LabelVie GROUPE

Financial Release

1H 2020 – BUSINESS REVIEW

STRONG RESILIENCE FACING AN UNPRECEDENTED PANDEMIC CRISIS

- 15% increase in sales
- 17% increase of gross operating income
- 16% increase of net income

The Board of Directors of Label'Vie S.A., chaired by Mr. Zouhaïr Bennani, met on Tuesday September 22nd, 2020 at the company's administrative headquarters and approved the Group's corporate and consolidated financial statements for the first 2020 semester closing June 30th 2020.

As of June 30th 2020, revenues reached MMAD 5,381, an increase of + 15% compared to the same period last year.

This evolution is driven by a 9% increase in Group sales on a like-for-like basis and by the good performance of all business segments:

- Carrefour Market supermarket segment recorded a 21% increase vs. 1H-2019
- Carrefour hypermarket segment recorded a 16% increase in sales vs. 1H-2019
- Atacadao hyper-cash segment achieved a 17% increase in sales vs. 1H-2019
- Service stations recorded a 14% decline in sales, mainly linked to lockdown and drop in oil prices.

The gross operating income recorded a growth of 17% compared to 2019 to reach MMAD 414.

The results achieved by the Group during the first half of 2020 will allow a serene second semester in a context of unprecedented health crisis, which currently affects both the purchasing power and our expansion plan.

The consolidated net profit of the Group, for its part, reached MMAD 195 as of June 30th, 2020, an increase of 16% vs. 1H-2019.

DEVELOPMENT AND PERSPECTIVES

The Group anticipates a slowdown in its growth rate during the 2nd quarter of 2020, which can be explained by:

- A post-closing period which recorded a slow down in consumption concerning all business segments and more particularly the Hypercash one.
- The temporary shutdown of all construction and development projects during the lockdown which delayed the opening of several stores planned in 2020.

Nine stores that were initially scheduled to open 2020 will be delayed to 2021.

TURNOVER IN MMAD

5 381

+15%

GROSS OPERATING INCOME IN MMAD

414

+17%

NET INCOME IN MMAD

195

+16%

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Principles and rules of Consolidation

1- ACCOUNTING STANDARDS

Label'Vie SA consolidated accounts are established according to the Moroccan Norms as prescribed by the Accounting National Council.

2- SCOPE OF CONSOLIDATION

The consolidated accounts of Label'Vie include:

- HLV SAS on which LABEL'VIE S.A exercises a control of 95%.
- Maxi LV SAS, on which LABEL'VIE S.A exercises a control of 95%.
- SLV SA on which LABEL'VIE S.A exercises a control of 100%.
- Mobi Market , on which LABEL'VIE S.A exercises a control of 100%.

Scope of consolidation of the Label'Vie S.A. Group

	2019			2020		
COMPANY NAME	INTEREST RATE	CONTROL RATE	CONSOLIDATED METHOD	INTEREST RATE	CONTROL RATE	CONSOLIDATED METHOD
LABEL'VIE S.A.			PARENT COMPANY (*)			PARENT COMPANY (*)
HLV SAS	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
ARADEI CAPITAL (Ex VECTEUR LV)	0%	58%	NOT CONSOLIDATED	0%	50%	NOT CONSOLIDATED
MAXI LV SAS	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
SLV SA	100%	100%	FULL CONSOLIDATION	100%	100%	FULL CONSOLIDATION
MOBI MARKET	100%	100%	PROPORTIONAL INTEGRATION	100%	100%	FULL CONSOLIDATION

(*) Consolidating entity

Aradei Capital, (ex VLV) the Group's real estate subsidiary and 50% owned at 30 June 2020, is managed by an Independent Asset Manager, totally autonomous from the shareholders of the company.

3- CONSOLIDATING ENTITY

The companies controlled by Label'Vie Group are fully consolidated. Label'Vie controls a subsidiary Label'Vie S.A. controls a subsidiary when it is able to direct the financial and operational policies of an entity in order to benefit from its activities.

The HLV, Maxi LV, SLV and Mobi Market are fully integrated.

Since 2017, Label'Vie Group deconsolidated from its scope Aradei Capital (Ex Vecteur LV SA) Since it doesn't exerce an effective control on the company.

4- BACK-TO-BACK OPERATIONS

Back-to-back accounts resulting from intercompany transactions are canceled.

5- PRINCIPAL ACCOUNTING POLICIES

- **Goodwill:** Goodwill corresponds to the difference between the cost of acquisition and evaluation of assets and liabilities of the acquired companies, and is reported under « GoodWill ».
- **Intangible assets:** they consist primarly of other deferred charges, Goodwill, software and licenses recognized at the acquisition cost. Software and other deffered charges are amortized over a period of 5 years.
- **Tangible assets:** They are stated at acquisition cost. Depreciation is calculated using the straight-line method using standard durations in Morocco. Thus, Buildings are depreciated over 20 years; technical equipment, machinery and tooling over 10years; computer hardware over 5 years; and office equipment and furniture, fixtures and various furnishings over 10 years.
- **Financial assets:** They are primarily comprised of security deposits for over a year recorded at acquisition value.
- **Debt in foreign currency:** They are recognized at the exchange rate appearing on the date of entry, at the year end, exchange differences are recognized under unrealized translation adjustments. The provision for adverse deviation is taken into account in the income statement.

6- EARNINGS PER SHARE

Earnings per share are calculated by dividing consolidated net income by the number of shares outstanding at year-end.

LabelVie GROUPE

Consolidated accounts

Financial year from 01/01/2020 To 06/30/2020

BALANCE SHEET - ASSETS (Normal model)

ASSETS	YEAR			PREVIOUS YEAR NET
	GROSS	DEPR.-PROV.	NET	
FIXED ASSETS NOT VALUED (A)				
- PRELIMINARY COSTS				
- DEFERRED CHARGES				
- BOND REDEMPTION PREMIUMS				
INTANGIBLE ASSETS (B)	**1 846 433 447,33**	**784 791 282,99**	**1 061 642 164,34**	**985 076 145,31**
- RESEARCH AND DEVELOPMENT ASSETS.	1 361 650 102,28	744 990 976,38	616 659 125,90	539 599 250,02
. PATENTS, TRADEMARKS, RIGHTS & SIMILAR VAL.	59 945 257,95	39 800 306,61	20 144 951,34	20 638 808,19
. COMMERCIAL FUND	424 838 087,10		424 838 087,10	424 838 087,10
. OTHER INTANGIBLE ASSETS				
TANGIBLE FIXED ASSETS (C)	**3 369 537 631,63**	**983 434 911,74**	**2 386 102 719,89**	**2 347 602 119,32**
. GROUNDS	194 873 623,20		194 873 623,20	194 873 623,20
. CONSTRUCTIONS	771 138 675,70	156 647 209,77	614 491 465,93	625 388 145,62
. TECHNICAL INSTAL, MATERIALS AND TOOLS INSTAL.	855 725 822,45	468 411 026,18	387 314 796,27	400 054 794,39
. TRANSPORT MATERIAL	1 597 834,35	1 456 903,55	140 930,80	187 115,86
. FURNITURE, OFFICE MAT. AND DEV. MISCELLANEOUS	844 820 855,51	319 043 973,68	525 776 881,83	526 474 054,70
. OTHER TANGIBLE FIXED ASSETS	82 086 376,42	37 875 798,56	44 210 577,86	30 149 053,07
. TANGIBLE ASSETS UNDER CONSTRUCTION	619 294 444,00		619 294 444,00	570 475 332,48
FINANCIAL FIXED ASSETS (D)	**1 389 249 697,76**		**1 389 249 697,76**	**1 388 346 943,66**
. FIXED LOANS				
. OTHER RECEIVABLES	29 314 912,17		29 314 912,17	28 862 158,07
. EQUITY INTERESTS	1 359 934 785,59		1 359 934 785,59	1 359 484 785,59
. OTHER LONG-TERM INVESTMENTS				
TRANSLATION ADJUSTMENT - ASSETS (E)				
. DECREASE IN NON-PERFORMING LOANS				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	**6 605 220 776,72**	**1 768 226 194,73**	**4 836 994 581,99**	**4 721 025 208,29**
STOCKS (F)	**1 563 395 353,39**	**7 856 148,00**	**1 555 539 205,39**	**1 615 951 682,75**
. GOODS	1 535 152 103,50	7 856 148,00	1 527 295 955,50	1 601 191 222,88
. CONSUMABLE MATERIALS AND SUPPLIES	28 243 249,89		28 243 249,89	14 760 459,87
. GOODS IN PROCESS				
. INTERMEDIATE PROD. & RESIDUAL PROD.				
. FINISHED PRODUCTS				
CURRENT ASSET RECEIVABLES (G)	**1 718 583 338,85**	**4 282 907,17**	**1 714 300 431,68**	**1 681 094 473,38**
. SUPPLIERS DEBTORS, ADVANCES AND DOWN-PAYMENTS	193 503 983,14		193 503 983,14	139 697 646,92
. RECEIVABLES	805 276 232,55	4 282 907,17	800 993 325,38	893 180 933,69
. PERSONNEL	16 321 944,30		16 321 944,30	17 558 360,09
. STATE	611 636 172,79		611 636 172,79	560 529 797,01
. PARTNER ACCOUNTS				
. OTHER RECEIVABLES	47 994 750,83		47 994 750,83	48 894 249,41
. ACCRUALS AND DEFERRALS	43 850 255,24		43 850 255,24	21 233 486,26
SECURITIES & INVESTMENT SECURITIES (H)	**21 278 193,62**		**21 278 193,62**	**21 278 193,62**
TRANSLATION ADJUSTMENTS - ASSETS (I)	**18,96**		**18,96**	**358 603,18**
(CIRCULATING ELEMENTS)				
TOTAL II (F + G + H + I)	**3 303 256 904,82**	**12 139 055,17**	**3 291 117 849,65**	**3 318 682 952,93**
CASH - ASSETS				
. CHECKS AND SECURITIES TO BE CASHED	1 330 611,38		1 330 611,38	78 209 730,51
. BANKS, T.G E C.P	904 673 554,67		904 673 554,67	470 746 029,58
. CASH REGISTERS, REGIES AND LETTERS OF CREDIT	17 107 028,33		17 107 028,33	15 842 913,17
TOTAL III	**923 111 194,38**	**-**	**923 111 194,38**	**564 798 673,26**
GRAND TOTAL (I + II + III)	**10 831 588 875,92**	**1 780 365 249,90**	**9 051 223 626,02**	**8 604 506 834,48**

REVENUE AND EXPENSES ACCOUNT (excluding taxes)

	OPERATIONS		TOTALES FISCAL YEAR (1+2)	TOT. PRECED. YEAR
	FISCAL YEAR (1)	Prev. YEAR (2)		
OPERATING REVENUES				
. SALE OF GOODS AS IS	4 896 598 395,82		4 896 598 395,82	4 221 792 660,65
. SALES OF GOODS AND SERVICES PRODUCTS	486 265 131,79	-2 108 112,00	484 157 019,79	461 478 206,73
REVENUES	**5 382 863 527,61**	**-2 108 112,00**	**5 380 755 415,61**	**4 683 270 867,38**
. CHANGE IN PRODUCT INVENTORIES (+ -)				
. IMMOB. PROD. BY THE ESE FOR ITSELF				
. OPERATING SUBSIDY				
. OTHER OPERATING REVENUES				
. REWORKED EXPLOITS. ; TRANSFERS OF CHARGES	25 232 213,92		25 232 213,92	58 961 690,68
TOTAL I	**5 408 095 741,53**	**-2 108 112,00**	**5 405 987 629,53**	**4 742 232 558,06**
OPERATIONAL COSTS				
- RESALE PURCHASES	4 322 280 353,41		4 322 280 353,41	3 751 356 496,07
- PURCHASES OF MATERIALS AND SUPPLIES	91 644 036,12	210 868,71	91 854 904,83	100 058 251,19
- OTHER EXTERNAL COSTS	286 104 153,40	215 979,85	286 320 133,25	279 133 247,73
- TAXES	34 095 772,20		34 095 772,20	28 821 977,35
- PERSONNEL EXPENSES	257 481 507,03		257 481 507,03	229 140 844,09
- OTHER OPERATING EXPENSES				
- OPERATING EXPENSE	176 748 253,79		176 748 253,79	155 880 356,73
TOTAL II	**5 168 354 075,95**	**426 848,56**	**5 168 780 924,51**	**4 544 391 173,16**
OPERATING RESULTS III (I-II)	**239 741 665,58**	**-2 534 960,56**	**237 206 705,02**	**197 841 384,90**
FINANCIAL PROCEEDS				
- PROD. EQUITY INTERESTS. & OTHER PROD. IMM.	75 201 326,01		75 201 326,01	70 598 873,50
- CURRENCY GAINS	162 517,46		162 517,46	591 292,10
- INTEREST AND OTHER FINANCIAL INCOME	18 790 620,98		18 790 620,98	20 310 579,84
- FINANCIAL RECOVERY EXPENSE TRANSFERS	358 584,22		358 584,22	946 116,14
TOTAL IV	**94 513 048,67**		**94 513 048,67**	**92 446 861,58**
FINANCE CHARGES				
- INTEREST EXPENSES	65 078 129,50		65 078 129,50	69 585 459,52
- EXCHANGE LOSS	1 576 904,77		1 576 904,77	738 885,49
- OTHER FINANCIAL EXPENSES	584,29		584,29	2 795 715,84
- FINANCIAL ALLOCATIONS				
TOTAL V	**66 655 618,56**		**66 655 618,56**	**73 120 060,85**
FINANCIAL RESULT VI (IV - V)	**27 857 430,11**		**27 857 430,11**	**19 326 800,73**
INCOME FROM ORDINARY ACTIVITIES (III+VI)	**267 599 095,69**	**-2 534 960,56**	**265 064 135,13**	**217 168 185,63**
NON-CURRENT PRODUCTS				
- PROCEEDS FROM DISPOSAL OF FIXED ASSETS	503 152,49		503 152,49	113 442,71
- BALANCING GRANT				
- WRITE-BACKS ON INVESTMENT GRANTS				
- OTHER NON-CURRENT INCOME	239 817,23	266 613,21	506 430,44	382 230,46
- NON-CURRENT REVERSALS TRANSFERS EXPENSES	29 629 627,24		29 629 627,24	4 564 175,82
TOTAL VIII	**30 372 596,96**	**266 613,21**	**30 639 210,17**	**5 059 848,99**
NON-CURRENT CHARGES				
- NET DEPRECIATION VALUES. CEDED INTANG.	104 502,75		104 502,75	94 974,25
- GRANTS AWARDED				
- OTHER EXPENSES	4 770 118,10		4 770 118,10	5 453 913,29
- NON-CURRENT ALLOCATIONS TO DEPR. & PROV.	37 530 030,11		37 530 030,11	2 877 175,85
TOTAL IX	**42 404 650,96**		**42 404 650,96**	**8 426 063,39**
NON-CURRENT RESULT (VIII - IX)			**-11 765 440,79**	**-3 366 214,40**
INCOME BEFORE TAX (VII+X)			**253 298 694,34**	**213 801 971,23**
INCOME TAXES			**58 304 000,00**	**45 092 408,61**
NET INCOME (XI - XII)			**194 994 694,34**	**168 709 562,62**
TOTAL REVENUES (I+IV+VIII)			**5 531 139 888,37**	**4 839 739 268,63**
TOTAL EXPENSES (II+V+IX+XIII)			**5 336 145 194,03**	**4 671 029 706,01**
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			**191 370 359,98**	**167 540 862,40**
NET INCOME OF MINORITY INTERESTS			**3 624 334,36**	**1 168 700,22**

BALANCE SHEET - LIABILITIES (Normal model)

LIABILITIES	YEAR	PREVIOUS EXERCISE
SHAREHOLDER EQUITY		
. SHARE OR PERSONAL CAPITAL (1)	283 896 200,00	283 896 200,00
. MINUS: SHAREHOLDERS, UNCALLED SUBSCRIBED CAPITAL		
CALL CAPITAL OF WHICH PAYOUT:		
. SHARE PREMIUM, MERGER PREMIUM, ADDITIONAL PAID-IN CAPITAL	1 150 523 764,19	1 150 523 764,19
. REVALUATION DIFFERENCES		
. LEGAL RESERVE	28 389 620,00	28 389 620,00
. OTHER RESERVES (CONSOLIDATED RESERVES)	221 082 582,43	95 298 391,15
. RETAINED EARNINGS (2)	146 983 529,42	120 745 174,01
. NET INCOME PENDING ALLOCATION (2)		
. CONSOLIDATED NET PROFIT	194 994 694,34	318 006 221,75
TOTAL SHAREHOLDERS' EQUITY (A)	**2 025 870 390,38**	**1 996 859 371,10**
MINORITY INTERESTS (B)	**24 560 847,57**	**18 577 172,51**
. MINORITY INTERESTS	24 560 847,57	18 577 172,51
FINANCIAL DEBTS (C)	**3 138 186 123,25**	**2 679 243 426,63**
. DEBENTURE LOANS	1 819 800 000,00	1 219 800 000,00
. OTHER FINANCIAL DEBTS	1 318 386 123,25	1 459 443 426,63
PROV. SUSTAINABLE / RISKS AND EXPENSES (D)	**8 118 110,00**	**8 119 297,94**
. RISK PROVISIONS	8 118 110,00	8 119 297,94
. PROVISIONS FOR CHARGES		
CONVERSION DIFFERENCE - LIABILITIES (E)		
. INCREASE IN FIXED ASSETS		
. REDUCTION OF FINANCIAL DEBTS		
TOTAL I (A + B + C + D + E)	**5 196 735 471,20**	**4 702 799 268,18**
CURRENT LIABILITIES LIABILITIES (F)	**3 419 325 149,83**	**3 701 116 076,11**
. TRADE PAYABLES AND RELATED ACCOUNTS	2 823 466 304,88	3 358 127 293,95
. ACCOUNTS PAYABLE, ADVANCES AND DOWN-PAYMENTS	58 162 370,40	54 698 147,83
. PERSONNEL	7 093 062,52	6 949 648,14
. SOCIAL ORGANISATIONS	17 097 275,68	13 969 659,71
. STATE	310 370 002,63	255 892 440,91
. PARTNER ACCOUNTS	160 185 730,57	190 856,07
. OTHER CREDITORS	3 209 813,54	4 093 363,51
. ACCRUALS AND DEFERRALS	39 740 589,61	7 194 665,99
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)	**163 004,99**	**521 589,21**
TRANSLATION ADJUSTMENTS - LIABILITIES (H)		**69 900,98**
TOTAL II (F + G + H)	**3 419 488 154,82**	**3 701 707 566,30**
CASH - LIABILITIES		
. DISCOUNT CREDITS		
. CASH CREDITS	435 000 000,00	200 000 000,00
. BANKS (CREDIT BALANCES)		
TOTAL III	**435 000 000,00**	**200 000 000,00**
GRAND TOTAL I + II + III	**9 051 223 626,02**	**8 604 506 834,48**

Crowe

WORLD CONSEIL & AUDIT
Audit & Commissariat aux comptes , Conseil Juridique & Fiscal
Assistance & Supervision Comptable , Organisation & Formation

Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1ST TO JUNE 30TH, 2020

As statutory auditors of Label'Vie SA, we have conducted a limited review of the consolidated interim financial statements for the period from January 1st to June 30th, 2020 - as appended to this report- which includes the balance-sheet, the statement of income, the cash flow statement and the statement of changes in shareholders' equity. These consolidated interim financial statements, which shows a total equity of 2 050 431 237.95 MAD including a consolidated net profit of 194 994 694.34 MAD, are the responsibility of the company's management. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review. These financial statements were approved by the Board of Directors on September 22, 2020 in the evolving context of the health crisis of the Covid-19 epidemic on the basis of the elements available at that date.

We have conducted our limited review in accordance with the professional standards applicable in Morocco. A limited review consists mainly in making inquiries of members of management responsible for accounting and financial matters and applying analytical procedures. It is less in scope than an audit conducted in accordance with generally accepted audit standards in Morocco. Accordingly, a limited review provides a moderate assurance that the consolidated interim financial statements as a whole are free of material misstatement and a lesser assurance than would result from an audit.

Based on our limited review, we have identified no material irregularities that would indicate that the enclosed consolidated interim financial statements are inconsistent with the generally accepted accounting principles in Morocco.

Rabat, September 22th, 2020

Free translation from the original French version

The Statutory Auditors

Horwath Maroc Audit	World Conseil & Audit
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Adib BENBRAHIM	Omar SEKKAT

LabelVie GROUPE

Corporate accounts

Financial year from 01/01/2020 To 06/30/2020

BALANCE SHEET - ASSETS

ASSETS	YEAR			PREVIOUS YEAR
	GROSS	DEPR.-PROV.	NET	NET
FIXED ASSETS NOT VALUED (A)	**957 474 751,40**	**458 498 751,28**	**498 976 000,12**	**435 627 522,36**
- PRELIMINARY COSTS	41 838,00	34 985,55	6 852,45	7 746,27
- DEFERRED CHARGES	957 432 913,40	458 463 765,73	498 969 147,67	435 619 776,09
- BOND REDEMPTION PREMIUMS				
INTANGIBLE ASSETS (B)	**213 550 507,37**	**36 987 833,91**	**176 562 673,46**	**176 968 530,66**
- RESEARCH AND DEVELOPMENT ASSETS.				
. PATENTS, TRADEMARKS, RIGHTS & SIMILAR VAL. SIMILAIRES	56 811 086,94	36 987 833,91	19 823 253,03	20 229 110,23
. COMMERCIAL FUND	156 739 420,43		156 739 420,43	156 739 420,43
. COMMERCIAL FUND				
IMMOBILISATIONS CORPORELLES (C)	**2 660 577 270,58**	**627 995 057,01**	**2 032 582 213,57**	**1 997 127 318,83**
. GROUNDS	194 873 623,20		194 873 623,20	194 873 623,20
. CONSTRUCTIONS	752 378 653,20	152 478 464,87	599 900 188,33	610 328 099,10
. INSTAL. TECHNIQUES, MATERIALS AND TOOLS INSTAL.	507 199 859,45	268 004 882,69	239 194 976,76	243 763 152,29
. TRANSPORT MATERIAL	1 540 690,65	1 428 874,19	111 816,46	153 687,58
. FURNITURE, OFFICE MAT. AND DEV. MISCELLANEOUS	595 654 241,05	206 082 835,26	389 571 405,79	390 165 522,91
. OTHER TANGIBLE FIXED ASSETS				
. TANGIBLE ASSETS UNDER CONSTRUCTION	608 930 203,03		608 930 203,03	557 843 233,75
FINANCIAL FIXED ASSETS (D)	**1 648 756 783,56**		**1 648 756 783,56**	**1 647 857 888,21**
. FIXED LOANS				
. OTHER RECEIVABLES	12 717 487,16		12 717 487,16	12 268 591,81
. EQUITY INTERESTS	1 636 039 296,40		1 636 039 296,40	1 635 589 296,40
. OTHER LONG-TERM INVESTMENTS				
TRANSLATION ADJUSTMENT - ASSETS (E)				
. DECREASE IN NON-PERFORMING LOANS				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	**5 480 359 312,91**	**1 123 481 642,20**	**4 356 877 670,71**	**4 257 581 260,06**
STOCKS (F)	**779 877 009,70**		**779 877 009,70**	**766 397 769,04**
. GOODS	754 914 906,91		754 914 906,91	754 803 682,45
. CONSUMABLE MATERIALS AND SUPPLIES	24 962 102,79		24 962 102,79	11 594 086,59
. GOODS IN PROCESS				
. PROD. INTERMEDIATE PROD. & RESIDUAL PROD.				
. FINISHED PRODUCTS				
CURRENT ASSET RECEIVABLES (G)	**2 074 915 486,17**	**194 663,41**	**2 074 720 822,76**	**1 818 453 992,45**
. SUPPLIERS DEBTORS, ADVANCES AND DOWN-PAYMENTS	106 861 286,42		106 861 286,42	53 479 780,28
. RECEIVABLES	1 376 213 527,37	194 663,41	1 376 018 863,96	1 358 701 843,89
. PERSONNEL	13 355 823,90		13 355 823,90	14 468 138,99
. STATE	339 138 628,43		339 138 628,43	319 340 370,81
. PARTNER ACCOUNTS				
. OTHER RECEIVABLES	207 499 822,83		207 499 822,83	53 252 648,51
. ACCRUALS AND DEFERRALS	31 846 397,22		31 846 397,22	19 211 209,97
SECURITIES & INVESTMENT SECURITIES (H)	**7 048 081,12**		**7 048 081,12**	**7 048 081,12**
TRANSLATION ADJUSTMENTS - ASSETS (I)				**266 755,31**
(CIRCULATING ELEMENTS)				
TOTAL II (F + G + H + I)	**2 861 840 576,99**	**194 663,41**	**2 861 645 913,58**	**2 592 166 597,92**
CASH - ASSETS				
. CHECKS AND SECURITIES TO BE CASHED				25 703 927,50
. BANKS, T.G E C.P	888 064 070,49		888 064 070,49	500 369 481,64
. CASH REGISTERS, REGIES AND LETTERS OF CREDIT	10 997 751,54		10 997 751,54	9 996 904,24
TOTAL III	**899 061 822,03**		**899 061 822,03**	**536 070 313,38**
GRAND TOTAL (I + II + III)	**9 241 261 711,93**	**1 123 676 305,61**	**8 117 585 406,32**	**7 385 818 171,36**

REVENUE AND EXPENSES ACCOUNT (excluding taxes)

	OPERATIONS		TOTALS FISCAL YEAR (1+2)	TOT. PRECED. YEAR PRECED.
	FISCAL YEAR (1)	Prev. YEAR (2)		
OPERATING REVENUES				
. SALE OF GOODS AS IS	2 399 800 383,97		2 399 800 383,97	1 919 040 747,26
. SALES OF GOODS AND SERVICES PRODUCTS	303 757 013,65		303 757 013,65	296 480 239,34
REVENUES	**2 703 557 397,62**		**2 703 557 397,62**	**2 215 520 986,60**
. CHANGE IN PRODUCT INVENTORIES (+ -)				
. IMMOB. PROD. BY THE ESE FOR ITSELF				
. OPERATING SUBSIDY				
. OTHER OPERATING REVENUES				
. REWORKED EXPLOITS. ; TRANSFERS OF CHARGES	18 471 531,32		18 471 531,32	49 438 517,75
TOTAL I	**2 722 028 928,94**		**2 722 028 928,94**	**2 264 959 504,35**
OPERATIONAL COSTS				
- RESALE PURCHASES	2 057 793 580,29		2 057 793 580,29	1 650 355 130,98
- PURCHASES OF MATERIALS AND SUPPLIES	64 084 717,56		64 084 717,56	63 345 951,69
- OTHER EXTERNAL COSTS	156 547 975,43		156 547 975,43	137 236 632,64
- TAXES	16 182 015,26		16 182 015,26	13 380 637,32
- PERSONNEL EXPENSES	157 054 042,72		157 054 042,72	138 470 398,97
- OTHER OPERATING EXPENSES				
- OPERATING EXPENSE	122 761 700,25		122 761 700,25	106 083 597,50
TOTAL II	**2 574 424 031,51**		**2 574 424 031,51**	**2 108 872 349,10**
OPERATING RESULTS III (I-II)	**147 604 897,43**		**147 604 897,43**	**156 087 155,25**
FINANCIAL PROCEEDS				
- PROD. EQUITY INTERESTS. & OTHER PROD. IMM.	75 201 326,01		75 201 326,01	70 598 873,50
- CURRENCY GAINS	114 387,93		114 387,93	561 936,92
- INTEREST AND OTHER FINANCIAL INCOME	17 413 142,66		17 413 142,66	19 442 723,15
- FINANCIAL RECOVERY EXPENSE TRANSFERS	266 755,31		266 755,31	768 256,71
TOTAL IV	**92 995 611,91**		**92 995 611,91**	**91 371 790,28**
FINANCE CHARGES				
- INTEREST EXPENSES	86 648 368,08		86 648 368,08	83 553 231,70
- EXCHANGE LOSS	1 272 399,30		1 272 399,30	616 220,42
- OTHER FINANCIAL EXPENSES	584,29		584,29	2 795 715,84
- FINANCIAL ALLOCATIONS				
TOTAL V	**87 921 351,67**		**87 921 351,67**	**86 965 167,96**
FINANCIAL RESULT VI (IV - V)	**5 074 260,24**		**5 074 260,24**	**4 406 622,32**
INCOME FROM ORDINARY ACTIVITIES (III+VI)	**152 679 157,67**		**152 679 157,67**	**160 493 777,57**
NON-CURRENT PRODUCTS				
- PROCEEDS FROM DISPOSAL OF FIXED ASSETS	423 495,84		423 495,84	
- BALANCING GRANT				
- WRITE-BACKS ON INVESTMENT GRANTS				
- OTHER NON-CURRENT INCOME	9,32	167 559,19	167 568,51	207 172,36
- NON-CURRENT REVERSALS TRANSFERS EXPENSES	20 172 696,57		20 172 696,57	3 977 876,39
TOTAL VIII	**20 596 201,73**	**167 559,19**	**20 763 760,92**	**4 185 048,75**
NON-CURRENT PRODUCTS				
- NET DEPRECIATION VALUES. CEDED FIXED ASSETS CEDEES	8 971,56		8 971,56	
- GRANTS AWARDED				
- OTHER EXPENSES	2 237 192,32		2 237 192,32	3 555 000,81
- NON-CURRENT ALLOCATIONS TO DEPR. & PROV.	27 048 183,75		27 048 183,75	2 776 997,45
TOTAL IX	**29 294 347,63**		**29 294 347,63**	**6 331 998,26**
NON-CURRENT RESULT (VIII - IX)			**-8 530 586,71**	**-2 146 949,51**
INCOME BEFORE TAX (VII+X)			**144 148 570,96**	**158 346 828,06**
INCOME TAXES			**23 779 000,00**	**21 124 781,85**
NET INCOME (XI - XII)			**120 369 570,96**	**137 222 046,21**
TOTAL REVENUES (I+IV+VIII)			**2 835 788 301,77**	**2 360 516 343,38**
TOTAL EXPENSES (II+V+IX+XIII)			**2 715 418 730,81**	**2 223 294 297,17**

BALANCE SHEET - LIABILITIES

LIABILITIES	YEAR	PREVIOUS EXERCISE
SHAREHOLDER EQUITY		
. SHARE OR PERSONAL CAPITAL (1)	283 896 200,00	283 896 200,00
. MINUS: SHAREHOLDERS, UNCALLED SUBSCRIBED CAPITAL		
CALL CAPITAL OF WHICH PAYOUT :		
. SHARE PREMIUM, MERGER PREMIUM, ADDITIONAL PAID-IN CAPITAL	1 150 523 764,19	1 150 523 764,19
. REVALUATION DIFFERENCES		
. LEGAL RESERVE	28 389 620,00	28 389 620,00
. OTHER RESERVES (CONSOLIDATED RESERVES)		
. RETAINED EARNINGS (2)	146 983 529,42	120 745 174,01
. NET INCOME PENDING ALLOCATION (2)		
. NET INCOME	120 369 570,96	186 238 355,41
TOTAL SHAREHOLDERS' EQUITY (A)	**1 730 162 684,57**	**1 769 793 113,61**
MINORITY INTERESTS (B)		
. MINORITY INTERESTS		
FINANCIAL DEBTS (C)	**3 016 093 357,88**	**2 534 927 392,71**
. DEBENTURE LOANS	1 819 800 000,00	1 219 800 000,00
. OTHER FINANCIAL DEBTS	1 196 293 357,88	1 315 127 392,71
PROV. SUSTAINABLE / RISKS AND EXPENSES (D)	**5 473 665,02**	**5 560 515,38**
. RISK PROVISIONS	5 473 665,02	5 560 515,38
. PROVISIONS FOR CHARGES		
CONVERSION DIFFERENCE - LIABILITIES (E)		
. INCREASE IN FIXED ASSETS		
. REDUCTION OF FINANCIAL DEBTS		
TOTAL I (A + B + C + D + E)	**4 751 729 707,47**	**4 310 281 021,70**
CURRENT LIABILITIES LIABILITIES (F)	**3 000 510 570,11**	**2 911 390 200,07**
. TRADE PAYABLES AND RELATED ACCOUNTS	1 591 665 261,31	1 646 226 186,25
. ACCOUNTS PAYABLE, ADVANCES AND DOWN-PAYMENTS	3 448 490,82	3 412 871,60
. PERSONNEL	1 139 893,25	1 016 560,78
. SOCIAL ORGANISATIONS	11 777 533,81	9 670 820,70
. STATE	219 463 277,52	180 057 964,49
. PARTNER ACCOUNTS	160 185 730,57	190 856,07
. OTHER CREDITORS	974 466 210,02	1 065 114 280,53
. ACCRUALS AND DEFERRALS	38 364 172,81	5 700 659,65
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)		**266 755,31**
TRANSLATION ADJUSTMENTS - LIABILITIES (H)		**31 847,72**
TOTAL II (F + G + H)	**3 000 510 570,11**	**2 911 688 803,10**
CASH - LIABILITIES		
. DISCOUNT CREDITS	365 000 000,00	150 000 000,00
. CASH CREDITS	345 128,74	13 848 346,56
. BANKS (CREDIT BALANCES)		
TOTAL III	**365 345 128,74**	**163 848 346,56**
GRAND TOTAL I + II + III	**8 117 585 406,32**	**7 385 818 171,36**

Crowe — WORLD CONSEIL & AUDIT
Audit & Commissariat aux comptes , Conseil Juridique & Fiscal
Assistance & Supervision Comptable , Organisation & Formation

Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1ST TO JUNE 30TH, 2020

As statutory auditors of Label'Vie SA, we have conducted a limited review of the company accounts for the period from January 1st to June 30th, 2020 - as appended to this report- which includes the balance sheet, the statement of income and the cash flow statement. These interim financial statements, which shows a total equity of 1 730 162 684,57 MAD including a net profit of 120 369 570,96 MAD, are the responsibility of the company's management. Our responsibility is to express a conclusion on these financial statements based on the basis of our limited review. These financial statements were approved by the Board of Directors on September 22, 2020 in the evolving context of the health crisis of the Covid-19 epidemic on the basis of the elements available at that date.

We have conducted our limited review in accordance with the professional standards applicable in Morocco. A limited review consists mainly in making inquiries of members of management responsible for accounting and financial matters and applying analytical procedures. It is less in scope than an audit conducted in accordance with generally accepted audit standards in Morocco. Accordingly, a limited review provides a moderate assurance that the interim financial statements as a whole are free of material misstatement and a lesser assurance than would result from an audit.

Based on our limited review, we have identified no material irregularities that would indicate that the enclosed interim financial statements are inconsistent with the generally accepted accounting principles in Morocco.

Rabat, September 22th, 2020

Free translation from the original French version

The Statutory Auditors

Horwath Maroc Audit	World Conseil & Audit
HORWATH MAROC AUDIT, 11, Rue Al Khataoui Appt. N° 6, Agdal - Rabat, Tél : 05.37.77.46.70 / 71, Fax : 05.37.77.46.76	WORLD CONSEIL ET AUDIT, 12, Rue Ouarghe Appt. N°2 Agdal, RABAT, Tél : 05.37.77.82.93 Fax : 05.37.77.62.92, E-mail : wca@menara.ma
Adib BENBRAHIM	Omar SEKKAT

LabelVie GROUPE

Consolidated accounts

Financial year from 01/01/2020 To 06/30/2020

CONSOLIDATED CASH FLOW STATEMENT

Based on the operating income of the integrated companies

HEADINGS	2020	2019
CONSOLIDATED OPERATING INCOME	237 206 705,02	465 732 635,32
CONSOLIDATED OPERATING EXPENSES	176 550 056,49	323 357 146,46
SELF-FINANCING CAPACITY OF THE INTEGRATED COMPANIES	**413 756 761,51**	**789 089 781,78**
RECEIVED DIVIDENDS		
CHANGE IN OPERATING WORKING CAPITAL REQUIREMENTS	254 654 308,20	-92 273 817,88
- STOCK	-60 412 477,36	137 625 715,97
- OPERATING RECEIVABLES	32 847 374,08	116 614 713,59
- OPERATING LIABILITIES	-282 219 411,48	346 514 247,44
OPERATING CASH FLOW	**159 102 453,31**	**881 363 599,66**
FINANCE COSTS	66 655 618,56	142 183 322,65
FINANCIAL PROCEEDS	94 513 048,67	116 509 166,51
DIVIDENDS RECEIVED FROM COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD		
CORPORATE INCOME TAX EXCLUDING TAX ON CAPITAL GAINS ON DISPOSAL	58 304 000,00	115 083 354,00
NON-CURRENT INCOME AND EXPENSES	-4 263 687,66	-5 862 607,92
NET CASH FLOW FROM OPERATING ACTIVITIES	**124 392 195,76**	**734 743 481,60**
CAPITAL ACQUISITION	299 622 769,65	1 095 601 796,00
ASSET SALE	503 152,49	1 538 392,19
CHANGE IN FINANCIAL ASSETS	902 754,10	1 691 095,71
CASH FLOW FROM INVESTING ACTIVITIES	**-300 022 371,26**	**-1 095 754 499,52**
DIVIDENDS PAID TO SHAREHOLDERS OF THE PARENT COMPANY	-160 000 000,00	-150 000 000,00
DIVIDENDS PAID TO MINORITY SHAREHOLDERS OF INTEGRATED COMPANIES		
INCREASE IN CAPITAL		
INCREASE IN FINANCIAL DEBTS	600 000 000,00	801 000 000,00
OTHERS		
IMPACT Scope		128 122,64
REPAYMENT OF FINANCIAL DEBTS	-141 057 303,38	-429 146 649,00
CASH FLOWS FROM FINANCING ACTIVITIES	**298 942 696,62**	**221 981 473,64**
CASH FLOW STATEMENT	**123 312 521,12**	**-139 029 544,28**
CASH AT BEGINNING OF YEAR	364 798 673,26	503 828 217,54
YEAR-END CASH POSITION	488 111 194,38	364 798 673,26

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (GROUP SHARE)

	CAPITAL	ISSUE AND MERGER PREMIUMS	CONSOLIDATED RESERVES	NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	TOTAL GROUP	EQUITY BY MINORITY SHAREHOLDERS	EQUITY BY THE GROUP
SITUATION AT THE END OF FISCAL YEAR 2018	**283 896 200,00**	**1 150 523 764,19**	**263 010 357,67**	**318 006 221,75**	**2 015 436 543,61**	**18 577 172,51**	**1 996 859 371,09**
INCOME APPROPRIATION			318 006 221,75	-318 006 221,75			
DISTRIBUTED DIVIDENDS			-160 000 000,00		-160 000 000,00		-160 000 000,00
MOVEMENT OF CAPITAL							
OTHER MOVEMENTS				194 994 694,34	194 994 694,34	5 983 675,06	194 994 694,34
SITUATION AT THE END OF FISCAL YEAR 2017	**283 896 200,00**	**1 150 523 764,19**	**421 016 579,42**	**194 994 694,34**	**2 050 431 237,95**	**24 560 847,57**	**2 025 870 390,38**

LabelVie GROUPE

Corporate accounts

Financial year from 01/01/2020 To 06/30/2020

CASH FLOW STATEMENT FOR THE YEAR

I. BALANCE SHEET MASS SYNTHESIS

MASSES	Years (a)	Previous year (b)	Variation a-b	
			USES	RESOURCES
1 Permanent funding	4 751 729 707,47	4 310 281 021,70		441 448 685,77
2 Less fixed assets	4 356 877 670,71	4 257 581 260,06	99 296 410,65	
3= FUNCTIONAL WORKING CAPITAL (1-2) (A)	**394 852 036,76**	**52 699 761,64**		**342 152 275,12**
4 Current assets	2 861 645 913,58	2 592 166 597,92	269 479 315,66	
5 Less current liabilities	3 000 510 570,11	2 911 688 803,10		88 821 767,01
6= OVERALL FINANCING REQUIREMENT (4-5) (B)	**-138 864 656,53**	**-319 522 205,18**	**180 657 548,65**	
7 NET CASH (ASSETS - LIABILITIES) = A-B	**533 716 693,29**	**372 221 966,82**	**161 494 726,47**	

II. USES AND RESOURCES

	YEAR		PREVIOUS EXERCISES	
	USES	RESOURCES	USES	RESOURCES
I. STABLE RESOURCES FOR THE YEAR (FLOWS)				
. SELF-FINANCING (A)		**89 592 234,11**		**250 236 978,90**
. Cash flow from operations		249 592 234,11		400 236 978,90
-Distribution of profits		160 000 000,00		150 000 000,00
. DISPOSALS AND REDUCTIONS IN FIXED ASSETS (B)		**423 495,84**		**6 242 161,96**
. Disposals of intangible assets				
. Disposals of property, plant and equipment		423 495,84		1 237 558,85
. Disposals of financial assets				
. Recovery of fixed assets				5 004 603,11
. INCREASE IN SHAREHOLDERS' EQUITY & EQUIVALENTS (C)				
. Capital increase, contributions				
. Undistributed dividend - 2009				
. INCREASE IN FINANCIAL DEBT (D)		**600 000 000,00**		**755 000 000,00**
(Net of refund premiums)				
TOTAL I - STABLE RESOURCES (A+B+C+D)		690 015 729,95		1 011 479 140,86
II. STABLE EMPLOYMENT FOR THE YEAR (FLOW)				
. ACQUISITION & INCREASE IN FIXED ASSETS (E)	**93 524 859,32**		**676 220 355,04**	
. Acquisition of intangible assets	3 675 188,16		9 307 190,60	
. Acquisition of property, plant and equipment	88 950 775,81		658 776 554,74	
. Acquisition of financial fixed assets	450 000,00		8 136 609,70	
. Increase in fixed assets	448 895,35			
. REPAYMENT OF SHAREHOLDERS' EQUITY (F)				
. REPAYMENT OF FINANCIAL DEBT (G)	**118 834 034,83**		**389 601 754,34**	
. NON-VALUE USES (H)	**135 504 560,68**		**189 448 761,88**	
TOTAL II - STABLE USES (E+F+G+H)	**347 863 454,83**		**1 255 270 871,26**	
III. CHANGE IN OVERALL FINANCING REQUIREMENT (BFG)	**180 657 548,65**			**130 807 720,30**
IV. CASH FLOW STATEMENT	**161 494 726,47**			**112 984 010,10**
GRAND TOTAL	**690 015 729,95**	**690 015 729,95**	**613 610 176,25**	**613 610 176,25**