

# ANNUAL REPORT

# 20 20



DECORATIVE

# COATING

ANTICORROSION  
**ETANCHEITE**  
ANTI-HUMIDITÉ

دهانات STOP INSECTES ENDUIT CARRELAGE

# INDUSTRIELLE

CAR REFINISH PEINTURE SIGNALISATION

ISO 9001

ISO 45001  
PEINTURE BÂTIMENT  
INDUSTRIELLE

# BÂTIMENT

PAINT-ALL

صبغات صناعية

WOOD COATING

PROTECTION SOL

PEINTURE ALIMENTAIRE

دیکور  
ECOLABEL  
ACRYLIQUE

# ECOLABEL

EPOXY FONCTIONNELLE  
ISO 14001 **DECORATIVE**

**ANTI RUST**

PEINTURE INNOVANTE COLOCLEAN

# AUTOMOTIVE REFINISH

## OUR COMPANY

Founded in 1962, COLORADO is a Moroccan industrial company specialized in the manufacturing and distribution of different types of paints such as: building paints, car bodywork paints, as well as industrial, ecological and functional paints.

COLORADO was very successful in meeting its objectives, mainly thanks to:

- A marketing strategy relying on innovation that is supported by a high-performance research and development laboratory;
- Highly trained teams;
- Products that have been certified by national and international laboratories;
- A proactive approach to ensuring Quality, Safety and protecting Environment resulted in certification: ISO 9001 (Quality), ISO 14001 (Environment) and ISO 45001 (Occupational Health and Safety).

## OUR VALUES

Armed with a clear and widely shared strategic vision, COLORADO has set out five core values that cement our relationship with our employees and strengthen our efforts.

The values of COLORADO as defined by our charter are as follows:

**Proactivity** : by being responsive and sensitive to our environment and through implementing anticipatory behaviors.

**Rigor** : By respecting all of our commitments internally and with regards to all shareholders (the State, customers, suppliers).

**Efficiency** : Through permanent determination to achieve results and objectives within the set time limits and under the defined conditions.

**Courage** : Through the decisions, actions and initiatives we take and accept in a responsible manner.

**Coherence** : With consistency and equity, we keep a watchful eye on the coherence of our actions, methods of operations and decision – making with respect to our commitments and objectives.

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## MESSAGE FROM THE CEO



The whole world experienced a tremendously difficult year in 2020 due to the Covid-19 pandemic, which is the biggest shock suffered by humanity in decades.

This unprecedented health crisis has had direct global health, social and economic repercussions and has rocked the world's strongest economies.

Like any other country, Morocco has been hurt by the effects of the Covid-19 pandemic crisis.

2020 is today behind us, it thus seems necessary to assess the consequences of this crisis on the activity of companies. But, it is also crucial to assess their level of resilience and the strength of their fundamentals in the face of this crisis.

COLORADO's management, while prioritizing the health of its employees, customers and partners, has worked to preserve the company's financial health, explore new business opportunities and maintain the dynamism and commitment of its teams.

These goals were largely fulfilled and allowed us to look to the future with much serenity.

*Abed Chagar*  
Chief Executive Officer



# LETTER TO SHAREHOLDERS



## **Ladies and Gentlemen, Dear shareholders,**

Although the paint industry in Morocco has been heavily impacted by this health crisis during the year 2020. COLORADO was able to limit the drop in its turnover to less than 8% and achieved a positive result representing almost half of the one recorded a year before.

As for the background of the sound fundamentals, it has been reinforced with a record surplus cash and a lower debt ratio.

These latter elements enabled the board of directors, who held a meeting in March 2021, to propose to the next general assembly an exceptional distribution of dividends close to the sum of the net results over the last two years.

This allows the company to reward the shareholders for their trust.

*Abed Chagar*  
Chief Executive Officer



# BOARD OF DIRECTORS AND AUDIT COMMITTEE

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## ■ THE BOARD OF DIRECTORS IS COMPOSED OF THE FOLLOWING MEMBERS:

- Mr. Soleiman BERRADA, the chairman of the Board of Directors ;
- Mr. Abed CHAGAR, Director - Chief Executive Officer;
- The company Colbert Finances SA, represented by its CEO Mr Soleiman BERRADA;
- Mrs. Josette DUCASTEL;
- Mrs. Sophia BERRADA;
- Mrs. Merièmè LOTFI, Administrator - Deputy Managing Director;
- Mr. Mohamed Jaouad BERRADA and
- Mr. Mohammed Amine BENHALIMA, Independent Director.

## ■ THE AUDIT COMMITTEE IS COMPOSED OF THE FOLLOWING MEMBERS :

- Mr. Mohammed Amine BENHALIMA, Chairman of the committee;
- Mrs. Sophia BERRADA, and
- Mr. Mohamed Jaouad BERRADA.



## EXECUTIVE COMMITTEE



**ABED CHAGAR**  
CEO



**MERIEME LOTFI**  
DEPUTY MANAGING DIRECTOR IN  
CHARGE OF THE SUPPORT DIVISION



**NAIMA EL BADRI**  
DEPUTY MANAGING DIRECTOR IN CHARGE  
OF THE INDUSTRIAL & TECHNICAL DIVISION



**MOHAMED AMIN ADAD**  
MARKETING AND PRESCRIPTION  
DIRECTOR



**IBRAHIM ARHZAF**  
PURCHASING DIRECTOR



**ANAS BENHIMA**  
BUILDING AND INDUSTRY DIRECTOR



**ALI BIDOULI**  
REGIONAL DIRECTOR



**ABOUDIHAJE LAZRAC**  
SALES DIRECTOR



**KHALED NOUITI**  
MAINTENANCE AND NEW WORKS  
DIRECTOR



**CHARLES ALBERT PAULOS**  
LABORATORY DIRECTOR



# KEY FIGURES







## KEY FIGURES

**462**

a turnover of MAD  
462 million

**17,5**

Net income (in million  
dirhams) in 2020

**304**

Employees

**10**

Products launched in  
2020

**2**

factories with 1200  
references

**17**

Showrooms and  
agencies

**42 500**

Tons of paints sold

**23**

Presence in 23  
countries

# HIGHLIGHTS



## JANUARY 2020

### RENEWAL OF THE COFACE CERTIFICATION WITH THE SCORE

« @ @ @ »



For the sixth year running, COLORADO was awarded the highest quality rating « @@@ » by COFACE (credit insurer). This quality mark confirms the reliability and solvency of the company towards its trading partners.

## JULY 2020

### RENEWAL OF ISO CERTIFICATIONS



COLORADO was able to successfully renew the certification of its quality management system (QMS) in accordance with the ISO 14001 V2015 international standards related to environmental management, the ISO 45001 V2018 standard related to security and health in the workplace as well as the renewal of certification in accordance with the ISO 9001 V2015 international standard for quality.

This triple certification reaffirms the COLORADO's commitment to a sustainable development approach.

It should be recalled that COLORADO is the only Moroccan painting company to be awarded triple certification.

## AUGUST 2020

### NEW LABORATORIES

Since innovation is a core concern for COLORADO, major renovation work were therefore undertaken in 2020 to set up new spaces dedicated to research and development.

The renovation aimed to :

- Completely refurbish the premises;
- Modernize the installations and equipment for improved productivity and
- Improve the user-friendliness and well-being of stakeholders (Visitors and employees).



## NOVEMBER 2020

### PARTNERSHIP BETWEEN COLORADO AND THE MOROCCAN STUDENT FOUNDATION (FME)



COLORADO has renewed its partnership to support the work of the foundation through the accompaniment and support of some scholarship recipients during their years of study.

This support takes different forms: coaching, mentoring, company visits... etc.

The CEO of COLORADO organized a webinar for scholarship recipients on the theme "The Moroccan company and Covid-19 pandemic". This was an opportunity to raise awareness among all participants on the preventive measures to be taken in the workplace.

## DECEMBER 2020

### RENEWAL OF THE "ECOLABEL" CERTIFICATION FOR THE WHOLE RANGE OF PRODUCTS

Thanks to its dynamic Research & Development strategy and the expertise of its teams, COLORADO has had an environmentally friendly range of products certified « ECOLABEL » for several years.

In 2020, COLORADO was able to successfully renew this certification for all the products of this range.

It is worth recalling that the « ECOLABEL » is the only official European eco label usable in all member countries of the European Union.

A sign of excellence, ECOLABEL ensures high standards in minimizing the impact of products on the environment, while maintaining their level of performance.



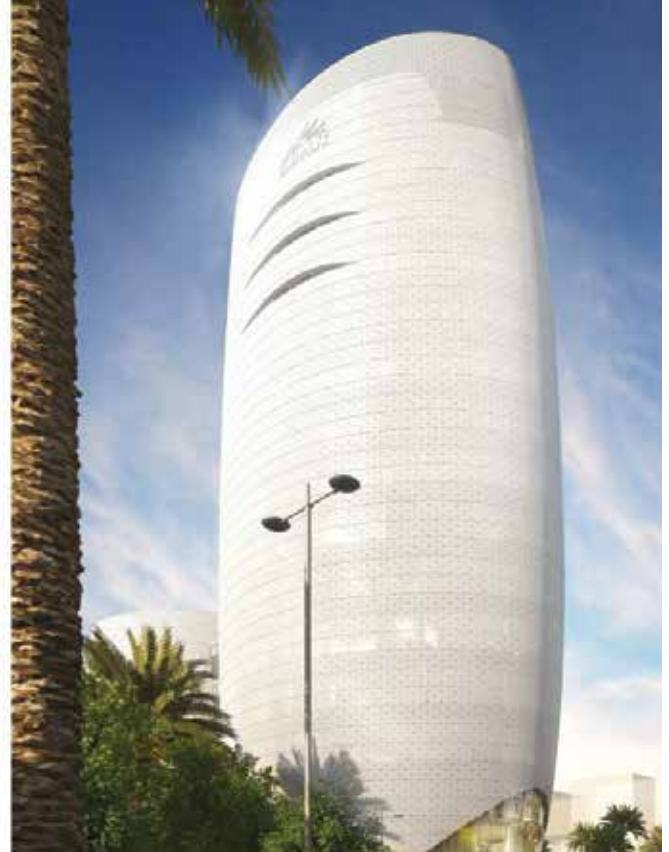




## SOME ACHIEVEMENTS IN 2020



GRAND THEATRE OF RABAT - RABAT



CIMR TOWER - CASABLANCA



INDUSTRIAL COMPETENCIES CENTER  
- BENGUERIR



VACATION CENTER OF THE  
MOHAMMED V FOUNDATION - AGADIR



## SOME ACHIEVEMENTS IN 2020



CHEIKH KHALIFA HALLS OF  
RESIDENCE - **MOHAMMEDIA**



EAGLE HILLS - **RABAT**



TEACHING HOSPITAL - **TANGER**



FAIRMONT HOTEL - **AGADIR**



SOTREG AGENCY - **KHOURIBGA**





## SOME ACHIEVEMENTS IN 2020



HEADQUARTERS OF THE BANQUE  
POPULAIRE - OUJDA



ANFA 212 TGCC - CASABLANCA



IBIS ABDELMOUMEN - CASABLANCA



SOUK ESSALIHINE - SALE



## SOME ACHIEVEMENTS IN 2020



PSYCHIATRIC HOSPITAL -  
CASABLANCA



PARKING ARRIBAT CENTER - RABAT



VILLAS ELMENZEH - RABAT



AZUR DOMAIN - DAR BOUAZZA



# COMMERCIAL AND MARKETING NEWS







## DEVELOPMENT OF NEW PRODUCTS



### ROVANA TINTING MACHINE

Decorative paint that gives an original touch of elegance and a rustic look to decorated spaces. It can be applied with different effects (Travertino Effect, Stone Effect & Concrete Effect).

Available in 5KG metal packaging for coloring on our tinting machine.

### COLOCAR

Cellulose paint intended for automotive refinish and industrial painting.

Available in a new color: light champagne beige in a packaging of 1KG and 0.5KG.

This product is now available in new colors in a packaging of 250G.



### COLOREX GGP

COLOREX GGP is a decorative thick plastic coating based on acrylic copolymers in aqueous phase. It is mainly suitable for the embellishment and protection of facades, corridors, halls, waiting rooms, stairwells, etc. Available in a packaging of 30KG.

### COLOBASE

COLOBASE is a two-layer system for automotive refinish .

COLOBASE is a basic coating to receive a two-component colorless varnish such as acrylor or V58. Indeed, the system creates a very particular optical effect and it has a high resistance to wear and to chemical agents, as well as excellent gloss retention.

Available in different shades in a packaging of 4L and 1L.





## DEVELOPMENT OF NEW PRODUCTS



### O'POX

O'pox is a two-component water-based epoxy providing a long-term protection of concrete floors, asphalt and indoor walls.

It ensures effective protection of floors, garages, parking, commercial and industrial premises against wear and chemical attack.

It is characterized by a very low odor and free from volatile organic substances.

Available in 16KG packaging for the base and in 4KG packaging for the hardener.

### SYLVIA

Decorative paint with pearlescent and sandy effects which is ideal for interior wall decoration.

Available in 14 colors in 2.5KG packaging.



### FINIROUILLE

FINIROUILLE is an anti-corrosion alkyd resin-based primer for iron and ferrous metals.

FINIROUILLE is applied against corrosion after mechanical or chemical brushing to remove the rust layer formed.

Available in grey and brown - red shades in 1KG and 5KG packaging.



## DEVELOPMENT OF NEW PRODUCTS



### COLOFER JAUNE

Colofer is a polyester putty, used for filling and finishing irregularities and damages on automotive surfaces.

The packaging has been redesigned with a new charter for 1KG packaging.

### TOUFLEX

TOUFLEX is a waterproofing paint, elastic and waterproof based on elastic copolymers and fibers.

Thanks to a range of additives which have been specially selected, TOUFLEX is intended for accessible terraces, roofs and facades.

It offers great flexibility and good resistance to weather.

It has a fungicidal and algicidal effect.

This product was launched in a packaging of 5KG and 20KG to bring it into line with the market.



### SURFACEUR S6

Surfaceur S6 is a pore filler based on cellulose resins specially designed to clog pores. It provides protection of wood against humidity and light. It is very viscous and filling. Surfaceur S6 does not alter the color of the wood and thus contributes to giving a good finish to varnishes.

This product is launched in a package of 750ML.





# INAUGURATION OF A NEW SHOWROOM IN FES

## INAUGURATION OF A NEW SHOWROOM IN FES

Extending over an area of more than 200 m<sup>2</sup>, the showroom of Fes is dedicated to presenting the latest innovations in decorative coatings and providing the best solutions to the various problems (humidity, rust, etc.).

It is also a place to exchange views and provide advice for all public.



A wide range of decorative paints that combine the latest trends is on display in the new showroom which is the 11th in Morocco.







## SEMINARS AND TRAININGS FOR PROFESSIONALS



TRAINING - FES



TRAINING - MARRAKESH



TRAINING - MEKNES



TRAINING - KENITRA



TRAINING - AGADIR





## DIGITAL CAMPAIGN



Digital is omnipresent in COLORADO's marketing strategy.

This strategy fosters the trust of our customers who are kept informed of the company's news.

COLORADO has today a large community of followers on social networks with more than:



In order to keep in touch with professionals, COLORADO has created a closed Facebook group, gathering more than 13 000 painters in order to share their experiences and daily life with COLORADO products.

This group also serves as a platform for technical support and communication with painters.



## SPONSORSHIP AND PATRONAGE

### SUPPORT FOR "TIBU MOROCCO" ASSOCIATION

TIBU Morocco is a leading organization in the field of education and integration of young people through sport in Morocco. The Ministry of National Education and the Regional Academy of Education and Training (AREF) Casablanca-Settat has made available to TIBU Morocco, a public school located in the city center, for the launch of a 2nd chance school focused on sports. It offers more than 5 high social impact programs designed and developed specifically for vulnerable populations.

For its part, COLORADO has contributed to transforming this institution into a real "Sports Factory" which aims to create a genuine dynamic within the neighborhood that promotes the socio-economic integration of young people, the access to physical activity and many other innovative approaches based on sport.





## SPONSORSHIP AND PATRONAGE

### SUPPORT FOR THE MOROCCAN ASSOCIATION " SPORT & DEVELOPMENT"

The Moroccan Association "Sport and Development" is a model that embodies values of openness for any citizen who feels animated by the spirit of initiative and volunteerism.

The overarching objective is to participate fully in community life in synergy with the missions assumed by the public authorities of which the former Olympic champion Nawal El Moutawakel is a member.

COLORADO participated by donating several paint products.

Thanks to the collected donations, this association continues to provide assistance to populations in difficulty.



الجمعية المغربية  
رياضة وتنمية  
Association Marocaine  
Sport & Développement





## OTHER NEWS

### PARTNERSHIP WITH ARCHITECT SOFIA JAMAI

COLORADO is constantly expanding its network of partners, to which the talented interior designer Sophia JAMAI has just been added.

Known for her creativity and the impeccable quality of her finishes, she has several strings to her bow.

Sophia is also a TV presenter and social media influencer in the field of architecture and interior design. She is followed by a large community of over 100,000 followers.

In this context, Ms. Jamaï reiterated her confidence in COLORADO's products that were used for the design of her showroom and appreciated the support provided by the technical team who ensured the application and assistance on site.



### PAINTERS' JOURNAL

This magazine is published and distributed annually to painters to inform them of all the events that took place at COLORADO and to keep them updated about our new products.

Unlike previous editions that were printed and sent by mail and in an effort to maintain compliance with preventive health measures against COVID-19, the 2020 version has been shared on social networks and posted on our website: [www.colorado.ma](http://www.colorado.ma)



### PAINT GUIDE

This guide allows painters to easily find the products with their descriptions and technical elements. The new version of it has been updated with all new products

Easy and highly appreciated by users, it can be consulted for any need.

In an effort to maintain compliance with preventive health measures against COVID-19, the new version of this guide has been shared on social networks and posted on our website: [www.colorado.ma](http://www.colorado.ma)



# SOCIAL POLICY





## WOMEN'S DAY

In 2020, the General Management wished to pay special attention to Women's Day through the organization of an event in a big palace in Casablanca.

The event started with the screening of a film that was specially made to celebrate the accomplishments of women at COLORADO.



Mrs Bouche BAIBANO, the first Moroccan woman to climb the seven highest summits of the world, was invited by COLORADO to share her inspiring experience.

The day was closed in a festive atmosphere, marked by the organization of a group lunch.

*- Photo taken before the COVID-19 crisis.*

## CEREMONY FOR THE GRADUATES



As has been a part of its tradition, COLORADO congratulated the employees' children who obtained their high school diplomas.

For this year and because of the health crisis related to covid-19, only a virtual commemorative photo was taken. For their part, the graduates took the opportunity to address messages of thanks to their parents.

By way of encouragement, bonuses and certificates of merit were awarded to the lucky graduates by the General Management.

## COVID-19 CRISIS MANAGEMENT

**As soon as the first cases of COVID-19 were recognized, COLORADO has taken preventive measures very early to protect the health of its employees and customers by implementing restrictive and organizational measures since March 13, 2020, the date of the first confirmed cases. These measures include:**

- Employees undergoing treatment or with chronic illnesses, as well as pregnant women, have been placed on special leave.
- Appointment of a watch committee to raise employee awareness and ensure compliance with preventive measures against covid-19.
- Switching to teleworking for positions that are compatible with this type of collaboration.
- Suspension of all travels.
- Switching to continuous schedule from 9:00 a.m. to 4:00 p.m.
- The digitalization of exchanges has been privileged in this case via on-board computers and exchanges through messaging.

**Following the State of Health Emergency imposed by the Moroccan authorities, Colorado decided to suspend its activities from March 20 to April 20.**

**Upon resumption, additional actions have been implemented:**

- Within this framework, a reception procedure has been put in place under the supervision of the members of the watch committee :

- Respect for social distancing at the entrance by respecting the traffic lanes set up for this purpose.
- Disinfection of shoes.
- Temperature measurement.
- Change of the mask at the entrance after disinfection of the hands with hydroalcoholic gel.
- Change of masks every 4 hours.
- Prohibition of physical meetings even with two people, video conferencing is preferred.
- The 2-meter distance is respected in the offices. Prohibition to access individual offices except by their users.
- The collective catering was suspended until July. The resumption was in August 2020 with the implementation of a well-defined protocol to ensure compliance with barrier gestures.
- Water, coffee and biscuit distribution has been suspended.
- Creation of a set of awareness posters on barrier gestures in both Arabic and French and in paper and digital formats.
- Cleaning of common areas (toilets, handrails, etc.) every two hours.
- External service providers do not have access to COLORADO's premises without the agreement of the Management and are required to meet the reception procedure including, among others, the following

points: temperature measurement, obligation to wear a mask, not to leave their vehicle, etc.

- The means of transport for employees are disinfected before and after each service. Also, the spacing of the seats in these means is respected.
- A procedure is put in place in case of a suspect case. The person is immediately isolated in a dedicated infirmary room and then taken care of by the health authorities.
- A film has been produced to summarize all the measures taken to combat COVID-19.



**Scan the QR  
to see the video**



Other measures taken by COLORADO to protect its employees :

Mass testing for COVID-19: organized in collaboration with the Ministry of Health, in two campaigns for all staff.



Guide of measures against COVID-19: all the actions taken by COLORADO in order to prevent against COVID-19 were included in a guide made available to all staff on the intranet.





## MASK DONATION

In light of the Covid-19 health crisis, the start of the 2020 school year has been particularly challenging for students, teachers and parents, especially in rural areas.

COLORADO, wished to help facilitate the start of the new school year through a donation of sixty thousand masks intended for students who have returned to school.

The masks were distributed in collaboration with the association "Bénévoles AL AMAL". This campaign concerned two schools:

- DERA school in the city of TATA,
- BOULMAKH school in MADIOUNA.



Indeed, following the operation, COLORADO was able to help these children start the year in better conditions.

## COLORADO FOOTBALL LEAGUE

Following the success of its first edition, COLORADO decided to organize a 2nd edition of the "COLORADO FOOTBALL LEAGUE" football tournament.

Marked by a strong team spirit and a friendly atmosphere, this edition brought together 64 players divided into 8 teams bearing the names of COLORADO products. The final was between the teams "STELLA" and "ROVANA".

In an impressive award ceremony, marked by the presence of supporters and members of the General Management, the players have been awarded medals and trophies in addition to prizes for both teams.



- Photos taken before the COVID-19 crisis.





## OTHER HR EVENTS

### SWEETY MAGIC COLOR

In a cheerful ambience, a culinary competition under the title "Sweety Magic Color" was organized by COLORADO on February 19, 2020 with the participation of 10 employees.

Our chefs had to prepare desserts that refer to our tinting machine, i.e. multicolored desserts. The results were extraordinary.

This competition was not easy especially with the participation of a professional jury composed of students from the Mohammedia private School of Catering and Tourism (Ecole Mohammedia d'Hôtellerie et Tourisme Privée) who are enrolled in courses of cooking and pastry.

To congratulate the winners, prizes were awarded to them by the General Management.



- Photos taken before the COVID-19 crisis.



## OTHER HR EVENTS

### AWARENESS RAISING CAMPAIGNS ON HEALTH ISSUES

In an effort to inform and raise awareness on health issues, COLORADO has celebrated some world health days.



- **November 14, 2020** : celebration of World Diabetes Day in order to raise awareness and prevent diabetes through an internal message.



- **Pink October 2020**: an electronic leaflet was shared with all employees in order to raise awareness about breast cancer.

Women also wanted to support this action by sharing their photos dressed in pink, symbol of this month.



# COLORADO

## AROUND THE WORLD







# COLORADO AROUND THE WORLD

COLORADO is currently present in several countries throughout the world.



# COLORADO IN THE PRESS





# COLORADO IN THE PRESS

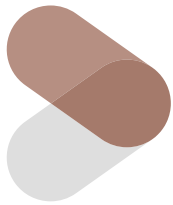
In 2020, as always, COLORADO ensures its presence through several communication channels and media.





# FINANCIAL REPORT





## COLORADO'S SHARES

The Moroccan stock market closed the year 2020 in the red:

- The MASI index closed the year 2020 with an annual decrease of 7.27% at 11,287 points.
- Market capitalization as of December 31, 2020 amounted to nearly 585 billion dirhams, decreased by almost 6.66% compared with the previous financial year.
- The total volume of trade in 2020 was 55.7 billion dirhams against 75.4 billion dirhams a year earlier, a decline of 26.02%.

On the stock markets, 2020 was very much influenced by the economic and health crisis linked to Covid-19 pandemic, whose impact differed from one sector to another. Indeed, if some sectors have benefited from the crisis, others have, on the other hand, been largely negatively impacted as is the case with the construction sector which recorded an annual decline of 44.11%. Such underperformance can be explained by the closure of building sites and the cessation of sales during the lockdown period, travel-related restrictions and the economic impact of the crisis on households.

Despite the fact that 2020 was a difficult year on the stock market for the construction sector as a whole, COLORADO shares recorded a limited decline of 13.26%, bearing in mind that the company did not distribute dividends during the year, unlike previous years.

The traded volume of the COLORADO stock during the year 2020 is 12 million dirhams with an average price of MAD 50 per share.

COLORADO ended 2020 with a market capitalization of 586 million dirhams.



## ANALYSIS OF THE INCOME AND EXPENSE ACCOUNT

### Turnover :

ITEM IN THOUSAND DIRHAMS	2020	2019	VAR. %
Sale of goods in the unaltered state	6 645	9 898	-32,9%
Sales of finished products	454 974	490 553	-7,3%
<b>Total</b>	<b>461 619</b>	<b>500 451</b>	<b>-7,8%</b>

At the end of the fiscal year 2020, the turnover decreased by 7.8% compared with the previous year, from 500.5 MDH to 461.6 MDH. This decrease is mainly due to the effects of the health crisis linked to the Covid-19 pandemic, which had an adverse effect on business in the first half of 2020.

### Margin on consumed purchases :

ITEM IN THOUSAND DIRHAMS	2020	2019	VAR. %
Turnover excluding tax.	461 619	500 451	-7,8%
Margin on purchases consumed:	190 053	218 799	-13,1%
Margin rate on turnover excluding tax.	<b>41,2%</b>	<b>43,7%</b>	

In 2020, the margin is 190 million dirhams, compared to a margin of 219 million dirhams in 2019, a decrease of 13%. The gross margin percentage fell from 43.7% in 2019 to 41.2% in 2020.

### Operating income:

ITEM IN THOUSAND DIRHAMS	2020	2019	VAR. %
Margin on purchases consumed	190 053	218 799	-13,1%
Other external expenses	105 412	111 604	-5,5%
Taxes and duties	1 511	1 848	-18,2%
Personnel Expenses	56 578	58 634	-2,5%
Other operating expenses	900	400	125,0%
Operating allowances	29 748	22 257	33,7%
Operating write-backs /expense transfers	45 225	38 708	16,8%
<b>Operating income</b>	<b>41 129</b>	<b>62 764</b>	<b>-34,5%</b>
<b>Operating income / Turnover excluding tax.</b>	<b>8,9%</b>	<b>12,5%</b>	

The operating income decreased by 34.5% between 2019 and 2020 to 41 million dirhams against 62.8 million dirhams in 2019, following the drop in revenues and gross margin.

This can be explained by the decrease in economic activity due to the spread of the corona virus.

## Financial income

The financial income is formed as follows:

ITEM IN THOUSAND DIRHAMS	2020	2019	VAR.
<b>Financial products</b>	1 093	537	103,6%
Income from equity securities	37	0	
Foreign exchange gains	472	75	529,6%
Interests and other financial products	385	328	17,4%
Financial write-backs; expense transfers	200	134	49,0%
<b>Financial expenses</b>	10 235	10 373	-1,3%
Interest expenses	2 087	2 185	-4,5%
Exchange losses	655	498	31,5%
Other financial expenses	7 321	7 526	-2,7%
Financial allocations	171	165	3,8%
<b>Financial income</b>	<b>-9 142</b>	<b>-9 837</b>	<b>-7,1%</b>

The financial income consists of capital gains on disposal of SICAVs and foreign exchange gains. The financial deficit decreased slightly by 7% between 2020 and 2019 to stand at -9.1 million dirhams compared with -9.8 million dirhams in 2019. This is due to the increase in financial income (1.1 million dirhams) in 2020 compared to (0.5 million dirhams) in 2019 and stagnation of financial expenses.

## Non-current income

The non-current income is formed as follows:

ITEM IN THOUSAND DIRHAMS	2020	2019	VAR. %
<b>Non-current products</b>	<b>336</b>	<b>4 287</b>	<b>-92,2%</b>
Proceeds from asset disposals	185	487	-62,1%
Write-backs of investment subsidies	67	67	0,0%
Other non-current products	84	816	-89,7%
Non-current reversals: expense transfers		2 917	-100,0%
<b>Non-current expenses</b>	<b>6 956</b>	<b>2 531</b>	<b>174,9%</b>
Net values of amortization of transferred assets	69	99	-30,2%
Other non-current expenses	6 887	2 432	183,2%
Net recurring charges to depreciation, amortization and provisions	-	-	0,0%
<b>Non-current income</b>	<b>-6 620</b>	<b>1 757</b>	<b>-476,8%</b>

The non-current income recorded in 2020 represents a deficit of 6.6 million dirhams, compared with 1.7 million dirhams in the previous year.

The most significant variations concern the payment of a contribution in full discharge of liabilities (2016/2017 and 2018), as provided for by article 247-XXVIII of the General Tax Code (3.2 million dirhams), as well as the payment of the social contribution for 2020 (1.4 million dirhams) and the value of bad debts (2 million dirhams).

## Net Income

The net income as at December 31, 2020 is 17,5 million dirhams against 37,5 million dirhams in 2019, a decrease of 53%.



If we neutralize the non-recurring items recorded during the two financial years, the net income recorded in 2020 would be 22.6 million dirhams against 35.6 million dirhams in 2019, a decrease of only 36.6%.

Despite a challenging economic climate, heavily impacted by the effects of the Covid-19 pandemic, COLORADO managed to achieve a performance that significantly improved the income recorded at the end of June 2020.

## BALANCE SHEET ANALYSIS

### Working capital

#### Permanent capital

As of December 31, 2020, the permanent capital (excluding income) is as follows:

ITEM IN THOUSAND DIRHAMS	2020	2019
Shareholders 'equity (excluding income):	316 874	279 376
Quasi-equity	135	202
Financing debts	21 937	34 544
<b>Total</b>	<b>338 946</b>	<b>314 122</b>

Financing debts decreased by 36% in 2020 to 21.9 million dirhams against 34.5 million dirhams in 2019. This is due to the fact that the amount of repayments made in 2020 amounts to 22.6 million dirhams against a new loan of 10 million dirhams.

#### Net fixed assets

The net fixed assets at 31/12/2020 are as follows:

ITEM IN THOUSAND DIRHAMS	2020	2019
Non-current assets	563	563
Depreciation/ Non-current assets	-268	-155
Intangible assets	6 337	6 363
Depreciation / Intangible assets	-1 922	-1 821
Tangible assets	299 213	296 554
Depreciation / Tangible assets	-170 693	- 158 329
Financial fixed assets	1 691	1 995
<b>Total</b>	<b>134 921</b>	<b>145 170</b>

The operating depreciation charges for 2020 are 14 million dirhams compared to 15.3 million dirhams in 2019, a decrease of 8.6%.

### Working Capital Requirement :

The working capital requirement at the end of 2020 is as follows

ITEM IN THOUSAND DIRHAMS	2020	2019
Working Capital Requirement	100 785	154 514
Turnover	461 619	500 451
<b>The Working Capital Requirement expressed in number of days of the turnover</b>	<b>79</b>	<b>111</b>

the Working Capital Requirement (WCR) decreased from 154.5 million dirhams at the end of 2019 to 100.8 million dirhams at the end of 2020, i.e. a decrease of 34.7%.

As a result of the decline in turnover, WCR has decreased from 111 days of turnover in 2019 to 79 days of turnover in 2020.

## Net cash

The net cash of the fiscal year is as follows:

ITEM IN THOUSAND DIRHAMS	2020	2019
Net cash	120 727	52 236

Net cash increased by 131% between 2019 and 2020 due to an increase in the Working Capital Requirement.

It is made up of bank balances and short-term cash investments.

	ASSETS	YEAR			PREVIOUS YEAR NET
		GROSS	Depreciation and Provisions	NET	
	<b>Deferred costs</b>	<b>562 928,00</b>	<b>267 625,91</b>	<b>295 302,09</b>	<b>407 887,69</b>
F	Start-up costs				
	Deferred expenses over several years	562 928,00	267 625,91	295 302,09	407 887,69
I	Bond redemption premiums				
	<b>Intangible fixed assets</b>	<b>6 337 273,10</b>	<b>1 922 474,95</b>	<b>4 414 798,15</b>	<b>4 541 483,03</b>
X	Research and development costs				
E	Patents, trademarks, rights and similar assets	2 414 773,10	1 922 474,95	492 298,15	618 983,03
	Commercial funds				
D	Other Intangible fixed assets	3 922 500,00		3 922 500,00	3 922 500,00
	<b>Tangible fixed assets</b>	<b>299 213 491,42</b>	<b>170 693 324,03</b>	<b>128 520 167,39</b>	<b>138 224 994,21</b>
	Land	27 445 760,00		27 445 760,00	27 445 760,00
	Constructions	158 939 047,35	76 113 131,20	82 825 916,15	90 926 220,60
A	Technical installations, plant and machinery, equipment and fixtures	93 321 726,39	78 596 138,90	14 725 587,49	15 420 420,71
	Transport equipment	9 481 764,89	8 740 457,56	741 307,33	983 536,94
S	Office and computing equipment	8 845 613,92	6 705 772,79	2 139 841,13	2 601 907,58
	Other tangible fixed assets	555 790,16	537 823,58	17 966,58	33 382,76
S	Tangible fixed assets in progress	623 788,71		623 788,71	813 765,62
E	<b>Financial fixed assets</b>	<b>1 690 728,80</b>		<b>1 690 728,80</b>	<b>1 995 151,07</b>
	Asset loans	1 279 603,41		1 279 603,41	1 561 025,68
N	Other financial receivables	138 524,92		138 524,92	161 524,92
T	Equity securities	272 600,47		272 600,47	272 600,47
	Other capitalized securities				
S	<b>Currency translation adjustments</b>				
	Receivables decrease adjustments				
	Liabilities increase adjustments				
	<b>TOTAL (A+B+C+D+E)</b>	<b>307 804 421,32</b>	<b>172 883 424,89</b>	<b>134 920 996,43</b>	<b>145 169 516,00</b>
C	<b>Stocks</b>	<b>126 249 678,50</b>	<b>3 015 645,70</b>	<b>123 234 032,80</b>	<b>134 785 590,43</b>
U	Goods	4 502 279,63	80 589,40	4 421 690,23	7 515 287,80
R	Consumables and Supplies	76 927 274,66	1 320 456,93	75 606 817,73	79 508 657,80
R	Products in progress	3 187 072,40		3 187 072,40	2 419 553,33
E	Intermediate products and residual products				
N	Finished products	41 633 051,81	1 614 599,37	40 018 452,44	45 342 091,50
T	<b>Receivables in current assets</b>	<b>248 628 899,49</b>	<b>49 734 372,82</b>	<b>198 894 526,67</b>	<b>213 630 037,87</b>
	Suppliers debtors, advances and deposits	2 284 821,11		2 284 821,11	2 855 762,64
A	Customer and accounts receivable	222 108 902,97	49 131 209,65	172 977 693,32	193 050 452,34
	Personnel	220 323,35		220 323,35	296 299,99
S	State	23 028 851,55		23 028 851,55	17 024 600,33
S	Intercompany accounts				
	Other receivables	723 795,80	603 163,17	120 632,63	120 632,63
E	Prepaid expenses	262 204,71		262 204,71	282 289,94
N	<b>Securities and investment securities</b>	<b>109 953 470,39</b>		<b>109 953 470,39</b>	<b>40 098 964,24</b>
T	<b>Foreign exchange</b>	<b>106 791,83</b>		<b>106 791,83</b>	<b>135 482,96</b>
S	<b>TOTAL II (F+G+H+I)</b>	<b>484 938 840,21</b>	<b>52 750 018,52</b>	<b>432 188 821,69</b>	<b>388 650 075,50</b>
C	<b>Cash - Assets</b>	<b>10 773 040,73</b>		<b>10 773 040,73</b>	<b>39 977 568,35</b>
A	Checks and cash values	2 179 783,00		2 179 783,00	36 755 705,52
S	Banks, Treasury and public agency accounts	8 553 741,08		8 553 741,08	2 885 257,90
H	Cash	39 516,65		39 516,65	336 604,93
	<b>TOTAL III</b>	<b>10 773 040,73</b>		<b>10 773 040,73</b>	<b>39 977 568,35</b>
	<b>TOTAL ASSETS I+II+III</b>	<b>803 516 302,26</b>	<b>225 633 443,41</b>	<b>577 882 858,85</b>	<b>573 797 159,85</b>



	LIABILITIES	YEAR	PREVIOUS YEAR
LONG TERM	<b>Stockholders equity</b>	<b>334 361 095,86</b>	<b>316 873 796,55</b>
	Capital (1)	120 882 080,00	120 882 080,00
	Minus : shareholders, uncalled committed capital		
	Called capital	120 882 080,00	120 882 080,00
	Which paid	120 882 080,00	120 882 080,00
	Premium paid for stock issues, mergers, and capital contributions		
	Revaluation reserve		
	Legal reserve	12 088 208,00	12 088 208,00
	Other reserves	40 000 000,00	40 000 000,00
	Retained earnings (2)	143 903 508,55	106 405 253,99
	Allocation pending Result		
	Net income for the year (2)	17 487 299,31	37 498 254,56
	<b>Total stockholders equity (A)</b>	<b>334 361 095,86</b>	<b>316 873 796,55</b>
	<b>Stockholders equity and equivalent</b>	<b>134 823,63</b>	<b>202 235,48</b>
	Investment subsidies	134 823,63	202 235,48
	regulated provisions		
	<b>Financing debt ( C )</b>	<b>21 936 886,81</b>	<b>34 543 835,84</b>
	Bonds		
	Other financing debt	21 936 886,81	34 543 835,84
CURRENT LIABILITIES	<b>Term provisions for risks and charges (D)</b>		
	Provisions for risks		
	Provisions for charges		
	<b>Long term currency translation adjustments</b>		
	Receivables increase adjustments		
	Debt decrease adjustments		
	<b>TOTAL I (A+B+C+D+E)</b>	<b>356 432 806,30</b>	<b>351 619 867,87</b>
	<b>Current liabilities debt (F)</b>	<b>221 269 505,63</b>	<b>194 037 163,22</b>
	Accounts payable	163 463 109,95	130 509 685,58
	Advance payments from customers, deposits and advances	6 896 249,22	5 007 978,43
CASH	Personnel	5 573 923,62	6 689 910,06
	Social security agencies	3 738 576,38	3 816 585,84
	State	41 391 289,59	47 506 304,99
	Intercompany accounts		
	Other creditors	177 969,06	344 151,51
	Prepaid income	28 387,81	162 546,81
	<b>Other provisions for risks and charges (G)</b>	<b>106 791,83</b>	<b>135 482,96</b>
	<b>Current currency translation adjustments</b>	<b>73 755,09</b>	<b>164 066,55</b>
	<b>TOTAL II (F+G+H)</b>	<b>221 450 052,55</b>	<b>194 336 712,73</b>
	<b>Cash liabilities</b>		<b>27 840 579,25</b>
CASH	Discount Credits		
	Cash Loans		22 492 014,51
	Bank adjustment accounts		5 348 564,74
	<b>TOTAL III</b>		<b>27 840 579,25</b>
	<b>TOTAL GENERAL I+II+III</b>	<b>577 882 858,85</b>	<b>573 797 159,85</b>

(1) Capital personnel débiteur.

(2) Bénéficiaire(+), déficitaire(-).

		DESCRIPTION	OPERATIONS		TOTALS OF YEAR 3 = 2 + 1	TOTALS OF THE PREVIOUS YEAR 4
			Specific to the exercise	For earlier years		
			1	2		
O P E R A T I O N S	I	OPERATING REVENUS	502 818 617,74		502 818 617,74	550 232 155,88
		Sales of goods (in condition)	6 645 412,18		6 645 412,18	9 897 553,49
		Sales of goods and services	454 973 809,20		454 973 809,20	490 553 463,39
		Sales	461 619 221,38		461 619 221,38	500 451 016,88
		Change in product inventories (1)	-4 025 483,78		-4 025 483,78	11 073 443,11
		Assets produced by the company itself				
		Operating subsidies				
		Other operating income				
		Operating expense transfers Reversals	45 224 880,14		45 224 880,14	38 707 695,89
	II	Total I	502 818 617,74		502 818 617,74	550 232 155,88
		OPERATING EXPENSES	461 687 502,79	2 450,00	461 689 952,79	487 468 346,05
		Purchases of resold goods (2)	6 203 178,41		6 203 178,41	7 715 193,24
		Purchases of materials and supplies (2)	261 337 297,15		261 337 297,15	285 010 266,25
		Other external expenses	105 409 222,41	2 450,00	105 411 672,41	111 603 606,60
		Tax & duties	1 511 367,47		1 511 367,47	1 848 345,45
		Staff costs	56 578 450,91		56 578 450,91	58 634 277,08
		Other operating expenses	900 000,00		900 000,00	400 000,00
		Operating Depreciations and impairments	29 747 986,44		29 747 986,44	22 256 657,43
	III	Total II	461 687 502,79	2 450,00	461 689 952,79	487 468 346,05
F I N A N C I A L	IV	OPERATING RESULT (I-II)	41 131 114,95	-2 450,00	41 128 664,95	62 763 809,83
		FINANCIAL INCOME	1 081 690,62	11 469,53	1 093 160,15	536 881,12
		Income from equity securities and other investments	36 761,26		36 761,26	
		Exchange gains	460 387,65	11 469,53	471 857,18	74 951,19
		Interests and other financial products	384 889,38		384 889,38	327 913,05
		Financial costs transfer	199 652,33		199 652,33	134 016,88
		Total IV	1 081 690,62	11 469,53	1 093 160,15	536 881,12
	V	FINANCIAL COSTS	10 235 023,74		10 235 023,74	10 373 466,05
		Interests expenses	2 087 207,48		2 087 207,48	2 184 616,99
		Exchange losses	655 356,24		655 356,24	498 323,93
		Other financial expenses	7 321 498,82		7 321 498,82	7 525 802,00
		Financial Depreciations and impairments	170 961,20		170 961,20	164 723,13
		Total V	10 235 023,74		10 235 023,74	10 373 466,05
	VI	FINANCIAL RESULT (IV-V)	-9 153 333,12	11 469,53	-9 141 863,59	-9 836 584,93
	VII	CURRENT RESULT (III + VI)	31 977 781,83	9 019,53	31 986 801,36	52 927 224,90
N O N C U R R E N T	VII	CURRENT RESULT (III + VI)	31 977 781,83	9 019,53	31 986 801,36	52 927 224,90
	VIII	EXCEPTIONAL PRODUCTS	336 252,50		336 252,50	4 287 345,51
		Disposals of fixed assets	184 583,34		184 583,34	487 160,00
		Compensating subsidies				
		Investment subsidies income	67 411,84		67 411,84	67 411,84
		Other exceptionnel products	84 257,32		84 257,32	816 053,69
		Exceptional expense transfers				2 916 719,98
		Total VIII	336 252,50		336 252,50	4 287 345,51
	IX	EXCEPTIONAL EXPENSES	6 840 562,48	115 679,07	6 956 241,55	2 530 605,85
		Net value depreciation of fixed assets sold	69 074,02		69 074,02	98 957,53
		Subsidied Awarded				
		Other exceptional expenses	6 771 488,46	115 679,07	6 887 167,53	2 431 648,32
		Exceptional depreciations and impairments				
		Total IX	6 840 562,48	115 679,07	6 956 241,55	2 530 605,85
	X	EXCEPTIONAL RESULT (VIII-IX)	-6 504 309,98	-115 679,07	-6 619 989,05	1 756 739,66
	XI	RESULT BEFORE tax (VII-X)	25 473 471,85	-106 659,54	25 366 812,31	54 683 964,56
	XII	INCOME TAX	7 879 513,00		7 879 513,00	17 185 710,00
	XII	NET INCOME (XI-XII)	17 593 958,85	-106 659,54	17 487 299,31	37 498 254,56
T O T A L	XIV	TOTAL REVENUE (I+IV+VII)	504 236 560,86	11 469,53	504 248 030,39	555 056 382,51
	XV	TOTAL EXPENSES (II+V+IX+XIII)	486 642 602,01	118 129,07	486 760 731,08	517 558 127,95
	XVI	NET INCOME (total revenue-total expenses)	17 593 958,85	-106 659,54	17 487 299,31	37 498 254,56

1) Variation de stock : Stock final - Stock initial : Augmentation(+); Diminution(-)  
 2) Achats revendus ou achats consommés : Achats - variation de stock.

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 Phone number: 05 35 94 27 44

Factory and Administration  
of Ain sebaa



Industrial site of Dar  
bouazza Casablanca



Al Gharb Logistic platform  
(Kénitra)



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