2018 HALF YEAR RESULTS

Growth in sales volume and earnings

- **Opening of 7 550 sq.m. of New Sales Area**
- **Increase of Total Revenues by +8%**
- **Increase of Operating Income by +19%**

The Board of Directors of Label'Vie SA has met, under the presidency of Mr. Zouhair BENNANI, on Monday 17th September 2018, at the company's headquarter and has proceeded to the closing of 2018 half year accounts.

Total Revenues

4 165 MADm
+8%

EBIT

188 MADm
+19%

Net Income

140 MADm
+1%

Over H1-2018, Label'Vie Group achieved a **consolidated revenues of 4 165 MADm**, an increase of +8% compared to H1-2017.

This increase is driven by :

- The increase of sales of existing stores at the end of 2016 (constant perimeter) which recorded a +4,2% growth of their sales volume ;
- The overall increase of activity of the stores opened in 2017 and H1-2018 ;

The **EBIT** recorded a growth of 19% compared to H1-2017 reaching 188 MADm

Over H1-2018, the **EBIT to sales ratio** recorded an improvement of 41 bps compared to the previous year, accounting to 5% of sales.

The Net Income was impacted by an non current income of -30.7 MADm essentially due to a fiscal audit of 3 companies of the group; Label'Vie SA, HLV SAS and MLV SAS

However, the **Net Income** of the Group increased by 1%, reaching 140,1 MADm as of H1-2018.

Development and perspectives

Label'Vie Group intends to achieve its strategic objectives both in terms of operational performance and in new store openings.

The second half of the year will see the opening of 7 additional stores.

The Executive Board
Communication Manager: Amine Bennis

Principales and rules of Consolidation

1- Accounting Standard

Label'Vie SA Consolidated accounts are established according to the Moroccan Norms as prescribed by the Accounting National Council «Conseil National de Comptabilité).

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 exercices a control of 95%.
- Services LV, on which LABEL'VIE S.A exercices a control of 100%.
- Mobi Market , on which LABEL'VIE S.A exercices a control of 50%.

Scope of Consolidation of Label'Vie Group

	2017			30/06/2018		
COMPANY NAME	CONTROL RATE	INTEREST RATE	CONSOLIDATED METHOD	CONTROL RATE	INTEREST RATE	CONSOLIDATED METHOD
LABEL'VIE, S.A			PARENT COMPANY (*)			PARENT COMPANY (*)
Hypermarché LV SAS	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
Vecteur LV SAS	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	50%	50%	FULL CONSOLIDATION

(*) Consolidating entity

On the 30th of June 2018, Label'Vie held 58% of its subsidiary, however VLV is fully managed by an independent asset manager,

3- Consolidating entity

The companies controlled by Label'Vie Group are fully consolidated. Label'Vie controls a subsidiary when it can manage the financial and operational policies of an entity in order to benefit from its activities. The control exists when Label'Vie SA holds, directly or indirectly, more than half of voting rights of the subsidiary.
The four companies, Hypermarché LV, Maxi LV, Services LV and Mobi Market are fully integrated.

4- Back-to-Back operations

Back-to-back accounts resulting from intercompany transactions are canceled,

5- Principal accounting policies

- Goodwill : Goodwill corresônds 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 primarly of other deferred charges, Goodwill, software and licenses recognized at the acquisition cost. Software and other deffered 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 currecy; They are recognized at the exchange rate appearing on the date of entry, at the year end, exchange differences are recognized under unrealized translation adjustements. 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.

Consolidated Accounts

01/01/2018 To 30/06/2018

BALANCE SHEET - ASSETS				
ASSETS	EXERCICE			PREVIOUS YEAR
	GROSS	AMORT.-PROV.	NET	
NON-MONETARY INTANGIBLE ASSETS (A)				
. PRELIMINARY CHARGES				
. DEFERRED CHARGES OVER SEVERAL YEARS				
. REDEMPTION PREMIUMS OF CONVERTIBLE BONDS				
INTANGIBLE ASSETS (B)	**1 230 025 893,65**	**441 360 150,02**	**788 665 743,63**	**772 372 832,57**
. INTANGIBLE ASSETS	832 880 577,12	417 628 475,30	415 252 101,82	397 456 356,64
. PATENTS, TRADEMARKS AND SIMILAR RIGHTS AND VALUES	43 151 375,41	23 731 674,72	19 419 700,69	20 922 534,81
. GOODWILL	353 476 087,10		353 476 087,10	353 476 087,10
. OTHER INTANGIBLE ASSETS	517 854,02		517 854,02	517 854,02
FIXED ASSETS (C)	**2 370 703 458,25**	**677 306 776,77**	**1 693 396 681,48**	**1 601 551 599,62**
. LANDS	235 073 623,20		235 073 623,20	178 368 123,20
. CONSTRUCTIONS	652 730 612,46	98 928 518,22	553 802 094,24	505 769 417,11
. TECHNICAL INSTALLATIONS, MATERIALS AND TOOLS	677 189 971,68	334 321 819,51	342 868 152,17	343 942 870,78
. TRANSPORTATION EQUIPMENT	1 540 681,14	1 235 032,79	305 648,35	372 837,04
. FURNITURE, OFFICE EQUIPMENT AND DIFFERENT FITTINGS	590 400 149,48	215 788 054,53	374 612 094,96	338 228 553,85
. OTHER FIXED ASSETS	53 972 213,90	27 033 351,73	26 938 862,17	28 576 972,59
. ONGOING FIXED ASSETS	159 796 206,39		159 796 206,39	206 292 825,05
FINANCIAL ASSETS (D)	**1 385 861 991,49**		**1 385 861 991,49**	**1 384 897 341,49**
. FIXED LOANS				
. OTHER FINANCIAL RECEIVABLES	33 624 304,79		33 624 304,79	33 259 654,79
. EQUITY SECURITIES	1 352 237 686,70		1 352 237 686,70	1 351 637 686,70
. OTHER FIXED SECURITIES				
CURRENCY TRANSLATION - ASSETS (E)				
. DECREASE IN FIXED RECEIVABLES				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	**4 986 591 343,38**	**1 118 666 926,79**	**3 867 924 416,60**	**3 758 821 773,68**
STOCKS (F)	**1 342 019 484,86**	**12 623 947,04**	**1 329 395 537,82**	**1 285 379 120,94**
. GOODS	1 333 585 443,66	12 623 947,04	1 320 961 496,62	1 274 192 230,32
. MATERIALS AND SUPPLIES, CONSUMABLES	8 434 041,20		8 434 041,20	11 186 890,62
. ONGOING PRODUCTS				
. FINISHED PRODUCTS				
OPERATING RECEIVABLES (G)	**1 536 584 950,55**	**15 177 179,60**	**1 521 407 770,95**	**1 409 147 336,08**
. TRADE RECEIVABLES, DEPOSITS AND DOWN-PAYMENTS	100 096 403,91	2 395 538,63	97 700 865,28	83 931 179,37
. SUPPLIERS AND RELATED ACCOUNTS	831 324 741,12	12 781 640,97	818 543 100,15	833 904 522,08
. STAFF	17 708 749,66		17 708 749,66	9 941 488,02
. STAFF	452 075 754,18		452 075 754,18	428 752 825,56
. ASSOCIATES ACCOUNTS				
. OTHER RECEIVABLES	22 660 182,92		22 660 182,92	22 000 148,06
. PREPAYMENT AND ACCRUED INCOME	112 719 118,77		112 719 118,77	30 617 173,00
CASH AND INVESTMENT SECURITIES (H)	**48 618 008,37**		**48 618 008,37**	**50 122 904,48**
CURRENCY TRANSLATION - ASSETS (I)	**18,96**		**18,96**	**1 129 022,65**
TOTAL II = (F+G+H+I)	**2 927 222 462,74**	**27 801 126,64**	**2 899 421 336,10**	**2 745 778 384,15**
CASH ASSET POSITION				
. CHECKS AND CASH VALUES	4 459 885,07		4 459 885,07	56 467 316,15
. BANKS, TG and CP	562 460 921,72		562 460 921,72	475 524 682,46
. IMPREST AND FLOW-THROUGH-FUND	12 140 000,20		12 140 000,20	12 656 415,56
TOTAL III	**579 060 806,99**		**579 060 806,99**	**544 648 414,17**
OVERALL TOTAL I+II+III	**8 492 874 613,11**	**1 146 468 053,43**	**7 346 406 559,69**	**7 049 248 572,00**

BALANCE SHEET - LIABILITIES (Normal Model)		
LIABILITIES	EXERCICE	PREVIOS YEAR
STOCKHOLDERS EQUITY (A)		
. SOCIAL OR PERSONAL CAPITAL (1)	283 896 200,00	283 896 200,00
. LESS: SHAREHOLDERS.UNCALLED SUBSCRIBED CAPITAL		
CALLED CAPITAL OF WHICH WAS TRANSFERRED		
. ISSUE.MERGER AND TRANSFER PREMIUMS	1 150 523 764,19	1 150 523 764,19
. GOODWILL		
. LEGAL RESERVE	28 389 620,00	25 452 770,00
. OTHER RESERVE (CONSOLIDATED RESERVES)	28 647 711,80	-32 625 558,50
. RETAINED EARNINGS (2)	51 865 534,55	28 213 250,84
. NET INCOME PENDING ALLOCATION (2)		
. CONSOLIDATED NET INCOME	140 148 720,99	240 869 928,58
TOTAL STOCKHOLDERS EQUITY (A)	**1 683 471 551,53**	**1 696 330 355,11**
MINORITY INTERESTS (B)	**15 412 646,93**	**12 405 122,36**
. MINORITY INTERESTS	15 412 646,93	12 405 122,36
FINANCING LIABILITIES (C)	2 148 673 879,42	2 103 738 229,49
. BOND ISSUES	1 500 000 000,00	1 500 000 000,00
. OTHER FINANCING LIABILITIES	648 673 879,42	603 738 229,49
FINANCING LIABILITIES (D)	**5 400 148,34**	**2 243 777,72**
. PROVISIONS OF LIABILITIES	5 400 148,34	2 243 777,72
. PROVISIONS OF CHARGES		
CURRENCY TRANSLATION - LIABILITIES (E)		
. INCREASE IN FIXED RECEIVABLES		
. DECREASE OF FINANCING LIABILITIES		
TOTAL I = (A+B+C+D+E)	**3 852 958 226,22**	**3 814 717 484,68**
CURRENT LIABILITIES DEBTS (F)	**3 173 211 804,74**	**3 113 088 162,93**
. TRADE RECEIVABLES AND RELATED ACCOUNTS	2 670 458 043,88	2 805 295 834,25
. CUSTOMER PAYABLES,ADVANCES AND DOWN-PAYMENTS	37 200 177,69	31 851 542,19
. STAFF	7 898 786,94	8 059 194,05
. SOCIAL BODIES	17 173 718,02	15 966 608,42
. STATE	235 780 056,05	227 745 578,70
. ASSOCIATES ACCOUNTS	150 127 657,73	131 956,73
. OTHER ASSETS	5 806 028,99	5 698 830,10
. ACCRUALS AND DEFERRED INCOME	48 767 335,44	18 338 618,50
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)	**163 004,99**	**1 129 022,65**
CURRENCY TRANSLATION - LIABILITIES (H)	**73 523,74**	**313 901,74**
TOTAL II = (F+G+H)	**3 173 448 333,47**	**3 114 531 087,32**
LIABILITIES CASH FLOW		
. DISCOUNT CREDIT		
. CASH LOANS	320 000 000,00	120 000 000,00
. BANKS (CREDIT BALANCES)		
TOTAL III	**320 000 000,00**	**120 000 000,00**
OVERALL TOTAL I+II+III	**7 346 406 559,69**	**7 049 248 572,00**

INCOME STATEMENT (Excluding Tax)					
	OPERATIONS			2017 PRO FORMA	PREVIOUS YEAR
	YEAR (1)	YEAR PREV (2)	TOTAL YEAR (1+2)		
. OPERATING REVENUES					
. SALES OF GOODS (AS IT IS)	3 757 738 149,45		3 757 738 149,45	3 445 314 439,08	3 445 230 732,21
. SALES OF GOODS AND SERVICES PRODUCED	407 036 934,97		407 036 934,97	395 050 127,46	488 727 000,00
CONSOLIDATED TURNOVER	**4 164 775 084,42**		**4 164 775 084,42**	**3 840 364 566,54**	**3 933 957 732,21**
. CHANGE IN INVENTORY (+ -)					
. TANGIBLE ASSETS PRODUCED BY THE GROUP					
. OPERATING SUBSIDY					
. OTHER OPERATING REVENUES					
. REVERSALS; TRANSFER OF EXPENSES	50 664 313,88		50 664 313,88	51 808 061,95	53 868 899,01
TOTAL I	**4 215 439 398,29**		**4 215 439 398,29**	**3 892 172 628,49**	**3 987 826 631,22**
OPERATING EXPENSES					
. PURCHASED SERVICE RESOLD	3 321 064 149,45		3 321 064 149,45	3 064 929 489,56	3 066 602 621,49
. CONSUMED PURCHASES OF MATERIALS AND SUPPLIES	85 110 482,27		85 110 482,27	58 913 885,01	66 259 289,23
. OTHER EXTERNAL EXPENSES	253 125 495,77		253 125 495,77	265 527 107,05	222 725 786,33
. TAXES	25 317 198,71		25 317 198,71	25 683 126,17	33 458 314,39
. STAFF EXPENSES	207 256 480,40		207 256 480,40	195 384 685,16	205 210 117,57
. OTHER OPERATING EXPENSES	56 827,89		56 827,89		
. OPERATING ALLOCATIONS	135 576 158,09		135 576 158,09	123 680 744,61	184 442 704,54
TOTAL II	**4 027 506 792,57**		**4 027 506 792,57**	**3 734 119 037,56**	**3 778 698 833,55**
OPERATING INCOME (I-II) III	**187 932 605,72**		**187 932 605,72**	**158 053 590,93**	**209 127 797,67**
FINANCIAL INCOME					
. INCOME FROM EQUITY SECURITIES AND FIXED SECURITIES	67 166 221,00		67 166 221,00	65 043 314,00	1 858 890,00
. EXCHANGE GAINS	847 939,55		847 939,55	456 001,13	472 464,53
. INTEREST AND OTHER FINANCIAL REVENUE	23 364 170,36		23 364 170,36	18 233 601,21	31 884 743,97
. FINANCIAL REVERSALS; TRANSFER OF EXPENSES	966 017,66		966 017,66	5 662 668,98	6 248 807,04
TOTAL IV	**92 344 348,57**		**92 344 348,57**	**89 395 585,32**	**40 464 905,54**
FINANCIAL EXPENSES					
. INTEREST CHARGES	69 398 188,36		69 398 188,36	72 354 546,55	95 320 777,07
. EXCHANGE LOSSES	2 733 267,22		2 733 267,22	126 746,86	126 746,86
. OTHER FINANCIAL EXPENSES	3 637 391,91		3 637 391,91	244 652,02	105 604,51
. FINANCIAL ALLOCATIONS					
TOTAL V	**75 768 847,49**		**75 768 847,49**	**72 725 945,43**	**95 553 128,44**
FINANCIAL INCOME (IV-V) VI	**16 575 501,08**		**16 575 501,08**	**16 669 639,89**	**-55 088 222,90**
RECURRING OPERATING INCOME (III+VI) VII	**204 508 106,80**		**204 508 106,80**	**174 723 230,82**	**154 039 574,77**
NON RECURRING REVENUES					
. PROCEEDS OF SALES OF FIXED ASSETS				1 660 897,71	1 660 897,71
. OPERATING SUBSIDY					
. REVERSALS ON INVESTMENT SUBSIDY					
. OTHER NON-RECURRING REVENUES	598 698,66		598 698,66	529 385,08	870 841,04
. OTHER NON-RECURRING REVERSALS;TRANSFER OF EXPENSES					
TOTAL VIII	**598 698,66**		**598 698,66**	**2 190 282,79**	**2 531 738,75**
NON RECURRING EXPENSES					
. NET VALUE OF SOLD FIXED ASSET PREPAYMENT					
. SUBSIDY GRANTED					
. OTHER NON-RECURRING EXPENSES	28 881 525,85		28 881 525,85	1 185 862,94	2 297 399,31
. NON-CURRENT ALLOCATIONS TO REPAYMENT AND PROVISIONS	2 404 269,62		2 404 269,62	1 035 924,07	1 063 493,91
TOTAL IX	**31 285 795,47**		**31 285 795,47**	**2 221 787,01**	**3 360 893,22**
NON-RECURRING INCOME (VIII-IX) X			**-30 687 096,81**	**-31 504,22**	**-829 154,47**
INCOME BEFORE TAXES (VII+X) XI			**173 821 009,99**	**174 691 726,60**	**153 210 420,30**
INCOME TAXES (XII)			**33 672 289,00**	**35 786 943,99**	**51 350 596,83**
NET INCOME (XI-XII)			**140 148 720,99**	**138 904 782,61**	**101 859 823,47**
TOTAL REVENUES (I+IV+VIII)			**4 308 382 445,52**	**3 983 758 496,60**	**4 030 823 275,51**
TOTAL EXPENSES (II+V+IX+XII)			**4 168 233 724,53**	**3 844 853 713,99**	**3 928 963 452,04**
NET INCOME GROUP SHARE			**138 796 503,50**	**137 948 771,16**	**89 818 929,78**
MINORITY NET INCOME			**1 352 217,49**	**956 011,45**	**12 040 893,69**

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Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1ST TO JUNE 30TH, 2018

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 June 30th, 2018 - 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 1 698 884 198,46 MAD including a consolidated net profit of 140 148 720,99 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, September 17th, 2018

Free translation from the original French version

The Statutory Auditors

Horwath Maroc Audit

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Omar SEKKAT

Corporate accounts

01/01/2018 To 30/06/2018

BALANCE SHEET - Assets				
ASSETS	EXERCICE			PREVIOUS YEAR
	GROSS	AMORT.-PROV.	NET	
NON-MONETARY INTANGIBLE ASSETS (A)	**555 608 669,39**	**231 956 775,75**	**323 651 893,64**	**305 130 812,50**
. PRELIMINARY CHARGES	32 900,00	29 610,00	3 290,00	6 580,00
. DEFERRED CHARGES OVER SEVERAL YEARS	555 575 769,39	231 927 165,75	323 648 603,64	305 124 232,50
. REDEMPTION PREMIUMS OF CONVERTIBLE BONDS				
INTANGIBLE ASSETS (B)	**197 022 891,49**	**21 456 950,40**	**175 565 941,09**	**177 072 998,16**
. INTANGIBLE ASSETS				
. PATENTS, TRADEMARKS AND SIMILAR RIGHTS AND VALUES	40 283 471,06	21 456 950,40	18 826 520,66	20 333 577,73
. GOODWILL	156 739 420,43		156 739 420,43	156 739 420,43
. OTHER INTANGIBLE ASSETS				
FIXED ASSETS (C)	**1 816 811 855,39**	**437 851 457,59**	**1 378 960 397,80**	**1 292 240 544,91**
. LANDS	235 073 623,20		235 073 623,20	178 368 123,20
. CONSTRUCTIONS	634 152 619,15	96 633 630,26	537 518 988,89	489 266 247,65
. TECHNICAL INSTALLATIONS, MATERIALS AND TOOLS	390 644 802,65	194 458 085,22	196 186 717,43	195 355 369,55
. TRANSPORTATION EQUIPMENT	1 521 079,83	1 220 532,11	300 547,72	368 535,29
. FURNITURE, OFFICE EQUIPMENT AND DIFFERENT FITTINGS	399 790 119,76	145 539 210,00	254 250 909,76	225 108 589,97
. OTHER FIXED ASSETS				
. ONGOING FIXED ASSETS	155 629 610,80		155 629 610,80	203 773 679,25
FINANCIAL ASSETS (D)	**1 643 932 025,16**		**1 643 932 025,16**	**1 642 967 375,16**
. FIXED LOANS				
. OTHER FINANCIAL RECEIVABLES	17 079 338,46		17 079 338,46	16 714 688,46
. EQUITY SECURITIES	1 626 852 686,70		1 626 852 686,70	1 626 252 686,70
. OTHER FIXED SECURITIES				
CURRENCY TRANSLATION - ASSETS (E)				
. DECREASE IN FIXED RECEIVABLES				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	**4 213 375 441,43**	**691 265 183,74**	**3 522 110 257,69**	**3 417 411 730,73**
STOCKS (F)	**583 505 922,03**		**583 505 922,03**	**596 236 245,49**
. GOODS	577 010 533,69		577 010 533,69	586 866 502,29
. MATERIALS AND SUPPLIES, CONSUMABLES	6 495 388,34		6 495 388,34	9 369 743,20
. ONGOING PRODUCTS				
. FINISHED PRODUCTS				
OPERATING RECEIVABLES (G)				
. TRADE RECEIVABLES, DEPOSITS AND DOWN-PAYMENTS	**1 541 126 618,30**	**194 663,41**	**1 540 931 954,89**	**1 437 745 079,03**
. SUPPLIERS AND RELATED ACCOUNTS	48 216 673,76		48 216 673,76	34 097 388,36
. STAFF	1 092 606 126,27	194 663,41	1 092 411 462,86	1 103 984 167,43
. STAFF	14 102 515,41		14 102 515,41	8 290 617,44
. ASSOCIATES ACCOUNTS	252 128 840,67		252 128 840,67	239 890 384,44
. OTHER RECEIVABLES				
. PREPAYMENT AND ACCRUED INCOME	30 005 745,35		30 005 745,35	22 560 007,85
CASH AND INVESTMENT SECURITIES (H)	104 066 716,84		104 066 716,84	28 922 513,51
CURRENCY TRANSLATION - ASSETS (I)	**10 887 895,87**		**10 887 895,87**	**10 887 895,87**
TOTAL II = (F+G+H+I)				**952 435,02**
(ELEMENTS CIRCULANTS)				
TOTAL II (F + G + H + I)	**2 135 520 436,20**	**194 663,41**	**2 135 325 772,79**	**2 045 821 655,41**
CASH ASSET POSITION				
. CHECKS AND CASH VALUES	1 202 516,64		1 202 516,64	26 234 402,20
. BANKS, TG and CP	615 943 214,91		615 943 214,91	537 624 089,85
. IMPREST AND FLOW-THROUGH-FUND	6 510 210,09		6 510 210,09	7 046 427,87
TOTAL III	**623 655 941,64**		**623 655 941,64**	**570 904 919,92**
OVERALL TOTAL I+II+III	**6 972 551 819,27**	**691 459 847,15**	**6 281 091 972,12**	**6 034 138 306,06**

BALANCE SHEET - LIABILITIES (Normal Model)		
PASSIF	EXERCICE	PREVIOUS YEAR
STOCKHOLDERS EQUITY (A)		
. SOCIAL OR PERSONAL CAPITAL (1)	283 896 200,00	283 896 200,00
. LESS: SHAREHOLDERS.UNCALLED SUBSCRIBED CAPITAL		
CALLED CAPITAL OF WHICH WAS TRANSFERRED...		
. ISSUE.MERGER AND TRANSFER PREMIUMS	1 150 523 764,19	1 150 523 764,19
. GOODWILL		
. LEGAL RESERVE	28 389 620,00	25 452 770,00
. OTHER RESERVE (CONSOLIDATED RESERVES)		
. RETAINED EARNINGS (2)	51 865 534,55	28 213 250,84
. NET INCOME PENDING ALLOCATION (2)		
. CONSOLIDATED NET INCOME	110 997 043,14	176 589 133,71
TOTAL STOCKHOLDERS EQUITY (A)	**1 625 672 161,88**	**1 664 675 118,74**
MINORITY INTERESTS (B)		
. MINORITY INTERESTS		
FINANCING LIABILITIES (C)	**2 007 306 050,31**	**1 941 119 665,79**
. BOND ISSUES	1 500 000 000,00	1 500 000 000,00
. OTHER FINANCING LIABILITIES	507 306 050,31	441 119 665,79
FINANCING LIABILITIES (D)	2 884 954,83	1 000 558,60
. PROVISIONS OF LIABILITIES	2 884 954,83	1 000 558,60
. PROVISIONS OF CHARGES		
CURRENCY TRANSLATION - LIABILITIES (E)		
. INCREASE IN FIXED RECEIVABLES		
. DECREASE OF FINANCING LIABILITIES		
TOTAL I = (A+B+C+D+E)	**3 635 863 167,02**	**3 606 795 343,13**
CURRENT LIABILITIES DEBTS (F)	**2 325 155 281,36**	**2 306 076 665,78**
. TRADE RECEIVABLES AND RELATED ACCOUNTS	1 396 435 327,88	1 450 608 139,37
. CUSTOMER PAYABLES,ADVANCES AND DOWN-PAYMENTS	1 943 291,25	1 624 124,11
. STAFF	890 059,99	797 340,43
. SOCIAL BODIES	11 744 141,62	11 232 695,94
. STATE	169 642 691,41	180 619 308,69
. ASSOCIATES ACCOUNTS	150 127 657,73	131 956,73
. OTHER ASSETS	548 468 465,99	645 415 533,70
. ACCRUALS AND DEFERRED INCOME	45 903 645,49	15 647 566,81
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)		**952 435,02**
CURRENCY TRANSLATION - LIABILITIES (H)	**73 523,74**	**313 862,13**
TOTAL II = (F+G+H)	**2 325 228 805,10**	**2 307 342 962,93**
LIABILITIES CASH FLOW		
. DISCOUNT CREDIT		
. CASH LOANS	320 000 000,00	120 000 000,00
. BANKS (CREDIT BALANCES)		
TOTAL III	**320 000 000,00**	**120 000 000,00**
OVERALL TOTAL I+II+III	**6 281 091 972,12**	**6 034 138 306,06**

INCOME STATEMENT (Excluding Tax)				
	OPERATIONS		TOTAL YEAR (1+2)	PREVIOUS YEAR
	YEAR (1)	YEAR PREV (2)		
. OPERATING REVENUES				
. SALES OF GOODS (AS IT IS)	1 716 926 115,96		1 716 926 115,96	1 492 472 383,61
. SALES OF GOODS AND SERVICES PRODUCED	235 962 276,44		235 962 276,44	240 815 196,79
CONSOLIDATED TURNOVER	**1 952 888 392,40**		**1 952 888 392,40**	**1 733 287 580,40**
. CHANGE IN INVENTORY (+ -)				
. TANGIBLE ASSETS PRODUCED BY THE GROUP				
. OPERATING SUBSIDY				
. OTHER OPERATING REVENUES				
. REVERSALS; TRANSFER OF EXPENSES	45 270 468,63		45 270 468,63	45 961 724,82
TOTAL I	**1 998 158 861,03**		**1 998 158 861,03**	**1 779 249 305,22**
OPERATING EXPENSES				
. PURCHASED SERVICE RESOLD	1 467 746 251,95		1 467 746 251,95	1 275 592 613,17
. CONSUMED PURCHASES OF MATERIALS AND SUPPLIES	51 063 671,16		51 063 671,16	48 328 334,62
. OTHER EXTERNAL EXPENSES	116 740 635,30		116 740 635,30	130 904 827,31
. TAXES	11 594 949,48		11 594 949,48	10 690 116,14
. STAFF EXPENSES	125 458 556,20		125 458 556,20	116 181 461,64
. OTHER OPERATING EXPENSES				
. OPERATING ALLOCATIONS	87 052 546,60		87 052 546,60	73 070 713,85
TOTAL II	**1 859 656 610,69**		**1 859 656 610,69**	**1 654 768 066,73**
OPERATING INCOME (I-II) III	**138 502 250,34**		**138 502 250,34**	**124 481 238,49**
FINANCIAL INCOME				
. INCOME FROM EQUITY SECURITIES AND FIXED SECURITIES	67 166 221,00		67 166 221,00	65 043 314,00
. EXCHANGE GAINS	685 958,64		685 958,64	328 407,91
. INTEREST AND OTHER FINANCIAL REVENUE	22 381 185,86		22 381 185,86	17 907 097,16
. FINANCIAL REVERSALS; TRANSFER OF EXPENSES	952 435,02		952 435,02	4 601 139,69
TOTAL IV	**91 185 800,52**		**91 185 800,52**	**87 879 958,76**
FINANCIAL EXPENSES				
. INTEREST CHARGES	78 506 613,92		78 506 613,92	72 778 395,05
. EXCHANGE LOSSES	2 023 537,37		2 023 537,37	58 124,15
. OTHER FINANCIAL EXPENSES	3 637 391,91		3 637 391,91	105 604,51
. FINANCIAL ALLOCATIONS				
TOTAL V	**84 167 543,20**		**84 167 543,20**	**72 942 123,71**
FINANCIAL INCOME (IV-V) VI	**7 018 257,32**		**7 018 257,32**	**14 937 835,05**
RECURRING OPERATING INCOME (III+VI) VII	**145 520 507,66**		**145 520 507,66**	**139 419 073,54**
PRODUITS NON COURANTS				
. PROCEEDS OF SALES OF FIXED ASSETS				1 660 897,71
. OPERATING SUBSIDY				
. REVERSALS ON INVESTMENT SUBSIDY				
. OTHER NON-RECURRING REVENUES	352 882,90		352 882,90	271 794,98
. OTHER NON-RECURRING REVERSALS;TRANSFER OF EXPENSES				
TOTAL VIII	**352 882,90**		**352 882,90**	**1 932 692,69**
NON RECURRING EXPENSES				
. NET VALUE OF SOLD FIXED ASSET PREPAYMENT				
. SUBSIDY GRANTED				
. OTHER NON-RECURRING EXPENSES	12 315 621,23		12 315 621,23	54 929,24
. NON-CURRENT ALLOCATIONS TO REPAYMENT AND PROVISIONS	2 033 437,19		2 033 437,19	898 644,57
TOTAL IX	**14 349 058,42**		**14 349 058,42**	**953 573,81**
NON-RECURRING INCOME (VIII-IX) X			**-13 996 175,52**	**979 118,88**
INCOME BEFORE TAXES (VII+X) XI			**131 524 332,14**	**140 398 192,42**
INCOME TAXES (XII)			**20 527 289,00**	**23 937 000,00**
NET INCOME (XI-XII)			**110 997 043,14**	**116 461 192,42**
TOTAL REVENUES (I+IV+VIII)			**2 089 697 544,45**	**1 869 061 956,67**
TOTAL EXPENSES (II+V+IX+XII)			**1 978 700 501,31**	**1 752 600 764,25**
NET INCOME (TOTAL REVENUES - TOTAL EXPENSES)			**110 997 043,14**	**116 461 192,42**

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Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1ST TO JUNE 30TH, 2018

As statutory auditors of Label'Vie SA, we have conducted a limited review of the company accounts for the period from January 1st to June 30th, 2018 - 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 1 625 672 161,88 MAD including a net profit of 110 997 043,14 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, September 17th, 2018

Free translation from the original French version

The Statutory Auditors

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