



# ANNUAL RESULTS 2022

MARCH 6, 2023

## 1 INTRODUCTION

## 2 REVIEW OF THE KEY EVENTS OF THE YEAR

## 3 CONSOLIDATED FINANCIAL STATEMENTS 2022

## 4 OUTLOOK



# INTRODUCTION



# A GOOD PERFORMANCE IN A DISRUPTED ECONOMIC CONTEXT

1

## **Evolution in a disrupted economic context marked by high inflation and a decrease in purchasing power**

- In 2022, the Group showed an enhanced ability to adapt
- Allocation of a significant investment budget to bolster customers' purchasing power

2

## **Investments and Value Creation sustained despite the sluggish economic context :**

- Investment of 1,173 million dirhams in 2022
- Opening of 19 new stores in 2022
- Continued investment in the Group's Digital Transformation

3

## **Continued efforts by the Group in terms of CSR:**

- Socio-economic integration of people with disabilities, reduction of carbon footprint, fight against food waste, promotion of local purchasing, promotion of employment...



# REVIEW OF THE KEY EVENTS OF THE YEAR



# 2022 : A YEAR FULL OF EVENTS FOR THE GROUP



منين كلشي  
كايتزاد،  
كارفور

**كيحطم  
الأثمينة !**

على العديد  
من المنتجات

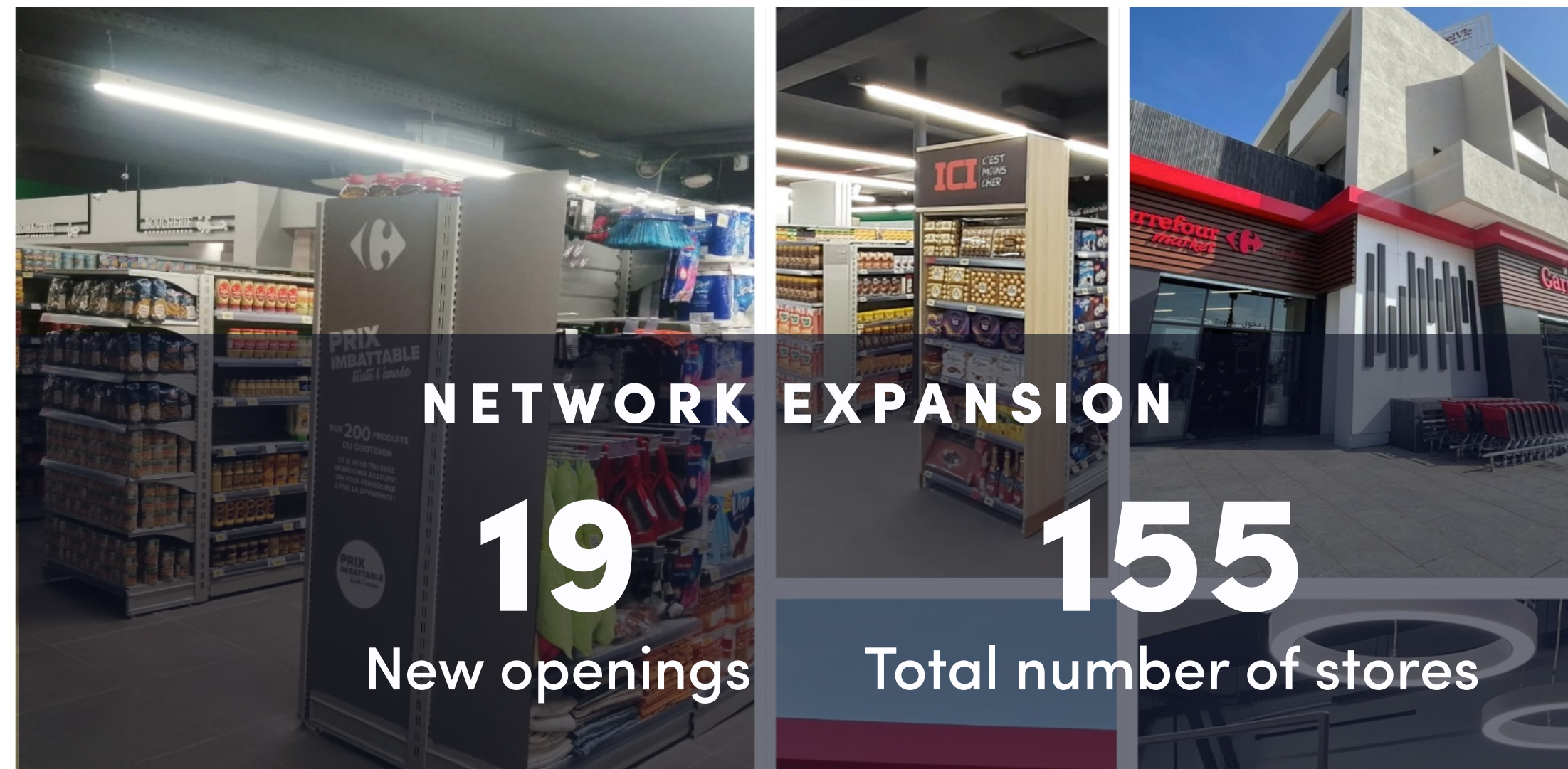
95 DH/KG	9,95 DH/KG	2,95 DH/KG
برتقال orange à jus	تفاح محلي Pomme gala/golden locale	بطاطس حمراء غير مغسولة Pomme de terre rouge non lavée





# REVIEW OF THE KEY EVENTS OF THE YEAR

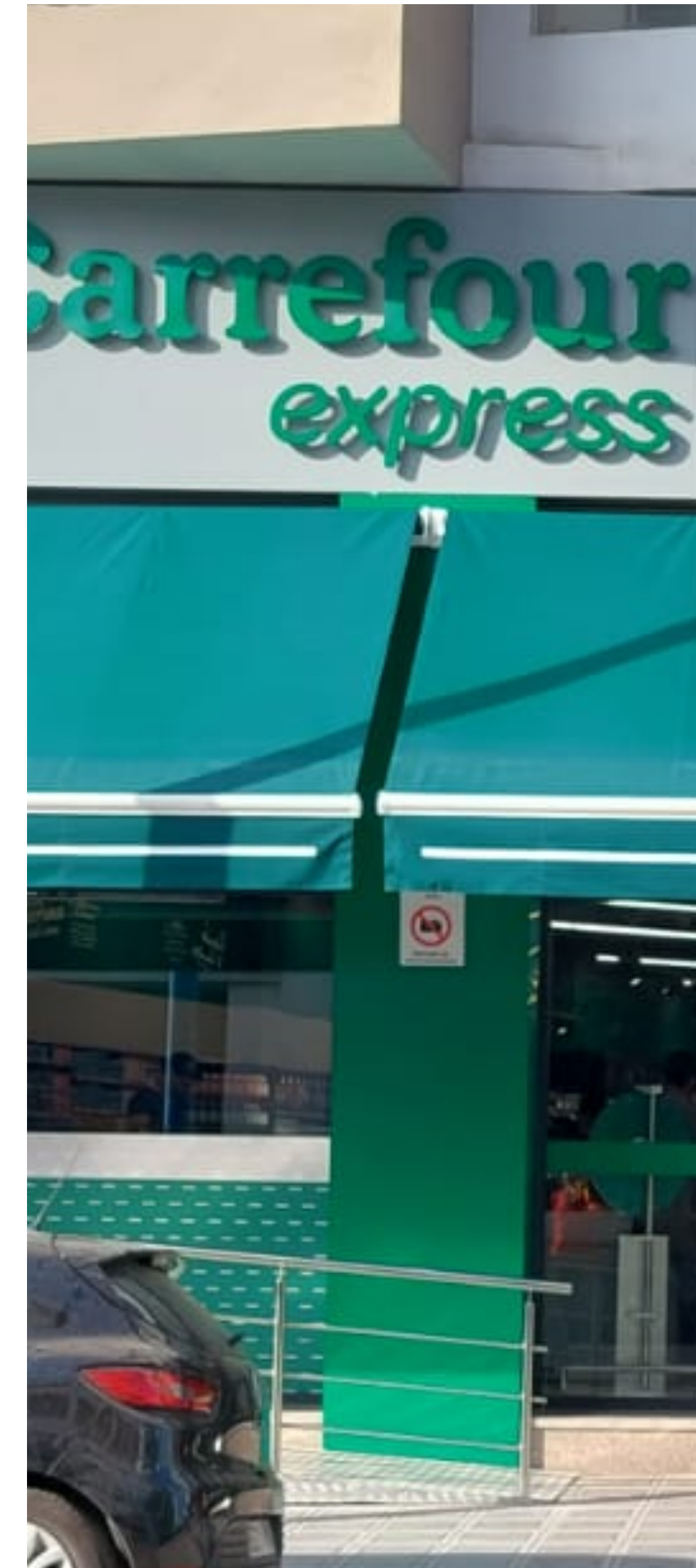
KEY EVENTS OF THE YEAR 2022





# EXPANSION OF THE NETWORK

IN 2022 →





# 2 KEY EVENTS OF THE YEAR 2022

## SUMMARY OF STORE OPENINGS

**15 215m<sup>2</sup>** square meters of retail space opened

The opening of new stores including 1 Hyper Cash **19**



GROUP BRANDS	SUPERMARKETS	SUPECO	HYPERMARKETS	HYPER CASH	GROUP TOTAL
Number of stores in 2021	98	14	12	12	136
m <sup>2</sup> of sales	101 602	2 094	65 900	62 764	232 360
% of Group Total	44 %	1 %	28 %	27 %	100 %
Openings	17	1	0	1	19
Square meters open	12 115	150	0	2 950	15 215
Number of stores in 2022	115	15	12	13	155
Square meters of sales	113 717	2 244	65 900	65 714	247 575
% of Group Total	46 %	1 %	27 %	27 %	100 %



## KEY EVENTS OF THE YEAR 2022

NEW STORE OPENINGS – DETAILED INFORMATION



**Carrefour**  
*market*

Opening of  
Carrefour Market

17

**bringing the total number of stores to 115  
by the end of 2022**







CASABLANCA  
VILLE VERTE

 Opening: january 27



CASABLANCA  
DEROUA

 Opening: june 23



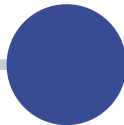
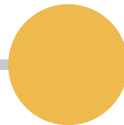
CASABLANCA  
AIN SEBAA EL WAHDA

 Opening: december 30



CASABLANCA  
HASSAN SGHIR

 Opening: december 30







CASABLANCA  
MERS SULTAN

 Opening: august 25



CASABLANCA  
02 MARS

 Opening: october 27



CASABLANCA  
GIRONDE 2

 Opening: september 22



CASABLANCA  
11 JANVIER

 Opening: february 1<sup>st</sup>





CASABLANCA  
BOUSKOURA VICTORIA

 Opening: October 27





**KENITRA**  
MOULAY ABDELAZIZ

 **Opening: january 27**



**RABAT**  
MEHDI BENBARKA

 **Opening: november 24**





**MARRAKECH**  
ABDELKRIM KHATTABI



**Opening: september 22**



**MARRAKECH**  
MASSIRA 3



**Opening: december 30**





**TANGER**  
BENIMAKADA



**Opening:** december 30



**TETOUAN**  
MARTIL



**Opening:** june 15





**FES**  
CHAMPS DE COURSE

 **Opening:** november 24



**FES**  
AIN CHKAF 2

 **Opening:** december 30



## EL JADIDA

OTHMANE IBNOU AFFANE



**Opening: october 27**



## KEY EVENTS OF THE YEAR 2022

### NEW STORE OPENINGS – DETAILED INFORMATION



**CASABLANCA**

OQBA



Opening: March 31



**01** ATACADAO STORE WAS OPENED IN THE FIRST QUARTER, BRINGING THE TOTAL NUMBER OF STORES TO **13** IN 2022



### LAUNCH OF TERRAMIS, REAL ESTATE INVESTMENT TRUST (OPCI)







### LAUNCH OF A NEW FINANCE VEHICLE TO SEPARATE THE DISTRIBUTION ACTIVITY FROM THE REAL ESTATE ACTIVITY

#### CHARACTERISTICS →

- Name : TERRAMIS SPI-RFA
- Label'Vie exclusive shareholding
- Managed by independent management company MREM, with the support of 2 independent directors

#### BENEFITS →

- Better readability of financial results
- Updated valuation of land with additional financing options
- Tax optimization linked to the exemption for dividend remittance

#### STRUCTURE →

- 19 assets with a total value of 1.245 MMAD
- Debt level below 10%



# SUPPORT FOR PURCHASING POWER

MARGIN  
INVESTMENT  
MARKETING  
CAMPAIGNS

منين كلشي  
كايتزاد،  
كارفور

كيحطم  
الأثمينة !  
على العديد  
من المنتجات

من فاس / مكناس 9,95 DH/KG

من فاس / مكناس 2,95 DH/KG

TOUT EST  
GRAND  
chez Carrefour  
même les économies

62,95 Dh  
شوكولاتة للدهن  
Pâte à tartiner  
chocolat  
Nutella 750g

0dh -10% -30%

Pour vous,  
Carrefour  
baisse  
les prix !



## SUPPORT FOR PURCHASING POWER



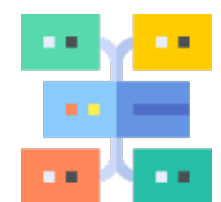
### AGGRESSIVE TRADE POLICY

- The investment of more than 100 MMAD to support the purchasing power of consumers
- The implementation of more aggressive promotions
- Downward revision of price indices

### PRIORITY GIVE TO AVAILABILITY



Adaptation of the sourcing policy to delay the impacts of inflation



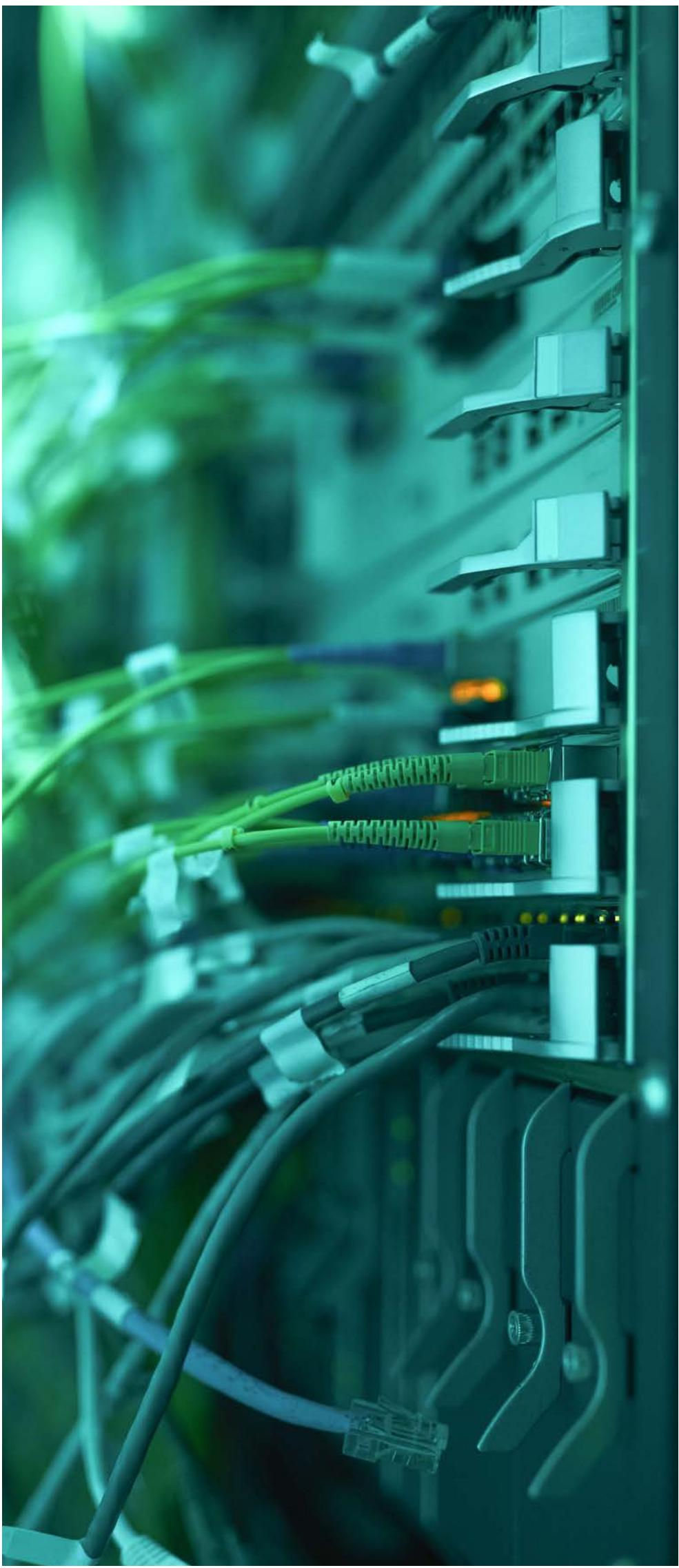
Increased inventory levels to ensure continued availability of products





# DIGITAL TRANSFORMATION

Label **FACTORY**





## THE LABEL FACTORY FOR 1 YEAR AND A HALF: KEY FIGURES

130

Employees



40%

Business



50%

Tech



10%

Steering  
/Cockpit

Agile Frameworks

SCRUM &amp; SCRUMBAN

17

Squads

Autonomous and  
multidisciplinary teams

343

Sprints\*

+25

Agile training  
programs

+5

Framework training  
programs

- ✓ Being & Doing Agile
- ✓ Management 3.0
- ✓ Change Management

\*production period of 2 weeks in Agile method (Sprints)



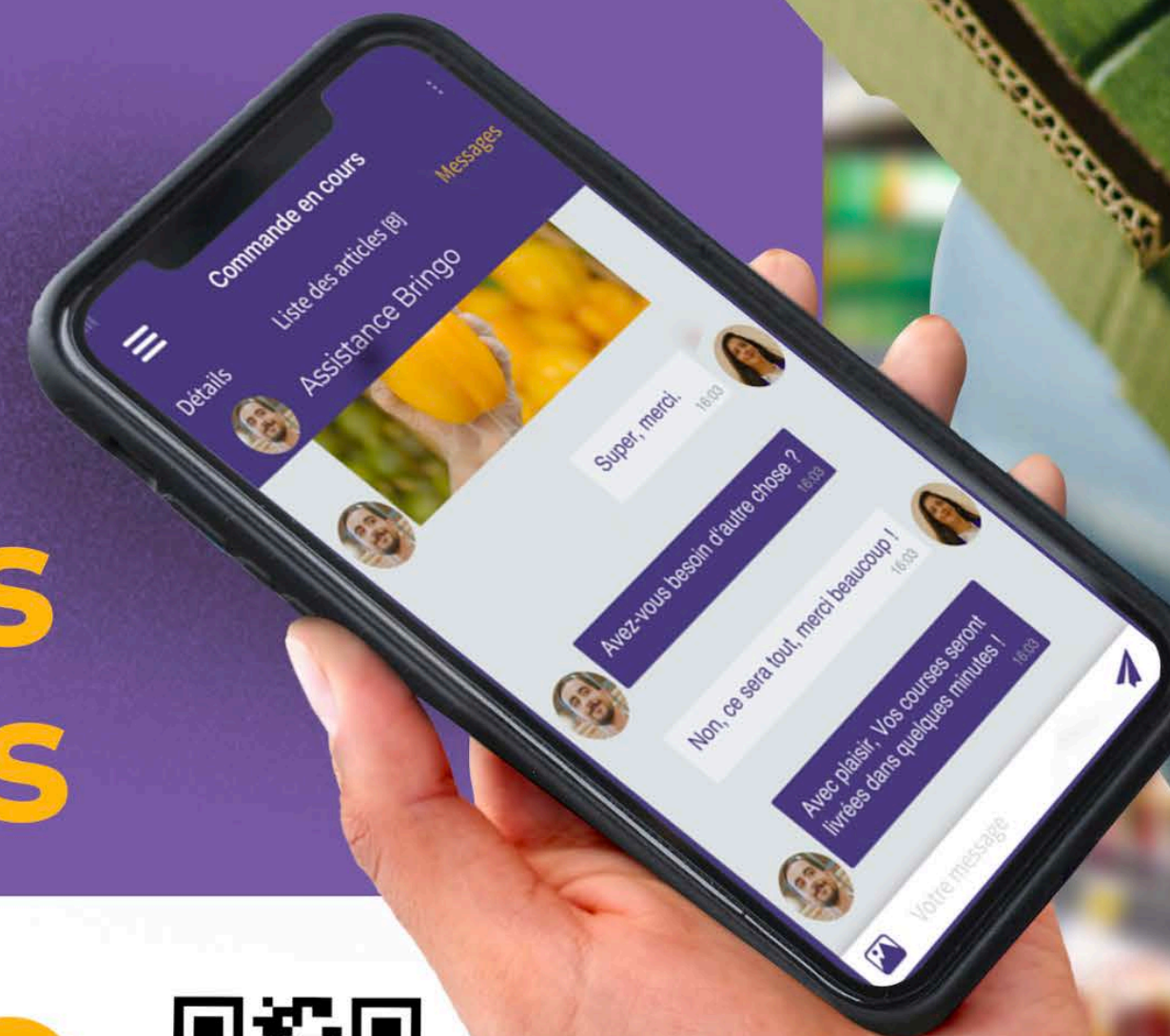
# E-COMMERCE







Un oubli ?  
Votre Personal  
Shopper  
pourra  
ajouter  
vos produits  
souhaités



#نقدنا\_ليك



Successful launch in the cities  
of Casablanca, Rabat,  
Mohammadia, Salé and  
Temara pending its  
generalization to all cities of  
the Kingdom in the coming  
months





# CSR STRATEGY





## ENVIRONMENT

### Reducing Carbon Footprint

- Signature of the Qualit'AIR charter in collaboration with the CGEM and the Mohammed V Foundation for the Protection of the Environment
- Carbon footprint assessment carried out at 8 pilot sites
- 15% reduction in greenhouse gas emissions (logistics section) in 2022

### Fighting Food Waste

Deployment of the "Anti Waste" DLC Memo solution in all stores of the Group, in partnership with the French start-up CodaBene.







## SOCIAL

### Integration of people with mental disabilities

Partnership with the Ministry of Industry and Commerce, the Ministry of Solidarity, Social Integration and Family, and the National Union of Associations working in the field of Mental Disability (UNAHM) for the employment of people with mental disabilities: 10 people recruited to date.

### Promotion of local products

Partnership with the Ministry of Industry and Commerce to promote local sourcing and **#MadeInMorocco** products

### Promotion of employment

- Various partnerships with universities to promote local employment and the continuous training of employees
- Partnership with the Ministry of Higher Education, Scientific Research and Innovation (MESRI) for the design of continuous training and apprenticeship modules related to the retail industry



# 2022

## CONSOLIDATED FINANCIAL STATEMENTS

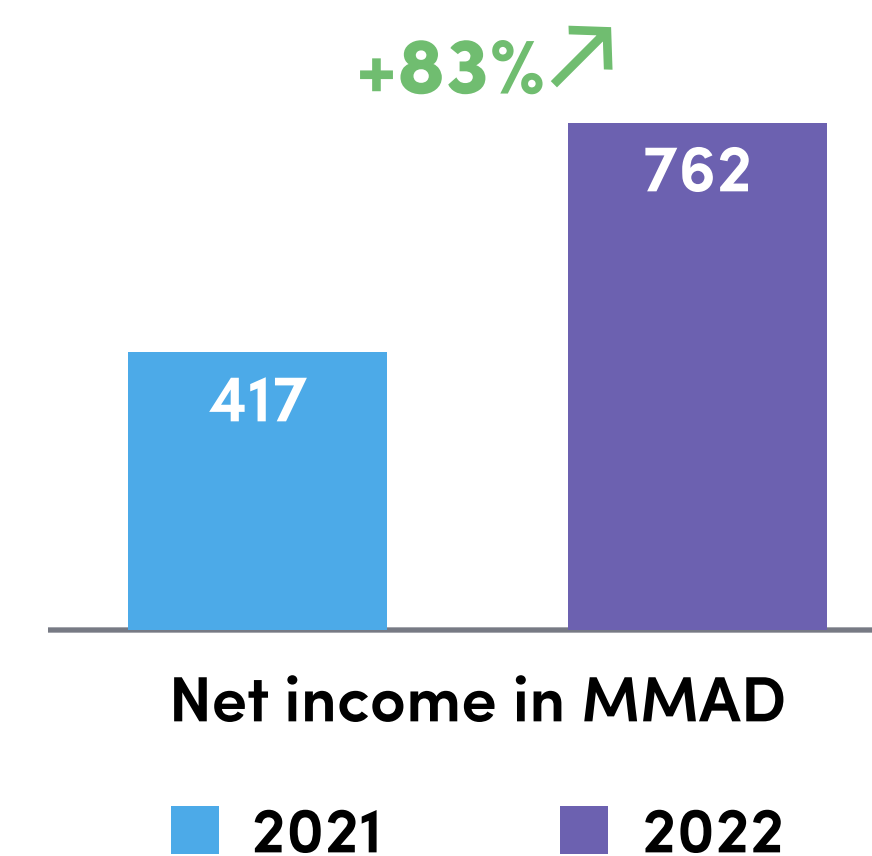
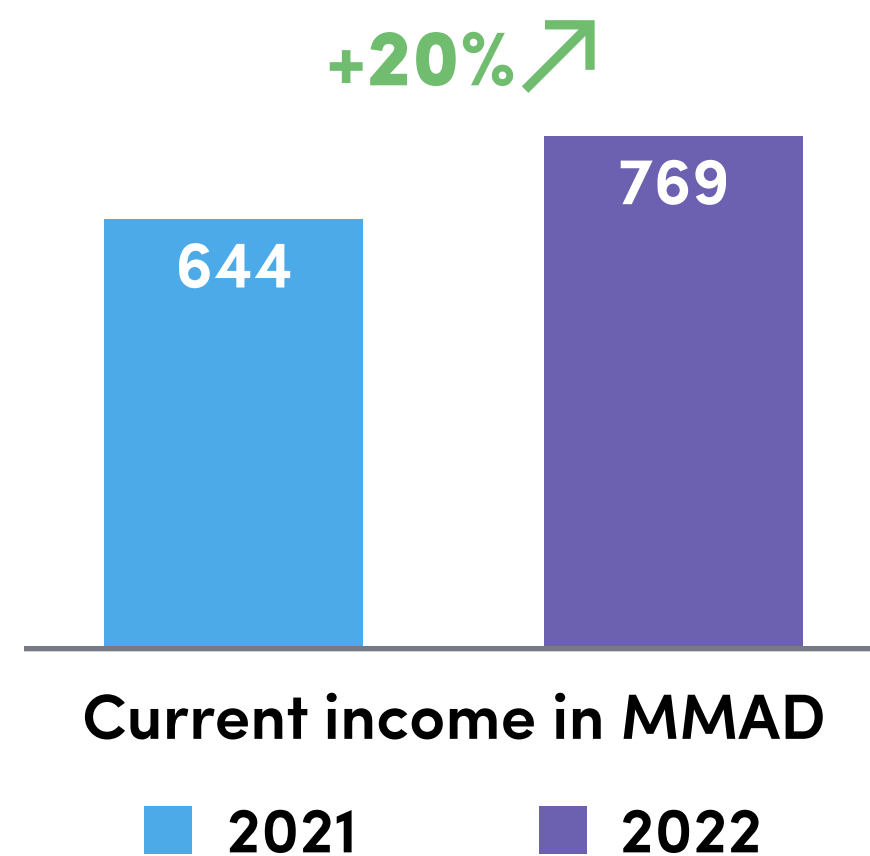
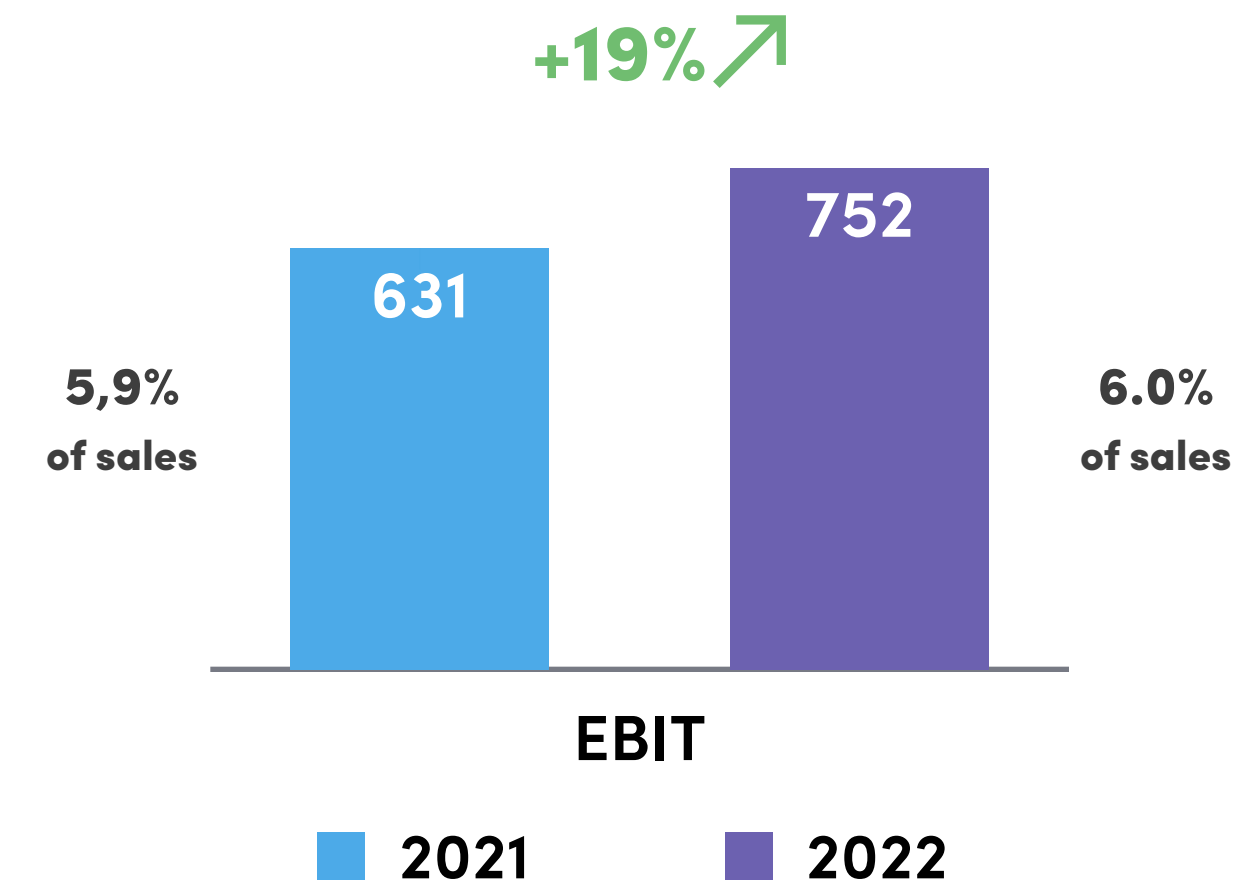
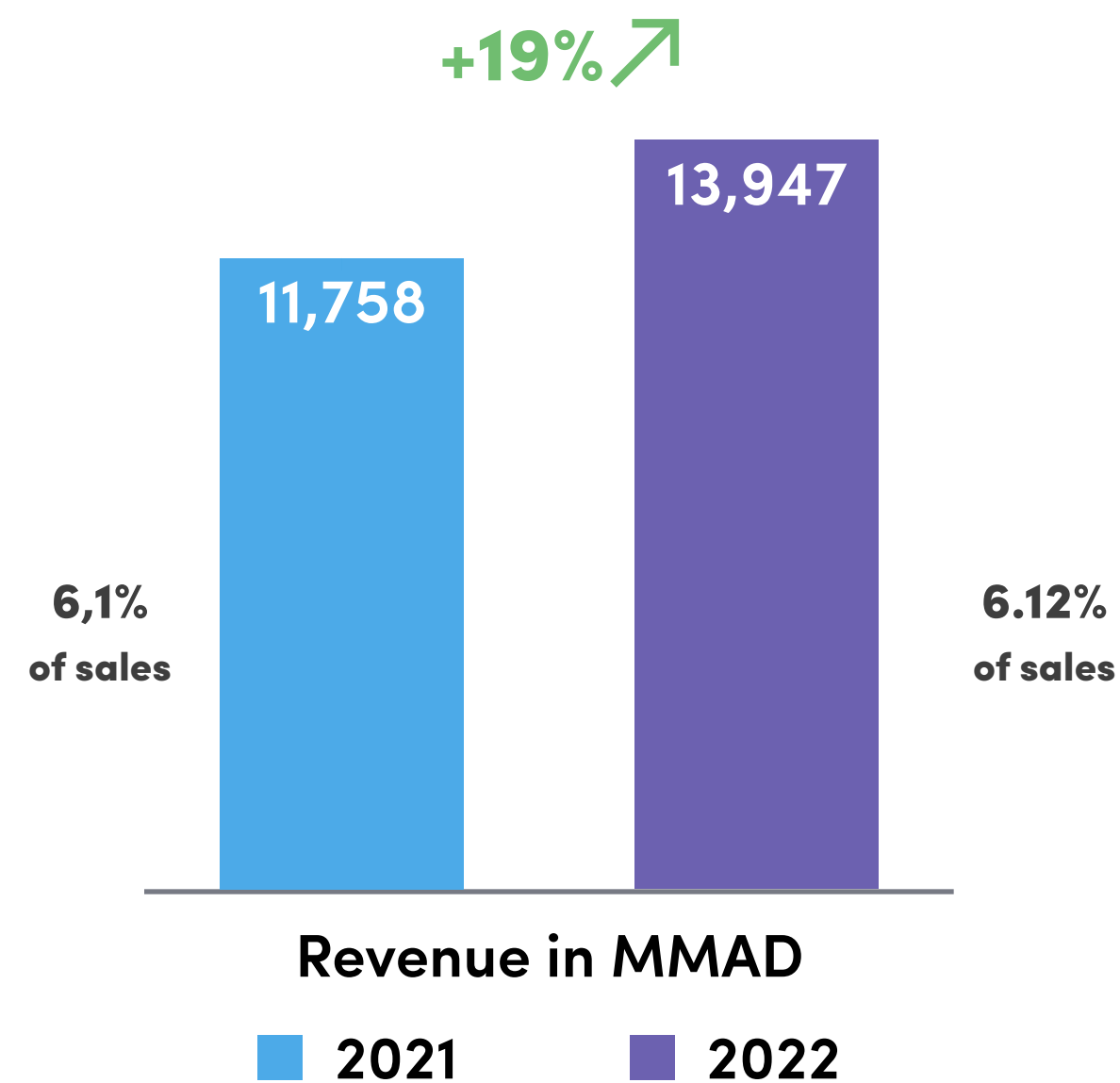


# CONSOLIDATED RESULTS



# 3 CONSOLIDATED ACCOUNTS 2022

GROWTH RATES AND NUMBERS IN MMAD





# 3 2022 CONSOLIDATED RESULTS

## 2022 RESULTS AND YOY CHANGES

	2021	2022	CHANGE	GROWTH RATE
Sales of products	10 633 946	12 567 295	1 933 349	18 %
Sales of services	1 124 296	1 379 527	255 231	23 %
<b>Ratio</b>	<b>10.6 %</b>	<b>11.0 %</b>	<b>0.40</b>	<b>-</b>
<b>Revenue</b>	<b>11 758 242</b>	<b>13 946 822</b>	<b>2 188 580</b>	<b>19 %</b>
Direct Margin	1 296 855	1 469 176	172 321	13 %
<b>Ratio</b>	<b>12.2 %</b>	<b>11.7 %</b>	<b>-0.50</b>	<b>-</b>
<b>Gross Margin</b>	<b>2 421 151</b>	<b>2 848 703</b>	<b>427 552</b>	<b>18 %</b>
<b>Ratio</b>	<b>22.8 %</b>	<b>22.7 %</b>	<b>-0.10</b>	<b>-</b>
Total Operating Expenses	1 384 285	1 632 782	248 497	18 %
<b>Ratio</b>	<b>13.0 %</b>	<b>13.0 %</b>	<b>-0.03</b>	<b>-</b>
<b>EBITDA</b>	<b>1 036 866</b>	<b>1 215 921</b>	<b>179 055</b>	<b>17 %</b>
<b>Ratio</b>	<b>9.8 %</b>	<b>9.7 %</b>	<b>-0.08</b>	<b>-</b>
Depreciation	406 136	464 080	57 944	14 %
<b>Ratio</b>	<b>3.8 %</b>	<b>3.7 %</b>	<b>-0.13</b>	<b>-</b>
<b>EBIT</b>	<b>630 730</b>	<b>751 840</b>	<b>121 110</b>	<b>19 %</b>
<b>Ratio</b>	<b>5.9 %</b>	<b>6.0 %</b>	<b>0.05</b>	<b>-</b>
Financial Income	12 774	17 263	4 489	35 %
<b>Ratio</b>	<b>0.1 %</b>	<b>0.1 %</b>	<b>0.02</b>	<b>-</b>
<b>Current Income</b>	<b>643 504</b>	<b>769 104</b>	<b>125 600</b>	<b>20 %</b>
<b>Ratio</b>	<b>6.1 %</b>	<b>6.1 %</b>	<b>0.07</b>	<b>-</b>
<b>Non-recurring Income</b>	<b>-60 910</b>	<b>196 404</b>	<b>257 314</b>	<b>&gt;100%</b>
<b>Ratio</b>	<b>-0.6 %</b>	<b>1.6 %</b>	<b>2.14</b>	<b>-</b>
<b>Income Before Tax</b>	<b>582 594</b>	<b>965 508</b>	<b>382 914</b>	<b>66 %</b>
<b>Ratio</b>	<b>5.5 %</b>	<b>7.7 %</b>	<b>2.20</b>	<b>-</b>
Taxes	165 410	203 136	37 726	23 %
<b>Ratio</b>	<b>1.6 %</b>	<b>1.6 %</b>	<b>0.06</b>	<b>-</b>
<b>Net Income</b>	<b>417 184</b>	<b>762 372</b>	<b>345 188</b>	<b>83 %</b>
<b>Ratio</b>	<b>3.9 %</b>	<b>6.1 %</b>	<b>2.14</b>	<b>-</b>

**Consolidated revenue stood at 13.947 MMAD**, up **+19%** compared to 2021, growth of which 2/3 were driven by the increase in volumes sold thanks to (i) new store openings and (ii) an aggressive commercial policy.

**EBIT**, up **+19%** driven by (i) higher volumes and (ii) effective control of operating expenses.

Positive **Financial Income** despite a significant level of investment made during the year.

**Current Income** up **+20%**, reflecting the Group's resilience in an uncertain context.

**Exceptional Non-recurring Income of MAD 196.4 MMAD**, thanks to the capital gain realized by the Group following the contribution of land and real estate assets to its OPCI Terramis.



3

# 2022 CONSOLIDATED RESULTS

## KEY PERFORMANCE INDICATORS: REVENUE

SALES BY  
BUSINESS  
SEGMENT

+18%

155

STORES

35%

OF GROUP  
REVENUE

+24%

+17%

CONSTANT  
SCOPE



27%

OF GROUP  
REVENUE

+13%

+10%

CONSTANT  
SCOPE



34%

OF GROUP  
REVENUE

+13%

+2%

CONSTANT  
SCOPE



CHANGE IN REVENUE	2021	2022	YOY CHANGE	
			AMOUNT	%
SUPERMARKETS	3 826 411	4 322 709	496 298	13.0 %
HYPERMARKETS	2 969 792	3 351 217	381 425	12.8 %
HYPER CASH	3 523 281	4 354 175	830 894	23.6 %
GAS STATIONS	314 462	539 194	224 732	71.5 %
TOTAL	10 633 946	12 567 295	1 933 349	18.2 %

The Hypercash segment sales were up 24% thanks to :

- A higher contribution of hypercash to the total Group revenue
- Atacadao low-cost positioning which helped mitigate the impact of inflation on purchasing power

+13% increase in revenue achieved by the hypermarket segment was mainly driven by volumes sold.

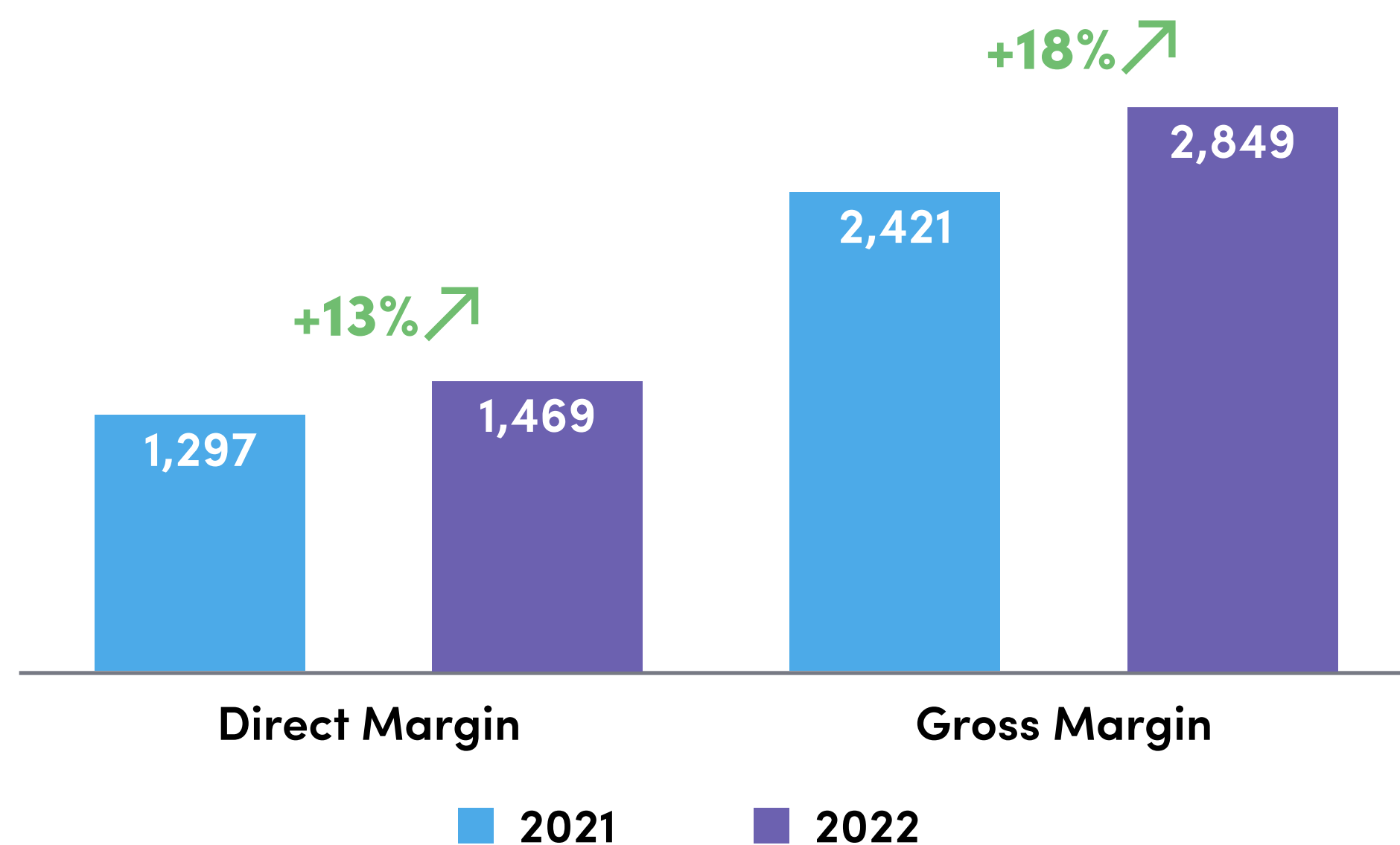
The supermarket segment yielded a 2% increase in like-for-like sales.

Sales in the segment were boosted by the numerous openings in 2021 and 2022.

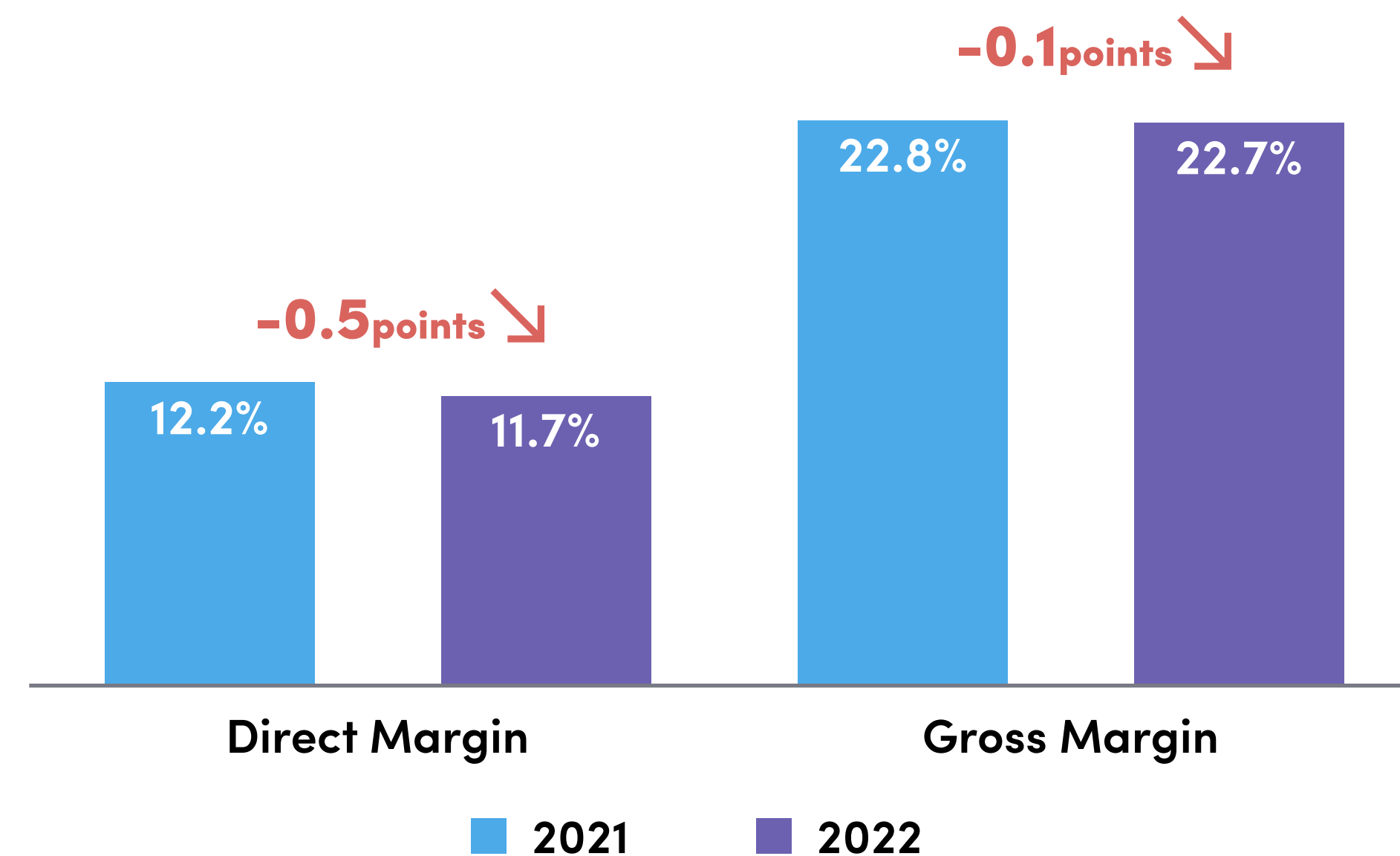


## STABLE MARGINS DESPITE AN AGGRESSIVE COMMERCIAL POLICY

Evolution of margins in MMAD



Evolution of Margins as % of sales

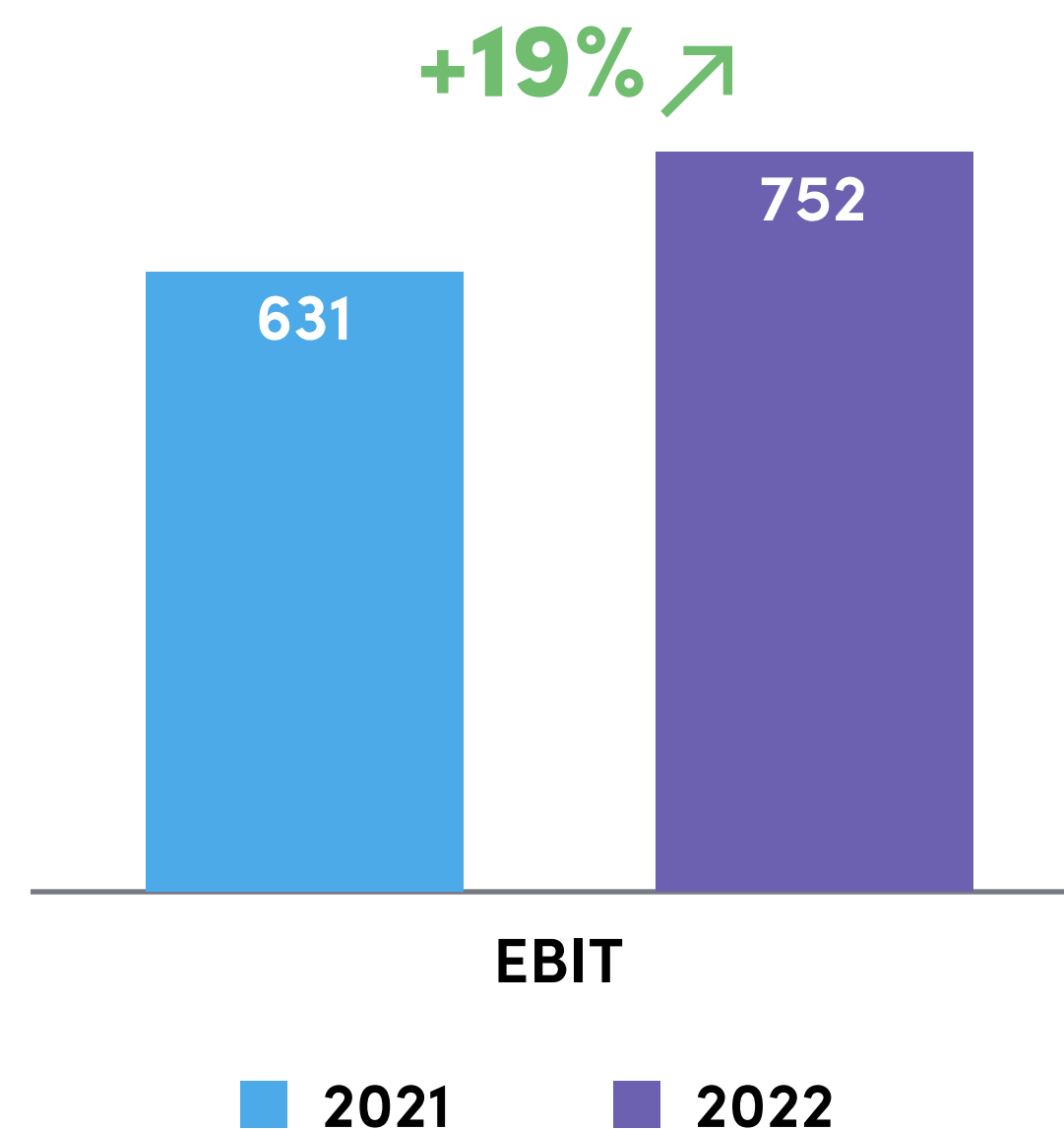


- The Direct Margin decreased by 0.5 percentage points reflecting the aggressive commercial policy implemented to support purchasing power.
- The decrease in gross margin was offset by the improvement in the back margin due to increased sales volumes and the effect of new openings.

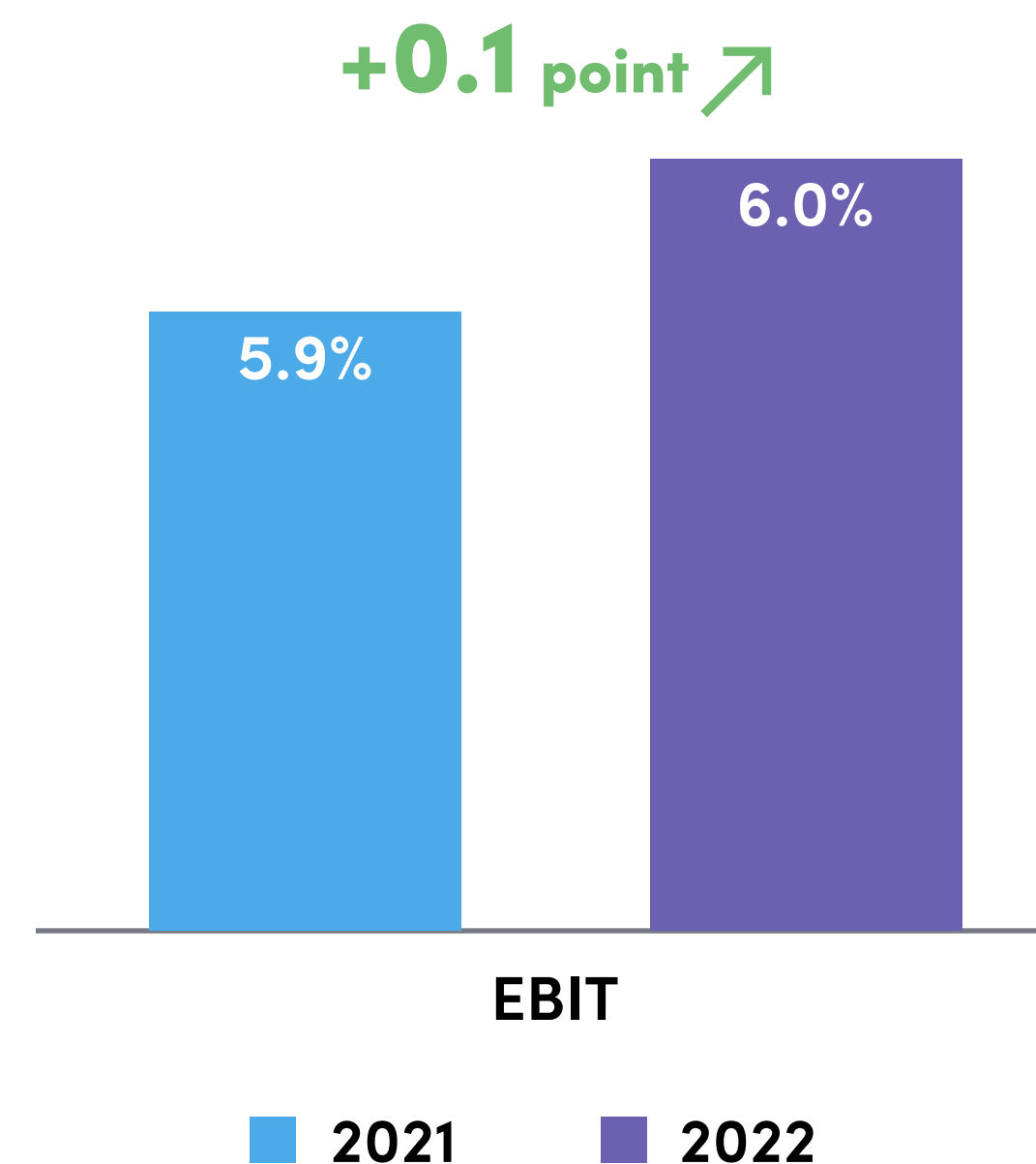


## OPERATING INCOME SOARED BY 19%

Evolution of EBIT in MMAD



Evolution of EBIT as % of sales



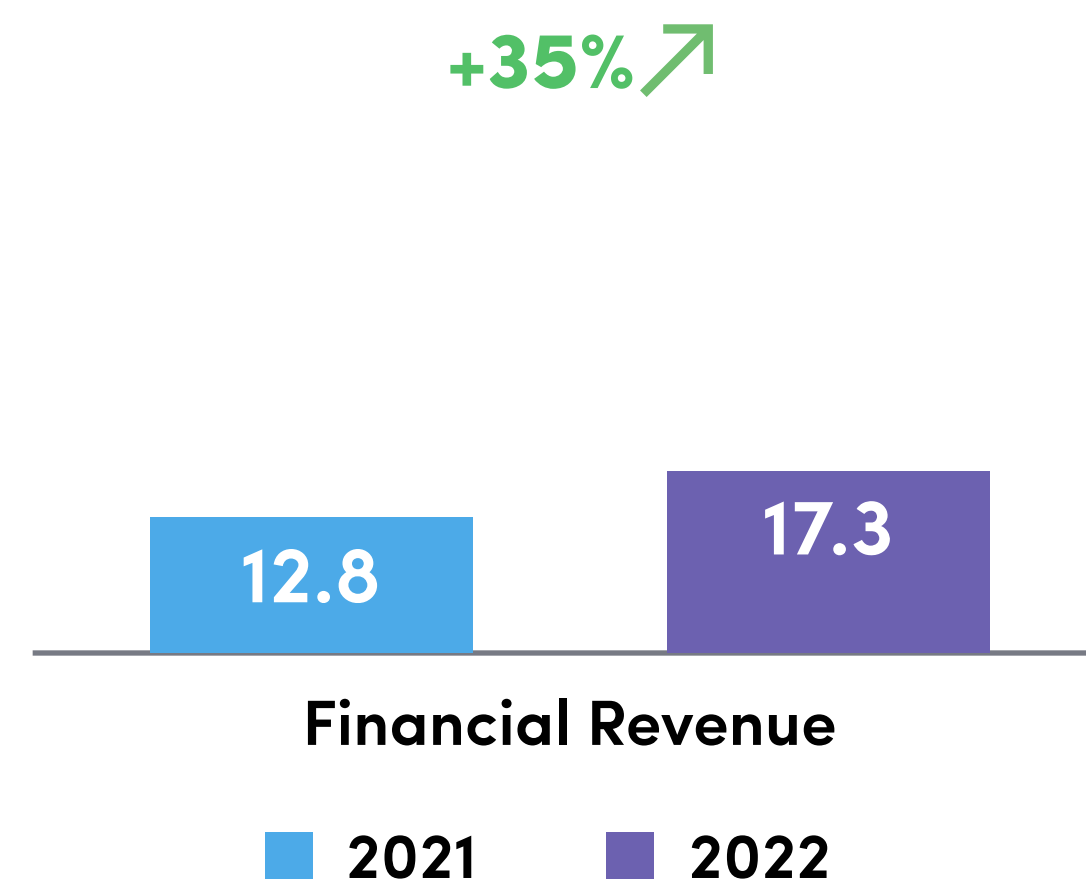
## Operating Income soared by 19% thanks to :

- Higher sales volumes.
- An effective control of the operating expenses which were flat YoY despite an inflationary context, thanks to the volumes sold and cost-cutting efforts.

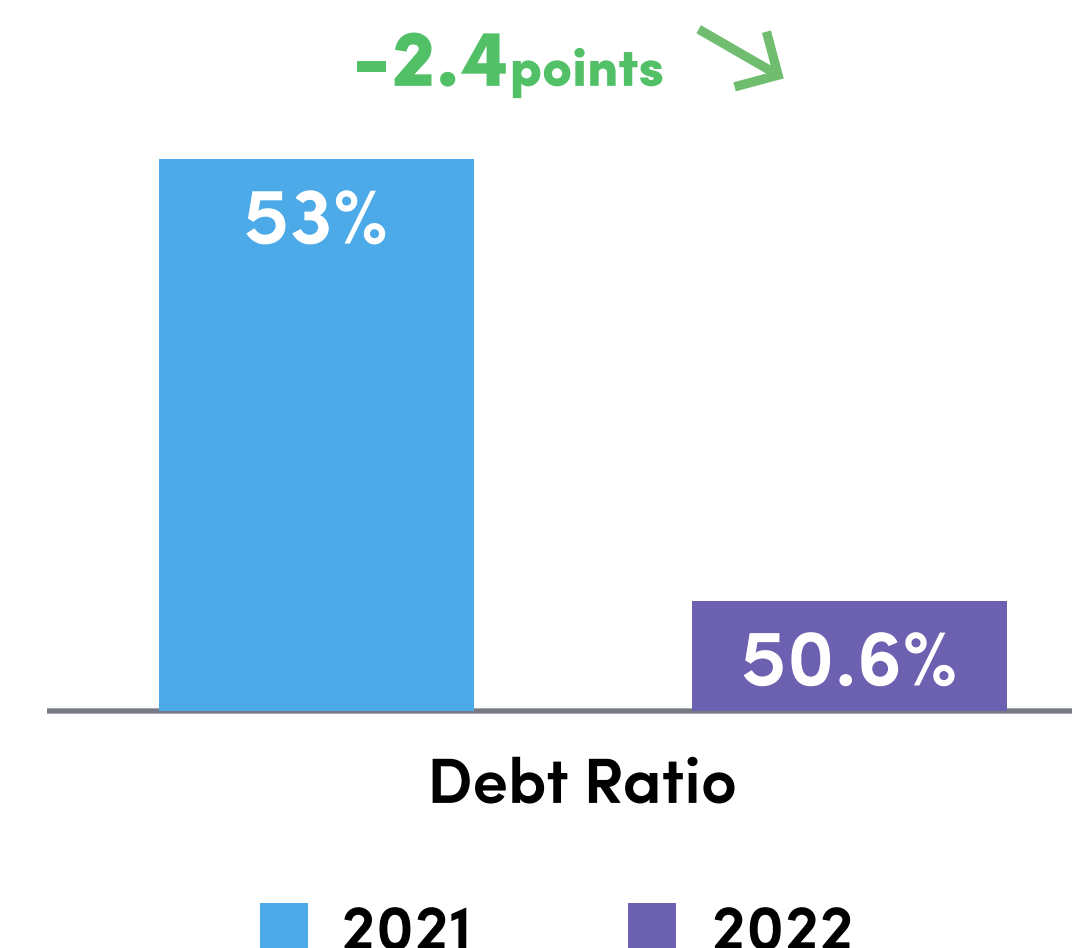


## FINANCIAL INCOME UP DESPITE A SIGNIFICANT LEVEL OF INVESTMENT

Evolution of the Financial Income in MMAD



% Debt ratio

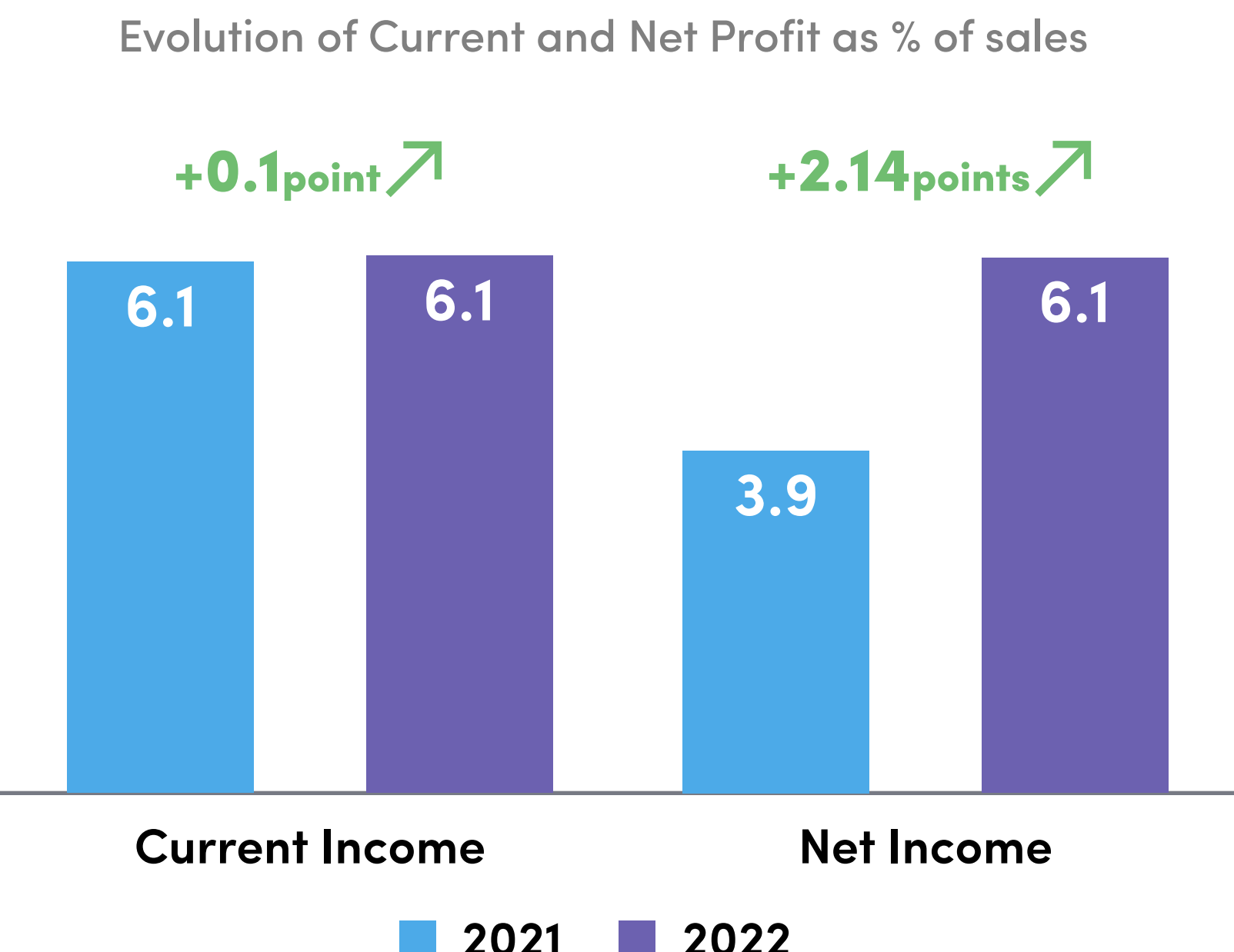
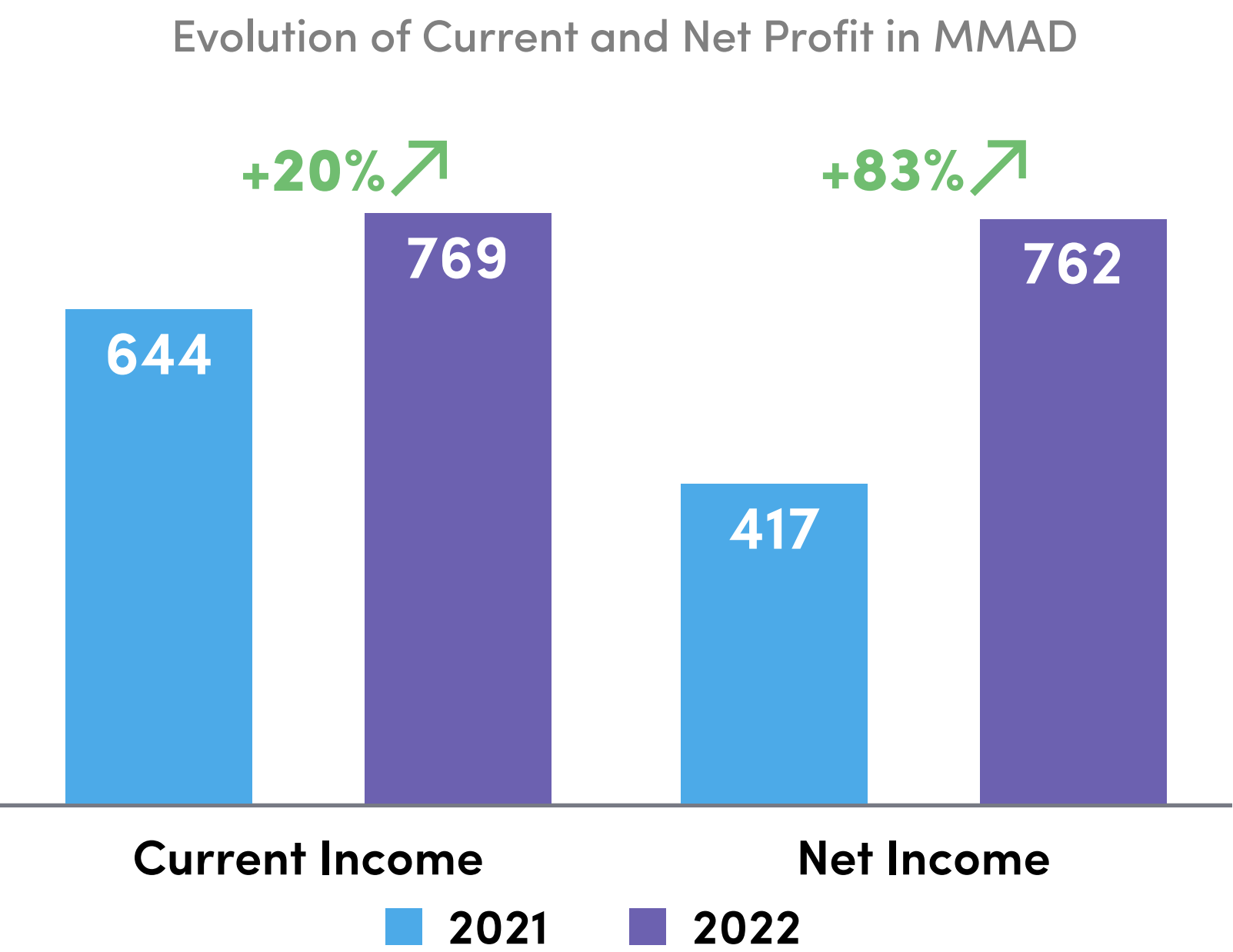


Financial Income stood at 17.3 million dirhams despite an investment level of 1,173 million dirhams in 2022. This result is explained by :

- An effective control of financing cost despite the increase in cost of financing in 2022, thanks to the diversification of sources of funding.
- The increase in investment income.



# CURRENT INCOME SOARED BY 20% REFLECTING THE GROUP'S RESILIENCE AMID AN UNCERTAIN CONTEXT



- Current Income increased by +20% driven by :
  - The Group's resilience and its ability to adapt on the commercial side.
  - Effective cost control in a challenging environment.
- Net Income soared by +83% to stand at +345,2 MMAD Net Margin increased by +2,14 pts to stand at 6,1%.



# **CASH & BALANCE SHEET INDICATORS**



# 3 2022 CONSOLIDATED FINANCIAL STATEMENTS

## CASH AND BALANCE SHEET INDICATORS : ACTUALS VS. PREVIOUS FY

FINANCIAL INDICATORS	FY 2021		FY 2022		EVOLUTION	
	ACTUAL	DAYS OF SALES	ACTUAL	DAYS OF SALES	ACTUAL	DAYS OF SALES
WC	247 130	12 567 295	239 102	7	-8 028	-2
<b>EQUITY</b>	<b>2 442 466</b>	<b>84</b>	<b>2 953 855</b>	<b>86</b>	<b>511 389</b>	<b>2</b>
Net Income	417 184	-	762 372	-	-	-
Dividends	-170 000	-	-400 000	-	-	-
Capital Increase	-	-	180 000	-	-	-
<b>DEBT</b>	<b>3 527 685</b>	<b>121</b>	<b>3 832 629</b>	<b>111</b>	<b>304 944</b>	<b>-10</b>
Long-term Liabilities	5 970 151	205	6 786 484	197	816 333	-8
<b>Net Debt Ratio</b>	<b>53.0 %</b>	<b>-</b>	<b>50.6 %</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FIXED ASSETS</b>	<b>-5 723 021</b>	<b>-196</b>	<b>-6 547 380</b>	<b>-190</b>	<b>-824 359</b>	<b>6</b>
<b>WCR</b>	<b>1 052 367</b>	<b>36</b>	<b>1 122 028</b>	<b>33</b>	<b>69 661</b>	<b>-4</b>
<b>OTHER SHORT-TERM ASSETS</b>	<b>-462 544</b>	<b>-16</b>	<b>-558 975</b>	<b>-16</b>	<b>-96 431</b>	<b>0</b>
<b>CASH &amp; INVESTMENTS</b>	<b>836 953</b>	<b>29</b>	<b>802 155</b>	<b>23</b>	<b>-34 798</b>	<b>-5</b>

- **WC maintained at previous level**
- **WCR** stood at 33 days of sales mainly driven by an increase in inventory levels.
- The net debt ratio stood at **50,6%** in line with the Group's target.



# OUTLOOK



### **Acceleration of the development plan**

Group LabelVie decided to accelerate its development program with a foreseen opening of about thirty new stores in 2023.

### **Continuation of the group's Digital Transformation**

LabelVie Group plans to persist in its digital transformation roadmap

### **Continuation of the support provided to customers' purchasing power**

In line with the strategy pursued in 2022, the Group is expected to continue its support program for customers' purchasing power in 2023

### **Dividends**

On March 2, 2023, the Board of Directors put forward a proposal at the Shareholders' General Meeting for the distribution of a dividend of 250 million dirhams for the 2022 fiscal year, which corresponds to 86.36 dirhams per share.



