CREDIT OPINION

16 March 2026

Update

Send Your Feedback

RATINGS

**Credit du Maroc**

| | |
|---|---|
| Domicile | Casablanca, Morocco |
| Long Term CRR | Ba1 |
| Type | LT Counterparty Risk Rating - Fgn Curr |
| Outlook | Not Assigned |
| Long Term Debt | Not Assigned |
| Long Term Deposit | Ba2 |
| Type | LT Bank Deposits - Fgn Curr |
| Outlook | Positive |

*Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.*

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# Credit du Maroc

## Update following outlook change to positive, and ratings affirmation

## Summary

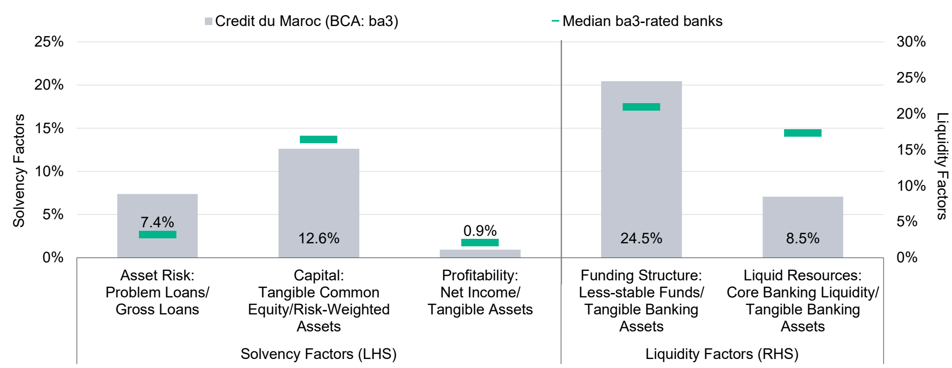
Credit du Maroc's (CdM) Ba2 long-term deposit ratings are one notch above its ba3 Baseline Credit Assessment (BCA) capturing one notch of rating uplift from the Government of Morocco (Ba1 positive) based on our assessment of a high probability of government support, in case of need.

CdM's ba3 BCA reflects its sound capitalisation, profitability and liquidity. These strengths are moderated by the bank's high credit concentrations weighing on CdM's asset quality and a comparatively tight funding profile.

CdM's long-term deposit ratings have a stable outlook. The bank also carries national scale local and foreign currency deposit ratings of Aa3.ma/MA-1.

Exhibit 1

**Rating Scorecard - Key financial ratios**




The problem loan and profitability ratios are the weaker of the average three-year ratios and the latest reported ratios. The capital ratio is the latest reported figure. The funding structure and liquid asset ratios are the latest figures

*Source: Moody's Ratings*

## Credit strengths

» Sound capitalisation, supported by improved capital generation

» Sound profitability

» Sound liquidity

## Credit challenges

» Relatively weak asset quality

» High credit concentrations

» Comparatively tight funding profile

## Outlook

The positive outlook on the bank's long-term deposit ratings reflects (a) the potential strengthening of the sovereign's credit profile and support capacity, as indicated by the positive outlook on the government; (b) the close interlinkages between the sovereign's creditworthiness and the bank's balance sheet, given its significant holdings of sovereign debt securities; and (c) the potential strengthening of the operating environment, which would be evidenced by an improvement in our Macro Profile for Morocco.

## Factors that could lead to an upgrade

Upwards pressure on the bank's long-term deposit ratings could develop from (a) strengthening in the government's capacity to extend financial support to the bank, as could be indicated by an upgrade in the sovereign rating, and/or (b) a strengthening in the country's operating environment, as could be indicated by both an upgrade in the sovereign rating and an improvement in the Macro Profile.

## Factors that could lead to a downgrade

Downward pressure on the bank's long-term deposit ratings is limited given the positive outlook. A stabilisation of the outlook on the bank's long-term deposit ratings could result from a stabilisation in the outlook on the sovereign.

## Key indicators

Exhibit 2

**Credit du Maroc (Consolidated Financials) [1]**

| | 12-25[2] | 12-24[2] | 12-23[2] | 12-22[2] | 12-21[2] | CAGR/Avg.[3] |
|---|---|---|---|---|---|---|
| Total Assets (MAD Million) | 83,728.1 | 74,050.9 | 67,265.3 | 62,862.5 | 59,346.0 | 9.0[4] |
| Total Assets (USD Million) | 9,180.7 | 7,308.5 | 6,815.9 | 6,011.2 | 6,417.8 | 9.4[4] |
| Tangible Common Equity (MAD Million) | 7,143.3 | 6,925.1 | 6,201.0 | 5,697.4 | 5,716.9 | 5.7[4] |
| Tangible Common Equity (USD Million) | 783.3 | 683.5 | 628.3 | 544.8 | 618.2 | 6.1[4] |
| Problem Loans / Gross Loans (%) | 6.9 | 7.2 | 8.0 | 8.1 | 8.5 | 7.7[5] |
| Tangible Common Equity / Risk Weighted Assets (%) | 12.6 | 13.3 | 12.6 | 11.8 | 12.4 | 12.5[6] |
| Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%) | 39.9 | 39.8 | 43.0 | 44.5 | 43.2 | 42.1[5] |
| Net Interest Margin (%) | 3.4 | 3.4 | 3.4 | 3.2 | 3.3 | 3.3[5] |
| PPI / Average RWA (%) | 3.5 | 3.3 | 2.7 | 2.2 | 2.4 | 2.8[6] |
| Net Income / Tangible Assets (%) | 1.0 | 1.0 | 0.8 | 0.7 | 1.1 | 0.9[5] |
| Cost / Income Ratio (%) | 48.2 | 50.4 | 56.3 | 60.1 | 56.2 | 54.2[5] |
| Gross Loans / Due to Customers (%) | 104.4 | 103.0 | 103.9 | 104.5 | 102.0 | 103.6[5] |
| Core Banking Liquidity (Non-HQLA) / Tangible Banking Assets (%) | 8.5 | 6.6 | -- | -- | -- | 7.6[5] |
| Less-stable Funds (Non-LCR) / Tangible Banking Assets (%) | 24.5 | 18.0 | -- | -- | -- | 21.3[5] |

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel II; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel II periods.
*Further to the publication of our revised methodology in November 2025, only ratios from annual 2024 onwards included in this report apply reported risk weights for all exposures, discontinuing our previously applied standard adjustment for certain government securities. Sources: Moody's Ratings and company filings*

## Profile

Credit du Maroc (CdM) is a Casablanca-based bank established in 1929 as the Moroccan branch of Credit Lyonnais. Credit Lyonnais was renamed Credit Lyonnais Maroc in 1963, then Credit du Maroc in 1966. CdM had total assets of $9.2 billion as of December 2025 and market shares of around 5.2% in terms of loans and around 4.4% in terms of deposits in Morocco as of June 2025.

As of December 2025, Holmarcom group, a Moroccan family-owned conglomerate operating real estate, finance, distribution and agro-industrial activities is the majority shareholder of CdM with a 65.7% stake of the bank's capital. Other shareholders include Wafa Assurance (10.7%).

CdM operates within two main business segments: Banque Maroc et Banque Offshore (97% of the operating income in the first half of 2025) and Societe de financement specialises (3%).

## Detailed credit considerations

### Relatively high stock of problem loans reflects credit concentrations, legacy exposures and conservative classification

We expect the quality of the bank's loan portfolio to improve, as solid economic growth, lower inflation and reduced interest rates enhance borrowers' repayment capacity. The financing of large infrastructure projects carries risk due to their scale, but is mitigated by banks' disciplined project selection, along with the guaranteed nature of some of this exposure. CdM continues to improve its asset-quality metrics through a more conservative risk appetite, enhanced risk management practices (including stricter risk appetite and a proactive recovery approach), and alignment of its risk management framework with best practices in the market.

Similarly to those of other Moroccan banks, CdM's high credit concentrations pose risks to its asset quality. Nevertheless, the bank has made noticeable and consistent efforts to reduce this concentration in recent years.

As of December 2025, problem loans stood at 6.9% of gross loans, down from 7.2% in 2024. This improvement is driven by effective recoveries, lower NPL formation during the year and a denominator effect resulting from a 9% year-on-year increase in total loans. CdM's problem loan ratio compares favorably with the 9.1% local average for Moroccan banks. The balance of loans and advances that are not impaired but exhibit a significant increase in credit risk — classified in the Stage 2 bucket under IFRS9 — stood at 7.3% of gross loans as of December 2025 (8.6% as of December 2024) and was above the average for Moroccan banks. Additionally, CdM's coverage ratio computed as loan-loss reserves/problem loans stood at 89% as of December 2025 (94% local average).

### Sound profitability

CdM's net income/tangible banking assets stood at 1.1% for the full year of 2025, stable relative to 2024. CdM's sound underlying profitability reflects its established domestic franchise in Morocco. This was only partly supported by its association with Credit Agricole (CdM's previous shareholder) given its strong brand name and large network in France that helps attract non-resident Moroccan expats based in France. Following the closing of the sale of the parent's majority stake in the bank late 2022, CdM no longer leverages Credit Agricole's network but still enjoys established relationships in Morocco.

CdM's net interest margin remained stable at 3.4% in 2025, while non-interest income remained robust at 27% of net revenue during the full year of 2025. Although still higher than the local average, CdM's cost-to-income ratio (including income and expenses for other activities) improved to 48% in 2025 from 50% as of June 2024. The bank's loan loss provisioning consumed 15% of the bank's pre-provision income during 2025, down from 18% in 2024. This decrease was primarily due to effective loan recoveries throughout the year.

CdM's profitability is expected to improve modestly in 2026. While asset yields will continue to reprice downward in line with the prevailing interest rate environment, the impact on net interest income should be partially offset by declining funding costs, supported by the bank's strategy to expand its low-cost deposit base. Bottom-line profitability will further benefit from normalising credit costs, as asset quality pressures stemming from the lagged effects of inflation continue to ease.

### Sound capitalisation supported by improved capital generation

We expect CdM's capitalisation to remain sound but inch lower on higher than average loan growth and modest earning retention. The bank's dividend payout ratio was 61% in 2025 and 75% in 2024. CdM's tangible common equity (TCE)/risk-weighted assets was at 12.6% as of December 2025 (13.3% as of December 2024), which is well above the 8.9% local average.

CdM's reported regulatory capital figures, with a Basel II Tier 1 ratio of 12.2% and a total capital adequacy ratio of 14.8% as of December 2025 (12.7% and 14.2% as of December 2024, respectively), were solid and above the local regulatory minima. As of 1 January 2019, Moroccan banks had to comply with a minimum 9.0% Tier I capital ratio.

### Funding underpinned by a growing deposit base and relatively modest liquidity

We expect CdM to remain predominantly deposit funded with customer deposits accounting for 81% of non-equity liabilities as of December 2025, slightly lower compared to 2024. Additionally, the bank's deposit base primarily comprises low-cost current and savings accounts, which represented 89% of total deposits as of December 2025.

CdM's deposits grew by 7% year on year in 2025, underpinning the bank's strategy of expanding its retail deposit base to ease its tight funding position. The bank's net loans to deposit ratio stood at a relatively tight 98% as of December 2025, slightly increased from 96% as of December 2024 as loans grew faster than deposits.

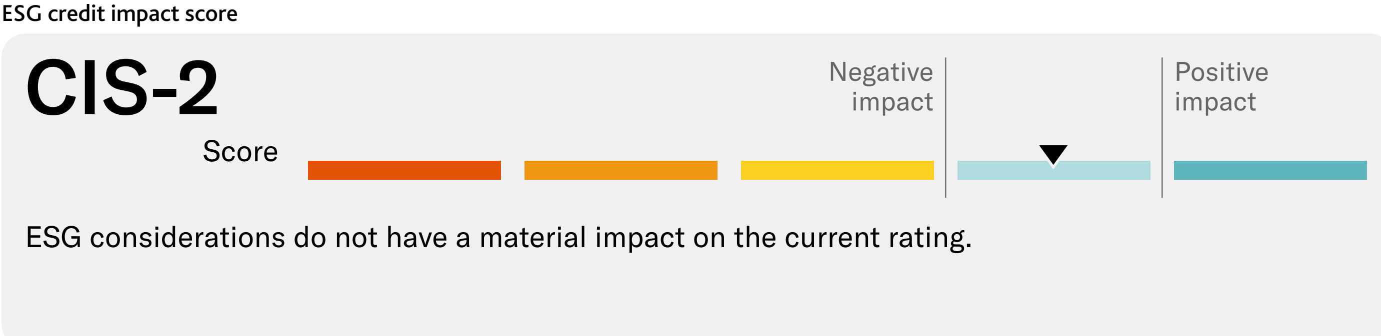
In addition, the bank's funding base is relatively granular. The bank's less-stable funds were sound at 24.6% of tangible banking assets as of December 2025, compared to 18% as of December 2024.

CdM's liquidity buffers will remain modest, with core banking liquidity / tangible assets of 8.5% as of June 2025 (6.6% as of December 2024). However, this level compares unfavorably with the 16% local average as of June 2025. CdM's Basel III liquidity coverage ratio was strong at 155% as of June 2025, which is higher than the 100% minimum regulatory requirement.

## ESG considerations

### Credit du Maroc's ESG credit impact score is CIS-2

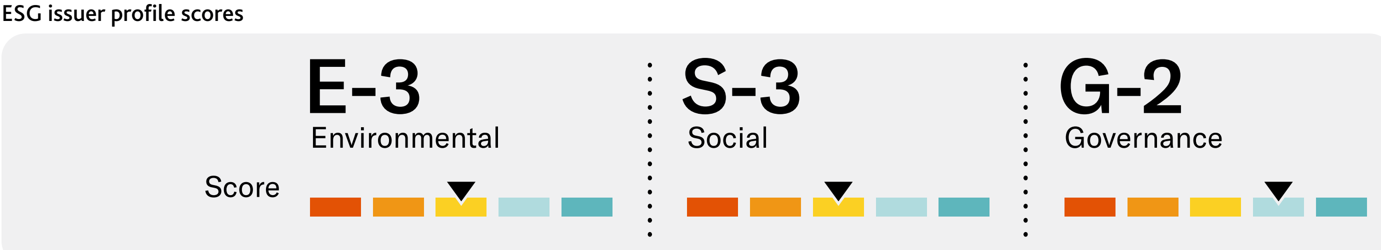
Exhibit 3
**ESG credit impact score**




*Source: Moody's Ratings*

Credit du Maroc's **CIS-2** indicates the limited impact of ESG considerations on the ratings to date

Exhibit 4
**ESG issuer profile scores**




*Source: Moody's Ratings*

### Environmental

CdM faces moderate environmental risks. Physical climate risks reflect Morocco's strong dependence on rain-fed agriculture, and water scarcity that is leading to dwindling groundwater reserves. In addition, the importance of the agricultural sector in the national output and in employment (primary sector accounts for 10-15% of GDP and about 35% of total employment) contributes to a volatile growth pattern and exposes Moroccan banks' credit profiles to environmental risk. Mitigants to environmental risks include CdM's loan book diversification. In line with global peers, the bank is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, CdM is engaging in developing its climate risk and portfolio management capabilities.

### Social

CdM faces moderate social risks, related to regulatory and litigation risks, requiring high compliance standards. Moroccan banks are generally focused on intermediation with simpler product ranges and counterparties, and the regulator's focus on mis-selling and social risks is less pronounced compared with banks in more developed markets. Risks related to societal and demographic trends reflect the relatively modest population growth and the already high banking penetration, which together limit business growth prospects in Morocco. High cyber and personal data risks are mitigated by a solid and improving IT framework.

### Governance

Credit du Maroc faces low governance risks. The bank has sound corporate governance practices and conservative risk management. However, Credit du Maroc's evolving ownership, board oversight and management structure can introduce change in terms of financial strategy, risk appetite and governance profile.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

## Support and structural considerations

### Government support considerations

CdM's local and foreign currency deposit ratings at Ba2 incorporate a one notch rating uplift from government support from the bank's ba3 BCA based on our continued assessment of a high probability of government support in case of need. These support assumptions reflect our assessment of the bank's importance to the local financial system with around 4.4% deposit market share.

### National scale rating (NSR)

NSRs are not intended to rank credits across multiple countries, instead they provide a measure of relative creditworthiness within a single country (Morocco in the case of CdM). Our NSRs are given a two-letter suffix to distinguish them from our global scale ratings. For example, NSRs in Morocco have the country abbreviation “ma”.

CdM’s NSRs of Aa3.ma/MA-1 for local and foreign currency deposits are derived from the bank’s global scale deposit ratings and demonstrate that CdM is one of the strongest credits in the country, primarily reflecting the high probability of parental support and its strong funding and liquidity metrics.

### Sources of facts and figures cited in this report

The global medians quoted in the report are calculated using the most recent full-year financial data for rated banks. Local averages used in this report are as of June 2025 for Moroccan banks that we rate. Bank-specific figures originate from the banks' reports and Moody's Banking Financial Metrics. All figures are based on our own chart of account and may be adjusted for analytical purposes. Please refer to the document titled Financial Statement Adjustments in the Analysis of Financial Institutions (published on 17 November 2025).

### About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 5
**Credit du Maroc**

| **Macro Factors** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Weighted Macro Profile** | **Moderate -** | **100%** | | | | | |
| | | | | | | | |
| **Factor** | **Historic Ratio** | **Initial Score** | **Expected Trend** | **Assigned Score** | **Key driver #1** | **Key driver #2** | |
| Solvency | | | | | | | |
| Asset Risk | | | | | | | |
| Problem Loans / Gross Loans | 7.4% | b1 | ↔ | b1 | Collateral and provisioning coverage | Single name concentration | |
| Capital | | | | | | | |
| Tangible Common Equity / Risk Weighted Assets (Basel II) | 12.6% | ba2 | ↔ | ba3 | Capital retention | Expected trend | |
| Profitability | | | | | | | |
| Net Income / Tangible Assets | 0.9% | ba2 | ↑ | ba2 | Loan loss charge coverage | Expected trend | |
| Combined Solvency Score | | ba3 | | ba3 | | | |
| Liquidity | | | | | | | |
| Funding Structure | | | | | | | |
| Less-stable Funds / Tangible Banking Assets | 24.5% | ba1 | ↔ | ba2 | Deposit quality | | |
| Liquid Resources | | | | | | | |
| Core Banking Liquidity / Tangible Banking Assets | 8.5% | b1 | ↔ | b1 | | | |
| Combined Liquidity Score | | ba2 | | ba3 | | | |
| Financial Profile | | ba3 | | ba3 | | | |
| Qualitative Adjustments | | | | Adjustment | | | |
| Business and Geographic Diversification | | | | 0 | | | |
| Complexity and Opacity | | | | 0 | | | |
| Strategy, Risk Appetite and Governance | | | | 0 | | | |
| Total Qualitative Adjustments | | | | 0 | | | |
| Sovereign or Affiliate constraint | | | | Ba1 | | | |
| BCA Scorecard-indicated Outcome - Range | | | | ba2 - b1 | | | |
| Assigned BCA | | | | ba3 | | | |
| Affiliate Support notching | | | | 0 | | | |
| Adjusted BCA | | | | ba3 | | | |

| **Instrument Class** | **Loss Given Failure notching** | **Additional notching** | **Preliminary Rating Assessment** | **Government Support notching** | **Local Currency Rating** | **Foreign Currency Rating** |
|---|---|---|---|---|---|---|
| Counterparty Risk Rating | 1 | 0 | ba2 | - | Ba1 | Ba1 |
| Counterparty Risk Assessment | 1 | 0 | ba2 (cr) | - | Ba1(cr) | |
| Deposits | 0 | 0 | ba3 | - | Ba2 | Ba2 |

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
*Source: Moody's Ratings*

## Ratings

Exhibit 6

| Category | Moody's Rating |
|---|---|
| **CREDIT DU MAROC** | |
| Outlook | Positive |
| Counterparty Risk Rating | Ba1/NP |
| Bank Deposits | Ba2/NP |
| Baseline Credit Assessment | ba3 |
| Adjusted Baseline Credit Assessment | ba3 |
| Counterparty Risk Assessment | Ba1(cr)/NP(cr) |

*Source: Moody's Ratings*

REPORT NUMBER 1474302

## CLIENT SERVICES



| | |
|---|---|
| Americas | 1-212-553-1653 |
| Asia Pacific | 852-3551-3077 |
| Japan | 81-3-5408-4100 |
| EMEA | 44-20-7772-5454 |