

AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

We have audited the attached consolidated financial statements of BANK OF AFRICA BMCE GROUP and its subsidiaries (BANK OF AFRICA GROUP BMCE GROUP), comprising the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in shareholders' equity and notes providing a summary of the main accounting policies and other explanatory notes for the period from 1 January to 31 December 2019. These financial statements show consolidated shareholders' equity of MAD 27,796,103 K, including consolidated net income of MAD 2,576,017 K. These financial statements were drawn up against the evolving backdrop of the Covid-19 pandemic on the basis of the available information at that time.

Management's responsibility

It is Management's responsibility to prepare and present these financial statements to give a true and fair view of the company's financial position in accordance with International Financial Reporting Standards (IFRS). This responsibility includes designing, implementing and maintaining internal control procedures regarding the drawing up and presentation of the financial statements to ensure that they are free of material misstatement as a result of fraud or error and for making accounting estimates that are reasonable under the circumstances.

Auditors' responsibility

It is our responsibility to express an opinion on these financial statements based on our audit. We carried out our audit in accordance with Moroccan accounting standards. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves implementing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures adopted depend on the auditor's judgement, including an assessment of the risks of material misstatement in the financial statements as a result of fraud or error.

In making these risk assessments, the auditor takes into consideration the internal control procedures adopted by the entity regarding the drawing up and presentation of the financial statements so as to determine appropriate audit procedures under the circumstances and not for the purpose of expressing an opinion on the effectiveness of the said procedures. An audit also consists of assessing whether the accounting policies adopted are appropriate and whether the accounting estimates made by senior management are reasonable, as well as assessing the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the financial statements

BANK OF AFRICA BMCE GROUP possesses a stock of non-operating property assets that were acquired as dation-in-payment and valued at MAD 4.8 billion at 31 December 2019. Given the risks inherent in these real estate assets, particularly uncertainties about their resale value and the period of time required to liquidate them, we are therefore unable to give an opinion about the value of these assets at 31 December 2019.

Pending the outcome of the situation described above, in our opinion, the consolidated financial statements referred to above in the first paragraph give, in all material aspects, a true and fair view of the financial position of BANK OF AFRICA GROUP BMCE GROUP, comprising the persons and entities included within the scope of consolidation at 31 December 2019 as well as its financial performance and cash flows over the same period, in accordance with International Financial Reporting Standards (IFRS).

Another point

As far as the events occurring after the balance sheet date as well as the information known in relation to the effects of the Covid-19 crisis are concerned, we have been informed by Management that these will be discussed at the Annual General Meeting convened to approve the financial statements.

Casablanca, 28 April 2020

The Independent Auditors

ERNST & YOUNG

Abdeslam BERRADA ALLAM
Associé

KPMG

Fouad LAHGAZI
Associé