

PROSPECTUS SUMMARY



التجاري وفا بنك
Attijariwafa bank

ATTIJARIWAFABANK S.A

ISSUE OF SUBORDINATED BONDS FOR A TOTAL AMOUNT OF MAD 500,000,000

The AMMC-approved prospectus consists of:

- The Securities Note
- Attijariwafa bank's Reference Document registered by the AMMC on June 10, 2020 under reference no. EN/EM/004/2020
- Updated version number 1 of the Reference Document registered by the AMMC on December 10, 2020 under reference no. EN/EM/026/2020

| | Tranche A (Listed) | Tranche B (Listed) | Tranche C (Not listed) | Tranche D (Not listed) | Tranche E (Listed) | Tranche F (Not listed) |
|----------------------------------|--|--|--|--|--|--|
| Ceiling | MAD 500,000,000 | MAD 500,000,000 | MAD 500,000,000 | MAD 500,000,000 | MAD 500,000,000 | MAD 500,000,000 |
| Number of securities | 5,000 subordinated bonds | 5,000 subordinated bonds | 5,000 subordinated bonds | 5,000 subordinated bonds | 5,000 subordinated bonds | 5,000 subordinated bonds |
| Nominal value | MAD 100,000 | MAD 100,000 | MAD 100,000 | MAD 100,000 | MAD 100,000 | MAD 100,000 |
| Maturity | 7 years | 7 years | 7 years | 7 years | 7 years | 7 years |
| Face interest rate | <u>Fixed</u> , the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 60 and 70 basis points. | <u>Revisable on an annual basis</u> , the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 55 and 65 basis points. | <u>Fixed</u> , the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 60 and 70 basis points. | <u>Revisable on an annual basis</u> , the reference rate for the nominal interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary yield curve as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 55 and 65 basis points. | <u>Fixed</u> , the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 50 and 60 basis points. | <u>Fixed</u> , the reference to the nominal rate is the 7-year Treasury Bonds rate computed on the secondary market yield curve, as published by Bank Al-Maghrib on December 16, 2020, increased by a risk premium ranging between 50 and 60 basis points. |
| Principle repayment | In fine | In fine | In fine | In fine | Constant linear annual amortization, with a 2-year grace period | Constant linear annual amortization, with a 2-year grace period |
| Risk premium | Between 60 and 70 bps | Between 55 and 65 bps | Between 60 and 70 bps | Between 55 and 65 bps | Between 50 and 60 bps | Between 50 and 60 bps |
| Repayment guarantee | None | None | None | None | None | None |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) | | | | | |
| Tradability of securities | Tradable in the Casablanca Stock Exchange | Tradable in the Casablanca Stock Exchange | Over-the-counter | Over-the-counter | Tradable in the Casablanca Stock Exchange | Over-the-counter |

Subscription period: from December 18 to 22, 2020 included

Issue reserved to qualified investors under Moroccan Law as defined in this prospectus

Advising Agency
Attijari Finances Corp.



Agency in charge of the placement



APPROVAL OF THE MOROCCAN CAPITAL MARKET AUTHORITY (AMMC)

In accordance with the provisions of the AMMC circular, issued pursuant to Article 5 of the Dahir Law No. 1 -12-55 dated December 28, 2012, promulgating Law No. 44-12 on public offerings and information required of legal entities and savings organizations, this prospectus has been approved by the AMMC on December 10, 2020 under reference no. VI/EM/027/2020.

The AMMC-approved prospectus consists of the following documents:

- The Securities Note
- Attijariwafa bank's Reference Document registered by the AMMC on June 10, 2020 under reference no. EN/EM/004/2020
- Updated version number 1 of the Reference Document registered by the AMMC on December 10, 2020 under reference no. EN/EM/026/2020

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DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved, on December 10, 2020 a prospectus summary related to the issue of subordinated bonds by Attijariwafa bank

The subordinated bond differs from the conventional bond because of the rank of claims contractually defined by the subordination clause. The effect of the subordination clause is to condition, in the event of liquidation of the issuer, the repayment of the loan to the disinvestment of all the secured or unsecured creditors

The AMMC-approved prospectus is available at any time at the following places:

- **Attijariwafa bank headquarters: 2, boulevard Moulay Youssef -Casablanca.
Phone: 05.22.29.88.88, and on its website:
<http://ir.attijariwafabank.com>;**
- **Attijari Finances Corp.: 163, avenue Hassan II - Casablanca.
Phone: 05.22.47.64.35.**

The prospectus is available to the public on AMMC website (www.ammc.ma).

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

PART I: PRESENTATION OF THE OPERATION

I. OBJECTIVES OF THE OPERATION

The main objective of this issue is to:

- strengthen the current regulatory capital and, consequently, strengthen the solvency ratio of Attijariwafa bank;
- finance the bank's organic development in Morocco and abroad;
- anticipate the various regulatory changes in the countries of presence.

In accordance with Bank Al-Maghrib's Circular 14/G/2013 on the calculation of the regulatory capital requirements of credit institutions, as amended and supplemented, funds collected through this operation will be classified as additional Tier 2 capital.

II. STRUCTURE OF THE OFFER

Attijariwafa bank intends to issue 5,000 subordinated bonds with a nominal value of MAD 100,000. The total amount of the operation amounts to MAD 500,000,000 divided as follow:

- tranche "A" with a 7-year maturity and a fixed rate, listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche "B" with a 7-year maturity and an annually revisable rate, listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche "C" with a 7-year maturity and a fixed rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine);
- tranche "D" with a 7-year maturity and an annually revisable rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of the principal in fine) ;
- tranche "E" with a 7-year maturity and a fixed rate, listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of principal by constant linear annual amortization beyond the 2nd year);
- tranche "F" with a 7-year maturity and a fixed rate, not listed on the Casablanca Stock Exchange, ceiled at MAD 500,000,000 and with a MAD 100,000 nominal value (repayment of principal by constant linear annual amortization beyond the 2nd year).

The total amount allotted over the six tranches shall in no case exceed the amount of MAD 1500,000,000.

III. INFORMATION RELATED TO ATTJARIWABA BANK'S SUBORDINATED BONDS

Disclaimer: *The subordinated bond is distinguished from the classical bond by the rank of loans contractually defined by the subordination clause. The effect of the subordination clause is to condition, in case of liquidation of the issuer, the repayment of the funds borrowed to all secured or unsecured creditors.*

Characteristics of tranche A (Fixed rate, with *in fine* repayment of the principal, a 7-year maturity and listed on the Casablanca Stock Exchange)

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| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |
| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2020 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |
| Face interest rate | <p>Fixed rate</p> <p>The face interest rate is determined in reference to the 7-year Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from 60 to 70 bps will be added.</p> <p>The rate is determined through linear interpolation using the two points framing the full 7-year maturity (actuarial basis).</p> <p>The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 17, 2020 and in a newspaper of legal announcements on December 18, 2020 and will be communicated to the Casablanca Stock Exchange.</p> |
| Risk premium | Between 60 and 70 basis points |

Interests

Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. December 29, of each year. Their payment will take place on the same day or the first business day following December 29, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.

Interests will be calculated as per the following formula:

[Nominal x nominal rate].

Listing of securities

The subordinated bonds of tranche A will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the D compartment of the Casablanca Stock Exchange. Their listing date is planned on December 24, 2020 on the bond compartment under Ticker OATWU.

To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche A must be greater than or equal to an amount of MAD 20,000,000.

If, at the end of the subscription period, the amount allocated to Tranche A is less than MAD 20,000,000, the subscriptions relating to this Tranche will be cancelled.

Procedure of first listing

The listing of tranche A will be made by direct listing in accordance with articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulation of the Stock Exchange.

Amortization/ Regular repayment

Tranche A will be subject of a repayment *in fine* of the principal amount.

In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.

The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured or unsecured debts.

Early repayment

Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.

However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled after the consent of Bank Al Maghrib.

In case of cancellation, the issuer has to inform the stock exchange, the AMMC and the bondholders' body representative of the cancelled bonds.

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| Entity in charge of the registration of the operation in the Casablanca Stock Exchange | Attijari Intermédiation |
| Tradability of securities | <p>The subordinated bonds, subject of tranche A, are freely tradable at Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p> |
| Assimilation clauses | <p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p> |
| Loan rank / subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.</p> |
| Maintenance of the loan's rank | Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan. |
| Repayment guarantee | The present issue has not been subject to a special guarantee. |
| Rating | The present issue has not been subject to any rating request. |

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| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, Hdid Consultants represented by Mr. Mohamed Hdid is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 2020.</p> |
| Applicable law | Moroccan law. |
| Competent jurisdiction | Trade Court of Casablanca. |
| Characteristics of tranche B (Annually revisable rate, with <i>in fine</i> repayment of the principal, a 7-year maturity and listed on the Casablanca Stock Exchange) | |
| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |
| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2019 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |

Face interest rate
Revisable on an annual basis.

For the first year, the reference rate for the face interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from **55** to **65** basis points will be added to this rate.

The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 17, 2020 and in a newspaper of legal announcements on December 18, 2020 and will be communicated to the Casablanca Stock Exchange.

For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment.

A risk premium ranging from **55** to **65** basis points (fixed at the end of the auction) will then be added to this rate. The final rate will then be communicated by Attijariwafa bank on its website to bondholders and to the Stock Exchange at least 5 trading days before the anniversary date.

Reference rate calculation method

The rate is determined by Attijariwafa bank through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis).

This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate.

The formula is:

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

k is the maturity of the actuarial rate immediately greater than 52 weeks

* Exact number of days: 365 or 366 days.

Risk premium
Between 55 and 65 basis points
Interest rate determination date

The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. December 29 of each year.

The new rate will be communicated by the issuer on its website to the Casablanca Stock Exchange at least 5 trading days before the anniversary date.

The revised rate will be published in the Official Bulletin of Casablanca Stock Exchange.

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| Interests | <p>Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. December 29 of each year. Payment of interests will take place on the same day or the first business day following December 29 if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation.</p> <p>Interests will be calculated using the following formula:</p> <p>[Nominal x Face rate x Exact number of days/ 360].</p> |
| Listing of securities | <p>The subordinated bonds, subject of tranche B, will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the D compartment of Casablanca Stock Exchange. Their listing date is planned on December 24, 2020 on the bond compartment under Ticker AOTWV.</p> <p>To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche B must be greater than or equal to an amount of MAD 20,000,000.</p> <p>If, at the end of the subscription period, the amount allocated to Tranche B is less than MAD 20,000,000, the subscriptions relating to this Tranche will be cancelled.</p> |
| Procedure of first listing | <p>The listing of tranche A will be made by direct listing in accordance with articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulation of the Stock Exchange.</p> |
| Amortization/ Regular repayment | <p>Tranche B will be subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.</p> |
| Early repayment | <p>Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled after the consent of Bank Al Maghrib.</p> <p>In case of cancellation, the issuer has to inform the stock exchange, the AMMC and the bondholders' body representative of the cancelled bonds.</p> |

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| Entity in charge of the registration of the operation in the Casablanca Stock Exchange | Attijari Intermédiation |
| Tradability of securities | <p>The subordinated bonds, subject of tranche B, are freely tradable at Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p> |
| Assimilation clauses | <p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p> |
| Loan rank/subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.</p> |
| Maintenance of the loan's rank | Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan. |
| Repayment guarantee | The present issue has not been subject to a special guarantee. |
| Rating | The present issue has not been subject to any rating request. |

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| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, HDID Consultants represented by Mr. Mohamed HDID is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 2020.</p> |
| Applicable law | Moroccan law. |
| Competent jurisdiction | Trade Court of Casablanca. |

Characteristics of tranche C (Fixed rate, with *in fine* repayment of the principal, a 7-year maturity and not listed on the Casablanca Stock Exchange)

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| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |
| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2020 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |

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| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |
| Face interest rate | <p>Fixed rate</p> <p>The face interest rate is determined in reference to the 7-year Treasury Bonds rate computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from 60 to 70 bps will be added.</p> <p>The reference rate is determined through linear interpolation using the two points framing the full 7-year maturity (actuarial basis).</p> <p>The reference rate and the facial interest rates will be published by Attijariwafa bank on its website on December 17, 2020 and in a newspaper of legal announcements on December 18, 2020.</p> |
| Risk premium | Between 60 and 70 basis points |
| Interests | <p>Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. December 29, of each year. Their payment will take place on the same day or the first business day following December 31, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula:</p> <p>[Nominal x nominal rate].</p> |
| Amortization/ Regular repayment | <p>Tanche C will be subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.</p> |
| Early repayment | <p>Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled after the consent of Bank Al Maghrib.</p> <p>In case of cancellation, the issuer has to inform the stock exchange, the AMMC and the bondholders' representative of the cancelled bonds.</p> |

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| Tradability of securities | <p>Over-the-counter.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p> |
| Assimilation clauses | <p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In the case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p> |
| Loan rank/subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p> |
| Maintenance of the loan's rank | <p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p> |
| Repayment guarantee | <p>The present issue has not been subject to a special guarantee.</p> |
| Rating | <p>The present issue has not been subject to any rating request.</p> |

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| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, HDID Consultants represented by Mr. Mohamed HDID is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 2020.</p> |
| Applicable law | Moroccan law. |
| Competent jurisdiction | Trade Court of Casablanca. |
| Characteristics of tranche D (Annually revisable rate, with <i>in fine</i> repayment of the principal, a 7-year maturity and not listed on the Casablanca Stock Exchange) | |
| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |
| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2020 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |

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| | <p>Revisable on an annual basis.</p> <p>For the first year, the reference rate for the face interest rate is the 52-week Treasury Bills rate (monetary rate) as computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from 55 to 65 basis points will be added to this rate.</p> <p>The selected interest rate will be published by Attijariwafa bank on its website and in an Official Gazette, no later than December 18, 2020.</p> |
| <p>Face interest rate</p> | <p>For the following years, the reference rate is the full 52-week rate (monetary rate) as computed by linear interpolation on the secondary market yield curve, as published by Bank Al-Maghrib at least 5 business days before the anniversary date of the coupon payment.</p> <p>A risk premium ranging from 55 to 65 basis points (fixed at the end of the auction) will then be added to this rate. The final rate will then be communicated by Attijariwafa bank, on its website, to bondholders and to the Stock Exchange at least 5 trading days before the anniversary date.</p> |
| <p>Reference rate calculation method</p> | <p>The reference rate is determined by Attijariwafa bank through linear interpolation using the two points covering the full maturity of 52 weeks (on a monetary basis).</p> <p>This linear interpolation will be done after the conversion of the next higher level of the 52-week maturity (actuarially) to the equivalent monetary rate.</p> <p>The formula is:</p> $(((\text{Actuarial rate} + 1) ^ {k / \text{exact number of days} *}) - 1) \times 360 / k;$ <p>k is the maturity of the actuarial rate immediately greater than 52 weeks</p> <p>* Exact number of days: 365 or 366 days.</p> |
| <p>Risk premium</p> | <p>Between 55 and 65 basis points</p> |
| <p>Interest rate determination date</p> | <p>The coupon will be revised on an annual basis on the anniversary dates of the vesting dates, i.e. December 29 of each year.</p> <p>The new rate will be communicated by the issuer to the bondholders, via its website, at least 5 trading days before the anniversary date.</p> |
| <p>Interests</p> | <p>Interests will be annually served at the anniversary dates of the date of possession of the loan, i.e. December 29 of each year. Payment of interests will take place on the same day or the first business day following December 29 if it is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No deferral of interests will be possible as part of this operation.</p> <p>Interests will be calculated using the following formula:</p> <p>[Nominal x Face rate x Exact number of days/ 360].</p> |

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| Amortization/ Regular repayment | <p>Tranche D will be subject of a repayment <i>in fine</i> of the principal amount.</p> <p>In the event of a merger, demerger or partial contribution of assets from of Attijariwafa bank taking place during the term of the loan and resulting in the universal transfer of the assets in favor of a distinct legal entity, the rights and obligations in connection with the subordinated bonds will be automatically transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>The repayment of capital is, in case of liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.</p> |
| Early repayment | <p>Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled only after the consent of Bank Al Maghrib.</p> <p>In the event of cancellation, the issuer must inform the AMMC and the representative of the bondholder body of the cancelled bonds.</p> |
| Tradability of securities | <p>Over-the-counter.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p> |
| Assimilation clauses | <p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p> |
| Loan rank/subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p> |

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| Maintenance of the loan's rank | Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan. |
| Repayment guarantee | The present issue has not been subject to a special guarantee. |
| Rating | The present issue has not been subject to any rating request. |
| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, Hdid Consultants represented by Mr. Mohamed Hdid is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 2020.</p> |
| Applicable law | Moroccan law. |
| Competent jurisdiction | Trade Court of Casablanca. |

Characteristics of tranche E (Fixed rate, 7-year maturity, with repayment of principal by constant linear amortization beyond the 2nd year, and listed on the Casablanca Stock Exchange)

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| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |

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| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2020 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |
| Face interest rate | <p>Fixed rate</p> <p>The face interest rate is determined in reference The face interest rate is determined by reference to the sovereign rate of equivalent maturity (7 years, fixed and amortizable annually) computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from 50 and 60 bps will be added.</p> <p>The selected face interest rate will be published in an Official Gazette by Attijariwafa bank and on its website, no later than December 18, 2020.</p> |
| Risk premium | Between 50 and 60 basis points |
| Interests | <p>Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. December 29, of each year. Their payment will take place on the same day or the first business day following December 31, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula: [Outstanding capital x nominal rate].</p> |
| Listing of securities | <p>The subordinated bonds of tranche E will be listed on the Casablanca Stock Exchange and will be subject to a request for listing in the D compartment of the Casablanca Stock Exchange. Their listing date is planned on December 24, 2020 on the bond compartment under Ticker OATWW.</p> <p>To be listed on the Casablanca Stock Exchange, the amount allocated to Tranche E must be greater than or equal to an amount of MAD 20,000,000.</p> <p>If, at the end of the subscription period, the amount allocated to Tranche E is less than MAD 20,000,000, the subscriptions relating to this Tranche will be cancelled.</p> |
| Procedure of first listing | The listing of tranche E will be made by direct listing in accordance with articles 2.4.13, 2.4.14 and 2.4.15 of the General Regulation of the Stock Exchange. |

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| Amortization/ Regular repayment | <p>Repayment of principal on a straight-line basis, with a deferral for the first two years.</p> <p>Beyond the 2nd year of the vesting date, the repayment of the principal of Tranche E of the subordinated bond loan, which is the subject of this information note, will be made annually and on a straight-line basis (annual amortization of 20% from the 3rd year) on each anniversary date of the date on which the issue takes effect or on the 1st business day following that date if it is not a business day.</p> <p>In the event of a merger, demerger or partial contribution of assets of Attijariwafa bank occurring during the term of the loan and resulting in the universal transfer of the assets to a separate legal entity, the rights and obligations under the subordinated obligations will automatically be transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.</p> <p>The repayment of the capital is, in the event of the liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.</p> |
| Early repayment | <p>Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.</p> <p>However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled after the consent of Bank Al Maghrib.</p> <p>In the event of cancellation, the issuer must inform the AMMC and the representative of the bondholder body of the cancelled bonds.</p> |
| Entity in charge of the registration of the operation in the Casablanca Stock Exchange | Attijari Intermédiation |
| Tradability of securities | <p>The subordinated bonds, subject of tranche E, are freely tradable at Casablanca Stock Exchange.</p> <p>There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.</p> |
| Assimilation clauses | <p>There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.</p> <p>In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.</p> |

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| Loan rank/Subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all the classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount, if applicable.</p> |
| Maintenance of the loan's rank | <p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of the present loan.</p> |
| Repayment guarantee | <p>The present issue has not been subject to a special guarantee.</p> |
| Rating | <p>The present issue has not been subject to any rating request.</p> |
| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, Hdid Consultants represented by Mr. Mohamed Hdid is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 2020.</p> |
| Applicable law | <p>Moroccan law.</p> |
| Competent jurisdiction | <p>Trade Court of Casablanca.</p> |

Characteristics of tranche F (Fixed rate, 7-year maturity with repayment of principal by constant linear amortization beyond the 2nd year, and not listed on the Casablanca Stock Exchange)

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| Nature of securities | Subordinated bonds listed on the Casablanca Stock Exchange, dematerialized by registration with the central securities depository (Maroclear) and entered into account at the chartered financial intermediaries. |
| Legal form | Bearer bond |
| Tranche ceiling | MAD 500,000,000 |
| Maximum number of securities to be issued | 10,000 subordinated bonds |
| Nominal value | MAD 100,000 |
| Issue price | 100%, i.e. MAD 100,000 |
| Loan maturity | 7 years |
| Subscription period | From December 18 to 22, 2020 included |
| Possession date | December 29, 2020 |
| Maturity date | December 29, 2027 |
| Allocation method | French Auction with a priority for tranche E and F (fixed rate, amortizable), then for tranches A and C (fixed rate), and then for tranches B and D (annually revisable rate) |
| Face interest rate | <p>Fixed rate</p> <p>The face interest rate is determined in reference The face interest rate is determined by reference to the sovereign rate of equivalent maturity (7 years, fixed and amortizable annually) computed on the secondary market yield curve as published by Bank Al-Maghrib on December 16, 2020. A risk premium ranging from 50 and 60 bps will be added.</p> <p>The selected face interest rate will be published in an Official Gazette by Attijariwafa bank and on its website, no later than December 18, 2020.</p> |
| Risk premium | Between 50 and 60 basis points |
| Interests | <p>Interests will be served annually at the anniversary dates of the possession date of the loan, i.e. December 29, of each year. Their payment will take place on the same day or the first business day following December 29, if this day is not a business day. Interests on subordinated bonds will cease to accrue from the date when Attijariwafa bank will reimburse the principal. No postponement of the interest will be possible under this operation.</p> <p>Interests will be calculated as per the following formula: [Outstanding capital x nominal rate].</p> |

Amortization/ Regular repayment

Repayment of principal on a straight-line basis, with a deferral for the first two years.

Beyond the 2nd year of the vesting date, the repayment of the principal of Tranche E of the subordinated bond loan, which is the subject of this information note, will be made annually and on a straight-line basis (annual amortization of 20% from the 3rd year) on each anniversary date of the date on which the issue takes effect or on the 1st business day following that date if it is not a business day.

In the event of a merger, demerger or partial contribution of assets of Attijariwafa bank occurring during the term of the loan and resulting in the universal transfer of the assets to a separate legal entity, the rights and obligations under the subordinated obligations will automatically be transferred to the legal entity substituted in the rights and obligations of Attijariwafa bank.

The repayment of the capital is, in the event of the liquidation of Attijariwafa bank, subordinated to all classical, secured and unsecured debts.

Early repayment

Attijariwafa bank undertakes not to go through an advance repayment of the subordinated loan bond, stated on the present prospectus.

However, the bank keeps the right to carry out, with the prior consent of Bank Al Maghrib, the buyback of subordinated bonds in the secondary market, provided the conditions established by the legal and regulatory provisions. This repurchase is any inconsequential to the subscriber who wishes to keep its securities until due date and without any incident on the regular amortization schedule. The redeemed subordinated bonds will be cancelled after the consent of Bank Al Maghrib.

In the event of cancellation, the issuer must inform the AMMC and the representative of the bondholder body of the cancelled bonds.

Tradability of securities

Over-the-counter.

There is no restriction imposed by the conditions of the issue to the free tradability of the subordinated bonds.

Assimilation clauses

There is no assimilation of the subordinated bonds, subject of the present prospectus, to the subordinated bonds from a previous issue of securities.

In case Attijariwafa bank would subsequently issue new securities enjoying, in all regards, the rights that are identical to those of the present issue, it may, without requiring the bearers' consent, carry out the assimilation of all the securities of the successive issues, thus unifying all their management and trading operations.

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| Loan rank/Subordination | <p>The capital and the interest will be the subject of a subordination clause.</p> <p>The application of this clause will not adversely affect and by any means whatsoever, the legal rules concerning the accounting principles of loss allocation, the obligations of the shareholders and the obtained rights of the subscribers, the payment of its securities in capital and interest.</p> <p>In case of liquidation of Attijariwafa bank, the capital and interests of the subordinated securities of the present issue will be paid back only after the compensation of all classical, secured or unsecured creditors. The repayment of the subordinated securities will take place on the same ranking basis as all the other subordinated loans that have been and that may be issued subsequently by Attijariwafa bank both in Morocco and abroad, proportionally to their amount if applicable.</p> |
| Maintenance of the loan's rank | <p>Attijariwafa bank is committed, until the effective repayment of all the securities of this loan, not to institute on behalf of other subordinated securities that it could issue at a later stage, any priority as to their rank of repayment in case of liquidation, without granting the same rights to the subordinated securities of this loan.</p> |
| Repayment guarantee | <p>The present issue has not been subject to a special guarantee.</p> |
| Rating | <p>The present issue has not been subject to any rating request.</p> |
| Representation of the bondholders' body | <p>The Board of Directors held on December 8, 2020 and pending the occurrence of the General Meeting of bondholders, has designated Hdid Consultants represented by Mr. Mohamed Hdid as a temporary representative. This decision will take effect concurrently with the beginning of the subscription period. To be noted that the temporary representative appointed is the same for the tranches A, B, C, D, E and F, which are grouped together in one and same body.</p> <p>In addition, the Board of Directors takes the engagement of calling a General Meeting of bondholders to appoint a permanent representative of the bondholders within a period of one year, starting from the opening of the subscription.</p> <p>Moreover, Attijariwafa bank has no capital or business ties with Hdid Consultants represented by Mr. Mohamed Hdid.</p> <p>Furthermore, Hdid Consultants represented by Mr. Mohamed Hdid is the permanent representative of the bond holders of the issues made by Attijariwafa bank between 2014 and 2019. He is also the provisional representative of the bondholders of the issue carried out by Attijariwafa bank in June 20120.</p> |
| Applicable law | <p>Moroccan law.</p> |
| Competent jurisdiction | <p>Trade Court of Casablanca.</p> |

VII. DEFAULT EVENT

A "Default event" means the failure to pay all or part of the amount of interest due by the Company in respect of any Bond unless payment is made within 14 business days after the due date thereof and unless the Company has decided after approval by Bank Al-Maghrib to do so, to cancel (in whole or in part) the payment of interest in accordance with the provisions set out in the characteristics of the perpetual subordinated bonds presented above in Part II - Section V - Information relating to the perpetual subordinated bonds of Attijariwafa bank.

In the event of the occurrence of a Default event, the Representative of the Masse of Bondholders must promptly send a notice of default to the Company to cure the Event of Default with an order to pay any amount of interest due by the Company within 14 business days following the notice of default.

If the Company has not remedied the Default Event within 14 business days following the date of receipt of the formal notice, the Representative of the bondholders' body may, after convening the General Meeting of Bondholders, and upon a decision of the General Meeting of Bondholders acting in accordance with the conditions of quorum and majority provided by law and upon simple written notification to the Issuer, send a notice of default to the Company to remedy the Default event, with a copy to the Domiciliary and to the AMMC, make the entire issue payable, automatically entailing the obligation for the Company to repay the said Bonds up to the principal amount plus the interest accrued since the last interest payment date and increased by the accrued interest not yet paid. The principal amount being the initial principal amount (initial par value x number of securities), or in the event of early redemption, the outstanding principal amount.

VIII. RISK RELATED TO SUBORDINATED BONDS

Liquidity Risk: Subscribers to Attijariwafa bank's subordinated bonds may be subject to a liquidity risk of the security on the secondary market of private debt. Indeed, depending on the market conditions (liquidity, evolution of the yield curve, etc.) the liquidity of Attijariwafa bank's subordinated bonds can be momentarily affected;

Interest rate risk: The bond issue subject of this operation note provides for fixed rate tranches (tranches A, C, E and F), calculated on the basis of the secondary market curve of Treasury Bills as it will be published by Bank Al Maghrib on December 16, 2020. As a result, the value of the fixed-rate bonds could rise or fall depending on the evolution of the secondary yield curve published by Bank Al Maghrib;

Subordination risk: The bond issue is subject to a subordination clause, according to which, in case of liquidation of the issuer, the repayment of the capital and interests of the subordinated securities of the present issue will only take place after the payment of all the classic, privileged or unsecured creditors.

Risk of repayment default: The bonds covered by this securities note may present a risk that the issuer may not be able to honor its contractual commitments to the bondholders. This risk results in the non-payment of coupons and the non-repayment of principal.

VI. SCHEDULE OF THE OPERATION

This operation schedule is as follows:

| Orders | Stages | Timeline |
|--------|---|-------------------|
| 1 | Approval of the issue by the Casablanca Stock Exchange | December 10, 2020 |
| 2 | Receipt by the Casablanca Stock Exchange of the prospectus approved by AMMC | December 10, 2020 |
| 3 | Publication of the prospectus extract on the issuer's website (http://ir.attijariwafabank.com/) | December 10, 2020 |
| 4 | Publication by the Casablanca Stock Exchange of the notice relating to the operation | December 11, 2020 |
| 5 | Publication by the issuer of the press release in an Official Gazette | December 14, 2020 |
| 6 | Observation of reference rates | December 16, 2020 |
| 7 | Publication of interest rates on the issuer's website | December 17, 2020 |
| 8 | Publication of interest rates in an Official Gazette Opening of the subscription period | December 18, 2020 |
| 9 | Closing of the subscription period | December 22, 2020 |
| 10 | Receipt by the Casablanca Stock Exchange of the results of the operation and the rates retained per tranche, before 10:00 am | December 23, 2020 |
| | Listing of bonds | |
| 11 | Publication of the operation results in the official bulletin of the Casablanca Stock Exchange Registration of the transaction in the Stock Exchange | December 24, 2020 |
| 12 | Payment / Delivery | December 29, 2020 |
| 13 | Publication by the issuer of the operation results and the used rates in an Official Gazette and on its website | December 29, 2020 |

PART II: OVERVIEW OF ATTIJARIWABA BANK

I. GENERAL INFORMATION

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| Company name | Attijariwafa bank |
| Headquarters | 2, boulevard Moulay Youssef – Casablanca 20 000 |
| Phone / Fax | Phone: 0522.29.88.88 Fax: 0522.29.41.25 |
| Web site | www.attijariwafabank.com |
| Email | ir@attijariwafa.com |
| Legal form | Limited Company with Board of Directors |
| Incorporation date | 1911 |
| Company lifetime | May 31 st , 2060 (99 years) |
| Trade Register | Casablanca Trade Register No.333 |
| Financial Year | From January 1 st to December 31 st |
| Company objective (article 5 of statutes) | <p>“The purpose of the company is in all countries, to perform all banking, finance, credit, commission operations and generally, under the restrictions stipulated by the applicable legal provisions, any operations directly or indirectly related to this purpose, mainly, the following operations, the list of which is not exhaustive:</p> <ul style="list-style-type: none"> ▪ Receive from the public deposits on accounts or otherwise whether interest bearing or not, repayable on demand, upon notice or maturity; ▪ Discount all commercial papers, exchange letters, promissory notes, checks, warrants, instruments, vouchers issued by the Public Treasury or Local or semi-public authorities, and generally any commitments resulting from industrial, agricultural, commercial or financial operations or other operations conducted by public administrations, negotiate or rediscount the aforementioned items and provide and accept all orders, exchange letters, promissory notes, or checks, etc.; ▪ Grant all types of loans with or without guarantees, issue advances on Moroccan or foreign annuities, on securities issued by the State, public or semi-public authorities and on securities issued by Moroccan or foreign industrial, agricultural, commercial or financial companies; ▪ Receive deposits of all securities and objects; accept or proceed to the payment and recovery of exchange letters, promissory notes, checks, warrants, interest or dividend coupons, act as intermediary for the purchase or sale of all kinds of public funds, securities, bonds or profit shares; ▪ Accept or at times in conjunction with loans or borrowings, grant mortgages and any other types of guarantee, underwrite any guarantee sureties or endorsements commitments, proceed to all acquisitions, real estate or personal property as well as financial leases or rental of buildings; ▪ Proceed to or participate in the issue, investment, introduction in the market, to the negotiation of any securities of the public or private authorities, submit any borrowings of these authorities, acquire or dispose of any annuities, public sector securities, shares, bonds or securities of all kinds belonging to the said authorities, ensure the creation of corporate entities and consequently accept any offices or powers, and when possible contribute to the capital of the said companies; |

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| | <ul style="list-style-type: none"> ▪ Establish in any place inside or outside Morocco, subsidiaries, branches, offices and affiliates required to perform the aforementioned operations; ▪ Acquire stakes in already existing businesses or companies in the process of creation, provided adherence to the limits set with regard to shareholders' equity and registered capital or voting rights of the issuing company in accordance with the applicable regulations. <p>And generally all operations that fall under its corporate purpose.”</p> |
| Share capital as of June 30, 2020 | 209 859 679 shares with a face value of 10 MAD. |
| Legal documents | The legal documents of the company, including the articles of associations, companies' articles and General Meetings and auditors' reports may be consulted at Attijariwafa bank's Headquarters. |
| List of the laws applicable on the issuer | <p>Due to its legal form, Attijariwafa bank is governed by Moroccan law and Law No. 17-95, promulgated by Dahir No. 1-96-124 of August 30th, 1996 on public limited Companies as amended and supplemented by law No. 20-05 and 78-12;</p> <p>Due to its activity, Attijariwafa bank is governed by the Dahir No. 1-14-193 of Rabii I 1st, 1436 promulgating Law No. 103-12 on credit institutions and similar bodies (Banking Act).</p> <p>Due to its listing on the Casablanca Stock Exchange, it is subject to all applicable laws and regulations related to the financial markets, including:</p> <ul style="list-style-type: none"> ▪ Dahir No. 19-14 related to the stock exchange, brokerage firms and financial investment advisors; ▪ General Rules of the Stock Exchange approved by the Ordinance of the Minister of Economy and Finance No. 1268-08 of July 7th, 2008, modified and supplemented by the Ordinances of the Minister of Economy and Finance No. 1156 -10 of April 7th, 2010, No. 30-14 of 4th Rabii I, 1435 (January 6th, 2014) and No. 1955-16 of July 4th, 2016; ▪ Law No. 44-12 related to public offering and information required of legal entities and bodies making public offerings; ▪ Law No. 43-12 related to the AMMC; ▪ General Rules of AMMC as approved by the Decree of the Minister of Economy and Finance No. 2169-16; ▪ AMMC circular; ▪ Dahir No. 1-95-03 of January 26th, 1995 promulgating the Law No. 35-94 on some tradable debt securities and the Decree of the Ministry of Finance and Foreign Investments No. 2560-95 of October 9th, 1995 on tradable debt securities; ▪ Dahir No. 1-96-246 of January 9th, 1997 promulgating the law No. 35-96 relating to the creation of the Central Depository and the establishment of a general system of registration in accounts of some securities, amended and supplemented by Law No. 43-02; ▪ General rules of the Central Depository approved by the Ordinance of the Minister of Economy and Finance No. 932-98 dated April 16th, 1998 and amended by the Ordinance of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30th, 2001; ▪ Dahir No. 1-04-21 of April 21st, 2004 promulgating the Law No. 26-03 relating to public offerings on the stock market and amended by the Law 46-06; |
| Tax system | As a credit institution, Attijariwafa bank is subject to the corporate tax (37%) and the VAT (10%). |
| Competent court in the event of dispute | Trade Court of Casablanca |

II. INFORMATION ON THE ISSUER'S SHARE CAPITAL ¹

As of June 30, 2020, the capital of Attijariwafa bank amounted to MAD 2,098,596,790, divided into 209,859,679 shares with a nominal value of MAD 10 each. The capital allocation is presented as follows:

| | Address | Number of held securities | % of capital | % of voting rights |
|--|--|---------------------------|----------------|--------------------|
| <u>1- National shareholders</u> | | 154 960 974 | 73.84% | 73.84% |
| 1-1- Al Mada | Angle rue d'Alger et Duhaume - Casablanca | 97 433 137 | 46.43% | 46.43% |
| 1-2- Insurance companies | | 31 399 579 | 14.96% | 14.96% |
| MAMDA | bd Mohammed VI - Rabat | 6 958 584 | 3.32% | 3.32% |
| MCMA | bd Mohammed VI - Rabat | 7 737 148 | 3.69% | 3.69% |
| RMA-Watanya | 83 avenue des FAR - Casablanca | 2 683 942 | 1.28% | 1.28% |
| Wafa Assurance | 1 rue Abdelmoumen - Casablanca | 13 226 583 | 6.30% | 6.30% |
| Axa Assurances Maroc | 120 avenue hassan II - Casablanca | 793 322 | 0.38% | 0.38% |
| 1-3- Other institutions | | 26 128 258 | 12.45% | 12.45% |
| Caisse de Dépôt et de Gestion (CDG) | 140 Place My El Hassan - Rabat | 3 576 531 | 1.70% | 1.70% |
| Caisse Marocaine de Retraite | Avenue Al Araar, BP 2048, Hay Riad, Rabat | 474 087 | 0.23% | 0.23% |
| CIMR | 100 Bd Abdelmoumen - Casablanca | 8 560 380 | 4.08% | 4.08% |
| RCAR | Hay Riad - BP 2038 - Rabat | 13 517 260 | 6.44% | 6.44% |
| <u>2- Foreign shareholders</u> | | 10 715 614 | 5.11% | 5.11% |
| Santusa Holding | Paseo de la Castellana no. 24 - Madrid (Spain) | 10 715 614 | 5.11% | 5.11% |
| <u>3- Flottant</u> | | 44 183 091 | 21.05% | 21.05% |
| UCITS and others | NA* | 38 066 651 | 18.14% | 18.14% |
| Bank directors | NA* | 700 | 0.00% | 0.00% |
| Bank staff | NA* | 6 115 740 | 2.91% | 2.91% |
| <u>Total</u> | | 209 859 679 | 100.00% | 100.00% |

Source: Attijariwafa bank - * Non-applicable. The Board of Directors of Attijariwafa bank proposes in the draft resolution of the General Meeting of June 29, 2020 to proceed to the conversion of bearer shares into registered shares.

¹ Al Mada became Attijariwafa bank's reference shareholder with a 46.43% stake, mainly following the merger of ONA into Al Mada on 31 December 2010.

III. ATTIJARIWAFABANK BOARD OF DIRECTORS

The Ordinary General Meeting of June 29, 2020, having noted that the terms of office of Mr. Mohamed El Kettani, Mr. Aldo Olcese Santonja and Santusa Holding as directors expired at the end of the meeting, decides to renew the said terms of office for the statutory period of 6 years. In addition, the General Meeting, upon proposal of the Board of Directors of May 7, 2020, appoints Mr. Azdine El Mountassir Billah as a new director for the statutory term.

The new Board of Directors is constituted as follows:

| Directors | Appointment date ¹ | Expiry of office term |
|--|-------------------------------|---|
| Mr. Mohamed EL KETTANI CEO of the Attijariwafa bank Group, Chairman of the Board of Directors | 2020 | OGM called to approve the 2025 financial year |
| SIGER Represented by Mr. Mounir El Majidi, CEO of SIGER ² , Director - Attijariwafa bank | 2015 | OGM called to approve the 2020 financial year |
| Al Mada Represented by Mr. Hassan Ouriagli, CEO of Al Mada, Director - Attijariwafa bank | 2017 | OGM called to approve the 2022 financial year |
| Mr. Abdelmjid Tazlaoui CEO of AMETYS ³ , Director - Attijariwafa bank | 2017 | OGM called to approve the 2022 financial year |
| Mr. Aymane Taud Deputy Managing Director of AL Mada, Director - Attijariwafa bank | 2016 | OGM called to approve the 2021 financial year |
| Mr. José Reig Director - Attijariwafa bank | 2018 | OGM called to approve the 2023 financial year |
| Mr. Abed Yacoubi Soussane Chairman of MAMDA/MCMA, Director - Attijariwafa bank | 2017 | OGM called to approve the 2022 financial year |
| Mr. Aldo Olcese Santonja Independent director, PhD in Financial Economics | 2020 | OGM called to approve the 2025 financial year |
| Santusa Holding (Santander Group) Represented by Mr. Jose Manuel Varela, Former Deputy Managing Director, Director - Attijariwafa bank | 2020 | OGM called to approve the 2025 financial year |
| Mr. Lionel Zinsou Managing Partner Southbridge, Independent director | 2019 | OGM called to approve the 2024 financial year |
| Mr. Azdine El Mountassir Billah CEO of Wana Corporate Director - Attijariwafa bank | 2020 | OGM called to approve the 2025 financial year |

Source: Attijariwafa bank

(1) Appointment or reappointment - the year corresponds to the year in which the General Meeting called to approve the financial statements for the previous financial year is held

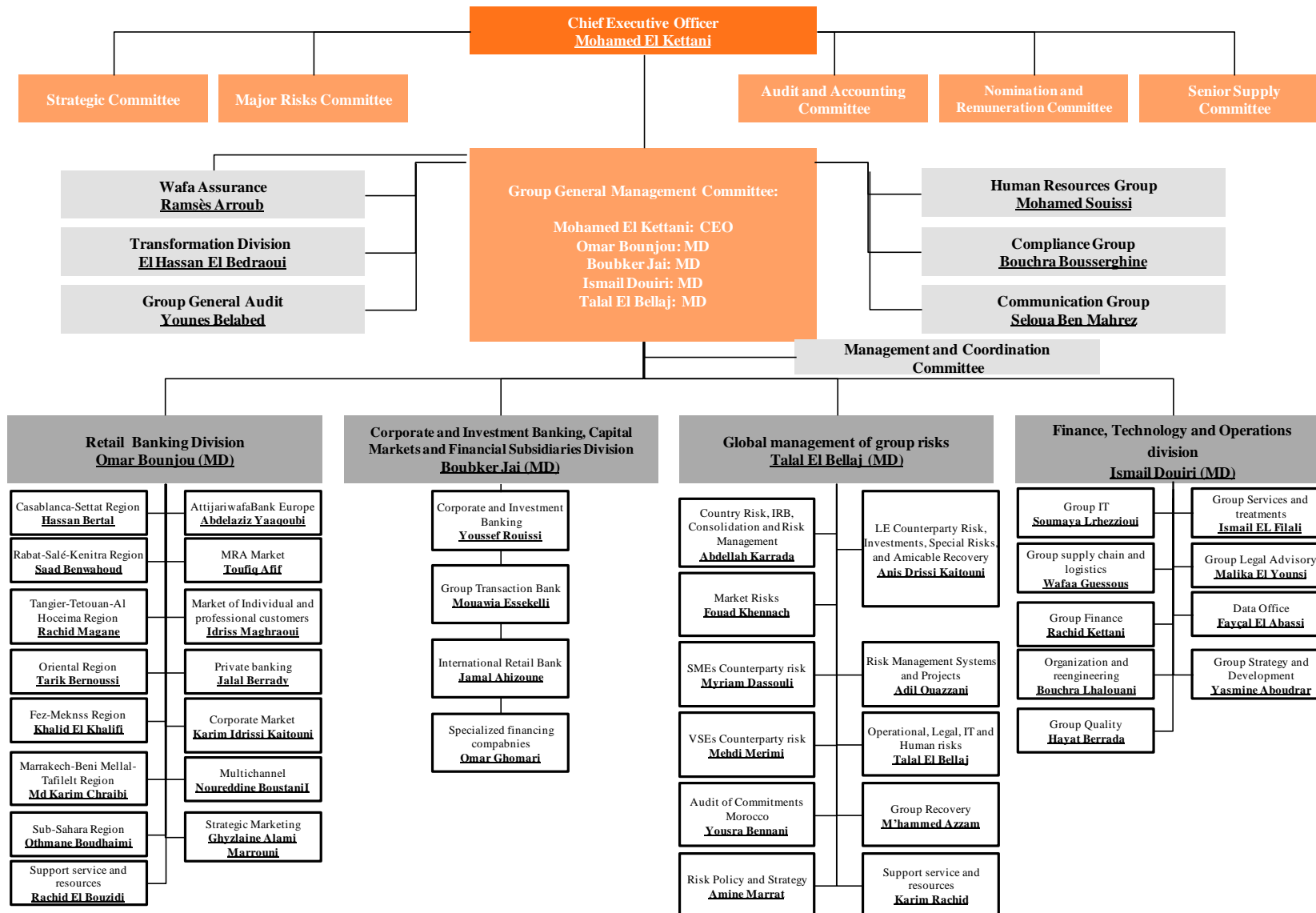
(2) Siger is a shareholder of Al Mada

(3) AMETYS is a sister company of Attijariwafa bank

There are no ties of alliance or kinship between directors and officers of Attijariwafa bank.

IV. ATTIJARIWAFABANK ADMINISTRATIVE CHART

On the date of the prospectus registration, the administrative chart of Attijariwafa bank Group is as follows:



V. ACTIVITE D'ATTIJARIWAFABANK

V.1. Evolution of loans

The outstanding loans of Attijariwafa bank evolved over the period under review as follows:

| | 2019 | H1 2020 | Var.2020/19 |
|---|----------------|----------------|--------------|
| Loans to credit institutions and similar entities (C1) | 33 288 | 38 879 | 16.8% |
| Demand | 5 796 | 11 485 | 98.1% |
| Term | 27 492 | 27 394 | -0.4% |
| Customer loans (C2) | 210 376 | 214 100 | 1.8% |
| Treasury and consumer loans | 55 766 | 56 710 | 1.7% |
| Investment loans | 63 301 | 62 898 | -0.6% |
| Mortgage loans | 62 683 | 62 926 | 0.4% |
| Other loans | 12 176 | 14 582 | 19.8% |
| Factoring loans | 10 940 | 10 654 | -2.6% |
| Past due receivables net of provision | 4 066 | 4 731 | 16.4% |
| Accrued interest receivable | 1 444 | 1 600 | 10.8% |
| Total loans (C1) + (C2) | 243 664 | 252 979 | 3.8% |

Mdh - Source : Attijariwafa bank – Comptes sociaux

Analytical Review 2019 - H1 2020

As of June 30, 2020, the outstanding loans of Attijariwafa bank amounted to MAD 253.0 billion, an increase of 3.8% compared to end-December 2019. This evolution is explained by the following combined elements:

- the improvement in outstanding customer loans by 1.8% to nearly MAD 214.1 billion as of June 2020, mainly due to:
 - the 19.8% increase in other loans, whose outstanding amount as of June 2020 amounted to MAD 14.6 billion. This variation is mainly due to the increase in loans granted to companies and financial holding companies;
 - the 1.7% increase in cash and consumer loans to reach MAD 56.7 billion as of end-June 2020;
 - real estate loans posted a slight increase of 0.4% for the first half of 2020;
 - the increase in net provision outstanding receivables of 16.4%;
 - the increase of the receivables acquired by factoring of 2.6%.

The improvement in receivables from credit institutions and similar institutions by 16.8% (+ MAD 5.6 billion) over the period under review.

I.1. Evolution of deposits

The outstanding debts of Attijariwafa bank evolved as follows over the period under review:

| | 2019 | H1 2020 | Var.2020/19 |
|--|----------------|----------------|--------------|
| Debts to credit institutions (D1) | 37 493 | 48 196 | 28.5% |
| Demand | 3 759 | 1 806 | -51.9% |
| Term | 33 734 | 46 390 | 37.5% |
| Debts to customers (D2) | 233 129 | 234 000 | 0.4% |
| Current accounts payable | 152 229 | 161 699 | 6.2% |

| | 2019 | H1 2020 | Var.2020/19 |
|----------------------------|----------------|----------------|-------------|
| Savings accounts | 29 213 | 29 102 | -0.4% |
| Term deposits | 36 462 | 29 700 | -18.5% |
| Other accounts payable | 14 637 | 12 932 | -11.6% |
| Accrued interest payable | 587 | 567 | -3.3% |
| Total debts (D1+D2) | 270 622 | 282 196 | 4.3% |

MAD million- Source: Attijariwafa bank – Aggregate accounts

Analytical Review 2019 - H1 2020

As of June 30, 2020, debts to customers amounted to nearly MAD 234.0 billion, up 0.4% (MAD 871 million) compared to end-December 2019. This evolution is mainly explained by the following combined elements:

- the increase in current accounts in credit by 6.2% (+MAD 9.5 billion);
- the decrease in term deposits by 18.5% (-MAD 6.8 billion) due to matured and overbought contracts compared to market rates (continued optimization of the cost of resources);
- the decrease in other accounts payable which amounted to MAD 12.9 billion as of June 30, 2020 compared to MAD 14.6 billion as of end-December 2019.

As for outstanding debts to credit institutions, they increased by 28.5% (+MAD 10.7 billion) to reach MAD 48.2 billion as of June 30, 2020. The main reason for this evolution is the 37.5% (+MAD 12.7 billion) increase in outstanding debts to credit institutions.

II. OVERVIEW OF ATTIJARIWAFABANK'S FINANCIAL STATEMENTS

II.1. 2019 – H1.2020 balance sheets

| | 2019 | H1.2020 | Var.H1.20/19 |
|--|----------------|----------------|--------------|
| Assets | 360 798 | 374 675 | 3.8% |
| Cash in hand, Central banks, Treasury, Postal cheque service | 10 466 | 8 700 | -16.9% |
| Loans to credit institutions and similar entities | 33 288 | 38 879 | 16.8% |
| Loans to customers | 199 390 | 203 400 | 2.0% |
| Factoring loans | 10 986 | 10 700 | -2.6% |
| Transaction and investment securities | 67 908 | 70 855 | 4.3% |
| Other assets | 3 885 | 6 350 | 63.5% |
| Investment securities | 8 489 | 9 523 | 12.2% |
| Equity securities and similar uses | 19 272 | 19 312 | 0.2% |
| Fixed assets held under finance leases and rental contracts | 997 | 946 | -5.1% |
| Intangible assets | 2 413 | 2 394 | -0.8% |
| Tangible assets | 3 703 | 3 615 | -2.4% |
| Liabilities | 360 798 | 374 675 | 3.8% |
| Central banks, Treasury, Postal cheque service | - | - | Ns |
| Debts owed to credit institutions and similar institutions | 37 493 | 48 196 | 28.5% |
| Customer deposits | 233 129 | 234 000 | 0.4% |
| Debt securities issued | 12 969 | 12 931 | -0.3% |
| Other liabilities | 16 877 | 15 041 | -10.9% |
| Provisions for risks and charges | 3 677 | 4 136 | 12.5% |
| Regulated provisions | - | 168 | Ns |
| Subordinated debts | 13 044 | 14 602 | 11.9% |
| Equity | 43 609 | 45 601 | 4.6% |
| Titres de créances émis | 12 969 | 12 931 | -0.3% |
| Autres passifs | 16 877 | 15 041 | -10.9% |
| Provisions pour risques et charges | 3 677 | 4 136 | 12.5% |
| Provisions réglementées | - | 168 | Ns |
| Dettes subordonnées | 13 044 | 14 602 | 11.9% |
| Fonds propres | 43 609 | 45 601 | 4.6% |

MAD million- Source: Attijariwafa bank – Corporate accounts

II.2. H1.2019 – H1.2020 income statements

| | H1.2019 | H1.2020 | Var. H1.20/ H1.19 |
|---|--------------|---------------|----------------------|
| Banking operating income | 9 948 | 10 188 | 2.4% |
| Interest and similar income on transactions with credit institutions | 507 | 489 | -3.6% |
| Interest and income on customer transactions | 4 925 | 5 037 | 2.3% |
| Interest and similar income on debt securities | 140 | 152 | 8.6% |
| Income on equities and Sukuks certificates | 1 305 | 1 325 | 1.5% |
| Income on fixed assets under finance leases and rental contracts | 131 | 47 | -64.0% |
| Commissions on services provided | 913 | 867 | -5.0% |
| Other banking income | 2 027 | 2 271 | 12.0% |
| Banking operating expenses | 2 886 | 3 336 | 15.6% |
| Interest and similar expenses on transactions with credit institutions | 461 | 381 | -17.3% |
| Interest and expenses on customer transactions | 1 124 | 1 056 | -6.0% |
| Interest and similar charges on debt securities issued | 138 | 180 | 30.4% |
| Expenses on fixed assets under finance leases and rental contracts | 41 | 71 | 72.8% |
| Other banking expenses | 1 122 | 1 648 | 46.9% |
| Net banking income | 7 063 | 6 852 | -3.0% |
| Non-banking operating income | 23 | 87 | >100.0% |
| Non-banking operating expenses | 0 | 0 | Ns |
| General operating expenses | 2 437 | 2 356 | -3.3% |
| Personnel expenses | 1 136 | 1 090 | -4.1% |
| Taxes and duties | 63 | 48 | -23.5% |
| External expenses | 954 | 893 | -6.4% |
| Other general operating expenses | 31 | 36 | 15.1% |
| Depreciation, amortization and provisions for intangible assets | 252 | 288 | 14.2% |
| Provisions and losses on bad debts | 800 | 1 907 | >100.0% |
| Allocation to provisions on non-performing loans and commitments by signature | 542 | 1 326 | >100.0% |
| Losses on bad debts | 40 | 38 | -3.1% |
| Other provisions charges | 218 | 543 | >100.0% |
| Reversals of provisions and recoveries on amortized receivables | 260 | 404 | 55.7% |
| Prov. Reversal for non-performing loans & commitments by signature | 184 | 213 | 15.6% |
| Recoveries on amortized receivables | 6 | 38 | >100.0% |
| Other provisions reversals | 70 | 153 | >100.0% |
| Current income | 4 109 | 3 081 | -25.0% |
| Non-current income | 5 | 4 | -14.2% |
| Non-current expenses | 3 | 310 | >100.0% |
| Pre-tax income | 4 110 | 2 774 | -32.5% |
| Income tax | 1 152 | 782 | -32.1% |
| Net income | 2 958 | 1 992 | -32.7% |

In MAD thousands - Source: Attijariwafa bank

III. CONSOLIDATED FINANCIAL STATEMENTS UNDER IFRS

III.1. 2019 – H1-2020 consolidated balance sheets

| | 2019 | H1 2020 | Var. H1.20/19 |
|--|----------------|----------------|---------------|
| Assets | 532 602 | 557 816 | 4.7% |
| Cash in hand, Central banks, Treasury, Postal cheque service | 24 732 | 24 867 | 0.5% |
| Financial assets at fair value through profit or loss | 55 788 | 61 690 | 10.6% |
| Hedging derivative instruments | - | - | Ns |
| Financial assets at fair value through equity | 51 845 | 57 261 | 10.4% |
| Available-for-sale financial assets | - | - | Ns |
| Securities at amortized cost | 16 120 | 17 589 | 9.1% |
| Loans and receivables from credit institutions and similar entities | 23 394 | 28 792 | 23.1% |
| Customer loans and receivables | 323 753 | 330 153 | 2.0% |
| Asset revaluation difference on portfolios hedged against interest rate risk | - | - | Ns |
| Held-to-maturity investments | - | - | Ns |
| Current tax assets | 142 | 338 | >100.0% |
| Deferred tax assets | 2 935 | 3 618 | 23.3% |
| Accruals and other assets | 11 112 | 11 043 | -0.6% |
| Deferred policyholder profit sharing | - | - | Ns |
| Non-current assets held for sale | 75 | 75 | -0.5% |
| Investments in companies accounted for by the equity method | 84 | 66 | -20.8% |
| Investment properties | 2 466 | 2 432 | -1.4% |
| Intangible assets | 7 289 | 6 971 | -4.4% |
| Tangible assets | 2 953 | 2 980 | 0.9% |
| Goodwill on acquisitions | 9 913 | 9 940 | 0.3% |

MAD million - Source: Attijariwafa bank – Consolidated accounts

| | 2019 | H1 2020 | Var. H1.20/19 |
|--|----------------|----------------|---------------|
| Liabilities | 532 602 | 557 816 | 4.7% |
| Central banks, Treasury, Postal cheque service | 4 | 4 | -8.2% |
| Financial liabilities at fair value through profit or loss | 688 | 1 413 | >100.0% |
| Hedging derivative instruments | 0 | 0 | Ns |
| Amounts owed to credit institutions and similar entities | 45 995 | 57 904 | 25.9% |
| Amounts owed to customers | 335 577 | 343 624 | 2.4% |
| Debt securities issued | 21 994 | 23 465 | 6.7% |
| Passive revaluation difference on portfolios hedged against interest rate risk | 0 | 0 | Ns |
| Current tax liabilities | 1 179 | 675 | -42.7% |
| Deferred tax liabilities | 2 604 | 2 620 | 0.6% |
| Accruals and other liabilities | 16 614 | 16 681 | 0.4% |
| Liabilities related to non-current assets held for sale | - | - | Ns |
| Technical provisions for insurance contracts | 36 482 | 37 415 | 2.6% |

| | | | |
|---|---------------|---------------|---------------|
| Provisions for risks and charges | - | - | Ns |
| Provisions | 2 762 | 2 784 | 0.8% |
| Subsidies, allocated public funds and special guarantee funds | - | - | Ns |
| Subordinated debts | - | - | Ns |
| Subsidies and similar funds | 157 | 156 | -0.7% |
| Subordinated debts and special guarantee funds | 14 622 | 16 132 | 10.3% |
| Equity | 53 925 | 54 942 | 1.9% |
| <i>Capital and related reserves</i> | <i>12 552</i> | <i>12 552</i> | <i>0.0%</i> |
| Consolidated reserves | 31 792 | 38 402 | 20.8% |
| <i>Group share</i> | <i>28 210</i> | <i>34 123</i> | <i>21.0%</i> |
| <i>Minority interests</i> | <i>3 581</i> | <i>4 279</i> | <i>19.5%</i> |
| Unrealized or deferred gains or losses | 2 631 | 2 398 | -8.8% |
| <i>Group share</i> | <i>1 050</i> | <i>1 001</i> | <i>-4.6%</i> |
| <i>Minority interests</i> | <i>1 581</i> | <i>1 397</i> | <i>-11.6%</i> |
| Net income for the financial year | 6 951 | 1 590 | -77.1% |
| <i>Group share</i> | <i>5 816</i> | <i>1 248</i> | <i>-78.5%</i> |
| <i>Minority interests</i> | <i>1 135</i> | <i>342</i> | <i>-69.9%</i> |

MAD million - Source: Attijariwafa bank – Consolidated accounts

III.2. H1.2019 – H1.2020 consolidated income statements

| | H1 2019 | H1 2020 | Var. H1.20/ H1.19 |
|---|---------------|---------------|----------------------|
| Interest and similar income | 10 831 | 11 292 | 4.2% |
| Interest and similar expenses | 3 578 | 3 416 | -4.5% |
| Interest margin | 7 254 | 7 876 | 8.6% |
| Commissions received | 2 830 | 2 642 | -6.6% |
| Commissions paid | 371 | 415 | 12.0% |
| Commission margin | 2 459 | 2 227 | -9.4% |
| Net gains or losses on financial instruments at fair value through profit or loss | 1 695 | 1 558 | -8.1% |
| Net gains or losses on available-for-sale financial assets | 387 | 275 | -28.9% |
| Income from market activities | 2 083 | 1 833 | -12.0% |
| Income from other activities | 4 359 | 4 550 | 4.4% |
| Expenses from other activities | 4 377 | 4 102 | -6.3% |
| Net banking income | 11 777 | 12 383 | 5.1% |
| General operating expenses | 4 765 | 5 881 | 23.4% |
| Depreciation, amortization and impairment of intangible and tangible assets | 741 | 789 | 6.4% |
| Gross operating income | 6 271 | 5 714 | -8.9% |
| Cost of risk | 914 | 3 021 | >100.0% |
| Operating income | 5 357 | 2 692 | -49.7% |
| Share of income from companies accounted for by the equity method | 6 | -5 | <-100% |
| Net gains or losses on other assets | 12 | 11 | -14.8% |
| Changes in the value of goodwill | 0 | 0 | Ns |
| Pre-tax income | 5 375 | 2 697 | -49.8% |
| Income tax | 1 893 | 1 107 | -41.5% |
| Net income | 3 482 | 1 590 | -54.3% |
| Income from non-group companies | 548 | 342 | -37.6% |
| Net income, group share | 2 935 | 1 248 | -57.5% |

In MAD thousands - Source: Attijariwafa bank – Consolidated accounts

IV. OVERVIEW OF CORPORATE QUARTERLY FINANCIAL STATEMENTS

IV.1. Balance sheet

| | 2019 | T3.2020 | Var.T3 20/19 |
|--|----------------|----------------|--------------|
| Assets | 360 798 | 371 020 | 2.8% |
| Cash in hand, Central banks, Treasury, Postal cheque service | 10 466 | 7 702 | -26.4% |
| Loans to credit institutions and similar entities | 33 288 | 37 589 | 12.9% |
| Loans to customers | 199 390 | 201 569 | 1.1% |
| Factoring loans | 10 986 | 10 811 | -1.6% |
| Transaction and investment securities | 67 908 | 70 305 | 3.5% |
| Other assets | 3 885 | 7 417 | 90.9% |
| Investment securities | 8 489 | 9 544 | 12.4% |
| Equity securities and similar uses | 19 272 | 19 299 | 0.1% |
| Fixed assets held under finance leases and rental contracts | 997 | 868 | -13.0% |
| Intangible assets | 2 413 | 2 409 | -0.2% |
| Tangible assets | 3 703 | 3 506 | -5.3% |
| Liabilities | 360 798 | 371 020 | 2.8% |
| Central banks, Treasury, Postal cheque service | - | - | Ns |
| Debts owed to credit institutions and similar institutions | 37 493 | 41 629 | 11.0% |
| Customer deposits | 233 129 | 231 895 | -0.5% |
| Debt securities issued | 12 969 | 11 740 | -9.5% |
| Other liabilities | 16 877 | 20 605 | 22.1% |
| Provisions for risks and charges | 3 677 | 4 345 | 18.2% |
| Regulated provisions | - | 336 | Ns |
| Subordinated debts | 13 044 | 14 730 | 12.9% |
| Equity | 43 609 | 45 739 | 4.9% |

MAD million - Source: Attijariwafa bank

IV.2. Income statement

| | T3.2019 | T3.2020 | Var.T3 20/19 |
|---|---------------|---------------|-------------------|
| Banking operating income | 14 239 | 14 466 | 1.6% |
| Interest and similar income on transactions with credit institutions | 774 | 708 | -8.4% |
| Interest and income on customer transactions | 7 420 | 7 582 | 2.2% |
| Interest and similar income on debt securities | 218 | 229 | 5.4% |
| Income on equities and Sukuks certificates | 1 460 | 1 345 | -7.8% |
| Income on fixed assets under finance leases and rental contracts | 194 | 76 | -61.1% |
| Commissions on services provided | 1 414 | 1 324 | -6.3% |
| Other banking income | 2 761 | 3 202 | 16.0% |
| Banking operating expenses | 4 272 | 5 061 | 18.4% |
| Interest and similar expenses on transactions with credit institutions | 686 | 545 | -20.6% |
| Interest and expenses on customer transactions | 1 667 | 1 536 | -7.9% |
| Interest and similar charges on debt securities issued | 225 | 268 | 19.1% |
| Expenses on fixed assets under finance leases and rental contracts | 76 | 111 | 46.8% |
| Other banking expenses | 1 619 | 2 601 | 60.7% |
| Net banking income | 9 967 | 9 406 | -5.6% |
| Non-banking operating income | 37 | 97 | >100.0% |
| Non-banking operating expenses | 0 | 0 | Ns |
| General operating expenses | 3 702 | 3 636 | -1.8% |
| Personnel expenses | 1 720 | 1 661 | -3.4% |
| Taxes and duties | 95 | 73 | -23.6% |
| External expenses | 1 453 | 1 336 | -8.1% |
| Other general operating expenses | 50 | 57 | 15.0% |
| Depreciation, amortization and provisions for intangible assets | 383 | 509 | 32.8% |
| Provisions and losses on bad debts | 1 120 | 2 498 | >100.0% |
| Allocation to provisions on non-performing loans and commitments by signature | 775 | 1 701 | >100.0% |
| Losses on bad debts | 75 | 49 | -34.3% |
| Other provisions charges | 270 | 748 | >100.0% |
| Reversals of provisions and recoveries on amortized receivables | 357 | 448 | 25.5% |
| Prov. Reversal for non-performing loans & commitments by signature | 246 | 233 | -5.4% |
| Recoveries on amortized receivables | 30 | 39 | 31.6% |
| Other provisions reversals | 81 | 176 | >100.0% |
| Current income | 5 539 | 3 817 | -31.1% |
| Non-current income | 5 | 4 | -14.6% |
| Non-current expenses | 92 | 607 | >100.0% |
| Pre-tax income | 5 452 | 3 214 | -41.0% |
| Income tax | 1 572 | 1 085 | -31.0% |
| Net income | 3 879 | 2 129 | -45.1% |

MAD million - Source: Attijariwafa bank

V. OVERVIEW OF CONSOLIDATED CORPORATE QUARTERLY FINANCIAL STATEMENTS

V.1. Consolidated balance sheet

| | 2019 | T3.2020 | Var. T3.20/19 |
|--|----------------|----------------|---------------|
| Assets | 532 602 | 547 748 | 2.8% |
| Cash in hand, Central banks, Treasury, Postal cheque service | 24 732 | 25 023 | 1.2% |
| Financial assets at fair value through profit or loss | 55 788 | 56 783 | 1.8% |
| Hedging derivative instruments | - | - | Ns |
| Financial assets at fair value through equity | 51 845 | 58 748 | 13.3% |
| Available-for-sale financial assets | - | - | Ns |
| Securities at amortized cost | 16 120 | 17 058 | 5.8% |
| Loans and receivables from credit institutions and similar entities | 23 394 | 24 032 | 2.7% |
| Customer loans and receivables | 323 753 | 327 381 | 1.1% |
| Asset revaluation difference on portfolios hedged against interest rate risk | - | - | Ns |
| Held-to-maturity investments | - | - | Ns |
| Current tax assets | 142 | 667 | >100,0% |
| Deferred tax assets | 2 935 | 3 878 | 32.1% |
| Accruals and other assets | 11 112 | 12 001 | 8.0% |
| Deferred policyholder profit sharing | - | - | Ns |
| Non-current assets held for sale | 75 | 73 | -2.3% |
| Investments in companies accounted for by the equity method | 84 | 71 | -15.4% |
| Investment properties | 2 466 | 2 405 | -2.5% |
| Intangible assets | 7 289 | 6 728 | -7.7% |
| Tangible assets | 2 953 | 2 971 | 0.6% |
| Goodwill on acquisitions | 9 913 | 9 927 | 0.1% |

| | 2019 | T3.2020 | Var. T3.20/19 |
|--|----------------|----------------|---------------|
| Liabilities | 532 602 | 547 748 | 2.8% |
| Central banks, Treasury, Postal cheque service | 4 | 5 | 23.7% |
| Financial liabilities at fair value through profit or loss | 688 | 2 281 | >100,0% |
| Hedging derivative instruments | 0 | 0 | Ns |
| Amounts owed to credit institutions and similar entities | 45 995 | 48 582 | 5.6% |
| Amounts owed to customers | 335 577 | 340 954 | 1.6% |
| Debt securities issued | 21 994 | 22 671 | 3.1% |
| Passive revaluation difference on portfolios hedged against interest rate risk | - | - | Ns |
| Current tax liabilities | 1 179 | 882 | -25.2% |
| Deferred tax liabilities | 2 604 | 2 508 | -3.7% |
| Accruals and other liabilities | 16 614 | 17 025 | 2.5% |
| Liabilities related to non-current assets held for sale | - | - | Ns |
| Technical provisions for insurance contracts | 36 482 | 38 167 | 4.6% |

| | | | |
|---|---------------|---------------|---------------|
| Provisions for risks and charges | - | - | Ns |
| Provisions | 2 762 | 2 771 | 0.3% |
| Subsidies, allocated public funds and special guarantee funds | - | - | Ns |
| Subordinated debts | - | - | Ns |
| Subsidies and similar funds | 157 | 169 | 7.7% |
| Subordinated debts and special guarantee funds | 14 622 | 16 216 | 10.9% |
| Equity | 53 925 | 55 515 | 2.9% |
| <i>Capital and related reserves</i> | <i>12 552</i> | <i>12 552</i> | <i>0.0%</i> |
| Consolidated reserves | 31 792 | 38 196 | 20.1% |
| <i>Group share</i> | <i>28 210</i> | <i>33 980</i> | <i>20.5%</i> |
| <i>Minority interests</i> | <i>3 581</i> | <i>4 216</i> | <i>17.7%</i> |
| Unrealized or deferred gains or losses | 2 631 | 2 271 | -13.7% |
| <i>Group share</i> | <i>1 050</i> | <i>946</i> | <i>-9.9%</i> |
| <i>Minority interests</i> | <i>1 581</i> | <i>1 325</i> | <i>-16.2%</i> |
| Net income for the financial year | 6 951 | 2 496 | -64.1% |
| <i>Group share</i> | <i>5 816</i> | <i>1 972</i> | <i>-66.1%</i> |
| <i>Minority interests</i> | <i>1 135</i> | <i>524</i> | <i>-53.8%</i> |

MAD million - Source: Attijariwafa bank

IX.2. Consolidated income statement

| In MAD million | T3.2019 | T3.2020 | Var. T3.20/ T3.19 |
|---|---------------|---------------|----------------------|
| Interest and similar income | 16 239 | 16 897 | 4.0% |
| Interest and similar expenses | 5 231 | 5 063 | -3.2% |
| Interest margin | 11 008 | 11 833 | 7.5% |
| Commissions received | 4 391 | 4 137 | -5.8% |
| Commissions paid | 576 | 674 | 17.0% |
| Commission margin | 3 814 | 3 463 | -9.2% |
| Net gains or losses on financial instruments at fair value through profit or loss | 2 436 | 1 903 | -21.9% |
| Net gains or losses on available-for-sale financial assets | 548 | 527 | -3.7% |
| Income from market activities | 2 983 | 2 431 | -18.5% |
| Income from other activities | 6 835 | 6 559 | -4.0% |
| Expenses from other activities | 7 065 | 6 124 | -13.3% |
| Net banking income | 17 576 | 18 162 | 3.3% |
| General operating expenses | 7 227 | 8 224 | 13.8% |
| Depreciation, amortization and impairment of intangible and tangible assets | 1 084 | 1 241 | 14.5% |
| Gross operating income | 9 264 | 8 697 | -6.1% |
| Cost of risk | 1 360 | 4 610 | >100,0% |
| Operating income | 7 904 | 4 087 | -48.3% |
| Share of income from companies accounted for by the equity method | 9 | -13 | <-100% |
| Net gains or losses on other assets | 16 | -51 | <-100% |
| Changes in the value of goodwill | 0 | 0 | Ns |
| Pre-tax income | 7 929 | 4 023 | -49.3% |
| Income tax | 2 676 | 1 527 | -42.9% |
| Net income | 5 253 | 2 496 | -52.5% |
| Income from non-group companies | 853 | 524 | -38.6% |
| Net income, group share | 4 400 | 1 972 | -55.2% |

MAD million - Source: Attijariwafa bank – (*) including liabilities include the impact of the application of IFRS 16 of MAD 10 million.

PART III: RISK FACTORS

Attijariwafa bank's risk management is centralized at the Global Risk Management (GGR) division level, which is responsible for supervising, controlling and measuring the risks incurred by the Group, with the exception of operational risks.

The independence of this structure from other divisions and lines of business ensures optimal objectivity in the risk taking proposals it submits to the Credit Committee and to their control.

X. INTEREST RATE AND CURRENCY RISK

In 2005, Attijariwafa bank decided to set up a specific market risk control system as part of the overall Internal Control system in accordance with the provisions of Bank Al-Maghrib's circular No. 6/G/2001.

This system focuses on three action levels:

- first-level internal control, carried out by Front Office operators who are required to comply with regulatory provisions and the bank's risk monitoring and management policy;
- risk monitoring by the *Middle Office*, which ensures daily compliance with limits relating to foreign exchange, interest rate and counterparty risks. It periodically informs Management and other control entities through a reporting system. On the other hand, the "Market Risk Monitoring and Surveillance" unit is responsible for detecting, analyzing and monitoring the bank's various interest rate and currency positions, then streamlining these positions through formal authorizations and finally being notified of any deviation from these positions. This monitoring is carried out in particular through the following means:
 - monthly monitoring of currency risk exposure allows the retrospective calculation of the Value at Risk (VaR), which measures the maximum potential loss related to the institution's exposure to currency risk;
 - a monthly reporting summarizes the bank's exposure to currency risk in relation to the limits set.
- the control bodies carry out critical and independent analyses of the quality of the system, either as part of audit assignments or on an ad hoc basis at the request of the General Management.

The VaR mode ² was developed by Attijariwafa bank's global risk management department. It covers the Dirham interest rate risk as well as spot and forward exchange rate risk. The choice of the RiskMetrics method developed by JP Morgan to capture a VaR measure has several advantages: it is easy to implement, takes into account existing correlations between asset prices and takes into account recent and historical price fluctuations. Therefore, the RiskMetrics method is based on a matrix of variances and covariance of the returns on the portfolio assets and their composition within the portfolio.

Global risk management produces detailed monthly reports that track the calculation and evolution of VaR and the control of regulatory and internal limits. The model allows back-testing, which is a technique used to test the validity of the VaR calculation model. It consists in using historical operations to calculate the VaR and then seeing whether this VaR actually managed the potential loss realized by comparing it to the theoretical P&L.

Furthermore, the bank has set up a system of internal limits to measure and control market risks. These limits relate to the trading portfolio, foreign exchange position, commodities and currency options.

² Value at Risk represents the maximum potential loss on the value of a financial asset or portfolio of financial assets and liabilities over a holding period and a confidence interval.

X.1. Interest rate risk

Interest rate risk corresponds to the risk of changes in the value of positions or the risk of changes in future cash flows of a financial instrument due to changes in market interest rates.

The table below shows the positions in the Trading portfolio as of end-June 2020 as well as the 1-day and 10-day VaR of foreign exchange, equities as well as bonds and UCITS activities:

| Activities | Position | 1-day VaR | Regulatory 10-day VaR |
|------------------|---------------|------------|-----------------------|
| Foreign exchange | 4 878 614.95 | -20 812.91 | -65 816.21 |
| Equities | 78 626.98 | 2 753.37 | 8 706.92 |
| Bonds and UCITS | 53 314 547.10 | 70 425.45 | 222 704.84 |

In MAD thousand – Source: Attijariwafa bank

I.1. Currency risk

Attijariwafa bank's foreign exchange risk, as of June 30, 2020, can be analyzed according to the following table:

| Currencies | Position in currencies | Exchange rate | Counter-value (MAD thousand) | % of equity |
|------------|------------------------|---------------|------------------------------|-------------|
| EUR | 366 707 | 10.9 | 3 996 | 9.93% |
| USD | 491 719 | 9.7 | 4 779 | 11.88% |
| GBP | 4 724 | 11.9 | 56 | 0.14% |
| CAD | 1 911 | 7.1 | 14 | 0.03% |
| CHF | 3 102 | 10.2 | 32 | 0.08% |
| JPY | 29 896 | 0.1 | 3 | 0.01% |
| DKK | 8 348 | 1.5 | 12 | 0.03% |
| NOK | 3 984 | 1.0 | 4 | 0.01% |
| SEK | -9 237 | 1.0 | -10 | -0.02% |
| SAR | 3 717 | 2.6 | 10 | 0.02% |
| AED | 2 470 | 2.6 | 7 | 0.02% |
| KWD | 99 | 31.6 | 3 | 0.01% |
| TND | -1 524 | 3.4 | -5 | -0.01% |
| DZD | 13 117 | 0.1 | 1 | 0.00% |
| LYD | 51 | 7.7 | 0 | 0.00% |

In thousands – Source: Attijariwafa bank

As of end-June 2020, forward exchange position amounted to MAD 35.060 billion, broken down as follows:

| Activities (in MAD thousand) | Position | 1-day VaR | Regulatory 10-day VaR |
|------------------------------|---------------|-------------|-----------------------|
| Foreign exchange | 4 878 614.95 | 20812.91159 | 65 816.21 |
| Equities | 78 626.98 | 2 753.37 | 8 706.92 |
| Bonds and UCITS | 53 314 547.10 | 70 425.45 | 222 704.84 |

Source: Attijariwafa bank

| | < 3 months | 3 months - 6 months | > 6 months |
|-------------------------------|-------------------|---------------------|-------------------|
| Hedging (MAD thousand) | 18 310 109 | 6 085 862 | 10 664 428 |

Source: Attijariwafa bank

As of end-June 2020, the currency options position amount to MAD 5.441 billion.

X.3. Asset and Liability Management

Les risques structurels de nature ALM se rapportent aux risques de pertes de valeur économique ou de Structural ALM risks relate to risks of loss of economic value or decline in future interest margins due to interest rate differentials and maturities between the bank's assets and liabilities.

ALM provides indicators for monitoring the risks and expected returns on the various balance sheet items and sets out management rules to limit the bank's balance sheet exposure to risks and to manage its positions optimally.

Attijariwafa bank's Asset and Liability Management has a set of ALM models and agreements based on the reality of the bank's outstanding and taking into account market and economic factors that have an influence on the behavior of the bank's balance sheet lines.

These financial assumptions are dynamic and are reviewed regularly at least once a year to ensure that they truly reflect the evolution of the bank's uses and resources. Indeed, the measurement of liquidity, interest rate and exchange rate risks requires effective management of the intrinsic characteristics of the contracts, in this case maturity, the nature of the interest rate (fixed/revisable/variable rate) and the currency of each balance sheet item must be identified.

Moreover, in addition to the contractual characteristics of balance sheet items, hidden balance sheet options (e.g., early repayment options) and customer behavior (e.g. in terms of the holding period of deposit accounts) have been modeled.

The approach adopted is based on the production and static and dynamic projection of balance sheet items over time until the outstanding amounts in stock and new production from the bank's budget and strategic plan have been used up.

XI. LIQUIDITY RISK

The transformation activity, which is specific to banking institutions, necessarily involves liquidity risk. The maturities of uses and resources, all of which differ from one another, create gaps in the bank's balance sheet between the volume of assets and liabilities that are at the origin of liquidity risk.

In the event of structural upheavals, the bank may not be able to obtain liquidity under normal volume and interest rate conditions. In such a case, future refinancing needs may reduce the projected margins.

The regulatory liquidity ratio is the ratio between, on the one hand, available assets realizable in the short term and commitments by signature received and, on the other hand, demand and short-term liabilities and commitments by signature given.

The regulatory liquidity ratio is as follows:

| Date | Liquidity ratio Morocco | Evolution |
|---------------|----------------------------|------------|
| 31- March -06 | 92.80% | |
| 30- June -06 | 87.20% | -5.60 pts |
| 31- Dec -06 | 96.40% | +9.20 pts |
| 31- March -07 | 77.60% | -18.80 pts |
| 30-juin-07 | 131.40% | +53.80 pts |
| 31- Dec -07 | 107.90% | -23.50 pts |
| 30- June -08 | 101.60% | -6.30 pts |
| 31- Dec -08 | 100.60% | -1.00 pt |
| 31- March -09 | 121.01% | +20.41 pts |
| 30- June -09 | 100.90% | -20.11 pts |

| Date | Liquidity ratio Morocco | Evolution |
|------------------|-------------------------|------------|
| 31- Dec -09 | 107.98% | +7.08 pts |
| 31- March -10 | 94.73% | -13.25 pts |
| 30- June -10 | 91.48% | -3.25 pts |
| 31- Dec -10 | 94.16% | +2.68 pts |
| 31- March -11 | 87.02% | -7.14 pts |
| 30-ju June in-11 | 95.04% | +8.02 pts |
| 31- Dec -11 | 95.40% | 0.36 pt |
| 30- June -12 | 80.56% | -14.84 pts |
| 31- Dec -12 | 81.63% | 1.07 pt |
| 31- Dec -13 | 70.18% | -11.45 pts |

Source: Attijariwafa bank

In order to ensure the convergence of Morocco's prudential framework with international standards, the central bank has implemented a major reform of Basel III relating to the short-term liquidity coverage ratio (LCR), aimed at replacing the liquidity ratio.

The “LCR” ratio, which relates high quality liquid assets to net cash outflows over a 30-day period, is intended to strengthen the liquidity profile of banks and promote their resilience to a possible liquidity shock.

Thus, from July 2015 onwards, banks are required to comply with a minimum liquidity ratio of 60%, which should gradually increase by 10 points per year to reach 100% in 2019.

The short-term liquidity coverage ratio (LCR) is as follows:

| Date | Short-term liquidity ratio (LCR) | Evolution |
|--------------|----------------------------------|-----------|
| 31- Dec -19 | 127% | +12.0 pts |
| 30- June -20 | 207% | 80.0 pts |

Source: Attijariwafa bank

I. COUNTERPARTY RISK MANAGEMENT

In a context of profound changes in Morocco, namely economic liberalization, the opening of borders, customs dismantling and the entry into force of several free trade agreements, the banking sector's counterparty risk could deteriorate and, consequently, lead to an increase in the overall litigation ratio. This trend could be accentuated by unfavorable economic conditions.

To manage counterparty risk, the “credit risk” entity within GGR is mainly responsible for analyzing and investigating risk-taking requests from the Group's various sales teams. It also has the prerogative to assess the consistency and validity of the guarantees, the volume of activity of the relationship and the economic justification of the financing requested. Each Business Unit has a clearly independent commitment structure and recovery structure that are hierarchically linked to the Global Risk Management division.

IV.1. Breakdown of the institution's commitments³

By business sector

The allocation of risks by sector of the economy is the subject of particular attention and is coupled with a forward-looking analysis that allows for a dynamic management of the Bank's exposure. It is based on

³ Source: Attijariwafa bank

studies expressing an opinion on the evolution of the sectors and identifying the factors that explain the risks incurred by their main players.

The breakdown of commitments given by sector, as a proportion of the Bank's total commitments as of December 31, 2019, is as follows:

- financial activities representing 14.0% (vs. 19% as of December 31, 2018). Commitments in this sector are of very good risk;
- construction accounts for 10% of the total (vs. 12% as of December 31, 2018) and real estate development accounts for 7% (vs. 8% as of December 31, 2018).

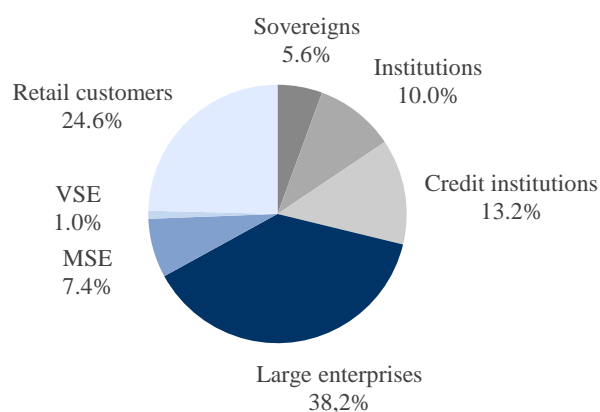
By counterparty

Assessed by taking into account all the commitments made to the same beneficiary, diversification is a permanent feature of the Bank's risk policy. The scope and variety of the Group's activities could contribute to this.

Any concentrations are subject to regular review and corrective action, if necessary.

This diversification is as follows.

Breakdown of the bank's commitments by counterparty category as of June 30, 2020

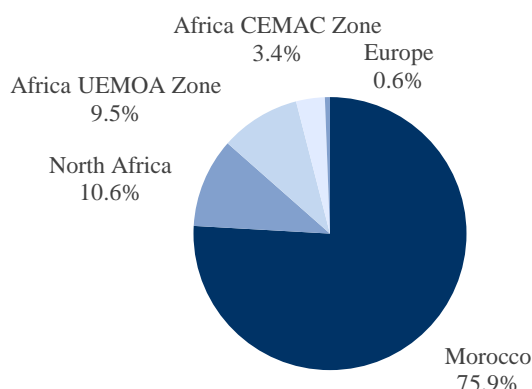


Source: Attijariwafa bank

By geographical area

The graph below shows that the Group's exposure is concentrated in Morocco with nearly 77.0%. The rest is divided between sub-Saharan African countries.

Breakdown of the bank's commitments by geographical area as of June 30, 2020



Source: Attijariwafa bank

By portfolio quality

In order to assess all its counterparties, the Group has developed a rating system in line with Basel II requirements. Thus, the implementation of the internal rating approach is based on minimum requirements that enable the Group to assess counterparty risk.

Indeed, the rating system is characterized by the probability of default. The time horizon for default risk assessments is estimated at 1 year.

This system is regularly validated and its performance monitored through a proven statistical approach. The fundamentals of the model, its design and operational procedures are formalized. In particular, the aspects of portfolio differentiation, rating criteria, responsibility of the various stakeholders, frequency of the review and management involvement are discussed in depth. The documentation system in place demonstrates to the central bank that their validation process allows it to assess, in a consistent and meaningful way, the performance of their internal rating and risk assessment systems.

Data relating to the rating system are collected and stored in historical databases allowing the periodic review and back-testing of risk models.

As early as June 2003, a first generation of Attijariwafa bank's internal rating systems was developed with the technical assistance of the International Finance Corporation and Mercer Oliver Wyman. This system took into account two parameters: a six-point rating scale (A, B, C, D, E and F) and estimated default probabilities (PD). The initial model was limited to five financial factors that explain credit risk.

In 2010, the Attijariwafa bank Group deployed a new internal rating model in the bank's operating system that is in line with Basel II requirements. This model, dedicated to companies, not only takes into account financial factors, but also qualitative and behavioral factors. It covers most of the bank's commitments. Its design is based on the analysis of homogeneous classes and proven statistical analyses.

The rating system is essentially based on the Counterparty Rating, which reflects its probability of default over a one-year observation horizon. The rating is assigned to a risk class within the rating scale, which consists of eight risk classes, one of which is in default (A, B, C, D, E, F, G, and H).

The rating system has the following characteristics:

- scope: portfolio of companies excluding local authorities, financing companies and real estate development companies;

- the rating system of the Attijariwafa bank Group is essentially based on the Counterparty's Rating, which reflects its probability of default over a one-year observation horizon;
- the calculation of the system rating results from the combination of three types of ratings: Financial rating, qualitative rating and behavioral rating;
 - ✓ the financial rating is based on several financial factors related to the size, dynamism, indebtedness, profitability and financial structure of the company;
 - ✓ the qualitative rating is based on information about the market, the environment, shareholders and company management. This information is provided by the Network;
 - ✓ the behavior rating is based on the account's physiognomy.
- any counterparty system rating is subject to approval (at each rating) by the Credit Committee in accordance with the delegations of authority in force;
- the probability of default only assesses the creditworthiness of the counterparty, regardless of the characteristics of the transaction (guarantees, ranks, clauses, etc.);
- the risk classes of the model have been calibrated against the risk classes of the international rating agencies;
- use of internal rating: the internal rating system is currently an integral part of the credit assessment and decision-making process. Indeed, when processing the credit proposal, the rating is taken into consideration. The levels of delegation of powers in terms of credit decisions are also a function of the risk rating;
- update of the rating: counterparty ratings are reviewed at each file renewal and at least once a year. However, for clients falling within the scope of the files of companies under supervision (Class F, G or pre-recovery), the Counterparty rating must be reviewed on a semi-annual basis. In general, any significant new information must be an opportunity to question the relevance of the Counterparty's rating for an upward or downward adjustment.
- As part of its risk quality monitoring, the Risk Management Systems unit produces periodic reporting on risk mapping according to various analytical areas (Commitment, business sector, pricing, networks, expired files, etc.) and ensures that the portfolio's coverage rate is improved.

In 2017, following the completion of back-testing, which aims to test the predictive power of the rating model and ensure that the probabilities of default are correctly calibrated, a new rating model was developed to assess the counterparty risk of companies, while maintaining the same process. The system rating is still based on a combination of three types of ratings (Financial, Qualitative and Behavioral), but is adjusted by a series of qualitative criteria and decision rules. The rating grid remains structured into eight classes (A to H), including the H class reserved for default.

- the rating is assigned to a risk class of the rating scale, which consists of 8 classes grouped into 3 categories:
 - ✓ healthy counterparties: classes A to E;
 - ✓ sensitive counterparties: F and G;
 - ✓ defaulting counterparties: class H.

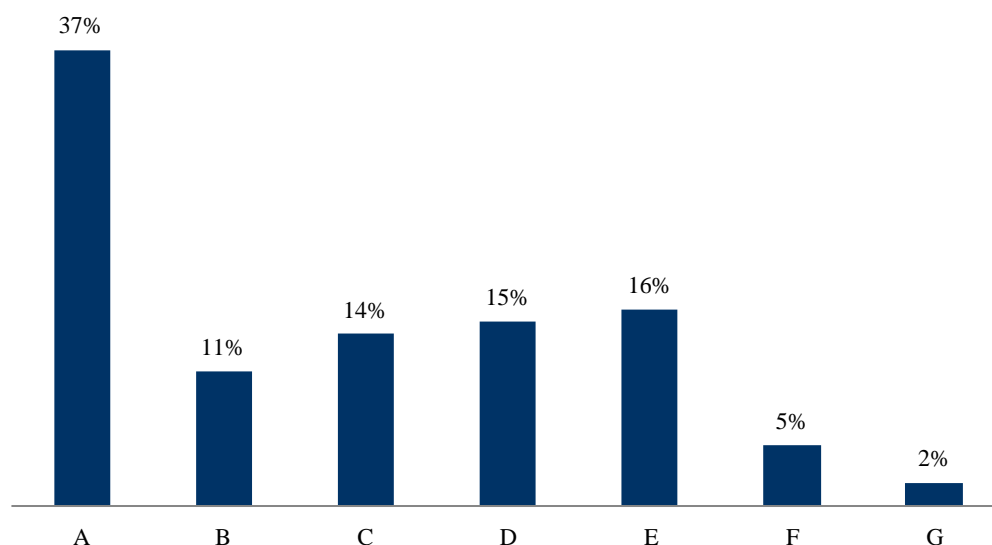
| Rating | Risk level |
|--------|------------|
| A | Very good |
| B | Good |
| C | Quite good |
| D | Average |
| E | Fair |
| F | Poor |
| G | Very poor |
| H | Default |

Source: Attijariwafa bank

In terms of commitments as of end-June 2019, the breakdown of risks relating to the corporate scope is as follows:

Attijariwafa bank Prospectus Summary - Perpetual Subordinated Bond Issue

Breakdown of the bank's commitments (corporate scope) by risk class as of June 30, 2020*



Source: Attijariwafa bank

* Financing companies, public administrations, real estate development companies and litigation cases are outside the scope.

A rating system for real estate development based on two main dimensions (client / project) is operational. This approach is part of the process to align with the advanced Basel II approaches and the new IFRS 9 accounting standard in force since January 2018.

Rate risk

The net book value of Attijariwafa bank's marketable and investment securities as of June 30, 2020 stood as follows:

| | Gross book value | Present value | Repayment value | Unrealized capital gains | Unrealized capital losses | Provisions |
|------------------------------|-------------------|-------------------|-----------------|--------------------------|---------------------------|---------------|
| Trading securities | 68 432 691 | 68 432 691 | | | | |
| Bills and similar securities | 48 990 370 | 48 990 370 | | | | |
| Bonds | 95 918 | 95 918 | | | | |
| Other debt securities | 4 005 528 | 4 005 528 | | | | |
| Equities | 15 208 429 | 15 208 429 | | | | |
| SUKUKUS certificates | 132 446 | 132 446 | | | | |
| Investment securities | 2 415 366 | 2 384 283 | | 13 223 | 31 083 | 31 083 |
| Bills and similar securities | 38 821 | 38 821 | | 698 | | |
| Bonds | 1 601 161 | 1 601 161 | | 2 578 | | |
| Other debt securities | 708 800 | 708 800 | | | | |
| Equities | 66 584 | 35 501 | | 9 947 | 31 083 | 31 083 |
| SUKUKUS certificates | | | | | | |
| Investment securities | 9 452 472 | 9 452 472 | | | | |

| | | |
|-----------------------|-----------|-----------|
| Bonds | 9 379 576 | 9 379 576 |
| Other debt securities | | |
| SUKUKUS certificates | 72 896 | 72 896 |

Source: Attijariwafa bank

It should be noted that the book value of trading securities is equal to the market value. For investment securities, the book value is the historical value while the current value is the market value. In the event of an unrealized capital loss, a provision is recorded.

II. REGULATORY RISKS

2019 – H1 2020 solvency ratio

Attijariwafa bank has a solid financial base enabling it to meet all its commitments, as evidenced by the solvency ratio achieved over the 2019 –H1 2020 period:

| | 2019 | H1 2020 | Var H1.20/19 |
|-------------------------------------|---------------|---------------|----------------|
| Core capital (Tier 1) (1) | 29 303 | 33 339 | 13.8% |
| Regulatory capital (2) | 38 870 | 43 313 | 11.4% |
| Weighted risks (3) | 264 449 | 264 453 | 0.0% |
| Core capital ratio (1) / (3) | 11.08% | 12.61% | +1.53pt |
| Solvency ratio (2) / (3) | 14.70% | 16.38% | +1.68pt |

MAD million - Source: Attijariwafa bank – corporate accounts

The preparation of solvency ratios on an individual and consolidated basis complies with the international standards of the Basel Committee and is governed by Bank Al-Maghrib's regulatory guidelines:

- Circular 26/G/2006 (detailed in the technical notice NT 02/DSB/2007) on the calculation of capital requirements for credit, market and operational risks using the standard approach;
- Circular 14/G/2013 (detailed in the technical notice NT 01/DSB/2014) on the calculation of banks' and credit institutions' regulatory capital according to the Basel III standard.

Attijariwafa bank group is required to comply with, on an individual and consolidated basis:

- a core capital ratio of at least 8.0% (this threshold includes the obligation to build a retention buffer from core capital equivalent to 2.5% of weighted risks);
- a Tier 1 capital ratio of at least 9.0%;
- a ratio of total Tier 1 and Tier 2 capital of at least 12.0%.

Attijariwafa bank is also required to build up an additional capital base to absorb the shocks of regulatory and internal stress tests and to ensure compliance with the thresholds described above after stress tests:

- stress tests on credit risk: default of the most vulnerable counterparties, migration from 10% to 15% of high-risk receivables;
- stress tests on market risk: depreciation of the MAD against the EUR, shift in the yield curve, depreciation of the net asset value of the various UCITS (bonds, money market funds, etc.);
- country risk stress tests: Stress tests on non-resident loans in countries with risks of political instability;
- scenarios combining several hypotheses.

From January 2019, for macro-prudential supervision considerations, Bank Al-Maghrib may ask credit institutions to set up a so-called "counter-cyclical capital cushion" on an individual and/or consolidated basis. The said cushion, the level of which is within a range of 0% to 2.5% of the weighted risks, is composed of core Tier 1 capital. Compliance with this additional threshold is preceded by a 12-month notice period.

The frequency of reporting solvency ratios to the regulator is half-yearly. This is accompanied by the publication of Pillar III, which is designed to ensure transparency of financial information: details of prudential ratios, composition of regulatory capital, distribution of weighted risks, etc.

Projected solvency ratio

AWB's projected ratios on an individual and consolidated basis at the end of 2020 are well above the regulatory minimums in force: 9.0% in terms of solvency ratio on Tier 1 capital and 12.0% on overall capital thanks to the internal capital management policy.

Prudential capital is calculated in accordance with Circular 14 G 2013 and the technical notice 01/DSB/2018 incorporating IFRS9 impacts.

Taking into account the uncertainties related mainly to the sanitary context of the "Covid-19" epidemic, the Attijariwafa bank group proceeded to the review and revision of its projections on the basis of a conservative scenario. In this context, the table below presents the evolution of the projected solvency ratio of Attijariwafa bank over the next 18 months.

The evolution of the projected solvency ratio of Attijariwafa bank over the next 18 months is as follows:

| | June-20 R | Dec-20* | June -21* | Dec -21* |
|--|---------------|---------------|---------------|---------------|
| Tier 1 capital (1) | 33.3 | 31.4 | 33.0 | 34.2 |
| Tier 2 capital | 10.0 | 9.4 | 9.2 | 9.2 |
| Regulatory capital (2) | 43.3 | 40.8 | 42.2 | 43.4 |
| Weighted risks (3) | 264.5 | 265.2 | 269.3 | 272.3 |
| Core Tier 1 ratio (1) / (3) | 12.61% | 11.85% | 12.26% | 12.55% |
| Ratio de solvabilité global (2) / (3) | 16,38% | 15,39% | 15,67% | 15,94% |

MAD billion - Source: Attijariwafa bank – On an individual basis

(*) Situation taking into account the exceptional distribution by cash payment of a total amount of MAD 1,416,552,833.25 (i.e. MAD 6.75 per share) to be withdrawn from the "optional reserves" account and an exceptional distribution of a total amount of MAD 1,416,552,833.25 (i.e. MAD 6.75 per share) to be withdrawn from the "optional reserves" account with the option of cash payment or conversion in whole or in part into Attijariwafa bank shares. These exceptional distributions were proposed by the Board of Directors on November 17, 2020 to the Ordinary General Meeting scheduled on December 21, 2020.

The evolution of the projected solvency ratio of Attijariwafa bank Group over the next 18 months is as follows:

| | June-20 R | Dec-20* | June-21* | Dec-21* |
|---|---------------|---------------|---------------|---------------|
| Tier 1 capital (1) | 45.9 | 45.2 | 46.8 | 50.3 |
| Tier 2 capital 2 | 11.7 | 11.1 | 11.0 | 10.6 |
| Regulatory capital (2) | 57.7 | 56.3 | 57.8 | 60.9 |
| Weighted risks (3) | 405.6 | 412.9 | 424.5 | 432.0 |
| Core Tier 1 ratio 1 (1) / (3) | 11.32% | 10.96% | 11.03% | 11.64% |
| Overall solvency ratio (2) / (3) | 14.22% | 13.64% | 13.61% | 14.10% |

MAD billion - Source: Attijariwafa bank – On an individual basis

(*) Situation taking into account the exceptional distribution by cash payment of a total amount of MAD 1,416,552,833.25 (i.e. MAD 6.75 per share) to be withdrawn from the "optional reserves" account and an exceptional distribution of a total amount of MAD 1,416,552,833.25 (i.e. MAD 6.75 per share) to be withdrawn from the "optional reserves" account with the option of cash payment or conversion in whole or in part into Attijariwafa bank shares. These exceptional distributions were proposed by the Board of Directors on November 17, 2020 to the Ordinary General Meeting scheduled on December 21, 2020.

III. COUNTRY RISK MANAGEMENT

The study conducted by the Country Risk entity with the support of an external consultant, to automate the country risk management has allowed:

- the diagnosis of the system in place and its adequacy with regulatory requirements while identifying the necessary actions for change in relation to an international benchmark;
- the development of a conceptual model for optimal country risk management (functional blocks and dedicated information system) for IT implementation with a gradual extension of the system to foreign subsidiaries.

The process of strengthening the regulatory framework and the implementation of the new organization have had the combined effect of strengthening the monitoring of BDI risks and consolidating the country risk management system. Similarly, the establishment of the Country Risks committee, the adoption of the Country Risk appetite framework and the project to set up a Risk database will contribute decisively to the culmination of this consolidation trend.

In addition, investments are tested for impairment at each closing date. The result of this test is sensitive to the different hypotheses (rate, volatility, fiscal framework, prudential system, regulatory environment, etc.) which leads to a sensitivity of the participating interests.

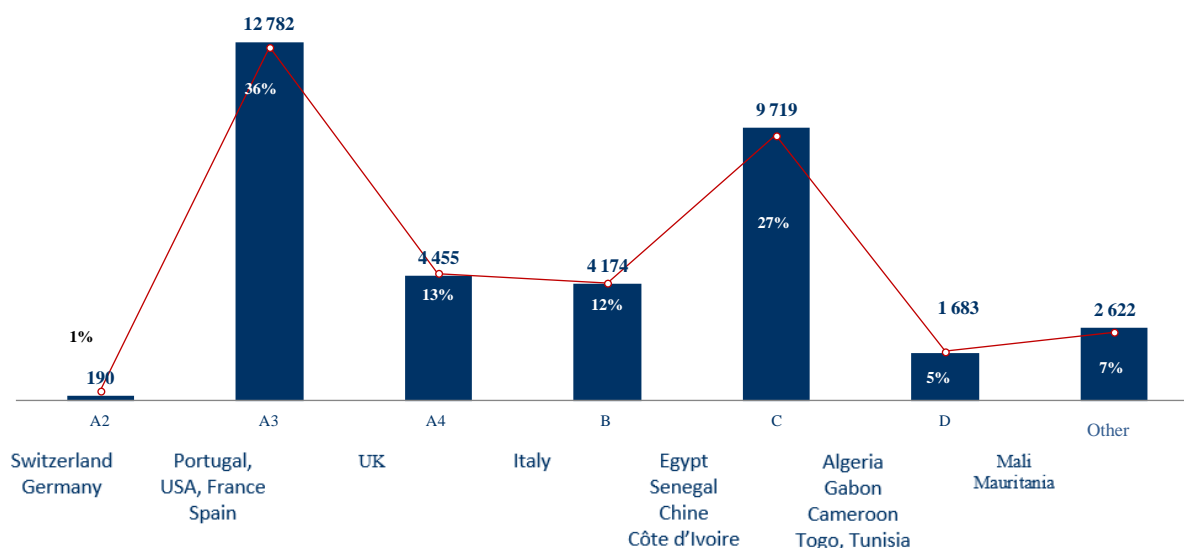
Country risk management system:

The roll-out of the bank's international growth strategy and the provisions of Bank Al Maghreb's Directive 1/G/2008 prompted the implementation of a country risk management system in view of the ever-increasing importance of international business in the group's overall exposure.

This system is structured around the following areas:

- a country risk charter adopted by the management body and approved by the administrative body, which constitutes the reference framework governing the bank's international risk generating activities;
- the identification and assessment of international risks: The Attijariwafa bank group carries out its banking and para-banking activities both on its domestic market and in foreign countries through subsidiaries and even branches. As such, its exposure to international risks includes all types of commitments made by the bank as a creditor entity towards non-resident counterparties in both dirhams and foreign currencies;
- the restatement and calculation of country risk exposure according to the risk transfer principle. This makes it possible to highlight the areas and countries with high exposure (in value and as a % of the bank's equity) and the corresponding risk typologies. Thus, as indicated in the graph below, we note that 30.5% of the bank's exposure to international risks at the end of December 2018 is concentrated in countries with a graduated risk profile ranging from very good (A1) to acceptable (A4), i.e., the equivalent of Moroccan risk. Otherwise, it mainly concerns the bank's strategic investments in the context of the acquisitions of African banking subsidiaries;

Distribution of country risk exposures by Co face scale – Social Exposure – June 30, 2020



Source: Attijariwafa bank

- rules for consolidating country risk exposures that allow, in addition to an individual analysis of the commitment by country of each subsidiary and headquarters, an overview of the group's total commitment;
- the preparation and distribution of a weekly report on the evolution of country risk summarizing all the highlights that occurred during the week (agency rating changes and others...) with an update of the "World" database on country ratings by Standard & Poor's, Moody's, Fitch, Coface, OECD, the bank's internal score and the countries' CDS;
- the development of an internal economic country risk score reflecting the vulnerability index by country. This score is based on a multi-criteria evaluation approach combining macroeconomic indicators, agency ratings and market data, mainly CDS (Credit Default Swap), as a barometer of the probability of default associated with each issuer;
- the development of an internal political country risk score reflecting a country's vulnerability to political instability. This score is based on a multi-criteria evaluation approach combining the assessment of qualitative indicators relating to justice (legal guarantee, regulatory environment), administration and bureaucracy, redistribution of wealth, the Democracy Index as well as the Doing Business score which makes it possible to study regulations that promote economic activity and those that limit it;
- the allocation of limits, calibrated according to the country's risk profile and the level of the bank's equity capital and broken down by zone, country, sector, type of activity, maturity...);
- monitoring and surveillance of compliance with limits;
- the provisioning of country risk based on the deterioration of exposures (materialization of risk, debt rescheduling, default, benefit of debt relief initiatives, etc.) or due to highly significant negative alerts;
- stress testing, a half-yearly process that consists of ensuring the bank's ability to withstand extreme risk factors (such as the materialization of political risk in Tunisia and Côte d'Ivoire) and measuring its impact on capital and profitability.

Ultimately, country risk management is governed by a system that ensures the coverage of international risks from their origination to their final unwinding.

Country risk management system



Source: Attijariwafa bank

V. OPERATIONAL RISK AND BCP

V.1. Operational risk

The implementation of the operational risk management (ORM) system is in line with the “Basel 2” reform and its implementation for Morocco by Directive DN/29/G/2007, issued by Bank Al Maghrib on April 13, 2007. The latter defines operational risk as “a risk of loss resulting from deficiencies or failures attributable to internal procedures, personnel and systems or external events”. This definition includes legal risk but excludes strategic and reputation risks.

For Attijariwafa bank, this operational risk management system is managed by the “Operational, Legal, IT and Human Risks” entity created within the “Global Risk Management” department. This entity has drawn up a risk map for each of the business lines based on the Bank's process reference framework. Each of the risks in the mapping is defined according to a frequency of occurrence and an impact in the event of an occurrence.

For major risks in risk mapping, action plans are defined to mitigate or prevent risks.

This risk mapping is regularly updated on the basis of incidents identified in each of the entities and/or changes in the Bank's products and services.

The methodological approach to risk mapping adopted by the Attijariwafa bank group is presented in the following 6 steps:

- process validation;
- risk identification and assessment;
- identification of risk monitoring indicators;
- development of a risk reduction action plan;
- collection of incidents and monitoring of risks to be monitored;
- Back-Testing & risk reassessment.

V.2. Business Continuity Plan (BCP)

The implementation of the BCP, which is the responsibility of the “Operational, legal, IT and human risks” entity, enables the bank to complete the operational risk management system set up in 2009, which resulted in the drafting of a charter and a complete mapping of operational risks.

The establishment of the BCP is in line with the provisions of the second pillar of Basel II and BAM Circular No. 47/G/2007, which stipulates that the BCP is a regulatory obligation.

The implementation of a Business Continuity Plan ensures the continuity of the bank's activities and the respect of its commitments when there is an occurrence of:

- a major crisis or operational disruption affecting a large urban or geographical area;
- a disruption affecting physical infrastructure;
- a natural disaster;
- an external attack;
- a major failure of information systems;
- a dysfunction resulting from a significant rate of absenteeism (e.g., Pandemic);
- a failure of a critical service.

VI. CONCENTRATION OF RISKS ON THE SAME BENEFICIARY

The concentration of credit risk is the risk inherent in an exposure to a small group of counterparties likely to generate significant losses, in the event of default by these counterparties that could threaten the financial strength of an institution or its ability to continue its essential operations.

In accordance with Circular 3 / G / 2001 on the maximum risk division ratio of credit institutions, credit institutions must at all times, on an individual and consolidated basis, comply with a maximum ratio of 20% between the total risks incurred on the same beneficiary impacted by a weighting rate according to their degree of risk, excluding the risks incurred on the State, and on the other hand, their net equity.

This coefficient is used to identify potential sources of risk concentration and to measure, manage, monitor and control them.

2017- 2019 concentration of risks on the same beneficiary

| Years | Number of beneficiaries | TOTAL COMMITMENT (in MAD thousands) |
|-------|-------------------------|-------------------------------------|
| 2017 | 17 | 54 763 809 |
| 2018 | 20 | 63 272 712 |
| 2019 | 16 | 56 302 225 |

Source: Attijariwafa bank – corporate accounts

DISCLAIMER

The aforementioned information constitutes only part of the prospectus approved by the Moroccan Capital Market Authority (AMMC) under the reference VI/EM/027/2020 on December 10, 2020. AMMC recommends that the entire prospectus, which is available to the public in French, be read in its entirety.