



الخليج المتحد للخدمات المالية إفريقيا الشمالية
United Gulf Financial Services North Africa

Annual Report UGFS-NA 2019



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Chairman Statement

DEAR SHAREHOLDERS,

On BEHALF OF YOUR BOARD OF DIRECTORS, it is my honor and privilege to present you the Annual Report of United Gulf Financial Services North Africa (UGFS-NA) for the financial year ended December 31st, 2019.

I am pleased to share with you this year's report, a satisfactory performance achieved by our company despite the prevailing socio-economic and political situation in Tunisia. In fact, economic indicators are mainly negative as evidenced by the large and growing imbalances in public finances, the continuous decrease of the Tunisian Dinar and the decline of foreign investments.

THE COMPANY'S PERFORMANCE

UGFS-NA is proud to announce that its underlying performance continues to deliver steady value recovery to its shareholders, and therefore maintaining its trend established over recent years. UGFS-NA has achieved a 7% increase in turnover, which generates 42% increase in net income.

As of today, UGFS-NA is managing TND 130 million AUM and representing a portfolio which comprises of 66 investee companies generating more than 2,000 jobs.

UGFS-NA has consolidated its leading position in the market (with 25% market share. We aim to gain recognition from our clients, investors, partners and community to be amongst the best service providers in our industry. We reiterate that your Board of Directors remains fully dedicated to achieving these objectives. Our intention is to ensure that these fundamentals are maintained, as they form the foundation of future value accretion.

GRATITUDE

On behalf of the Board of Directors, I would like to take this opportunity to express my sincere gratitude to the Tunisian authorities and administration, especially the Financial Market Council (CMF) for their continued and valued support.

I also wish to extend my deep appreciation to our shareholders for their unrelenting support and to our investors and partners for their continued trust and confidence. Last, and by no means least, I would like to acknowledge the loyalty, dedication, professionalism, and teamwork of our management and staff members, who have worked above and beyond to sustain the positive

results achieved in 2019. I thank you all once again and I am confident that UGFS-NA is well positioned for continued future success.

Mohamed Fekih

Chairman of the Board of Directors

Company Overview

UGFS-NA is a Tunisian licensed asset management company which was established on November 2008 with the mission to lead local investment service providers by offering a range of best investment opportunities to investors such as individuals, corporations and financial institutions. UGFS-NA is a subsidiary of United Gulf Bank; the investment banking subsidiary of Kuwait Projects (Holding) Company (KIPCO).

The Company is regulated by the Conseil du Marché Financier (CMF). Among the Funds regulated by the CMF, UGFS-NA is a leading asset manager with 25% market share in terms of AMU (based on CMF figures).

The team number is 20 employees including 6 seniors.

In terms of Fund services, UGFS-NA has launched fourteen funds to date.

UGFS-NA managed total AUM of TND 132 million at the end of 2019, including 13 customers relationship with 24 managed portfolio accounts and 79 institutional investors for the Private Equity and Seed Funds representing a total of investment in TND Thousand more than 300 000 generating more than 2 000 jobs.

UGFS holds the Chairman position of the Board of ATIC (Tunisian Association of Capital Investors). This election demonstrates the confidence of the venture capital industry in Tunisia in our company, especially since it is the first time an asset management company holds the presidency of this Association.

الخليج المتحد للخدمات المالية - إفريقيا الشمالية

United Gulf Financial Services – North Africa

Rue du Lac Biwa – Immeuble Fraj- Etg2

1053 les Berges du Lac – Tunisia

License : N° 14-2008 date : 26/06/2008

Commercial Registration: B2481662008

Phone: (+216) 71 167 500

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Email : contact@ugfsnorthafrica.com.tn

Web site: www.uqfsnorthafrica.com.tn

Board of Directors

Mohamed Fekih



Chairman of the Board,

Chairman of the Board Audit Committee

Chief Executive Officer Director of Tunis International Bank

Board and Executive Committee Member of Gulf Bank Algeria

Chairman of SACEM Industries, Tunisia

Board Member of Ooredoo, Tunisia

Board and Risk Committee Member of FIM Bank p.l.c., Malta

Board Member of London Forfaiting Company Ltd, UK

Board Member of Hannibal Lease, Tunisia

Masaud Hayat



Member of the Board,

Chairman & chairman of the Executive Committee of Tunis International Bank, Tunisia

Chairman of United Gulf Bank, Bahrain

Chairman of United Gulf Holding Company in Bahrain

Vice Chairman of FIM Bank p.l.c, Malta

Vice Chairman of Gulf Bank Algeria, Algeria

Board Director of North Africa Holding Company, Kuwait

Board Member of Jordan Kuwait Bank, Jordan

Vice Chairman of Bank of Baghdad, Irak

Board Director of KAMCO Investment Company, Kuwait

Rabih Soukarieh



Member of the Board,

Member of the Chartered Financial Analysts

Board Member & CEO of Gulf Bank Algeria,

Board Member of Tunis International Bank

Chairman of Syria Gulf Bank

Board & Board & Executive Committee Member of North Africa Holding Company, Kuwait

Hussain A. Lalani



Member of the Board

Chief Executive Officer of United Gulf Bank, Bahrain

Board Member of Takaful Savings & Pensions B.S.C. Bahrain, Global Banking Corporation, Bahrain and Assoufid

Board Member of FIM Bank p.l.c, Malta

Chartered Accountant and a Certified Information Systems Auditor

Board Audit Committee

Mohamed Fekih

Chairman

Anas Labidi

Member
TIB Internal Audit Head

Khaled Kammoun

Member
Sacem Deputy General Manager

Compliance and Internal Control

Faysal Melliti



Assistant Vice President

Head of Compliance & Internal Control Department

Senior Management

Mohamed Salah Frad



General Manager
Managing Director

Nabil Chahdoura



Deputy General Manager
Head of Business Group

Sarra Ben Slima



Senior Vice President
Head of Operations & Services

Ahmed Dhouib



Vice President
Head of Private Equity and Early Stage Department

Ranim Fekih Ahmed



Assistant Vice President
Head of Capital Market Department

Our Team

Haithem Ben Nasr
Portfolio Manager

Khaled Dridi
Fund Manager

Besma Ourabi
Accounting & Back Office
Manager

Salma Bouaouina
Fund Manager

Sana Bouhachem
Assistant Fund Manager

Jawaher Mkaddem
Assistant Fund Manager

Zeineb Jaafri
Back Office Officer

Emir Denden
Compliance Officer

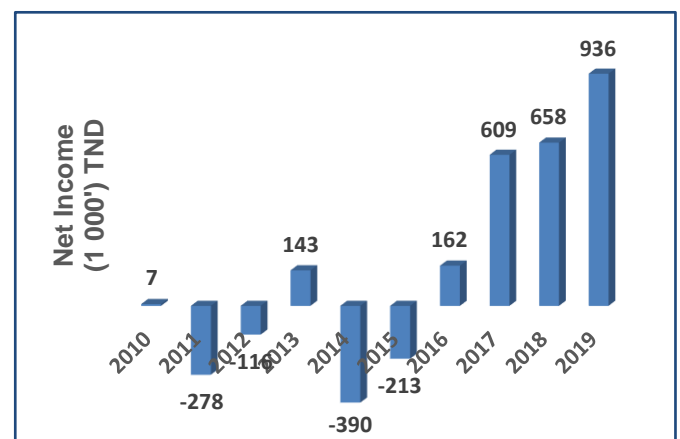
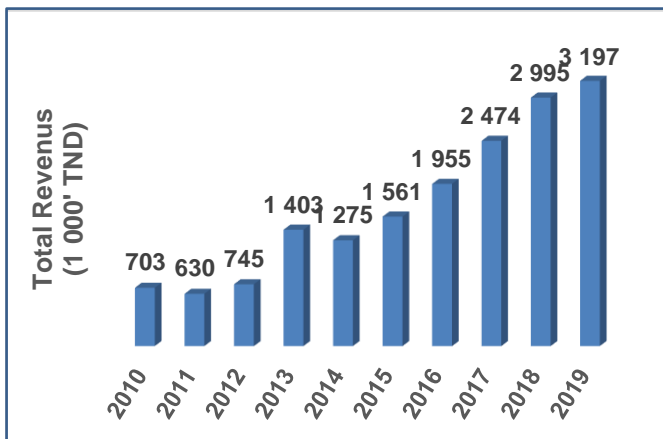
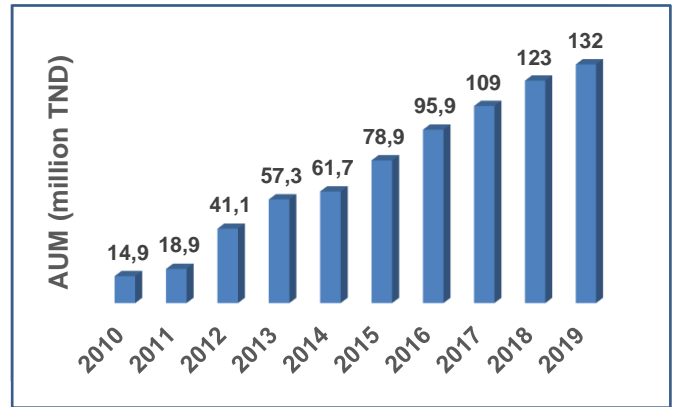
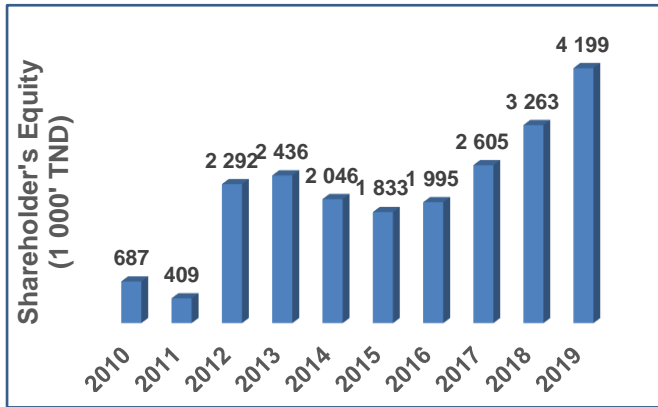
Hassen Arfaoui
Assistant Fund Manager

Arwa Cherif
Executive assistant to the
Board

Amel Hannafi
Hostess

Ines Bouamaied
Executive assistant to the
GM

Financial Highlights 2019



AUM
132MD
 (+7% 2018)

Selected Financial Information

	2019	2018	2017	2016	2015	2014	2013	2012
Financial Statements Highlights (1000 TND)								
Total Revenues	3 198	2 995	2 474	1 955	1 561	1 275	1 403	745
Total Revenues Consolidated	3 225	3 044	2 527	2 080	1 554			
Total Operating Expenses	2 652	2 245	1 884	1 794	1 850	1 703	1 270	845
Total Operating Expenses consolidated	2 638	2 250	1 900	1 822	1 893			
Net Income	936	658	609	162	-213	-390	143	-116
Net Income Consolidated	754	692	633	257	-243			
Total Assets	4 980	4 477	3 673	2 909	2 430	2 542	2 875	2 579
Total Assets Consolidated	4 851	4 517	3 681	2 916	2 370			
Shareholder's Equity	4 199	3 263	2 605	1 995	1 833	2 046	2 436	2 293
Shareholder's Equity Consolidated	4 037	3 308	2 623	2 004	1 747			
Profitability								
Earnings Per Share (EPS)	3%	2%	2%	1%	-71%	-130%	48%	-39%
Expenses / Revenues	83%	75%	76%	92%	118%	133%	90%	113%
Return on Assets (ROA)	19%	15%	17%	6%	-9%	-15%	5%	-4%
Return on Equity (ROE)	22%	20%	23%	8%	-12%	-19%	6%	-5%
Equity / Total Assets	84%	73%	71%	69%	75%	80%	85%	89%
Management Fees (1000 TND)	2 754	2 383	2 000	1 575	1 311	1 006	821	446
From managed funds	2738	2 365	1 953	1 550	1 240	963	781	371
From Individual portfolio management	15	18	47	25	71	43	41	74

Our Fund



صندوق ثمار
Theemar Investment Fund



الصندوق التونسي للتنمية I
Tunisian Development Fund



الصندوق التونسي للتنمية II
Tunisian Development Fund II



الصندوق التونسي للتنمية III
Tunisian Development Fund III



صندوق كابتيل إيز
CAPITALease Seed Fund



صندوق كابتيل إيز
CAPITALease II Seed Fund



صندوق سترتاب فكتوري
STARTUP FACTORY Fund



الصندوق التونسي للأسهم
Tunisian Equity Fund



الصندوق التونسي للحبطة
Tunisian Prudence Fund



صندوق الخليج المتحد
للخدمات المالية الإسلامي
UGFS Islamic Fund



UGFS Bonds Fund



Social Business Fund
YUNUS Social Business Tunisia



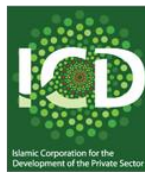
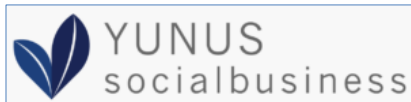
إدارة محافظ مالية
Private Portfolio Management



GABES SOUTH FUND



Our Investors



Our Private Equity Portfolio



Our Seed Fund Portfolio



Review of Operations

Strategy and Business Organization

UGFS has separated units: Private Equity- Seed Fund – Capital Market- Operations & services and compliance & internal control- Corporate finance through its subsidiary United Gulf Financial Services UGAS.

Private Equity Funds

During 2019, UGFS-NA has succeeded to strengthen the Private Equity's activity by increasing the overall size of managed funds to TND 76 million of AUM including *Tunisian Development Fund III*, the Third Islamic funds with TND 21 million size.

Seed Funds

For Seed funds, which are intended for investments in innovative projects in early stage development companies, particularly in business related to information technology, the AUM has reached TND 40 million distributed in five Seed Funds:

- *IntillaQ For Growth* with a capital of TND 10.7 million. The fund has been created following to a joint initiative of Ooredoo and Qatari Friendship Fund.
- *Social Business* with raised capital TND 2.6 million, sponsored by African Development Bank and Yunus Social Business Association.
- *Capitalease Fund 2*: duplication of *Capitalease Fund 1* but on a larger scale for a total size of TND 15 million.
- *Capitalease Fund 1*: The fund has raised TND 0.8 million.
- *Start up Factory*: The fund has raised TND 2.5 million
- *Capital act*: The fund has raised TND 3.5 million

Mutual Funds

The AUM has reached TND 10 million through four funds: TEF- TPF- UGFS Bonds Fund and UGFS Islamic Fund.

Portfolio Management Service

The company managed discretionary portfolio accounts held for selected clients including individuals, corporate and financial institutions. Investment held for each account consists of stocks, bonds, or any other short-term financial instrument or also a combination of those investments. The aggregate value of the portfolio is around TND 6 million at the end of 2019.

Compliance and Internal Control

UGFS-NA is registered with the Financial Market Council (CMF) as an asset management company. As such, the company's operations are subject to financial regulations including minimum capital requirements and compliance procedures in the local jurisdiction. The company seeks to manage the risks associated with these regulations by ensuring close monitoring of compliance with the regulations and by tracking proposed changes and reacting immediately when changes are required. The company has a dedicated registered Compliance Officer.

Accordingly, UGFS-NA has set up standards internal rules of conduct and procedures that comply with applicable regulations.

Policies & Procedures Manual

During this year 2019, UGFS-NA has reviewed the current investment processes and has begun setting up a global Policies & Procedures Manual that fits with local regulation and international standards. The final implementation was achieved during the year 2019.

Accounting Manual

The company finalized the accounting manual. It describes the accounting and administrative organization of the company, the methods used to enter and process information, the accounting policies.

It includes information relating to:

- The general organization of the enterprise;
- The accounting organization of the company;
- The accounts plan and the description of the contents of the accounts and a guide to accounting imputations;
- Description of the procedures for collecting, entering, processing and controlling information;
- The organization of the preparation and presentation of the financial statements.

Outsourcing

In order to increase efficiency for time-consuming functions and reducing operating costs, the company has outsourced mutual funds administration and valuation function. The role of the back-office should be limited in assisting business units in their day to day operations and support them in handling and documenting customer accounts.

Also, Legal and Fiscal advisory functions are outsourced. The legal adviser should provide a support to the management team in analyzing and interpreting legal issues and preparing and drafting investment acts. Besides, the company has hired a Tax adviser to undertake a review of the whole tax files of the company.

Archiving system

The company has engaged an archiving company to work on the implementation of the archiving system, which will provide an off-site archiving location and the digitalization of all the Company's documents

Information system

The company has hired a specialized IT consulting to adapt its information system for the growing company needs. UGFS-NA internet connection has already migrated from an ADSL broadband to Fiber Optic access and from local Exchange server to the Office 365 cloud solution.

The company set up a Backup server for user data: a solution for automatic backup of user data via the local network. The company also maintains manual backup on an external disk.

A new ANTI-VIRUS server has been deployed with the Sophos Endpoint Protection solution

The company is planning a local file server for share drive file within UGFS according to a predefined ranking organization

Website

The company has finalized and launched the new version of the website www.ugfsnorthafrica.com.tn

It is a modern and dynamic version that suits to the expectations of the users.

Prospecting Africa

UGFS is prospecting its entry into the African market and exploring new partnerships through advisory missions. In fact, the African continent presents a wide growth potential to conquer.

Outlook 2020

During 2020, UGFS-NA will target on total Fund raising of TND 31 million mainly based on the raising Fund: TDF III with an expected subscription of TND 14 million and Seed Fund with an expected subscription of TND 9 million. As such, the total AUM should reach over TND 163 million at the end of 2020.

Regarding the expenses, a rational strategy will continue to keep them under a level of TND 2.5 million in 2020.

As a result, the budget 2020 plans a positive activity result before tax about TND 1.3 million.

During 2020, UGFS-NA plan to realize at least three exit transactions from its current investments.

Independent Auditor's Report

Financial Statements 2019

AUDIT REVISION CONSEIL ARC

Membre de l'Ordre des Experts Comptables de Tunisie

Correspondant en Tunisie de RSM International

THE RSM GROUP OF COMPANIES
A.D. 1982



Immeuble Aziz A 3.1- Montplaisir - Tunis - Tunisie
Téléphones : 216-71 950 218 / 950 461
Télécopie : 216-71 950 852
Email : arc@rsm.tn

STATUTORY AUDITOR GENERAL REPORT

The shareholders of
United Gulf Financial Services –NORTH AFRICA, "UGFS – NA"
Immeuble FRAJ 2ième étage rue du Lac BIOUA Les Berges du Lac 1053, Tunis.

1. Report on the audit of the Financial Statements

1 - Opinion on the financial statements

We have audited the financial statements of the **United Gulf Financial Services –NORTH AFRICA, "UGFS – NA"**, which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **United Gulf Financial Services –NORTH AFRICA, "UGFS – NA"** as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Tunisian Accounting standards .

2- Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the meaning of [indicate relevant ethical requirements or applicable law or regulation] and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3- Observation

We draw the attention that the subsidiary UGAS SARL which your company holds 99.9% of its share capital amounting to 10 000 TND present a negative net equity of 147 KDT as at December 31, 2019.

Our opinion is not changed on this point.

4- Report of the Board of Directors

Management is responsible for the preparation and fair presentation of the management report.

Our opinion on the financial statements does not extend to the management report and we do not express any form of assurance on this report.

Our responsibility is to verify the accuracy of the information given in the financial statements in the management report by reference to the data in the financial statements.

Our work consists of examination the management report and, in doing so, assessing whether there is a material inconsistency between it and the financial statements or the knowledge that we acquired during the audit, or if the management report otherwise seems to have a significant anomaly.

Based on the work we have performed , we conclude that there is a material misstatement in the management report, we are required to report it.

We have nothing to report on with respect to the consistency of the financial information included in the Board of Directors' report with the financial statements.

5-Responsibility of management and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles in Tunisia, as well as the internal control that it considers necessary to enable the preparation of financial statements that are free of significant anomalies, whether due to fraud or error.

In preparing the financial statements, it is management's responsibility to assess the Company's ability to continue as a going concern, to disclose, as appropriate, business continuity and contingency issues. apply the going concern accounting principle, unless management intends to liquidate the Company or cease operations if no other realistic alternative is available to it.

The Board of Directors is responsible for overseeing the company financial reporting process.

6-Auditor's Responsibility for Auditing Financial Statements:

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the auditor containing our opinion.

Reasonable assurance is a high level of assurance, which does not guarantee that an audit, conducted in accordance with professional auditing standards applicable in Tunisia, will always detect any material misstatement that may exist.

Anomalies may result from fraud or error and are considered material when it is reasonable to expect that, individually or collectively, they may affect the economic decisions that users of financial based on these.

As part of an audit conducted in accordance with professional auditing standards applicable in Tunisia, we exercise our professional judgment and exercise critical judgment throughout this audit.

A more detailed description of the auditor's responsibilities for the audit of financial statements can be found on the website of the Order of Accounting Professionals of Tunisia at www.oect.org.tn. This description forms part of this audit report.

II. Report on legal and regulatory obligations

As part of our statutory audit mission, we also carried out the specific verifications required by the standards published by the Professional Corporation of Chartered Accountants of Tunisia (OECT) and by the regulatory texts in force in this field .

1. Effectiveness of the internal control system

We point out, in accordance with what is required by article 3 of the law 94-117 of November 14, 1994 as modified by the law 2005-96 of October 18, 2005, which we did not note, on the basis of our examination, of major deficiencies, of the internal control procedures relating to the treatment of the accounting information and the preparation of the financial statements, likely to impact our opinion on the financial statements.

In this regard, we recall that the responsibility for the design and implementation of an internal control system as well as the periodic monitoring of its effectiveness and efficiency lies with the management and the Board of Directors.

2. Other legal and regulatory obligations

Pursuant to the provisions of Article 19 of Decree No. 2001-2728 of November 20, 2001, we carried out verifications concerning the conformity of the maintenance of securities accounts issued by the company with the regulations in force.

The responsibility for ensuring compliance with the requirements of the applicable regulations lies with the Management.

We have no comments to make on the compliance of securities accounting with current regulations.

Tunis, March 16, 2020

Foued AMIRI
Partn r - Chartered Public accountant



AUDIT REVISION CONSEIL ARC

Membre de l'Ordre des Experts Comptables de Tunisie

Correspondant en Tunisie de RSM International

MEMBRE DE L'ORDRE DES
EXPERTS COMPTABLES
DE TUNISIE



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Email : arc@gnet.tn

STATUTORY AUDITOR SPECIAL REPORT

The shareholders of
United Gulf Financial Services –NORTH AFRICA, "UGFS – NA"
Immeuble FRAJ 2i me  tage rue du Lac BIOUA
Les Berges du Lac 1053, Tunis.

In our capacity as statutory auditors of your Company, we hereby report on the agreements and other regulated operations conducted or continued during the year ended December 31, 2018, in accordance with Articles 200 and 475 of the Commercial Companies Code.

Our responsibility is to ensure the due process of authorization and approval of these agreements or transactions and their translation, ultimately, in the financial statements.

We are required to present to you, on the basis of the information provided to us, the terms and conditions of the agreements of which we were notified or of which we became aware during our engagement. It is not our role to determine whether they are beneficial or appropriate neither to ascertain whether any other regulated agreement exists.

It is your responsibility to evaluate the benefits arising from these agreements prior to their approval.

1-Compensation and benefits managers

In application of the provisions of article 200 of the code of commercial companies relating to the agreements made between the company and the president, the general manager, the deputy general managers or the members of the board of directors, we bring to your attention the following agreement :

The amount of fees invoiced by Mr. Mohamed Salah FRAD Managing Director of UGFS for the 2019 financial year is 226,101 DT Taxes included.

The change of the method of remuneration was authorized by the board of directors held on November 18, 2019.

2-Transactions with related party

According to an agreement signed between UGFS-NORTH AFRICA and its subsidiary UGAS on January 1st, 2011, UGFS-NORTH AFRICA will charge UGAS for the part overhead expenses. The amount of overhead expenses charged by UGFS-NORTH AFRICA for the year 2019 is TND 32 387.

Moreover, our investigations revealed no other agreement falling within the scope of article 200.

Tunis, March 16, 2019

Foued AMIRI
Partner -Chartered Public accountant



UGFS – NORTH AFRICA

BALANCE SHEET - ASSETS

As at December 31, 2019

(in Tunisian Dinars)

	NOTES	2019	2018
NON CURRENT ASSETS			
Intangible assets		102 110	97 548
- Depreciation		-87 284	-79 351
Net value	1	14 826	18 198
Tangible assets		962 825	931 500
- Depreciation		-813 010	-707 528
Net value	2	149 815	223 972
Financial assets	3	428 540	178 540
Other non currents assents		-	-
TOTAL NON CURRENT ASSETS		593 181	420 710
CURRENT ASSETS			
Trade and others receivables	4	2 419 726	1 948 166
depreciation		(240 722)	-
Net value		2 179 004	1 948 166
Other current assets	5	1 705 437	1 556 309
Depreciation		-	-212 352
Net value		1 705 437	1 343 957
Placements and other financial assets	6	288 392	601 108
Cash	7	214 888	163 681
CURRENT ASSETS		4 387 722	4 056 912
TOTAL ASSETS		4 980 903	4 477 621

1

UGFS – NORTH AFRICA

BALANCE SHEET - LIABILITIES

As at December 31, 2019

(in Tunisian Dinars)

	NOTES	2019	2018
SHAREHOLDERS' EQUITY			
Share capital		3 000 000	3 000 000
legal reserves		13 164	-
Losses of previous years		110	(394 985)
special reserves of investment		250 000	-
Shareholders equity before loss/profits		3 263 274	2 605 015
Result of the period		936 178	658 258
TOTAL SHAREHOLDERS' EQUITY	8	4 199 452	3 263 274
NON CURRENT LIABILITIES			
Loans	9	32 277	93 637
Provision for risques		100 000	230 000
TOTAL NON CURRENT LIABILITIES		132 277	323 637
CURRENT LIABILITIES			
Trade suppliers and related accounts	10	79 124	375 000
Other current liabilities	11	512 073	439 453
Bank overdraft and other	12	57 978	76 257
TOTAL CURRENT LIABILITIES		649 174	890 711
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		4 980 903	4 477 621

2

UGFS – NORTH AFRICA

PROFIT & LOSS

As at December 31, 2019

(in Tunisian Dinars)

	NOTES	2019	2018
OPERATING REVENUES		3 210 909	3 005 812
Revenues	13	3 197 947	2 995 029
Other operating revenues		12 962	10 783
OPERATING EXPENSES		2 309 702	2 245 049
Current operating expenses	14	119 433	111 588
Wages and salaries	15	1 253 842	1 256 917
Depreciation and provisions	16	11 784	269 954
Other operating expenses	17	924 643	606 591
NET OPERATING LOSS		901 207	760 763
Financial charges	18	19 009	31 414
Financial revenues	19	109 256	107 900
Other loss		119 502	2
Other gains		274 971	393
ORDINARY ACTIVITY RESULT		1 146 922	837 641
Income tax		(202 638)	(172 483)
Result of the Period before contribution		944 284	665 158
Contribution tax		8 106	6 899
Result of the Period after contribution		936 178	658 258

UGFS – NORTH AFRICA

Cash Flow statement

As at December 31, 2019

(in Tunisian Dinars)

	2019	2018
Cash flow related to operating activity		
Net loss of the year	936 178	658 258
Adjustment for :		
Depreciations	11 784	269 954
Trade and others receivables	-471 560	-822 121
Other current assets	-351 766	-41 870
Trade suppliers	- 295 876	26 996
Other current liabilities	256 978	68 126
Capital gain	-	-
Other financial assets	312 715	139 650
Cash flow related to operating activity	398 454	298 993
Cash flow related to investment activity		
Purchase of Intangible and tangible assets	-35 886	-125 864
Purchase of financial assets	-	-
Sale of financial assets	-250 000	-
Cash flow related to investment activity	-285 887	-125 864
Cash flow related to financing activity		
Loans acquisitions		
Disbursement of loans	- 61 360	- 78 797
Cash flow related to financing activity	-61 360	-78 797
Variation	51 207	94 332
Cash at the beginning of the period	163 681	69 348
Cash at the end of the period	214 888	163 681

NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED DECEMBER 31, 2019

AMOUNTS EXPRESSED IN TUNISIAN DINARS (TND)

1. CORPORATE INFORMATION

United Gulf Financial Services – North Africa (“UGFS-NA”) was effectively established on 21 November 2008 as a public limited liability under the Tunisian Law with a share capital of TND 1.0 million (100,000 shares) and its shareholders are UGB (77.14%), TIB (12.88%), KAMCO (6.67%), NAHC (3.33%) and Others (0.003%).

Accordingly, in June 2008, UGFS-NA obtained a license from the (“CMF”) to offer Asset Management services in Tunisia.

As per the obtained license, UGFS-NA’s AM Services will encompass Portfolio Management Services (“PMS”) and Fund Services (“FS”). The license also allows UGFS-NA to offer the Corporate Finance Services (“CFS”) but only in connection with the Portfolio Management Services.

2. PRINCIPLES AND ACCOUNTING METHODS

FINANCIAL STATEMENTS ELABORATION REFERENCE:

The financial statements of *United Gulf Financial Service – North Africa* have been prepared in accordance with Tunisian accounting standards.

The financial statements are issued in Tunisian Dinar and cover the period ending at December 31, 2019.

The financial statements include the Balance sheet, the profit and loss account, the cash flow statement and the notes to financial statements

The profit and loss account and the cash flow statement are presented according to models’ authorized by Tunisian accounting standards.

ACCOUNTING STANDARDS AND METHODS :

Intangible fixed assets

The fixed assets are stated at their directly attributable costs, including the purchase price and duties paid. The fixed assets are depreciated at the rate of 33%.

Tangible fixed assets

The fixed assets are stated at their directly attributable costs, including the purchase price and duties paid. The fixed assets are depreciated according to the straight-line method of depreciation as follow:

▪ Equipments and offices furniture’s	20%
▪ Equipments and computer hardware	33.33%
▪ General installations	10%

▪ **Investments and placements**

All investments are initially recognized at cost being the fair value of consideration given and including acquisition charges associated with the investments.

Investments are measured at fair value. Fair value of investments listed on active markets is determined by reference to quoted bid prices. The fair value changes of Investments are directly recognized in the income statement.

Exceptionally for the placements which are not liquid, only the depreciation is directly recognized in the income statement.

▪ **Foreign currency note**

The transactions in foreign currencies are recognized at the spot rate ruling at transaction date. The exchange differences on settlement of monetary items are recognized in loss or gain of exchange.

The exchange differences from the translation of monetary items at balance sheet date are recognized in income.

3-NOTES TO BALANCE SHEET

Note1- Intangible fixed assets

	2019			2018
	Gross amounts	Depreciation	Net value	Net value
Computer software	102 110	87 284	14 826	7 954
Other intangible assets	-	-	-	10 244
	102 110	87 284	14 826	18 198

Note2- Tangible fixed assets

	2019			2018
	Gross amounts	Depreciation	Net value	Net value
Transport vehicules	443 654	350 771	92 884	169 070
General Installations	148 004	136 048	11 956	13 202
Equipments and office furnitures	217 021	191 537	25 484	31 712
Hardware Equipments	154 145	134 654	19 491	9 988
	962 825	813 010	149 815	223 972

Note3- Financial Assets

	2019	2018
Security deposit for office rent	13 550	13 550
Equity shares Wiki Start-UP	50 000	50 000
Equity shares Capitalease Seed Fund II	102 000	102 000
Equity shares Capitalease Seed Fund	3 000	3 000
Equity shares UGAS	9 990	9 990
Equity shares Capital Act Seed Fund	250 000	-
	428 540	178 540

Note 4: Trade and other receivables

	2019	2018
Due from customers	2 419 726	1 948 166
Provisions	240 722	-
Net of provision	2 179 004	1 948 166

Note 5: Other current assets

	2019	2018
Tax Credit	1 052 504	1 054 633
Various debtors and creditors (5-1)	359 318	370 713
Account receivable	131 683	44 375
Advances and loans	97 926	44 235
Prepaid expenses	44 882	23 228
Sundry account	19 125	19 125
	1 705 437	1 556 309
Provision	-	<212 352>
	1 705 437	1 343 957

5-1: Details of debtors & creditors

UGAS	283 603
Royal Drink	44 069
Green Fruits	8 476
TDF II	6 970
Kan Pharma	6 442
Lazer Tech	5 826
OTHER	3 932
	359 318

Note 6: Placements and other financial assets

	2019	2018
UGFS BONDS FUND	209 230	374 919
UGFS ISLAMIC FUND	61 552	60 368
Placements TSI	3 654	4 524
MILLENIUM SICAV	725	728
HIFADH SICAV	1 144	1 140
TPF	-	144 752
SICAV Patrimoine	-	-
Placement Tunisie Valeurs	1 189	1 183
Other placements	10 899	13 494
	288 392	601 108

Note 7: Cash

	2019	2018
BIAT Bank 253-7	204 224	128 020
BIAT Bank AG LAC 35-1	10 262	35 173
Amen Bank	-	-
Cash on hand	401	488
	214 888	163 681

Note 8: Share capital

	2019	2018
Share capital	3 000 000	3 000 000
legal reserves	13 164	-
Profit/Losses carried forward	110	<394 985>
Special reserves of investment	250 000	-
Profit of the year	936 178	658 258
	4 199 452	3 263 274

Note 9: Loans

	2019	2018
A4	30 489	47 296
BMW	-	24 497
Ford	1 788	11 314
SEAT 2	-	6 835
Nemo	-	3 694
Due to Leasing	32 277	93 637

Note 10: Trade suppliers and related accounts

	2019	2018
Due to suppliers (1)	79 124	375 000

(1) The balance of this account is detailed as follows:

Adnene RAHMANI	21 042
IFBT	7 046
SCSI	6 169
Big Soft	6 015
Telecom	5 730
CFIC	4 583
FA consulting	2 035
Others	26 504
	79 124

Note 11: Other current liabilities

	2019	2018
VAT	210 878	209 004
Accrued expenses	86 621	80 176
Annual Leave reserve	36 925	42 629
Social security	69 703	60 633
Wit holding tax on salaries	41 705	24 230
Differed revenue	7 469	7 419
Taxes	57 517	14 549
Others	1 254	813
	512 073	439 453

Note 12: Bank overdraft and other financial liabilities

	2019	2018
Leasing maturities up to one year	57 978	76 257
	57 978	76 257

5- NOTE TO PROFIT & LOSS ACCOUNT

Note 13: Revenues

	2019	2018
Management fees FCPR	1 971 463	1 723 964
Management fees FCP	181 878	195 403
Placement fees	361 483	528 349
Portfolio Management Services fees	15 624	18 152
Subscription fees	49 980	27 234
Management fees Seed Fund	585 133	445 962
Reimbursement from UGAS	32 387	55 966
	3 197 947	2 995 029

Note 14: Current operating expenses

	2019	2018
Operating expenses related to investment funds	19 269	19 763
Other related expenses	22 671	30 584
Office supplies	32 667	28 253
STEG & SONEDE	9 550	8 748
Fuel	35 276	24 239
	119 433	111 588

Note 15: Wages and salaries

	2019	2018
Salaries	1 047 198	1 077 896
Social security	178 757	148 976
Personnel food expenses	27 887	30 044
	1 253 842	1 256 917

Note 16: Depreciations & Provisions

	2019	2018
Provisions and depreciation for Contingencies & loss	-	130 000
Provisions and depreciation for customers	240 722	-
Depreciation of fixed assets	113 415	139 954
Reversal of provisions	<342 352>	-
	11 784	269 954

Note 17: Others operating expenses

	2019	2018
Rent	116 831	114 918
Maintenance and repairs	40 055	30 940
Legal fees	144 802	137 425
Personnel outside the company	190 000	-
Taxes	43 660	43 949
Postal expenses	41 514	36 869
Donation	10 050	3 950
Missions and receptions	119 536	67 567
Training fees	72 011	47 627
Advertising	18 439	12 905
Computing assistance	33 007	22 023
Insurance	69 883	62 753
Others operating expenses	24 855	25 665
	924 643	606 591

Note 18 : Financial Charges

	2019	2018
Interest on loans	11 084	18 310
Impairment losses on investments	7 333	12 270
Currency exchange loss	352	-
Other financial charges	240	834
	19 009	31 414

Note 19: Financial revenues

	2019	2018
Dividends	835	31 626
Attendance fees	78 125	48 125
Capital gain on investment	28 850	21 198
Other financial revenues	1 446	6 950
	109 256	107 900

Consolidated Financial Statements 2019

AUDIT REVISION CONSEIL ARC

Membre de l'Ordre des Experts Comptables de Tunisie
Correspondant en Tunisie de RSM International

MEMBRE DE L'ORDRE DES
EXPERTS COMPTABLES DE TUNISIE



Immeuble Aziz A 3.1- Montplaisir - Tunis - Tunisie
Téléphones : 216-71 950 218 / 950 461
Télécopie : 216-71 950 852
Email : arc@gnet.tn

UGFS GROUP STATUTORY AUDITORS' GENERAL REPORT Consolidated financial statements as at December 31, 2019

The shareholders of
United Gulf Financial Services –NORTH AFRICA, "UGFS – NA"
Immeuble FRAJ 2ème étage rue du Lac BIWA
Les Berges du Lac 1053, Tunis.

I. Report on the audit of the Consolidated Financial Statements

1 - Opinion on the financial statements

In execution of the mission entrusted to us, and in application of the provisions of Article 471 of the Commercial Companies Code, we have audited the consolidated financial statements of the UGFS group, which include the balance sheet as of December 31, 2018, the statement of income and cash flow statement for the year then ended, together with the notes thereto, including the summary of significant accounting policies.

In our opinion, the attached Financial Statements sincerely present, in all material respects, the group's financial position as at December 31, 2019, as well as its financial performance and cash flows for the year then ended, in accordance with Accounting System of Companies.

2- Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within the meaning of [indicate relevant ethical requirements or applicable law or regulation] and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3- Report of the Board of Directors

Management is responsible for the preparation and fair presentation of the management report. Our opinion on the financial statements does not extend to the management report and we do not express any form of assurance on this report.

Our responsibility is to verify the accuracy of the information given in the financial statements in the management report by reference to the data in the financial statements.

Our work consists of examination the management report and, in doing so, assessing whether there is a material inconsistency between it and the financial statements or the knowledge that we acquired during the audit, or if the management report otherwise seems to have a significant anomaly.

Based on the work we have performed, we conclude that there is a material misstatement in the management report, we are required to report it.

We have nothing to report on with respect to the consistency of the financial information included in the Board of Directors' report with the financial statements.

4-Responsibility of management and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting principles in Tunisia, as well as the internal control that it considers necessary to enable the preparation of consolidated financial statements that are free of significant anomalies, whether due to fraud or error.

In preparing the consolidated financial statements, it is management's responsibility to assess the Company's ability to continue as a going concern, to disclose, as appropriate, business continuity and contingency issues. apply the going concern accounting principle, unless management intends to liquidate the Company or cease operations if no other realistic alternative is available to it.

The Board of Directors is responsible for overseeing the group's financial reporting process.

5-Auditor's Responsibility for Auditing Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the auditor containing our opinion .

Reasonable assurance is a high level of assurance, which does not guarantee that an audit, conducted in accordance with professional auditing standards applicable in Tunisia, will always detect any material misstatement that may exist.

Anomalies may result from fraud or error and are considered material when it is reasonable to expect that, individually or collectively, they may affect the economic decisions that users of consolidated financial based on these.

As part of an audit conducted in accordance with professional auditing standards applicable in Tunisia, we exercise our professional judgment and exercise critical judgment throughout this audit.

A more detailed description of the auditor's responsibilities for the audit of financial statements can be found on the website of the Order of Accounting Professionals of Tunisia at www.oect.org.tn. This description forms part of this audit report.

II. Report on legal and regulatory obligations

As part of our statutory audit mission, we also carried out the specific verifications required by the standards published by the Order of Chartered Accountants of Tunisia and by the regulatory texts in force in this field.

1. Effectiveness of the internal control system

In accordance with the provisions of Article 266 of the Commercial Companies Code, we must carry out periodic audit of the effectiveness of the internal control system. In this regard, we recall that responsibility for the design, implementation of an internal control system and periodic monitoring of its effectiveness and efficiency lies with the management and the Board of Directors.

We have not identified, on the basis of our examination, major deficiencies, internal control procedures relating to the treatment of accounting information and the preparation of financial statements, which may impact our opinion on the financial statements.

2. Other legal and regulatory obligations

We also carried out the specific verifications required by law and professional standards.

As such, we noted the following issue:

The net equity of UGAS, a company fully integrated in the consolidated financial statements of 2019, and amounting to -147 KTND on December 31, 2019, is lower than 50% of the share capital. In accordance with Article 142 of the Code of Commercial Companies, an Extraordinary General Meeting of UGAS must be held in order to decide on the continuity of the activity and the capitalization of the company.

Tunis, March 16, 2020

Foued AMIRI

Partner -Chartered Public accountant



UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019

Figures in Tunisian Dinars

ASSETS	Notes	2019	2018
NON CURRENT ASSETS		582 936	407 688
Intangible assets		102 110	97 548
Depreciation		87 284	79 351
Net value	1	14 826	18 198
Tangible assets		962 825	931 500
Depreciation		813 010	707 528
Net value	2	149 815	223 972
Financial assets		418 294	165 518
Depreciation		0	0
Net value	3	418 294	165 518
CURRENT ASSETS		4 268 607	4 109 047
Trade and others receivables		2 533 179	2 018 469
Depreciation		240 722	0
Net value	4	2 292 458	2 018 469
Other current assets	5	1 439 468	1 283 540
Placements and other financial assets	6	288 392	601 108
Cash	7	248 289	205 931
TOTAL ASSETS		4 851 543	4 516 735

UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019

Figures in Tunisian Dinars

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2019	2018
LIABILITIES	8	4 037 319	3 308 726
Share capital		3 000 000	3 000 000
Consolidated losses of previous years		283 070	-383 900
Consolidated Losses of the year		754 373	692 732
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4 037 444	3 308 832
Previous losses attributable to minority interests		-162	-196
Net income (loss) attributable to minority interests		37	91
Minority interests		-125	-106
NON CURRENT LIABILITIES		132 277	323 637
Loans	9	32 277	93 637
Depreciations & Provisions		100 000	230 000
CURRENT LIABILITIES		681 948	884 372
Trade suppliers and related accounts	10	79 981	375 080
Other current liabilities	11	543 989	433 035
Bank overdraft and other	12	57 978	76 257
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		4 851 543	4 516 735

UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019
Figures in Tunisian Dinars

	Notes	2019	2018
Operating Revenues		3 238 847	3 054 846
Revenues	13	3 225 885	3 044 063
Other operating revenues		12 962	10 783
Operating income		2 638 726	2 249 612
Current operating expenses	14	120 203	105 521
Wages and salaries	15	1 253 842	1 256 917
Depreciation and provisions	16	224 136	269 954
Other operating expenses	17	1 040 545	617 221
Net operating income (loss)		600 120	805 234
Financial charges		17 323	24 694
Financial revenues		29 684	54 758
Other gains		353 096	48 518
Other loss		24 590	146
Net income (loss) before tax		940 988	883 670
Income tax		204 243	183 507
Net income of consolidated companies before contribution		736 745	700 163
Contribution tax		8 306	7 340
extra ordinary loss		-	-
Net income of consolidated companies after contribution		728 439	692 823
Net income (loss) attributable to associates compagnies		25 971	0
Net income (loss) attributable to the parent company		754 410	692 823
Net income (loss) attributable to minority interests		37	91
Consolidated net income (loss) of the year		754 373	692 732

UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019

Figures in Tunisian Dinars

ASSETS	Notes	2019	2018
NON CURRENT ASSETS		582 936	407 688
Intangible assets		102 110	97 548
Depreciation		87 284	79 351
Net value	1	14 826	18 198
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Net value	2	149 815	223 972
Financial assets		418 294	165 518
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Net value	3	418 294	165 518
CURRENT ASSETS		4 268 607	4 109 047
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Depreciation		240 722	0
Net value	4	2 292 458	2 018 469
Other current assets	5	1 439 468	1 283 540
Placements and other financial assets	6	288 392	601 108
Cash	7	248 289	205 931
TOTAL ASSETS		4 851 543	4 516 735

UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019

Figures in Tunisian Dinars

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2019	2018
LIABILITIES	8	4 037 319	3 308 726
Share capital		3 000 000	3 000 000
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Minority interests		-125	-106
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Loans	9	32 277	93 637
Depreciations & Provisions		100 000	230 000
CURRENT LIABILITIES		681 948	884 372
Trade suppliers and related accounts	10	79 981	375 080
Other current liabilities	11	543 989	433 035
Bank overdraft and other	12	57 978	76 257
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		4 851 543	4 516 735

UGFS GROUP

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2019
Figures in Tunisian Dinars

	Notes	2019	2018
Operating Revenues		3 238 847	3 054 846
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Net income (loss) attributable to the parent company		754 410	692 823
Net income (loss) attributable to minority interests		37	91
Consolidated net income (loss) of the year		754 373	692 732

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES**1.1. BASIS OF PREPARATION**

- The consolidated financial statements have been prepared in accordance with Tunisian accounting standards.
- The consolidated financial statements of the UGFS GROUP are prepared for the first time for the year ended December 31, 2019.
- The consolidated financial statements are issued in Tunisian Dinar and cover the period ending at December 31, 2019.
- The consolidated financial statements include the consolidated balance sheet, the consolidated income statement, and the notes to the consolidated financial statements.

1.2. PRINCIPLES OF CONSOLIDATION

- The scope of consolidation includes UGFS company (parent company), UGAS (subsidiary owned up to 99.90% of capital) and the Company Wiki Start UP (associated company owned as to 25% of capital). Are not included in the scope of consolidation :
 - Capitalease Seed Fund
 - Capitalease Seed Fund II
- The consolidation method used is the global consolidation method for the subsidiary UGAS and the equity method for the associated Company Wiki Start UP.
- For global consolidation method, all accounts of both the assets and liabilities are incorporated item by item in the balance sheet of the mother company, with finding the liabilities of the rights of minority shareholders. The same is done for the income statement.
- Under the equity method, the investment in an associated company is initially recognised at cost and adjusted thereafter for the post-acquisition change in the UGFS's share of net assets of the investee.

2. ACCOUNTING STANDARDS AND METHODS :**▪ Intangible fixed assets**

The fixed assets are stated at their directly attributable costs, including the purchase price and duties paid.

The fixed assets are depreciated at the rate of 33%.

▪ Tangible fixed assets

The fixed assets are stated at their directly attributable costs, including the purchase price and duties paid. The fixed assets are depreciated according to the straight-line method of depreciation as follow:

- | | |
|--------------------------------------|--------|
| ▪ Equipments and offices furniture's | 20% |
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| ▪ General installations | 10% |

▪ Investments and placements

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Equipments computer hardware	154 145	134 654	19 491	9 988
	962 825	813 010	149 815	223 972

Note3- Financial Assets

	2019	2018
Security deposit for office rent	18 173	13 550
Investments in equity affiliates Wiki Start-UP	45 121	46 968
Equity securities of Capitlease Seed Fund II	102 000	102 000
Equity securities of Capitlease Seed Fund	3 000	3 000
Equity securities of Capital Act Seed Fund	250 000	-
	418 294	165 518

Note 4: Trade and other receivables

	2019	2018
Due from customers	2 533 179	2 018 469
Provisions	(240 722)	-
Net of provision	2 292 458	2 018 469

Note 5: Other current assets

	2019	2018
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Various debtors and creditors	75 715	94 013
Account receivable	141 683	44 375
Advances and loans	97 926	44 235
Prepaid expenses	44 881	23 228
Sundry account	19 125	19 125
	1 439 468	1 285 540
Provision	-	<2 000>
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	2019	2018
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Other placements	10 899	13 494
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BIAT Bank AG LAC 35-1	10 262	35 173
Amen Bank	33 393	42 241
Cash on hand	410	497
	248 289	205 931

Note 8: Share capital

	2019	2018
Share capital	3 000 000	3 000 000
Consolidated losses of previous years	283 070	<383 900>
Consolidated Losses of year	754 373	692 732
Total	4 037 443	3 308 832
Minority interests	<125>	<106>
	4 037 319	3 308 726

UGFS GROUP - Consolidated Financial Statements

Year ended December 31, 2019

Note 9: Loans

	2019	2018
A4	30 489	47 296
BW	-	24 497
Ford	1 788	11 314
SEAT 2	-	6 835
Nemo	-	3 694
Due to Leasing	<u>32 277</u>	<u>93 637</u>

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1) The balance of this account is detailed as follows:

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Big Soft	6 015
Telecom	5 730
CFIC	4 583
FA consulting	2 035
Others	27 361
	<u>79 981</u>

Note 11: Other current liabilities

	2019	2018
VAT	208 474	200 271
Accrued expenses	120 708	81 976
Annual Leave reserve	36 925	42 629
Wit holding tax on salaries	41 803	24 230
Social security	69 703	60 633
Differed revenue	7 469	7 419
Taxes	58 906	15 063
Others	-	814
	<u>543 989</u>	<u>433 035</u>

Note 12: Bank overdraft and other financial liabilities

	2019	2018
Leasing maturities up to one year	57 978	76 257
	<u>57 978</u>	<u>76 257</u>

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UGFS GROUP - Consolidated Financial Statements

Year ended December 31, 2019

3- NOTE TO PROFIT & LOSS ACCOUNT

Note 13: Revenues

	2019	2018
Management fees FCPR	1 971 463	1 723 964
Management fees FCP	181 878	195 403
Placement fees	361 483	528 349
Portfolio Management Services fees	15 624	18 152
Subscription fees	49 980	27 234
Management fees Seed Fund	585 133	445 962
Reimbursement from UGAS	60 325	105 000
	<u>3 225 885</u>	<u>3 044 063</u>

Note 14: Current operating expenses

	2019	2018
Operating expenses related to investment funds	19 269	19 763
Other related expenses	23 441	24 518
Office supplies	31 997	27 093
STEG & SONEDE	9 550	8 748
Fuel	35 276	24 239
Others	670	1 160
	<u>120 203</u>	<u>105 521</u>

Note 15: Wages and salaries

	2019	2018
Salaries	1 047 198	1 077 896
Social security	178 757	148 976
Personnel food expenses	27 887	30 044
	<u>1 253 842</u>	<u>1 256 917</u>

Note 16: Depreciations & Provisions

	2019	2018
Provisions and depreciation for Contingencies & loss	-	130 000
Provisions and depreciation for customers	240 722	-
Depreciation of fixed assets	113 415	139 954
Reversal of provisions	<130 000>	-
	<u>224 136</u>	<u>269 954</u>

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Note 17: Others operating expenses

	<u>2019</u>	<u>2018</u>
Rent	116 831	114 918
Maintenance and repairs	40 055	30 940
Personnel outside the company	190 000	-
Legal fees	148 234	140 277
Taxes	43 694	43 949
Postal expenses	40 945	36 869
Donation	10 050	3 950
Birthday expenses UGFS	95 152	-
Travel expenses	67 875	46 383
Missions and receptions	48 000	21 184
Training fees	72 011	47 627
Advertising	28 139	12 905
Computing assistance	33 007	22 023
Insurance	69 883	62 753
Others operating expenses	36 671	33 443
	<u>1 040 545</u>	<u>617 221</u>