



LABEL'VIE L.L.C.

## SUMMARY OF THE INFORMATION PACK RELATING TO THE COMMERCIAL PAPER ISSUANCE PROGRAM

Initial program implementation date: 2013

ISSUANCE PROGRAM CEILING

MAD 800 000 000

NOMINAL VALUE

MAD 100 000

Financial Advisor  
Investment Organization  
Domiciliary Establishment

CDG CAPITAL

### Registration with the Moroccan Capital Market Authority (AMMC)

*In accordance with the provisions of the AMMC circular, this reference document was registered by the AMMC on 12 September 2023 under reference EN/EM/015/2023. This reference document may only be used as a basis for canvassing or for collecting orders in connection with a financial transaction if it forms part of a prospectus duly approved by the AMMC.*

### Annual update of the information file on the commercial paper program

*At the registration date of this reference document, the AMMC approved the annual update of the information file relating to the commercial paper program. This file comprises :*

- this reference document;*
- the note relating to the commercial paper program registered by the AMMC on December 13, 2019, under reference EN/EM/016/2019 and available at the following link:*

*[http://www.ammc.ma/sites/default/files/Note\\_BT\\_LBV\\_016\\_2019\\_2.pdf](http://www.ammc.ma/sites/default/files/Note_BT_LBV_016_2019_2.pdf)*

*The said update has been approved by the AMMC under reference VI/EM/026/2023*

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## Disclaimer

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The Moroccan Authority for the Capital Market (AMMC) approved, on September 12 2023 a Summary Offer Information package for a debt securities issue program of Label'Vie PLC.

The information package certified by the AMMC is available at any time at Label'Vie's headquarters, on its website [www.labelvie.ma](http://www.labelvie.ma), and from its financial advisor. It is also available within 48 hours at the order-collecting establishments.

The information package is made available to the public in the headquarters of the Casablanca Stock Exchange and its website: [www.casablancabourse.com](http://www.casablancabourse.com). It is also available on the AMMC website [www.ammc.ma](http://www.ammc.ma).

This summary has been translated by Aaron & Babel under the joint responsibility of that translator and Label'Vie PLC.

In the event of any discrepancy between the contents of this summary and the information package certified by the AMMC, only the certified information package by the AMMC will be considered as authentic.

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## **Part I. PRESENTATION OF THE OPERATION**

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## **I. Objectives of the operation**

### **I.1. General framework of the operation**

In accordance with the provisions of Article 15 of Law No. 35-94 promulgated by Dahir No. 1-95-3 of 24 Châabane 1415 (January 26, 1995) and of Order No. 2560-95 of the Minister of Finance and Foreign Investments of October 9, 1995 relating to Negotiable Debt Securities, the company Label'Vie P.L.C issues Commercial Papers to the public, bearing interest to represent a debt for a period of less than or equal to one year.

This issuance program, capped at MAD 800,000,000, was authorized by the Board of Directors gathered on September 24, 2013, which empowered Mr. Zouhair Bennani, the Chairman of the Board of Directors of Label'Vie P.L.C to set the characteristics of every made issue of the said program.

To this end, Label'Vie P.L.C. will issue interest-bearing commercial papers to the public to represent a debt, for a term of up to one year.

In accordance with the provisions of Article 15 of law number 35-94 promulgated by Dahir No. 1-95-3 on Chaabane 24th, 1415 (January 26th, 1995), and with the decree of the Minister of Finance and External Investments No. 2560-95 of October 9th, 1995 related to Negotiable Debt Securities, Label 'Vie has established, with its financial advisor, an information dossier related to its activity, its economic and financial situation and its issuance program.

Pursuant to Article 17 of the aforementioned law, and as long as the Negotiable Debt Securities are in circulation, the information package shall be updated annually within 45 days after the Ordinary Shareholders' Meeting called to approve the financial statements for the last financial year.

However, occasional updates may be made in the event of a change in the maximum outstanding amount of securities issued or any new event likely to have an impact on changes in the price of securities or the successful completion of the program.

### **I.2. Investors concerned by the program**

Individuals or legal entities, resident or non-resident.

### **I.3. Subscription period**

Whenever Label'Vie P.L.C. has a cash-flow requirement, CDG Capital will open the subscription period at least 3 business days before the vesting date. It should be noted that the subscription period may be closed early once the entire issue has been placed.

### **I.4. Investment organization – financial broker(age entity)**

Investments are made exclusively by CDG Capital.

However, they may also be carried out by one or more organizations chosen by CDG Capital itself. In this case, an underwriting syndicate is formed 15 days before the subscription period, and the underwriting agreement is submitted to the AMMC before the opening of the subscription period.

Financial advisor and global coordinator	CDG CAPITAL	Tour Mamounia, Place Moulay El Hassan – Rabat
Investment Operating Agency		<b>Tel : 05 37 66 52 52</b>
Issuer of securities accounts		<b>Fax : 05 37 66 52 80</b>

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## I.5. Objectives of the operation

Label'Vie started a commercial paper issuance program in order to:

- Deal with the temporary cash-flow needs induced by changes working capital requirement during the year;
- Vary funding sources in order to better negotiate with its financial partners;
- Optimize the cost of short-term financing by partially substituting commercial papers to existing bank loans;
- Consolidate its image among institutional investors through increased visibility on the capital market.

## II. Characteristics of the to-be-issued commercial papers

<b>Nature of the Securities</b>	Negotiable Debt Securities dematerialized by subscription at the Central Depository (Maroclear) and recorded in the books of authorized affiliates.
<b>Legal form of the securities</b>	Commercial Papers to bearer
<b>Issuance ceiling</b>	MAD 800 000 000
<b>Nominal Value</b>	MAD 100 000
<b>Number of securities</b>	8 000
<b>Maturity</b>	From 10 days to 1 year
<b>Vesting date</b>	At the settlement date
<b>Interest rate</b>	Determined for each issuance on the basis of the market's conditions.
<b>Interests</b>	Accrued* interests
<b>Coupon payment</b>	In fine, at due date of each commercial paper.
<b>Repayment</b>	In fine, at due date of each commercial paper.
<b>Assimilation clause</b>	The commercial paper issued is not assimilated to any previous issue.
<b>Securities negotiability</b>	No restriction is imposed by the conditions of the issuance in regards to the negotiability of the issued commercial paper. The securities are negotiable by mutual agreement.
<b>Guarantee</b>	The issue is not the subject of any guarantee
<b>Rank</b>	The issuance program of commercial paper is not subject to any other indebtedness of the company.
<b>Rating</b>	The issue commercial papers have not been subject of any rating request.

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## **Part II. INFORMATION ON THE ISSUER**

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### III. Activity description

#### III.1. General information

<b>Corporate Name</b>	Label'Vie S.A.
<b>Registered Office</b>	<ul style="list-style-type: none"> <li>Head Office: Corner rue Rif &amp; Route des Zaers Km 3,5 Souissi Rabat.</li> <li>Administrative Office in Skhirat: rural commune of Assabah, prefecture of Skhirat Témara, Ouled Othmane, Route Nationale n°1.</li> </ul>
<b>Telephone</b>	+212 5 37 56 95 95
<b>Fax</b>	+212 5 37 56 95 66
<b>Website</b>	<a href="http://www.labelvie.ma">www.labelvie.ma</a>
<b>Legal Form</b>	public limited company under Moroccan Law with a Board of Administrators
<b>Incorporation Date</b>	October 16 <sup>th</sup> , 1985
<b>Lifetime</b>	99 years
<b>Trade Register Ref</b>	27 433 Rabat
<b>Fiscal Year</b>	From the 1 <sup>st</sup> of January to the 31 <sup>st</sup> of December
<b>Date of IPO</b>	July 02 <sup>nd</sup> , 2008
<b>Share Capital (as of 30/06/2023)</b>	MAD 289 395 700 split in 2 893 957 shares of a nominal value of MAD 100 each.

According to Article 2 of the articles of association, the object of the company is:

#### Corporate Purpose

- The purchase and sale, in the form of self-service (supermarket) or any other form, of any article and consumer product and in particular: food products, cleaning products, perfumes, lingerie, drugstore, gardening, furnishing and decoration products, children's articles (toys, hosiery, etc.), electronic goods (radios, televisions, pictures, stoves, refrigerators, etc.), paramedical articles, tobaccos, tobacco goods, newspapers, stationery and bookstore;
- The operation of bakery, pastry, butcher's shop, fishmonger, rotisserie, etc;
- The purchase and retail sale of all beverages (alcoholic or not), all in accordance with the laws and regulations in force in Morocco;
- The company may also be interested in any Moroccan or foreign companies or companies whose business is similar or likely to favor and develop its own business;
- And more generally, all industrial, commercial, financial, securities or real estate operations directly or indirectly related to the corporate purpose and likely to promote its realization.

#### List of Applicable Laws and Regulations

Through its legal form, the company is governed by Law No. 17-95 promulgated by the Dahir No. 1-96-124 of August 30, 1996 relating to the public limited companies, as modified and supplemented by the laws No. 81-99, 23-01, 20-05, 78-12. As a listed Company (on the Casablanca Stock Exchange), Label'Vie P.L.C. is subject to all legal and regulatory provisions relating to the financial market and in particular:

- The Dahir Law No. 1-12-55 of 28 December 2012 promulgating Law No. 44-12 on the public offering and the information required of legal persons and organizations going public;
- The Dahir Law No. 1-95-3 of 26 January 1995 promulgating Law No. 35-94 on Certain Negotiable Debt Securities, as amended and supplemented by Laws Nos. 35-96 and 33-06;
- General Regulation of the Casablanca Stock Exchange approved by the Decree of the Minister of Economy and Finance, by the Decree No. 1268 - 08 of July 07, 2008 amended and supplemented by



- the Decree of the Minister of the Economy and Finance No. 1156-10 of April 7, 2010, No. 30-14 of January 6, 2014 and No. 1955-16 of July 4, 2016;
- Dahir promulgating law no 1-96-246 of January 9, 1997 promulgating law no 35-96 relating to the creation of a central depository and to the institution of a general system of the registration in account of certain values as modified by Law No. 43-02;
  - General Regulation of the Central Depository approved by the Order of the Minister of Economy and Finance No. 932-98 of April 16, 1998 and amended by the Order of the Minister of the Economy, Finance, Privatization and Tourism No. 1961-01 of 30 October 2001 and Order No. 77-05 of 17 March 2005;
    - Dahir No 1-04-21 of April 21, 2004 promulgating the law no 26-03 relative to the public offers on the Moroccan stock market as modified by the law No 46-06;
  - The law no. 19-14 on the Stock Exchange, brokerage firms and financial investment advisors;
  - General Regulation of the AMMC approved by the Order of the Minister of the Economy and Finance No. 2169-16 of July 14, 2016;
  - The current AMMC's circulars;
  - As a result of its activity, Label'Vie P.L.C. is subject to the various legislative texts as presented in the section « Business sector, national environment of large retailers, business sector».

**Locations for consulting legal documents**

The Company accounting and legal documents, whose communication is required by law, as well as the Articles of Association, may be consulted at the registered office of the company.

**Court of jurisdiction in case of dispute**

Commercial Court of Rabat

**Tax Regime**

- The Company is subject to Corporate Tax at the so-called "progressive rate";
- The Company is subject to VAT (0%, 7%, 10%, 14% and 20%), at the standard legal rate (20%) for investments and other products.

Source:  
Label'Vie

### III.2. Breakdown of sales by department and formats

In MMAD	2020	2021	2022	TCAM 20/22
<b>FMCG &amp; Liquids</b>	<b>6 291</b>	<b>6 553</b>	<b>7 561</b>	<b>10%</b>
Carrefour Market & Sup Eco	2 331	2 323	2 517	4%
Carrefour Hyper	1 139	1 382	1 530	16%
Atacadao	2 821	2 848	3 514	12%
<b>Fresh Products</b>	<b>2 813</b>	<b>2 938</b>	<b>3 548</b>	<b>12%</b>
Carrefour Market & Sup Eco	1 459	1 417	1 701	8%
Carrefour Hyper	753	880	1 046	18%
Atacadao	601	642	800	15%
<b>Leisure &amp; Appliances</b>	<b>306</b>	<b>369</b>	<b>407</b>	<b>15%</b>
Carrefour Market & Sup Eco	2	3	5	58%
Carrefour Hyper	304	366	401	15%
Atacadao	0	0	0	-
<b>Bazaar</b>	<b>234</b>	<b>278</b>	<b>304</b>	<b>14%</b>
Carrefour Market & Sup Eco	45	44	44	-1%
Carrefour Hyper	159	203	221	18%

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Atacadao	29	31	38	14%
<b>Textiles and home furnishings</b>	<b>106</b>	<b>130</b>	<b>143</b>	<b>16%</b>
Carrefour Market & Sup Eco	6	6	8	16%
Carrefour Hyper	100	124	135	15%
Atacadao	1	0	0	-100%
<b>Services</b>	<b>265</b>	<b>364</b>	<b>597</b>	<b>50%</b>
Carrefour Market & Sup Eco	54	65	89	28%
Carrefour Hyper	63	89	136	47%
Atacadao	149	210	371	58%
<b>Total sales excluding VAT/Taxes</b>	<b>10 015</b>	<b>10 633</b>	<b>12 559</b>	<b>12%</b>

Source: Label'Vie

#### IV. Shareholding

Label'Vie shareholding as of 30/06/2023

shareholders	30/06/2023		
	Number of shares	Right to vote	% of capital
Retail Holding	1 477 654	1 477 654	51,06%
Floating & others <sup>1</sup>	1 081 656	1 081 656	37,38%
Sanlam Assurance	189 645	189 645	6,55%
ALJIA Holding (ex-ETAMAR)	90 000	90 000	3,11%
Employees	55 002	55 002	1,90%
<b>Total</b>	<b>2 893 957</b>	<b>2 893 957</b>	<b>100,00%</b>

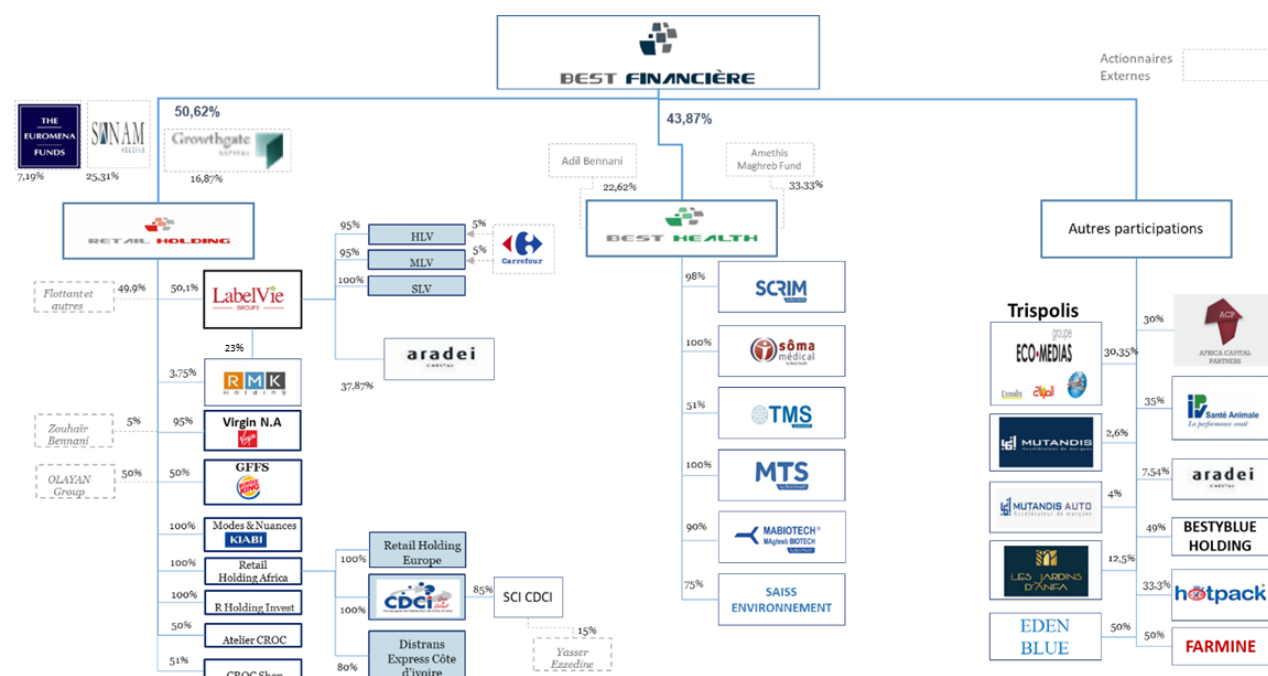
Source: Label'Vie

#### V. Legal Organization chart

<sup>1</sup> Others, corresponds to the actions of Board representation

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Figure 1: Best Financière legal organization chart at 30/06/2023



Source : Label'Vie

The diversification of the Group's activities has led the Executive team to opt for a reorganization by lines of business. As a result, the Best Financière Group is organized around 2 main business segments, and achieved a net profit of MMAD 10.3 in 2020, MMAD 15.8 in 2021 and MMAD 29.8 in 2022.

In 2020, the increase in net income was mainly due to:

- Invoicing of 10 MMAD to Label Vie in 2020 for various services and a slight drop in royalties rebilled to Virgin;
- Invoicing of 7 MMAD in external expenses relating to the bond issue;
- 16 MMAD in TP income (Retail Holding distribution for 2019, whereas no distribution was made in respect of 2018 income);
- 5 MMAD of investment income compared to 2019;
- 3 MMAD on non-recurring income due to the neutrality of the Lease Back transaction for the construction of the new head office;

In 2021, the increase in net income is mainly due to dividends received from Aradei Capital and Best Health.

In 2022, net income was 84% higher than in 2021 due to a net improvement in non-current income linked to the contribution of Terramis assets.

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### **Part III. LABEL'VIE'S FINANCIAL POSITION**

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## VI. Consolidated financial statements

### VI.1. Analysis of consolidated income statements over the period (2020-2022)

In MMAD	2020	2021	Var. 20-21	2022	Var. 21-22
Sales of goods in the unaltered state	10 015,44	10 633,95	6%	12 567,30	18%
Sales of goods and services produced	996,97	1 124,30	13%	1 379,53	23%
<b>Consolidated turnover</b>	<b>11 012,41</b>	<b>11 758,24</b>	<b>7%</b>	<b>13 946,82</b>	<b>19%</b>
Operating reversals	94,60	142,85	51%	175,35	23%
<b>Consolidated operating proceeds I</b>	<b>11 107,00</b>	<b>11 901,10</b>	<b>7%</b>	<b>14 122,17</b>	<b>19%</b>
Resale purchases of goods	8 808,33	9 337,09	6%	11 098,12	19%
Costs of supplies and consumable material	225,04	224,20	-0,4%	270,33	21%
Other external expenses	572,67	651,81	14%	813,67	25%
Dues and taxes	68,85	76,59	11%	78,45	2%
Staff costs	521,95	574,51	10%	645,68	12%
Other operating expenses	-	-	-	-	-
Operating expenses	369,59	406,14	10%	464,08	14%
<b>Consolidated operating expenses II</b>	<b>10 566,43</b>	<b>11 270,34</b>	<b>7%</b>	<b>13 370,33</b>	<b>19%</b>
<b>OPERATING RESULT (I-II) III</b>	<b>540,58</b>	<b>630,76</b>	<b>17%</b>	<b>751,84</b>	<b>19%</b>
Income from equity securities and fixed assets	77,31	58,01	-25%	87,02	50%
Exchange gains	1,01	1,76	74%	1,96	11%
Interest and other financial proceeds	31,19	88,43	>100%	53,81	-39%
Financial reversals and expense transfers	7,07	4,65	-34%	13,90	>100%
<b>Financial Proceeds IV</b>	<b>116,59</b>	<b>152,85</b>	<b>31%</b>	<b>156,69</b>	<b>3%</b>
Interest charges	129,70	136,62	5%	130,21	-5%
Exchange losses	3,23	1,12	-65%	6,71	>100%
Other financial charges	0,01	2,21	>100%	1,55	-30%
Financial allocations	0,12	0,12	2%	0,96	>100%
<b>Financial charges V</b>	<b>133,06</b>	<b>140,07</b>	<b>5%</b>	<b>139,43</b>	<b>-0,5%</b>
<b>Financial Result (IV-V) VI</b>	<b>- 16,47</b>	<b>12,77</b>	<b>-178%</b>	<b>17,26</b>	<b>35%</b>
<b>CURRENT RESULT (III+VI) VII</b>	<b>524,10</b>	<b>643,53</b>	<b>23%</b>	<b>769,10</b>	<b>20%</b>
Proceeds from disposal of fixed assets	3,93	2,78	-29%	1 216,15	>100%
Other non-current proceeds	0,90	0,55	-39%	1,86	>100%
Non-current reversals charges transfer	75,55	1,07	-99%	10,72	>100%
<b>Non-Current Proceeds VIII</b>	<b>80,39</b>	<b>4,41</b>	<b>-95%</b>	<b>1 228,73</b>	<b>&gt;100%</b>
Net depreciation value of assets sold	2,72	3,41	26%	925,56	>100%
Other non-current charges	150,21	52,99	-65%	62,02	17%
NC allocations to depreciation and provisions	1,08	8,94	>100%	44,75	>100%
<b>Non-current loads IX</b>	<b>154,01</b>	<b>65,35</b>	<b>-58%</b>	<b>1 032,33</b>	<b>&gt;100%</b>
<b>Non-current result (VIII-IX) X</b>	<b>- 73,62</b>	<b>- 60,94</b>	<b>-17%</b>	<b>196,40</b>	<b>&gt;100%</b>
<b>PROFIT BEFORE TAX (VII + X) XI</b>	<b>450,48</b>	<b>582,59</b>	<b>29%</b>	<b>965,51</b>	<b>66%</b>
Income taxes	112,80	165,41	47%	203,14	23%

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<b>NET PROFIT</b>	<b>337,68</b>	<b>417,18</b>	<b>24%</b>	<b>762,37</b>	<b>83%</b>
<b>Net income, Group share</b>	<b>330,29</b>	<b>407,24</b>	<b>23%</b>	<b>748,35</b>	<b>84%</b>
<b>Minority Net Income</b>	<b>7,39</b>	<b>9,95</b>	<b>35%</b>	<b>14,02</b>	<b>41%</b>

Source : Label'Vie

## VI.2. Analysis consolidated balance sheet assets (2020-2022)

En MMAD	2020	2021	Var. 20 – 21	2022	Var. 21 -22
<b>Intangible assets (A)</b>	<b>1 061,8</b>	<b>1 162,4</b>	<b>10%</b>	<b>1 396,1</b>	<b>20%</b>
R&D fixed assets	612,7	690,4	13%	814,2	18%
Patents, trademarks, rights & val. similar	24,3	23,9	-2%	25,0	5%
Commercial funds	424,8	424,8	0%	439,8	4%
Goodwill <sup>1</sup>	-	23,2	>100%	117,0	>100%
<b>Tangible assets (B)</b>	<b>2 543,3</b>	<b>3 464,0</b>	<b>36%</b>	<b>2 902,8</b>	<b>-16%</b>
Land	456,9	922,2	>100%	480,7	-48%
Buildings	862,9	991,2	15%	613,3	-38%
Technical installations, machinery and equipment	438,8	514,5	17%	583,9	13%
Transportation equipment	0,1	0,2	>100%	0,2	-15%
Furniture, office equip. and configured. various	562,1	689,1	23%	828,7	20%
Other tangible fixedassets	47,7	52,6	10%	66,7	27%
investments in progress	174,8	294,3	68%	329,4	12%
<b>Financial assets (C)</b>	<b>1 091,3</b>	<b>1 096,6</b>	<b>1%</b>	<b>2 248,4</b>	<b>105%</b>
Locked-in loans	-	-	-	-	0%
Equity securities	1 058,4	1 063,7	1%	2 215,1	108%
Other financial claims	32,8	32,9	0%	33,3	1%
<b>Translation difference - Asset (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL I = (A+B+C+D)</b>	<b>4696,4</b>	<b>5 723,0</b>	<b>22%</b>	<b>6 547,4</b>	<b>14%</b>
<b>Inventories (E)</b>	<b>1741</b>	<b>1 960,0</b>	<b>13%</b>	<b>2 453,1</b>	<b>25%</b>
Merchandise	1722,6	1 941,4	13%	2 324,8	20%
Consumable materials and supplies	18,4	18,3	-1%	20,8	14%
Products in process	-	-	-	107,4	100%
Finished products	-	-	-	-	-
<b>Receivables from Current Assets (F)</b>	<b>1713,2</b>	<b>1 587,4</b>	<b>-7%</b>	<b>1 793,4</b>	<b>13%</b>
Suppliers debtors, advances and payments	152,1	165,5	9%	207,2	25%
Customers and related accounts	817,1	626,1	-23%	726,0	16%
Staff	11,3	12,0	6%	13,9	16%
State	634,7	685,3	8%	695,8	2%
Partners' accounts <sup>1</sup>	2	5,9	>100%	-	-100%
Otherdebtors	87,2	87,0	0%	148,7	71%
Accruals-assetaccounts	8,8	5,7	-36%	1,8	-68%
<b>Securities and investment values (G)</b>	<b>284,2</b>	<b>218,6</b>	<b>-23%</b>	<b>236,8</b>	<b>8%</b>

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<b>Currency translation difference Assets (H)</b>	<b>0,1</b>	<b>0,1</b>	<b>0%</b>	<b>1,0</b>	<b>&gt;100%</b>
<b>TOTAL II (E+ F + G + H)</b>	<b>3738,4</b>	<b>3 765,7</b>	<b>1%</b>	<b>4 484,3</b>	<b>19%</b>
<b>Cash - assets</b>	<b>801,1</b>	<b>718,4</b>	<b>-10%</b>	<b>765,3</b>	<b>7%</b>
Checks and bills to cash	46,7	45,9	-2%	68,2	49%
Banks, TG & CP	739,7	656,0	-11%	680,0	4%
Cash registers, agencies and letters of credit	14,7	16,4	12%	17,1	4%
<b>TOTAL III</b>	<b>801,1</b>	<b>718,4</b>	<b>-10%</b>	<b>765,3</b>	<b>7%</b>
<b>GENERAL TOTAL (I + II + III)</b>	<b>9235,9</b>	<b>10 207,2</b>	<b>11%</b>	<b>11 797,0</b>	<b>16%</b>

Source: Label'Vie

### VI.3. Analysis of consolidated liabilities (2020-2022)

In MMAD	2020	2021	Var. 20 – 21	2022	Var. 21 -22
<b>Equity</b>					
Share capital or personal assets	283,9	283,9	0%	289,4	2%
Share, merger, contribution premiums	1 150,5	1 150,5	0%	1 125,0	-2%
Goodwill	-	-	-	-	-
Legal reserve	28,4	28,4	0%	28,4	0%
Other reserves (consolidated reserves)	222,1	394,4	78%	582,1	48%
Retained earnings	147	123,2	-16%	110,9	-10%
Consolidated net income	337,7	407,2	24%	748,4	84%
<b>TOTAL SHAREHOLDERS 'EQUITY (A)</b>	<b>2 169,6</b>	<b>2 397,6</b>	<b>11%</b>	<b>2 884,2</b>	<b>20%</b>
<b>Minority interests (B)</b>	<b>24,6</b>	<b>31,9</b>	<b>30%</b>	<b>55,9</b>	<b>75%</b>
Minority interests	24,6	31,9	30%	55,9	75%
<b>Financial debts (C)</b>	<b>3 020,6</b>	<b>3 527,7</b>	<b>17%</b>	<b>3 832,6</b>	<b>9%</b>
Debenture Bonds	1 766,2	2 014,3	14%	1 909,3	-5%
Other financial debts	1 254,4	1 513,4	21%	1 923,3	27%
<b>Sustainable provisions for risks and charges (D)</b>	<b>8,3</b>	<b>12,9</b>	<b>56%</b>	<b>13,8</b>	<b>7%</b>
<b>Translation Difference-Liabilities (E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL I (A + B + C + D + E)</b>	<b>5 223,0</b>	<b>5 970,1</b>	<b>14%</b>	<b>6 786,5</b>	<b>14%</b>
<b>Current liabilities (F)</b>	<b>3 710,5</b>	<b>4 126,6</b>	<b>11%</b>	<b>4 790,9</b>	<b>16%</b>
Suppliers and related accounts	3 305,6	3 638,2	10%	4 301,1	18%
Amounts due to customers, advances and payments	65,1	72,6	12%	81,0	12%
Staff	7,3	5,5	-24%	6,9	26%
Social organizations	17,4	19,1	10%	24,4	28%
State	291,2	362,7	25%	339,2	-6%
Partners' accounts	0,2	0,3	38%	2,8	>100%
Other creditors	3,1	1,4	-53%	6,5	>100%
Adjustment accounts - Liabilities	20,4	26,4	29%	29,1	10%
<b>Other provisions for liabilities and charges (G)</b>	<b>2,3</b>	<b>10,5</b>	<b>&gt;100%</b>	<b>19,5</b>	<b>86%</b>
<b>Exchange difference – Liabilities (H)</b>	<b>0,1</b>	<b>0,1</b>	<b>44%</b>	<b>0,0</b>	<b>-100%</b>
<b>TOTAL II (F + G + H)</b>	<b>3 712,9</b>	<b>4 137,0</b>	<b>11%</b>	<b>4 810,5</b>	<b>16%</b>

<b>Liability cash</b>	<b>300</b>	<b>100,0</b>	<b>-67%</b>	<b>200,0</b>	<b>100%</b>
Discount credit	-				
Cash loans	300	100,0	-67%	200,0	100%
Banks (credit balances)	-				
<b>TOTAL III</b>	<b>300</b>	<b>100,0</b>	<b>-67%</b>	<b>200,0</b>	<b>100%</b>
<b>GENERAL TOTAL I + II + III</b>	<b>9 235,9</b>	<b>10 207,2</b>	<b>11%</b>	<b>11 797,0</b>	<b>16%</b>

Source : Label'Vie

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## VII. Parent company financial statements

### VII.1. Analysis of parent company income statements over the period (2020-2022)

In MMAD	2020	2021	Var. 20-21	2022	Var. 21-22
Sales of goods in the unaltered state	5 039.04	5 338.75	6%	6 232.25	17%
Sales of goods and services produced	575.42	670.28	16%	779.22	16%
<b>Consolidated turnover</b>	<b>5 614.46</b>	<b>6 009.04</b>	<b>7%</b>	<b>7 011.47</b>	<b>17%</b>
Operating reversals	75.22	113.94	51%	149.89	32%
<b>Consolidated operating proceeds I</b>	<b>5 689.68</b>	<b>6 122.98</b>	<b>8%</b>	<b>7 161.36</b>	<b>17%</b>
Resale purchases of goods	4 328.96	4 632.23	7%	5 452.87	18%
Costs of supplies and consumable material	160.43	160.41	-0.02%	201.96	26%
Other external expenses	343.54	359.95	5%	437.40	22%
Dues and taxes	31.76	31.62	0%	34.91	10%
Staff costs	317.20	349.33	10%	400.40	15%
Other operating expenses	-	-	N	-	N
Operating expenses	258.29	270.46	5%	311.89	15%
<b>Consolidated operating expenses II</b>	<b>5 440.20</b>	<b>5 803.99</b>	<b>7%</b>	<b>6 839.43</b>	<b>18%</b>
<b>OPERATING RESULT (I-II) III</b>	<b>249.49</b>	<b>318.98</b>	<b>28%</b>	<b>321.93</b>	<b>1%</b>
Income from equity securities and fixed assets	77.31	58.01	-25%	87.02	50%
Exchange gains	0.81	1.28	59%	1.51	18%
Interest and other financial proceeds	30.35	97.39	>100%	56.22	-42%
Financial reversals and expense transfers	6.98	4.62	-34%	12.19	>100%
<b>Financial Proceeds IV</b>	<b>115.45</b>	<b>161.30</b>	<b>40%</b>	<b>156.94</b>	<b>-3%</b>
Interest charges	178.46	209.51	17%	210.57	1%
Exchange losses	2.43	0.95	-61%	6.12	>100%
Other financial charges	0.01	2.21	>100%	1.55	-30%
Financial allocations	0.09	0.12	29%	0.82	>100%
<b>Financial charges V</b>	<b>180.99</b>	<b>212.78</b>	<b>18%</b>	<b>219.06</b>	<b>2.95%</b>
<b>Financial Result (IV-V) VI</b>	<b>65.55</b>	<b>51.48</b>	<b>-21%</b>	<b>62.12</b>	<b>21%</b>
<b>CURRENT RESULT (III+VI) VII</b>	<b>183.94</b>	<b>267.51</b>	<b>45%</b>	<b>259.81</b>	<b>-3%</b>
Proceeds from disposal of fixed assets	434.49	1.14	-100%	1 163.85	>100%
Other non-current proceeds	0.33	0.20	-40%	0.30	48%
Non-current reversals charges transfer	50.85	0.89	-98%	9.50	>100%
<b>Non-Current Proceeds VIII</b>	<b>485.67</b>	<b>2.23</b>	<b>-100%</b>	<b>1 173.64</b>	<b>&gt;100%</b>
Net depreciation value of assets sold	408.92	0.85	-100%	919.87	>100%
Other non-current charges	79.32	8.14	-90%	21.36	>100%
NC allocations to depreciation and provisions	0.41	8.26	>100%	39.09	>100%
<b>Non-current loads IX</b>	<b>488.65</b>	<b>17.25</b>	<b>-96%</b>	<b>980.32</b>	<b>&gt;100%</b>
<b>Non-current result (VIII-IX) X</b>	<b>2.97</b>	<b>15.01</b>	<b>&gt;100%</b>	<b>193.32</b>	<b>&lt;100%</b>
<b>PROFIT BEFORE TAX (VII + X) XI</b>	<b>180.97</b>	<b>252.49</b>	<b>40%</b>	<b>453.13</b>	<b>79%</b>
Income taxes	34.71	64.73	86%	55.40	-14%
<b>NET PROFIT</b>	<b>146.26</b>	<b>187.76</b>	<b>28%</b>	<b>397.72</b>	<b>&gt;100%</b>

## VII.2. Analysis of the balance sheet assets (2020-2022)

In MMAD	2020	2021	Var. 20 – 21	2022	Var. 21 -22
<b>Fixed Assets in Non-Value (A)</b>	<b>486,16</b>	<b>519,03</b>	<b>7%</b>	<b>626,17</b>	<b>21%</b>
Preliminary costs	0,01	0,00	-30%	0,00	-43%
Expenses to be spread over several years	486,15	519,03	7%	626,17	21%
Bond redemption premiums	-	-	N.A	-	N.A
<b>Intangible assets (B)</b>	<b>180,85</b>	<b>203,17</b>	<b>12%</b>	<b>311,79</b>	<b>53%</b>
Capital expenditures in Research and Development	-	-	N.A	-	N.A
Patents, Trademarks, Rights & Values. Similar	24,11	23,23	-4%	24,51	5%
Commercial fund	156,74	156,74	0%	170,24	9%
Other intangible assets	-	23,20	>100%	117,04	>100%
<b>Tangible assets (C)</b>	<b>1 706,11</b>	<b>2 480,94</b>	<b>45%</b>	<b>1 986,67</b>	<b>-20%</b>
Land	255,02	653,66	>100%	278,76	-57%
Buildings	633,97	763,16	20%	386,20	-49%
Technical installations, machinery and equipment	246,02	290,50	18%	356,01	23%
Transportation equipment	0,08	0,23	>100%	0,17	-25%
Furniture, office equip. and configured. various	397,21	495,22	25%	645,22	30%
Other tangible fixed assets	-	-	N.A	-	N.A
investments in progress	173,81	278,16	60%	320,32	15%
<b>Financial fixed assets (D)</b>	<b>1 350,97</b>	<b>1 397,75</b>	<b>3%</b>	<b>2 465,13</b>	<b>76%</b>
Locked-in loans	-	-	N.A	-	N.A
Other financial claims	16,44	15,80	-4%	16,53	5%
Equity securities	1 334,53	1 381,95	4%	2 448,56	77%
Other fixed securities	-	-	N.A	0,05	N.A
<b>Currency translation difference Assets (E)</b>	<b>-</b>	<b>-</b>	<b>&gt;100%</b>	<b>-</b>	<b>&gt;100%</b>
<b>TOTAL I = (A+B+C+D+E)</b>	<b>3 724,09</b>	<b>4 600,89</b>	<b>24%</b>	<b>5 389,77</b>	<b>17%</b>
<b>Inventories (F)</b>	<b>875,37</b>	<b>933,69</b>	<b>7%</b>	<b>1 121,29</b>	<b>20%</b>
Merchandise	861,23	918,97	7%	1 104,76	20%
Consumable materials and supplies	14,14	14,73	4%	-	12%
Current products	-	-	N.A	-	N.A
Interim products & residual products	-	-	N.A	-	N.A
Finished products	-	-	N.A	-	N.A
<b>Receivables from Current Assets (G)</b>	<b>2 170,91</b>	<b>2 246,63</b>	<b>3%</b>	<b>2 278,95</b>	<b>1%</b>
Due from Suppliers, advances and down payments	75,39	75,22	0%	104,88	39%
Customers and related accounts	1 475,54	1 511,62	2%	1 506,97	0%
Staff	9,09	9,36	3%	10,71	14%
State	355,77	393,66	11%	413,23	5%
Partner's accounts	2,00	8,07	>100%	-	-100%
Other debtors	244,37	243,39	0%	241,37	-1%
Accruals-asset accounts	8,76	5,32	-39%	1,79	-66%
<b>Investment Securities and values (H)</b>	<b>284,12</b>	<b>218,52</b>	<b>-23%</b>	<b>175,42</b>	<b>-20%</b>
<b>Exchange differential Assets (I)</b>	<b>0,09</b>	<b>0,12</b>	<b>29%</b>	<b>0,82</b>	<b>&gt;100%</b>

<b>TOTAL II (F + G + H + I)</b>	<b>3 330,49</b>	<b>3 398,96</b>	<b>2%</b>	<b>3 576,48</b>	<b>5%</b>
<b>Cash - assets</b>	<b>740,94</b>	<b>601,05</b>	<b>-19%</b>	<b>671,19</b>	<b>12%</b>
Checks and bills to cash	25,97	25,50	-2%	39,58	55%
Banks, T.G & CP	706,93	566,37	-20%	621,88	10%
Cash registers, agencies and letters of credit	8,04	9,18	14%	9,73	6%
<b>TOTAL III</b>	<b>740,94</b>	<b>601,05</b>	<b>-19%</b>	<b>671,19</b>	<b>12%</b>
<b>GENERAL TOTAL (I + II + III )</b>	<b>7 795,52</b>	<b>8 600,90</b>	<b>10%</b>	<b>9 637,43</b>	<b>12%</b>

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## VII.3. Analysis of consolidated liabilities (2020-2022)

En MMAD	2020	2021	Var. 20 – 21	2022	Var. 21 -22
<b>Equity</b>	<b>1 756,05</b>	<b>1 773,81</b>	<b>1%</b>	<b>1 951,53</b>	<b>10%</b>
Share capital or personal assets	283,90	283,90	0%	289,40	2%
Share, merger, contribution premiums	1 150,52	1 150,52	0%	1 125,02	-2%
Legal reserve	28,39	28,39	0%	28,39	0%
Other reserves	-	-	N.A	-	N.A
Carry-forward	146,98	123,24	-16%	111,00	-10%
Net result for the financial year	146,26	187,76	28%	397,72	>100%
<b>Financial debts €</b>	<b>2 486,21</b>	<b>2 957,54</b>	<b>19%</b>	<b>3 207,54</b>	<b>8%</b>
Bond loans	1 766,23	2 014,29	14%	1 909,29	-5%
Other financial debts	719,98	943,26	31%	1 298,25	38%
<b>Sustainable provisions for risks and charges (D)</b>	<b>5,12</b>	<b>5,79</b>	<b>13%</b>	<b>5,94</b>	<b>3%</b>
Provisions for risks	5,12	5,79	13%	5,94	3%
Provisions for charges	-	-	N.A	-	N.A
<b>Passive Translation Difference €</b>	<b>-</b>	<b>-</b>	<b>N.A</b>	<b>-</b>	<b>N.A</b>
<b>TOTAL I (A + B + C + D + E)</b>	<b>4 247,38</b>	<b>4 737,14</b>	<b>12%</b>	<b>5 165,01</b>	<b>9%</b>
<b>Dettes du passif circulant (F)</b>	<b>3 245,87</b>	<b>3 753,42</b>	<b>16%</b>	<b>4 253,30</b>	<b>13%</b>
Trade payable and related accounts	1 814,40	1 968,63	9%	2 447,60	24%
Credit customers, advances and down payments	1,68	0,39	-77%	1,30	>100%
Staff	0,99	0,56	-43%	0,72	27%
Social organizations	12,07	13,81	14%	17,23	25%
State	214,67	267,89	25%	227,12	-15%
Partner's accounts	0,23	0,28	21%	0,55	99%
Other creditors	1 158,75	1 455,32	26%	1 508,47	4%
Accruals accounts - liabilities	43,08	46,54	8%	50,32	8%
<b>Other provisions for risks and charges (G)</b>	<b>2,13</b>	<b>10,34</b>	<b>&gt;100%</b>	<b>19,21</b>	<b>86%</b>
<b>Exchange differential-Liabilities (H)</b>	<b>0,13</b>	<b>0,05</b>	<b>-63%</b>	<b>-</b>	<b>-100%</b>
<b>TOTAL II (F + G + H)</b>	<b>3 248,14</b>	<b>3 763,80</b>	<b>16%</b>	<b>4 272,52</b>	<b>14%</b>
<b>Liability cash</b>	<b>300,00</b>	<b>100,00</b>	<b>-67%</b>	<b>200,00</b>	<b>100%</b>
Discount credits	-	-	N.A	-	N.A
Cash loans	300,00	100,00	-67%	200,00	100%
Banks (credit balances)	-	-	N.A	-	N.A
<b>TOTAL III</b>	<b>300,00</b>	<b>100,00</b>	<b>-67%</b>	<b>200</b>	<b>100%</b>
<b>GENERAL TOTAL I + II + III</b>	<b>7 795,52</b>	<b>8 600,94</b>	<b>10%</b>	<b>9 637,52</b>	<b>12%</b>

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## **Part IV. RISK FACTORS**

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The Label'Vie group operates in a changing environment that induces risks, some of which may occasionally get out of its control, and which are in addition to the risks inherent in the exercise of its businesses. The Label'Vie group has presented below the significant risks to which it believes it is exposed.

## **VIII. Risks relating to the issuer**

### **VIII.1. Economic risk**

The future revenues and results of the Label'Vie group depend significantly on the evolution of the Moroccan economy.

The main activity of the Label'Vie group is the sale of consumer products. Consequently, the turnover and the profitability of the Label'Vie group depend significantly on the evolution of the consumption expenses of Moroccans. The evolution of consumption in Morocco is particularly in the context of the evolution of the economic situation of the country and, more particularly, of the disposable income of the population. A contraction or weaker future growth of the Moroccan economy could have a negative impact on the increase in the number of consumers and the average basket, which could have an unfavorable impact on the growth and profitability of the Label'Vie group's activities. or even lead to a decrease in its income and results.

The economic risk is reduced in the first place thanks to the perspective emanating from international bodies in terms of the GDP growth and inflation. Secondly, the economic risk is mitigated, in the case of the Label'Vie group, thanks to the revenue structure, essentially made up of the sales of food products, therefore of first necessity.

### **VIII.2. Competitive risk**

Competitive risk covers both the risk of the appearance of a new organized competitor, and the risk of losing ground in relation to existing competitors. The Label'Vie group could thus face increased competition in the Moroccan retail market with the development of competing brands, which would lead to a loss of market share and a reduction in the Label'Vie group's revenues.

Label'Vie, after having forged a benchmark partnership with the Carrefour group, depends on the latter, whose brand image and guarantee of quality it uses.

### **VIII.3. Investment risk**

The investment risk is the risk of not carrying out projects on budget and on schedule initially, which would lead to a lag or decrease in project performance.

However, the Label'Vie group has accumulated a wealth of experience in carrying out store opening projects, supported by the expertise of the real estate company Aradei Capital in land management. The investment risk is also reduced to date thanks to the creation of a team dedicated entirely to development management and which has experience in the various operational departments of the Label'Vie group.

The Label'Vie group also benefits from the expertise of its partner, Carrefour Partenariat International, in developing new Carrefour hypermarkets.

#### **VIII.4. Management risk**

Within the framework of its activity, the Label'Vie group is subject to several management risks including in particular: risks related to foodstuffs, risks relating to theft and fraud, as well as risks related to human resources.

Food products are by definition likely to cause real health risks. Despite the civil liability insurance taken out by the company, a consumer affected by a food product purchased from one of the labels of the Label'Vie group could cause damage in terms of image and reputation for the group as a whole. This situation could result in particular in the loss of customers and have repercussions on the group's revenues.

The performance of the Label'Vie group depends significantly on its management team, which has extensive experience and knowledge of mass distribution. The loss of key members of management could have a significant negative impact on the capacity of the Label'Vie group to implement its strategy. The Label'Vie group also depends on qualified staff with the experience and skills necessary for the development of its activity. Any difficulty for group companies in recruiting and training competent and qualified teams could result in particular in a degradation of the services offered by the group. The Label'Vie group also depends on its reference shareholder from whom there is a risk of exit.

#### **VIII.5. Legal risk**

##### **Legal risk related to the mass retail sector**

The activities of the Label'Vie group are subject to numerous regulations relating to the nature of the products it markets. The regulatory framework is subject to future changes which could be favorable or unfavorable to the group. These changes could entail additional costs, not be in line with the development model of the Label'Vie group or modify the competitive context in which the group could operate.

##### **Legal risk related to investments**

Authorization applications for the construction of department stores in large cities are processed by the municipalities which submit them to the departments and organizations concerned for specific technical aspects, namely the Urban Agency and the Economic Division of the Prefecture.

These requests are then processed by a tripartite commission chaired by the director of the Urban Agency and bringing together representatives of the municipality and the Wilaya which decides on the project in accordance with legal and regulatory requirements and in particular those of town planning documents. in force (Urban Development Master Plan, Development Plan, etc.).

With regard to requests for operating authorizations, this attribution is the responsibility of the president of the municipality under article 44 of the municipal charter. Regarding the procedure for examining this request, it differs from one municipality to another.

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#### VIII.6. Exchange risk linked to purchases

Label'Vie is a company that buys, on the international market, certain imported products such as fresh products (Carrefour products, cheese, sausages, etc.), dry goods or some bazaar products. As a result, and like any other importing company, it is exposed to the risk of adverse exchange rate fluctuations on the foreign exchange market.

#### VIII.7. Health risk

Against a background of an unprecedented pandemic crisis, Label'Vie has shown great resilience, mobilizing all its teams to preserve its business and continue to provide the best possible service to its customers.

In such a context, Label'Vie has introduced a series of measures to deal with the situation, including:

##### **Institutional**

- Following the establishment of the Special Fund for the Management of the Coronavirus Pandemic (Covid 19) on the instructions of His Majesty King Mohamed VI, the Label'Vie Group has responded to this outpouring of solidarity with a financial contribution of 50 million dirhams.
- Wiqayatna: support for the Ministry of the Interior and Health in communicating the application through an internal and external communication system.

##### **Employees**

- Do as much as possible remotely, telecommuting for activities that do not require a physical presence;
- Deploy a new organization in the sales outlets; BCP: new work organization where the teams are perfectly watertight, each team working 14 days non-stop with no possibility of interaction with the other team in the same department;
- Payment of salary in full to all employees;
- Payment of an exceptional bonus to all sales outlet employees;
- Full care management for the family of a sick employee covid-19 and continued payment of salary;
- Transportation of personnel during confinement;
- Equipment (mask, gel, visor, plexiglass, etc.) for employees.

##### **Customers**

- As for the store environment, all sales surfaces are fully disinfected by authorized service providers (positive and negative cold cabinets, checkout mats, electronic payment terminals and Plexiglas panels).
- As far as the customer flow is concerned, this has been taken into account from the moment the customer enters the store. Firstly, by regulating the flow of customers according to the size of the store, and by installing floor markings to ensure that the one-meter safety distance is respected. Secondly, staff disinfect carts and baskets before handing them over to customers, or when they are in self-service mode, as well as customer washrooms.
- The sanitation system has even been extended to the customer experience, with bakery and pastry products now packaged in plastic or kraft paper bags. Bulk products, such as



pasta, starches, spices and dried fruit, are also now packaged in trays or offered as assisted sales. As a preventive measure, in-store tastings have been discontinued, and the snack bar area has been closed.

The LabelVie group has installed disinfection airlock systems/chambers in front of the entrances to its stores and logistics platform.

It should be noted that the system put in place concerns the covid-19 crisis and that the Label'Vie Group is equipped and ready to face any similar health risk in the future.

## **IX. Risks linked to the operation**

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The subscription of commercial paper may present certain risks listed below:

- Issuer default risk;
- Non-payment risk;
- Liquidity risk;
- Interest rate risk.

### **IX.1. Issuer default risk**

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The subscriber runs the risk that the issuer may be totally or partially unable to honor its commitments throughout the subscription process, order processing, settlement/delivery of subscriptions, etc.

### **IX.2. Non-payment risk**

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The subscriber may run the risk that the issuer may be totally or partially unable to honor its commitments to repay the sums owed to it, notably because the issue is not covered by any specific guarantee.

### **IX.3. Liquidity risk**

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The subscriber may encounter difficulties in liquidating its commercial paper on the secondary market.

### **IX.4. Interest rate risk**

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The subscriber could be confronted with a rise in market interest rates, which would lead to a fall in the price of the security/ies.

In the event of a sale on the secondary market at a time when the market rate is higher than the nominal rate of the commercial paper, the subscriber could realize a capital loss on the price of the commercial paper.

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**Disclaimer**

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The above information is only part of the information package approved by the Moroccan Capital Market Authority (*Autorité Marocaine du Marché des Capitaux (AMMC)*) under number *VI/EM/026/2023* dated September 12<sup>th</sup>, 2023.

The AMMC recommends that you read the entire information pack made available to the public.

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