

A low-angle, upward-looking photograph of several tall skyscrapers against a clear blue sky. The perspective creates a sense of height and grandeur. The buildings are rendered in shades of blue and white, with some windows visible. The text is overlaid on the upper left portion of the image.

# **FINANCIAL STATEMENTS** **as of June 30, 2022**



BALANCE SHEET			(In thousand MAD)
ASSETS	June 30, 2022	December 31, 2021	
CASH VALUE, CENTRAL BANKS, PUBLIC TREASURY, POSTAL CHECKS SERVICE	193,792	24,384	
RECEIVABLES ON CREDIT INSTITUTIONS AND SIMILAR	1,104	946	
On sight	1,104	946	
At term	-	-	
CUSTOMER RECEIVABLES	25,810,958	26,183,116	
Cash and consumer loans and participatory financing	1,777	2,262	
Loans and participatory financing for equipment	25,748,250	26,158,280	
Real estate loans and participatory financing	18,787	19,852	
Other loans and participatory financing	42,145	2,722	
RECEIVABLES ACQUIRED THROUGH FACTORING	-	-	
TRADING AND INVESTMENT SECURITIES	-	-	
Treasury bills and similar securities	-	-	
Other debt securities	-	-	
Property securities	-	-	
Sukuks Certificates	-	-	
OTHER ASSETS	320,859	300,649	
INVESTMENT SECURITIES	-	-	
Treasury bills and similar securities	-	-	
Other debt securities	-	-	
Sukuks Certificates	-	-	
EQUITY SECURITIES AND SIMILAR ASSETS	25	25	
Participation in related companies	-	-	
Other equity securities and similar uses	25	25	
Moudaraba and Moucharaka securities	-	-	
SUBORDINATED RECEIVABLES	-	-	
INVESTMENT DEPOSITS PLACED	-	-	
FIXED ASSETS GIVEN IN LEASING AND RENTING	-	-	
FIXED ASSETS GIVEN IN IJARA	-	-	
INTANGIBLE FIXED ASSETS	241	320	
TANGIBLE FIXED ASSETS	43,297	44,719	
TOTAL ASSETS	26,370,277	26,554,158	

LIABILITIES	June 30, 2022	December 31, 2021	
CENTRAL BANKS, PUBLIC TREASURY, POSTAL CHECKS SERVICE			
DEBTS TO CREDIT INSTITUTIONS AND SIMILAR	8,754,883	9,959,027	
On sight	-	-	
At term	8,754,883	9,959,027	
CUSTOMER DEPOSITS	-	-	
Demand accounts payable	-	-	
Savings Accounts	-	-	
Term deposits	-	-	
Other accounts payable	-	-	
DEBTS TO CUSTOMERS ON PARTICIPATORY PRODUCTS	-	-	
ISSUED DEBT SECURITIES	11,747,175	11,186,604	
Issued negotiable debt securities	2,237,448	2,541,450	
Bond loans	9,509,728	8,645,154	
Other debt securities issued	-	-	
OTHER LIABILITIES	320,037	34,157	
PROVISIONS FOR RISKS AND EXPENSES	51,705	51,705	
REGULATED PROVISIONS	-	-	
SUBSIDIES, ALLOCATED PUBLIC FUNDS AND SPECIAL GUARANTEE FUNDS	-	-	
SUBORDINATED DEBT	1,000,000	1,000,000	
INVESTMENT DEPOSITS RECEIVED	-	-	
REVALUATION DIFFERENCES	-	-	
RESERVES AND RELATED PREMIUM CAPITAL	3,322,666	2,994,185	
CAPITAL	1,000,000	1,000,000	
SHAREHOLDERS, UNPAID CAPITAL (-)	-	-	
RETAINED EARNINGS ( +/- )	-	-	
NET EARNINGS PENDING ALLOCATION ( +/- )	-	-	
NET EARNINGS FOR THE FISCAL YEAR ( +/- )	173,810	328,481	
TOTAL LIABILITIES	26,370,277	26,554,158	

OFF-BALANCE SHEET		(In thousand MAD)
	June 30, 2022	December 31, 2021
COMMITMENTS GIVEN	5,942,637	5,556,371
Financing commitments given to credit institutions and similar	-	-
Financing commitments given to customers	5,942,637	5,556,371
Guarantee commitments for credit institutions and similar	-	-
Guarantee commitments on behalf of customers	-	-
Securities purchased with repurchase option	-	-
Other securities to be delivered	-	-
COMMITMENTS RECEIVED	6,959,859	6,458,741
Financing commitments received from credit institutions and similar	6,959,859	6,458,741
Guarantee commitments received from credit institutions and similar	-	-
Guarantee commitments received from the State and from various guarantee bodies	-	-
Sold securities with repurchase option	-	-
Other securities to receive	-	-
Moucharaka and Moudaraba securities to be received	-	-

STATEMENT OF INCOME AND EXPENSES		(In thousand MAD)
	June 30, 2022	June 30, 2021
BANKING OPERATING INCOME	619,855	635,455
Interest, remunerations and similar income from transactions with credit institutions	1,360	1,134
Interest, remunerations and similar income from transactions with customers	618,495	634,321
Interest and similar income from debt securities	-	-
Income from property securities and certificates of Sukuks	-	-
Income based on Moudaraba and Moucharaka securities	-	-
Income from fixed assets leased and rented	-	-
Income from fixed assets given in Ijara	-	-
Commissions on services	-	-
Other banking income	-	-
Transfer of expenses on investment deposits received	-	-
BANKING OPERATING EXPENSES	296,865	314,618
Interest and similar expenses on transactions with credit institutions	121,819	126,791
Interest and similar expenses on transactions with customers	-	-
Interest and similar expenses on debts issued	174,956	187,711
Expenses on Moudaraba and Moucharaka securities	-	-
Expenses on fixed assets leased and rented	-	-
Expenses on fixed assets given in Ijara	-	-
Other bank expenses	89	115
Transfer of income on investment deposits received	-	-
NET BANKING INCOME	322,990	320,837
Non-banking operating income	896	1,057
Non-banking operating expenses	89	83
GENERAL OPERATING EXPENSES	30,707	29,366
Staff expenses	24,320	23,464
Taxes and dues	421	420
External expenses	2,554	2,037
Other general operating expenses	1,864	1,761
Allocations for depreciation and provisions of tangible and intangible fixed assets	1,550	1,684
ALLOCATIONS TO PROVISIONS AND UNRECOVERABLE RECEIVABLES	1,720	1,266
Allocations to provisions on receivables and pending commitments by signature	1,720	1,266
Losses on unrecoverable receivables	-	-
Other allocations to provisions	-	-
REVERSALS OF PROVISIONS AND RECOVERIES ON WRITTEN OFF RECEIVABLES	907	-
Reversals of provisions on receivables and pending commitments by signature	907	-
Recoveries on written off receivables	-	-
Other reversals of provisions	-	-
OPERATING RESULT	292,375	291,179
Non-operating income	2	143
Non-operating expenses	14,087	9,605
PRE-TAX EARNINGS	278,290	281,716
Earnings Taxes	104,479	104,381
NET EARNINGS FOR THE FISCAL YEAR	173,810	177,335



STATUS OF MANAGEMENT BALANCES		(In thousand MAD)
I- EARNINGS FORMATION TABLE	June 30, 2022	June 30, 2021
(+) Interest and similar income	619,855	635,455
(-) Interest and similar expenses	296,775	314,502
INTEREST MARGIN	323,080	320,953
(+) Income on participatory financing	-	-
(-) Expenses on participatory financing	-	-
MARGIN ON PARTICIPATORY FINANCING	-	-
(+) Income from fixed assets leased and rented	-	-
(-) Expenses on fixed assets leased and rented	-	-
RESULT OF LEASING AND RENTAL TRANSACTIONS	-	-
(+) Income on fixed assets given in Ijara	-	-
(-) Expenses on fixed assets given in Ijara	-	-
RESULT OF IJARA OPERATIONS	-	-
(+) Commissions received	-	-
(-) Commissions paid	89	115
MARGIN ON COMMISSIONS	- 89	- 115
(+) Result of trading securities operations	-	-
(+) Result of investment securities operations	-	-
(+) Result of exchange operations	-	-
(+) Result of derivative products operations	-	-
RESULT OF MARKET OPERATIONS	-	-
(+) Result of operations on Moudaraba and Moucharaka securities	-	-
(+) Various other banking products	-	-
(-) Various other banking expenses	-	-
SHARE OF INVESTMENT DEPOSIT ACCOUNT HOLDERS	-	-
NET BANKING INCOME	322,990	320,837
(*) Net income from financial fixed assets	-	-
(*) Other non-banking operating income	995	1,057
(-) Other non-banking operating expenses	89	83
(-) General operating expenses	30,707	29,366
GROSS OPERATING RESULT	293,189	292,445
(+/-) Net allocations of reversals to provisions for receivables and non performing commitments by signature	814	1,266
(+/-) Other net allocations of reversals to provisions	-	-
OPERATING RESULT	292,375	291,179
NON-OPERATING RESULT	- 14,085	- 9,463
(-) Earnings Taxes	104,479	104,381
NET EARNINGS FOR THE FISCAL YEAR	173,810	177,335

II- SELF-FINANCING CAPACITY	June 30, 2022	June 30, 2021
(+) NET EARNINGS FOR THE FISCAL YEAR	173,810	177,335
(+) Allocations to amortization and provisions of tangible and intangible fixed assets	1,550	1,684
(+) Allocations to provisions for depreciation of financial fixed assets	-	-
(+) Allocations to provisions for general risks	-	-
(+) Regulated provisions allocations	-	-
(+) Non-operating provisions allocations	-	-
(-) Reversal of provisions	-	-
(-) Capital gains on disposals of tangible and intangible fixed assets	-	-
(+) Capital losses on disposals of intangible and tangible fixed assets	-	-
(-) Capital gains on disposals of financial fixed assets	-	-
(+) Capital losses on disposals of financial fixed assets	-	-
(-) Reversal of investment grants received	-	-
(+) SELF-FINANCING CAPACITY	175,360	179,020
(-) Distributed Profit	-	-
(+) SELF-FINANCING	175,360	179,020

CASH FLOW STATEMENT		(In thousand MAD)
	June 30, 2022	December 31, 2021
Banking operating income received	619,855	1,256,736
Recoveries on written off receivables	-	-
Non-banking operating income received	997	2,429
Banking operating expenses paid	296,865	619,309
Non-banking operating expenses paid	14,176	19,389
General operating expenses paid	29,158	55,595
Earnings taxes paid	104,479	208,484
NET CASH FLOWS FROM THE STATEMENT OF INCOME AND EXPENSES	176,174	356,388
Variation of :		
Receivables on credit institutions and similar	- 158	- 656
Receivables on customers	370,905	- 975,621
Trading and investment securities	-	-
Other assets	- 19,771	- 65,590
Moudaraba and Moucharaka securities	-	-
Fixed assets leased and rented	-	-
Fixed assets given in Ijara	-	-
Investment deposits placed with credit institutions and similar	-	-
Debt to credit institutions and similar	- 1,204,144	1,361,571
Customer deposits	-	-
Debt to customers on participatory products	-	-
Issued receivables securities	560,571	- 664,136
Other liabilities	285,881	- 13,227
II. BALANCE OF VARIATIONS IN OPERATING ASSETS AND LIABILITIES	- 6,716	- 357,659
III. NET CASH FLOWS FROM OPERATING ACTIVITIES (I + II)	169,458	- 1,271
Income from disposals of financial fixed assets	-	-
Income from disposals of tangible and intangible fixed assets	-	-
Acquisition of financial fixed assets	-	-
Acquisition of tangible and intangible fixed assets	49	40
Interest received	-	-
Dividends received	-	-
IV. NET CASH FLOWS FROM INVESTMENT ACTIVITIES	- 49	- 40
Subsidies, public funds and special guarantee funds received	-	-
Issuance of subordinated debts	-	-
Investment deposits received	-	-
Issue of shares	-	-
Repayment of equity capital and similar	-	-
Investment deposits reimbursed	-	-
Interest paid	-	-
Remuneration paid on investment deposits	-	-
Dividends paid	-	-
V. NET CASH FROM FINANCING ACTIVITIES	-	-
VI. NET VARIATION IN CASH	169,409	- 1,311
VII. CASH POSITION AT THE BEGINNING OF THE FISCAL YEAR	24,384	25,695
VIII. CASH POSITION AT THE END OF THE FISCAL YEAR	193,792	24,384



MAIN APPLIED EVALUATION METHODS
INDICATION OF THE EVALUATION METHODS APPLIED BY THE INSTITUTION
* Application of the evaluation methods provided for in the "Chart of Accounts of Credit Institutions" which came into force on 01/01/2000. * Non-Performing Loans (NPLs) on the clients are accounted for and valued in accordance with current banking regulations. The main provisions applied can be summarized as follows : - Non-Performing Loans (NPLs) are, depending on the degree of risk, classified as pre-doubtful, doubtful or compromised loans. - Non-Performing Loans (NPLs) are, after deduction of the guarantee rates provided for by the regulations in force (Circular Letter No. 25/G/97, Circulars No. 19/G/2002 and 38/G/2004), provisioned for : - 20% for pre-doubtful loans, - 50% for doubtful loans, - 100% for compromised loans. * Intangible and tangible fixed assets are recorded in the balance sheet at cost less accumulated amortization, calculated on a straight-line basis over estimated lifespan. Intangible and tangible fixed assets are amortized according to the regulations in force. * The summary statements are presented in accordance with the provisions of the Chart of Accounts of Credit Institutions.

STATUS OF EXEMPTIONS		
INDICATIONS OF EXEMPTIONS	JUSTIFICATIONS FOR EXEMPTIONS	INFLUENCE OF EXEMPTIONS ON PATRIMONY, FINANCIAL SITUATION AND RESULTS
I. Exemptions from fundamental accounting principles		
II. Exemptions from assessment methods		
III. Exemptions from the rules for drawing up and presenting summary statements		

NONE

STATUS OF CHANGES IN METHODS		
INDICATIONS OF CHANGES	JUSTIFICATIONS OF CHANGES	INFLUENCE OF CHANGES ON PATRIMONY, FINANCIAL SITUATION AND RESULTS
I. Changes affecting assessment methods	NONE	
II. Changes affecting presentation rules		

RECEIVABLES ON CREDIT INSTITUTIONS AND SIMILAR	(In thousand MAD)					
RECEIVABLES	Bank AlMaghrib, Public Treasury and Postal Checks Service	Banks in Morocco	Other credit and similar institutions in Morocco	Credit institutions abroad	Total June 30, 2022	Total Dec 31, 2021
ORDINARY DEBIT ACCOUNTS	193,173	1,098	6	-	194,277	24,822
VALUES RECEIVED IN PENSION	-	-	-	-	-	-
Day by day	-	-	-	-	-	-
At term	-	-	-	-	-	-
CASH LOANS	-	-	-	-	-	-
Day by day	-	-	-	-	-	-
At term	-	-	-	-	-	-
FINANCIAL LOANS	-	-	-	-	-	-
OTHER RECEIVABLES	-	-	-	-	-	-
ACCURED INTEREST RECEIVABLE	605	-	-	-	605	502
NON PERFORMING LOANS	-	-	-	-	-	-
TOTAL	193,778	1,098	6	-	194,882	25,324

CUSTOMER RECEIVABLES	(In thousand MAD)					
RECEIVABLES	Public sector	Financial companies	Non-financial companies	Other customers	Total June 30,2022	Total Dec 31, 2021
Cash loans	-	-	-	-	-	-
Current debit accounts	-	-	-	-	-	-
Trade receivables on Morocco	-	-	-	-	-	-
Export credits	-	-	-	-	-	-
Other cash loans	-	-	-	-	-	-
CONSUMER LOANS	25,213,734	-	-	1,777	1,777	2,262
EQUIPMENT LOANS	-	-	-	-	25,213,734	25,431,002
REAL ESTATE LOANS	-	-	-	18,787	18,787	19,852
OTHER CASH LOANS	-	-	-	-	-	-
RECEIVABLES ACQUIRED THROUGH FACTORING	-	-	-	-	-	-
ACCURED INTERESTS RECEIVABLE	534,515	-	-	-	534,515	727,277
NON PERFORMING LOANS	42,145	-	-	-	42,145	2,722
Pre-doubtful loans	41,297	-	-	-	41,297	-
Doubtful loans	-	-	-	-	-	-
Compromised loans	848	-	-	-	848	2,722
TOTAL	25,790,394	-	-	20,564	25,810,958	26,183,116

BREAKDOWN OF TRANSACTION AND PLACEMENT SECURITIES AND INVESTMENT SECURITIES BY ISSUER CATEGORY						(In thousand MAD)
Securities	Credit institutions and similar	Public issuers	Private issuers		Total	Total
			Financial	Non-Financial	June 30,2022	Dec 31, 2021
Quoted securities						
Treasury bills and similar securities						
Bonds						
Other debt securities						
Property securities						
Non-quoted securities						
Treasury bills and similar securities						
Bonds						
Other debt securities						
Property securities						
TOTAL						

INTANGIBLE AND TANGIBLE FIXED ASSETS	June 30, 2022 (In thousand MAD)									
NATURE	Gross amount at the beginning of the fiscal year	Amount of acquisitions during the fiscal year	Amount of disposals or withdrawals during the fiscal year	Gross amount at the end of the fiscal year	Amount of depreciation and/or provisions at the beginning of the fiscal year	Depreciation and/or provisions	Amount of depreciation on fixed assets withdrawn	Cumulative	Net amount at the end of the fiscal year	
INTANGIBLE FIXED ASSETS	21,033	9	-	21,041	20,713	87	-	20,800	241	
Lease rights	-	-	-	-	-	-	-	-	-	
Research and development fixed assets	-	-	-	-	-	-	-	-	-	
Other operating intangible fixed assets	21,033	9	-	21,041	20,713	87	-	20,800	241	
Non-operating intangible fixed assets	-	-	-	-	-	-	-	-	-	
TANGIBLE FIXED ASSETS	123,694	41	-	123,734	78,974	1,462	-	80,437	43,297	
OPERATING BUILDINGS	69,323	-	-	69,323	28,411	776	-	29,188	40,136	
Operating land	7,229	-	-	7,229	-	-	-	-	7,229	
Operating buildings - Offices	61,194	-	-	61,194	27,830	765	-	28,595	32,559	
Operating buildings - Staff housing	900	-	-	900	581	11	-	593	308	
FURNITURE AND OPERATING EQUIPMENT	27,260	23	-	27,282	26,167	251	-	26,418	864	
Operating office furniture	7,876	-	-	7,876	7,602	25	-	7,627	249	
Operating office equipment	949	-	-	949	948	0	-	949	0	
Computer equipment	17,757	23	-	17,780	16,941	225	-	17,166	614	
Rolling stock related to operations	677	-	-	677	677	-	-	677	-	
Other operating equipment	-	-	-	-	-	-	-	-	-	
OTHER OPERATING TANGIBLE ASSETS	17,291	18	-	17,309	16,582	323	-	16,904	405	
NON-OPERATING TANGIBLE FIXED ASSETS	9,820	-	-	9,820	7,814	113	-	7,927	1,893	
Non-operating land	-	-	-	-	-	-	-	-	-	
Non-operating buildings	5,545	-	-	5,545	3,794	69	-	3,863	1,692	
Non-operating furniture and equipment	2,344	-	-	2,344	2,179	14	-	2,193	151	
Other non-operating tangible fixed assets	1,931	-	-	1,931	1,851	30	-	1,881	50	
TOTAL	144,726	49	-	144,775	99,987	1,550	-	101,237	43,538	

BREAKDOWN OF TRANSACTION AND PLACEMENT SECURITIES AND INVESTMENT SECURITIES	(In thousand MAD)					
Securities	Gross book value	Present value	Redemption value	Unrealized capital gains	Unrealized capital losses	Provisions
Trading securities						
Treasury bills and similar securities						
Bonds						
Other debt securities						
Property securities						
Placement securities						
Treasury bills and similar securities						
Bonds						
Other debt securities						
Property securities						
Investment securities						
Treasury bills and similar securities						
Bonds						
Other debt securities						
TOTAL						

DETAILS OF OTHER ASSETS	(In thousand MAD)		
ASSETS	June 30, 2022	December 31, 2021	
Optional instruments purchased	-	-	
Miscellaneous transactions on securities	-	-	
Other debtors	36,466	39,395	
Amounts due by the State	35,243	38,263	
Amounts due by provident organizations	-	-	
Miscellaneous amounts due by staff	-	-	
Client accounts for non-banking services	-	-	
Various other debtors	1,222	1,132	
Various values and uses	-	-	
Regularisation accounts	284,393	261,254	
Adjustment accounts for the off-balance sheet transactions	-	-	
Counterpart of the off-balance sheet exchange result	-	-	
Counterpart of the result on off-balance sheet derivative products	-	-	
Counterpart of the result on off-balance sheet securities	-	-	
Currency and securities gap accounts	8,021	4,224	
Results of hedging derivative products	221,049	222,297	
Deferred expenses over several fiscal years	7,148	7,977	
Liaison accounts between headquarters, branches and agencies in Morocco	-	-	
Accrued receivable income and prepaid expenses	46,824	26,404	
Other regularisation accounts	351	351	
Non Performing loans on miscellaneous transactions	-	-	
TOTAL	320,859	300,649	

PARTICIPATION SECURITIES AND SIMILAR ASSETS								(In thousand MAD)	
Name of the issuing company	Activity sector	Share capital	Equity's participation (%)	Total acquisition price	Net book value	Extract from the last summary statements of the issuing company			Products recorded in the Statement of Income and Expenses (SIE) for the fiscal year
						Closing date of the fiscal year	Net position	Net earnings	
Participation in affiliated companies									
Other equity participation securities									
MAROCLEAR SA	Central depository	100,000	0.025%	25	25	12/31/2020	311,748	5,500	
TOTAL PARTICIPATIONS				25	25	-	311,748	5,500	-
SIMILAR ASSETS				-	-	-	-	-	-
GRAND TOTAL				25	25	-	311,748	5,500	-

SUBORDINATED RECEIVABLES	(In thousand MAD)					
SUBORDINATED RECEIVABLES	Amount		Including affiliated and related companies			
	June 30, 2022	Dec 31, 2021	June 30, 2022	Dec 31, 2021		
	Gross	Provisions Net	Net	Net	Net	Net
Subordinated receivables from credit institutions and similar						
Subordinated receivables to customers						
TOTAL						

FIXED ASSETS GIVEN IN LEASE CREDIT, LEASE WITH PURCHASE OPTION AND SIMPLE LEASE	June 30, 2022 (In thousand MAD)									
NATURE	Gross amount at the beginning of the fiscal year	Amount of acquisitions during the fiscal year	Amount of disposals or withdrawals during the fiscal year	Gross amount at the end of the fiscal year	Depreciation Allocation for the fiscal year	Accumulated depreciation	Allocation for the fiscal year	Provisions Potential provisions	Accounted provisions	Net amount at the end of the fiscal year
Fixed assets given in lease credit, lease with purchase option	-	-	-	-	-	-	-	-	-	-
Intangible fixed assets lease	-	-	-	-	-	-	-	-	-	-
Equipment lease	-	-	-	-	-	-	-	-	-	-
Equipment leases in progress	-	-	-	-	-	-	-	-	-	-
Equipment leased under operating lease	-	-	-	-	-	-	-	-	-	-
Equipment lease not leased after termination	-	-	-	-	-	-	-	-	-	-
Real estate lease	-	-	-	-	-	-	-	-	-	-
Real estate lease in progress	-	-	-	-	-	-	-	-	-	-
Real estate leased under operating lease	-	-	-	-	-	-	-	-	-	-
Real estate lease not leased after termination	-	-	-	-	-	-	-	-	-	-
Accrued rent receivable	-	-	-	-	-	-	-	-	-	-
Restructured rents	-	-	-	-	-	-	-	-	-	-
Unpaid rents	-	-	-	-	-	-	-	-	-	-
Non-Performing Loans	-	-	-	-	-	-	-	-	-	-
Fixed assets given in simple lease	18,280	-	-	18,280	123	15,624	-	-	-	2,656
Furnished goods under simple lease	-	-	-	-	-	-	-	-	-	-
Real estate under simple lease	18,280	-	-	18,280	123	15,624	-	-	-	2,656
Accrued rent receivable	-	-	-	-	-	-	-	-	-	-
Restructured rents	-	-	-	-	-	-	-	-	-	-
Unpaid rents	-	-	-	-	-	-	-	-	-	-
Non-Performing Loans	-	-	-	-	-	-	-	-	-	-
TOTAL	18,280	-	-	18,280	123	15,624	-	-	-	2,656



VALUES GAINS OR LOSSES ON DISPOSALS OR WITHDRAWALS OF FIXED ASSETS							
(In thousand MAD)							
Date of sale or withdrawal	Nature	Gross amount	Accumulated depreciation	Net book value	Disposal income	Capital gains on disposal	Capital losses on disposal
NONE							
TOTAL							



DEBTS TO CREDIT INSTITUTIONS AND SIMILAR						
(In thousand MAD)						
DEBTS	Bank Al-Maghrib, Public Treasury and Postal Checks Service	Banks in Morocco	Other credit institutions and similar in Morocco	Credit institutions abroad	Total June 30, 2022	Total Dec 31, 2021
ORDINARY CREDIT ACCOUNTS	-	-	-	-	-	-
VALUES GIVEN IN PENSION	-	-	-	-	-	-
Day by day	-	-	-	-	-	-
At term	-	-	-	-	-	-
CASH LOANS	-	-	-	-	-	900,000
Day by day	-	-	-	-	-	-
At term	-	-	-	-	-	900,000
FINANCIAL BORROWINGS	-	6,753,863	-	1,718,975	8,472,838	8,762,073
OTHER DEBTS	-	-	-	204,611	204,611	202,012
ACCRUED INTEREST PAYABLE	-	71,098	-	6,336	77,434	94,943
TOTAL	-	6,824,961	-	1,929,922	8,754,883	9,959,027

CUSTOMER DEPOSITS					
(In thousand MAD)					
DEPOSITS	Public Sector	Financial companies	Non-Financial Companies	Other customers	Total
Current credit accounts	-	-	-	-	-
Savings accounts	-	-	-	-	-
Term deposits	-	-	-	-	-
Other credit accounts	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
TOTAL	-	-	-	-	-

DEBT SECURITIES ISSUED							
(In thousand MAD)							
NATURE OF THE SECURITIES	Date of establishment	Maturity date	Nominal value per unit	Nominal rate	Repayment method (1)	Amount	Of which Related companies Other related parties
Negotiable debt securities						2,200,000	
Certificates of Deposit	09/18/2017	09/19/2022	100	1.87%	In fine	350,000	
Certificates of Deposit	09/18/2017	09/18/2022	100	3.25%	In fine	300,000	
Certificates of Deposit	12/08/2014	12/08/2024	100	2.17%	In fine	181,000	
Certificates of Deposit	10/06/2017	06/10/2022	100	1.85%	In fine	250,000	
Certificates of Deposit	10/06/2017	06/10/2022	100	3.19%	In fine	300,000	
Certificates of Deposit	12/30/2019	12/30/2024	100	2.82%	In fine	1,000,000	
Bond loans						9,310,800	
Bond loans	01/20/2012	01/20/2027	100	5.30%	Redeemable	333,333	
Bond loans	12/08/2014	12/08/2029	100	3.44%	Redeemable	432,800	
Bond loans	12/08/2014	12/08/2034	100	2.17%	In fine	181,000	
Bond loans	07/13/2015	07/13/2030	100	4.60%	Redeemable	432,000	
Bond loans	07/13/2015	07/13/2025	100	2.13%	In fine	60,000	
Bond loans	07/13/2015	07/13/2025	100	2.23%	In fine	260,000	
Bond loans	10/13/2016	10/13/2031	100	3.92%	Redeemable	213,833	
Bond loans	10/13/2016	10/13/2026	100	2.04%	In fine	228,000	
Bond loans	10/13/2016	10/13/2031	100	2.44%	Redeemable	303,333	
Bond loans	12/06/2017	12/06/2032	100	3.83%	Redeemable	588,667	
Bond loans	12/06/2017	12/06/2027	100	2.08%	In fine	200,000	
Bond loans	12/06/2017	12/06/2032	100	2.26%	Redeemable	723,333	
Bond loans	07/19/2018	07/19/2033	100	3.84%	Redeemable	800,000	
Bond loans	07/12/2019	07/12/2034	100	3.49%	Redeemable	433,333	
Bond loans	07/12/2019	07/12/2034	100	2.20%	Redeemable	1,300,000	
Bond loans	12/18/2020	03/31/2036	100	2.20%	Redeemable	1,866,667	
Bond loans	01/12/2022	03/31/2027	100	2.20%	Redeemable	1,000,000	
TOTAL						11,510,800	

(1) These are: Certificates of deposit - Bond loans - Finance company bonds - Other debt securities  
(2) Amortization: Annual - In fine

DETAILS OF OTHER LIABILITIES			
(In thousand MAD)			
LIABILITIES	June 30, 2022	December 31, 2021	
Optional instruments sold	-	-	
Miscellaneous transactions on securities	-	-	
Other creditors	309,881	22,330	
Amounts due to the State	37,408	19,250	
Amounts due to the provident organizations	-	1,348	1,313
Miscellaneous amounts due to the staff	269	10	
Various amounts due to shareholders and partners	-	-	
Suppliers of goods and services	1,581	1,649	
Various other creditors	269,275	109	
Regularisation accounts	10,156	11,826	
Adjustment accounts for off-balance sheet transactions	-	-	
Currency and securities gap accounts	1,653	1,978	
Results on hedging derivative products	-	-	
Liaison accounts between headquarters, branches and agencies in Morocco	-	-	
Accrued expenses and deferred income	8,213	9,558	
Other regularisation accounts	290	290	
TOTAL	320,037	34,157	

PROVISIONS						
(In thousand MAD)						
DEBTS	Outstanding December 31, 2021	Allocations	Reversals	Other variations	Outstanding June 30, 2022	
PROVISIONS DEDUCTED FROM ASSETS ON :	17,475	1,720	907	-	18,289	
Receivables on credit institutions and similar	-	-	-	-	-	
Receivables on customers	6,020	1,720	468	-	7,272	
Investment securities	-	-	-	-	-	
Equity securities and similar assets	-	-	-	-	-	
Fixed assets leased and rented	-	-	-	-	-	
Other assets	11,455	-	439	-	11,017	
PROVISIONS RECORDED UNDER LIABILITIES :	51,705	-	-	-	51,705	
Provisions for risks of implementing commitments by signature	-	-	-	-	-	
Provisions for exchange risks	-	-	-	-	-	
Provisions for general risks	51,705	-	-	-	51,705	
Provisions for retirement pensions and similar obligations	-	-	-	-	-	
Provisions for other risks and expenses	-	-	-	-	-	
Regulated provisions	-	-	-	-	-	
GRAND TOTAL	69,180	1,720	907	-	69,993	

SUBSIDIES, ALLOCATED PUBLIC FUNDS AND SPECIAL GUARANTEE FUNDS						
(In thousand MAD)						
	Economic purpose	Total amount	Amount Dec 31, 2021	Use June 30, 2022	Amount June 30, 2022	
Subsidies	-	-	-	-	-	
Allocated public funds	-	-	-	-	-	
Special guarantee funds	-	-	-	-	-	
TOTAL	-	-	-	-	-	

SUBORDINATED DEBTS										(In thousand MAD)
Currency of the loan	Amount in currency of the loan	Price (1)	Rate	Term (2)	Prepayment, subordination and convertibility conditions (3)	Amount of the loan in national currency (MAD equivalent)	Of which affiliated companies		Of which related companies	
							Amount (equivalent MAD) June 30, 2022	Amount (equivalent MAD) Dec 31, 2021	Amount (equivalent MAD) June 30, 2022	Amount (equivalent MAD) Dec 31, 2021
Dirhams	200,000		2.30%	10		200,000	-	-	-	-
Dirhams	800,000		2.35%	10		800,000	-	-	-	-
TOTAL	1,000,000					1,000,000	-	-	-	-

(1) Bank Al-Maghrib price at 31/12/N  
(2) Eventually undetermined  
(3) Refer to the subordinated debt contract

EQUITY CAPITAL				
(In thousand MAD)				
EQUITY CAPITAL	Outstanding as of Dec 31, 2021	Allocation of earnings	Other variations	Outstanding at June 30, 2022
Revaluation differences	-	-	-	-
Reserves and premiums related to capital	2,994,185	328,481	-	3,322,666
Legal reserve	-	-	-	-
Other reserves	2,994,185	328,481	-	3,322,666
Issuance, merger and contribution premiums	-	-	-	-
Capital	1,000,000	-	-	1,000,000
Called up capital	-	-	-	-
Uncalled capital	-	-	-	-
Investment certificates	-	-	-	-
Allowance fund	1,000,000	-	-	1,000,000
Shareholders - Unpaid capital	-	-	-	-
Retained earnings (+/-)	-	-	-	-
Net earnings pending allocation (+/-)	-	-	-	-
Net earnings of the fiscal year (+/-)	328,481	328,481	173,810	173,810
TOTAL	4,322,666	-	173,810	4,496,476

FINANCING AND GUARANTEE COMMITMENTS		
(In thousand MAD)		
COMMITMENTS	June 30, 2022	Dec 31, 2021
Financing and guarantee commitments given	5,942,637	5,556,371
Financing commitments in favor of credit institutions and similar	-	-
Import documentary credits	-	-
Payment acceptances or commitments	-	-
Opening of confirmed credit	-	-
Substitution commitments on issuing of securities	-	-
Irrevocable leasing commitments	-	-
Other financing commitments given	-	-
Financing commitments in favor of customers	5,942,637	5,556,371
Import documentary credits	-	-
Payment acceptances or commitments	-	-
Opening of confirmed credit	5,942,637	5,556,371
Substitution commitments on issuing of securities	-	-
Irrevocable leasing commitments	-	-
Other financing commitments given	-	-
Commitments to guarantee orders from credit institutions and similar entities	-	-
Confirmed export documentary credits	-	-
Payment acceptances or commitments	-	-
Credit guarantees given	-	-
Other sureties, endorsements and guarantees given	-	-
Non-performing commitments	-	-
Customer order guarantee commitments	-	-
Credit guarantees given	-	-
Bonds and guarantees in favor of the public administration	-	-
Other deposits and guarantees given	-	-
Non-performing commitments	-	-
Financing and guarantee commitments received	6,959,859	6,458,741
Financing commitments received from credit institutions and similar	6,959,859	6,458,741
Opening of confirmed credit	6,959,859	6,458,741
Substitution commitments on issuing of securities	-	-
Other financing commitments received	-	-
Guarantee commitments received from credit institutions and similar	-	-
Credit guarantees	-	-
Other guarantees received	-	-
Guarantee commitments received from the State and various guarantee organizations	-	-
Credit guarantees	-	-
Other guarantees received	-	-

COMMITMENTS ON SECURITIES		June 30, 2022
COMMITMENTS		(In thousand MAD)
COMMITMENTS	Amount	
Commitments given	-	
Securities purchased with a repurchase option	-	
Other securities to be delivered	-	
Commitments received	-	
Securities sold with a repurchase option	-	
Other securities to be received	-	

FORWARD EXCHANGE TRANSACTIONS AND COMMITMENTS ON DERIVATIVE PRODUCTS				
(In thousand MAD)				
	Hedging transactions		Other transactions	
	June 30, 2022	Dec 31, 2021	June 30, 2022	Dec 31, 2021
Forward exchange transactions	221,049	222,297	-	-
Currencies to be received	-	-	-	-
Dirhams to be delivered	221,049	222,297	-	-
Currencies to be delivered	-	-	-	-
Dirhams to be received	-	-	-	-
Of which financial currency swaps	-	-	-	-
Commitments on derivative products	-	-	-	-
Commitments on regulated interest rate markets	-	-	-	-
Commitments on over-the-counter interest rate markets	-	-	-	-
Commitments on regulated exchange rate markets	-	-	-	-
Commitments on over-the-counter exchange rate markets	-	-	-	-
Commitments on regulated markets for other instruments	-	-	-	-
Commitments on over-the-counter markets for other instruments	-	-	-	-





VALUES AND SURETIES RECEIVED AND GIVEN AS GUARANTEE				June 30, 2022
				(In thousand MAD)
Values and sureties received as guarantee	Net book value	Receivables or commitments by signature given posted to assets or to off balance sheet	Amounts of receivables or commitments by signature given and covered	
Treasury bills and similar values	-	-	-	
Other securities	-	-	-	
Mortgages	380,000	Account 2313	380,000	
Other real values and sureties	-	-	-	
<b>TOTAL</b>	<b>380,000</b>		<b>380,000</b>	
Values and sureties given as guarantee	Net book value	Debts or commitments by signature received posted to liabilities or to off balance sheet	Amounts of debts or commitments by signature received and covered	
Treasury bills and similar values	-	-	-	
Other securities	-	-	-	
Mortgages	-	-	-	
Other real values and sureties	-	-	-	
<b>TOTAL</b>				

BREAKDOWN OF USES AND RESOURCES BY RESIDUAL DURATION							June 30, 2022
							(In thousand MAD)
	D ≤ 1 month	1 month < D ≤ 3 months	3 months < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years	TOTAL	
<b>ASSETS</b>							
Receivables from credit institutions and similar	194,277	-	-	-	-	194,277	
Receivables from customers	284,410	209,515	1,870,430	9,384,013	13,429,080	25,177,449	
Debt securities	-	-	-	-	-	-	
Subordinated receivables	-	-	-	-	-	-	
Leasing and similar	-	-	-	-	-	-	
<b>TOTAL</b>	<b>478,688</b>	<b>209,515</b>	<b>1,870,430</b>	<b>9,384,013</b>	<b>13,429,080</b>	<b>25,371,726</b>	
<b>LIABILITIES</b>							
Debts to credit institutions and similar	101,305	88,542	639,292	3,149,580	4,698,731	8,677,449	
Debts to customers	-	-	-	-	-	-	
Receivables securities issued	248,000	650,000	1,044,933	4,627,733	4,940,133	11,510,800	
Subordinated loans	-	-	-	-	1,000,000	1,000,000	
<b>TOTAL</b>	<b>349,305</b>	<b>738,542</b>	<b>1,684,225</b>	<b>7,777,313</b>	<b>10,638,864</b>	<b>21,188,249</b>	

CONCENTRATION OF RISKS ON A SINGLE BENEFICIARY					June 30, 2022
					(In thousand MAD)
Number	Total amount of risks	Amount of risk exceeding 10% of capital equity			
		Credit by disbursement	Credit by signature	Amount of securities held in the capital of the beneficiary	
2	6,104,876	5,157,326	947,550	-	

BREAKDOWN OF TOTAL ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS IN FOREIGN CURRENCY				June 30, 2022
				(In thousand MAD)
BALANCE SHEET			Amount	
<b>ASSETS</b>			-	
Cash value, Central banks, Public treasury, Postal checks service			-	
Receivables from credit institutions and similar			-	
Receivables from customers			-	
Trading, placement and investment securities			-	
Other assets			-	
Participation securities and similar uses			-	
Subordinated receivables			-	
Leased and rented fixed assets			-	
Intangible and tangible fixed assets			-	
<b>LIABILITIES</b>			1,929,922	
Central Banks, Public Treasury, Postal Checks Service			-	
Debt to credit institutions and similar			1,929,922	
Customer deposits			-	
Receivables securities issued			-	
Other liabilities			-	
Subsidies, allocated public funds and special guarantee funds			-	
Subordinated debts			-	
<b>OFF-BALANCE SHEET</b>			Amount	
<b>COMMITMENTS GIVEN</b>			-	
<b>COMMITMENTS RECEIVED</b>			3,259,859	

INTEREST MARGIN			June 30, 2022	June 30, 2021
			(In thousand MAD)	
<b>Interest perceived</b>			619,855	635,455
Interest and similar income on transactions with credit institutions			1,360	1,134
Interest and similar income on transactions with customers			618,495	634,321
Interest and similar income on receivables securities			-	-
<b>Interest served</b>			296,775	314,502
Interest and similar expenses on transactions with credit institutions			121,819	126,791
Interest and similar expenses on transactions with customers			-	-
Interest and similar expenses on receivables securities issued			174,956	187,711
<b>TOTAL</b>			323,080	320,953

INCOME FROM PROPERTY SECURITIES		June 30, 2022
		(In thousand MAD)
CATEGORY OF SECURITIES	Income received	
Investment securities		
Equity securities		
Investments in affiliated companies		
Portfolio activity securities		
Similar uses		
<b>TOTAL</b>		

COMMISSIONS		June 30, 2022
		(In thousand MAD)
COMMISSIONS	Amount	
<b>Commissions received</b>	-	
On transactions with credit institutions	-	
On transactions with customers	-	
On exchange transactions	-	
Related to interventions on primary securities markets	-	
On derivative products	-	
On securities transactions under management and on deposit	-	
On payment methods	-	
On advisory and assistance activities	-	
On sales of insurance products	-	
On other services	-	
<b>Paid commissions</b>	89	
On transactions with credit institutions	7	
On transactions with customers	-	
On exchange transactions	-	
Related to interventions on primary securities markets	-	
On derivative products	-	
On securities transactions under management and on deposit	83	
On payment methods	-	
On advisory and assistance activities	-	
On sales of insurance products	-	
On other services	-	

RESULT OF MARKET OPERATIONS			June 30, 2022	June 30, 2021
			(In thousand MAD)	
INCOME AND EXPENSES				
<b>Income</b>	-	-		
Gains on trading securities	-	-		
Value gain on disposal of investment securities	-	-		
Reversal of provision for depreciation of investment securities	-	-		
Gains on derivative products	-	-		
Gains on exchange transactions	-	-		
<b>Expenses</b>	-	-		
Losses on trading securities	-	-		
Value loss on investment securities	-	-		
Allocation to provisions for depreciation of investment securities	-	-		
Losses on derivative products	-	-		
Losses on exchange transactions	-	-		
<b>RESULT</b>	-	-		

GENERAL OPERATING EXPENSES		June 30, 2022
		(In thousand MAD)
EXPENSES	Amount	
Staff expenses	24,320	
Taxes and duties	421	
External expenses	2,554	
Other general operating expenses	1,864	
Allocations to depreciation and provisions for tangible and intangible fixed assets	1,550	
<b>TOTAL</b>	30,707	

OTHER INCOME AND EXPENSES		June 30, 2022
		(In thousand MAD)
		Amount
<b>Other banking income and expenses</b>		
Other banking income	-	
Other banking expenses	89	
<b>Non-banking operating income and expenses</b>		
Non-banking operating income	995	
Non-banking operating expenses	89	
<b>Allocations to provisions and losses on uncollectible receivables</b>		1,720
<b>Reversals of provisions and recoveries of written-off receivables</b>		907
<b>Non-current income and expenses</b>		
Non-current income	2	
Non-current expenses	14,087	

BREAKDOWN OF RESULTS BY BUSINESS LINE OR ACTIVITY POLE AND BY GEOGRAPHICAL ZONE				June 30, 2022
				(In thousand MAD)
BREAKDOWN BY ACTIVITY POLE				
Activity pole	Net banking income	Gross operating earnings	Pre-tax earnings	
Bank activity	322,990	293,189	278,290	
Other activities	-	-	-	
<b>TOTAL</b>	<b>322,990</b>	<b>293,189</b>	<b>278,290</b>	
BREAKDOWN BY GEOGRAPHICAL ZONE				
Geographical zone	Net banking income	Gross operating earnings	Pre-tax earnings	
Morocco	322,990	293,189	278,290	
Other zones	-	-	-	
<b>TOTAL</b>	<b>322,990</b>	<b>293,189</b>	<b>278,290</b>	



FROM NET BOOK EARNINGS TO NET FISCAL EARNINGS			June 30, 2022
			(In thousand MAD)
Titles		Amount	Amount
I- Net book earnings		173,810	
Net gain		173,810	
Net loss		-	
II- Tax reintegrations		118,566	
1- Current		-	
-		-	
-		-	
-		-	
-		-	
2- Non-current		118,566	
Corporate income tax		104,479	
Social solidarity contribution		14,087	
-		-	
-		-	
-		-	
III- Tax deductions		10,000	
1- Current		-	
-		-	
-		-	
-		-	
-		-	
2- Non-current		10,000	
Contribution to the Special Fund for the Management of the Coronavirus Pandemic (Covid-19)		10,000	
-		-	
-		-	
-		-	
TOTAL		292,377	10,000
IV- Gross fiscal earnings		282,377	
Gross fiscal profit (A)		282,377	
Gross fiscal deficit (B)			
V- Deferred tax deficit ( C ) *			
Fiscal year N-4			
Fiscal year N-3			
Fiscal year N-2			
Fiscal year N-1			
VI- Net fiscal earnings		282,377	
Net fiscal profit (A - C)		282,377	
Or			
Net fiscal deficit (B)			
VII- Cumulative fiscal deferred depreciation			
VIII- Cumulative fiscal deficits to be carried forward			
Fiscal year N-4			
Fiscal year N-3			
Fiscal year N-2			
Fiscal year N-1			

[\*] Within the limit of the amount of gross fiscal profit (A)

DETERMINATION OF CURRENT EARNINGS AFTER-TAX		June 30, 2022
		(In thousand MAD)
I- EARNINGS DETERMINATION		Amount
Current earnings according to the statement of income and expenses		292,375
(+) Tax reintegrations on current transactions		-
(-) Tax deductions on current transactions		-
(=) Current earnings theoretically taxable		292,375
(-) Theoretical tax on current income		108,179
(=) Current earnings after tax		184,196
II. INDICATIONS OF THE TAX SYSTEM AND THE BENEFITS GRANTED BY THE INVESTMENT CODES OR BY SPECIFIC LEGAL PROVISIONS		

DETAIL OF VALUE ADDED TAX					June 30, 2022
					(In thousand MAD)
NATURE	Balance at the beginning of the fiscal year (1)	Accounting transactions for the fiscal year (2)	VAT claims for the fiscal year (3)	Balance at the end of the fiscal year (4=1+2-3)	
A- VAT collected	10,632	99,828	87,162	23,298	
B- VAT to be recovered	14,336	22,523	34,886	1,973	
On expenses	14,335	22,504	34,867	1,971	
On fixed assets	1	19	19	1	
C- VAT due or VAT credit (A-B)	- 3,704	77,305	52,276	21,325	

SHARE CAPITAL DISTRIBUTION					June 30, 2022
					(In thousand MAD)
Amount of capital :		1,000,000			
Amount of uncalled subscribed share capital :		-			
Nominal value of the shares :					
Name of the main shareholders or partners	Address	Number of shares held		Share of capital held (%)	Percentage of voting rights (%)
		Previous fiscal year	Current year		
ETAT				100	100
TOTAL				100	100

STATEMENT OF NON PERFORMING LOANS AND RELATED PROVISIONS AT June 30, 2022						(In thousand MAD)
		June 30, 2022		december 31, 2021		
		Receivables	Provisions	Receivables	Provisions	
Conventional loans						
pre-doubtful loans		43,747	1,720	-	-	
doubtful loans		-	-	-	-	
compromised loans		5,927	5,344	8,387	5,812	
Subtotal 1		49,673	7,064	8,387	5,812	
MEN loans						
pre-doubtful loans		-	-	-	-	
doubtful loans		-	-	-	-	
compromised loans		1,227	208	1,227	208	
Subtotal 2		1,227	208	1,227	208	
GRAND TOTAL		50,900	7,272	9,614	6,020	

ALLOCATION OF EARNINGS THAT OCCURED DURING THE FISCAL YEAR				June 30, 2022
				(In thousand MAD)
A- Origin of the allocated earnings	Amount	B- Earnings allocation	Amount	
Decision of the Board of Directors: 05/05/2022				
Retained earnings	-	Legal reserves	-	
Net earnings being allocated	-	Dividends	-	
Net earnings for the fiscal year	328,481	Other allocations	328,481	
Deduction from profits	-			
Other deductions	-			
TOTAL A		328,481	TOTAL B	328,481

EARNINGS AND OTHER ELEMENTS FOR THE LAST THREE FISCAL YEARS				(In thousand MAD)
		June 30, 2022	Dec 31, 2021	Dec 31, 2020
Capital equity and similar		4,496,476	4,322,666	3,994,185
To be deducted -Amount concerning the Fonds d'Accompagnement des Collectivités Territoriales (Support Fund for Territorial Communities)		-	-	-
Net capital equity and similar		4,496,476	4,322,666	3,994,185
Operations and earnings for the fiscal year				
Net banking income		322,890	637,426	622,712
Pre-tax earnings		278,290	536,964	446,846
Earnings taxes		104,479	208,484	203,085
Distributed profits		-	-	-
Retained earnings (placed in reserves or pending allocation)		173,810	328,481	243,762
Earnings per share (in MAD)				
Net earnings per share or unit				
Earnings distributed per share				
Staff				
Gross remuneration for the fiscal year		22,832	40,366	39,695
Average number of employees during the fiscal year		91	92	96

DATING AND SUBSEQUENT EVENTS		(In thousand MAD)
I. DATING		
Closing date [1]		June 30, 2022
Date of preparation of the summary statements [2]		September 2022
(1) Justification in case of change in the closing date of the fiscal year		
(2) Justification in case of exceeding the three-month regulatory deadline for the preparation of the summary statements		

II. EVENTS OCCURRING AFTER THE END OF THE FISCAL YEAR AND NOT RELATED TO THE FISCAL YEAR AND KNOWN BEFORE THE FIRST EXTERNAL COMMUNICATION OF THE SUMMARY STATEMENTS	
Dates	Indication of events
	Favorable
	Unfavorable

NONE

STAFF			(In number)
STAFF	june 30, 2022	Dec 31, 2021	
Paid staff	90	91	
Staff used	90	91	
Full-time equivalent staff	90	91	
Administrative and technical staff (full-time equivalent)	-	-	
Staff assigned to banking tasks (full-time equivalent)	-	-	
Executives (full-time equivalent)	83	83	
Employees (full-time equivalent)	7	8	
Of which, staff employed abroad	-	-	

SECURITIES AND OTHER ASSETS UNDER MANAGEMENT OR ON DEPOSIT					(In thousand MAD)
SECURITIES	Number of accounts		Amounts		
	June 30, 2022	Dec 31, 2021	June 30, 2022	Dec 31, 2021	
Securities for which the institution is custodian					
Securities managed under a management mandate					
Securities of UCITS for which the institution is custodian					
Securities of UCITS managed under a management mandate					
Other assets of which the institution is custodian					
Other assets managed under a management mandate					

NONE

NETWORK			(In number)
NETWORK	June 30, 2022	Dec 31, 2021	
Permanent branches			
Temporary branches			
Automatic teller machines and Bank ATMs			
Branches and agencies abroad			
Representative offices abroad			

NONE

CUSTOMER ACCOUNTS			(In number)
CUSTOMER ACCOUNTS	June 30, 2022	Dec 31, 2021	
Current accounts			
Checking accounts of Moroccans living abroad			
Other checking accounts			
Factoring accounts			
Savings accounts			
Term accounts			
Cash vouchers			
Other deposit accounts			

NONE





# **GLOBAL RISK MANAGEMENT MECHANISM**



## 1. Integrated Risk Management

### 1.1 Risk Management Control and Governance Principles

The governance of risk management at the Fonds d'Équipement Communal is based on :

- the Board of Directors' commitment to prioritizing risk management ;
- the strong involvement of the entire Institution's management in the process ;
- clearly defined procedures and responsibilities within the organization ;
- the allocation of appropriate resources for risk management and the development of risk sensitivity among all stakeholders.

### 1.2 Structure and Governance of Risk Management

Governance and risk management are ensured by the bodies described below :

#### Administrative Body

The Board of Directors is chaired by the Head of Government or by the Government Authority delegated by him for this purpose.

It also includes the following members :

- 2 representatives of the Ministry of the Interior ;
- 2 representatives of the Ministry of the Economy, Finance and Administration Reform ;
- 1 representative of the Ministry of Health ;
- 1 representative of the Ministry of Equipment, Transport, Logistics and Water ;
- 1 representative of the Ministry of Energy, Mines and the Environment ;
- the General Manager of the Caisse de Dépôt et de Gestion ;
- members representing elected officials : 8 communal councilors appointed from among the communal councilors appearing on a list drawn up for this purpose.

The Board of Directors meets when convened by its Chairman as often as the needs of the FEC require and at least twice a year.

The Government Commissioner appointed to the FEC, in accordance with the texts in force, attends the meetings of the Board of Directors in an advisory capacity.

#### Audit and Risk Committee

The Board of Directors is assisted by an Audit and Risk Committee (ARC), in accordance with legal and regulatory provisions, relating to the internal control of credit institutions.

The Audit and Risk Committee includes, in addition to the General Manager of the Caisse de Dépôt et de Gestion, Chairman :

- the Wali, Inspector General of Territorial Administration (Ministry of the Interior) ;
- the Director of the Treasury and External Finances (Ministry of the Economy, Finance and Administration Reform).

The Audit and Risk Committee is responsible in particular for assessing the quality of the internal control system and the consistency of the risk measurement, monitoring and control systems.

#### Governing Body

The General Management of the FEC evaluates the effectiveness of the risk management process and conducts a regular review of policies, strategies and key initiatives in terms of risk management.

The General Management makes presentations to the Audit and Risk Committee, emanating from the Board of Directors, on the main aspects and major changes in the risk management strategy. The ARC reports on its work regularly to the Board of Directors at each of its meetings.

#### Credit Committee

The Credit Committee is responsible for reviewing and granting loans under the conditions set by the Board of Directors.

The FEC's Credit Committee includes, in addition to the General Manager of the FEC, Chairman :

- 2 representatives appointed by the Ministry of the Interior ;
- 2 representatives appointed by the Ministry of the Economy, Finance and Administration Reform ;
- 1 representative appointed by the Caisse de Dépôt et de Gestion.

The Credit Committee meet when convened by its Chairman as often as necessary and at least once a month.

#### Internal Risk Committee

The Internal Risk Committee, chaired by the Governor, General Manager of the FEC, is responsible in particular for :

- validating the overall risk management strategy of the FEC and ensuring its implementation ;
- validating the formal risk management procedures by verifying their compliance with regulatory requirements ;
- monitoring and evaluating the risk prevention measures implemented by the FEC ;
- ensuring the implementation of the recommendations of the Audit and Risk Committee and those of the external control stakeholders in terms of risk prevention ;
- examining the information relating to risk management and ensuring its reliability, before it is transmitted to third parties.

#### ALCO Committee

The ALCO Committee, chaired by the Governor, General Manager of the FEC, is in charge of :

- developing and implementing the bank's Asset-Liability management policy, in its various components (refinancing, investment, transformation, hedging, Return On Equity (ROE)...), in accordance with the strategic orientations of the Board of Directors and the legislative and regulatory provisions ;
- assessing the pricing policy applied to customers ;
- defining the limits necessary for managing interest rate and liquidity risks ;
- monitoring the Bank's balance sheet balances ;
- assessing the impact of the launch of new products, or any new activity involving an interest rate risk or liquidity risk, on the Bank's financial situation ;
- monitoring the Bank's risk profile (liquidity, interest rate and foreign exchange risk) according to the internal and regulatory limits set by the Bank ;
- validating the conventions and the rate flow methods.

#### Risks and Permanent Control Division

The Risks and Permanent Control Division is responsible in particular for ensuring the reliability and security of operations carried out by the FEC as well as the implementation of effective processes for measuring, controlling and monitoring risks.

#### Internal Audit

Internal Audit is responsible for audit operations relating to the organization, procedures and operation of the FEC.

This entity ensures the performance of audit assignments as well as the preparation and follow-up of the meetings of the Audit and Risk Committee.

Internal Audit is also responsible for providing the necessary assistance to external control stakeholders and monitoring the implementation of their recommendations.

#### Compliance function

The Compliance function is responsible for monitoring the compliance of operations and acts of the FEC with regard to the legal and regulatory provisions applicable to the FEC.

It is also responsible for implementing and monitoring the code of ethics applicable to FEC's staff.

## 2. Risk exposure

The risks associated with the activities of the Fonds d'Équipement Communal are as follows :

**Credit risk** : the risk that a counterparty may not be able to honor its contractual obligations.

**Liquidity risk** : refers to the risk that the FEC will not be able to meet liquidity demands and meet its obligations as they become due. Requests for liquidity may arise upon maturity of a debt and as a result of a credit agreement.

**Interest rate risk** : Interest rate risk is the effect that fluctuations in interest rates could have on the FEC's margins, revenues and economic value.

**Operational risks** : risk of losses resulting from deficiencies or failures due to procedures, human resources, internal systems or external events.

**Non-compliance risk** : corresponds to the risk of an institution's exposure to a risk of reputation, financial loss or sanctions due to non-compliance with legal and regulatory provisions, standards and practices applicable to its activities or codes of conduct.

**Currency risk** : due to fluctuations in exchange rates.

### 2.1 Credit Risk

The FEC is exposed to credit risk due to its lending activity.

#### General loan policy

The FEC requires its clients to self-finance at least 20% of the investment cost, except for justified exceptions approved by the Credit Committee.

The rates applied are either fixed rates or revisable rates.

The FEC's loans are repaid in annual installments, comprising principal and interest.

#### Decision-making

The Risk and Permanent Control Division is responsible for approving the project to be financed and assessing the level of risk involved by the granting of the new loan as well as the client's ability to carry out his project.

The Credit Committee decides on the granting of the loan. The latter is authorized by a joint decree signed by the Ministers of the Interior and the Economy, Finance and Administration Reform.

#### Credit risk management process

Upon receipt of a request for financing a project and depending on its size, the Operations' Pole carries out the evaluation of the project and analyzes the client's financial quality.

The evaluation of the project to be financed is based on an in-depth knowledge of the client, the nature of the investment to be made and the financial package put in place.

The analysis of the client's financial situation covers the budgetary data of the budget execution balance sheets for the last three years, and the approved relative budgets as well as the data of the current year's provisional budget.

A retrospective analysis is first established in order to identify the trends in the main budget headings of the Territorial Community.

Secondly, a prospective analysis is carried out on the basis of the trends observed in order to measure, over time, the evolution of the Territorial Community's borrowing capacity.

The calculation of the borrowing capacity incorporates the following principles :

- the repayment capacity of the Community depends on the level of savings generated ;
  - the maximum savings convertible into an annuity must not exceed 80% of the gross savings ;
  - the maximum debt ratio must not exceed 40%, unless expressly waived by the Board of Directors.
- Prior to any loan approval, the Risk and Permanent Control Division is responsible for assessing the level of risk involved in the granting of the new loan based on:
- Analysis of the content of the client file: general and legal data, financial and technical data.
  - The analysis of the retrospective and prospective financial situation of the client, which allows to determine the intrinsic financial quality of the latter and to assess various debt and solvency ratios as well as self-financing capacity.
  - The assessment of the quality of the client based on the background of repayments of loans already contracted and the situation of its arrears regarding the FEC.
  - The Assessment of project evaluation based on commonly accepted technical ratios by type of project.
  - The Assessment of the need to match the loan to be granted to the provision of guarantees and proposal of risk correction measures to be implemented.

#### General conditions for granting loans

As with the other debts of the Territorial Communities, the FEC's loan annuities are accompanied by the legal requirement of obligation in their budgets.

The FEC's loan contracts provide for :

- a suspension clause for disbursements in the event of a deterioration in the borrower's financial situation ;
- a suspensive clause for disbursements in the event of late payment exceeding 30 days.

#### Solvency profile

At the end of June 2022 :

The weighted net risks borne by the FEC reached 7,087,629 thousand MAD and consist of 84% of credit risk and 16% of operational risk.

In compliance with prudential requirements, the solvency ratio reached 77.49%, while the Tier One ratio reached 63.38%, thus reflecting the good level of solvency of the Institution.

#### Analysis of the credit portfolio

Receivables from customers, consisting of 99.86% of commitments for the benefit of Territorial Communities, have totalled 25,819,714 thousand MAD at June 30, 2022.

The financing commitments given by the FEC in favor of the clientele amounted, on June 30, 2022 to 5,942,637 thousand MAD.

The analysis of the situation of off-balance sheet commitments as of June 30, 2022, shows that 66.8% of the overall volume corresponds to recent loans committed for less than 3 years.

#### Provisions, provisioning policy and credit risk coverage

The Accounting & Reporting Division is responsible for the process of classifying and provisioning non-performing loans.

Receivables from Territorial Communities are assigned a weighting rate of 20%.

The classification and provisioning policy complies with the provisions of Bank Al-Maghrib Circular No. 19/G/2002.

#### Risk Division Coefficient

The FEC constantly monitors compliance with the maximum ratio of 20% between the total risks incurred on the same client and its equity.

As part of financing requests, the operating entities as well as the Risk and Permanent Control Division ensure compliance with the risk division coefficient, which is also monitored by the Accounting and Reporting Division.

According to the terms of Bank Al-Maghrib's new Circular No. 08/G/2012 [entered into force in 2013], the risk division coefficient is established at 11.20% at the end of June 2022, falling below the regulatory threshold set by BAM.

Pursuant to Bank Al-Maghrib's Directive No. 2/G/2010, relating to the practice of stress tests and in order to strengthen the tools for measuring and assessing credit risk, stress tests were carried out in order to assess the degree of aversion of the FEC to this risk.

The results from the minimum stress tests within the meaning of that directive, incorporating potential changes in the composition of the FEC's portfolio, reflect the FEC's capacity to withstand credit risk. In all scenarios, the FEC displays a solvency ratio above the regulatory threshold and a non performing loans rate not exceeding 1%.



## 2.2 Asset / Liability Management

### Asset/Liability Managers

ALM risk management is carried out within the Finance Division by the Management Control and ALM Department.

The ALCO Committee, chaired by the Governor, General Manager of the FEC, is in charge of the transversal and collegial monitoring of the financial risks to which the institution is exposed and for reviewing decisions that would affect the Asset/Liability Management.

### Asset / Liability Management

The FEC has set up a mechanism for managing balance sheet risks such as liquidity, interest rate and exchange rate risks, so as to be able to continuously monitor their evolution according to the trend of the financial markets, and to the Bank's activity.

In order to preserve the Bank's financial balance, the ALM mechanism ensures :

- that there is a sufficient level of liquidity, enabling the Bank to meet its obligations at all times and protecting it from any crisis ;
- that the risk inherent in foreign exchange positions does not reduce the Bank's profit margin ;
- the stability of results against interest rate fluctuations, by preserving the interest margin and optimizing the economic value of equity capital ;
- to guide the Bank's refinancing strategy.

### Liquidity risk

Liquidity risk is defined as the risk that the Bank will not be able to meet its commitments as they fall due under normal conditions.

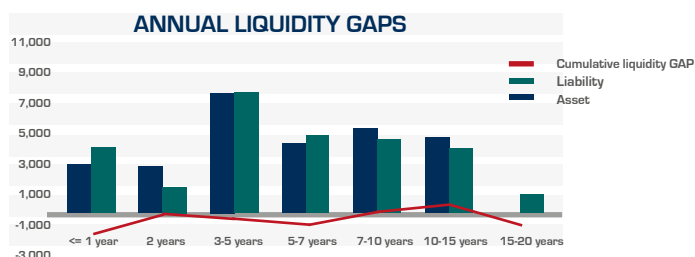
The FEC may be exposed to liquidity risk which may take one of the following forms :

- the inability of the institution to raise the necessary funds to deal with unexpected short-term situations, including a significant drawdown of funding commitments given to TCs ;
- the failure to match assets and liabilities or the financing of medium- and long-term assets with short-term liabilities.

### Used approach to calculate Liquidity Gaps :

The measurement of this risk is based on balance sheet items at a given closing date, classified according to their residual maturity, and to which the flow laws and the ALM conventions are applied. The static flow gap makes it possible to determine the surplus or requirement of resources in the medium to long term, assuming that there is no new production of assets and liabilities.

At June 30, 2022, the profile of liquidity gaps is as follows :



### Interest Rate Risk Management (IRRM)

Interest rate risk corresponds to the sensitivity of the balance sheet to future interest rate movements. The assessment of this risk is carried out through a series of stress test simulations, in particular in the context of the following six regulatory scenarios :

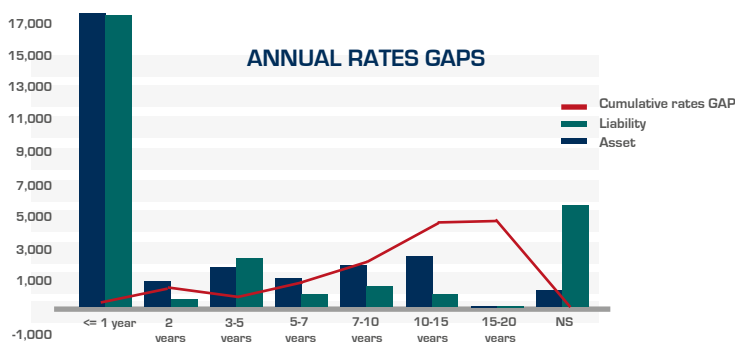
- Scenario 1: Parallel shift of the interest rate curve upwards (+200 bps);
- Scenario 2: Parallel shift of the interest rate curve downwards (-200 bps);
- Scenario 3: Rise in short rates;
- Scenario 4: Falling short rates;
- Scenario 5: Flattening of the yield curve;
- Scenario 6: Steepening of the yield curve.

The analysis and assessment of interest rate risks follows a dual logic, namely the preservation of the interest margin and the economic value of equity capital.

The Bank has opted for the approach known as the static mode maturity method. This approach consists of liquidating all balance sheet positions in static mode according to their contractual or conventional characteristics.

### Exposure as of June 30, 2022

The flow of interest rate gaps as of June 30, 2022 is as follows :



The impact of the regulatory scenarios is 7.09% on the forecast net interest margin and 14.56% on the economic value of capital equity.

### Foreign exchange risk

In order to be immune to foreign exchange risk, the FEC has set up a perfect and complete hedging on the occasion of :

- the two drawdowns made in during the 2019 fiscal year on a line of credit contracted in 2018 with a foreign lender ;
- the 50 million euros drawdown made in 2021.

As a reminder, the foreign exchange risk coverage related to the majority of the external loans mobilized by the FEC during the 1990s is taken in charge by the State (Ministry of the Economy and Finance/Treasury and External Finance Division) for remuneration, within the framework of a system specific to each line of credit.

## 2.3 Operational Risks

Over the past few years and in accordance with the provisions of Bank Al-Maghrib and the principles of good governance, the FEC has put in place an evolving internal control system that allows to :

- ensure the reliability and integrity of the financial and accounting information produced ;
- ensure that operations are carried out in accordance with the laws and regulations in force and according to the management guidelines and standards defined by the Management Body and the Administrative Body ;
- prevent and control the risks associated with its activity through well-defined and regularly monitored procedures.

General Management supervises the operational risk management system and monitors the actions taken to strengthen it.

### General framework

The FEC has undertaken several actions to strengthen the internal control system and the establishment of the necessary foundation for the construction of a robust and long-lasting operational risk management system backed by best practices and in compliance with regulatory requirements :

#### » Signature delegation mechanism

The FEC has set up an advanced signature delegation mechanism, based on a precise definition of powers and a clear delimitation of responsibilities. This mechanism meets the following principles :

- The principle of double signature is mandatory for all transactions affecting the accounts of the FEC or other elements of its assets;
- The separation between initiation and execution on the one hand, and control on the other ;
- The replacements are systematically scheduled in the event of the absence or impediment of a person in order to ensure continuity of service.

#### » General procedures manual

The FEC has a general procedures manual covering all the functional processes of the Steering, Business and Support domains. The general mapping of processes and procedures has been developed according to the requirements of the ISO 9001 V2008 Quality standard.

In addition, the integration of the MEGA process modeling tool has made it possible to have a single, structured procedure repository accessible by all FEC's employees through an intranet site. This repository is subject to regular evolutionary maintenance.

#### » Manual of procedures and accounting organization

The FEC has a manual of procedures and accounting organization to ensure that :

- all operations carried out by the FEC are faithfully translated into accounting records ;
- all records comply with the Chart of Accounts for Credit Institutions and the regulations in force ;
- all internal and external financial and accounting informations are reliable, complete and understandable for its users.

#### » Internal control manual

In accordance with the regulations in force and best practices in this area, the FEC has an internal control manual enabling it to ensure the regularity and proper application of the procedures put in place as well as the formalization of control points.

#### » Business Continuity Plan

In accordance with the provisions of the circular No. 4/W/2014 and the directive No. 47/G/2007 of Bank Al-Maghrib, the FEC has a Business Continuity Plan approved by the Board of Directors, allowing it to ensure, according to various crisis scenarios, the operation in degraded mode as well as the resumption of activities.

The implementation of the FEC's BCP focused in particular on the establishment of :

- Information System continuity mechanisms;
- Logistical continuity mechanisms;
- Human resources continuity mechanisms;
- Business continuity mechanisms.

In order to ensure the operational maintenance of the mechanisms put in place, the BCP documentation corpus (criticality study, continuity strategy, procedures, communication plan, etc.) is regularly updated and a maintenance and enhancement plan for the FEC's BCP is currently being developed.

Moreover, the FEC continues to ensure a permanent monitoring of the occurrence of any event that may require the activation of its BCP, in order to guarantee the continuity of the Bank's activity and the safety of its employees. Thus, and in the absence of any incident requiring its activation, the FEC's BCP was not activated during the first half of the year 2022.

### Operational risk management

The FEC has an operational risk map which was reconstructed in 2010 based on the Basel II typology and which is updated annually. This mapping covers the processes in the areas of credit, support and information systems and makes it possible to target the processes requiring special or reinforced monitoring.

The operational risk management system deployed at the FEC, as part of the Basel II reform and in application of Directive No. 29/G/2007 issued by Bank Al-Maghrib, allows the identification and assessment of operational risks as well as the follow-up of action plans adopted for the identified major risks. This system was supplemented in 2011 by an incident collection database, which provides an objective view of the risks incurred and the reassessment of these risks by the results of the collection of operational incidents.

The operational risk management system is fully automated following the deployment of an IS application, making it possible to ensure:

- The identification, assessment and monitoring of operational risks through risk mapping.
- The reconciliation of the risk mapping with the general procedures manual.
- Monitoring of action plans adopted for the major risks identified.
- The collection of incidents related to operational risks.

### Organization

On the organizational side, the management of the operational risk management system is carried out by the Risk and Permanent Control Division. The latter is supported by operational risk correspondents (ORC) at the level of the Business and Support entities.

These ORCs are responsible for reporting operational incidents, analyzing the collection base for these incidents and implementing action plans to cover major risks.

To this end, a procedure for collecting and reporting operational incidents as well as a reporting form for the occurrence of an operational incident have been developed and made available to the ORCs in order to equip the collection and reporting process for incidents.

The governance of operational risks is ensured by the Internal Risk Committee.

### Hedging of operational risks

In accordance with the regulatory provisions relating to minimum equity requirements, the FEC has been covering operational risks since December 2011.

The equity requirement to cover operational risks is calculated using the "basic indicator" approach, which is equal to 15% of the average net banking income, calculated over the past 3 years.

## 2.4 Risks of Non-Compliance

In accordance with Bank Al-Maghrib's Directive No. 49/G/2007 relating to the compliance function of August 31, 2007, the FEC has adopted a compliance and a charter policy.



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**FONDS D'EQUIPEMENT COMMUNAL****ATTESTATION DES COMMISSAIRES AUX COMPTES  
EXERCICE DU 1<sup>er</sup> JANVIER AU 31 DECEMBRE 2021**

Nous avons procédé à un examen limité des comptes du Fonds d'Equipelement Communal comprenant le bilan, le compte de produits et charges, l'état des soldes de gestion, le tableau des flux de trésorerie et les états des informations complémentaires (ETIC) ci-joints relatifs à l'exercice du 1<sup>er</sup> janvier au 31 décembre 2021. Ces comptes qui font ressortir un montant de capitaux propres et assimilés totalisant 5.322.666 KMAD, dont un bénéfice net de 328.481 KMAD, relèvent de la responsabilité des organes de gestion de l'émetteur. Ces états ont été établis dans un contexte évolutif de la crise sanitaire de l'épidémie de Covid-19, sur la base des éléments disponibles à date.

Nous avons effectué notre mission selon les normes de la profession au Maroc relatives aux missions d'examen limité. Ces normes requièrent que l'examen limité soit planifié et réalisé en vue d'obtenir une assurance modérée que la situation intermédiaire ne comporte pas d'anomalie significative. Un examen limité comporte essentiellement des entretiens avec le personnel du Fonds et des vérifications analytiques appliquées aux données financières ; il fournit donc un niveau d'assurance moins élevé qu'un audit. Nous n'avons pas effectué un audit et, en conséquence, nous n'exprimons donc pas d'opinion d'audit.

Sur la base de notre examen limité, nous n'avons pas relevé de faits qui nous laissent penser que les comptes, ci-joints, ne donnent pas une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine du Fonds d'Equipelement Communal établis au 31 décembre 2021, conformément au référentiel comptable admis au Maroc.

Casablanca, le 21 mars 2022

**Les Commissaires aux Comptes****Deloitte Audit**

**Hicham Belemqadem**  
Associé

**Mazars Audit et Conseil**

**Taha Ferdaous**  
Associé