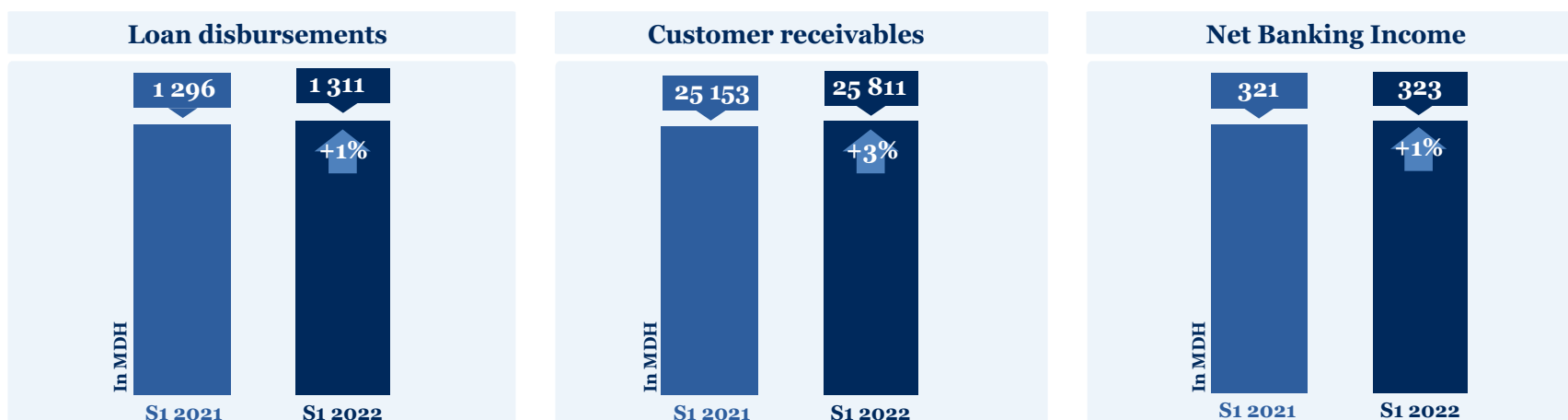
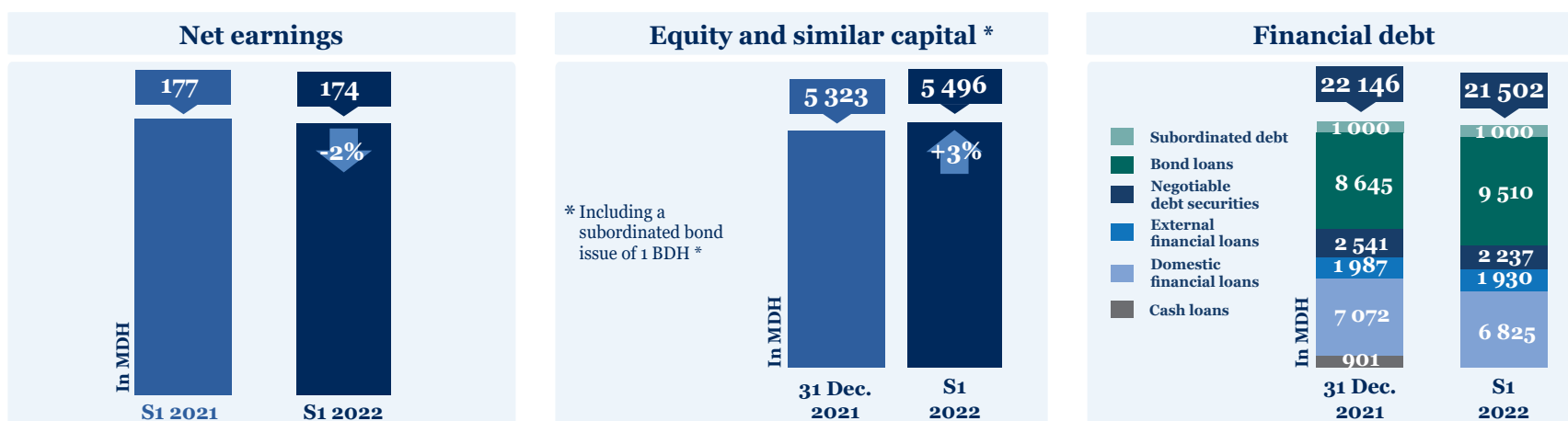


## Press release of the Fonds d'Equipeement Communal on the occasion of the publication of the Semestrial Financial Report S1 2022



During the first semester of 2022, loan disbursements amounted to more than 1.3 BDH and contributed to the financing of several projects carried out by the different categories of Territorial Communities. These financings, of which more than 24% fall within the context of the Program for the Reduction of Territorial and Social Disparities (PRDTS), have mainly been used to finance urban development projects, in particular for the implementation of city upgrading programs, specialized equipment and road infrastructure.

For their part, loan commitments reached an amount of more than 1.8 BDH, up by more than 19% compared to S1 2021 and of which nearly 88% were granted to Regional Councils, Prefectural and Provincial Councils, at 54% and 34% respectively.



The Institution has recorded, during S1 2022, a positive evolution of its NBI, which reached 323 MDH, a slight increase compared to S1 2021, thanks in particular to the combined effect of the level of operations and the quality of the portfolio, to date. Similarly, customer receivables reached, as of June 30, 2022, nearly 26 BDH, an increase of nearly 3% on a year-on-year basis.

For S1 2022, the current result amounted to 292 MDH, a slight increase compared to S1 2021. However, net earnings have reached nearly 174 MDH, down 2%, due to the increase in the rate of the social solidarity contribution, which resulted in an increase in non-current expenses.

In addition, the Bank continues to strengthen its financial base and its solvency in order to meet the growing needs of Territorial Communities, as its equity and similar assets reached nearly 5.5 BDH at the end of June 2022, an increase of 3% compared to December 31, 2021.

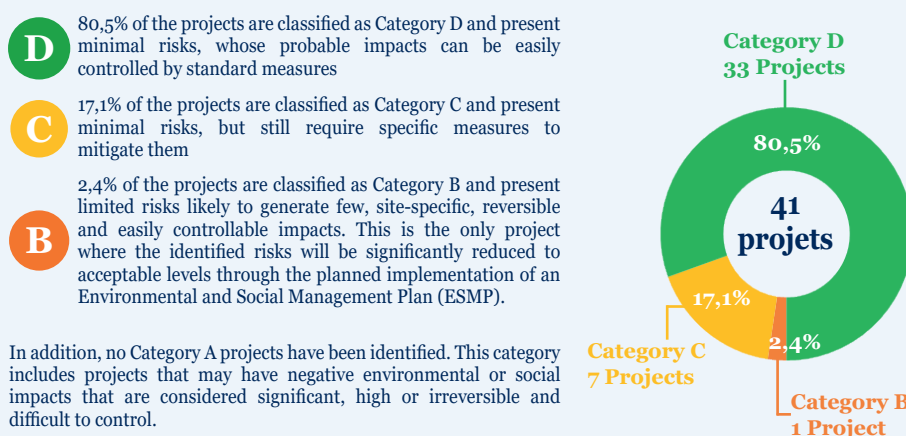
As of June 30, 2022, the FEC's financial debt reached more than 21.5 BDH, consisting mainly of mobilized resources on the domestic financial market, in particular through bond loans, which represent a share of more than 44%.

The FEC's strong commitment to making the assessment of Environmental and Social risks (E&S) a *sine qua non* condition for any financing of territorial projects constitutes one of the main pillars of the Institution's financing strategy.

In concretization of this commitment, the Bank has sealed, during Q2 2022, its E&S corpus which is composed of the E&S policy and procedures guaranteeing the standardization of the conduct of the E&S risk assessment.

Thus, and as part of the evaluation of projects submitted for its financing, the FEC systematically proceeds to the evaluation of the E&S issues, in order to ensure a better assessment and management of the related risks, in accordance with national regulations and international best practices in this area. The chart on the right illustrates the E&S rating resulting from the E&S risk assessment of the 41 projects financed by loan allocations of the FEC in S1 2022.

### Breakdown of projects by E&S risk category \*



(\*) : Projects financed by loan allocations of the FEC in S1 2022

### For additional information related to the financial communication

Mrs. Sanaa BALAFREJ, Responsible of financial communication : 05 37 56 90 32

[www.fec.ma](http://www.fec.ma)

### Web link to access the Semestrial Financial Report S1 2022

[https://www.fec.ma/Com\\_Financieres/Exercice2022/RFS\\_S1\\_2022.pdf](https://www.fec.ma/Com_Financieres/Exercice2022/RFS_S1_2022.pdf)