



ANNUAL REPORT 2018



Label'
Vie



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CHAIRMAN'S MESSAGE



A corporate
citizen



DEAR SHAREHOLDERS,

17 new stores
"Carrefour"
and "Carre-
four Market"
were opened in the past year. We have now become a strong network of 92 stores that aim to satisfy and meet in the best possible way the expectations of our clients.

Our pace of expansion and opening of new stores, the quality and the level of performance achieved by our new stores, the testimonials of satisfaction and encouragement that we regularly receive from our customers, make us pride and represent for the group an inexhaustible source of motivation and drive.

On your behalf, we would like to thank all of the 47 million visitors who visited our stores in 2018; for their loyalty and support.

We would also like to congratulate all of our 5,732 employees for their dedication and as well as for their sense of responsibility and service they demonstrate each and every day.

Thanks to them, we have reached a new development stage as well as an unprecedented level of growth. These results are all the more exceptional amid the difficult macro-economic context that shaped the past years. Indeed, and albeit an overall decline in consumer sentiment, the ambition and the resilience of our teams were grown; as we do remain aware of all the work that need to be carried and all of the challenges that we have to overcome. Indeed, by working together, we will be able to succeed. In addition, and for several years, we have become aware of our social and environmental responsibilities as well as our role of corporate citizen.

Dedicated teams, an adapted organization, a proactive mindset and a corporate citizenship culture have made it possible to undertake a multitude of social and environmental actions aimed at putting the ethics of care and community at the heart of our priorities.

We will continue to invest our efforts in the optimization and the improvement of our performance, and the service we provide to our customers, in order to sustain the development and the expansion of the Group. And tomorrow, more than ever, we will ensure that our corporate social and environmental responsibility is embedded in all our ventures.

Dear shareholders, the Group's revenue in 2018 stood at 9,032 million dirhams, an increase of 9% compared to 2017. Its operating income, for its part, increased by 20% to MAD 427 million.

The Board of Directors, held on March 19, 2019, congratulated the management for its achievements and the relevance of its decisions and strategic orientations.





THE COMPANY

The group Label'Vie is today one of the leaders of the modern distribution sector in Morocco.

In 2018, the group delivered an excellent performance driven by all its business segments as well as by an aggressive development strategy. Revenue stood at MAD 9,032.9 million while share capital stood at MAD 283 million.

The group also realized a steady increase of its sales surface across its three different distribution formats and, at the end of 2018, grew to 92 stores in 25 cities in the Kingdom.



HISTORY

It is in the 80s that the story begins. Three young engineers return to their home country, Morocco, after graduating with a degree in computer science, and with a head full of ideas. Yet, computer science is still very underdeveloped in Morocco and opportunities are scarce. One year later, they decide to take a new career orientation and shift to a sector still unexplored, large-scale distribution. They initiated the journey with great enthusiasm and ambition, but also very little knowledge of the market and its specificities,

and started very soon to have funding issues amidst this very insane project. However, driven by their belief in the project, by the challenge itself and a great ambition, they persuaded their relatives to support them in this venture. It is the beginning of a beautiful story.

On June 13, 1986, the first hypermarket was opened. In the early 1990s, 3 stores were already opened (2 in Rabat and 1 in Casablanca), but the company was still facing difficult times and the 3 founders had not found the best

business model yet. At that time, one of the three founding partners dropped out.

Zouhair Bennani and Rachid Hadni were not willing to quit, and strengthened by their experience, they questioned all their decisions and achievements in order to move forward. It is with a better knowledge of the supermarket market and more efforts deployed to design the group's strategy; that the two founders redefined the identity of the entire venture. They also decided to drop two of their stores in order to refocus on

the historic store in Zaërs Road in Rabat and invest in human capital.

It is thanks to this new strategy, along with the injection of new funds that they were able to acquire the store Riad 1 in Hay Riad in 1995 and Shems in Agdal in 1999. Everything thereafter happens very fast. In 2001, their new capitalistic model was put in place with the integration of all the stores under the same umbrella brand: Label'Vie. The following year, the company opened its capital to national and foreign investment funds. The family business continued to be led by the two founders and friends; but with new global ambitions and higher growth and expansion goals.

In 2003, Label'Vie bought Super-Sol supermarkets in Morocco and the company delivered annual revenue of MAD 100 million dirhams with 150 employees. Human capital is at the heart of the strategy of the group and despite fierce competition in the sector, Label'Vie has been able to sustain its reputation of a young, dynamic and attractive company. More openings of stores happened and the group started to attract investors.

To support its growth prospects and finance its ambitions, the company officially entered the stock market in 2008, and man-

aged to raise 624 million dirhams. Always full of unflinching ambition, the group tackled new distribution models in the late 2000s. In 2009, Label'Vie signed a franchise agreement with the giant Carrefour, a world leader in the distribution. Two large hypermarkets were then opened in the cities of Salé and Marrakech.

After these successes, Label'Vie S.A. acquired 100% of the shares of Metro Group Cash and Carry Morocco on November 15th, 2010. Thanks to this transaction, the Group also acquired 8 strategic stores in 7 Moroccan cities and welcomed around 1,400 new employees.

Today, the company positions itself across 3 formats, the hyper-cash, the hypermarket and the supermarket segments where it has become the market leader.

Thanks to a policy of sustained expansion, and a mastery of the business that is improving day by day, the Group achieved in 2017 a turnover of over 8 billion dirhams, and aims to operate more than 100 stores throughout the Kingdom at the end of 2019.

"We will sustain this momentum to maintain ourselves as a key player in the mass distribution in Morocco," says Rachid Hadni, CEO of Label'Vie Group. Our goal is to continue to improve the lives of our customers by offering

them greater purchasing power and continuous improvement in the quality of our products and services."

To support this development and provide the best service to its customers, the group has set up training and partnership programs with Moroccan schools and universities to recruit and train employees throughout the country. The company has also developed its own training school, Label'Ecole, to allow its employees to become more professional and evolve towards new perspectives.

"Human resources have always been at the center of our business and today, thousands of people work and collaborate every day to provide the best service and expertise to our customers. We will continue to bet on our youth," said Zouhair Bennani, CEO of the group. Because, what was initially the dream of two young entrepreneurs, proud to return to their home country, and to have a footprint; has become a Moroccan success story. And without the support of our employees, without the trust of our investors, without the loyalty of our customers, we would not be here. So thank you."



ORGANIZATION

The Label'Vie group has structured a centralized organization serving its Business Units, which are responsible for managing the network of stores.

This organization allows:

- To be closer to our customers through Business Units dedicat-

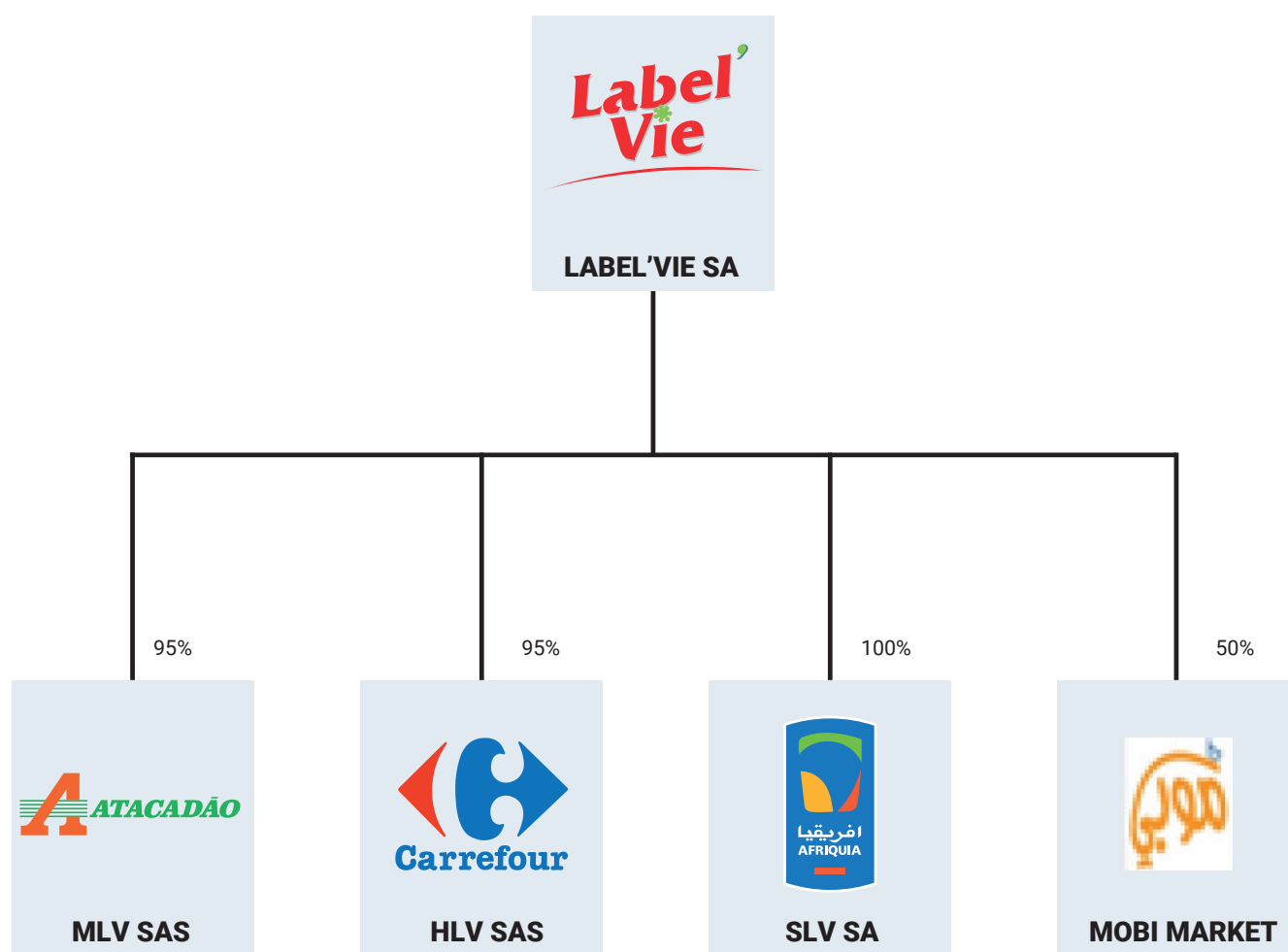
ed to each format with a regional segmentation within each BU (Carrefour, Carrefour Market, Atacadão);

- An expertise of our teams and an optimization of our costs through the pooling of business functions or support for all BUs.

- Business support: Purchasing and Logistics, Marketing and Expansion;

- Non-business support: HR, IT, Finance, Audit, Quality, Security, Management of Assets and General Means.

Below, is presented the organizational chart of the Label'Vie Group:



The company Label'Vie S.A, parent company, which operates the "Supermarkets" under the Carrefour Market - Label'Vie banner, includes the following companies in its scope of consolidation:

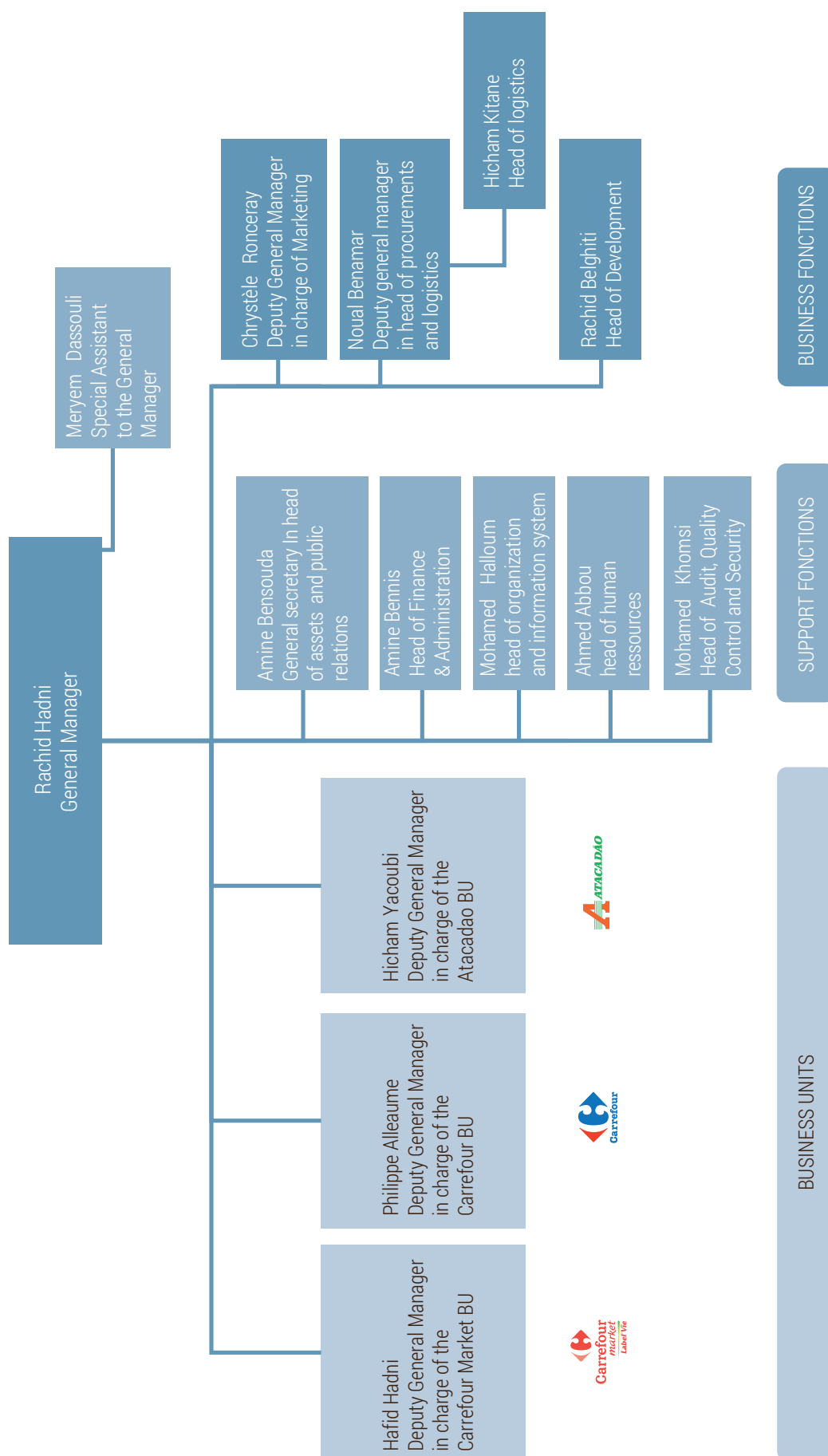
- HLV S.A.S, created in 2009, operates the "Hypermarket" formats under the CARREFOUR banner ; and owned at 95% by Label'Vie S.A;
- MLV S.A.S, created in 2011 to

operate stores under the METRO brand, was converted to Atacadão between 2012 and 2014 and is owned at 95% by Label'Vie S.A;

- Service-LV, specialized in the management of gas stations, operated a total of 12 stations at the end of 2018. Created in 2014 and owned at 100% by the Label'Vie group, the company Service LV did not start its operations until November 2015;

- Mobi Market S.A, created in 2016 and owned by the Label'Vie group at 50%, specializes in the purchase and sale of food and non-food products in the form of self-service stores or other mobile supermarkets.

Below, is presented the organizational chart of the group as of December 31st 2018:



This structure reinforces the synergies and the collaboration between the different activities of the Group.

BOARD OF DIRECTORS

The Board of Directors is comprised of the following members



Zouhair Bennani, CEO
Renewal date: 27/06/2014
Term of office: General meeting for the financial year 2019
Other positions held in the company: Chairman
Other positions held outside the company: Administrator of several companies



Rachid Hadni, Administrator, and General Manager
Renewal date: 27/06/2014
Term of office: General meeting for the financial year 2019
Other positions held in the company: General Manager
Other positions held outside the company: Administrator of several companies



Adil Bennani, Administrator
Renewal date: 27/06/2014
Term of office: General meeting for the financial year 2019
Other positions held in the company: None
Other positions held outside the company: General Manager of Best Health



Saïd Alj, Administrator
Renewal date: 27/06/2014
Term of office: General meeting for the financial year 2019
Other positions held in the company: None
Other positions held outside the company: Chairman of SANAM Holding Group



Company UNIMER
Represented by: Mehdi ALJ
Renewal date: 29/06/2017
Term of office: General meeting for the financial year 2022



Company RETAIL HOLDING
Represented by: Zouhair BENNANI
Renewal date: 27/06/2014
Term of office: General meeting for the financial year 2019



Company SAHAM ASSURANCE
Represented by : Kawtar JOHRATI
Date of 1st appointment: 29/06/2018
Term of office: General meeting for the financial year 2023



Riad Laïssaoui, Administrator
Renewal date: 29/06/2017
Term of office: General meeting for the financial year 2022
Other positions held in the company: None
Other positions held outside the company: General Manager of Retail Holding



Karim Souaid, Administrator
Date of 1st appointment: 29/06/2017
Term of office: General meeting for the financial year 2022
Other positions held in the company: None
Other positions held outside the company: General Manager of Growthgate Partners.



Gilles de Clereck, Administrator
Date of 1st appointment: 29/06/2017
Term of office: General meeting for the financial year 2022
Other positions held in the company: None
Other positions held outside the company: Co-Founder of EuroMena Funds



Amine Bensouda, Administrator
Date of 1st appointment: 29/06/2017
Term of office: General meeting for the financial year 2022
Other positions held in the company: General Secretary
Other positions held outside the company: None



Jamila Dahib, Administrator
Date of 1st appointment: 29/06/2017
Term of office: General meeting for the financial year 2022
Other positions held in the company: None
Other positions held outside the company: Legal Director of Best Financière

Retail Holding, Unimer and Saham Assurances are "legal persons" sitting in the Board of Directors.



GOVERNANCE

In order to support its development, the Group has put in place a governance system in order to meet three main objectives:

- To implement the Group's strategy through medium and long-term committees and short-term monitoring committees;

- To achieve objectives through the management of the Group's business and support activities;

- To be responsive by quickly detecting problems to make the necessary decisions.

These committees were put in

place following decisions taken at the general meetings of the Label'Vie Group.

In order to ensure the continuous improvement of its organization and functioning, the governance system is reviewed annually.

COMMITTEES FROM THE BOARD OF DIRECTORS

These committees are responsible for putting in place and monitoring the Group's strategic policy, in particular through:

- **The Strategic Committee:**

Responsible for steering the implementation of the Group's strategy, the Strategic Committee meets quarterly with some members of the Group's Board of Directors. It relies on external experts whenever necessary.

- **The Audit Committee:**

The role of the Audit Committee is to assess the role and effectiveness of the audit functions and to assess the management and internal control systems put in place by management.

Some members of the Board of Directors, the Statutory Auditors and the Audit Director participate in this committee.

THE GENERAL MANAGEMENT COMMITTEES

The General Management chairs several committees to ensure the operational implementation of the Group's strategy, the management of its performance and the monitoring of priority projects.

- **The Executive Committee:**

This committee meets every month with all the Group's directors to review the performance indicators, share news and man-

age the Group's strategic projects.

- **The Investment Monitoring Committee:**

As part of the Group's development plan, this committee ensures the validation of new stores by studying their profitability and their strategic interest in covering the national territory through the different formats.

The Investment Committee is comprised of some members of the Board of Directors, the Expansion Director, the Administrative and Financial Director and the Deputy General Managers in charge of BUs.

- **The Results Committee:**

This Committee aims to ensure a detailed review of the results of each BU. It is held monthly in the presence of the General Manager, the Deputy General Managers in charge of the BU, the Deputy General Manager in charge of the Marketing Department, the Deputy General Manager in charge of Purchasing and Logistics, the Logistics Director, the Administrative Director and Financial and its Management Control team.

- **The Pricing Committee:**

Over the last few years, the Group has built a pricing strategy aimed at ensuring the price competitiveness of all our banners while securing profitability. Every month, this committee

meets to monitor the implementation of this strategy and make the necessary decisions. The General Manager, the Deputy General Managers in charge of the BUs, the Deputy General Manager in charge of the Marketing Department, the Deputy General Manager in charge of Purchasing and Logistics and the Administrative and Financial Director are involved.

- **The Financial Committee:**

In preparation for the Board of Directors, the Finance Committee meets to share the financial results of the quarterly accounts, to review the main financial indicators in terms of WCR and cash flows and to examine the detailed situation in terms of back margin.

The General Manager, the Deputy General Managers in charge of BUs, the Deputy General Manager in charge of Purchasing and Logistics, the Logistics Director, the Administrative and Financial Director and his teams are involved: Regulation and Supplier Relations, Finance and Control Management.

- **Organization and Structure Committee:**

This committee is held every year to study proposals for the evolution of the organizational structure to support the Group's development, while ensuring the control of defined payroll ratios. Attendants are the General Man-



ager, the Human Resources Director, the Organization and Information Systems Director, the Administrative and Financial Director and the Directors with needs.

BUSINESS UNIT COMMITTEES (BU)

Each Business Unit has its own committees to monitor all its activities and to define specif-

ic action plans: results management, review of operational activity and monitoring of BU's structuring projects.

Each BU holds a monthly Management Committee to manage its activity, monitor the performance indicators and report on the progress of all projects and action plans related to the BU. Participating in this commit-

tee, the Deputy General Manager in charge of the format, the Administrative and Financial Director, the Director of Human Resources, the Organization and IS Director, the Deputy General Manager in charge of the Marketing Department, the Deputy General Manager in charge of Purchasing and Logistics, the Logistics Director, the Audit, Quality and Safe-

ty Director and the various BU Directors.

The Management Committee relies on the studies and the action plans defined by the various committees held earlier in the month:

- **Commercial Committee:**

It ensures the implementation of commercial policy in all its dimensions, including the performance of categories, promotional performance or the organization of flagship events of the promotional plan.

- **Operational Committee:**

All the issues relating to the operation of the stores are treated: the detailed results and the action plans to be implemented by the stores to achieve the objectives in terms of sales, margin and expenses, the performance of support functions (HR, IT, Quality and Security).

- **Commercial lines Committees:**

They are organized by department to analyze the results and define action plans. These committees are held in the presence of the representatives of the various business units: Purchasing, Marketing, Category Management, Operations and Logistics.

- **Lines Support Committees:**

There are three of them. They

deal with topics related to the cash line, the markdown and the technical issues of store assets.

OTHER TRANSVERSAL COMMITTEES

The Group also relies on specialized committees on specific topics, including:

- **The Assortment Committee:**

It is within the framework of this committee that product supply decisions are made. It gathers monthly all the commercial stakeholders (Purchasing, Marketing, Exploitation) to meet the needs of the customer.

- **The Stocks Committee:**

Inventories are a crucial issue in the retail sector. This committee ensures monthly monitoring of inventory indicators and their optimization.

- **The Supplier Relations Committee:**

It analyzes each month the situation of suppliers in terms of settlement and recovery of the back margin to enable the Group to launch the necessary actions to maintain healthy relations with its partners.

- **The Quality, Health and Safety Committee:**

In a context in which the Group is increasing its level of demand in these areas in order to

better serve the customer, this committee was set up to review the various indicators on a quarterly basis.

The Expansion Committee:

In order to secure the network's sustained development plan, the Deputy General Managers in charge of the BUs make an update with the Expansion team on the prospection of new stores, and this, on a quarterly basis.



SECTOR

OVERVIEW OF THE MODERN DISTRIBUTION SECTOR IN MOROCCO

The landscape of modern distribution in Morocco has become more diversified in the recent years, driven by the growth sustained by the historical players and the entry of new international players. These latter benefit from the growth of the sector in Morocco to develop new

formats. The sector nevertheless remains dominated by two main groups:

- Marjane Holding, leader in the large formats segment, with a 38% market share;
- The Label'Vie group, with 30% market share, is the only player to operate 3 different formats:
 - Supermarkets, segment in which the group is leader;
 - Hypermarkets;

- Hypercash, pioneered by the group in Morocco.

EVOLUTION OF MARKET SHARES IN 2018 COMPARED TO 2017

The table below details the evolution of the number of stores, the sales area and the market share for the different players between December 31, 2017 and December 31, 2018.

Operators	Type of stores	Number of stores in 2018	Change in number of stores vs. 2017	Sales surface in sqm in 2017	Market share in 2017	Sales surface in sqm in 2018	Change in surface vs. 2017	Market share in 2018
Cofarma Group		82	+3	289 263	50,4%	289 863	0,21%	46,8%
Marjane	Hypermarket	38	+0	236 688	41,3%	236 688	0,00%	38,2%
Acima	Supermarket	40	+0	52 375	9,1%	52 375	0,00%	8,5%
Otop	Supermarket	4	+3	200	0,0%	800	300,00%	0,1%
Aswak Assalam	Hypermarket	13	+0	48 500	8,5%	48 500	0,00%	7,8%
BIM	Supermarket	437	+62	56 250	9,8%	87 400	55,38%	14,1%
Leader Price	Supermarket	5	+0	2 100	0,4%	2 100	0,00%	0,3%
Yaboy	Hypermarket	1	+0	4 000	0,7%	4 000	0,00%	0,6%
Label'Vie Group		92	+17	173 598	30,3%	187 398	7,95%	30,3%
Atacadão	Hypercash	11	+0	59 564	10,4%	59 564	0,00%	9,6%
Carrefour Market	Supermarket	73	+16	73 734	12,9%	83 034	12,61%	13,4%
Carrefour	Hypermarket	8	+1	40 300	7,0%	44 800	11,17%	7,2%
Total		630		573 711	100,0%	619 261		100,0%

The evolution of the sales area of the LBV group increased by 7.95% and by 0.21% for the Cofarma group.

Below, are presented the different players of the sector:

THE COFARMA GROUP SUBSIDIARY OF AL MADA GROUP (EX SNI)

Marjane, Acima and Otop. Marjane, leader in the modern distribution sector, owns 82 stores and operates under three brands: Marjane, Acima and Otop.

• Marjane Holding group (subsidiary of AL MADA owned at 100%):

The Marjane group operated 38 stores in 2018 in the major cities of the Kingdom including Casablanca, Rabat, Meknes, Fez, Tetouan, Tangier, Marrakech, Mohammedia, Oujda, Nador, Khouribga, Beni-Mellal, Sidi Slimane, Larache and El Jadida.

• Acima (subsidiary of AL MADA owned at 100%):

Acima is present in the neighborhoods of big cities, before expanding to small

and medium-sized cities. The subsidiary has a network that has reached 40 stores throughout Morocco.

• Otop (subsidiary of AL MADA owned at 100%):

The Otop group's hard discount concept started with one store in 2017 and grew to 4 stores in 2018.

ASWAK ASSALAM (SUBSIDIARY OF THE GROUP CHAÂBI «YNNA HOLDING»)

Subsidiary of the Chaabi group (Ynna Holding), Aswak Assalam has an 8% market share and operates 13 hypermarkets located in Rabat, Marrakech, Agadir, Kenitra, Temara, Tangiers, Oujda, Essaouira and Casablanca.

BIM MAROC

In 2009, the hard discounter BIM, leader of the Hard Discount food distribution in Turkey, settled in Morocco and quickly established itself on the

market thanks to a very aggressive development and implementation strategy and very competitive prices. It achieved 14% market share and has 437 stores as of December 31, 2018 compared to 375 last year.

LEADER PRICE

Leader Price opened its first store in Morocco in June 2016 in Casablanca and had 5 stores at the end of 2018.

LABEL'VIE GROUP

Label'Vie, listed on the stock market since 2008, has put in place a new strategic development plan to strengthen its position in the retail sector.

At the end of 2018, Label'Vie had 92 points of sale (187,398 m² of sales area), including 11 Atacadão stores (59,564 m²), 73 Carrefour Market stores (83,034 m²) and 8 Carrefour stores (44,800 m²).

The table below illustrates the structure of the existing stores at the end of 2017 and the openings that took place during the year 2018:

Group segments	Supermarkets	Hypermarkets	Hyper Cash	Group's Total
Number of stores as of dec. 2017	57	7	11	75
Sales surface in sqm	73 734	40 300	59 564	173 598
as a % of group's total	42%	23%	34%	100%
Openings	16	1	0	17
Additional sales surface in sqm	9 300	4 500	0	13 800
Number of stores in 2018	73	8	11	92
Sales surface in sqm	83 034	44 800	59 564	187 398
as a % of group's total	44%	24%	32%	100%

In 2018, were opened 17 new stores, representing an additional 13,800 m² of sales surface, distributed as follows:

• **Carrefour Market (managed by the group Label'Vie) :**

In 2011, following the signature of a franchise agreement, the Label'Vie group converted its existing supermarkets into Carrefour Market. At the end of 2018, this segment totaled 73 stores across the Kingdom and is increasingly strengthening its position as the national leader in the supermarket segment with the opening of 16 new stores with a sales area of 9,300 m² to reach a total area of 83,034 m².

• **Carrefour Hypermarket (managed by HLV SAS, subsidiary of the group Label'Vie) :**

Through a franchise agree-

ment, the Group also obtained the exclusivity of operating the Carrefour hypermarkets brand in Morocco. The year 2018 was marked by the opening of the 8th «Carrefour Hypermarket» in Tetouan, with a 4,500 m² of additional sales area. In 2018, sales area for this format totaled 44,800 m² divided into 8 stores in all of the cities of Tangier, Tetouan, Salé, Marrakech, Fez, Oujda and Casablanca.

• **Atacadão (managed by MLV SAS, subsidiary of the group Label'Vie) :**

In 2012, the Label'Vie group launched the Hypercash concept under the Atacadão brand in order to better

meet the demands of professionals (especially small retailers) and to present an attractive offer in terms of prices to the Moroccan middle class. At the end of 2018, the Label'Vie group has 11 Atacadão stores.



POSITIONING

During this record year in terms of stores opening, Label'Vie Group was able to strengthen its leading position in the supermarket segment in Morocco. With the inauguration of 16 new stores, the group increased its number of stores to 73 supermarkets, thus adding a total sales area of 83,034 m².

The Group has indeed strength-

ened its presence in several cities of the kingdom (Casablanca, Mohammedia, Kenitra, Rabat, Tangier, Marrakech, Agadir, Nador and Tetouan), which gives it a leading position in the supermarket segment in Morocco.

To further consolidate its position as a multi-format distributor, Label'Vie opened a Carrefour Hypermarket in Tetouan in May 2018.

Label'Vie is the only player in Morocco that provides its customers with 3 different distribution formats, thus providing a better offer perfectly in line with their expectations while meeting their needs in terms of product-price.





HIGHLIGHTS

A. NEW STORE OPENINGS

In 2018, the Label'Vie Group strengthened its position on the Moroccan market by opening 17 new stores:

- 1 new Carrefour hypermarket located in Tetouan adding new sales area of 4,500 m²;
- 16 new supermarkets under the Carrefour Market banner, with an additional sales area of 9,300 m²;



• Hypermarket Carrefour - Tétouan

On May 16, 2018, the Label'Vie group opened its first Carrefour hypermarket in the city of Tetouan, bringing the total number of its hypermarkets to two in the northern region and eight in Morocco. The store, which covers an area of 4,500 m², offers its customers a wide range of more than 25,000 products including 4,000 exclusive products, a traditional shelf, a fresh juice stand and much more. The project required a total investment of MMAD 172.

• Carrefour Market Casablanca – Ain Sebaa

In March 2018, in Casablanca, the group opened a Carrefour Market in Ain Sebaa. This store has a sales area of 200 m² and required an investment of MMAD 1.8.



• Carrefour Market Casablanca - Moulay Rachid

In March 2018, in Casablanca, the group opened a Carrefour Market in Sidi Othmane. This store has a sales area of 200 m² and required an investment of MMAD 1.8.

• Carrefour Market Tanger - Volubilis

In April 2018, in Casablanca, the group opened a Carrefour Market in Tanger. This store has a sales area of 650 m² and required an investment of MMAD 11.3.



• Carrefour Market Tanger - Iberia

In May 2018, the group strengthened its presence in the city of Tanger with the inauguration of a new sales area of 800 m². This store required an investment of MMAD 13.

• Carrefour Market Casablanca – Oulfa

In May 2018, in Casablanca, the group opened a Carrefour Market in Oulfa. This store has a sales area of 200 m² and required an investment of MMAD 1.8.



• Carrefour Market Rabat - Madagascar

In July 2018, the group strengthened its presence in the capital, with the opening of a Carrefour Market on the avenue Madagascar, corresponding to a sales area of 500 m² and an investment of MMAD 9.4.



- Carrefour Market Casablanca – Roches Noires

Also in Casablanca in July 2018, the Group inaugurated a super-market in Roches Noires for an investment of MMAD 1.8 M and a surface of 200m².

- Carrefour Market Agadir - Hassan 2

In September 2018, in Agadir was opened a new Carrefour Market, located on Avenue Hassan II, for an investment of MMAD 13 and a sales area of 800 m².



- Carrefour Market Mohammedia - Sebta

In October 2018, the Label'Vie group opened a Carrefour Market in Mohammedia with a sales area of 500 m², requiring an investment of MMAD 10.5.

- Carrefour Market Casablanca - Bel-lerville

In October 2018, the group inaugurated a new Carrefour Market store in Casablanca of 850 m² and which required an investment of MMAD 15.4.



• Carrefour Market Casablanca - Béthune

Also in October 2018, the presence of the group was strengthened in Casablanca with a new Carrefour Market, located rue Béthune, with a sales area of 500 m² and which required an investment of MMAD 11.



• Carrefour Market Tetouan - Wilaya

In November 2018, Tetouan acquired a new Carrefour Market with a sales area of 900 m², which required an investment of MMAD 15.7.

• Carrefour Market - Nador

In November 2018, the Label'Vie group opened its first Carrefour Market proximity supermarket in Nador for an investment of MMAD 14.8 and a sales area of 1500 m².





• Carrefour Market Marrakech - Majorelle

In December 2018, the Label'Ve group strengthens its presence in the ocher city by opening a Carrefour Market in the Majorelle district. This 500 m² store required an investment of MMAD 11.

• Carrefour Market Kenitra - Mimosa

In December 2018, Kenitra inaugurates a new Carrefour Market, for an investment of MMAD 10.5 and a sales area of 500 m².



• Carrefour Market Casablanca - Bir Anzarane

To close the year 2018, the group inaugurates a Carrefour Market located on avenue Bir Anzarane in Casablanca. The 500 m² store required an investment of MMAD 9.5.

THE TABLE BELOW HIGHLIGHTS THE EVOLUTION OF OPENINGS BY REGION AS OF DECEMBER 31ST 2018:

Regions	Format	2016	2017	2018
Rabat- Salé Area	Supermarkets	Hassan	Hassan	Hassan
		Médina	Médina	Médina
		Riad	Riad	Riad
		Shem's	Shem's	Shem's
		Zaërs	Zaërs	Zaërs
		Sala Al jadida	Sala Al jadida	Sala Al jadida
		SMS	SMS	SMS
		El Manal	El Manal	El Manal
		Temara Wifak	Temara Wifak	Temara Wifak
				Bettana
		Madagascar		
	Hypermarkets	carrefour salé	Carrefour salé	Carrefour salé
	Atacadao	Atacadão salé	Atacadão salé	Atacadão salé
Number of stores		11	12	13
Casablanca Area	Supermarkets	Vélodrome	Vélodrome	Vélodrome
		Anfa	Anfa	Anfa
		La gironde	La gironde	La gironde
		Quartier des hopitaux	Quartier des hopitaux	Quartier des hopitaux
		Lissasfa	Lissasfa	Lissasfa
		Maarif	Maarif	Maarif
		Mohammedia Kasba	Mohammedia Kasba	Mohammedia Kasba
		Taddart	Taddart	Taddart
		Romandie	Romandie	Romandie
		Oulfa	Oulfa	Oulfa
		Yacoub el Mansour	Yacoub el Mansour	Yacoub el Mansour
		Val Fleury	Val Fleury	Val Fleury
		Ain Sebaa	Ain Sebaa	Ain Sebaa
		Mohammedia Alia	Mohammedia Alia	Mohammedia Alia
		Gauthier	Gauthier	Gauthier
		Resistance	Resistance	Resistance
		Anfa Place	Anfa Place	Anfa Place
		Ziraoui	Ziraoui	Ziraoui
		Casablanca Abdelmoumen	Casablanca Abdelmoumen	Casablanca Abdelmoumen
		Casablanca Bourgogne	Casablanca Bourgogne	Casablanca Bourgogne
			Casablanca Ain Chok	Casablanca Ain Chok
			Casablanca Panoramique	Casablanca Panoramique
				Casablanca Ain sebaa
				Casablanca Oulfa
				Casablanca Roches Noires
				Casablanca Betum
				Casablanca Bellerive
				Casablanca Bir Anzarane
				Mohammedia Avenue Sebta
				Moulay rachid
	Hypermarkets	Carrefour Bouskoura	Carrefour Bouskoura	Carrefour Bouskoura
	Atacadao	Atacadão Ain Sebaa	Atacadão Ain Sebaa	Atacadão Ain Sebaa
Number of stores		22	24	32
Other Areas	Supermarkets	Kénitra	Kénitra	Kénitra
		Meknes	Meknes	Meknes
		Settat	Settat	Settat
		El jadida	El jadida	El jadida
		Khemisset	Khemisset	Khemisset
		Kenitra 2	Kenitra 2	Kenitra 2
		Fes route d'imouzzet	Fes route d'imouzzet	Fes route d'imouzzet
		Agadir	Agadir	Agadir
		Marrakech la Fontaine	Marrakech la Fontaine	Marrakech la Fontaine
		Safi	Safi	Safi
		Plaisance	Plaisance	Plaisance
		AGADIR 2	AGADIR 2	AGADIR 2
		SIDI SLIMANE	SIDI SLIMANE	SIDI SLIMANE
		BENI MELLAL	BENI MELLAL	BENI MELLAL
		Khénifra	Khénifra	Khénifra
		Essaouira	Essaouira	Essaouira
		Carre Eden (Marrakech)	Carre Eden (Marrakech)	Carre Eden (Marrakech)
		Berkane	Berkane	Berkane
		Menara Mall (Marrakech)	Menara Mall (Marrakech)	Menara Mall (Marrakech)
		Fes Ain Chkef	Fes Ain Chkef	Fes Ain Chkef
		Meknes Moulay Smail	Meknes Moulay Smail	Meknes Moulay Smail
		Tanger Malabata	Tanger Malabata	Tanger Malabata
			Tanger Ibn Battouta	Tanger Ibn Battouta
			Fès Atlas	Fès Atlas
			Tetouan Wilaya	Tetouan Wilaya
				Tanger Volubilis
				Tanger Iberia
				Tetouan
				Agadir Hassan II
				Nador
		Kenitra Mimosa		
		Marrakech Majorelle		
	Hypermarkets	Carrefour Targa (Marrakech)	Carrefour Targa (Marrakech)	Carrefour Targa (Marrakech)
		Carrefour Oujda (Oujda)	Carrefour Oujda (Oujda)	Carrefour Oujda (Oujda)
		Carrefour BORJ FES (FES)	Carrefour BORJ FES (FES)	Carrefour BORJ FES (FES)
		Carrefour Al mazar (Marrakech)	Carrefour Al mazar (Marrakech)	Carrefour Al mazar (Marrakech)
		Tanger Socco Alto	Tanger Socco Alto	Tanger Socco Alto
				Tetouan
	Atacadao	Atacadão Fes	Atacadão Fes	Atacadão Fes
		Atacadão Tanger	Atacadão Tanger	Atacadão Tanger
		Atacadão Oujda	Atacadão Oujda	Atacadão Oujda
		Atacadão Marrakech	Atacadão Marrakech	Atacadão Marrakech
		Atacadão SIDI KACEM	Atacadão SIDI KACEM	Atacadão SIDI KACEM
		Atacadão FKIH BENSALEH	Atacadão FKIH BENSALEH	Atacadão FKIH BENSALEH
		Atacadão Agadir	Atacadão Agadir	Atacadão Agadir
		Atacadão Taza	Atacadão Taza	Atacadão Taza
		Atacadão Meknes	Atacadão Meknes	Atacadão Meknes
Number of Stores		36	39	47
Total		69	75	92

2018, record year for openings: the group now manages 92 stores thanks to its policy of proximity and the strong performance of all of its business segments. This growth is the result of the development strategy adopted by the Group since its IPO in 2008.

A MATURE CONCEPT WITH

Nador

Openings 2018:
• 1 Carrefour Market



Sidi Slimane

• 1 Carrefour Market



Sidi Kacem

• 1 Carrefour Market



Rabat-Salé

• 9 Carrefour Market
• 1 Carrefour Hyper
• 1 Hypercash



Openings 2018:
• Madagascar



Khémisset

• 1 Carrefour Market



Temara Wifak

• 1 Carrefour Market



Mohammedia

• 2 Carrefour Market



Openings 2018:
• Mohammedia Av Sebta



Casablanca

• 20 Carrefour Market
• 1 Carrefour Hyper
• 1 Hypercash



Openings 2018:
• Moulay rachid
• Ain Sbaa
• Oulfa
• Roches Noires
• Béthune
• Bellerive
• Bir Anzarane



El Jadida

• 1 Carrefour Market



Safi

• 1 Carrefour Market

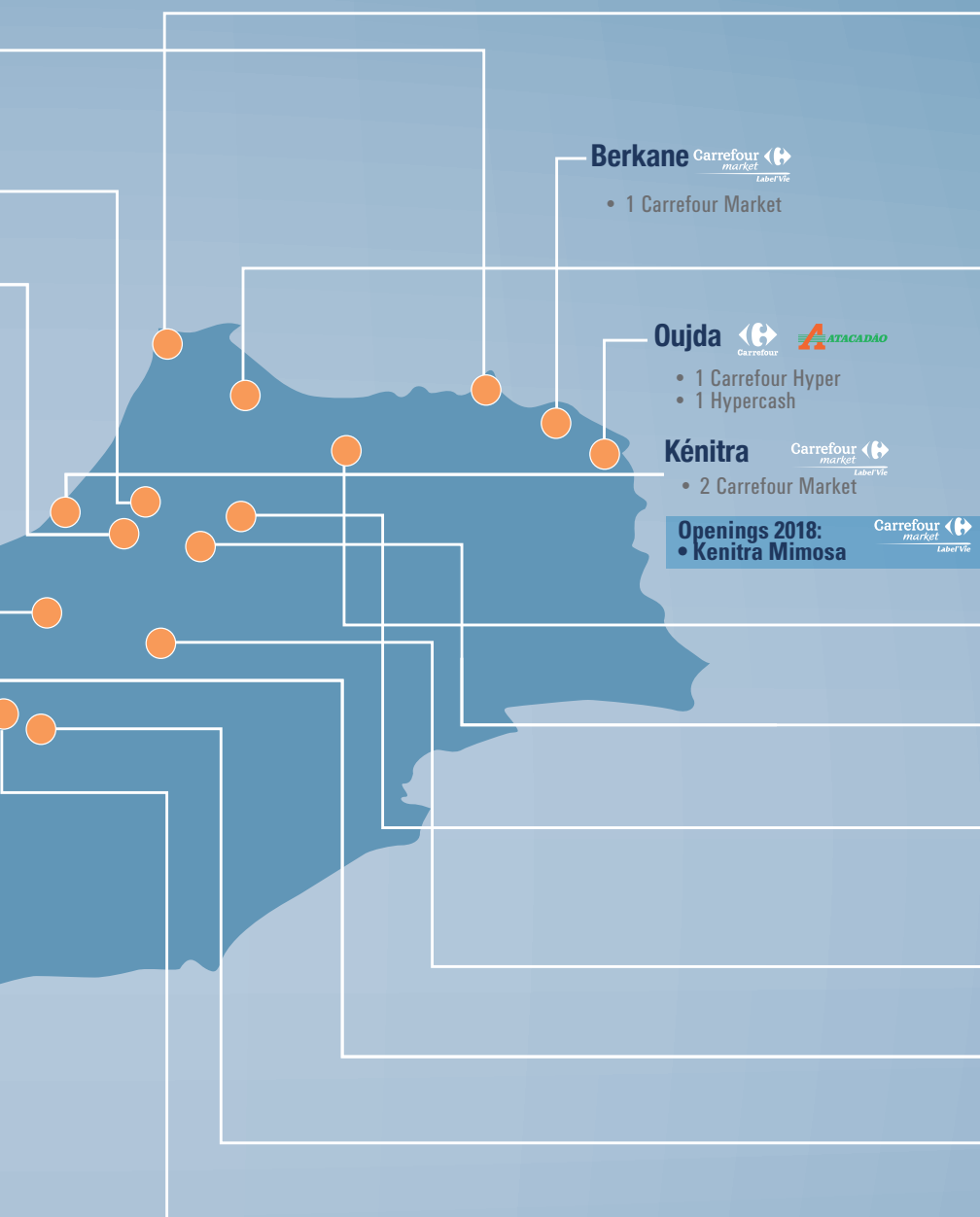


Essaouira

• 1 Carrefour Market



A PRESENCE IN 25 CITIES



Tanger Carrefour market Label Vie Carrefour ATACADÃO

- 2 Carrefour Market
- 1 Carrefour Hyper
- 1 Hypercash

Openings 2018:
• Soremar Volubilis
• Tanger Iberia

Carrefour market Label Vie

Tétouan Carrefour market Label Vie

- 1 Carrefour Market

Openings 2018:
• Tetouan II
• Tetouan

Carrefour market Label Vie Carrefour

Oujda Carrefour ATACADÃO

- 1 Carrefour Hyper
- 1 Hypercash

Kénitra Carrefour market Label Vie

- 2 Carrefour Market

Openings 2018:
• Kenitra Mimosa

Carrefour market Label Vie

Taza ATACADÃO

- 1 Hypercash

Meknes Carrefour market Label Vie ATACADÃO

- 3 Carrefour Market
- 1 Hypercash

Fès Carrefour market Label Vie ATACADÃO

- 4 Carrefour Market
- 1 Hypercash

Khenifra Carrefour market Label Vie

- 1 Carrefour Market

Settat Carrefour market Label Vie

- 1 Carrefour Market

Beni Mellal Carrefour market Label Vie

- 1 Carrefour Market

Fkih Bensaleh ATACADÃO

- 1 Hypercash

Marrakech Carrefour market Label Vie Carrefour ATACADÃO

- 3 Carrefour Market
- 2 Carrefour Hyper
- 1 Hypercash

Openings 2018:
• Majorelle

Carrefour market Label Vie

Agadir Carrefour market Label Vie ATACADÃO

- 2 Carrefour Market
- 1 Hypercash

Openings 2018:
• Agadir Hassan II

Carrefour market Label Vie





B - FISCAL AUDIT

In 2018, the group was subjected to a tax audit covering the fiscal years 2014 to 2017 (as well as 2013 for the subsidiary maxi-lv). The audit included the following subsidiaries:

- The parent company La-bel'Vie SA;
- The two subsidiaries maxi lv and hypermarche lv.

This audit included the following areas:

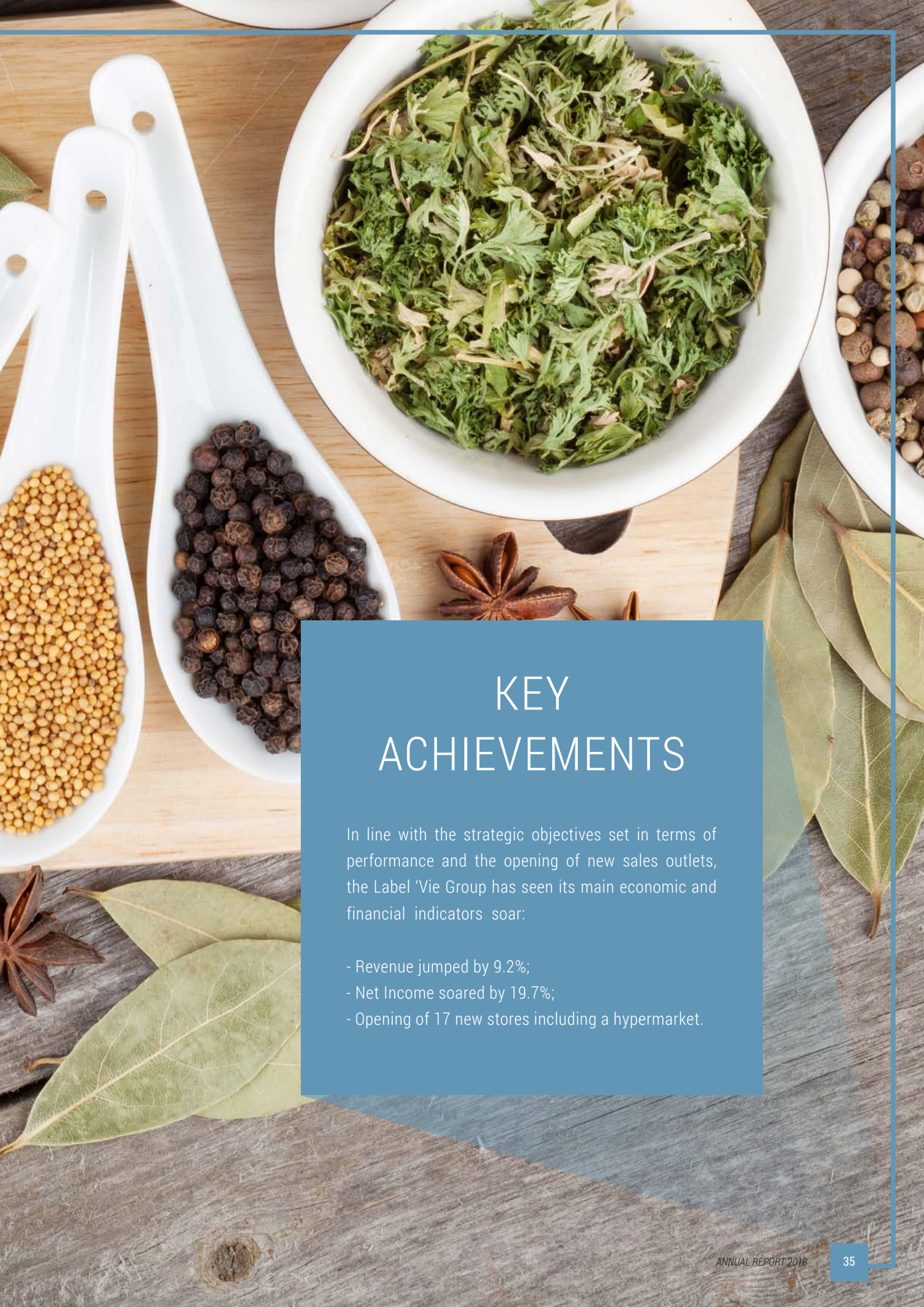
- Corporate taxes;
- Income taxes;
- Value Added taxes (VAT).

The total amount of tax assessed stood at MMAD 32.

C - DIVESTMENT OF THE LAND AND THE REAL ESTATE PROPERTY IN « ZAËRS »

The Group's new strategy prevails separating the core business (retail) from real estate and land management. The Label'Vie Group therefore proceeded in 2018 with the sale of «Zaërs» to ARADEI. The sale includes the land held by LBV on the Zaërs site, the real estate component (store) and the average surface area under construction. The operation resulted in capital gains of MMAD 35.





KEY ACHIEVEMENTS

In line with the strategic objectives set in terms of performance and the opening of new sales outlets, the Label 'Vie Group has seen its main economic and financial indicators soar:

- Revenue jumped by 9.2%;
- Net Income soared by 19.7%;
- Opening of 17 new stores including a hypermarket.

AT THE OPERATIONAL LEVEL

Main indicators :

The evolution of the main sales indicators is illustrated in the following table:

	2015	2016	2017	2018	CAGR 2018
Number of stores	63	69	75	92	23%
Number of receipts	35133190	38945863	41556817	47462985	14%
Total sales (inc. VAT) in MMAD	7026,28	7761,84	8652,59	9453,25	9%
Average basket (inc. VAT) in MAD	200	199	208	199	-4%

The average basket of the Label'Ve group has decreased from MAD 208 in 2017 to MAD 199 in 2018. Attendance has increased by 14%, from 41 million receipts in 2017 to 47 million receipts in 2018, which allowed for an increase in the volume of sales across all business segments of the group.

HUMAN RESSOURCES

Given the current context:

Thanks to the development of our multi-format activities, we have an annual need for recruiting and integrating about 2000 employees with operational skills, out of which 10% are specialized in management in the field of retail distribution. But unfortunately, there is a scarcity of operational skills in the Moroccan market due to the lack

of training structures tailored for the sector.

The challenge for the HR department is therefore to design and deploy an HR policy adapted to these social and structural constraints.

To mitigate this challenge, and since 2015, the Group's Human Resources Department has been structured around 3 areas, in order to meet the expectations of employees and the requirements of the business:

- The HR and Corporate Culture Proximity Department;
- The HR Development Department;
- Personnel Administration and Social Affairs Department;

Regarding the Group's HR po-

lity, it is built around the following strategic areas:

- Consolidating the employer's brand (internal and external);
 - Supporting the strategic development of the business units in the period 2018 - 2020;
 - Building Label 'Ecole toward a center of excellence
- The table below summarizes the main achievements of the Human Resources Department in 2018:

KEY FIGURES FOR 2018

Recruitment	In 2018, 2,571 employees were recruited (compared to 1,895 in 2017)
Internal mobility	In 2018, internal recruitment accounted for 41% of total recruitments (vs. 54.14% in 2017)
Internal recruitment	In 2018, we have met management needs internally with a total of 351 employees (vs 237 in 2017) via 186 promotions
Orientation of new managers	8 integration seminars were conducted in 2018 bringing together 84 new recruits
Corporate culture	<ul style="list-style-type: none"> • Organization of a Team Building with the presence of 350 Group executives; • Enhancement of the Facebook page which reached 130,000 subscribers; • Organization of an annual breakfast for the 3 headquarters ; • Distribution of gifts to 2,500 women during the International Women's Day.
Social and health endeavors	<ul style="list-style-type: none"> • 1 Family Day organized and attended by 200 adults and 168 children under 12; • Organization of a day for 63 pregnant women of the Group; • Organization of a day for 103 future dads of the Group; • Organization of an awareness day for 80 diabetic employees of the Group; • Organization of an anti-smoking campaign for all the staff; • Organization of 3 «Sweets» breaks for 456 women of the Label'Ve group; • Organization of the «School Excellence Award» for 9 children sons and daughters of our employees with the highest high-school diploma grades; • Organization of 2 soccer tournaments with the participation of 350 employees.
Training	<ul style="list-style-type: none"> • 715 actions completed in 2018 (+ 18% compared to 2017); • 4,789 participations in 2018 (+ 18% compared to 2017); • 6,713 man / days (participations) in 2018 (+ 8% compared to 2017); 1,718 beneficiaries in 2018, i.e. 30% of employees (+ 8% compared to 2017).
Specific training / Label 'Ecole	<ul style="list-style-type: none"> • 536 training actions carried out in 2018 (+ 33% compared to 2017); • 4,258 participations in 2018 (+ 50% compared to 2017); • 1,404 beneficiaries in 2018 (+ 23% compared to 2017); • 5,203 days / man (participations) in 2018 (+ 46% compared to 2017); • An offer consisting of 22 training cycles; • 62 internal trainers and 121 department managers in the training departments and 22 school stores.

SUPPLY CHAIN

Logistics is a core element in the Group's business with many milestones achieved during the year 2018:

Automated supply flows and detention management tools

After covering food flows, the automation of store supply manage-

ment continued with the start of the project on the non-food part of the business. This is a business project aimed at ensuring optimal store ownership at the store level as well as optimizing inventory levels.

Regional sourcing of fresh products

Always anxious to ensure a

high-quality competitive offer in terms of market products, the Group has been committed for several years to a sourcing policy that keep them close to producers of fresh produce. Regional sourcing projects for fruits and vegetables as well as sea products are now operational and allow for offering the best freshness in our stores.



MARKETING AND BUSINESS DEVELOPPEMENT

• Carrefour strengthens its positions

With the opening of 16 new stores in 2018, Carrefour Market increased its sales area by 9,300 m² and strengthened its presence on the Rabat-Casablanca axis, but also in other regions of Morocco, particularly in the north, (Tangier, Tetouan, Nador) and in the south of the country (Marrakech, Agadir).

With these new openings, Carrefour Market operated 73 stores at the end of December 2018. In addition, the Group is also strengthening its position in the hypermarket segment with the inauguration of a new Carrefour in Tetouan with a surface area of 4,500 m². This opening brings the number of Carrefour hypermarkets to two in the northern

region and a total of eight nationwide.

DEPLOYMENT OF NEW VALUE-ADDED SERVICES

We have developed in our store new services, to strengthen our in-store customer service and allow for new growth opportunities:

- Sales of electronic refills in stores;
- Possibility of payment by foreign credit card (DCC) in store;
- Launch of the Label'Vie Card, available in all hypermarkets (and still in the test phase at 6 Carrefour Market). This card makes it possible to finance the purchases by offering several possibilities of payment:
 - Payment at the end of the month and without charges;
 - Payment in 3, 6 or 10 installments;

- Possibility of having a cash reserve to finance some or all of the purchases.

• Freshness Campaign

Since 2017, we launched two communication campaigns focusing on the quality of fruits and vegetables and meats, tracing the processes put in place by the group. These achievements were supported by in-store training, increased product dramatization and tasting programs. A digital campaign has also been set up to explain to customers the quality process, ranging from selection, sourcing and marketing to products.

• Internal Campaign 100% Clients

Launch of an in-house campaign 100% focused on the customer in order to become the reference in terms of customer relations in Morocco and in the retail sec-

tor. This campaign is in several parts:

- Training all store staff from the manager to the employee;
- Creation of media diffusible on screens in the offices and common places of the collaborators;
- Creation of a physical booklet available in store for new recruits and for continuous training, bringing together the brand's values and the behavior to be held towards our customers

IT

In the course of 2018, the IT department has made a significant improvement in its telecommunication network in order to increase its performance and reliability. This operation made it possible to improve the operation of the tools made available to the operational staff in the stores, thus contributing to their operational excellence.

On the other hand, the scope covered by the continuity plan has been extended beyond the sales and management tools of the logistics chain to cover the management and reporting systems in order to reduce the constraints related to a possible change over the backup site in case of problems.

QUALITY

The Label'Vie Group operates within the framework of a quality policy, based on the needs of customers and on Moroccan regulatory requirements relating to

food quality and safety.

The main tenets of this policy are listed as follows:

- Healthy, fresh and quality products that meet the needs of customers;
- Rays that meet the standards of hygiene and food safety;
- A guarantee of the cold chain;
- Quality control at all stages: from reception to customer;
- Experienced and continuously trained staff.

• Control of product quality: Market, private label

- Ensure the approval of the products Market before shipment to our stores (Fruits & vegetables, meats and sea products);
- Ensure the control of imported products according to the Group's requirements;
- Set up a control covering sanitary risks and controlled recipes in order to propose to our customers products of quality for our MDD (brand of the distributor);
- Provide Quality support for purchases in supplier referencing, implementation of specifications framing the quality of products and their controls.

• Quality control at the store level

- Establish a system ensuring the safety of the products distributed by our warehouses and processed in the workshops of our stores through quality audits and support of the stores by applying

the internal quality requirements and standards of the IFS Group (HACCP);

- Ensure the safety of processed fresh products through microbiological and physicochemical analyzes carried out by accredited laboratories;
- Respect of environmental requirements with the implementation of waste management that groups the collection, transport, recovery and disposal of waste for Carrefour Market Rabat stores.

AT THE SECURITY LEVEL

The Safety and Risk Prevention Department contributes to the protection of equipment and assets, to the improvement of the safety of the Label'Vie Group's employees and its service providers, through the creation of a QHS committee (Quality, Hygiene, Safety) and the implementation of risk prevention actions.

This approach has been reinforced by the Group's desire to subscribe to a proactive CSR approach and policy.

The Label'Vie Group is also fighting against theft and shrinkage by improving its monitoring system and setting up PCS (Post Control Surveillance) agents.

As part of the continuous improvement process, the Safety and Risk Prevention Department

has set up numerous safety projects during 2018:

Component: management «security-control»:

- Assessment of the entire security team;
- Diploma course «Fire Safety and Personal Assistance Service (SSIAP 1)»;
- Nursery training to prepare future security supervisors for BU BUILD stores;
- Periodic training in fire safety and first aid

Component: strengthening safety:

- Generalization of the outsourcing of the PCS workstation;
- Improved electronic protection;
- Investment in safety equipment.

Component: risk prevention:

- The Safety and Risk Prevention Department accompanies the expansion of new openings in the work-sites from conception to completion and ensures awareness of risks and the application of preventive measures;
- Upgrading evacuation plans;
- Planning evacuation drills.

INTERNAL AUDIT

Internal Audit's mission is to analyze all the activities of the company in order to give the General Management and the Board of Directors an assurance on the proper functioning of the processes.

Achievements of 2018:

In 2018, the internal audit department

was able to carry out 18 missions relating to material flow, information flows, cash flows and personnel.

These missions, which concern all BUs and central functions, have highlighted a set of findings classified according to their degree of criticality. Following these observations, action plans were defined with the managers concerned. The internal audit department monitors the implementation by the management of the action plans necessary to reduce, or eliminate, the most critical risks inherent in the various findings.

Risk management and risk mapping:

Two risk mapping projects were completed in 2018:

- The mapping of HRM risks was put in place with HRD following workshops involving the audit department, the operational staff and an external firm;
- The delegation matrix has been updated to adapt to the group's evolution, while ensuring good governance and operational efficiency.

Internal control system:

In order to establish an internal control culture, store audits were carried out at the level of the three BUs, reviewing all the critical processes at the store level (97 verification tests). The internal audit plan for 2019 was prepared on the basis of:

- Risk Mapping of the Purchasing cycle in 2016;
- HRM risk mapping in 2018;
- Matrix of delegations of authority;
- Incidents identified by security;

- Deficiencies or dysfunctions identified during the 2018 audit missions;
- Management requests;
- Finalized projects and key procedures;
- Audit stores.

In order to strengthen the fraud prevention system, the Internal Audit Department has planned for 2019 the creation of an anti-fraud system.

Regarding risk management, the department plans to implement risk mapping for the «Receipts» and «Lines» processes.

EXPANSIONS

The expansions department is organized into 3 distinct departments:

Prospecting department:

A team of prospectors crisscross all Morocco in search of land to build or stores to develop.

Administrative department:

A cell is in charge of working with the city authorities to ensure the acquisition of various exemptions and authorizations (authorization to build, develop and operate the premises).

Construction works department:

Project managers, assisted by MODs and masters of works, manage the construction, planning and technical equipment companies.

At the beginning of fiscal 2018, the Expansion Division was given an exceptional target of opening 17 stores for the current year and prospecting for a number of other spaces for openings



in subsequent years.

To ensure this steady pace, the Building Works Department had to prepare, well in advance, framework contracts for almost all construction and equipment supply services.

The same department also formalized certain tasks, such as the preparation of a risk assessment checklist before each acquisition and the introduction of a procedure for assessing the performance of construction companies. A process for the management of safety, hygiene and the environment inside the building sites has been formalized. These new processes have made it possible to optimize the quality of the mission accomplished by the

department.

Continuing its commitment in terms of energy savings and in addition to the achievements made since 2016, the Direction Expansion finalized the consultations and the award contract for the installation of a photovoltaic power plant. The installation of this plant will be effective in 2019.

CORPORATE SOCIAL RESPONSIBILITY

Our Label'Ve Group has always combined economic and social vocation. A deep conviction is enshrined in the Group's DNA: to succeed in the economic challenge of development, an important social component must be included. At the beginning of 2018, the directives were given to set up a

structured CSR approach with the objective of being labeled CGEM in 2019. This ambition of labeling, in addition to the excellent image associated with it, makes it possible to structure our actions, and to register them in continuity (regular audits scheduled for early April 2019). We hired a specialized firm to monitor our approach to the highest standards of CSR. We then set up a COPIL (Steering Committee) which meets every month to check the progress of the roadmap. Our goal is that by the end of 2019, our 7,000 employees positively impact the environment through their training in basic or more technical actions associated with our CSR principles. Because the accumulation of



small gestures produces big changes. Our CSR approach manifests itself through five commitments, in order to integrate into our strategy and our commercial activities our social, environmental, ethical and labor code concerns. On the basis of a clear, solid and practical day-to-day business culture, good habits are anchored more easily and durably.

1st Commitment: Customer Orientation

CSR thinking is a strategic business. It involves an invitation to rethink the company in the broader perspective of its relationship with

society. Our definition of CSR is based on the idea that the responsibility of our group goes beyond the pursuit of profit and the respect of the law, and that it concerns all the stakeholders of the company.

Innovate to make life easier for the consumer

At Label'Vie, the customer is at the center of all eyes. We are committed to offering him the right to information, offers tailored to his needs and optimal processing of his claims.

We develop multi-format concepts: Hypercash, Hypermarket and Supermarket to cover a whole range of

services and products adapted to our many types of customers.

On the other hand, a continuous policy of innovation and lower prices ensures the accessibility of our products to the greatest number. The customer experience is facilitated by the implementation of a commitment to guarantee the lowest price for the super and hyper formats. This initiative gives customers access to 200 or 300 top brand products at the lowest prices.

Ensure food security

The good quality and freshness of our products is the first requirement of our customers. To ensure their

satisfaction, we provide them with processes guaranteeing this quality, and apply monitoring and approved expertise covering 100% of our activities.

Quarterly audits are conducted by renowned firms to check the compliance of our stores with regulatory and internal health requirements. The Group has a store support plan with quality engineers in charge of monitoring.

Ensure the excellence of the customer experience

The satisfaction of our customers is largely dependent on good claims management. In order to optimize the processing, we have made available several channels (call centers, social networks, stores) with efficient organizational procedures for the management of complaints with a maximum delay of 48 hours (More than 300 complaints are processed every month, with a response rate of 100% and a satisfaction rate of 76% in 2018)

Adopting ethical practices and transparency

This axis of our CSR policy implies the protection of personal data. Specifically, access to different information systems is governed by dedicated authorizations, whose allocation is subject to a secure validation process. Also, sensitive data is accessible only to the specific population that is supposed to process it.

On the other hand, our practices

require a clear and unambiguous communication of rates, offers and promotions to the address of our customers. The advertising and communication used employ the best information tools and the most appropriate channels for each type of need.

2nd Commitment: Valorization of our human capital

Our success as a leading retailer is based on the quality of our interactions, with the client, as well as within our teams of women and men committed to their professional and personal success. To ensure the good conduct of this team work, and to maintain good human relations, we are committed to developing our human capital.

Support to our employees

To ensure that our employees acquire the skills that are essential to their career plan, our Label'Vie Group defines each year an adapted training offer for each population. The trainings are thus thought according to the needs of each direction, studied according to the different professional categories.

Guaranteeing Health, Safety and Well-being at Work

Our Group promotes health through a regionally driven occupational medicine system. A work accident risk prevention system has also been designed to identify the risks associated with each workstation.

Our group also develops and main-

tains social spaces for all its employees (canteens, cloakrooms, company restaurants, rest rooms ...) and organizes relaxation events, such as the Douce'Heure Breaks, competitions and team buildings, for more wellbeing in the work.

Say NO to discrimination and YES to equal opportunities!

Performance, skills, these are the essential criteria for internal recruitment or promotion. These qualities determine the recruitment and career management policy we have established within our Group. In order for our CSR policy to be in synch with gender equality, Label'Vie enhances its career management by controlling quotas for women in internal recruitment and promotions.

Finally, we develop pay scales that promote equity in terms of the importance of positions, regardless of the type of employee. Permanent monitoring of compensation levels enables us to constantly adapt our salary scales to the reality of different types of careers and to their evolution within the Group.

Finally, in collaboration with our occupational physicians, Label'Vie is working to redeploy certain employees with physical disabilities.

Fostering solidarity

Some of our employees may experience difficult situations. In order to provide them with the support and solutions they need to recapture

their work / life balance, our Group promotes the spirit of solidarity. For 10 years, we have set up a Social Assistance Fund (SOC), which is 50% financed by the Group and 50% by its employees. Each employee can voluntarily contribute to their level, and as a member of the fund, they can benefit from social assistance in case of disaster, incident or unforeseen life.

Health is the hard core of this internal solidarity drive. Our Label'Vie Group organizes health appointments in partnership with experts in the field, for all employees.

An effective employee is a balanced individual. At the heart of our priorities in the area of solidarity is the promotion of parenthood. As a result, several actions aim to increase the work / life balance. We organize days of the pregnant woman, days of the future daddy or the Family Days, real opportunities to awaken to the responsibilities and to the parental blooming.

Children are also honored with the school excellence award, which is part of our solidarity action, and intended to create a positive emulation between the children of our employees.

- Average number of women benefiting each year from Pregnant Women's Day:
110 women
- Average number of men benefiting from Father's Day:

140 men

- Average number of participants enjoying Family Day each year:
More than 800 people
- We also organize sporting events internally, to reinforce the spirit of belonging, bringing together and cohesion of teams:
- Soccer Tournament: This is an annual sporting event organized for our employees from all regions, in the form of team competition.
- The Casablanca International Marathon: Under the colors of the Label'Vie Group, our sports associates participate in all events of the event (the Marathon, Half-Marathon, the relay race and the 10km).

Eliminating all forms of prohibited work

Our Group is committed to fighting against all forms of prohibited work. From work code irregularities to fighting against forced labor for minors, the rules of procedure and code of ethics developed by our Group involve many clauses.

A certificate attached to the contracts with our suppliers and service providers has been put in place, with the aim of respecting the labor code. We also fight against the recruitment of minors, night work for women as well as forced labor against any collaborator.

3rd commitment: Societal development

The CSR approach of our Group is also embodied in social action. On a small scale, it starts with:

Helping the youth

This initiative is concretized through schools partnerships allowing the implementation of programs professionalizing in alternating mode:

- Partnership with the University of Legal, Economic and Social Sciences of Settat to obtain a License in Commerce and Distribution (2017-2018 promotion: 30 winners, 2019-2020 promotion: 37 laureates);
- Partnership with the Royal Institute of Specialized Technicians in Kenitra breeding to obtain the meat operators certificate (promotion 2016-2018: 11 winners, 7 of whom joined our group, promotion 2018-2020: 18 student apprentices);
- Partnership with the University of Science and Technology of Settat to obtain a Master in Commerce & Distribution in Agribusiness (promotion 2018-2020: 18 student apprentices);
- Partnership with the University of Science and Technology of Al Hoceima to obtain a degree in agri-food sciences and technical techniques - (promotion 2018-2019: 15 student apprentices).
- Partnership with IUR Rabat for the training (assistant store managers a dozen graduates per year)

Promote local purchases

To ensure farmers the opportunity to grow their local business, we commit to our local purchases of 26% for fruits and vegetables, and 4% for the fish market.

Promote local employment

To ensure that young people can



integrate socially rewarding work into their living area, the various activities of our Group generate direct and indirect employment opportunities through outsourcing.

Local employment rate: 75%

Respect the neighborhood

A CSR approach requires a pleasant environment for all, with respect for the environment and basic aspects of citizenship.

In this context, our group has set up many development projects such as the installation of plant walls in some stores, the existence of playgrounds, as well as a better implementation of technical equipment

for the comfort of users.

Conduct citizen actions

Our Group is part of a social vision of what a responsible company should be, preserving existing economic players and encouraging the vitality of local commerce while benefiting from efficient and modern service. Several initiatives have been undertaken to date in the agricultural sector, the environment, music and sport.

• Moulat Lkheir (the one who does good deeds)

Among the flagship projects of our CSR policy, which have a direct impact on the environment, we have set up a Social Business system

with the help of our partnerships. Its goal is to help farmers become part of a social climb through an integrated process of potato production and sales. From seed to sale, Moulat Lkheir aims at the active and transversal participation of all professional actors for a synergistic Social Business.

Moulat Lkheir is the expression of our vision to participate in the improvement of the social conditions of certain rural families, thanks to a mastery of agricultural upstream and a unique solidarity positioning on the Moroccan market.

Five partnerships with a capital of



MAD 250,000 were thus created to coordinate the creation and management of the social enterprise, including a partnership with the well-known brand Mc Cain, expert in the creation of Social Business, agronomy and potato processing.

The ambitions of this social enterprise are manifold: to reduce poverty in rural areas, to promote girls' education, to guarantee a stable job for mothers and an attractive and progressive salary.

In the regions of Berrchid and Sahel, Moulat Lkheir progresses on an organizational model divided into 4 parts:

- coordination of agricultural upstream;

- the marketing of production;
- processing into raw fries for the shelves of our stores;
- the social aspects of the mission related to schooling and material help in the fight against precariousness.

With this Social Business project, our Group is part of a social vision of what a responsible company should be, preserving existing economic players and encouraging the vitality of local commerce while enjoying an efficient and modern service.

As a result, in 2018, Moulat Lkheir hired 5 full-time employees, obtained health insurance for employees and their families, and increased their income by at least 50%. The Group has also deployed 90 hours of training on

good agricultural practices.

- In 2015, the Label'Vie Group also took part in the Sahraouiya Raid under the sign of solidarity, an event promoting women's sport and the southern regions.

- Also in 2018, the group was at the rendez-vous of World Clean Up Day to help clean up Sid el Abed beach, in collaboration with the association Tous pour Harhoura.

- The Label'Vie Group also sponsors the Moroccan Philharmonic Orchestra annually to encourage and promote culture and music in the Kingdom and its influence abroad.

4th commitment: Protecting the environment

In its practical and ethical dimension, our CSR action is a pathway for envi-

ronmental transition, at the heart of a globalized economic context. Our approach is part of an economic alternative that respects the environment, mobilizing each employee and stakeholder to an awareness of the power and impact of individual actions.

The call to the volunteering of everyone, as well as the ability to convert constraints into economic opportunities, establishes an effective and sustainable win-win balance.

We are committed to:

Developing an environmental management system (EMS)

A firm was mandated for the application of the Hygiene Health & Environment principles at the construction site level, and a designated SME manager.

A program started in 2016 allows the implementation of energy saving best practices, the construction of thermal insulators and the purchase of non-energy-efficient equipment.

Reducing our energy consumption

The reduction of energy consumption is an essential element of the environmental concerns of any CSR policy. As such, the preference of our Label'Vie Group depends on the choice of natural lighting, through a new economy lever integrated into the design of logistics sites. It consists of glazed facades for natural lighting.

In addition, since 2017, the Group has launched an experiment to cover the structures of these stores for a photovoltaic roof that provides energy self-sufficiency. The Atacadao store in Meknes has been the first surface to benefit from it and other facilities

will be expected in stores in the cities of Taza and Marrakech.

In order to avoid leaks in refrigeration systems and to reduce the impacts on global warming, our Group plans several installations of DNI system (intelligent refrigerant level detector), which allows the analysis of the installation from measurements and realize leak tests.

Reducing and recycling waste

The Group plans to gradually install several waste management systems for all its activities, including the recovery of cardboard and plastic and the installation of grease traps.

Combating food waste

Our Group is implementing an anti-waste food policy through the commitment of a specialist supplier in the recovery of bakery products, as well as the recycling of flour for animal feed.

The transit flows of the products are optimized, the automation of the orders is installed to avoid the overstocks and the control of the quantities. At the heart of the stores, product rotations are monitored.

Protecting biodiversity

Biodiversity is today seriously threatened by human activities and our Group adopts a strong and proactive policy in terms of sustainable development:

- Promoting sustainable transport by optimizing routes, massifying flows, setting up short circuits, etc. ;
- By reducing noise pollution by covering our generators or compressors, by

noise-canceling equipment or by concealing them behind insulating walls.

5th Commitment: Business Ethics

From our Group's point of view, business ethics is based on a set of fundamental values or principles that go beyond the legal requirements of society and apply to all of our activities. Our partner contracts govern our responsible purchasing with all our suppliers and our Group ensures their daily application.

Thanks to our CSR policy, we have included new criteria in contracts that have an interesting awareness value: buyers act as prescribers of good practices that they then spread along the supply chain.

A diligence plan (audits) has already been in operation since 2018, with the establishment of over 3 years of business partnerships with more than 85% of our suppliers.

PREVENTING CORRUPTION

Corruption impacts all countries at different levels. This phenomenon is harmful, not only at the financial level, but also at the social level since corruption often hides other violations of the law. In addition, corruption reduces citizens' trust in businesses and causes multiple damages in the absence of intervention. Our Group has thus adopted a Code of Ethics and professional conduct to anchor the value of respect for human values and legal and regulatory provisions. It prescribes respect for professional ethics, integrity and the management of conflicts of interest.





FINANCIAL ANALYSIS

The group Label'Vie continues to deliver a great performance thanks to a multi-format development plan, as well as a sound Marketing strat-

egy. This strong growth is mainly driven by both the contribution of mature stores (constant scope) and the new contributions from stores

opened between 2017 and 2018.

Below, a detailed financial analysis of the group:

A. ANALYSIS OF THE INCOME STATEMENT

Below is the non-consolidated income statement of Label'Vie S.A for the financial years 2017 and 2018. Numbers are shown in thousands of MAD:

All numbers in kMAD	2017		2018		CHANGE	
	VAL	% sales	VAL	% sales	VAL	%
Sales of goods (Exc. VAT)	3 326 979		3 755 438		428 458	13%
Sales for the provision of services	443 565	13%	513 910	14%	70 345	16%
Revenue (Exc. VAT)	3 770 545	113%	4 269 348	114%	498 803	13%
Cost of Goods Sold (exc. VAT)	2 854 141	86%	3 213 559	86%	359 418	13%
Gross Margin	916 403	28%	1 055 789	28%	139 386	15%
Reversal of operating provisions	76 940	2%	87 539	2%	10 599	14%
Operating expense	725 282	22%	815 881	22%	90 599	12%
Operating income	268 062	8%	327 447	9%	59 385	22%
Financial income (expense)	-40 235	-1%	-48 856	-1%	-8 621	21%
Non-operating income	240	0%	15 007	0%	14 767	6154%
Corporate Tax	-51 477	-2%	-74 718	-2%	-23 240	45%
Net Income	176 589	5%	218 880	6%	42 291	24%

On a non-consolidated basis, Label'Vie S.A delivered revenue up 13% YoY from MMAD 3,771 in 2017 to MMAD 4,269 in 2018.

Operating profit increased by MMAD 59 (52%) as operating margin jumped by 1 point (9% vs. 8% in 2017).

Net Income soared by 24% (+MMAD 42). Net margin stood at 6% in 2018 vs. 5% in 2017.

Below is the consolidate income statement of Label'Vie S.A for the financial years 2017 and 2018. Numbers are shown in thousands of MAD:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Sales of goods (Exc. VAT)	7 531 109		8 217 333		686 224	9,1%
Sales for the provision of services	743 469	9,9%	815 623	9,9%	72 154	9,7%
Revenue (Exc. VAT)	8 274 578		9 032 957		758 378	9,2%
Cost of Goods Sold (exc. VAT)	6 676 079	88,6%	7 246 697	88,2%	570 617	8,5%
Direct margin	855 030	11,4%	970 637	11,8%	115 607	13,5%
Gross margin	1 598 499	21,2%	1 786 260	21,7%	187 761	11,7%
Running costs	995 338	13,2%	1 081 418	13,2%	86 080	8,6%
EBITDA	603 161	8,0%	704 842	8,6%	101 681	16,9%
Operating provisions	248 779	3,3%	278 154	3,4%	29 375	11,8%
Running costs	1 244 117	16,5%	1 359 571	16,5%	115 454	9,3%
Operating income	354 382	4,7%	426 689	5,2%	72 307	20,4%
Financial income (expense)	-30 973	-0,4%	-24 627	-0,3%	6 346	-20,5%
Current income	323 409	4,3%	402 062	4,9%	78 653	24,3%
Non-operating income	-1 222	0,0%	-4 151	-0,1%	-2 929	>100%
Corporate Tax	81 292	1,1%	109 511	1,3%	28 219	34,7%
Net Income	240 896	3,2%	288 401	3,5%	47 505	19,7%
NIGS	237 862	3,2%	285 236	3,5%	47 374	19,9%

* Mutandis is excluded from the scope of consolidation (less than 5% owned by Label'Vie)

The detailed non-consolidated financial statements, consolidated financial statements as well as the Statutory Auditors' reports as published in the notice convening the General Meeting of June 2019, are in-

cluded in Appendices I and II of this Annual Report.

A.1 REVENUE

Label'Vie Group's turnover is mainly comprised of:

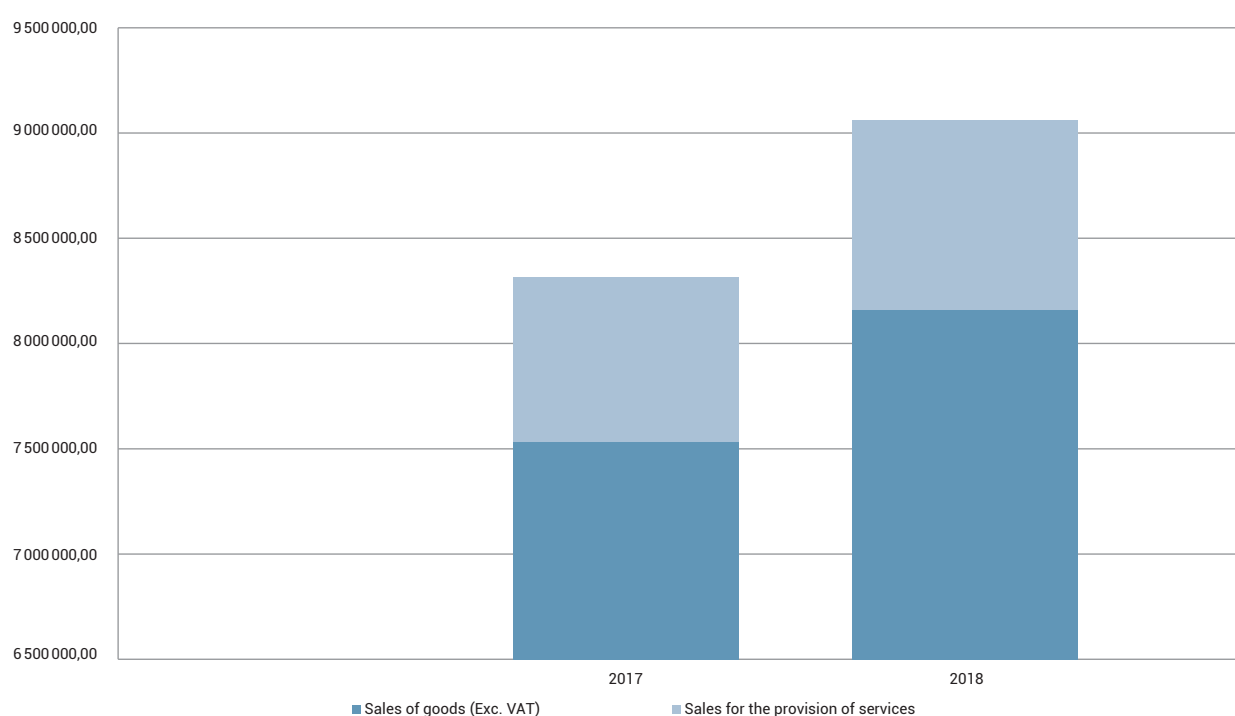
- Sales of goods
- Sales of services that include, but are not limited to, the back margin, space rentals within stores, and lease rights and rents from commercial galleries

The table below summarizes the change in revenue between 2017 and 2018:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Sales of goods (Exc. VAT)	7531109		8217333		686224	9,1%
Sales for the provision of services	743469	9,9%	815623	9,9%	72154	9,7%
Revenue (Exc. VAT)	8274578		9032957		758378	9,2%

Group revenue jumped by 9.2% from MMAD 8,274 in 2017 to MMAD 9,032 in 2018.

The graph below shows the breakdown of sales in sales of goods and sales of services in 2017 and 2018 in kMAD:



A1. A- SALES OF GOODS

The proportion of sales of goods was more significant and represented 91% of sales in 2018.

Sales of services also increased in 2018, from 743 MMAD in 2017 to 815 MMAD in 2018, i.e. an increase of 9.7%.

The volume of sales of goods stood at 8,217 MMAD in 2018, an increase of MMAD 686 or 9.1% YoY. This increase is mainly driven by:

- The increase by 6% of sales on a like-for-like basis with a contribution of 64%;
- A 113% growth for openings in

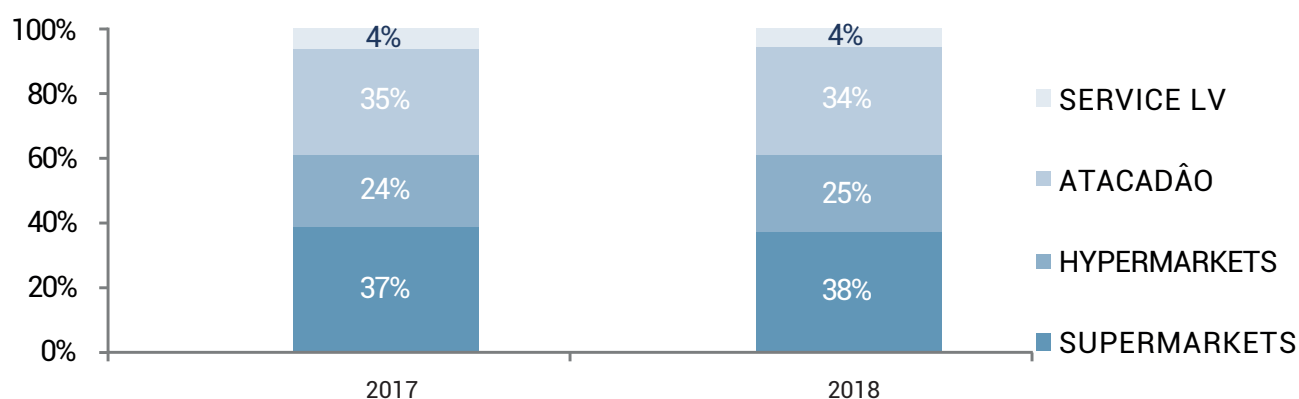
2017 with a contribution of 12%;

- A 27% contribution of new stores opened in 2018;
- As well as the poor performance of gas stations which dragged down revenue by 8% as a result of a nationwide commercial boycott in 2018.

The table below illustrates the evolution of sales for different scopes:

EVOLUTION OF SALES	2017 Pro Format	2018	Growth		Contribution	
			Value	%	Volume	Evolution
Constant Scope	7166974	7608430	441456	6,2%	93%	64%
Openings 2017	43376	128010	84634	>100%	2%	12%
Openings 2018		185130	185130	NA	2%	27%
Gas Station	320759	295763	-24996	-8 %	4%	-4%
GROUP TOTAL	7531109	8217333	686224	9,1%	100%	100%

Below is the breakdown of sales of goods by segment:



Evolution of sales of goods for different scopes:

THE « SUPERMARKETS » SEGMENT:

The Label'Vie Group's historical segment, created in 1985, is comprised of 73 points of sale as of December 31 2018 and a total sales surface of 83,034 m² sqm. In 2018, 16 new stores were opened: Tangier Volubilis, Tangier Iberia, Rabat Madagascar, Agadir Hassan, Mohammedia Sebta, Casablanca Bellerive, Casaban-

ca Bethune, Casablanca Bir Anzarane, Casablanca Black Rock, Casablanca Oulfa, Casablanca Sidi Othmane, Casablanca Ain Sebaa, Tetouan Wilaya, Nador, Majorelle Marrakech, and Kenitra Mimosa.

The "Supermarkets" segment is still maintaining a strong performance in terms of sales volume growth, up + 11.2%, from MAD 2,795 million in 2017 to MAD 3,096

million in 2018. Sales by the segment "Supermarkets" accounted for 38% of the group's sales volumes in 2018.

This growth was mainly driven by:

- Constant scope increased by 6% or MMAD 165 in value;
- The contribution of sales from new stores opened in 2017 and 2018 by MMAD 145.

Below is highlighted the YoY change in supermarkets revenue per scope:

EVOLUTION OF SALES	2017 Pro Format	2018	Growth	
			Value	%
Supermarkets	2785273	3096106	310833	11,2%
Constant Scope	2741897	2906919	165022	6,0%
Openings 2017	43376	128010	84634	195,1%
Openings 2018	-	61177	61177	NA

THE « HYPERMARKETS » SEGMENT:

The « Hypermarkets » segment accounted for 25% of Label'Vie revenue at the end of 2018, with a total of 8 stores and a total surface of 44,800

sqm as of December 31st 2018. The strong performance achieved by almost all stores as well as the contribution of the new "Tetouan" hypermarket opened in May 2018, yielded an increase in sales of the

"Hypermarket" segment by 13.4% in 2018, i.e. +MMAD 239 in value. Sales on a like-for-like basis also increased by 6.4%, representing an increase in value of MAD 114 million.

Below is highlighted the YoY change in hypermarkets revenue per scope:

EVOLUTION OF SALES	2017 Pro Format	2018	Growth	
			Value	%
Hypermarkets	1 781 203	2 019 965	238 762	13,4%
Constant Scope	1 781 203	1 896 012	114 809	6,4%
Openings 2017	-	-	-	
Openings 2018	-	123 954	123 954	NA

THE « HYPERCASH » SEGMENT:

The "Hypercash" segment under the brand name "Atacadão" was comprised of 11 stores at the end of 2018 with a

total sales area of 59,564 sqm. This segment accounted for 34% of the Label'Vie Group's total sales in 2018. Sales in the "Hypercash" segment grew

by 6.1% in 2018, from MAD 2,643 million to MAD 2,805 million, and by over 22% over the last two years on a like-for-like basis.

Below is highlighted the YoY change in hypercash revenue per scope:

EVOLUTION OF SALES	2017 Pro Format	2018	Growth	
			Value	%
Hypercash	2 643 874	2 805 498	161 624	6,1%
Constant Scope	2 643 874	2 805 498	161 624	6,1%
Openings 2017	-	-	-	
Openings 2018	-	-	-	

« SERVICE LV » SEGMENT:

Label'Vie gas stations accounted for 4%

of total revenue in 2018. Gas stations revenue declined by 8%, as a result of a

nationwide commercial boycott.

A1. B- SALES OF SERVICES

Below the evolution of sales of services in 2018 compared to 2017:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Sales for the provision of services	743 469	9,9%	815 623	9,9%	72 154	9,71%

The ratio of sales of services to the total revenue of the group remained stable compared to the year 2017 and stood at 9.9% in 2018. Sales of services increased by MMAD 72 compared to 2017, from MMAD 743 to MMAD 815 in 2018, an increase of 9.7%. This improvement was mainly

driven by:

- The increase in business volumes for the total scope;
- The improvement of the contractual terms of commercial cooperation thanks to a strong bargaining power;
- Additional fees charged for the renovation of old sites and the

opening of new stores.

Indeed, 16 new «Carrefour Market» were opened in 2018, as well as a Hypermarket in Tetouan, along with the renovation of 10 stores. This is part of the Label'Vie group's strategy to offer its customers the opportunity to shop in a pleasant and optimal environment.

A.2 GROSS MARGIN

The gross margin is comprised of:

- Direct Margin (difference between sales and resold purchases of goods) ;
- Provision of services sales.

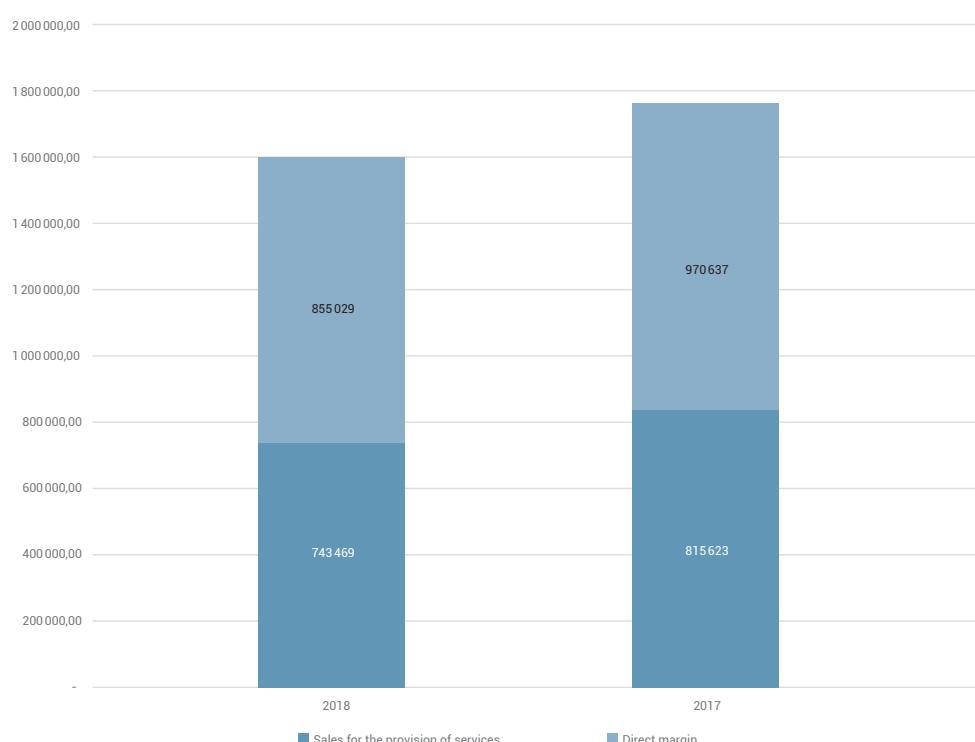
Below is the evolution of the Group's gross margin in 2018 compared to 2017:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Sales of goods (Exc. VAT)	7 531 109	100,0%	8 217 333	100,0%	686 224	9,1%
Sales for the provision of services	743 469	9,9%	815 623	9,9%	72 154	9,7%
Revenue (Exc. VAT)	8 274 578		9 032 957		758 378	9,2%
Cost of Goods Sold (exc. VAT)	6 676 079	88,6%	7 246 697	88,2%	570 617	8,5%
Direct margin	855 030	11,4%	970 637	11,8%	115 607	13,5%
Gross margin	1 598 499	21,2%	1 786 260	21,7%	187 761	11,7%

Gross margin jumped by 11.7% from MMAD 1,598 in 2017 to MMAD 1,786 in 2018. Gross margin as a percentage of revenue stood at 21.7% in 2018 up by 0.51 points YoY. The change in Gross margin was primarily driven by:

- A higher revenue as the back margin and other products yielded +0.05 points;
- An improvement in the direct margin by (+0.46 points).

The graph below highlights the evolution of the direct margin and the sales of services between 2017 and 2018:



Direct margin was higher thanks to the continuous improvement of purchase conditions, the revamp of the pricing strategy, the reduction of man-

agement loss rates and the contribution of the projects initiated in recent years, particularly the market project. The increase of services sales by

MMAD 72 and of the direct margin by MMAD 115 contributed to the improvement of the gross margin by MMAD 187.

A.3 OPERATING EXPENSES

Consolidated operating expenses in 2018 compared to 2017 are outlined below:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Cost of goods sold	168 902	2,2%	178 680	2,2%	9 778	5,8%
Other external expenses	469 146	6,2%	519 872	6,3%	50 726	10,8%
Taxes	52 350	0,7%	52 807	0,6%	456	0,9%
Staffing costs	304 939	4,0%	330 059	4,0%	25 120	8,2%
Total running costs	995 338	13,2%	1 081 418	13,2%	86 080	8,6%
Operating allowances	248 805	3,3%	278 154	3,4%	29 349	11,8%
Total operating expenses	1 244 143	16,5%	1 359 571	16,5%	115 428	9,3%

Compared with 2017, consolidated operating expenses increased by 9.3% from MAD 1,244 million in 2017 to MAD 1,359 million in 2018.

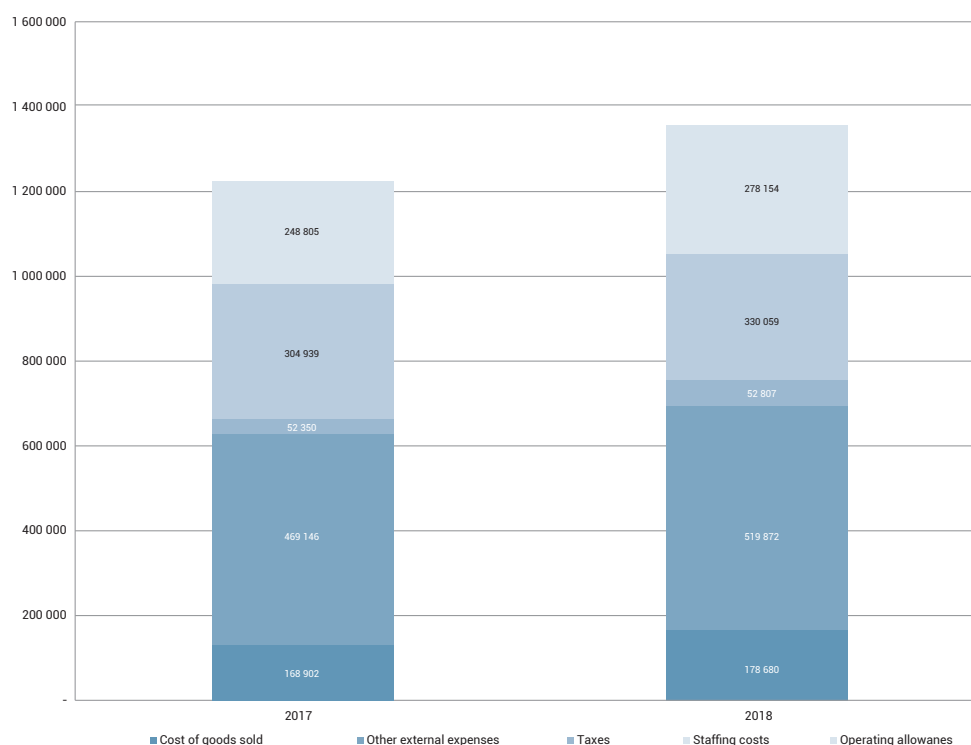
Operating expenses to sales im-

proved by 0.06 points thanks to the economies of scales achieved.

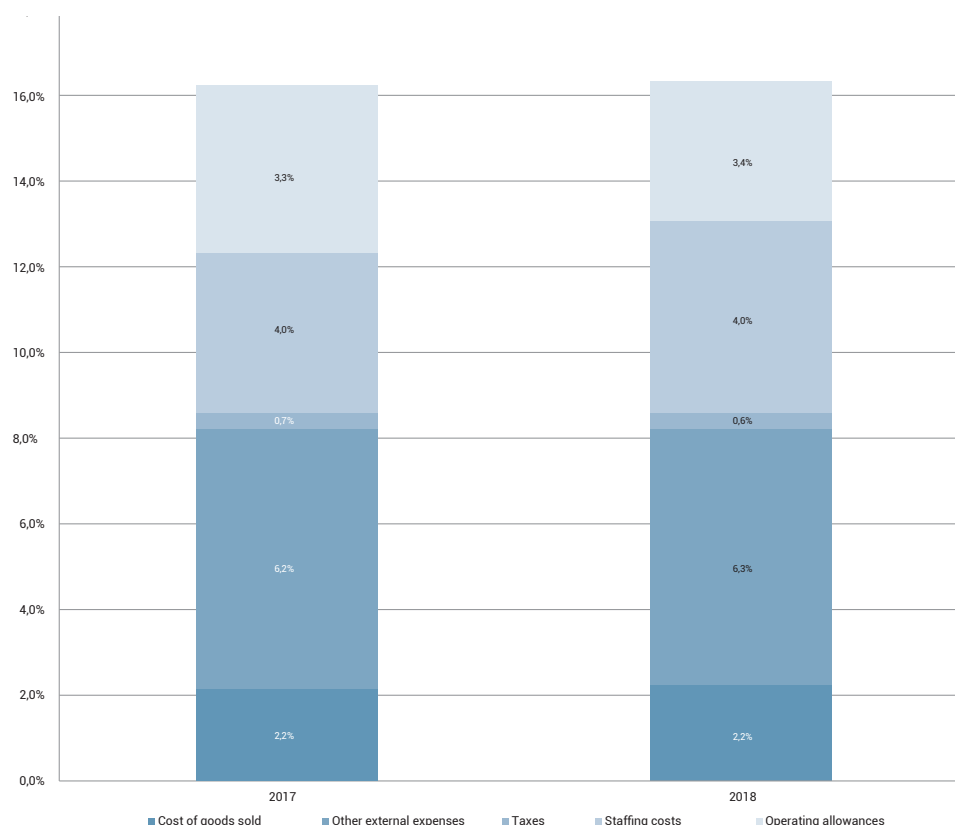
- By the power station by -0.04 points from 1.83% of sales in 2017 to 1.79% in 2018;

- By the stores on a-like-for-like basis, -0.02. Stores opened between 2017 and 2018 delivered a slight increase due to late sales.

The graph below highlights operating expenses as well as their evolution: Operating expenses in kMAD:



Operating expenses as a percentage of revenue:



Below, is the explanation of the evolution of the main items of expenses?

COSTS OF GOODS SOLD

The costs of goods sold category mainly includes:

- Purchases of materials, consumables, essentially the packaging offered in the stores;
- Purchases of materials and supplies not held in inventory, mainly water and electricity charges;
- Purchases of works, studies and services including archiving,

cash transportation, surveillance and security services. In terms of ratio, the expenses related to the item "Costs of goods sold" remained stable between 2017 and 2018 and stood a rate of 2.2%. This stability can be explained by the sound control of expenses thanks to the energy saving plan initiated by the Label'Vie Group in recent years.

In terms of value, the item increased by MMAD 9 from MMAD 168 in 2017 to MMAD 178 in 2018. This increase is explained by:

- The opening of new stores;
- The increase in business volumes;
- And the use of biodegradable paper packaging is more expensive than plastic bags.

• OTHER EXTERNAL CHARGES

The consolidated "Other external charges" break down as follows:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Rent and leasing	201183	2,7%	215 472	2,6%	14 289	7,1%
Maintenance, repair and transportation	93103	1,2%	105 420	1,3%	12 317	13,2%
Marketing and travels	82 200	1,1%	87 950	1,1%	5 750	7,0%
Others	92 660	1,2%	111 030	1,4%	18 371	19,8%
Total other external expenses	469 146	6,2%	519 872	6,3%	50 726	10,8%

Other external expenses increased by 10.8% in 2018, from MMAD 469 to MMAD 519 (i.e. MMAD +50 in value). This increase is due to higher business volumes and additional charges related to the 2017 and 2018 openings.

The main changes in "other external charges" relate to the following items:

• Renting and Leasing

This item increased from MMAD 201 in 2017 to MMAD 215 in 2018, an increase of 7.1%, due in part to the new leasing and leasing contracts for stores opened in 2017 and 2018. On the other hand, by the triennial revisions of the old lease agreements.

• Maintenance, repair and transportation:

The item "maintenance, repair and transportation" increased by MMAD 12 in value. This evolution is explained by:

• Maintenance and service costs

related to the stores open at the end of 2016 and 2017 with a one-year guarantee period expiring;

• The renovation of 10 stores;
• Transportation costs that have increased as a result of changes in the volume of activity.

In terms of ratio, this item went from 1.2% to 1.3% between 2017 and 2018.

• Travels and marketing

This item increased in value by MMAD 5 rising from MMAD 82 to MMAD 87 and stabilized as a ratio to 1.1% of sales compared to its level in 2017. "Marketing" was positively impacted by the openings of the new stores, which enabled it to benefit from the economies of scale achieved in the design and distribution of leaflets and advertising posters.

• Others

"Other" includes mainly telephone, insurance and franchise expenses. In terms of ratio, this

item had a slight increase of 0.2 points compared to last year, going from MMAD 92 in 2017 to MMAD 111 in 2018. This increase results from the increase in the level of activity.

In general, the ratio of other external expenses increased slightly by 0.1 percentage point compared to its level in 2017. With the expected increase in the sales volume of the stores opened in 2018, the ratio to sales should return to its level 2017 level.

• TAXES

Between 2017 and 2018, taxes and duties ratio, taxes as a percentage of sales increased (+0.1 points).

The increase in value is explained in particular by the "Housing Tax and Municipal Services" linked to the contractual increase in rents and the new lease agreements for stores opened in 2018.

• STAFFING COSTS

Following, the evolution of the consolidated staffing costs for the year 2018 vs. 2017:

All numbers in kMAD	2017			2018			CHANGE VS 2017	
	VAL	Weight	% sales	VAL	Weight	% sales	VAL	%
Gross wages	257398	84%	3,4%	279155	85%	3,4%	21757	8,5%
Social expenses	46052	15%	0,6%	48168	15%	0,6%	2116	4,6%
Other staffing costs	1489	0%	0,0%	2736	1%	0,0%	1247	83,8%
Total staffing costs	304939	100%	4,0%	330059	100%	4,0%	25120	8%

Staffing costs increased by 8%, an increase of MAD 25 million compared to the previous year, following the opening of new stores in 2018.

In terms of ratio, staffing costs to sales remained stable between 2017 and 2018 and stood at 4%. The control of load ratios indicates the maturity of all Label'Vie Group store formats.

OPERATING ALLOWANCES

This increase is mainly due to the additional endowments induced by:

- New investments: buildings, facilities and equipment;
- Registration fees for the acquisition of land and premises as part of securing future openings;

- Start-up costs generated by the opening of new sites and renovations to old stores.

Operating allowances increased by 11.8% in 2018 compared to the previous year, an increase in value of 29 billion MAD. In terms of ratio, operating allowances to sales rose from 3.3% in 2017 to 3.4% in 2018.

A.4 GROSS OPERATING PROFIT

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Sales of goods (Exc. VAT)	7531109		8217333		686224	9,1%
Sales for the provision of services	743469	9,9%	815623	9,9%	72154	9,7%
Revenue (Exc. VAT)	8274578		9032957		758378	9,2%
Direct Margin	855030	11,4%	970637	11,8%	115607	13,5%
Gross Margin	1598499	21,2%	1786260	21,7%	187761	11,7%
Running expenses	995338	13,2%	1081418	13,2%	86080	8,6%
EBITDA	603161	8,0%	704842	8,6%	101681	16,9%

EBITDA increased by 16.9% compared to 2017, rising from MMAD 603 to MMAD 704 in 2018.

EBITDA margin improved (+0.6 points) compared to 2017 and stood at 8.6% of sales. This increase is mainly driven by:

- The ramp-up of the Hypercash segment;
- The improvement in gross margin (+0.51 points) from

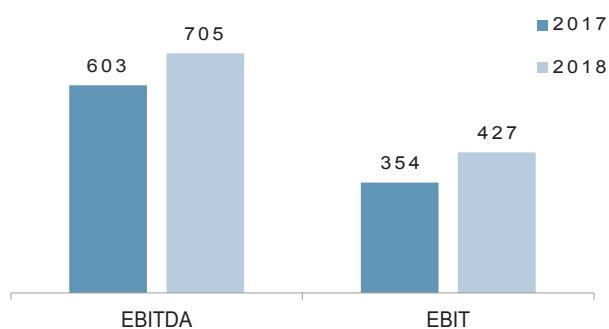
21.2% in 2017 to 21.7% in 2018, this improvement is mainly related to:

- The increase in the services sales ratio of (+0.05 points);
- And the improvement of the direct margin rate of (+0.46 points) thanks in particular to:
 - Improving the availability of products at the point of sale;
 - Improving the conditions of purchase;

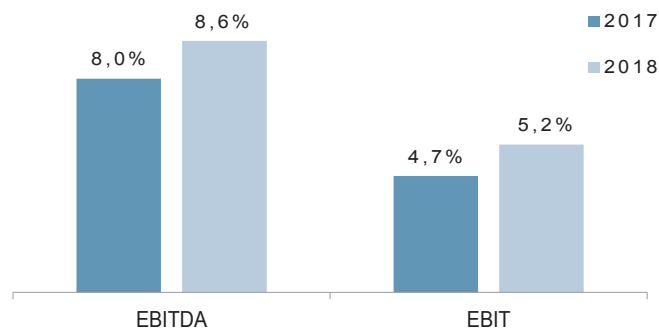
- Control of stocks and management losses;

- The economies of scale achieved mainly for the expenses of the power station and the logistics which made it possible to stabilize the ratio of the operating expenses as a percentage of sales of the Group to 13.2%.

Evolution of EBITDA and EBIT (MMAD)



Margin evolution (% of sales)



A.5 OPERATING INCOME

The operating profit of the Label'Vie S.A Group was as follows:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Operating income	354 356	4,7%	426 689	5,2%	72 333	20,4%

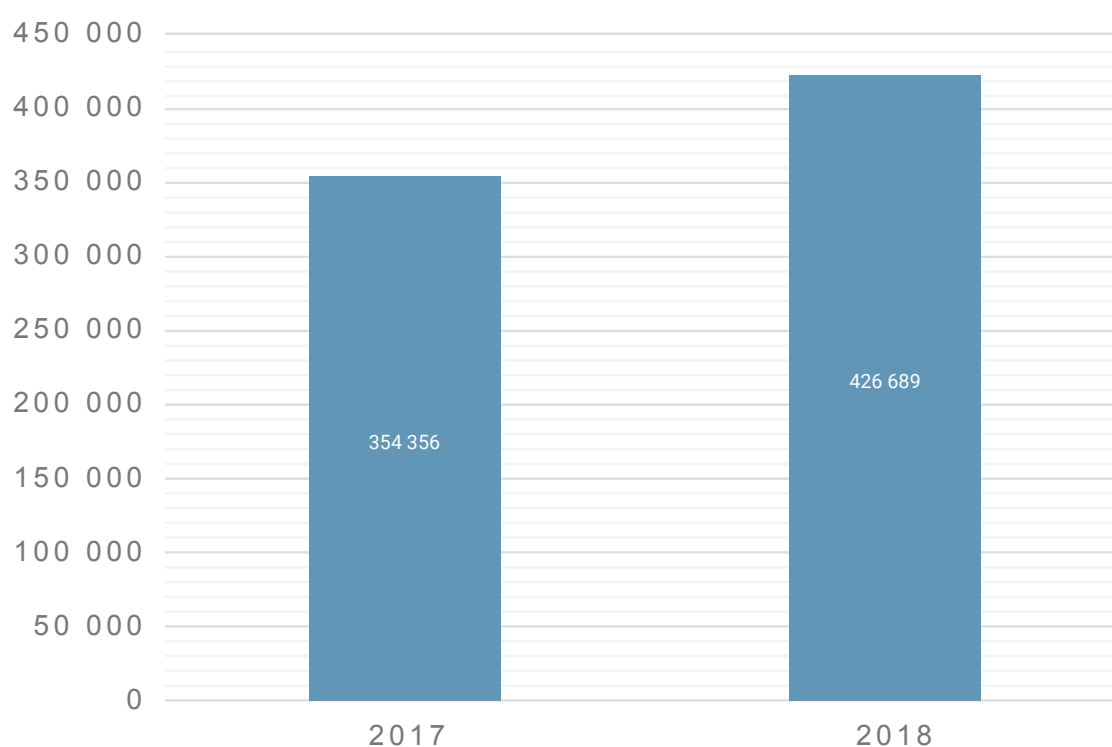
The operating result increased by 20.4% from MMAD 354 to MMAD 426 in 2018. The operating margin jumped by (+0.5 points) to 5.2% vs.

4.7% in 2017, driven by:

- The improvement in gross margin rates of (+0.51 points);
- The economies of scale re-

alized mainly for the expenses of the power station and the control of the costs which made it possible to improve this margin.

Evolution of consolidated operating income between 2017 and 2018



A.6 FINANCIAL INCOME

Consolidated financial income was as follows:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Financial income	116143	1,5%	119051	1,4%	2908	2,5%
Financial expenses	-144248	-1,9%	-142933	-1,7%	1315	-0,9%
Gains/losses FX	-2867	0,0%	-744	0,0%	2123	Inf à 0%
Financial income	-30973	-0,4%	-24627	-0,3%	6346	-20,5%

Financial Income stood at -MMAD 24.6 in 2018 (i.e. -0.3% of revenue) vs. -MMAD 30.9 in 2017 (i.e. -0.4% of revenue). Henceforth, financial income

as a percentage of revenue improved by 0.1 point.

This improvement in financial income is driven by:

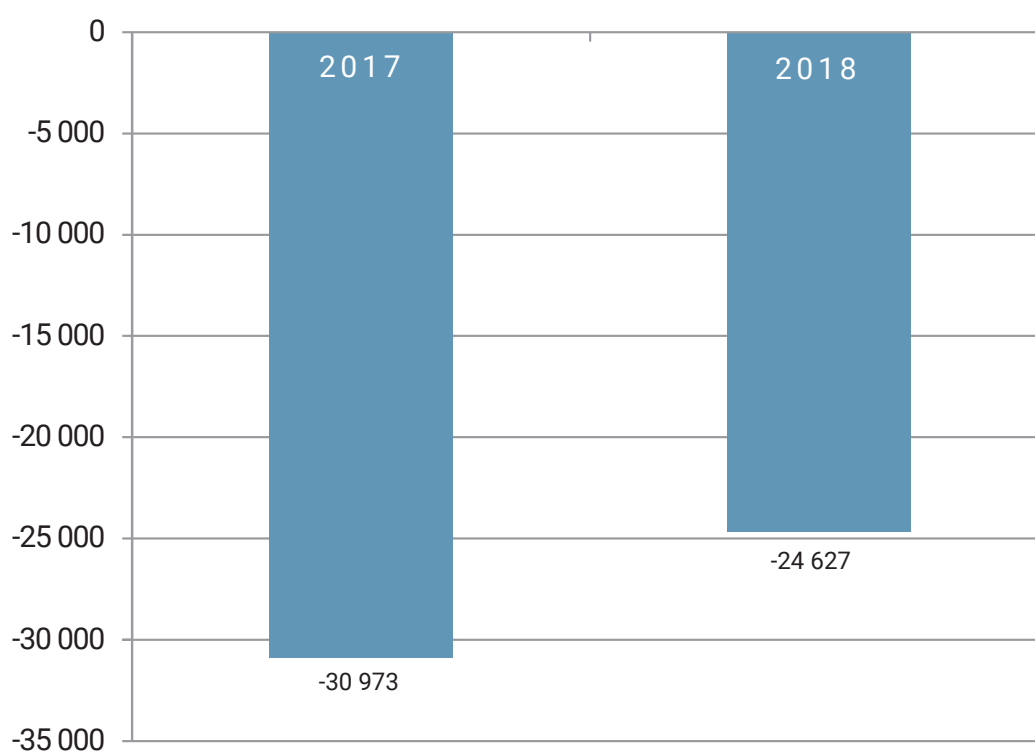
- The reduction of financial

expenses by MMAD 3 ;

- The increase in financial product by MMAD 3.

Financial Income should stand at 0.3% of revenue by 2019.

Evolution of consolidated financial income between 2017 and 2018



A.7 NON-CURRENT INCOME

The consolidated non-current income of the group Label'Vie was as follows:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% sales	VAL	% sales	VAL	%
Non-current income	9850	0,1%	94515	1,2%	84665	>100%
Non-current expenses	11071	0,1%	98665	1,2%	87594	>100%
Non-current result	-1222	0,0%	-4151	-0,1%	-2929	>100%

Consolidated non-current income decreased by kMAD 2.9 from – kMAD 1,222 in 2017 to -kMAD 4,151 in 2018.

It is worth noting that this non-current income takes into account:

- The gain on the divestment of

the Zaërs property (MMAD 35);
- Non-current expenses as a result of the fiscal audit (MMAD 32).

A.8 CURRENT INCOME AND NET INCOME

The following table highlights the evolution of the consolidated Net Income between 2017 and 2018:

AMOUNTS IN KMAD	2017		2018		Growth vs. 2017	
	VAL	% Sales	VAL	% Sales	VAL	%
Operating Income	354 382	4,7%	426 689	5,2%	72 307	20,4%
Financial Income	-30 973	-0,4%	-24 627	-0,3%	6 346	-20,5%
Current Income	323 409	4,3%	402 062	4,9%	78 653	24,3%
Non-Current Income	-1222	0,0%	-4151	0%	-2 929	239,7%
Corporate Taxes	-81292	-1,1%	-109511	-1,3%	-28 219	34,7%
Net Income	240896	3,2%	288401	3,5%	47505	19,7%

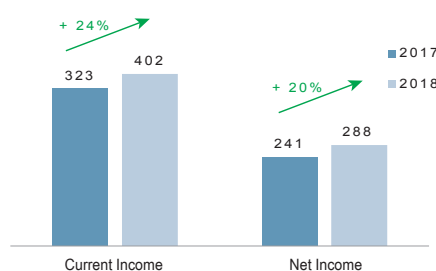
Current income jumped by 23% YoY from MMAD 323 in 2017 to MMAD 402 in 2018. Also, current income increased by 0.6 points to stand at 4.9% of rev-

enue. This improvement was driven by a better performance at the operational level (EBITDA jumped by +0.49 points) and by lower financing costs (financial

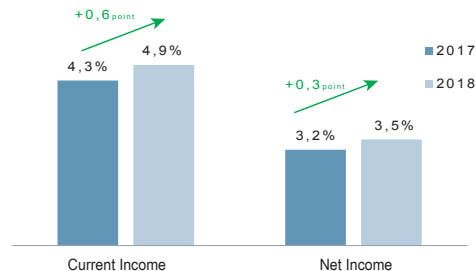
income yielded a +0.11 points increase).

Net Income stood at MMAD 288.4, yielding a 19.7% increase YoY and a Net Margin of 3.5%.

Evolution of current income and net income (MMAD)



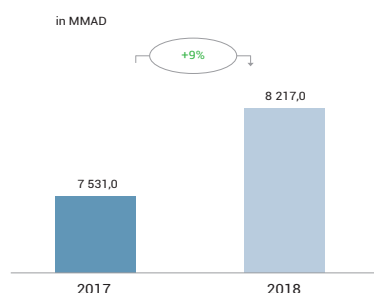
Margin evolution (% of sales)



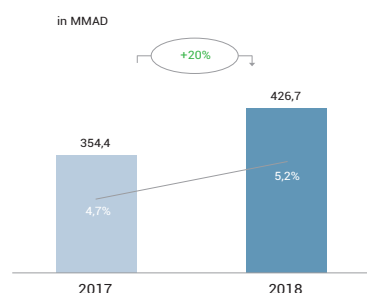
EVOLUTION OF THE MAIN INDICATORS OF THE GROUP LABEL'VE:

Below, is highlighted the consolidated evolution of the main indicators between 2017 and 2018:

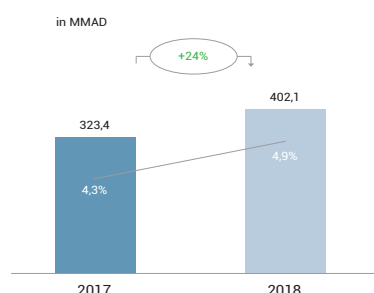
Sales



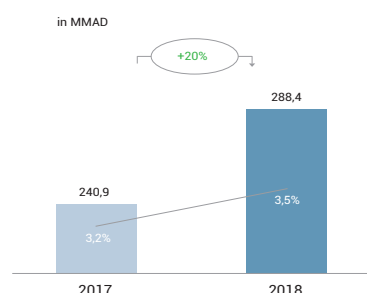
Operating Profit and Operating Margin



Current Result and the Rate of the Current Result



Net Profit and Net Margin



B. ANALYSIS OF THE BALANCE SHEET

The table below presents the balance sheet of the company Label'Ve for the period 2017-2018:

ASSETS:

All numbers in kMAD	2017		2018		CHANGE	
	VAL	% Total Assets	VAL	% Total Assets	VAL	%
Fixed Assets	3 417 412	57%	3 610 280	54%	192 868	6%
CAPEX	4 021 624	67%	4 391 666	65%	370 042	9%
Nil value	495 355	8%	646 698	10%	151 342	31%
Intangibles	194 925	3%	200 568	3%	5 643	3%
PPE	1 688 377	28%	1 899 674	28%	211 297	13%
Financial	1 642 967	27%	1 644 726	24%	1 759	0%
Depreciation	-604 213	-10%	-781 386	-12%	-177 173	29%
Inventory	596 236	10%	691 723	10%	95 487	16%
Merchandise	586 867	10%	681 830	10%	94 963	16%
Consumables	9 370	0%	9 894	0%	524	6%
Current liabilities	1 438 698	24%	1 608 522	24%	169 824	12%
Clients back margin	851 436	14%	868 950	13%	17 514	2%
Clients receipts	252 548	4%	257 743	4%	5 195	2%
Down-payments suppliers	34 097	1%	41 625	1%	7 528	22%
Staffing	8 291	0%	12 695	0%	4 405	53%
Government	239 890	4%	269 114	4%	29 224	12%
Other assets	52 435	1%	158 394	2%	105 959	202%
Marketable securities	10 888	0%	7 048	0%	-3 840	-35%
Stocks/mutual funds	10 888	0%	7 048	0%	-3 840	-35%
Deposits	0	0%	0	0%	0	0%
Cash	570 905	9%	805 206	12%	234 301	41%
TOTAL ASSETS	6 034 138	100%	6 722 779	100%	688 641	11%

LIABILITIES:

All numbers in kMAD	2017		2018		CHANGE	
	VAL	% Total Liabilities	VAL	% Total Liabilities	VAL	%
Total Equity	1 664 675	28%	1 733 555	26%	68 880	4%
Share capital	283 896	5%	283 896	4%	0	0%
Reserves and Retained earnings	1 204 190	20%	1 230 779	18%	26 589	2%
Net Income	176 589	3%	218 880	3%	42 291	24%
Total Debt	1 941 120	32%	2 169 529	32%	228 409	12%
Long-term debt	3 606 795	60%	3 906 772	58%	299 976	8%
Current liabilities	2 307 343	38%	2 496 008	37%	188 665	8%
Accounts payables	1 452 232	24%	1 591 711	24%	139 478	10%
Staffing and social matters	12 030	0%	10 958	0%	-1 072	-9%
Government	180 619	3%	178 177	3%	-2 443	-1%
Others	662 461	11%	715 163	11%	52 701	8%
Bank overdrafts and other cash positions	0	0%	320 000	5%	320 000	
TOTAL LIABILITIES	6 034 138	100%	6 722 779	100%	688 641	11%

The following table presents the consolidated balance sheet for 2017 and 2018:

ASSETS:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Assets	VAL	% Total Assets	VAL	%
Fixed Assets	3 758 822	54%	3 947 855	53%	189 034	5%
CAPEX	4 744 698	68%	5 208 899	69%	464 200	10%
Nil value	753 670	11%	948 283	13%	194 614	26%
Intangibles	394 918	6%	400 341	5%	5 423	1%
PPE	2 211 214	32%	2 473 619	33%	262 405	12%
Financial	1 384 897	20%	1 386 656	18%	1 759	0%
Depreciation	-985 877	-14%	-1 261 043	-17%	-275 167	28%
Inventory	1 285 379	19%	1 478 326	20%	192 947	15%
Merchandise	1 274 192	18%	1 466 528	20%	192 336	15%
Consumables	11 187	0%	11 798	0%	611	5%
Goods in process	0	ND	0	ND	ND	ND
Current Assets	1 410 276	20%	1 564 838	21%	154 562	11%
Accounts receivables	833 905	12%	827 986	11%	-5 918	-1%
Down-payments suppliers	83 931	1%	101 678	1%	17 747	21%
Staffing	9 941	0%	15 233	0%	5 292	53%
Government	428 753	6%	465 268	6%	36 515	9%
Other assets	53 746	1%	154 674	2%	100 927	188%
Marketable securities	50 123	1%	21 278	0%	-28 845	-58%
Stocks/mutual funds	50 123	1%	21 278	0%	-28 845	-58%
Deposits	0	0%	0	0%	0	0%
Cash	424 648	6%	503 828	7%	79 180	19%
TOTAL ASSETS	6 929 249	100%	7 516 126	100%	586 877	8%

LIABILITIES:

All numbers in kMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Liabilities	VAL	% Total Liabilities	VAL	%
Total Equity	1 710 979	25%	1 853 543	25%	142 563	8%
Share capital	283 896	4%	283 896	4%	0	0%
Reserves and Retained earnings	1 186 187	17%	1 281 245	17%	95 058	8%
Net Income	240 896	3%	288 401	4%	47 505	20%
Total Debt	2 103 738	30%	2 307 390	31%	203 652	10%
Long-term debt	3 814 717	55%	4 160 933	55%	346 215	9%
Current liabilities	3 114 531	45%	3 355 193	45%	240 662	8%
Accounts payables	2 837 147	41%	3 081 442	41%	244 294	9%
Staffing and social matters	24 026	0%	21 702	0%	-2 324	-10%
Government	227 746	3%	225 238	3%	-2 508	-1%
Others	25 612	0%	26 812	0%	1 199	5%
Bank overdrafts and other cash positions	0	0%	0	0%	0	0%
TOTAL LIABILITIES	6 929 249	100%	7 516 126	100%	586 877	8%

B.1 FIXED ASSETS

Below, is shown the YoY change in total fixed assets in 2018;

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	GROSS	NET	GROSS	NET	GROSS	NET
TOTAL FIXED ASSETS	4 744 698	3 758 822	5 208 899	3 947 855	464 200	189 034

Fixed assets rose by MMAD 189 in 2018 on a net-basis, and by MMAD 464 on a gross-basis, as a result of:

- Acquisitions, constructions and developments related to new sites and investments renewed;

- Investments for new projects planned for 2019.

Evolution of fixed assets and depreciation in kMAD:

The table below shows the breakdown of consolidated fixed assets in 2017 and 2018:

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Assets	VAL	% Total Assets	VAL	%
CAPEX	4 744 698	68%	5 208 899	69%	464 200	10%
Nil value	753 670	11%	948 283	13%	194 614	26%
Intangibles	394 918	6%	400 341	5%	5 423	1%
Tangibles	2 211 214	32%	2 473 619	33%	262 405	12%
Financial	1 384 897	20%	1 386 656	18%	1 759	0%
Depreciation	-985 877	-14%	-1 261 043	-17%	-275 167	28%
TOTAL FIXED ASSETS	3 758 822	54%	3 947 855	53%	189 034	5%

Fixed assets rose 189 million MAD in value in 2018 compared to the previous year, an increase of 5%. This increase is broken down as follows:

• Nil value assets

Nil value assets are primarily comprised of deferred expenses. Deferred expenses mainly include the expenses related to financial and real estate acquisitions, the expenses related to bond issues and securitization as well as to the costs related to renovations and starting-up

new stores.

The ratio of nil value assets to total assets rose by 2 points corresponding to an increase of MMAD 194 in value (+26%), from MMAD 753 in 2017 to MMAD 948 in 2018. This increase was mainly driven by:

- Costs related to starting-up new stores opened in 2018;
- Costs related to the renovations of 10 existing stores;
- Incidental and investment registration fees incurred in 2018.

• Intangible assets

Comprised of goodwill and licenses, intangible assets slid by 1 point YoY in 2018, from MMAD 394 in 2017 to MMAD 400 in 2018.

• Property, plant and equipment

Property, plant and equipment includes land, buildings, office furniture and technical installations and fittings.

Below, is the breakdown of consolidated tangible assets compared to 2017 :

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% TOTAL	VAL	% TOTAL	VAL	%
Land	178 368	8%	194 874	8%	16 506	9,3%
Construction, technical installations, fitouts	1 826 553	83%	2 186 529	88%	359 977	20%
Assets in progress	206 293	9%	92 216	4%	-114 077	-55%
TOTAL PPE	2 211 214	100%	2 473 619	100%	262 405	12%

Property, plant and equipment increased by 12% in 2018 compared to the previous year, from MAD 2,211 million in 2017 to MAD 2,473 million in 2018. This variation can be explained by:

- The purchase of land in Tétouan for the amount of MMAD 57 and the sale of the land of Zaërs for MMAD 40;
- Construction and development of a Hypermarket in Tetouan;
- 16 Carrefour Market stores

opened in 2018;

- Renovation of 10 stores and 3 cellars;
- Equipment related to openings and renovations in 2018.

• Financial fixed assets:

Financial fixed assets jumped by MAD 1.8 million, mainly related to:

- Lease rights for the 2018 openings amounting MMAD 0.6;
- And the purchase of equity securities for a total amount of MMAD

1.2 broken down as follows:

- 600 shares in Moulat Lkheir ;
- 300 shares in Aradei Sud ;
- Et 300 shares in Laayoune LV.

B.2 INVENTORIES

Inventories rose by MMAD 192 to stand at MMAD 1,478 yielding an increase of 15% YoY. This increase was mainly driven by the additional inventories related to the new stores opened as well as to a growing business overall.

B.3 CURRENT ASSETS

The YoY change in current assets in the consolidated balance sheet are detailed below:

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Assets	VAL	% Total Assets	VAL	%
Accounts receivables	833 905	12%	827 986	11%	-5 918	-1%
Down-payments suppliers	83 931	1%	101 678	1%	17 747	21%
Staffing	9 941	0%	15 233	0%	5 292	53%
Government	428 753	6%	465 268	6%	36 515	9%
Other assets	53 746	1%	154 674	2%	100 927	188%
Total Current Assets	1 410 276	20%	1 564 838	21%	154 562	11%

In 2018, accounts receivables increased from MMAD 1,410 to MMAD 1,564 (+MMAD 145), as a result of the overall growth of the business. The receivables to total assets ratio slid by 1 point thanks to the efforts deployed to recover receivables in 2018. The most important changes are

highlighted below:

- Advanced payment to suppliers : Higher by more than MMAD 28 in value and 21% in terms of ratio, as a result of rising orders for the new stores opened :
- By Receivables from government: These receivables also increased by MMAD 36. This is

explained by higher amounts of VAT to be received in correlation with higher purchases by the company;

- Other receivables: The increase of MMAD 101 resulted from the divestment of Zaërs (payment still in process at the end of 2018).

B.4 CASH AND MARKETABLE SECURITIES

The table below summarizes the change in cash and marketable securities:

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Assets	VAL	% Total Assets	VAL	%
Marketable securities	50 123	1%	21 278	0%	-28 845	-58%
Stocks/mutual funds	50 123	1%	21 278	0%	-28 845	-58%
Deposits	0	0%	0	0%	0	0%
Cash	424 648	6%	503 828	7%	79 180	19%
Total cash and marketable securities	474 771	7%	525 106	7%	50 335	11%

Cash and marketable securities rose by MAD 50 (+11%) to MMAD 525 in 2018 vs. MMAD 474 in 2017.

Below is summarized the change in cash YoY:

FINANCIAL INDICATORS	2017		2018		Change	
	Value	Days sales	Value	Days sales	Value	Days sales
WC	55 918	3	157 777	7	101 859	4
Equity	1710 979	83	1 853 543	82	142 563	-1
Net Income	240 893		288 401			
Dividends paid	-80 000		-150 000			
Shares issued	396 475		-			
Minority Interest	4 044		4 162			
Debt	2103 738	102	2 307 390	102	203 651	1
New CMT	368 920		324 488			
Bonds issued	-116 600		-			
Reimbursements	-102 096		-120 837			
Long-term debt	3 814 717	186	4 160 932	185	346 215	-1
Net Debt to Equity	42,6%		42,8%			
Fixed Assets	-3 758 822	-182	-4 003 155	-178	-244 333	4
CAPEX	553 776		519 418			
Depreciation	-239 536		-275 085			
Standardized WCR	685 986	33	732 927	33	46 941	-1
Inventory	-1 285 379	-62	-1 478 326	-66		
Payables/liabilities	1 971 365	96	2 211 253	98		
Other current items	-267 133	-13	-365 598	-16	-98 466	-3
CASH AND MARKETABLE SECURITIES	474 771	23	525 106	23	50 335	0

The cash position increased by MMAD 50 YoY as a result of:

- The improvement of the Working Capital by MAD 102 million following an increase

in net income as well as new debt issues;

- Excess working capital of MMAD 733 higher than its 2017 level of MMAD 47. Excess working capital stood at

33 days of sales, hence stable YoY;

- The deterioration of other current elements by MMAD 98 following the divestment of the property of « Zaërs ».

B.5 LONG-TERM LIABILITIES

In 2018, long-term liabilities were broken down as shown in the table below:

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% Total Liabilities	VAL	% Total Liabilities	VAL	%
Total Equity	1710 979	25%	1 853 543	25%	142 563	8%
Share capital	283 896	4%	283 896	4%	0	0%
Reserves and Retained earnings	1 186 187	17%	1 281 245	17%	95 058	8%
Net Income	240 896	3%	288 401	4%	47 505	20%
Total Debt	2103 738	30%	2 307 390	31%	203 652	10%
LONG-TERM DEBT	3 814 717	55%	4 160 933	55%	346 215	9%

(1) Equity

Equity increased by 8% from MAD 1,710 million in 2017 to MAD 1,853 million in 2018. This was driven by the increase in net

income by MMAD 288 in 2018.

(2) Debt

Debt, which is comprised of both bank loans and bonds,

increased by MMAD 203 YoY (issue of MMAD 324 and repayment of MMAD 121), from MMAD 2,103 in 2017 to MMAD 2,307 in 2018.

The table below highlights the YoY changes in debt:

FINANCIAL INDICATORS	2017		2018		EVOLUTION	
	AMOUNT	DAYS' SALES	AMOUNT	DAYS' SALES	AMOUNT	DAYS' SALES
Financing Debts	2103738	102	2307390	102	203651	1
New CMT	368920		324488			
Bond Loan	-116600		-			
Repayments	-102096		-120837			

B.6 CURRENT LIABILITIES

In 2018, current liabilities were broken down as follows:

ALL NUMBERS IN KMAD	2017		2018		CHANGE VS 2017	
	VAL	% TOTAL	VAL	% TOTAL	VAL	%
Accounts payables	2837147	91%	3081442	92%	244294	9%
Staffing and social matters	24026	1%	21702	1%	-2324	-10%
Government	227746	7%	225238	7%	-2508	-1%
Others	25612	1%	26812	1%	1199	5%
Total Current Liabilities	3114531	100%	3355193	100%	240662	8%

The Group's current liabilities rose by 8% from MAD3,114 million in 2017 to MAD3,355 million in 2018. This increase is mainly

due to the increase in accounts payables by + MAD244 million as a result of our growing business. The following table breaks down

by maturity the outstanding accounts payables of Label'Vie.

Accounts payables schedule						
(A)	(B)	(C)	(D)	(E)	(F)	
«Accounts payable as of closing date A=B+C+D+E+F»	Outstanding payables not due	Outstanding payables due in less than 30 days	Outstanding payables due in between 31 to 60 days	Outstanding payables due in between 31 to 60 days	Outstanding payables due in more than 90 days	
Closing date 2017	1450608	377158	377158	449689	203085	43518
Closing date 2018	1589793	397448	381550	508734	254367	47694

C. MAIN RATIOS

This section focuses on the performance, liquidity, profitability and debt ratios of the company.

C.1 PERFORMANCES RATIOS

The following table shows the evolution of the performance ratio in 2018:

ALL NUMBERS IN KMAD	2017	2018	2018 Vs 2017	
			Change	%
Value-added ratio (1)	11,5%	11,9%	0,4%	
Value-added	951 358	1 077 931	126 573	13,3%
Revenue	8 274 578	9 032 957	758 378	9,2%
Employee efficiency (2)	3,12	3,27	0,15	
Staffing costs	304 939	330 059	25 120	8,2%
Operating margin (3)	7,3%	7,8%	0,5%	
EBE	603 161	704 842	101 681	16,9%
Operational margin (4)	4,3%	4,7%	0,4%	
Operating income	354 382	426 689	72 307	20,4%

(1) The value-added ratio

This ratio is determined by value added over revenue. Value added increased by MMAD 126 YoY, from MMAD 951 in 2017 to MMAD 1,077 in 2018; driven by the improvement in revenue, margins (direct and back) and by a better control of operational expenses.

(2) Employee performance coefficient

The employee performance coefficient corresponds to the ratio «Value Added» to «Payroll Ex-

penses» ratio and measures the wealth created for every dirham of payroll spent.

The ratio improved by MAD 0.15 between 2017 and 2018 from MAD 3.1 to MAD 3.3 in 2018. This increase is related to the improvement of the added value, the gross margin as well as optimization of the payroll.

(4) Operating margin

Operating margin corresponds to the ratio operating income over revenue.

Operating margin improved by 0.4 point to stand at 4.7% in 2018 vs. 4.3% in 2017, driven by a better control of operating expenses, leading to an increase in operating income, a significant increase in sales volumes and gross margin.

In 2018, performance ratios delivered the following:

- Value added increased by 0.4% ;
- Labor efficiency increased by MAD 0.15;
- Operating margin increased by 0.4%.

C.2 LIQUIDITY RATIOS

The YoY evolution of liquidity ratios in 2018 is shown in the table below:

WORKING CAPITAL ITEMS	2017	Number of days sale	2018	Number of days sale	CHANGE VS 2017	Number of days sale
INVENTORY	1 285 379	61	1 478 326	65	192 947	3
Merchandise	1 274 192	61	1 466 528	64	192 336	3
Consumables	11 187	1	11 798	1	611	0
Goods in process	0	0	0	0		
CURRENT ASSETS	1 410 276	67	1 564 838	69	154 562	1
Accounts receivables	833 905	40	827 986	36	-5 918	-4
Others	576 372	28	736 852	32	160 480	5
CURRENT LIABILITIES	3 114 531	149	3 355 193	147	240 662	-2
Accounts payables	2 837 147	136	3 081 442	135	244 294	-1
Others	277 384	13	273 752	12	-3 632	-1
WCR	418 876	20	312 029	14	-106 847	-6

(1) Inventory turnover

In 2018, inventory turnover covered 65 days of sale.

(2) Days of Sales Outstanding

YoY, days of sales outstanding increased by 1 day in 2018. This increase was driven by VAT claims

which depend on the volume of sales.

Thanks to sizable efforts deployed, clients' day sales outstanding decreased by 4 days.

(3) Days Payable Outstanding

Days payable outstanding were

reduced by 2 days from 149 days in 2017 to 147 days in 2018.

Accounts payables increased as a result of additional purchases following the opening of new stores as well as a better performance pro-forma.

C.3 PROFITABILITY RATIOS

ALL NUMBERS IN KMAD	2017	2018	Change
Return on equity	14,2%	15,7%	1,5
Net profitability	3,4%	3,7%	0,2

(1) Return on equity

It is the ratio between Net Income and Total Equity. Return on equity improved YOY. Indeed, the return on equity increased by 1.5 points to stand at 15.7% in 2018 vs. 14.2% in 2017. This

improvement was driven by an increase of Net Income from MMAD 240 to MMAD 288 YoY.

(2) Net profitability

This is the ratio between the Net Income and the balance

sheet total. Net profitability increased by 0.2% in 2018. This increase is attributable to the improvement in net income in 2018.

C.4 DEBT RATIOS

The following table measures the proportion of long-term debt in 2018 versus 2017:

ALL NUMBERS IN KMAD	2017	2018	CHANGE VS 2017	%
DMLT	2103738	2307390	203652	10%
Long-term debt	2103738	2307390	203652	10%
Short-term debt	0	0	0	0%
Cash and liquid assets	474771	525106	50335	11%
Net Debt	1628967	1782284	153317	9%
Long-term debt	3814717	4160933	346215	9%
DMLT/Long-term debt	55%	55%	0%	1%
Equity	1710979	1853543	142563	8%
Net debt-to-equity ratio	95%	96%	1%	1%
Net debt MLT	123%	124%	2%	1%

In 2018, the group's net debt increased by 9% from MMAD 1,628.9 in 2017 to MMAD 1,782.2 in 2018. This increase was driven by:

- The investments related to the opening of new stores as well as the renovation of 10 stores in 2018;

- -New medium-term loans added in 2018 to finance the ongoing development of the group.

D. ALLOCATION OF NET INCOME

The board of directors approved the non-consolidated financial state-

ments for 2018; and non-consolidated Net Income stood at MMAD 218.

The board of directors proposed to the general meeting of shareholders to allocate Net Income as follows:

Net Income 2018	218 879 639,46
Legal reserve	-
Retained earnings/Ex 2017	218 879 639,46
Retained earnings/Ex previous	51 865 534,55
DISTRIBUTABLE PROFIT	270 745 174,01
Dividends	150 000 000,00
Retained earnings	120 745 174,01

E. STOCK PERFORMANCE

Label'Vie delivered a very strong performance in the stock market thanks to positive earnings results driven by:

- Investments in all of the segments which allowed the group to

deliver a very unique experience for all type of clients;

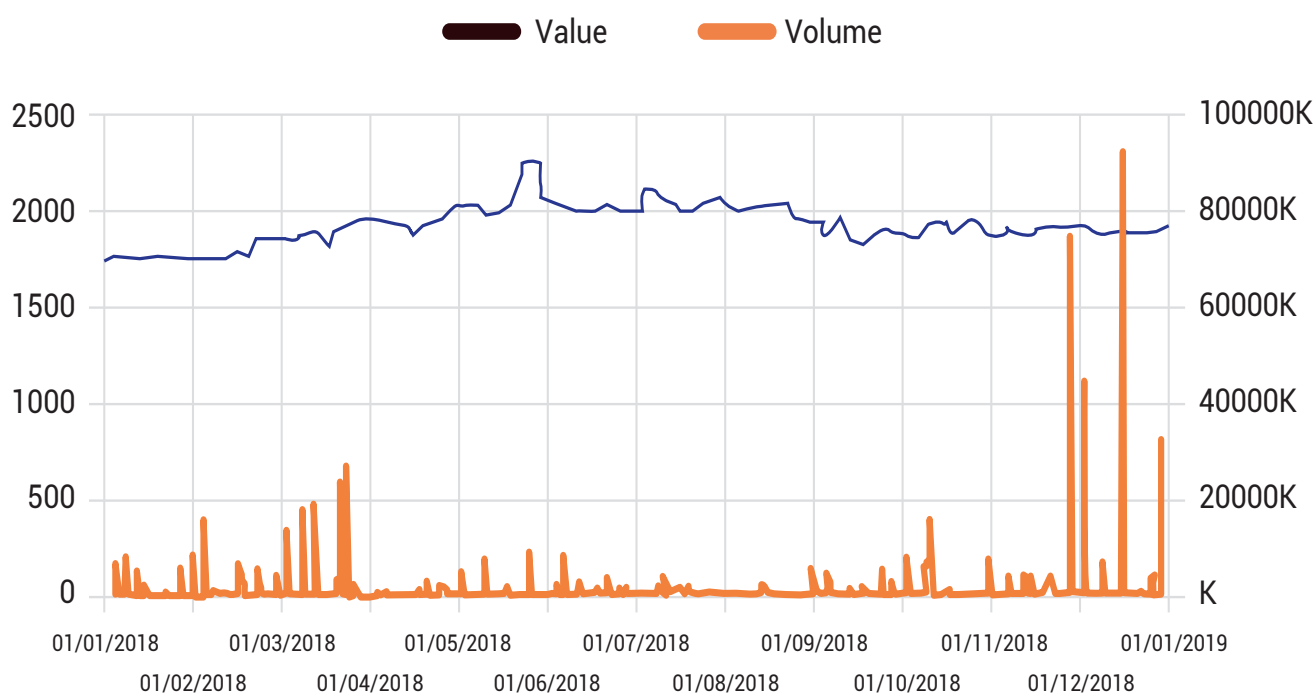
- A broad representation nationwide thanks to the constant process of expansion of its distribution network (opening of 17 stores in 2016, including 16 Carrefour

Market and a hypermarket);

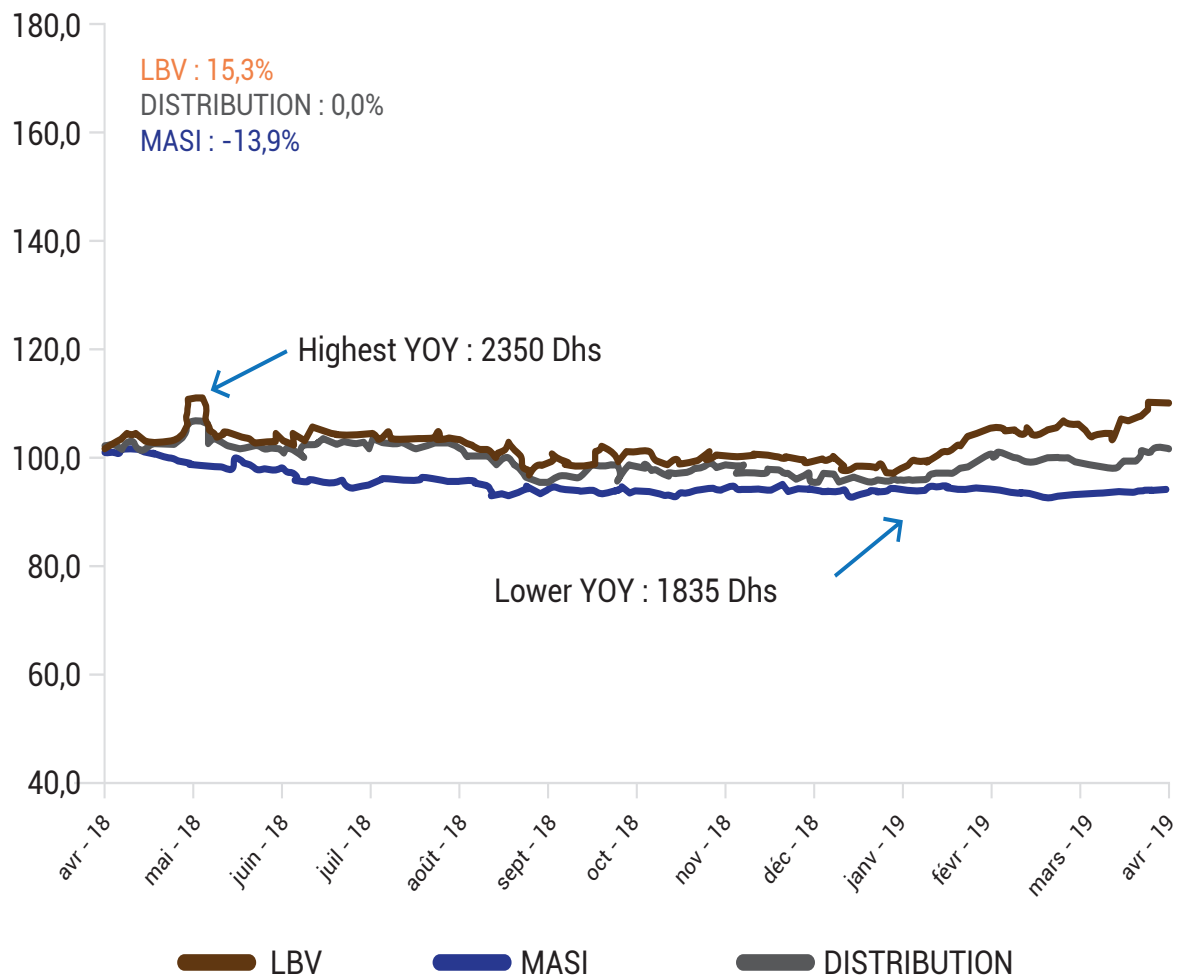
- The very strong growth potential of the sector. Indeed the penetration rate of the modern distribution hovers between 16.5% and 17% according to investment bank Upline Research.

The performance of Label'Vie versus the MASI index, as well as versus the distribution sector; is highlighted in the figures below:

**Evolution of share price and transaction volumes of Label'Vie
From 1st January 2018 to 31st December 2018:**



LBV Relative Force Vs. Retail Distribution Sector Vs. MASI



In 2018, Label'Vie soared by 9.86% outperforming the MASI index which plunged by 8.27%. It outperformed the distribution

sector as well, which yielded -0.23%. Volumes traded stood at MMAD 732 and the total market capital-

ization increased to MMAD 5,533 on 12/31/2018 vs. MMAD 4.968 on 01/02/2018.





PROSPECTS



PROSPECTS

Modern Trade has rapidly and profoundly developed in the recent years. Even if traditional trade remains prominent, we can attest that there is an undeniable change in consumers' behaviours and an accrued sensibility to food quality. Traditional trade is more and more challenged nowadays by the modern sector, which expands

rapidly over the territory. Retail distribution shares will undoubtedly increase over the next few years. We can predict promising outcomes in regards to its continued growth and consumers' enthusiasm toward this model, all significant growth opportunities that will allow the sector to prevail over its traditional competition.

PERSPECTIVES FOR LABEL'VIE GROUP

The enduring efforts from Label'Vie management have contributed to improve results in a sustainable way. Indeed, lately, the achievements of the group have been:

- The sustained expansion through the implementation of

new policies to facilitate store openings.

- The expansion of the supermarket model with new store openings and remodeling.

- The mastering the hypermarket model

- The improvement of all segments profitability and productivity

- The improvement of Customer experience through the implementation of quality guarantees and offers.

Label'Vie Group is planning to continue its expansion efforts with the opening of 16 new stores for a total investment of 605 million dirhams, resulting in more than 24,000 m² of addi-

tional sales area and the creation of 1290 new jobs.

At the end of the first semester 2019, 6 of these 16 new stores are already open and running:

• **RABAT - HIGH AGDAL:**

On January 24, 2019, Labe'Vie Group opened its 74th Carrefour Market store in the capital, on a commercial surface area of 500 m².

• **KENITRA MAAMOURA:**

On February 21, 2019, the Group opened its 75th supermarket in the city of Kenitra, on a commercial surface area of 700m².

• **AGADIR EL HOUDA:**

On March 21, 2019, the Group opened its 76th supermarket in the city of Kenitra, on a commercial surface area of 500m².

• **MOHAMMEDIA MANSOURIA:**

On May 30, 2019, the Group opened its 77th Carrefour Market store in the city of Mohammedia, on a commercial area of 725 m².

• **CASABLANCA OASIS:**

On May 30, 2019, the Group opened its 78th store in the city of Casablanca, on a commercial area of 700 m².

• **MARRAKECH SEMLALIA:**

On May 30, 2019, the Group inaugurated its 79th store in the city of Marrakech, on a commercial area of 613 m².



APPENDIX



APPENDIX I

NON-CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET - ASSETS (Normal model)

FY 01/01/2018 to 12/31/2018

ASSETS	FISCAL YEAR			PREVIOUS FISCAL YEAR
	BRUT	AMORT.-PROV.	NET	NET
NON-VALUE FIXED ASSETS (A)	646 697 626,40	273 689 223,65	373 008 402,75	305 130 812,50
- PRELIMINARY EXPENSES	32 900,00	32 900,00	0,00	6 580,00
- DIFERRED EXPENSES OVER SEVERAL YEARS	646 664 726,40	273 656 323,65	373 008 402,75	305 124 232,50
- BONDS REDEMPTION PREMIUMS	0,00	0,00	0,00	0,00
INTANGIBLE ASSETS (B)	200 568 128,61	25 540 162,34	175 027 966,27	177 072 998,16
- FIXED ASSETS IN RESEARCH AND DEVELOPPEMENT	0,00	0,00	0,00	0,00
. PATENTS, TRADEMARKS, SIMILAR RIGHTS AND ASSETS	43 828 708,18	25 540 162,34	18 288 545,84	20 333 577,73
. GOODWILL	156 739 420,43	0,00	156 739 420,43	156 739 420,43
. OTHER INTANGIBLE ASSETS	0,00	0,00	0,00	0,00
TANGIBLE ASSETS (C)	1 899 674 275,68	482 156 455,78	1 417 517 819,90	1 292 240 544,91
. LANDS	194 873 623,20	0,00	194 873 623,20	178 368 123,20
. BUILDINGS	700 268 083,02	108 902 335,57	591 365 747,45	489 266 247,65
. MACHINARY, EQUIPMENTS AND TOOLS	431 227 660,06	211 792 357,98	219 435 302,08	195 355 369,55
. TRANSPORT EQUIPMENTS	154 205,53	129 368,76	24 836,77	36 835,29
. FURNITUR, OFFICE EQUIPMENTS AND MISCELANEOUS	483 288 705,81	160 168 081,47	323 120 624,34	225 108 589,97
. OTHER TANGIBLE ASSETS	0,00	0,00	0,00	0,00
. FIXED ASSETS IN PROGRESS	88 474 150,06	0,00	88 474 150,06	203 773 679,25
FINANCIAL ASSETS (D)	1 644 725 881,62	-	1 644 725 881,62	1 642 967 375,16
. FIXED LOANS	0,00	0,00	0,00	0,00
. OTHER FINANCIAL RECEIVABLES	17 273 194,92	0,00	17 273 194,92	16 714 688,46
. EQUITY INVESTMENTS	1 627 452 686,70	0,00	1 627 452 686,70	1 626 252 686,70
. OTHER LOCKED IN INVESTMENTS	0,00	0,00	0,00	0,00
CONVERSION GAP - ASSETS (E)				
. REDUCTION OF NON-PERFORMING LOANS	0,00	0,00		
. INCREASE OF FINANCIAL LIABILITIES	0,00	0,00		
TOTAL I = (A+B+C+D+E)	4 391 665 912,31	781 385 841,77	3 610 280 070,54	3 417 411 730,73
INVENTORIES (F)	691 723 493,50	-	691 723 493,50	596 236 245,49
. GOODS	681 829 716,99	0,00	681 829 716,99	586 866 502,29
. CONSUMABLE MATERIALS AND SUPPLIES	9 893 776,51	0,00	9 893 776,51	9 369 743,20
. GOODS IN PROCESS	0,00	0,00	0,00	0,00
. INTERMEDIATE GOODS & RESIDUEL GOODS	0,00	0,00	0,00	0,00
. FINISHED GOOD	0,00	0,00	0,00	0,00
CURRENT ASSETS RECEIVABLES (G)	1 607 948 263,07	194 663,41	1 607 753 599,66	1 437 745 079,03
. SUPPLIERS RECEIVABLES, ADVANCES AND REPAYMENTS	41 625 273,46	0,00	41 625 273,46	34 097 388,36
. CUSTOMER ACCOUNTS RECEIVABLE	1 126 887 516,12	194 663,41	1 126 692 852,71	1 103 984 167,43
. PERSONNEL	12 695 301,02	0,00	12 695 301,02	8 290 617,44
. GOVERNMENT	269 114 268,97	0,00	269 114 268,97	239 890 384,44
. SHAREHOLDERS ACCOUNTS	0,00	0,00	0,00	0,00
. OTHER DEBTORS	133 004 907,62	0,00	133 004 907,62	22 560 007,85
. REPAYMENT AND ACCURED INCOME	24 620 995,88	0,00	24 620 995,88	28 922 513,51
SECURITIES & INVESTMENT VALUES (H)	7 048 081,12	0,00	7 048 081,12	10 887 895,87
CONVERSION GAP - ASSETS (I)	768 256,71	0,00	768 256,71	952 435,02
(ELEMENTS CIRCULANTS)		0,00		
TOTAL II (F + G + H + I)	2 307 488 094,40	194 663,41	2 307 293 430,99	2 045 821 655,41
CASHFLOW - ASSETS				
. CHECKS	43 682 878,40	0,00	43 682 878,40	26 234 402,20
. BANKS, TREASURY & POSTAL CHECKS	754 238 325,65	0,00	754 238 325,65	537 624 089,85
. FUNDS & CREDENTIALS	7 284 772,87	0,00	7 284 772,87	7 046 427,87
TOTAL III	805 205 976,92	-	805 205 976,92	570 904 919,92
OVERALL TOTAL (I + II + III)	7 504 359 983,63	781 580 505,18	6 722 779 478,45	6 034 138 306,06

BALANCE SHEET - LIABILITIES (Normal model)

FY 01/01/2018 to 12/31/2018

LIABILITIES	FISCAL YEAR	PREVIOUS FISCAL YEAR
SHAREHOLDERS EQUITY		
. CAPITAL STOCK OR PERSONNEL (1)	283 896 200,00	283 896 200,00
. LESS: SHAREOLDERS, UNCALLED SUBSCRIBED CAPITAL		
PAID-IN CAPITAL:		
. ISSUANCE PREMIUM, MERGER PREMIUM, SHARE PREMIUM	1150 523 764,19	1150 523 764,19
. REVALUATION SURPLUS	0,00	0,00
. LEGAL RESERVES	28 389 620,00	25 452 770,00
. OTHER RESERVES	0,00	0,00
. RETAINED EARNINGS (2)	51 865 534,55	28 213 250,84
. NET INCOME PENDING ASSIGNMENT (2)	0,00	0,00
. FISCAL YEAR NET INCOME (2)	218 879 639,46	176 589 133,71
TOTAL SHAREHOLDERS' EQUITY (A)	1 733 554 758,20	1 664 675 118,74
QUASI-EQUITY (B)	0,00	0,00
. INVESTMENT SUBSIDIES	0,00	0,00
. REGULATED PROVISIONS		
FINANCING DEBTS (C)	2169 529 147,05	1 941 119 665,79
. BOND ISSUES	1 500 000 000,00	1 500 000 000,00
. OTHER FINANCING DEBTS	669 529 147,05	441 119 665,79
SUSTAINABLE PROVISIONS / LIABILITIES AND CHARGES (D)	3 687 657,33	1 000 558,60
. PROVISIONS FOR LIABILITIES	3 687 657,33	1 000 558,60
. PROVISIONS FOR CHARGES	0,00	0,00
CONVERSION GAP - LIABILITIES (E)	0,00	0,00
. INCREASE OF NON-PERFORMING LOANS	0,00	0,00
. REDUCTION OF FINANCIAL LIABILITIES	0,00	0,00
TOTAL I (A + B + C + D + E)	3 906 771 562,58	3 606 795 343,13
DEBTS ON CURRENT LIABILITIES (F)	2 491 968 627,11	2 306 076 665,78
. SUPPLIERS AND RELATED ACCOUNTS	1 589 792 508,60	1 450 608 139,37
. CUSTOMER LIABILITIES, ADVANCES AND PREPAYMENTS	1 918 207,45	1 624 124,11
. PERSONNEL	998 841,08	797 340,43
. SOCIAL ORGANIZATIONS	9 958 975,57	11 232 695,94
. GOVERNMENT	178 176 805,69	180 619 308,69
. SHAREHOLDERS ACCOUNTS	161 819,65	131 956,73
. OTHER CREDITORS	695 097 822,10	645 415 533,70
. DEFERRED INCOME LIABILITIES	15 863 646,97	15 647 566,81
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)	3 768 256,71	952 435,02
CONVERSION GAP- LIABILITIES (H)	271 032,05	313 862,13
TOTAL II (F + G + H)	2 496 007 915,87	2 307 342 962,93
CASHFLOW - LIABILITIES		
. DISCOUNT LOANS	320 000 000,00	120 000 000,00
. CASH LOANS	0,00	0,00
. BANKS (CREDIT BALANCES)	0,00	-
TOTAL III	320 000 000,00	120 000 000,00
GENERAL TOTAL I + II + III	6 722 779 478,45	6 034 138 306,06

INCOME AND EXPENSES ACCOUNT (EXCLUDING TAXES)

FY 01/01/2018 to 12/31/2018

	OPERATIONS		TOTALS	TOT. PREVI. FISCAL YEAR
	FISCAL YEAR (1)	PREV. FISCAL YEAR (2)	FISCAL YEAR (1+2)	
OPERATING REVENUES				
. SALES OF GOODS AS IS	3 755 437 686,45	0,00	3 755 437 686,45	3 326 979 242,10
. REVENUES OF SALES OF GOODS AND SERVICES	513 910 286,95	0,00	513 910 286,95	443 565 469,58
TURNOVER	4 269 347 973,40	0,00	4 269 347 973,40	3 770 544 711,68
. PRODUCT INVENTORY VARIATION (+ -)				
. SELF-CONSTRUCTED FIXED ASSETS				
. OPERATING GRANT				
. OTHER OPERATING REVENUES				
. RELEASES OF OPERATING; TRANSFER OF EXPENSES	87 538 800,61	0,00	87 538 800,61	76 940 299,88
TOTAL I	4 356 886 774,01	0,00	4 356 886 774,01	3 847 485 011,56
OPERATING EXPENSES				
- RESALE PURCHASES OF MERCHANDISE	3 213 559 041,24	0,00	3 213 559 041,24	2 854 141 463,30
- COSTS OF SUPPLIES AND CONSUMABLE MATERIALS	108 092 016,54	0,00	108 092 016,54	104 126 730,91
- OTHER EXTERNAL EXPENSES	249 272 141,08	77 555,28	249 349 696,36	222 369 313,25
- TAXES AND DUTIES	24 356 649,24	0,00	24 356 649,24	21 650 569,43
- PERSONNEL EXPENSES	255 539 321,26	0,00	255 539 321,26	234 006 721,34
- OTHER OPERATING EXPENSES				
- OPERATING ALLOCATION	178 543 367,17	0,00	178 543 367,17	143 128 569,27
TOTAL II	4 029 362 536,53	77 555,28	4 029 440 091,81	3 579 423 367,50
OPERATING RESULT III (I-II)			327 446 682,20	268 061 644,06
FINANCIAL REVENUES				
- INCOME FROM EQUITY INVESTMENTS	67 166 221,00	0,00	67 166 221,00	65 430 446,50
- CURRENCY GAINS	2 326 386,97	0,00	2 326 386,97	1 409 914,72
- INTEREST AND OTHER FINANCIAL REVENUES	37 999 887,93	0,00	37 999 887,93	38 486 455,89
- FINANCIAL WRITE-BACK, EXPENSE TRANSFER	11 936 593,76	0,00	11 936 593,76	9 845 468,70
TOTAL IV	119 429 089,66	0,00	119 429 089,66	115 172 285,81
FINANCIAL EXPENSES				
- INTEREST CHARGES	159 998 821,92	0,00	159 998 821,92	149 517 763,52
- EXCHANGE LOSSES	3 152 556,25	0,00	3 152 556,25	3 509 933,07
- OTHER FINANCIAL EXPENSES	4 365 856,07	0,00	4 365 856,07	1 441 006,92
- FINANCIAL ALLOCATIONS	768 256,71	0,00	768 256,71	938 783,88
TOTAL V	168 285 490,95	0,00	168 285 490,95	155 407 487,39
FINANCIAL RESULT VI (IV - V)			-48 856 401,29	-40 235 201,58
CURRENT RESULT (III+VI)			278 590 280,91	227 826 442,48

INCOME AND EXPENSES ACCOUNT (Excluding taxes) (Cont.)

FY 01/01/2018 to 12/31/2018

	OPERATIONS		TOTALS	TOT. PREV. FISCAL YEAR
	FISCAL YEAR (1)	PREV.FISCAL YEAR (2)	FISCAL YEAR (1+2)	
CURRENT RESULT (REPORTS)	0,00	0,00	278 590 280,91	227 826 442,48
PRODUITS NON COURANTS				
- SALES OF FIXED ASSETS	91 692 579,10	0,00	91 692 579,10	5 129 020,67
- SUBVENTION D'EQUILIBRE/GRANT BALANCE	0,00	0,00	0,00	0,00
- RELEASE OF INVESTMENT GRANT	0,00	0,00	0,00	0,00
- OTHER NON-CURRENT INCOME	698 470,17	998 639,43	1 697 109,60	4 104 443,88
- RELEASE OF NON-CURRENT TRANSFER OF EXPENSES	144 040,96	0,00	144 040,96	0,00
TOTAL VIII	92 535 090,23	998 639,43	93 533 729,66	9 233 464,55
NON-CURRENT EXPENSES				
- NET VALUE OF DEPRECIATION FROM SALE OF FIXED ASSETS	55 625 981,25	0,00	55 625 981,25	6 531 794,77
- GRANTS AWARDED	0,00	0,00	0,00	0,00
- OTHER EXPENSES	17 069 677,17	60,00	17 069 737,17	1 461 170,95
- NON-CURRENT ALLOCATIONS TO DEPRECIATION. & PROVISIONS	5 831 139,69	0,00	5 831 139,69	1 000 558,60
TOTAL IX	78 526 798,11	60,00	78 526 858,11	8 993 524,32
NON-CURRENT INCOME (VIII - IX)			15 006 871,55	239 940,23
INCOME BEFORE TAXES (VII+X)			293 597 152,46	228 066 382,71
INCOME TAXES			74 717 513,00	51 477 249,00
RESULTAT NET (XI - XII)			218 879 639,46	176 589 133,71
TOTAL REVENUES (I+IV+VIII)			4 569 849 593,33	3 971 890 761,92
TOTAL EXPENSES (II+V+IX+XIII)			4 350 969 953,87	3 795 301 628,21
NET INCOME (TOT. REVENUES. - TOT. EXPENSES)			218 879 639,46	176 589 133,71

STATEMENT OF CASH FLOWS (E.S.G)

FY 01/01/2018 to 12/31/2018

I. TABLE OF INCOME DETERMINATION				EXERCICE	EXERC.PRECED
1	.	SALES OF GOODS AS IS		3 755 437 686,45	3 326 979 242,10
2	-	. PURCHASES OF RESOLD GOODS		3 213 559 041,24	2 854 141 463,30
I	=	GROSS MARGIN ON SALES AS IS		541 878 645,21	472 837 778,80
II	+	OUTPUT FOR THE FISCAL YEAR: (3 + 4 + 5)		513 910 286,95	443 565 469,58
3	.	REVENUES FROM SALES OF GOODS AND SERVICES		513 910 286,95	443 565 469,58
4	.	VARIATIONS OF INVENTORY OF GOODS			
5	.	SELF-CONSTRUCTED FIXED ASSETS			
III	-	INTAKE FOR THE FINANCIAL YEAR: (6+7)		357 441 712,90	326 496 044,16
6	.	COSTS OF SUPPLIES AND CONSUMABLE MATERIALS		108 092 016,54	104 126 730,91
7	.	OTHER EXTERNAL EXPENSES		249 349 696,36	222 369 313,25
IV	=	VALUE-ADDED (I + II - III)		698 347 219,26	589 907 204,22
8	+	OPERATING GRANTS		0,00	0,00
9	-	TAXES AND DUTIES		24 356 649,24	21 650 569,43
10	-	PERSONNEL EXPENSES		255 539 321,26	234 006 721,34
V	=	GROSS OPERATING SURPLUS (GOS)		418 451 248,76	334 249 913,45
	=	GROSS OPERATING SHORTFALL (IBE)			
11	+	OTHER OPERATING REVENUES		0,00	0,00
12	-	OTHER OPERATING EXPENSES		0,00	0,00
13	+	OPERATING WRITE-BACKS, EXPENSE TRANSFERS		87 538 800,61	76 940 299,88
14	-	OPERATING ALLOCATIONS		178 543 367,17	143 128 569,27
VI	=	OPERATING INCOME (+ OR -)		327 446 682,20	268 061 644,06
VII	±	FINANCIAL RESULT		(48 856 401,29)	(40 235 201,58)
VII	=	CURRENT INCOME (+ OR -)		278 590 280,91	227 826 442,48
IX	±	NON-CURRENT INCOME		15 006 871,55	239 940,23
15	-	INCOME TAXES		74 717 513,00	51 477 249,00
X	=	NET INCOME OF THE FISCAL YEAR (+ OR -)		218 879 639,46	176 589 133,71
II. CASH FLOW (C.A.F) - SELF-FINANCING					
1	.	NET INCOME OF THE FISCAL YEAR		218 879 639,46	176 589 133,71
	-	BENEFITS +		218 879 639,46	176 589 133,71
	-	LOSSES -			
2	+	OPERATING ALLOWANCES		178 543 367,17	143 128 569,27
3	+	FINANCIAL ALLOWANCES		0,00	0,00
4	+	NON-CURRENT ALLOWANCES		2 831 139,69	1 000 558,60
5	-	EXTRAORDINARY WRITE-BACKS		144 040,96	0,00
				0,00	0,00
8	-	PROCEEDS FROM DISPOSAL OF ASSETS		91 692 579,10	5 129 020,67
9	+	VALEURS NETTES D'AMORTISSEMENT DES IMMOB CEDEES		55 625 981,25	6 531 794,77
I	=	CASH FLOW FROM OPERATIONS (CAF)		364 043 507,51	322 121 035,68
10	-	PROFIT DISTRIBUTION		150 000 000,00	80 000 000,00
II	=	SELF FINANCING		214 043 507,51	242 121 035,68

FUNDING TABLE FOR THE FISCAL YEAR

FY 01/01/2018 to 12/31/2018

I TABLE OF INCOME DETERMINATION				
MASSES	FY (a)	Previous FY (b)	Change a-b	
			Employment (c)	Resources (d)
1 Permanent Funding	3 906 771 562,58	3 606 795 343,13		299 976 219,45
2 LESS CURRENT ASSETS	3 610 280 070,54	3 417 411 730,73	192 868 339,81	
3 FUNCTIONAL WORKING CAPITAL (1-2) (A)	296 491 492,04	189 383 612,40		107 107 879,64
4 CURRENT ASSETS	2 307 293 430,99	2 045 821 655,41	261 471 775,58	
5 LESS CURRENT LIABILITIES	2 496 007 915,87	2 307 342 962,93		188 664 952,94
6 BLOCK FUNDING NEED (4-5) (B)	(188 714 484,88)	(261 521 307,52)	72 806 822,64	
7 NET CASH (ASSETS - LIABILITIES) = A-B	485 205 976,92	450 904 919,92	34 301 057,00	

II CASH FLOW (C.A.F) - SELF-FINANCING				
	EXERCICE		EXERCICES PRECEDENT	
	EMPLOIS	RESSOURCES	EMPLOIS	RESSOURCES
I. STABLE RESOURCES FOR THE YEAR (FLOW)				
. SELF-FINANCING (A)		214 043 507,51		242 121 035,68
Cash Flow		364 043 507,51		322 121 035,68
Profit Distribution		(150 000 000,00)		(80 000 000,00)
. DISPOSAL AND REDUCTION OF FIXED ASSETS (B)		91 692 579,10		5 129 020,67
Disposal of Intangible Assets		0,00		0,00
Disposal of Fixed Assets		91 692 579,10		5 129 020,67
Disposal of Financial Fixed Assets		0,00		0,00
Write-Backs of Long Term Receivables		0,00		0,00
INCREASE IN SHAREHOLDERS EQUITY AND QUASI-EQUITY (C)		0,00		396 474 750,00
. Increase in Capital, Contributions		0,00		396 474 750,00
. Undistributed Dividends - 2009				
. INCREASE IN FINANCIAL LIABILITIES (D)		307 874 089,64		341 294 455,32
(Net of Redemption Premiums)				
TOTAL I - STABLE RESOURCES (A+B+C+D)		613 610 176,25		985 019 261,67
II. STABLE EMPLOYMENT ON THE YEAR (FLOW)				
ACQUISITION AND INCREASE OF FIXED ASSETS (E)	260 308 547,68		365 244 223,89	
Acquisition of Intangible Assets	5 643 117,79		12 416 531,26	
. Acquisition of Capital Assets	252 906 923,43		339 588 806,58	
. Acquisition of Financial Assets	1 758 506,46		13 238 886,05	
. Increase of Non-Performing Loans	0,00		0,00	
. REPAYMENT OF SHAREHOLDERS EQUITY (F)	0,00		0,00	
REPAYMENT OF FINANCIAL LIABILITIES (G)	79 464 608,38		183 016 353,81	
EMPLOYMENT WRITTEN-OFF (H)	166 729 140,55		140 557 881,85	
TOTAL II - STABLE EMPLOYMENT (E+F+G+H)	506 502 296,61		688 818 459,55	
III. CHANGES IN BLOCK FUNDING NEED(BFG)	72 806 822,64	0,00	104 981 546,16	0,00
IV. CHANGES IN CASH T O T	34 301 057,00	0,00	191 219 255,96	0,00
TOTAL GENERAL	613 610 176,25	613 610 176,25	985 019 261,67	985 019 261,67

STATEMENT A2 STATEMENT OF EXEMPTIONS

FY 01/01/2018 to 12/31/2018

EXEMPTIONS OF INDICATION	JUSTIFICATION OF EXEMPTIONS	INFLUENCE OF EXEMPTION ON THE ASSETS, FINANCIAL SITUATION, AND THE RESULTS
I- EXEMPTIONS FROM PRINCIPLE ACCOUNTING POLICIES		N/A
II - EXEMPTION FROM EVALUATION METHODS		N/A
III - EXEMPTIONS FROM PREPARATION AND PRESENTATION RULES FINANCIAL STATEMENTS		N/A

STATEMENT A3 STATEMENT OF CHANGES IN METHODS

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FY 01/01/2018 to 12/31/2018

INDICATION OF EXEMPTIONS	JUSTIFICATION OF EXEMPTIONS	INFLUENCE OF EXEMPTION ON THE ASSETS, FINANCIAL SITUATION, AND THE RESULTS
Changes Affecting Valuation Methods	N/A	N/A
Changes Affecting Presentation Rules	N/A	N/A

TABLE OF FIXED ASSETS OTHER THAN FINANCIAL

FY 01/01/2018 to 12/31/2018

CHANGES AFFECTING PRESENTATION RULES	GROSS AMOUNT AT THE BEGINNING OF THE FISCAL YEAR	INCREASE			DECREASE			GROSS AMOUNT AT THE END OF THE FISCAL YEAR
		Acquisition	Product of the company for itself	Transfer	Disposal	Withdrawal	Transfer	
FIXED ASSETS WRITTEN-OFF	495 355 140,35	166 729 140,55	-	4 113 345,50	-	-	19 500 000,00	646 697 626,40
* Preliminary Costs	32 900,00							32 900,00
* Deferred Expenses over several years	495 322 240,35	166 729 140,55		4 113 345,50			19 500 000,00	646 664 726,40
* Bond Redemption premiums	-							-
INTANGIBLE ASSETS	194 925 010,82	5 643 117,79	-	-	-	-	-	200 568 128,61
* Research and Development Assets	-							0,00
* Patents, Trademarks, Similar Rights and assets	38 185 590,39	5 643 117,79						43 828 708,18
* GOODWILL	156 739 420,43					-		156 739 420,43
* Other Intangible Assets	-							-
TANGIBLE ASSETS	1 688 376 841,54	252 906 923,43	-	145 221 168,06	56 996 143,79	-	129 834 513,56	1 899 674 275,68
* Land *Buildings	178 368 123,20			56 705 500,00	40 200 000,00			194 873 623,20
* Constructions	573 977 398,09	102 365 139,99		39 993 064,11	16 067 519,17			700 268 083,02
* Machinery, Equipment and Tools	373 797 800,22	54 296 182,88		3 652 257,22	518 580,26			431 227 660,06
* Transport Equipment	151 748,34	41 800,30			17 232,11			154 205,53
* Furniture, Office Supplies and Miscellaneous	356 942 355,44	81 506 694,44		44 870 346,73	30 690,80			483 288 705,81
* Other Tangible Assets	-	-						-
* Tangible Assets in Progress	203 773 679,25	14 697 105,82			162 121,45		129 834 513,56	88 474 150,06
	2 378 656 992,71	425 279 181,77	-	149 334 513,56	56 996 143,79	-	149 334 513,56	2 746 940 030,69

TABLE OF EQUITY INVESTMENTS

FY 01/01/2018 to 12/31/2018

Issuing Company's Corporate Name	LINE OF BUSINESS	Registered Capital	% of capital contribution	Net Carrying Amount	Net Carrying Amount	Extracts from the company's Recent Financial Statements			Products Registered In the C.P.C of the exercise
						Closing Date	Net Issuing Equity	Net Income	
HYPERMARCHE LV SAS	RETAIL	120 000 000,00	95%	114 000 000,00	114 000 000,00	31/12/2018	168 604 156,62	30 116 708,78	
ARADEI CAPITAL HOLDING		811 273 800,00	57%	124 100 000,00	124 100 000,00	31/12/2018	169 157 682,07	64 688 600,57	65 307 331,00
MUTANDIS	INVESTMENT FUND	680 405 100,00	5%	56 520 000,00	56 520 000,00	31/12/2018	1015 377 414,18	69 232 330,27	1858 890,00
BERKANE PLAZA SARL	CONSTRUCTION AND PROPERT	100 000,00	67%	67 000,00	67 000,00	31/12/2018			
MAXI LV	RETAIL	158 200 000,00	95%	157 815 000,00	157 815 000,00	31/12/2018	203 196 178,82	33 215 795,10	
SERVICE LV	MASS DISTRIBUTION	300 000,00	100%	300 000,00	300 000,00	31/12/2018	15 663 039,11	7 091 737,26	
AMETHIS FINANCE SCS SICAR	INVESTMENT FUND			53 679 938,92	53 679 938,92	31/12/2018			
MOBIMARKET	MOBILE DISTRIBUTION	5 000 000,00	50%	2 500 000,00	2 500 000,00	31/12/2018	3 566 699,93	(1 805 750,71)	
SILAV	REAL ESTATE	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00		
RETAIL HOLDING AFRICA	RETAIL	255 001 200,00	0%	70 747,78	70 747,78	31/12/2018	246 558 940,33	(456 120,40)	
MOULAT EL KHEIR SA	MANAGEMENT BUSINESS, INDUSTRY, AGRICULTURE AND CIVIL OR MILITARY SERVICES	2 600 000,00	23%	600 000,00	600 000,00	31/12/2018	2 220 717,50	(379 282,50)	
ARADI SUD	REAL ESTATE (FOR RENT PURPOSES)	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00		
LAAYOUNE LV	SUPERMARKET BUYING AND SELLING PRODUCTS OF DAILY CONSUMPTION	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00		
TOTAL		2 033 780 100		1 627 452 686,7	1 627 452 686,7		3 347 663 972,56	201 704 018,37	671 662 221,00

TABLE OF ALLOWANCES

FY 01/01/2018 to 12/31/2018

TYPE	Amount at the Beginning of the fiscal year	ALLOCATIONS			RECOVERY			Amount at the End of the Fiscal Year
		Operating	Financial	Non Current	Operating	Financial	Non Current	
1. Allowances for the Depreciation of Capital Assets								
2. Regulated Provisions								
3. Sustainable Provisions for Liabilities and Charges	1 000 558,60			2 831 139,69			144 040,96	3 687 657,33
SUB TOTAL (A)	1 000 558,60	0,00	0,00	2 831 139,69	0,00	0,00	144 040,96	3 687 657,33
4. Allowances for the Depreciation of Current Assets (excl. Cash)	194 663,41							194 663,41
5. Other Provisions for Liabilities and charges	952 435,02		768 256,71	3 000 000,00		952 435,02		3 768 256,71
6. Allowances for the Depreciation of Cash Accounts								
SUB TOTAL (B)	1 147 098,43	0,00	768 256,71	3 000 000,00	0,00	952 435,02	0,00	3 962 920,12
TOTAL (A+B)	2 147 657,03	0,00	768 256,71	5 831 139,69	0,00	952 435,02	144 040,96	7 650 577,45

TABLE OF RECEIVABLES

FY 01/01/2018 to 12/31/2018

RECEIVABLES	TOTAL	BREAKDOWN BY MATURITY				OTHER BREAKDOWNS		
		MORE THAN A YEAR	LESS THAN A YEAR	MATURED AND UNRECOVERED	CURRENCY AMOUNT	AMOUNTS FROM THE GOVERNMENT AND PUBLIC	AMOUNTS FROM RELATED COMPANIES	AMOUNTS REPRESENTED BY BILLS
FROM FIXED ASSETS	17 273 194,92	16 714 688,46	558 506,46	0,00	0,00	0,00	0,00	0,00
* Fixed Loans								
* Other Financial Receivables	17 273 194,92	16 714 688,46	558 506,46					
FROM CURRENT ASSETS	1 607 948 263,07	0,00	1 607 948 263,07	0,00	0,00	269 114 268,97	667 140 116,99	0,00
* Suppliers Receivables, Advances and Prepayments	41 625 273,46		41 625 273,46				49 095,00	
* Customers and Related Accounts	112 688 516,12		112 688 516,12				646 584 317,37	
* Personnel	12 695 301,02		12 695 301,02					
* Government	269 114 268,97		269 114 268,97			269 114 268,97		
* Partner Accounts								
* Other Debtors	133 004 907,62		133 004 907,62				20 506 704,62	
* Prepayment and Accrued Income	24 620 995,88		24 620 995,88					

TABLE OF DEBTS

FY 01/01/2018 to 12/31/2018

DEBTS	TOTAL	ANALYSIS BY MATURITY				OTHER ANALYSES		AMOUNTS REPRESENTED BY BILLS OF EXCHANGE
		MORE THAN A YEAR	LESS THAN A YEAR	MATURED AND NOT PAID	AMOUNT IN CURRENCY	AMOUNTS TO THE STATE AND PUBLIC BODIES	AMOUNTS TO RELATED COMPANIES	
FROM FINANCING	2 169 529 147,05	1 040 923 748,41	1 128 605 398,64					
* Bond Issues	1 500 000 000,00	469 800 000,00	1 030 200 000,00					
* Other Financial Debts	669 529 147,05	571 123 748,41	98 405 398,64					
FROM CURRENT LIABILITIES	2 491 968 627,11	127 657,73	2 491 840 969,38	0,00	106 605 657,63	188 930 544,87	731 170 016,96	832 716 939,79
* Suppliers and Related Accounts	1 589 792 508,60		1 589 792 508,60		106 605 657,63	794 763,61	36 672 052,77	832 716 939,79
* Creditor Customers, Advances and Prepayments	1 918 207,45		1 918 207,45					
* Personnel	998 841,08		998 841,08					
* Social Organizations	9 958 975,57		9 958 975,57			9 958 975,57		
* Government	178 176 805,69		178 176 805,69			178 176 805,69		
* Partner Accounts	161 819,65	127 657,73	34 161,92					
* Other Receivables	695 097 822,10		695 097 822,10				694 497 964,19	
* Accrual and Deferred Income	15 863 646,97		15 863 646,97					

TABLE OF SECURITIES GIVEN OR RECEIVED

FY 01/01/2018 to 12/31/2018

SECURITIES RECEIVABLES AND PAYABLES	AMOUNT COVERED BY THE SECURITY	TYPE	DATE AND PLACE OF REGISTRATION	ITEM (2)(3)	NET BOOK VALUE OF THE SECURITY GIVEN ON THE CLOSING DATE
SECURITIES GIVEN	276 989 726,60	(2) (3)	RABAT	BANKS	
SECURITIES RECEIVED			N/A		

FINANCIAL COMMITMENTS RECEIVED OR GIVEN WITHOUT LEASING TRANSACTIONS

FY 01/01/2018 to 12/31/2018

COMMITMENTS GIVEN	AMOUNT FISCAL YEAR	AMOUNT PREVIOUS FISCAL YEAR
* Endorsements and Guarantees		
* Commitments in Terms of Pension, Retirement, and Similar Obligations		
* Other Commitments Given		
TOTAL (1)	N/A	N/A
(1) Including Liabilities to Related Companies		

COMMITMENTS RECEIVED	AMOUNT EXERCISE	AMOUNT EXERCISE PRECEDENT
* Endorsements and Guarantees		
- Deposits Received on the Market		
* Other Commitments Received		
TOTAL (1)	N/A	N/A

APPENDIX 2

CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET ASSETS (Normal model)

FY 01/01/2018 to 12/31/2018

ASSETS	FISCAL YEAR		PREVIOUS FISCAL YEAR	
	BRUT	AMORT.-PROV.	NET	NET
NON VALUE FIXED ASSETS (A)				
- PRELIMINARY EXPENSES				
- DIFERRED EXPENSES OVER SEVERAL YEARS				
- BONDS REDEMPTION PREMIUMS				
INTANGIBLE ASSETS (B)	1 348 624 171,80	511 849 773,57	836 774 398,23	772 372 832,57
- FIXED ASSETS IN RESEARCH AND DEVELOPPEMENT	948 283 418,51	483 883 435,95	464 399 982,56	397 456 356,64
. PATENTS, TRADEMARKS, SIMILAR RIGHTS AND ASSETS	46 864 666,19	27 966 337,62	18 898 328,57	20 922 534,81
. GOODWILL	353 476 087,10		353 476 087,10	353 476 087,10
. OTHER INTANGIBLE ASSETS	0,00		0,00	517 854,02
TANGIBLE ASSETS (C)	2 473 618 519,46	749 193 477,55	1 724 425 041,91	1 601 551 599,62
. LANDS	194 873 623,20		194 873 623,20	178 368 123,20
. BUILDINGS	718 928 113,75	111 665 182,25	607 262 931,50	505 769 417,11
. MACHINARY, EQUIPMENTS AND TOOLS	729 127 310,61	366 442 656,81	362 684 653,80	343 942 870,78
. TRANSPORT EQUIPMENTS	1 580 627,84	1 311 712,41	268 915,43	372 837,04
. FURNITUR, OFFICE EQUIPMENTS AND MISCELANEOUS	682 540 912,85	240 363 074,59	442 177 838,26	338 228 553,85
. OTHER TANGIBLE ASSETS	54 352 399,57	29 410 851,49	24 941 548,08	28 576 972,59
. FIXED ASSETS IN PROGRESS	92 215 531,65		92 215 531,65	206 292 825,05
FINANCIAL ASSETS (D)	1 386 655 847,95	-	1 386 655 847,95	1 384 897 341,49
. FIXED LOANS	0,00		0,00	0,00
. OTHER FINANCIAL RECEIVABLES	33 818 161,25		33 818 161,25	33 259 654,79
. EQUITY INVESTMENTS	1 352 837 686,70		1 352 837 686,70	1 351 637 686,70
. OTHER LOCKED IN INVESTMENTS				
CONVERSION GAP - ASSETS (E)				
. REDUCTION OF NON-PERFORMING LOANS				
. INCREASE OF FINANCIAL LIABILITIES				
TOTAL I = (A+B+C+D+E)	5 208 898 539,21	1 261 043 251,12	3 947 855 288,09	3 758 821 773,68
INVENTORIES (F)	1 488 755 874,78	10 429 908,00	1 478 325 966,78	1 285 379 120,94
. GOODS	1 476 957 832,54	10 429 908,00	1 466 527 924,54	1 274 192 230,32
. CONSUMABLE MATERIALS AND SUPPLIES	11 798 042,24		11 798 042,24	11 186 890,62
. GOODS IN PROCESS				
. INTERMEDIATE GOODS & RESIDUEL GOODS				
. FINISHED GOOD				
CURRENT ASSETS RECEIVABLES (G)	1 568 256 204,76	4 363 976,89	1 563 892 227,87	1 409 147 336,08
. SUPPLIERS RECEIVABLES, ANDVANCES AND REPAYMENTS	101 677 705,27	0,00	101 677 705,27	83 931 179,37
. COSTUMOR ACCOUNTS RECEIVABLE	832 350 264,41	4 363 976,89	827 986 287,52	833 904 522,08
. PERSONNEL	15 233 247,36		15 233 247,36	9 941 488,02
. GOVERNMENT	465 267 589,72		465 267 589,72	428 752 825,56
. SHAREHOLDERS ACCOUNTS	0,00		0,00	0,00
. OTHER DEBTORS	128 634 783,77		128 634 783,77	22 000 148,06
. REPAYMENT AND ACCURED INCOME	25 092 614,24		25 092 614,24	30 617 173,00
SECURITIES & INVESTMENT VALUES (H)	21 278 193,62	0,00	21 278 193,62	50 122 904,48
CONVERSION GAP - ASSETS (I)	946 135,10		946 135,10	1 129 022,65
(ELEMENTS CIRCULANTS)	0,00		0,00	0,00
TOTAL II (F + G + H + I)	3 079 236 408,26	14 793 884,89	3 064 442 523,37	2 745 778 384,15
CASHFLOW - ASSETS				
. CHECKS	71 361 791,28		71 361 791,28	56 467 316,15
. BANKS, TREASURY & POSTAL CHECKS	789 806 533,21		789 806 533,21	475 524 682,46
. CAISSES, REGIES ET ACCREDITIFS	12 659 893,06		12 659 893,06	12 656 415,56
TOTAL III	873 828 217,54	-	873 828 217,54	544 648 414,17
OVERALL TOTAL (I + II + III)	9 161 963 165,01	1275 837 136,01	7 886 126 029,00	7 049 248 572,00

BALANCE SHEET - LIABILITIES (Normal Model)

FY 01/01/2018 to 12/31/2018

LIABILITIES	FISCAL YEAR	PREV.FISCAL.YEAR
SHAREHOLDERS EQUITY		
. CAPITAL STOCK OR PERSONNEL (1)	283 896 200,00	283 896 200,00
. LESS: SHAREOLDERS, UNCALLED SUBSCRIBED CAPITAL		
PAID-IN CAPITAL:		
. ISSUANCE PREMIUM, MERGER PREMIUM, SHARE PREMIUM	1150 523 764,19	1150 523 764,19
. REVALUATION SURPLUS		
. LEGAL RESERVES	28 389 620,00	25 452 770,00
. OTHER RESERVES	28 647 711,80	-32 625 558,50
. RETAINED EARNINGS (2)	51 865 534,55	28 213 250,84
. NET INCOME PENDING ASSIGNMENT (2)	0,00	0,00
. FISCAL YEAR NET INCOME (2)	288 401 005,25	240 869 928,58
TOTAL SHAREHOLDERS' EQUITY (A)	1 831 723 835,79	1 696 330 355,11
QUASI-EQUITY (B)	15 412 646,93	12 405 122,36
. INVESTMENT SUBSIDIES	15 412 646,93	12 405 122,36
FINANCING DEBTS (C)	2 307 390 075,63	2 103 738 229,49
. BOND ISSUES	1 500 000 000,00	1 500 000 000,00
. OTHER FINANCING DEBTS	807 390 075,63	603 738 229,49
SUSTAINABLE PROVISIONS / LIABILITIES AND CHARGES (D)	6 406 151,79	2 243 777,72
. PROVISIONS FOR LIABILITIES	6 406 151,79	2 243 777,72
. PROVISIONS FOR CHARGES		
CONVERSION GAP - LIABILITIES (E)		
. INCREASE OF NON-PERFORMING LOANS		
. REDUCTION OF FINANCIAL LIABILITIES		
TOTAL I (A + B + C + D + E)	4 160 932 710,14	3 814 717 484,68
DEBTS ON CURRENT LIABILITIES (F)	3 350 783 860,30	3 113 088 162,93
. SUPPLIERS AND RELATED ACCOUNTS	3 039 239 729,91	2 805 295 834,25
. CUSTOMER LIABILITIES, ADVANCES AND PREPAYMENTS	42 202 075,84	31 851 542,19
. PERSONNEL	7 049 368,37	8 059 194,05
. SOCIAL ORGANIZATIONS	14 652 618,93	15 966 608,42
. GOVERNMENT	225 237 956,54	227 745 578,70
. SHAREHOLDERS ACCOUNTS	161 819,65	131 956,73
. OTHER CREDITORS	4 895 336,14	5 698 830,10
. DEFERRED INCOME LIABILITIES	17 344 954,92	18 338 618,50
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)	4 109 121,13	1 129 022,65
CONVERSION GAP - LIABILITIES (H)	300 337,44	313 901,74
TOTAL II (F + G + H)	3 355 193 318,87	3 114 531 087,32
CHASHFLOW - LIABILITIES		
. DISCOUNT LOANS		
. CASH LOANS	370 000 000,00	120 000 000,00
. BANKS (CREDIT BALANCES)		
TOTAL III	370 000 000,00	120 000 000,00
GENERAL TOTAL I + II + III	7 886 126 029,00	7 049 248 572,00

INCOME AND EXPENSES ACCOUNT (EXCLUDING TAXES)

FY 01/01/2018 to 12/31/2018

	OPERATIONS		TOTALS	TOT. PREVI. FISCAL YEAR
	FY (1)	PREV.FY (2)	FY (1+2)	
OPERATING REVENUES				
. SALES OF GOODS AS IS	8 217 333 121,08		8 217 333 121,08	7 531 108 977,07
. REVENUES OF SALES OF GOODS AND SERVICES	816 219 280,21	-595 806,67	815 623 473,54	743 469 378,43
TURNOVER	9 033 552 401,29	-595 806,67	9 032 956 594,62	8 274 578 355,50
. PRODUCT INVENTORY VARIATION (+ -)				
. SELF-CONSTRUCTED FIXED ASSETS				
. OPERATING GRANT				
. OTHER OPERATING REVENUES				
. RELEASES OF OPERATING; TRANSFER OF EXPENSES	103 434 347,78		103 434 347,78	95 422 121,41
TOTAL I	9 136 986 749,07	-595 806,67	9 136 390 942,40	8 370 000 476,90
OPERATING EXPENSES				
- RESALE PURCHASES OF MERCHANDISE	7 246 696 558,41		7 246 696 558,41	6 667 246 165,37
- COSTS OF SUPPLIES AND CONSUMABLE MATERIALS	182 288 767,43	-158 275,95	182 130 491,48	177 269 014,19
- OTHER EXTERNAL EXPENSES	527 995 812,13	-1 797 355,85	526 198 456,28	478 705 397,95
- TAXES AND DUTIES	52 914 517,00	-1 567,20	52 912 949,80	46 783 316,19
- PERSONNEL EXPENSES	423 549 742,33		423 549 742,33	388 888 616,25
- OTHER OPERATING EXPENSES	60 389,83		60 389,83	6 665 460,45
- OPERATING ALLOCATION	278 153 618,83		278 153 618,83	250 086 632,72
TOTAL II	8 711 659 405,95	-1 957 199,00	8 709 702 206,95	8 015 644 603,11
OPERATING RESULT III (I-II)	425 327 343,12	1 361 392,33	426 688 735,45	354 355 873,79
FINANCIAL REVENUES				
- INCOME FROM EQUITY INVESTMENTS	67 166 221,00		67 166 221,00	65 430 446,50
- CURRENCY GAINS	3 171 140,98		3 171 140,98	1 645 467,20
- INTEREST AND OTHER FINANCIAL REVENUES	39 934 237,38		39 934 237,38	39 347 864,94
- FINANCIAL WRITE-BACK, EXPENSE TRANSFERS TOTAL IV	11 950 176,40		11 950 176,40	11 364 302,92
TOTAL IV	122 221 775,76		122 221 775,76	117 788 081,56
FINANCIAL EXPENSES				
- INTEREST CHARGES	137 621 208,14		137 621 208,14	141 691 599,22
- EXCHANGE LOSSES	3 915 140,42		3 915 140,42	4 512 712,78
- OTHER FINANCIAL EXPENSES	4 365 856,07		4 365 856,07	1 441 006,92
- FINANCIAL ALLOCATIONS	946 116,14		946 116,14	1 115 352,55
TOTAL V	146 848 320,77		146 848 320,77	148 760 671,47
FINANCIAL RESULT VI (IV - V)	-24 626 545,01		-24 626 545,01	-30 972 589,91
CURRENT RESULT (III+VI)	400 700 798,11	1 361 392,33	402 062 190,44	323 383 283,88

INCOME AND EXPENSES ACCOUNT (EXCLUDING TAXES) (Cont.)

FY 01/01/2018 to 12/31/2018

	OPERATIONS		TOTALS	TOT. PREVI. FISCAL YEAR
	FY (1)	PREV.FY (2)	FY (1+2)	
CURRENT RESULT (REPORTS)	400 700 798,11	1 361 392,33	402 062 190,44	323 383 283,88
- SALES OF FIXED ASSETS				
- SUBVENTION D'EQUILIBRE/GRANT BALANCE	91 994 211,48		91 994 211,48	5 329 187,32
- RELEASE OF INVESTMENT GRANT				
- OTHER NON-CURRENT INCOME				
- RELEASE OF NON-CURRENT TRANSFER OF EXPENSES	1 124 750,06	1 009 071,38	2 133 821,44	4 520 338,01
- REPRISES NON COURANTES TRANSFERTS CHARGES	385 296,99	1 447,99	386 744,98	0,00
TOTAL VIII	93 504 258,53	1 010 519,37	94 514 777,90	9 849 525,33
NON CURRENT EXPENSES				
- NET VALUE OF DEPRECIATION FROM SALE OF FIXED ASSETS	55 817 246,66		55 817 246,66	6 629 530,08
- GRANTS AWARDED				
- OTHER EXPENSES	36 615 074,73	1 021,88	36 616 096,61	2 822 534,18
- NON-CURRENT ALLOCATIONS TO DEPRECIATION. & PROVISIONS	6 232 119,82		6 232 119,82	1 619 217,37
TOTAL IX	98 664 441,21	1 021,88	98 665 463,09	11 071 281,63
NON-CURRENT INCOME (VIII - IX)			-4 150 685,19	-1 221 756,30
INCOME BEFORE TAXES (VII+X)			397 911 505,25	322 161 527,58
INCOME TAXES			109 510 500,00	81 291 599,00
RESULTAT NET (XI - XII)			288 401 005,25	240 869 928,58
TOTAL REVENUES (I+IV+VIII)			9 353 127 496,05	8 497 638 083,79
TOTAL EXPENSES (II+V+IX+XIII)			9 064 726 490,81	8 256 768 155,21
NET INCOME GROUP SHARE			285 236 479,66	237 862 404,01
NET INCOME MINORITIES			3 164 525,59	3 007 524,57

TABLE OF CONSOLIDATED CASH FLOW Based on Operating Revenues of Incorporated Companies

HEADINGS	2018	2017
CONSOLIDATED OPERATING INCOME	426 688 735,45	354 355 873,79
CONSOLIDATED OPERATING ALLOCATIONS	278 383 964,48	239 496 431,12
CASH FLOW FROM OPERATIONS OF INCORPORATED COMPANIES	705 072 699,92	593 852 304,90
RECEIVED DIVIDENDS		
CHANGES IN OPERATIONAL WORKING CAPITAL REQUIREMENTS	78 001 907,68	146 390 346,08
- INVENTORY	192 946 845,84	123 885 695,16
- OPERATING RECEIVABLES	125 717 293,38	19 548 580,47
- OPERATING LIABILITIES	240 662 231,55	-2 956 070,45
OPERATING CASH FLOW	627 070 792,25	447 461 958,83
FINANCIAL EXPENSES	146 848 320,77	148 760 671,47
FINANCIAL REVENUES	122 221 775,76	117 788 081,56
DIVIDENDS RECEIVED FROM EQUITY AFFILIATES	-	-
CORPORATION TAXES EXCLUDING CAPITAL GAINS TAXES	109 510 500,00	81 291 599,00
NON-CURRENT EXPENSES AND REVENUES	-37 480 827,18	1 594 303,83
NET CASH FLOW FROM OPERATING ACTIVITIES	455 452 920,06	336 792 073,75
ACQUISITION OF ASSETS	520 160 667,85	553 526 249,54
DISPOSAL OF ASSETS	91 994 211,48	5 329 187,32
CHANGES IN LONG-TERM INVESTMENTS	1 758 506,46	13 238 886,05
CASH FLOW FROM INVESTMENT OPERATIONS	-429 924 962,83	-561 435 948,27
DIVIDENDS PAID TO PARENT COMPANY SHAREHOLDERS	-150 000 000,00	-80 000 000,00
CASH DIVIDEND DISTRIBUTION TO MINORITY INTERESTS	-	-
CAPITAL INCREASE	-	396 474 750,00
INCREASE OF FINANCIAL LIABILITIES	324 554 587,35	344 858 154,75
OTHERS	-	-
SCOPE of Consolidation	-	-
FINANCIAL DEBT REPAYMENT	-120 902 741,21	-194 634 525,77
CASH FLOW FROM FINANCING ACTIVITIES	53 651 846,14	466 698 378,98
VARIATION OF CASH FLOW	79 179 803,37	242 054 504,47
CASH FLOW AT THE BEGINING OF THE FISCAL YEAR	424 648 414,17	182 593 909,71
CASH FLOW AT THE END OF THE FISCAL YEAR	503 828 217,54	424 648 414,17

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY (GROUP SHARE)

	CAPITAL	SHARE AND MERGER PREMIUMS FY.PREV. (2)	CONSOLI- DATED RESERVES	NET INCOME GROUP SHARE	GROUP TOTAL	SHAREHOLDERS EQUITY BY MINORITY	SHAREHOLDERS EQUITY GROUP SHARE
SITUATION AT THE CLOSING DATE OF FISCAL YEAR 2017	283 896 200,00	1 150 523 764,19	33 445 584,70	240 869 928,58	1 708 735 477,47	12 405 122,36	1 696 330 355,11
INCOME APPROPRIATION			240 869 928,58	-240 869 928,58	0,00		0,00
DIVIDENDS PAID			-150 000 000,00		-150 000 000,00		-150 000 000,00
MOVEMENT OF CAPITAL					0,00		0,00
OTHER MOVMENT				288 401 005,25	288 401 005,25	3 007 524,56	288 401 005,25
SITUATION AT THE CLOSING DATE OF FISCAL YEAR 2018	283 896 200,00	1 150 523 764,19	124 315 513,28	288 401 005,25	1 847 136 482,71	15 412 646,92	1 831 723 835,79

TABLE OF FIXED ASSETS OTHER THAN FINANCIAL

FY 01/01/2018 to 12/31/2018

NATURE	GROSS AMOUNT AT THE BEGINNING OF THE FISCAL YEAR	INCREASE			DECREASE			GROSS AMOUNT AT THE END OF THE FISCAL YEAR
		Acquisition	Product of the company for itself	Transfer	Disposal	Withdrawal	Transfer	
FIXED ASSETS	-	-	-	-	-	-	-	-
*Preliminary Costs	-	-	-	-	-	-	-	-
*Deferred Expenses Over Several Years	-	-	-	-	-	-	-	-
*Bond Redemption Premium	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS	1 148 587 408,44	215 423 417,87	-	4 631 199,52	-	-	20 017 854,02	1 348 624 171,80
*Research and Development Assets	753 669 765,45	209 482 453,55	-	4 631 199,52	-	-	19 500 000,00	948 283 418,51
* Patents,Trademarks, Similar Rights and assets	40 923 701,87	5 940 964,32	-	-	-	-	-	46 864 666,19
*GOODWILL	353 476 087,10	-	-	-	-	-	-	353 476 087,10
*Other Intangible Assets	517 854,02	-	-	-	-	-	517 854,02	-
TANGIBLE ASSETS	2 211 213 714,03	304 737 249,98	-	145 221 168,06	57 712 955,05	6 144,00	129 834 513,56	2 473 618 519,46
* Land *Buildings	178 368 123,20	0,00	-	56 705 500,00	40 200 000,00	-	-	194 873 623,20
*Constructions	592 312 084,98	102 690 483,83	-	39 993 064,11	16 067 519,17	-	-	718 928 113,75
*Machinery, Equipment and Tools	648 252 964,65	78 027 911,05	-	3 652 257,22	805 822,31	-	-	729 127 310,61
* Transport Equipment	1 535 494,77	62 365,18	-	-	17 232,11	-	-	1 580 627,84
* Furniture, Office Supplies and Miscellaneous	531 413 417,89	106 380 366,38	-	44 870 346,73	123 218,15	-	-	682 540 912,85
* Other Tangible Assets	53 038 803,49	1 656 781,94	-	-	337 041,86	6 144,00	-	54 352 399,57
* Tangible Assets in Progress	206 292 825,05	15 919 341,61	-	-	162 121,45	-	129 834 513,56	92 215 531,65
TOTAL	3 359 801 122,47	520 160 667,85	-	149 852 367,58	57 712 955,05	6 144,00	149 852 367,58	3 822 242 691,26

TABLE OF WRITE-OFFS

FY 01/01/2018 to 12/31/2018

	Cumulative Since Beginning of fiscal year	Fiscal Year Allocations	Depreciation of Retired Assets	Cumulative Depreciation at the End of fiscal year
	1	2	3	4=1+2-3
FIXED ASSETS WRITE-OFFS	-	-	-	-
* Preliminary Costs	-			-
* Deferred Expenses Over Several Years	-	-	-	-
* Bond Redemption Premiums	-	-		-
INTANGIBLE ASSETS	376 214 575,87	135 635 197,71	0,00	511 849 773,57
* INTANGIBLE ASSETS.	356 213 408,81	127 670 027,15		483 883 435,95
*Research and Development Assets	-	0,00	0,00	-
*Patents, Trademarks, & Similar Rights and Assets	20 001 167,06	7 965 170,56	0,00	27 966 337,62
*Goodwill	-	0,00	0,00	-
*Other Intangible Assets	-	0,00	0,00	-
TANGIBLE ASSETS	609 662 114,41	141 433 215,53	190 185,39	749 193 477,55
* Land	0,00	0,00	0,00	0,00
* Buildings	86 542 667,87	26 079 515,44	957 001,06	111 665 182,25
* Machinery, Equipment and Tools	304 310 093,87	62 734 065,65	601 502,71	366 442 656,81
* Transport Equipment	1162 657,73	151 061,36	2 006,68	1 311 712,41
* Furniture, Office Equipment and Miscellaneous	193 184 864,04	47 281 914,70	103 704,15	240 363 074,59
* Other Tangible Assets	24 461 830,90	5 186 658,38	237 637,79	29 410 851,49
TOTAL	985 876 690,28	277 068 413,24	190 185,39	1 261 043 251,12

TABLE OF NON-CONSOLIDATED EQUITY INVESTMENTS

FY 01/01/2018 to 12/31/2018

Issuing Company's Corporate Name	LINE OF BUSINESS	Registered Capital	% of capital contribution	Aggregate Purchase Price	Net Carrying Amount	Extracts from the Company's Recent Financial Statements			Outputs of the Fiscal Year Closing With the I.T.C.
						Closing Date	Net position	Net income	
MUTANDIS	INVESTMENT FUND	680 405 100,00	5%	56 520 000,00	56 520 000,00	31/12/2018	1 015 377 414,18	69 232 330,27	1 858 890,00
BERKANE PLAZA S.A.R.L	Construction And Property Management	100 000,00	67%	67 000,00	67 000,00	31/12/2018			0,00
AMETHIS FINANCE SCS SICAR	INVESTMENT FUND			53 679 938,92	53 679 938,92	31/12/2018			0,00
ARADEI CAPITAL	HOLDING	811 273 800,00	57%	124 100 000,00	124 100 000,00	31/12/2018	1 691 576 826,07	64 688 600,57	65 307 331,00
SILAV	REAL ESTATE DEVELOPMENT	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00	0,00	0,00
RETAIL HOLDING AFRICA	RETAIL	255 001 200,00	0%	70 747,78	70 747,78	31/12/2018	246 558 940,33	-456 120,40	0,00
MOULAT EL KHEIR SA	management of business, industry, agriculture and civil or military services	2 600 000,00	23%	600 000,00	600 000,00	31/12/2018	2 220 717,50	-379 282,50	0,00
ARADI SUD	real estate (for rent purposes)	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00	0,00	0,00
LAAYOUNE LV	SUPERMARKET BUYING AND SELLING PRODUCTS OF DAILY CONSUMPTION	300 000,00	100%	300 000,00	300 000,00	31/12/2018	300 000,00	0,00	0,00
TOTAL				1 352 837 686,70	1 352 837 686,70		2 956 633 898,08	133 085 527,94	67 166 221,00

TABLE OF ALLOWANCES

FY 01/01/2018 TO 31/12/2018

TYPE	Amount at the Beginning of the fiscal year	ALLOCATIONS			RECOVERY			Amount at the end of the fiscal year
		Operating	Financial	Non Current	Operating	Financial	Non Current	
1. Allowances for the Depreciation of Capital Assets								
2. Regulated Provisions								
3. Sustainable Provisions for Liabilities and Charges	2 243 777,72	1 456 611,59	-	3 232 119,82	1 410 60,35	-	385 296,99	6 406 151,79
SUB TOTAL (A)	2 243 777,72	1 456 611,59	-	3 232 119,82	1 410 60,35	-	385 296,99	6 406 151,79
4. Allowances for the Depreciation of Current Assets (excl. Cash)	27 660 244,92	1 491 389,57	-	-	14 357 749,60	-	-	14 793 884,89
5. Autres provisions pour risques et charges	1 129 022,65	-	946 116,14	3 000 000,00		966 017,66	-	4 109 121,13
6. Allowances for the Depreciation of Cash Accounts								
SUB TOTAL (B)	28 789 267,57	1 491 389,57	946 116,14	3 000 000,00	14 357 749,60	966 017,66	-	18 903 006,02
TOTAL (A+B)	31 033 045,29	2 948 001,16	946 116,14	6 232 119,82	14 498 809,95	966 017,66	385 296,99	25 309 157,81

TABLE OF RECEIVABLES

FY 01/01/2018 TO 31/12/2018

RECEIVABLES	TOTAL	BREAKDOWN BY MATURITY				OTHER BREAKDOWNS		AMOUNTS REPRESENTED BY BILLS
		MORE THAN A YEAR	LESS THAN A YEAR	MATURED AND UNRECOVERED	CURRENCY AMOUNT	AMOUNTS FROM THE GOVERNMENT AND PUBLIC	AMOUNTS FROM RELATED COMPANIES	
FROM FIXED ASSETS	33 818 161,25	33 818 161,25		-	-	-	-	-
* Fixed Loans	0,00							
* Other Financial Receivables	33 818 161,25	33 818 161,25						
FROM CURRENT ASSETS	1 563 892 227,87	-	1 563 892 227,87	-	-	465 267 589,72	-	-
* Suppliers Receivables, Advances and Prepayments	101 677 705,27		101 677 705,27					
* Customers and Related Accounts	827 986 287,52		827 986 287,52					
* Personnel	15 233 247,36		15 233 247,36					
* Government	465 267 589,72		465 267 589,72			465 267 589,72		
* Partner Accounts	0,00							
* Other Debtors	128 634 783,77		128 634 783,77					
* Prepayment and Accrued Income	25 092 614,24		25 092 614,24					

TABLE OF DEBTS

FY 01/01/2018 TO 31/12/2018

DEBTS	TOTAL	BREAKDOWN BY MATURITY		OTHER BREAKDOWNS				AMOUNTS REPRESENTED BY BILLS OF EXCHANGE
		MORE THAN A YEAR	LESS THAN A YEAR	MATURED AND UNPAID	AMOUNT IN CURRENCY	AMOUNTS TO THE STATE AND PUBLIC ORGANIZATIONS	AMOUNTS TO RELATED COMPANIES	
FROM FINANCING	2 307 390 075,63	1 139 239 782,33	1 168 150 293,30	-	-	-	-	-
* Bond Issues	1 500 000 000,00	469 800 000,00	1 030 200 000,00					
* Other Financial Debts	807 390 075,63	669 439 782,33	137 950 293,30					
FROM CURRENT LIABILITIES	3 350 783 860,30	-	3 350 783 860,30	-	-	239 890 575,47	-	-
* Suppliers and Related Accounts	3 039 239 729,91		3 039 239 729,91					
* Creditor Customers, Advances and Prepayments	42 202 075,84		42 202 075,84					
* Personnel	7 049 368,37		7 049 368,37					
* Social Organizations	14 652 618,93		14 652 618,93			14 652 618,93		
* Government	225 237 956,54		225 237 956,54			225 237 956,54		
* Partner Accounts	161 819,65		161 819,65					
* Other Receivables	4 895 336,14		4 895 336,14					
* Accrual and Deferred Income	17 344 954,92		17 344 954,92					

TABLE OF SECURITIES GIVEN OR RECEIVED

FY 01/01/2018 TO 31/12/2018

SECURITIES RECEIVABLES AND PAYABLES	AMOUNT COVERED BY THE SECURITY	TYPE	DATE AND PLACE OF REGISTRATION	ITEM (2)(3)	NET BOOK VALUE OF THE SECURITY GIVEN ON THE CLOSING DATE
SECURITIES GIVEN	281 111 874,34	(2)(3)	RABAT	BANKS	
SECURITIES RECEIVED			N/A		

OFF-BALANCE-SHEET COMMITMENTS

Exercice du 01/01/2018 Au 31/12/2018

COMMITMENTS GIVEN	AMOUNT FISCAL YEAR	AMOUNT PREVIOUS FISCAL YEAR
* Endorsements and Guarantees		
* Commitments in Terms of Pension, Retirement, and Similar Obligations	N/A	N/A
* Other commitments Given		

COMMITMENTS RECEIVED	AMOUNT FISCAL YEAR	AMOUNT PREVIOUS FISCAL YEAR
* Endorsements and Guarantees		
* Other Commitments Received	N/A	N/A

APPENDIX 3

STATUTORY AUDITORS' REPORTS

Aux actionnaires de la
Société Label'Vie S.A.
Angle Av Mehdi Ben Barka et Av Annakhil,
Espace Les Lauriers, Hay Riad
Rabat - Maroc

GROUPE LABEL'VIE

RESUME DU RAPPORT DES COMMISSAIRES AUX COMPTES RELATIF AUX COMPTES ANNUELS CONSOLIDES EXERCICE DU 1^{ER} JANVIER AU 31 DECEMBRE 2018

Nous avons effectué l'audit des états financiers consolidés ci-joints de la Société Label'Vie S.A. et ses filiales (Groupe Label'Vie) comprenant le bilan au 31 décembre 2018 ainsi que le compte de résultat, l'état des variations des capitaux propres et le tableau des flux de trésorerie pour l'exercice clos à cette date, et des notes contenant un résumé des principales méthodes comptables et d'autres notes explicatives. Ces états financiers font ressortir un montant de capitaux propres consolidés de 1 847 136 482,72 MAD dont un bénéfice net consolidé de 288 401 005,25 MAD.

La direction est responsable de l'établissement et de la présentation sincère de ces états financiers, conformément aux normes comptables nationales en vigueur.

Notre responsabilité est d'exprimer une opinion sur ces états financiers sur la base de notre audit. Nous avons effectué notre audit selon les normes de la profession au Maroc.

A notre avis, les états financiers consolidés cités au premier paragraphe ci-dessus donnent, dans tous leurs aspects significatifs, une image fidèle de la situation financière de l'ensemble Label'Vie constitué par les personnes et entités comprises dans la consolidation au 31 décembre 2018, ainsi que de la performance financière et des flux de trésorerie pour l'exercice clos à cette date, conformément aux normes et principes comptables décrits dans l'état des informations complémentaires consolidé.

Fait à Rabat, le 20 Mars 2019

Les commissaires aux comptes

Horwath Maroc Audit



HORWATH MAROC AUDIT
11, Rue Al Khataouat Apt. N° 6
Rabat
Tél : 05.37.77.46.70 / 71
Fax : 05.37.77.46.76

Adib BENBRAHIM
Associé

World Conseil & Audit



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12, Rue Al Khataouat Apt. N° 2,
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Fax : 05.37.77.46.76

Omar SEKKAT
Associé

Aux actionnaires de la
Société Label'Vie S.A.
Angle Av Mehdi Ben Barka et Av Annakhil,
Espace Les Lauriers, Hay Riad
Rabat - Maroc

RESUME DU RAPPORT DES COMMISSAIRES AUX COMPTES EXERCICE DU 1^{ER} JANVIER AU 31 DECEMBRE 2018

Conformément à la mission qui nous a été confiée par votre Assemblée Générale du 29 Juin 2015, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2018.

Nous avons effectué l'audit des états de synthèse ci-joints de la Société Label'Vie S.A. comprenant le bilan, le compte de produits et charges, l'état des soldes de gestion, le tableau de financement et l'état des informations complémentaires (ETIC) relatifs à l'exercice clos le 31 décembre 2018. Ces états de synthèse font ressortir un montant de capitaux propres et assimilés totalisant 1 733 554 758,20 MAD dont un bénéfice net de 218 879 639,46 MAD.

La direction est responsable de l'établissement et de la présentation sincère de ces états de synthèse, conformément au référentiel comptable admis au Maroc.

Notre responsabilité est d'exprimer une opinion sur ces états de synthèse sur la base de notre audit. Nous avons effectué notre mission selon les normes de la profession au Maroc et compte tenu des dispositions légales et réglementaires en vigueur.

A notre avis, les états de synthèse cités au premier paragraphe ci-dessus donnent, dans tous leurs aspects significatifs, une image fidèle du patrimoine et de la situation financière de la société Label'Vie S.A. au 31 décembre 2018 ainsi que du résultat de ses opérations pour l'exercice clos à cette date, conformément au référentiel comptable admis au Maroc.

Vérifications et informations spécifiques

Nous avons également procédé aux vérifications spécifiques prévues par la loi et nous nous sommes assurés notamment de la sincérité et de la concordance des informations données dans le rapport de gestion du conseil d'administration destinés aux actionnaires avec les états de synthèse de la Société.

Fait à Rabat, le 20 Mars 2019

Les commissaires aux comptes

Horwath Maroc Audit

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Omar SEKKAT
Associé

Label'
Vie



