



HALF-YEAR RESULTS

30 JUNE 2021

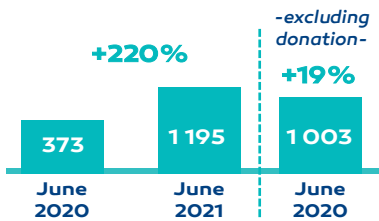
FINANCIAL AND COMMERCIAL PERFORMANCE REBOUNDS

BANK OF AFRICA – BMCE Group’s Board of Directors, chaired by Mr Othman BENJELLOUN, met Friday 24 September 2021 at the Bank’s head office in Casablanca. It reviewed the business activity of the Bank and of the Group for first half 2021 and drew up the financial statements for the period in question.

The first half 2021 financial report is published on the website www.ir-bankofafrica.ma.

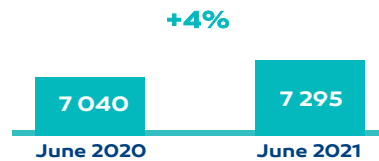
CONSOLIDATED BUSINESS ACTIVITY (MAD MILLIONS)

NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY



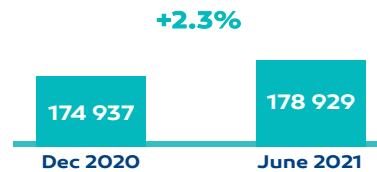
+220% jump in net income attributable to shareholders of the parent company to MAD 1.2 billion; excluding the impact from the donation, net income rose by +19% to MAD 1 billion.

NET BANKING INCOME



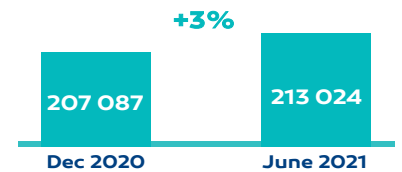
+4% growth in consolidated net banking income to MAD 7.3 billion at 30 June 2021.

CUSTOMER LOANS



+2.3% increase in consolidated customer loans, excluding resales, to MAD 179 billion versus MAD 175 billion at 31 December 2020.

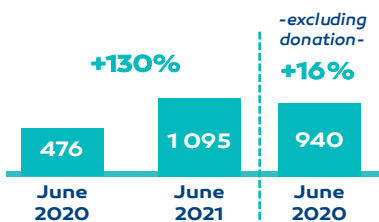
CUSTOMER DEPOSITS



+3% rise in consolidated customer deposits to MAD 213 billion versus MAD 207 billion at 31 December 2020.

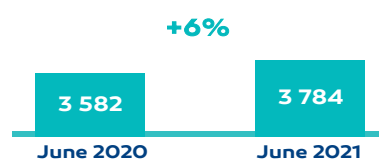
PARENT BUSINESS ACTIVITY (MAD MILLIONS)

NET INCOME



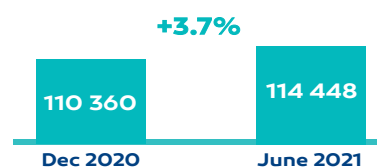
+130% increase in BANK OF AFRICA S.A.’s net income to MAD 1.1 billion; excluding the impact from the donation, net income rose by 16% to MAD 940 million.

NET BANKING INCOME



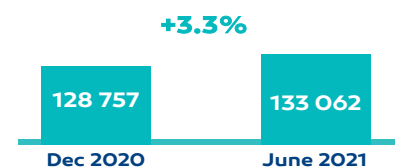
+6% growth in the Bank’s net banking income.

CUSTOMER LOANS



+3.7% increase in the Bank’s customer loans in Morocco to MAD 114.5 billion.

CUSTOMER DEPOSITS



+3.3% rise in customer deposits to MAD 133 billion versus MAD 129 billion at 31 December 2020.

GRADUAL RECOVERY UNDERWAY IN FINANCIAL RESULTS

After excluding the impact from the COVID-19 donation, net income attributable to shareholders of the parent company rose by 19% to MAD 1,195 million in first half 2021 whilst parent net income was 16% ahead at MAD 1,095 million.

Despite the uncertain operating environment, rebound in Group revenues with consolidated net banking income up 4% to MAD 7.3 billion at 30 June 2021, driven by positive growth across business lines (fee income +9% and net interest income +4%, whilst income from market operations fell by 15%).

Parent company net banking income up 6% to MAD 3.8 billion, driven by a healthy performance from the core business, with fee income +5% and net interest income +4% with strong growth (+22%) in dividend income. By contrast, income from market operations fell by a modest 2% given the exceptional performance in 2020.

General operating expenses +4% year-on-year to MAD 1.8 billion at the parent company, resulting in a cost-to-income ratio of 47.1% at 30 June 2021 versus 47.6% at 30 June 2020, an improvement of 0.5 percentage points.

At the consolidated level, expenses declined by 18% on the basis of the Group's contribution to the COVID-19 Fund in 2020 being excluded; after factoring in this contribution, the Group's expenses rose by 3% at 30 June 2021.

Improvement in the consolidated cost of risk (-12%) to MAD 1.3 billion at 30 June 2021 versus MAD 1.5 billion at 30 June 2020. The cost of risk at the parent company declined by 5% to MAD 562 million at 30 June 2021 versus MAD 594 million.

Strong commercial performance in first half 2021 with consolidated outstanding loans, excluding resales, +2.3% to MAD 179 billion at 30 June 2021 with +3.7% loan growth at the parent company.

A decent performance by consolidated customer deposits which grew by +3% to MAD 213 billion at 30 June 2021 versus MAD 207 billion at 31 December. Parent company customer deposits +3.3% to MAD 133 billion at 30 June 2021.

ONGOING DIGITAL TRANSFORMATION AND NEW PRODUCTS LAUNCHED

BANK OF AFRICA's digital offering further enhanced with additional services on *BMCE Direct* and *Agence Directe*, providing a more straightforward, user-friendly, comprehensive and secure customer experience.

Crédit DABA, a new online credit platform enhanced with an entirely digital subscription process.

New online version of *Crédit Business Online* introduced for businesses, including small businesses, which includes a website that can be accessed on any device.

Business Online portal's functionality enhanced with improved services to meet the needs of business customers.

DABA Transfer, *BMCE EuroServices'* digital platform launched, a solution enabling customers to remotely open money transfer accounts and transfer money in three countries and three languages – French, Italian and Portuguese.

SMART pilot launched across the BANK OF AFRICA ATM network and currently being extended to the entire ATM network.

Remote sales service introduced for retirement and educational savings products on *BMCE Direct Web and Mobile*.

Digital consulting service launched on *WhatsApp Business* to provide out-of-hours assistance.

LEADERSHIP BOLSTERED IN SUSTAINABLE DEVELOPMENT AND POSITIVE IMPACT FINANCE

Positive impact financing highlighted, particularly in areas related to society, education, health and smart cities, through a partial analysis of the Bank's loan portfolio using UNEP FI's **Portfolio Impact Analysis Tool for Banks**. Loans categorised as Positive impact loans now account for 30.46% of total loans disbursed to the Bank's Moroccan corporate customers.

Women's Empowerment Principles endorsed, a partnership initiative established by UN Women and the UN Global Compact. These principles are a set of ideas designed to offer guidance to the private sector on how to promote gender equality and women's empowerment at every level within the workplace as well as women's economic empowerment through programmes and products.

4th carbon assessment carried out in respect of 2020, resulting in a significant improvement in the Bank's carbon footprint, underlining its efforts to protect the environment as part of the environmental and energy programme implemented in the context of the pandemic.

Sustainable agribusiness webinar organised in partnership with the **Green for Growth Fund (GGF)**, aimed at raising awareness among Moroccan companies along the agribusiness sector's value chain about energy efficiency and resource optimisation.

Contributions made to international publications such as the first Progress Report from a Moroccan bank in line with the UNEP FI's **Principles for Responsible Banking (PRB)**, the **Network for Greening the Financial System's** 2020 report and the China's Belt and Road initiative's **Green Investment Principles'** (GIP) annual report.

NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY AT 30 JUNE 2021 BY GEOGRAPHICAL REGION



HIGHLIGHTS

BANK OF AFRICA successfully completed a **MAD 1 billion issue of perpetual subordinated bonds** with a loss absorption and a coupon payment cancellation mechanism. The issue was **232% oversubscribed** by institutional investors, with **mutual funds**, in particular, showing a high level of interest in the issue, thereby underlining their confidence in BANK OF AFRICA Group.

Major institutional communications campaign launched as part of Bank's rebranding exercise, with a brand film and a brand content website – www.21resourcespourlavenir.com - rolled out across all channels, with content adapted to the Bank's different audiences.

Change in the corporate name of the Group's Madrid subsidiary to **BANK OF AFRICA EUROPE**.

BMCE Capital Investments authorised to conduct business as a private equity investment management company (OPCC) by order of the Minister of the Economy, Finance and Administrative Reform after consultation with the Moroccan Capital Markets Authority (AMMC).

Partnership bolstered with the European Bank for Reconstruction and Development (EBRD) as part of the green financing programme for small and medium-sized enterprises with a new collaborative agreement within the framework of the **Green Economy Financing Facility (GEFF)** programme, with the support of the Green Climate Fund (GCF).

Authorisation completed by which BANK OF AFRICA and **Interbank Electronic Banking Centre (CMI)** enabling the Bank to provide an interoperability service between the Bank's cash withdrawal facilities across its ATM network and M-Wallets.

RATINGS



**BA1,
NEGATIVE
OUTLOOK**



**BB,
STABLE
OUTLOOK**



**Non-financial rating
A+**

AWARDS

BANK OF AFRICA wins the 'Outstanding Leadership in Sustainable Project Finance – Africa' award from Global Finance Magazine in the context of its Sustainable Finance Awards 2021.

BANK OF AFRICA Group named **'Best Bank in Africa 2020'** after being awarded the **Golden Award trophy at the Africa Investments Forum & Awards (AIFA)** by Leaders League.

BANK OF AFRICA named **'Third Safest Bank in Africa in 2021'** by Global Finance Magazine and now ranked among the top three banks on the African continent.

PROFILE



**14,691
EMPLOYEES**



**32
COUNTRIES**



**1,956
POINTS OF SALE**



**6.6
MILLION CUSTOMERS**

BANK OF AFRICA is one of Africa's main pan-African financial groups. With an extensive portfolio of brands and subsidiaries, BANK OF AFRICA has adopted a universal banking business model comprising a variety of business lines, including commercial banking, investment banking as well as specialised financial services such as leasing, factoring, consumer credit and participatory banking.