

# PROSPECTUS SUMMARY



Crédit Immobilier et Hôtelier

## ISSUE OF ORDINARY SHARES THROUGH A CAPITAL INCREASE BY CASH CONTRIBUTION

### Subscription intended for shareholders and holders of CIH preferential subscription rights

The AMMC's visa covers the prospectus comprising the following documents:

- This Securities Note;
- CIH Bank's reference document for the 2024 financial year and the first quarter of 2025, registered by the AMMC on June 20, 2025, under reference EN/EM/011/2025.

Maximum number of shares to be issued: 4,108,341 shares

Nominal value of security: MAD 100

Unit issue premium: MAD 258

Subscription price: MAD 358

Subscription parity: 3 new shares for 23 PSRs

Maximum nominal amount of the offer: 410 834 100 MAD

Maximum share premium: MAD 1,059,951,978

Maximum amount of the offer: MAD 1,470,786,078

Subscription period: from July 4 to 23, 2025, inclusive

Financial Advisors	Financial Co-Advisors	Global Coordinator
 	 	
Leader of the Placement Syndicate	Co-Leaders of the Placement Syndicate	
	  	
Members of the Placement Syndicate		
      	      	      

### Approval of the Moroccan Capital Market Authority (AMMC)

In accordance with the provisions of the AMMC circular, issued in application of article 5 of law no. 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings, the prospectus was approved by the AMMC on June 20, 2025, under reference VI/EM/024/2025. This Securities Note is only part of the AMMC-approved prospectus. The latter comprises the following documents:

- This Securities Note;
- CIH Bank's reference document for the 2024 financial year and the first quarter of 2025, registered by the AMMC on June 20, 2025, under reference EN/EM/011/2025.

## Disclaimer

On June 20, 2025, the Moroccan Capital Market Authority (AMMC) approved a prospectus relating to CIH Banks share capital increase.

The AMMC-approved prospectus is available at any time from CIH Bank's head office: 187 Avenue Hassan II, Casablanca, on its website [www.cihbank.ma](http://www.cihbank.ma), and from its financial advisor. It is also available within 48 hours from order-collecting institutions.

The prospectus is available to the public at the headquarters of the Casablanca Stock Exchange and on its website [www.casablanca-bourse.com](http://www.casablanca-bourse.com). It is also available on the AMMC website [www.ammc.ma](http://www.ammc.ma).

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

## I. Operation presentation

### Overall characteristics of the operation

CIH Bank plans to carry out a cash capital increase for a maximum amount of MAD 1,470,786,078, including issue premium, through the issue of 4,108,341 new shares with a nominal value of MAD 100 per share, with an issue premium of MAD 258 per share, i.e., an issue price of MAD 358 per share.

This operation will result in a 410,834,100 MAD increase in share capital and 1,059,951,978 in issue premium.

### Information on securities to be issued

<b>Nature of securities</b>	CIH shares all of the same class fully paid up
<b>Legal form of securities</b>	Bearer shares, fully dematerialized and admitted to trading on Maroclear
<b>Maximum operation amount</b>	MAD 1,470,786,078
<b>Maximum number of shares to be issued</b>	4,108,341 shares
<b>Unit nominal</b>	MAD 100
<b>Unit issue premium</b>	MAD 258
<b>Unit subscription price</b>	MAD 358
<b>Total nominal value</b>	MAD 410,834,100
<b>Maximum share premium</b>	MAD 1,059,951,978
<b>Subscription period</b>	From July 4, 2025, to July 23, 2025, inclusive
<b>Entitlement date</b>	January 1, 2025
<b>Payment of new shares</b>	The new shares will be fully paid up and free of any commitment.
<b>Listing of new shares</b>	The shares resulting from this capital increase will be assimilated to the old shares and will be listed on 1 <sup>st</sup> line on the Casablanca Stock Exchange.
<b>Tradability of securities</b>	The shares covered by this prospectus will be freely tradable on the Casablanca Stock Exchange.
<b>Share payment method</b>	In cash
<b>Rights attached to securities</b>	All shares will benefit from the same rights, both in the distribution of profits and in the distribution of liquidation surpluses. Each share entitles its holder to one vote at General Meetings.
<b>Sector of activity</b>	Banks
<b>Wording</b>	CIH
<b>Ticker</b>	CIH
<b>ISIN code</b>	MA0000011454
<b>Compartment</b>	Principal A
<b>Listing line</b>	1 <sup>st</sup> line
<b>Listing date of new shares</b>	August 5, 2025
<b>Trading cycle</b>	Continuous
<b>Registration body</b>	CDG Capital Bourse (sell side) All brokerage firms (buy side)

### Characteristics of PSR offered

<b>Terms and conditions for exercising PSR</b>	When the capital increase is carried out, subscription to the new shares is reserved for the Company's shareholders and holders of preferential
--	---



## Operation schedule

Order	Steps	Date
1	Issue by the Casablanca Stock Exchange of the operations approval notice	
2	Receipt by the Casablanca Stock Exchange of the AMMC-approved prospectus	20/06/2025
3	Publication of the prospectus extract on CIH Bank's website	
4	Publication by the Casablanca Stock Exchange of the operation notice	23/06/2025
5	Publication of a press release by CIH Bank in a legal announcement journal	23/06/2025
6	Publication by CIH Bank of the notice of issue of new shares in a legal announcement journal and in the official bulletin	27/06/2025
7	<ul style="list-style-type: none"> <li>- Detachment of subscription rights</li> <li>- Publication of the theoretical value of the subscription right</li> <li>- Adjustment of share price</li> <li>- Purging the order book</li> </ul> <p>Opening of the subscription period and listing of preferential subscription rights</p> <p>Closing of the subscription period</p> <p>Cancellation of preferential subscription rights</p>	01/07/2025
8	Receipt of subscription amount by the centralizing body	04/07/2025
9	Final centralization and allocation of subscriptions	23/07/2025
10	Proceedings to record the completion of the capital increase	24/07/2025
11	Receipt by the Casablanca Stock Exchange of the minutes of the proceedings recording the completion of the cash capital increase and of the results of the cash capital increase.	25/07/2025
12	<ul style="list-style-type: none"> <li>- Delivery of new securities</li> <li>- Listing of the new shares on the Casablanca Stock Exchange</li> <li>- Registration of the cash capital increase on the stock exchange</li> <li>- Publication by the Casablanca Stock Exchange of the operation results</li> <li>- Restitution of remainders to subscribers</li> </ul>	28/07/2025
13	Publication by CIH Bank of the results of cash capital increase	31/07/2025
14	Issue by the Casablanca Stock Exchange of the operations approval notice	01/08/2025
15	<ul style="list-style-type: none"> <li>Receipt by the Casablanca Stock Exchange of the AMMC-approved prospectus</li> <li>Publication of the prospectus extract on CIH Bank's website</li> <li>Publication by the Casablanca Stock Exchange of the operation notice</li> <li>Publication of a press release by CIH Bank in a legal announcement journal</li> </ul>	05/08/2025
16	Publication by CIH Bank of the notice of issue of new shares in a legal announcement journal and in the official bulletin	06/08/2025

On June 30, 2025, the Casablanca Stock Exchange will proceed with the detachment of the gross dividend for the 2024 financial year (MAD 14), the purging of the order book and the adjustment of the reference price of CIH shares.

## II. About CIH Bank

### General information

<b>Company name</b>	Crédit Immobilier et Hôtelier. (CIH)
<b>Registered office</b>	187, avenue Hassan II, Casablanca +212 05 22 47 90 00 / 05 22 47 91 11
<b>Telephone / Fax</b>	+212 05 22 47 93 63 / 05 22 22 37 48 / 05 22 20 84 25
<b>Website</b>	<a href="http://www.cihbank.ma">www.cihbank.ma</a>
<b>Legal form</b>	Public limited company with a Board of Directors
<b>Date of incorporation</b>	April 25, 1927
<b>Commercial register</b>	RC 203 in Casablanca
<b>Duration</b>	99 years
<b>Financial year</b>	From January 1 to December 31
<b>Corporate purpose</b>	<p>According to Article 2 of the Articles of Association, the purpose of the company is, in accordance with current legislation:</p> <ul style="list-style-type: none"><li>– Receipt of public funds;</li><li>– Granting of short-, medium- or long-term loans;</li><li>– Signature commitments;</li><li>– Raising the resources needed to carry out its operations, in addition to the capital deposited by its clients, by issuing short-, medium- or long-term debt securities;</li><li>– Provision and management of all means of payment;</li><li>– Any leasing operation with a purchase option;</li><li>– Sale, with option to repurchase or sale with right of redemption, of bills and securities;</li><li>– factoring operations;</li><li>– Foreign exchange transactions;</li><li>– Transactions involving gold, precious metals and coins;</li><li>– Wealth management, advice and assistance;</li><li>– Investment, subscription, purchase, management, custody and sale of securities and financial products;</li><li>– Advice and assistance in financial management, financial engineering and, more generally, all services designed to facilitate the creation and development of companies;</li></ul> <p>All other operations customarily carried out by credit institutions, as well as all operations related to or necessary for the performance of the above-mentioned operations, and in particular all personal and family banking activities.</p>
<b>Share capital as of December 31, 2024</b>	MAD 3,149,728,300 (31,497,283 shares with a nominal value of MAD 100)
<b>Where to consult legal documents and statutory auditors' reports</b>	The Articles of Association, minutes of General Meetings, management report and statutory auditors' reports may be consulted at CIH Bank's registered office at 187, avenue Hassan II, Casablanca.
<b>Legislation applicable to the company</b>	<p>By virtue of its legal form, CIH Bank is a public limited company with a Board of Directors governed by private law and subject to the provisions of Law 17/95 on public limited companies, as amended and supplemented.</p> <p>By virtue of its activities, CIH Bank is governed by Law No. 103-12 on credit institutions and similar institutions (Banking Law).</p> <p>By virtue of its listing, CIH Bank is governed by:</p> <ul style="list-style-type: none"><li>- Law No. 19-14 on the stock exchange, brokerage firms and financial investment advisors;</li></ul>

	<ul style="list-style-type: none"> <li>- The General Regulations of the Casablanca Stock Exchange approved by Decree No. 2208-19 of the Minister of Economy and Finance dated July 3, 2019.</li> <li>- Law No. 35-96 on the creation of a central depository and the establishment of a general system for the registration of certain securities, as amended and supplemented;</li> <li>- The General Regulations of the Central Depository approved by Decree No. 932-98 of the Minister of Economy and Finance dated April 16, 1998, as amended and supplemented;</li> <li>- Law No. 26-03 on public offerings on the stock market, as supplemented and amended by Law No. 46-06;</li> <li>- The General Regulations of the AMMC, as approved by Decree No. 2169-16 of the Minister of Economy and Finance dated Shawwal 9, 1437;</li> <li>- Law No. 43-12 on the Moroccan Capital Market Authority;</li> <li>- Law No. 44-12 on public offerings and information required from legal entities and organizations making public offerings;</li> <li>- AMMC Circulars;</li> </ul> <p>By virtue of its program for issuing Certificates of Deposit, CIH Bank is also subject to Law No. 35-94 on certain negotiable debt securities, as amended and supplemented.</p>
<b>Competent court in case of dispute</b>	Casablanca Commercial Court
<b>Tax system*</b>	The Bank is governed by general commercial and tax law. It is therefore subject to corporate income tax at a rate of 39.25%. The VAT rate applicable to banking transactions is 10%.

\* In 2025, the applicable tax rate is 39.25%, with the target rate in 2026 set to increase to 40%.

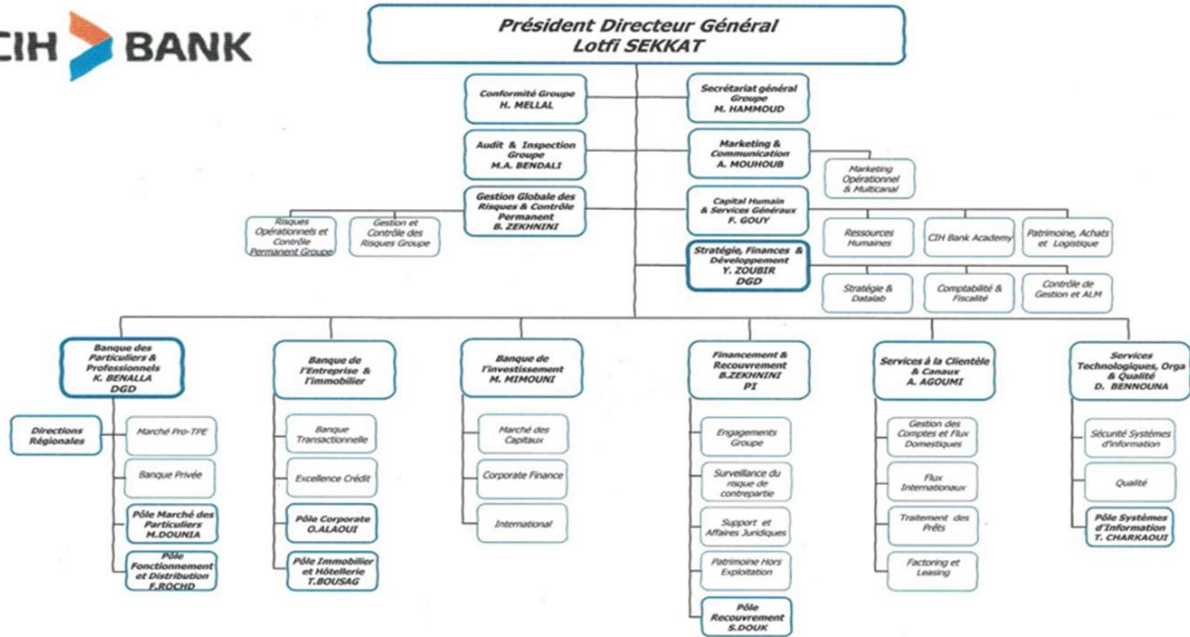
## Shareholding

As of the date of registration of the reference document, CIH Bank's current shareholding structure is as follows:

Shareholders	June, 25		
	No. of shares held	% of capital	% of voting rights
<b>CDG Group and managed entities</b>	<b>21 276 137</b>	<b>67.55%</b>	<b>67.55%</b>
Massira Capital Management	17 530 419	55.66%	55.66%
CDG	2 105 738	6.69%	6.69%
RCAR	1 639 980	5.21%	5.21%
<b>Holmarcom Group</b>	<b>3 692 754</b>	<b>11.72%</b>	<b>11.73%</b>
Holmarcom	37 489	0.12%	0.12%
ATLANTASANAD	3 655 265	11.61%	11.61%
<b>Miscellaneous</b>	<b>5 155 965</b>	<b>16.37%</b>	<b>16.37%</b>
<b>Directors</b>	<b>20 666</b>	<b>0.07%</b>	<b>0.07%</b>
<b>CIH BANK GROUP STAFF</b>	<b>1 351 761</b>	<b>4.29%</b>	<b>4.29%</b>
<b>Total</b>	<b>31 497 283</b>	<b>100.00%</b>	<b>100.00%</b>

*Based on available information*

## Organizational Chart



## Members of the Board of Directors

As of June 19, 2025, the Board of Directors is composed of the following members:

Function	Name and function	Date of ratification by the General Assembly	End of mandate
<b>Chairman</b>	Mr. Lotfi Sekkat Chief Executive Officer of CIH Bank	11/06/2025	OGM convened to approve the 2030 financial statements
	Mr. Khalid Safir Managing Director, CDG	15/06/2023	OGM convened to approve the 2026 financial statements
<b>Directors</b>	Mr. Mahmoud Berrichi Permanent Representative of Massira Capital Management Director of Risk Management at CDG	16/06/2021	OGM convened to approve the 2026 financial statements
	Mrs. Houda Chafil Director of Finance and Resources at CDG	11/06/2025	OGM convened to approve the 2026 financial statements
	Mrs. Laila Mamou Deputy managing director, CACF	13/06/2024	OGM convened to approve the 2026 financial statements
	HOLMARCOM represented by Mr. Mohamed Hassan Bensalah Chief Executive Officer of HOLMARCOM	16/06/2021	OGM convened to approve the 2026 financial statements
	Mr. Ali Bensouda, Secretary General of CDG	13/06/2024	OGM convened to approve the 2029 financial statements
	Mr. Khalid Cheddadi Company director	15/06/2023	OGM convened to approve the 2028 financial statements

	Mr. Karim Chiouar Deputy managing director of HOLMARCOM	02/04/2020	OGM convened to approve the 2025 financial statements
	Mrs. Dayae Oudghiri Chairwoman of the FULGURANS Company	11/06/2025	OGM convened to approve the 2030 financial statements
<b>Independent Directors</b>	Mrs. Myriem Tazi	15/06/2023	OGM convened to approve the 2027 financial statements
	Mr. Hassan Boulaknadal	Board of Directors meeting of June 18, 2025*	*
	Mr. Lhassane Benhalima	15/06/2023	OGM convened to approve the 2028 financial statements

## Activity description

### - Deposit collection

The table below details the evolution of client deposits over the 2022-2024 period:

In MMAD	2022	2023	Var	2024	Var
Demand deposits	40 676	42 857	5.36%	47 924	11.82%
Savings accounts	9 487	10 190	7.41%	11 210	10.01%
Term deposits	10 945	11 237	2.67%	11 961	6.44%
Other accounts payable	1 570	1 837	17.01%	2 568	39.81%
<b>Client deposits</b>	<b>62 678</b>	<b>66 121</b>	<b>5.49%</b>	<b>73 663</b>	<b>11.41%</b>

Source: CIH Bank - Corporate financial statements  
Including accrued interest

As of the end of 2024, client deposits reached MAD 73.7 billion, up 11.41% compared to the end of 2023. This change is due to the effect of an 11.82% increase in non-interest-bearing resources, a 10.01% increase in interest-bearing resources in savings accounts, and a 6.44% increase in time deposits.

### Credits

The table below details changes in net client receivables over the 2022-2024 period:

In MMAD	2022	2023	Var	2024	Var
Participative cash and client receivables and financing	17 715	17 260	-2.57%	17 711	2.62%
Equipment credit and equity financing	8 834	9 739	10.24%	10 740	10.28%
Real estate loans and equity financing	29 907	28 587	-4.41%	28 382	-0.72%
Other loans and equity financing	8 678	13 633	57.10%	20 093	47.38%
<b>Client receivables</b>	<b>65 134</b>	<b>69 219</b>	<b>6.27%</b>	<b>76 926</b>	<b>11.13%</b>
<b>Receivables acquired through factoring</b>	<b>2 697</b>	<b>3 298</b>	<b>22.28%</b>	<b>1 542</b>	<b>-53.24%</b>

Source: CIH Bank- Corporate financial statements

As of the end of 2024, client receivables increased by 11.13% to MAD 76.9 billion, compared to MAD 69.2 billion in 2023.

This change is explained by:

- A 47.38% increase in other loans and participatory financing, from MAD 13,633 million in 2023 to MAD 20,093 million in 2024, mainly due to an increase in repurchase agreements;

- A 10.28% increase in participatory loans and financing for equipment, amounting to MAD 10,740 million in 2024 compared to MAD 9,739 million in 2023, explained by the increase in financing activity with businesses;
- A 2.62% improvement in cash and consumer loans and financing, from MAD 17,260 million at the end of 2023 to MAD 17,711 million at the end of 2024;
- A 0.72% decrease in real estate loans and participatory financing, amounting to MAD 28,382 million at the end of 2024 instead of MAD 28,587 million at the end of 2023;

At the same time, receivables acquired through factoring decreased by 53.24% in 2024 to MAD 1,542 million instead of MAD 3,298 million in 2023.

### III. Financial data

#### Results

In KMAD	2022	2023	Var 2022-2023	2024	Var 2023- 2024
Interest and similar income	3 949 878	4 712 108	19.30%	5 096 971	8.17%
Interest and similar expenses	1 365 448	1 906 052	39.59%	2 101 040	<100%
<b>MARGIN OF INTEREST</b>	<b>2 584 431</b>	<b>2 806 056</b>	8.58%	<b>2 995 931</b>	6.77%
Commission income	558 712	704 492	26.09%	916 156	30.04%
Commissions (expenses)	267 409	344 295	28.75%	491 573	<100%
<b>COMMISSION MARGIN</b>	<b>291 303</b>	<b>360 197</b>	23.65%	<b>424 582</b>	17.88%
Net gains or losses on financial instruments at fair value through profit or loss	342 930	959 996	>100%	973 840	1.44%
<i>Net gains or losses on trading assets/liabilities</i>	44 192	304 650	>100%	303 589	-0.35%
<i>Net gains or losses on other assets/liabilities at fair value through profit or loss</i>	298 738	655 346	>100%	670 251	2.27%
Net gains or losses on financial instruments at fair value through equity	83 595	36 527	-56.30%	34 590	-5.30%
<i>Net gains or losses on debt instruments recognized in recyclable KP</i>	-898	-	-	-	NA
<i>Non-recyclable compensation for equity instruments recognized in KP (dividends)</i>	84 493	36 527	-56.77%	34 590	-5.30%
Net gains or losses on available-for-sale financial assets	-	-	-	-	NA
Net gains/losses on derecognition of financial assets at amortized cost	-	-	-	-	NA
Net gains or losses on reclassification of financial assets at amortized cost to fair value through profit or loss	-	-	-	-	NA
Net gains or losses on reclassification of financial assets at fair value through equity to financial assets at fair value through profit or loss	-	-	-	-	NA
Income from other activities	492 181	615 145	24.98%	643 591	4.62%
Expenses from other activities	276 455	309 719	12.03%	333 028	7.5%
<b>NET BANKING INCOME</b>	<b>3 517 984</b>	<b>4 468 202</b>	27.01%	<b>4 739 507</b>	6.07%

#### Balance sheet

In KMAD	2022	2023	Var 2022-2023	2024	Var 2023-2024
Cash in hand, Central Banks, Treasury, Post Office Cheque Service	3 202 155	3 844 472	20.06%	5 422 122	41.04%
<b>Financial assets at fair value through profit or loss</b>	<b>9 274 996</b>	<b>6 956 738</b>	-24.99%	<b>10 427 090</b>	49.88%
Financial assets held for trading	6 887 169	5 229 458	-24.07%	8 759 819	67.51%
Other financial assets at fair value through profit or loss	2 387 827	1 727 280	-27.66%	1 667 271	-3.47%
<b>Financial assets at fair value through equity</b>	<b>824 992</b>	<b>756 287</b>	-8.33%	<b>833 066</b>	10.15%
Debt instruments carried at fair value through equity - recyclable	68 532	43 656	-36.30%	44 676	2.34%
Non-recyclable equity instruments at fair value through equity	756 459	712 630	-5.79%	788 390	10.63%
Available-for-sale financial assets	-	-	NA	-	NA
Securities at amortized cost	8 688 795	8 371 427	-3.65%	9 061 996	8.25%

Loans and advances to credit institutions at amortized cost	3 856 360	5 355 171	38.87%	3 411 829	-36.29%
Loans and advances to clients, at amortized cost	83 423 310	90 754 890	8.79%	101 209 734	11.52%
Current tax assets	413 409	462 338	11.84%	824 871	78.41%
Deferred tax assets	647 275	662 668	2.38%	794 174	19.85%
Accruals and other assets	2 158 535	3 113 970	44.26%	2 301 086	-26.10%
Investments in associates	39 805	47 861	20.24%	63 416	32.50%
Investment property	1 670 408	1 836 139	9.92%	1 922 978	4.73%
Property, plant and equipment	2 242 651	2 347 871	4.69%	3 658 718	55.83%
Intangible assets	539 293	627 378	16.33%	743 776	18.55%
Goodwill	174 884	296 531	69.56%	296 531	0.00%
<b>Total assets</b>	<b>117 156 869</b>	<b>125 433 741</b>	<b>7.06%</b>	<b>140 971 389</b>	<b>21.36%</b>

In KMAD	2022	2023	Var 2022-2023	2024	Var 2023-2024
Central banks, Treasury, Post Office Cheque Service	-	-	NA		
Amounts owed to similar credit institutions	18 071 735	17 688 066	-2.12%	18 864 940	6.65%
Client deposits	68 905 888	74 159 350	7.62%	84 466 604	13.90%
Debt securities issued	12 364 164	14 727 502	19.11%	13 241 997	-10.09%
Current tax liabilities	462 401	799 373	72.87%	657 983	-17.69%
Deferred tax liabilities	646 674	364 127	-43.69%	369 380	1.44%
Accruals and other liabilities	4 519 745	5 025 576	11.19%	8 613 057	71.38%
Provisions	622 957	680 141	9.18%	628 012	-7.66%
Subordinated debt and special guarantee funds	4 480 252	4 446 524	-0.75%	5 691 969	28.01%
Shareholders' equity	7 083 052	7 543 081	6.49%	8 437 448	11.86%
<i>Capital and related reserves</i>	3 051 978	3 051 978	0.00%	3 149 728	3.20%
<i>Consolidated reserves</i>	3 101 585	3 528 568	13.77%	4 094 864	16.05%
<i>Group share</i>	2 599 028	2 859 842	10.04%	3 392 479	18.62%
<i>Minority interests</i>	502 557	668 725	33.06%	702 385	5.03%
<i>Gains and losses recognized directly in equity</i>	218 525	185 568	-15.08%	226 815	22.23%
<i>Group share</i>	218 525	185 568	-15.08%	226 815	22.23%
<i>Minority interests</i>	0	-	NA	0	-
<i>Net income for the year</i>	710 964	776 967	9.28%	966 041	24.33%
<i>Group share</i>	669 086	710 393	6.17%	875 878	23.29%
<i>Minority interests</i>	41 878	66 574	58.97%	90 163	35.43%
<b>Total liabilities</b>	<b>117 156 869</b>	<b>125 433 741</b>	<b>7.06%</b>	<b>140 971 389</b>	<b>12.39%</b>

## VI. Risks

### 1- Risks relating to CIH Bank

#### a. Risk management process

In line with the requirements of Basel II and Basel III and the regulatory provisions in force, CIH Bank has formalized its risk policies, which set out, for all risks, the rules and best management practices to be followed at each stage of the decision-making and management process, i.e., identification, measurement, control and monitoring. These policies are regularly updated and approved by CIH Bank's Board of Directors.

### 1- IDENTIFICATION

Risk identification is a key stage in CIH Bank's risk management processes. To this end, the bank has launched major initiatives to map risks by type.

### 2- MEASUREMENT

CIH BANK has acquired risk measurement and management software packages.

For credit risk, the bank's main risk, the software provides CIH BANK with an exhaustive overview of all on- and off-balance sheet commitments, credit risk mitigation techniques and associated provisions, as well as the required capital adequacy.

CIH BANK has set up an internal rating system for retail, property development and corporate loans.

Rating models have also been developed for the professional, banking and insurance segments.

Rating systems are subject to regular review and back-testing.

With the aim of industrializing and improving its processing, CIH BANK has set up a Commitments database, which centralizes all client commitment contract data and related information. This database makes it possible to upgrade steering and reporting tools, and to facilitate the process of producing and accessing key information.

CIH BANK has also launched a project to automate corporate loans, particularly for the corporate, real estate development, professional and very small business client segments. This project is part of the bank's strategy to digitalize, certify and monitor its activities, and to create a new dynamic that will enable it to improve its internal efficiency and, consequently, the quality of service it provides to its clients.

And to support growth in Corporate Credits, the bank has launched the "Business Credit Excellence" project (= "Excellence Crédit Entreprises" – ECE) - equipping CIH Bank with a high-performance organization and processes to absorb volume growth and improve client service quality.

For operational risks, CIH Bank has set up a software package for work-flow management of these risks.

### 3- CONTROL

Once risks have been identified and measured, they need to be controlled and mitigated by means of dedicated measures (risk management policies, limits, contingency plans, etc.).

#### o Limits

The aim of these limits is to contain risks at levels compatible with the internal policies and risk tolerance thresholds set by the Board of Directors and Executive Management.

In addition to regulatory limits, CIH BANK's current system of limits covers various risks, including credit, concentration, market, interest-rate and liquidity risks.

CIH BANK has also deployed the ICAAP and risk appetite system. Risk appetite is the type and level of risk that a bank is prepared to assume, as part of its development and the implementation of its strategy. It is

expressed through key indicators such as solvency, profitability, liquidity and credit risk. Limits and warning thresholds are defined for these key indicators, with the aim of defining risk appetite and limiting risk-taking. Risk Appetite indicators and associated alert thresholds will be used by management to anticipate excessive deterioration in strategic indicators, and to activate the appropriate action levers should the bank's risk appetite alert levels be reached

○ Emergency plan

In the event of a crisis, an emergency plan can be set in motion to limit the impact of risks. This plan covers specific risks, such as liquidity risk or business continuity (BCP and ISP) in the event of major events.

Also, CIH BANK has set up a PRCI Internal Recovery Plan mechanism which is part of a regulatory framework governed by circular n°4/W/2017 published in July 2017. It makes it possible to develop appropriate measures that will guarantee the bank's financial viability in response to possible extreme shocks and to document these measures in a recovery plan before a crisis occurs.

In addition to meeting the expectations of the regulator, the PRCI will present opportunities for the bank to anticipate shocks and prepare for their management, to reinforce the regulator's confidence in the bank, and to identify structural elements that will enable the bank to rationalize its organization and gain in efficiency. It is also a tool to support strategy and optimize the allocation of financial resources

#### 4- CONTROL AND MONITORING

For all the Bank's activities, first-level control is performed by operational staff (Permanent Monitoring), and second-level control by the Compliance Department for non-compliance risk, and by other internal control players for other risk categories (Risk Management, Accounting Department, CISO, etc.). The Audit Department provides third-level control.

In addition, one of the tasks of the Risk Department is to regularly monitor and report on the bank's exposure to various risks and compliance with set limits, using a reporting system.

##### b. Risk management system

#### 1- CREDIT RISK

Credit risk is the risk that a counterparty will be unable to honor its commitments to the bank. This risk concerns not only loans granted, but also securities held and off-balance sheet items.

CIH BANK has set up a credit risk management and control system, based on regulations and best practices, and supported by a core set of policies and methods, as well as its renowned expertise in the credit field.

○ Basic principles governing credit activity

CIH Bank's lending activity is based on the following basic principles, in particular:

- Compliance with regulations and ethics governing lending activities;
- Compliance with internal standards and risk policies governing the granting of client receivables (quantum of financing, percentage of indebtedness, rate of coverage by required guarantees, etc.);
- Separation of tasks, particularly between sales structures and risk assessment and control functions.
- Dual approach to the analysis of key account credit requests by independent structures;
- Use of rating systems as a tool to help make granting, renewal and pricing decisions;
- Collegiality in credit-granting decisions;
- Double signature on all documents relating to the implementation of authorized credits;
- Central control of guarantees received before any use of new loans granted.
- Appropriate delegation of authority.

- Respect for values, including the management of conflicts of interest, in particular loans to related individuals or legal entities which, in accordance with regulations, are subject to approval by the Strategic Committee, which reports to the Board of Directors.

These principles are set out in detail in our Risk Policies. These policies are regularly validated and reviewed by the Board of Directors' Risk Committee.

- *Credit risk monitoring and management*

- *Credit risk monitoring system*

Credit risk monitoring is the responsibility of both the sales structures and those in charge of risk management. In addition to the day-to-day monitoring carried out by the sales structures, central monitoring is carried out by the Risk Management and Control Department and the Commitments Department.

Regular reports are sent to the relevant committees.

- *Analysis of commitment portfolio*

Growth in outstandings to December 31, 2023, will be driven mainly by the Corporate Banking business:

- Corporate Banking: up +17.62% as of December 2022.
- Real Estate Bank: down -6.30% as of December 2022. The Real Estate Banking portfolio includes real estate development projects as well as projects in the hotel and rental real estate sectors.
- Individual and Professional Bank: a slight increase of +1.64% compared with December 2022.

- *Bank rating system*

CIH BANK has set up rating models and systems by market, notably for individuals, businesses, real estate development, professionals, insurance and credit institutions.

All credit files are graded. The rating is the result of quantitative and qualitative criteria, reflecting the client's creditworthiness and giving an indication of the pricing.

Accordingly, downgrades are a criterion for inclusion in the sensitive risks committee and for inclusion in bucket 2 and bucket 3 under IFRS 9.

These rating models are subject to back testing and review.

The internal rating system's assessment of changes in the Bank's credit portfolio is the subject of a report presented to the relevant internal committees and to the Risk Committee.

A tool integrating the different rating models for companies, real estate development, professionals and banks and insurance companies will be deployed in 2021.

- *Credit portfolio quality*

The corporate CES rate stood at 5.55% in December 2023, compared with 5.61% in December 2022.

The consolidated CES rate stood at 6.94% in December 2023, compared with 6.62% in December 2022.

## **2- OPERATING RISK**

CIH BANK defines Operational Risk as "The risk of loss resulting from deficiencies or failures attributable to procedures, personnel, internal systems or external events". This definition of operational risk includes legal risk, but excludes strategic and reputational risk.

In certain cases, where credit or market risks may originate from an operational risk, this category of risk, known as "frontier risk", is treated as an operational risk in its own right.

- *Operational risk management processes*

The Operational Risk and Permanent Control Department, which reports to the Global Risk Management and Recovery Department, is responsible for managing operational risk. It operates within this framework through a process defined in the operational risk policy, which is broken down as follows:

- Identification, assessment and prioritization of operational risks;
- Processing of operational risks;
- Operational risk monitoring.

CIH BANK has carried out a project to implement a new IRMS tool in response to changes in its operational risk management process. This project went into production as of end 2022.

To support its actions, the department has set up operational risk management systems, including:

- Collection of incidents
- Collection of key KRI indicators
- Operational risk mapping
- IS Security

Regular reporting is sent to the Operational Risk Steering Committee and the Risk Management Committee, enabling decisions to be taken on actions to be taken to reduce risks.

#### ○ *Business continuity plan (BCP)*

The Business Continuity Plan is managed by the Operational Risks and Permanent Control Department. This plan is documented, and includes the procedures and systems needed to continue or restore the company's operations in the event of a major operational disruption.

The BCP system is governed by a Business Continuity Policy, and includes a crisis management plan, operational continuity plans, an accommodation plan, etc.

Periodic tests and exercises are carried out to validate the operational nature of the BCP and establish a culture of business continuity.

Since its initial conception, the business continuity plan now covers the bank's vital processes, both head office and CIH Bank branches. It is continually updated to keep pace with developments in the Bank's critical activities.

Subsequently, CIH BANK finalized a project to upgrade and review its entire BCP and ISP system.

#### ○ *Risk management for outsourced activities*

In the course of 2021, CIH Bank set up a system for assessing and monitoring the risks associated with outsourced activities, the guiding principles and operating procedures of which are set out in a dedicated policy.

To this end, the risk assessment process for outsourced activities is structured around the following three phases:

- Upstream management
- Day-to-day management of the service and annual evaluation/reassessment exercise
- Post-contract evaluation

#### ○ *New product risk management*

CIH Bank has strengthened its process for launching new products/services and activities, and extended its framework to new processes. Its main aim is to establish a secure launch framework, in particular by:

- Ensuring that specific risk analysis has been carried out rigorously, with the aim of covering risks and taking residual risks into account;
- Ensuring that all new products, services, processes and activities are covered by the risk assessment before they go into production/market;

The scope of application covers new products, new services, new activities, new processes and any significant change to the existing offering.

The year 2023 saw the discovery of anomalies in certain factoring operations with a number of clients, prompting the Bank to react swiftly to identify the malfunctions and implement corrective measures enabling the Bank to recover its rights and safeguard its interests.

A complete audit of the system and an exhaustive review of the portfolio were carried out, resulting in the following turnaround plan:

- Restructuring of the Factoring activity, with a reallocation of responsibilities and a strengthening of the workforce;
- Re-engineering of the Factoring process, by taking on board the recommendations and areas for improvement set out in the Internal Audit report;
- Upgrading the software package dedicated to the Factoring activity, with upgraded reporting, control statements, review of authorizations, etc.;
- Reinforcing the permanent business control system, with automatic reconciliation on a daily basis;

It should be noted that this recovery plan has been monitored by a dedicated unit, with close follow-up by the governance bodies (Board of Directors, Audit Committee, Risk Committee) and the statutory auditors. Lastly, a dedicated exchange was held with Bank Al Maghreb, as well as a communication campaign aimed at the public.

### 3- MARKET RISK

Market risk refers to the risk of loss arising from changes in market prices. They include:

- Risks relating to instruments included in the trading portfolio;
- Foreign exchange risk and commodity risk incurred on all balance sheet and off-balance sheet items, other than those included in the trading portfolio.

#### ○ *Market risk management entity*

Capital Markets activities are organized around a number of entities and departments which interact to execute, validate, settle and account for transactions, and to manage the associated risks and limits:

- Banque de l'Entreprise, de l'Immobilier et de l'Investissement (BEII):
  - Capital Markets Department
  - Corporate Finance Department
- Strategy, Finance and Development Department:
  - Management Control and ALM Department.
  - Accounting and Tax Department.
- Client Service and Alternative Channels Department
  - Flows and Transactions Division (BO).
- Global Risk Management, Collection and Permanent Control Department (DGGRCP):
  - Group Risk Management and Control Department:
    - Market Risks for the measurement, assessment, monitoring and control of market risks.
    - The Middle Office trading room for the control and confirmation of transactions, positions and counterparty limits, the daily production of results, as well as the

management of the repository (Third Party, Value & Index, Forex, Securities, Limits...).

▪ *The role of the trading room*

The Trading Room is responsible for implementing the bank's refinancing policy through the market, managing the bank's cash and securities portfolios, and hedging the foreign exchange position.

This unit participates in the development of the bank's refinancing strategy, and is responsible for ensuring compliance with regulatory limits and ratios relating to Trading Room activity.

In addition, this entity meets clients' needs in terms of hedging currency and commodity risk, and enhances the bank's trading and transaction portfolios. It is also involved in portfolio management, taking into account the bank's liquidity ratios.

The main missions of the capital markets department are to:

- Process client foreign exchange transactions
- Structure investments for clients
- Manage proprietary portfolio
- Manage and optimize the bank's cash flow.

The Corporate Finance Department is responsible for managing the Group's proprietary equity portfolio.

▪ *Role of the Risk Management and Control department*

The Risk Management and Control department, whose role is to monitor and supervise market activities, through:

- The Market Risks unit to strengthen the control and monitoring of risks linked to market activities, in particular through:
  - Measuring and assessing market risks.
  - Monitoring and control of market activities.
  - Producing and analyzing stress scenarios
  - Risk reporting.
  - Implementing a market risk limit system.
  - Monitoring compliance with internal and regulatory limits.
- The middle office trading room, for the control and confirmation of transactions, positions and counterparty limits, the daily production of results, as well as the management of the repository (Third Party, Value & Index, Forex, Securities, Limits...).

*Market risk system*

CIH Bank's market activities cover four markets: money markets, foreign exchange, bonds and commodities.

CIH Bank carries out these activities either on its own behalf or on behalf of clients.

CIH Bank has the status of foreign exchange market maker in accordance with Bank Al Maghrib circular LC/BKAM/2018/1 and must comply with the USD MAD firm quotation obligation with a daily minimum agreed with the central bank.

In its proprietary business, CIH BANK has:

- A trading portfolio: designed to generate capital gains by taking positions based on market trends, liquidity and the yield curve. It is made up of securities held for a maximum of 6 months.

- A MAD and foreign currency investment portfolio: designed to generate regular capital gains over the medium to long term, and made up of securities to be held to maturity. This portfolio is managed by the Treasury and Investment Committee and the Asset/Liability Management unit of the Finance, Resources and Payroll Department.
- Investment securities: designed to generate capital gains or high returns, and made up of securities that can be sold at any time.

These portfolios are separated at management level (information system) and at accounting level.

CIH BANK holds a foreign exchange position in its client business.

These activities are monitored on a daily basis by the Front Office, the Trading Room Middle Office and Market Risks. A weekly Investment Committee meeting is held to monitor and analyze market activity.

CIH BANK has also set up a market risk measurement system based on the calculation of Value at Risk (VAR) and a system of limits.

#### **4- Credit risk on client receivables**

Loans and receivables to clients carry a credit risk that exposes the CIH Group to a potential loss if clients or counterparties prove unable to meet their financial commitments. The CIH Group records provisions for impairment to cover this risk.

These impairments are determined in accordance with IFRS 9 Financial Instruments and the expected credit loss principle.

The assessment of expected credit losses for client receivables portfolios requires the exercise of judgment, in particular with regard to:

- Determine the criteria for classifying work-in-progress as stage 1, stage 2 or stage 3;
- Estimate the amount of expected losses based on the various stages;
- Establish macro-economic projections that are integrated into both the degradation criteria and the measurement of expected losses.

A project to review the IFRS9 model has been launched for 2022.

#### **5- Climate change and environmental risk**

##### **A strategy for decarbonizing the Bank's financing and operations**

CIH BANK has identified the fight against climate change as a priority issue in its Corporate Social Responsibility (CSR) strategy. This strategy integrates green financing issues as well as the inclusion of ESG (environmental, social and governance) and climate risks in overall risk management.

A draft policy and system for managing ESG and climate risks linked to financing is currently being drawn up, in line with current standards. In addition, a carbon assessment has been carried out and a strategy for decarbonizing operational activities is in the process of being validated.

##### **Environmental and Climate Risk Management integrated into global risk management**

In order to pursue its commitment to managing climate-related risks and opportunities, CIH Bank has defined a 2024-2025 roadmap, in line with Bank Al Maghrib's Directive 5W/21 and international best practices with a view to:

- Implement an Environmental, Social, Governance and Climate (ESGC) risk management policy and impact all relevant internal policies;
- Implement a system for identifying, measuring and managing ESGC risks as an integral part of the Bank's financing process;
- Raise awareness among all stakeholders and ensure the necessary change management for the deployment and integration of the ESGC risk management system.

### **A path to reduce the environmental impact of the Bank's operations**

In 2023, CIH BANK took an important step forward in its environmental approach by carrying out its first carbon assessment. Following the GHG Protocol Scope 1, Scope 2 and Scope 3 (excluding financing) method, this assessment quantified the greenhouse gas (GHG) emissions linked to its operating activities, including staff travel, purchasing, construction and many others. This co-constructed project mobilized all of the bank's employees, demonstrating our collective commitment to the environment. More than a simple assessment, this carbon footprint was an opportunity to raise awareness of environmental issues among all staff. In addition, a decarbonization plan (SBTI) for 2030, aimed at reducing greenhouse gas emissions from the Bank's activities, is currently being validated by the Bank's governing bodies.

### **Reducing the Bank's environmental footprint:**

Faced with the growing challenges posed by climate change, particularly those related to water scarcity, Morocco has committed to a transition towards a resilient, low-emission development model. CIH BANK is fully aligned with this approach, supporting mitigation and adaptation efforts by financing projects with a positive environmental impact and reducing its operational carbon footprint.

### **Reducing the environmental footprint of the bank's activities:**

CIH BANK has reached a milestone by completing its first Carbon Footprint assessment in accordance with GHG Protocol standards, covering Scopes 1, 2, and 3 (excluding the financing portfolio). This initiative has enabled us to identify the most significant sources of emissions and lay the foundations for an ambitious and progressive climate strategy.

### **Carbon Footprint Results**

<b>Emissions</b>	<b>Emissions (tCO<sub>2</sub>e)</b>	<b>Relative share</b>
Scope 1 (fuel, refrigerants, etc.)	146	0.53 %
Scope 2 (electricity, energy)	7 274	26.36 %
Scope 3 (purchases, travel, fixed assets, etc.)	20 176	73.11 %
<b>Total</b>	<b>27 597</b>	<b>100 %</b>

- Ratio per employee: 9 tCO<sub>2</sub>e / FTE
- Ratio per revenue: 0.0075 tCO<sub>2</sub>e / MAD 1,000

92% of emissions come from four major sources: purchases (services), electricity, travel, and fixed assets.

## A strategy aligned with Morocco's climate commitments

CIH BANK has defined an emissions reduction trajectory aligned with Morocco's Nationally Determined Contribution (NDC). For Scopes 1 and 2, representing 27% of emissions, the target is a 27% reduction by 2030, from 7,421 tCO<sub>2e</sub> to 5,386 tCO<sub>2e</sub>.

### Climate Roadmap (2024–2025)

Steps	Objectives
1. 2023 Carbon Footprint	To diagnose the environmental footprint
2. Climate Strategy	To define reduction priorities
3. Action Plan	To identify operational levers
4. Implementation	To involve internal functions and monitor results

## Our concrete actions to reduce our impact

CIH BANK has implemented several measures to control its consumption and integrate the environment into its operations

### Internal environmental policy

- Sustainable materials for construction
- LED lighting in 68% of branches
- Digitization of business processes and elimination of printed documents
- Zero archive policy in branches
- Rationalization of the vehicle fleet
  - Gradual replacement of servers to limit cooling

### C. Asset-liability management

#### ASSESSMENT OF INTEREST-RATE AND LIQUIDITY RISKS

Assessment of overall interest rate risk

The interest rate risk assessment method used by CIH Bank is based on the calculation of fixed-rate gaps (fixed-rate resources less fixed-rate assets) for each maturity (DD, 2 to 7 DD, 8 to 15 DD, 16 to 30 DD, 1 to 3 months, 3 to 6 months, 6 to 9 months, 9 to 12 months, 1 to 2 years, 2 to 3 years...15 to 20 years and over 20 years). These gaps are then discounted.

The variation between the EVE calculated with current rates and the EVE calculated under each shock scenario is used to deduce the sensitivity of equity to changes in interest rates.

The application of this method results in the following as of 12/31/2024:

- EVE sensitivity to a variation of -200 bp, of MAD 439.8 million, or -6.46% of Tier 1 capital;
- MNI sensitivity to a variation of -200 bp, of MAD 131.4 million, or -5.30% of projected MNI.
- An MNI sensitivity to a variation of +200 bp of MAD 129.6 million, or 5.23% of the projected MNI.

#### ***Risk relating to the structural dependence of intermediation margins***

Representing 63% of NBI, the interest margin continues to account for a dominant share of CIH BANK GROUP's NBI. This is the result of the Group's business development strategy. Indeed, client deposits, particularly non-interest-bearing deposits, continue to grow as a result of the strategy of massively recruiting

new clients through innovative offers and a digital positioning adapted to the consumption needs of financial services. In terms of client deposits, the diversification strategy, with the development of the corporate segment and the volume effect, has offset the pressure on interest rates experienced by the sector. This being the case, the Group continues to pursue its strategy of revenue diversification through the development of the markets business, which now represents more than 12% compared with less than 10% a few years ago, and also thanks to the development of transactional commissions arising from the number of clients using the payment methods and digital solutions offered by the Group in response to client needs.

### *Liquidity risk assessment*

Liquidity risk is monitored by assessing immediate and forecast cash flows.

Immediate (short-term) cash management is handled by the trading room. A daily dashboard is drawn up by the bank's treasurer. It is used to calculate the daily cash gap based on the required monetary reserve, our balance with BAM, incoming and outgoing branch flows, and our money market borrowings and loans.

Liquidity management (MLT) is handled by the ALM entity. It focuses on the following areas:

- Calculation of liquidity gaps (in flows) for maturities ranging from DD to over 20 years, according to the time-band defined by regulations
- Presentation of the ALM dashboard, including liquidity gaps, to the ALM Committee.

### *Hedging of interest rate and liquidity gaps*

Where necessary, the ALM Committee decides on the measures to be taken to mitigate fixed-rate and liquidity gaps and comply with ALM limits. These measures may take the form of, among others:

- The launch of subordinated and conventional bond issues;
- Launch of mortgage securitization operations;
- Issuance of certificates of deposit
- Use of the treasury bill portfolio as a hedging instrument (sale or purchase as required);
- The change in the structure of the loans and borrowings portfolio in terms of the type of rate and term of the loans ;
- The use of financing lines with financial intermediaries ;
- Refinancing commitments, where applicable, with reference shareholders.

### *Monitoring interest rate and liquidity risks*

Interest-rate and liquidity risks are monitored by the ALM Committee, through quarterly reporting. These risks are also regularly monitored by the Risk Management and Control Department. This monitoring is reinforced by risk exposure limits and a regular reporting system.

A weekly Treasury Committee meeting is held to monitor, among other things, the bank's liquidity.

Risk data is aggregated periodically to provide General Management and the Board of Directors with an overall view of CIH Bank's interest rate and liquidity risks. These data are presented to the ALM Committee, the Risk Management Committee and the Risk Committee.

#### d. Solvency ratio and risk-weighted assets

##### **1- ON AN INDIVIDUAL BASIS**

As of December 31, 2024, in accordance with the provisions of Circular 14/G/2013 on the capital of credit institutions, CIH Bank's regulatory capital stood at MAD 9,622 billion.

The solvency ratio stood at 14.48%.

Tier 1 capital amounted to MAD 7.49 billion, including MAD 4.87 billion in instruments eligible as CET1 capital and MAD 1.57 billion in reserves and retained earnings. Deductions from core capital relate to intangible assets, including software, amounting to MAD 224 million, and investments totaling MAD 188 million.

The Tier 1 capital ratio stands at 11.28%.

Tier 2 capital amounted to MAD 2.1 billion, consisting mainly of subordinated bonds amounting to MAD 1.94 billion.

<b>In KMAD</b>	<b>December-24</b>
<b>CET1 shareholders' equity</b>	6 031 048
<b>Equity TIER 1</b>	7 492 499
<b>Equity TIER 2</b>	2 129 273
<b>Eligible shareholders' equity</b>	<b>9 621 772</b>
<b>Total weighted assets</b>	<b>66 444 829</b>
Weighted credit risk	59 165 778
Weighted market risks	835 593
Weighted operating risks	6 443 458
<b>CET1 capital ratio (minimum requirement 8%)</b>	<b>9.08%</b>
<b>T1 capital ratio (minimum requirement 9%)</b>	<b>11.28%</b>
<b>Total capital ratio (minimum requirement 12%)</b>	<b>14.48%</b>

The table below shows the forecast ratios on an individual basis:

<b>In MMAD</b>	<b>2024 achieved</b>	<b>June, 25 P*</b>	<b>Dec-25 P*</b>	<b>June-26 P*</b>
<b>CET1 equity ratio</b>	<b>9.08%</b>	<b>8.71%</b>	<b>9.58%</b>	<b>9.47%</b>

*Source: CIH Bank*

##### o *Credit risk*

Under the standard approach, credit risk-weighted assets as of December 31, 2024, amounted to MAD 59.17 billion, an increase of MAD 3.9 billion compared as of December 31, 2023.

- Market risk

Weighted risks under market risk amounted to MAD 836 million as of December 31, 2024.

- Operational risk

Under the “basic indicator” approach, risks weighted for operational risk represent MAD 6.44 billion.

## 2- ON A CONSOLIDATED BASIS

As of December 31, 2024, CIH Bank's regulatory capital stood at MAD 10.7549 billion, including MAD 8.475 billion in Tier 1 capital and MAD 2.27 billion in Tier 2 capital. The Tier 1 capital ratio stood at 10.83% and the solvency ratio at 13.73%.

As of the end of December 2024, weighted risks amounted to MAD 78.26 billion, an increase of MAD 4.4 billion compared to December 2023.

In KMAD	December-24
<b>CET1 shareholders' equity</b>	7 013 659
<b>Equity TIER 1</b>	8 475 111
<b>Equity TIER 2</b>	2 273 907
<b>Eligible shareholders' equity</b>	<b>10 749 018</b>
<b>Total weighted assets</b>	<b>78 262 949</b>
Weighted credit risk	69 473 798
Weighted market risks	835 593
Weighted operating risks	7 953 558
<b>CET1 capital ratio (minimum requirement 8%)</b>	<b>8.96%</b>
<b>T1 capital ratio (minimum requirement 9%)</b>	<b>10.83%</b>
<b>Total capital ratio (minimum requirement 12%)</b>	<b>13.73%</b>

The table below shows the forecast ratio on a consolidated basis:

In MMAD	2024 achieved	June, 25 P*	Dec-25 P*	June-26 P*
<b>CET1 equity ratio</b>	<b>8.96%</b>	<b>8.58%</b>	<b>9.24%</b>	<b>9.13%</b>

Source: CIH Bank

- Credit risk

Under the standard approach, credit risk-weighted assets at December 31, 2024, amounted to MAD 69.5 billion, an increase of MAD 3.8 billion compared to December 31, 2023.

- Market risk

Weighted risks under market risk amounted to MAD 836 million as of December 31, 2024, an increase of MAD 107 million compared to December 31, 2023.

○ *Operational risk*

Under the “basic indicator” approach, weighted risks for operational risk amounted to MAD 7.95 billion, compared with MAD 6.93 billion as of end-December 2023.

2- Risk factors relating to the financial instruments offered

a. Risk of loss of investment value

Investors in CIH Bank shares, like all shareholders in a company (whether listed or unlisted), run the risk of losing part (or even all) of their investment. This risk is inherent to the shareholder's situation, should the share price not perform well.

b. Price volatility on the market

As CIH Bank shares are listed on the Casablanca Stock Exchange, they are subject to the rules of supply and demand to determine their quoted value. Share prices are largely determined by investors' expectations of future profits for listed companies. Thus, depending on how much investors like the stock, it can fluctuate significantly according to various parameters (announcements, earnings releases, outlook, development strategy, etc.). As a result, investors may see their shares depreciate or appreciate on the Moroccan stock market.

c. Stock liquidity

Subscribers to CIH Bank shares may be subject to a liquidity risk on the stock market. Depending on market conditions and the selling price, the share's liquidity may be temporarily affected. A shareholder wishing to sell his or her stake in CIH Bank quickly may, under certain conditions, not be able to complete the sale under optimum conditions.

However, the CIH Bank share shows a certain dynamism in its liquidity, with a daily average of 10,272 shares traded over the last 6 months, ranging from 0 to 98,984 shares per day .

d. PSR risks

In the event of non-participation in the transaction, holders of preferential subscription rights who have not exercised their rights are exposed to the risk of dilution.

In addition, holders of preferential subscription rights also run the risk of losing the value of their rights at the end of the subscription period.

Lastly, holders of preferential subscription rights are exposed to a risk relating to subscription parity. They may not be able to acquire a sufficient number of preferential subscription rights to achieve the required parity.

**DISCLAIMER**

*The above information is only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under reference no. VI/EM/024/2025 on June 20, 2025.*

*AMMC recommends that you read the full prospectus, which is available to the public in French (language of the approved prospectus).*