

Annual Results 2019

A year of strong growth and consolidation of business models.

The Board of Directors of Label'Vie S.A., chaired by Mr. Zouhaïr Bennani, met on Friday 28 February 2020 at the company's administrative headquarters and approved the group's corporate and consolidated financial statements for the year ending 31 December 2019.

The threshold of ten billion dirhams of turnover crossed

The Label'Vie Group's consolidated annual revenues for fiscal year 2019 amounted to 10,396 billion dirhams, i.e. 1.363 billion dirhams of additional revenues compared to the previous year, representing a **15%** increase.

This increase was driven by the good performance of all business segments:

- The « **Carrefour Market** » supermarket segment has seen its sales grow by 2% on a like-for-like basis and has extended its network with 12 new stores. As for total sales, they recorded an excellent progression of **12%** compared to the previous year, representing an additional sales volume of 372 million dirhams;
- For its part, the « **Carrefour** » hypermarket segment has seen its sales grow by 2% on a like-for-like basis and has extended its network by opening a point of sale in Casablanca. As for the total sales of this segment, they recorded a strong growth of **8%** compared to the previous year, i.e. an additional sales volume of 169 million dirhams;
- The Hyper Cash « **Atacadao** » segment confirmed a net increase of **22%** in sales on a like-for-like basis, representing an additional sales volume of 627 million dirhams.

Better control of profitability ratios

The Group's consolidated EBITDA grew by 12% to 788,8 million dirhams thanks to:

- Business volumes up sharply;
- Controlled operating costs and fixed costs through economies of scale.

The Group's revenue up by 15%

The Group's financial income remained at the same level as in fiscal year 2018 despite an investment of 640 million dirhams for fiscal year 2019. This performance can be explained in particular by:

- The significant improvement in debt costs and the optimization of investment income;
- good control of working capital requirement levels

It should be mentioned that the Group holds a 58% stake in the capital of ARADEI CAPITAL, recorded at historical cost.

The Group's earnings before non-recurring items rose from 402 million dirhams for fiscal year 2018 to 440 million dirhams for fiscal year 2019, up 9%.

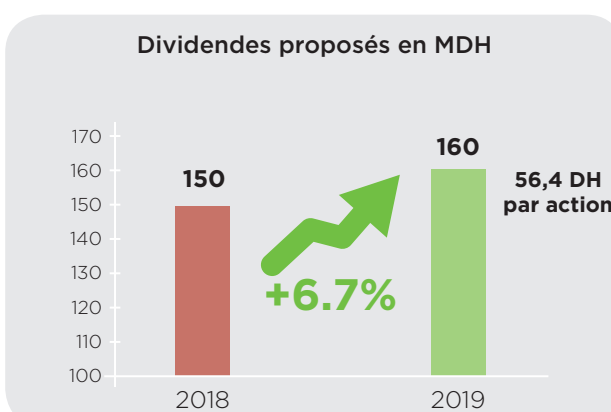
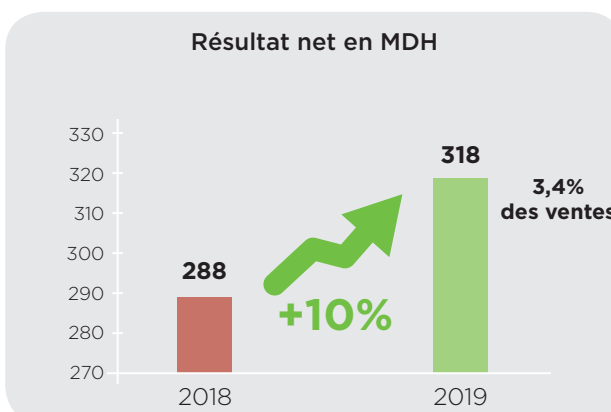
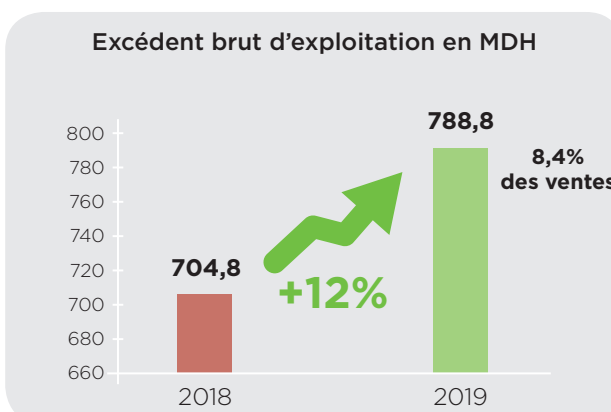
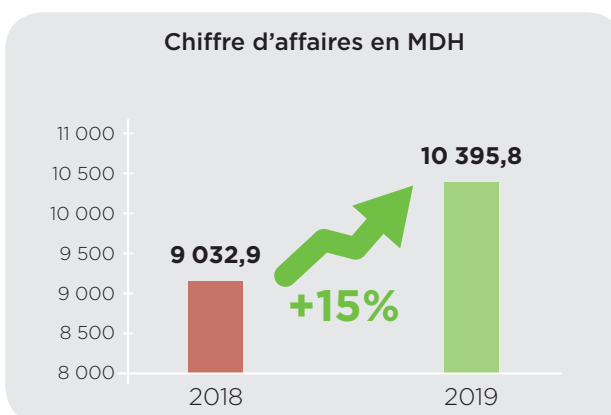
The Group's net income for the year ended December 31, 2019 increased by 10% compared to fiscal year 2018 to 318 million dirhams.

In accordance with its dividend distribution policy, the Board of Directors will propose to the Shareholders' Meeting the distribution of a dividend of **56,4** million dirhams for fiscal year 2019.

Perspectives

In order to strengthen its strategic positioning as a multi-format player, the Group intends to pursue its development and opening program. Eighteen new points of sale are planned for 2020, representing nearly **28,000 m²** of additional sales area covering the three business segments.

The Group also agrees to maintain the upward trend of its economic and financial indicators in 2020 in line with the objectives set; and to maintain its dividend distribution policy.





Principals 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:

- Hypermarché LV, S.A.S on which LABEL'VIE S.A exercises a control of 95%.
- Maxi LV, S.A.S, on which LABEL'VIE S.A exercises a control of 95%.
- Services LV, 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

COMPANY NAME	2018			2019		
	INTEREST RATE	CONTROL RATE	CONSOLIDATED METHOD	INTEREST RATE	CONTROL RATE	CONSOLIDATED METHOD
LABEL'VIE S.A.			PARENT COMPANY (*)			PARENT COMPANY (*)
HLV	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
ARADEI CAPITAL (Ex VECTEUR LV)	0%	58%	NOT CONSOLIDATED	0%	58%	NOT CONSOLIDATED
MAXI LV S.A.S	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
SERVICE - LV	100%	100%	FULL CONSOLIDATION	100%	100%	FULL CONSOLIDATION
MOBI MARKET	50%	50%	FULL CONSOLIDATION	100%	100%	FULL CONSOLIDATION

(*) Consolidating entity

Aradei Capital, (ex VLV) the Group's real estate subsidiary and 58% owned at 31 December 2019, 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's fully managed by an independent asset manager.

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 primarily of other deferred charges, Goodwill, software and licenses recognized at the acquisition cost. Software and other deferred 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.

BALANCE SHEET - ASSETS (Normal model)				
ASSETS	YEAR			PREVIOUS YEAR
	GROSS	DEPR.-PROV.	NET	
FIXED ASSETS NOT VALUED (A)				
- PRELIMINARY COSTS				
- DEFERRED CHARGES				
- BOND REDEMPTION PREMIUMS				
INTANGIBLE ASSETS (B)	1 669 145 497,54	684 069 352,23	985 076 145,31	836 774 398,23
- RESEARCH AND DEVELOPMENT ASSETS.	1 188 082 132,65	648 482 882,63	539 599 250,02	464 399 982,56
- PATENTS, TRADEMARKS, RIGHTS & SIMILAR VAL.	56 225 277,79	35 586 469,60	20 638 808,19	18 898 328,57
- COMMERCIAL FUND	424 838 087,10		424 838 087,10	353 476 087,10
- OTHER INTANGIBLE ASSETS				
TANGIBLE FIXED ASSETS (C)	3 247 561 843,95	899 959 724,63	2 347 602 119,32	1 724 425 041,91
- GROUNDS	194 873 623,20		194 873 623,20	194 873 623,20
- CONSTRUCTIONS	766 525 488,36	141 137 342,74	625 388 145,62	607 262 931,50
- TECHNICAL INSTAL. MATERIALS AND TOOLS INSTAL.	833 640 902,92	433 586 108,53	400 054 794,39	362 684 653,80
- TRANSPORT MATERIAL	1 608 320,48	1 421 204,62	187 115,86	268 915,43
- FURNITURE, OFFICE MAT. AND DEV. MISCELLANEOUS	815 650 713,99	289 176 659,29	526 474 054,70	442 177 838,26
- OTHER TANGIBLE FIXED ASSETS	64 787 462,52	34 638 409,45	30 149 053,07	24 941 548,08
- TANGIBLE ASSETS UNDER CONSTRUCTION	570 475 332,48		570 475 332,48	92 215 531,65
FINANCIAL FIXED ASSETS (D)	1 388 346 943,66		1 388 346 943,66	1 386 655 847,95
- FIXED LOANS				
- OTHER RECEIVABLES	28 862 158,07		28 862 158,07	33 818 161,25
- EQUITY INTERESTS	1 359 484 785,59		1 359 484 785,59	1 352 837 686,70
- OTHER LONG-TERM INVESTMENTS				
TRANSLATION ADJUSTMENT - ASSETS (E)				
- DECREASE IN NON-PERFORMING LOANS				
- INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	6 305 054 285,15	1 584 029 076,86	4 721 025 208,29	3 947 855 288,09
STOCKS (F)	1 624 010 830,75	8 059 148,00	1 615 951 682,75	1 478 325 966,78
- GOODS	1 609 250 370,88	8 059 148,00	1 601 191 222,88	1 466 527 924,54
- CONSUMABLE MATERIALS AND SUPPLIES	14 760 459,87		14 760 459,87	11 798 042,24
- GOODS IN PROCESS				
- INTERMEDIATE PROD. & RESIDUAL PROD.				
- FINISHED PRODUCTS				
CURRENT ASSET RECEIVABLES (G)	1 685 179 182,82	4 084 709,44	1 681 094 473,38	1 563 892 227,87
- SUPPLIERS DEBTORS, ADVANCES AND DOWN-PAYMENTS	139 697 646,92		139 697 646,92	101 677 705,27
- CLIENTS AND ACCOUNTS	897 265 643,13	4 084 709,44	893 180 933,69	827 986 287,52
- PERSONNEL	17 558 360,09		17 558 360,09	15 233 247,36
- STATE	560 529 797,01		560 529 797,01	465 267 589,72
- PARTNER ACCOUNTS				
- OTHER RECEIVABLES	48 894 249,41		48 894 249,41	128 634 783,77
- ACCRUALS AND DEFERRALS	21 233 486,26		21 233 486,26	25 092 614,24
SECURITIES & INVESTMENT SECURITIES (H)	21 278 193,62		21 278 193,62	21 278 193,62
TRANSLATION ADJUSTMENTS - ASSETS (I)	358 603,18		358 603,18	946 135,10
(CIRCULATING ELEMENTS)				
TOTAL II (F + G + H + I)	3 330 826 810,37	12 143 857,44	3 318 682 952,93	3 064 442 523,37
CASH - ASSETS				
- CHECKS AND SECURITIES TO BE CASHED	78 209 730,51		78 209 730,51	71 361 791,28
- BANKS, T.G E C.P	470 746 029,58		470 746 029,58	789 806 533,21
- CASH REGISTERS, REGIES AND LETTERS OF CREDIT	15 842 913,17		15 842 913,17	12 659 893,06
TOTAL III	564 798 673,26	-	564 798 673,26	873 828 217,54
GRAND TOTAL (I + II + III)	10 200 679 768,78	1 596 172 934,30	8 604 506 834,48	7 886 126 029,00

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)		95 298 391,15	28 647 711,80
. RETAINED EARNINGS (2)		120 745 174,01	51 865 534,55
. NET INCOME PENDING ALLOCATION (2)			
. CONSOLIDATED NET PROFIT		318 006 221,75	288 401 005,25
TOTAL SHAREHOLDERS' EQUITY (A)		1 996 859 371,10	1 831 723 835,79
MINORITY INTERESTS (B)		18 577 172,51	15 412 646,93
. MINORITY INTERESTS		18 577 172,51	15 412 646,93
FINANCIAL DEBTS (C)		2 679 243 426,63	2 307 390 075,63
. DEBENTURE LOANS		1 219 800 000,00	1 500 000 000,00
. OTHER FINANCIAL DEBTS		1 459 443 426,63	807 390 075,63
PROV. SUSTAINABLE / RISKS AND EXPENSES (D)		8 119 297,94	6 406 151,79
. RISK PROVISIONS		8 119 297,94	6 406 151,79
. PROVISIONS FOR CHARGES			
TRANSLATION ADJUSTMENTS - LIABILITIES (E)			
. INCREASE IN FIXED ASSETS			
. REDUCTION OF FINANCIAL DEBTS			
TOTAL I (A + B + C + D + E)		4 702 799 268,18	4 160 932 710,14
CURRENT LIABILITIES LIABILITIES (F)		3 701 116 076,11	3 350 783 860,30
. TRADE PAYABLES AND RELATED ACCOUNTS		3 358 127 293,95	3 039 239 729,91
. ACCOUNTS PAYABLE, ADVANCES AND DOWN-PAYMENTS		54 698 147,83	42 202 075,84
. PERSONNEL		6 949 648,14	7 049 368,37
. SOCIAL ORGANISATIONS		13 969 659,71	14 652 618,93
. STATE		255 892 440,91	225 237 956,54
. PARTNER ACCOUNTS		190 856,07	161 819,65
. OTHER CREDITORS		4 093 363,51	4 895 336,14
. ACCRUALS AND DEFERRALS		7 194 665,99	17 344 954,92
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)		521 589,21	4 109 121,13
TRANSLATION ADJUSTMENTS - LIABILITIES (H)		69 900,98	300 337,44
TOTAL II (F + G + H)		3 701 707 566,30	3 355 193 318,87
CASH - LIABILITIES			
. DISCOUNT CREDITS			
. CASH CREDITS		200 000 000,00	370 000 000,00
. BANKS (CREDIT BALANCES)			
TOTAL III		200 000 000,00	370 000 000,00
GRAND TOTAL I + II + III		8 604 506 834,48	7 886 126 029,00

REVENUE AND EXPENSES ACCOUNT (excluding taxes)				
	OPERATIONS		TOTALUX FISCAL YEAR (1+2)	TOT. PRECED. YEAR . At 31.12.2018
	FISCAL YEAR (1)	Prev. YEAR (2)		
OPERATING REVENUES				
. SALE OF GOODS AS IS	9 442 658 462,74		9 442 658 462,74	8 217 333 121,08
. SALES OF GOODS AND SERVICES PRODUCTS	954 501 284,94	-1 357 056,73	953 144 228,21	815 623 473,54
REVENUES	10 397 159 747,68	-1 357 056,73	10 395 802 690,95	9 032 956 594,62
. CHANGE IN PRODUCT INVENTORIES (+ -)				
. IMMOB. PROD. BY THE ESE FOR ITSELF				
. OPERATING SUBSIDY				
. OTHER OPERATING REVENUES				
. REWORKED EXPLOITS. ; TRANSFERS OF CHARGES	105 815 616,38		105 815 616,38	103 434 347,78
TOTAL I	10 502 975 364,06	-1 357 056,73	10 501 618 307,33	9 136 390 942,40
OPERATIONAL COSTS				
- RESALE PURCHASES	8 412 297 578,59		8 412 297 578,59	7 246 696 558,41
- PURCHASES OF MATERIALS AND SUPPLIES	201 986 652,06	-69 498,63	201 917 153,43	182 130 491,48
- OTHER EXTERNAL COSTS	569 644 450,94	-4 732,83	569 639 718,11	526 198 456,28
- TAXES	59 476 600,18		59 476 600,18	52 912 949,80
- PERSONNEL EXPENSES	468 216 010,18		468 216 010,18	423 549 742,33
- OTHER OPERATING EXPENSES				60 389,83
- OPERATING EXPENSE	324 338 611,52		324 338 611,52	278 153 618,83
TOTAL II	10 035 959 903,47	-74 231,46	10 035 885 672,01	8 709 702 206,95
OPERATING RESULTS III (I-II)	467 015 460,59	-1 282 825,27	465 732 635,32	426 688 735,45
FINANCIAL PROCEEDS				
- PROD. EQUITY INTERESTS. & OTHER PROD. IMM.	71 327 587,50		71 327 587,50	67 166 221,00
- CURRENCY GAINS	1 563 846,54		1 563 846,54	3 171 140,98
- INTEREST AND OTHER FINANCIAL INCOME	34 084 386,98		34 084 386,98	39 934 237,38
- FINANCIAL RECOVERY EXPENSE TRANSFERS	9 533 345,49		9 533 345,49	11 950 176,40
TOTAL IV	116 509 166,51		116 509 166,51	122 221 775,76
FINANCE CHARGES				
- INTEREST EXPENSES	134 864 900,04		134 864 900,04	137 621 208,14
- EXCHANGE LOSS	1 501 647,87		1 501 647,87	3 915 140,42
- OTHER FINANCIAL EXPENSES	5 458 190,52		5 458 190,52	4 365 856,07
- FINANCIAL ALLOCATIONS	358 584,22		358 584,22	946 116,14
TOTAL V	142 183 322,65		142 183 322,65	146 848 320,77
FINANCIAL RESULT VI (IV - V)	-25 674 156,14		-25 674 156,14	-24 626 545,01
INCOME FROM ORDINARY ACTIVITIES (III+VI)	441 341 304,45	-1 282 825,27	440 058 479,18	402 062 190,44
NON-CURRENT PRODUCTS				
- PROCEEDS FROM DISPOSAL OF FIXED ASSETS	1 538 392,19		1 538 392,19	91 994 211,48
- BALANCING GRANT				
- WRITE-BACKS ON INVESTMENT GRANTS				
- OTHER NON-CURRENT INCOME	380 997,21	941 031,20	1 322 028,41	2 133 821,44
- NON-CURRENT REVERSALS TRANSFERS EXPENSES	4 621 692,33		4 621 692,33	386 744,98
TOTAL VIII	6 541 081,73	941 031,20	7 482 112,93	94 514 777,90
NON-CURRENT CHARGES				
- NET DEPRECIATION VALUES. CEDED INTANG.	1 111 618,06		1 111 618,06	55 817 246,66
- GRANTS AWARDED				
- OTHER EXPENSES	10 184 636,33		10 184 636,33	36 616 096,61
- NON-CURRENT ALLOCATIONS TO DEPR. & PROV.	3 154 761,97		3 154 761,97	6 232 119,82
TOTAL IX	14 451 016,36		14 451 016,36	98 665 463,09
NON-CURRENT RESULT (VIII - IX)			-6 968 903,43	-4 150 685,19
INCOME BEFORE TAX (VII+X)			433 089 575,75	397 911 505,25
INCOME TAXES			115 083 354,00	109 510 500,00
NET INCOME (XI - XII)			318 006 221,75	288 401 005,25
TOTAL REVENUES (I+IV+VIII)			10 625 609 586,77	9 353 127 496,05
TOTAL EXPENSES (II+V+IX+XIII)			10 307 603 365,02	9 064 726 490,81
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			312 022 546,69	285 236 479,66
NET INCOME OF MINORITY INTERESTS			5 983 675,06	3 164 525,59

Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2019

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 December 31st, 2019 - as appended to this report- which includes the balance-sheet and the statement of income. These consolidated interim financial statements, which shows a total equity of 2 015 436 543,61 MAD including a consolidated net profit of 318 006 221,75 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.

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, February 28th, 2018

Free translation from the original French version

BALANCE SHEET - ASSETS				
ASSETS	YEAR			PREVIOUS YEAR
	GROSS	DEPR.-PROV.	NET	NET
FIXED ASSETS NOT VALUED (A)	821 970 190,72	386 342 668,36	435 627 522,36	373 008 402,75
- PRELIMINARY COSTS	41 838,00	34 091,73	7 746,27	
- DEFERRED CHARGES	821 928 352,72	386 308 576,63	435 619 776,09	373 008 402,75
- BOND REDEMPTION PREMIUMS				
INTANGIBLE ASSETS (B)	209 875 319,21	32 906 788,55	176 968 530,66	175 027 966,27
- RESEARCH AND DEVELOPMENT ASSETS.				
- PATENTS, TRADEMARKS, RIGHTS & SIMILAR VAL. SIMILAIRES	53 135 898,78	32 906 788,55	20 229 110,23	18 288 545,84
- COMMERCIAL FUND	156 739 420,43		156 739 420,43	156 739 420,43
- COMMERCIAL FUND				
IMMOBILISATIONS CORPORELLES (C)	2 571 636 980,90	574 509 662,07	1 997 127 318,83	1 417 517 819,90
- GROUNDS	194 873 623,20		194 873 623,20	194 873 623,20
- CONSTRUCTIONS	747 765 465,86	137 437 366,76	610 328 099,10	591 365 747,45
- INSTAL. TECHNIQUES, MATERIALS AND TOOLS INSTAL.	491 454 109,24	247 690 956,95	243 763 152,29	219 435 302,08
- TRANSPORT MATERIAL	1 551 176,78	1 397 489,20	153 687,58	248 372,77
- FURNITURE, OFFICE MAT. AND DEV. MISCELLANEOUS	578 149 372,07	187 983 849,16	390 165 522,91	323 120 624,34
- OTHER TANGIBLE FIXED ASSETS				
- TANGIBLE ASSETS UNDER CONSTRUCTION	557 843 233,75		557 843 233,75	88 474 150,06
FINANCIAL FIXED ASSETS (D)	1 647 857 888,21		1 647 857 888,21	1 644 725 881,62
- FIXED LOANS				
- OTHER RECEIVABLES	12 268 591,81		12 268 591,81	17 273 194,92
- EQUITY INTERESTS	1 635 589 296,40		1 635 589 296,40	1 627 452 686,70
- OTHER LONG-TERM INVESTMENTS				
TRANSLATION ADJUSTMENT - ASSETS (E)				
- DECREASE IN NON-PERFORMING LOANS				
- INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	5 251 340 379,04	993 759 118,98	4 257 581 260,06	3 610 280 070,54
STOCKS (F)	766 397 769,04		766 397 769,04	691 723 493,50
- GOODS	754 803 682,45		754 803 682,45	681 829 716,99
- CONSUMABLE MATERIALS AND SUPPLIES	11 594 086,59		11 594 086,59	9 893 776,51
- GOODS IN PROCESS				
- PROD. INTERMEDIATE PROD. & RESIDUAL PROD.				
- FINISHED PRODUCTS				
CURRENT ASSET RECEIVABLES (G)	1 818 648 655,86	194 663,41	1 818 453 992,45	1 607 753 599,66
- FOURNISSEURS DEBITEURS, AVANCES ET ACOMPTES	53 479 780,28		53 479 780,28	41 625 273,46
- CLIENTS AND ACCOUNTS	1 358 896 507,30	194 663,41	1 358 701 843,89	1 126 692 852,71
- PERSONNEL	14 468 138,99		14 468 138,99	12 695 301,02
- STATE	319 340 370,81		319 340 370,81	269 114 268,97
- PARTNER ACCOUNTS				
- OTHER RECEIVABLES	53 252 648,51		53 252 648,51	133 004 907,62
- ACCRUALS AND DEFERRALS	19 211 209,97		19 211 209,97	24 620 995,88
SECURITIES & INVESTMENT SECURITIES (H)	7 048 081,12		7 048 081,12	7 048 081,12
TRANSLATION ADJUSTMENTS - ASSETS (I)	266 755,31		266 755,31	768 256,71
(CIRCULATING ELEMENTS)				
TOTAL II (F + G + H + I)	2 592 361 261,33	194 663,41	2 592 166 597,92	2 307 293 430,99
CASH - ASSETS				
- CHECKS AND SECURITIES TO BE CASHED	25 703 927,50		25 703 927,50	43 682 878,40
- BANKS, T.G E C.P	486 521 135,08		486 521 135,08	754 238 325,65
- CASH REGISTERS, REGIES AND LETTERS OF CREDIT	9 996 904,24		9 996 904,24	7 284 772,87
TOTAL III	522 221 966,82	-	522 221 966,82	805 205 976,92
GRAND TOTAL (I + II + III)	8 365 923 607,19	993 953 782,39	7 371 969 824,80	6 722 779 478,45

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)		120 745 174,01	51 865 534,55
- NET INCOME PENDING ALLOCATION (2)			
- NET INCOME		186 238 355,41	218 879 639,46
TOTAL SHAREHOLDERS' EQUITY (A)	1 769 793 113,61	1 733 554 758,20	
MINORITY INTERESTS (B)			
- MINORITY INTERESTS			
FINANCIAL DEBTS (C)	2 534 927 392,71	2 169 529 147,05	
- DEBENTURE LOANS		1 219 800 000,00	1 500 000 000,00
- OTHER FINANCIAL DEBTS		1 315 127 392,71	669 529 147,05
PROV. SUSTAINABLE / RISKS AND EXPENSES (D)	5 560 515,38	3 687 657,33	
- RISK PROVISIONS		5 560 515,38	3 687 657,33
- PROVISIONS FOR CHARGES			
TRANSLATION ADJUSTMENTS - LIABILITIES (E)			
- INCREASE IN FIXED ASSETS			
- REDUCTION OF FINANCIAL DEBTS			
TOTAL I (A + B + C + D + E)	4 310 281 021,70	3 906 771 562,58	
CURRENT LIABILITIES LIABILITIES (F)	2 911 390 200,07	2 491 968 627,11	
- TRADE PAYABLES AND RELATED ACCOUNTS		1 646 226 186,25	1 589 792 508,60
- ACCOUNTS PAYABLE, ADVANCES AND DOWN-PAYMENTS		3 412 871,60	1 918 207,45
- PERSONNEL		1 016 560,78	998 841,08
- SOCIAL ORGANISATIONS		9 670 820,70	9 958 975,57
- STATE		180 057 964,49	178 176 805,69
- PARTNER ACCOUNTS		190 856,07	161 819,65
- OTHER CREDITORS		1 065 114 280,53	695 097 822,10
- ACCRUALS AND DEFERRALS		5 700 659,65	15 863 646,97
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)	266 755,31	3 768 256,71	
TRANSLATION ADJUSTMENTS - LIABILITIES (H)	31 847,72	271 032,05	
TOTAL II (F + G + H)	2 911 688 803,10	2 496 007 915,87	
CASH - LIABILITIES			
- DISCOUNT CREDITS			
- CASH CREDITS		150 000 000,00	320 000 000,00
- BANKS (CREDIT BALANCES)			
TOTAL III	150 000 000,00	320 000 000,00	
GRAND TOTAL I + II + III	7 371 969 824,80	6 722 779 478,45	

REVENUE AND EXPENSES ACCOUNT (excluding taxes)				
	OPERATIONS		TOTALS FISCAL YEAR (1+2)	TOT. PRECED. YEAR PRECED. At 31.12.2019
	FISCAL YEAR (1)	Prev. YEAR (2)		
OPERATING REVENUES				
- SALE OF GOODS AS IS	4 258 827 428,41		4 258 827 428,41	3 755 437 686,45
- SALES OF GOODS AND SERVICES PRODUCTS	593 414 693,41		593 414 693,41	513 910 286,95
REVENUES	4 852 242 121,82		4 852 242 121,82	4 269 347 973,40
- CHANGE IN PRODUCT INVENTORIES (+ -)				
- IMMOB. PROD. BY THE ESE FOR ITSELF				
- OPERATING SUBSIDY				
- OTHER OPERATING REVENUES				
- REWORKED EXPLOITS. ; TRANSFERS OF CHARGES	88 267 903,96		88 267 903,96	87 538 800,61
TOTAL I	4 940 510 025,78		4 940 510 025,78	4 356 886 774,01
OPERATIONAL COSTS				
- RESALE PURCHASES	3 668 662 351,74		3 668 662 351,74	3 213 559 041,24
- PURCHASES OF MATERIALS AND SUPPLIES	139 473 369,64		139 473 369,64	108 092 016,54
- OTHER EXTERNAL COSTS	300 346 296,26	4 393,36	300 350 689,62	249 349 696,36
- TAXES	26 883 449,59		26 883 449,59	24 356 649,24
- PERSONNEL EXPENSES	284 150 746,58		284 150 746,58	255 539 321,26
- OTHER OPERATING EXPENSES				
- OPERATING EXPENSE	212 373 277,21		212 373 277,21	178 543 367,17
TOTAL II	4 631 889 491,02	4 393,36	4 631 893 884,38	4 029 440 091,81
OPERATING RESULTS III (I-II)	308 620 534,76	-4 393,36	308 616 141,40	327 446 682,20
FINANCIAL PROCEEDS				
- PROD. EQUITY INTERESTS. & OTHER PROD. IMM.	71 327 587,50		71 327 587,50	67 166 221,00
- CURRENCY GAINS	1 165 546,78		1 165 546,78	2 326 386,97
- INTEREST AND OTHER FINANCIAL INCOME	32 503 600,63		32 503 600,63	37 999 887,93
- FINANCIAL RECOVERY EXPENSE TRANSFERS	9 355 486,06		9 355 486,06	11 936 593,76
TOTAL IV	114 352 220,97		114 352 220,97	119 429 089,66
FINANCE CHARGES				
- INTEREST EXPENSES	171 037 836,34		171 037 836,34	159 998 821,92
- EXCHANGE LOSS	1 252 000,65		1 252 000,65	3 152 556,25
- OTHER FINANCIAL EXPENSES	5 458 190,52		5 458 190,52	4 365 856,07
- FINANCIAL ALLOCATIONS	266 755,31		266 755,31	768 256,71
TOTAL V	178 014 782,82		178 014 782,82	168 285 490,95
FINANCIAL RESULT VI (IV - V)	-63 662 561,85		-63 662 561,85	-48 856 401,29
INCOME FROM ORDINARY ACTIVITIES (III+VI)	244 957 972,91	-4 393,36	244 953 579,55	278 590 280,91
NON-CURRENT PRODUCTS				
- PROCEEDS FROM DISPOSAL OF FIXED ASSETS	1 237 558,85		1 237 558,85	91 692 579,10
- BALANCING GRANT				
- WRITE-BACKS ON INVESTMENT GRANTS				
- OTHER NON-CURRENT INCOME	269,18	940 931,08	941 200,26	1 697 109,60
- NON-CURRENT REVERSALS TRANSFERS EXPENSES	3 977 876,39		3 977 876,39	144 040,96
TOTAL VIII	5 215 704,42	940 931,08	6 156 635,50	93 533 729,66
NON-CURRENT PRODUCTS				
- NET DEPRECIATION VALUES. CEDED FIXED ASSETS CEDEES	990 047,08		990 047,08	55 625 981,25
- GRANTS AWARDED				
- OTHER EXPENSES	6 621 181,12		6 621 181,12	17 069 737,17
- NON-CURRENT ALLOCATIONS TO DEPR. & PROV.	2 850 734,44		2 850 734,44	5 831 139,69
TOTAL IX	10 461 962,64		10 461 962,64	78 526 858,11
NON-CURRENT RESULT (VIII - IX)	-4 305 327,14		-4 305 327,14	15 006 871,55
INCOME BEFORE TAX (VII+X)	240 648 252,41		240 648 252,41	293 597 152,46
INCOME TAXES	54 409 897,00		54 409 897,00	74 717 513,00
NET INCOME (XI - XII)	186 238 355,41		186 238 355,41	218 879 639,46
TOTAL REVENUES (I+IV+VIII)	5 061 018 882,25		5 061 018 882,25	4 569 849 593,33
TOTAL EXPENSES (II+V+IX+XIII)	4 874 780 526,84		4 874 780 526,84	4 350 969 953,87



Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2019

As statutory auditors of Label'Vie SA, we have conducted a limited review of the company accounts for the period from January 1st to December 31st, 2019 - as appended to this report- which includes the balance sheet and the statement of income. These interim financial statements, which shows a total equity of 1 769 793 113,61 MAD including a net profit of 186 238 355,41 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.

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, February 28th, 2020

Free translation from the original French version

The Statutory Auditors

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Compléments comptes consolidés

Financial year from 01/01/2019 To 31/12/2019

CONSOLIDATED CASH FLOW STATEMENT

Based on the operating income of the integrated companies

HEADINGS	2019	2018
CONSOLIDATED OPERATING INCOME	465 732 635,32	426 688 735,45
CONSOLIDATED OPERATING EXPENSES	323 357 146,46	278 383 964,48
SELF-FINANCING CAPACITY OF THE INTEGRATED COMPANIES	789 089 781,78	705 072 699,92
RECEIVED DIVIDENDS		
CHANGE IN OPERATING WORKING CAPITAL REQUIREMENTS	-92 273 817,88	78 001 907,68
- STOCK	137 625 715,97	192 946 845,84
- OPERATING RECEIVABLES	116 614 713,59	125 717 293,38
- OPERATING LIABILITIES	346 514 247,44	240 662 231,55
OPERATING CASH FLOW	881 363 599,66	627 070 792,25
FINANCE COSTS	142 183 322,65	146 848 320,77
FINANCIAL PROCEEDS	116 509 166,51	122 221 775,76
DIVIDENDS RECEIVED FROM COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD	-	-
CORPORATE INCOME TAX EXCLUDING TAX ON CAPITAL GAINS ON DISPOSAL	115 083 354,00	109 510 500,00
NON-CURRENT INCOME AND EXPENSES	-5 862 607,92	-37 480 827,18
NET CASH FLOW FROM OPERATING ACTIVITIES	734 743 481,60	455 452 920,06
CAPITAL ACQUISITION	1 095 601 796,00	520 160 667,85
ASSET SALE	1 538 392,19	91 994 211,48
CHANGE IN FINANCIAL ASSETS	1 691 095,71	1 758 506,46
CASH FLOW FROM INVESTING ACTIVITIES	-1 095 754 499,52	-429 924 962,83
DIVIDENDS PAID TO SHAREHOLDERS OF THE PARENT COMPANY	-150 000 000,00	-150 000 000,00
DIVIDENDS PAID TO MINORITY SHAREHOLDERS OF INTEGRATED COMPANIES	-	-
INCREASE IN CAPITAL	-	-
INCREASE IN FINANCIAL DEBTS	801 000 000,00	324 554 587,35
OTHERS	-	-
IMPACT Scope	128 122,64	-
REPAYMENT OF FINANCIAL DEBTS	-429 146 649,00	-120 902 741,21
CASH FLOWS FROM FINANCING ACTIVITIES	221 981 473,64	53 651 846,14
CASH FLOW STATEMENT	-139 029 544,28	79 179 803,37
CASH AT BEGINNING OF YEAR	503 828 217,54	424 648 414,17
YEAR-END CASH POSITION	364 798 673,26	503 828 217,54

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

	CAPITAL	ISSUE AND MER- GER PREMIUMS	CONSOLIDATED RESERVES	NET PROFIT AT- TRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	TOTAL GROUP	EQUITY BY MINO- RITY SHAREHOL- DERS	EQUITY BY THE GROUP
SITUATION AT THE END 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
INCOME APPROPRIATION			288 401 005,25	-288 401 005,25			
DISTRIBUTED DIVIDENDS			-150 000 000,00		-150 000 000,00		-150 000 000,00
MOVEMENT OF CAPITAL							
OTHER MOVEMENTS			293 839,14	318 006 221,75	318 300 060,89	3 164 525,59	318 300 060,89
SITUATION AT THE END OF FISCAL YEAR 2017	283 896 200,00	1 150 523 764,19	263 010 357,67	318 006 221,75	2 015 436 543,60	18 577 172,51	1 996 859 371,09



Compléments comptes sociaux

Financial year from 01/01/2019 To 31/12/2019

CASH FLOW STATEMENT FOR THE YEAR

I. BALANCE SHEET MASS SYNTHESIS

MASSES	Years (a)	Previous year (b)	Variation a-b	
			Jobs (c)	Resources (d)
1 Permanent funding	4 310 281 021,70	3 906 771 562,58		403 509 459,12
2 Less fixed assets	4 257 581 260,06	3 610 280 070,54	647 301 189,52	-
3= FUNCTIONAL WORKING CAPITAL (1-2) (A)	52 699 761,64	296 491 492,04	243 791 730,40	
4 Current assets	2 592 166 597,92	2 307 293 430,99	284 873 166,93	
5 Less current liabilities	2 911 688 803,10	2 496 007 915,87		415 680 887,23
6= OVERALL FINANCING REQUIREMENT (4-5) (B)	319 522 205,18	188 714 484,88		130 807 720,30
7 NET CASH (ASSETS - LIABILITIES) = A-B	372 221 966,82	485 205 976,92		112 984 010,10

II. JOBS AND RESOURCES

	YEAR		PREVIOUS EXERCISES	
	JOBS	RESSOURCES	JOBS	RESSOURCES

I. STABLE RESOURCES FOR THE YEAR (FLOWS)

. SELF-FINANCING (A)	250 236 978,90	214 043 507,51
. Cash flow from operations	400 236 978,90	364 043 507,51
-Distribution of profits	150 000 000,00	150 000 000,00
. DISPOSALS AND REDUCTIONS IN FIXED ASSETS (B)	6 242 161,96	91 692 579,10
. Disposals of intangible assets		
. Disposals of property, plant and equipment	1 237 558,85	91 692 579,10
. 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)	755 000 000,00	307 874 089,64
(Net of refund premiums)		
TOTAL I - STABLE RESOURCES (A+B+C+D)	1 011 479 140,86	613 610 176,25

II. STABLE EMPLOYMENT FOR THE YEAR (FLOW)

. ACQUISITION & INCREASE IN FIXED ASSETS (E)	676 220 355,04	260 308 547,68		
. Acquisition of intangible assets	9 307 190,60	5 643 117,79		
. Acquisition of property, plant and equipment	658 776 554,74	252 906 923,43		
. Acquisition of financial fixed assets	8 136 609,70	1 758 506,46		
. Increase in fixed assets				
. REPAYMENT OF SHAREHOLDERS' EQUITY (F)				
. REPAYMENT OF FINANCIAL DEBT (G)	389 601 754,34	79 464 608,38		
. NON-VALUE JOBS (H)	189 448 761,88	166 729 140,55		
TOTAL II - STABLE JOBS (E+F+G+H)	1 255 270 871,26	506 502 296,61		
III. CHANGE IN OVERALL FINANCING REQUIREMENT (BFG)	130 807 720,30	72 806 822,64		
IV. CASH FLOW STATEMENT	112 984 010,10	34 301 057,00		
GRAND TOTAL	1 255 270 871,26	1 255 270 871,26	613 610 176,25	613 610 176,25