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# Annual Report 2019

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# Message from the Chairman of the Board

In 2019 the global economy saw a nearly generalized slowdown, impacted by the decline in growth rate of major industrialized countries. This situation was influenced by the trade tensions between the USA and China, as well as obstacles to finalize Brexit.

Global growth declined by 0.7% to settle at 2.9% in 2019. This is the lowest growth rate recorded since the 2008 financial crisis.

In the national context, the Tunisian economy was strongly affected, with a downturn in growth rate which settled at 1.0% in 2019, vs 2.7% in 2018.

Despite this sluggish growth, the unemployment rate managed to record a decline from 15.5% in 2018 to 14.9% in 2019. Yet this rate remains high, especially for university graduates (27.8% vs 28.8%).

Following the consolidation of the State's own resources in 2019 and a better control of spending, budget deficit reached 3.5% of GDP vs 4.8% the previous year.

Currency reserves saw a clear recovery to reach 19 665.7 MDT i.e. the equivalent of 111 days of imports, vs 14 525.3 MDT in 2018 i.e. 84 days of imports, thanks amongst other things, to the revenue of the tourism sector and olive oil exports.

The recovery of currency reserves in 2019 and the measures taken by the Central Bank in this matter corrected the downward trajectory of the Dinar exchange rate, observed since 2017. Thus, the dinar appreciated by 9.1% to the Euro and 7% to the US Dollar, compared to 2018.

Encouraged by the tightening of monetary policy and by the raising of the key interest rate to 7.75%, the inflation rate was brought down from 7.7% to 6.1% at end 2019.



**Moncef CHAFFAR**  
Chairman of the Board

In this fluid and complex domestic and global context, with the addition of the Covid-19 health crisis, which is going to make 2020 even more critical, Attijari bank is committed to respond to the following challenges:

- Preserve its financial solidity indicators as well as its profitability.
- Maintain the pace of the strategic project for digitalization reaching all entities of the bank.

- Continue its innovation policy and its proximity sales strategy to better meet the needs of its retail and professional clients, by providing adequate support and a wider range of adapted product and services.

- Continue to support the economic structure of the country, by adopting a sustainable development strategy including the various environmental, economic, social and cultural aspects, which follow the principle of civic engagement and contribute to the creation of value, a factor in the national economic development.



# Message from the CEO

In 2019, the growth of the Tunisian economy declined to 1.0% vs 2.7% in 2018.

Indeed, economic growth was affected by the decreased olive oil crop as well as the decline in overseas demand from the Eurozone on exporting manufacturing industries, despite the continued recovery of tourism activity.

Export value increased in 2019 by 7.0% vs 19.1% in 2018 to reach 43 855 MDT, vs 40 987 MDT in 2018.

The growth of imports also decreased to 5.4% vs 20.0% during the previous year, for a value of 63 264 MDT vs 60 010 MDT in 2018.

Despite the economic slowdown, Attijari bank was able to strengthen its position within the banking sector through a proactive approach based on quality.

As such, both loans and deposits respectively grew by 10% and 5.9%, leading to a growth of NBI to 11% compared to 2018.

Attijari bank being aware of the potential of the Tunisian economy, continued to support its Corporate Clients in their projects and daily needs with a large range of offers for advice and financing and a marketing approach based on relationships.

Thus, more than 1000 companies were supported during 2019.

In light of the challenges due to the fragile economic context, Tunisian companies chose to intensify their opening to international markets through the extension of their activities, thus contributing to the development of international trade of the country.



**Said SEBTI**

The CEO

Attijari bank through its African dimension, supports its Corporate customers in its international expansion approach, by offering a gateway to Africa while ensuring full support and expertise throughout the banking business line.

As a partner to the 6<sup>th</sup> Edition of the International Africa Development Forum (FIAD), Attijari bank, continues to support Trade promotion conferences and events in Africa.

2019 was also marked by important actions in terms of digital transformation. An innovative digital offer was implemented, materializing in platforms with a wealth of functions targeting both to retail clients as well as the Corporate segment.

These achievements are the result of the know-how of the Attijari bank teams and their mobilization around the strategic ambitions of the bank.

The result of the above-mentioned performances is translated into a 20.2% progression of the Net Result, which went from 144.9 MDT to 174.2 MDT.

In terms of corporate social and environmental responsibility Attijari bank carried out a large number of initiatives combining performance and responsibility, engaged in the social development of the country and the institution, which create value for all stakeholders.

These actions are structured around the programs that cover the promotion of knowledge, arts, and culture, encouraging an entrepreneurial mindset in young people, environmental protection, and sustainable development.

In 2019 Attijari bank, shone by being awarded the “PROS D'OR 2019”, for the efficiency of its media strategy, through the launch of its “Webank” campaign.

Given the health crisis of Covid-19 and this exceptional context that the world is facing, 2020 is set to be a difficult year.

In this fragile national and international context, Attijari bank shall continue its commitment to its clients by providing support and quality, in an approach to create value.

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# Strategy

## Strategy & Development

2019 witnessed a strong mobilization of the teams around strategic projects, especially in terms of productivity, digital transformation, and business reorganization. This effort was supported by a performance-oriented dialogue between the various Business Units on the ambitions defined within the 2016-2020 strategic plan.

The bank continued its commitment to the Tunisians Living Overseas (TRE) Market and consolidated its share of the Retail market.

Attijari bank worked on promoting its digital bank «Webank» through dedicated digital communication and a mechanism for an improved customer experience.

In line with its commitment to Africa, Attijari bank continued to support its Corporate clients in the framework of their development in Africa.

## Transformation & Strategic projects

The year saw significant progress of the «Excellence 2020» program, supported by the work of the managers in the field and with coordination by the «Transformation & Strategic projects» department in its role as PMO (Project Management Office).

In addition to its coordination role, the «Transformation & Strategic projects» structure carried out a change management program on all areas of the strategic program, in close collaboration with all the Project teams.

In order to ensure the success and sustainability of its transformation plan, Attijari bank set up a steering mechanism based on 2 key factors, namely clear and measurable performance indicators, and a relay role for the managers of the bank.









2742.88

2537.48

2164.48

2135.88

661.12 1704.96

069.12

786.8

802.6



A woman in a business suit is shown in profile, looking down at a smartphone she is holding. The background is a blurred city skyline with several tall buildings. The overall tone is professional and modern.

03

# Highlights & Main Achievements

# Highlights

## Awards



- The «Webank» campaign was a double award winner at the Tunisian advertising awards **«PROS D'OR 2019»**, for the relevance and efficiency of its media strategy and the originality and creativity of its branding.

## Campaigns

- Launch of the TSF (Tunisiens sans frontières - Tunisian without borders) campaign with highlight actions such as: the Attijari Tour, with the presence of sales staff aboard ships and greet staff at the port, and receptions for clients.
- Launch of a new premium «Platinum Mastercard» card.
- The «Champions ليك» campaign in partnership with MasterCard.
- Campaign for data reliability.



## Renovation of branches

Efforts to harmonize the image of the bank throughout its branches continued during 2019.

To this effect, 8 branches have been renovated. In addition, a new branch: «El Golaa» has been launched.

## Events

### Youth, Innovation, and entrepreneurship



- Sponsoring of the event **«HEC Challenge 2019»** at IHEC Carthage.
- Participation in the different events held by ENACTUS and INJAZ Tunisie.
- Participation in the program **«Seeds of entrepreneurs»** during the **«Riyeda»** fair.
- Sponsoring of the **«HACK 4 TRANSPARENCY»** Hackathon, held by the Court of Auditors and the World Bank.
- Participation to a meeting-debate, around the theme **«Open-heart discussion of youth with the Head of the Government»**, held by Enactus Tunisia and the Konrad Adenauer Stiftung.
- Sponsoring of the new concept **«From University»** based on a mobile studio with the radio Express FM in 11 universities in order to promote Webank throughout universities.
- Sponsoring of the AIESEC Tunisia **Startup 2019** conference.
- Renewal of the partnership agreement with CJD.

### Development of the African Dimension

- Participation to FIAD 2019 with a delegation of forty businesspeople and three Start uppers, including one who was showcased.
- Sponsoring of the «**Financing Investment and Trade in Africa**» event (FITA 2019).



## Focus : « FIAD 2019 »

The sixth edition of the Africa Development International Forum (FIAD) held from 14 to 15 March 2019 in Casablanca, under the theme «When the East meets the West» was, again, a wide success this year.

FIAD, which has become the key event for economic and commercial exchange opportunities in Africa, has kept its promises by getting economic operators and political decision-makers together to cover issues related to development in Africa.

Over 2 000 operators from 34 African countries met in Casablanca to hold almost 5 000 business encounters on the margins of plenary sessions. Some of the sectors to have drawn most of the partnership demands are agribusiness, construction, trade, distribution, energy and transport and logistics.



This edition has witnessed the organization of a panel dedicated to the innovating funding initiatives and mechanisms to support women entrepreneurs « Stand Up for African Women Entrepreneurs ». In addition, a panel was held regarding the digital sector as a growth driver in Africa and a development booster for young African Start uppers.

Tunisia was present at this key event of the African economic scene, through the participation of about fifty businesspeople. Specific attention was dedicated to two Tunisian startups that were requested to contribute to exchanging during panels.





## Focus : « FITA 2019 »

On the 5th and 6th February, Attijari bank took part in the Second Edition of the «Financing Investment and Trade in Africa» FITA 2019 International Conference held by the Tunisia Africa Business Council (TABC) in partnership with the Ministry for Development, Investment and International Cooperation, the Ministry of Trade and the Ministry of Foreign Affairs.

The strategic objectives of this conference are to assess the situation of funding, trade and investment, in Tunisia and in Africa, to present funding offers and mechanisms in Africa and establish a field of opportunities and encounters between Pan-African economic development organizations, bankers, venture capitalists, investment funds and experts.

This initiative was marked by the intervention of two high officials from the Attijariwafa bank Group, the development manager at the International Attijari Finances Corp and the development manager at the funding bank at the SIB (Ivorian Bank Corporation). These managers testified of the support provided and the different solutions made available to Tunisian customers who wish to develop their activities at the African level.



### SME Development

- Sponsoring of a seminar organized by the Union of Small and Medium Industries of Tunisia for industrialists in the area of Sfax.
- Forum of the «**Réalités**» magazine, under the theme «**Tunisian Pharmaceutical Industry in the face of the exporting challenges**».
- First Meet-up organized by the Sidi Bouzid business centre.
- Two client receptions held by Attijari bank, in Sfax and Sousse, aiming to establish an exchange with customers and prospective customers.



## Citizen Engagement

- Filming of a video prepared in partnership with **«Tunivisions»**, presenting the testimonials of 3 artisans regarding the role played by the bank in the promotion of Tunisian handicrafts.
- Grant to the Association Tunisienne de la Maladie Coeliaque (Tunisian Coeliac Disease Association).
- Partnership days **«Consummons Made in Tunisia»** (Consume Tunisian goods for our good).
- Sponsoring of the **«International Forum of Digital Health»**, organized by Magazine Réalités.
- Sponsoring of the Second edition of the **«La Saison Bleue»** event.
- Sponsoring of the International Sfax Festival.



## Focus : National Days «Consume Tunisian goods for our good»

The national days «Consume Tunisian goods for our good» were organized, from the 26th to 28th June under the high patronage of the Head of the Government and aims to encourage the consumption of Tunisian products.

It was also recommended to print a unique logo «Made in Tunisia #619» on Tunisian products in order to distinguish them easily from imported products, in addition to teaching the culture of consuming Tunisian products in schools, starting from the next school year 2020-2021.

This first edition witnessed the participation of about 150 exhibitors representing different sectors from the local industry.

«The consumption of local products shall enable the Tunisian economy to jump forward, to improve its growth rate and attract investment» indicated the Minister of Industry and Small and Medium Enterprises, Slim Feriani



# Business activity

## Retail Banking

### Restructuring of the Marketing Department

In order to support the digital transformation project of Retail Banking and the change in behavior of customers, which mainly aims to reinforce the orientation of customers while diversifying distribution channels, two dedicated structures have been put in place:

- Strategic marketing now positioned upstream and in support of the Professionals, Tunisians Abroad and Enterprises markets, within Retail Banking. The objective is to focus more the customer approach and establish innovation as an axis for differentiation.
- Operational marketing essentially meant to develop the different Retail Banking markets, in particular for the design and continued improvement of the products and services offer.

### Reinforcing the offer of products

#### Products for «Individuals & Professionals»

##### Attijari bank reinforces its range of bank cards

Attijari bank continued its policy which aims to promote decashing, by diversifying its range of bank cards all categories combined.

For its VIP customers, Attijari bank has launched the Platinum card in an innovative version. A Dual card to be used both for operations in dinars as well as in foreign currency.

The Platinum card offers to its holder a range of benefits in terms of insurance at the local and international level.

Attijari bank, as a pioneer in the field, has also signed partnership agreements favoring access to basic banking services, through the use of prepaid cards.



### Attijari bank invests in proximity services

In order to better know its customers and better serve them, Attijari bank has launched a large-scale loyalty action. Awareness tools have been deployed in the whole network of the bank and field events were organized at ATMs for the holders of Attijari bank cards.

In order to provide a better service, a chatbot has been put in place in order to encourage customers to improve the reliability of their contact details.

### **Products for « Enterprises »**

#### Attijari bank, support to the managers of service stations

The bank has set up for the managers of service stations a global offer designed in order to offer them a complete range of products and services adapted to their needs.

Thus, in the framework of this offer, they have been granted exemptions in terms of fees, as well as a customized service.

#### Attijari bank perfected its flow management platforms

Attijari bank, always in touch with its customers, offers them new features for its Cash Management solutions with more convenience and flexibility, through:

- A new version of the Attijari Cash Management platform, allowing a centralized management of all local transactions in dinars, including unitary transfers, edition, top-up, and debits on prepaid cards. This new version also meets specific needs identified by all our Enterprise customers.
- A new version of Attijari Online Trade made more secure through the implementation of a virtual keyboard during access, and more flexible by easing the validation procedure.

#### Attijari bank in line with the regulator

In compliance with the government policy, Attijari bank has reinforced its catalogue of products and services by putting in place of a new type of bank account in foreign currency dedicated to resident company labeled a «Start Up».

## A full-scale sales dynamic

### **Retail Market**

The retail market has strengthened its achievements with a progress of resources by 7% and 59 000 new customers. The mobilization of resources represents, in 2019, 59% of those of Retail Banking. As for the lending activity, despite the increase in TMM (money market rate) from 7.24% in January to 7.81% in December 2019 with a high of 7.9% in March 2019, housing loans have represented about 90% of loans to individuals.

The year has been marked by innovation with the launch of the Platinum card. This offer has enabled the bank to support its approach to develop and be positioned on the Prestige/Privilege customer category.

In addition, from a proximity perspective, two major axes have marked 2019, that is customer retention and the development momentum.

### **Very Small Enterprises « VSE » Market**

The bank confirmed its strategic interest in the Very Small Enterprises Market through an important presence on the field, by participating in key events bringing together professionals and small enterprises.

### **SME Market**

The Small and Medium-sized Enterprises Market has witnessed a development of 22% of its customer portfolio, based on:

- Efforts in the field of sales events and prospects.
- Quality support, with a dedicated relationship manager and an appropriate assistance put in place.
- Reinforcement of cross-selling actions with the different professions and the branches of the bank.

Throughout the year, with an increased presence in regions, the bank massively took part in economic events, in order to get closer to enterprises and following the development of the different sectors.



### Tunisiens Sans Frontières «TSF» Market

2019 has been characterized by the net improvement of acquisition of the inflow of Tunisiens Sans Frontières (Tunisians Without Borders), thanks to a field campaign that allowed the positioning of the bank with these target customers.

A press conference launched a support and welcome program for Tunisians coming from abroad.

For 20 days, a mobile branch covered all of Tunisia with a focus on regions with a high concentration of TSF.

Open days were organized in target areas, ensuring thus a special welcome to potential customers and TSF.

The year 2019 witnessed the signature of several exclusive partnerships translating the will of the bank to be a first rank player in terms of development of the Tunisians abroad market in their country of residence.

The pre-arrival campaign was marked by the signature of a partnership with the GNV navigation company, in order to have some members from the sales team of the bank on board of the car-ferries during the Genoa-Tunis trips to advise and guide Tunisians Living Abroad traveling on the ships.



## Digital Bank

In the framework of its strategic plan «Excellence 2020», Attijari bank established digitalization as one of its major axes, aiming to:

- Optimize and streamline interactions with customers, for a better commercial efficiency;
- Upgrade the transactional tools and platforms to absorb additional flows, based on best practices for operational effectiveness;
- Acquire a position as a reference actor for innovation on the national banking scene and become a true driver for digital culture.



## The Finance Bank

Attijari bank is part of the small circle of banks on the market to have a Project Finance structure and syndicated loans, in line with its policy to consolidate the process of creating value for their corporate customers.

The bank supported several first rank economic operators in obtaining the needed financing, through:

- The syndication of MLTL (Medium and long-term loans), acting the arranger, lender, and credit agent,
- Or assistance in preparing Project Finance applications, in particular those related to renewable energy.

## The Transaction Bank

The year was marked by the launch of the «US Visa Fees» service, exclusively through the Attijari bank network.

The bank also reinforced its position on the «Encaisse Valeurs» service through a new version of the «Cash management» unit. The main objective is to offer Enterprise customers with a high volume of checks benefits in terms of time and treasury.

2019 was also the year for the reinforcement of electronic payments in mass distribution and the rollout of ATM equipment for enterprise customers.

The strategy to improve the features of electronic platforms was continued, thus offering a world class customer experience.

Through the «Trade» entity, the bank accompanied a delegation of 40 entrepreneurs to the 6th edition of the Africa Development International Forum under the theme: «When the East meets the West» and held in Casablanca on the 14th and 15th March 2019.

The Forum is a true opportunity to develop trade and investment flows between customers of the different subsidiaries of the Attijariwafa bank Group.

2019 was also marked by the free registration of all customers operating at the international level on the Africa Development Club platform. The Club integrated the «Trade Club Alliance» initiative in October, an international network grouping 14 partner banks from Europe, Africa, Asia, and America, supporting enterprises in their trade activities at the international level.

This digital platform, grouping more than 16 000 member enterprises covers to date, through the interfacing of platforms of the network of banks, 65% of international trade corridors and 46 countries.

## The Investment Bank

### Capital Market

2019 was characterized by an abundance of liquidity in foreign currency on the Foreign exchange market enabling the Tunisian Dinar to pick up versus 2018 and to close the year with a positive progress of +8.2% and +7% respectively to the Euro and US Dollar. As for the money market, the TMM (money market rate) went from 7.23% to 7.80% with a peak of 7.90%.

The expertise of the capital markets teams made it possible to advise and support the Attijari bank customers while consolidating the weight of capital markets in the bank's NBI.

### Custody

Custody launched in 2019 the distribution of securities services for local institutional customers, targeting Insurance Companies and Corporate customers. This new product allows investors to increase their assets in order to improve their remuneration on the Market, by challenging stock quotes negotiated by stock exchange intermediaries, in a logic of separation of professions.

Custody confirmed, in 2019, its position as an innovative custodian on the Tunisian Market. 3351 million Dinars were registered as assets in conservation.

# Performance & efficiency

## Customers Services & Handling

In support to the actions of the Enterprise information systems within the strategic program «Excellence 2020», a reengineering of processes and a reorganization of tasks were put in place in 2019. These initiatives have had a significant impact regarding the performance of processing operations requiring specialized qualification and expertise.

The improvement of service Quality and the grounding of good practices were important leverages to reach the desired level of excellence.

The Customers Services & Handling and sales teams contributed, with other entities of the bank, to ensure a successful customer experience through the establishment of committees dedicated to drive the indicators related to service Quality and compliance with agreed deadlines.

- **Customers Services & Handling / Network Committee**

Meeting to exchange and commit to implement good practices for the improvement of services provided to customers while complying with regulations in force.

- **Customer Relation Committee**

Analysis of registered feedback and claims for the implementation of the adequate corrective actions.

- **Customers Services & Handling Performance Committee**

It drives most indicators enabling the measuring of end-to-end customer process performance.

## Operational Organization & Efficiency

The Operational Organization and Efficiency unit greatly contributed to the different professions in the framing and launching of this project portfolio. A number of structural projects marked the year, such as:

- The **GRO** project, aiming a better control of operational risks.
- The recovery mechanism and preparation of the implementation of a new platform for better efficiency.
- The performance measuring mechanism to be rolled out throughout 2020.
- The launch of the archives restructuring project, in particular with a high-profile operation in branches and business centers.
- The launch in 2019 of the project for the bank's information system upgrade called «**Imtiyez**».

## IT & Information System

### Cyber security

The 2019 fiscal year was full of projects and actions on the themes of information systems security. They included :

- Launch of the implementation of the Attijari Tunisie WSIS: it is a security Update program through the Attijariwafa Group. It is led by the Group following international norms and standards. The program covers the security of information systems on three axes (governance, cyber resilience, monitoring and supervision);
- Launch of an awareness program for the staff of the bank on security and cybercrime risks;
- Cleanup of access for applications through the implementation of a periodic review and monitoring process;
- Management of operational risks incumbent on the Information Systems Department and establishing action plans for the measures to be put in place in order to process identified risks.

### Computer Research & Development

2019 was mainly marked by the contractualisation of the upgrade Amplitude Up project, called « Imtiyez » and the official launch in December 2019. In addition to the closing and feedback of the IS architecture mission.

Other projects deployed during 2019 and for which cyber security is the centerpiece:

- Customized solutions: SOCOGES delivery men, USA VISA fees;
- Evolution of corporate platforms: OLT and CASH MANAGEMENT;
- Loan management and alerts in Webank;
- Implementation of a consumer loan scoring solution;
- WU-AML Interface for the control of money-laundering;
- Deployment of a new HR assessment system;
- Integration of the WS BCT in our applications (IDC, ...);
- Upgrading ANADEFI;
- Implementation of the rejection of non EMV transactions on our ATMs;
- Deployment of ATM ACCESS FEES;
- ACS (Access Control Server): authentication of card payments with an OTP (One Time Password).





## IT Production

In 2019 infrastructure projects were mainly focused on the sustainability and securing IT infrastructure assets, these were the following:

- Deployment of regulatory updates to SWIFT Release Swift 2019;
- Set-up of a new platform “Attijari Intermédiation”;
- Extension of the data backup solution and acquisition of a new VTL;
- Preparation for migration to Windows 10 of workstations.
- Acquisition and implementation of a Solution for Planning and management processing of IT Production;
- Update of the unified communications solution (Version 8).

## Quality

The bank continued to work on the consolidation of services provided to customers. This ambition was translated into the continued efforts for the optimization of processing times and improved processing/decision-making. Thus 2019 saw the launch of multiple initiatives aimed at improving customer experience, both internal and external.

With this in mind, an internal customer satisfaction survey was carried out for the first time in 2019. This survey led to the implementation of the necessary corrective actions to allow improved service quality for bank staff and to consolidate their sense of belonging.

External customer satisfaction was not forgotten / overlooked, as multiple initiatives were also launched with the aim of improving service quality. One of these major projects was client complaints. Major collaborative teamwork was carried out by the various units concerned, on the aspects of client uptake, processing times, relevance, and clarity of the response.

Similar initiatives were carried out notably on credit notification deadlines and availability of ATMs and led us to observe a progression of performance indicators as well as positive feedback in terms of customer experience.



## External Communication

### 01 **A more and more digital communication with customers**

To be closer to its clients, the bank adapted its communication and diversified its channels by integrating more digital.

In addition to a strong presence on the internet and social media, all branches have been fitted with dynamic display screens to allow customers to have interesting and updated information regarding services of the bank, foreign exchange, Stock Exchange, ...

Innovative campaigns, increasingly present on social media, have been launched to promote the products and inform customers of the major events that the bank took part in.

### 02 **Targeted and multi-channel communication**

In order to directly reach the different targets, the communication campaigns have been executed on all channels: social media, the web, and mainstream media, as well as events. The true illustration is the campaign dedicated to Tunisians Living Abroad displayed, in addition to digital and mainstream media, a rich events program through a road trip in all the different regions of the country as well as a series of fruitful meetings with this target in the regions.

### 03 **Active participation to major economic events**

The bank has partnered on several major economic events in different fields such as the national days «Consume Tunisian goods for our good», which aims to encourage the consumption of Tunisian products, and the FITA 2019 Forum, aiming to boost Tunisian enterprises on the African level.

### 04 **Gatherings in honor of customers**

Attijari bank organized a series of gatherings in honor of their customers in regions. The Directorate General as well as the teams from the different departments traveled to Sousse and Sfax to get in touch with customers. These gatherings express the commitment to proximity and the engagement of Attijari bank with its customers, namely by supporting their development projects in Tunisia, in Africa and in the world. A strong moment of exchange and sharing.

## Compliance

2019 was marked by the consolidation of the compliance mechanism by putting in place new diligence measures to comply with regulatory requirements mainly in terms of fighting money laundry and financing of terrorism.

Indeed, the compliance mechanism was reinforced over several axes:

- ▶ **Fighting Money Laundry:** The implementation of new procedures regarding customer insight and the identification of the beneficial owner at the initiation of a relationship as well as the implementation of an AML platform reinforcing vigilance towards customers and transactions.
- ▶ **Personnel Training:** Rooting compliance culture at all levels in order to enable the personnel of the bank to acquire the competences and reflexes required to exercise their functions.

Indeed, the compliance department provides continuous training in Attijari Académie as well as regional training campaigns for personnel in the network, in the framework of the employee education to regulatory requirements in terms of anti-money laundering in order to protect the bank from risks.

In addition, a remote training is provided for all personnel in the bank, through an E-Learning platform.

- ▶ **Good governance:** Reinforcing diligence measures at all levels within the bank and implementation of the AML-FT program (Fighting money laundering and Financing of Terrorism) in branches in terms of training and vigilance regarding customers and operations.
- ▶ **Regulatory Compliance:** The active participation in the compliance of new products; The updating of customer information sheets & the AML-FT Procedures Manual; Assistance and support to the different structures of the bank in order to guarantee that activities fall within the strict compliance with rules and good practices in the industry.
- ▶ **FATCA Statement:** The bank put in place all required diligence measures to implement the CRS (Common Reporting Standard) norm and successfully complete the statements within the FATCA (Foreign Account Tax Compliance Act) regulations in compliance with national legislation and the bilateral protocol for tax transparency between the State of Tunisia and the United States of America.

## Deontology

2019 was mainly marked by the launch of the Code of Insiders, in compliance with a legal requirement in relation with the Decision of the Minister of Finance, dated 28th March 2017, regarding the fight against misconduct in the Financial Market.

The provisions of this code aim to offer staff members with sensitive roles a preventive and safe framework for action to execute their operations. This is particularly important, in terms of the internal as well as the external environment, for the following reasons:

### Externally:

- Formalizing clear ethical rules to gain and keep the trust of customers and stakeholders on the Financial Markets, particularly as Attijari bank is the first bank to launch such a code and integrate it within its routine practices, in alignment with international standards.
- The sensitivity of Financial Markets to problem behaviors (insider trading, conflict of interest, price manipulation, ...) is increasingly acute.

### Internally:

- «Permanent Insiders» are in majority senior management members of the company. Thus, they have a duty to set an example in terms of deontology for all staff members.
- This code meets the regulatory requirements establishing deontological rules to avoid insider trading, conflict of interest and to ensure compliance with principles of fairness, transparency, integrity on the Market and to preserve the interest of customers.

## Logistics & Bank Security

In the framework of the compliance of branches with the graphic design of the AWB group, the improving of working conditions, the quality of the internal environment for staff members and the improving of the material and electronic security provisions, the year was marked, on one hand, by:

- Construction works in 8 old branches;
- Provision of all branches in the network with surveillance cameras and provision of security agents for the remaining branches.

On the other hand, in the head office and central offices:

- Completion of construction works in the « La Goulette » building;
- Setting up an « Innovation Lab » for Start uppers.

As for the energy saving project within the Corporate Social Responsibility, the following actions have been put in place:

- Relamping with LED lights in 28 branches and the launch of a pilot display in the head office;
- An external energy audit mission targeting energy-intensive points in the head office building, in particular the Data Center.

## Subsidiaries

**Attijari Leasing**



In terms of activity, Attijari Leasing has maintained a market share of more than 13% with a level of MEF at 205 MD, reaching, for the year 2019, PNL of 17.7 MD down 4.6% compared to 2018.

In addition, in compliance with the strategic plan of Attijari Leasing, 2019 was also marked by the implementation of the following structuring strategic projects:

- Consolidation of the group synergy axis, ensuring now 32% of the production of Attijari Leasing;
- Finalization of the digitization project of its financing process, in parallel with the updating of its dynamic site web;
- Implementation of the internal rating project within the framework of reinforcing and improving of counterpart risk management process;
- Launch the implementation of a dynamic operational risk management module;
- Implementation of an AML-FT risk management tool in compliance with legislation in force.

Among the Highlights of the year:

- Improving by the rating agency, Fitch Ratings, of the rating of Attijari Leasing by one grade going from «BB+ (tun)» to «BBB- (tun)» with a stable outlook on the long term.
- Renewing the ISO 9001 V 2015 norm certification.



**Attijari Gestion**

Despite a difficult context of outstanding outflow for OPCVM (-7.1%) at 3 675 MTND in December 2019, Attijari Gestion recorded a strong increase of 18.1% of its managed assets at 199.8 MTND thus allowing it to be ranked first in terms of collection among the twenty-eight local OPCVM managers with additional assets of 31.3 MDT.

Thanks to a reinforced synergy with Attijari bank, Attijari Gestion accounts for a market share of 5.3% in 2019 (vs. 4.2% in 2018).

- **ATTIJARI OBLIGATAIRE SICAV**

Established in May 2000, ATTIJARI OBLIGATAIRE SICAV, SICAV obligataire managed by Attijari Gestion, is an investment favoring security by offering its customers a stable return against a reduced risk. Attijari Obligataire SICAV ends the year 2019 with a return of 5.6% (vs. a return of 4.9% the previous year) and net assets of 130.2 MTND representing an increase of 8.6%.

- **ATTIJARI FCP CEA**

The mutual fund ends the year 2019 with a return of 1.0% outperforming the return of Tunindex (-2.1%). Its net assets recorded an increase of 84.3% at 46.1 MTND.

- **ATTIJARI FCP DYNAMIQUE**

The mutual fund achieved a return at 0.4% for 2019 outperforming the return of Tunindex (-2.1%) and ending the year with a stock of 19.5 MTND.

\* « Physiognomy of OPCVM as of 31.12.2019 », source CMF.

**Attijari Finances Tunisie**

During the year 2019, Attijari Finances reached a turnover of 1 344 450 DT.

On the national level, it was able to finance and close three major strategic operations. In fact, Attijari Finances successfully assisted Attijari bank in the framework of transferring its participations in the capital of its subsidiary Générale Tunisienne de l'Informatique (GTI). It also closed two acquisition operations on behalf of two Tunisian first order groups in the sector of aviculture and agribusiness.

On the international level, Attijari Finances assisted a French company operating in the sector of information technologies and communication in the framework of opening its capital and an Egyptian company operating in the sector of renewable energy in the framework of opening its capital to a strategic investor.

On the segment of market activities, Attijari Finances assisted Attijari Leasing in the framework of its bond issue for 20 MDT.

In addition, ten major operations are under execution, including three privatization mandates in support of the State of Tunisia: five mandates for fundraising on behalf of major Tunisian groups, an initial public offering as well as assistance for a Tunisian industrial group in the framework of its external growth strategy in sub-Saharan Africa.

## **Attijari SICAR**



The year was characterized by an important development of investments executed. Thus, the Attijari Sicar portfolio was reinforced with new high development potential participations.

In this framework, Attijari Sicar continued its mission to finance and assist enterprises, by executing 11 new investments mainly oriented to the industrial sector and the service sector, with a breakthrough on the renewable energy sector. Thus, the stock of investments progressed by 36% in 2019.

In terms of venture capital raising, the stock of funds managed recorded an increase of 47% in comparison with 2018, mainly thanks to the support and engagement of Attijari Group for investment.

In terms of profitability, Attijari Sicar was able to diversify and develop its operating revenue, thanks to the development of the fund management activity and the reinforcement of investment monitoring, thus recording a noticeable increase of the net profit compared to the year 2018.

In addition, and in the framework of the implementation of a joint investment strategy with the Attijari Group and in order to develop its engagement in relation to the ecosystem of «startups», Attijari Sicar took part in the launch of the event «Investor Academy» in its 1st edition. It defined its offer regarding the financing and assistance of startups, in order to be positioned on the market.

In parallel, in the framework of the development of its relational network, in order to develop the notoriety of the Attijari Group as a major Pan African group, Attijari Sicar participated in «Invest for Growth in Africa», the 1st Conference of the Club Africa of France Invest, which created opportunities for partnership with major financing actors in Africa.

**Attijari Intermédiation**التجاري للوساطة  
Attijari Intermédiation

The Tunis Stock Market closed the year 2019 on a negative note. The TUNINDEX showed a decrease of 2.06% against an increase of 15.76% in 2018 and 14.4% in 2017. The TUNINDEX 20 recorded a decline of 3.70%.

The global volume of exchange on the whole market registered a fall of 12.2% in 2019 to reach 3 367 MDT against 3 837 MDT in 2018. The volumes on-exchange represented 47% of exchanges, 7% off-exchange and 46.8% for registration operations.

On-exchange, the volume dropped in 2019 by 37%, as a result of a decrease of 31% on the electronic quotation and 58% for debt securities

Off-exchange, the volume of registration operations and reporting increased by 35%.

The Stock Market contributed to finance the economy by raising the amount of 885 MDT (against 603 MDT in 2018) distributed between 580 MDT for capital transactions (against 129 MDT in 2018) and 280 MDT for bond issues (against 451 MDT in 2018).

In this context, Attijari Intermédiation managed to be positioned (3rd place) in terms of volumes exchanged on-exchange. It closed the year 2019 with a market share of 10.8% corresponding to managed volumes of about 343 MDT.

Registration operations executed by Attijari Intermédiation positioned the company at the 7th place, i.e. an increase in volume of 22%.

Attijari Intermédiation undertook the distribution and successful closing of the Attijari Leasing bond for an amount of 20 MDT.

In addition, the «Analysis & Research Department» of Attijari Intermédiation continued to covert the Tunisian financial market on behalf of Attijari Global Research (AGR), subsidiary of the Attijariwafa bank Group. In addition to daily publications, AGR published the Second Edition of its macroeconomic note related to the Finance Bill draft, under the title « Finance Bill Draft 2020 – A text

for the transition period», as well as the Second Edition of the Confidence Index of Investors and the Market Risk Premium.

Finally, 2019 was also marked by:

- The reinforcing of the synergy with the network of the bank.
- The participation of Attijari Intermédiation in the Investia Enterprise program.
- The management of the reform of its information system for a better Service Quality.
- The consolidation of the internal control mechanism and security norms.

**GénéralLe Tunisienne de l'Informatique « GTI »**

The main strategic solution packs:

- Digital Banking (E-Banking, E-Crédit, E-Bourse, E-Trade);
- Arena Portal;
- Agora Bourse.

**Attijari bank Tunisie**

- Implementation of the Arena Recovery solution (amicable and judicial);
- Participation in the Delta Up Grade.

**Groupe AWB**

- Implementation of the data base of defects and integration of the internal rating solution ANADEFI at the subsidiaries in Togo, Mauritania, and Mali;
- Update the IDC system at Attijariwafa bank Egypt;
- Signature of a service agreement with Attijariwafa Europe for assistance on the «Up Amplitude» activities and update of their information system.

**3. Activities and actions executed «Other Customers»**

- E-Banking: Production rollout of mobile banking for a Tunisian bank;
- Arena Disputes: Production rollout for a local bank.



A person in a dark suit is shown from the side, holding a transparent ruler. The background is a composite image showing a city skyline and mountains under a bright sky. The page number '04' is positioned above the main title.

04

# Activity & Results



## Attijari bank in Figures

### Key Figures

INDICATORS ( in millions of dinars )	2019	2018	2017
<b>ACTIVITY</b>			
Customer deposits	7 160,7	6 760,8	6 001,6
Loans and advances to customers	5 714,7	5 440,2	5 206,7
<b>CAPITAL BASE</b>			
Total balance sheet	9 310,5	8 568,6	7 818,2
Share capital	203,7	203,7	198,7
Equity	720,3	635,5	538,1
<b>RESULTS</b>			
Net banking income	484,2	436,4	361,9
Overhead expenses	220,3	204,9	171,8
Gross Operating Income	263,9	231,5	190,1
Net Income	174,2	144,9	129,8
<b>RATIOS</b>			
Return on Equity ( ROE ) (%)	31,90	29,54	31,77
Return On Assets ( ROA )	1,87	1,69	1,66
Operational ratio (%)	45,5%	46,9%	47,5%
Deposits / Stock ( In millions of dinars )	4,17	3,91	3,44
Loans to customers / Stock ( In millions of dinars )	3,33	3,14	2,98
<b>STOCK MARKET INDICATORS</b>			
Share price as of December 31 <sup>st</sup> ( in TND )	32,690	41,000	36,400
Profit per share ( in TND )	4,276	3,557	3,264
Price Earnings Ratio ( PER )	7,646	11,526	11,151
<b>MEANS</b>			
Bank personnel	1 717	1 730	1 745
Network	207	207	207

## Bank Activities

### Customer deposits

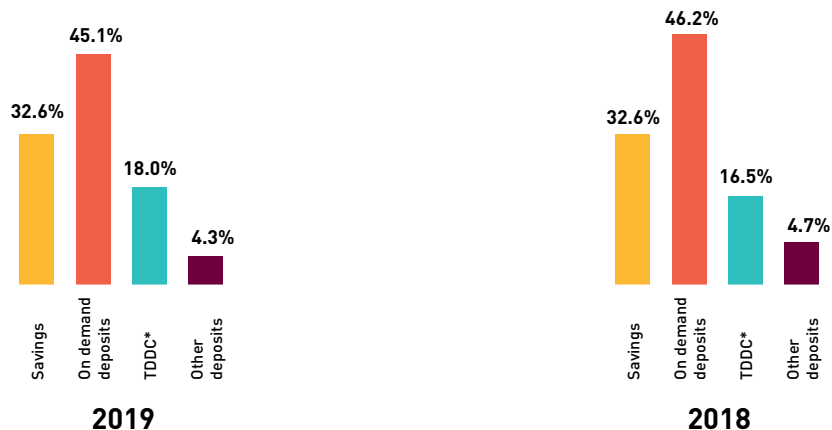
At end 2019, customer deposits grew by **5.9%** i.e. an increase of **399.9 MtnD**, growing from **6 760.8 MtnD** to **7 160.7 MtnD** as of 31/12/2019.

( in MtnD )	Dec-19	Dec-18	Variation in MtnD	Variation in %	Dec-17	Variation in MtnD	Variation in %
<b>Customer deposits and assets</b>	<b>7 160,7</b>	<b>6 760,8</b>	<b>399,9</b>	<b>5,9</b>	<b>6 001,6</b>	<b>759,1</b>	<b>12,6</b>
Sight deposits	3 228,1	3 123,1	105,0	3,4	2 692,5	430,5	16,0
Savings	2 335,4	2 201,1	134,3	6,1	1 997,7	203,4	10,2
Term deposits	1 159,1	982,5	176,6	18,0	988,4	-5,9	-0,6
Certificates of deposits	133,0	134,5	-1,5	-1,1	56,5	78,0	138,1
Other deposits	305,2	319,7	-14,5	-4,5	266,5	53,1	19,9

The evolution of deposits in 2019 can be explained mainly by:

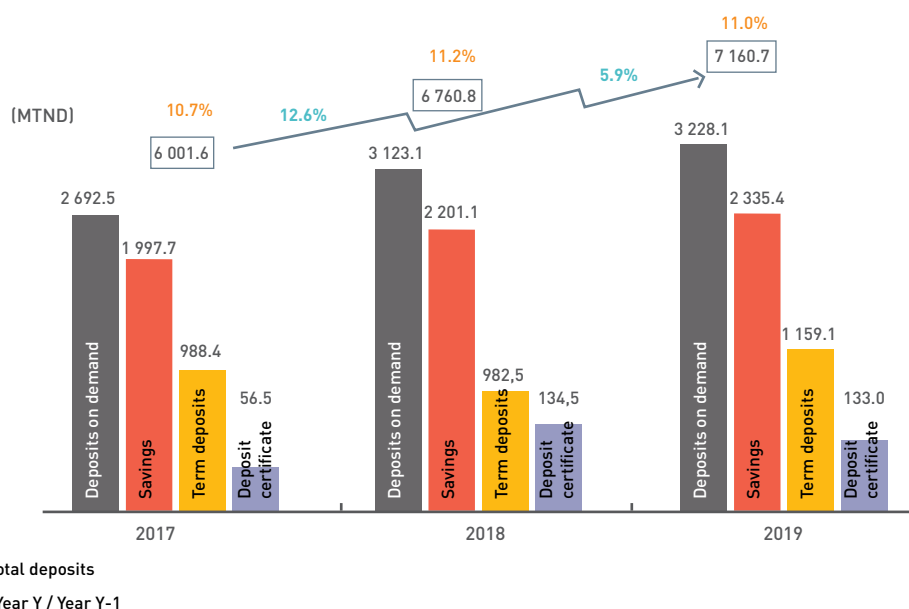
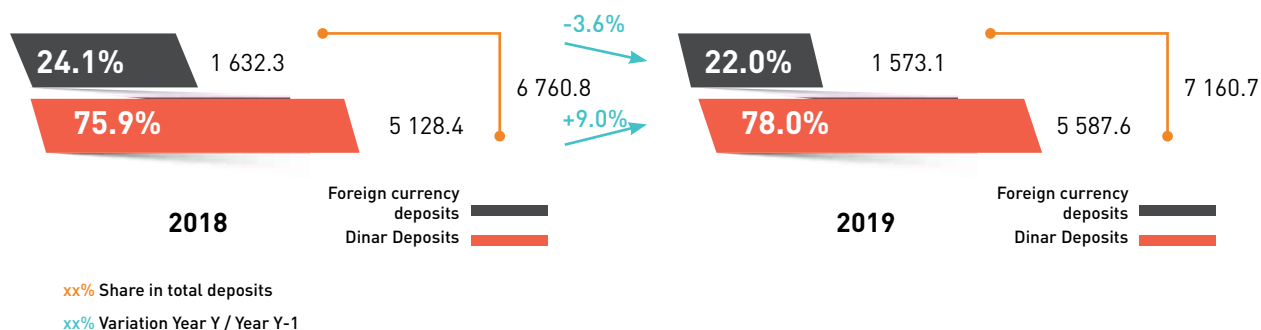
- An increase of **3.4%** sight deposits to reach **3 228.1 MtnD** at end 2019 vs **3 123.1 MtnD** a year before, i.e. an increase in volume by **105.0 MtnD**;
- An increase of **6.1% (+134.3 MtnD)** of savings deposits growing from **2 201.1 MtnD** as of 31.12.2018 to **2 335.4 MtnD** as of 31/12/2019;
- An increase of term deposits of **18%** to settle at **1 159.1 MtnD** at end 2019;
- A decline of **1.5 MtnD** in certificates of deposits, going from **134.5 MtnD** at end 2018 to **133.0 MtnD** as of 31/12/2019.

#### Structure of customer deposits



\* TDDC: Term Deposits and Deposit Certificates

The foreign currency deposits volume decreased by **-3.6%** in 2019 compared to the previous year. The distribution of deposits by type of currency is broken down as follows:



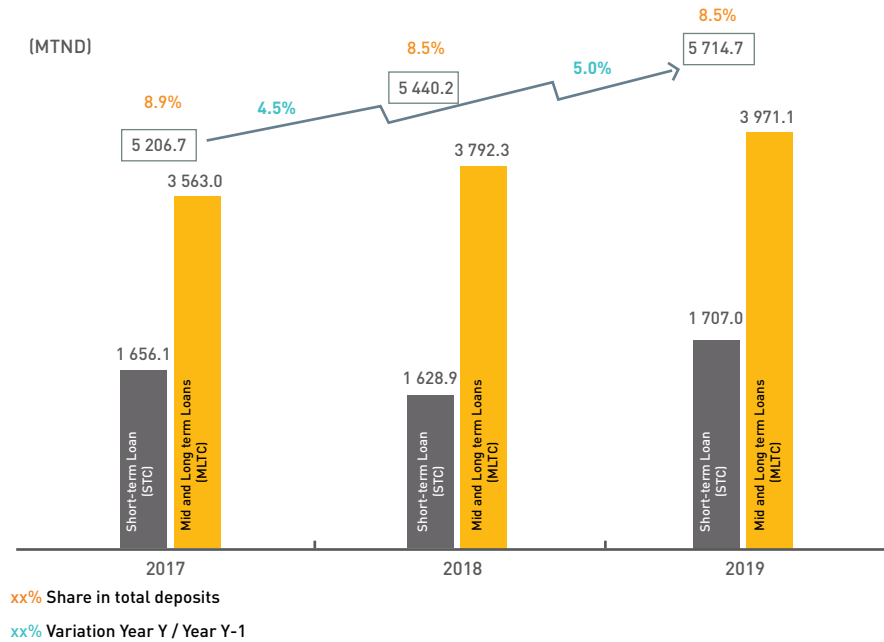
Market share calculated on the basis of the indicators of the following banks (BIAT, Amen Bank, BT, UIB, UBCI, ATB, STB, BNA and BH).

## Gross lending

As of 31/12/2019, the bank had reached a global outstanding portfolio of **5 714.7 MtnD** vs **5 440.2 MtnD** i.e. a **5.0%** progression compared to the 2018 fiscal year.

	Dec-19	Dec-18	Variation		Dec-17	Variation	
[in MTND]			in MTND	in %		in MTND	in %
<b>Gross customer loans</b>	<b>5 714.7</b>	<b>5 440.2</b>	<b>274.5</b>	<b>5.0</b>	<b>5 206.7</b>	<b>233.4</b>	<b>4.5</b>
<u>Including</u>							
<b>Short term credits</b>	1 707.0	1 628.9	78.1	4.8	1 656.1	-27.2	-1.6
<b>Medium and long term credits</b>	3 971.1	3 792.3	178.7	4.7	3 563.0	229.3	6.4

This growth is mainly due to the increase in medium and long-term credits by **178.7 MtnD (+4.7%)**. Short-term credits rose by **78.1 MtnD (+4.8%)**.



Market share calculated on the basis of the indicators of the following banks (BIAT, Amen Bank, BT, UIB, UBCI, ATB, STB, BNA and BH).

## Signature commitments

The volume of signature commitments has increased by **19.1%** to reach **924.7 MtnD** at the end of the year 2019.

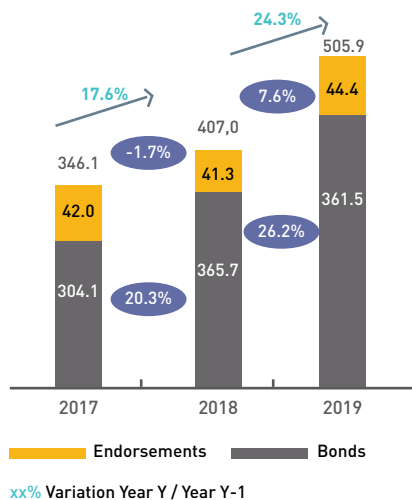
Documentary credits increased by **49.6 MtnD** i.e. **+13.4%** going from **369.2 MtnD** in 2018 to **418.8 MtnD** in 2019.

This variation is explained by the respective increase

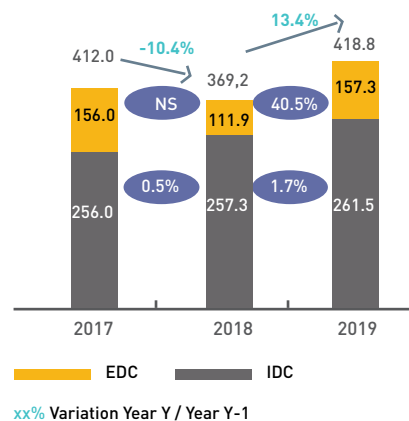
in the volume of export documentary credits by **+45.3 MtnD** and import documentary credits by **+4.3 MtnD**.

Endorsements increased by **7.6%**. In parallel, bonds also increased by **26.2%**

Signature engagements are represented in the graph below:



### BONDS & ENDORSEMENTS



### DOCUMENTARY CREDITS

## Borrowings and special resources

Outstanding borrowings and special resources decreased by **16.7%** reaching **179.5 MtnD** at end 2019 vs **215.3 MtnD** a year before. This decrease is mainly due to the redemption of bonds.

## Securities portfolio

The outstanding trading portfolio stands at **143.6 MtnD** at end 2019 vs **150.3 MtnD** a year before.

The investment securities portfolio totalled as of 31 December 2019 an amount of **968.0 MtnD** vs **803.6 MtnD** at end 2018.

## Equity

Equity for the year 2019 stand at **720.3 MtnD** vs **635.5 MtnD** in 2018. i.e. an increase by **13.3%**.

## Capital Assets

The depreciated capital assets witnessed a decrease of **-5.2%** reaching **123.0 MtnD** at end 2019 vs **129.7 MtnD** at end 2018.

## Attijari bank market share

	Outstanding dec-19 in MTND	Development 2019 / 2018	Sectori development	Market share <sup>1</sup>	
				2019	2018
Customers' deposits and assets	7 160.7	5.9%	8.3%	11.0%	11.2%
Savings	2 335.4	6.1%	6.8%	11.9%	12.0%
Overnight deposits	3 228.1	3.4%	4.1%	13.4%	13.5%
Disbursement Credits	5 714.7	5.0%	4.2%	8.5%	8.5%
Interest margin	251.7	24.9%	22.7%	9.1%	9.3%
Margin on fees	110.8	4.4%	10%	10.9%	11.5%
Net banking income	484.2	11.0%	14%	9.9%	10.2%

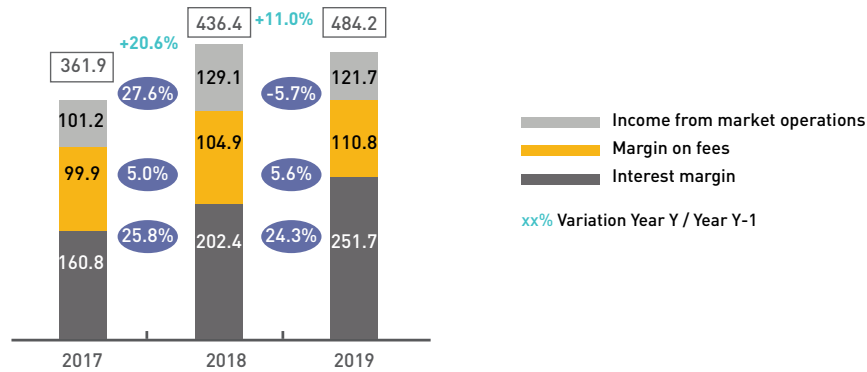
<sup>1</sup>Market share calculated based on the indicators of the following banks (BIAT, Amen Bank, BT, UIB, UBCI, ATB, STB, BNA and BH).



## Results of the activity and its development

### Net banking income

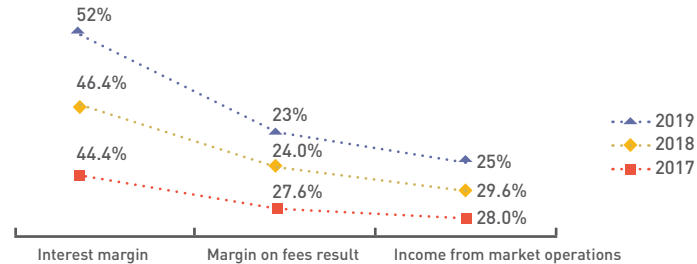
Net banking income reached at end 2019 **484.2 MtnD** vs **436.4 MtnD** in 2018 thus registering an increase of **11%**.



This development mainly led to:

- The increase of Interest and other similar income by **21.1%**.
- The growth of Incurred interests and other similar expenses by **18.7%**.
- The increase of fees received by **7.5 MtnD** reaching a volume of **121.6 MtnD** vs **114.1 MtnD** in 2018.
- The decrease of the result on market operations by **-5.7%**.

Developments structure in NBI:



### General operating expenses

At the end of 2019, general operating expenses increased by **7.5%** reaching **220.3 MtnD** vs **204.9 MtnD** in 2018.

An increase in staff costs (**64% of costs**) and operating costs (**31% of costs**) respectively by **7.8%** and **8.3%**.

The operating ratio, including the depreciation charges, improved, going from **46.9%** on 31/12/2018 to **45.5%** as of end December 2019.

### Net Income

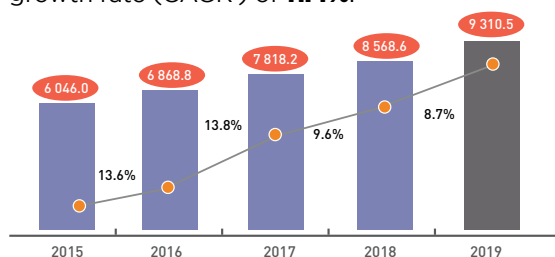
The gross operating income (GOI) has increased by **14.0%** going from **231.5 MtnD** in 2018 to **263.9 MtnD** in 2019.

The year 2019 saw a Net Income of **174.2 MtnD** vs **144.9 MtnD** in 2018 i.e. an increase of **20.2%**.

# Performance evolution over the past five years

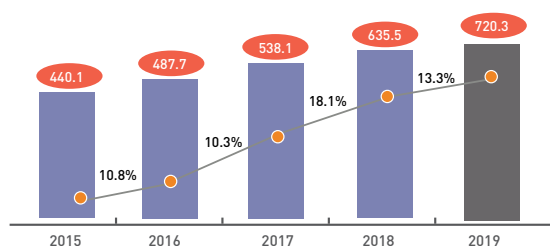
## Total balance sheet

At end 2019, the balance sheet totals **9 310.5 MtnD** vs **6 046.0 MtnD** end 2015. i.e. a compound annual growth rate (CAGR<sup>1</sup>) of **11.4%**.



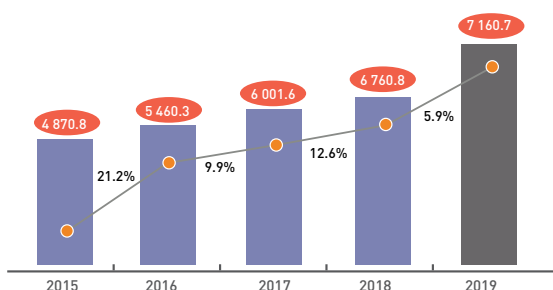
## Equity

The equity of the Bank shows a CAGR of **13.1%** to reach **720.3 MtnD** in 2019.



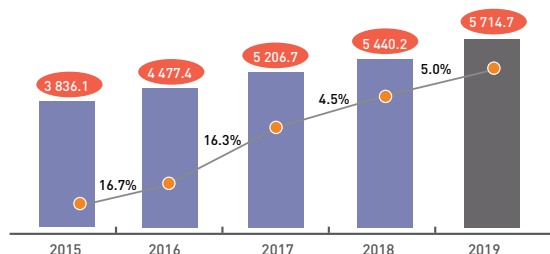
## Customers' deposits and assets

As of 31 December 2019 customers' deposits and assets total **7 160.7 MtnD** i.e. a **10.1%** CAGR.



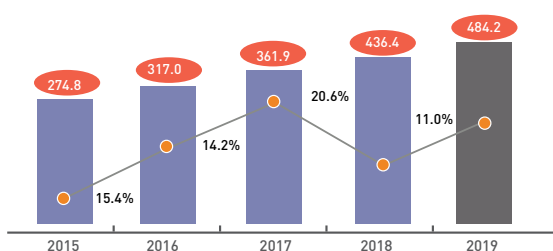
## Disbursed loans

Over the past five years, disbursed loans totalled **5 714.7 MtnD** at end 2019 i.e. a **10.5%** CAGR.



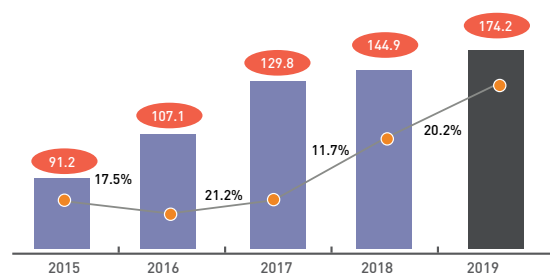
## Net banking income

Over the past five years, net banking income saw an average annual growth increase of **15.2%** moving from **274.8 MtnD** in 2015 to **484.2 MtnD** at end 2019.



## Net Income

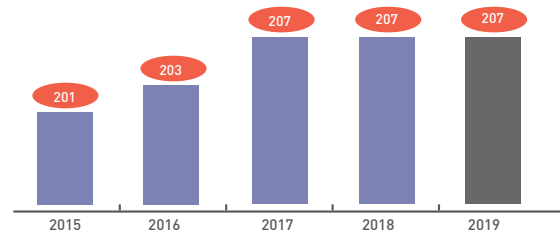
Net Income showed a **17.6%** CAGR to settle at **174.2 MtnD** as of 31 December 2019.



<sup>1</sup> Compound annual growth rate from 2015 to 2019.

## Branch network

Attijari bank maintained its network of **207** branches at end 2019.



## Main ratios

	in kTND	2015	2016	2017	2018	2019
Productivity	Deposits / stock	2 763	3 108	3 439	3 908	4 170
	Loans / stock	2 176	2 548	2 996	3 145	3 328
	NBI / stock	156	180	207	252	282
	Operation ratio	54.0%	50.0%	47.5%	46.9%	45.5%
	(in %)	2015	2016	2017	2018	2019
Profitability	Net income / NBI	33.2%	33.8%	35.9%	33.2%	36.0%
	Return on Equity	26.1%	28.1%	31.8%	29.5%	31.9%
	Return on Assets	1.51%	1.56%	1.66%	1.69%	1.87%
	(en %)	2015	2016	2017	2018	2019
Risk	Liquidity ratio	313.7%	323.9%	118.7%	199.8%	250.0%
	Solvency ratio	10.82%	10.66%	11.68%	12.47%	14.15%
	Rate of classified assets	7.8%	6.9%	5.9%	6.6%	6.4%
	Coverage rate for classified assets*	89.7%	91.0%	94.4%	89.0%	87.9%

\* Provisions and reserved bank charges / Classified assets.



# Equities & Attijari bank Group

List of significant subsidiaries and associates as at 31 December 2019, is as follows :

Company's name	Activity field	Control in %	Capital in TND
Attijari Leasing	Finance lease	62,29%	27 500 000
Attijari Assurance	Insurance	55,00%	10 000 000
Attijari Intermédiation	Stock broker	99,99%	5 000 000
Attijari Recouvrement	Debt recovery	99,92%	1 000 000
Attijari Sicar	Risk capital investment	76,80%	26 455 500
Attijari Gestion	UCITS Management	99,88%	500 000
Attijari Immobilière	Real estate development within the framework of the purchase of mortgaged assets	99,98%	150 000
Générale Tunisienne d'Informatique	Information Engineering	66,25%	400 000
Attijari Obligataire SICAV	SICAV	0,02%	127 319 972
Attijari Finances Tunisie	Financial consulting	24,94%	1 000 000





A person wearing a dark suit and glasses is seen from the side, looking out of a large window. The view outside shows a city skyline with several tall buildings under a bright, hazy sky. A strong orange and yellow light, likely from the sun, is visible on the left side of the frame, creating a warm, glowing effect over the person's arm and the city view.

06

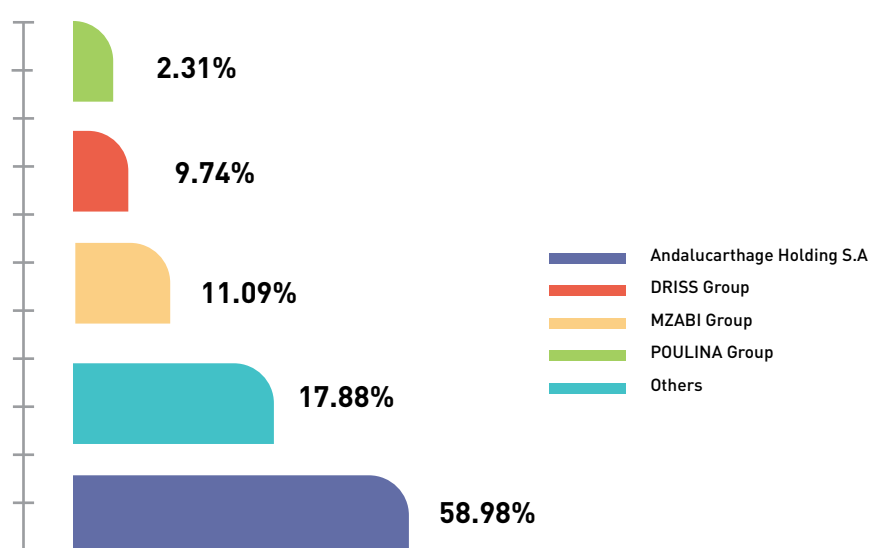
# Shareholders

## Capital division

As at December 31, 2019 the Bank's capital was divided as follows :

Shareholders	Number of shares	Percentage
Andalucarthage Holding S.A	24 029 700	58.98%
MZABI Group	4 518 996	11.09%
DRISS Group	3 970 034	9.74%
POULINA Group	940 253	2.31%
Others	7 283 014	17.88%
<b>Totaux</b>	<b>40 741 997</b>	<b>100%</b>

**Share Capital Structure as at 31.12.2019**

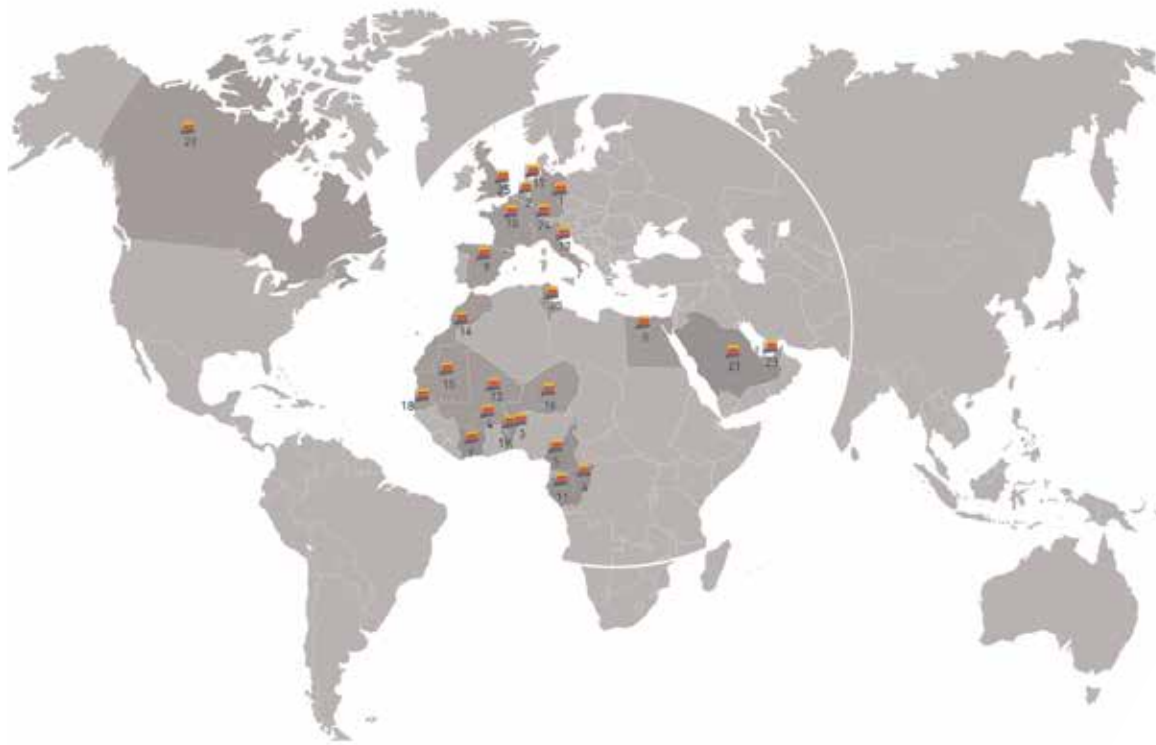


## The shareholding reference

Through the participation of the Andalucarthage holding, the Attijariwafa bank Group is the main shareholder that holds most of the voting rights and assures the control of the institution. Attijariwafa bank is the first financial and banking group in the Maghreb including the WAEMU (West African Economic and Monetary Union) and the CAEMC (Central African Economic and Monetary Community). In addition to the banking activity the Group operates in every financial profession through its specialized branches including: insurance, real estate credit, consumer credit, leasing, asset management, stock market brokerage, advisory services and factoring....

The Attijariwafa bank Group is based in Morocco and operates in 24 countries: in Africa (Tunisia, Senegal, Burkina Faso, Mali, Mauritania, Republic of Côte d'Ivoire, Congo Brazaville, Gabon, Cameroun, Togo, Niger, Benin and Egypt) and in Europe (Belgium, France, Germany, The Netherlands, Italy and Spain) through bank branches that are majorly controlled by the Bank as well as in Dubai, Riyadh, Geneva, London and Montreal through representative offices.

### **Countries of presence**



1. Germany
2. Belgium
3. Benin
4. Burkina Faso
5. Cameroun
6. Congo-Brazaville
7. Côte d'Ivoire
8. Egypt

9. Spain
10. France
11. Gabon
12. Italy
13. Mali
14. Morocco
15. Mauritania
16. Niger

17. Netherlands
18. Senegal
19. Togo
20. Tunisia

#### **Representative offices :**

21. Saudi Arabia
22. Canada
23. EAU
24. Switzerland
25. U.K.

**20 602**

**collaborators**

**5 265**

**branches**









07

# Administration & Management Bodies

## Board of Directors

- has full authority to act in the name of the company and authorize all actions and operations related to its scope;
- ensures the effective surveillance of the management of the Bank by the management body;
- ensures the implementation and the appropriate operation of the internal control system and compliance monitoring system;
- establishes the company's internal regulations;
- sets the composition and appoints members of all committees;
- agrees to any mortgage, pledge, delegations, guarantee, and other procedures on the assets of the company;
- authorizes any convention signed directly or indirectly or through an intermediary between the credit institution and the persons related to it;





- convene General Meetings;
- draws individual and consolidated financial reports and general and special management reports;
- authorizes acquisitions, and property exchange and trade of all goods;
- sets up companies;
- establishes the compensation of the General Manager and the Deputy General Manager(s)

The Board of Directors may delegate some powers to the General Manager of the Bank with the possibility of sub-delegation.





## Committees attached to the Board of Directors

- a. **The audit committee** assists the Board of Directors in the exercise of its surveillance responsibilities, ensures the proper functioning of the internal control system, and ensures the supervision of activities in this field. The committee verifies the authenticity of the information provided and assesses the coherence of the systems for measuring, surveillance, and risk control. The committee also nominates the auditor(s) and provides advice regarding the control programs as well as their findings.

- **Chairman:** Mr. Ali KADIRI
- **Members:** Mrs. Zohra DRISS BOUSLAMA  
Mr. José REIG ECHEVESTE  
Mr. Jamal AHIZOUNE  
Mr. Boubaker MEHRI  
Mr. Ahmed Ismaïl DOUIRI

The secretariat of this committee is held by the Auditor-General.

- b. **The risk committee** assists the Board of Directors in putting in place a Risk Management strategy and provides advice regarding the identification, measure, and control of risks, to regularly assess the Risk Management policy and its implementation.

- **Chairman:** Mr. Mohamed EL HAJJOUJI
- **Members:** Mr. M'zoughi M'ZABI  
Mr. Moncef CHAFFAR  
Mr. Boubker JAI  
Mr. Talel EL BELLAJ

The secretariat of this committee is held by the Global Risk Management department.

- c. **The appointment and compensation committee** assists the Board of Directors in designing and monitoring the policies of appointment and compensation, of replacement of managers and executives, of recruitment and management of situations of conflict of interest.

- **Chairman:** Mr. Mohamed EL KETTANI
- **Members:** Mr. Boubker JAI  
Mr. Jamal AHIZOUNE

The secretariat of this committee is held by Human Capital.

## General Management

It is entrusted to a General Manager appointed by the Board of Directors for a specified term. This mission consists in:

- Ensuring the day-to-day management of the company;
- Exercise the powers delegated by the Board of Directors;
- Implement the general policy of the Bank.

The General Manager may be assisted by one or several Deputy General Manager(s), appointed following his/her proposition and that of the appointment and compensation committee, by the Board of Directors. He/she may delegate all or part of his/her powers to his/her deputies and team members among the managers and executives of the Bank.

## Bodies attached to General Management

### Management Committee

The Management Committee, a body of exchange and consultation, assists the General Manager in monitoring the global performance of the bank and the implementation of the strategy decided by the Board of Directors.

This committee weekly gathers department managers. It is expected to have an overview of operational activities in the different sectors, it is involved in the monitoring of large strategic projects and proposes the questions to be submitted to the Board of Directors, in a collegial approach.

### Executive Committee

The Executive Committee ensures the implementation of annual action plans and the resulting budgets, monitors the development of the activity of the bank, and the achievement of its objectives. The committee also ensures the coherence of the internal and external communication policy.

### Central Credit Committee

This Committee examines all credit files and rules on the grant decisions regarding loan applications above 1 million TND. Files are presented by the Global Risk Management Department in presence of sales teams. It is chaired by the General Manager and meets once a week.



### **Market Risk Committee**

The Market Risk Committee (CRM) is the body for internal decision and monitoring of market risk in all its forms.

It shall deliver an opinion on the types of operations to handle as well as their ceilings and provides it to the different committees under the Board of Directors.

It gathers the Head of Global Risk Management, the Head of the Investment Bank, the Head of the Capital Market, and the Head of Finance and Control.

### **Assets classified Committee**

The Committee for assets classified monitoring is an internal decision body whose mission is:

- To examine and discuss annual collection forecasts;
- To examine the distribution of the NPL portfolio between collection units;
- To monitor the achievements and forecasts of the collection (normalization, derating, ...);
- To validate the adjustment of classes proposed by collection units;
- To elaborate on a monthly statement of assets classified and collection.

It sits monthly and gathers the main managers of commercial functions, the Head of Legal Collection, the Head of Amicable Collection, the Head of Finance and Control, and the Head of Global Risk Management.

### **Collection Committee**

The mission of the Collection Committee is to decide on the proposals of:

- consolidation or rescheduling;
- transfer of originating accounts to the legal department;
- account settlement.

It meets every second week and gathers the main managers of commercial functions the Head of Global Risk Management, the Head of Finance and Control, and the Collection Managers.

### **Central Operational Risk Committee**

The Central Operational Risk Committee establishes the Operational Risk policy and ensures its monitoring. It shall ensure the implementation of tools for the detection and assessment of exposure risks and their rollout.

The Committee quarterly gathers the heads of Business Units as well as the heads of control and audit structures.

**Internal control Committee**

The Internal control Committee is a body monitoring the implementation of recommendations. This Committee enables the different control functions to assess their activities to ensure an optimal level of coherence and efficiency in their action.

Every quarter and whenever the need arises, the Committee meets all heads of business and support units and the heads of control structures: Ongoing monitoring, Compliance monitoring, Internal Audit, and Special Affairs.

**New Product Committee**

The New Product Committee is an internal decision body whose mission is to approve or not the implementation or the distribution of a new product or service.

It gathers the heads of these lines of business as well as the heads of support functions.

The Secretariat of the Committee is managed by the Organization and Operational Efficiency Directorate.

**ALM Committee**

The ALM Committee measures and manages global balance-sheet related risks in terms of rates, liquidity, and foreign exchange. It sets the orientations enabling the optimization of equity.

It is chaired by the General Manager and quarterly gathers the main heads of sales functions, the Head of the Investment Bank, the Head of the Capital Market, the Head of GGR, and the Head of Finance and Control.



## Auditors

Auditors appointed by the Ordinary General Assembly are:

- Ernst & Young for the years 2018, 2019, and 2020.
  - The firm «MS Louzir (Member of the Deloitte Touche Tohmatsu network)» for the years 2019, 2020, and 2021.
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# Attijari bank's share performance



## Performance of the Attijari bank share in 2019

The Attijari bank share lost 2.99% in 2019 (against gains of 19.18% in 2018). It closes the year at 32.690 DT. It is thus in counter-performance, like the Tunindex which also lost 2.06% of its value. The « Banks » index closed at an almost stable level at +0.23%.

Its highest level for the year was at 43.800 DT and its lowest was at 29.480 DT.

The total volume exchanged reached 32.6 MDT, corresponding to 921.622 shares exchanges.

Attijari bank distributed a dividend per share of 2.200 DT for the year 2018 (an increase of 87.9% compared to the previous year), on 15th May 2019.





4500,52

2000,19

1850,02

1900,59

1900,5



A composite image featuring a person's silhouette in the foreground, looking out over a city skyline. The skyline includes several tall buildings and a highway. In the bottom left corner, there is a financial candlestick chart with a yellow line graph and the number 1925,99.

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# Allocation of Results

1925,99

## A reminder of the statutory provisions concerning the allocation of the results

The net accounting result is worked out according to the accounting legislation into force.

The distributable profit is made by the net accounting result increased or decreased by the results, forwarded from previous financial years, after deducting therefrom :

1. 5% of the profit, fixed by the law under legal reserves. This levy ceases to be compulsory when the reserve fund reaches an amount equal to one tenth (1/10) of the share capital. It takes up again its normal course when, for any reason, the reserves go down below the one tenth of the required level.
2. Reserves prescribed by the special legislation texts or by the by-laws, within the limits of the rates fixed therein.

From this distributable profit, can be deducted :

1. The necessary amount to give to the shares a first dividend of six percent (6%) on the fully paid and not redeemed capital, which cannot be claimed by the shareholders with respect to the subsequent years profits ; in case the profits of one year do not allow their settlement.
2. From the available surplus, the Ordinary General Meeting shall be entitled, following a proposal made by the Board of Directors, to deduct any amount it deems adequate, either to be allocated to one or several general or special reserve fund(s) of which it takes care concerning its/their allocation or its/their use, or to be forwarded once again to the next financial year.
3. The surplus can be distributed to the shareholders as super-dividends.

The dividends are paid on the dates and in the places fixed by the Board of Directors, in the hands of the holders owning a certificate proving the number of shares they hold, delivered by the company or by an approved intermediary.

The dividends not claimed within five (5) years as of their maturity dates are time barred.



## Statement of Changes in Shareholders' Equity

As at 31 december 2019, the share capital amounted to 203 710 TND, represented by 40 741 997 shares with a par value of 5 dinars each, fully paid up.

Unit: k TND

	Capital	Réserves	Réserve spéciale de réinvestissement	Autres capitaux propres	Résultats reportés	Résultat de l'exercice	Total
<b>Balance as of December 31st, 2019</b>	<b>203 710</b>	<b>140 685</b>	<b>130 000</b>	<b>3 646</b>	<b>68 033</b>	<b>174 196</b>	<b>720 270</b>
Allocation approved by the Ordinary General Meeting of June 26 <sup>th</sup> , 2020			50 000		124 196	(174 196)	0
<b>Balance after the allocation of the 2019 result</b>	<b>203 710</b>	<b>140 685</b>	<b>180 000</b>	<b>3 646</b>	<b>192 229</b>	<b>0</b>	<b>720 270</b>





A man in a suit and glasses is shown in profile, looking thoughtful with his hand on his chin. The background features a bright, hazy cityscape with a large, stylized paper airplane flying across the sky. The overall tone is professional and forward-looking.

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# Human resource management



## Human Resource Management

Human Capital continues to reinforce its resources through new targeted competencies, by hiring 79 new staff members.

Attijari bank took part in the Enterprise Forum launched by our partners Esprit (Private School of Engineering and Technology) and the Paris-Dauphine University of Tunis. The Bank also took part in the different events held by the HEC Challenge, as well as the two editions of HEC'RECRUT. These Open Days represent an opportunity to become familiar with the labor market.

To optimize the selection process of candidates, Attijari bank participated in the 1<sup>st</sup> CORP City Reverse Labor Fair organized by the CORP (Centre d'Orientation et de Reconversion Professionnelles) in collaboration with the Tunisian German Chamber of Industry and Commerce (AHK), called « Job In ».

Attijari bank believes that success and prosperity are linked to the professional development of its staff members, thus the Bank is committed to identify and develop the competencies of all teams, through the implementation of a training program following the orientations and objectives of the bank. During the year 2019, 1034 staff members have attended a training session. 122 training took place, covering different current themes (Compliance, new tax legislation, project management, digital transformation, Lean Management, Mind Mapping). As for the network, sales managers and branch managers have also been trained on the appropriation of the fiscal year to guarantee a better sales performance.

In support of the coaching and monitoring sessions for business curricula provided by the academy, 2019 was marked by decentralization. To cover the whole South region network, the courses took place in Sfax, rather

than Tunis. Trainers and learners met there to optimize the traveling of staff members and improve their wellbeing. The bank is always seeking to get closer to its employees by meeting the requirements of quality and premiumization, through the career management system. These interviews with staff members allow clarifying the bridges between businesses, ensuring coaching, and identifying individuals with a specific profile.

Following these interviews, internal mobility is executed, aiming for better productivity of resources. Appointments are based on the adequacy between job/profile, as well as training to reinforce behavioral competencies and businesses about the jobs offered.

## Social Initiatives

### External Social Responsibility Initiatives

Under the approach adopted by the bank consolidating its position as a citizen bank, Attijari bank engaged in civic and social initiatives in favor of rural areas and underprivileged families. These initiatives are declined in several forms:

- Gifts awarded to successful students from the primary schools of Awled-Gacem and Jebel Eddis at the end of the school year 2018/2019. This falls in the continuity of the initiative launched at the beginning of the school year in favor of the abovementioned schools.
- Acquisition of equipment and school supplies for two (02) primary schools in the delegations of Beni Khedech and Medenine South, from the Governorate of Medenine.



## Internal Social and Cultural Initiatives

- Senior Day & Knowledge Day

A ceremony organized to pay tribute to former employees, retired during the past year, and to reward employees' children who succeeded in the different national exams.

This day is an opportunity for exchange and meeting, in a friendly setting, between staff members from the head office and those from the network and their families. This annual event gathering different generations reinforces the spirit of belonging to the large Attijari bank family.



- Interregional mini-football tournament

Interregional mini-football tournament was organized grouping 10 regional teams (North, Centre, and South) as well as 4 other teams from the head office. The objective of these different gatherings running over 6 weekends is to reinforce team spirit and competition. The tournament was crowned by the presentation of trophies to the 3 first winning teams.

- Health Days

Awareness-raising days for the personnel on themes such as blood donation, obesity, smoking, breast cancer, cardiovascular disease...). This approach aims to better inform staff members about the means to prevent some diseases and highlight the preventive role of occupational health consisting of avoiding deterioration in the health of staff members as a result of their work.



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## Internal Communication

Internal communication put several actions in place aiming to bring all staff members together around the ambitions of different strategic projects.

The year 2019 was marked by communication on strategic actions and projects deriving from the « Excellence 2020 » Program, through the organization of events and the distribution of written and audiovisual information material, published on the website.

To complement these communication actions about strategic projects, several events have been organized and covered with a vision of innovation and change management such as The Group Committee, Academy Day, International Women's Day...

Besides, while being in line with citizen values upheld by the bank, internal communication accompanied social and social responsibility actions, promoting the spirit of solidarity, and belonging.

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# **Internal Control & Global Risk Management**

# Internal Control

## Ongoing monitoring

The year was marked by the launching of the project to reinforce the internal control process, seeking to strengthen regulatory obligations, better coverage of all structures of the bank, and support its development, while managing risk.

From the perspective of automation of ongoing monitoring, the action plan covered several aspects related to the updating of prior control references for the implementation of a Group tool, the adoption of a target organizational mechanism, and the valuation of the control function. This project comes under a global approach at the level of the Group to provide a standardized, intuitive and ergonomic tool for all users « Controllers of 1st and 2nd level & Management », to establish centralized and consolidated surveillance, and to relay in real-time the communication of information related to Ongoing monitoring about the different levels of management.

As for the network control activity, all branches were covered, with a focus on the reinforcing of hierarchical control. Moreover, business centers have been provided with a dedicated controller, expressing the will to establish specific controls about the particularity of their activity.

On another level, internal control took part in Business Continuity Management workshops led by Global Risk

Management for the Group to ensure the implementation of a common core for the business continuity plan by each subsidiary, as well as the implementation of a roadmap for its rollout.

## Periodic Control

The Auditor-General, in charge of the Periodic Control, represents the 3rd line of defense, and verifies, through periodic interventions, mainly the functioning of other lines of defense, and make recommendations to improve them, within the framework of their work.

The Auditor-General exercises the responsibility of Periodic Control over all entities of the Group Attijari bank. Their responsibilities, their power, and their position are defined in the Audit Charter providing them with the independence required to exercise their responsibilities.

The results of the work of the Auditor-General are presented to the General Management and Internal Audit Committee.

The year 2019 falls in the continuity of the approach launched since 2018 aiming to reinforce the execution capacity of the Auditor-General and mainly through:

- The reinforcing of the Auditor-General's team with 6 staff members;
- The reinforcing of the Data Analytics capacity;
- The reinforcing of the capacity to cover the audit perimeter (+13% additional);
- The adoption and the implementation of the new intervention methodology at the level of the network;
- The effective implementation and the generalization of the system of quoting of the network audit missions;
- The support to digital transformation projects.

On another level, the year 2019 was marked by the harmonization of risk mapping for subsidiaries: Operational Risk, Ongoing monitoring, and General Audit.

## Global Risk Management

The main achievements of Global Risk Management for the year 2019 are:

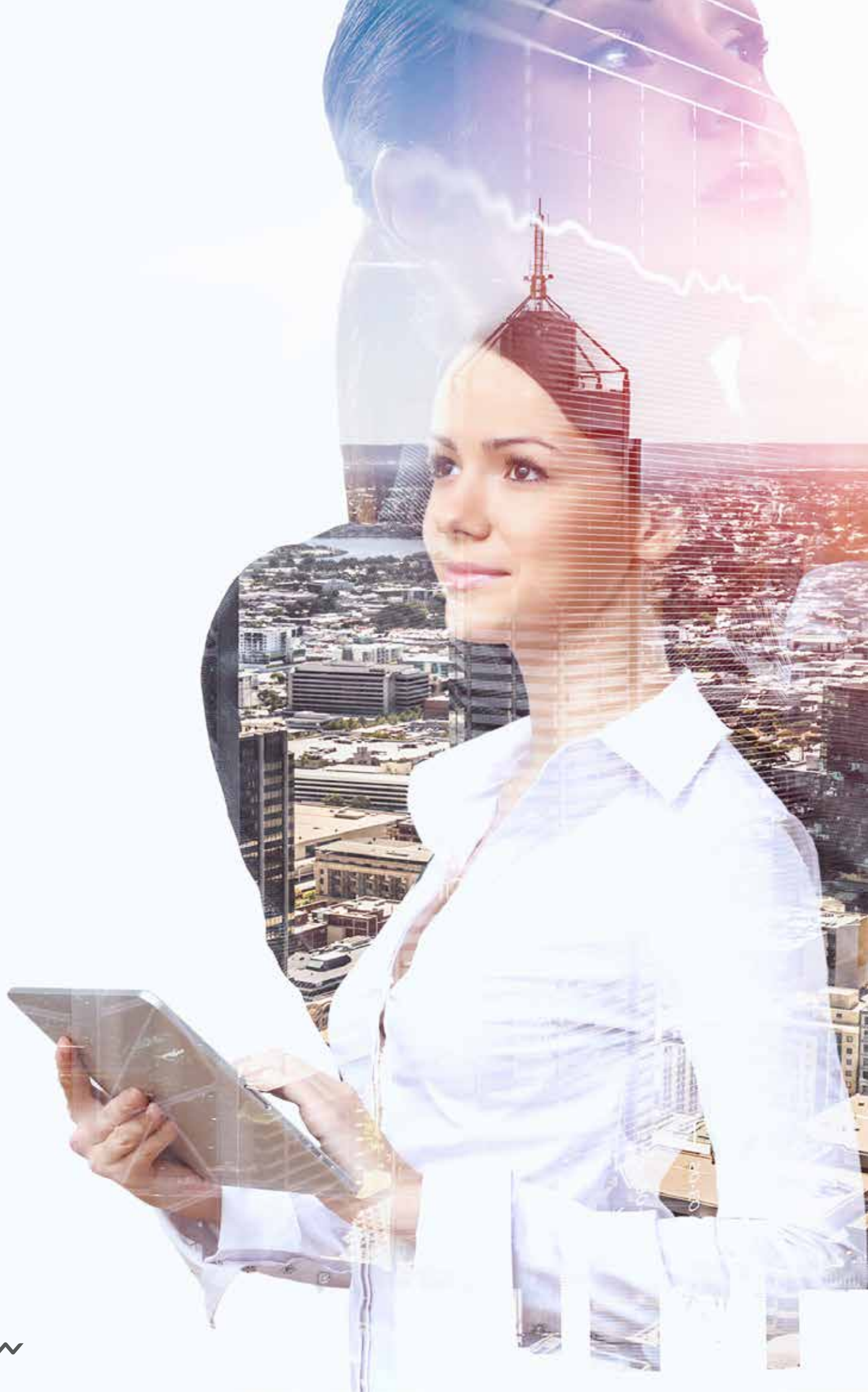
### 1/ Improving the technical means enabling better proactivity in terms of risk management, mainly:

- The operational implementation of credit SCORING as well as monitoring committees for consumer credit allowing for better management and risk monitoring.
- The implementation of a Workflow allowing the automation of the management of releases through the IDC application.
- The Backtesting and upgrading of our Internal Corporate Rating System, integrating the notion of « Probability of Default » and enabling the migration to IFRS 9 norms.
- The modeling of an Internal Rating system specific to Real Estate development.
- The restructuring and harmonization of our Operational Risk Management system in compliance with Basel Standards.
- The preparation with the Group and the KPMG firm, of prerequisites for the implementation of a Business Continuity Plan.
- Feasibility study in collaboration with the Group, for the implementation of a scoring grid for Professionals and micro-enterprises.

### 2/ During the year 2019, the Global Risk Management ensured:

- The monitoring of the implementation of prerequisites established by the Central Bank of Tunisia enabling the migration, by 2020 and per the roadmap, towards a prudential framework compliant with the Basel system.
- The monitoring and control of prudential ratios of the Bank, which are all, respected, and compliant with regulations in force.
- The monitoring and control of risk indicators of the Bank, which are among the best in the Tunisian banking system.

### 3/ Continued efforts were made concerning the improvement of internal service quality, mainly the processing time for credit files, which made it possible to support the sales effort for a sound development of the business of the bank.



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# Corporate Responsibility





## Attijari bank participates in the promotion of education



For the new school year 2018/2019, following its intervention in schools in several governorates in interior regions (Jendouba, Siliana, Le Kef, Kairouan, Gafsa, Kasserine, Zaghouan, Takelsa, Menzel Bouzelfa, Nefza, Beja ...), Attijari bank worked to ensure a special start of the school year for children from the primary schools of « Labba » and « B'Hira » in Beni Khedache, in the governorate of Medenine.

The bank equipped the classrooms of these two schools with tables, desks, boards, shelves, chairs... and, as usual, school bags and school supplies were given to school kids from all classes, in a happy and stimulating atmosphere.

The purpose of this citizen engagement, fostering equal opportunities, is to contribute to the fight against early school leaving and to improve the conditions of education, in particular in deprived areas of Tunisia.

In keeping with its promises, the Bank committed to coming back at the end of the year to reward successful students to encourage them to continue and to stimulate in them the spirit of excellence.

## Active Actor in the civil society network

The bank sponsored several initiatives led by associations contributing to the social development of the country such as: Association Tunisienne d'Aide Aux Sourds « ATAS », Association « Houmet Al Joumhourya », Association « Thala... je ne t'oublie pas »...

## Attijari bank encourages the entrepreneurial spirit



For the 11<sup>th</sup> consecutive year, as a founding member, Attijari bank continues to support the « Enactus Tunisia » program which aims to develop the entrepreneurial spirit in youth. This program is a competition between teams of about fifty universities in Tunis and interior regions. These teams are mentored by company managers and professionals.





### **Attijari bank encourages the use of renewable energy**

Within the framework of the national policy related to the development of renewable energy, Attijari bank signed a funding agreement for the national program Prosol (Prosol Thermique and Prosol Electrique) for an amount of 361 million Dinars. This project, funded since 2007 by the bank, is led by STEG and ANME.

By funding this project, Attijari bank confirms its commitment to the national policy to encourage the use of renewable energies.

### **Attijari bank supports art and culture**

Aware of the importance of art and culture in the life of citizens, the Bank sponsored for the 2<sup>nd</sup> consecutive year the International Sufi Music Festival of Nefta and for the 5<sup>th</sup> time in a row, the International Festival of Gafsa. It also supported financially the International Festival of Sfax for its 41<sup>st</sup> session.





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# Financial Statements





## Individual financial Statements

### BALANCE SHEET

AS AT DECEMBER 31<sup>ST</sup>, 2019

(Unit : Thousands of Dinars)

		31/12/2019	31/12/2018
<b>ACTIF</b>			
<b>AS 1 -</b>	Cash and assets with the Central Bank, Post Office Accounts and Tunisian Treasury	1 645 723	1 311 535
<b>AS 2 -</b>	Credits to banking and financial institutions	373 190	433 328
<b>AS 3 -</b>	Credits to clients	5 714 669	5 440 168
<b>AS 4 -</b>	Commercial securities portfolio	143 589	150 329
<b>AS 5 -</b>	Investment portfolio	967 976	803 559
<b>AS 6 -</b>	Fixed assets	123 009	129 710
<b>AS 7 -</b>	Other assets	342 300	299 939
<b>TOTAL ASSETS</b>		<b>9 310 456</b>	<b>8 568 568</b>
<b>LIABILITIES</b>			
<b>LI 1 -</b>	Central Bank and Post Office Accounts	990 312	741 773
<b>LI 2 -</b>	Deposits and assets from banking and financial institutions	33 043	26 512
<b>LI 3 -</b>	Deposits and assets from clients	7 160 673	6 760 762
<b>LI 4 -</b>	Loans and special resources	179 477	215 345
<b>LI 5 -</b>	Other liabilities	226 681	188 632
<b>TOTAL LIABILITIES</b>		<b>8 590 186</b>	<b>7 933 024</b>
<b>EQUITY</b>			
<b>SE 1 -</b>	Capital	203 710	203 710
<b>SE 2 -</b>	Reserves	270 685	220 025
<b>SE 4 -</b>	Other equity	3 646	3 646
<b>SE 5 -</b>	Profits carried forward	68 033	63 232
<b>SE 6 -</b>	Net profit	174 196	144 931
<b>TOTAL EQUITY</b>		<b>720 270</b>	<b>635 544</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>9 310 456</b>	<b>8 568 568</b>



**OFF BALANCE COMMITMENT STATEMENT**AS AT DECEMBER 31<sup>ST</sup>, 2019

(Unit : Thousands of Dinars)

	31/12/2019	31/12/2018
<b>CONTINGENT LIABILITIES</b>		
<b>OBS 1 -</b> Securities, endorsements and other given guarantees	505 882	406 950
<b>OBS 2 -</b> Documentary credits	418 842	369 236
<b>OBS 3 -</b> Pledged assets	488 000	212 000
<b>TOTAL CONTINGENT LIABILITIES</b>	<b>1 412 724</b>	<b>988 186</b>
<b>COMMITMENTS MADE</b>		
<b>OBS 4 -</b> Financial commitments made	269 356	218 799
<b>OBS 5 -</b> Commitments on securities	38	38
<b>TOTAL COMMITMENTS MADE</b>	<b>269 394</b>	<b>218 837</b>
<b>COMMITMENTS RECEIVED</b>		
<b>OBS 6 -</b> Financial commitments received	62 854	68 579
<b>OBS 7 -</b> Guarantees received	2 797 480	2 227 309
<b>TOTAL COMMITMENTS RECEIVED</b>	<b>2 860 334</b>	<b>2 295 888</b>

## INCOME STATEMENT

PERIOD FROM JANUARY 1<sup>ST</sup>, 2019 UP TO DECEMBER 31<sup>ST</sup>, 2019

(UNIT: Thousands of Dinars)

		2019 Financial Year	2018 Financial Year (*)
<b>PRODUITS D'EXPLOITATION BANCAIRE</b>			
<b>INC 1 -</b>	Interest and similar income	585 267	483 435
<b>INC 2 -</b>	Products commissions	121 598	114 085
<b>INC 3 -</b>	Trade securities portfolio and financial operating income	64 488	88 751
<b>INC 4 -</b>	Investment portfolio income	57 221	40 332
<b>TOTAL BANKING OPERATIONS INCOME</b>		<b>828 574</b>	<b>726 603</b>
<b>BANKING OPERATIONS EXPENSES</b>			
<b>EX 1 -</b>	Interest paid and similar expenses (*)	(333 572)	(281 014)
<b>EX 2 -</b>	Commissions paid	(10 791)	(9 176)
<b>TOTAL BANKING OPERATIONS EXPENSES</b>		<b>(344 363)</b>	<b>(290 190)</b>
<b>NET BANKING INCOME</b>		<b>484 211</b>	<b>436 413</b>
<b>INC 5 \ EX 4</b>	Allocations to provisions and income from corrections on credit values off balance sheet liabilities	(18 741)	(34 852)
<b>INC 6 \ EX 5</b>	Allocations to provisions and income from corrections to investment portfolio values	627	(503)
<b>INC 7 -</b>	Other operating income	9 840	8 453
<b>EX 6 -</b>	Staff expenses	(140 695)	(130 511)
<b>EX 7 -</b>	General operating expenses	(67 738)	(62 523)
<b>EX 8 -</b>	Allocations to depreciation and fixed asset provisions	(11 849)	(11 861)
<b>OPERATING INCOME</b>		<b>255 655</b>	<b>204 616</b>
<b>INC 8 \ EX 9</b>	Earning/Loss balance from other ordinary items	(541)	530
<b>EX 11 -</b>	Tax on profits	(76 544)	(54 039)
<b>INCOME FROM ORDINARY ACTIVITIES</b>		<b>178 570</b>	<b>151 107</b>
<b>INC 9 \ EX10</b>	Earning/Loss from other extraordinary items	(4 374)	(6 176)
<b>NET INCOME FOR THE PERIOD</b>		<b>174 196</b>	<b>144 931</b>
<b>NET INCOME AFTER ACCOUNTING MODIFICATIONS</b>		<b>174 196</b>	<b>144 931</b>
<b>BASIC EARNINGS PER SHARE (IN TND)</b>		<b>4,28</b>	<b>3,56</b>

(\*) The data has been reprocessed for comparison purposes.

**CASH FLOW STATEMENT**PERIOD FROM JANUARY 1<sup>ST</sup>, 2019 UP TO DECEMBER 31<sup>ST</sup>, 2019

(UNIT : Thousands of Dinars)

	2019 Financial Year	2018 Financial Year
<b>ACTIVITÉS D'EXPLOITATION</b>		
Banking operating income received (without investment portfolio income)	761 776	692 202
Bank operating expenses paid	(344 268)	(281 535)
Deposits/Withdrawals from deposits with other banks and financial institutions	(11 286)	(22 638)
Loans and advances / Client loan and advances reimbursements	(274 148)	(280 805)
Deposits / Withdrawals from client deposits	400 393	750 452
Investment securities	19 172	274 394
Funds paid to staff and other creditors	(158 576)	(150 138)
Other cash flows coming from other operating activities	(70 060)	(36 539)
Tax on profits	(76 544)	(54 039)
<b>Net cash flows from operating activities</b>	<b>246 459</b>	<b>891 354</b>
<b>INVESTMENT ACTIVITIES</b>		
Interest and dividends received on the investment portfolio	51 896	32 279
Acquisitions / sales on investment portfolio	(158 465)	(208 795)
Acquisitions / sales on Real estate	(5 148)	(7 618)
<b>Net cash flows from investment activities</b>	<b>(111 717)</b>	<b>(184 134)</b>
<b>FINANCING ACTIVITIES</b>		
Loans issuance	0	0
Reimbursement of bonds	(33 686)	(40 828)
Increase / decrease of special resources	(2 317)	75 454
Dividends and other distributions	(89 632)	(47 698)
<b>Net cash flows from financing activities</b>	<b>(125 635)</b>	<b>(13 072)</b>
Net variation in cash and cash equivalents during the financial year	9 107	694 148
Cash and equivalents at the start of the financial year	813 114	118 966
<b>CASH AND EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>822 221</b>	<b>813 114</b>

## Consolidated financial statements

### CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31<sup>ST</sup>, 2019

(Unit : Thousands of Dinars)

	31/12/2019	31/12/2018
<b>ASSETS</b>		
Cash and assets at the Central Bank, Post Office Accounts and Tunisian Treasury	1 645 727	1 311 540
Credits to banking and other financial institutions	260 355	329 247
Clients credits	6 254 782	6 008 008
Trade securities portfolio	505 866	413 798
Investment portfolio	809 619	694 454
Investments in equity affiliates	83	1 817
Fixed assets	134 596	141 665
Goodwill	700	966
Other assets	394 740	370 935
<b>TOTAL ASSETS</b>	<b>10 006 468</b>	<b>9 272 430</b>
<b>LIABILITIES</b>		
Central Bank and Post Office Accounts	990 312	741 773
Deposits and assets from other financial institutions	29 095	25 436
Clients deposits and assets	7 062 769	6 684 344
Loans and special resources	484 786	565 017
Other liabilities	653 967	558 207
Deferred tax liabilities	711	711
<b>TOTAL LIABILITIES</b>	<b>9 221 640</b>	<b>8 575 488</b>
<b>TOTAL MINORITY INTERESTS</b>	<b>38 413</b>	<b>37 047</b>
<b>EQUITY</b>		
Capital	203 710	203 710
Reserves	294 142	237 367
Other equity	3 646	3 646
Profits carried forward	68 033	63 232
Net income	176 884	151 940
<b>TOTAL EQUITY</b>	<b>746 415</b>	<b>659 895</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS AND EQUITY</b>	<b>10 006 468</b>	<b>9 272 430</b>

**OFF-BALANCE COMMITMENT STATEMENT**AS AT DECEMBER 31<sup>ST</sup>, 2019

(Unit : Thousands of Dinars)

	31/12/2019	31/12/2018
<b>CONTINGENT LIABILITIES</b>		
Securities, endorsements and other given guarantees	505 862	406 918
Documentary credits	418 740	367 206
Pledged assets	488 000	212 000
<b>TOTAL CONTINGENT LIABILITIES</b>	<b>1 412 602</b>	<b>986 124</b>
<b>COMMITMENTS MADE</b>		
Financial commitments made	354 303	291 062
Commitments on securities	38	38
<b>TOTAL COMMITMENTS MADE</b>	<b>354 341</b>	<b>291 100</b>
<b>COMMITMENTS RECEIVED</b>		
Financial commitments received	636 499	758 726
Guarantees received	2 819 717	2 246 494
<b>TOTAL COMMITMENTS RECEIVED</b>	<b>3 456 216</b>	<b>3 005 220</b>



## CONSOLIDATED INCOME STATEMENT

PERIOD FROM JANUARY 1<sup>ST</sup>, 2019 UP TO DECEMBER 31<sup>ST</sup>, 2019

(UNIT: Thousands of Dinars)

	2019 Financial Year	2018 Financial Year (*)
<b>INCOME FROM BANKING OPERATIONS</b>		
Interests and similar income	633 059	530 110
Products commissions	121 326	114 353
Trade securities portfolio and financial operations income	81 194	102 602
Investment portfolio income (*)	53 947	37 599
<b>TOTAL BANKING OPERATIONS INCOME</b>	<b>889 526</b>	<b>784 664</b>
<b>BANKING OPERATIONS EXPENSES</b>		
Interests paid and affiliate expenses (*)	(357 633)	(307 633)
Commissions paid (*)	(9 950)	(8 028)
<b>TOTAL BANKING OPERATIONS EXPENSES</b>	<b>(367 583)</b>	<b>(315 661)</b>
Income from other activities	85 033	86 264
Expenses from other activities	(68 187)	(69 962)
<b>NET BANKING INCOME</b>	<b>538 789</b>	<b>485 305</b>
Allocations to provisions and the income from value corrections on off balance sheet and liabilities credits	(25 722)	(33 387)
Allocations to provisions and income from corrections to investment portfolio values	(425)	(402)
Other operating income	16 294	12 127
Staff expenses	(155 563)	(145 055)
General operating expenses	(74 294)	(67 109)
Allocations to depreciation and fixed asset	(13 099)	(13 110)
<b>OPERATING INCOME</b>	<b>285 980</b>	<b>238 369</b>
Share of the income from equity affiliates	38	(101)
Balance of the income/loss coming from other ordinary elements	(17 597)	(17 407)
Tax on profits	(82 249)	(57 379)
<b>INCOME FROM ORDINARY ACTIVITIES</b>	<b>186 172</b>	<b>163 482</b>
Share of income from minorities	(4 652)	(4 891)
<b>CONSOLIDATED NET INCOME OF THE GROUP</b>	<b>181 520</b>	<b>158 591</b>
Balance in profit / loss from other extraordinary items	(4 636)	(6 651)
<b>NET INCOME AFTER GROUP'S ACCOUNTING MODIFICATIONS</b>	<b>176 884</b>	<b>151 940</b>

(\*) The data has been reprocessed for comparison purposes.

**CONSOLIDATED TREASURY FLOW STATEMENT**PERIOD FROM JANUARY 1<sup>ST</sup>, 2019 UP TO DECEMBER 31<sup>ST</sup>, 2019

(UNIT: Thousands of Dinars)

	2019 Financial Year	2018 Financial Year
<b>FLUX D'EXPLOITATION</b>		
Banking operating income received (excluding investment portfolio income)	807 623	745 794
Bank operating expenses paid	(366 231)	(274 603)
Deposits/Withdrawals from deposits with other banks and financial institutions	5 005	(27 245)
Loans and advances / Client loan and advances reimbursements	(244 308)	(301 022)
Deposits / Withdrawals from client deposits	378 908	661 062
Investment securities	(61 780)	231 603
Funds paid to staff and other creditors	(173 302)	(169 966)
Other cash flows coming from other operating activities	3 518	36 393
Tax on profits	(86 899)	(64 013)
<b>Net cash flows from operating activities</b>	<b>262 534</b>	<b>838 003</b>
<b>INVESTMENT ACTIVITIES</b>		
Interest and dividends received from investment portfolio	47 333	29 633
Acquisitions/Sales on investment portfolio	(107 681)	(139 066)
Acquisitions/Sales on fixed assets	(5 594)	4 544
<b>Net cash flows from investment activities</b>	<b>(65 942)</b>	<b>(104 889)</b>
<b>FINANCING ACTIVITIES</b>		
Loans issuance	0	0
Reimbursement of bonds	(84 395)	(66 117)
Increase/decrease of special resources	(2 317)	75 345
Dividends and other distributions	(90 366)	(46 981)
<b>Net cash flows from financing activities</b>	<b>(177 078)</b>	<b>(37 753)</b>
Net variation in cash and cash equivalents during the financial year	19 514	695 361
Cash and equivalents at the start of the financial year	816 873	121 512
<b>CASH AND EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>836 387</b>	<b>816 873</b>





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# Auditors' Report



**AMC Ernst & Young**

Société inscrite au tableau de l'OECT  
Boulevard de la terre - Centre Urbain Nord  
1003 Tunis - Tunisie  
Tél : 70 749 111 Fax : 70 749 045  
MF : 035482 W/A/M/000

**Deloitte. Cabinet MS Louzir**

Member of Deloitte Touche Tohmatsu Limited  
Rue du Lac Oubeira-Immeuble Illiade  
1053 - Les berges du Lac  
Tel: +216 36 400 900 Fax: + 216 36 050 900  
MF : 587570 N/A/M/000  
www.deloitte.tn

## **Attijari bank, GENERAL REPORT REGARDING THE FINANCIAL STATEMENTS OF THE YEAR ENDED ON DECEMBER 31<sup>ST</sup>, 2019**

### General Report

Dear Attijari bank Shareholders, Ladies, and Gentlemen

#### **Audit report regarding the financial statements**

##### **Opinion**

In execution of the audit mandate entrusted to us by your general assembly, we have audited the financial statements of Attijari bank de Tunisie including balance sheet as well as the status of commitments off-balance sheet as of 31<sup>st</sup> December 2019, the income statement, the cash flow statement for the financial year ended on this date and notes including a summary of the main accounting methods and other explanatory notes.

These financial statements were established by the Board of Directors on the 21<sup>st</sup> February 2020 based on the elements available on this date in the evolving context of the Covid-19 Health Crisis.

These financial statements, attached hereto, show a total balance sheet of 9 310 456 KDT and a net profit of 174 196 KDT.

In our opinion, the financial statements of Attijari bank, are regular and accurate and give, for all important aspects, a fair representation of the financial situation of the bank as of 31<sup>st</sup> December 2019, as well as the results of its operations and its cash flows for ended on this date, per the corporate accounting system in force in Tunisia.

##### **Basis of the opinion**

We have executed out our audit per the International Standards on Auditing (ISA) applicable in Tunisia. Our responsibilities under these standards are further detailed under section « Responsibilities of the auditor for the audit of financial statements » of this report. We are independent of the Bank in compliance with ethical rules applying to audits of financial statements in Tunisia, and we have executed our other ethical responsibilities under these rules. We consider that the evidence we have obtained is sufficient and appropriate for us to form an audit opinion within the context of the audit of the annual accounts as a whole, established under the conditions mentioned above.



## Key audit questions

Key audit questions are the questions that, based on our professional judgment, were the most important ones in the audit of financial statements for the reporting period. These questions were processed within the framework of our auditing of the financial statements as a whole and to form our opinion, and we do not express a distinct opinion on these questions.

We have determined that the questions described hereafter represent the key questions of the audit to be communicated in our report.

### Assessment of provisions for depreciation on customer commitments

Because of its activity, the Bank is exposed to counterparty risk on its portfolio of direct commitments as well as on commitments by signature given to customers.

This risk, inherent to the banking business, represents a major point of attention due to the importance of amounts, the complexity of the classification process, which obeys quantitative and qualitative criteria requiring a high level of judgment as well as the judgment required for the assessment of the collateral to be retained.

As of 31<sup>st</sup> December 2019, the net value of customer loans amount to 5 714 669 KDT, and the provisions made to cover the counterparty risk amount to 306 328 KDT (on balance sheet and off-balance sheet commitments).

The accounting rules and methods of the assessment and accounting of due receivables and their depreciation, as well as additional information on these financial statement elements, are presented in the note to financial statements N° II- 2, as well as in Explanatory Notes N° 3.

To cover this key question, we obtained an understanding of the procedures implemented by your bank, and assessed the appropriate implementation of key controls, as well as their capacity to prevent and/or detect material misstatements by focusing on:

- The mechanism for supervision put in place for the depreciation process on customer commitments,
- The reliability of the information provided by the bank regarding customers whose outstanding amounts show indicators of impairment,
- The procedures and controls defined by the bank to ensure the management of counterparty risk, identify customers to be downgraded and provision and determine the minimum level of provision required by banking regulations,
- The mechanisms to control and calculate collective and additional provisions put in place by the bank.

In addition, through extensive sampling,

- We have verified that commitments showing indicators of depreciation have been identified and classified per the provisions of the Central Bank of Tunisia Circular N° 91-24 related to the division, risk coverage and monitoring of commitments, and;
- We have examined the collateral values retained during the calculation of provisions and assessed the assumptions and judgments retained by the bank.

Last, we have verified the appropriateness and sufficiency of the information provided in the notes to financial statements.

### Accounting for interest, fees, and overdraft charges in proceeds

Interest and other similar revenues and fees accounted in proceeds by the bank amount as of 31<sup>st</sup> December 2019 to 706 864 KDT and represent 85% of the total banking operating income.

The notes to financial statements II.8 «Accounting of income from loans granted to customers» and II.11 «Rules for accounting proceeds» in the part «relevant applied measuring base and accounting principles», describe the rules for accounting this income.

Even though most of this income is automatically generated and accounted for by the information system of the bank, we have considered that taken into consideration the important volume of transactions, the accounting of interest and fees represents a key point of the audit.

Within the framework of our auditing of accounts, our work has mainly included:

- The critical review of the internal control system put in place by the bank in terms of revenue recognition, including the assessment of computerized controls by our IT technology experts;
- Tests carried out to verify the effective application of key controls including automated controls;
- The analytical review of income to corroborate the accountancy data particularly with management information, historical data, tariff changes, trends in the sector, and related regulation;
- The verification of compliance with accounting standard NCT 24 and in particular that interest and overdraft charges on classified customers are only considered as income when they are cashed;
- The verification of appropriateness of the information provided regarding these proceeds presented in the notes to financial statements.

### **Observation**

We deem it useful to attract your attention to the situations described in:

**1/** Note 12 to financial statements related to an adjustment notification following a tax audit in 2019. Procedures related to this audit being still underway, the final impact could not be precisely estimated at the date of this report. To cover potential risks related to these audits, and based on recent developments, the bank has logged the provisions deemed necessary.

**2/** Note 29 to financial statements following the Covid-19 Health Crisis. As this event is not related to the existing conditions on the date of closing of the year 2019, the impact of this crisis is not reflected in the accounts closed on 31<sup>st</sup> December 2019. However, such events could harm the financial situation, the cost of risk, and the results of the bank for 2020 and subsequent years.

Our opinion is not modified regarding these points.

### **Report of the Board of Directors**

The responsibility of the Board Report rests with the Board of Directors. Our opinion regarding the financial statements does not cover the Board Report and we express no form of assurance regarding that report.

Our responsibility consists in verifying the accuracy of information provided regarding the accounts of the bank in the Board Report, regarding data in the financial statements. Our work consists of reading the Board Report and, in doing so, assess any significant incoherence between the report and financial statements or the knowledge we have acquired during the audit, or yet again whether the Board Report seems to include a significant anomaly. If in light of the work done, we observe any significant anomaly in the Board Report, we are under the obligation to report this.

We have nothing to report in this regard.

## **Responsibilities of management and supervisors for the governance of financial statements**

Management is liable for the preparation and accurate presentation of financial statements, per the corporate accounting system, as well as internal controls they deem necessary to enable the preparation of financial statements exempt from significant anomalies, whether they result from frauds or errors.

During the preparation of financial statements, management is liable for assessing the capacity of the bank to continue its operations, to communicate, if need be, the questions relative to operational continuity, and implement the accounting principle of operational continuity, unless management intends to liquidate the bank or cease its activity and if no other realistic solution is available to them.

Governance supervisors are liable for monitoring the financial information process of the bank.

## **Responsibilities of the auditor for the audit of financial statements**

The financial statements have been established by your Board of directors. Our objective is to obtain the reasonable assurance that financial statements as a whole are exempt from significant anomalies, whether they result from frauds or errors, and deliver an auditing report including our opinion. Reasonable assurance corresponds to a high level of assurance which, however, does not guarantee that an audit completed per ISA standards shall detect all significant anomalies which might exist. Anomalies may result from frauds or errors and are deemed significant where it is reasonable to expect, individually or collectively, that they could impact economic decisions that the users of financial statements make based on these.

Within the framework of an audit completed per ISA standards, we exercise our professional judgment and show critical thinking during this audit. In addition:

- We identify and assess the risks that financial statements include significant anomalies, whether they result from frauds or errors, we design and implement audit procedures in response to these risks, and we collect sufficient and appropriate evidence to base our opinion. The risk for non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly resulting from an error, as fraud could imply collusion, falsification, voluntary omissions, misrepresentation, or bypassing internal controls;
- We acquire an understanding of internal control elements relevant to the audit to design appropriate audit procedures for the circumstances;
- We assess the appropriateness of selected accounting methods and the reasonability of accounting assessments completed by the management, as well as relevant information provided by the latter;
- We conclude the appropriate use by the management of the accounting principle of operational continuity and, based on evidence obtained, regarding the existence or not of a significant uncertainty related to events or situations susceptible to create an important doubt about the capacity of the bank to continue its operations. If we conclude that there exists a significant uncertainty, we are under the obligation to draw the attention of readers of our report to the information provided in the financial statements regarding this uncertainty or, if this information is not adequate, to express a modified opinion. Our conclusions are based on the evidence obtained on the date of our report. Future events or situations could, however, lead the bank to cease its operations.

- We assess the overall presentation, the form, and the content of financial statements, including the information provided in the notes, and appraise whether financial statements represent operations and underlying events in a way to present a truthful image.
- We communicate to governance managers, in particular, the extent and projected schedule of the audit and our important observations, including any potential significant deficiencies of internal control we might observe during the audit.

We also provide to governance managers a statement specifying that we have complied with relevant ethical rules regarding independence, and we inform them of any relations and other factors which could be considered as susceptible of having a potential influence on our independence as well as related safeguards, if applicable.

Among the questions presented to governance managers, we establish which ones were the most important in the audit of financial statements for the reporting period: these are the key questions of the audit. We describe these questions in our report, unless legal or regulatory texts prohibit their publication or if, under extremely rare circumstances, we establish that we should not communicate a question in our report because it could reasonably be expected the negative consequences of communicating this question would exceed the advantages for the public interest.

### **The report related to legal and regulatory obligations**

Within the framework of our auditing mission, we have also carried out specific verifications provided for in the standards published by the Tunisian Association for Chartered Accounting and regulatory texts in force in this area.

### **Efficiency of the internal control system**

In application of the provisions of Article 3 of Law 94-117 dated 14 November 1994 related to the reorganization of the financial market, we completed a general assessment of the efficiency of the internal control system of the bank. In this regard, we would like to reiterate that the management and the Board of directors are liable for designing and implementing an internal control system as well as for the regular monitoring of its efficiency.

Based on our review, we did not identify major deficiencies in internal control, likely to impact our opinion on the financial statements as expressed above.

**Compliance of securities accounts bookkeeping with regulations in force**

In application of the provisions of Article 19 of decree N° 2001-2728 dated 20 November 2001, we have verified the compliance of bookkeeping of securities accounts published by the Bank with regulations in force.

The management is liable for ensuring compliance with the prescriptions of regulations in force.

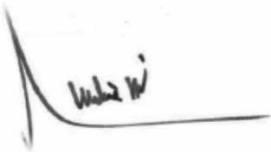
Based on the diligences we deem necessary to implement, we have not detected irregularities related to the compliance of the bank's accounts with regulations in force.

Tunis, 31<sup>st</sup> March 2020

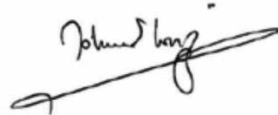
Auditors

**AMC Ernst & Young**

Noureddine HAJJI

**Cabinet M.S.Louzir**

Membre de Deloitte Touche Tohmatsu Limited  
Mohamed LOUZIR





**AMC Ernst & Young**

Société inscrite au tableau de l'OECT  
Boulevard de la terre - Centre Urbain Nord  
1003 Tunis - Tunisie  
Tél : 70 749 111 Fax : 70 749 045  
MF : 035482 W/A/M/000

**Deloitte. Cabinet MS Louzir**

Member of Deloitte Touche Tohmatsu Limited  
Rue du Lac Oubeira-Immeuble Illiade  
1053 - Les berges du Lac  
Tel: +216 36 400 900 Fax: + 216 36 050 900  
MF : 587570 N/A/M/000  
www.deloitte.tn

**Attijari bank,**  
**SPECIAL REPORT OF AUDITORS**  
THE FINANCIAL YEAR ENDED ON DECEMBER 31<sup>ST</sup>, 2019

Special Report

Dear Attijari bank Shareholders, Ladies, and Gentlemen

In our capacity as your bank's auditors, and as in application of the provisions of Article 62 of Law N° 2016-48, dated 11 July 2016, relative to banks and financial institutions, Article 200 and thereafter, Article 475 of the Commercial Companies Code, and Articles 29 and 30 of Law N° 2019-47 dated 29 May 2019, we hereby present our report regarding regulated agreements.

Our responsibility is to ensure compliance with legal procedures for authorization and approval of these agreements or operations, of their appropriate application, in fine, in the financial statements. It is not our responsibility to specifically and extensively search for the potential existence of such agreements or operations, but to inform you, based on the information provided to us and obtained through our auditing procedures, of their main characteristics and modalities, with no obligation to appreciate their usefulness or validity. It is your responsibility to appreciate the interest of entering these agreements and executing these operations, to approve them.

**A. Agreements recently agreed (other than the compensation of managers)**

Your Board of directors informed us of the following agreements and operations:

**Attijari Sicar**

Three new Risk Capital Funds management agreements have been signed respectively on 9th March 2020 between Attijari Sicar and Attijari bank, whereby the latter shall make Sicar Risk Capital Funds available to Attijari for a total amount of 50 000 KTD.

These two companies commit to comply with the use of at least 65% of these Risk Capital Funds for the acquisition or subscription of shares or share capital or share convertible bonds recently issued by enterprises yielding the tax benefits granted by the Personal Income Tax Code and the Corporate Tax Code for reinvestment.

In compensation for the management of the Risk Capital Funds on behalf of Attijari bank, Attijari Sicar receives:

▲ A management fee equal to:

- A compensation, based on the end-period stocks, of 0.5% (excluding taxes) on financial investment (SICAV, Bonds, Treasury Bonds, bank investment...).

- A compensation, based on the end-period stocks, of 0.75% (excluding taxes) on the amounts invested in net projects of potential provisions allocated to cover the depreciation of participations.

▲ A performance fee equal to:

- 10% (excluding taxes) on the capital gain on the sale and dividends received from investment projects.
- 10% (excluding taxes) on income received from financial investment exceeding the average money market rate of the year.

These agreements have first been authorized by the Board of Directors on 21<sup>st</sup> February 2020.

#### Attijari Recouvrement

Two agreements were signed on 31/12/2019 between Attijari bank and Attijari Recouvrement. The first agreement provides for the transfer of a pool of receivables comprising 704 cases for a nominal value of 6 118 KTD for a transfer price of 8 KTD. The second agreement applies to the second pool transferred comprised of 10 111 cases for a nominal value of 1 425 KDT and a transfer price of 10 KTD.

These agreements have been authorized by the Board of Directors on 21<sup>st</sup> February 2020.

#### Attijari Intermédiation

Within the framework of the compliance with the regulatory requirement provided for in Article 75 of Law N°2016-48 dated 11<sup>th</sup> July 2016, Attijari bank transferred on 19<sup>th</sup> July 2019 its total participation in the company Générale Immobilière du Sud « GIS ». This transfer was done in counterpart of 13 404 Attijari Sicar shares and a balance in cash for 130 KDT.

The registration of purchase operations (Attijari Sicar shares) and sales operations (« GIS » securities) on the stock market was done by Attijari Intermédiation. Paid registration fees amount to 6 KDT HT.

These agreements have first been authorized by the Board of Directors on 11<sup>th</sup> February 2020.

### **B. Operations executed in relation to prior agreements (other than the compensation of managers)**

We inform you that the execution of the following agreements, approved during the previous years, continued during the past year:

#### Attijari Finances Tunisie

Within the framework of its mandate to support the bank in projects executed in 2018 and 2019, Attijari Finances received fees related to the year 2019 amounting to 129 KDT HT.

The said projects are as follows:

- Capital Increase of Attijari bank;
- License from CBT to exceed the participation threshold in the capital of Attijari Leasing;
- Sigma Project;
- Beta Project.

An agreement has been signed on 23 March 2014 between Attijari bank and Attijari Finances Tunisie providing for the subscription by Attijari bank of equity securities issued by Attijari Finances Tunisie to comply with the requirements for own funds established by Article 388 of the Commercial Companies Code. The issuing covers an amount of 750 KDT as of 01/04/2014.

The interest on equity securities is as follows:

- A fixed interest rate of gross yearly money market rate from the date of vesting. This rate is equal to the money market rate +1 from the date of replenishment of the capital of the issuer per Article 388 of the Commercial Companies Code. The interest is calculated on the nominal value of each equity security and is payable annually in arrears.
- A variable remuneration equal to 10% of the share of earnings above 50 KDT. This remuneration is calculated on the net profit after tax and provisions within a deadline of one month from the date of the Ordinary General Meeting which is to approve the accounts of the issuer.

The interest accounted for 2019 is of 57 KDT.

### **Attijari Wafasalaf**

An agreement has been signed on 27 March 2017 between Attijari bank, and Attijari Wafasalaf (your bank has common administrators), for the provision on behalf of the bank of know-how, technical assistance, advice as well as other services related to internal operations in terms of the industrialization of consumer credit.

In return for the services provided, Attijari bank commits to pay remuneration to cover the development of two scorecards, calculated based on the time dedicated, the level of responsibility and professional qualification of personnel appointed, and provision of related deliverables.

Attijari Wafasalaf receives a fee of:

- 40 000 Euros per scorecard;
- 800 Euros/man-day for any additional request related to the initial scope and the yearly maintenance of scorecards.

The abovementioned fees are intended excluding travel and accommodation expenses, which are borne by Attijari bank.

This agreement has been authorized by the Board of Directors on 10 May 2017.

As such, the amount due to Attijari Wafasalaf recorded as a liability of the bank as of 31<sup>st</sup> December 2019 amounts to 300 KDT.

Attijari bank Tunisie signed an agreement on 9<sup>th</sup> May 2012 an agreement with Wafasalaf for the provision on behalf of the bank of know-how, technical assistance, advice as well as other services related to internal operations particularly in terms of the optimization of the loan granting process, the establishment of a recovery platform, of the steering and monitoring and control of risks.

In return for the services provided, Attijari bank commits to pay a remuneration calculated based on the time dedicated, the level of responsibility, and the professional qualification of personnel recommended. The expenses incurred by Attijari Wafasalaf shall be charged back for transport expenses and « per diem » allowances. Invoicing shall be monthly in arrears. The reference price for fees is set at 400 Euros per day.

No intervention has occurred during the year 2019.

### Attijariwafa bank Maroc

An agreement has been signed on 26th November 2018 between Attijari bank Tunisie, Attijariwafa bank Maroc, and International Finance Corporation (IFC) whereby, Attijariwafa bank Maroc commits to maintain its participation in the capital of Attijari bank Tunisie for 55% at least until the expiry of the period of the subordinated loan of 40 million Euros granted by IFC to Attijari bank Tunisie and released up to 50% as of 31 December 2018.

This agreement has first been authorized by the Board of Directors on 11<sup>th</sup> February 2019.

Within the framework of the agreement signed between Attijari bank and Attijariwafa bank Maroc as authorized by the Board of directors on 05<sup>th</sup> March 2007 and modified by the decision of the Board of Directors on the 06<sup>th</sup> June 2008, the amount recorded as a liability to the bank as of 31<sup>st</sup> December 2019 amounts to 5 044 KTD related to technical assistance and advice services.

This agreement was replaced as of 13<sup>th</sup> February 2015 by the technical assistance agreement signed with Attijari Africa.

### Attijariwafa bank Europe

Under the agreement signed on 1<sup>st</sup> March 2010 and modified on 19<sup>th</sup> March 2012 between Attijari bank Tunisie and Attijariwafa bank Europe (your bank has common administrators), as authorized by the Board of Directors on 5<sup>th</sup> June 2012, the latter shall act, through its network of branch offices, as a relay between Attijari bank Tunisie and Tunisian customers living in Europe in terms of information, presentation of the banking offer and intermediation in the distribution of products and services. These services are remunerated by a fee designated as « TRE activity fee » based on a unit rate for services provided. This fee is negotiated yearly between both parties.

A new agreement between Attijari bank Tunisie and Attijariwafa bank Europe was signed on 15<sup>th</sup> December 2017 and authorized by the Board of Directors on 09<sup>th</sup> February 2018 whereby, Attijariwafa bank Europe offers and distributes in France, its banking services executed in Tunisia for Tunisian customers living abroad through its network in Europe.

In return for the services provided, Attijariwafa bank Europe receives 3 types of remuneration:

- ▲ A remuneration indexed on the customer portfolio at a unit price of 5 € per customer.
- ▲ A remuneration indexed on Transmissions of Orders:
  - 10 € per transfer plus an additional 0.5% of the amount of transfers in Dinars.
  - 25 € per transfer plus an additional 0.5% of the amount of transfers in Euros.
- ▲ A remuneration for banking services agreed:
  - 60 € per account opening.
  - 25 € per subscription of a Bledi+ Pack.
  - 5 € per order of transfer means.
  - 5 € per act of management.
  - 10 € per cash pick-up and transfer order.
  - 5 € for any other requests.

In addition to the three types of remunerations, Attijariwafa bank Europe continues to receive 2/3 of the wage bill of the Account Managers for the Tunisians Abroad activity and a share of marketing charges related to the activity.

The cost accounted by the bank for 2019 amounts to 986 M€, i.e. 3 722 KDT, and the amount recorded as a liability for the bank as of 31/12/2019 amounts to 12 434 KTD.

### Attijari Assurance

A life insurance collective agreement was agreed between Attijari bank and Attijari Assurance on 25<sup>th</sup> June 2018 whereby Attijari Assurance guarantees to subscribed personnel of the bank:

- If the subscriber is still alive upon the term of the insurance, the accumulation and service of an accumulated capital that may be converted in the form of pension against payment of periodic and additional premiums;
- In case of death before the term, the immediate payment to the legitimate right-holders or designated beneficiaries of the accumulated capital
- In the case of absolute and permanent invalidity, the service to the subscriber of the accumulated capital at the date of the consolidation of the absolute and permanent invalidity.

The operating costs of Attijari Assurance are established as follows:

- Acquisition fees for a maximum of 3.5% on periodic premiums and a maximum of 1.5% on additional premiums.
- Management fees for a maximum of 0.6% per year, and
- Pension management fees for a maximum of 5% for each arrear of pension.

The total premium comprises the share of the employer at 90% calculated based on a rate of 2.5% of the wage bill of all subscribers for the previous year and taking into account the individual gross annual income of each subscriber and their seniority in the bank and the employee share at 10%.

This agreement has first been authorized by the Board of Directors on 09 February 2018.

As of 31<sup>st</sup> December 2019, the cost recognized by Attijari bank amounts to 1 914 KDT.

Attijari bank receives acquisition and management fees for the distribution of the Attijari Assurance life insurance products. The amount of fees recorded in proceeds is of 3 535 KDT for 2019.

Attijari bank has recorded an accrued liability of 810 KTD as « Term Life » insurance included in all individual current accounts.

Attijari Assurance subscribed to the subordinated bond issued by Attijari bank in 2017 for an amount of 6 069 KDT. The interest expenses paid in 2019 amount to 455 KDT.

### Attijari Intermédiation

Attijari bank signed on 27 December 2012 an agreement for securities accounts management with its Attijari Intermédiation subsidiary held at 99.99%, for the bookkeeping of the register of shareholders of the Attijari bank security and related rights under the Financial Market Council regulation. For the execution of these services, the fees of Attijari Intermédiation are defined on a flat-rate basis at 7 KDT HT to be paid at the end of each year.

The costs accounted for 2019 are at 7 KDT.



### Attijari Africa

An agreement has been signed on 1<sup>st</sup> January 2015 and authorized by the Board of Directors on 13 February 2015 between Attijari bank and Attijari Africa for the provision on behalf of the bank of technical assistance, advice as well as other services related to the definition of the overall strategy of the bank.

The amount for technical assistance services is defined and invoiced semi-annually by Attijari Africa based on the costs consumed during the semester. Services provided are expressed as man-day based on a pricing schedule.

In return for the services provided, Attijari bank logged a cost during the year 2019 of 961 KDT. The amount recorded as a liability of the bank is 4 975 KDT.

### Attijari Leasing

Within the framework of the agreement signed in 2008 between Attijari bank and Attijari Leasing, the bank provided during the year 2018 assistance services for the distribution of Attijari Leasing products through the retail network of the bank.

An addendum to this agreement was authorized by the Board of Directors on 11 February 2019 introducing revisions to the modalities for defining the profit-sharing of the bank to take into account the development of the cost of resources and the exit rates in force.

The fee was calculated based on the amount of funding effectively put in place by applying a profit-sharing rate based on the placement rate (0.25% for a placement rate of  $T < 10\%$ , 0.50% for  $10\% \leq T < 11\%$ , and 0.75% for  $T \geq 11\%$ ).

According to the said addendum, the fee shall be defined based on the nominal rate of the contract implemented (TC) in comparison with the average exit rate (TMS) defined quarterly.

Nominal rate of the contract implemented (TC) in comparison with the quarterly average exit rate (TMS)	Rate of fee
$TC \leq TMS$	0,25%
$TMS < TC \leq TMS \text{ increased by } 125 \text{ basis points}$	0,50%
$TC > TMS \text{ increased by } 125 \text{ basis points}$	0,75%

During the year 2019, the bank received products up to 267 KDT HT.

Attijari bank signed financial lease agreements (Leasing) with Attijari Leasing. These agreements cover vehicles for a total asset value of 1 842 KDT and a debt liability of 585 KDT.

Interest expense related to the year 2019 amounts to 86 KDT.

### Attijari Immobilière

The bank signed on 10<sup>th</sup> January 2012 with Attijari Immobilière (owned at 99.98% by Attijari bank) an asset management agreement for the sale of a building belonging to the bank with a fee of 2.5% of the sale price before tax.

No operations were executed during the year 2019.

## **Générale Tunisienne Informatique (GTI)**

On 26<sup>th</sup> March 2018, an addendum was agreed to modify the daily rates for services provided by the GTI consultants as established by the initial memorandum of understanding between the bank and its subsidiary.

This addendum comes in force starting from January 2018 and provides as follows:

- ▲ An annual financial allocation of 1 200 M/D for services other than those related to maintenance. The rate applied for this allocation is of 385 TND (excluding taxes) Man/Day.
- ▲ Beyond this annual allocation of 1 200 M/D, billing comes down to 310 TND (excluding taxes) Man/Day.

On 24<sup>th</sup> May 2018, a contract was signed between the bank and GTI for the development of a Securities custodian management solution and UCITS. This agreement has first been authorized by the Board of Directors on 09<sup>th</sup> February 2018.

The fees for technical assistance and software development received by Générale Tunisienne de l'Informatique from Attijari bank for 2019 amount to 1 375 KDT HT.

Besides, in 2019 GTI developed two software programs for Attijari bank for a total amount of 77 KDT.

## **Attijari Gestion**

On 12<sup>th</sup> February 2018, an agreement was signed between Attijari bank and Attijari Gestion acting as a manager for Attijari FCP CEA. This agreement amends the depositary agreement signed on 01st March 2009. Attijari bank commits to ensuring on behalf of FCP:

- The safekeeping of assets;
- The liability management;
- The verification of the regularity of management decisions .

The total amount invoiced in 2019 by Attijari bank for its depositary functions amounts to 35 KDT HT.

On 28<sup>th</sup> September 2015, an agreement was signed between Attijari bank and Attijari Gestion acting as a manager of FCP Dynamique. This agreement amends the depositary agreement signed on 01/03/2009. Attijari bank commits to ensuring on behalf of FCP:

- The safekeeping of assets;
- The liability management;
- The verification of the regularity of management decisions.

The total amount invoiced in 2019 by Attijari bank for its services amounts to 20 KDT HT.

## **Attijari Obligataire SICAV**

Within the framework of agreements signed between Attijari bank and Attijari Obligataire SICAV, the bank acts as a depositary on their behalf and received for 2019 fees in compensation for these services for 130 KTD (excluding taxes).

## **Attijari Sicar**

Three risk capital funds management agreements have been signed respectively on 21<sup>st</sup> February 22<sup>nd</sup> February and 25<sup>th</sup> February 2019 between Attijari Sicar and Attijari bank, whereby the latter provides risk capital funds to Attijari Sicar for a total amount of 50 000 KTD.

Both companies commit to use at least 65% of these risk capital funds for the acquisition or subscription of shares or share capital or bonds convertible to equities recently issued by enterprises

giving entitlement to the tax incentives granted by the Personal Income Tax Code and the Corporate Tax Code for reinvestment.

In compensation for its management of the risk capital funds on behalf of Attijari bank, Attijari Sicar receives:

- ▲ A yearly fixed remuneration for 1% excluding VAT, calculated on the initial amount of the funds managed;
- ▲ A charge of 10% on income, dividends, capital gains, and other products generated by the fund.

These agreements have been authorized by the Board of Directors on 11<sup>th</sup> February 2019.

On 31<sup>st</sup> December 2019, the stock of funds managed amounts to 50 000 KDT.

A provision of 78 KDT was made to cover the depreciation risk for these funds.

The fixed management fees of these three funds accounted for by Attijari bank for 2019 amount to 577 KDT including taxes.

The charge on income, dividends, capital gains, and other products generated by the funds amounts to 303 KDT for 2019.

Three risk capital funds management agreements have been signed on 13<sup>th</sup> February, 19<sup>th</sup> February, and 23<sup>rd</sup> February 2018 between Attijari Sicar and Attijari bank, whereby the latter provides risk capital funds to Attijari Sicar for a total amount of 50 000 KTD.

Both companies commit to use at least 65% of these risk capital funds for the acquisition or subscription of shares or share capital or bonds convertible to equities recently issued by enterprises giving entitlement to the tax incentives granted by the Personal Income Tax Code and the Corporate Tax Code for reinvestment.

In compensation for its management of the risk capital funds on behalf of Attijari bank, Attijari Sicar receives:

- ▲ A yearly fixed remuneration for 1% excluding VAT, calculated on the initial amount of the funds managed;
- ▲ A charge of 10% on income, dividends, capital gains, and other products generated by the fund.

On 31<sup>st</sup> December 2019, the stock of funds managed amounts to 50 000 KDT.

A provision of 15 KDT was made to cover the depreciation risk for these funds.

The fixed management fees of these three funds accounted for by Attijari bank for 2019 amount to 577 KDT including taxes.

The charge on income, dividends, capital gains, and other products generated by the funds amounts to 204 KDT for 2019.

This agreement has first been authorized by the Board of Directors on 09<sup>th</sup> February 2018.

A risk capital funds management agreement was signed on 28<sup>th</sup> February 2017 between Attijari Sicar and Attijari bank, whereby the latter provides risk capital funds to Attijari Sicar for a total amount of 30.000 KDT.

Both companies commit to use at least 65% of these risk capital funds for the acquisition or subscription of shares or share capital or bonds convertible to equities recently issued by enterprises giving entitlement to the tax incentives part of the catalog provided in paragraph III of Article 39 septies the Personal Income Tax Code and the Corporate Tax Code.

In compensation for its management of the risk capital funds on behalf of Attijari bank, Attijari Sicar receives:

- ▲ A yearly fixed remuneration for 1% excluding VAT, calculated on the initial amount of the funds managed;
- ▲ A charge of 10% on income, dividends, capital gains, and other products generated by the fund.

On 31<sup>st</sup> December 2019, the stock of funds managed amounts to 30 000 KDT.

A provision of 2 KDT was made to cover the depreciation risk for these funds.

The fixed management fees of these three funds accounted for by Attijari bank for 2019 amount to 346 KDT.

The charges on income, dividends, capital gains, and other products generated by the funds amount to 61 KDT for 2019.

This agreement has first been authorized by the Board of Directors on 14 February 2017.

Within the framework of the risk capital funds management agreement signed on 24<sup>th</sup> March 1998 with Attijari Sicar, the latter receives annually a remuneration of 1% paid on all funds managed.

On 31<sup>st</sup> December 2019, the stock of funds managed amounts to 5 254 KDT.

A provision of 3 002 KDT was made to cover the depreciation risk for these funds.

The fixed management fees of these three funds accounted for by Attijari bank for 2019 amount to 61 KDT including taxes.

#### Others agreements

Attijari bank allocates to Générale Tunisienne d'Informatique (GTI), Attijari Leasing, and Attijari Immobilière some executive staff. Secondment decisions provide that the amounts invoiced by the bank correspond to salaries and wage bill charges incurred. The amounts invoiced for 2019 are as follows:

(Amount in KDT)	
Related parties	Invoiced amount
Attijari Leasing	564
Attijari Immobilière	113
GTI	51
<b>TOTAL</b>	<b>728</b>

#### **C. Obligations and commitments of the company towards managers**

The obligations and commitments towards managers as indicated in article 200 (new) II § 5 of the Commercial Companies Code are as follows:

- The remuneration and benefits granted to the Chairman of the Board of Directors are set by a decision from the committee of remuneration of the Board of directors on 08<sup>th</sup> March 2007. This remuneration is detailed in the below table. Moreover, the Chairman of the Board of Directors benefits from a company car and coverage of telephone costs.

- The remuneration and benefits granted to the previous General Manager are established by a decision from the committee of remuneration of the Board of directors on 15th December 2012. The remuneration comprises a fixed allowance and a yearly variable bonus based on the completion of objectives. Moreover, the General Manager benefits from a company car with coverage of utilities, telephone, school fees, accommodation costs, and airfare.
- The remuneration and benefits granted to the new General Manager are established by a decision from the committee of remuneration of the Board of Directors on 29/11/2018. The remuneration comprises a fixed allowance and a yearly variable bonus based on the completion of objectives. Moreover, the General Manager benefits from a company car with coverage of utilities, telephone, school fees, accommodation costs, and airfare.
- The remuneration of the Deputy General Manager in charge of support activities comprises a fixed allowance and a yearly bonus based on completion of objectives. Moreover, the Deputy General Manager benefits from a company car with coverage of utilities costs and accommodation and airfare costs.
- The remuneration of the Deputy General Manager in charge of retail banking comprises a fixed allowance and a yearly bonus based on completion of objectives. Moreover, the Deputy General Director benefits from a company car with coverage of utilities and telephone.
- The members of the Board of Directors, the members of the Permanent Audit Committee, and the members of the risk committee receive attendance fees recommended yearly by the Board of Directors and submitted to the approval of the Ordinary General Assembly.

The obligations and commitments of Attijari bank towards its managers as they appear on the financial statements for the financial year ended on 31st December 2019 (wage bill charges included), are as follows (in Dinars) :

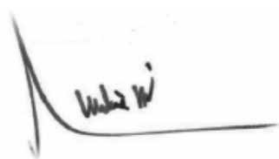
	Chairman of the Board of Directors		Previous General Manager		New General Manager		Deputy General Managers		Members of the Board of Directors and regulatory committees	
	Expenses for 2019	Liabilities as of 31/12/19	Expenses for 2019	Liabilities as of 31/12/19	Expenses for 2019	Liabilities as of 31/12/19	Expenses for 2019	Liabilities as of 31/12/19	Expenses for 2019	Liabilities as of 31/12/19
Benefits	378 010	6 074	969 271	14 021	650 282	4 180	1 083 667	36 559	250 000	250 000
<b>Total</b>	<b>378 010</b>	<b>6 074</b>	<b>969 271</b>	<b>14 021</b>	<b>650 282</b>	<b>4 180</b>	<b>1 083 667</b>	<b>36 559</b>	<b>250 000</b>	<b>250 000</b>

Moreover, and in addition to these transactions, we inform you that we were advised of no other agreement signed during the year, and our works did not reveal the existence of other transactions within under the provisions of Article 62 from law N° 2016-48 dated 11th July 2016, Article 200 and following and article 475 of the Commercial Companies Code.

Tunis, 31<sup>st</sup> March 2020

Auditors

**AMC Ernst & Young**  
Noureddine HAJJI



**Cabinet M.S.Louzir**  
Membre de Deloitte Touche Tohmatsu Limited  
Mohamed LOUZIR





**AMC Ernst & Young**

Société inscrite au tableau de l'OECT  
Boulevard de la terre - Centre Urbain Nord  
1003 Tunis - Tunisie  
Tél : 70 749 111 Fax : 70 749 045  
MF : 035482 W/A/M/000

**Deloitte. Cabinet MS Louzir**

Member of Deloitte Touche Tohmatsu Limited  
Rue du Lac Oubeira-Immeuble Illiade  
1053 - Les berges du Lac  
Tel: +216 36 400 900 Fax: + 216 36 050 900  
MF : 587570 N/A/M/000  
www.deloitte.tn

**Attijari bank,**  
**AUDITORS' REPORT REGARDING**  
**THE CONSOLIDATED FINANCIAL STATEMENTS**  
STATEMENTS OF THE YEAR ENDED ON 31<sup>ST</sup> DECEMBER 2019

Ladies and Gentlemen, Dear Attijari bank Shareholders,

Audit report regarding the consolidated financial statements

**Opinion**

In execution of the audit mandate entrusted to us by your general assembly, we have audited the consolidated financial statements of the Attijari bank de Tunisie group including the consolidated balance sheet as well as the status of commitments off-consolidated balance sheet as of 31<sup>st</sup> December 2019, the consolidated income statement, the consolidated cash flow statement for the financial year ended on this date and notes including a summary of the main accounting methods and other explanatory notes.

These financial statements were established by the Board of Directors on the 21<sup>st</sup> February 2020 based on the elements available on this date in the evolving context of the Covid-19 Health Crisis.

These consolidated financial statements, attached hereto, show a total consolidated balance sheet of 10 006 468 KDT and a net profit of 176 884 KDT.

In our opinion, the consolidated financial statements of the Attijari bank Group, are regular and accurate and give, for all important aspects, a fair representation of the financial situation of the group as of 31<sup>st</sup> December 2019, as well as the results of its operations and its cash flows for the year ended on this date, in accordance with the corporate accounting system in force in Tunisia.

**Basis of the opinion**

We have executed our audit in accordance with the International Standards on Auditing (ISA) applicable in Tunisia. Our responsibilities under these standards are further detailed under section « Responsibilities of the auditor for the audit of consolidated financial statements » of this report. We are independent from the Group in compliance with ethical rules applying to audits of financial statements in Tunisia, and we have executed our other ethical responsibilities under these rules.

We consider that the evidence we have obtained are sufficient and appropriate for us to form an audit opinion within the context of the audit of the annual consolidated accounts as a whole, established under the conditions mentioned above.

**Key audit questions**

Key audit questions are the questions that, based on our professional judgment, were the most important ones in the audit of consolidated financial statements for the reporting period. These

questions were processed within the framework of our auditing of the financial statements as a whole and in order to form our opinion, and we do not express a distinct opinion on these questions.

We have determined that there were no key questions of the audit to be communicated in our report.

### **Observation**

We deem it useful to attract your attention to the situations described in:

**1/** Note 13 to the consolidated financial statements related to an adjustment notification following a tax audit in 2019. Procedures related to this audit still being under way, the final impact may not be precisely estimated at the date of this report. To cover potential risks related to these audits, and based on recent developments, the bank has logged the provisions deemed necessary.

**2/** Note 31 to the consolidated financial statements following the Covid-19 Health Crisis. As this is an event not related to the existing conditions on the date of closing of the year 2019, the impact of this crisis is not reflected in the accounts closed on 31<sup>st</sup> December 2019. However, such events may have a negative effect on the financial situation, the cost of risk and the results of the group for the year 2020 and subsequent years.

Our opinion is not modified regarding these points.

### **Report of the Board of Directors**

The responsibility of the Board Report rests with the Board of Directors. Our opinion regarding the consolidated financial statements does not extend to the Board Report and we express no form of assurance regarding this report.

Our responsibility consists in verifying the accuracy of information provided regarding the accounts of the group in the Board Report, with reference to data provided in the financial statements. Our work consists in reading the Board Report and, in doing so, assess any significant incoherence between such report and consolidated financial statements or the knowledge we have acquired during the audit, or whether the Board Report seems to include a significant anomaly. If, in light of our work, we observe any significant anomaly in the Board Report, we are under the obligation to report this.

We have nothing to report in this regard.

### **Responsibilities of management and supervisors for the governance of financial statements**

Management is in charge of preparing and accurately presenting consolidated financial statements, in accordance with the corporate accounting system, as well as internal control they deem necessary to allow the preparation of consolidated financial statements exempt from significant anomalies, whether they result from frauds or errors.

During the preparation of consolidated financial statements, management is liable for assessing the capacity of the group to continue its operations, to communicate, if need be, the questions relative to operational continuity and implement the accounting principle of operational continuity, except if management intends to liquidate the group or end its activity and if no other realistic solution is available.

Governance supervisors are liable for monitoring the financial information process of the group.

### **Responsibilities of the auditor for the audit of financial statements**

Consolidated financial statements have been established by your Board of directors. Our targets are to obtain the reasonable assurance that consolidated financial statements as a whole are exempt from significant anomalies, whether they result from frauds or errors, and deliver an auditing report including our opinion. Reasonable assurance corresponds to a high level of assurance which, however, does not guarantee that an audit completed in accordance with ISA standards shall always allow the detection of any significant anomaly which might exist. Anomalies may result from frauds or errors and are deemed significant where it is reasonable to expect, individually or collectively, that they might impact economic decisions to be made by the users of consolidated financial statements based on them.

Within the framework of an audit completed in accordance with ISA standards, we apply our professional judgment and show critical thinking during this audit. In addition:

- We identify and assess risks for consolidated financial statements to include significant anomalies, whether they result from frauds or errors, design and implement audit procedures in response to these risks, and collect sufficient and appropriate evidence to base our opinion. The risk for non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly resulting from an error, as fraud could imply collusion, falsification, voluntary omissions, misrepresentation or bypassing internal controls;
- We acquire an understanding of internal control elements relevant to the audit in order to design audit procedures appropriate to the circumstances ;
- We assess the appropriateness of accounting methods selected and the reasonability of accounting assessments completed by the management, as well as relevant information provided by the latter;
- We reach a conclusion regarding the appropriate use by the management of the group of the accounting principle of operational continuity and, based on evidence, regarding the existence or not of a significant uncertainty related to events or situations susceptible to create an important doubt about the capacity of the group to continue operations. If we verify the existence of a significant uncertainty, we have the obligation to draw the attention of readers of our report to the information provided in consolidated financial statements regarding this uncertainty or, if this information is not adequate, to express a modified opinion. Our conclusions are based on the evidence obtained on the date of our report. Future events or situations could, in addition, lead the bank to stop its operations.
- We assess the overall presentation, the form and the content of consolidated financial statements, including information provided in the notes, and appraise whether consolidated financial statements represent operations and underlying events in a way to present a truthful image.

- We communicate to the supervisors for governance mainly the extent and projected schedule of the audit and our important observations, including any potential significant deficiencies of internal control we could encounter.

We also provide to governance supervisors a statement specifying that we complied with relevant ethical rules regarding the independence, and indicate any relations and other factors which could be considered as having a potential influence on our independence as well as related safeguards, if applicable.

Among the questions presented to governance supervisors, we establish which ones were the most important in the audit of consolidated financial statements for the reporting period: these are the key questions of the audit. We describe these questions in our report, unless legal or regulatory texts prohibit their publication or if, under extremely rare circumstances, we establish that we should not communicate a question in our report because it could reasonably be expected that communicating this question could have negative consequences that would exceed the advantages for public interest.

### **Report related to legal and regulatory obligations**

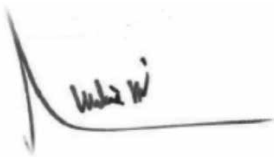
Within the framework of our auditing mission, we have also carried out specific verifications provided for in the norms published by the Tunisian Association for Chartered Accounting and regulatory texts in force in this area.

Tunis, 31<sup>st</sup> March 2020

Auditors

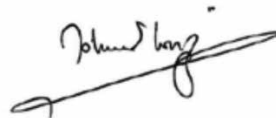
#### **AMC Ernst & Young**

Noureddine HAJJI



#### **Cabinet M.S.Louzir**

Membre de Deloitte Touche Tohmatsu Limited  
Mohamed LOUZIR









A person in a dark suit is shown from the side, holding a pen and writing in a spiral-bound notebook. The background is a blurred, high-angle view of a city skyline at night, with numerous illuminated skyscrapers and buildings. The overall tone is professional and modern.

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# Adopted Resolutions

# RESOLUTIONS ADOPTED BY THE ORDINARY GENERAL MEETING

HELD ON 26<sup>th</sup> JUNE 2020 RULING ON THE FISCAL YEAR 2019

## FIRST RESOLUTION

The Ordinary General Meeting, having heard the management report and the consolidated management report of the Board of Directors for the year ending on 31<sup>st</sup> December 2019:

- Ratifies reporting the General Meeting pursuant to the lockdown decision dated 20<sup>th</sup> March 2020 and the Note from the Central Bank of Tunisia N° 2020-17 dated 1<sup>st</sup> April 2020
- Approve the said reports as they were presented.

**This resolution, put to the vote, is adopted unanimously.**

## SECOND RESOLUTION

The Ordinary General Meeting, having heard the general report of Co-auditors related to the separate financial statements and to the consolidated financial statements as of 31/12/2019 and the special report of Co-auditors regarding the regulated agreements signed during the year 2019, approves the agreements mentioned.

**This resolution, put to the vote, is adopted unanimously.**

## THIRD RESOLUTION

The Ordinary General Meeting, after examining the separate and consolidated financial statements for the year ended on 31/12/2019, approves the said separate financial statements as well as the consolidated financial statements.

**This resolution, put to the vote, is adopted unanimously.**

## FOURTH RESOLUTION

The Ordinary General Meeting, grants full, final and unreserved discharge to administrators for their management during the year 2019.

**This resolution, put to the vote, is adopted unanimously.**

## FIFTH RESOLUTION

Pursuant to the Note from the CBT N° 2020-17 dated 1/4/2020 to banks and financial institutions to suspend the distribution of dividends for the year 2019, the Ordinary General Meeting, acknowledges the profit result generated for the year 2019 of **One Hundred Seventy Four Million One Hundred Ninety Five Thousand Six Hundred Sixty Dinars (174 195 660 DT)** and decides to allocate the result as follows:

(Amount in Dinars)

<b>PROFIT FOR THE YEAR</b>	<b>174 195 660</b>
<b>BALANCE BROUGHT FORWARD</b>	<b>68 033 358</b>
<b>INCOME TO DISTRIBUTE</b>	<b>242 229 018</b>
<b>REINVESTMENT RESERVES</b>	<b>50 000 000</b>
<b>BALANCE BROUGHT FORWARD</b>	<b>192 229 018</b>

However, if this suspension decision is lifted before the next Ordinary General Meeting of the bank examining the year 2020, the Ordinary General Meeting delegates to the Board of Directors the distribution of dividends which would have been expressly beforehand validated by the Central Bank of Tunisia.

**This resolution, put to the vote, is adopted by an absolute majority with an opposition of shareholders representing 53 150 shares that is 0.13% of the capital and voting rights.**

## SIXTH RESOLUTION

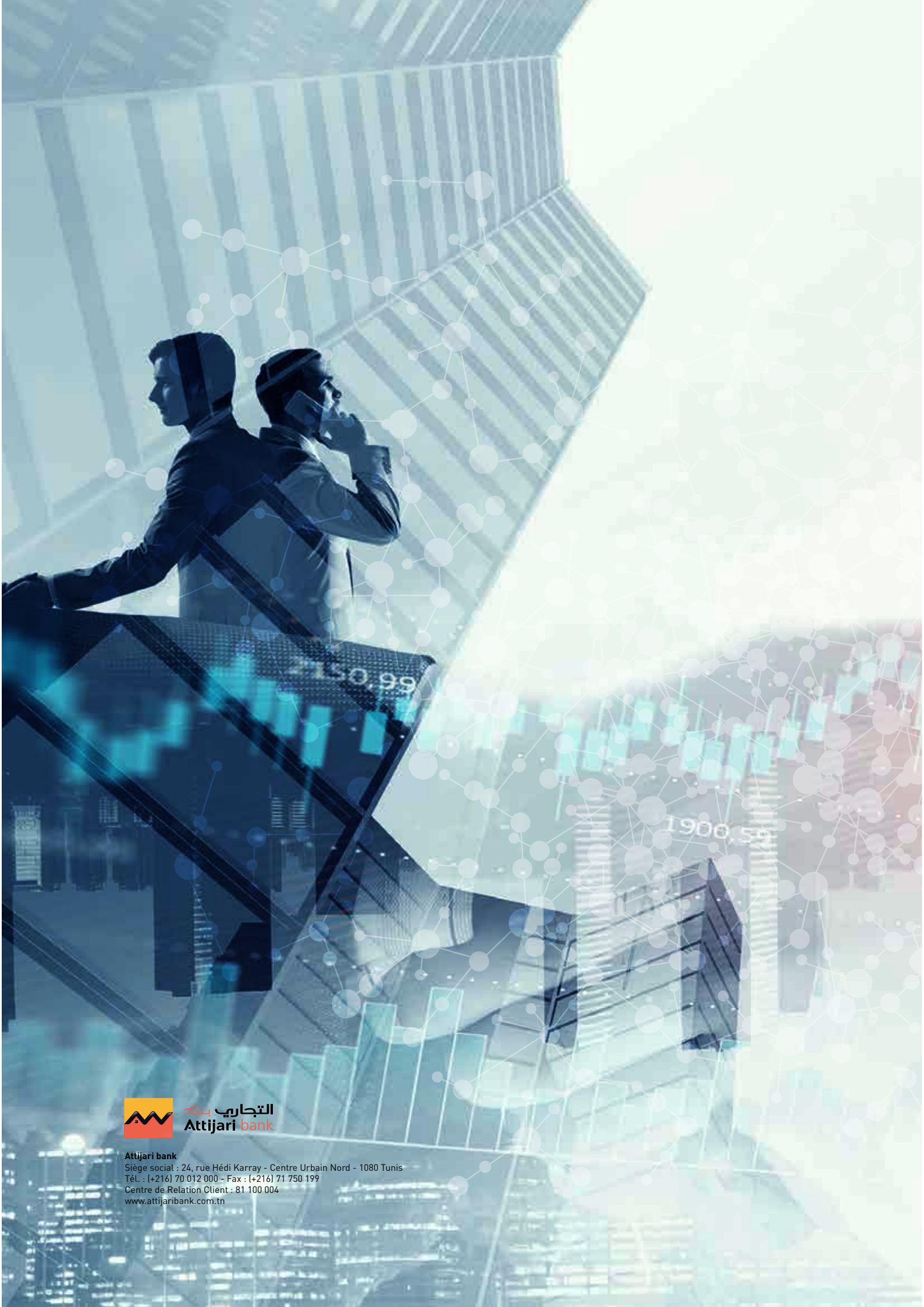
The Ordinary General Meeting, on a proposal from the Board of Directors, renewed the amount of one hundred and fifty thousand Dinars (150 000 Dinars) for attendance fees for the year 2019, as well as the amount of One Hundred Thousand Dinars (100 000 Dinars) allocated to the members of regulatory committees.

**This resolution, put to the vote, is adopted unanimously.**

## SEVENTH RESOLUTION

The Ordinary General Meeting, grants full powers to the holder of a copy or extract of these minutes in order to perform, wherever necessary, all submissions, publications and other formalities required by the law.

**This resolution, put to the vote, is adopted unanimously.**



التجاري بنك  
Attijari bank

Attijari bank  
Siège social : 24, rue Hédi Karray - Centre Urbain Nord - 1080 Tunis  
Tél. : (+216) 70 012 000 - Fax : (+216) 71 750 199  
Centre de Relation Client : 81 100 004  
[www.attijaribank.com.tn](http://www.attijaribank.com.tn)