



# ANNUAL RESULTS

31 DECEMBER 2022

## POSITIVE GROWTH IN OPERATING INDICATORS DESPITE A CHALLENGING ENVIRONMENT

BANK OF AFRICA – BMCE Group’s Board of Directors, chaired by Mr Othman BENJELLOUN, met Friday 24 March 2023 at the Bank’s head office in Casablanca. It reviewed the business activity of the Bank and of the Group for the financial year ended 31 December 2022 and drew up the financial statements for the period in question.

The Board of Directors will propose that the forthcoming Annual General Meeting of Shareholders reappoint Mr Azeddine Guessous as an *intuitu personae* Director, in addition to his appointment as Royale Marocaine d’Assurance’s Permanent Representative.

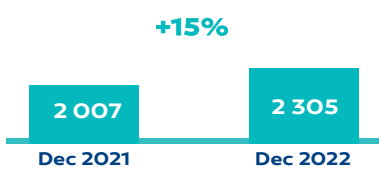
The Board of Directors will ask the Annual General Meeting of Shareholders to approve a 4 dirhams per share dividend distribution.

It will also ask an Extraordinary General Meeting of Shareholders to approve a capital increase of up to MAD 630 million by incorporating reserves and issuing bonus shares

The brochure containing the 2022 financial statements, prepared under IAS/IFRS, and the notes to the financial statements, are published on the [www.ir-bankofafrica.ma](http://www.ir-bankofafrica.ma) website.

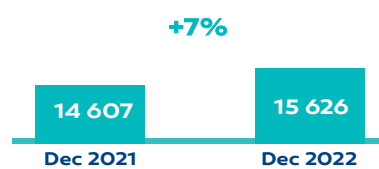
## CONSOLIDATED BUSINESS ACTIVITY -MAD MILLIONS-

### NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY



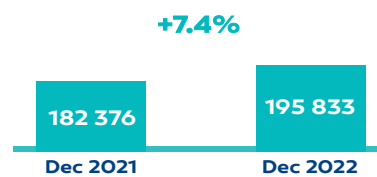
Net income attributable to shareholders of the parent company rose **+15%** year-on-year to **MAD 2,305 million** at 31 December 2022.

### NET BANKING INCOME



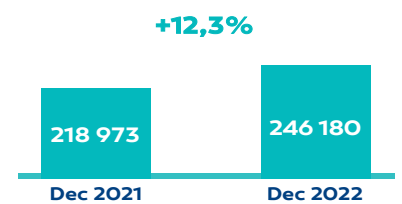
Consolidated net banking income increased by **+7%** to **MAD 15.6 billion**.

### CUSTOMER LOANS



Consolidated loans, excluding resales, grew by **+7.4%** from **MAD 182 billion** to **MAD 196 billion** at 31 December 2022.

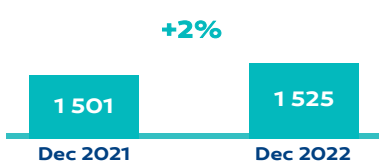
### CUSTOMER DEPOSITS



Customer deposits grew by **+12.3%** year-on-year to **MAD 246 billion** at 31 December 2022 versus **MAD 219 billion** at 31 December 2021.

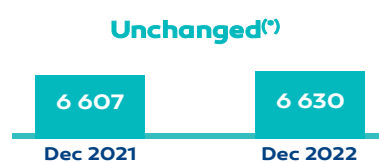
## PARENT BUSINESS ACTIVITY -MAD MILLIONS-

### NET INCOME



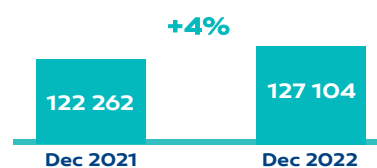
BANK OF AFRICA S.A.’s net income rose by **+2%** year-on-year to **MAD 1,525 million** at 31 December 2022 versus **MAD 1,501 million** at 31 December 2021.

### NET BANKING INCOME



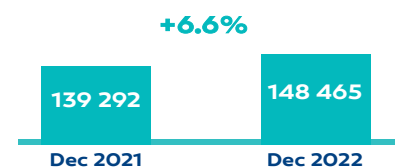
The Bank’s net banking income, restated for special dividends from European subsidiaries in 2021, was broadly **unchanged from the previous year** at **MAD 6,630 million** in 2022.

### CUSTOMER LOANS



Customer loans grew by **+4%** to **MAD 127 billion** at 31 December 2022 versus **MAD 122 billion** in 2021.

### CUSTOMER DEPOSITS



Customer deposits grew by **+6.6%** to **MAD 148 billion** at 31 December 2022 versus **MAD 139 billion** at 31 December 2021.

(\*) 2021 net banking income restated for exceptional items.

## FINANCIAL INDICATORS – POSITIVE GROWTH

Consolidated net banking income rose by +7% to MAD 15.6 billion at 31 December 2022, driven by growth of the core business – fee income +18% and net interest income +9% – despite a drop in income from market operations.

Net income attributable to shareholders of the parent company grew by 15% to MAD 2.3 billion.

Parent company net banking income was broadly unchanged, after restating exceptional items booked in 2021, at MAD 6.6 billion, driven by the Bank's core business lines with fee income +11% and net interest income +4%, offsetting the drop in income from market operations.

Parent net income increased by +2% to MAD 1.5 billion.

The Group's cost base remained firmly under control in 2022 with the increase in the parent company's operating costs contained at +1% at MAD 3.7 billion and +4% at MAD 8.3 billion on a consolidated basis.

Strong business performance with consolidated customer loans, excluding resales, up +7.4% to MAD 196 billion at 31 December 2022. In Morocco, customer loans grew by +4%, resulting in a 12.35% share of the loan market at 31 December 2022.

Consolidated customer deposits, excluding repurchases, grew by +10% to MAD 241 billion at 31 December 2022 versus MAD 219 billion at 31 December 2021.

BANK OF AFRICA S.A.'s customer deposits rose by +6.6% to MAD 148 billion, resulting in a 13.31% share of the market at 31 December 2022.

Consolidated cost of risk fell by -10% to MAD 2.6 billion at 31 December 2022, resulting in a cost-of-risk ratio on customer loans of 1.1% despite a +7% increase in the cost of risk in Morocco to MAD 1.2 billion.

BANK OF AFRICA's shareholders' equity was bolstered to the tune of +6% in 2022 after issuing a MAD 1 billion subordinated note and a MAD 500 million perpetual subordinated note containing a loss-absorption and coupon-cancellation provision.

## ROBUST ECONOMIC SUPPORT INITIATIVES

Ongoing support by BANK OF AFRICA for the INTELAKA programme with almost 3,000 applications approved and more than MAD 700 million disbursed as of 31 December 2022, up +11.3%, with the programme benefiting from the introduction of an online application facility via a dedicated website and mobile app.

Strategic partnerships signed between BANK OF AFRICA and SANAD for a EUR 25 million finance line and between BANK OF AFRICA and the International Finance Corporation (IFC) for a USD 154 million loan facility to support small and medium-sized enterprises.

More than 12,000 young people made aware about entrepreneurship as part of the SMART Bank Open Innovation Regional Programme organised across the entire Kingdom and 200 hours of training given to more than 500 entrepreneurs in 12 regions; the 2022 programme, in its 5th year, focused on specific regional themes and brought together 23 partner organisations including training establishments, OFPPT institutes' regional divisions, regional investment centres, regional councils and the CISE Cluster.

More than 4,000 small businesses and self-employed entrepreneurs (auto-Entrepreneurs) supported since the Entrepreneurship Club was launched, targeting the Kingdom's 12 regions; 10 modules on offer and 25 partner organisations involved, helping generate 500 jobs.

Blue Space network supporting more than 120 incubated projects since the former's launch in partnership with ISCAE Group, UEMF and Ain Chock's Faculty of Legal, Economic and Social Sciences, as a function of entrepreneurs' respective goals and project status – BlueSpace Idea Generation & Pre-incubation, BlueSpace Incubation, BlueSpace Network, and BlueSpace Growth & Funds – resulting in 7 company formations, 3 patents and 4 go-to-market strategies.

Integrated programme promoting regional investment via a series of regional investment seminars and training to improve investors' entrepreneurial skills in addition to a series of online conferences, 'Entrepreneurship Meetings', attended by more than 2,700 participants.

## CLOSER CUSTOMER RELATIONS FOSTERED THROUGH INNOVATION

New version of BANK OF AFRICA's *Agence Directe* platform launched, enabling customers to open their account remotely without having to go into a branch.

Ties bolstered with Moroccan Citizens of the World through a range of digital products and services, facilities for accessing high added value financing as well as support programmes and other local initiatives as part of the *Marhaba* nationwide programme.

Blockchain technology adopted by BANK OF AFRICA to facilitate customers' international transactions with BMCE Capital launching *BK TradeChain*, a pioneering blockchain-based solution for processing OTC transactions in financial markets.

NetGuardians' fraud prevention technology adopted by BANK OF AFRICA for trade finance operations after a tie-up with *Ditledgers*, a Singaporean software company.

*DabaPay Pro* launched, an innovative solution for storekeepers and professionals, which sees BANK OF AFRICA enhance its range of mobile payment services.

Partnership agreement signed between BTI Bank and Wafa Takaful enabling the latter's products to be marketed across the BTI Bank network.

*Damane Pay*, a connected bank card, launched by Damane Cash as well as a fintech payments service, after a tie-up with *Paysend*, a UK-based fintech, to simplify money transfers to Morocco.

## EXPERTISE IN IMPACT FINANCE AND SUSTAINABILITY

Cooperation agreement signed between BANK OF AFRICA and the European Bank for Reconstruction and Development (EBRD) to develop a sustainable finance framework for green, social and sustainable bond issues.

EUR 13 million financing facility secured from the European Bank for Reconstruction and Development (EBRD) with the support of the Green Climate Fund (GCF) and the European Union (EU) to encourage Moroccan companies to transition to a green economy and help SMEs invest in clean technologies.

Two agreements signed by BANK OF AFRICA, one with the Moroccan Agency for Energy Efficiency (AMEE) and the other with Cluster EnR, aimed at helping decarbonise the Moroccan economy and promote adopt a low carbon strategy as well as organising the 2<sup>nd</sup> Industrial Decarbonisation Conference in Tangiers.

Funding provided to repower the Koudia El Baida wind farm in the Tangier-Tetouan region, Africa's oldest large-scale wind farm and Morocco's first independent renewable energy producer. At a cost of EUR 44 million, this investment is designed to double the wind farm's existing capacity to 100 MW.

BANK OF AFRICA's commitment to the African continent underlined with it becoming a founder-member of the African Business Leaders Coalition (ABLC). This coalition of African business leaders, established by the United Nations Global Compact, aims to advance sustainable growth, prosperity, and development in Africa. BANK OF AFRICA's commitment evidenced with it signing the Climate Statement in Sharm el-Sheikh as one of the 11 founding members of the African Business Leaders Coalition.

The Bank's presence keenly felt at COP27 due to it participating on several panels and events including (i) the Mainstreaming Climate Action in Financial Institutions initiative, (ii) the annual Uniting Business Africa event, and (iii) a side event to COP27 organised by the GPBM about the challenges and opportunities of Climate Finance and, as an adjunct to COP 27, BANK OF AFRICA appointed co-chair of the newly established Africa bureau for China's Green Investment Principles for the Belt & Road initiative.

BANK OF AFRICA becomes the first Moroccan Bank to endorse Women's Empowerment Principles (WEP), a partnership initiative of the United Nations Global Compact and UN Women.

The Bank's commitment to joining the African network for diversity underlined with it signing the Gender Diversity Corporate Charter to mark International Women's Day.

**Responsible Purchasing Charter adopted** by BANK OF AFRICA as part of its anti-bribery and prevention policy, with the latter designed to guarantee and maintain the impartiality and objectivity of the Group's employees and partners.

**16 pre-school classrooms built and equipped** in state schools in partnership with the Ministry of National Education ahead of the 2022-2023 academic year with 5 Medersat.com schools also renovated and refurbished.

**390 pupils from the Medersat.com network – from the 11<sup>th</sup> cohort – obtained the high school diploma** at the June 2022 sitting with an **overall pass rate of 79%**, including **244 girls – 62.5%** of total candidates – with 59% receiving a commendation, 28 of whom earning the highest distinction.

**Six new classrooms built and equipped by the BOA Foundation** in Niger and **two school buildings built and renovated** in Ivory Coast.

**Sino-Moroccan cultural cooperation partnership agreement** reached between BMCE Bank Foundation, Rabat's Mohammed V University and the Confucius Institute aimed at bolstering and facilitating human and cultural exchange between the Kingdom of Morocco and the People's Republic of China.

Cooperation agreement reached between **BMCE Bank Foundation and the ProFuturo Foundation**, enabling 16 Medersat.com network schools to obtain **technological resource kits** giving access to an offline **educational resource platform** for teachers and pupils.

## AWARDS & CERTIFICATIONS

**Mr Othman Benjelloun named 'African Personality of the Year' in 2022 and BANK OF AFRICA 'Best African Bank'** at the Africa Investments Forum & Awards (AIFA) organised by Leaders League.

**Dr Leïla Mezian Benjelloun, BMCE Bank Foundation's Chair, named 'Woman of the Year' and awarded the Fez Gate Trophy** in the Social Action category by the Bouabate Fez Association as well as being named **'Woman of the Mediterranean space'** by the Three Cultures of the Mediterranean Foundation.

BANK OF AFRICA named **'Best SME Bank in Morocco'** by the prestigious Global Finance Magazine.

BANK OF AFRICA named **'Most Active Issuing Bank in Morocco in 2021'** by the **European Bank for Reconstruction and Development (EBRD)** in recognition of the productive partnership forged between the two institutions in overseas trade finance.

BANK OF AFRICA an award-winner in the MENA region's **Financial Services category** for the 9<sup>th</sup> consecutive year at the **15<sup>th</sup> Arabia CSR Awards**, for its leadership in corporate social responsibility and sustainability

BANK OF AFRICA receives the award for **Best Annual Sustainability Report** within the financial services industry for the 2<sup>nd</sup> consecutive year from the Casablanca Stock Exchange, with a score of 97%.

**ISO 37001 SMAC certification** of BANK OF AFRICA's **anti-bribery management system** successfully renewed.

The Bank's energy management system awarded **dual certification – NM-50001 and ISO 50001:2018** – by IMANOR and Bureau Veritas.

BOA Ghana named **'Trade Finance Bank of the Year 2022'** by two leading organisations, Innovation and Excellence Awards and Ghana Credit Excellence Awards 2022.

BMCE Capital Gestion complying with the **ISAE 3402 Type II Standard published by the International Auditing and Assurance Standards Board (IAASB)** following an audit by Mazars, an advisory firm, and sees its **services commitments and ISO 9001:2015 certifications renewed** following an external audit by Bureau Veritas Morocco.

Eurafric Information named **'Top Employer'** for the 4<sup>th</sup> consecutive year and receives the **European Identity and Cloud (EIC) 2022 award** in the Identity Fabrics & IDaaS category from KuppingerCole Analysts AG, a consulting firm. BANK OF AFRICA's IT subsidiary officially **approved as an Electronic Certification Service Provider** by the General Directorate for Information Systems Security (DGSSI), which reports to the National Defence Administration.

## NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY AT 31 DECEMBER 2022 BY GEOGRAPHICAL REGION



## RATINGS



**BA1, STABLE OUTLOOK**



**BB, STABLE OUTLOOK**



**Non-financial rating A+**

## PROFILE



**14,825**  
EMPLOYEES



**32**  
COUNTRIES



**2,000**  
POINTS OF SALE



**6.6**  
MILLION CUSTOMERS

BANK OF AFRICA, a leading pan-African financial group with an extensive portfolio of brands and subsidiaries, is a diversified banking group with a variety of business lines.

BANK OF AFRICA, Morocco's most internationally-oriented banking group, has established itself as one of Africa's key economic and financial institutions, leveraging a comprehensive network and operations in 20 African countries.

The Bank also plays a leading role and is strongly committed to environmental causes and sustainable development, capitalising on its know-how in impact finance and its reputation for social and environmental responsibility.

BANK OF AFRICA's Board of Directors pays tribute to the engagement of its human capital and its shareholders for their determination to ensure that our pan-African Group remains on a solid growth trajectory and develops sustainably in each country in which it has operations. The Board also thanks all its partners and customers for their ongoing confidence in our Group.