



CFG BANK S.A

SUBORDINATED BOND ISSUE FOR A MAXIMUM AMOUNT OF MAD 500,000,000

AMMC's visa concerns the prospectus made up of the following documents:

- The Securities Note;
- The Reference Document relating to the 2024 financial year registered by the AMMC on May 23, 2025, under the reference EN/EM/005/2025.

	Tranche A (Fixed rate - unlisted)	Tranche B (Fixed rate - listed)	Tranche C (Revisable annually - unlisted)	Tranche D (Revisable annually - listed)
Tranche ceiling	MAD 500,000,000	MAD 500,000,000	MAD 500,000,000	MAD 500,000,000
Maximum number of securities to be issued	5,000 subordinated bonds	5,000 subordinated bonds	5,000 subordinated bonds	5,000 subordinated bonds
Nominal value	MAD 100,000	MAD 100,000	MAD 100,000	MAD 100,000
Maturity	10 years	10 years	10 years	10 years
Face interest rate	Fixed, The face interest rate will be determined by reference to the 10-year rate determined from the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium ranging from 70 to 90 basis points.		Revisable annually, For the first year, the face interest rate will be the full 52-week rate (money market rate) determined from the reference yield curve of the secondary market of Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium ranging from 65 to 85 basis points.	
Principal repayment	Bullet	Bullet	Bullet	Bullet
Risk premium	Between 70 and 90 bps		Between 65 and 85 bps	
Repayment guarantee	The issue is not subject to any particular guarantee			
Allocation method	French auction with priority to tranches A and B (fixed rate, with bullet principal repayment), followed by tranches C and D (revisable annually, with bullet principal repayment)			
Tradability of securities	Over-the-counter (off-stock market)	Over-the-counter (off-stock market)	Over-the-counter (off-stock market)	Over-the-counter (off-stock market)

SUBSCRIPTION PERIOD: FROM 06/11/2025 TO 06/17/2025 INCLUSIVE

Subscription reserved for qualified investors under Moroccan law listed in this Securities Note.

Advisory Body	Placement Body
 CORPORATE FINANCE	

Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of Law No. 44-12 governing public offerings and information required from legal entities and organizations making public offerings, the prospectus was approved by the AMMC on May 23, 2025, under the reference VI/EM/014/2025. This Securities Note is only part of the AMMC-approved prospectus, which consists of the following documents:

- The Securities Note;
- CFG Bank's Reference Document relating to the 2024 financial year registered by the AMMC on May 23, 2025, under the reference EN/EM/005/2025.

DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on May 23, 2025, under the reference no. VI/EM/014/2025, a prospectus relating to the issue of subordinated bonds by CFG Bank for a maximum amount of MAD 500,000,000.

The AMMC-approved prospectus is available at any time at CFG Bank registered office, on its website www.cfgbank.com and from its financial advisor.

The visa issued by the Moroccan Capital Market Authority (AMMC) covers the prospectus consisting of:

- The securities note relating to the subordinated bond issue;
- The reference document for the 2024 financial year registered by the AMMC on May 23, 2025, under the reference EN/EM/005/2025.

The AMMC-approved prospectus is available at any time on:

- CFG Bank's website: www.cfgbank.com
- AMMC website: www.ammc.ma
- Casablanca Stock Exchange website: www.casablanca-bourse.com

This summary has been translated by Lissaniat, under the joint responsibility of the said translator and CFG Bank. In the event of any discrepancy between the contents of this summary and the AMMC-approved prospectus, only the approved prospectus will prevail.

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I. STRUCTURE OF THE OFFER

CFG Bank plans to issue 5,000 subordinated bonds with a nominal value of MAD 100,000. The maximum amount of the Operation is MAD 500,000,000, broken down as follows:

- a tranche “A” with a maturity of 10 years, at a fixed rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 500,000,000 and a nominal value of MAD 100,000 (bullet principal repayment);
- a tranche “B” with a maturity of 10 years, at a fixed rate, listed on the Casablanca Stock Exchange, with a ceiling of MAD 500,000,000 and a nominal value of MAD 100,000 (bullet principal repayment);
- a tranche “C” with a maturity of 10 years, at an annually revisable rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 500,000,000 and a nominal value of MAD 100,000 (bullet principal repayment);
- a tranche “D” with a maturity of 10 years, at an annually revisable rate, listed on the Casablanca Stock Exchange, with a ceiling of MAD 500,000,000 and a nominal value of MAD 100,000 (bullet principal repayment).

The total amount to be allocated to the four tranches mentioned above may not exceed MAD 500,000,000. If this issue is not fully subscribed, the issue amount will be limited to the amount actually subscribed.

Subscription to this issue is reserved for qualified investors under Moroccan law as specified in this securities note.

The restriction of subscription to qualified investors under Moroccan law is intended to facilitate the management of subscriptions on the primary market. It is understood that any investor wishing to acquire the bonds may do so on the secondary market.

II. OBJECTIVES OF THE OPERATION

The issue has the main objective to:

- Reinforce the current regulatory capital and, consequently, strengthen CFG Bank's solvency ratio;
- Finance the development of its activity.

In accordance with Bank Al-Maghrib Circular 14/G/2013 on the calculation of regulatory capital for credit institutions, as amended and supplemented, the funds raised through this Operation will be classified as Tier 2 capital.

III. OPERATION SCHEDULE

No.	Steps	Date
1	Issue by the Casablanca Stock Exchange of the issue approval notice	05/23/2025
2	Approval of the prospectus by the AMMC	05/23/2025
3	Receipt by the Casablanca Stock Exchange of the AMMC-approved prospectus	05/23/2025
4	Publication of the prospectus extract on the Issuer's website	05/23/2025
5	Publication by the Casablanca Stock Exchange of the notice relating to the Operation	05/26/2025
6	Publication of the press release by the Issuer in a newspaper of legal announcements	05/26/2025
7	Observation of reference rates	06/03/2025
8	Publication of the reference rates and the face interest rates on the Issuer's website	06/04/2025
9	Publication of the reference and coupon rates in a newspaper of legal announcements	06/05/2025
10	Opening of the subscription period	06/11/2025
11	Closing of the subscription period	06/17/2025
12	Receipt by the Casablanca Stock Exchange of the issue results and of the rates retained per tranche before 10 a.m.	06/17/2025
	Listing of the Bonds	06/19/2025
13	Registration of the Operation on the Stock Exchange Publication by the Casablanca Stock Exchange of the operation results	
14	Publication by the Issuer of the issue results and the retained interest rates in a newspaper of legal announcements and on its website	06/24/2025
15	Payment / Delivery	06/24/2025

IV. INFORMATION RELATING TO CFG BANK'S SUBORDINATED BONDS

Disclaimer

Subordinated bonds differ from traditional bonds in that their ranking is contractually defined by a subordination clause. The effect of the subordination clause is that, in the event of the issuer's liquidation, the loan is repaid only after all preferred or unsecured creditors have been paid.

Characteristics of Tranche A (fixed rate, 10-year maturity, bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear).
Legal form	Bearer bond
Tranche ceiling	MAD 500,000,000
Maximum number of securities to be issued	5,000 subordinated bonds
Nominal value per unit	MAD 100,000
Issue price	At par, 100% of the nominal value, i.e. MAD 100,000
Loan maturity	At par, 100% of the nominal value, i.e. MAD 100,000
Subscription period	10 years
Dividend date	From 06/11/2025 to 06/17/2025 inclusive
Nature of securities	06/24/2025
Maturity date	06/24/2035
Allocation method	French auction with priority to tranches A and B (fixed rate, with bullet principal repayment), followed by tranches C and D (revisable annually, with bullet principal repayment)
Face interest rate	<p>Fixed rate</p> <p>The face interest rate will be determined by reference to the 10-year rate determined from the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium of between 70 and 90 basis points.</p> <p>If the 10-year Treasury bill rate is not directly observable on the curve, CFG Bank will determine the reference rate using the straight-line interpolation method, using the two points surrounding the 10-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rates will be published by CFG Bank on its website on June 4, 2025 and in a newspaper of legal announcement on June 5, 2025.</p>
Risk premium	Between 70 and 90 basis points
Interests	<p>Interests will be paid annually on the anniversary date of the loan's effective date, i.e. on June 24 of each year. Payment will be made on that date or on the first business day following June 24 if that date is not a business day. Interest on the subordinated bonds shall cease to accrue on the date on which the principal is repaid by CFG Bank. No deferral of interest shall be possible under this Operation.</p> <p>Interests will be calculated according to the following formula:</p> $[\text{Nominal} \times \text{Face Interest Rate}]$
Principal repayment	Tranche "A" will be subject to a bullet principal repayment.



In the event of a merger, demerger or partial transfer of assets of CFG Bank during the term of the loan resulting in the universal transfer of assets to a separate legal entity, the rights and obligations under the subordinated bonds will automatically be transferred to the legal entity that succeeds CFG Bank in its rights and obligations.

In the event of CFG Bank being placed in liquidation, repayment of the principal is subordinate to all traditional, preferential or unsecured debts.

Tradability of securities	<p>Tradable over the counter.</p> <p>There are no restrictions imposed by the terms of the issue on the free tradability of the subordinated bonds.</p>
Assimilation clause	<p>There is no assimilation of the perpetual subordinated bonds, subject of the securities note, to the securities of a previous issue.</p> <p>In the event that CFG Bank subsequently issues new securities with rights identical in all respects to those of the present issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, assimilate all the securities of the successive issues, thus unifying all the operations relating to their management and trading.</p>
Loan rank / subordination	<p>The principal and interest are subject to a subordination clause.</p> <p>The application of this clause does not in any way affect the legal rules governing accounting principles for the allocation of losses, the obligations of shareholders, and the rights of subscribers to obtain payment of their securities in principal and interest.</p> <p>In the event of the liquidation of CFG Bank, the principal and interest on the subordinated securities of this issue will only be repaid after all ordinary, preferred and unsecured creditors have been paid in full. These subordinated securities will be repaid on the same basis as any other subordinated loans that may be issued subsequently by CFG Bank in Morocco or internationally, in proportion to their amount, if applicable.</p>
Maintaining the loan's rank	<p>CFG Bank undertakes, until all securities under this loan have been repaid in full, not to grant any priority in terms of repayment in the event of liquidation to any other subordinated securities it may issue in the future, without granting the same rights to the subordinated securities under this loan.</p>
Repayment guarantee	<p>The issue is not covered by any specific guarantee.</p>
Rating	<p>The issue has not been the subject of a rating request.</p>
Representation of the bondholders' pool	<p>The Board of Directors held on May 21, 2025, appointed Mouttaki Partners, represented by Karim Mouttaki in his capacity as managing partner, as provisional representative. This decision will take effect upon the opening of the subscription period. It is specified that the provisional representative appointed is the same for tranches A, B, C and D, which are grouped together in a single pool.</p> <p>In addition, the provisional representative shall, within six (6) months of the closing date for subscriptions, to convene an</p>



ordinary general meeting of bondholders for the purpose of electing the representative of the pool of bondholders in accordance with the conditions of access and exercise and the incompatibilities provided for in Articles 301 and 301 bis of Law 17-95 on public limited companies, as amended and supplemented.

In accordance with Article 301 bis of Law 17-95 on public limited companies, as amended and supplemented, it has been decided to set the remuneration of the provisional representative and the representative of the bondholders at MAD 25,000 (excluding tax) per year for the estate.

In accordance with Article 302 of the aforementioned law, the representative of the bondholders has, unless otherwise decided by the general meeting of bondholders, the power to perform on behalf of the pool all acts of management necessary to safeguard the common interests of the bondholders.

It should be noted that Mouttaki Partners is the definitive representative of the bondholders of CFG Bank's four previous bond issues:

- Subordinated bond issue (MAD 120,000,000) in 2021;
- Perpetual subordinated bond issue (MAD 80,000,000) in 2021;
- Subordinated bond issue (MAD 160,000,000) in 2022;
- Perpetual subordinated bond issue (MAD 40,000,000) in 2022.

Furthermore, CFG Bank has no capital or business ties with Mouttaki Partners.

Applicable law	Moroccan law.
Competent jurisdiction	Commercial Court of Casablanca.

Characteristics of Tranche B (fixed rate, 10-year maturity, bullet principal repayment, listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear).
Legal form	Bearer bond
Tranche ceiling	MAD 500,000,000
Maximum number of securities to be issued	5,000 subordinated bonds
Nominal value per unit	MAD 100,000
Issue price	At par, 100% of the nominal value, i.e. MAD 100,000
Loan maturity	At par, 100% of the nominal value, i.e. MAD 100,000
Subscription period	10 years
Dividend date	From 06/11/2025 to 06/17/2025 inclusive
Nature of securities	06/24/2025
Maturity date	06/24/2035
Allocation method	French auction with priority to tranches A and B (fixed rate, with bullet principal repayment), followed by tranches C and D (revisable annually, with bullet principal repayment)
Face interest rate	<p>Fixed rate</p> <p>The face interest rate will be determined by reference to the 10-year rate determined from the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium of between 70 and 90 basis points.</p> <p>If the 10-year Treasury bill rate is not directly observable on the curve, CFG Bank will determine the reference rate using the straight-line interpolation method, using the two points surrounding the 10-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rates will be published by CFG Bank on its website on June 4, 2025 and in a legal announcement journal on June 5, 2025.</p>
Risk premium	Between 70 and 90 basis points
Interests	<p>Interests will be paid annually on the anniversary date of the loan's effective date, i.e. on June 24 of each year. Payment will be made on that date or on the first business day following June 24 if that date is not a business day. Interest on the subordinated bonds shall cease to accrue on the date on which the principal is repaid by CFG Bank. No deferral of interest shall be possible under this Operation.</p> <p>Interests will be calculated according to the following formula:</p> <p style="text-align: center;">[Nominal x Face Interest Rate].</p>

Securities listing	<p>The subordinated bonds of tranche “B” will be listed on the Casablanca Stock Exchange and will therefore be subject to an application for admission to the main compartment D of the stock exchange. Their listing date is scheduled for June 19, 2025, under the ticker OCFGD.</p> <p>To be listed on the Casablanca Stock Exchange, the amount allocated to tranche “B” must be greater than or equal to MAD 20,000,000.</p> <p>If, at the close of the subscription period, the amount allocated to tranche “B” is less than 20,000,000, subscriptions for this tranche will be canceled.</p>
Initial listing procedure	<p>The listing of tranche “B” will be carried out by direct listing in accordance with Articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulations of the Stock Exchange.</p>
Principal repayment	<p>Tranche “B” will be subject to a bullet principal repayment.</p> <p>In the event of a merger, demerger or partial transfer of assets of CFG Bank during the term of the loan resulting in the universal transfer of assets to a separate legal entity, the rights and obligations under the subordinated bonds will automatically be transferred to the legal entity that succeeds CFG Bank in its rights and obligations.</p> <p>In the event of CFG Bank being placed in liquidation, repayment of the principal is subordinate to all traditional, preferential or unsecured debts.</p>
Entity in charge of registering the Operation on the Casablanca Stock Exchange	CFG Marchés
Tradability of securities	<p>The subordinated bonds under tranche “B” are freely tradable on the Casablanca Stock Exchange.</p> <p>There are no restrictions imposed by the terms of issue on the free tradability of the subordinated bonds.</p>
Assimilation clause	<p>There is no assimilation of the perpetual subordinated bonds, subject of the securities note, to the securities of a previous issue.</p> <p>In the event that CFG Bank subsequently issues new securities with rights identical in all respects to those of the present issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, assimilate all the securities of the successive issues, thus unifying all the operations relating to their management and trading.</p>
Loan rank / subordination	<p>The principal and interest are subject to a subordination clause.</p> <p>The application of this clause does not in any way affect the legal rules governing accounting principles for the allocation of losses, the obligations of shareholders, and the rights of subscribers to obtain payment of their securities in principal and interest.</p> <p>In the event of the liquidation of CFG Bank, the principal and interest on the subordinated securities of this issue will only be repaid after all ordinary, preferred and unsecured creditors have been paid in full. These subordinated securities will be repaid on</p>

	the same basis as any other subordinated loans that may be issued subsequently by CFG Bank in Morocco or internationally, in proportion to their amount, if applicable.
Maintaining the loan's rank	CFG Bank undertakes, until all securities under this loan have been repaid in full, not to grant any priority in terms of repayment in the event of liquidation to any other subordinated securities it may issue in the future, without granting the same rights to the subordinated securities under this loan.
Repayment guarantee	The issue is not covered by any specific guarantee.
Rating	The issue has not been the subject of a rating request.
Representation of the bondholders' pool	<p>The Board of Directors held on May 21, 2025, appointed Mouttaki Partners, represented by Karim Mouttaki in his capacity as managing partner, as provisional representative. This decision will take effect upon the opening of the subscription period. It is specified that the provisional representative appointed is the same for tranches A, B, C and D, which are grouped together in a single pool.</p> <p>In addition, the provisional representative shall, within six (6) months of the closing date for subscriptions, to convene an ordinary general meeting of bondholders for the purpose of electing the representative of the pool of bondholders in accordance with the conditions of access and exercise and the incompatibilities provided for in Articles 301 and 301 bis of Law 17-95 on public limited companies, as amended and supplemented.</p> <p>In accordance with Article 301 bis of Law 17-95 on public limited companies, as amended and supplemented, it has been decided to set the remuneration of the provisional representative and the representative of the bondholders at MAD 25,000 (excluding tax) per year for the estate.</p> <p>In accordance with Article 302 of the aforementioned law, the representative of the bondholders has, unless otherwise decided by the general meeting of bondholders, the power to perform on behalf of the pool all acts of management necessary to safeguard the common interests of the bondholders.</p> <p>It should be noted that Mouttaki Partners is the definitive representative of the bondholders of CFG Bank's four previous bond issues:</p> <ul style="list-style-type: none"> • Subordinated bond issue (MAD 120,000,000) in 2021; • Perpetual subordinated bond issue (MAD 80,000,000) in 2021; • Subordinated bond issue (MAD 160,000,000) in 2022; • Perpetual subordinated bond issue (MAD 40,000,000) in 2022. <p>Furthermore, CFG Bank has no capital or business ties with Mouttaki Partners.</p>
Applicable law	Moroccan law.

Competent jurisdiction

Commercial Court of Casablanca.

Characteristics of Tranche C (with an annually revisable interest rate, a 10-year maturity and a bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear).
Legal form	Bearer bond
Tranche ceiling	MAD 500,000,000
Maximum number of securities to be issued	5,000 subordinated bonds
Nominal value per unit	MAD 100,000
Issue price	At par, 100% of the nominal value, i.e. MAD 100,000
Loan maturity	At par, 100% of the nominal value, i.e. MAD 100,000
Subscription period	10 years
Dividend date	From 06/11/2025 to 06/17/2025 inclusive
Nature of securities	06/24/2025
Maturity date	06/24/2035
Allocation method	French auction with priority to tranches A and B (fixed rate, with bullet principal repayment), followed by tranches C and D (revisable annually, with bullet principal repayment)
Face interest rate	Annually revisable rate
	For the first year, the face interest rate will be the full 52-week rate (money rate) determined from the reference yield curve of the secondary market of Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium between 65 and 85 basis points.
	The reference rate and the facial interest rates will be published by CFG Bank on its website on June 4, 2025, and in a newspaper of legal announcements on June 5, 2025.
Reference rate calculation method	At each anniversary date, the reference rate is the full 52 weeks rate (money market rate) determined by reference to the reference rate curve of the secondary market of Treasury bills as published by Bank Al-Maghrib, preceding the anniversary date of the coupon by 5 business days.
	The reference rate thus obtained will be increased by the risk premium fixed at the end of the auction (risk premium comprised between 65 and 85 basis points) and will be communicated by CFG Bank, via its website, to the bondholders and to the Casablanca Stock Exchange 5 business days before the anniversary date of each rate revision date and on the same day as the observation date of the reference rate.
Reference rate calculation method	If the 52-week rate is not observable, the determination of the reference rate by CFG Bank will be done by the method of linear

interpolation using the two points surrounding the full 52-week maturity (monetary basis).

This linear interpolation will be done after converting the rate immediately above the 52-week maturity (actuarial basis) into the equivalent monetary rate.

The calculation formula is:

$$(((\text{Actuarial rate} + 1)^{(k / \text{exact number of days}^*)}) - 1) \times 360/k;$$

where k: maturity of the actuarial rate to be transformed

*Exact number of days: 365 or 366 days.

Risk premium	Between 65 and 85 basis points
Interest rate determination date	<p>The coupon will be revised annually on the anniversary dates of the maturity date of the loan, i.e. on June 24 of each year.</p> <p>The new rate will be communicated by the Issuer to the bondholders via its website, 5 business days before the anniversary date.</p>
Interests	<p>Interests will be paid annually on the anniversary date of the loan's effective date, i.e. on June 24 of each year. Payment will be made on that date or on the first business day following June 24 if that date is not a business day. Interest on the subordinated bonds will cease to accrue on the date on which the principal is repaid by CFG Bank. No deferral of interest will be possible under this Operation.</p> <p>Interest will be calculated according to the following formula: [Nominal x Face interest rate x Exact number of days/360].</p>
Principal repayment	<p>Tranche "C" will be subject to a bullet principal repayment.</p> <p>In the event of a merger, demerger or partial transfer of assets of CFG Bank during the term of the loan resulting in the universal transfer of assets to a separate legal entity, the rights and obligations under the subordinated bonds will automatically be transferred to the legal entity that succeeds CFG Bank in its rights and obligations.</p> <p>In the event of CFG Bank being placed in liquidation, repayment of the principal is subordinate to all traditional, preferential or unsecured debts.</p>
Tradability of securities	<p>Tradable over the counter.</p> <p>There are no restrictions imposed by the terms of the issue on the free tradability of the subordinated bonds.</p>
Assimilation clause	<p>There is no assimilation of the perpetual subordinated bonds, subject of the securities note, to the securities of a previous issue.</p> <p>In the event that CFG Bank subsequently issues new securities with rights identical in all respects to those of the present issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, assimilate all the securities of the successive issues, thus unifying all the operations relating to their management and trading.</p>
Loan rank / subordination	The principal and interest are subject to a subordination clause.



The application of this clause does not in any way affect the legal rules governing accounting principles for the allocation of losses, the obligations of shareholders, and the rights of subscribers to obtain payment of their securities in principal and interest.

In the event of the liquidation of CFG Bank, the principal and interest on the subordinated securities of this issue will only be repaid after all ordinary, preferred and unsecured creditors have been paid in full. These subordinated securities will be repaid on the same basis as any other subordinated loans that may be issued subsequently by CFG Bank in Morocco or internationally, in proportion to their amount, if applicable.

Maintaining the loan's rank	CFG Bank undertakes, until all securities under this loan have been repaid in full, not to grant any priority in terms of repayment in the event of liquidation to any other subordinated securities it may issue in the future, without granting the same rights to the subordinated securities under this loan.
Repayment guarantee	The issue is not covered by any specific guarantee.
Rating	The issue has not been the subject of a rating request.
Representation of the bondholders' pool	<p>The Board of Directors held on May 21, 2025, appointed Mouttaki Partners, represented by Karim Mouttaki in his capacity as managing partner, as provisional representative. This decision will take effect upon the opening of the subscription period. It is specified that the provisional representative appointed is the same for tranches A, B, C and D, which are grouped together in a single pool.</p> <p>In addition, the provisional representative shall, within six (6) months of the closing date for subscriptions, to convene an ordinary general meeting of bondholders for the purpose of electing the representative of the pool of bondholders in accordance with the conditions of access and exercise and the incompatibilities provided for in Articles 301 and 301 bis of Law 17-95 on public limited companies, as amended and supplemented.</p> <p>In accordance with Article 301 bis of Law 17-95 on public limited companies, as amended and supplemented, it has been decided to set the remuneration of the provisional representative and the representative of the bondholders at MAD 25,000 (excluding tax) per year for the estate.</p> <p>In accordance with Article 302 of the aforementioned law, the representative of the bondholders has, unless otherwise decided by the general meeting of bondholders, the power to perform on behalf of the pool all acts of management necessary to safeguard the common interests of the bondholders.</p> <p>It should be noted that Mouttaki Partners is the definitive representative of the bondholders of CFG Bank's four previous bond issues:</p> <ul style="list-style-type: none"> • Subordinated bond issue (MAD 120,000,000) in 2021; • Perpetual subordinated bond issue (MAD 80,000,000) in 2021;

- Subordinated bond issue (MAD 160,000,000) in 2022;
- Perpetual subordinated bond issue (MAD 40,000,000) in 2022.

Furthermore, CFG Bank has no capital or business ties with Mouttaki Partners.

Applicable law	Moroccan law.
Competent jurisdiction	Commercial Court of Casablanca.

Characteristics of Tranche D (with an annually revisable interest rate, a 10-year maturity and a bullet principal repayment, listed on the Casablanca Stock Exchange)

Nature of securities	Subordinated bonds listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the Central Custodian (Maroclear).
Legal form	Bearer bond
Tranche ceiling	MAD 500,000,000
Maximum number of securities to be issued	5,000 subordinated bonds
Nominal value per unit	MAD 100,000
Issue price	At par, 100% of the nominal value, i.e. MAD 100,000
Loan maturity	At par, 100% of the nominal value, i.e. MAD 100,000
Subscription period	10 years
Dividend date	From 06/11/2025 to 06/17/2025 inclusive
Nature of securities	06/24/2025
Maturity date	06/24/2035
Allocation method	French auction with priority to tranches A and B (fixed rate, with bullet principal repayment), followed by tranches C and D (revisable annually, with bullet principal repayment)
Face interest rate	Annually revisable rate
	For the first year, the face interest rate will be the full 52-week rate (money rate) determined from the reference yield curve of the secondary market of Treasury bills as it will be published by Bank Al Maghrib on June 3, 2025. This rate will be increased by a risk premium between 65 and 85 basis points.
	The reference rate and the facial interest rates will be published by CFG Bank on its website on June 4, 2025 and in a newspaper of legal announcements on June 5, 2025.
Reference rate calculation method	At each anniversary date, the reference rate is the full 52 weeks rate (money market rate) determined by reference to the reference rate curve of the secondary market of Treasury bills as published by Bank Al-Maghrib, preceding the anniversary date of the coupon by 5 business days.
	The reference rate thus obtained will be increased by the risk premium fixed at the end of the auction (risk premium comprised between 65 and 85 basis points) and will be communicated by CFG Bank, via its website, to the bondholders and to the Casablanca Stock Exchange 5 business days before the anniversary date of each rate revision date and on the same day as the observation date of the reference rate.
Reference rate calculation method	If the 52-week rate is not observable, the determination of the reference rate by CFG Bank will be done by the method of linear interpolation using the two points surrounding the full 52-week maturity (monetary basis).



This linear interpolation will be done after converting the rate immediately above the 52-week maturity (actuarial basis) into the equivalent monetary rate.

The calculation formula is:

$$(((\text{Actuarial rate} + 1)^{(k / \text{exact number of days}^*)}) - 1) \times 360/k;$$

where k: maturity of the actuarial rate to be transformed

*Exact number of days: 365 or 366 days.

Risk premium	Between 65 and 85 basis points
Interest rate determination date	<p>The coupon will be revised annually on the anniversary dates of the maturity date of the loan, i.e. on June 24 of each year.</p> <p>The new rate will be communicated by the Issuer to bondholders via its website and to the Casablanca Stock Exchange 5 business days prior to the anniversary date.</p> <p>The revisable rate will be published by the Casablanca Stock Exchange on its website.</p>
Interests	<p>Interests will be paid annually on the anniversary date of the loan's effective date, i.e. on June 24 of each year. Payment will be made on that date or on the first business day following June 24 if that date is not a business day. Interest on the subordinated bonds will cease to accrue on the date on which the principal is repaid by CFG Bank. No deferral of interest will be possible under this Operation.</p> <p>Interest will be calculated according to the following formula: [Nominal x Face interest rate x Exact number of days/360].</p>
Securities listing	<p>The subordinated bonds of tranche "D" will be listed on the Casablanca Stock Exchange and will therefore be subject to an application for admission to the main compartment D of the stock exchange. Their listing date is scheduled for June 19, 2025 under the ticker OCFGE.</p> <p>To be listed on the Casablanca Stock Exchange, the amount allocated to tranche "D" must be greater than or equal to MAD 20,000,000.</p> <p>If, at the close of the subscription period, the amount allocated to tranche "D" is less than MAD 20,000,000, subscriptions for this tranche will be canceled.</p>
Initial listing procedure	The listing of tranche "D" will be carried out by direct listing in accordance with Articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulations of the Stock Exchange.
Principal repayment	<p>Tranche "D" will be subject to a bullet principal repayment.</p> <p>In the event of a merger, demerger or partial transfer of assets of CFG Bank during the term of the loan resulting in the universal transfer of assets to a separate legal entity, the rights and obligations under the subordinated bonds will automatically be transferred to the legal entity that succeeds CFG Bank in its rights and obligations.</p>



In the event of CFG Bank being placed in liquidation, repayment of the principal is subordinate to all traditional, preferential or unsecured debts.

Entity in charge of registering the Operation on the Casablanca Stock Exchange	CFG Marchés
Tradability of securities	<p>The subordinated bonds under tranche “D” are freely tradable on the Casablanca Stock Exchange.</p> <p>There are no restrictions imposed by the terms of issue on the free tradability of the subordinated bonds.</p>
Assimilation clause	<p>There is no assimilation of the perpetual subordinated bonds, subject of the securities note, to the securities of a previous issue.</p> <p>In the event that CFG Bank subsequently issues new securities with rights identical in all respects to those of the present issue, it may, without requiring the consent of the holders, provided that the issue contracts so provide, assimilate all the securities of the successive issues, thus unifying all the operations relating to their management and trading.</p>
Loan rank / subordination	<p>The principal and interest are subject to a subordination clause.</p> <p>The application of this clause does not in any way affect the legal rules governing accounting principles for the allocation of losses, the obligations of shareholders, and the rights of subscribers to obtain payment of their securities in principal and interest.</p> <p>In the event of the liquidation of CFG Bank, the principal and interest on the subordinated securities of this issue will only be repaid after all ordinary, preferred and unsecured creditors have been paid in full. These subordinated securities will be repaid on the same basis as any other subordinated loans that may be issued subsequently by CFG Bank in Morocco or internationally, in proportion to their amount, if applicable.</p>
Maintaining the loan's rank	<p>CFG Bank undertakes, until all securities under this loan have been repaid in full, not to grant any priority in terms of repayment in the event of liquidation to any other subordinated securities it may issue in the future, without granting the same rights to the subordinated securities under this loan.</p>
Repayment guarantee	The issue is not covered by any specific guarantee.
Rating	The issue has not been the subject of a rating request.
Representation of the bondholders' pool	<p>The Board of Directors held on May 21, 2025, appointed Mouttaki Partners, represented by Karim Mouttaki in his capacity as managing partner, as provisional representative. This decision will take effect upon the opening of the subscription period. It is specified that the provisional representative appointed is the same for tranches A, B, C and D, which are grouped together in a single pool.</p> <p>In addition, the provisional representative shall, within six (6) months of the closing date for subscriptions, to convene an ordinary general meeting of bondholders for the purpose of electing the representative of the pool of bondholders in</p>



accordance with the conditions of access and exercise and the incompatibilities provided for in Articles 301 and 301 bis of Law 17-95 on public limited companies, as amended and supplemented.

In accordance with Article 301 bis of Law 17-95 on public limited companies, as amended and supplemented, it has been decided to set the remuneration of the provisional representative and the representative of the bondholders at MAD 25,000 (excluding tax) per year for the estate.

In accordance with Article 302 of the aforementioned law, the representative of the bondholders has, unless otherwise decided by the general meeting of bondholders, the power to perform on behalf of the pool all acts of management necessary to safeguard the common interests of the bondholders.

It should be noted that Mouttaki Partners is the definitive representative of the bondholders of CFG Bank's four previous bond issues:

- Subordinated bond issue (MAD 120,000,000) in 2021;
- Perpetual subordinated bond issue (MAD 80,000,000) in 2021;
- Subordinated bond issue (MAD 160,000,000) in 2022;
- Perpetual subordinated bond issue (MAD 40,000,000) in 2022.

Furthermore, CFG Bank has no capital or business ties with Mouttaki Partners.

Applicable law	Moroccan law.
Competent jurisdiction	Commercial Court of Casablanca.

V. EVENT OF DEFAULT

An event of default (“Event of Default”) shall be deemed to have occurred if the Issuer fails to pay all or part of the interest and/or principal due on any Bond, unless payment is made within 14 business days of the due date.

In the event of an Event of Default, the representative of the Bondholders shall immediately send a formal notice to the Issuer to remedy the Event of Default with an order to pay any amount due by the Issuer within 14 business days of the formal notice.

If the Issuer has not remedied the Event of Default within 14 business days of the date of receipt of the formal notice, the representative of the Bondholders may, after convening a general meeting of bondholders and upon a decision of the latter ruling under the conditions of quorum and majority provided for by law and upon simple written notification to the Issuer, with a copy to the domiciliary agent and to the AMMC and the Casablanca Stock Exchange for listed tranches, declare the entire issue due and payable, automatically obliging the Issuer to repay the said bonds in the amount of the principal plus interest accrued since the last interest payment date and plus any interest due and not yet paid. The principal being the initial principal (initial nominal value x number of securities), or in the event of repayment, the principal remaining due.

PART II. CFG BANK OVERVIEW

I. GENERAL INFORMATION

Corporate name	CFG Bank
Registered Office	5-7, rue Ibnou Toufail – Palmier – 20100 Casablanca Maroc
Telephone	+212 5 22 98 26 66
Fax	+212 5 22 98 34 60
Legal Form	Public limited company with a Board of Directors
Website	www.cfgbank.com
Lifetime	99 years
Number and place of registration in the Commercial Register	67421 – Casablanca
Financial Year	From January 1 st to December 31 st
Lifetime	99 years
Share Capital as of 03/31/2025	MAD 700,159,200 comprising 35,007,960 shares with a nominal value of MAD 20 each
Consultation of Legal Documents	The corporate, accounting and legal documents whose communication is provided for by law, in particular the articles of association, the minutes of the General Meetings and the reports of the Statutory Auditors, may be consulted at the Company's registered office at 5-7, rue Ibnou Toufail - Palmier - Casablanca 20100 - Morocco
Corporate Purpose	<p>According to article 4 of the articles of association, the Company's purpose, either on its own behalf or on behalf of third parties, in Morocco and in all other countries, is:</p> <ul style="list-style-type: none"> • the realization of all banking, foreign exchange, treasury, guarantee, acceptance, discounting, rediscounting, current account overdraft, leasing and any other form of short or medium term credit operations; • the undertaking and execution of all financial engineering, intermediation and representation operations; • the study, the advice, the development and the realization of all investments as well as all technical, economic, financial, industrial, mining, commercial, tourist, agricultural and real estate projects; • the management on behalf of third parties in any form whatsoever; • the direct or indirect acquisition of interests, both by itself and on behalf of third parties or in participation with any natural or legal person in any form whatsoever, in all operations by way of



the creation of new companies, contributions, subscriptions or purchases of securities or corporate rights, mergers, alliances, associations or otherwise;

- the activity of financial investment advice and the distribution of financial products, in particular any product contributing to the management of a financial account;
- to receive from the public deposits of funds on account or otherwise, whether interest-bearing or not, repayable at sight, in advance or at term;
- to grant credits in any form, with or without guarantees, to make advances on Moroccan and foreign annuities, on securities issued by the State, the Public or Semi-Public Collectivities and on securities issued by Moroccan or foreign industrial, agricultural, commercial or financial companies;
- to contract all loans, all commitments in all currencies;
- to buy, sell or transfer all movable or immovable property;
- to carry out all operations related to its main purpose, in particular:
 - ✓ the purchase and sale:
 - of securities, debt securities issued by the State or by private sector companies and organizations;
 - on the foreign exchange market (currency market);
 - mortgage loans, as well as mortgage securities;
 - all derivative products (futures and options), in organized markets or through "over-the-counter" contracts.
 - ✓ the custody of securities portfolios and all services related to this activity.
- and generally, all financial, commercial, industrial, securities or real estate transactions that may be directly or indirectly related to the aforementioned purposes, or likely to promote the Company's development;

The Company may carry out its purpose in any way and according to any modalities that it deems appropriate, either alone or with the State, public administrations or local authorities, companies or associations, groups or individuals.

Legislative and regulatory texts

The Company is governed by Moroccan law, Act 17-95 (as supplemented and amended) relating to public limited companies, as well as by its articles of association.

The Company and its subsidiaries are also governed by:

- Law no. 103-12 relating to credit institutions and similar bodies (Banking Law);
- Law no.193-213 of September 21, 1993 on mutual funds (Organismes de Placement Collectif en Valeurs Mobilières), as supplemented and amended by Law 53-01;
- Law no. 17-99 on the Insurance Code;
- The General Regulations of the Stock Exchange, approved by Ministerial Order no. 2208-19 of July 3, 2019;
- Law no. 19-14 on the Casablanca Stock Exchange, brokerage





firms and financial investment advisors;

- Law no. 35-96 relating to the creation of the central depository and the institution of a general regime for the registration of certain securities in accounts, as amended and supplemented;
- The General Regulations of the Central Depository, approved by Ministerial Order 932-98 of April 16, 1998 and amended by Ministerial Order 1961-01 of October 30, 2001 and Ministerial Order 77-05 of March 17, 2005 ;
- Law no. 35-94 (as amended and supplemented) relating to certain tradable debt securities;
- Law no. 44/12 relating to public offerings and information required from legal entities and organizations making public offerings;
- Law no. 43/12 relating to the Moroccan Capital Market Authority (AMMC);
- AMMC circulars;
- AMMC general regulations, as approved by Ministerial Order no. 2169-16 of Shaoual 9, 1437.
- Law no. 26-03 on public offerings on the Moroccan stock market, as amended and supplemented.

Competent court in case of dispute

Commercial Court of Casablanca

Tax system

As a credit institution, CFG Bank is subject to corporate income tax (38.5% in respect of the 2024 financial year, 39.25% in respect of the 2025 financial year and 40% by 2026) as well as VAT (10%).

Source: CFG Bank

II. CFG BANK CAPITAL INFORMATION

As of April 30, 2025, the current shareholding of CFG Bank is as follows:

Shareholders	Number of shares held	% in capital	Nombre de droits de vote	% in voting rights
Amyr Alami	3 005 543	8.59%	6 011 086	11.40%
Adil Douiri	902 000	2.58%	1 464 840	2.78%
Founders subtotal	3 907 543	11.16%	7 475 926	14.18%
Younes Benjelloun & spouse and descendants	1 075 180	3.07%	1 228 325	2.33%
Souad Benbachir	895 149	2.56%	1 515 069	2.87%
Other associate employees ¹	2 234 276	6.38%	3 847 896	7.30%
Associate employees subtotal	4 204 605	12.01%	6 591 290	12.51%
Zouhair Bennani	1 691 221	4.83%	3 379 661	6.41%
Royale Marocaine d'Assurance (RMA)	2 526 925	7.22%	4 599 850	8.73%
Mutandis SCA	1 533 975	4.38%	1 533 975	2.91%
Bank Of Africa (BOA)	1 425 325	4.07%	2 850 650	5.41%
Majdaline Holding	1 632 093	4.66%	3 255 763	6.18%
Axa Assurance Maroc	1 138 705	3.25%	2 108 698	4.00%
Caisse Interprofessionnelle Marocaine de Retraites (CIMR)	1 138 705	3.25%	2 277 410	4.32%
Régime Collectif d'Allocation de Retraite (RCAR)	5	0.00%	10	0.00%
REIM International Limited	1 379 170	3.94%	2 758 340	5.23%
Other shareholders ²	1 563 859	4.47%	3 009 450	5.71%
Floating bearer bonds	12 865 829	36.75%	12 865 829	24.41%
Miscellaneous subtotal	26 895 812	76.83%	38 639 636	73.31%
TOTAL	35 007 960	100.00%	52 706 852	100.00%

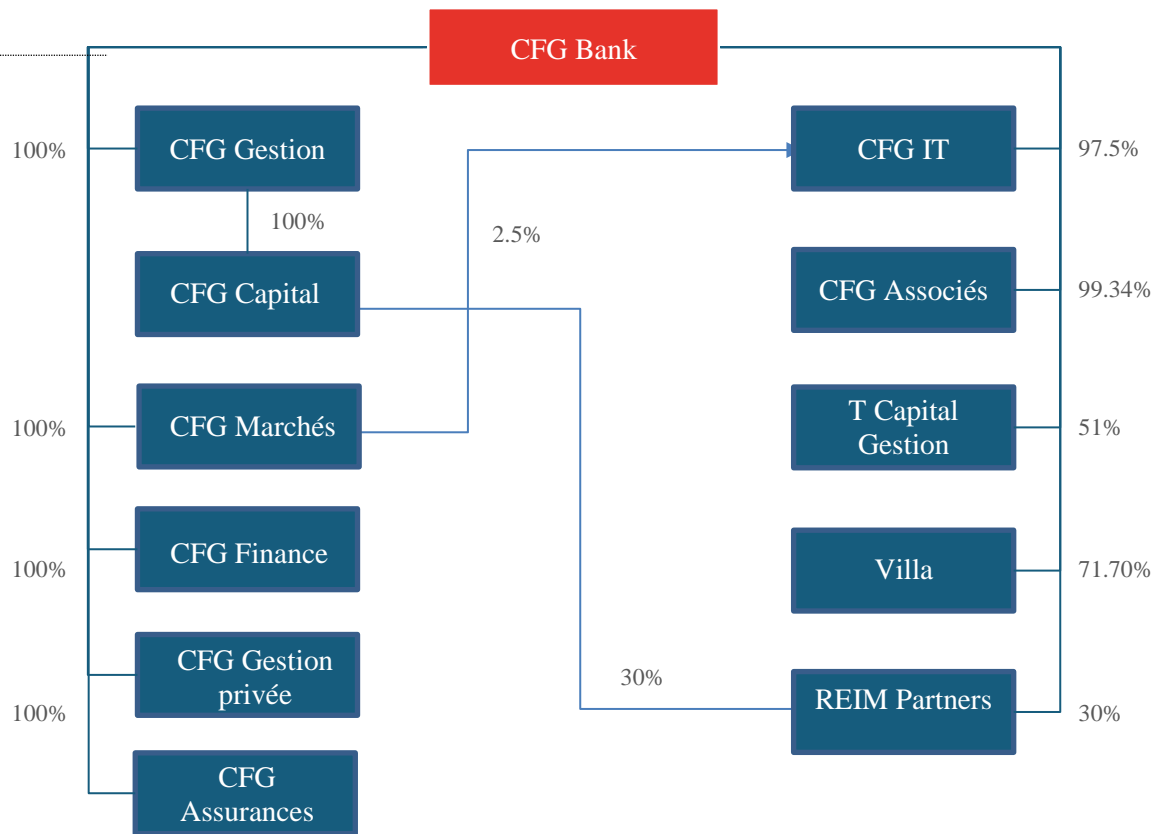
Source: CFG Bank

¹ The heading "Other associate employees" includes shares subscribed by Nawfal Bendefa and Mehdi Tahiri in 2021 following CFG Bank's acquisition of a stake in REIM Partners (see 2.2 capital history).

² The heading "Other shareholders" includes only legal entities and natural persons who individually hold less than 3% of CFG Bank's capital and voting rights.

III. LEGAL ORGANIZATION CHART

At the date of registration of this reference document, CFG Bank's legal structure is as follows:



Source: CFG Bank – Organization chart showing CFG Bank's % interest and control in its subsidiaries.

IV. CFG BANK'S ACTIVITIES

Credit trends

In KMAD	12/31/2022	12/31/2023	Var 23-22	12/31/2024	Var 24-23
Cash flow loans	4 514 975	6 834 754	51.4%	9 639 245	41.0%
Equipment loans	-	-	-	-	-
Real estate loans	3 280 186	3 754 841	14.5%	4 102 192	9.3%
Consumer loans	10 098	10 591	4.9%	13 667	29.0%
Other loans	134 543	2 288 323	>100%	1 876 309	-18.0%
Accrued interest receivable	60 967	111 301	82.6%	175 070	57.3%
Net overdue loans	154 578	251 072	62.4%	237 027	-5.6%
Total gross loans to clients	8 155 347	13 250 882	62.5%	16 043 510	21.1%
<i>o/w stimulus credits</i>	<i>11 308</i>	<i>9 003</i>	<i>-20.4%</i>	<i>5 672</i>	<i>-37.0%</i>
<i>o/w Oxygen credits</i>	<i>37 705</i>	<i>21 582</i>	<i>-42.8%</i>	<i>11 560</i>	<i>-46.4%</i>
Ordinary accounts receivable	629 198	640 962	1.9%	1 130 555	76.4%
Cash loans	152 671	248 107	62.5%	75 211	-69.7%
Securities received under repurchase agreements	-	-	-	-	-
Accrued interest receivable	759	2 687	>100%	125	-95.3%
Total receivables from credit institutions	782 629	891 756	13.9%	1 205 891	35.2%
Leased and rented assets	1 101 420	1 403 654	27.4%	1 730 200	23.3%

Source: CFG Bank

In 2024, gross loans outstanding to clients rose by 21.1% compared with December 2023, reaching MAD 16,044 million. This increase was mainly driven by growth in banking activity, attributable in particular to growth in the following credit segments:

- Cash loans (+MMAD 2,804, i.e. +41.0%) to MMAD 9,639;
- Real estate loans (+MMAD 347, i.e. +9.3%) to MMAD 4,102;
- Other loans (-MMAD 412, i.e. -18.0%) to MMAD 1,876, mainly explained by the decrease in securities received under repurchase agreements³ with maturity at the end of 2024;

Gross loans and advances to credit institutions followed a similar trend, rising by 35.2% to MMAD 1,206. This was mainly due to the increase in “ordinary accounts receivable”, which stood at MMAD 1,131, i.e. up 76.4% compared with 2023.

At the end of 2023, outstanding loans to clients were up 62.5% compared with December 2022, reaching MMAD 13,251. This increase was mainly driven by growth in banking activity, attributable in particular to growth in the following credit segments:

- Cash loans (+MMAD 2,320, i.e. +51.4%) to MMAD 6,835;

³ These are funds advanced to UCITS in exchange for securities.

- Other loans (+MMAD 2,154, i.e. >100%) to reach MMAD 2,288, mainly explained by the increase in securities received under repurchase agreements⁴ forward to the end of 2023;
- Mortgages (+475 MMAD, i.e. +14.5%) to 3,755 MMAD.

Outstanding loans to credit institutions followed a similar trend, rising by 13.9% to MMAD 892. This trend was mainly due to

- the rise in “ordinary accounts receivable” to MMAD 641, i.e. an increase of 1.9% compared with 2022;
- a 62.5% increase in cash loans, from MMAD 153 as of December 31, 2022 to MMAD 248 as of December 31, 2023.

Following the cessation of the distribution of stimulus and oxygen loans in 2021, the outstandings of the latter fell by -49.8% and -69.3% respectively between December 31, 2022 and December 31, 2024.

Deposit trends

In KMAD	12/31/2022	12/31/2023	Var 23-22	12/31/2024	Var 24-23
Demand accounts in credit	5 828 076	6 405 715	9.9%	8 382 445	30.9%
Term deposits	1 412 879	1 225 689	-13.2%	1 097 349	-10.5%
Savings accounts	783 517	858 613	9.6%	926 724	7.9%
Accrued interest payable	17 045	11 867	-30.4%	11 457	-3.5%
Other accounts payable	30 759	95 001	>100%	97 836	3.0%
Client deposits	8 072 276	8 596 885	6.5%	10 515 811	22.3%
Securities sold under repurchase agreements	2 500 067	4 379 235	75.2%	2 020 071	-53.9%
Cash borrowings	350 000	899 357	>100%	677 560	-24.7%
Accrued interest payable	2 568	13 650	>100%	12 042	-11.8%
Payables to credit institutions	2 852 635	5 292 243	85.5%	2 709 673	-48.8%

Source: CFG Bank

At the end of 2024, client deposits were up 22.3% compared with the end of December 2023, to MMAD 10,516. This trend was mainly due to the combined effect of the following changes:

- The 30.9% (+ KMAD 1,976,730) increase in “sight accounts in credit” to KMAD 8,382,445, resulting from the ongoing development of banking activity and the expansion of the client portfolio;
- “Savings accounts” up 7.9% (KMAD 68,111) to KMAD 858,613;
- Partially offset by a 10.5% (-128,340 KMAD) fall in “term deposits” to KMAD 1,097,730.

Amounts owed to credit institutions totaled KMAD 2,709,673 at end-December 2024, down 48.8% compared with end-December 2023. This change is mainly attributable to a decline in securities sold under repurchase agreements of KMAD 2,359,164 to KMAD 2,020,071 at end-December 2024, coupled with a decrease in treasury borrowings of KMAD 221,797 to KMAD 677,560 at end-December 2024. The decrease in securities sold under repurchase agreements is explained by the increase in demand deposits.

⁴ These are funds advanced to UCITS in exchange for securities.

At the end of 2023, client deposits were up 6.5% compared with end-December 2022, to MMAD 8,597. This trend was mainly due to the combined effect of the following changes:

- The 9.9% (+KMAD 577,639) increase in “sight accounts in credit”, to KMAD 6,405,715, resulting from the development of banking activity and the expansion of the client portfolio;
- Savings accounts” up 9.6% (KMAD 75,096) to KMAD 858,613;
- Partially offset by a 13.2% (-KMAD 187,190) fall in “term deposits” to KMAD 1,225,689.

Amounts owed to credit institutions amounted to MMAD 5,292, recording an increase of 85.5% compared with the end of December 31, 2022. This change is mainly attributable to the 75.2% increase in securities sold under repurchase agreements, reaching MMAD 4,379 as of December 31, 2023, and to a lesser extent to the more than 100% increase in treasury borrowings, to reach MMAD 899.

PART III. CONSOLIDATED FINANCIAL POSITION OF THE ISSUER

I. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Assets

In KMAD	12/31/2022	12/31/2023	12/31/2024	Var 22/23	Var 23/24
Cash in hand, Central banks, Treasury, Postal Checks Service	593 633	405 210	741 328	-31.7%	82.9%
Financial assets at fair value through profit or loss	3 030 625	3 472 376	2 637 597	14.6%	-24.0%
<i>Financial assets held for trading</i>	3 030 625	3 472 376	2 637 597	14.6%	-24.0%
<i>Other financial assets at fair value through profit or loss</i>	-	-	-	-	-
Derivative hedging instruments	-	-	-	-	-
Financial assets at fair value through equity	40 296	42 096	36 521	4.5%	-13.2%
<i>Debt instruments accounted for at fair value through equity -recyclable</i>	-	-	-	-	-
<i>Debt instruments accounted for at fair value through equity -non-recyclable</i>	40 296	42 096	36 521	4.5%	-13.2%
Securities at amortized cost	682 432	677 026	715 965	-0.8%	5.8%
Loans and advances to credit institutions and similar entities at amortized cost	332 824	690 614	793 419	>100%	14.9%
Loans and advances to customers at amortized cost	8 806 412	14 251 253	17 394 296	61.8%	22.1%
Interest rate hedge portfolio revaluation difference	-	-	-	-	-
Held-to-maturity investments	-	-	-	-	-
Current tax assets	150 890	188 452	193 329	24.9%	2.6%
Deferred tax assets	148 306	154 344	158 689	4.1%	2.8%
Accruals and other assets	657 006	1 095 272	916 434	66.7%	-16.3%
Non-current assets held for sale	-	-	-	-	-
Investments in companies at equity (equity method)	-	-	-	-	-
Investment property	-	-	-	-	-
Tangible assets	579 516	758 428	807 847	30.9%	6.5%
Intangible assets	225 988	275 009	382 052	21.7%	38.9%
Goodwill on acquisition	124 142	124 142	124 142	0.0%	0.0%
Total Assets	15 372 070	22 134 222	24 901 619	44.0%	12.5%

Source: CFG Bank

CONSOLIDATED LIABILITIES

In KMAD	12/31/2022	12/31/2023	12/31/2024	Var 22/24	Var 23/24
Central banks, Treasury, Post office banks	-	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-
<i>Financial liabilities held for trading</i>	-	-	-	-	-
<i>Financial liabilities at fair value through profit or loss under option</i>	-	-	-	-	-
Derivative hedging instruments	-	-	-	-	-
Amounts owed to credit institutions and similar entities	2 865 367	5 312 223	2 726 868	85.4%	-48.7%
Amounts owed to customers	8 032 909	8 647 054	10 573 682	7.6%	22.3%
Debt securities issued	2 398 945	4 825 859	8 180 733	>100%	69.5%
Fair value adjustments to portfolios hedged against interest rate risks	-	-	-	-	-
Current tax liabilities	87 745	71 120	163 884	-18.9%	>100%
Deferred tax liabilities	68 675	63 739	85 699	-7.2%	34.5%
Accruals and other liabilities	641 236	1 121 886	926 654	75.0%	-17.4%
Liabilities related to non-current assets held for sale	-	-	-	-	-
Technical provisions for insurance contracts	-	-	-	-	-
Provisions	2 375	2 375	2 375	0.0%	0.0%
Grants and similar funds	-	-	-	-	-
Subordinated debts and special guarantee funds	401 535	401 801	401 662	0.1%	0.0%
Shareholders' equity	873 283	1 688 165	1 840 062	93.3%	9.0%
Shareholders' equity, group share	851 810	1 665 864	1 812 918	95.6%	8.8%
Capital and related reserves	1 558 867	1 333 469	1 338 704	-14.5%	0.4%
Consolidated reserves	-626 019	291 293	340 291	>100%	16.8%
Unrealized or deferred gains or losses	-124 924	-124 924	-127 897	0.0%	-2.4%
Net result	54 341	177 568	278 166	>100%	56.7%
Net result - Group share	43 886	166 026	261 820	>100%	57.7%
Minority interests (result + reserves)	21 473	22 301	27 144	3.9%	21.7%
Total Liabilities	15 372 070	22 134 222	24 901 619	44.0%	12.5%

Source: CFG Bank

CONSOLIDATED INCOME STATEMENT

In KMAD	2022	2023	Var.22-23	2024	Var.24-23
Interest and similar income	435 713	574 933	32.0%	835 708	45.4%
Interest and similar expenses	-184 981	-310 201	67.7%	-462 613	49.1%
Interest margin (1)	250 732	264 732	5.6%	373 095	40.9%
Commissions (income)	321 607	340 539	5.9%	524 814	54.1%
Commissions (expenses)	-71 092	-78 103	9.9%	-123 900	58.6%
Commission margin (2)	250 515	262 436	4.8%	400 914	52.8%
Net gains or losses on financial instruments at fair value through profit or loss (3)	-32 822	75 770	>100%	102 983	35.9%
Net gains or losses on available-for-sale financial assets (3)	-	-	-	-	-
Net gains or losses on financial instruments at fair value through equity	-	-	-	-	-
Net income from other activities (4)	31 969	54 456	70.3%	64 416	18.3%
Net banking income (5)	500 394	657 394	31.4%	941 408	43.2%
<i>Retail Banking</i>	293 561	442 984	50.9%	623 607	40.8%
<i>Corporate and investment banking</i>	206 833	214 410	3.7%	317 801	48.2%
General operating expenses (6)	-331 558	-377 578	13.9%	-487 608	29.1%
Depreciation, amortization and impairment of tangible and intangible assets (7)	-55 094	-56 132	1.9%	-65 694	17.0%
Gross operating income (8)	113 742	223 684	96.7%	388 106	73.5%
Risk costs (9)	-30 984	-24 859	-19.8%	-41 071	65.2%
Operating result (10)	82 758	198 825	>100%	347 035	74.5%
Share of net income of companies accounted for by the equity method	-	-	-	0	-
Net gains or losses on other assets (11)	-2 937	-4 575	55.8%	-5 770	26.1%
Changes in value of goodwill	-	-	-	0	-
Profit before tax (12)	79 821	194 250	>100%	341 265	75.7%
Income taxes (13)	-25 480	-16 682	-34.5%	-63 099	>100%
Net income from discontinued operations	-	-	-	0	-
Net income (14)	54 341	177 568	>100%	278 166	56.7%
Minority interests (15)	10 455	11 542	10.4%	16 346	41.6%
Net income (group share) (16)	43 886	166 026	>100%	261 820	57.7%

Source: CFG Bank

PART IV. RISK FACTORS

I. RISKS RELATED TO THE ISSUER

The risk management governance structure implemented by CFG Bank is based on clearly defined internal rules and procedures and continuous monitoring. This system is in line with the regulatory provisions issued by Bank Al-Maghrib in this area.

This structure is composed of the following bodies:

- **Risk Committee:** examines and approves the strategy, policies and practices of global risk management;
- **General Management:** decides and validates the major strategic orientations relating to the Bank's risk management;
- **Global Risk Management Department:** is responsible for implementing and monitoring the global system for managing credit, market, liquidity and operational risks.

1. CREDIT RISK

Credit risk means the risk that a counterparty will not be able to meet its obligations to the Bank.

Organization and governance

The credit risk management and monitoring system is organized around several commercial and central structures dedicated to risk management and the control of regulatory aspects and internal procedures.

It is also organized around several operational committees:

- **The Credit Committee:** Comprising the Risk Management Department, General Management and the Credit Unit, it decides on credit applications in accordance with the credit policy. Three credit committees are held each week.
- **The monthly committee for monitoring delinquencies, the Watchlist and the Weak list:** set up for each of the retail, corporate and private banking divisions, it is made up of the business line management concerned, the risk management department and, if necessary, the legal department. The business line manager decides on the status of outstanding debts and on the actions taken to recover them. The risk management department monitors overdue receivables, ensures that action plans are implemented and alerts each business line manager to receivables that will be placed on the Watchlist or the Weak list. A report is then sent to the various operating entities and to General Management.
- **The half-yearly provisioning, sensitive risks and weak list committee:** This committee, which is made up of senior management, the business lines and the risk management department, decides which receivables should be provisioned.
- **The Audit and Risk Committee.**

Credit granting policy and procedures

The CFG Bank credit offer has been refined and adapted during the year 2021. Several types of credit are now granted:

- Housing loans;
- Investment loans and MTC for companies;
- Guaranteed cash flow loans for companies or individuals;
- Loans for real estate development;
- Overdrafts and overdraft facilities;
- Lombard loans;
- Leasing loans;
- Consumer loans.

CFG Bank's risk management policy for loans is based on the following principles:

- Compliance with the regulations governing credit activity;
- Compliance with the internal rules and procedures governing the granting of loans: coverage ratios, guarantees, loan-to-value ratios, debt ratio, etc.
- The development and use of risk assessment and decision-making tools: "credit simulation" sheet, analysis and assessment grid, internal incident database, etc.;
- Involvement of central and commercial entities in the granting decision;
- Monitoring and control of guarantees by the commercial and central functions on a regular basis;
- Analysis of the impact of CFG Bank's global exposures;
- Compliance with regulatory and internal credit limits;
- Compliance with the Bank AL Maghrib/GPBM code of ethics.

Granting procedure and delegation mechanism

The credit granting procedure implemented within the institution is based on 3 principles:

1. Constitution of the credit file

This process is carried out by the advisors and involves gathering information about the loan and collecting the documents needed to analyze the file, and then issuing an initial opinion on the file, based on its compliance with the conditions and internal credit standards.

2. Analysis of the credit file

Based on the various data collected by the commercial entity, the analysis of the credit file is the responsibility of several of the Bank's central entities, such as the Risk Management Department and possibly the credit unit when it is a question of an initial examination of retail files. A credit risk assessment is carried out by the Risk Management department. This includes financial analysis, control of guarantees and assessment of credit risk, as well as analysis of its impact on CFG Bank's overall exposure.

Consumer loans not covered by an agreement or exceeding 150 KMAD are managed by Salafin. On the other hand, all the agreed credits inferior to 150 KMAD are managed and processed on the Avaloq software at CFG Bank level.

3. Decision-making and delegation arrangements

Credit applications are submitted to the Credit Committee and a delegation system that designates the levels of authority for credit granting authorizations by type of credit, depending on the amount requested was implemented during 2018. Today, all credit requests excluding consumer credits are submitted to the Credit Committee and are listed below:

- Housing credits;
- Investment loans and medium-term loans (MTC) for companies;
- Guaranteed cash flow loans for companies or individuals;
- Real estate development loans;
- Overdrafts and overdraft facilities;
- Lombard loans;
- Lease credits.

Credit risk assessment and monitoring system

Credit risk monitoring is the responsibility of both the commercial entities and the risk management department.

In the case of real estate loans, the analysis is carried out based on a "credit simulation" sheet that summarizes all the acceptance criteria established by the Bank: age of the applicant, duration of the loan, loan-to-value

ratio, debt ratio, etc. This sheet lists the loan conditions and checks compliance with internal and regulatory credit standards. This form lists the credit conditions and checks compliance with internal and regulatory credit standards.

As for corporate and VSE/professional loans, the analysis of the quality of credit commitments at the time of granting is now based essentially on the analysis and due diligence carried out by the risk management department in order to assess the credit risk relating to the project and the counterparty, but also to ensure compliance with the regulations in force and the internal rules in place.

Internal rating system

In order to strengthen its credit risk management system, CFG Bank has started the project of setting up a rating system in compliance with the Basel II requirements for companies.

Given the shallowness of the history, this system will initially be based on an operational model using the corporate and retail risk analysis grids already in place.

An IRS based on probability of default has been finalized for corporate clients and is currently being implemented for retail clients with the help of an external service provider.

Guarantee follow-up

Several types of guarantees are accepted by CFG Bank, depending on the type of credit requested:

- Pledging of securities, UCITS and life insurance products held by the borrower;
- The guarantee;
- Mortgage;
- Credit insurance.

Coverage ratios by type of guarantee are set up. Central monitoring is carried out automatically using the information system and on a daily basis when a financial portfolio is given as collateral. A margin call is then triggered following a drop in the value of this portfolio. This coverage ratio will be detailed and further refined according to other criteria, in particular the liquidity of the shares.

The Bank may also ask the client to modify the guarantees given in the event of the occurrence of an event involving the deterioration of one of the values given as collateral by the client, i.e. a sharp deterioration in the financial situation, liquidation of the company whose securities are pledged, expropriation of a property for public utility, among other things.

A transitional arrangement (Watchlist / Weak list) has been put in place pending the entry into force of Circular 19/G. This system is based on the detailed criteria of the 19/G.

Watchlist

As part of the ongoing process of strengthening credit risk monitoring tools, and in view of the expected development of credit activity in the coming years, the risk management department has set up a system for monitoring and supervising sensitive receivables, in the light of the draft reform⁵ of circular 19/G/2002 currently being prepared by Bank Al Maghrib:

⁵ The reform project concerns the classification and provisioning of receivables to include the treatment of sensitive receivables. It has a twofold objective: (i) to ensure a homogeneous contribution in terms of identification, classification and provisioning of sensitive loans within the banking sector, (ii) to integrate new criteria in terms of default (overrunning, restructuring, etc.).

- A semi-annual study is carried out to identify receivables showing early signs of default,
- Their follow-up is carried out on a monthly basis.

The risk management department then informs the general management through the monthly summary that is sent to it, the monthly committee for monitoring unpaid debts and the Watchlist, as well as the half-yearly provisioning and sensitive risks committee.

As of December 31, 2024, the provisioning of Watchlist receivables amounted to MMAD 13.2.

This amount includes provisions recorded on the outstandings of Watchlist level 1 counterparties (provision of 10%) and Watchlist level 2 counterparties (provision of 2.5%).

As part of the drive to strengthen credit risk monitoring tools, and in view of changes in the credit portfolio, a half-yearly study is carried out to identify receivables showing early signs of default. All the criteria set out in the draft Circular 19/G are studied, in addition to internal criteria aimed at studying client behavior (monthly delinquency committee).

After classification of counterparties, the provisions recorded are as follows

- Level 1 watchlist: represents the highest risk provisioned at 10% (in the light of the draft reform of circular 19/G/2002 in progress at Bank Al Maghrib);
- Watchlist level 2: represents a lower risk provisioned at 2.5% (decision of the board of directors);
- Weak list: counterparties deserving the attention of the commercial team and the overall risk management. The list is monitored internally and provisioned at 0%.

Weak list

As part of its efforts to strengthen its credit risk management system, the risk management department has set up an internal Weak list to measure, anticipate and prevent any risk of loss:

- Based on stricter criteria than those that define sensitive receivables, it allows close monitoring of certain receivables that, without being classified as sensitive, deserve the attention of sales staff and overall risk management;
- Receivables to be downgraded to Weakest are identified during the half-yearly inventory;
- They are monitored on a monthly basis.

Outstanding receivables

Due to the close monitoring of commitments by CFG Bank, the receivables eligible for provisioning under the regulations are systematically identified by the risk management, which informs the general management on a monthly basis through a monthly summary, the monthly committee for monitoring unpaid debts, Watchlist and Weakest and the half-yearly committee for provisioning and sensitive risks.

In accordance with the regulations in force, outstanding receivables must be classified as:

- "pre-doubtful debt", when the due date is not honored 90 days after the due date;
- "Doubtful debt", when the due date is not honored 180 days after the due date;
- A "compromised receivable" is one that is not paid within 360 days of its due date.

In the case of restructured receivables, the following rules apply:

The following are classified as doubtful debts:

- Receivables restructured more than 2 times,
- Cases of third restructuring must be exceptional and duly justified by the institution

- Restructured loans with an outstanding balance of more than 90 days

The following are classified as compromised receivables:

- Restructured receivables that are > 180 days past due.

The amount of the provisions to be constituted is fixed by the risk management, knowing that the pre-doubtful, doubtful and compromised debts must give place to the constitution of provisions equal at least, respectively, to 20%, 50% and 100% of their amount, after deduction of the reserved agios and the guarantees backed by the credits as detailed at the level of the article 15 of the circular no. 19/G/2002

The repayment of the unpaid by the customer implies a systematic resumption of the provisions previously constituted.

The classification of a receivable in the category of irregular receivables or in one of the categories of outstanding receivables entails the transfer in this same category, of all the debts held on the concerned counterparty, where it is the company. This provision does not apply to receivables held by individuals.

In case of an irrecoverable receivable or in case of a justified arrangement with the customer for the partial settlement of the principal of the receivable, a total or partial write-off of the claim may take place after the consent of the Credit Committee.

Collection

If the customer does not honor their commitments on the due date of the credit, CFG Bank must first make an amicable attempt to collect the debt.

Legal action becomes inevitable when the amicable collection procedure proves inconclusive.

A reaction from the client can occur at any stage and can eventually lead to an amicable settlement and thus to the abandonment of the legal proceedings. The collection process is currently operational on the system. Its implementation is effective since the second half of 2020.

Internal limit system and stress test

An internal maximum loss limit is set for the credit portfolio. It is defined as the limit that must not be exceeded regardless of the evolution of risk factors in a worst-case scenario. The limit validated by the Board of Directors is determined as follows: $4.1\% \times \text{the value of the credit portfolio} \leq 20\% \times \text{book value of equity}$. This limit corresponds to a percentage of equity and gives rise to a maximum exposure amount, i.e. a commitment limit that is monitored and controlled on a daily basis by the central entities. The maximum loss limit is reviewed regularly and validated annually by the Board of Directors.

Information for the administrative and management bodies

The executive management is regularly informed of the bank's exposure to credit risk through:

- The monthly summary of unpaid and sensitive receivables sent to the general management;
- The minutes of the monthly committees for monitoring unpaid debts;
- The half-yearly Watchlist and weak list provisioning committees;
- Corporate and retail risk analyses carried out prior to the granting of corporate and VSE loans;
- Ad hoc risk analyses when a problem is identified;
- Quarterly reporting prepared by the risk management department for general management and the business lines concerned. This reporting includes:

- ✓ CMDR results on an individual and consolidated basis;
- ✓ Simulations and projections for the following quarter to prevent potential overruns;
- ✓ The recommendations of the risk management department and reminders of the guidelines.
- A monthly report prepared by the Risk Department for General Management and the business lines concerned. This report includes:
 - ✓ Changes in frozen and dormant accounts;
 - ✓ Matrix showing changes in the number of overdue accounts by contract;
 - ✓ Trend in unpaid files: in number and outstandings, broken down by customer category;
 - ✓ Change in loss ratio by credit category;
 - ✓ Trend in overruns/forced debits below and above KMAD 50.
- Regular reporting on the concentration of the Bank's commitments in the real estate development sector.

In addition, the Board of Directors is informed of the Bank's exposure to credit risk at the quarterly meeting of the Risk Committee.

2. CONCENTRATION RISK

Concentration risk is the risk inherent in an exposure that could result in significant losses that could threaten an institution's financial soundness or its ability to continue its core business.

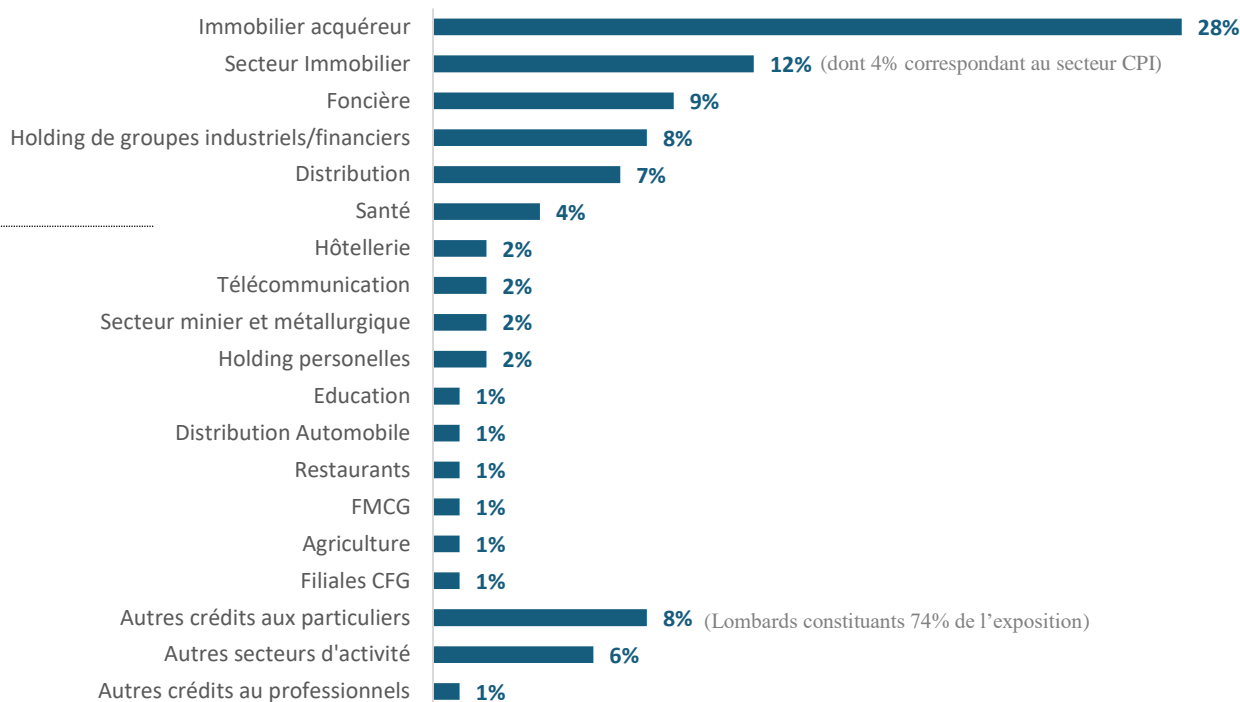
It refers to exposures of any kind, whether on or off the balance sheet, which may expose the institution to losses due to counterparty risk.

Concentration risk may arise from exposure to:

- counterparties belonging to the same sector of activity;
- categories of counterparties: GE, SME, VSE and individuals;
- counterparties belonging to the same geographical region;
- interest groups;
- individual counterparties.

Breakdown of the Bank's overall exposure by sector of activity

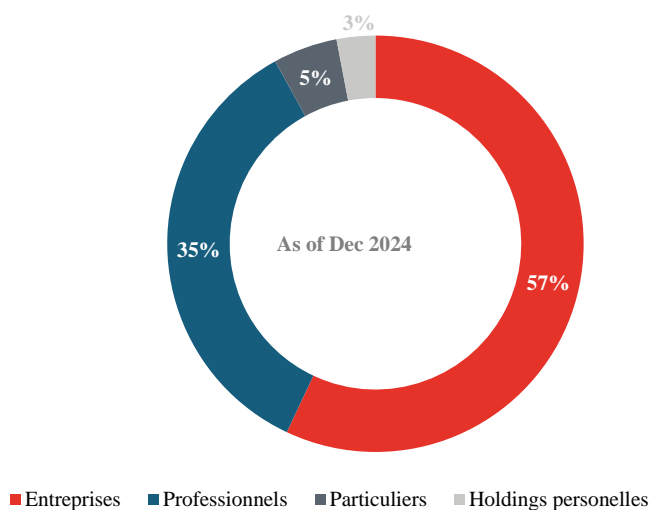
December 31, 2024, the breakdown of the Bank's exposure to the various economic sectors is as follows:



Source: CFG Bank

Breakdown of commitments by category of counterparty

Exposure of outstanding commitments as of December 31, 2024 compared with the various counterparty categories breaks down as follows:



Source: CFG Bank

Geographical distribution

CFG Bank's commitments are heavily concentrated in the Greater Casablanca and Rabat regions.

As of December 31, 2024, the portfolio showed satisfactory sector diversification and a good breakdown by counterparty category, enabling good management of concentration risk.

Concentration risk monitoring system

Limit system

- A concentration limit is set by the Bank for loans to real estate development and the hotel sector.
- Counterparty limits are set for interbank loans made by CFG Bank to local banks. In addition, the Bank refrains from lending to counterparties considered risky.
- A position limit for the private debt portfolio is also defined. It concerns non-financial private issuers, excluding credit institutions.
- For equities, a list of authorized exposures is defined according to economic criteria as well as a maximum position limit and a concentration limit per security.
- Counterparty limits have been defined for foreign exchange activities, both overall and by category and type of company, excluding credit institutions.
- These limits are reviewed and approved annually by the Board of Directors.

Finally, in accordance with Bank Al Maghrib's circular No. 8/G/2012 relating to the maximum risk division coefficient of credit institutions, a measurement of the exposure per beneficiary is carried out quarterly, through the calculation of the ratio between the total weighted risks incurred on the same beneficiary and the regulatory equity.

This ratio, which must not exceed 20%, is monitored regularly by the risk management department.

Information for the administrative and management bodies

Regular monitoring of concentration risk is reinforced by quarterly reporting to senior management and the business units. This reporting includes:

- CMDR results on an individual and consolidated basis;
- Simulations and projections for the following quarter to prevent potential overruns;
- The recommendations of the risk management department and the guidelines.

In addition, General Management and the business lines are regularly informed of the concentration of the Bank's exposure to the real estate development sector.

Finally, the Board of Directors is informed of the Bank's exposure to concentration risk at the quarterly Risk Committee meeting.

The concentration of risks on a single interest group, as of December 31, 2024, is as follows:

In KMAD	Total risk amount ⁶	Amount of risk exceeding 10% of equity		
		On an individual basis		
		Credits by disbursement	Credit by signature	Amount of securities held in the capital of the beneficiary
Interest group 1	328 508	328 256	-	252
Interest group 2	327 878	327 861	-	16

⁶ Net exposure after deduction of CRM (credit risk mitigation)

Interest group 3	327 521	318 898	507	8 116
Interest group 4	443 819	324 130	104 039	15 650
Interest group 5	315 034	315 027	-	7
Interest group 6	301 531	71 439	230 092	-
Interest group 7	1 062 916	983 728	49 469	29 719
Interest group 8	275 035	102 185	172 850	-
Interest group 9	532 974	523 639	-	9 335
Interest group 10	269 066	71 778	197 288	-

Source: CFG Bank

3. MARKET RISK

Market risks are defined as the risk of losses due to changes in market prices. In the case of CFG Bank, they include foreign exchange risk, interest rate risk and equity risk related to the instruments included in the trading portfolio.

Organization and governance

The market risk management and control system is organized around several structures dedicated to risk management and control of internal procedures and regulatory aspects.

The dealing room is responsible for implementing the Bank's market refinancing policy and managing the Bank's cash and securities portfolios.

It participates in the development of the Bank's refinancing strategy and is also responsible for ensuring compliance with regulatory and internal limits relating to its activity.

The Bank's Risk Management Department is responsible for designing the system for measuring, monitoring and controlling market risk. In this capacity, it defines the risk management strategy in terms of market risk policies and limits and sets up measurement, monitoring and surveillance indicators, in accordance with the Bank's strategy and regulatory requirements.

Market risk measurement and monitoring

In order to support the Bank's growth and ensure effective risk monitoring, CFG Bank improved its overall market risk management system in 2016, in particular by streamlining the measurement of value at risk (VaR) for the Bank's entire trading portfolio, supervising market activities by setting up an appropriate stress test system, and reviewing the limits introduced.

To support the development of the foreign exchange activity started in 2017, new limits related to this activity have been introduced. This system was strengthened during 2018 with a view to monitoring position and counterparty limits.

In addition, regular monitoring is carried out by type of market instrument and regulatory and internal limits are monitored at several levels.

This system enables the business lines and general management to be informed on an ongoing basis of changes in market activity.

Limit system and risk indicators

Several limits and risk indicators are defined for market risks:

- Position limits by activity:
 - ✓ Two types of limits are defined for the equity portfolio position: on the one hand, a list of securities eligible for trading according to capitalization and liquidity criteria is defined. On the other hand, maximum limits in global position and per security are fixed;
 - ✓ Diversification of the equity portfolio is also monitored;
 - ✓ As for the interest rate activity, a position limit for the private debt portfolio has been defined. This concerns non-financial private issuers, excluding credit institutions. For the latter, the limits provided for are the regulatory limits (division of risks by beneficiary and by interest group);
 - ✓ Two position limits currently exist for foreign exchange activities: a global foreign exchange position limit and a position limit per currency;
- -Counterparty limits:
 - ✓ In the money market, the counterparty risk differs depending on whether the interbank market or the repo market is involved. This risk exists in the case where CFG Bank is the lender, and could materialize through the default of the borrowing counterparty;
 - ✓ For the repo market, limits by type of counterparty and by type of securities accepted in repo are established;
 - ✓ For the interbank market, counterparty limits have been introduced. In the interbank market, counterparty limits have been established, based on the size and financial health of the institution, the existence of any market history and the quality of the relationship. CFG Bank has excluded certain counterparties that are considered high risk;
 - ✓ For the foreign exchange business, overall and counterparty limits are defined. The limits per counterparty are defined according to the rating of the counterparty.
- Maximum loss limits by activity:
 - ✓ The maximum loss limit is defined as the limit that must not be exceeded in the event of a catastrophe scenario;
 - ✓ The shock applied to CFG Bank's interest rate activity is defined by a sudden and instantaneous increase in interest rates and spreads;
 - ✓ For the equity portfolio, the stress-test scenario is represented by continuous bearish phases in the market;
 - ✓ For the foreign exchange activity, it is a question of evaluating a depreciation or appreciation of the dirham against the main currencies.

These capital consumption limits reflect the Board of Directors' appetite for market risks. This limit gives rise to a maximum amount of exposure per activity (i.e. a commitment ceiling per activity) which is monitored and controlled on a daily basis by the central entities.

- Risk indicators: the main risk indicators used by CFG Bank to assess its level of exposure to market risk are VaR, cumulative P&L and sensitivity in the case of the bond portfolio. These are logically compared with internal limits set in particular according to the maximum loss limit (VaR stop, stop loss) or the portfolio sensitivity limit for interest rate positions

This limit system is defined by General Management and Risk Management, and then validated by the Board of Directors. Limits are monitored through regular reports shared with the business lines and general management, and must not be exceeded regardless of market conditions and developments.

In addition to internal limits and other risk indicators, CFG Bank ensures compliance with the regulatory limits defined by Bank Al-Maghrib, such as:

- The limit on the solvency ratio and on the Tier One ratio;
- The 20% limit on the Maximum Risk Division Coefficient by counterparty and by interest group.

Stress tests

In addition to the minimum stress tests defined by Bank Al Maghrib, the Bank has also developed historical and adverse stress test scenarios for the fixed income and equity portfolios that have been monitored as part of the market risk surveillance.

Information for the administrative and management bodies

The executive management is now informed in real time of the nature and amount of any forecasted overruns before any transaction.

In order to strengthen its market risk monitoring and surveillance system, a new daily "market risk" reporting system has been designed by the Risk Management Department and is now applied by the middle office of the trading room.

In addition, the Board of Directors is informed of the Bank's exposure to market risks at the quarterly Risk Committee meeting.

Risk of a decline in business due to changes in the financial markets or the economic environment

CFG Bank may be confronted with the risk of a decline in its activity due to changes in the financial markets or the economic environment.

In the first instance, CFG Bank is faced with interest rate and exchange rate risks, which arise respectively from changes in market interest rates and in the Bank's various activities (equity investments, foreign currency loans, etc.).

These two risks can, in the event of unfavorable fluctuations in interest rates or the dirham, result in losses on the Bank's various positions, a negative variation in the future cash flows of a financial instrument or a reduction in its forecast margin.

Also, in the event of structural upheavals, CFG Bank may be subject to liquidity risk, i.e., it may not be able to obtain liquidity under normal volume and interest rate conditions. The expected margins, due to the large refinancing requirement, may therefore decrease.

Secondly, CFG Bank is also confronted with country risk, which encompasses several dimensions, including the economy, politics and the environment.

From an economic standpoint, a slowdown in the real estate sector, which is highly interdependent with the banking sector, could have negative repercussions on CFG Bank's operations and on the projected margins of its lending activity. Also, the slowdown in Moroccan economic activity as a whole may influence customers, who may tend to adopt a wary behavior resulting in the withdrawal of a portion of their deposits.

An assessment of the impact on the Bank's deposits in scenarios of strong tensions has been carried out. It shows a lower forecast compared to the initial budget over a 6-month horizon. This decrease is explained by the slowdown of the Moroccan economic activity (current context of the Covid-19) which consequently causes an influence on the behavior of the customers resulting in the withdrawal of a part of the deposits.

Finally, from a political and regulatory point of view, new provisions concerning the banking sector may have a significant impact on CFG Bank's activity. For example, the solvency ratio requires banks to have a certain level of equity, which limits the volume of loans granted and therefore, by ricochet effect, the margins that could result.

4. LIQUIDITY RISK

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

Organization and governance

The liquidity risk management and control system is organized around several structures dedicated to risk management and control of regulatory aspects and internal procedures:

The trading room participates in the development of the Bank's refinancing strategy. It is responsible for implementing the Bank's refinancing policy through the management of immediate and projected cash flows. It monitors the static liquidity gap by measuring liquidity needs or surpluses at future dates. In fact, it establishes:

- a daily dashboard allowing the calculation of the daily cash flow gap according to the required monetary reserve, the balance with Bank Al Maghrib, the incoming/outgoing flows and the loans on the money market;
- a forecasted cash flow schedule, updated on a regular basis.

This entity is also responsible for ensuring compliance with the regulatory limits relating to its activity.

The middle office is responsible for constantly monitoring the cash limit approved by the Board of Directors. It also keeps a daily table monitoring the Bank's cash flow schedule, enabling it to calculate the daily liquidity surplus or deficit.

The Risk Management Department is responsible for implementing the liquidity risk management system. In this capacity, it defines the risk management strategy, defined with General Management and approved by the Board of Directors, in terms of liquidity risk policies and limits. It implements the monitoring and surveillance indicators as recommended by Bank al Maghrib, i.e. the LCR and the monthly liquidity stress tests.

The Global Risk Management (GRM) is in charge of regulatory reporting (LCR, stress test) and regular monitoring of liquidity risk. Simulations and projections are carried out in advance and in the case of stress scenarios in order to anticipate any delicate liquidity situation. GGR participates in the Board of Directors' meetings by providing all the results and analyses carried out in the context of reducing liquidity risk and preventing any disaster situation. Global Risk Management also performs an ALM analysis of the balance sheet at the quarterly Board of Directors/Risk Committee meeting and calculates liquidity gaps by maturity band.

Lastly, it regularly monitors liquidity risk through monthly reporting to the trading room and to senior management, which also includes simulations over the next four months in the event of a stress scenario, in order to anticipate any liquidity needs.

The Bank's refinancing policy

The objective of the Bank's liquidity risk management policy is to adapt the structure of its resources to enable the Bank to pursue the development of its business in a harmonious manner.

Sources of funding and maturities

In the course of its business, CFG Bank finances investment loans, CMT Enterprise loans, short- and medium-term cash flow loans and long-term residential real estate loans.

In order to avoid exposure to liquidity risk due to an imbalance between the maturity of assets (loans) and liabilities (financing), CFG Bank seeks to optimize the management of its balance sheet by having recourse to financing whose duration is matched to that of the loans. For this purpose, several sources of financing allow the Bank to spread the resources obtained over different maturities corresponding to the maturity of the loans. These are as follows

- financing via the interbank market for assets with a maturity of less than one week: one of the major sources that can generate liquidity risk is the inability of an institution to raise the funds necessary to meet unexpected short-term needs. In order to limit this eventuality, CFG Bank has negotiated lines of credit on the money market with several local banks;
- financing via the repo market for assets with a maturity of between 7 days and 1 month;
- financing through term deposits or the issuance of certificates of deposit for credits with a maturity of at least 3 months. In order to diversify its sources of financing, the Bank has set up a program to issue certificates of deposit;
- financing via the collection of sight deposits and book accounts since the recent development of the banking activity by CFG Bank for credits with longer maturities;
- financing via the recourse to 7-day advances, granted by Bank Al Maghrib.

The matching of the maturity of the necessary financing to that of the credits allows CFG Bank to better manage the liquidity gaps.

Main counterparties

The institution's inability to meet its commitments may also be generated by significant losses resulting from counterparty defaults. CFG Bank has therefore set up counterparty limits:

- interbank, relating to loans made by CFG Bank to local banks. These are based on the size and financial health of the institution, the existence of any previous market experience and the quality of the relationship. Certain counterparties deemed to be high risk are excluded;
- for the repo market, limits by type of counterparty and by type of securities accepted in repo are established.

Liquidity risk measurement and monitoring system

Monitoring of the cash flow schedule

The evaluation and monitoring of the liquidity risk is ensured through the evaluation of the immediate cash flow and the forecasted cash flow:

- the dealing room establishes a daily dashboard that allows it to calculate the daily cash flow gap according to the required monetary reserve, the Bank's balance with Bank Al Maghrib, incoming and outgoing flows as well as borrowing/lending on the money market. The middle office also keeps a daily table for monitoring the Bank's cash flow schedule, which enables it to calculate the liquidity surplus or deficit on a daily basis;
- a cash flow forecast is drawn up and updated regularly by the trading room.

Calculation of liquidity gaps by maturity band

Liquidity risk is measured by the liquidity gap (or liquidity impasse), obtained by the difference between incoming cash flows (customer deposits, loan repayments, debt redemption, outright sales, borrowings and loan repayments) and outgoing cash flows (customer withdrawals, loan disbursements, outright purchases, borrowings and loan repayments) by maturity band. Three maturity bands can be distinguished:

- Short-term: ≤ 1 year,
- Medium term:] 1 year - 5 years [
- Long term: ≥ 5 years.

This technique makes it possible to assess the level of liquidity risk incurred by the Bank in the short, medium and long term and to estimate refinancing requirements over different time horizons, and thus to determine the appropriate hedging arrangements.

Liquidity risk limits and indicators

Cash flow gaps are managed by limiting CFG Bank's daily funding requirement. This requirement is defined as the balance of positive and negative flows generated by daily transactions, i.e. purchases, sales, repurchase agreements, loans and borrowings.

Another indicator for measuring the Bank's liquidity risk is the LCR (Liquidity Coverage Ratio), which is the Basel III short-term liquidity ratio:

$$\frac{\text{High quality liquid assets they hold}}{\text{Their net cash outflows, over the next 30 calendar days, assuming a scenario of strong liquidity pressure}} > 100\%$$

As of December 31, 2024, the LCR remained in line with the regulatory minimum on a consolidated basis:

Date	LCR
12/31/2022	114%
12/31/2023	144%
12/31/2024	146%

Source: CFG Bank

- **NSFR (Net Stable Funding Ratio), the structural long-term liquidity ratio:**

$$\frac{\text{Amount of stable financing available (resources)}}{\text{Amount of stable financing required (items)}} \geq 100\%$$

Liquidity adequacy assessment process (ILAAP)

As part of the ILAAP process, the bank assesses the adequacy of its liquidity profile in relation to the needs of its business, taking into account regulatory requirements, internal specificities and various stress scenarios.

The process is essentially based on the following elements:

- **Governance framework:** ensuring regular monitoring through the ALM and Balance Sheet Committee.
- **Definition of limits:** internal limits are defined and regularly monitored in line with regulatory thresholds.
- **Liquidity stress tests:** stress tests are drawn up within the framework of ILAAP to assess the bank's ability to cope with severe stress scenarios.
- **Prudential projection:** carried out over a 12-month horizon, incorporating stress hypotheses, to anticipate refinancing needs.
- **Regulatory reporting:** the results obtained are the subject of consolidated reporting to ILAAP.

Minimum stress tests

CFG Bank performs monthly minimum liquidity stress tests in accordance with the scenarios defined by Bank Al Maghrib.

The impact of these scenarios is evaluated in relation to the level of the following:

- The additional need of liquidity over 1 month;
- The ratio between the additional liquidity need and the discounted value of the available Treasury bills portfolio;
- The ratio of the additional liquidity requirement to the total liquid and realizable assets,
- The ratio between the additional liquidity requirement and the stand-by liquidity lines.

The results of the liquidity stress tests carried out in 2021 show that CFG Bank has the capacity to meet its liquidity needs, thanks in particular to the BDT, liquid and realizable assets and liquidity standby lines.

Information for the administrative and management bodies

The Risk Management Department prepares a monthly report on liquidity for General Management and the trading room. This report includes:

- The LCR result for the month and its evolution over the last six months
- The results of stress tests;
- The analysis of these results;
- LCR projections for the next four months, in the case of a stress scenario, in order to anticipate possible liquidity needs;
- The recommendations of the Risk Management Department to the business lines to be taken into account in their liquidity management.

In addition, the Board of Directors is informed of the Bank's exposure to liquidity risk at the half-yearly Audit Committee and the quarterly Risk Committee.

5. OPERATIONAL RISKS

These are risks of loss resulting from shortcomings or defects attributable to internal procedures, personnel and systems, or to external events. Unlike market and credit risks, operational risks are incurred, and are not the counterpart of an expected future gain or remuneration.

CFG BANK's operational risk management is based on 4 principles:

1. Definition and monitoring of the risk profile :

- Defining the risk profile involves identifying the operational risks inherent in the Bank's activities, and measuring their probability of occurrence as well as their impact.
- Monitoring the risk profile is an integral part of the bank's business, and enables it to :
 - Provide governing bodies with an objective, global view of the Bank's potential threats and opportunities;
 - Continuously serve the Bank's business management objectives;
 - guide General Management's decision-making regarding the allocation of human and financial resources.

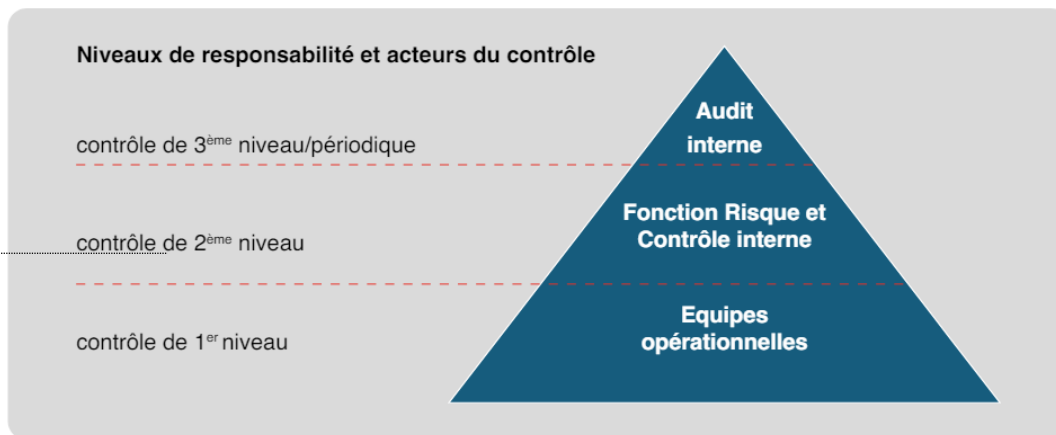
2. Optimal risk coverage through a control system :

- A risk management system is based on controls that ensure optimal and efficient risk coverage.
- However, these controls fall within an organized approach that takes account of changes in the Bank's risk profile through:
 - A formal procedures manual covering all the Bank's business activities;
 - New operating procedures are drawn up as new products are developed;
 - Immediate and systematic controls carried out by operational staff, whether in the front office, back office or CFG BANK support functions. They are carried out on an ongoing basis by the operator himself and by line management, or automatically when integrated into IT processes.
 - An internal control manual listing all the operational risks identified in the various business processes;
 - An integrated Front to Back to accounting information system with a “4 eyes” validation circuit.

3. Mobilization of CFG BANK employees around a risk vision:

- Operational risk management concerns all employees at all hierarchical levels.
- General Management, as well as all operational and functional entities, must be involved in operational risk management, regularly reviewing the Bank's risk profile and taking the necessary decisions to maintain satisfactory coverage.
- Employees and local managers must be involved in operational risk management on a day-to-day basis, paying particular attention to the causes of risks, as well as to actual risk situations.
- The operational risk management and control system is organized around several structures dedicated to risk management and control, as well as business and support units.

For all the Bank's activities, first-level control is performed by operational staff (self-control, line managers, middle office), and second-level control by those involved in risk management (Risk Department) and internal control (permanent monitoring). The Audit Department is responsible for third-level control:



Source: CFG Bank

CFG Bank has considerably reduced its exposure to operational risk through

- the implementation of a front to back information system which meets the best international standards and which allows a complete automation of the processing circuits (Avaloq system);
- the implementation of a procedures manual covering the majority of the Bank's activities;
- the implementation of an internal control manual which lists the controls implemented to control the first and main operational risks identified
- the participation of the risk and compliance function in the validation of new products and significant changes to existing processes, in order to ensure compliance with the regulatory framework and to identify the risks, particularly operational risks, inherent in new activities.

In 2023, the company continued to strengthen its risk management system by:

- developing procedures covering the Bank's new activities as they arise, particularly for high-risk processes;
- developing action plans to reduce these risks;
- implementing KRIs (key risk indicators);
 - ✓ operational risk exposure and changes therein;
 - ✓ changes in the environment for controlling these risks;
 - ✓ identifying major risks;
 - ✓ action plans for controlling risks.
- setting up a consolidated incident database to collect incidents and regularly update the operational risk map;
- setting up a reporting system enabling information to be fed back to senior management and the Board of Directors;
- monitoring exposure to operational risks and changes therein;
- changes in the environment for controlling these risks;
- identifying major risks;
- risk control action plans.

In addition, during 2021, CFG Bank implemented a comprehensive operational risk map enabling it to identify, assess, and prioritize all risks relating to all business and support processes.

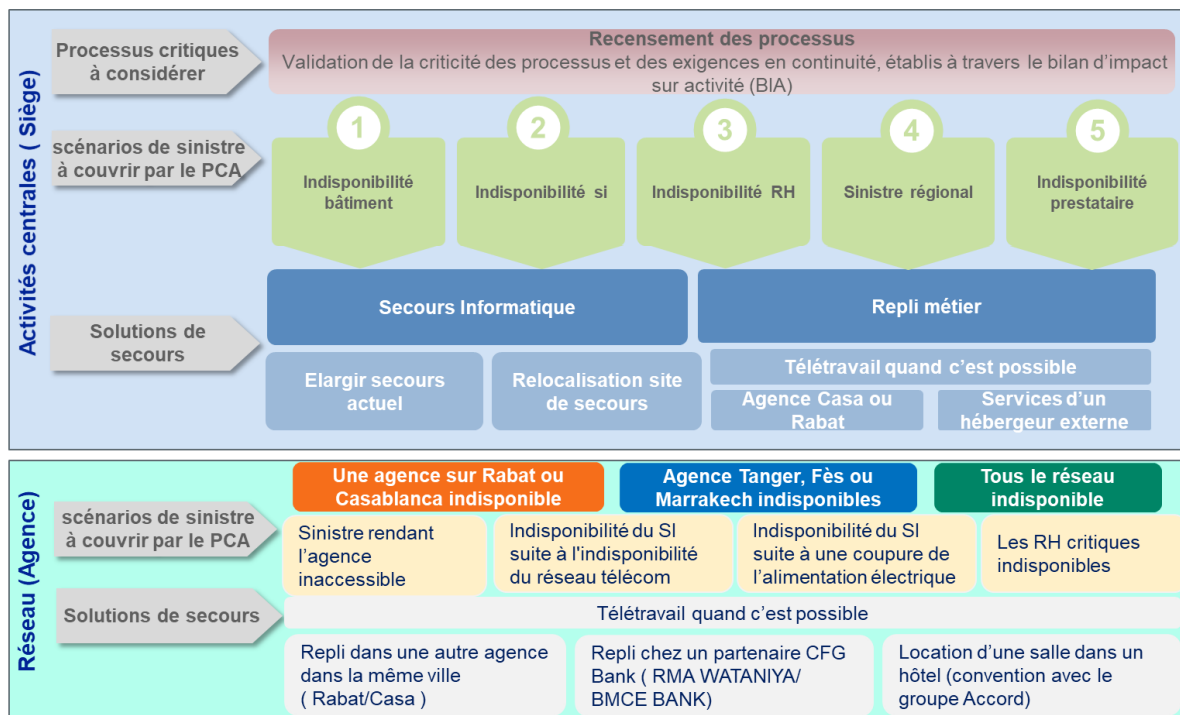
The operational risk map is updated annually.

Business continuity plan

The business continuity plan is a set of measures, procedures and systems necessary to maintain the Bank's essential operations and then resume them in a planned manner in the event of operational disruptions.

CFG Bank's Business Continuity Plan covers the overall availability of CFG Bank's business and IT operations, taking into account continuity requirements and the types of incidents to be covered. It covers the vital processes of the Bank and its subsidiaries. It is designed to identify and assess major threats to the business, such as the loss or unavailability of information system components, computer data, power supply, fire, flooding, etc., and to implement corrective measures in the event of a failure.

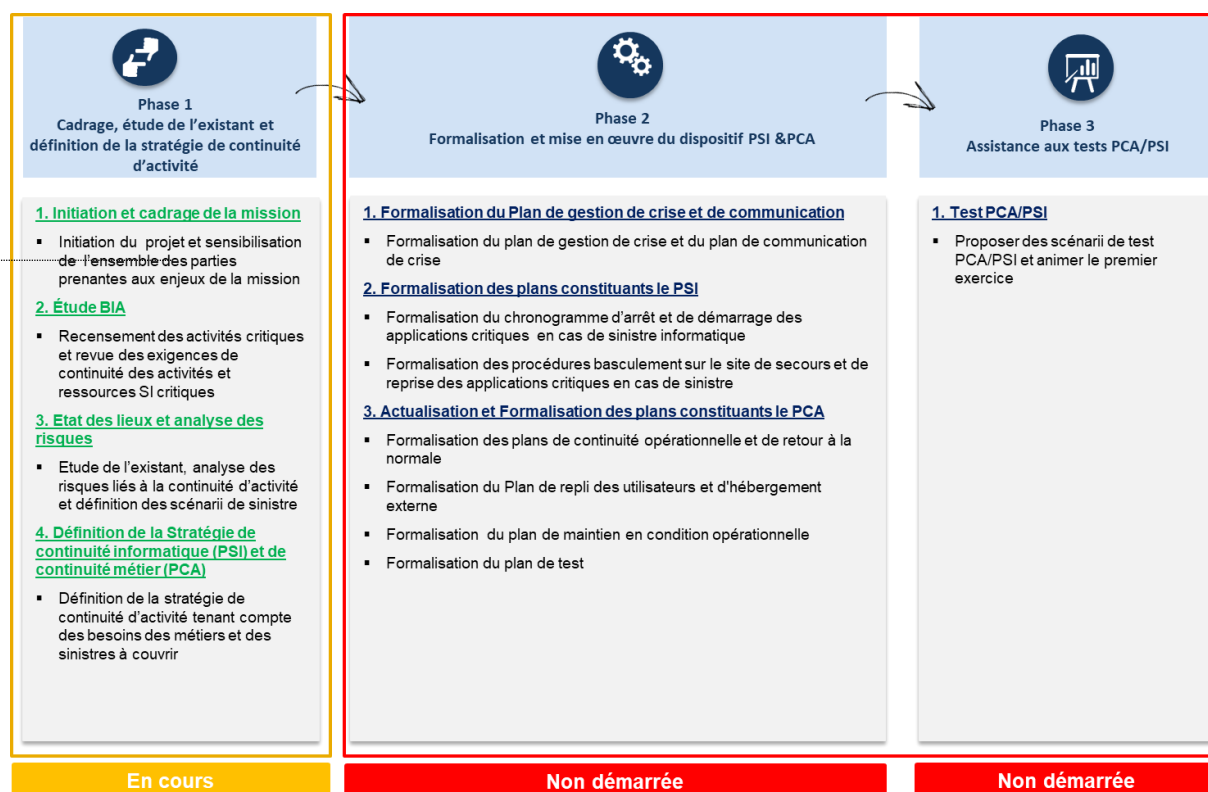
It is now composed as follows:



Source: CFG Bank

Stages of CFG Bank's business continuity plan:

The project consists of three stages, described below:



Risk-weighted assets and solvency ratios

The measurement of the risks incurred by the Bank is done essentially according to the standard approach of the agreements of Basel II, as presented in the circular no. 26/G/2006 relating to the regulatory requirements in capital of the credit institutions and similar organizations.

The approach currently adopted by CFG Bank for the measurement of operational risk is BIA, i.e. Basic Indicator.

The capital and risk-weighted asset requirements as of December 31, 2024 are as follows:

Risks as of 12/31/2024	Weighted assets exposure (in KMAD)	Capital requirements (in KMAD)
Credit risk	10 342 479	827 398
Market risk	808 418	64 673
Operational risk	899 455	71 956

Source: CFG Bank

As of December 31, 2024, CFG Bank's regulatory capital was calculated in accordance with Basel III standards and Circular No. 14/G/2013 on regulatory capital requirements for credit institutions and similar institutions. As of December 31, 2024, they amounted to MMAD 1,758 on an individual basis and MMAD 1,881 on a consolidated basis. Compared with the bank's risk-weighted assets for credit, market and operational risks, the solvency ratio stood at 14.58% on an individual basis and 14.60% on a consolidated basis.

The table below shows the evolution of CFG Bank's prudential indicators :

	2022	2023	2024
Consolidated shareholders' equity (MMAD)	1046	1662	1 881
Consolidated solvency ratio (%)	14.3%	16.4%	14.60%

Tier 1 ratio on consolidated basis (%)	10.5%	13.7%	12.42%
CET1 ratio on consolidated basis (%)	8.8%	12.5%	11.49%
LCR on corporate basis (%)	113.5%	143.7%	145.82%
Equity on an individual basis (MMAD)	990	1 617	1 757.52
Solvency ratio on individual basis (%)	14.5%	16.8%	14.58%
Tier 1 ratio on individual basis (%)	9.9%	13.5%	11.91%
CET1 ratio on an individual basis (%)	8.1%	12.3%	10.91%
Consolidated leverage ratio (%)	4.9%	6.1%	6.10%
Leverage ratio on corporate basis (%)	4.4%	5.9%	5.50%

Source: CFG Bank

The estimated prudential ratios for the parent company and consolidated companies over the next 18 months take into account any operations to strengthen regulatory capital and optimize weighted risks.

The table below shows the changes in the main prudential social indicators as of December 31, 2024 and forecasts for the next 18 months:

In MMAD / %	2024	H1 2025	2025	H1 2026
Core Tier 1 capital (1)	1 315	1 293	1 395	1 393
Tier 1 capital (2)	1 435	1 413	1 515	1 513
Tier 2 capital (3)	323	327	332	338
Regulatory capital (4) = (2) + (3)	1 758	1 740	1 847	1 851
Risk-weighted capital (5)	12 050	13 052	14 160	15 232
CET1 ratio (1) / (5)	10.9%	9.9%	9.9%	9.1%
Tier 1 ratio (2)/(5)	11.9%	10.8%	10.7%	9.9%
Solvency ratio (4) / (5)	14.6%	13.3%	13.0%	12.2%

Source: CFG Bank

The table below shows the changes in the main consolidated prudential indicators as of December 31, 2024 and forecasts for the next 18 months:

In MMAD / %	2024	H1 2025	2025	H1 2026
Core Tier 1 capital (1)	1 481	1 501	1 650	1 688
Tier 1 capital (2)	1 601	1 621	1 770	1 808
Tier 2 capital (3)	280	280	280	280
Regulatory capital (4) = (2) + (3)	1 881	1 901	2 050	2 088
Risk-weighted capital (5)	12 888	13 965	15 155	16 337
CET1 ratio (1) / (5)	11.5%	10.7%	10.9%	10.3%
Tier 1 ratio (2)/(5)	12.4%	11.6%	11.7%	11.1%
Solvency ratio (4) / (5)	14.6%	13.6%	13.5%	12.8%

Source: CFG Bank

6. RISK RELATED TO OUTSOURCED ACTIVITIES

CFG Bank outsources its electronic banking activity. The Bank has entrusted the entire electronic payment activity to S2M (transaction management and monitoring, infrastructure, security, etc.).

The electronic payment services provided by S2M are governed by an agreement, and the relationship with this supplier is managed directly by the Bank's IT department. In this context, steering committees are regularly organized with S2M to monitor the development of this activity and related issues.

In the case of consumer loans, these are carried on Salafin's balance sheet when the applicant is not a CFG Bank employee or when the amount requested is greater than KMAD 150. Otherwise, these credits are carried by the balance sheet of CFG Bank. However, for all consumer credits, it is CFG Bank's responsibility to gather the documents necessary for the study of the file and to process the credit file in a platform made available by Salafin dedicated to the processing of consumer credit files.

7. RISK RELATED TO NEW PRODUCTS

New products are systematically validated by the New Product Validation Committee, which was set up in 2016. Participants include the risk function, the compliance function, the legal function and the finance department. The risk function is responsible for identifying the risks inherent in the Bank's new processes and products/activities.

Procedures are defined and formalized for new products, and control points are identified by the Organization Department.

The compliance unit identifies the risk of non-compliance, which is handled by the permanent control and compliance departments.

8. FINANCIAL RISKS RELATED TO THE ENVIRONMENT

When processing investment applications, CFG Bank analyzes, assesses, and covers environmental impacts, among other things, by evaluating the financial risks that may arise.

Risk mapping will therefore be expanded to include environmental aspects.

The Bank also ensures compliance with national environmental standards, both when granting loans and during the monitoring of commitments.

II. RISKS RELATED TO SUBORDINATED BONDS

Liquidity risk

Holders of CFG Bank subordinated bonds may be exposed to liquidity risk on the secondary market for private debt. Depending on market conditions (liquidity, changes in the yield curve, etc.), the liquidity of CFG Bank subordinated bonds may be temporarily affected.

Interest rate risk

This issue provides for two fixed-rate tranches (tranches A and B), determined on the basis of the reference yield curve of the secondary market for Treasury bills as published by Bank Al Maghrib on June 3, 2025. As a result, the value of fixed-rate bonds may increase or decrease depending on changes in the secondary market reference yield curve for Treasury bills published by Bank Al-Maghrib.

Subordination risk

The bond issue is subject to a subordination clause, whereby, in the event of the Issuer's liquidation, the principal and interest on the subordinated securities of this issue will only be repaid after all ordinary, preferred and unsecured creditors have been paid in full.

Risk of non-repayment



The bonds covered by this securities note may present a risk that the Issuer will be unable to meet its contractual commitments to bondholders. This risk is reflected in the non-payment of coupons and/or the non-repayment of principal.

CFG BANK
S.W.A. 1000000000
GSM 1000000000

DISCLAIMER

The above-mentioned information constitutes only a part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under the reference VI/EM/014/2025 on May 25, 2025.

The AMMC recommends reading the whole prospectus made available to the public in French.
