



CAPITAL STRATEGY IN LABELVIE REAL ESTATE ASSETS

As far back as 2017 LabelVie took the strategic decision to release capital from the group's real estate assets by introducing third party investors into the LabelVie store and real estate network. The first regulated vehicle was VLV which owned 40% of commercial real estate owned by the retailer, which subsequently merged with Petra to create Aradei Capital, a diversified real estate company. After a successful IPO in Nov 2020 on the Casablanca Stock Exchange, Aradei Capital has a market capitalisation of **\$600m** currently, with LabelVie retaining a 37% equity stake.

In 2022, in a further step in this strategy, LabelVie transferred more store and real estate assets to a new real estate fund in 2022 - Terramis SPI RFA Fund. This fund is registered as an OPCV (Undertakings for Collective Real Estate Investment) and is managed by Morocco Real Estate Management (MREM). The Terramis fund owns **17% of the commercial real estate** of LabelVie.

During Q2 2024 Morocco Real Estate Management (MREM) raised 40% of equity on the capital of Terramis SPI-RFA to several major institutional investors, including Al Ajial Holding, Farah Al Maghreb, the Caisse Marocaine des Retraites (CMR), the Caisse de Dépôt et de Gestion (CDG), and Sanlam Morocco.

This transaction demonstrates investors' confidence in the fund's potential to generate stable returns over the long term, as well as in the strength of the LabelVie Group's business, the main tenant of the assets held by the fund.

FINANCIAL PERFORMANCE

As of June 30, 2024, the Terramis SPI-RFA OPCV had total assets under management of **\$180m** and net assets of \$120m. During the second quarter Terramis raised additional capital through the sale of about **\$48m of equity**, representing **40% of capital**, which was reported in the LabelVie Q2 2024 press release.

In 2024, Terramis SPI-RFA distributed about **\$7.7m** in dividends to its shareholders for the 2023 financial year, confirming its ability to provide attractive returns to its investors.