

Annual results 2023

Investor Presentation

March 2024



LabelVie
— GROUPE —

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Outlook



01

Macroeconomic context



Main macroeconomic indicators

Mixed economic growth and rising unemployment

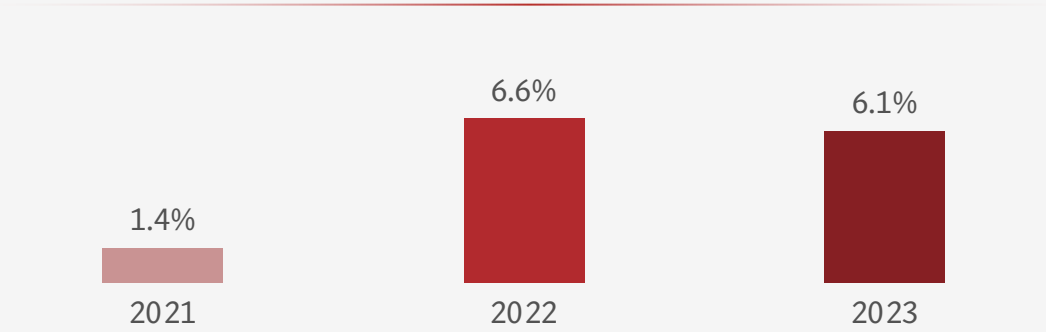


- * Economic growth, although higher than 2022, remains mixed due to an unfavourable agricultural season and the impact of inflation
- * Unemployment on the rise, from 11.8% to 13%, with a significant impact on the 15-24 age group.

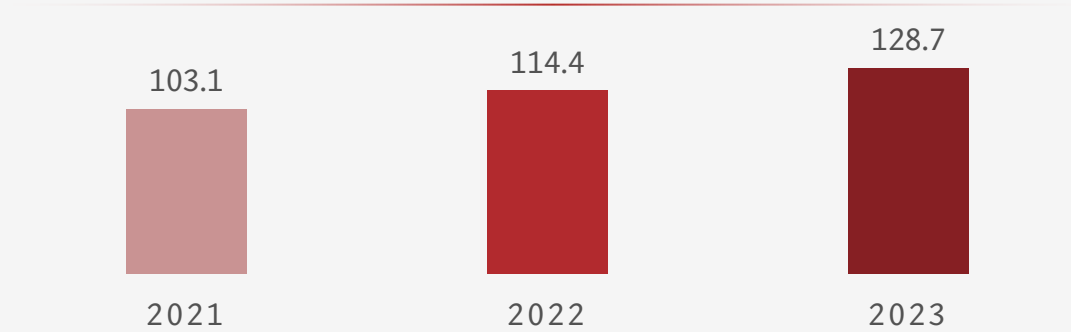
Main macroeconomic indicators

Rising food prices and worsening household confidence

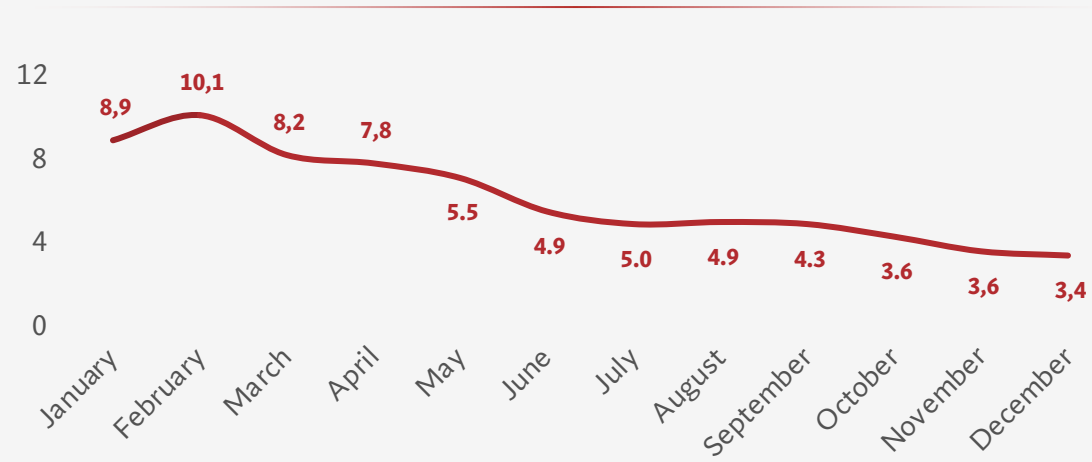
Inflation



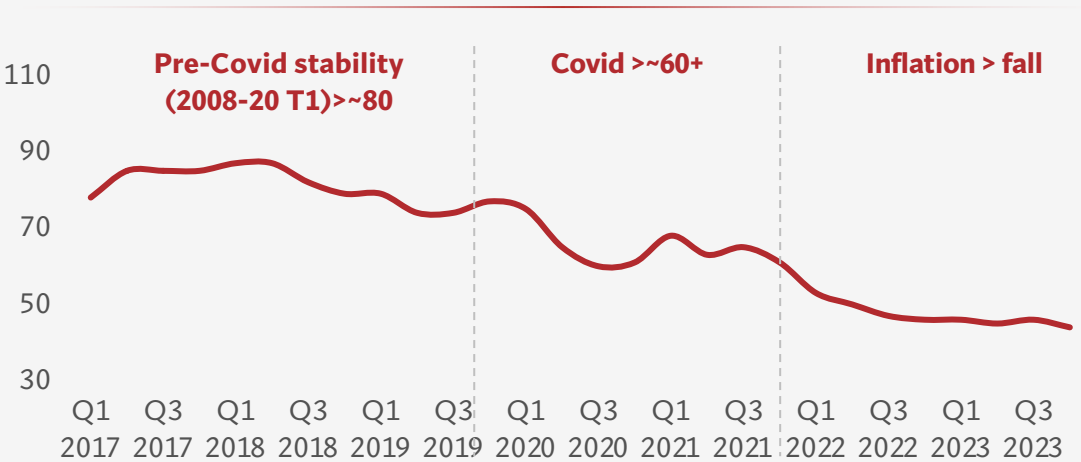
Consumer price index for food products



Inflation by month



Change in the household confidence index



Source: Haut-Commissariat au Plan

02

Highlights and key achievements 2023



Reminder of the strategy

To be our customers' preferred multi-format and multi-channel distributor



Accelerating the multi-format and multi-channel expansion strategy



Improving our efficiency and operational excellence



Consolidating our position as a leading ESG company

4 MAJOR LEVERS



Differentiation and innovation



Process and digital transformation

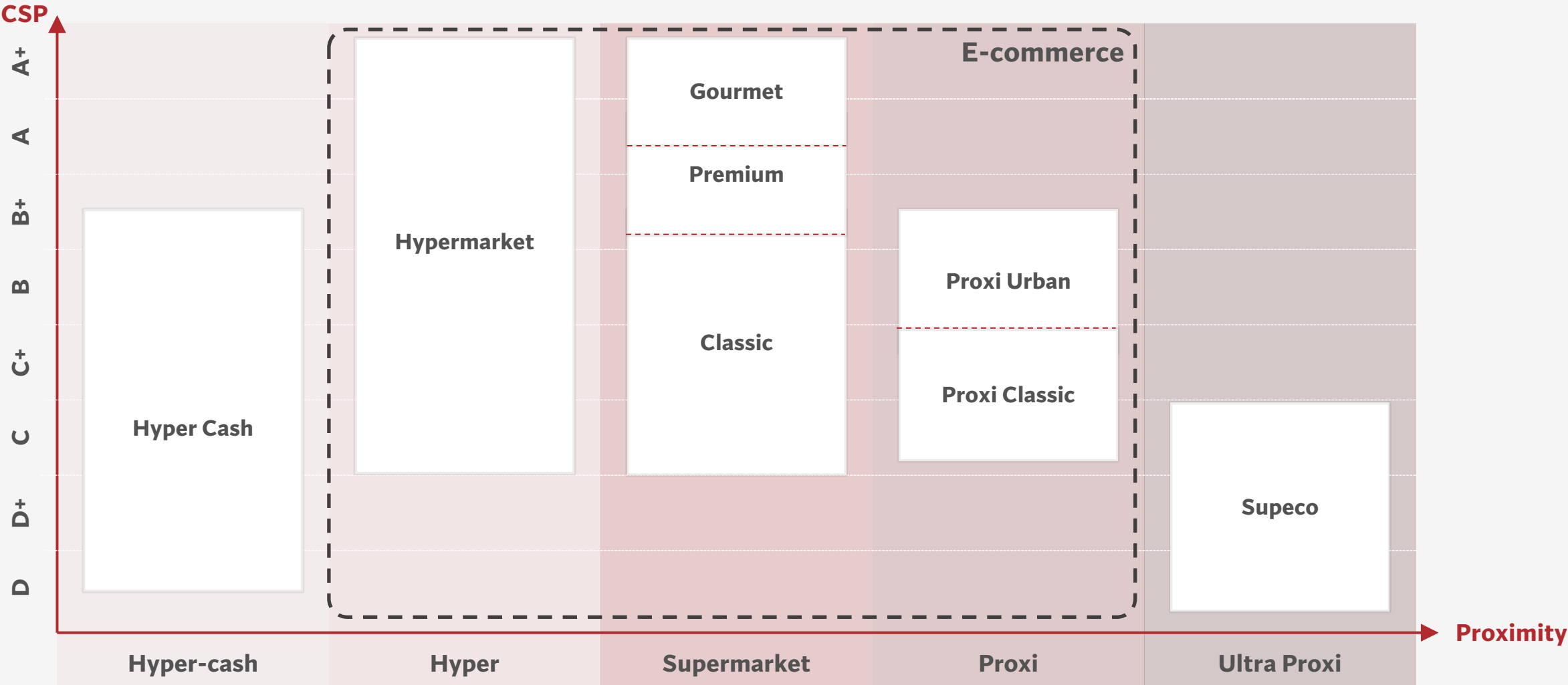


Strong human capital and corporate culture



Sound financial position

Key achievements 2023 - Multiformat and multichannel



24 new stores in 2023

LabelVie in figures (2023)



14,152 M MAD
+13%

Sales volume



179
+24 stores

Number of stores



258 230 m²
+10 655 m²

Total surface area



71.6 M
+10%

Customer visits



215 MAD
+1.4%

Average shopping basket



434 K

Downloaded loyalty cards



840 K
+32%

Number of e-commerce transactions






02

Highlights and key achievements 2023

1. Development of the expansion strategy in 2023

Key achievements in 2023 - Continued openings in 2023

Opening of 24 new Supermarkets and Supeco stores

	2022		Change in the number of of stores	2023		
	Number of stores	Area m ²		Number of stores	Surface area m ²	Share %
	13	65 714		13	65 714	25%
	12	65 900		12	65 900	26%
	115	113 717	20	135	123 853	48%
	15	2 244	4	19	2 763	1%
	155	247 575	24	179	258 230	100%

■ Openings 2023

Key achievements in 2023 – Continued openings in 2023

10 808

m² opened

469

people recruited



Marrakech: 1



February



Oued Zem &
Casablanca: 3



June



Tangiers &
Casablanca: 2



September



Casablanca,
Oujda
& Bouznika: 12



November

Had Soualem: 1



May

Rabat: 1



July



Casablanca: 1



October



Marrakech &
Casablanca: 3

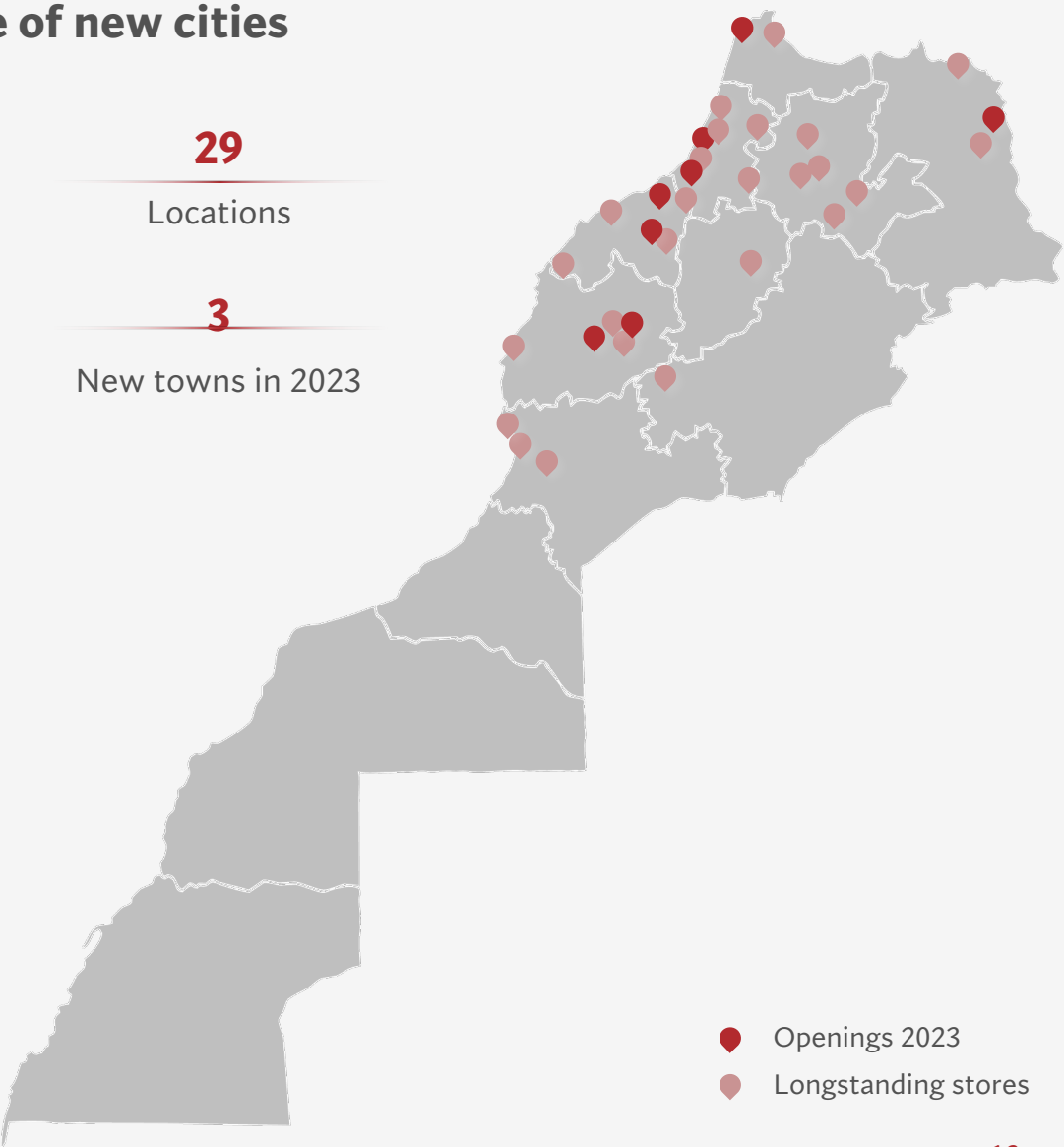
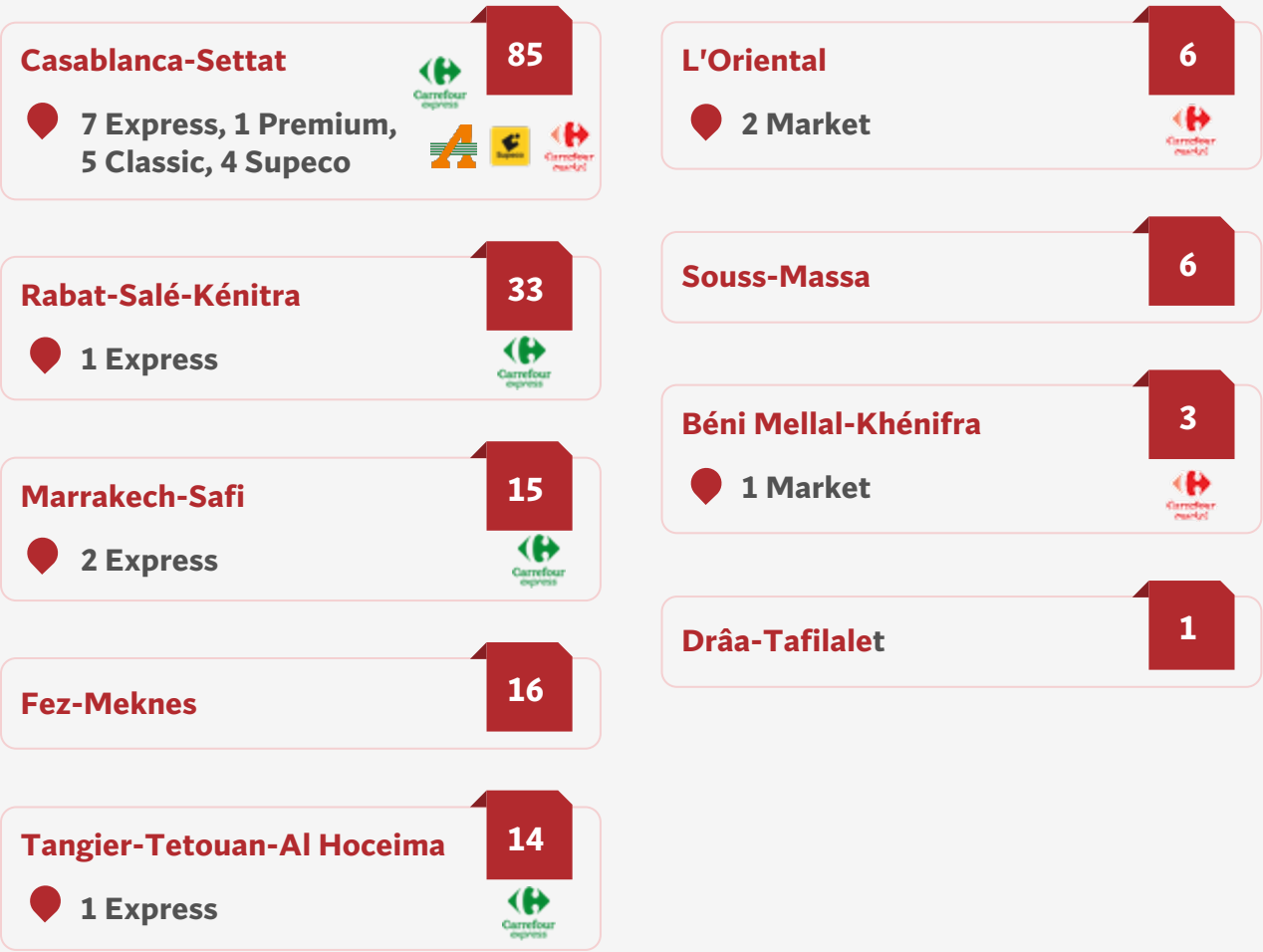


December



Key achievements 2023 - Expanding the geographical presence

Strengthening of the Casablanca-Settat region and coverage of new cities



Key achievements 2023 - Launch of the franchise

Franchising, a new lever for expansion and value creation

Concept

- * Convenient stores format between 300m² and 500m²
- * Accelerate national coverage through franchising and improve proximity to customers
- * Improving the profitability of existing converted stores
- * Promoting entrepreneurship

Achievements 2023

- * 9 pilot stores confirm the expected gains of between 3 and 5 EBITDA points compared with the integrated model.

1.5 M

People reached by the campaign

1 500

Applications

+9

Converted pilot stores

Ambitions

5-year forecast

271

franchised stores

3.3

bn MAD



1^{er} food retail franchise programme in Morocco

Key achievements 2023 - Roll-out of Supeco



Supeco, a new format positionned in the local discount market

Concept



Area

less than **200m²**



Product range

limited, made up of
basic products



Development

Cluster opening



Pricing

Quality products at the **lowest
prices on the market**

Weekly **promotions** on
non-food products



Expenses

Low back-office costs and shared staff



Investment

Reduced and controlled investment



Human resources

Small, versatile workforce

Achievements 2023

- * Effective start-up after 5 years of testing
- * Official launch in 2023



19

stores in total



Ambitions

In 5 years

- * **409** stores
- * **MAD 2.5 billion incl. tax**

Key achievements 2023 - Further development of e-commerce



Accelerating growth in e-commerce

152 M MAD

+55%
revenue

+32%

Number of orders
completed

90 +71%

Number of
stores

23 +21%

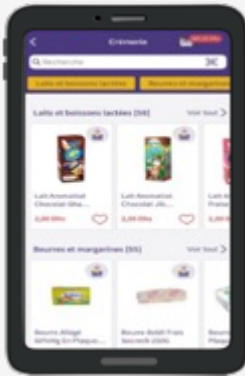
Number of
towns covered

80 000 X5

Number of downloads
of the Bringo application

Achievements 2023

- * Continuing to improve customer experience and service
- * Expansion of the range of products available on the Bringo platform



Offer

BRINGO

Express delivery



Large shops



Glovo



Key achievements 2023 - Roll-out of the loyalty programme

"Club Carrefour", a lever for building loyalty and supporting purchasing power

Achievements 2023

- * Program launched in March 2023
- * Roll-out to all stores by end of the year
- * Major marketing and communication campaign
- * Training and support for stores operators setting up the program



Approx. 500,000
registered

Programme
100% digital

66%
active customers



The only loyalty programme rewarding every item purchased

02

Highlights and key achievements 2023

2. Pursuing operational excellence

Challenges met

Challenges

Initiatives

1

High inflation

- * Support for purchasing power through the anti-inflation mechanism, with an investment of 250 M MAD over 2 years

2

Pressure on purchasing power

- * Building customer loyalty and encouraging repeated visits

3

Deflation in the last quarter

Volumes up 35%

1.2 M MAD gain on like-for-like sales

Key achievements 2023 - Continuation of anti-inflation measures

A major lever for maintaining growth in visitor numbers

- * Price freeze on a basket of essential products
- * Aggressive promotions on sensitive products
- * Distribution of vouchers
- * More aggressive price indices in certain stores
- * ATACADAO: a format helping traditional retailing and adapted to the current market conditions
- * Increased storage capacity to delay price increases

250 M MAD

Investment price



1.6bn MAD*

Sales growth

* Total scope



71.6 M

+10%

Number of visits



Key achievements 2023 - Continuing the digital transformation

Digital transformation, a major lever to support the Group's growth

Achievements 2023

- * Improving operational excellence and performance management by continuing to transform key processes (sales, purchasing, operations, HR, etc.) and optimising the supply chain
- * Develop data collection for better knowledge of the customer, a lever for improving sales intelligence...

406 M MAD

total investment

123

employees *

13

Squads

29%

ROI

* Mostly engineers

02

Highlights and key achievements 2023

3. Consolidating our position as a responsible and socially engaged group

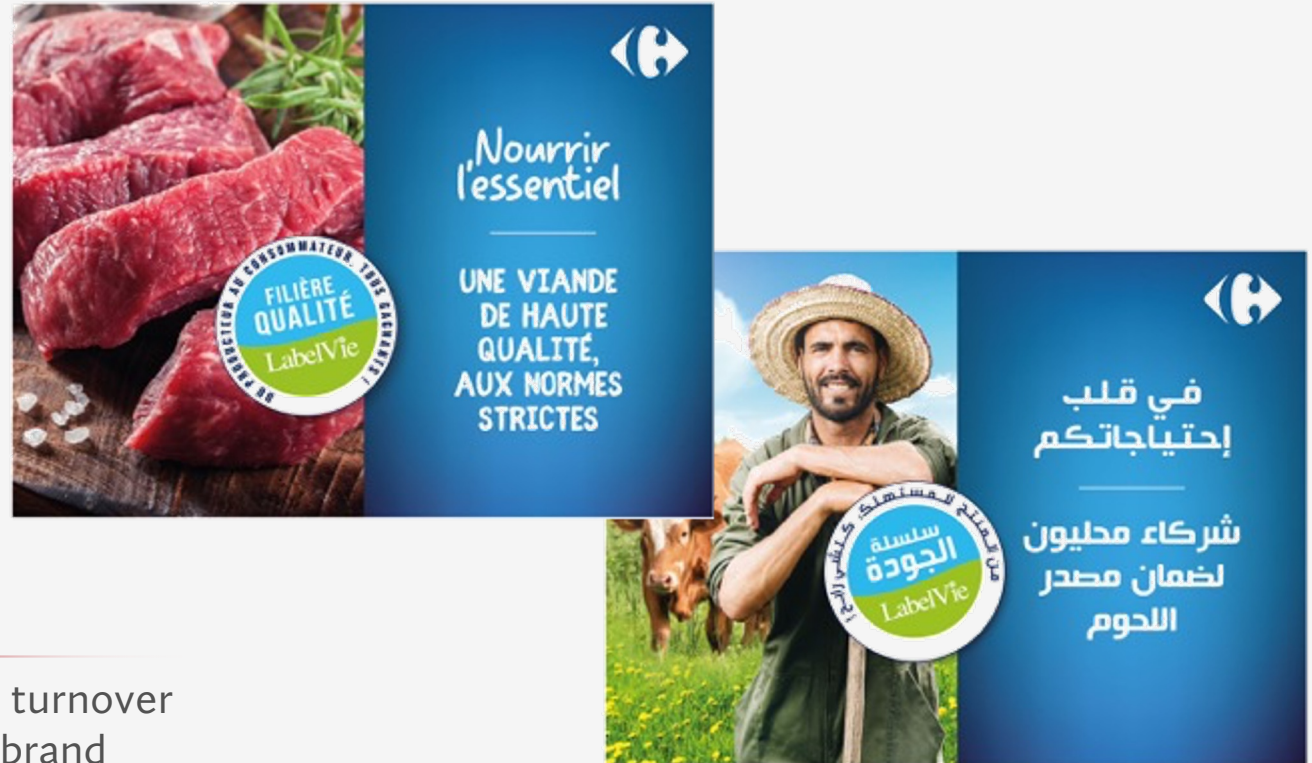
Key achievements 2023 - CSR projects and initiatives 2023

Launch of a Quality Label : Filière Qualité LabelVie

Concept

- * LabelVie has launched the "Filière Qualité LabelVie" brand: a quality label for "healthy eating".
- * The LabelVie brand is currently being rolled out in 2 departments: Butchers and Fruit & Vegetables.

With the introduction of the "Filière Qualité LabelVie" brand, the Group is reaffirming its commitment as a responsible and committed company that listens to consumers' needs.



100%

of the department's turnover
comes from the brand

03

Operational and financial achievements



Performance of key indicators 2023



**15,800 M
MAD**
+13%

Revenue



**1,325 M
MAD**
+9.4%

EBITDA



2.15x
+ 0.12 pts

Net debt
/ EBITDAR



96.75 MAD
+ 12%

Dividends
per share



Key performance indicators

	Actual 2022	Actual 2023	Actual 2023 vs 2022	
			Variation	Variation percentage
Product sales	12 567 295	14 152 146	1 584 850	13%
Sales of services	1 379 527	1 647 728	268 201	19%
Margin on product sales	11.0%	11.6%	0.67	
Revenue	13 946 822	15 799 874	1 853 052	13%
Direct Margin	1 469 176	1 544 168	74 993	5%
Margin on product sales	11.7%	10.9%	-0.78	
Gross margin	2 848 703	3 191 897	343 194	12%
Margin on product sales	22.7%	22.6%	-0.11	
Total operating expenses	1 632 782	1 866 892	234 110	14%
Margin on product sales	13.0%	13.2%	0.20	
EBITDA	1 215 921	1 325 005	109 084	9%
Margin on product sales	9.68%	9.4%	-0.31	
Depreciation	464 080	530 641	66 560	14%
Margin on product sales	3.7%	3.7%	0.06	
EBIT	751 840	794 364	42 523	6%
Margin on product sales	6.0%	5.6%	-0.37	
Financial result	17 263	1 218	-16 045	-93%
Margin on product sales	0.1%	0.0%	-0.13	
Profit before tax and exceptional items	769 104	795 582	26 478	3%
Margin on product sales	6.1%	5.62%	-0.50	
Non-current result	196 404	-48 967	-245 371	-125%
Margin on product sales	1.6%	-0.3%	-1.91	
Profit before tax	965 508	746 615	-218 893	-23%
Margin on product sales	7.7%	5.3%	-2.41	
Income tax	203 136	222 818	19 682	10%
Margin on product sales	1.6%	1.6%	-0.04	
Net Income	762 372	523 797	-238 575	-31%
Margin on product sales	6.1%	3.7%	-2.37	

Key figures by format


Sales performance across all formats

Hypermarket

Revenue:
 **3,591 M MAD**


Growth:
 **+7%**

Contribution to
revenue: **25%**

Store network:
 **12**




Supermarket

Revenue:
 **5,004 M MAD**

Growth:
 **+16%**

Contribution to
revenue: **35%**

Store network:
 **154**




Atacadao

Revenue:
 **4,992 M MAD**

Growth:
 **+15%**

Contribution to
revenue: **35%**

Store network:
 **13**




Service stations

Revenue:
 **565 M MAD**

Change:
 **+4%**

Contribution to
revenue: **5%**

Network of service
stations:
 **13**

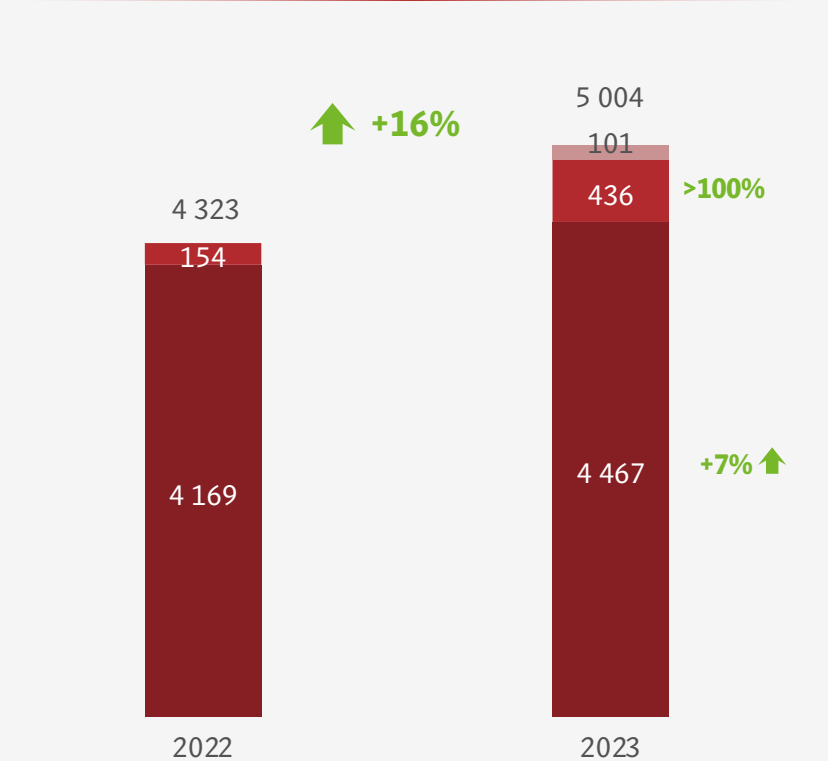
Sales performance: Supermarkets



Key events

- * Double-digit growth for Supermarkets
- * Opening of 24 new Carrefour stores, of which 11 Carrefour Express stores, 9 Carrefour Market stores and 4 Supeco stores
- * New openings accounted for 56% of sales growth at 382 M MAD

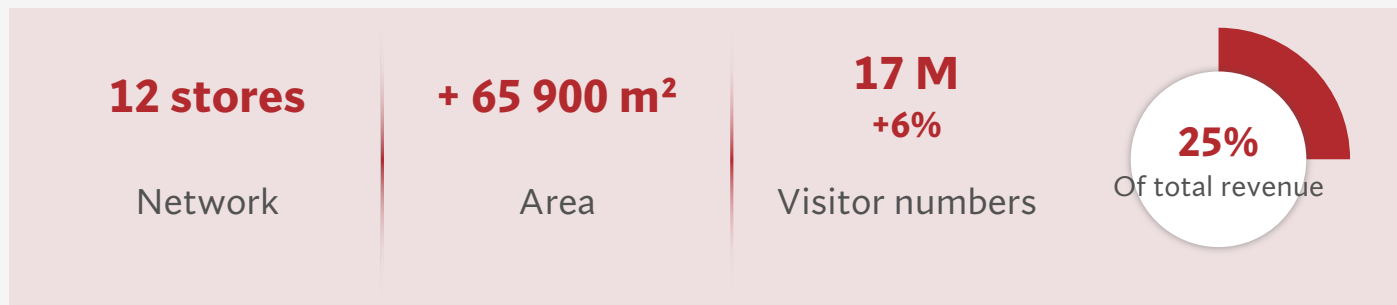
Sales growth Carrefour Supermarkets



■ Existing stores ■ Stores opened in 2022 ■ Store opened in 2023

(Figures in M MAD)

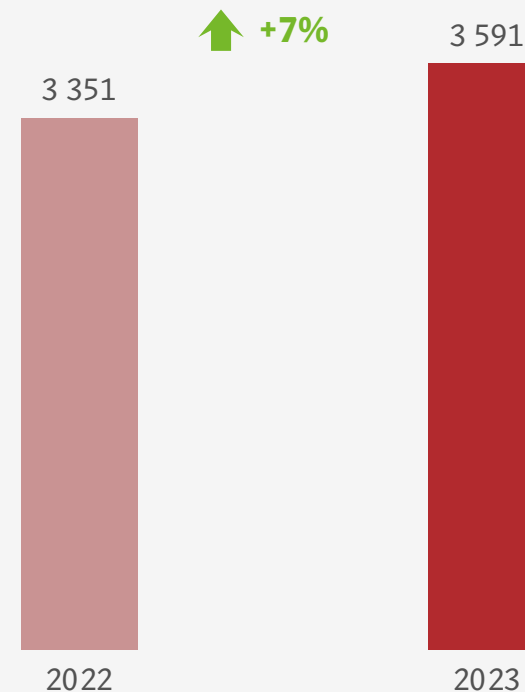
Sales performance: Hypermarkets



Key events

- * 7% growth for Hypermarket business
- * Inflationary environment encouraging customers to split up their purchases and focus on local stores
- * Targeted sales and marketing efforts

Sales growth Hypermarkets



(Figures in M MAD)

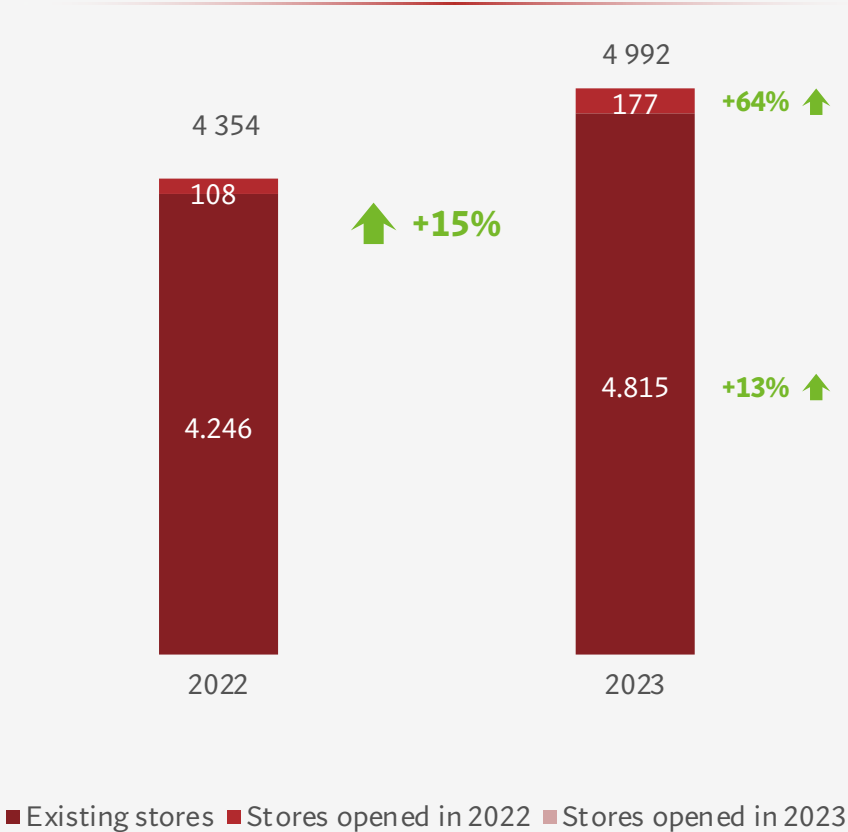
Sales performance: Atacadao



Key events

- * The business has recorded double-digit growth for 3 consecutive years
- * The business has taken advantage of the pressure on purchasing power to strengthen its position as the preferred supplier to the traditional channel, with a competitive offer and prices.

Sales growth Atacadao



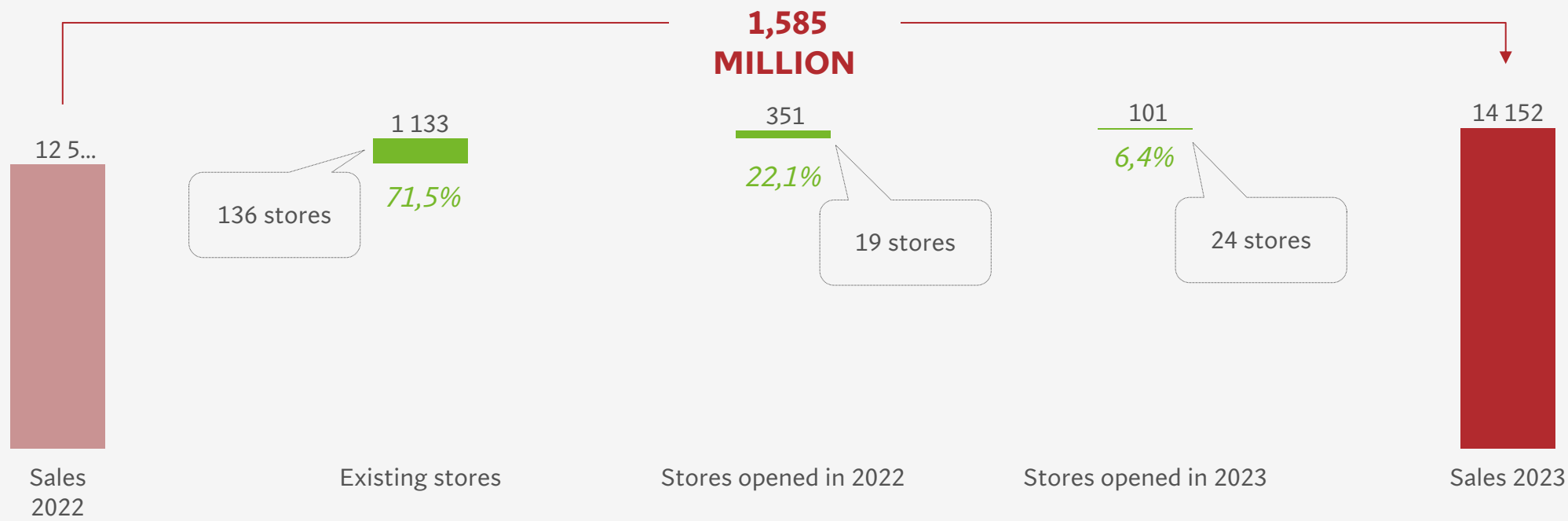
(Figures in M MAD)

Contribution of longstanding and new stores by category

Good contribution to sales growth from new openings

(Figures in M MAD)

Contribution of longstanding and new stores to overall sales growth



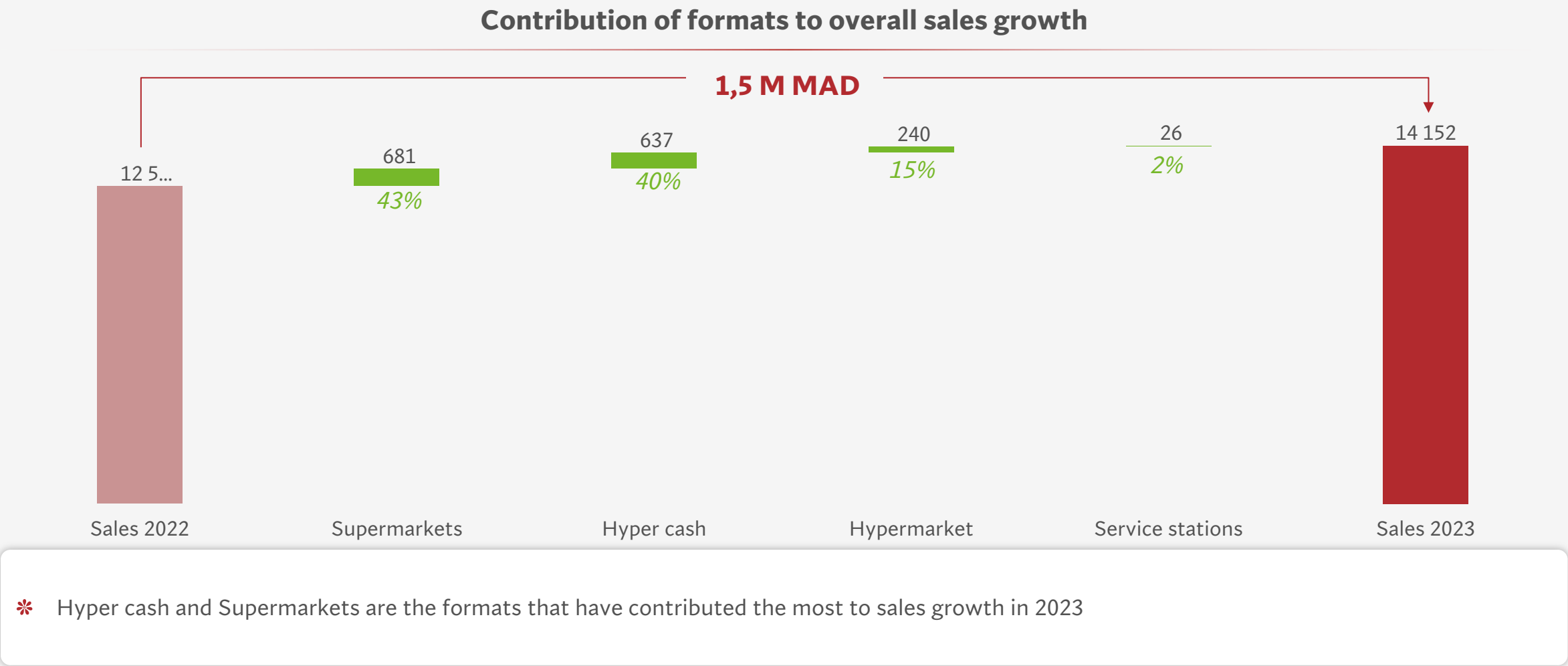
* Stores opened in 2022 and 2023 contributed 29% of sales growth, i.e. 452 million MAD

* New store openings 2022 + 2023

Contribution of businesses to revenue

Strong contribution from Hypercash and Supermarkets

(Figures in M MAD)



Sales growth by effect

35% of growth from volume effect despite difficult environment

(Figures in M MAD)

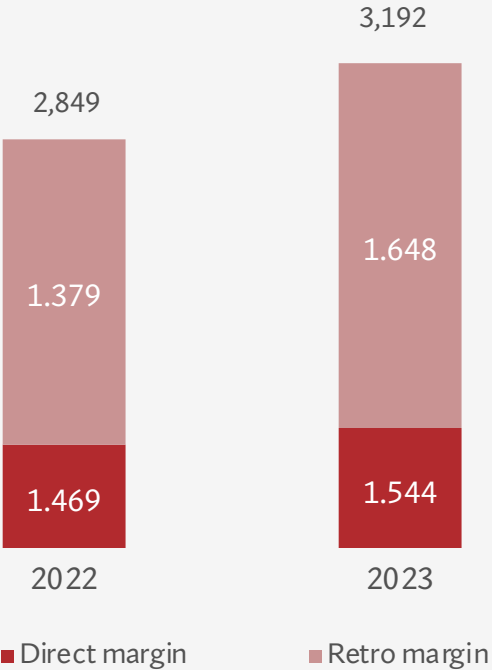


* 35% of growth comes from higher sales volumes despite challenging market conditions

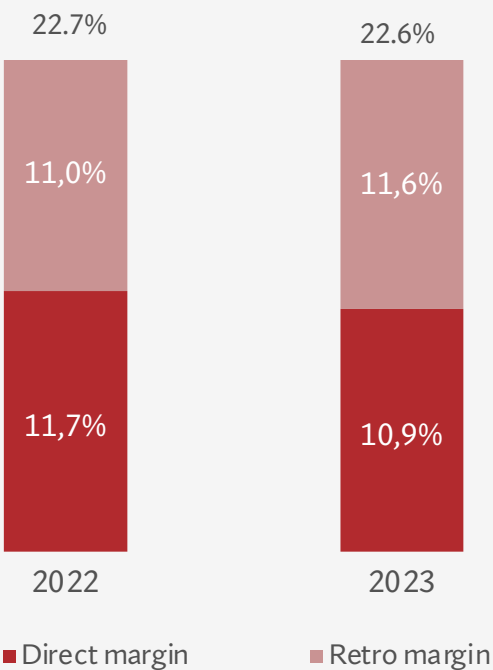
Margin trends

Direct margin impacted by the anti-inflation measures

Gross margin in M MAD



Gross margin as % of revenue



Improvement in gross margin due to :

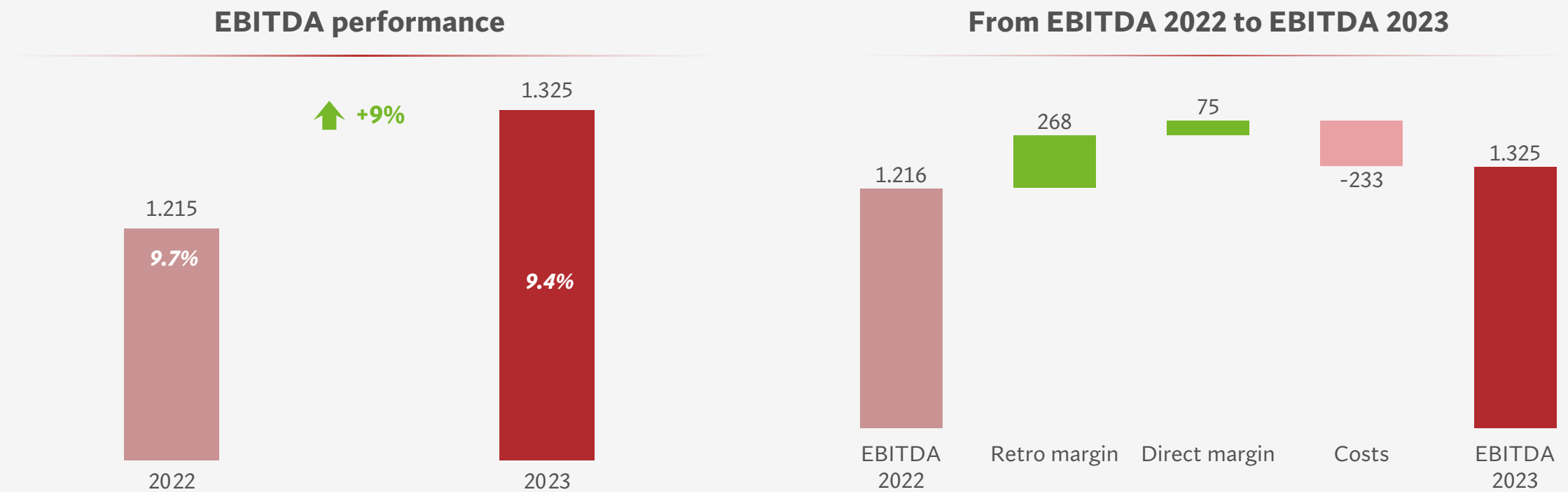
- * the improvement in the back margin resulting from the digital transformation project
- * Lower direct margin impacted by investment in the anti-inflation measures and the change in the sales and merchandising mix

* Retro Margin = Back Margin or Sales of Services

EBITDA and EBITDA margin trends

EBITDA up 9% vs. 2022, demonstrating the Group's resilience in a difficult environment

(Figures in M MAD)

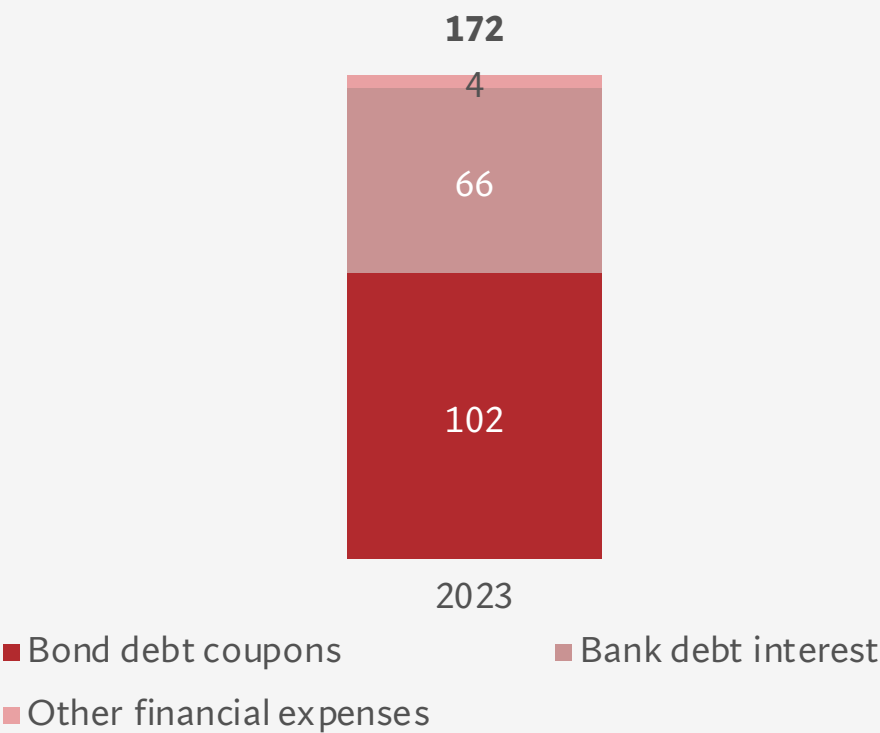


- * A successful commercial policy that has enabled significant increases in sales volumes and footfall, while mitigating the effects of inflation on customers' purchasing power
- * Investment in the anti-inflation program amounted to 250M MAD in 2023
- * Ongoing cost control

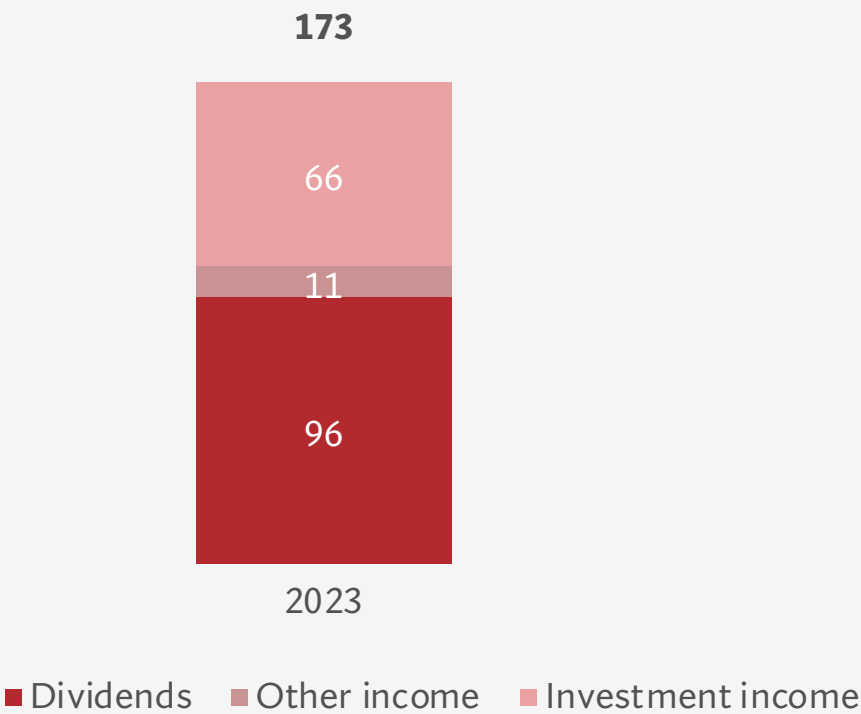
Net financial income

(Figures in M MAD)

Financial expenses



Financial income



Changes in financial structure

A solid financial structure



Net debt

3 650 M MAD



Gearing

53.1%



Net debt/EBITDAR

2.15x



Shareholder equity

3,220 M MAD



CAPEX

1 218 M MAD



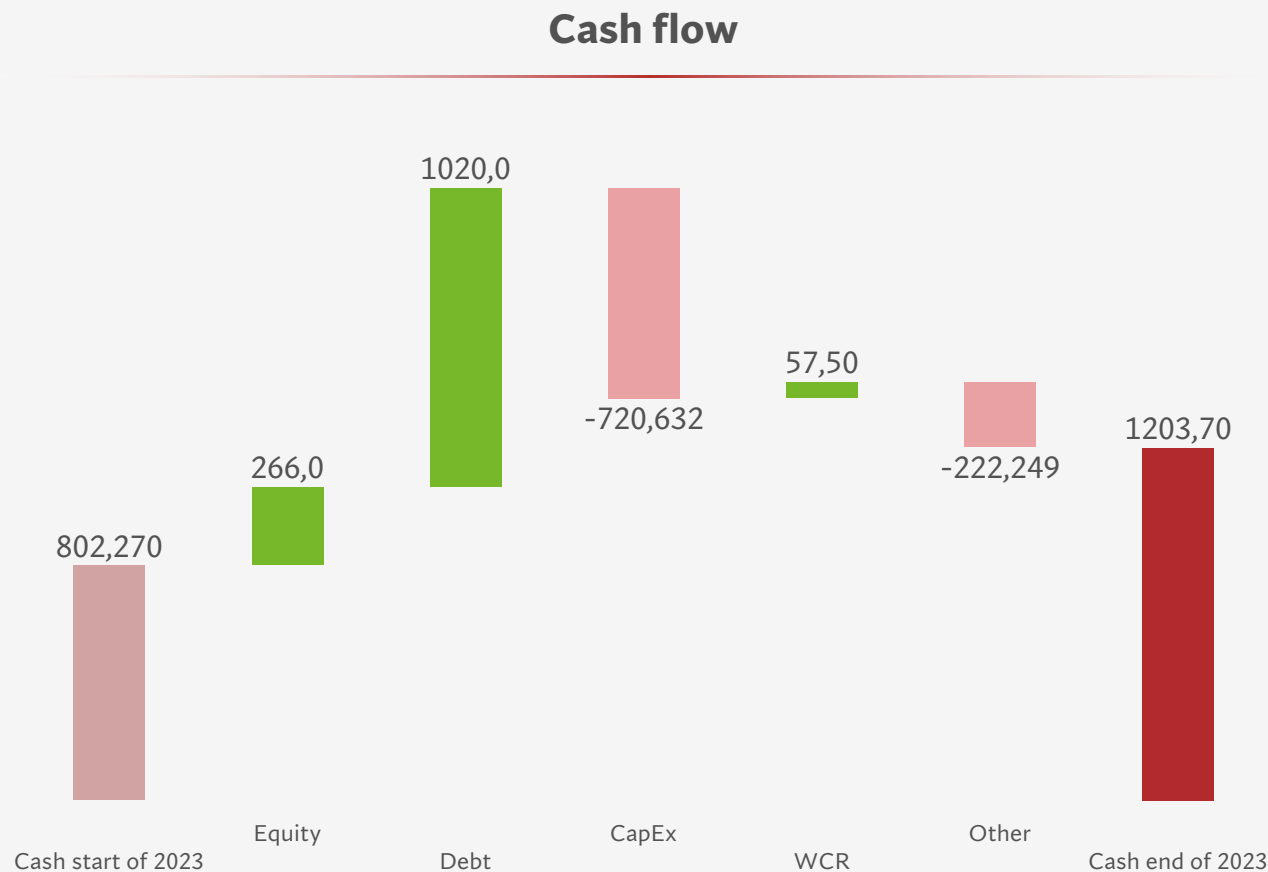
WCR in days

30 d

Cash flow

Improved cash flow

(Figures in M MAD)



Increase in cash and cash equivalents of 401 M MAD compared with 2022, mainly due to the following factors:

- * Shareholder equity up by 266 M MAD, mainly as a result of the distribution of dividends of 250 M MAD and net profit for the year of 523 M MAD
- * Increase in borrowings of 1,020 M MAD, following the bond issuance in 2023 of 1,000 M MAD in anticipation of a interest rate hike
- * Investment of 1,218 M MAD, i.e. 720 M MAD net of disposals and depreciation
- * Slight rise in WCR of 58 M MAD
- * Other current items consumed 222 M MAD of cash, mainly as a result of the sale of 3 assets to Terramis, which was not collected at the end of the year

Cash flow statement

IN K MAD	Actual 2022		Achieved 2023		Change vs. 2022	
	Amount	d of sales	Amount	d of sales	Amount	d of sales
FR	239 102	7	805 253	21	566 151	14
Shareholder equity	2 953 855	86	3 219 910	83	266 055	-3
Net income	762 372		523 797			
Dividend distribution	-400 000		-250 000			
Capital increase	180 000		-			
Financing debt	3 832 629	111	4 853 356	125	1 020 727	14
New Debt: CMTs	613 000		453 000			
New debt: Bonds			1 000 000			
Repayment of old debt						
CMT reimbursements	-203 056		-327 273			
Bond redemptions	-105 000		-105 000			
Permanent financing	6 786 484	197	8 073 266	208	1 286 782	11
<i>Net debt ratio</i>	50.6%		53.1%			
Fixed assets	-6 547 380	-190	-7 268 012	-187	-720 632	3
Normative WCR	1 087 294	32	1 144 900	30	57 606	-2
Stock	-2 345 618	-68	-2 489 179	-64		
Property stock	-107 432	-3	-245 556	-6		
Receivables / Payables	3 540 344	103	3 879 635	100		
Other current assets	-524 124	-15	-746 445	-19	-222 321	-4
CASH & INVESTMENTS	802 272	23	1 203 708	31	401 436	8

04

Outlook



Outlook



A strategy of expansion and customer proximity

- * Acceleration of the expansion strategy focused on customer proximity with the opening of:
 - 5 Atacadao
 - 1 Hypermarket
 - 20 Carrefour Market
 - 10 Carrefour Express
 - 20 Supeco
- * Expansion of E-commerce (Carrefour Express + new cities)
- * Improving customer knowledge through the loyalty programme



Operational Excellence

- * Ongoing digital transformation and operational excellence initiatives
- * Purchasing power support scheme maintained



Strengthening ESG actions

- * Support for disaster victims in Al Haouz: rehousing families, food supplies and school rebuilding
- * Launch of a recruitment campaign for over 2,000 young people
- * Continued support for farmers through LabelVie quality chain
- * Recruitment of new disabled employees

Proposal to the Annual General Meeting to distribute a dividend of 280 M MAD, i.e. 96.75 MAD per share



LabelVie

— GROUPE —

APPENDICES

Appendices - ESG projects and initiatives 2023

Launch of Label Solidaire

- * A community initiative supported by Carrefour, with volunteer employees involved in preparing and distributing food baskets with essentials.
- * Preparation and distribution of Ftours by employees every Thursday during the holy month of Ramadan to help the most disadvantaged members of society



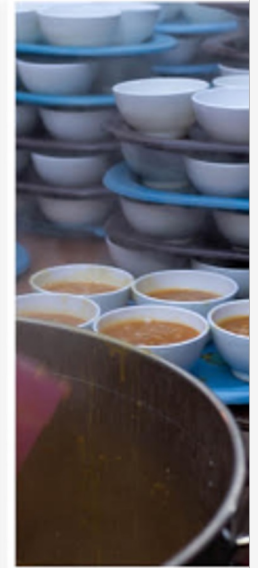
30

Hours of volunteer work



+ 6 000

Essential food products
distributed



Appendices - ESG projects and initiatives 2023

Support for families in Al Haouz

Objective

- * The LabelVie Group mobilised the day after the earthquake to help families affected by the disaster

- * Participation in the earthquake effects management fund
- * Donation of food products
- * Organisation of a blood donation operation

25 M MAD

Contribution to the fund

500 tons

Equivalent to **5 M MAD** Donation of food products



Appendices - Human resources indicators

800

Net recruitments

12 172

Training courses
conducted

4 700

Beneficiaries

272

Students trained

Award : Best Training Company, ICFAL project*



20

People recruited with disabilities
(Ambition 2026: 160 recruits)

LabelVie honoured by Handicap International Luxembourg at a conference on the theme of "Professional inclusion here and elsewhere".

* ICFAL : Work-study project.