
Net income	84.8	822.3	>100%
<i>Net margin</i>	<i>72.0%</i>	<i>44.5.3%</i>	<i>+373.3 pts</i>

Source: Managem

Consolidated balance sheet

The table below shows changes in the Managem Group's consolidated balance sheet between 2021 and June 2022:

In MMAD	31/12/2021	June-22	Var. %
ASSETS			
Goodwill	305.4	305.4	0.0%
Intangible fixed assets	2 365.2	2 450.5	3.6%
Tangible fixed assets	6 700.5	6 924.5	3.3%
Fixed assets in right of use	250.7	259.2	3.4%
Investment properties	8.9	8.9	0.0%
Investments in associates*	194.5	458.5	>100%
Other financial assets	318.2	325.4	2.3%
<i>Hedging derivative instruments</i>	-	-	NA
<i>Loans and receivables</i>	56.5	61.2	8.3%
<i>Available-for-sale financial assets</i>	261.7	264.3	1.0%
Deferred tax assets	128.6	45.3	-64.8%
Non-current assets	10 272.0	10 777.6	4.9%
Other financial assets	-	77.2	NA
<i>of which hedging derivatives</i>	-	77.2	NA
Inventories and work in progress	1 131.3	1 510.5	33.5%
Trade receivables	2 227.1	1 968.9	-12%
Other current receivables	1 536.4	1 986.2	29.3%
Cash and cash equivalents	1 726.9	2 327.7	34.8%
Current Assets	6 621.7	7 870.6	18.9%
Total Assets	16 893.7	18 648.1	10.3%

In MMAD	31/12/2021	June-22	Var. %
LIABILITIES			
Shares	999.1	999.1	0.0%
Issue and merger premiums	1 657.3	1 657.3	0.0%
Reserves	2 117.1	2 804.7	32.5%
Currency translation differences	154.4	445.7	>100%
Net income (group share)	861.5	1 209.7	40.4%
Shareholders' equity - group share	5 789.3	7 116.5	22.9%
Minority interests	454.9	598.7	31.6%
Consolidated shareholders' equity	6 244.2	7 715.2	23.6%
Provisions	161.0	211.3	31%
Pension liabilities	298.3	312.5	4.8%
Non-current financial debts	5 425.8	5 930.4	9.3%
<i>of which derivative financial instruments</i>	205.1	204.8	-0.1%

<i>of which due to credit institutions</i>	2 588.1	2 578.0	-0.4%
<i>of which debt securities</i>	2 500.0	3 000.0	20.0%
<i>of which debts related to finance leases</i>	-	-	NA
<i>of which liabilities related to right-of-use contracts</i>	132.7	147.6	11.3%
Deferred tax liabilities	32.2	61.8	91.9%
Other non-current loans	0.3	0.3	-6.3%
Non-current liabilities	5 917.7	6 516.3	10.0%
Current financial debts	542.6	555.5	2.4%
<i>of which derivative financial instruments</i>	9.9	8.8	-11.2%
<i>of which due to credit institutions</i>	532.7	546.7	2.6%
Current trade payables	1 327.7	1 586.0	19.5%
Other current payables	2 861.6	2 274.9	-20.5%
Current liabilities	4 731.9	4 416.6	-6.7%
Total Liabilities and shareholders' equity	16 893.7	18 648.1	10.3%

Source: Managem

* The item "Investments in associates" corresponds to the valuation of the residual interest in Lamikal, recorded at fair value.

Consolidated income statement

The table below shows changes in the Managem Group's consolidated income statement aggregates over the period June 2021 - June 2022:

In MMAD	June-21	June-22	Var. %
Turnover	3 011,2	5 466,0	81,5%
Other income from operations	125,9	218,7	73,8%
Revenue from ordinary activities	3 137,1	5 684,7	81,2%
Purchases, net of changes in inventories	-1 707,0	-2 383,0	39,6%
Gross Margin	1 430,1	3 301,7	>100%
<i>(Gross Margin/ Turnover)</i>	<i>47,5%</i>	<i>60,4%</i>	<i>12,9 pts</i>
Other external expenses	-804,6	-1,157,1	43,8%
Staff costs	-561,9	-638,3	13,6%
Tax and duties	-42,8	-44,1	2,9%
Depreciation, amortization and provisions	-619,0	-864,1	39,6%
Other net operating (income) expenses	788,0	693,7	-12,0%
Current operating income	189,6	1 291,7	>100%
Disposal of assets	0,1	0,0	-100%
Disposals of subsidiaries and affiliates	0,2	0,0	-100%
Negative goodwill	0,0	0,0	NA
Results on financial instruments	3,1	-3,7	<100%
Other non-current operating income and expenses	-6,7	8,0	<100%
Income from operating activities	183,0	1 296,1	>100%
<i>operational margin</i>	<i>6,1%</i>	<i>23,7%</i>	<i>17,6 pts</i>
Income from interest	18,9	8,8	-53,3%
Expenses from interest	-140,3	-134,3	-4,3%
Net financial debt cost	-121,5	-125,5	3,3%
Other financial income and expenses	30,9	75,5	>100%
Financial income	-90,6	-50,0	-44,9%
Pre-tax income of consolidated companies	92,4	1 246,1	>100%
<i>Pre-tax margin</i>	<i>3,1%</i>	<i>22,8%</i>	<i>19,7 pts</i>
Income taxes	-34,3	-64,8	89,0%
Deferred Taxes	-21,6	-94,3	>100%
Net income for the consolidated group	36,5	1 087,0	>100%
Share in results of companies accounted for by the equity method	133,3	236,1	77,1%
Net income from continuing operations	169,8	1 323,1	>100%
<i>Net Margin</i>	<i>5,6%</i>	<i>24,2%</i>	<i>18,6 pts</i>
Minority interests	-15,0	113,4	<100%
Net income - Group share	184,8	1 209,7	>100%
No. of shares - Parent	9 991 308,0	9 991 308,0	
Earnings per share calculation	18,5	121,1	

Source: Managem

IV. RISKS

IV.1. Risks relating to Managem's activity

Given the nature of its activities, Managem Group is exposed to a certain number of risks, as detailed below:

RISKS RELATED TO VARIATIONS IN THE PRICE OF RAW MATERIALS

Due to Managem's activity, its sales are conditioned by prices set on international markets. Its sales may be significantly affected by fluctuations in raw material prices, whether upward or downward.

In order to limit the fluctuation risks related to changes in raw material prices, Managem may use hedging instruments for products that it markets and that are traded on organized markets. The hedging relationship corresponds to the hedging of future cash flows arising from future sales of raw materials (zinc, lead, copper, silver and gold) determined based on a production schedule. Derivative instruments are intended to hedge a forecast budget or future cash flows. It is a cash-flow hedge type relationship.

Managem's development plan takes this risk into account and has as its main objective the diversification of products sold, focusing on products with a very high resistance factor (precious metals) and products with very buoyant fundamentals over the medium and long term (copper, cobalt, zinc, etc.).

Managem's resilience to fluctuations in raw material prices should be noted, given the competitiveness of its cash costs. Indeed, the cash costs of Managem's various products are well positioned in relation to the competition.

HEDGED PRICE RISK

Given the nature of its activities, the Managem Group is highly exposed to fluctuations in the prices of the raw materials it sells at the exchange rates used in its sales.

The hedging policy aims to protect the Managem Group from price risks likely to have a significant impact on its profitability in the short and medium term.

In order to manage these market risks, the use of derivative financial instruments (commodities and foreign exchange) is permitted for the sole purpose of hedging.

Derivatives used by the Group are qualified as cash flow hedges or trading derivatives under IAS 39.

CURRENCY RISK

The Group's foreign exchange risk policy is designed to hedge highly probable foreign currency budgetary exposures and/or firm import and export commitments.

Future foreign currency exposures are determined as part of a regularly updated budget procedure. The current hedging horizon does not exceed one year at each balance sheet date.

Currency hedging instruments are intended to cover a forecast budget or future cash flows. It is a cash-flow hedge type relationship.

Most of Managem's export sales are denominated in dollars and, to a lesser extent, in euros. As a result, sales can be significantly affected by exchange rate fluctuations.

In order to limit foreign exchange risk, Managem uses currency hedging contracts. It should be noted that this risk could be mitigated by the existing negative correlation between the dollar and raw material prices.

RISKS RELATED TO RESOURCES AND RESERVES

Ore reserves are a fundamental element in the operation of a purely mining company. As a result, once reserves are exhausted, the mine is closed and the company's operations cease.

For Managem, this risk is mitigated by the fact that it has quality deposits with significant discovery potential, good exploration performance and low research costs. Indeed, Managem devotes a significant budget each year to exploration, both locally and internationally, in order to increase its current resources and to have several sources of ore supply, which limits this risk.

It should be noted that Managem's performance in terms of exploration (balance sheet of discoveries, quality of resources, etc.) is audited annually according to the Canadian standard "NI 43-101" by an international firm.

Furthermore, ore grade remains an important factor in the production level of a mining company. Managem's in-depth knowledge of the site, control of the production process and expertise in research and development are assets that enable it to contain the variation in average grades recorded annually within a stable range, or to smooth the average grade curve to be as close as possible to the forecast data established by the operating program for each mine.

TECHNICAL RISKS

Technical risks are inherent in any mining activity. To contain them, Managem has in-depth knowledge of deposits and facilities, control of the production process and in-depth expertise.

For new projects, Managem conducts pilot and laboratory tests as well as pre-production trials. This approach makes it possible to identify any problems that may arise during the start-up of operations and to make the necessary corrections to ensure the smooth running of the exploitation phase.

SAFETY AND ENVIRONMENTAL RISKS

Given the specific nature of the tasks involved in mining and hydrometallurgy, i.e. depths of up to several hundred meters and the handling of hazardous products, certain risks weigh on the operation and its employees.

To address these risks, Managem has developed several programs aimed at improving safety in mines and on production sites.

On the environmental front, Managem has set up programs to adapt its production tools and upgrade sites to bring them closer to international standards and anticipate local regulations. In this context, regular diagnostics are carried out and potential risks are examined, resulting in environmental indicators that are gradually improving.

REGULATORY RISKS

Certain incentives, including tax incentives, are granted to export-oriented mining companies. The benefits they receive may be revised or cancelled, affecting Managem's business and/or profitability.

Given the strategic nature of the mining sector and the revision of tax benefits introduced by the 2008 Finance Act, the risk of revision of these tax benefits remains limited.

RISKS RELATED TO FOREIGN ACTIVITIES

Given the developments envisaged internationally, Managem is exposed to risks related to local regulations and political instability in the countries where the Group operates. Nevertheless, this risk is mitigated to the extent that it is integrated into project profitability objectives. It is also mitigated by a strategy of geographic diversification.

SOCIAL RISKS

Social risks are managed by Management through a policy of listening and ongoing dialogue with employee representatives, the granting of benefits that meet employee needs and the involvement of all employees in the implementation of the Group's vision.

TAX RISKS

Tax risks are managed by the Management Group through a policy of exchange and permanent dialogue with the tax authorities of the countries in which it invests. Tax risks are anticipated through the preparation of detailed documentation, particularly on transfer pricing between Management and its subsidiaries, and through audit assignments and reviews of tax returns, which are carried out virtually every year.

Also, prior to any restructuring operation, requests for clarification of the inherent tax treatment are sent to the tax authorities concerned as part of a prior tax consultation "the tax rescript".

RISKS RELATED TO LICENSE RENEWALS

In order to avoid the risks associated with the non-renewal of permits, the Management Group strictly applies the administrative procedure in force that allows for the issuance of renewals. This procedure consists of:

- production of a report on previous work carried out on the permit requested for renewal and the expenses incurred;
- production of a report on the estimated work to be carried out and the budgets that will be mobilized in the context of the operation;
- the operating permits requested for renewal are subject to systematic regulatory investigations in the field to enable the Administration to assess the work carried out.

RISKS RELATED TO NATURAL DISASTERS

In order to protect itself against the damage that could be caused by a possible natural phenomenon such as flooding, Management carries out the following prior to any investment project:

- environmental impact studies;
- the implementation of safety plans consisting of the installation of fire networks, evacuation plans, alarms, etc.

Likewise, the Management Group protects itself against possible natural phenomena by taking out insurance policies that would cover possible material and inventory losses and compensation for production stoppages.

RISKS RELATED TO MANAGEMENT'S CUSTOMERS

The Management Group markets commodities including silver, gold, zinc, lead, copper and cobalt (recently listed) listed on international markets. As a result, the risk of losing a potential customer is virtually nil due to the presence of market makers. However, for certain niche or specialty products (Zinc Oxide and Fluorine), this risk is managed through approval processes and the expansion of the customer portfolio.

RISKS RELATED TO THE CURRENT HEALTH CRISIS

As of March 2020, the measures taken by the public authorities to combat the COVID-19 pandemic have had a limited impact on the company's activities (reduction in workforce due to lockdown).

In the context of the COVID 19 health crisis, Managem has mobilized strongly to protect the health and safety of all employees by implementing various health prevention actions.

In addition, the COVID 19 pandemic continues to generate great uncertainty in the global economy. With absolute respect for the health and safety of all employees and stakeholders, Managem has set up a business continuity plan (BCP) to deal with any additional costs associated with the health crisis.

IV.2. Risks relating to commercial paper

V. LIQUIDITY RISK

Subscribers to Managem's commercial paper may be subject to a liquidity risk in the secondary market for private debt. In fact, depending on market conditions (liquidity, evolution of the yield curve, etc.) the liquidity of these debt securities may be temporarily affected.

VI. INTEREST RATE RISK

The commercial paper program covered by this note is planned to be issued at a fixed rate. Thus, the value of the securities could vary upwards or downwards, depending on the evolution of the reference rate curve of the secondary market of Treasury bills published by Bank Al Maghrib.

RISK RELATING TO ADDITIONAL INDEBTEDNESS

The issuer may issue additional debt in the future that ranks equal to or higher than the commercial paper described in this document. Such issues would reduce the amount recoverable by the holders of these securities in the event of liquidation of the issuer.

DEFAULT RISK

The commercial paper covered by this note is an unsecured debt security. Accordingly, any investor is subject to the risk of non-repayment in the event of default by Managem.

Disclaimer

The above-mentioned information is only a part of the information package approved by the Moroccan Capital Market Authority (AMMC) under reference no. VI/EM/001/2023 on January 4, 2023.

The AMMC recommends reading the whole information package made available to the public in French.