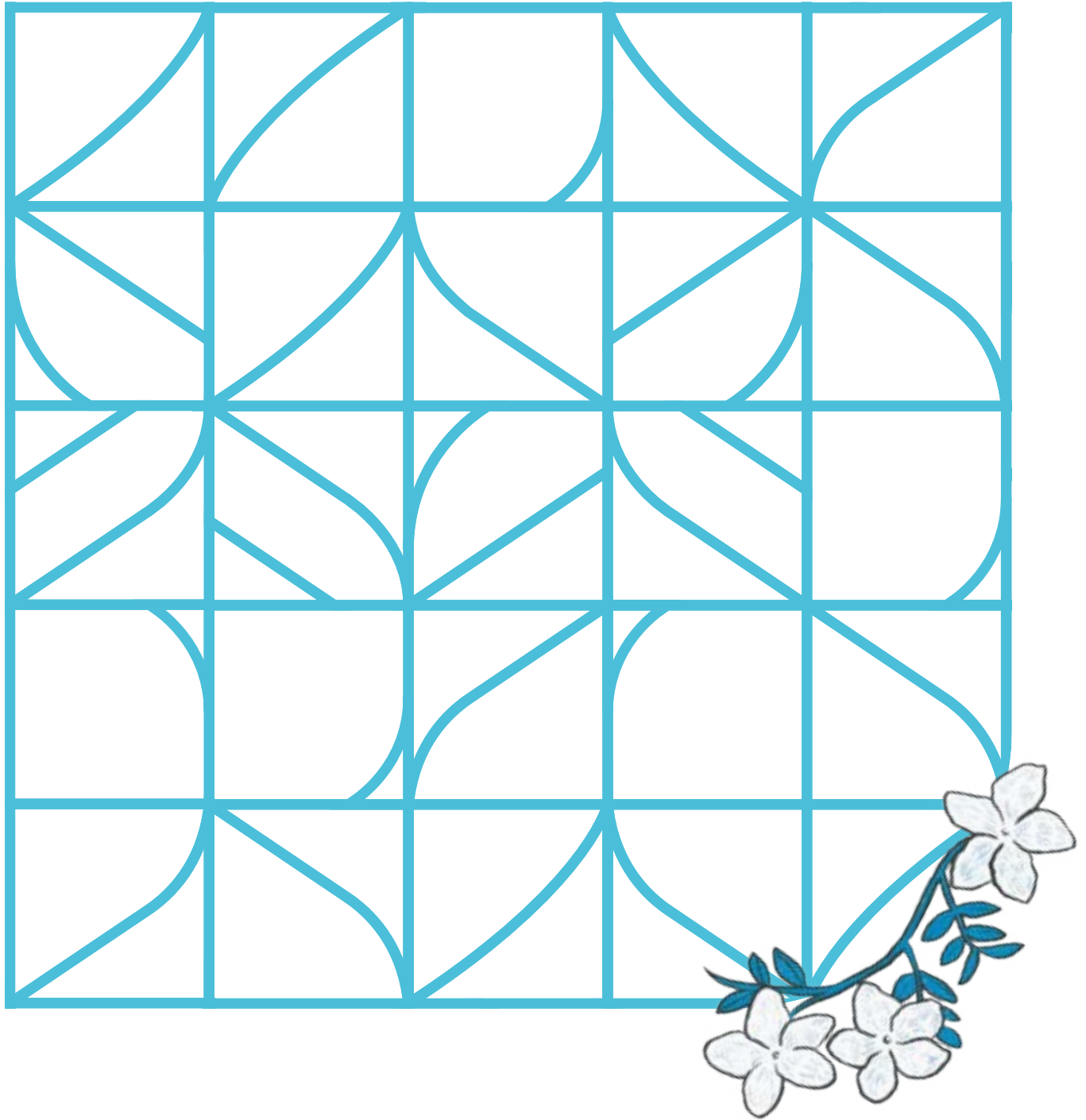




**BIAT**

# ***Annual Report — 2023***





# **Annual Report 2023**



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# — ADDRESS BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

In 2023, BIAT posted a solid performance, enabling it to continue supporting the Tunisian economy. These results were made possible thanks to a prudent risk management policy, sound and visionary governance, as well as to the commitment and expertise of its staff.

The bank consolidated its positioning with Net Banking Income (NBI) of TND 1 397 million and deposits of TND 18 802 million. Net loans stood at TND 12 442 million, including TND 3 979 million for individuals and TND 3 800 million for business investment.

In 2023, thanks to a commercial strategy specialized by customer segment, BIAT was able to continue supporting more than 930 000 customers, strengthening their confidence. The bank also confirmed its role as a benchmark lender, with 37 000 new loans granted to individuals.

BIAT has also enhanced its “MyBIAT Retail” digital offering, by introducing new features to strengthen its digital positioning and the attractiveness of its services for individuals.

As regards its branches, BIAT has embarked on the phase of broadening the new branch concept following the successful launch of two pilot sites in 2021 in Tunis. This new concept embodies the bank's values of commitment and transparency, offering a modernized and friendly customer experience.

With respect to governance, BIAT has maintained solid governance in line with the most rigorous international standards, ensuring the efficient functioning of its governance bodies, a strong culture of risk management and internal control, and transparency based on reliable information. The bank also promotes strict policies of ethics and exemplary conduct.

BIAT has received 2 awards of excellence:

- « Best Bank in Tunisia 2023 » awarded by Euromoney. This award recognizes its sustained performance, service quality, development strategy and governance.
- « Best innovation in retail banking in Tunisia 2023 » awarded by the International Banker magazine.



**Ismail Mabrouk**  
Président du  
Conseil  
d'Administration

This recognition reflects BIAT position as a leading bank in terms of technological development and customer services.

In 2023, BIAT also strengthened its social commitment through participating in major national projects to preserve the country's historical heritage, such as the restoration of the Belvedere municipal swimming pool to its original state and the renovation and equipping of the Ibn Khaldoun Cultural Center. It is also committed to improving schooling conditions for pupils in areas designated by the relevant public authorities, by refurbishing and equipping a dozen schools.

The BIAT Foundation has also undertaken initiatives to promote Tunisia's intangible heritage, notably by producing a series of cultural works.

BIAT approaches the New Year with optimism, Leveraging the expertise, dynamism and commitment of its teams, and mobilizing the resources needed to meet the expectations of its customers, partners and shareholders.

# — ADDRESS BY THE MANAGING DIRECTOR

At The international level, Economic Growth has slowed from 3.5% in 2022 to 3.1% in 2023. In Tunisia, the growth rate has fallen from 2.6% in 2022 to 0.4% in 2023.

The Tunisian banking system has recorded a slight slowdown in the pace of growth of its deposits (+6.8% for the top ten listed banks against +8.7% in 2022) driven by the increase in savings (+10.3% compared with +9.3% in 2022) against a decrease in the pace of growth of sight deposits (+4.7% compared with +5.1% in 2022) and term deposits (+5.7% compared with +12.9% in 2022) and slower growth in net loans (+0.4% compared with +7.5% in 2022).

Within this uncertain Economic Context, BIAT, for its part, maintained its leading position in terms of deposits and net Banking Income while ranking 2nd in terms of loans.

- Deposits grew by +9.5 % to TND 18.8 million, ranking the 1st with a 21.1 % share in the top 10 banks. This growth was driven by an increase in savings deposits of 13.0 % and term deposits of +12.8%.
- Net Loans grew by 1.3 % to TND 12.4 million. Loans granted to SME represent almost a quarter of the bank's total commitments.
- Net Commissions, for their part, stood at TND 254 million, an increase of TND +8.9 million or +3.6%, mainly attributable to growth in revenues from electronic banking (+14.4%), payment instruments (+7.8%), international business (+4.9%) and securities commissions (+4.6 %).
- Gross foreign exchange gains (Excluding SWAP) recorded a decrease of TND 36.4 million or -15.4% to reach TND 200.1 million at the end of 2023.
- BIAT's average liquidity stood at TND +57 million (surplus), in line with the pre-established strategy.

These performances allowed our bank to reach a Net Banking Income (NBI) of around TND 1 396.9 million, the highest in the market, an increase of 10.2 % compared to 2022. This increase in the Net Banking Income is due mainly to:



**Moez Hadj Slimen**  
Directeur  
Général

- An interest margin of TND 659.7 million or 17.8 % compared to 2022)
- Commission margin of TND 254 million or 3.6 % compared to the previous year
- Income from Commercial and Investment Securities Portfolio and Financial Operations of TND 483.2 million (or +4.5%).

These satisfactory performances were coupled with an increase in operating expenses, at a higher rate than that of NBI, +13.6 % against +10.2 % respectively, resulting in the rise in the operating ratio to 40.4 % in 2023 (1.2 pts ).

Risk cost recorded, for its part, a decrease of 13.0 % to reach TND 254.6 million (against a growth of +40.9 % in 2022).

In the light of all the above-mentioned factors, the bank's net profit stood at TND 331.4 million, an increase of TND 31.8 million or +10.6 % .

The total balance sheet grew by TND 1 829.5 million or +8.7 % to reach a volume of TND 22.9 million.

These results helped to achieve the following profitability ratios:

- Net income / NBI of 23.7 % against 23.6% in 2022
- Commissions represent 18.2 % of NBI and 85.5 % of personnel costs, compared with 93.4 % in 2022
- An operating ratio of 40.4 %, an increase of 1.2 points compared to 2022
- A solvency ratio of 15.9 %, an increase of 0.3 point compared to 2022
- loans/deposits ratio of 86.4%
- LCR ratio of 547.5%
- Bad and doubtful debts ratio of 6.8 %, an increase of 1.3 points compared to 2022
- Provision coverage ratio of 71.7 %, a slight growth of 0.2 point compared to 2022 (71.5 %)
- An interest-rate gap of TND 3 498 million ,a near stagnation compared to 2022
- ROE of 15.9%, an increase of 0.6 point compared to 2022 (15.3%)
- ROA of 1.4 % , same as in 2022.

As for the consolidated financial statements, the latter show:

- A Total consolidated Balance Sheet of TND 23.7 million, a growth of 9.4 % compared to 2022

- A Net consolidated Income of TND 358.6 million, an increase of 14.8 % compared to 2022.

The ratios are the result of a thoughtful strategic vision which combines several dimensions:

- **A Commercial dimension** which places the customer at the heart of our concerns through differentiated support and offer mechanisms as well as distribution channels adapted to each client segment's needs
- **A Human Resources Dimension** which allows BIAT's human capital, the bank's main asset to operate in an environment that is stimulating and conducive
- **An information system dimension** that provides employees and customers with the very best, cutting-edge working tools, and constantly evolving digital tools. In 2023, the Bank has made remarkable progress in its digital transformation program, which is beginning to bear fruit, particularly in terms of customer engagement and product innovation.
- **A financial and Operational Dimension** which aims to develop financial activities and synergies between subsidiaries in order to consolidate our leadership position in the banking market.

In such context, BIAT will continue to show resilience and exercise vigilance with a view to securing a sound and controlled management of its activities, and to this end, will spare no effort to seize all development opportunities while continuing to provide quality services and delivering constantly improved results in line with the expectations of all of its stakeholders.

## I - BIAT PROFILE

47 years after its inception in 1976 with modest human and materials means, the International Arab Bank of Tunisia (BIAT), has become one of the most important financial institutions in North Africa and a key player in Tunisia.

With 2130 collaborators in 2023, BIAT has more than 900 thousand customers and an international correspondents network around 1500 banks. It has the densest network in Tunisia with 206 agencies divided across the country, with a representation in Tripoli-Libya.

It also has a subsidiary BIAT France, with the status of a payment agent with an agency in Paris.

A universal bank providing a full range of service with all kinds of customers individuals, Tunisians Residing Abroad (T.R.E) business customers, SMEs, large companies and institutional customers, BIAT is now a diversified financial group operating in the areas of insurance, asset management, investment capital, equities brokerage and international consulting.

Basing its development on proximity and social responsibility, it puts its expertise to work for the benefit of its clients, partners and the country's economy.



# **ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT**





# 1.1 Economic environment

## At The International Level

At the international level, economic growth has slowed from 3.5% in 2022 to 3.1 % in 2023. Indeed, the global recovery remains slow and below expectations, due

to ongoing monetary tightening and its impact on purchasing power and, hence, on demand.

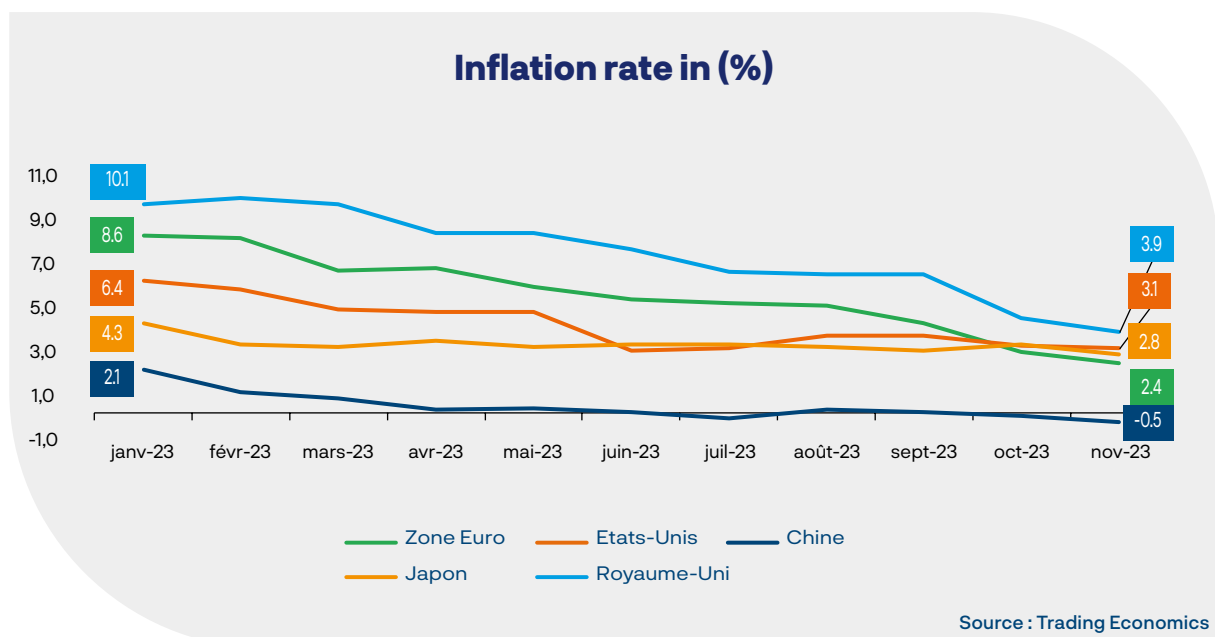
### Annual Growth In %

Real GDP growth	2022	2023	Projections 2024
Eurozone	3.4	0.5	0.6
United Kingdom	4.3	0.3	0.7
United States	1.9	2.5	2.1
China	3	5,2	4.7
Japan	1	1.9	1

Source : OCDE data, February 2024

The global inflation fell from 8.7% in 2022 to 5.8% in 2023. thanks to tighter monetary policy and lower

commodity prices. This trend is set to continue in 2024, when inflation is expected to reach 4.4%.



## Primary Commodity Prices

	Moyenne 2023 (A)	Moyenne 2023 (B)	Variation (A/B)
Brent crude oil \$US-bbl	83	100	-17%
Natural gas index (2010=100)	102	282	-64%
Phosphate Rock \$US-TM	321	266	+21%
Phosphate DAP \$US-TM	550	772	-29%
Phosphate TSP \$US-TM	480	716	-33%
Iron Ore \$US-dmtu	120	121	-1%
The price index for metals ( aluminium, copper, iron ore , lead, uranium and Zinc )( 2016=100)	188*	195	-4%
olive oil \$US-TM	7 550*	4 350	+74%
Soft Wheat \$US-TM	258	382	-29%
Durum Wheat \$US-TM	340	430	-32%

Source : World Bank data,IMF , Calculation of the Foresight, Monitoring and Economic Research Team

\* average 11 months

### AT the National Level

In Tunisia, the growth rate fell from 2.6 % in 2022 to 0.4% in 2023. This decline is mainly driven by adverse international conjuncture coupled with structural difficulties in the Tunisian economy.

At sector level, Added Value in the agriculture (-11% year on year in 2023) and agrifood (-2.5% year on year in 2023) sectors have been impacted by the climatic conditions on agricultural production, in particular cereals and olives.

The under-performance of the oil and gas extraction sector (-7% year on year in 2023), and mining products (-10% year on year in 2023) continues in 2023.

Nevertheless, the transport (+2.7 year on year in 2023) and tourism (+12.8% Year on Year in 2023) sectors posted positive growth.

Manufacturing industries posted slow growth of 0.5%.

As regards the consumer price index, the average inflation rate reached 9.3% in 2023 against 8.3% in 2022.

Since March 2023, the inflation rate recorded a downward trend with the exception of the rebound of august at 9.3%. This decline is attributable, in part, to the impact of the three increases in the key rate decided by the BCT in 2023.

On the other hand, the BCT kept its key rate unchanged throughout 2023.

As regards the labor market, the unemployment rate recorded an upward trend from +15.2 % in Q4 2022 to +16.4% in Q4 2023.

Main Figures	2021	2022	2023
Growth of GDP ( in % , the price of the Base year 2015 )	4.6	+2.6	+0.4
Average Inflation rate (in %)	5.7	8.3	9.3
Current deficit (in % of GDP)	-6	-8.7	-2.6
Budget deficit (in % of GDP)	-7.7	-7.7	-7.7
Goods exports growth (in %)	+20.5	+23.4	+7.9
Goods imports growth (in %)	+22	+31.7	-4.4
Foreign Currency Assets (days of import)	134	100	119
Tourism revenues (in TND million)	2 954	5 420	6 943
Growth		+83%	+28%
Investment rate (in % of GDP)	16	16.3	16.1
National Savings (in % GNI)	8.1	8.7	8.4
Lending to the economy (in TND million)	102 185	110 715	113 044
Growth		+8.3%	+2.1%
Money stock M3 (in TND million)	97 316	105 521	114 269
Growth		8.4%	+8.3%

Sources: BCT, Ministry of Finance and National Statistics Institute

# 1.2 Banking and financial environment

During 2023, the banking system's activity was characterized by an increase in the pace of growth in deposits collection and quasi-stagnation of loans and banks' liquidity needs.

### • Customers deposits

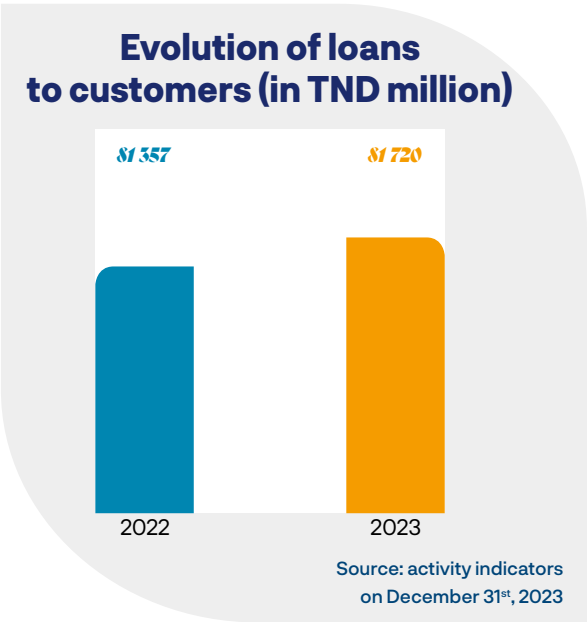
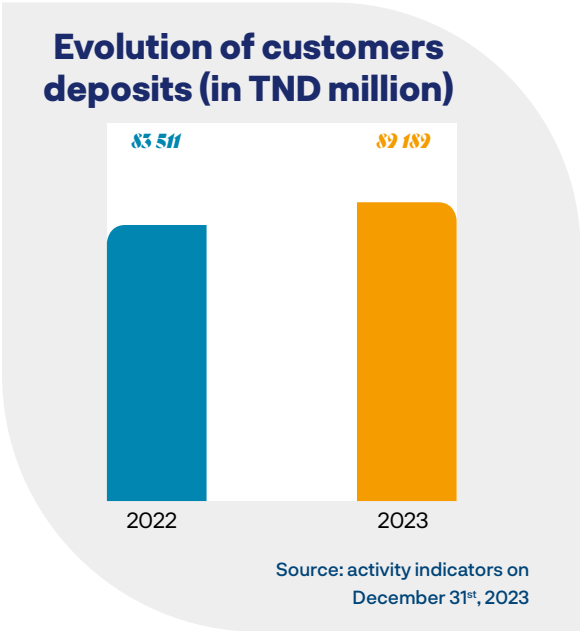
Customer deposits in the banking system stood at TND 89.189 million as at December 31<sup>st</sup>, 2023, recording an increase of 6.8 %.

This increase was driven by savings deposits with a growth of 10.3 % , and, to a lesser extent , the term deposits and sight deposits with 5.7% and 4.7% respectively.

The share of sight deposits and term deposits in total deposits was thus reduced by 74 points to 37.2% and 30 points to 30.5% respectively , mainly in favor of saving deposits (+100 points to 32.6%).

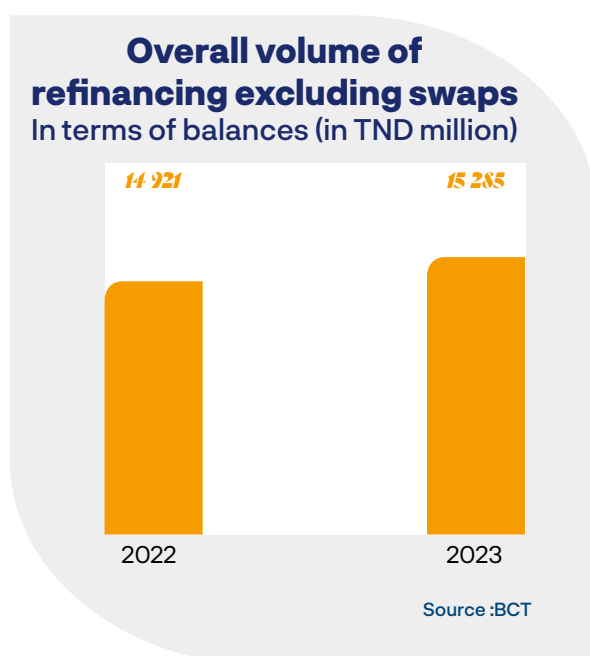
### • Loans to customers

At the end of 2023, loans to customers at the level of banking system totaled TND 81 720 million, recording a near stagnation of (0.4%) compared to 2022.



#### • Overall Volume of refinancing

The year 2023 recorded an overall volume of refinancing of TND 15.285 million against TND 14.921 million observed at the end of the preceding financial year.



#### Stock Exchange

The stock market's flagship index, Tunindex, closed its third successive year on an increase of 7.9%, against +15.10% in 2022, after a rollercoaster ride.

As for the sector indices<sup>1</sup>, seven indices recorded positive annual performance at rates ranging from 33.59% (Financial services Index) to 1.44% (distribution and consumer services indices) while the other five indices posted negative performance ranging from -2.1% (Raw Materials index) to -11.12% (household products and personal care index).

#### Market rate

For the whole year 2023, the average money market rate (MMR) maintained its upward trend, following successive increases in the key rate by the BCT in 2022, to curb inflation, preserving the purchasing power of citizens and foreign currency assets

In 2023, The MMR stands at 8.00% against 6.79 % in 2022.

# 2

## **BANK'S ACTIVITIES AND RESULTS**



## — 2.1 The Bank's Vision and Strategy

BIAT embarks on another phase in its development to meet new challenges. A vision in line with the last strategic plan has been developed based on the following axes:

### The Bank's Vision

- 1 A solid financial group recognized for its professionalism and good governance
- 2 A leading bank in its markets capable of adapting and responding to the specific needs of each of its clients and supporting them over the long term
- 3 A corporate citizen that is actively involved in the country's sustainable development

Indeed, the year 2023 was marked by a strategic reflection which enabled us to define the next three-year plan based on several strategic and operational axes including:

#### 1. Business strategy:

- Better meet the specific needs of our clients by:
  - o Anticipating market trends and opting for innovation to enhance the client experience, ensure a differentiated value offering by market/segment, and generate higher , profitable and ,above all, sustainable growth.
  - o Adopting a quality and client centered approach, with particular emphasis on claims handling, with a view to increasing the loyalty of existing clients and providing them with a quality of service and a

smooth claims handling process adapted to their needs.

- Pursue the development of high value-added activities, serving high-potential markets and segments, developing internal synergy and with its subsidiaries, aiming at maintaining its leadership.

#### 2.The Bank's IT modernization and digitalization strategy aimed at:

- a.Ensure and guarantee the functional evolution and modernization of the bank's activities in line with customer requirements and current regulations.
- b.Ensure and guarantee the optimization of front-to-back processes and the digitization of customer experience.

The target IS architecture, defined within this framework, aims at supporting the Bank's strategic objectives up to 2027 with an IS roadmap and a 5-year transformation capacity planning, addressing the Bank's priorities in terms of upgrading technology in line with market trends, delivering value to the business and securing the Bank's continuity.

**3. The IT resilience strategy** aimed at ensuring and guaranteeing the performance and stabilization of the Bank's IT operations by upgrading the IS infrastructure and security, compliance with IT standards, monitoring and observability, etc.

**4. Business Continuity Plan strategy:** in view of the Bank's high exposure to increasingly probable risks, it is crucial to review, upgrade and strengthen all BCP components in line with ISO standards (notably ISO 22301).

**5. ESG Commitment (Environmental - Social-Governance)** to strengthen its corporate and environmental responsibility, improve its image with stakeholders, enhance its competitiveness in the market and contribute positively to sustainable development and economic growth in Tunisia.

**6. Human capital development:** Implementation of strategic HR initiatives relating to workspaces, remuneration policy review and performance management, skills and human capital development.

**7. Process optimization:** Establish a dynamic of

continuous improvement affecting all the bank's structures

#### 8. Risk Management:

- Continue to optimize our risk management mechanism
- Maintain high, updated risk management standards to protect the interests of our clients , investors and the bank, in particular, IFRS standards

By achieving these objectives, we will be able to position ourselves as a responsible, sustainability-oriented bank, while improving our business goals, operational efficiency, stimulating innovation and sustainable growth and enhancing transaction security.

At the organizational level, the year 2023 was marked by a strategic support mission to achieve the Bank's ambition of "building the bank of tomorrow". This mission was accompanied by an innovative organizational impact, namely the clear definition of two IT axes: "Build" and "Run" to successfully deploy the 2023-2027 IS roadmap.

In addition, the bank has launched a project to spin off its IT department, in view of the advantages it offers, notably talent retention, a HR policy focused on technology and innovation, acceleration of delivery and SLA processes, access to cutting-edge technologies, etc.



## — 2.2 Highlights of the Bank

### Digital development

BIAT has continued to develop its free “MyBIAT Retail” service for individual and professional customers. In 2023, nearly three-quarters of all new business relationships were accompanied by MyBIAT equipment.

BIAT has also continued to enhance its “MyBIAT Retail” offering with the introduction of new functionalities.

As regards the “MyBIAT Corporate” digital offering, the year 2023 marked by the extension of the beta-test phase to a large number of professional and corporate beta-testers, i.e. 800 customers by the end of 2023. The commercial launch of this new offering is scheduled for 2024.

### Extension of the new branch concept

BIAT has embarked on the phase of broadening the new branch concept, following the launch in 2021 of two pilot sites located in the northern suburbs of Tunis and in les Berges du Lac 1.

In 2023, the towns of La Marsa, Nabeul, Sfax and Zarzis each welcomed a new branch providing customers with an innovative experience in terms of both customer care and digital services. This new branch concept embodies the bank's values of commitment and transparency, with its close relationships and Seamless customer experience, as well as its modern, user-friendly layout. The generalization project has involved 51 branches that will be converted to the new concept in early 2024, and will gradually cover other branch lots.

### Enrichment of the product and service offer and a better management of the clientele

- Launch of the new FCP Valeurs Sérénité 2028 mutual fund as part of the synergy between BIAT, Tunisie Valeurs and Assurances BIAT. The fund offers attractive yields and guarantees a capital sum at maturity or in the event of death or disability.
- Generalization of the fixed rate to all loans granted to individuals, to protect our customers against rises in MMR.
- Signing two foreign trade guarantee agreements, one with the African Export-Import Bank (Afreximbank) and the other with the European Bank

for Reconstruction and Development (EBRD), each for TND 156 (\$50 million). These partnerships allow the confirmation of international trade transactions and the development of international trade for the bank's large corporate, SME and VSE customers in Tunisia.

### Governance

BIAT has continued its efforts to maintain solid, sound corporate governance in line with the most demanding international standards. Beyond the regulatory aspect which defines the governance framework for Banks and Financial Institutions, BIAT has continued to ensure the smooth running of its own governance system, which it has put in place for an informed decision-making and sustainable performance, shareholder value creation and strengthening investor confidence.

In 2023, the work of the Board of directors focused on a number of subjects, including the management of human capital and its importance for the bank's development and growth, the management of regulatory projects, in particular, the main provisions of the 2023 Finance Act relating to the bank and its subsidiaries, and social and environmental responsibility, supported by the BIAT Foundation's new vision and based on two key areas: heritage and the environment.

### Banking Awards, International Rankings and Certifications

In 2023, BIAT received 2 awards of Excellence:

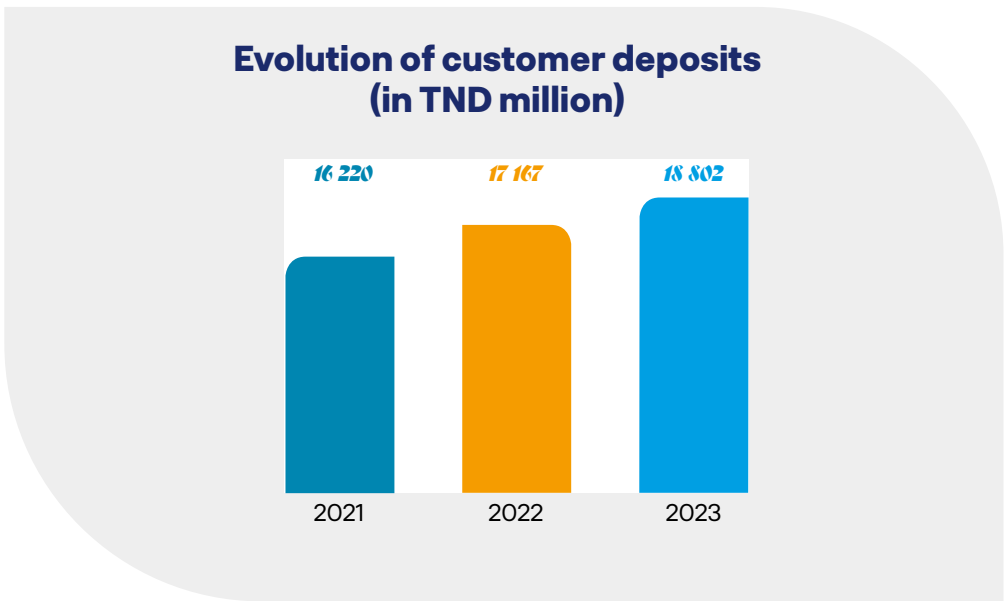
- « The Best bank in Tunisia in 2023 » awarded by Euromoney magazine, a global benchmark in the financial sector. Succeeding the one obtained in 2019, this award recognizes the bank's sustained performance, the quality of its services, its development strategy and its good governance.
- «The Best innovation in retail banking in Tunisia 2023» awarded by the English magazine International Banker. This renowned international recognition reflects BIAT's position as a leading bank in terms of technological development and customer services in the banking and financial sector, as well as its contribution to economic growth.
- In addition :

- BIAT has received its certification to the international MSI 20000 standard (Market Standard Indicator index 20000) for the twelfth consecutive year, an international standard dedicated to the financial quality of companies and institutions. This certification is a guarantee of good practices in terms of management and financial management, and an indicator of good financial governance.
- BIAT is also one of the Top 50 most valuable banks in the recent Forbes Middle East ranking. In the MENA region, it ranks 48th, with a market capitalization of \$1 billion as at February 28, 2023.

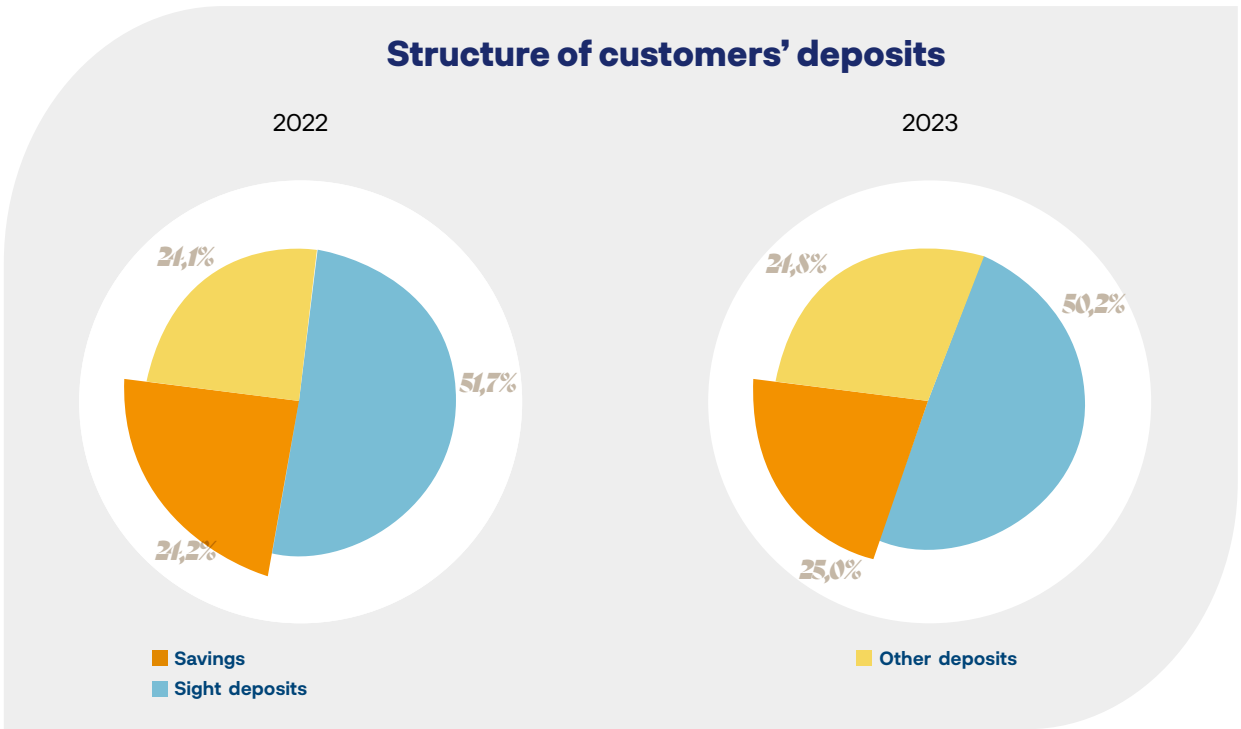
## 2.3 Bank's Activities in 2023

### 2.3.1 Customer Deposits

By the end of 2023, customer deposits recorded a growth of 9.5 % to reach TND 18 802 million.

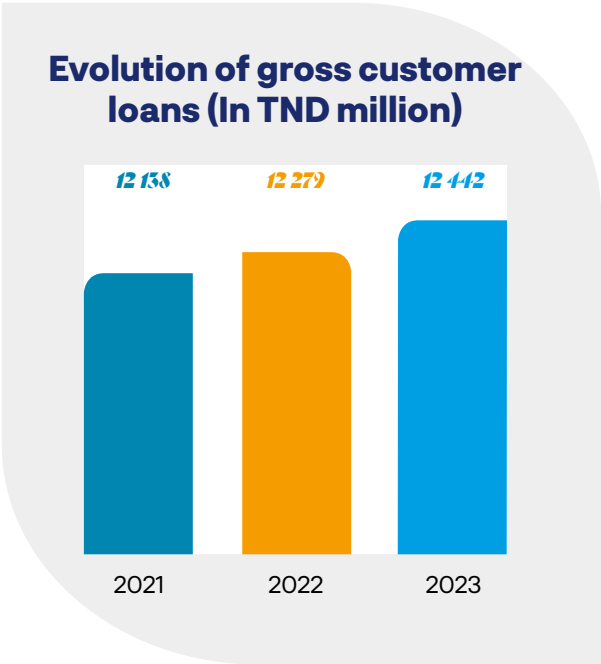


The bank deposit structure remains among the most favourable in the sector. The sight deposits share represents 50.2 % of total deposits.



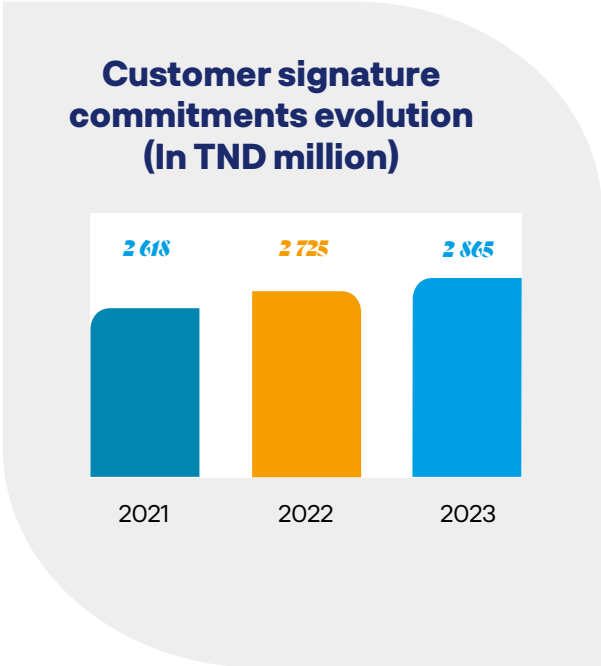
2.3.2 Customer Loans

BIAT gross customer loans reached, for the financial year 2023, TND 12 442 million, recording an increase of 1.3% compared to the end of December 2022.



2.3.3 Customer signature commitments

The volume of signature commitments in favor of customers increased by 5.1 % equaling TND 2.865 million by the end of the year 2023.



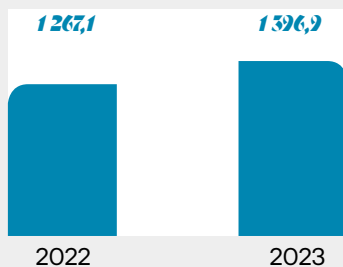
## — 2.4 The Bank's Result in 2023

### • The Net Banking Income

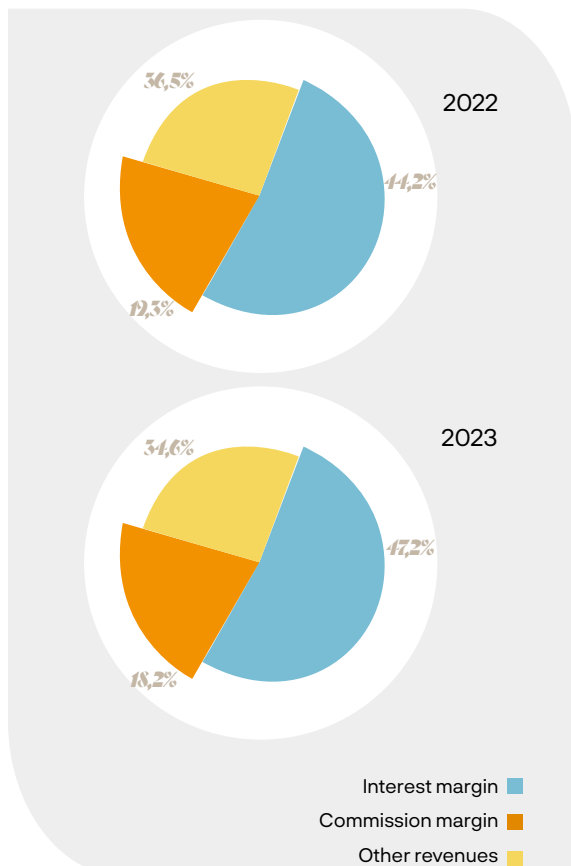
By the end of 2023, the net banking income reached TND 1396.9 million, recording an increase of 10.2 %.

The changes in the interest margin, the commission margin and other revenues were respectively 17.8%, 3.6% and 4.5 %.

#### Net banking income evolution (In TND million)



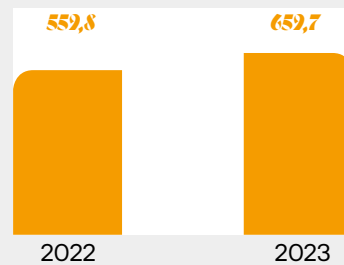
The NBI structure is broken down as follows:



### • Interest Margin

The interest margin amounted to TND 659.7 million or 47.2 % of the NBI, an increase of 17.8 %.

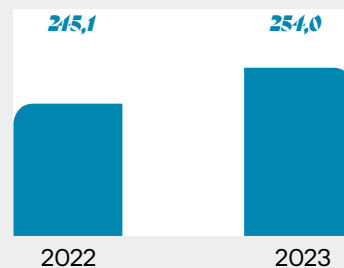
#### Net interest margin evolution (In TND million)



### • Commission Margin

The commission margin has improved by 3.6 % to reach TND 254.0 million.

#### Net commission margin evolution (In TND million)

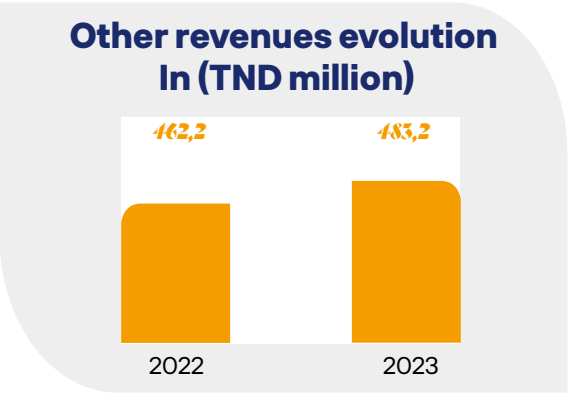


By December 31st , 2023, the share of the commission margin in the NBI stood at 18.2%.

• Other revenues

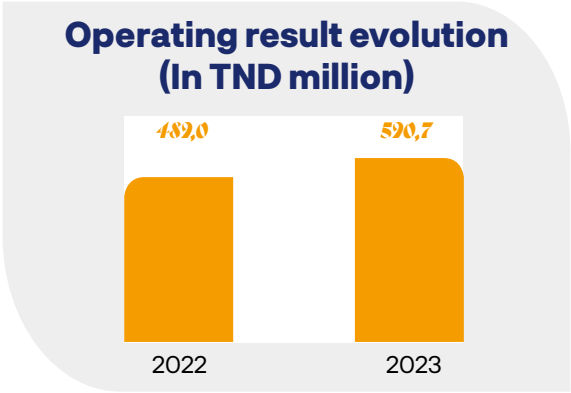
Other revenues increased by 4.5 % to reach TND 483.2 million.

By December 31<sup>st</sup>, 2023, the other revenues represented 34.6 % of NBI.



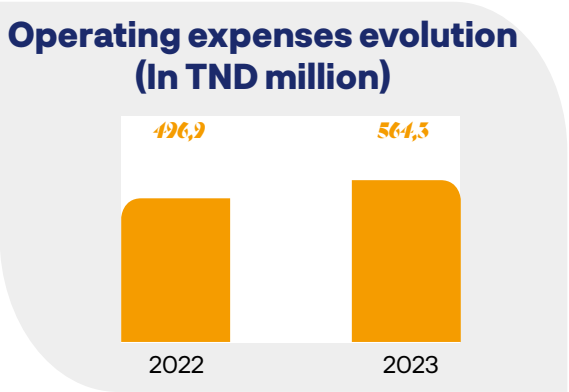
• Operating Result

The operating result records an increase of 20.8 % to reach TND 590.7 million.



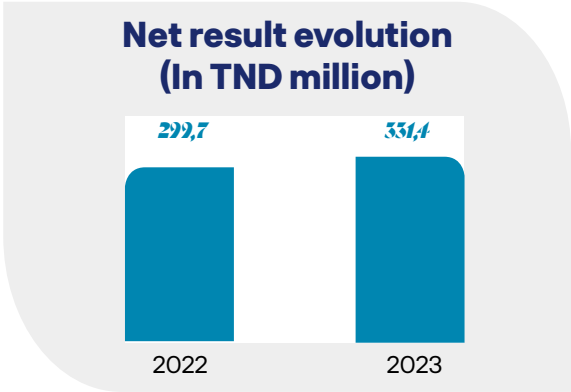
• Operating Expenses

At the end of 2023, operating expenses recorded a growth of 13.6% to reach TND 564.3 million.



• The Net Result

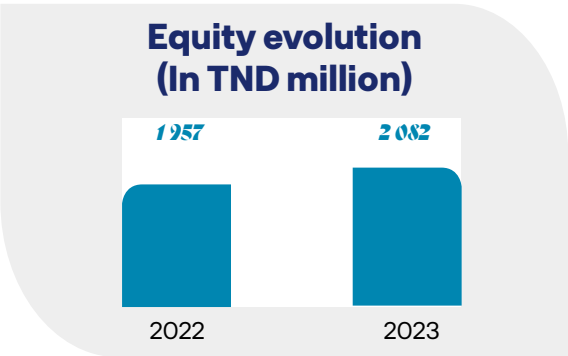
In the end, the Net Result stands at TND 331.4 million, at the end of 2023, a growth of 10.6 % in comparison with preceding financial year (TND 299.7 million).



As result to this growth , the operating ratio stood at 40.4 % against 39.2 % in 2022.

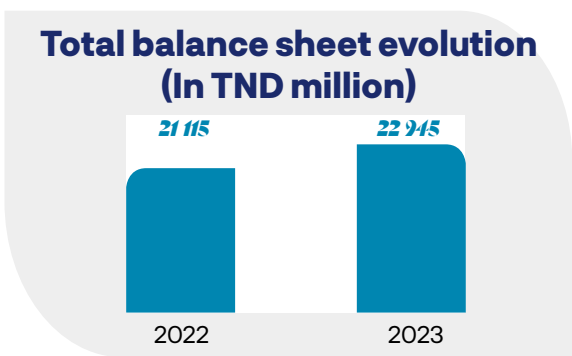
• Equity

With respect to the financial year 2023, Equity totaled TND 2 082 million against TND 1 957 million in 2022, a growth of 6.4 %.



• Total Balance sheet

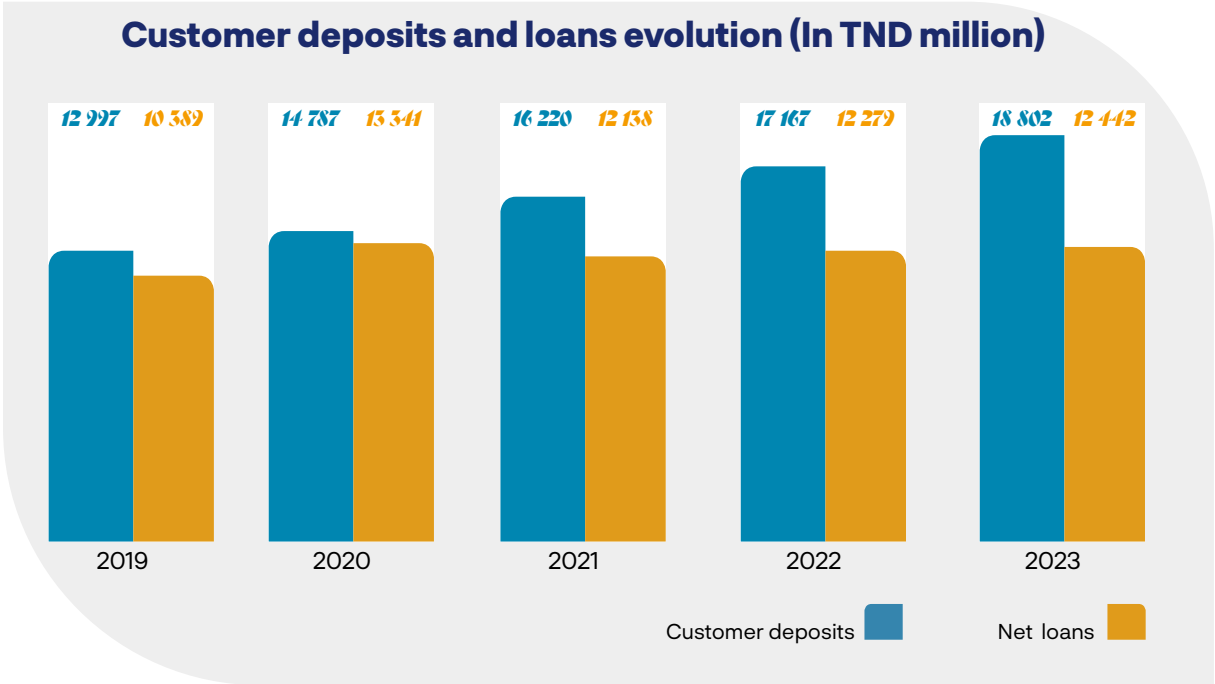
At the end of December 2023, the total balance sheet totalizes TND 22 945 million against TND 21 115 million in 2022, a growth of 8.7 %.



# 2.5 Bank's development and achievements over the recent years

## 2.5.1 Customer deposits and loans

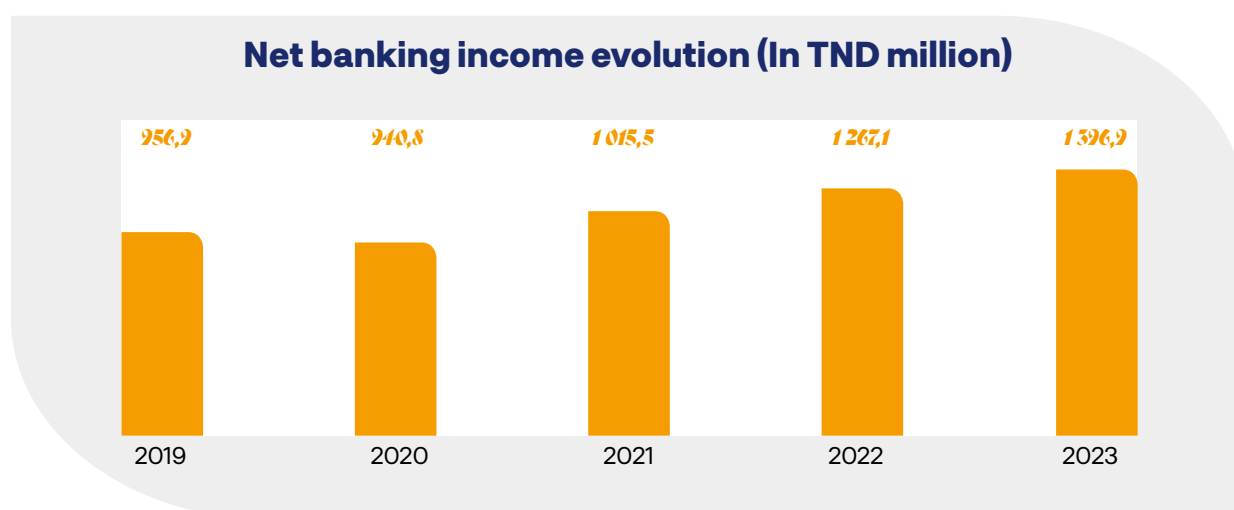
- By the end of 2023, Customer deposits amount to TND 18.802 million, an average growth of 9.7 % over the past five years.
- By December 31st, 2023, the Net customer loans stood at TND 12 442 million, an average growth of 4.6 % over the same period.





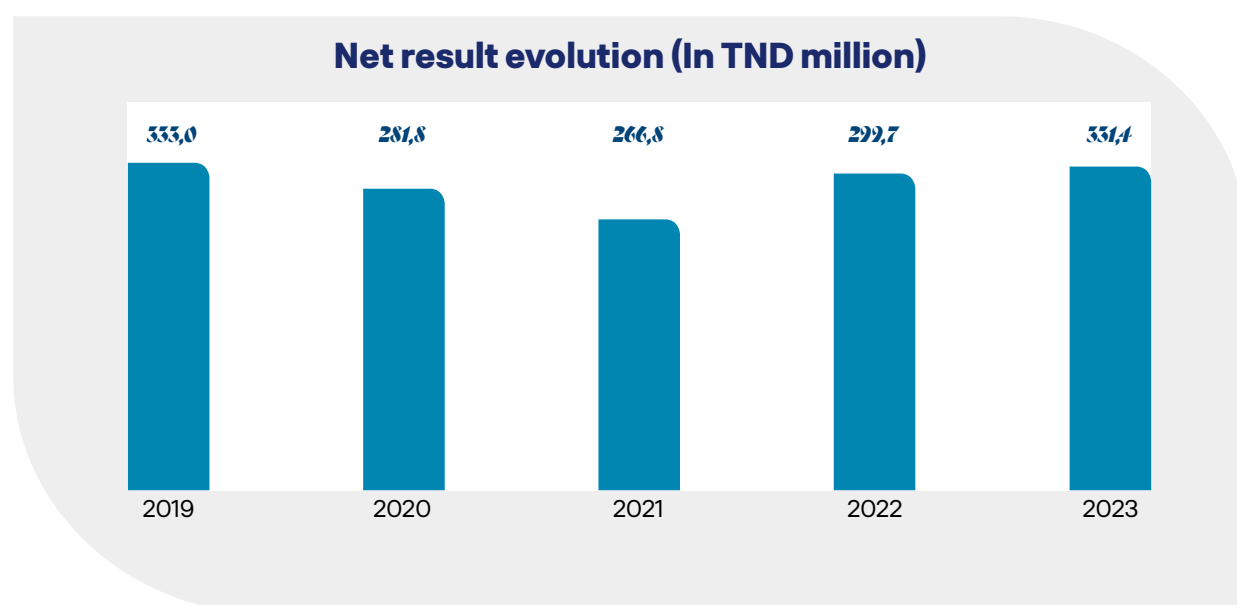
### 2.5.2 Net banking income

The net banking income has recorded an average annual growth of 9.9 % over the last five years, to reach TND 1396.9 million by the end of 2023.



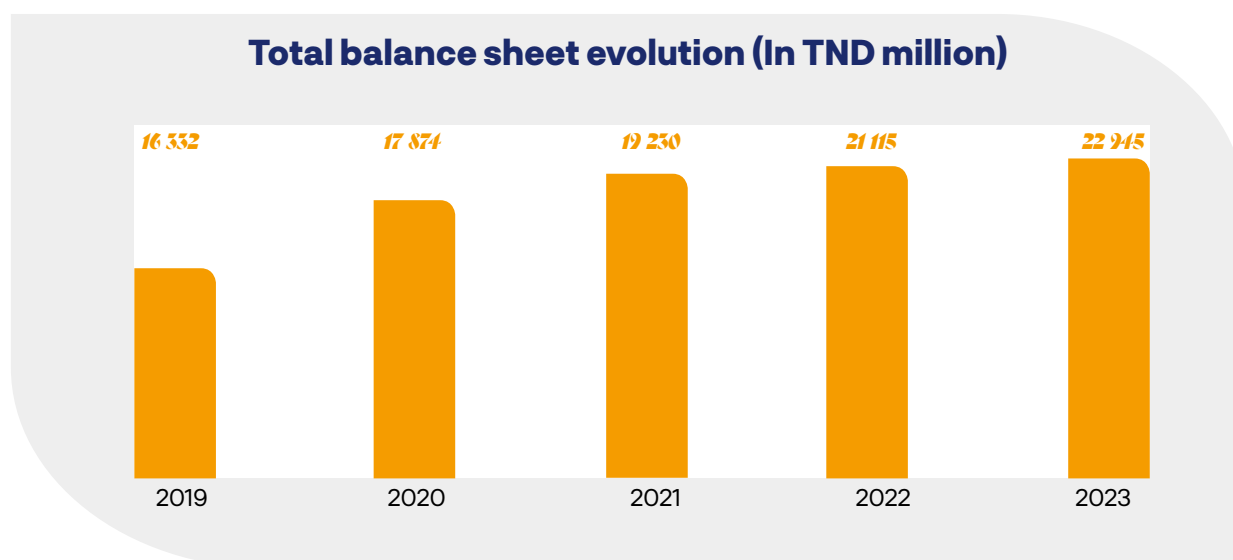
### 2.5.3 Net Result

The net result rose from TND 299.7 million in 2022 to TND 331.4 million in 2023.



### 2.5.4 Total Balance sheet

The total balance sheet has increased by 8.9 % over the last five years, reaching TND 22.945 million at the end of December 2023.



### 2.5.5 Ratios

#### Profitability Ratios

	2019	2020	2021	2022	2023
NBI/ Total Assets	5,9%	5,3%	5,3%	6,0%	6,1%
Net Result/ NBI	34,8%	30,0%	26,3%	23,6%	23,7%
Net Result / Equity Capital (ROE) Return on Equity	22,6%	16,1%	14,5%	15,3%	15,9%
Net Result / Total Asset (ROA) return on assets	2,0%	1,6%	1,4%	1,4%	1,4%

## Productivity Ratios

(In thousands dinars)

	2019	2020	2021	2022	2023
Deposits / employee	6 604	7 730	8 382	8 732	8 827
NBI / employee	486	492	525	645	656

## Regulatory Ratios

### Loans / Deposits Ratio

	2019	2020	2021	2022	2023
Loans/deposits	109%	95%	85%	89%	86%

## Equity and risk coverage ratios

(In thousands dinars)

	2019	2020	2021	2022	2023
Capital	170	178,5	178,5	178,5	178,5
Reserves	595,9	757,9	926,3	1 063,9	1 254,3
Profits of the year	333	281,8	266,8	299,7	331,4
Other equity and forwarded result	372,7	535,7	471,2	415,2	317,8
Equity <sup>(1)</sup>	1 471,6	1 753,9	1 842,8	1 957,3	2 082,1

(1) Before appropriation of the profit for the year.

	2019	2020	2021	2022	2023
Weighted net assets (in TND million)	13 177,8	14 344,3	15 229,0	16 396,7	17 474,6
Total of net core capital (in TND million)	1 454,5	1 555,2	1 634,5	1 722,5	1 842,7
Risk coverage Ratio (Tier 1)	10,64%	10,25%	10,64%	10,51%	10,54%
Additional own funds (in TND million)	209,3	453,7	549,1	831,0	923,6
Total net equity <sup>(2)</sup>	1 663,8	2 008,9	2 183,6	2 553,6	2 766,2
Global ratio of risk coverage	12,17%	13,25%	14,22%	15,57%	15,83%

(2) After appropriation of the profit for the year by the General Assembly

### Risk control Ratios

Standard 1: a- individual risks (by business group) exceeding 5% of net equity capital (NEC) shall not exceed globally 3 times the bank's NEC.

2019	2020	2021	2022	2023
1,1 NEC	1,1 NEC	1,0 NEC	1,0 NEC	1,0 NEC

Standard 1: b- Individual risks (by business group) exceeding 15% of net equity capital (NEC) shall not exceed globally 1.5 time the bank's NEC.

2019	2020	2021	2022	2023
0,4 NEC	0,4 NEC	0,4 NEC	0,3 NEC	0,2 NEC

Standard 2: incurred risk on the same beneficiary shall not exceed 25% of the bank's NEC.

2019	2020	2021	2022	2023
0 client	0 client	0 client	0 client	0 client

Standard 3: incurred risk on related parties shall not exceed 25% of the bank's NEC.

2019	2020	2021	2022	2023
0,3 NEC	0,4 NEC	0,3 NEC	0,2 NEC	0,2 NEC

### Liquidity Ratio

	2020	2021	2022	2023
LCR Ratio (Liquidity Coverage Ratio)	192,98%	417%	576%	548%

### Gross risk, Bad and Doubtful Loans «BDL» and quality risk ratios

	2019	2020	2021	2022	2023
Gross Risk	13 149,0	14 215,5	15 503,0	16 009,3	16 471,7
BDL	841,4	798,2	852,1	881,7	1 119,7
BDL ratio	6,4%	5,6%	5,5%	5,5%	6,8%
BDL coverage ratio*	58,6%	65,2%	69,4%	71,5%	71,7%

(\*) : The coverage ratio was calculated based on the provisions for customers ' receivables (Provisions excluded for Risks and expenses)

## — 2.6 BIAT Rating (Rating solicited by the bank)

The rating of BIAT is as follows:

Outlook	Stable
Deposits	Caa2
Baseline Credit Assessment	Caa2
(Counterparty Risk Rating (local Currency	Caa1
(Counterparty Risk Rating (Foreign Currency	Caa1

## — 2.7 Foreseeable Development and Future Prospects

In a difficult national political context, and a macroeconomic environment marked by continued inflation and a slowdown in growth, in relation to soaring commodity and energy prices and the impact of the Russian-Ukrainian crisis, BIAT will show resilience and will spare no effort to continue to fully play its role as a leading financial intermediary and to mobilize all its resources in order to achieve its strategic objectives, support its clients and sustain the financing of the economy.

In 2024, BIAT will focus on consolidating its results and improving its performance, in particular by rationalizing the collection of deposits, proactively monitoring risk, following up on the liquidity balance and optimizing cash management, all within the framework of scrupulous compliance with the regulatory ratios and standards in force.

In 2024, Efforts will focus on the pursuit of the strategic objectives set within the framework of its deve-

lopment plan, namely, the consolidation of the bank's leadership position at the sector level, the secure progress on the digital transformation roadmap, controlling operational costs, and human capital development, through implementation of project and areas of progress aiming at:

- Better meet the specific needs of our customers and improve their experience at our branches particularly through the development of self-service and digitalization
- Improve productivity in all its business lines
- Strengthen synergies with financial subsidiaries and develop cross-selling
- Modernize the information system infrastructure and applications and expand the functional scope of the information system in order to provide the business lines with increasingly effective applications and clients with better adapted solutions.

## — 2.8 Activity of research and development

The year 2023 was marked by the implementation of a strategic IT transformation plan to ensure the continuity of the current IS, gradually reach the target architecture and ensure BIAT's transformation towards the bank of tomorrow.

This strategic plan aims to put in place the target IS architecture that is intended to support the bank's strategic objectives by 2027, with an IS roadmap and a transformation capacity planning, addressing the Bank's priorities in terms of upgrading technology in line with market trends, delivering value to the business and securing the Bank's continuity.

The target architecture is based on the following concepts:

- A less customized application landscape and new components to enhance the user experience,
- A powerful process orchestration engine (Workflow), interactive with all the bank's systems.
- Digitization, electronic document management and modern archiving solutions
- Improving user experience and sales thanks to innovative new solutions,
- A new landscape for data management and analytics, benefiting the organization as a whole.

The IS strategic axis is now based on 2 pillars:

- IT modernization and digitalization
- IT Resilience

IT Modernization and Digitalization aims to:

- Ensure and guarantee the functional evolution and modernization of the bank's activities in line with customer requirements
- Ensure regulatory compliance
- Intelligently manage data to facilitate informed decision-making, customized services and an overall improvement in operational performance.
- Ensure and guarantee the optimization of operational processes and the digitization of customer experience.

The IT resilience aims at:

- Strengthening the performance, reliability and flexibility of the bank's IT systems
- Strengthening IT security
- Compliance with international IT standards and regulations
- Protecting the bank against financial loss and reputational damage associated with prolonged interruptions to banking services
- Real-time monitoring of performance, availability and security of systems in production

In 2023, the MyBIAT digital offering was enhanced to provide our customers with new digital services: invoice payment, credit simulation, investment statement, AVA consultation, securities product management, consultation (certificate of deposit), transfers to Projets Avenir.

In addition to this offering, a number of projects have been implemented, including:

- Actions or projects to improve the digital platform for means of payment, electronic banking and international systems, and to strengthen the supervision of IT production.
- The implementation of IT developments to reinforce compliance with banking regulations and security standards (freezing of assets, management of business travel allowances, balance of payments, review of card BIN format ....).
- Implementation of a project management solution
- Improving customer service quality by extending the fleet of ATMs and self-service banking machines
- Development and redevelopment of products to better adapt to customer needs: Granting of fixed-rate investment, consolidation and rescheduling loans, redevelopment of packaged offers, launch of a new mutual fund.



# BIAT GROUP AND PARTICIPATIONS



## 3.1 BIAT Group

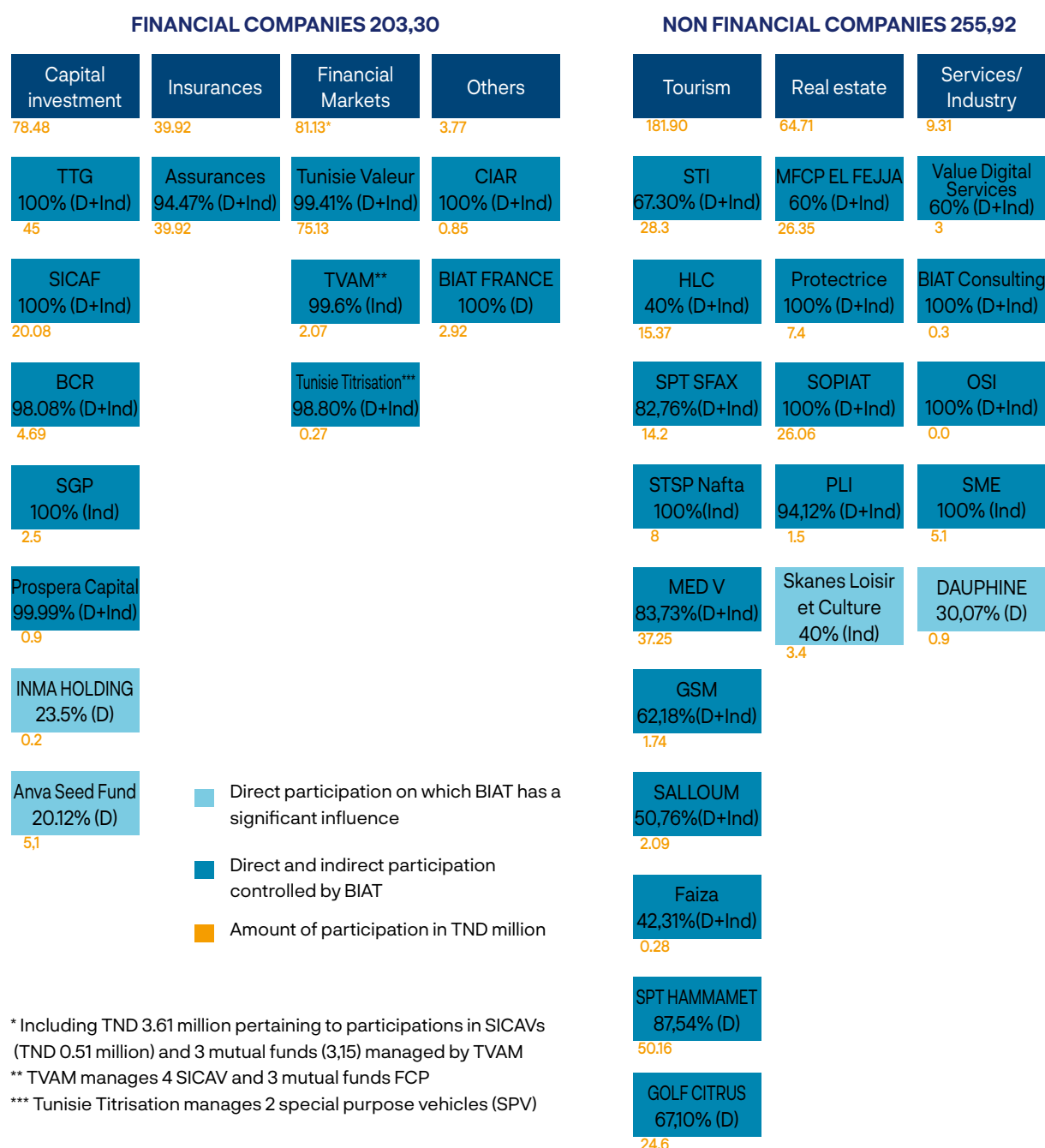
BIAT Group on several financial business lines that are complementary to the banking line of business of BIAT.

Furthermore, and in support of the strategic sectors of the Tunisian economy in terms of funding and consultancy, the BIAT Group has asserted its presence

in other business lines, particularly in tourism and real estate.

The graph below shows the participations falling within the scope of consolidation of BIAT broken-down by business line.

### GROUP BIAT AS AT 31 / 12 / 2023





### 3.1.1 Insurance Activities

#### BIAT insurances

Founded in 1997, the company was the Tunisian subsidiary of a Bahraini insurance company. During 2002, BIAT participated to the capital of the company thus marking the beginning of the business line of activity under new directions, thanks, mainly to the revitalization of activities and to business development. BIAT Insurance capital currently stands at TND 22 million, of which 94,475% is held by BIAT.

BIAT Insurances is active in all insurance activities, including life, automobile, health, transportation, fire, and third-party liabilities insurances.

During the year 2023, BIAT Insurance's turnover reached TND 244 million, of which TND 127 million were generated from Bancassurance products.

### 3.1.2 Activities related to Investment Capital

#### BIAT Capital Risk

BIAT Risk Capital, which was launched in 2000, is a risk capital investment company.

As at December 31st, 2023, its share capital amounts to TND 4,678 million.

It also manages the Private Equity Funds on behalf of the BIAT Group with an amount of around TND 998.202 million on December 31st, 2023.

BIAT Risk Capital participates on its own behalf or on behalf of third parties in the capital financing and strengthening of the Tunisian companies.

It is, as such, as an intermediary in the management of managed funds.

As at December 31st, 2023, about 60% of the resources (Capital and Managed Funds) were invested, an investment volume of TND 603.165 million.

The year 2023 was marked by:

- A paid-up volume of the BIAT Group managed funds amounting to TND 190 million
- An investment volume of around TND 103.6 million
- A disinvestment Volume in the order of TND 11.9 million
- A net result of TND 6.576 million.

#### SICAF BIAT

The Company was established in November 2003. Its corporate objective is the management of securities and related operations. It manages a portfolio of more than TND 14 million, mainly by participating in SGP, SME Company, Protectrice and BIAT consulting.

As at December 31st, 2023, its share capital reached TND 19 million.

#### Société Générale de Placement « SGP »

The company was launched in September 1992. Its corporate purpose is to manage the financial holdings. It manages financial holdings portfolio of more than TND 2 million and an investment envelope of approximately TND 1.7 million. As at December 31st, 2023, its share capital reached TND 2.5 million, held at 99.9% by SICAF BIAT.

For the year 2023, the company recorded a net profit of TND 0.594 million.

#### INMA Holding

The company was launched in June 2018. Its main purpose is the management of the financial holdings. It manages an investment portfolio of TND 28 million.

As at December 31st, 2023, its share capital reached TND 0.5 million.

#### Anava Seed Fund

The Anava Seed Fund, is a seed capital investment fund benefiting from a simplified procedure launched in partnership with the Tunisian American Enterprise Fund (TAEF), Meninx Holding and the Banque Internationale Arabe de Tunisie (BIAT).

The purpose of the Fund is to invest in start-ups and early stage ventures based in Tunisia with innovative projects.

### 3.1.3 Activities related to Assets management and brokerage

#### Activities related to Assets management and brokerage

##### Tunisie Valeurs

In 2020, the BIAT group acquired a majority block of the stock market intermediary Tunisie Valeurs. The

operation is part of strengthening BIAT group's positioning as a leading player in all the financial businesses and services.

As at December 31st, 2023, the share capital of Tunisie Valeurs amounts to TND 25 million, held up to 99.4% by BIAT.

Established in 1991, Tunisie Valeurs is a financial institution specialized in asset management, stock market intermediation, and financial engineering and treasury securities.

Backed by a network of 8 branches and a team of 106 professionals, Tunisie Valeurs is now ranks among the largest operators in the market.

At the end of 2023, the outstanding amount of mutual funds managed by Tunisie Valeurs stood at TND 1 029 million, with a market share of 18.6 %.

#### Tunisie Valeurs Asset Management

Tunisie Valeurs ASSET MANAGEMENT is a subsidiary representing 98.6 % of Tunisie Valeurs following its assignment by BIAT in 2021. It is specialized in the UCITS management. Its corporate capital amounts to TND 500 million.

By the end of 2023, the outstanding of UCITS managed by Tunisie Valeurs Asset Management stood at TND 1 610 million. The company thus ranks first in terms of assets under management with a market share of 28 %.

By the end of 2023, The Company manages a range of products:

#### Debenture UCITS

- **SICAV TRESOR:** created in 1997, SICAV TRESOR is a UCITS debenture of distribution. By the end of 2023, its managed assets amount to TND 179 million.
- **SICAV PATRIMOINE OBLIGATAIRE:** created in 2007, SICAV PATRIMOINE OBLIGATAIRE is a debenture UCITS of capitalization. By the end of 2023, its managed assets amount to TND 549 million.

#### UCITS devoted to holders of saving accounts in shares

- **Mutual Investment Fund BIAT – EPARGNE ACTIONS:** Established in 2007, this mutual investment fund manages the amounts invested by holders of savings accounts in shares (SAS). The fund's assets reached TND 64 million at the end of 2023.

- **Mutual Investment fund BIAT – SAS PNT Tunisair:** Established by the end of 2017, it is dedicated exclusively to Tunisair Flight Crew members who hold savings accounts in shares. The fund's assets reached TND 24 million at the end of 2023.

#### Mixed UCITS

- **SICAV PROSPERITY:** created in 1994, SICAV PROSPERITY is a mixed UCITS in which the managed assets are invested from 5 % to 30 % in companies stock admitted to the listing of the stock market, and presenting a perpetual growth of their activity and of the achieved development objectives. Its managed assets amount, by the end of 2023, to TND 3 million.
- **FCP VALEURS SERENITE 2028:** created in 2023, FCP VALEURS SERENITE 2028 is a mixed capitalization UCITS offering a capital guarantee at maturity, with death and disability insurance for subscribers. Its initial structure is composed mainly of fixed-income products, with a minority in equities. Its managed assets amount, by the end of 2023, to TND 51 million.
- **SICAV OPPORTUNITY:** created in 2001, SICAV OPPORTUNITY, a mixed UCITS in which the portion invested in shares, ranges between 50 % and 80%. The shares investments relate to companies admitted to the listing of the stock market with a vision of long term investment and on the basis of the fundamentals of these companies, show a potential of a visible growth. The managed portfolio totals TND 0.6 million by the end of 2023.
- **Mutual Fund BIAT – EQUITY PERFORMANCE:** created in 2017, mutual fund is mainly intended for institutional investors, with the contribution of the Caisse des Dépôts & Consignations. The fund's assets reached TND 11 million by the end of 2023.

#### Tunisie Titrisation

Specialized in the management of mutual claims funds, the company began operating in 2005. Its capital amounts to TND 0.660 million.

### 3.1.4 Activities within the Tourism industry

#### Société Tanit International « STI »

Founded in 1989, STI has as main purpose the development of the hotels, tourism and the health resorts in Tunisia as well as the direct or indirect participation in any company sharing the same

purpose. The STI is the result of a partnership between the three following banks STB, BNA and BIAT.

Thanks to restructuring actions, the Company currently focuses on medium and long-term development of its high-potential real estate assets.

#### **Société Touristique Sahara Palace Nafta**

The company was created in 2006 with a share capital of TND 8 million, held up to 100% by STI. The company's purpose is to develop the hotel industry, catering, tourism and thermal spas. It owns the SAHARA PALACE hotel in Nafta, located at 2 km from the center of Nafta, 20 km from Tozeur airport and only 30 km from the Tunisian-Algerian border.

With view of the Nafta «corbeille» and its typical architecture, the site has great development potential.

#### **Société de Promotion Touristique Mohamed V « SPT Mohamed V »**

Founded in 2006, the company's purpose is to develop the hotel industry, catering, tourism and spas. By the end of 2023, its share capital amounted to TND 31.4 million.

The company owns the Ibis 3\* and Novotel 4\* on Mohammed V Avenue in Tunis capital, (152 and 126 keys) and Novotel 4\* in Lac (122 keys) which is managed since their opening in February 2012 and August 2021 respectively, by ACCOR Group under a management mandate.

Thanks to ongoing infrastructure upgrades and team training, all three hotels enjoy a reputation based on the quality of their facilities and service.

#### **Société de Promotion Touristique Sfax « SPT Sfax »**

The creation of SPT Sfax in 2014 with a capital of TND 17.4 million was the result of a development opportunity, in partnership with the ACCOR Group and Tunisian private individuals, of a 3\* hotel under the Ibis brand in Sfax, with a 187 room capacity, a banqueting area of 200 seats, on a land enjoying a unique location at the intersection of the Majida Boulila Avenue and the Menzel Chaker road.

Since it began operating, in April 2018, the hotel was able to consolidate its position as market leader, thanks to its construction and top-quality service provided by its team.

#### **Société de Promotion Touristique Salloum « SPT Salloum »**

The company was created in 1990. The company's purpose is the creation, the development and the operation of an integrated touristic resort of a top range, in the area of Salloum – delegation of Bouficha, within the framework of an overall programme with the AFT.

The company is awaiting for the decision of the government bodies on the new development zones to give it more visibility on the development tracks in order to resume the studies.

By the end of 2023, the capital amounts to TND 4.7 million.

#### **Société de Promotion Touristique Hammamet « SPT Hammamet »**

Created in 2016, the company's purpose is the development of hotels, catering, tourism and spas.

As part of a strategy of enhancement of the repurchased hotel in Hammamet Nord, the Company is moving ahead with its development program through the construction of A5-star hotel project that meets international high-end tourism standards.

By December 31<sup>st</sup> 2023, its share capital has reached TND 57.3 million.

#### **Hammamet Leisure Company « HLC »**

Founded in 2007, HLC is a company of Tourist Promotion owner of an area of approximately 7ha in Hammamet Nord. After delays linked to the economic and the international health crisis context, in particular in the tourism industry, studies have been resumed for the development of a high-end hotel unit.

By December 31<sup>st</sup>, 2023, its share capital has reached TND 21.9 million.

#### **Société Golf Sousse Monastir**

The company GSM was created in 1990. It operates a golf course "Palm Links", situated in the tourist zone of Skanes in Monastir, owned by the BIAT.

The golf course has got 18 holes over an area of 74 hectares.

The Golf course, mainly visited by foreign tourist customers.

#### Société « Golf de Tunisie »

Created in 1992, the company owns the Citrus Golf Club in Hammamet, including three golf courses on a 170-hectare site, 80 hectares of which are grassed and maintained, enabling it to host both professional and academic activities, on a 45-set of holes.

By December 31st, 2023, its share capital has reached TND 36.5 million.

#### Société FAIZA

Created in 1993, with a capital of TND 1.3 million. The company's purpose is the construction, the planning, the purchase, the sale and the operation of any establishment of a touristic nature. The company is currently put on hold.

### 3.1.5 Real Estate Activities

#### Société du Pôle de Compétitivité de Monastir El Fejja «MFC pole »

The establishment of the company was in October 2006. By December 31st, 2023, its share capital has reached TND 40 million. As part of an ambitious development project, MFC pole pursues its prospection efforts in a challenging investment context. The main tasks of the company consist of:

- The development, operation and maintenance of the pole competitiveness (the Monastir Technopole and parks with industrial activities associated with Monastir and El Fejja in the Governorate of Manouba);
- Animation, promotion of the pole and the investments attraction
- Animation of a network of partners (industry, research and development, training);
- The incubation and supervision of the technological or services projects promoters within the pole as well as their assistance in carrying out of their activities;
- The development of a technological and innovation monitor
- The strengthening of the cooperation and exchange with the similar poles, academic institutions as well as the research and technological innovation centers; both on the national and international level.

As part of its development, the Company has also extended its land base in the El Fejja area, offering

local and foreign operators attractive investment opportunities.

#### Société de Promotion Immobilière Arabe de Tunisie « SOPIAT »

Operating in the sector of the real estate development, the company started its activity in December 2000. SOPIAT continues playing its role of vehicle real estate in response to BIAT group's needs in terms of expansion of branches' network, archive and deposit spaces and other real estate needs.

By the end of 2023, its share capital stood at TND 27.6 million.

#### Insurance Protectrice Company

Its capital amounts to TND 6,1 million, 84,1% of which is held directly by BIAT.

La PROTECTRICE's purpose is the study, consulting, services, advice and, in general, all commercial, industrial, financial, movable and real-estate transactions directly or indirectly related to the above or to similar or related purposes.

#### Société Tunisia Tourism Group «TTG»

Founded in 2022, the company's corporate purpose is to acquire equity interests, directly or indirectly, in any form whatsoever, in all companies and, more generally, in all existing or future Tunisian or foreign legal entities, irrespective of the economic sector in which they operate.

As at December 31<sup>st</sup>, 2023, its share capital stood at TND 20 million.

### 3.1.6 Services and Industry

#### Institut Tunis Dauphine « ITD »

Founded in 2009 with a capital of TND 3 million, of which 30.07% are held by BIAT.

The company is dedicated to the study, implementation and operation of a private education and training institution. It is the private university institute of higher education and research which is based on a partnership with the University Dauphine of Paris (Université Paris Dauphine).

### BIAT Consulting

Created in 2014, BIAT consulting is a subsidiary of BIAT, specializing in consulting for international financial institutions, with a share capital of TND 1 million held up to 100% by BIAT group. It benefits from synergies with its parent company and the various financial subsidiaries of the Group.

Building on BIAT's experience, BIAT Consulting provides its clients with the know-how and experience of the Bank's executives.

Whether they are active or retired, the firm hires employees with specific business expertise to deliver technical support missions within their scope.

BIAT Consulting assists its clients with major strategic projects and helps them rethink their organization through transformation plans, covering the entire scope of banking issues and fields.

The company provides its clients with training and skills development programs to meet their needs.

BIAT Consulting mobilizes a set of operational skills to meet its clients' challenges through:

- Specific Consulting offers
- A high level of sectoral expertise
- A capacity to serve our clients

Our areas of expertise:

- Digital Transformation
- Strategy and organization
- Business Effectiveness
- Operational Effectiveness
- Talents & Human Resources
- Management Control and Performance Management
- Audit, Controls and Compliance
- Creation of training centers and skills development

The year 2023 was marked by political instability in West Africa, with a significant impact on the business landscape for BIAT Consulting. Despite delays in the execution of planned assignments and partnerships, the company demonstrated remarkable resilience.

This unstable environment forced BIAT Consulting to review its strategies and adopt more agile and adaptable approaches to address these challenges. BIAT Consulting's priority was to actively pursue partnership opportunities to diversify its portfolio. The company adapted to the needs of customers, who were no longer looking solely for support in banking services.

In this respect, BIAT Consulting has broadened its horizons by exploring new assignments, such as fund-raising. These strategic initiatives are aimed at strengthening the company's market position and offering diversified solutions tailored to customer needs. BIAT Consulting has also extended its activities to the insurance and reinsurance sector.

### 3.1.7 Other Professions

#### Compagnie Internationale Arabe de Recouvrement « CIAR »

Created in December 2000, CIAR is a debt recovery company that acts for its own account or on behalf of the third parties.

It was created with a share capital of TND 1 million, majority held by Group BIAT.

The year 2023 was marked by the consolidation of the activity for own-account. This significant collection volume improvement of CIAR activity reflected directly on its performance and profitability indicators.

By the end of the year 2023, CIAR's recovery revenues have recorded an increase of 3 % to reach TND 12 898 KDT, against TND 12.465 KDT at the end of the year 2022.

By the end of the year 2023, the general operating expenses amounted to TND 608 KDT, recording a slight decrease of 7%, against TND 654 KDT at the end of the year 2022.

The gross operating income recorded, for its own part, a growth of 13% to reach TND 7.397 KDT by the end of the financial year 2023, against TND 6.568 KDT, the previous year,

As to the financial year ended on December 31st, 2023, the net profit stood at TND 5.125 KDT, hence, recording an increase of 19 % compared to TND 4 309 KDT at the end of 2022.



## BIAT France

BIAT France was created on November 24th, 2014, a subsidiary "BIAT France- Payment Agent", is a limited liability company by simplified stock under the French law, held at 100% by BIAT with a share capital of € 1.2 million, located at 6, rue de la Chaussée d'Antin in the 9ème arrondissement of Paris.

BIAT France began operating in November 2015.

This choice of location is justified by its proximity to all means of public or private transport, enabling target customers to visit the branch easily. The choice of the Opéra district is also a strategic one, in keeping with the image of the leading bank.

The subsidiary is approved as a payment agent specialized in money transfer services. The subsidiary offers fast, secure and competitive solutions, particularly for online transfers to Tunisia.

BIAT France represents an advanced interface of BIAT that supports and advise its Tunisian clients residing at France as well as Europe in carrying out their projects in Tunisia .

9 years after the launch of its activity, BIAT France has continued its expansion and development .The year 2023 marked by excellent achievements. BIAT France's achievements have far exceeded the objectives set annually with the BCT in the roadmap to the end of 2025.

### 1. In terms of number of direct transfers received from the BWF:

- 5107 transactions carried out in 2023 (almost stable compared to 5124 transactions in 2022).

- monthly average of 425 transfers, against a target of 300 transactions per month.

### 2. In terms of volume of transfers :

- +15 % growth of the total volume of transactions received, passing from €23.8 K in 2022 to €27.4 by December 2023.

In addition, as part of its strategy of proximity and promoting its brand to TRE Customers, the 2023 was also marked by significant participation in partnership initiatives and high-quality community events. These initiatives included collaborations with the Association des Tunisiens des Grandes Écoles (ATUGE), the Tunisia Global Forum, the debate on artificial intelligence for women, the Grand Forum de l'entrepreneuriat, two events in partnership with a real estate agent, and the Forum des Affaires Tunisie 2023, organized by Business France.

These commitments have strengthened BIAT France's presence, contributing positively to the bank's image and establishing advantageous relationships with various partners.

## Société Support et Maintenance Express « SME » (former TAAMIR)

In 2022, «Support et Maintenance Express (SME)» expanded its initial corporate purpose of carrying out all types of real estate operations to include new service activities, in particular, in the fields of logistics, maintenance and administrative management.

By the end of 2023, the share capital amounts to TND 5 million.

## 3.2 BIAT Group Result

The main consolidated data of the group indicate that the total balance-sheet amounts to at TND 23 663 million as at December 31<sup>st</sup>, 2023, a growth of 9.4 % compared with the end of 2022.

As at December 31<sup>st</sup>, 2023, The net banking income recorded an increase of 13.3 %, or TND 1 604 million .

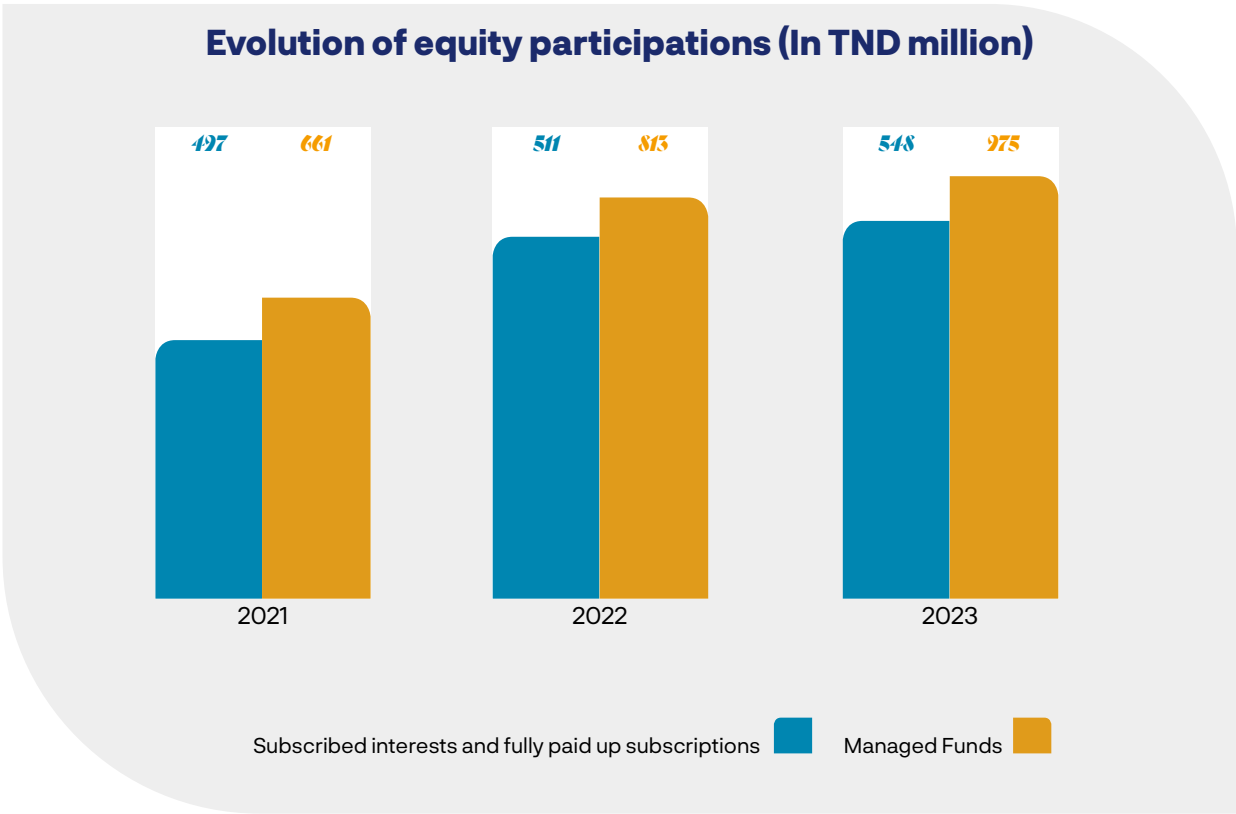
The Net consolidated income recorded, for its part , an increase of 14.8 % to reach TND 359 million at the end of 2023.

The Group's corporate income between 2023 and 2022 are as follows:

Company	Corporate income 2023	Corporate income 2022
Banque Internationale Arabe de Tunisie	331 444	299 676
Tunisie Valeurs Assets Management	2 856	2 427
BIAT Capital Risque	6 424	5 664
Compagnie Internationale Arabe de Recouvrement	5 192	4 310
SICAF BIAT	656	312
Société de Promotion Immobilière Arabe de Tunisie	206	130
SPT Salloum	21	21
Organisation et Services Informatiques	-28	-14
Société la PROTECTRICE	-1 455	-1 560
Assurances BIAT	18 635	19 565
Société FAIZA	-3	-3
SICAV Opportunity	-1	-5
SICAV Trésor	10 937	7 693
SICAV Prosperity	90	100
Société Générale de Placement	597	104
Société Support et Maintenance Express	312	187
Société Golf Sousse Monastir	-1 998	-1 629
Société Palm Links Immobilière	82	130
Société Tanit International	-240	-238
Société Tunisie Titrisation	-19	-12
Société du Pôle de Compétitivité de Monastir-El Fejja	5 271	12 819
SICAV Patrimoine Obligataire	32 913	23 539
Fonds Commun de Créances 1	272	262
FCP BIAT Epargne Actions	1 800	2 025
Fonds Commun de Créances 2	147	136
Société Touristique Sahara Palace	-783	-701
SPT Mohamed V	2 847	-2 445
Institut Tunis Dauphine	193	235
BIAT Consulting	20	426
SPT SFAX	-484	-1 543
BIAT France	795	447
FCP Equity Performance	374	303
SPT Hammamet	-4 021	-4 905
Hammamet Leisure Company	-1 218	-900
Fonds d'amorçage ANAVA	-61	-151
Tunisie Valeurs	5 095	5 930
Tunisia Tourism Group	1 173	52
Value Digital Services	2 370	
Citrus Golf Club	-1 368	
Prospera Capital	-380	
FCP Valeurs Sérénité 2028	1 492	
<b>Total consolidated</b>	<b>420 155</b>	<b>372 387</b>

# 3.3 Evolution of the investment portfolio

By December 31<sup>st</sup>, 2023, the accounting value of fully paid up subscriptions (direct equity participations and managed funds) stood at TND 1 522 million, an increase of 15% compared with the year 2022.







# SHAREHOLDING



# 4.1 Capital allocation information and voting rights

## 4.1.1 Capital Structure as at December 31, 2023

Shareholders	Number of Shares and voting rights	Capital Share and voting rights in %
A/ Tunisian shareholders	35 589 154	99,69%
LEGAL ENTITIES	27 599 349	77,31%
NATURAL PERSONS	7 989 805	22,38%
B/Foreign shareholders	102 288	0,29%
C/ remain to be allocated	8 558	0,02%
TOTAL	35 700 000	100%

### 4.1.3 Major changes made at the Level of share capital

The year 2023 was particularly marked by the following transactions:

#### – Main acquisitions:

- TTS FINANCIERE acquired 254 469 BIAT shares or 0.71% of the capital
- TUNISIAN TRAVEL SERVICE acquired 247 850 BIAT shares or 0.69% of the capital;
- ASSURANCE GAT acquired 72 351 BIAT shares or 0.20 % of the capital;
- SOCIETE DJERBA BEACH HOTEL acquired 67 500 BIAT shares or 0.19 % of the capital;
- NOUVELAIR TUNISIE LC acquired 56 500 BIAT shares or 0.16 % of the capital;
- KARIM MILAD acquired 55 493 BIAT shares or 0.16 % of the capital;
- MAGHREB FINANCIERE HOLDING acquired 53 940 BIAT shares or 0.15 % of the capital
- GAT VIE acquired 42 468 BIAT shares or 0.12 % of the capital
- MARHABA RESORTS HOLDING acquired 40 274 BIAT shares or 0.11% of the capital
- CIAT acquired 36 291 BIAT shares or 0.10% of the capital
- HEND FAKHFAKH acquired 22 532 BIAT shares or 0.06 % of the capital
- KHALED FAKHFAKH acquired 22 532 BIAT shares or 0.06 % of the capital
- MOHAMED CHABCHOUB acquired 22 247 BIAT shares or 0.06 % of the capital
- WALID CHABCHOUB acquired 22 247 BIAT shares or 0.06% of the capital
- SOTUFIS acquired 20 000 BIAT shares or 0.06 % of the capital
- FINANCIERE HABIB MILAD acquired 14 007 BIAT shares or 0.04 % of the capital
- FCP VALEURS SERENITE 2018 acquired 12 675 BIAT shares or 0.04 % of the capital

- AMEN BANK acquired 12 453 BIAT shares or 0.03 % of the capital
- FCP OPTIMA acquired 12 200 BIAT shares or 0.03 % of the capital
- FCP ILBOURSA CEA acquired 12 095 BIAT shares or 0.03 % of the capital
- HABIB MILED acquired 11 942 BIAT shares or 0.03 % of the capital.

#### – Main assignments:

- INOPLAST FINANCIERE HOLDING assigned 453 000 BIAT shares or 1.27% of the capital
- LA FINANCIERE WIDED-SICAF assigned 201 978 BIAT shares or 0.57 % of the capital
- BNYM RE UPS GROUP TRUST assigned 76 290 BIAT shares or 0.21 % of the capital
- MOHAMED CHABCHOUB assigned 66 742 BIAT shares or 0.19% of the capital
- SOCIETE RYM assigned 55 000 BIAT shares or 0.15 % of the capital
- CIL assigned 50 000 BIAT shares or 0.14 % of the capital
- SOCIETE EL HANA assigned 49 950 BIAT shares or 0.14 % of the capital
- SHTB MARHABA assigned 40 274 BIAT shares or 0.11 % of the capital
- SPDIT SICAF assigned 26 552 BIAT shares or 0.07 % of the capital
- ATTIJARI FONDS COMMUNS DE PLACEMENT CEA assigned 20 846 BIAT shares or 0.06 % of the capital
- MUTUELLE ACCIDENTS SCOLAIRES ET UNIV assigned 13 000 BIAT shares or 0.04 % of the capital
- BNYM RE ACADIAN FRONTIER MARKETS FUND assigned 12 608 BIAT shares or 0.04 % of the capital
- ATTIJARI FONDS COMMUNS DE PLACEMENT DYNAMIQUE assigned 11 600 BIAT shares or 0.03 % of the capital
- ZOHRA ENNAJAR EP HAMMAMI assigned 11 600 BIAT shares or 0.03 % of the capital.

## — 4.2 Required conditions to attend the General Meeting

Under Article 35 of the Articles of Association:

1/ Holders of shares released from payments due may attend the General Meeting, by providing proof of their identity, and they can as well be represented.

2/ However, the Tunisian State and public bodies, if they are shareholders are validly represented by their legal representatives; companies are validly represented either by one of their managers or by a delegate of their Board of Directors, or by a proxy, minors or banned persons by their guardian, all without being necessary for the Manager, the delegate of the Board, the proxy or the guardian to be personally a shareholder.

3/ Bare owners are validly represented by the usufructuary and the right to vote belong to this latter for all ordinary and extraordinary meetings, except, as stated under Article 17, unless otherwise agreed upon between them.

4/ the form of proxies as well as the location and terms of their generation, subject to the provisions of article 36 hereinafter, are determined by the Board of Directors.

Under article 36 of the Articles of Association:

1/ In order to have the right to attend or be represented at General Meetings shareowners must be listed on the company's registers, at least eight days prior to the fixed date for the meeting.

2/ Any member of the meeting requiring to be represented by a proxy must file his power of attorney with the head office three days prior to the meeting.

3/ Nevertheless, the Board of Directors may at any time reduce these periods and accept the filing beyond these limits.



# GOVERNANCE



## — 5.1 The board of Directors Report on its Activities during 2023

### OUR GOVERNANCE:

To ensure that its actions are consistent with its raison d'être, BIAT is backed by solid governance and responsible risk management for better decision-making.

Our current governance system meets the highest international standards. It is built around a committed Board of Directors and a responsible general Management who work to deliver concrete results, enabling BIAT to steer its strategy in line with its value-creation model.

## GOVERNANCE MODE:

Since May 29<sup>th</sup>, 2007, BIAT has adopted a new governance code which has resulted in the separation of duties of the **Chairman of the Board of Directors** and the **Managing Director**<sup>1</sup> in accordance with the obligations for listed companies.

### The Board of Directors

The Board of Directors is the supreme body within the Bank, responsible for maintaining a balance between the interests of shareholders and the prospects for growth, long-term value creation and depositor protection.

This body is responsible for developing a governance framework that is consistent with the size, complexity and nature of the Bank's business and risk profile.

BIAT's corporate governance is based on a number of decision-making and supervisory bodies, as well as specialized committees responsible for overseeing the implementation of the bank's strategic and operational orientations of the bank.

### Four committees supporting the Board of Directors

In carrying out its duties, the Board shall be assisted by four committees:

- The Audit Committee
- The Risk Committee
- The Executive Credit Committee
- The Nomination and Remuneration Committee

The role of these committees is to prepare the work of the Board of Directors on specific issues and to make recommendations that enable the Board to fully exercise its prerogatives.

### The General Assembly of Shareholders

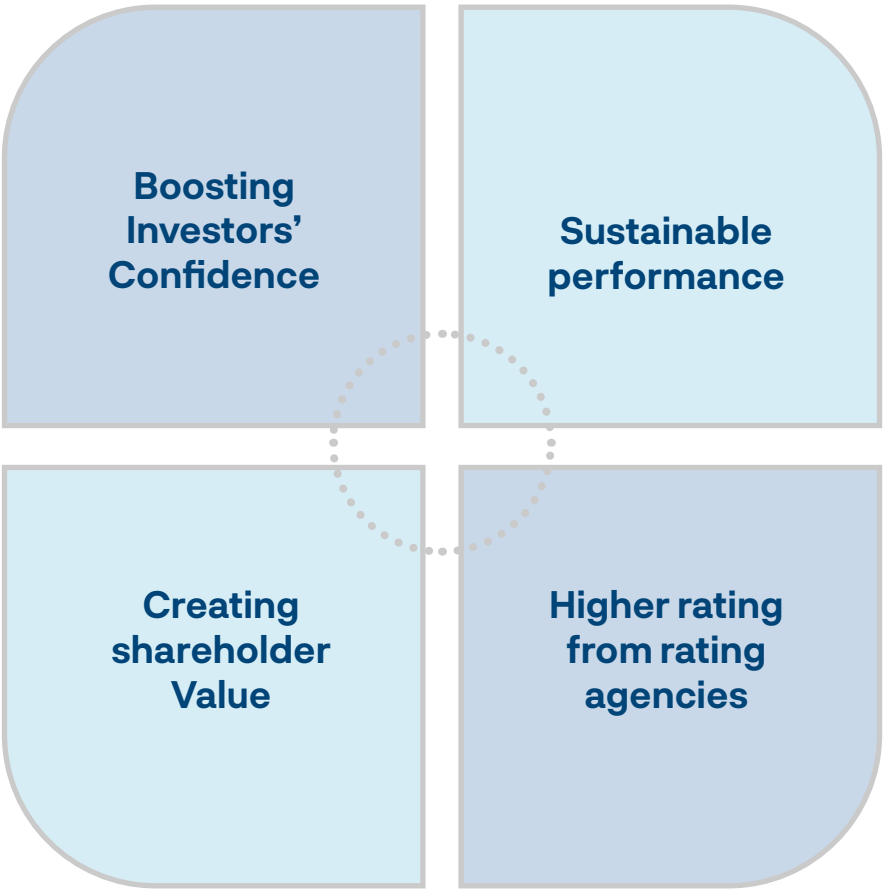
Cette instance est habilitée à l'approbation des principales résolutions qui sont proposées par le conseil  
This body is empowered to approve the main resolutions proposed by the Board of Directors, in particular, dividend distribution and the appointment of directors, etc.

<sup>1</sup> The Banking law n°2016-48 makes it mandatory to separate the functions of Chairman of the Board of Directors and Managing director.

THE BENEFITS OF GOOD GOVERNANCE SYSTEM BEYOND THE REGULATORY ASPECT

BIAT has a governance system that complies with regulatory standards and international best practice, with the aim of being a key success factor for the Bank’s sound and secure growth.

In addition to the regulatory aspect governed by the provision of CBT circular 2021-05 defining a governance framework for banks and financial institutions, BIAT has set up a governance framework for :



PRESENTATION OF BANK’S GOVERNANCE BODIES:



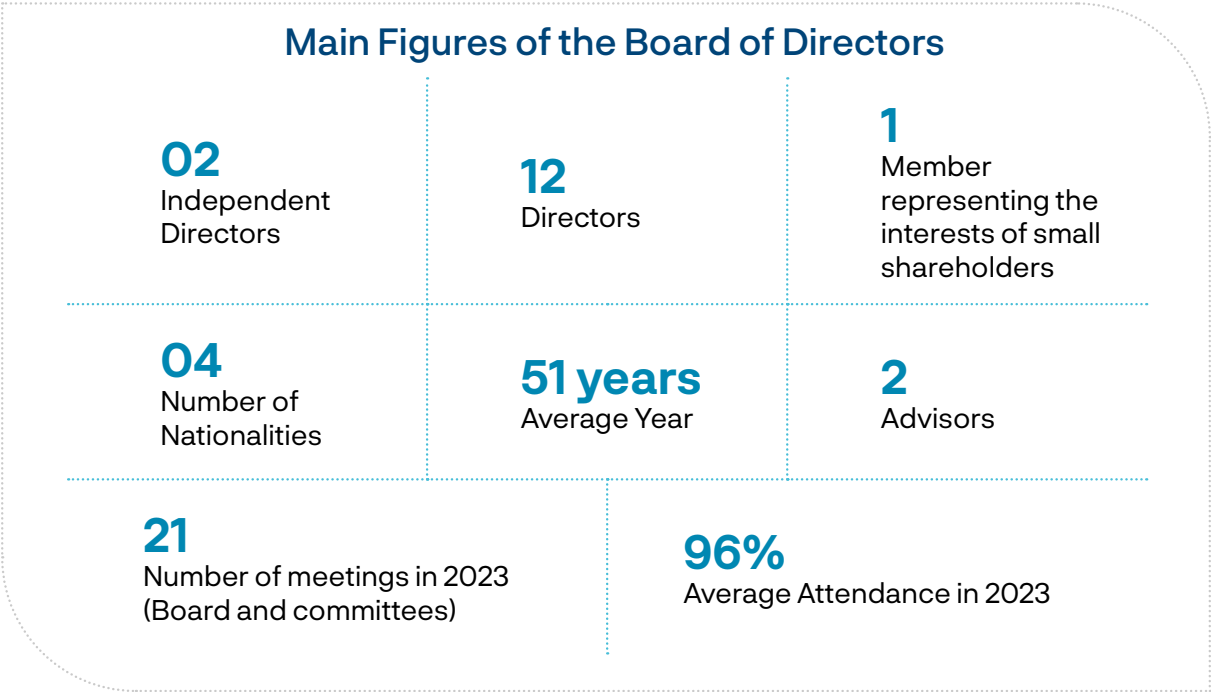
Chairman of the Board of Directors  
Mr.Ismail MABROUK

Board Committees				
	The Audit committee Mrs.F.EL FIHRI	The Risk Committee Mr. M. Beaujean	The Nomination and Remuneration Committee Mr. I.MABROUK	The Executive Credit Committee Mr. Managing Director

Management Committees	
	MANAGEMENT COMMITTEE
	EXECUTIVE COMMITTEE (EXCOM)
GENERAL MANAGEMENT M.Moez Hadj SLIMEN	



5.1.1 Board of Directors: A collegial body with collective competences



As at December 31st, 2023, the Board of Directors consists of 12 members and 2 advisors appointed by the Ordinary General Assembly for their experience, skills and diversity.

The Board of Directors includes two independent members and a representative of interest of small

shareholders. The majority of directors are members of one or more Board committees.

The Board comprises 2 women and 10 men, i.e. 20% female representation.

The term of office of the directors is set at 3 years, according to the Bank’s Articles of Association.

## 5.1.2 Composition of the Board of Directors:

The new composition of the board is as follows:

Directors	Nationality	Current term of office	Numbers of years on board	Member of committee of board	Member of committee of board
Ismail Mabrouk	Tunisian	2023-2025	18	Chairman of the Board	Chairman
Karim Milad	Tunisian	2023-2025	12	Risk Committee <sup>2</sup>	Member
Hichem Driss	Tunisian	2023-2025	12	Risk Committee	Member
Mohamed Afif Chelbi	Tunisian	2023-2025	10	Risk Committee	Member
Mehdi Sethom	Tunisian	2023-2025	10	Audit Committee Member of Executive credit committee <sup>3</sup>	Member
Elyes Ben Rayana	Tunisian	2022-2024	5	Member / Member of Executive credit committee	Member
Fadhel Abdelkefi	Tunisian	2023-2025	4	-	Member
Fatima Zohra El Fihri	Moroccan	2021-2023	3	Chairman of the Audit Committee	Independent Member
Marc Beaujean	Luxembourg	2021-2023	3	Chairman of Risk Committee	Independent Member
Adel Belfekih	Tunisian	2023-2025	1	Member of the Risk Committee	Member
Mohamed AGREBI	Tunisian	2023-2025	1	Member of the Audit Committee/ Executive credit committee	Member
Cyrine SANCHOU	Tunisian	2023-2025	1	Member of the Audit Committee	Member representing the interests of small shareholders
Jean Messinessi	French	2023-2025	15	Audit Committee	Advisor
Taher Sioud	Tunisian	2023-2025	17	Audit Committee	Advisor

<sup>2</sup> Risk Committee

<sup>3</sup> Executive Credit Committee

Summary of Expiry of term of office of the members of the Board of directors

Directors	The Ordinary General Assembly of the fi-nancial year 2023	The Ordinary General Assembly of the finan-cial year 2024	The Ordinary General Assembly of the finan-cial year 2025
Ismail Mabrouk			X
Karim Miled			X
Hichem Driss			X
Mohamed Afif Chelbi			X
Mehdi Sethom			X
Elyes Ben Rayana		X	
Fadhel Abdelkefi			X
Fatima Zohra El Fihri	X		
Marc Beaujean	X		
Adel Belfekih			X
Mohamed AGREBI			X
Cyrine SANCHOU			X
Jean Messinessi - Advisor			X
Taher Sioud - Advisor			X

## AN EXPERT, DIVERSIFIED AND COMMITTED BOARD OF DIRECTORS:

The Board of Directors' main responsibility is to define strategic orientations and provide oversight. To this end, the Board of Directors of Banque Internationale Arabe de Tunis brings together the best skills and complies with all governance regulations.

### MEMBERS OF DIRECTORS COMPETENCE

The members of the Board of Directors have the appropriate knowledge, skills and experience to carry out their duties properly. The overall composition

of the Board of Directors reflects a sufficiently wide range of experience.

Expertise in banking and finance, risk management, technological and digital transformation, banking/ legal regulation and telecommunications / fintech disciplines are represented on the Bank's Board of Directors.

The Board of Directors ensures that directors are competent, active and involved in the management of the Bank through its selection process and induction program.

The following list of Directors' areas of expertise reflects the diversity of their skills and covers all the bank's activities.

AREA OF EXPERTISE	12 DIRECTORS AND 2 ADVISORS
Banking and Financial Engineering	7
Risk	11
Accounting	2
Technological and digital transformation	1
Telecommunications and Fintech	2
Political Sciences	1
Banking , Legal Regulation and law	1
Business Management	1
Hospitality and Tourism	3

### DIRECTORS' ATTENDANCE

The members of the Board of Directors devote the necessary time and effort to carrying out their duties and responsibilities, in accordance with the internal

regulations. They participate actively in Board meetings.

The attendance rate of directors at Board meetings held in 2023 is very high. The average attendance rate per meeting was 96% as follows:

Directors	Audit Committee		Risk Committee		Executive Credit Committee	
	Number of Meetings	Attendance Rate	Number of Meetings	Attendance Rate	Number of Meetings	Attendance Rate
Karim Miled			4	100%		
Hichem Driss			4	100%		
Jean Messinessi	5	100%				
Mohamed Afif Chelbi			4	100%		
Mehdi Sethom	5	100%			7	100%
Taher Sioud	5	100%				
Elyes Ben Rayana					7	100%
Fatima Zohra El Fihri	5	80%				
Marc Beaujean			4	100%		
Adel Belfekih			4	50%		
Mohamed AGREBI	5	80%			7	100%
Cyrine SANCHOU	5	100%				

### o A STRONG COMMITMENT TO WOMEN'S REPRESENTATION:

Gender diversity is a good governance practice that was applied early on by BIAT even before it became a regulatory requirement under the latest BCT circular 2021-05 of 19 August 2021 on the governance framework of banks.

Indeed, Mrs. Fatima EL Fihri was the first woman to join the board in April 2021, she is also the chairman of the Audit Committee.

In April 2023, Mrs. Cyrine SANCHOU was appointed as director representing the interests of small shareholders at the Board of directors.

For future appointments, the Board of Directors will seek to increase the representation of women on governance bodies.

### o A GOOD BALANCE BETWEEN AGE AND LENGTH OF SERVICE OF MEMBERS OF THE BOARD:

As of December 31, 2023, the average age of directors is 51.

- o One director is under 40.
- o Two directors are between 40 and 50 years old.
- o Seven directors are between 50 and 65 years old.
- o Two directors are aged between 66 and 80.

All age brackets are represented on the Board of Directors.

This balanced distribution makes it possible to combine both experience and innovation. The objective is to maintain a balance between the different age brackets within the Board of Directors.

### o DIVERSITY OF PROFESSIONAL EXPERIENCE OF DIRECTORS

The composition of the bank's Board of Directors shows a perfect complementarity in terms of expertise, in connection with all the bank's activities.

Most of the members of the Board of Directors have international experience: they either held a position abroad during their professional careers, or held directors' positions in international companies.

### o DIRECTORS BOUND BY ETHICAL RULES

Ethical and professional conduct governs the behavior of all Board members.

All the directors of BIAT shall abide by the ethical rules provided for by the code of governance, particularly with regard to the management of conflicts of interest.

### 5.1.3 Introduction of the members of the Board of directors

A biography of each of the Directors and Advisors is provided below.



#### **ISMAÏL MABROUK**

**Chairman of the Board of directors of BIAT**

#### **Biography**

Mr. Ismaïl Mabrouk is a graduate of l'Ecole Supérieure des Travaux Publics (Cachan - France).

Shareholder of Mabrouk Group which operates in various sectors of the Tunisian economy such as food processing, mass distribution and finance and manages several Group companies such as Saïda Group and Géant hypermarket.

#### **List of current mandates**

**Chairman of the Board:** SOTUBI, SOTUCHOC, IAT and SAIDA GROUP HOLDING.

**Director:** EXIS, TUNISAVIA, MEDDIS, IDM, TGR, THP and COPIT

**Chief Executive Officer:** of CFH, MAGHREBFINANCE and MAGHREBFINANCIERE



#### **KARIM MILAD**

**Director**

**Member of the Risk Committee**

#### **Biography**

Karim MILAD holds a degree in Hotel Management.

He developed his career in the hospitality and tourism industry.

Since the 90th, he has served as an executive of several hotel chains.

In 2012, following in his late father's footsteps Mr. Aziz Milad, he took over the family business in transportation and tourism. He is currently the CEO of several companies including TTS, hotel chains and Nouvelair airline.

#### **List of current mandates**

**Chairman of the Board:** Safe Flight Academy, et Aviation Training Center Of Tunisia.

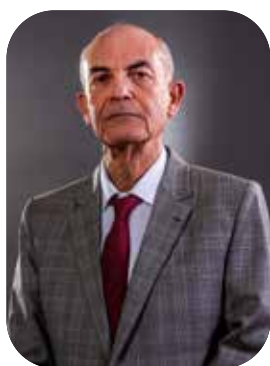
**Deputy Chief Executive Officer:** La Société Immobilière et Touristique Marina Gammarth.

**Manager:** TTS Financière, TTS Internationale, TTS Booking, Tunisian Investment Karim, Société Piscines, Service Travel Tours and Société Financière Karim.

**Director:** Assurances BIAT, CIL, BIAT Capital Risque, Cofib Capital Finances, Gammarth International Clinic, S.E.P.T.H, Générale Equip. Hospitalier et Scientifique, INFOLOG, SABENA Technics, Aviation Training Center Of Tunisia, Tunisie Catering, CIAT, SOPRAT, Société Golf de Tunisie, Société A&B, Alpha Hyundai Motors, Hyundai Gros Tunisie, Hyundai Services Tunisie, Société Passion Immobilière.

**CEO:** TTS, Nouvelair, Tunisavia, SOCETOUR, Société Rym, SOHBATO, Djerba Beach Hotel, Touristique et Hôtelière de Mahdia, Sahara Douz, Nouvelair Handling, Karthago Airlines, Karthago Investment Participation KSM Financière et Catering Tunisie.

**President** of the Association AL KARAMA.



### **HICHEM DRISS**

**Director**

**Member of the Risk Committee**

#### **Biography**

Hichem DRISS is a pharmacist and a graduate in business administration and international trade, he also holds an MBA from New York University Stern.

He presides over the Driss Group, which operates mainly in the hotel, industry and finance sectors.

Mr Hichem DRISS is the CEO of the MARHABA hotel group and president of the Regional Federation of the hotel industry of Sousse-Kairouan.

#### **List of current mandates**

**Chief Executive Officer:** in 5 hotel companies.

**Director:** in 4 other hotel companies and 4 industrial and service companies.



### **JEAN MESSINESI**

**Advisor**

**Member of the Audit Committee**

#### **Biography**

Jean MESSINESI holds a law degree from the institute of political studies of Paris.

He started his professional career as an economist at the International Monetary Fund and then at the International Chamber of Commerce in Paris.

He later joined the banking world where he held management positions in several companies, including HSBC, serving as senior advisor for the Mena zone.

#### **List of current mandates :**

**Chairman** of Antiope Consulting SAS (simplified joint-stock company)

**Honorary Chairman** of the Paris Commercial Court.

**Member of the board of the non-profit association** "Centre Européen de Musique", CEM.





### **MOHAMED AFIF CHELBI**

**Director**

**Member of the Risk Committee**

#### **Biography**

Mohamed Afif CHELBI holds an engineering degree from L'école centrale des arts et manufactures de Paris.

Throughout his career, he held management positions in several companies and organizations (IMBank, Cettex and Agency for the Promotion of Industry).

He was appointed Minister of industry and technology from 2004 to 2011.

He later served as advisor to the prime minister within the transitional government where he participated in the drafting of the economic and social development strategy of Tunisia 2012-2016.



### **MEHDI SETHOM**

**Director**

**Member of the Audit Committee**

**Member of the Credit Executive Committee**

#### **Biography**

Mehdi SETHOM holds a degree from l'Ecole Polytechnique and l'Ecole des Mines de Paris.

He developed his career in the finance and banking industry.

Prior to founding the financial consulting firm, Mediterranean Corporate Finance for Africa and middle East Region, He held management positions within BNP Paribas Group and Investment bank Swicorp,

#### **List of current mandates**

**Manager** of MCF TUNISIE LLC, MCF LLC, SME Partners LLC and INMA LLC and INMA Conseil LLC.

**Director:** SPG (Software Productivity Group), TUNISTORIC, INMA Finance and INMA Holding.

**Member of the strategic council of TIA** (Tunisian Investment Authority) and INMA Finance.



### **TAHAR SIOUD**

**Advisor**

**Member of the Audit Committee**

#### **Biography**

Tahar SIOUD holds a bachelor's degree in law and political sciences. He had a long diplomatic career in Tunisia taking up his duties as Ambassador in several countries.

Former Deputy Governor of the Central Bank of Tunisia.

Tahar Sioud, also held responsibilities in various ministries. In particular, he was Secretary of State to the Minister of Foreign Affairs and then Minister of Trade from 2001 to 2002.

#### **List of current mandates**

**President** of the association of former ambassadors and consuls general.



### **ELYES BEN RAYANA**

**Director**

**Member of the Credit Executive Committee**

#### **Biography**

Elyes Ben Rayana graduated from l'Ecole Nationale Supérieure des Télécommunications de Paris,

He developed his career in the fields of banking, strategy and digital economy at the international and national level and held management positions notably at Schlumberger and the McKinsey strategy firm in Paris.

Prior to his appointment as director in 2019, He managed the funding and Investment Banking businesses of BIAT.

#### **List of current mandates**

**Manager of Companies:** eStrat – LLC and Value Digital Services - LLC

**Director :** BIAT Capital Risques, CFH and Prospéra Capital



**FADHEL ABDELKEFI**

**Director**

**Biography**

A graduate from the faculty of Paris Panthéon-Sorbonne, Mr Fadhel Abdelkefi spent most of his career in the fields of finance and banking. He held the position of Managing director of Tunisie Valeurs from 2005 to 2016, then Chairman of the Board of Directors of the Tunis Stock Exchange from 2011 to 2014 and member of the Board of Directors of the Banque de Tunisie from 2018 to mid 2020.

He has grown in experience as the Minister of Development, Investment and International Cooperation and Acting Minister of finance from 2016 till 2017.

**List of current Mandates**

**Chairman of The board of directors:** TUNISIE VALEURS

**Chairman :** Tunisie Valeurs Asset Management



**FATIMA-ZOHRA EL FIHRI**

**Independent director**

**Chairman of the Audit Committee**

**Biography**

Fatima –Zohra EL FIHRI holds a Master's and postgraduate degrees in Asset Management from the University of Paris Dauphine. She has 13 years of experience in market finance, consulting and asset management.

She spent 10 years within the BMCE Capital Group, investment bank of the BMCE Bank Group, where she was in charge of the restructuring and development of the activities of its Tunisian subsidiary.

**Senior Advisor.**



**MARC BEAUJEAN**  
**Independent Director**  
**Chairman of the Risk Committee**

**Biography**

Marc BAUJEAN holds a bachelor's degree in Business Administration from the University of Liege and a Master's degree in Business Administration from Columbia University (New York).

He is an ILA-INSEAD Certified Director.

A Senior Partner at McKinsey & Co in Paris, Luxembourg and Brussels for 20 years

Marc Beaujean also held the position of COO of the Belgian insurance group P&V-Vivium.

He founded Beaujean & Partners, a consulting firm in the financial sector specialized in transformation missions.

**List of current Mandates**

**Director:** Bank of Africa at Casablanca.

**Main positions held over the recent five years:**

**Director and member of the Management Committee :** P & V Group

**Member of the Board of Directors :** SIFI «systematically important financial institution »

**Member of Exco**

**Firm Director / Senior Partner :** specializing in financial institutions, at McKinsey & Co



**MOHAMED ADEL BELFEKIH**  
**DIRECTOR**  
**Member of the Risk Committee**

**Biography**

Mohamed Adel BELFEKIH holds a degree in accounting and financial studies from the Conservatory of Arts and Crafts of Paris.

He held several positions at BIAT, mainly, Director of the international development.

In 2015, Mr Adel BELFEKIH launched BIAT's payment agent subsidiary "BIAT France" in Paris.

In 2019, he was appointed manager for the retail banking.

**List of current Mandates**

**Chairman :** BIAT FRANCE

**Member of the Board of Directors:** ASSURANCES BIAT

**Member of the Permanent Committee of Internal Auditing :** ASSURANCES BIAT



### **Mohamed AGREBI**

**Director**

**Member of the Audit Committee**

**Member of the Credit Executive Committee**

### **Biography**

Mohamed Agrebi has spent his entire career with BIAT, where he has held various positions within the network and central services, notably in the Finance and Accounting department. In 2014, he was appointed CEO of BIAT, which he managed for 3 terms.

A true expert in the banking sector, he has several achievements to his credit, including his election as Chairman of the Board of Directors of the Conseil Bancaire et Financier in 2020.

In 2023, he joined the BIAT Board as a director.

### **List of current Mandates**

**Chairman of the Board :** ASSURANCES BIAT, CIAR and BIAT Consulting

**Director:** TTG, BCR, SICAF BIAT, SPT Hammamet, STI, STSP Nafta, HLC, SOPIAT



### **Cyrine SANCHOU**

**Director, representing the interests of small shareholders**

**Member of the Audit Committee**

### **Biography**

Cyrine Sanchou, a graduate from of Ecole Centrale de Paris, Ecole Nationale Nationale Supérieure des Télécommunications and the HEC Group, leading to a rich and diversified international professional career.

She has worked in finance, telecoms and fintech, as well as in real estate and crafts.

Thanks to her experience at BNP Paribas , She also acquired in-depth knowledge of the banking sector

In 2023, she joined BIAT's Board of Directors as a director representing minority shareholders.

### **List of current Mandates**

**Manager** TND Consulting, The Red Bee and The Red Bee Design

### 5.1.4 Main activities of the Board of Directors

#### ○ Duties of chairman of the board:

The Chairman of the Board ensures that the Board discharge its responsibilities in an effective and independent manner.

The Chairman coordinates and directs the work of the Board of Directors. He or she leads the discussions at its meetings and ensures that divergent opinions can be freely expressed and discussed in order to establish a transparent and effective decision-making process.

The Chair also ensures that the supporting committees fulfill their responsibilities and report to the Board on the results of their work, in accordance with CBT Circular 2021-05 defining a governance framework for banks and financial institutions.

In 2023, the Board of Directors held 5 meetings, with an average duration of each meeting of three hours. The average attendance rate of directors was 96%.

- One session on January 25th , 2023 (91% attendance rate)
- One session on March 15th , 2023 (100% attendance rate)
- One session on April 28th , 2023 (83% attendance rate)
- One session on June 21 st , 2023 (100% attendance rate)
- One session on September 20th , 2023 (100% attendance rate)

#### ○ Duties of the Board Secretary:

In accordance with CBT Circular 2021-05, the Board of Directors has a permanent secretary, who is responsible for:

- Preparing and sending the agenda to the directors, as well as the documents and information they need to carry out their duties in sufficient time.
- Drafting minutes and following up decisions and recommendations.

### o Main activities of the Board of Directors in 2023:

The Board of Directors sets the strategy and orientations of the Bank's activities, with the aim of long-term value creation.

In 2023, it examined the following key issues:



The Board of Directors met five (5) times in 2023.

### Financial Statements and reports

- As it does every year, having seen the statutory auditors' report, the board of directors approved the individual and consolidated financial statements of the previous year ended on December 31<sup>st</sup>, 2022 as well as the interim financial statements ended on June 30<sup>th</sup>, 2023
- The members of the Board of Directors have approved the draft resolutions to be submitted to the Annual General Assembly, which was held on April 28, 2023.

### Risk management and monitoring/ Implementation of regulatory projects

The Board regularly reviewed the bank's risk situation based on the work of the Risk Committee.

- The Board was informed of the main achievements and objectives for 2023-2024 regarding the business continuity plan and the information systems security plan.
- The Board was notified of the overhaul initiated by the central bank of Tunisia of the current capital requirements for credit risk, as part of the project to converge towards international standards (Basel III and IFRS).
- The Board monitored changes in regulatory ratios in particular concentration ratios with related parties.
- The Board reviewed and approved the report on compliance with the provisions of Article 7 of CBT Circular No. 2017-06 of 31 July 2017 relating to the breakdown of commitments by risk class and compliance with prudential standards.

## Budget Management

The Board reviewed the budget allocated for the financial year 2023.

## Management of regulatory projects

The Board was informed of regulatory developments and their consequences for the bank and its activities. In particular, it discussed the main provisions of the 2023 Finance Act, mainly those relating the bank and its subsidiaries.

- The Board noted the new regulatory requirements in terms of claims handling, following the publication of CBT Circular no. 2022-08 on policies and measures for handling customer complaints.

## Human Capital Management

As regards human resources, and given the importance of human capital for the bank's development and growth, the Board reviewed BIAT's social balance sheet for 2022.

## Social and Environmental Responsibility

- The Board was informed of the BIAT Foundation's new vision, based on two key areas: Heritage and the Environment.

All the projects were presented, a debate was held and exchanges took place on the SER strategy to be adopted.

## Communication Policy

- The Board took note of the multi-channel communication plan that has been implemented to highlight the labels of excellence received by BIAT in 2022.

In terms of awards, BIAT has received:

- The Best Custodian Bank in Tunisia
- The Best Banking Governance in Tunisia
- The Best Customer Service of the Year 2022 in Tunisia
- The Best Digitalization Strategy in North Africa

## Governance

- The Board authorized the new appointments, namely the Head of the General Control Department, the Head of the Internal Audit Department and the Head of the Compliance and Anti-Money Laundering Department, in accordance with Article 53 of Banking Act 2016-48 of 11 July 2016 relating to Banks and Financial Institutions.

- Similarly, the Board approved suggestions to change the governance of some of the bank's subsidiaries.

## Other regulatory matters

- The Board of directors also authorized the regulated agreements and real estate assignments of 2023 as well as the proposed acquisitions and assignment of equity interests.



## — 5.2 Specialized Committees of the Board of Directors:

### Committees supporting the Board of Directors

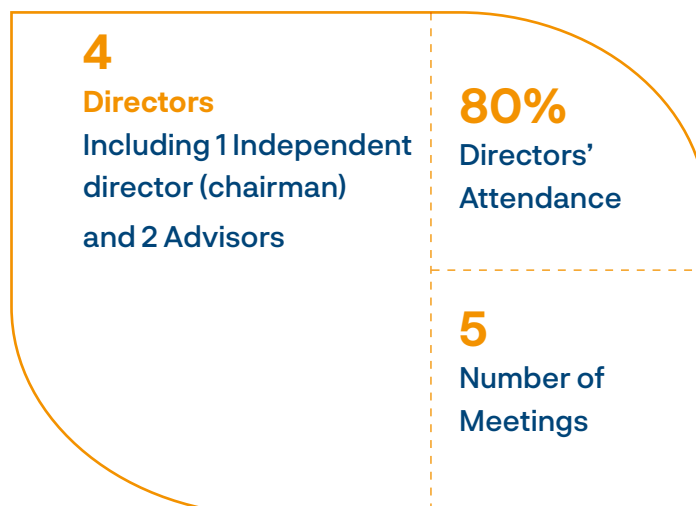
The Board of Directors is assisted by Committees, each of which comprises at least four directors.



- **Audit Committee:** The committee assists the Board of Directors in financial reporting, internal control and internal audit.
- **Risk Committee:** The risk committee is responsible for assisting the Board of Directors in fulfilling its responsibilities for overseeing the Bank's risk management system.
- **Executive Credit Committee:** reviews the bank's financing activities.

### 5.2.1 Main work of committees:

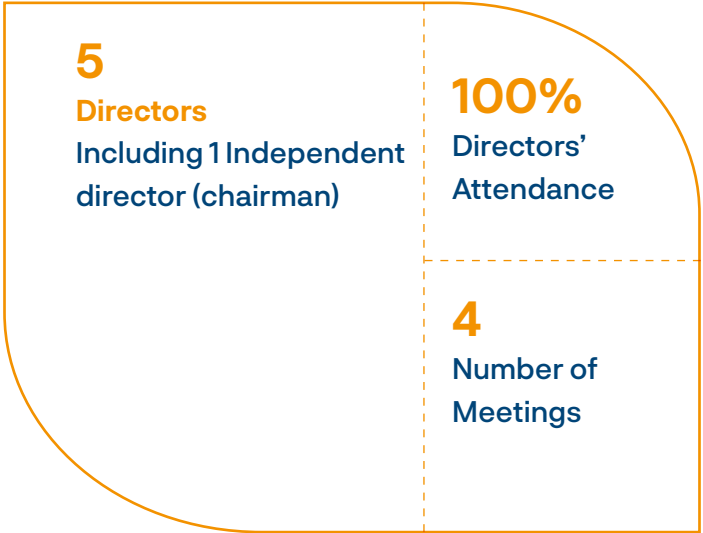
## The Audit Committee



The Audit Committee examined, in the presence of the Statutory Auditors, the individual and consolidated financial statements as at 31 December 2022, as well as the interim financial statements as at June 30th, 2023, before they were submitted to the Board.

- The Committee also examined the presentation of the balance sheet and the main changes in the income statement headings compared to the comparative situation of 30 June 2022.
- The Audit Committee was informed of the new regulatory provisions of CBT Circular no. 2022-08 of 20 October 2022, relating to policies and measures for handling customer complaints, which fall within the general framework of the “Policy for the Protection of Banking Services Users and their Personal Data” adopted by the Bank.
- As part of its regulatory and compliance watch, the Committee was informed of the the main directions of the decree-law project aimed at establishing a legislative framework for managing the inactive credit accounts.
- The Committee also validated the “Terms of reference for the audit of the internal control system for money laundering risk management”, in accordance with the provisions of article 50 of the CBT Circular no. 2017-08 on money laundering and terrorism financing risk management system.
- In the presence of the Statutory Auditors, the Audit Committee reviewed a summary of the Management Letter of the year 2022 for the improvement of the current internal control system. To this end, the Committee monitored the implementation of corrective actions on priorities deemed critical and/or high.

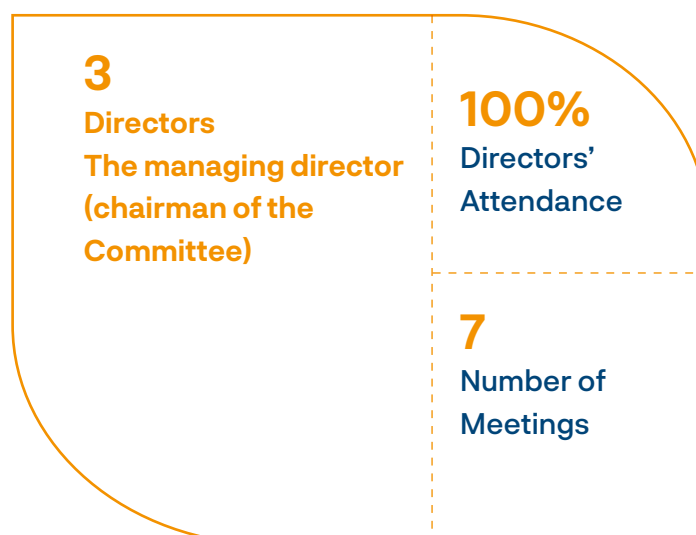
## The Risk committee



The Risk Committee carried out its work on the following areas:

- ✓ The economic and monetary situation in Tunisia and its impact on the bank's risk profile.
- ✓ Update on the bank's portfolio exposure to climatic risks.
- ✓ Monitoring of the operational risk management system.
- ✓ Progress on the Business Continuity Plan and the Bank's security plan.
- ✓ Presentation of the main objectives of the cybersecurity strategy.
  - The Committee was informed of the main features and the impact of the project to overhaul of the current system of weighted assets for credit risk in accordance with Basel III.
  - The Risk Committee examined the main risk aggregation, in particular, credit risk, market risk, operational risk, interest rate and liquidity risk.
  - The Committee members validated the report on compliance with the provisions of Article 7 of CBT Circular No. 2017-06 of 31 July 2017 relating to the breakdown of commitments by risk class and compliance with prudential standards on a quarterly basis.

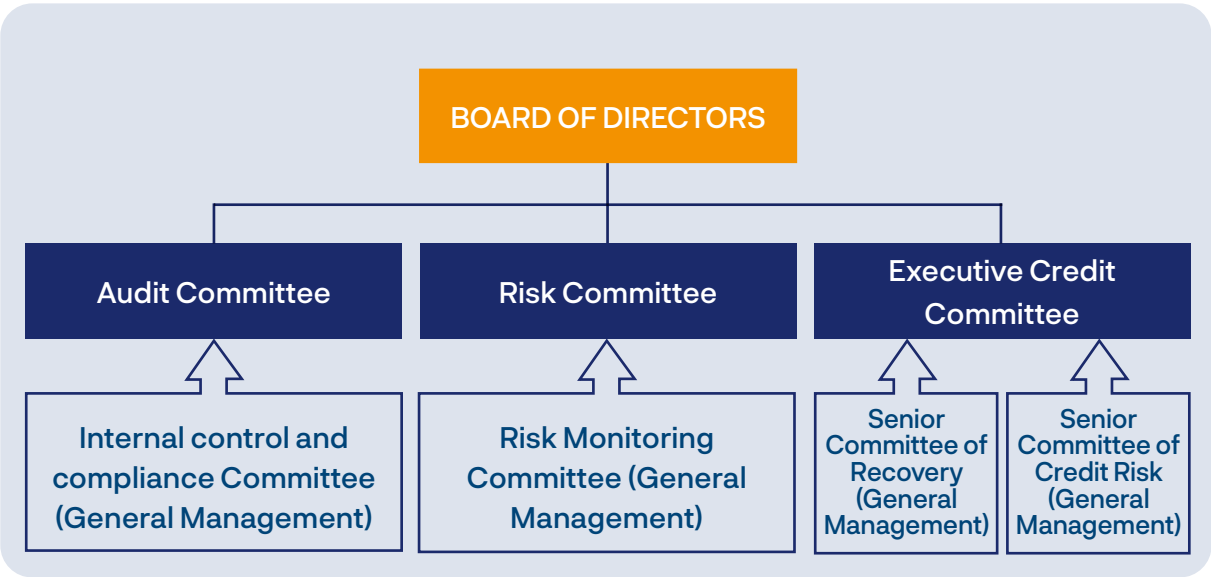
## The Executive Credit Committee



The Executive Credit Committee reviews the Bank's financing activities through:

- Review of credit files for exposures over TND 15 million or for restructurings over TND 1 million
- Review of credit exposures over TND 15 million
- Reporting on waivers
- Review of commitments of the related parties
- Reporting of loans granted to customers classified with the bank or with other credit institutions within the meaning of CBT circular n°91-24 of 31 December 2015
- Review of credit risk situation
- Reporting on released consolidation/rescheduling loans

5.2.2 Reporting to the Board of Directors and its Committees:



# 5.3 General Management

## 5.3.1 Managing director

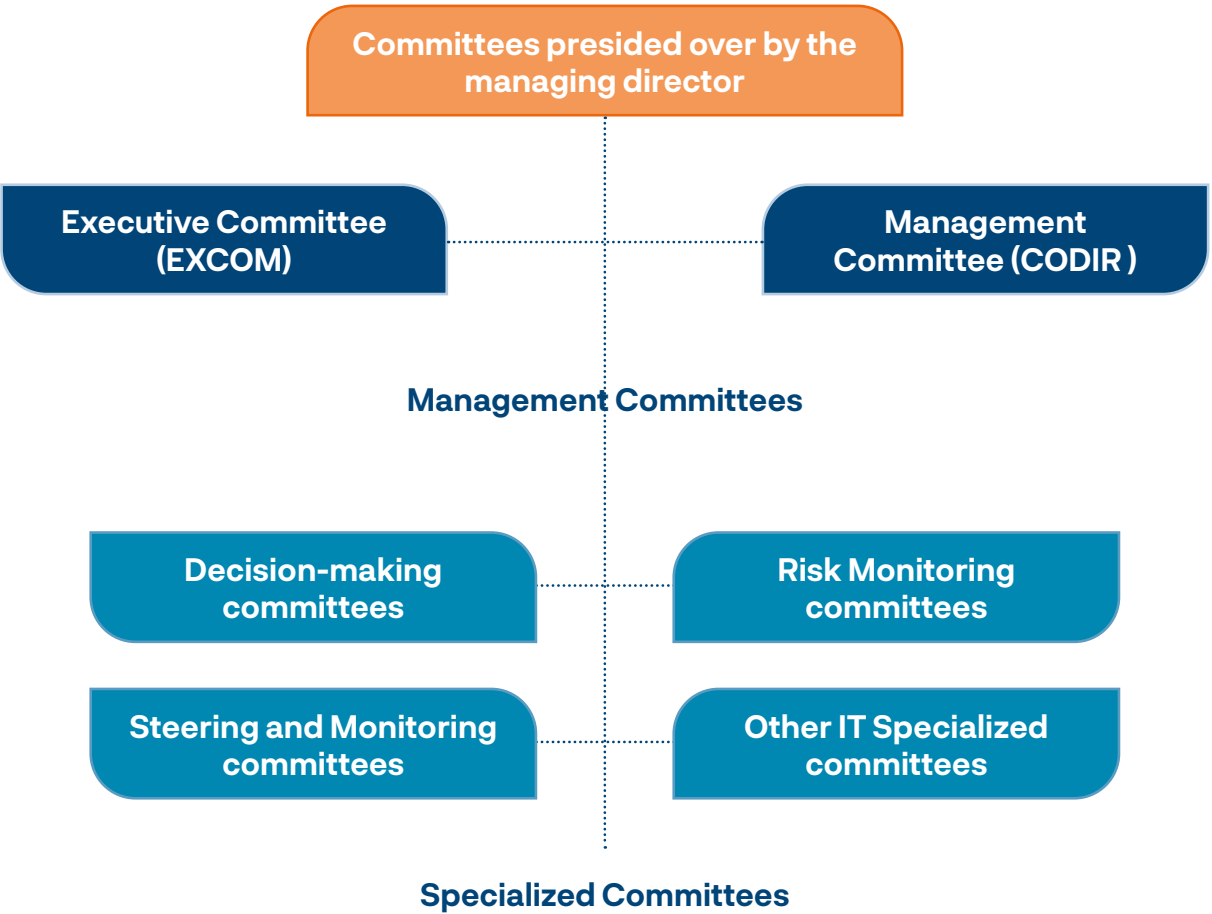
The Board of Directors held on April 28<sup>th</sup> 2023, approved the appointment of Mr Moez Hadj SLIMEN as the Managing director for three year period comes to an end at the Ordinary General Assembly called to approve the accounts for the financial year 2025.

The Managing Director is responsible for the bank’s general management. He is vested with the broadest powers to act in all circumstances on behalf of BIAT, and to represent the bank in its relations with third parties.

The Managing director is responsible for managing the Bank’s activities, implementing the strategic orientations defined by the Board of Directors as well as day-to-day management of the Bank through specialized committees promoting collegial decision-making.

On December 14, 2021, the Board of Directors appointed Mr Hassen LONGO as Deputy Managing Director for a three-year period..

### List of the Committees presided over by the Managing Director



### 5.3.2 General Management Committees:

The Managing Director presides over several committees:

- **Management Committees**, followed by IT Development Committees.
- **The IT Development Committees**, which, under his authority, define the strategic orientations for digital transformation, the development of DATA solutions, and the optimization and implementation of information systems.
- **Management committees**: composed of the Managing Director and the heads of the Departments and business lines. These are forums for exchange and sharing of information, entrusted with day-to-day business activities covering all areas of the Bank's business.
- **Specialized committees**: These committees are responsible for various operational aspects of the Bank's business for better decision making, fine-tuned management and close monitoring of risk.

## — 5.4 Statutory Auditors

The Ordinary General Assembly of 22 April 2022 appointed the firm PWC Tunisie and the firm CMC as statutory auditors for a three-year period, (2022-2024) expiring at the Ordinary General Assembly called to approve the company accounts for the financial year 2024.

## 5.5 Structure of the Shareholding and Voting Rights as at December 31<sup>st</sup>, 2023

Shareholders	Number of shares	Percentage %
A/ foreign shareholders	102 288	0,29%
B/ Tunisian shareholders	35 243 754	98,72%
Tunisian State	2 301	0,01%
Legal Entities	27 253 949	76,34%
MAGHREB FINANCE HOLDING	7 309 633	20,48%
MAGHREB FINANCIERE HOLDING	5 388 875	15,09%
MENINX HOLDING	2 872 762	8,05%
HORCHANI FINANCE	2 235 911	6,26%
T.T.S FINANCIERE	1 651 601	4,63%
IFICO	1 134 751	3,18%
TUNISIAN TRAVEL SERVICE	1 074 474	3,01%
CAPINVEST .	715 485	2,00%
ASSURANCES GAT	710 851	1,99%
SOCIETE DJERBA BEACH HOTEL	382 500	1,07%
FUNDS	343 099	0,96%
Natural Persons	7 989 805	22,38%
MILAD KARIM	1 008 813	2,83%
FAKHFAKH HEND	603 668	1,69%
KAMOUN HABIB	526 030	1,47%
FAKHFAKH KHALED	522 197	1,46%
MILAD DORRA	436 505	1,22%
MILAD MERIEM	384 430	1,08%
OTHERS	4 497 897	12,60%
*remain to be allocated	8 689	0,02%
<b>TOTAL</b>	<b>35 700 000</b>	<b>100,00%</b>

The 35.700.000 shares represent the capital of the bank entail 35.700.000 voting rights.



## 5.6 Obligations and Commitments of the Bank towards Executives

1. The obligations and commitments to executives as referred to in §II-5 of the new Article 200 of the Commercial Companies' Code are as follows:

The Board of Directors held on March 15<sup>th</sup>, 2023, decided to appoint Mr. Moez Hadj SLIMEN as the managing director of the bank, with effect from the date of the ordinary General Assembly held to approve the accounts of 2022. The Board of Directors held on April 28<sup>th</sup>, 2023, endorsed this decision and delegated the necessary powers to the Nomination and Remuneration Committee in order to fix his remuneration. This remuneration amounted a gross amount of 699 KDT for the financial year 2023, including employer's expenses of 149 KDT. The stock of provisions for paid leave of the managing director for the year 2023, recorded a variation of 5 KDT, to reach 10 KDT on December 31<sup>st</sup>, 2023.

He also receives a remuneration of 12 KDT in his capacity as a member of the Executive Credit Committee.

The Managing Director also benefits from a company car with a driver and assumption of relevant costs.

The board of directors held on December 14<sup>th</sup>, 2021, decided to appoint Mr Hassen Longo as the deputy managing director for three year period. The remuneration of the deputy managing director is fixed by the committee of human resources on February 1<sup>st</sup>, 2022. This remunerations amounted a gross amount of 540 KDT for the year 2023, including employer's expenses of 116 KDT. Furthermore, the stock of provisions for paid leave of the deputy managing director for the year 2023, recorded a negative variation of 5 KDT, to reach 7 KDT on December 31<sup>st</sup>, 2023.

He also receives a remuneration of 6 KDT in his capacity as a member of the Board of directors of some subsidiaries.

The members of the Board of Directors are compensated by attendance fees set by the Ordinary General Assembly held on April 28<sup>th</sup>, 2023, which granted powers to the Board of Directors to decide on the distribution of such fees among its members. The attendance fees for the financial year 2023 are fixed at a gross amount of 1120 KDT.

In addition, the directors who serve on the delegation of the Board of Directors, at the Internal Audit Committee, the Executive Credit Committee, the Risk Committee and the Nomination and remuneration Committee benefited from gross remuneration of 224 KDT for the financial year 2023 (4 KDT per committee)..

2. BIAT's obligations and commitments to its executives for the year ended December 31<sup>st</sup>, 2023 are as follows (KDT):

Nature of Benefit	Managing Director		Former managing director		Deputy Managing director		Directors	
	Expense of the year	Liabilities as of 31/12/2023	Expense of the year	Liabilities as of 31/12/2023	Expense of the year	Liabilities as of 31/12/2023	Expense of the year	Liabilities as of 31/12/2023
Short term Benefits (*)	704	455	916	-	535	274	-	-
attendance fees of the board of directors	-	-	-	-	-	-	992	992
attendance fees of the committees	12	4	12	-	-	-	224	12
Termination benefit	84	162	537	-	15	114	-	-
<b>Total</b>	<b>800</b>	<b>621</b>	<b>1465</b>	<b>-</b>	<b>550</b>	<b>388</b>	<b>1216</b>	<b>1004</b>

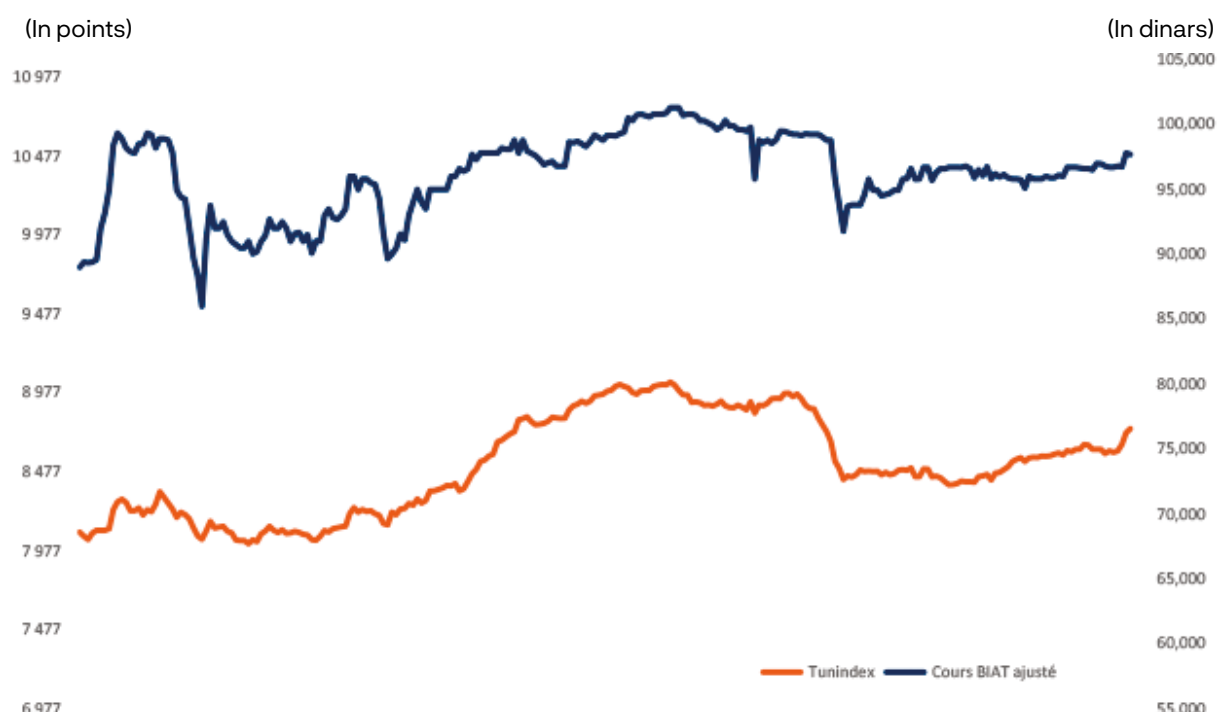
(\*) : Remuneration paid, incentive payments, social expenses, and the paid leave to corporate officers.



# **BIAT'S SHARE IN THE STOCK MARKET**



## 6.1 Trend in BIAT Share Price in 2023



By December the 31st, 2023, The BIAT share price reached 91.900 dinars, thus recording a positive return of +11.02% against a positive return of +12.77 % for the Banks index and +7.90 % for Tunindex.

BIAT performance allowed it be on the top of the market, with a capitalization of TND 3 280, 83 million against (TND 3 141,6 million in 2022).

Given the rate of return provided, BIAT securities transactions are characterized by permanent dynamism. In This respect, the number of BIAT exchanged shares during the whole year 2023 was 1 670 235 (against 1346 035 shares in 2022).

Shareholders	2023	2022
<b>Share Capital</b>		
* In number of shares	35 700 000	35 700 000
* In millions of dinars	178,5	178,5
Highest price/ lowest price (in dinars)	99,990/85,2	89,95/ 57,80
Closing price (in dinars)	91,9	88,0
Consolidated Earnings per share (in dinars)	10,045	8,751
P.E.R ( closing price/ Consolidated Earnings Per Share	9,149	10,056
Dividend per share (in dinars)	6,000	5,800
Market Capitalization (in TND million)	3 280,8	3 141,6

## 6.2 Undertaken Financial Communication Actions

In line with its strategy of communication, BIAT continued in 2023 to communicate with its shareholders through the addressing of four quarterly letters to the shareholder.

A digital shareholder space allows shareholders to be constantly informed of the news of their bank.

Besides, several one-to-one meetings were organized during the same year with analysts, fund managers and rating agencies, etc.



# **INCOME APPROPRIATION**



## 7.1 Statutory Provisions in Terms of income Appropriation

Distributable profit consists of the net profits thus established, increased or reduced from the deferred results from previous years and after the deduction of:

1. Any legal reserve that the Company is required to make under the conditions provided for by the legislation in force;
2. Any amount which the General Assembly, on the proposal of the Board of Directors, decides to allocate to general or special reserve funds, or to carry forward again;
3. A sum not exceeding 10% of the profits to be set by the General Assembly of Shareholders on the proposal of the Board of Directors and to be allocated to a social fund or the Bank's staff friendly association.

## 7.2 Change in Shareholder's Equity and Dividend Paid

(In thousands of dinars)

				Other reserves		Other equity			
	Share capital	Legal Reserves	Ordinary Reserves	Social Funds	Tax exempt reinvestment reserves		Reported Result	Result Of the period	Total
Equity on 31/12/2021 before income appropriation	178 500	17 850	34 860	102 977	770 573	3	471 157	266 840	1 842 760
Reserves Transfer			20 573		-20 573				
AGO appropriation on 22/04/2022			-42 840		180 000			-266 840	-
Dividends							-185 640		-185 640
Equity on 31/12/2021 after income appropriation	178 500	17 850	12 593	102 977	930 000	3	415 197	-	1 657 120
Equity capital on 31/12/2022 before income appropriation	178 500	17 850	12 594	103 431	930 000	3	415 196	299 676	1 957 250
AGO income appropriation on 28/04/2023					190 000		109 676	-299 676	
Dividends							-207 060		-207 060
Reserves Transfer			35 367		-35 367				
Equity on 31/12/2022 after income appropriation	178 500	17 850	47 961	103 431	1 084 633	3	317 812	-	1 750 190
Equity on 31/12/2023 before income appropriation	178 500	17 850	47 961	103 916	1 084 633	3	317 812	331 444	2 082 119
AGO income appropriation on 26/04/2023							331 444	-331 444	
Dividends							-214 200		-214 200
Reserves Transfer			22 210		-22 210				
Equity on 31/12/2023 after income appropriation	178 500	17 850	70 171	103 916	1 062 423	3	435 056	-	1 867 919



# AUDIT





## — 8.1 Activity of the Permanent Internal Auditing Committee of the Control of Accounts

### Excerpt from Activity Report of the Permanent Internal Auditing Committee of the Year 2023

The Committee consists of Mrs. Fatima-Zohra El Fihri as Chairman and Mrs Cyrine SANCHOU, Mr. Mohamed AGREBI and Mr. Mehdi Sethom as directors and Mr. Tahar Sioud and Jean Messinesi as advisors.

The Committee met five times during the financial year 2023.

on the main recommendations made in the Statutory Auditors' management letters as well as the progress made in implementing the recommendations made.

The statutory auditors considered the internal control system implemented within the bank to be satisfactory overall. Nevertheless, they shed light on the improvements that could be made to the processes in order to improve risk management.

#### I/ REVIEW OF THE FINANCIAL STATEMENTS

The Committee reviewed the individual and consolidated financial statements for the financial year 2023, as well as the financial statements ended June 30th, 2023, prior to their submission to the Board, such in the presence of the Statutory Auditors and the Head of the Finance and Accounting Department.

As part of the follow-up on the work of the Statutory Auditors, the Committee also examined a presentation

#### II/ Internal and general control

As part of assessing the bank's internal control system and reviewing the procedures for intervention by the structures in charge of control, The Committee was informed of the findings of the work of the department of general control for 2022.

The Committee also approved the activity planning of this department for the year 2023.



# **SOCIAL REPORT**



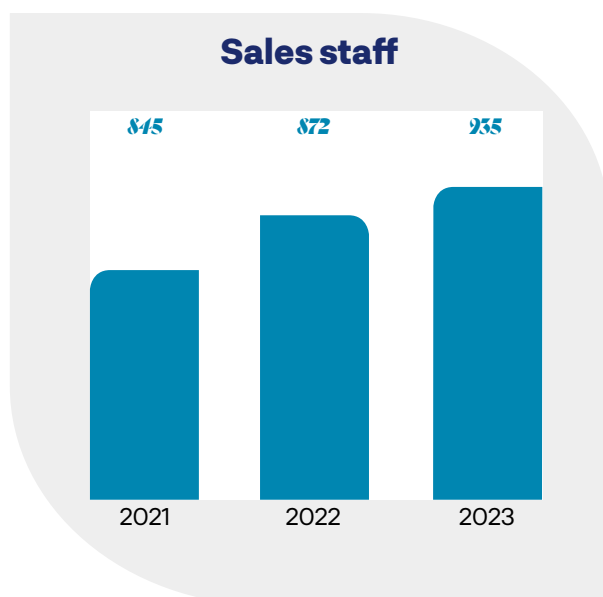
## 9.1 HR Indicators

### 9.1.1 Evolving of Personnel

As at December 31, 2023, BIAT' staff stood at 2 130 employees.

The ratio of productivity (Staff/ Branch) is 10.44 in 2023 against 9.63 in 2022.

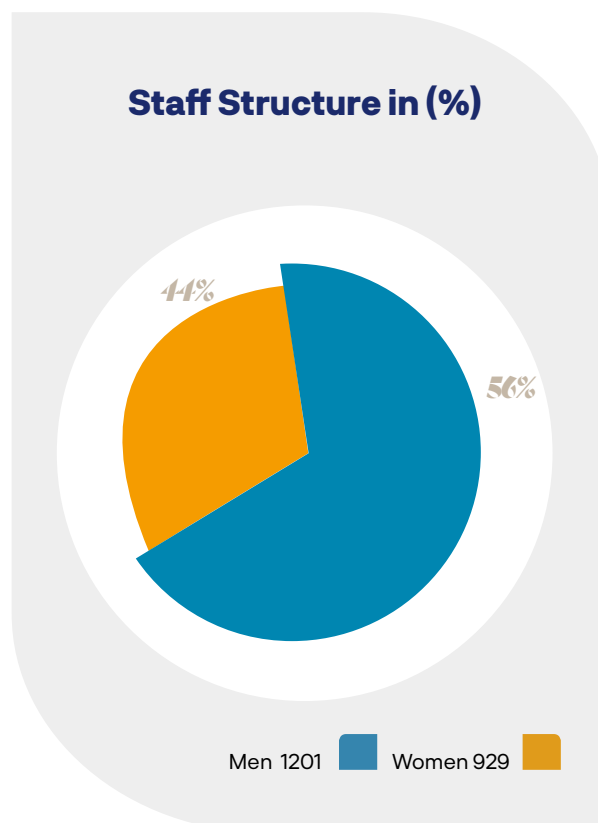
Meanwhile, it should be highlighted that in 2023 the Bank increased the sales staff by 63 persons, a total of 935 (or 44% of Staff). Up from 872 persons in 2022 (or 44% of Staff).



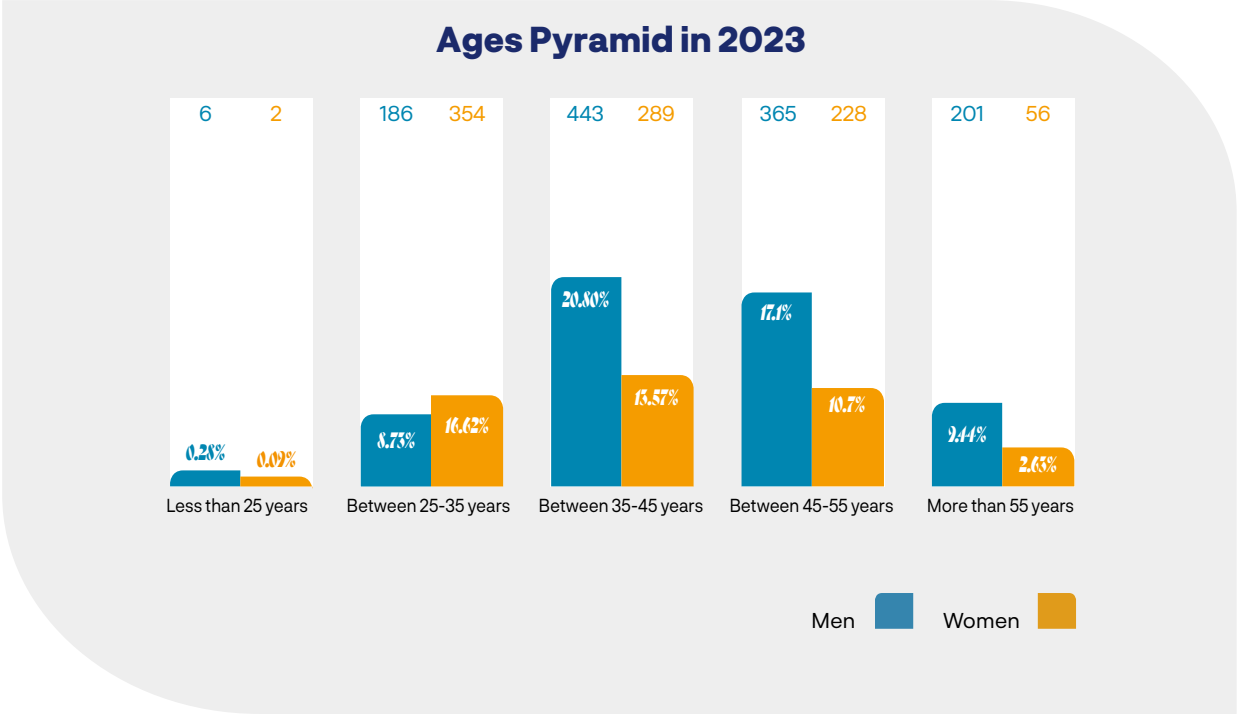
The structure of the Staff between the headquarters and the network, which keeps developing in favor of the network, represents 53.3 % of the total Workforce of the Bank.

### 9.1.2 Breakdown of Staff

In 2023, the breakdown between Men-Women is respectively 56 % and 44%.



- The average age is of 41.9 years, slightly below that of 2022.
- The average seniority is 14.2 years against 16.3 years in 2022.



### 9.1.3 Management of interns Activity

BIAT is committed to a proactive approach to employability of students, welcoming **2023, 1397** students from various disciplines (Computer science, Finance, Management, Economics, Statistics, Commerce, etc.) for introductory or advanced internships (83%) and for graduation projects (17 %).

Furthermore, interns represent, for BIAT, a recruitment pool of the best talents. In this regard, new relations have been established between BIAT and universities to develop and enhance our partnerships with various schools. Among the actions carried out we mention:

	2021			2022			2023		
	Network	Central Services	Total	Network	Central Services	Total	Network	Central Services	Total
Graduation projects	336	294	630	96	184	280	110	130	240
Introductory / advanced internships	595	248	843	875	341	1216	802	355	1157
<b>Total</b>	<b>931</b>	<b>542</b>	<b>1 473</b>	<b>971</b>	<b>525</b>	<b>1 496</b>	<b>912</b>	<b>485</b>	<b>1 397</b>

### 9.1.4 Mobility

Prior to any external recruitment at BIAT, internal mobility is considered. This principle is adopted in order to foster motivation, commitment of employees and enriching their career paths.

## — 9.2 Competencies Development Center

The Competencies Development Center (CDC) supports the bank in the realization of its orientations and the development of its new activities.

The Competencies Development Center (CDC) aims at developing the competencies and the knowledge of the bank's employees with the view of contributing in the enhancement of the quality of services and enabling personnel to evolve their career paths.

The CDC supports the bank's strategic projects by initiating specific courses for business line employees and training end-users (network and central services). The Center demonstrates its determination to improve the skills, productivity and performance of all BIAT staff, and to enable each employee to acquire as much knowledge as possible from his or her very first days at the bank. It is therefore, a key player in the process of welcoming and integrating new recruits, and in career management, while respecting the bank's human capital policy.

The CDC is made up of multidisciplinary team specialized in pedagogic engineering, the administration of training, the evaluation and the capitalization of knowledge. It has 7 classrooms furnished with modern equipment. The CDC relies on a body of internal as well as external organisms.

Aiming to develop competences, the CDC provides training curriculum adapted to the needs of the bank and employees such as:

- **The campus has 10 diploma curriculums and 11 certifying cycle**

1. Diploma trainings: in banking, finance and management fields in partnership with different organizations and university institutions.
2. Certification trainings: dedicated to the accountants, banking analysts, collectors, sales advisors of the bank, managers of credit risk and Compliance officers etc.

- **Skills upgrading courses, Branch and Headquarters Training Plans** dedicated to acting employees to master the current job, upgrade their skills and increase their versatility.
- **The courses for new recruits:** Behavioral, regulatory, business and professional training along with on-site immersions in order to facilitate the integration and the mastery of the job.
- **Cycles of work skills development:** intra-animated training cycles by Tunisian and foreign experts.
- **External Seminars in Tunisia and Abroad**

The capitalization of Knowledge constitutes an important part of the CDC activity. The documentation center is equipped with a library of specialized works, aiming at collecting, processing and providing employees with economic books and journals in response to professional needs and requests.

 **10**

# **ELEMENTS ON INTERNAL CONTROL**



# — 10.1 Environment of Internal Control

## 10.1.1 General Organization of the Internal Control

The internal control system of BIAT focuses on three levels of control which are independent but complementary at the same time. These levels of control are materialized by a set of processes, methods and verifications which aim to ensure all risks control and enhance the regularity, safety and efficiency of the operations.

The first level of control is ensured concretely by the operational parties, line managers and independent operational units.

The second level of control is the responsibility of certain structures in the central departments, as well as the permanent control structures within the General Control Department ;

- Management of Permanent Control and operational risk Department aims at detecting, at early stages, the incurred risks, to continuously ensure distant and on sites control by dedicated teams and to supply a regular reporting of the noted incidents and inadequacies, as well as the ameliorations steps to be achieved.
- The Compliance Department and LAB ensure an ongoing regulatory monitoring and guaranty the proper fulfillment of the legal obligations, as well as the compliance with the good practices and the professional and ethical rules. It also plays a role in monitoring the proper fulfillment of the bank's ethics code, the anti-money laundering and terrorist financing. In addition, it carries out training activities in this field for the concerned persons.

**The third level of control is ensured by the periodic control structures of the General Control Department:**

- The Inspection Department ensures the on-site control of the agencies, based on the risk indicators made by the Management of Permanent Control Department within the framework of its activity of both remote and on-site control of the agencies. Thus, the priority is given to the agencies that have achieved a high score by the D.C.P, reflecting a significant level of operational risk.
- The Audit Department provides, through its missions, a reasoned and objective opinion on the Internal Control quality of the audited processes or entities. The identified dysfunctions will be used in the recommendations formulation, which implementation is considered the responsibility of the audited entities.

The interventions of the permanent and periodic control structures of the General Control Department are carried out in accordance with a program of assignments approved beforehand by the Audit Committee.

## 10.1.2 Actions Undertaken Regarding compliance and Anti-Money Laundering and Terrorism Financing

The year 2023 was marked by the strengthening of the bank's anti-money Fight against Anti-Money Laundering and Terrorism financing .

The technical improvements made during the previous year enabled us to achieve substantial productivity gains in the control of high-risk operations, and to increase its effectiveness. Organizational adjustments led to better management of the system's resources, improved versatility and skills, and implementation of a mechanism for monitoring achievements by analyst.

The compliance control function has also continued to play its role in supporting projects related to the Transformation Program.

### Compliance

During 2023, the Compliance function focused on several major projects, including those relating to:

- Continuity in monitoring and analyzing new legal and regulatory provisions affecting the Bank's business
- Review and compliance control of new projects;
- Active participation in projects of the Digital Transformation of certain customer experience
- Participation in brainstorming workshops following the publication of new professional standards, such as those relating to data security and cloud management
- Participation in regulatory projects at CBF level, in particular workshops relating to Tunisia's adoption of the OECD's Common Reporting Standard (CRS);
- Implementation of reporting obligations inherent to the compliance function: FATCA declarations, transfer of management and renewal of BIAT's Legal Entity Identifier (LEI);
- Preliminary mapping of non-compliance risks.



### **Fight against Anti-Money Laundering and Terrorism financing**

In 2023, the main actions related to anti-money laundering and terrorism financing are as follows:

- Consolidate department resources and enhance analysts' technical skills
- Implement an organizational structure that promotes versatility to encourage career development;
- Improvement of the system for monitoring achievements by analyst, to enable better management of objectives;
- Reduced processing time for requests from the authorities
- Further improvement in the handling of asset freeze measures on the Bank's information system
- Consolidation of the system for managing analyses of new business relations in connection with Banking Correspondents, and improvement of the system for periodically updating their "Know Your Customer" files;
- Support for MAGHREB CORPORATE in its second follow-up audit for the renewal of the AML 30000 Certificate, relating to a compliance review of BIAT's AML-FT system.

## — 10.2 Management of Risks

### 10.2.1 Main Risks Facing the Bank

Risk management focuses on the following main categories.

**Credit and counterparty risk (including concentration risk):** refers to the risk of losses resulting from the inability of the bank's customers or other counterparties to meet their financial commitments.

These counterparties may be banks, financial institutions, commercial or industrial companies, states or state entities, investment funds, or legal entities.

Counterparty risk is the manifestation of credit risk in the context of market transactions, investments or settlements where the Bank is potentially exposed to its counterparty default.

Credit risk may be aggravated by concentration risk which arises from a high exposure to a given risk or to one or more counterparties or to one or more groups of similar counterparties (business group, sector, country, etc.).

**Market risk:** this is the risk of loss of value of financial instruments that may result:

- Price fluctuations on trading and investment securities as defined by accounting standards and on any other financial instrument provided for by the regulations in force.
- Positions that may give rise to currency risk, including spot or forward exchange transactions. These positions can be on or off the balance sheet.
- Counterparty risks in market transactions.
- Implementing an internal rating system has made it possible to better monitor the bank's exposure to these counterparties.

**Private Equity Risk:** refers to the risk of losses on shareholding.

**Liquidity and refinancing risk** refers to a bank's inability to finance increases in assets and to meet its commitments, at a reasonable cost, when they fall due.

**Overall interest rate risk** is defined as the risk incurred in the event of a change in interest rates, measured on all balance sheet and off-balance sheet transactions, with the exception, where applicable, of transactions subject to market risks.

**Operational risk** refers to the risk of losses resulting from deficiencies or failures attributable to the design,

organization and implementation of procedures, human or technical errors and external events. This risk category includes mainly:

- **IT and information systems security risks (cybercrime, service failure, etc.):** refers to the risk arising from potential threats likely to exploit computer vulnerabilities with the intention of causing damage in the form of malfunctioning or total shutdown of the business and/or loss of sensitive data.

- **Legal and compliance risk:** the risk of legal, administrative or disciplinary sanctions and financial loss, due to non-compliance with legal and regulatory provisions and ethical standards.

**Reputation risk:** refers to the risk of loss of revenue and/or the risk of losses resulting from a negative perception on the part of stakeholders (customers, shareholders, counterparties, regulators, etc.).

**Model risk:** is defined as the risk of losses resulting from decisions made on the basis of internal model results due to errors in the development, implementation or use of these models.

**ESG risk:** includes identifying, measuring and anticipating the Environmental, Social and Governance impacts to which the bank is exposed in its own operations and in its financing activities. Indeed, the environmental aspect is becoming increasingly important in terms of its carbon emission component and its corollary, global warming. This approach allows (i) to protect, in the medium and long term, the bank's portfolio against the deterioration of the quality of the risk of the clients most exposed to these risks, (ii) to avoid the risk of loss of business and the non-selection of the bank by international donors, (iii) to minimize the risks of disruption of the bank's operations.

BIAT has placed particular emphasis on the implementation of an effective strategy, adequate processes and procedures and an appropriate organization to control all these risks while complying with regulatory standards.

The Risk Department is responsible for managing credit risk, market risk and operational risk, including information systems risk and compliance risk.

The overall interest rate risk is managed by the Management Control Department.

Legal risk is under the responsibility of the Legal Department, which reports directly to General Management.

The governance of all these risks is ensured through a series of committees.

BIAT has also established a culture of risk management and control and has progressively disseminated good practices in risk management as well as the implementation of assessment and steering tools.

### 10.2.2 Bank Objectives and Policy Regarding the Risk Management

The bank opts for risk department, which shall be independent from the other line-businesses, attached directly to the General Management.

The Bank's risks management is based on three levels:

- On the upstream level, it formulates recommendations in terms of risk strategy and policy, sets the rules and designs both the methods and tools for measuring and assessing the risk.
- On the downstream level, it carries out a continuous portfolio for the monitoring the proper application of the bank's risk management policy and makes an alert in case of a deterioration in the risk quality. It also produces internal and regulatory reports.
- In the risk-taking process, it continuously carries out a second level control, by validating the proposals emanating from the business lines, in accordance with the delegated schemes.

The Risk Department is the guarantor of the bank's overall quality and risk management. The business lines remain primarily responsible for the risks they initiate and manage.

### 10.2.3 Management of Credit Risk and main actions conducted in 2023

In 2023, the bank made its Lending to the economy in accordance with the principles set out in its declaration of risk appetite while respecting the strategic orientations of credit policy as well as the regulatory provisions.

In 2023, as part of its 2023-2025 strategic plan, BIAT pursued an ambitious project to transform its risk management function, involving changes to its organization, processes, tools as well as practices, with the introduction of additional risk management objectives, and new and improved credit risk monitoring systems.

These far-reaching changes permeate the entire credit business, from operations to the relevant studies and committees, with the aim of reducing credit risk and cutting its cost for higher competitiveness and greater profitability of the bank's commercial offering.

### Internal rating and credit risk measurement system

BIAT's internal rating system (IRS) forms the basis of the credit risk management system.

It is based on a set of models specific to each asset class. This system covers the corporate segment with a differentiation according to business size, sector of activity and age.

As regards, the real estate development sector, the rating is done by project. The rating scale is based on historical balance sheet and behavioral data and the knowledge of the bank's business experts.

The rating consists of assigning a score to each counterparty on the basis of qualitative and quantitative criteria, by referring to an internal rating scale consisting of 11 homogeneous risk classes that reflect the probability of default by the counterparties: 10 classes for the healthy portfolio and one class reserved for the defaulted portfolio.

The internal rating system is structured around the following principles:

- A single rating is assigned to each counterparty at the time the loan file is prepared
- The rating is a key criterion for making decision whether to grant a loan or not
- All counterparties committed more than TND 250 million shall be rated
- The rating shall be reviewed at least once a year
- The expert's judgment is important to assess and complete the model's results and to incorporate all relevant information not included in the rating system.

To meet the regulatory requirements set out in BCT circular no. 2016-06 relating to counterparty ratings, a rating governance framework has been established. This framework encompasses various aspects, including the rating adjustment process, the triggers for events impacting the rating, the validity period, and the monitoring and management of the rating. This framework aims at ensuring rigorous compliance with regulatory standards and robust governance in the assessment of counterparties.

Counterparty ratings are an important factor in assessing the quality of exposures, through analysis of the rated portfolio and changes in its distribution. Follow up is also performed to counterparties whose risk quality has deteriorated. The rating and rating review process for counterparties is triggered by various types of events:

- Examination of a new credit application
- Renewal of the management credit program
- Receipt of new financial statements
- Occurrence of an event likely to modify the intrinsic risk of the counterparty
- Preparation of the watchlist of sensitive receivables

In addition, the internal rating system represents a fundamental element in the calculation of expected losses under IFRS 9.

### Validation of the internal rating system

The current internal rating system focuses on the estimation of one of the fundamental parameters in credit risk management, namely the probability of default.

The probability of default (PD) represents the probability that a counterparty will default within one year.

In order to assess the performance and robustness of this default prediction system, an annual backtesting is rigorously carried out. This backtesting process monitors the consistency of predictions with actual default events, thus ensuring the reliability and ongoing effectiveness of the rating system.

The validation of the rating system consists of:

• **A qualitative validation** includes:

- Assess the database quality
- Study the operational integration of the NIS (concept of «Use Test»)
- Verify the completeness and quality of the documentation
- Analyze the gaps between the scores proposed by the Business Experts and the internal rating system (IRS) (override analysis)
- Test the quality of models implemented at the level of the information systems
- Review the governance of the internal rating system (IRS)

• **Quantitative validation:** includes examining the construction methodologies applied, estimates of a posteriori probabilities of default and the study of the performance of the rating models through a set of studies and measurements:

- Study of the dependency of external risk assessment factors.
- Measurement of discriminating power
- Study of predictive power
- Study of concentration
- Study of the stability of the models through the examination of migration matrices

### Credit scoring

The approach launched in 2022, is being pursued in 2023 by using scorecards for individual loans in the bank's information system. At the end of a new credit transaction, the system automatically generates a granting score based on customer file data, and a behavioral score taking into consideration the customer's account(s) operating history. This dual assessment enables the system to assign the transaction to one of the 7 risk grades reserved for sound transactions, guaranteeing continuous, refined management of the risk related to loans granted to individuals.

The scoring method is also used to manage credit risk. A report is generated periodically to monitor the composition of the entire individual loan portfolio, strengthening the bank's ability to make informed credit risk management decisions.

### Impact study of the transposition of the new Basel III standards into credit risk

The Central Bank has issued a draft circular on the application of the new Basel III standards, aimed at improving credit risk coverage in line with international standards, in preparation for the transition to IFRS.

The Bank has carried out a study of the impact of the application of this draft circular should it come into force. To this end, IT applications have been developed for deployment when the circular comes into force.

### IFRS 9 implementation project

The year 2023 was marked by the implementation of an IT platform dedicated to IFRS 9, offering crucial functionalities including:

- industrialization and automation of the process of calculating Expected Credit Losses (ECL), from data recovery to the production of reports and dashboards
- Quality control of imported data, with an automatic mechanism guaranteeing the reliability and consistency of input information
- Creation and management of classification rules
- Generation of schedules calculated on the basis of Effective Interest Rates (EIR)
- Calculation of ECLs on financial assets in compliance with IFRS 9, with the possibility of running scenarios based on prospective information
- Calculation and accounting generation of interest on financial assets measured at amortized cost
- Production of ECL calculation summary reports
- Generation of accounting journal entries subject to IFRS 9 restatements

## COLLECTIVE PROVISIONS

The BCT has reviewed the methods of calculating collective provisions in order to ensure better coverage of latent risks on current commitments and commitments requiring a particular follow-up. The applied tightening was also intended to cushion the impact of the forthcoming implementation of IFRS standards of provisioning.

The main adjustments made are:

- An upward revision of the historical migration rate increase factor
- 5 basis point increase in provisioning rates for the entire portfolio

The new methodology applies to the financial year 2023 and subsequent years.

## Decommissioning of the Central Site

Site Central is a legacy of BIAT's former financial information system architecture. It served as the engine for calculating prudential rules (classification, provisions, agios reservation, etc.) and operated according to a data nomenclature and operating paradigms that no longer corresponded to the new architecture introduced by T24. The time had come to rebuild the mechanisms for calculating prudential

rules in accordance with these new paradigms and nomenclature, for greater process efficiency and fluidity. Hence, a program to decommission the Central Site was launched in 2023, with final delivery scheduled for 2024. The Risk Department is contributing to this program through the classification and provisioning engine project.

## Asset-Liability Management

Liquidity and interest rate risks are managed at BIAT at the level of the ALM entity (Asset and Liability Management) attached to the Management Control Department.

The mechanism of asset-liability management (ALM) is an integral part of the overall risk management mechanism and interacts with all of its components with the aim of adequate control of exposure to various banking risks (Rate risk, liquidity risk and exchange risk), while optimizing Return on equity.

BIAT has thus a mechanism of risk management that plays an important role in the financial strategy and favors a global and detailed vision of application and resources and the impact generated by the variation in certain parameters of the market.

BIAT calculates monthly risk measurement indicators of its risks as well as the impact generated by the variation in market parameters (stress test) in accordance with the regulations in force, governed by circular n° 2006-19 of 28 November 2006.

ALM also prepares the prudential reports on interest rate risk and liquidity risk in accordance with circulars n°2017-06 and n°2018-10.

## - Interest Rate Risks:

Currently, BIAT's interest-rate risk management is based on the interest-rate gap by maturity and currency, and on indicators such as the net interest margin (NIM) sensitivity and net present value (NPV) sensitivity.

As At December 31<sup>st</sup>, 2023, based on the new calculation methodology adopted, the overall interest rate gap was TND 4 346 million and the net present value (NPV) sensitivity stood at TND 88 million.

The interest rate gap and Net Present Value (NPV)sensitivity

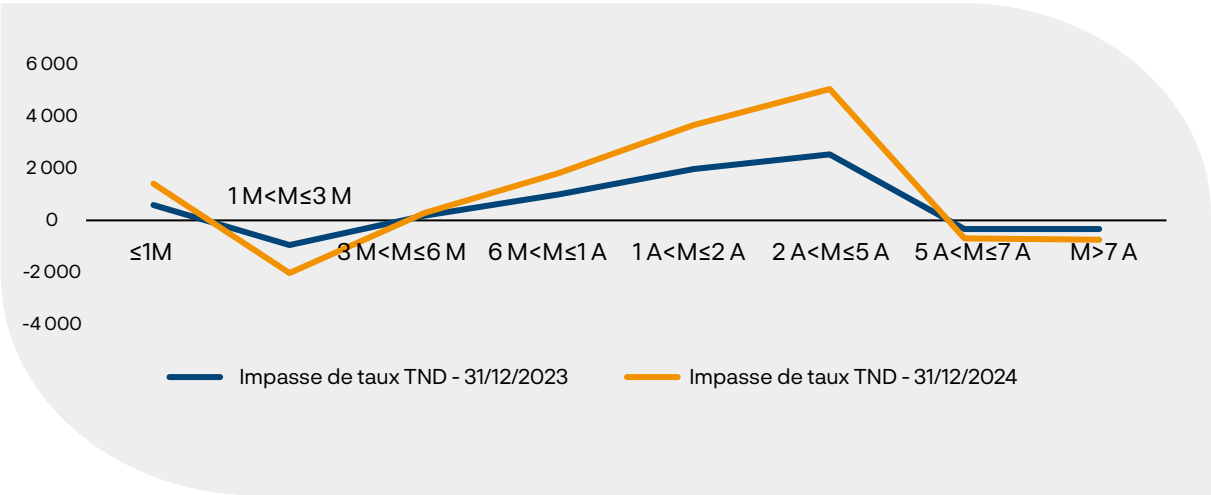
As At December 31<sup>st</sup> , 2023, the overall interest rate gap was TND 5829 million (the difference between fixed-rate assets and liabilities):

- A gap of TND 4 346 million
- A gap of 957 million Euros

- A gap of 526 million US dollars

The balance sheet structure is characterized by a high level of MMR-indexed loans and fixed-rate deposits.

Based on the orientations 2024, the aim is to reduce our TND exposure to around TND 4 153 million by the end of 2024, with a NPV sensitivity of TND 79 million.



NIM TND sensitivity:

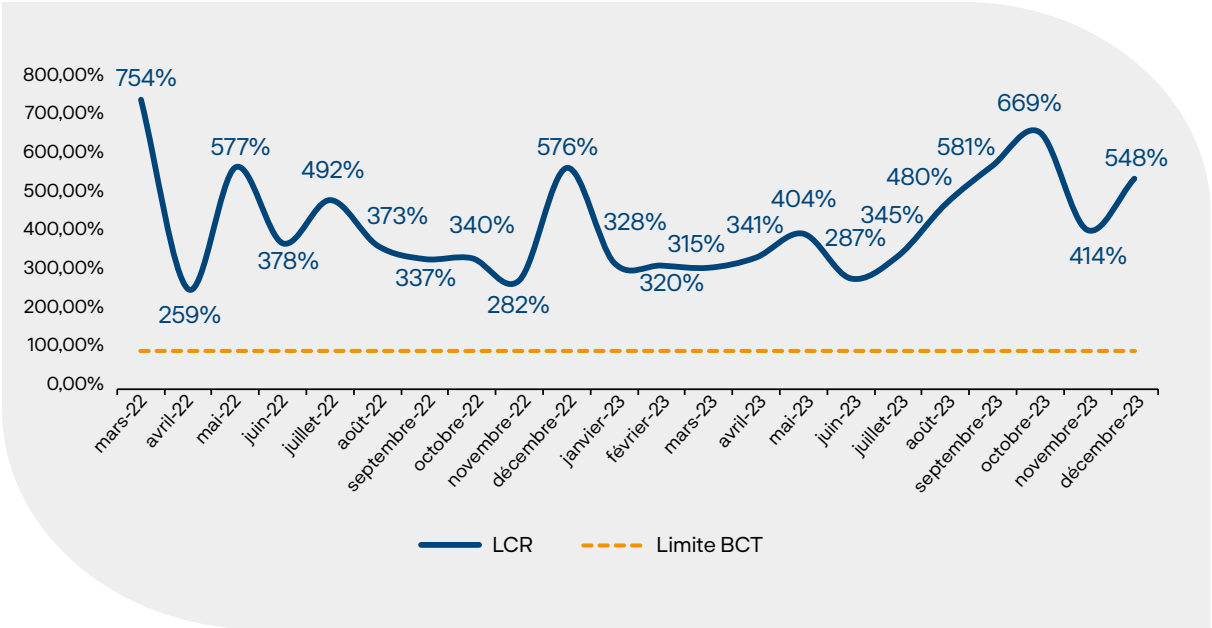
As at December 31, 2023, The net interest margin (NIM) sensitivity stood at TND 92.5 million, with a sensitivity/NIM ratio of 11.4%,

Based on the orientations 2024, the aim is to reduce sensitivity to about TND 86.8 million with a sensitivity / NIM ratio of 10%.

- Liquidity risk:

As at December 31<sup>st</sup>, 2023, BIAT achieved a CRL liquidity ratio of **548 %**

Since august 2021, The bank posted an LCR higher than the 100% limit set by the CBT.



BIAT posted a surplus liquidity of TND 2563 million.



# THE BANK'S LINES OF BUSINESS





## 11.1 Retail Banking Business Line:

At the core of BIAT Business Lines lies the retail banking business line, organized primarily to serve both resident and non-resident, individuals, professionals and SME. As a bank of proximity, BIAT organized around a network of more than 205 branches covering the whole of the Tunisian territory. The Retail Banking is organized in 14 zones structured around 4 regional departments, which responds to the desire to strengthen the proximity with the customers and ensure the best care.

In order to consolidate its leading position in all markets and for all customers on a long-term basis, Retail Banking is also strengthened by 4 Market Departments that meet the expectations of the various customer segments and work in close collaboration with the Network.

Retail Banking is also supported by a number of Central departments, assisting the network and the Market departments in 4 areas: Marketing and Digital Transformation, Commercial Communication, Quality and Customer Relations, and Change Management department that supports and manages the various cross-functional Retail Banking projects. The Operations and Administrative Support Department supports the retail banking in the network's needs in terms of human resources, logistics and training.

As part of its vision of a multi-channel relationship serving the customer at all times and in complete security, the branch network is strengthened by a multi-channel network: web banking, mobile banking, self-service spaces, ATMs and customer relations centers...

Thanks to a professional and specialized team deployed within the above-mentioned network, the Retail Bank accompanies and advises more than

933 000 individual (including Tunisians residing abroad) professional and companies in the management of their day-to-day banking activities and in carrying out their projects.

Retail Banking clients benefit from a full range of products and services that meet all of their banking and financial needs: everyday banking, remote banking services, savings, investments, consumer loans, mortgages, insurance, financing of the bank Investment, financing of the operating cycle and international operations...

Retail Banking also provides, through the branch network, operational support to the activities deployed for the benefit of large companies and

institutional investors, as well as Corporate and Investment Banking.

In terms of achievements, the Retail Banking business developed in a satisfactory manner in 2023. Thanks to its resilience, the exceptional mobilization of its employees and adapted action plans, the targets related to its main business aggregates were met and even exceeded for certain indicators.

In addition, the year 2023 was also marked for Retail Banking by implementation of the new business strategy set in 2022 for the three-year period 2023-2025, with an optimal and cross-functional ambition to consolidate the bank's leading position in strategic markets/segments and support the bank in its digital transformation.

In this context, several projects have been launched for 2023:

- Implementation of a new segmentation and adaptation of the offering accordingly,
- Broadening the new branch concept,
- Collaboration with subsidiaries on the launch of specific offers
- Incorporation of the recommendations on the offer in the roadmap: non-banking offer, adaptation of the digital offer, etc.

### MARKETING & DIGITAL DEVELOPMENT:

The year 2023 was marked by the ongoing commercial development of the free "MyBIAT Retail" offer intended for individual and professional customers.

Nearly ¾ of the new business relationships in 2023 for this target were accompanied by MyBIAT equipment, and the total number of retail customers equipped reached over 33% of eligible customers.

As regards, the "MyBIAT Corporate" digital offering, the year 2023 marked by the extension of the beta-test phase to a significant number of beta-testers (800 customers by the end of 2023).

The commercial launch of this new offering is scheduled for the first half of 2024.

In addition, various marketing and sales initiatives of an operational nature were launched in 2023 to support branch activity, including in particular:

□ Enhancing and enriching the layout of the range of products and services with:

- Enhancement of the functional scope of the “MyBIAT Retail” offering based on customer feedback:
  - Transfers: biometric validation on the mobile version, transfer to Projet Avenir contract, transfer from a savings account to another BIAT account or another bank for the same beneficiary, display of transaction rejection reason,
  - Launch of innovative functionalities: payment of STEG & SONEDE bills by bank transfer, free credit simulation, display of securities products and display of Business Travel Allowance (BTA) files, addition of certificates of deposit to the list of investment products,
  - Cards: display of cancelled transactions in card statements and adding benefits for certain card types,
  - Push notifications: generation of push notifications relating to cheque events (pending / cashed / unpaid), notification when an investment or securities account is added, notification management via filters (transaction type / amount).
- Functional evolution of the “MyBIAT Corporate” offering:
  - Introduction of the “MyBIAT Corporate” agent portal for network sales representatives,
  - Enhancement of the functional scope with new functionalities:
    - o Transfers : Addition of multiple international transfers and single transfers in dinars from a foreign currency account (without negotiation),
    - o Account statements: Download account statements in AFB and PDF format,
    - o Mobile validation: One-time validation of multiple selections of transfers/direct debit /card loads,
    - o Card management and single/multiple loading of prepaid cards,
    - o Execute multiple direct debits and download rejected direct debits with reason,

- o Investment management and downloading of related statements,
- o Submit requests for information and complaints, which will be handled by the MyBIAT Corporate support team,
- o Consultation of the list of bills and cheques presented for payment,
- o Consultation of business travel allowance files
- o Consolidated view of a personalized business context (Custom Service Agreement).

□ In addition to our digital offerings, a number of initiatives have been undertaken for 2023:

- Generalization of the fixed rate to all individual loans, to protect our customers against increases in MMR,
- Launch of a promotional offer on real estate loans aimed at enabling customers to carry out their real estate projects under advantageous financial conditions,
- Launch of a campaign to encourage customers to pay with VISA cards during the holy month of Ramadan, through a prize draw competition and the award of gifts to 50 winning customers,
- Launch of an ITALCAR promotional offer enabling customers to benefit from preferential conditions on financing when purchasing a vehicle from ITALCAR, as well as preferential pricing on spare parts,
- Signing of three agreements with 3 professional bodies covering the provision of credit (private and professional) and day-to-day management products: National Council of the Order of Physicians of Tunisia (Conseil National de l'Ordre des Médecins de Tunisie) (extension of the agreement signed at the end of 2021 with the Regional Council of the Order of Physicians of Tunis), Institute of Chartered Accountants of Tunisia, National Council of the Order of Dentists.
- introduction at BIAT branches of a service for making funds available to the Caisse des Règlements Pécuniaires des Avocats (CARPA) (Lawyers' Compensation Fund), enabling funds to be handed over at any BIAT branch to beneficiaries designated by CARPA, thus ensuring them greater convenience in accessing the sums intended for them,

- Launch in partnership with “Tunisie Valeurs” and “Assurances BIAT” of a new innovative mutual fund “FCP sérénité 2023-2028”, enabling financial capital to grow while protecting it against possible stock market downturns,
- Extension of “Pack Business” eligibility to non-resident companies,
- A new “Smart Delay” lounges service available to customers holding certain types of VISA international card, offering them and 4 companions free access to over 1,000 airport lounges worldwide, in the event of flight delays exceeding 60 minutes.

## COMMERCIAL COMMUNICATION:

Commercial communication is becoming increasingly important for Retail Banking, with the aim of maintaining a year-round presence in both traditional and digital media, and highlighting the bank's flagship products and services as well as the bank's advisory offering, with an approach tailored to each customer segment.

As a result, the commercial communication of Retail Banking for 2023 includes the following campaigns:

□ The launch of the following promotional campaigns:

- «High Net worth Clients campaign», highlighting the savings/investment offers, enabling customers to build up and grow their financial capital within an advantageous tax framework.
- «VISA card payment » campaign to encourage, develop and anchor the card payment reflex, while building loyalty among cardholder customers,
- «Promotional offer for real estate loans» campaign, highlighting the richness of the real estate loans granted to individual customers, and the bank's commitment to support customers in carrying out their personal projects. The campaign was launched at the same time as a promotional offer,
- «Channels & Quality» campaign highlighting the wealth and breadth of alternative channels available to customers (self-service areas, MyBIAT digital offering, Customer Relations Centre, new branch concept, branch appointment scheduling platform) to ensure optimum service quality and maximum comfort in their banking relationship with the bank,
- TRE (Tunisians residing abroad) campaigns:

- o The annual TRE Summer 2023 campaign launched during the summer season coinciding with the summer return of this community. A multi-channel campaign organized around the main need of this strategic clientele, i.e. « Real estate loans », intended to highlight BIAT's offers and to support them in their property projects in Tunisia. This campaign, launched as a continuation of the 2022 campaign, was accompanied by a promotional price offer,
- o Year-round campaigns via digital channels and in particular to maintain close contact with Tunisians residing Abroad around the world (particularly those in France, Canada and the Gulf States),
- o In addition, we maintained a constant presence throughout the year by participating in the main events organized for Tunisians residing abroad in the host countries, highlighting the dedicated offers, support and advice provided by the bank. This presence was ensured through the participation of our subsidiary “BIAT France” in events dedicated to TREs in France as well as through the organization for the first time of BIAT's open days in Dubai.

- « Saving Projects» campaign intended to highlight MLT's comprehensive range of savings products, tailored to each customer's life cycle and every related need/project, and the support and advice offered to customers at every important stage of their lives, achieving their most important personal projects and goals (home ownership, financing children's education, preparing for retirement).

## QUALITY & CUSTOMER RELATIONS:

Quality, at the heart of the bank's commercial strategy, has been put forward through a complete system :

- Call Center
- MyBIAT and MyBIAT Corporate support team
- Customer research

### 1. The “Customer Relations Center - CRC” activity:

BIAT's CRC has undergone a complete overhaul in 2023, moving into new, more spacious premises adapted to its activity. In addition to the space, the CRC was expanded in 2023 in terms of staff numbers, with a view to finalizing the total switchover of all standard branch lines to the CRC's grouped line.

The switchover of 100 additional branches was completed in the last quarter of 2023, enabling the company to absorb all telephone activity from the network of all branches throughout Tunisia, i.e. more than 400,000 calls handled.

CRC advisors handled nearly 3,000 claims and 220,000 requests for assistance and information over the year, representing an increase of 25% compared with 2022.

## 2. MyBIAT" and 'MyBIAT Corporate' support teams:

In order To accompany the bank's digital transformation strategy, a support system with experienced advisors has been in place to meet the needs of users of the "MyBIAT Retail" platform through dedicated communication channels since 2022.

In 2023, as part of the beta-testing phase for the new "MyBIAT Corporate" digital offering, this support system was extended to include a team dedicated to "MyBIAT Corporate", with a view to handling corporate customer queries: assistance, complaints, requests for information.

Following the example of Retail support, several channels have been made available to this strategic target for their requests: a grouped telephone line, a dedicated mailbox, the MyBIAT Corporate mailbox.

## 3. Customer surveys in 2023:

Quality has been studied and analyzed through customer surveys. These studies make it possible to take stock of the situation and highlight the main findings, with a view to identifying avenues for improvement and levers for developing service quality and customer care across all market segments and throughout the network.

Studies carried out in 2023:

- Launch of the 2<sup>nd</sup> wave of the "Retail Customer Satisfaction" survey, which showed an overall satisfaction rate of 80% (stable compared with the 1st wave of the survey) and an NPS (recommendation rate) that rose from +16 to +19 between the 2 waves (2022-2023).
- Renewal of the "Mystery Shopper" survey at branch level in order to assess the gap between the quality of service provided and the quality standards required by BIAT, at a frequency of one visit per branch per month, i.e. 2,436 mystery

shopper visits carried out in 2023. The overall bank score measuring the assessment of service quality at branch level has evolved positively, rising from 84% in 2022 to 88% in 2023.

## CHANGE MANAGEMENT:

As regards change management, the activity 2023 was marked by a contribution to several projects of the bank. The aim is to ensure that all projects and actions launched by the bank are supported by our employees as follows:

### 1. Digital transformation of the bank:

- Launch of the beta-test phase of MyBIAT Corporate:
  - Network training on the various functionalities of MyBIAT Corporate with practical case simulations,
  - Appointment of 42 MyBIAT Corporate Ambassadors, true representatives of the project at network level, responsible for supporting the sales staff in their respective zones,
  - Ongoing support for the network in on-boarding customers to MyBIAT Corporate, by implementing a support system and assisting sales staff on site or remotely,
  - Development of videos for sales staff for better use of the MyBIAT Corporate digital platform.
- Organization of brainstorming workshops with customers to collect their suggestions for improving the existing system and prioritizing new functionalities to be developed on MyBIAT, in addition to supporting the network during all Releases carried out in 2023.

### 2. « Branch of tomorrow » project:

- Finalization of the successful POC phase of the queue management project and preparation for the deployment phase of the "Mon RDV BIAT" queue digitization solution at 49 new branches. By 2024, a total of 65 branches will be using the solution to better organize counter activity, with the aim of extending the solution to PP and SME sales staff,

- Review of certain job descriptions for the various trades at branch level, with the aim of aligning them with the bank's strategic orientation in terms of digitizing the branch network,
- Preparations of a training program for counter sales staff and customer assistants, to be launched in 2024, covering customer care, guidance and assistance in the use of ATMs, as well as sales techniques for rapid sales.
- POC launches to equip branches with 100% digital point-of-sale displays (double-sided screens & leaflet holders).
- Strengthening and upgrading the skills of wealth management relationship managers, who are the sole interlocutors for this clientele, with the launch of the first certification course for relationship managers with a pilot team,
- Consolidation of synergies with the Assurances BIAT and Tunisie Valeurs subsidiaries to enhance the Group's image of excellence,
- Targeted, high-quality sales development thanks to the multiplicity and variety of channels exploited, through :
  - Establishment of new strategic partnerships with certain strategic professions (Chartered Accountants, Pharmacists, Dentists) and medical student associations,
  - Organizing and/or participating actively and innovatively in professional, cultural and artistic conferences and events of interest to our high-net-worth individuals
  - Organization and active participation in student events,
  - organization of field actions targeting employees,
  - Organizing and moderating tax-related roundtables in each of our regions.

### 3. Operational optimization:

- Review of the indicators and weightings making up the branch's digital TRPP, with the aim of challenging branches on their customers' card equipment, and at the same time encouraging them to carry out their counter operations via the ATMs in complete autonomy,
- Implementation of a tool with dashboards and indicators relating to the activity of ATMs and kiosks available in branches,
- Deployment of new Self-service banking: in collaboration with the relevant structures for the choice of locations, machines and kiosks, as well as to ensure their stability and optimize their use by customers through specific actions.

### SPECIFIC CUSTOMER MARKET ACTIONS:

The year 2023 was marked by projects intended for targeting new development opportunities and strengthening the Bank's positioning for promising customer profiles or those seeking personalization, diversification and innovation, through:

### NETWORK DEVELOPMENT:

The year 2023 was marked by the launch of a project to broadening the new branch concept, initiated as a test pilot in 2022 at 2 branches. This project, whose philosophy is centered on optimizing the customer experience in the branch, taking care of customers and building close relationships, all in an environment offering increased access to new digital services, has affected 51 branches that will be converted into new concept branches at the beginning of 2024, and will gradually cover other branches.

 **12**

# **CORPORATE SOCIAL RESPONSIBILITY**





## — 12.1 BIAT support for Education Programs as well Cultural and Associative Activities

### A committed and responsible bank

As a committed bank, BIAT aims to contribute actively to sustainable development and social inclusion in Tunisia. In addition to integrating the ethical and social values into its daily activities, BIAT demonstrates its commitment through its support for various initiatives that have a positive impact on society and the environment.

The importance that BIAT places on the cultural and creative industries sector leads to its participation in cultural initiatives with the aim of contributing to the democratization and enrichment of cultural and artistic life in Tunisia.

In 2023, BIAT took part in several a cultural and sports activities, including:

### BIAT supports the Kef jazz festival “SICCA JAZZ”

In 2023, BIAT renewed its partnership with the Kef jazz festival “SICCA JAZZ” and supported its 8th edition. It sponsored the Sicca Jazz Experience, a festival that enlivened the towns of Kef with mini concerts and great experiences around the region's heritage. This partnership has enabled BIAT to continue working towards the democratization of art and culture, and to confirm its willingness to offer festival-goers new experiences, alongside the initiators of the “Sicca Jazz” festival.



### BIAT supports the 2<sup>nd</sup> Edition of the Master International Film Festival “ MIFF ”

In 2023, BIAT has renewed its support for the Master International Film Festival, the international film event held in Yasmine Hammamet. The festival's aims at rewarding award-winning films or internationally

selected ones (Best Off of international cinema), encouraging original, independent filmmaking and attracting the most discerning cinephiles. The festival offered three official competitions, a section dedicated to the Best Off of Tunisian cinema and another to mobile film, as well as panoramas, panels and master classes.





### BIAT supports the 3<sup>rd</sup> Edition of the Journées d'Art Contemporain de Carthage

BIAT supported the 3<sup>rd</sup> edition of the Journées d'Art Contemporain de Carthage, which brought together Tunisian and foreign artists. This artistic rendezvous enabled the public to encounter a variety of plastic experiences. It was also an opportunity for generations of local and foreign artists to build a bridge between them and promote different plastic languages and experiments.

### BIAT supports the 9<sup>th</sup> Edition of the Dream City festival

BIAT has renewed its partnership with the Dream City festival, which takes place in the Medina and at the Théâtre Municipal in Tunis. Dream City is a multi-disciplinary art festival organized in public spaces and unusual locations in the Medina and downtown Tunis, with over 40 scheduled works and numerous other performances, concerts, installations, exhibitions and conferences.

Celebrating Tunis as the cultural capital of the Arab world and Africa, enhancing the value of Tunisia's tangible and intangible cultural heritage, debating the climate and environmental emergency, ensuring difference, making the stories of the Arab world and Africa heard and resonant: these were the challenges and values of the 2023 edition.



### BIAT supports the 13<sup>th</sup> Edition of the “Les Foulées du Mégara” half-marathon

BIAT supported the “Les Foulées du Mégara” half-marathon for the 13th consecutive year as an official partner. The event takes place in La Marsa, passing through Sidi Bou Said, Carthage and Gammarth. It includes a 21 km half-marathon and a 5 km “La Marsoise” running race for public, in a festive atmosphere and a historic setting featuring beaches, beautiful landscapes and historic monuments.

This half-marathon, which is a competitive race, offers a varied course with flat, uneven and hilly terrains, giving runners the opportunity to rediscover themselves outside their comfort zone.

By strengthening this partnership, BIAT intends to promote the values of this sporting discipline, in particular surpassing oneself and striving for excellence.



## — 12.2 BIAT Foundation programmes

In addition, BIAT continues to strengthen its civic positioning through the initiatives implemented by the BIAT Foundation.

Since its creation in 2014, the BIAT Foundation has established itself as a key player in promoting youth through excellence, citizenship and cultural openness.

In 2023, the BIAT Foundation continued its support for young people through the following programs:

**Génération Leaders:** this program supports young Tunisians through actions that encourage access to quality education, the promotion of values of excellence and the development of creativity.





Since its launch in 2014, 180 young people have benefited from this program including an array of training, courses and activities, networking, coaching and outings.



**Executive Master Management and cultural politics:** this program was initiated and supported by the BIAT Foundation, and developed by the Tunis Dauphine Institute, under the supervision of the Tunisian Ministry of Cultural Affairs. The aim is to support players in

the cultural ecosystem by enabling them to undergo training in the management and administration of cultural organizations.

Since its launch in 2019, 3 cohorts of 86 candidates have pursued this program.



**Promoting Tunisia’s culinary heritage:** in 2023, the BIAT Foundation continued to contribute to Tunisia’s cultural progress, notably through promoting intangible heritage, in line with BIAT’s objectives.

It has embarked on a project to produce a series of books on the culinary arts, to bear witness to the richness of Tunisia’s intangible cultural heritage and preserve its memory. This approach is in line with the need to preserve and maintain the country’s cultural diversity.



The first volume of this book series , “La Table du Nord”, was launched at the end of 2023: an invitation to discover northern Tunisia through its culinary heritage as told by its people. La Table du Nord lists

the products, skills and recipes of each governorate. It’s not just a cookbook, but above all, an immersion in the cultural and culinary heritage of this region.





**13**

**FINANCIAL  
STATEMENTS  
OF THE YEAR  
2023**



# 13.1 Statutory Auditors' General Report On Financial Statements For The Year Ended December 31, 2023

To the Shareholders of Arab International Bank of Tunisia

## I. Report on the Audit of the Financial Statements

### Opinion

As statutory auditor and in accordance with our audit mandate entrusted by your general meeting of shareholders, we have audited the financial statements of Arab International Bank of Tunisia, which comprise the balance sheet as well as the statement of off-balance sheet commitments as of December 31, 2023, the income statement and the cash flow statement for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies.

These financial statements, annexed to this report, show a total balance sheet of TND 22 944 526 Thousand and a net income of TND 331 444 Thousand.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Arab International Bank of Tunisia as at December 31, 2023, as well as the results of its operations and its cash flows for the year ended on that date in accordance with Tunisian General Accounting Standards.

### Basis for opinion

The audit was conducted in accordance with international auditing standards adopted in Tunisia. Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report. We conducted our audit engagement in compliance with the independence rules and the professional standards and the codes of ethics applicable for statutory auditors in Tunisia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

#### 1) Valuation of provisions for impairment of customer liabilities

##### • Description of the key audit matter

Given the activity of the parent company, the group is exposed to counterparty risk both on its loans and advances and on off-balance sheet commitments given to customers.



This risk, inherent to banking activity, constitutes a major area of attention given the importance of the amounts and the complexity of the classification process, which obeys quantitative and qualitative criteria requiring a high level of appreciation as well as the judgment required for the evaluation of the guarantees to be retained.

As of December 31, 2023, the net value of customer receivables amounted to 12 442 378 thousand dinars and the provisions and suspended interests constituted to cover the counterparty risk amounted to 1 198 031 thousand dinars (including 32 909 thousand dinars provisions on off-balance sheet commitments).

The accounting policies relating to the measurement and recognition of past-due receivables and their impairment, as well as additional information on these items in the financial statements, are presented in notes II-1 and II-3 to the financial statements respectively.

Due to the fact that the evaluation of commitments and the estimation of provisions imply an important level of judgment and taking into account the importance of customer commitments, we consider that the evaluation of provisions for impairment of commitments on customers constitutes a key audit matter.

#### • Our audit approach

To cover this key issue, we have obtained an understanding of the procedures put in place by your group, and evaluated the correct implementation of key controls, as well as their ability to prevent and/or detect significant anomalies by focusing on:

- The supervisory mechanism put in place with regard to the process of depreciation of commitments on customers ;
- The reliability of the information provided by the group about customers whose outstanding amounts show indicators of impairment losses ;
- The procedures and controls defined by the group in order to ensure the management of counterparty risk, to identify the clients to be classified and provisioned and to determine the minimum level of provision required by banking regulations ;
- The control and calculation mechanisms for general and additional provisions set up by the bank.

In addition, through extensive sampling:

- We have verified that the commitments with depreciation indices have been identified and classified in accordance with the provisions of the circular of the Central Bank of Tunisia n ° 91-24 (as amended and supplemented by the subsequent texts) relating to the division, risk coverage and monitoring of commitments ; and
- We examined the values of the guarantees retained when calculating the provisions and assessed the assumptions and judgments retained by the bank.

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

## 2) Valuation of provisions for impairment of equity securities

#### • Description of the key audit matter

The bank holds a portfolio of equity securities with a gross value of 1 530 512 thousand dinars as of December 31, 2023. The provisions and suspended interests recorded on these securities amount to 75 779 thousand dinars.

On the date of adoption of the financial statements, the securities are valued based on the market value for listed securities and at fair value for unlisted securities, as indicated in note II-4-2 to the financial statements.

The provisions for impairment of equity securities represent management's best assessment of the losses incurred or estimated at the closing date.

We have considered that the valuation of unlisted securities is a key audit matter due to their significant importance in the bank's financial statements and the judgment necessary to assess fair value.

• Our audit approach

Our work has notably consisted of:

- Assess the control procedures put in place by the bank as part of the evaluation process for unlisted securities ;
- Challenge the valuation methods adopted by the bank and assess the appropriateness of the assumptions and methods chosen for the valuation of unlisted securities with regard to the criteria provided for by the accounting standards applicable in this field ;
- Carry out analytical procedures on the evolution of the investment portfolio and impairments ;
- Through an extensive sample, we have verified that the participations with depreciation indices have been identified and that the associated provisions have been adequately estimated; and
- Verify the appropriateness and sufficiency of the information provided in the notes to the financial statements.

### 3) Interests and fees revenue recognition

• Description of the key audit matter

Interest, similar income, and commissions recognized as income by the group amounted to 1 673 227 thousand dinars as of December 31, 2023, and represent 78% of total banking operating income.

Note II-1 «Revenue recognition rules» to the financial statements, in the accounting policies section, describes the rules for recognising this income.

Although most of these revenues are generated and recorded automatically by the group's information system, we nevertheless considered, given the large volume of transactions and the specifics of the rules for their accounting, that considering interest and commissions constitutes a key audit matter.

• Our audit approach

Our work has notably consisted of:

- The critical review of the internal control system set up by the bank in terms of revenue recognition, including the evaluation, by our information technology experts, of computerized controls;
- Carrying out tests to verify the effective functioning of key controls including automated controls;
- The analytical examination of the revenues in order to corroborate the accounting data with in particular the management information, the historical data, the tariff evolution, the evolution of the stocks, the trends of the sector and the regulations related there to;
- Verification of compliance with the Tunisian accounting standard n°24 and in particular the rules for the recognition of interests and agios on classified relationships;
- Verification of the appropriateness and sufficiency of the corresponding information provided in the notes to the financial statements.

## Report of the Board of Directors

The Board of Directors is responsible for the information contained in the bank's annual report.

Our opinion on the financial statements does not include the content of the Board of Directors report and we therefore express no form of conclusive remark as to the content of the said report.

In accordance with the provisions of article 266 of the Code of Commercial Companies, our responsibility is to verify the information contained in the bank's accounts contained in the Board of Directors report by referring to the data presented in the financial statements. Our work consists in reading the report of the Board of Directors to determine whether there are fundamental inconsistencies between the report and the financial statements or the information that has been brought to our attention within our audit engagement or whether the report of the Board otherwise contains significant errors. If, based on the work we have done, we conclude that there are substantial deficiencies in the Board of Directors' report; we are required to report them.

We have nothing to mention in this regard.

## Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Tunisia; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible for assessing the ability of the Arab International Bank of Tunisia Group to operate as a going concern and the disclosure, if any, of all matters relating to the going concern principle, including the use of the going concern principle in the preparation of consolidated financial statements, unless the Board of Directors has the intention of dissolving the Arab International Bank of Tunisia Group or suspending its operations or the absence of any realistic alternative other than to do so.

Corporate governance is responsible for overseeing the Arab International Bank of Tunisia Group's consolidated financial reporting procedures.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether resulting from fraud or error, and issuing an audit report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with international standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

As part of an audit conducted in accordance with professional standards applicable in Tunisia, the statutory auditors exercise professional judgment throughout the audit. They are also:

- - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control ;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the related disclosures;
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Arab International Bank of Tunisia Group's ability to continue as a going concern. If we find out that a material uncertainty exists, then we must mention in the audit report related disclosures in the consolidated financial statements or rectify our opinion if these disclosures are not sufficient. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation of the consolidated financial statements including the disclosures and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We communicate with the Group heads of governance on the audit scope and its time and the main audit issues pertaining to the internal control system that we noted during our audit;

We also provide the Board of Directors with what confirms our commitment to the ethical requirements related to independence, and we inform them about all issues and other matters that may affect our independence and what would preserve this independence.

Among those matters communicated with the governance officials of the Arab International Bank of Tunisia, the scope and schedule of the audit work and the main audit matters, including any significant deficiencies in the internal control system that we noticed during our audit work.

## II. Report on other legal and regulatory requirements

As part of our statutory audit mission, we have also carried out the specific verifications provided for by the standards published by the Tunisian Order of Chartered Accountants and by the relevant regulatory texts.

### Effectiveness of the internal control system

Pursuant to the provisions of Article 3 of Law 94-117 issued November 14th, 1994 as revised by Law 96-2005 of October 18th, 2005 and Article 266 of the Commercial Companies Code, we carried out a general assessment of the effectiveness of the internal control system of the bank relating to the preparation of the consolidated 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 rests with management and the board of directors.

Based on our review, we have not identified any material deficiencies in internal control that could impact our opinion on the financial statements as expressed above.

A report dealing with the weaknesses and shortcomings identified during our audit was submitted to the bank's management.

### Compliance of securities accounts with the regulations applicable

In application of the clauses of Article 19 of decree N°2001-2728 issued November 20th, 2001, we carried out checks on the compliance of the account keeping of securities issued by the bank with the regulations in force.

The responsibility for ensuring compliance with the requirements of the regulations in force lies with the management.

Based on the due diligence that we deemed necessary to implement, we did not detect any irregularity related to the compliance of the bank's accounts with the regulations in force.

Tunis, April 05<sup>th</sup>, 2024

The Statutory Auditors

Les Commissaires aux Comptes Associés MTBF  
Mohamed Lassaad BORJI

Cabinet CMC  
Chérif Ben ZINA

# — Statutory Auditors' Special Report for the Financial Year Ended December 31, 2023

## STATUTORY AUDITORS' SPECIAL REPORT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2023

To the Shareholders of Arab International Bank of Tunisia

As auditors of the bank accounts and in application of the provisions of Article 62 of Law No. 2016-48 relating to banks and financial institutions, as well as the Article 200 and following and Article 475 of the Commercial Companies Code, we have the honor to inform you of the elaborate agreements below.

Our responsibility is to ensure that we comply with the legal procedures for authorizing and approving these agreements or operations and that they are ultimately correctly translated into the financial statements. It is not our responsibility to specifically and extensively investigate the possible existence of such agreements or operations but to communicate to you, on the basis of the information given to us and that obtained through our audit procedures, their characteristics. And essential modalities, without having to comment on their usefulness and merits. It is up to you to assess the interest attached to entering into these agreements and carrying out these transactions with a view to their approval.

### A. Newly completed agreements and transactions:

We inform you that we have been notified of the following operations that would fall within the scope of the aforementioned chapters:

#### SOPAT

1. BIAT has signed a rental agreement with the company SOPAT for premises used as archive storage space at the Logistics Centre in the El Fejja industrial zone, with a total surface area of 8,562 m<sup>2</sup> excluding floor area.

The lease is granted and accepted for a period of two years, commencing on December 01, 2023 and expiring on November 30, 2025, renewable from year to year by tacit agreement, and at an annual rent of 958,944 dinars exclusive of VAT. This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In this respect, the charge for 2023 amounts to 79,912 dinars excluding VAT.

2. An agreement has been concluded, in September 2023, between BIAT and the company SOPAT by virtue of which the latter makes available to the bank a senior technician for two years starting on September 1, 2023, and a power engineer for two year starting on December 1, 2023, to perform the necessary functions for the works related to the construction of the office building.

BIAT will pay SOPAT a fee based on invoicing, including the salaries and benefits of the said technicians, at a mark-up of 15%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned.

Invoices are payable quarterly.

The amount invoiced by «SOPAT» for 2023 is 41,893 dinars excluding VAT.

3. An agreement has been concluded, in September 2023, between BIAT and the company SOPIAT by virtue of which the latter makes available to the bank an architect on part-time secondment (50% of his time) to carry out the functions required for the renovation of a real estate project for office use, in particular, participation in the studies, authorization procedures and follow up of the acceptance of works for a period of 18 months from January 1, 2023, till June 30, 2024.

BIAT will pay SOPIAT a fee based on invoicing, including 50% of the salaries and benefits, including all charges for the personnel at a mark-up of 15%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned. Invoices are payable quarterly.

The amount invoiced by «SOPIAT» for 2023 is 103,127 dinars excluding VAT.

4. Two amendments have been concluded to the agreements for the provision of a senior technician and an agent, under which both parties have agreed to extend the term of these agreements for one year, expiring on December 31, 2023, renewable by tacit agreement.

The amounts invoiced by SOPIAT are detailed below.

## Tunisie Valeurs Asset Management & SICAV TRESOR

5. In 2023, Updates to distribution agreements: Modification of the distribution commission paid to distributors, shared in favor of the distributors in proportion to their distributions,

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 24, 2022,

- Of 0,3% (excl. tax) to 0,35% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

The amounts invoiced to SICAV TRESOR are detailed below.

## TUNISIE VALEURS ASSET MANAGEMENT & SICAV PATRIMOINE OBLIGATAIRE

6. In 2023, Updates to distribution agreements: Modification of the distribution commission paid to distributors, shared in favor of the distributors in proportion to their distributions,

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 22, 2022,

- Of 0,3% (excl. tax) to 0,5% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

The amounts invoiced to SICAV Patrimoine Obligataire are detailed below.

## ASSURANCES BIAT

7. A memorandum of understanding relating to supplementary cover that applies to credit maturities deferred under the measures provided for by Legislative Decree no. 2020-19 of May 15, 2020, was entered into with BIAT INSURANCE on December 30, 2021 for a firm period of one year starting from January 1, 2023 to December 31, 2023.

This additional cover applies to deferred repayments on loans for which INSURANCE BIAT provided life insurance cover when the loan was taken out.

The protocol defined the scope of coverage by means of a list of credit contracts including the amount outstanding on January 1, 2023 of the deferred installments covered by the supplementary insurance and the amount of the supplementary insurance premium for the period from January 1, 2023 to December 31, 2023.

Credit installments include principal and interest on deferred monthly installments, as well as any related interim interest over the period of suspended payment.

For the period from January 1, 2022 to December 31, 2023, the capital insured by the initial contracts/ memberships is extended to the outstanding amount of the deferred installments at the date of death or IAD consolidation occurring during this period. This amount is specified in the amortization schedule for the deferred amount, which will be provided by the bank when the claim is reported.

This cover will be subject to the same conditions of cover and exclusions as those of the initial insurance contract/membership.

Supplementary cover is granted for the period from January 1, 2023 to December 31, 2023, in return for payment by the bank of a total insurance premium of 186,047 DT. This amount, detailed by contract/ membership, has been established with a 60% reduction on the standard Temporary Death rate for Loan Cover and without acquisition costs, applied to the capital covered over the year 2023.

The expense recognized by BIAT for the 2023 financial year amounts to 186,047 dinars.

8. In 2023, BIAT signed an executive secondment agreement with BIAT INSURANCE, under which the latter provides the company with a part-time department manager (50% of his time), to support IT and MOA teams in monitoring and implementing IS projects as well as prioritizing and budgeting IS projects, and assist the company in defining a strategy and an approach to carry out a possible transformation of the information system.

The amount invoiced by BIAT for 2023 is 85,621 dinars excluding VAT.

## SUPPORT ET MAINTENANCE EXPRESS « SME » (EX TAAMIR)

### 9. Agreements of services:

- On September 9, 2022, BIAT signed an agreement with SME for the provision of building maintenance services. The amount of the annual contract is 220,000 dinars including VAT.

In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 609,000 dinars including VAT.

- On November 1, 2022, BIAT signed an agreement with SME for the provision of support and mail management services. The amount of the annual contract is 96,000 dinars including VAT.

In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 1,360,000 dinars including VAT.

- On November 1, 2022, BIAT signed an agreement with SME for the provision of curative and preventive maintenance services for network and telephony equipment. The annual contract is worth 140,000 dinars including VAT.

In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 268,000 dinars including VAT.

The expenses recognized in this respect in 2023 amounted to 470,508 dinars excluding VAT.

## BIAT France

10. In 2023, BIAT has signed an agreement with « BIAT France », under which BIAT retrocedes annually to BIAT France a portion of the income generated by the subsidiary's customers. The calculation of the amount



to be invoiced by BIAT France is based on the retrocession of a share of the GNB (Gross National Product) generated by BIAT relating to BIAT France's customers.

In this respect, the charge for 2023 amounts to 2,627,840 dinars.

### Compagnie Internationale Arabe de Recouvrement « CIAR »

11. In 2023, BIAT entered into two agreements with Compagnie Internationale Arabe de Recouvrement «CIAR» for the assignment of bank receivables for a total gross amount of 54,800 KDT at a price of 1,355 KDT.

### B. Transactions relating to previous agreements (other than executive compensation):

We hereby inform you that the following agreements, approved in prior years, remained in force during the year ended December 31, 2023:

#### GOLF SOUSSE MONASTIR «GSM»

12. Following the conclusion of the deed of dation in payment with the company GOLF SOUSSE MONASTIR «GSM», dated December 27, 2013, by virtue of which BIAT became the owner of the immovable property covered by three land titles located in the Dkhila Monastir tourist zone, the company «GSM» expressed its wish to lease the golf course with its easements and outbuildings, already ceded to BIAT.

BIAT has accepted this request and has set a compound annual rent of:

- A fixed portion of 200,000 dinars excl. VAT per annum, payable quarterly in advance. A cumulative increase of 5% per annum will be applied to the fixed portion of the rent, from the third year of rental.
- A variable portion calculated on the basis of sales excluding tax, as follows:
  - Between 0 and 500,000 DT => 10% of the total
  - Between TND 500,001 and TND 1,000,000 => 15%.
  - More than 1,000,001 DT => 20% of the amount

This lease is accepted for a period of two consecutive years, starting on January 1, 2014 and ending on December 31, 2015, renewable by tacit agreement.

An amendment to the said agreement was concluded in 2020, under which both parties agreed to revise the amount of the golf course rent by reducing it to an annual rent of 50,000 dinars excluding VAT, payable quarterly in advance from January 1, 2020, and to which a cumulative annual increase of 5% will be applied from January 1, 2021.

The amount included in BIAT's income in 2023 is 57,881 dinars.

#### International Arab Company for Debt Recovery "CIAR"

13. BIAT has leased the office located on the second floor of the Sfax Harzallah building to the CIAR company for use as an administrative office.

This lease is granted and accepted for a period of two consecutive years, starting on September 1, 2013 and ending on August 31, 2015, renewable by tacit agreement, in return for an annual rent of 4,950 dinars excluding VAT, payable quarterly in advance. This rent will be subject to a cumulative increase of 5% applicable from the 3rd year of rental.

The amount included in BIAT's income in 2023 is 7,435 dinars.

- 14.** In 2015, BIAT and CIAR signed an agreement under which the bank provides IT assistance and consultancy services.

Assistance and consultancy assignments for the study, selection and implementation of IT solutions must be covered by a CIAR-approved assignment order specifying the number of days of the assignment, at a daily rate of 500 dinars excluding VAT.

Administration and technical assistance are provided for an annual fee of 7,500 dinars excluding VAT.

These remunerations are paid to BIAT half-yearly in arrears, on presentation of an invoice.

This agreement is concluded for a period of three years and will be renewed by tacit agreement unless one of the parties withdraws in writing, giving 3 months' notice.

The amount included in BIAT's income in 2023 is 7,500 dinars.

- 15.** In 2012, BIAT signed a lease with CIAR for a 16.45 m<sup>2</sup> office on the second floor of the building located at Boulevard 14 Janvier, Route touristique Khezama, Sousse.

The lease is granted and accepted for a period of two consecutive years, commencing on September 1, 2012 and expiring on August 31, 2014, renewable from year to year by tacit agreement. This lease has been granted and accepted in return for an annual rent of 2,468 dinars excluding VAT, payable quarterly in advance.

The above rent will be subject to a cumulative annual increase of 5% from the 3rd year of rental.

The amount included in BIAT's income in 2023 is 3,891 dinars.

- 16.** In 2014, BIAT signed an executive secondment agreement with CIAR. In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to CIAR includes a 5% margin.

The amount included in BIAT's expense transfers in 2023 is 943,639 dinars.

- 17.** In November 2014, BIAT entered into an agency agreement with the company «CIAR» for the purpose of collecting its receivables.

This contract, which was the subject of two amendments, the first in 2015 and the second in 2017, stipulates in its purpose that BIAT gives a mandate to «CIAR», which agrees to act in its name and on its behalf to collect its receivables from its customers.

In return for its services, the «CIAR» receives remuneration set as follows:

- Fixed fee: 50 dinars per file paid 60 days from date of power of attorney.
- Variable costs: 12% on all sums recovered, including interest on arrears.

These remuneration terms apply from July 21, 2017.

The amount invoiced by CIAR in 2023 is 709 dinars.

- 18.** In 2014, BIAT signed an accounting and administrative assistance agreement with CIAR. In return for this mission, BIAT receives an annual fee of 18 KDT excluding VAT.

This remuneration was renewed under the endorsement signed in December 2016.

- 19.** In 2016, BIAT signed a sublease agreement with CIAR for a number of spaces in the building located at the corner of rue de Radhia Haddad and rue d'Hollande.

This sublease is granted and accepted for a period of three consecutive years, commencing on September 1, 2016 and ending on July 31, 2019, renewable by tacit agreement for a further period of three years until notice of termination is served by either party or upon expiry of the main lease.

This lease has been granted and accepted in return for a monthly rent of 6,562.500 dinars exclusive of VAT, payable quarterly in advance.

From August 1, 2017, a cumulative annual increase of 5% is applied.

As of November 2018, a rider was signed, providing for the extension of all leased spaces by three offices located on the second floor of the building located at rue de Radhia Haddad. From November 1, 2018 to July 31, 2019, the monthly rent for all the space leased to «CIAR» will be 9,337.431 dinars excluding VAT.

From August 1, 2019, a cumulative annual rent increase will be applied at an annual rate of 5%.

This agreement cancelled in 2023.

The amount included in BIAT's income in 2023 is 11,350 dinars.

## BIAT CAPITAL RISQUE

- 20.** In the context of tax-exempt investment, BIAT and BIAT CAPITAL RISQUE have signed several fund management agreements. The agreements in force in 2023 are detailed as follows:

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 022	Regional fund 2023-1	15 000	15 000	59	<p>BIAT CAPITAL RISQUE receives a management fee of:</p> <p>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</p> <p>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</p> <p>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 022	Regional fund 2023-2	15 000	15 000	58	
2 022	Regional fund 2023-3	15 000	15 000	58	
2 022	Regional fund 2023-4	15 000	15 000	58	
2 022	Regional fund 2023-5	15 000	15 000	58	
2 022	Regional fund 2023-6	10 000	10 000	39	
2 022	Industry fund 2023-1	15 000	15 000	60	
2 022	Industry fund 2023-2	15 000	15 000	60	
2 022	Industry fund 2023-3	15 000	15 000	60	
2 022	Industry fund 2023-4	15 000	15 000	60	
2 022	Industry fund 2023-5	15 000	15 000	59	
2 022	Industry fund 2023-6	15 000	15 000	59	
2 022	Industry fund 2023-7	15 000	15 000	59	
2 021	Regional fund 2022-1	15 000	15 000	92	
2 021	Regional fund 2022-2	15 000	15 000	93	
2 021	Regional fund 2022-3	15 000	15 000	93	
2 021	Regional fund 2022-4	15 000	15 000	75	
2 021	Regional fund 2022-5	15 000	15 000	75	
2 021	Industry fund 2022-1	15 000	15 000	108	
2 021	Industry fund 2022-2	15 000	15 000	94	
2 021	Industry fund 2022-3	15 000	15 000	92	
2 021	Industry fund 2022-4	15 000	15 000	92	
2 021	Industry fund 2022-5	15 000	15 000	92	
2 021	Industry fund 2022-6	10 000	10 000	62	
2 021	Regional Agricultural-fund 2022	20 000	20 000	100	
2 020	Industry fund 2021-1	10 000	10 000	148	
2 020	Industry fund 2021-2	10 000	10 000	157	
2 020	Industry fund 2021-3	10 000	10 000	152	
2 020	Industry fund 2021-4	10 000	10 000	157	
2 020	Industry fund 2021-5	10 000	10 000	157	
2 020	Industry fund 2021-6	10 000	10 000	141	
2 020	Industry fund 2021-7	10 000	10 000	143	
2 020	Industry fund 2021-8	10 000	10 000	152	

Year of transaction	Funds	Amount in KTND	Outs-tanding FY23	FY23 HT load	Remuneration conditions
2 020	Industry fund 2021-9	10 000	10 000	152	
2 020	Industry fund 2021-10	10 000	10 000	152	
2 020	Regional fund 2021-1	10 000	10 000	87	
2 020	Regional fund 2021-2	10 000	10 000	152	
2 020	Regional fund 2021-3	10 000	10 000	153	
2 020	Regional fund 2021-4	10 000	10 000	124	
2 020	Regional fund 2021-5	10 000	10 000	87	
2 020	Regional fund 2021-6	10 000	10 000	87	
2 020	Regional fund 2021-7	7 000	7 000	107	
2 019	Regional fund 2020-1	10 000	10 000	151	
2 019	Regional fund 2020-2	10 000	10 000	151	
2 019	Regional fund 2020-3	10 000	10 000	151	
2 019	Regional fund 2020-4	14 252	14 252	216	
2 019	Industry fund 2020-1	10 000	10 000	168	
2 019	Industry fund 2020-2	10 000	10 000	169	
2 019	Industry fund 2020-3	10 000	10 000	155	
2 019	Industry fund 2020-4	10 000	10 000	151	
2 019	Industry fund 2020-5	10 000	10 000	151	
2 018	Regional fund 2019-1	10 000	10 000	165	
2 018	Regional fund 2019-2	10 000	10 000	175	
2 018	Regional fund 2019-3	10 000	10 000	175	
2 018	Regional fund 2019-4	10 000	10 000	175	
2 018	Regional fund 2019-5	10 000	10 000	175	
2 018	Industry fund 2019-1	10 000	10 000	175	
2 018	Industry fund 2019-2	9 600	9 600	143	
2 018	Industry fund 2019-3	10 000	10 000	154	
2 018	Industry fund 2019-4	15 450	15 450	233	
2 018	Industry fund 2019-5	37 580	37 580	580	
2 018	Industry fund 2019-6	9 230	9 230	141	

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 018	Industry fund 2019-7	10 760	10 760	162	
2 018	Industry fund 2019-8	6 920	6 920	105	
2 018	Industry fund 2019-9	6 150	6 150	93	
2 018	Industry fund 2019-10	4 065	4 065	61	
2 017	Industry fund 2018-1	10 000	8 600	137	
2 017	Industry fund 2018-2	10 000	10 000	150	
2 017	Industry fund 2018-3	10 000	9 680	97	
2 017	Industry fund 2018-4	24 150	23 050	410	
2 017	Regional fund 2018-1	10 000	8 500	162	
2 017	Regional fund 2018-2	10 000	9 900	171	
2 017	Regional fund 2018-3	10 000	8 500	162	
2 016	Industry fund 2017-1	6 000	3 921	69	
2 016	Industry fund 2017-2	5 000	3 269	57	
2 016	FG BIAT Free 2017-1	9 001	9 001	45	<p>BIAT CAPITAL RISQUE receives as remuneration, quarterly and in arrears, a management fee of 0.5% p.a. exclusive of tax, on the total amount of the fund.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 016	Managed Fund BIAT Free 2017-2	5 501	5 501	96	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <p>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</p> <p>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</p> <p>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 016	Regional fund 2017-1	5 100	3 332	58	
2 016	Regional fund 2017-2	4 750	3 103	54	
2 016	Regional fund 2017-3	40 000	26 000	455	

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 015	Free fund 2016-2	4 501	4 501	79	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <ul style="list-style-type: none"> <li>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</li> <li>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</li> <li>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</li> </ul> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 015	Regional fund 2016	5 000	4 425	77	
2 015	Industry fund 2016-1	5 000	4 017	70	
2 015	Industry fund 2016-2	5 050	4 457	78	
2 014	Free fund 2015-1	2 001	2 001	20	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <ul style="list-style-type: none"> <li>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</li> <li>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</li> <li>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</li> </ul> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 013	Industry fund 2014	2 000	1 300	13	
2 012	Free fund 2013	8 853	8 853	44	<p>BIAT CAPITAL RISQUE receives a management fee of 0.5% p.a. exclusive of tax, on the total amount of the fund.</p>

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 013	Regional fund 2013	2 000	1 300	13	BIAT CAPITAL RISQUE receives a management fee of : - 0.5% excl. tax per annum on amounts invested during the lock-up period; - 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount; - 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.
2 012	Industry fund 2013	8 853	8 853	44	
2 012	FG 2012	5 000	3 252	33	
2 012	Industry fund 2011	5 500	3 150	31	
2 011	Regional fund 2011	6 000	1 500	-	
2 011	FG 2010	6 000	2 174	-	
2 010	Fonds Régional 2011	10 000	905	-	
2 009	FG 2010	10 000	799	-	In return for its management of the fund, «BIAT CAPITAL RISQUE» receives a fee equal to 1% per annum exclusive of tax, payable annually in arrears on the initial amount of the fund. After 5 years, this fee will be charged annually in arrears on the fund's total assets.
2 008	FG 2008	14 250	499,997	5	
2 007	FG 2007	9 000	127,68	1	1% p.a. exclusive of tax, charged annually in arrears on the initial amount of the fund. After the 5-year period, this fee will be charged annually in arrears on the fund's assets under management.

- 21.** In December 2015, BIAT and «BIAT CAPITAL RISQUE» signed an amendment to the management agreements for venture capital funds, under which the two parties mutually agreed to add a provision to all current fund management agreements relating to direct expenses incurred by «BIAT CAPITAL RISQUE» in connection with equity lines.

Thus, direct expenses incurred by «BIAT CAPITAL RISQUE» in connection with the establishment or divestment of investment lines charged to the Funds in force will be borne by BIAT.

- 22.** In 2004, BIAT signed an amendment to the management agreement of October 17, 2000 with BIAT CAPITAL RISQUE. Under the terms of this amendment, BIAT receives an annual fee of 50,000 dinars (incl. VAT) in return for its services.

The income recognized in this respect in 2023 amounts to 42,017 dinars excluding VAT.



- 23.** BIAT has leased two offices for administrative use, with a total surface area of 92m<sup>2</sup>, to the company «BIAT CAPITAL RISQUE», located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on September 1, 2015 and ending on August 31, 2017, renewable from year to year by tacit agreement, and for an annual rent of 28,000 dinars excluding VAT. This rent will be subject to a cumulative increase of 5% applicable from the 2nd year of rental.

The revenue recognized in this respect in 2023 amounts to 40,055 dinars excluding VAT.

- 24.** On March 16, 2015, BIAT signed a secondment agreement with BIAT CAPITAL RISQUE for seven executives.

In 2021, a new agreement was signed concerning the secondment of BIAT employees to BIAT CAPITAL RISQUE, including its Chairman and Chief Executive Officer.

In return, BIAT CAPITAL RISQUE will pay BIAT, on half-yearly invoices, all salaries, additional salaries and benefits, including charges, for all seconded personnel.

In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to «BIAT CAPITAL RISQUES» includes a 5% margin and VAT at the prevailing rate.

This agreement cancelled and replaced the one signed on March 16, 2015 and took effect from January 1, 2021.

The amount included in BIAT's expense transfers in 2023 is 1,102,432 dinars.

## SOPIAT

- 25.** BIAT has signed a rental agreement with the company SOPIAT for premises used as archive storage space at the Logistics Centre in the El Fejja industrial zone, with a total surface area of 3,138 m<sup>2</sup> excluding floor area.

The lease is granted and accepted for a period of two years, commencing on April 1, 2020 and expiring on March 31, 2022, renewable from year to year by tacit agreement, and at an annual rent of 434,000 dinars exclusive of VAT. This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In return, SOPIAT will receive an annual rent of 434,000 dinars excluding VAT, subject to a non-cumulative annual increase of 5% from the third year of rental.

The contract runs from April 1, 2020 to March 31, 2022, and is tacitly renewable from year to year.

In this respect, the charge for 2023 amounts to 471,975 dinars excluding VAT.

- 26.** BIAT has signed a rental agreement with SOPIAT for a set of premises and real estate for commercial use, located on the ground floor and second floor of the El Ahmadi complex in La Marsa, with a total surface area of 595 m<sup>2</sup> excluding works.

The lease is granted and accepted for a period of two years, commencing on December 13, 2019 and expiring on December 12, 2021, renewable from year to year by tacit agreement, and for an annual rent of 334,999 dinars exclusive of VAT.

This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In this respect, the charge for 2023 amounts to 369,894 dinars excluding VAT.

- 27.** An agreement was signed in 2018 between BIAT and SOPIAT, under which the latter provides the bank with two technicians to monitor the maintenance of the 5th floor of the 2nd tranche of the head office.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the salaries and benefits of the said technicians, at a mark-up of 5%.

A first amendment to the said agreement was signed on January 2, 2021, under which the two parties agreed to extend the mission of the two technicians for a period of two years, expiring on December 31, 2021.

A second amendment to the said agreement was concluded on September 30, 2021, under which the two parties agreed to suspend the provision to BIAT of one of the two technicians for the period from 01/10/2021 to 31/12/2021.

At the end of this period, the technician will once again be made available to BIAT under the same conditions as provided for in the agreement of January 2, 2018 and its first amendment of January 2, 2021.

The amount invoiced by SOPIAT for 2023 is 26,048 dinars excluding VAT.

- 28.** In 2019, an agreement was signed between BIAT and SOPIAT, under which the latter provides the bank with two employees to monitor maintenance work on the 5th floor of the 2nd tranche of the head office.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the salaries and benefits (including all charges) of these two employees, at a margin of 5%.

An amendment to the said agreement was signed on November 9, 2020, concerning the provision to the bank of a worker to monitor maintenance workers on the 5th floor of the 2nd tranche of the head office, for the period from November 9, 2020 to December 31, 2020.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the salaries and benefits, including all charges, of the staff made available, at a margin of 5%.

A second amendment to the agreement was signed on January 2, 2021, under which both parties agreed to extend the term of the agreement to December 31, 2021.

A third amendment to the agreement was signed on January 2, 2022, under which both parties agreed to extend the term of the agreement to December 31, 2023.

The amount invoiced by «SOPIAT» for 2023 is 38,921 dinars exclusive of VAT.

- 29.** BIAT has leased to SOPIAT two offices for administrative use, with a total surface area of 49m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on January 26, 2015 and ending on January 25, 2017, in return for an annual rent of 14,717 dinars excluding VAT.

This rent will be subject to a non-cumulative annual increase of 5%.

Income recognized in this respect in 2023 amounts to 21,657 dinars.

- 30.** Within the framework of its activities, which are essentially the granting of real estate credit, BIAT needs to carry out appraisals of real estate assets which are the subject of credit applications from its customers, and it approached SOPIAT on February 27, 2014, to make its technical director available to it and undertakes to provide it with all the necessary assistance and supervision.

In return for making these services available, BIAT undertakes to reimburse SOPIAT, on presentation of an invoice, 700 dinars (excluding tax) per working day (the daily rate includes travel, accommodation, meals and other expenses necessary for the performance of the service).

This agreement takes effect on March 1, 2014 for a period of one year, renewable by tacit agreement.

The amount invoiced by «SOPIAT» for 2023 is 101,500 dinars exclusive of VAT.

- 31.** An agreement was signed in April 2021 between BIAT and SOPIAT, under which the latter provides the bank with an agent to carry out the necessary function of welcoming visitors.

In return for services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the agent's salary and benefits, all charges included, at a margin of 5%.

This agreement runs from April 1, 2021 to December 31, 2022.

An amendment to the said agreement was concluded in December 2023, under which both parties agreed to extend the term of the agreement to December 31, 2023, renewable from year to year by tacit agreement.

The amount invoiced by «SOPIAT» for 2023 is 31,964 dinars excluding VAT.

- 32.** An agreement was signed in July 2021 between BIAT and SOPIAT, under which SOPIAT provides the bank with a senior technician to carry out the work required for the construction of the building housing the headquarters of TUNISIE VALEURS.

In return for services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the technician's salary and benefits, all charges included, at a margin of 30%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned. Invoices are payable quarterly.

This agreement runs from July 1, 2021 to December 31, 2023.

The amount invoiced by «SOPIAT» for 2023 is 97,342 dinars excluding VAT.

- 33.** An agreement has been concluded, in 2019, between BIAT and the company SOPIAT by virtue of which the latter makes available to the bank a senior technician to perform the necessary functions in connection with the renovation work on the BIAT building at Berges du Lac I.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the technician's salary and benefits, all charges included, at a margin of 5%.

A first amendment to the said agreement was signed in 2021, under which both parties agreed to extend the technician's mission for one year, expiring on December 31, 2021.

A second amendment to the agreement was signed in 2022, under which both parties agreed to extend the technician's assignment for a further year, expiring on December 31, 2022.

A third amendment to the agreement was signed in 2023, under which both parties agreed to extend the technician's assignment for a further year, expiring on December 31, 2023, renewable from year to year by tacit agreement.

The amount invoiced by SOPIAT for 2023 is 81,398 dinars excluding VAT.

## BIAT CONSULTING

- 34.** In November 2016, BIAT signed a framework agreement with BIAT CONSULTING for the provision of personnel for a period of one year from March 1, 2016.

In return for the services rendered, BIAT CONSULTING invoices fees calculated on the basis of the actual cost of gross salaries, including all indirect charges, of the personnel provided, plus 5%.

A first amendment to the said agreement was concluded in 2020, under which the two parties agreed to revise the billing rate for assistance services rendered by «BIAT Consulting», and to set it at 500 dinars per day/man, inclusive of tax. Payment will be made within 30 days of receipt of the invoice, which must be accompanied by a schedule of attendance duly signed by the BIAT project manager. This amendment takes effect on October 1, 2020.

A second amendment to the said agreement was signed in 2022, under which the two parties agreed to revise the invoicing rate for assistance services provided by BIAT Consulting, and to set it at 600 dinars (incl. VAT) per day/man.

The amount invoiced by BIAT CONSULTING in 2023 is 83,100 dinars excluding VAT.

**35.** In 2014, BIAT signed an accounting and administrative assistance agreement with BIAT CONSULTING.

In return for this mission, BIAT receives an annual fee of 2,800 dinars including VAT.

An amendment to the said agreement was concluded in December 2015, under which the two parties agreed to renew the annual remuneration provided for in respect of the 2014 financial year, under the same terms and conditions, namely 2,800 dinars inclusive of tax. This remuneration will be increased to 3,100 dinars exclusive of tax for the 2017 and subsequent financial years.

**36.** BIAT has leased to BIAT CONSULTING three offices for administrative use, with a total surface area of 101m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on October 1, 2015 and ending on September 30, 2017, renewable from year to year by tacit agreement, and for an annual rent of 30,683 dinars excluding VAT. This rent will be subject to a cumulative increase of 5% applicable from the 2nd year of rental.

The amount invoiced by BIAT for 2023 is 43,714 dinars.

**37.** In 2014, BIAT signed an agreement with BIAT CONSULTING for the secondment of two executives. In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to BIAT CONSULTING includes a 5% margin.

An amendment to the said agreement was concluded in 2019, under which the two parties agreed to suspend the secondment of one of the two executives to BIAT CONSULTING, with effect from January 1, 2018.

In 2023, BIAT did not bill any amount under this agreement.

## **TUNISIE VALEURS ASSET MANAGEMENT (Former BIAT ASSET MANAGEMENT)**

**38.** On October 25, 2017, BIAT signed a custody and management agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) under which the latter entrusts BIAT, which accepts, with the mission of exclusive custodian of the securities and funds belonging to FCP BIAT-CEA PNT TUNISAIR.

In return for its services, BIAT will receive an annual fee of 0.1% exclusive of tax of the net assets of FCP BIAT-CEA PNT TUNISAIR. This fee is deducted daily and paid monthly in arrears.

Income recognized in this respect in 2023 amounted to 24,874 dinars.

**39.** On May 4, 2016, BIAT signed a custody and management agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) under which the latter entrusts BIAT, which accepts, with the mission of exclusive custodian of the securities and funds belonging to FCP BIAT-EQUITY PERFORMANCE.

In return for its services, BIAT will receive an annual fee of 0.1% exclusive of tax of the net assets of FCP BIAT-EQUITY PERFORMANCE. This fee is deducted daily and paid monthly in arrears.

Income recognized in this respect in 2023 amounted to 11,183 dinars.

**40.** BIAT amended, on December 25, 2017, the two deposit and distribution agreements of the «FCP BIAT - EPARGNE ACTIONS» mutual fund. The first was signed, on November 24, 2006, with «TUNISIE VALEURS ASSET MANAGEMENT» (EX BIAT ASSET MANAGEMENT) and then renewed, on November 20, 2013, while the second was newly signed on the same date, i.e. November 20, 2013.

The amendments made to the first agreement concern BIAT's remuneration. In 2013, the deposit commission rate was maintained at 0.1% (incl. tax) of the Fund's net assets, in the first amendment, and then revised upwards in the second amendment in 2017, from 0.1% (incl. tax) to 0.1% (excl. tax).

This fee is deducted daily and paid monthly in arrears.

In addition, on December 25, 2017, BIAT also amended the second distribution agreement signed in November 2013, which introduced a distribution fee of 0.2% incl. tax per annum, deducted from the net assets of FCP BIAT - EPARGNE ACTIONS.

The amendments to this agreement concern the remuneration of distributors, namely BIAT and TUNISIE VALEURS. Indeed, distribution services will be remunerated by commissions at the rate of 0.3% (excl. VAT) of net assets per annum in favor of the distributors in proportion to their distributions instead of 0.2% (incl. VAT). The 2017 amendment also provides for these distribution fees to be borne by the fund manager, TUNISIE VALEURS ASSET MANAGEMENT (formerly BIAT ASSET MANAGEMENT), and paid monthly in arrears on presentation of an invoice.

The amount recognized in income for fiscal 2023 is 60,756 dinars..

- 41.** On May 4, 2016, BIAT signed a distribution agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), under which the latter entrusts BIAT, which accepts, with marketing and distributing the units of FCP BIAT-EQUITY PERFORMANCE.

In return for its services, BIAT will receive a share of the distribution fee of 0.3% p.a. (excluding tax) of net assets, in proportion to its distribution. This fee, which is borne by TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), will be deducted from the management fee it charges on the net assets of FCP BIAT-EQUITY PERFORMANCE.

BIAT's remuneration will be paid by TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) monthly in arrears on presentation of an invoice.

In 2023, BIAT did not bill any amount under this agreement.

## **SICAV OPPORTUNITY and of SICAV PROSPERITY**

- 42.** BIAT amended twice, on December 23, 2013 and December 25, 2017, the two exclusive custodian agreements for the securities and funds of the «SICAV OPPORTUNITY» and the «SICAV PROSPERITY» initially signed on March 8, 2003.

The amendments to these agreements concern BIAT's remuneration. In the first amendment, the deposit commission rate was lowered from 0.3% (incl. tax) to 0.1% (incl. tax) of net assets for «SICAV OPPORTUNITY» and from 0.2% (incl. tax) to 0.1% (incl. tax) of net assets for «SICAV PROSPERITY». In the second amendment, it was raised from 0.1% (incl. tax) to 0.1% (excl. tax).

Remuneration is deducted daily and paid monthly in arrears.

In addition, BIAT also amended, on December 25, 2017, the two agreements for the distribution of «SICAV OPPORTUNITY» and «SICAV PROSPERITY» securities initially signed in 2013 between BIAT, TUNISIE VALEURS and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSETS MANAGEMENT).

The amendments to these agreements concern the remuneration of distributors, namely BIAT and TUNISIE VALEURS. Indeed, distribution services will be remunerated by commissions at the rate of 0.3% (excl. tax) of net assets per annum in favor of the distributors in proportion to their distributions for the two SICAVs instead of 0.2% (incl. tax) for «SICAV OPPORTUNITY» and 0.1% (incl. tax) for «SICAV PROSPERITY». The 2017 amendment also provided for these distribution fees to be borne by the manager, TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSETS MANAGEMENT), and paid monthly in arrears on presentation of an invoice.

Net income for the year ended December 31, 2023 amounted to 6,249 dinars.

## SICAV TRESOR

- 43.** BIAT amended, on December 18, 2015, the exclusive custodian agreement for the securities and funds of the «SICAV TRESOR» initially signed on March 8, 2003, as amended in 2010 and 2013.

The amendments to this agreement concern the deposit fee payable to BIAT, which has been revised downwards from 0.15% (incl. tax) to 0.10% (incl. tax) of the SICAV's net assets.

This fee, deducted daily, is paid monthly in arrears.

In addition, a distribution agreement for «SICAV TRESOR» securities was signed in December 2013 between BIAT, SICAV TRESOR and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), which provides for the application of a distribution fee equal to 0.2% (incl. tax) of net assets in favor of distributors of SICAV TRESOR securities, in proportion to their distributions. This agreement was amended in December 2015 to comply with new regulations and the FATCA law.

In 2023, this agreement was amended to reduce the distribution fee:

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 24, 2023,
- Of 0,3% (excl. tax) to 0,35% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

This fee, deducted daily, is paid monthly in arrears. This agreement is concluded for a period of one year from the date of signature, and is renewable by tacit agreement.

Income for fiscal 2023 amounted to 415,932 dinars.

## SICAV PATRIMOINE OBLIGATAIRE

- 44.** On October 13, 2009, BIAT signed an agreement to act as exclusive custodian for the securities and funds of the «SICAV PATRIMOINE OBLIGATAIRE». Under the terms of this agreement, BIAT's services are remunerated at a rate of 0.1% (incl. VAT) of the net assets of the said SICAV, with a minimum of 5,000 dinars (excl. VAT) and a maximum of 20,000 dinars (excl. VAT) per year. The minimum and maximum thresholds were abolished under the agreement signed in December 2015. This fee is deducted daily and paid monthly in arrears.

The agreement also stipulates that the said SICAV will be domiciled on the premises of BIAT, without this constituting a lease or creating any right to commercial property in its favor.

This agreement was revised on December 23, 2013, to introduce a distribution fee equal to 0.15% (incl. tax) of net assets in favor of the distributors of SICAV PATRIMOINE OBLIGATAIRE securities, namely BIAT, TUNISIE VALEURS and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), in proportion to their distributions.

The distribution fee rate has been raised to 0.2% (incl. tax) of net assets under the agreement signed in December 2015.

In 2023, this agreement was amended to reduce the distribution fee:

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 22, 2022,
- Of 0,3% (excl. tax) to 0,5% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

This fee, deducted daily, is paid monthly in arrears. This agreement is concluded for a period of one year from the date of signature, and is renewable by tacit agreement.

The amount recognized in income for the year ended December 31, 2023 was 1,625,621 dinars.

## TUNISIE VALEURS

- 45.** In 2007, the Bank entered into an «Employee Credit» agreement with TUNISIE VALEURS, under which the Bank offers TUNISIE VALEURS employees access to flexible, rapid and advantageous credit facilities on preferential terms.
- 46.** On January 2, 2004, BIAT signed a stock market order collection agreement with TUNISIE VALEURS. Article 8 of this agreement stipulates that part of the brokerage commissions on all transactions negotiated by «TUNISIE VALEURS» on behalf of BIAT or its clients is allocated as follows:

Type of commission	Remuneration BIAT	Remuneration TUNISIE VALEURS
Brokerage commissions on transactions carried out on listed markets.	50%	50%
Brokerage commissions on transactions carried out on over-the-counter markets.	-	100%
All commissions deducted from customers specific to the « Tunisie Valeurs ».	-	100%
All commissions deducted from customers of the BIAT.	100%.	-

- 47.** An agreement has been signed between BIAT and TUNISIE VALEURS concerning the partial secondment of an executive for a period of one year, renewable annually by tacit agreement.

In return, TUNISIE VALEURS will pay BIAT, on the basis of half-yearly invoices, all salaries, additional salaries and benefits, including all charges, for the seconded employee, up to 87% of the total amount.

In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to TUNISIE VALEURS includes a 5% margin and VAT at the prevailing rate.

The remainder of the remuneration will be paid by BIAT in return for the tasks performed on its behalf by the employee on part-time secondment.

The amount included in BIAT's expense transfers in 2023 for this purpose amounts to 271,527 dinars excluding VAT.

## SICAF BIAT & SGP

- 48.** On December 23, 2011, BIAT signed accounting, financial and administrative assistance agreements with SICAF BIAT and SGP.

In return for this mission, BIAT receives the following from each subsidiary:

- The equivalent of the payroll and employer's contributions relating to the human resources responsible for accounting and administrative assistance, borne by BIAT and increased by a margin of 10%, i.e. an annual amount of 19,800 dinars excluding VAT per Company. This remuneration is subject to annual revision in line with the actual costs incurred by the bank.



- The equivalent of salary and employer's contributions for human resources in charge of management and direction, plus 10%.

- The equivalent of overheads relating to the provision of premises and other logistical resources, borne by BIAT, i.e. a fixed annual amount of 1,200 dinars excluding VAT per company. This amount will be subject to a cumulative increase of 6% applicable each year, starting from the second year of availability.

These agreements were the subject of two separate amendments, in November 2018, which concerned BIAT's remuneration, and in particular:

- A change in payment terms from quarterly to annual.

- The elimination of the chargeback of overheads relating to the provision of premises and other logistical resources, borne by BIAT.

- A lump-sum calculation of payroll and employer's contributions relating to human resources in charge of accounting and administrative assistance, based on a fixed scale. From the second year following the effective date of the 2018 amendment, this amount will be subject to a cumulative increase of 6%, applicable each year.

- A reduction in the margin on wage and salary costs for management and executive staff from 10% to 5%.

Amounts booked to income for the year ended December 31, 2023 amounted to 16,059 dinars.

## TUNISIE TITRISATION

**49.** On May 10, 2006, BIAT entered into an agreement with TUNISIE TITRISATION under the terms of which the two parties set up the FCC BIAT-CREDIMMO 1 debt securitization fund, a co-ownership whose sole purpose is to acquire receivables relating to real estate loans granted by the assignor (BIAT) to private individuals, with a view to issuing units representing said receivables.

The total initial issue price amounts to KDT 50,000 and the receivables assigned by BIAT to the fund represented by the company «TUNISIE TITRISATION», total an initial outstanding capital of KDT 50,019.

As at December 31, 2023, BIAT's total subscriptions to this fund amounted to 1,519 KDT, relating exclusively to subscriptions to residual units.

As part of this operation, BIAT acts both as custodian of the fund's assets and as collector. In this capacity, and as remuneration for the custodian duties entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION», acting on behalf of the fund, a commission equal to 0.05% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period. In addition, and in its capacity as debt collector, BIAT receives from the aforementioned company a commission equal to 0.4% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period.

BIAT has not received any commission in respect of the 2023 financial year.

**50.** On May 18, 2007, BIAT entered into an agreement with TUNISIE TITRISATION under the terms of which the two parties set up the FCC BIAT-CREDIMMO 2 debt securitization fund, a co-ownership whose sole purpose is to acquire receivables relating to real estate loans granted by the assignor (BIAT) to private individuals, with a view to issuing units representing said receivables.

The total initial issue price amounts to KDT 50,000 and the receivables assigned by BIAT to the fund represented by the company «TUNISIE TITRISATION», total an initial outstanding capital of KDT 50,003.

As at December 31, 2023, BIAT's total subscriptions to this fund amounted to 1,503 KTD, relating exclusively to subscriptions to residual units.

As part of this operation, BIAT acts both as custodian of the fund's assets and as collector. In this capacity,



and as remuneration for the custodian duties entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION», acting on behalf of the fund, a commission equal to 0.05% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period. In addition, and in its capacity as collector, BIAT receives from the aforementioned management company a commission equal to 0.4% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period.

BIAT has not received any commission in respect of the 2023 financial year.

## ASSURANCES BIAT

- 51.** In July 2016 and January 2018, BIAT entered into two contracts with the company «Insurance BIAT» for the provision of two of the bank's employees to Insurance BIAT, in order to carry out assignments entrusted to them.

In return for the services rendered, Insurance BIAT will pay BIAT a fee based on half-yearly invoices, corresponding to the salaries and benefits, including all charges, of the staff made available, at a margin of 5%. These agreements cover an indefinite period.

The income recognized in respect of the provision of personnel in 2023 amounts to 455,732 dinars excluding tax.

- 52.** In February 2018, BIAT entered into a lease agreement with the company «Insurance BIAT» for premises used as administrative offices with an approximate surface area of 183m<sup>2</sup> including common areas, located on the second floor of the building at Place de Sidi Mtir in Mahdia.

This lease is granted for a monthly rent of 638.140 dinars excluding VAT, i.e. an annual rent of 7,657.680 dinars excluding VAT, for a period starting on January 1, 2017 and ending on December 31, 2018. At the end of this period, the lease will be renewed from year to year by tacit agreement.

The rent will be subject to an annual increase of 5% applicable from the 2nd year onwards.

Rental income recorded in BIAT's income statement for the year ended December 31, 2023 amounted to 10,262 dinars.

- 53.** In February 2018, BIAT entered into a lease agreement with the company «Insurance BIAT» for part of a premises used as administrative offices with an approximate surface area of 87.5 m<sup>2</sup>, located at Rue El Meniar, 47 Avenue Habib Bourguiba, la Manouba.

This lease is granted for a monthly rent of 860 dinars excluding VAT, i.e. an annual rent of 10,320 dinars excluding VAT, for a period starting on January 1, 2017 and ending on December 31, 2018. At the end of this period, the lease will be renewed from year to year by tacit agreement.

The rent will be subject to an annual increase of 5% applicable from the 2nd year onwards.

Rental income recorded in BIAT's income statement for the year ended December 31, 2023 amounted to 13,830 dinars.

- 54.** Since 2004, BIAT has taken out insurance policies with BIAT INSURANCE. The expense incurred in respect of the 2023 financial year breaks down as follows:

Nature	Expenses
Liability insurance	60.000
Personal Accident Insurance	77.818
Family protection life insurance	168.127
Foreign assistance insurance for Visa Premier and Business Gold cards,	1.381.543
Global bank robbery insurance	336.048
Insurance against theft and loss of cards	420.630
Fire and related insurance	522.506
Fleet insurance	67.502
Comprehensive computer insurance	99.337
Sapphire and Silver Pack insurance	843.435
Express and First Pack insurance	33.230
Pack Elite insurance	297.840
Platinum Pack insurance	554.540
Foreign assistance insurance for Platinum, infinite and business Premium cards".	666.922
Loan insurance (*)	186.047
Employee group insurance (employer contribution)	15.813.768
Life insurance (AFEK) (**)	1.762.300

(\*)At the end of 2021, BIAT signed a contract with BIAT INSURANCE to provide additional cover for loan deferrals.

(\*\*) In 2012, BIAT signed a group life insurance policy with BIAT INSURANCE for the benefit of its staff, known as «members».

**55.** BIAT INSURANCE sublets to the bank the premises known as «Commercial 2», with a total surface area of 145m<sup>2</sup>, located on the first floor of the building at Berges du Lac II, built on the «DIAR EL ONS» plot. This lease is granted and accepted for a firm period running from January 1, 2010 to April 30, 2014.

From May 2014, an amendment was signed to extend the lease term from May 1, 2014 to April 30, 2019. A cumulative annual rent increase will be applied from May 1, 2014, at an annual rate of 5% based on the previous year's rent.

The amount included in BIAT's expenses in 2023 is 43,578 dinars.

## SOCIETE DE PROMOTION TOURISTIQUE « SPT SFAX »

**56.** BIAT has leased an office for administrative use from SPT Sfax. 25m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on January 1, 2015 and ending on December 31, 2016, in return for an annual rent of 7,525 dinars excluding VAT.

The income recognized in this respect in 2023 amounts to 11,118 dinars.

## **SOCIETE DE PROMOTION TOURISTIQUE « SPT MOHAMED V »**

- 57.** BIAT has leased a 43m<sup>2</sup> office for administrative use from SPT Mohamed V, located in its head office building on Avenue Habib Bourguiba-Tunis.

This lease is granted for a period starting on July 1, 2016 and ending on December 31, 2018, renewable from year to year by tacit agreement, and for an annual rent of 13,019 dinars exclusive of VAT, payable quarterly in advance.

This rent will be subject to a cumulative annual increase of 5% applicable from July 1, 2017.

The income recognized in this respect in 2023 amounts to 17,883 dinars.

## **SOCIETE « ESTRAT »**

- 58.** In 2019, BIAT signed an agreement with eStrat for assistance, consulting and strategic support.

In return for this mission, BIAT pays an annual fee of 800 KDT excluding VAT.

This agreement is for a period of three years from January 1, 2019, renewable by tacit agreement unless one of the parties withdraws in writing, giving one month's notice.

In 2023, no services were rendered by eStrat under this agreement.

## **VALUE DIGITAL SERVICES**

- 59.** In 2019, BIAT signed an IT engineering consultancy agreement with Value Digital Services.

In return for this mission, BIAT will pay a fee of 385 KDT excluding VAT, corresponding to the preliminary work and initial implementation of the system. Thereafter, the said remuneration will be paid on a monthly basis depending on the number of staff made available, in accordance with a remuneration scale agreed by both parties and subject to review by mutual agreement in the light of future developments.

This agreement is for a three-year period starting November 1, 2019. An amendment to this agreement is concluded for a period of one year, and is renewable by tacit agreement.

The amount invoiced in this respect by Value Digital Services in 2023 is 12,472,500 dinars excluding VAT.

- 60.** BIAT has signed a lease with Value Digital Service for office space on the second floor of the building located at the corner of Avenue Principale and Rue du Lac Turkana in Berges du Lac 1 - Tunis, covering 821 sq.m., and part of the second floor, covering 323 sq.m.

The lease is granted and accepted for a period of two years, renewable from year to year by tacit agreement, at an annual rent of 286,000 dinars excluding VAT, subject to a cumulative annual increase of 5% from the third year of lease.

In 2023, this income will amount to 315,315 dinars.

## **SUPPORT ET MAINTENANCE EXPRESS « SME » (FORMER TAAMIR)**

- 61.** In 2020, BIAT signed a lease agreement with TAAMIR for a furniture and equipment storage depot with a surface area of 1,000 m<sup>2</sup> on the first floor of the premises built on the plot of land covered by land title no. 68062, located in the Sidi Daoud industrial zone, La Marsa.

The lease is granted and accepted for a period of two years, from April 1, 2020 to March 31, 2022, renewable from year to year by tacit agreement, in return for an annual rent of 70,000 dinars excluding VAT.

In this respect, the charge for 2023 amounted to 76,125 dinars excluding VAT.

- 62.** In 2022, BIAT signed a memorandum of understanding with SME to define the terms of collaboration between BIAT and SME for the management of the «MAISON DOREE» property and other building maintenance, technical and logistical services.

The amount of the annual contract is 1,227,286 dinars excluding VAT.

## LA PROTECTRICE

- 63.** In 2022, BIAT signed a property management and agency framework agreement with «La Protectrice», under which the Bank grants an exclusive mandate to La Protectrice to put up for sale or rent properties belonging to it.

The agent company's remuneration is based on the following scale:

- 3% before tax for all sales of BIAT-owned real estate;
- 2% exclusive of tax for the purchase of any property by BIAT;
- A fee of one month's rent for all rental transactions.
- An exceptional increase of 1% to 2% in the agent's remuneration for the sale of properties that are difficult to sell for various reasons (location, condition of the property, land situation, etc.) will be fixed when the mandate is drawn up;

No invoices were issued under this agreement in 2023.

## C. Obligations and commitments of the company to its directors:

- I. Obligations and commitments to directors as referred to in article 200 (new) II § 5 of the Code of Commercial Companies, are as follows:

- The Board of Directors, meeting on March 15, 2023, decided to renew the mandate of Mr. Moez Hadj Slimen as Chief Executive Officer of the bank, with effect from the date of the ordinary General Meeting held to approve the accounts of 2022.

The Board of Directors held on April 28, 2023, endorsed this decision and delegated the necessary powers to the Nomination and Remuneration Committee in order to set his remuneration. For the 2023 financial year, this remuneration amounted to a gross sum of 699 KDT, including employer's contributions of 149 KDT. In addition, the stock of provisions for the General Manager's vacation pay recorded a variation of 5 KDT during the 2023 financial year, amounting to 10 KDT at December 31, 2023.

He also received remuneration amounting to 12 KDT in his capacity as a member of the Executive Credit Committee.

The Managing Director also benefits from a company car with driver and related expenses.

- At its meeting on December 14, 2021, the Board of Directors decided to appoint Mr Hassen Longo as Deputy Managing Director for a period of 3 years. The CEO's remuneration was set by the Human Resources Committee on February 1, 2022. For the year ended December 31, 2023, this remuneration amounted to a gross sum of 540 KDT, including employer's contributions of 116 KDT. In addition, the DGA's provisions for paid leave changed by 5 KDT during the 2023 fiscal year to 7 KDT at December 31, 2023.

He also received remuneration amounting to 6 KDT in his capacity as a member of the Board of Directors of certain subsidiaries.

- The members of the Board of Directors are remunerated by attendance fees set by the Ordinary General Meeting of April 28, 2023, which delegated to the Board of Directors the power to decide on their allocation among its members. Attendance fees allocated by the AGM for the 2023 financial year amounted to a gross sum of 1120 KDT.

In addition, the directors who sit on the Board of Directors' Delegation, the Standing Internal Audit Committee, the Executive Credit Committee, the Risk Committee and the Appointments and Remuneration Committee, received gross remuneration, in respect of the 2023 financial year, of 224 KDT (4 KDT per committee).

- II. Banque Internationale Arabe de Tunisie's obligations and commitments to its directors, as shown in the financial statements for the year ended December 31, 2023, are summarized as follows (in KDT):

Wording	General Manager		Former-General Manager		Executive Vice-President		Directors	
Type of benefit	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023
Short-term benefits (*)	704	455	916	-	535	274	-	-
Directors' fees	-	-	-	-	-	-	992	992
Committee fees	12	4	12	-	-	-	224	12
Termination and retirement benefits	84	162	537	-	15	114	-	-
<b>Total</b>	<b>800</b>	<b>621</b>	<b>1465</b>	<b>-</b>	<b>550</b>	<b>388</b>	<b>1216</b>	<b>1004</b>

(\*) : Remuneration, social security charges and paid vacation for corporate officers.

Tunis, April 05th, 2024

#### The Statutory Auditors

Les Commissaires aux Comptes Associés MTBF  
Mohamed Lassaad BORJI

CMC-DFK International  
Chérif Ben ZINA

## 13.2 Financial statements ending on 31/12/2023

### FINANCIAL STATEMENTS ENDING ON 31/12/2023

Balance sheet  
As at December 31, 2023  
(In thousands of dinars)

	Note	31/12/2023	31/12/2022
<b>ASSETS</b>			
Cash and balances with CBT, CCP and TGT	III-1	330 819	355 872
Due from Banks and Financial Institutions	III-2	4 673 638	3 445 606
Loans and advances	III-3	12 442 378	12 279 155
Trading securities portfolio	III-4	25 637	34 834
Investment portfolio and equities portfolio	III-5	4 649 470	4 290 070
Property & Equipment	III-6	338 203	257 171
Other assets	III-7	484 381	452 316
<b>Total Assets</b>		<b>22 944 526</b>	<b>21 115 024</b>
<b>LIABILITIES</b>			
Due to Central Bank of Tunisia	IV-1	3 951	898
Due to Banks and Financial Institutions	IV-2	543 666	624 489
Customers' Deposits	IV-3	18 802 457	17 166 843
Borrowings and Special Resources	IV-4	859 806	770 288
Other liabilities	IV-5	652 526	595 256
<b>Total Liabilities</b>		<b>20 862 406</b>	<b>19 157 774</b>
<b>SHAREHOLDERS' EQUITY</b>			
Capital		178 500	178 500
Reserves		1 254 360	1 063 875
Other shareholders' equity		3	3
Retained earnings		317 812	415 196
Net Income of the year		331 444	299 676
<b>Total shareholders' equity</b>	<b>V</b>	<b>2 082 120</b>	<b>1 957 250</b>
<b>Total liabilities and shareholders' equity</b>		<b>22 944 526</b>	<b>21 115 024</b>

**Off-balance sheet**  
**As at December 31, 2023**  
(In thousands of dinars)

	Note	31/12/2023	31/12/2022
<b>CONTINGENT LIABILITIES</b>			
Guarantees, warranties and other granted guarantees given	VI-1	2 342 393	2 214 904
a- To banks and financial institutions		284 461	290 032
b- To costumers		2 057 932	1 924 872
Documentary credits	VI-2	899 074	1 034 399
a- To costumers		807 217	800 441
b- Others		91 856	233 958
<b>Total contingent liabilities</b>		<b>3 241 466</b>	<b>3 249 303</b>
<b>COMMITMENTS GIVEN</b>			
Financing commitments given	VI-3	1 285 419	1 345 940
To costumers		1 285 419	1 345 940
Commitments on securities		903	2 911
a- Non paid up participations		903	2 903
b- Securities to be received		-	8
<b>Total commitments given</b>		<b>1 286 322</b>	<b>1 348 851</b>
<b>RECEIVED COMMITMENTS</b>			
Guaranties received	VI-4	5 316 694	5 090 767
<b>Total received commitments</b>		<b>5 316 694</b>	<b>5 090 767</b>

**Income statement**  
From January 1<sup>st</sup> to December 31, 2023  
(In thousands of dinars)

	Note	Year 2023	Year 2022
<b>BANKING OPERATING PRODUCTS</b>			
Interest and similar income	VII-1-1	1 412 716	1 155 130
Commission income	VII-1-2	260 511	253 580
Profit on trading securities portfolio and financial operations	VII-1-3	187 466	206 836
Income of investment portfolio	VII-1-4	295 765	255 388
<b>Total banking operating products</b>		<b>2 156 458</b>	<b>1 870 934</b>
<b>BANKING OPERATING EXPENSES</b>			
Interest and similar expenses	VII-2-1	(753 041)	(595 298)
Commission expenses	VII-2-2	(6 545)	(8 490)
<b>Total banking operating expenses</b>		<b>(759 586)</b>	<b>(603 788)</b>
<b>Net Banking Income</b>		<b>1 396 872</b>	<b>1 267 146</b>
Net provision allowances on loans, off-balances sheet and other liabilities	VII-3	(235 779)	(282 957)
Net provision allowances on investment portfolio	VII-4	(18 783)	(9 756)
Other operating income	VII-5	12 692	11 474
Staff costs	VII-6	(296 871)	(262 463)
General operating expenses	VII-7	(219 753)	(189 833)
Depreciation, amortization, and provisions on fixed assets	VII-8	(47 677)	(44 649)
<b>Operating result</b>		<b>590 701</b>	<b>488 962</b>
Gain or loss on other normal items	VII-9	-	(12)
Income tax	VII-10	(259 257)	(189 274)
<b>Result on ordinary activities</b>		<b>331 444</b>	<b>299 676</b>
Gain or Loss on other extraordinary items		-	-
<b>Net Income</b>		<b>331 444</b>	<b>299 676</b>
Net effects on tax deferred of a change in accounting		-	-
<b>Net result for the year after changes in accounting</b>		<b>331 444</b>	<b>299 676</b>



**Cash flows statement**  
From January 1<sup>st</sup> to December 31, 2023  
(In thousands of dinars)

	Note	Year 2023	Year 2022
<b>OPERATING ACTIVITIES</b>			
Collected banking operating products		1 891 555	1 635 731
Disbursed banking operating expenses		(720 378)	(621 888)
Deposits/withdrawals on financial institutions deposits		(1 272 897)	(312 022)
Deposits/withdrawals on customers deposits		(425 877)	(490 001)
Dépôts / Retraits dépôts auprès de la clientèle		1 703 051	1 032 238
Payments to personnel and other accounts payables		(494 648)	(388 937)
Other cash flows from operating activities		35 529	20 758
Corporate tax paid		(274 240)	(76 756)
<b>Net cash flow from operating activities</b>		<b>442 095</b>	<b>799 123</b>
<b>INVESTMENT ACTIVITIES</b>			
Collected products on investment portfolio		297 362	230 925
Acquisition/disposals on investment portfolio		(379 781)	(858 977)
Acquisition/disposals on fixed assets		(117 660)	(60 013)
<b>Net cash flow from investment activities</b>		<b>(200 079)</b>	<b>(688 065)</b>
<b>FINANCING ACTIVITIES</b>			
Increase/Repayment of borrowings		14 134	238 150
Increase/decrease of special resources		1 881	(6)
Dividends paid		(207 060)	(185 640)
<b>Net cash flow from financing activities</b>		<b>(191 045)</b>	<b>52 504</b>
Impact of changes in exchange rates on cash and cash equivalents	IX-1	(66 982)	(38 809)
<b>Net changes in cash and cash equivalent during the year</b>		<b>(16 011)</b>	<b>124 753</b>
Cash and cash equivalent at the beginning of the year		2 659 225	2 534 472
<b>Cash and cash equivalent at the end of the year</b>	IX-2	<b>2 643 214</b>	<b>2 659 225</b>

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS (At December 31, 2023)

## Note I – Compliance with Tunisian Accounting Standards

The financial statements of Banque Internationale Arabe de Tunisie are drawn up in accordance with the provisions of law no. 96-112 of 30-12-1996 relating to the company accounting system and with the provisions of the Minister of Finance's decree of 25-03-1999 approving sectoral accounting standards relating to operations specific to banking establishments.

The financial statements are drawn up in accordance with the model defined by accounting standard n°21 relating to the presentation of the financial statements of banking establishments.

## Note II – Basis of measurement and relevant accounting policies applied, and presentation of the financial statements

The financial statements have been prepared as at December 31, 2023, in accordance with the accounting principles and policies set out in Decree no. 96-2459 of December 30, 1996, approving the conceptual accounting framework and the accounting principles set out in the sectoral accounting standards for banking institutions. Among these principles, we describe below the rules that have been applied for the recognition of income and expenses, the rules for the valuation of receivables and securities, and the rules for the translation of foreign currency transactions.

### II-1. Rules for taking products into account

Interest, similar income and commissions are included in 2023 income for the period from January 1 to December 31, 2023. Income received in respect of periods subsequent to December 31, 2023 is not included in income for 2023, in accordance with accounting standards. On the other hand, income accrued and not yet due at December 31, 2023 is included in income.

Pursuant to the provisions of both sector accounting standard no. 24 and circular no. 91-24 of 17-12-1991 issued by the Central Bank of Tunisia, interest and similar income due at 31-12-2023 and not collected or collection of which is doubtful is not taken into account in income and is shown in the balance sheet as reserved agios.

Interest and similar income booked as reserved agios in prior years and received in 2023 are included in income at 31/12/ 2023.

### II-2. Rules for taking charges into account

Interest expense, commissions incurred, personnel costs and other expenses are deducted from income at 31/12/2023 for the period from January 1 to December 31, 2023. Expenses disbursed and relating to periods subsequent to 31/12/2023 are recorded in the balance sheet as deferred charges and accrued income.

Expenses relating to the period concerned and not disbursed up to 31/12/2023 are deducted from income.

### II-3. Rules for valuing receivables

#### II-3-1. Individual provisions

The classification and valuation of commitments and the determination of related provisions are carried out in accordance with Banque Centrale de Tunisie Circular No. 91-24 of December 17, 1991, as amended by Circular No. 99-04 of March 19, 1999, Circular No. 2001-12 of May 4, 2001, Circular No. 2012-09 of June 29, 2012 and Circular No. 2013-21 of December 30, 2013. Risk classes are defined as follows:

- Class 0 - Current assets
- Class 1 - Assets requiring special monitoring
- Class 2 - Uncertain assets
- Class 3 – Assets of concern
- Class 4 – Impaired assets

The provision rates by risk class applied to the net unhedged risk are as follows:

Class 2 - Uncertain assets	20%
Class 3 - Assets of concern	50%.
Class 4 - Impaired assets	100%.

### II-3-2. Additional provisions

Pursuant to circular to banks No. 2013-21 of December 30, 2013, the Bank has made additional provisions on assets with a seniority in class 4 greater than or equal to 3 years to cover net risk and this in accordance with the following minimum quotas:

- 40% for employees with 3 to 5 years' seniority in class 4;
- 70% for employees with 6 to 7 years' seniority in class 4;
- 100% for employees with at least 8 years' seniority in class 4;

Net risk means the value of the asset after deduction of:

- Agios reserved,
- Guarantees received from the State, insurance companies and credit institutions,
- Guarantees in the form of deposits or financial assets that can be liquidated without affecting their value; and
- Provisions set aside in accordance with article 10 of circular no. 91-24 to credit institutions.

### II-3-3. Collective provisions

Pursuant to the provisions of CBT circular no. 91-24, as amended and supplemented by subsequent texts, the bank has set aside general provisions, known as «collective provisions», to cover latent risks on current commitments and commitments requiring special monitoring within the meaning of the aforementioned circular.

The methodology for calculating these provisions was modified by CBT circular no. 2024-01 of January 17, 2024.

In addition, and as part of the ongoing drive to strengthen coverage of latent risks and prepare for Basel II requirements, the Bank has made adjustments to the parameters used to calculate collective provisions (adjustment factors and provisioning rates).

Additional collective reserves have been calculated by adjusting average migration rates and provisioning rates as follows.

- i. TMgi: The average migration rate as increased by the CBT has been adjusted by increasing it by a percentage  $\Delta$  specific to BIAT, proportional to the share of class 1 in current receivables (0+1): the higher the share, the higher the Delta.
- ii. TPgi: The standard provisioning rates recommended by the CBT have been increased to bring them into line with Basel standards: 40% for corporate loans, 45% for consumer loans and 35% for housing loans.

As a result, the stock of collective provisions set aside by the bank amounted to 383,9 MDT at December 31, 2023.

## II-4. Rules for classifying and valuing securities and related income

### II-4-1. Commercial securities portfolio and related income

This portfolio includes securities acquired with the intention of selling them in the short term. It comprises trading and investment securities:

- Trading securities are distinguished by their short holding period and liquidity. Trading securities include securities held for no more than three months. At each balance sheet date, trading securities are valued at market value. Market value corresponds to the weighted average share price at the balance sheet date or the most recent prior date. Changes in the market value of these securities are recorded in the income statement. Income from trading securities is recognized in the income statement when realized. In addition, treasury bills and similar securities are marked to market on the basis of the yield curve for sovereign issues published at the balance sheet date for the 2023 financial year.
- Investment securities are securities acquired with the intention of holding them for a period of more than three months.

At each balance sheet date, marketable securities must be valued at market value for listed securities and at fair value for unlisted securities, in order to determine whether provisions for impairment are required.

Market value corresponds to the weighted average share price at the balance sheet date or the most recent prior date. Fair value is the probable trading value and is determined by reference to one or more objective criteria, such as the price stipulated in recent transactions, the mathematical value, the yield, the size of earnings, the activity, scale or reputation of the company.

Each type of security is valued separately. Unrealized gains on some securities cannot offset unrealized losses on others.

Unrealized losses arising from the difference between the book value and the market or fair value of the securities give rise to provisions for impairment. Unrealized capital gains are not recognized.

### II-4-2. Investment Securities Portfolio and related income

The investment securities portfolio includes securities acquired with the intention of holding them to maturity, as well as those whose long-term ownership is deemed useful to the Bank's business.

This portfolio includes in particular :

- Investment Treasury Bonds ;
- Investments in subsidiaries and affiliates ;
- Managed funds placed with SICARs.

Investment securities are recorded at acquisition cost, excluding all costs and expenses, with the exception of study and consulting fees relating to the acquisition. Acquisitions and disposals of securities are recognized on the date of transfer of ownership, i.e. the date on which the transaction is recorded on the Tunis Stock Exchange. Dividends received, capital gains on disposals and income from managed funds are shown under «Income from investment portfolio» in the statement of income. Dividends not yet received, but which have been approved for distribution, are also recorded under «Income from investment portfolio».

At each balance sheet date, the acquisition cost of investment securities is compared with market value for listed securities and fair value for unlisted securities.

Market value corresponds to the weighted average share price at the balance sheet date or the most recent prior date.

Fair value is the probable trading value, determined by reference to one or more objective criteria, such as the price stipulated in recent transactions, mathematical value, yield, size of earnings, activity, scale or reputation of the company.

Unrealized gains on investment securities are not recognized.

Unrealized losses arising from the difference between the book value and the market value or fair value of the securities are provided for only in the following cases:

- due to new circumstances, there is a strong probability that the establishment will not hold these securities until maturity;
- there are risks of default by the issuer of the securities.

In addition, treasury bills and similar securities are valued at amortized cost, taking into account the spreading of any discount and/or premium over the residual maturity of the securities from the acquisition date. Unrealized gains on treasury bills are not recognized.

## II-5. Conversion rules for foreign currency transactions

In accordance with the provisions of the sectoral accounting standards for banking establishments, the financial statements are prepared taking into account foreign-currency receivables and payables and the foreign-currency position, which are converted on the basis of the latest average CBT exchange rate for December 2023. Exchange gains and losses resulting from this conversion are taken into account in the income statement at December 31, 2023.

## II-6. Presentation of financial statements

The financial statements prepared and published by BIAT for the year 2023 are presented in accordance with sector accounting standard N°21.

### Note III – Balance sheet assets

*(Figures are expressed in KDT: thousands of Tunisian Dinars)*

Balance sheet assets comprise the following items:

- AC1: Cash and balances with CBT, CCP and TGT;
- AC2 : Loans and advances to banks and financial institutions;
- AC3 : Customer receivables;
- AC4 : Commercial securities portfolio;
- AC5 : Investment securities portfolio;
- AC6 : Fixed assets;
- AC7 : Other assets.

### III-1. Cash and balances with CBT, CCP and TGT

	31/12/2023	31/12/2022
Checkouts	189 609	176 020
Assets at CBT	141 122	179 764
CCP credit balances	88	88
<b>Total Cash and balances with CBT, CCP and TGT</b>	<b>330 819</b>	<b>355 872</b>

### III-2. Loans and advances to banks and financial institutions

	31/12/2023	31/12/2022
Loans and advances to banks (a)	4 255 916	3 102 722
Loans and advances to financial institutions (b)	417 722	342 884
<b>Total Due from banks and financial institutions</b>	<b>4 673 638</b>	<b>3 445 606</b>

(a) Amounts due from banks break down as follows:

	31/12/2023	31/12/2022
CBT loan accounts	3 384 323	2 174 113
Interbank market loan accounts	772 720	875 360
Loan receivables	21 060	6 125
Corresponding accounts NOSTRI	58 539	25 417
Corresponding accounts LORI	275	51
Related receivables	129	42
Unallocated values	18 870	21 614
<b>Total</b>	<b>4 255 916</b>	<b>3 102 722</b>

(b) Receivables from financial institutions break down as follows:

	31/12/2023	31/12/2022
Loans to leasing companies	351 760	286 325
Loans to other financial institutions	59 888	52 797
Related receivables and payables	6 074	3 762
<b>Total</b>	<b>417 722</b>	<b>342 884</b>

The breakdown of gross amounts due from banks and financial institutions by maturity is as follows:

	Up to 3 months	More 3 months and less than a year	More than one year and less than 5 years	Over 5 years	Indefinite duration	31/12/2023
<b>Loans and advances to banks</b>						
CBT loan accounts	2 288 889	1 095 434	-	-	-	3 384 323
Interbank market loan accounts	416 347	356 373	-	-	-	772 720
Loan receivables	5 965	15 095	-	-	-	21 060
Corresponding accounts NOSTRI	-	-	-	-	58 539	58 539
Corresponding accounts LORI	-	-	-	-	275	275
Related receivables	-	-	-	-	129	129
Unallocated values	-	-	-	-	18 870	18 870
<b>Total</b>	<b>2 711 201</b>	<b>1 466 902</b>	<b>-</b>	<b>-</b>	<b>77 813</b>	<b>4 255 916</b>
<b>Loans and advances to financial institutions</b>						
Loans to leasing companies	1 219	41	341 570	8 929	1	351 760
Loans to other financial institutions	59 888	-	-	-	-	59 888
Related receivables and payables	2 870	3 204	-	-	-	6 074
<b>Total</b>	<b>63 977</b>	<b>3 245</b>	<b>341 570</b>	<b>8 929</b>	<b>1</b>	<b>417 722</b>
<b>Total General</b>	<b>2 775 178</b>	<b>1 470 147</b>	<b>341 570</b>	<b>8 929</b>	<b>77 814</b>	<b>4 673 638</b>

The breakdown of gross amounts due from banks and financial institutions by type of relationship is as follows:

Libellés	Related companies	Associate-companies	Joint ventures	Other	31/12/2023
<b>Loans and advances to banks</b>					
CBT loan accounts	-	-	-	3 384 323	3 384 323
Interbank market loan accounts	-	-	-	772 720	772 720
Loan receivables	-	-	-	21 060	21 060
Corresponding accounts NOSTRI	-	-	-	58 539	58 539
Corresponding accounts LORI	-	-	-	275	275
Related receivables	-	-	-	129	129
Unallocated values	-	-	-	18 870	18 870
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 255 916</b>	<b>4 255 916</b>
<b>Loans and advances to financial institutions</b>					
Loans to leasing companies	-	-	-	351 760	351 760
Loans to other financial institutions	54 236	-	-	5 652	59 888
Related receivables and payables	45	-	-	6 029	6 074
<b>Total</b>	<b>54 281</b>	<b>-</b>	<b>-</b>	<b>363 441</b>	<b>417 722</b>
<b>Total General</b>	<b>54 281</b>	<b>-</b>	<b>-</b>	<b>4 619 357</b>	<b>4 673 638</b>

### III-3. Customer receivables

Customer receivables comprise current and classified accounts receivable, other current and classified loans, and current and classified loans from special resources.

Gross doubtful debts (classified) and the provisions required to cover classified assets are determined in accordance with the provisions of Circular no. 91-24 of 17-12-1991 issued by the Banque Centrale de Tunisie on prudential rules, and the accounting standards applicable to banking establishments.

Customer receivables rose from 12,279,155 Thousand DT at December 31, 2022 to 12,442,378 Thousand DT at December 31, 2023, recording an increase of 163,223 Thousand DT or 1.33%. This change is detailed as follows:

	31/12/2023	31/12/2022
Customer accounts receivable (1)	1 160 190	1 042 051
Other customer loans (2)	12 362 811	12 158 811
Appropriations from special resources (3)	84 499	83 227
<b>Total</b>	<b>13 607 500</b>	<b>13 284 089</b>
Provisions on customer loans	(571 232)	(434 089)
Agios reserved	(209 989)	(195 318)
Collective provisions	(383 901)	(375 527)
<b>Total customer receivables</b>	<b>12 442 378</b>	<b>12 279 155</b>



*(1) Customer accounts receivable*

	31/12/2023	31/12/2022
Current accounts receivable	1 038 501	976 019
Doubtful accounts	113 230	48 947
Advances on term deposits	8 240	16 550
Customer accounts receivable	219	535
<b>Total</b>	<b>1 160 190</b>	<b>1 042 051</b>

*(2) Other customer loans and advances*

	31/12/2023	31/12/2022
Other current borrowings (a)	11 436 639	11 372 625
Other doubtful borrowings	926 172	786 186
<b>Total</b>	<b>12 362 811</b>	<b>12 158 811</b>

(a) Other current liabilities break down as follows:

	31/12/2023	31/12/2022
Commercial and industrial loans	7 179 223	7 284 087
Real estate loans, developers	98 635	72 405
Home loans, buyers	3 390 173	3 275 083
Agricultural credits	686 744	632 568
Associate current account	2 900	2 900
<b>Discount portfolio</b>	<b>11 357 675</b>	<b>11 267 043</b>
Unallocated values	960	133
Related receivables on other current loans	124 740	147 143
Related receivables on associates' current accounts	600	553
Interest received in advance (less)	(47 336)	(42 247)
<b>Total other current financing</b>	<b>11 436 639</b>	<b>11 372 625</b>

*(3) Appropriations from special resources*

	31/12/2023	31/12/2022
Current appropriations from special resources	60 871	61 880
Receivables related to credits on special resources	703	652
Doubtful credits on special resources	22 925	20 695
<b>Total</b>	<b>84 499</b>	<b>83 227</b>

**Risk management for special resources:**

- (1) The bank incurs a counterparty risk only on loans charged to external resources. In addition, the foreign exchange positions generated by the bank's commitments following the contracting of loans in foreign currencies are systematically hedged by Tunis Ré through the contracting of insurance policies covering the foreign exchange risk relating to this type of commitment.
- (2) For public funds, the counterparty risk is not systematic, but varies according to the nature of the fund and the customer's financial situation (debtor default). What's more, these funds are only released to customers once they have obtained a financing agreement from the corresponding lender and the resources have been disbursed.

In view of the above, customer receivables are summarized as follows:

*(i) Current receivables*

	31/12/2023	31/12/2022
Current receivables excluding commitments by signature	12 465 287	12 321 492
Unallocated values	960	133
Related receivables	126 262	148 883
Interest received in advance (less)	(47 336)	(42 247)
<b>Total</b>	<b>12 545 173</b>	<b>12 428 261</b>
Current signature commitments	2 807 743	2 699 428
<b>Total</b>	<b>15 352 916</b>	<b>15 127 689</b>

*(ii) Gross doubtful debts*

	31/12/2023	31/12/2022
Doubtful loans excluding commitments by signature	1 062 327	855 828
Doubtful signature commitments	57 407	25 886
<b>Total</b>	<b>1 119 734</b>	<b>881 714</b>

Provisions set aside to cover off-balance sheet commitments are shown on the liabilities side of the balance sheet in the amount of 32,909 Thousand DT.

Provisions and premiums set aside to cover classified customer receivables totalled 802,580 Thousand DT, broken down as follows:

	31/12/2023	31/12/2022
Reserved premiums on classified receivables	199 515	183 663
Balance sheet provisions for classified receivables	570 156	432 413
Provisions for off-balance sheet commitments	32 909	14 484
<b>Total</b>	<b>802 580</b>	<b>630 560</b>

Provisions and reserved agios set aside to cover unclassified customer receivables totalled 395,451 Thousand DT, broken down as follows:

	31/12/2023	31/12/2022
Reserved premiums on unclassified receivables	10 474	11 655
Collective provision	383 901	375 527
Other provisions	1 076	1 676
<b>Total</b>	<b>395 451</b>	<b>388 858</b>

It should be noted that, as part of the analysis and assessment of customer receivables, the provisions required for classified receivables have been determined taking into account only deductible guarantees within the meaning of CBT circular no. 91-24.

Thus, non-deductible guarantees such as pledges on businesses, mortgages on registration requisitions, maritime mortgages, mortgages on private deeds, pledges on fixed equipment, pledges on contracts, pledges on rolling stock, pledges on goods, personal and joint and several guarantees by individuals and legal entities, endorsements by individuals and legal entities, life insurance policies, direct debits on salaries, rents and contracts have been excluded from this calculation.

Movements in provisions for balance sheet receivables break down as follows:

	31/12/2022	Endowment	Reprise	Retrocession	31/12/2023
Balance sheet provisions for classified receivables	(432 413)	(220 018)	82 275	-	(570 156)
Collective provision	(375 527)	(8 374)	-	-	(383 901)
Other provisions	(1 676)	-	600	-	(1 076)
<b>Total</b>	<b>(809 616)</b>	<b>(228 392)</b>	<b>82 875</b>	<b>-</b>	<b>(955 133)</b>

Movements in doubtful debts net of provisions and reserved agios, excluding commitments by signature, were as follows:

	31/12/2022	Net contributions for the year	Endowments	Repossession and retrocession	Net reservation	31/12/2023
Gross receivables	855 828	206 498	-	-	-	1 062 326
Provisions	(432 413)	-	(220 018)	82 275	-	(570 156)
Reserved Agios	(183 663)	-	-	-	(15 851)	(199 514)
<b>Net receivables</b>	<b>239 752</b>	<b>206 498</b>	<b>(220 018)</b>	<b>82 275</b>	<b>(15 851)</b>	<b>292 656</b>

Breakdown of gross customer loans by maturity is as follows:

	Up to 3 months	More 3 months and less than a year	More than one year and less than 5 years	Over 5 years	Indefinite duration	31/12/2023
<b>Customer Receivables</b>						
Accounts receivable	3 828	3 799	703	-	1151 860	1160 190
Other customer loans and advances	3 122 100	734 273	4 348 768	3 349 183	808 487	12 362 811
Appropriations from special resources	543	1 234	17 365	45 942	19 415	84 499
<b>Total</b>	<b>3 126 471</b>	<b>739 306</b>	<b>4 366 836</b>	<b>3 395 125</b>	<b>1979 762</b>	<b>13 607 500</b>

The breakdown of gross customer receivables by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
<b>Customer Receivables</b>					
Accounts receivable	28 574	-	-	1131 616	1160 190
Other customer loans and advances	70 877	-	-	12 291 934	12 362 811
Appropriations from special resources	-	-	-	84 499	84 499
<b>Total</b>	<b>99 451</b>	<b>-</b>	<b>-</b>	<b>13 508 049</b>	<b>13 607 500</b>

The breakdown of loans and advances to customers according to whether or not they are eligible for Central Bank refinancing is as follows:

	Not eligible for CBT Refinancing	Eligible for CBT Refinancing	31/12/2023
<b>Customer Receivables</b>			
Accounts receivable	1160 190	-	1160 190
Other customer loans and advances	10 831 685	1 531 126	12 362 811
Appropriations from special resources	84 499	-	84 499
<b>Total</b>	<b>12 076 374</b>	<b>1 531 126</b>	<b>13 607 500</b>

### III-4. Commercial securities portfolio

#### (1) Transaction securities

	31/12/2023	31/12/2022
Transaction securities (1)	21 333	30 530
Investment securities (2)	4 304	4 304
<b>Total Commercial securities portfolio</b>	<b>25 637</b>	<b>34 834</b>

#### (2) Investment securities

Designation	31/12/2023	31/12/2022
Assimilable treasury bills	20 402	29 655
Related receivables and payables	931	875
<b>Total securities held in portfolio</b>	<b>21 333</b>	<b>30 530</b>

Marketable securities comprise SICAV securities and listed shares for 2,303 Thousand DT and 2,001 Thousand DT respectively.

For fiscal 2023, there were no transfers between trading securities and investment securities.

### III-5. Investment portfolio

	31/12/2023	31/12/2022
Gross investment securities outstanding	4 632 028	4 272 106
Related receivables on investment securities	93 221	93 904
Provisions and premiums for impairment in value of investment portfolio	(75 779)	(75 940)
<b>Total Investment Portfolio</b>	<b>4 649 470</b>	<b>4 290 070</b>

The increase breaks down as follows:

	Variation
New acquisitions and Subscriptions assimilable treasury bills	254 771
Repayment of investment bills	(330 816)
Disposal of or loss on equity investments	(525)
National and bonds loan subscription	283 700
Repayment of national and bonds loans	(8 000)
Release of managed funds	190 000
Retrocession or loss on managed funds	(29 208)
Provisions for investment securities	(6 582)
Reversal of provisions for investment securities	7 658
Interest reserved on managed funds	(751)
Interest reserved on portage	(164)
Change in related receivables and accrued dividend entitlements	(683)
<b>Total</b>	<b>359 400</b>

These operations are detailed as follows:

Labels	Investment securities	Equity interests	Shares in affiliated companies	Shares in associates	Funds under management	Securities in portage	Total
<b>Gross outstandings at 31/12/2022 excluding related receivables</b>	2 947 414	115 407	372 565	21 700	813 820	1 200	4 272 106
Redemption of Treasury Bills	(330 816)	-	-	-	-	-	(330 816)
Releases and/or acquisitions in 2023	501 059	25	34 887	2 500	190 000	-	728 471
Disposals, liquidations, losses or repayments in 2023	(8 000)	(525)	-	-	(29 208)	-	(37 733)
<b>Gross outstandings at 31/12/2023 excluding related receivables</b>	<b>3 109 657</b>	<b>114 907</b>	<b>407 452</b>	<b>24 200</b>	<b>974 612</b>	<b>1 200</b>	<b>4 632 028</b>
Claims on treasury bills	56 476	-	-	-	-	-	56 476
Related receivables on investment portfolios other than BTAs	28 604	9	-	-	6 327	1 805	36 745
Provisions and premiums for impairment in value of investment portfolio	-	(17 225)	(30 477)	(8)	(25 738)	(2 331)	(75 779)
<b>Total investment portfolio</b>	<b>3 194 737</b>	<b>97 691</b>	<b>376 975</b>	<b>24 192</b>	<b>955 201</b>	<b>674</b>	<b>4 649 470</b>

The breakdown of the Bank's equity holding into listed securities, unlisted securities and holdings in UCITS is as follows:

	31/12/2023	31/12/2022
Listed title	478	478
Unlisted shares	531 913	494 551
UCITS security	15 368	15 843
<b>Total</b>	<b>547 759</b>	<b>510 872</b>

### III-6. Fixed assets

Fixed assets are recorded at acquisition cost, excluding VAT, plus non-recoverable VAT, with the exception of transport equipment, which is recorded in the balance sheet at acquisition cost, including VAT.

Depreciation of fixed assets, except for goodwill, is calculated using the straight-line method at the depreciation rates allowed under current tax regulations.

Depreciation charges are determined and recorded based on the carrying amount of fixed assets, net of recoverable value, and according to the acquisition date of each fixed asset.

The following depreciation rates are applied:

Immobilization	Amortization period	Amortization rate
<b>Intangible assets</b>		
Software	3 ans	33,33%
Licenses	3 ans	33,33%
Goodwill	20 ans	5%
<b>Tangible fixed assets</b>		
Buildings	20 et 40 ans	5% et 2,5%
General installations, fixtures and fittings	10 ans	10%
Office Equipment	10 ans	10%
Transport equipment	5 ans	20%
Computer equipment	6,67 ans	15%
Fixed assets with special legal status	10 ans	10%

	31/12/2023	31/12/2022
Intangible assets	91 503	90 102
Amortization of intangible assets	(83 902)	(79 602)
Tangible fixed assets	504 128	475 747
Depreciation of tangible fixed assets	(269 129)	(256 638)
Assets under construction and advances	95 603	27 562
<b>Total fixed assets</b>	<b>338 203</b>	<b>257 171</b>

Fixed assets at 31/12/2023 break down as follows:

	31/12/2022	Acquisitions	Disposal or scrapping	Reclassifications	31/12/2023
License	36 893	432	(73)	36	37 288
Computer software	48 367	484	-	522	49 373
Goodwill and leasehold rights	4 842	-	-	-	4 842
<b>Total intangible assets</b>	<b>90 102</b>	<b>916</b>	<b>(73)</b>	<b>558</b>	<b>91 503</b>
Lands	78 628	-	(160)	13 870	92 338
Buildings	111 363	-	(127)	1 435	112 671
Fixtures and fittings	127 122	2 375	(32)	2 413	131 878
Buildings awaiting allocation	164	-	-	-	164
Fixed assets with special legal status	345	-	-	-	345
Office furniture	22 997	7	(324)	313	22 993
Computer equipment	59 194	3 938	(3 572)	6 738	66 298
Transport equipment	2 150	322	-	-	2 472
Buildings not used for professional activities	6 476	-	-	2 507	8 983
General building installations	7 655	-	-	836	8 491
Banking equipment	32 536	608	(5 106)	2 205	30 243
Fixtures and fittings for banking equipment	54	-	-	-	54
Office equipment	14 882	375	(294)	65	15 028
Office equipment layout	1 852	-	-	-	1 852
Office furniture layout	10 329	212	(237)	14	10 318
<b>Total tangible fixed assets</b>	<b>475 747</b>	<b>7 837</b>	<b>(9 852)</b>	<b>30 396</b>	<b>504 128</b>
Work in progress	26 525	98 996	-	(30 955)	94 566
Advances on assets under construction	1 037	-	-	-	1 037
<b>Total gross fixed assets</b>	<b>593 411</b>	<b>107 749</b>	<b>(9 925)</b>	<b>(1)</b>	<b>691 234</b>



	Amort. Accumulated 31/12/2022	Endowment	Regularization Disposal and scrapping	Accumulated depreciation 31/12/2023	Net asset value at 31/12/2023
License	(32 027)	(2 140)	73	(34 094)	3 194
Computer software	(44 065)	(2 106)	-	(46 171)	3 202
Goodwill and leasehold rights	(3 510)	(127)	-	(3 637)	1 205
<b>Total intangible assets</b>	<b>(79 602)</b>	<b>(4 373)</b>	<b>73</b>	<b>(83 902)</b>	<b>7 601</b>
Lands	-	-	-	-	92 338
Buildings	(54 350)	(3 399)	-	(57 749)	54 922
Fixtures and fittings	(87 778)	(7 962)	32	(95 708)	36 170
Buildings awaiting allocation	-	-	-	-	164
Fixed assets with special legal status	(341)	(1)	-	(342)	3
Office furniture	(15 200)	(1 571)	322	(16 449)	6 544
Computer equipment	(46 916)	(3 958)	3 572	(47 302)	18 996
Transport equipment	(1 370)	(266)	-	(1 636)	836
Buildings not used for business activities	(125)	(4)	-	(129)	8 854
General building installations	(6 845)	(394)	-	(7 239)	1 252
Banking equipment	(22 566)	(3 099)	5 059	(20 606)	9 637
Fixtures and fittings for banking equipment	(42)	(2)	-	(44)	10
Office equipment	(11 563)	(736)	289	(12 010)	3 018
Office equipment layout	(1 694)	(38)	-	(1 732)	120
Office furniture layout	(7 689)	(570)	235	(8 024)	2 294
<b>Total tangible fixed assets</b>	<b>(256 479)</b>	<b>(22 000)</b>	<b>9 509</b>	<b>(268 970)</b>	<b>235 158</b>
Works in progress	-	-	-	-	94 566
Advances on assets under construction	-	-	-	-	1 037
Provision Other tangible fixed assets	(159)	-	-	(159)	(159)
<b>Total gross fixed assets</b>	<b>(336 240)</b>	<b>(26 373)</b>	<b>9 582</b>	<b>(353 031)</b>	<b>338 203</b>

### III-7. Other assets

		31/12/2023	31/12/2022
Adjustment accounts	(1)	100 694	106 045
Other asset accounts	(2)	383 687	346 271
<b>Total Other assets</b>		<b>484 381</b>	<b>452 316</b>

#### (1) Adjustment Accounts

Accruals and deferred income rose from 106,045 Thousand DT in December 2022 to 100,694 Thousand DT in December 2023, an decrease of 5,351 Thousand DT.

#### (2) Other Asset Accounts

	31/12/2023	31/12/2022
Sundry debtors	355 010	316 257
Inventory accounts	6 150	5 225
Deferred charges	3 379	4 501
Study expenses	19 148	20 288
<b>Total Other assets</b>	<b>383 687</b>	<b>346 271</b>

The table of movements in deferred charges is shown below:

	Gross Value 31/12/2022	Cumulative Resorptions 31/12/2022	Net asset value at 31/12/2022	Increase	Write-backs in 2023	Gross Value 31/12/2023	Cumulative Resorp- tions au 31/12/2023	Net asset value at 31/12/2023
Deferred charges	14 478	9 977	4 501	931	2 053	15 409	12 030	3 379
<b>Total</b>	<b>14 478</b>	<b>9 977</b>	<b>4 501</b>	<b>931</b>	<b>2 053</b>	<b>15 409</b>	<b>12 030</b>	<b>3 379</b>

These expenses are amortized on a straight-line basis over 3 years.

Between December 2022 and December 2023, total assets increased by 1,829,502 Thousand DT or 8,66 %, from 21,115,024 Thousand DT to 22,944,526 Thousand DT.

**NOTE IV – Balance sheet liabilities***(Figures are expressed in KDT: thousands of Tunisian Dinars)*

Balance sheet liabilities comprise the following items:

- PA1 :Central Bank, Postal Cheque Centre
- PA2 : Deposits and assets of banking and financial institutions
- PA3 :Customer deposits and assets
- PA4 : Borrowings and special resources
- PA5 : Other liabilities

**IV-1. BCT et CCP**

	31/12/2023	31/12/2022
CBT cheques awaiting settlement	1 312	891
CBT accounts in foreign currencies	2 639	-
Accrued liabilities on CBT and CCP accounts	-	7
<b>Total Central Bank and CCP</b>	<b>3 951</b>	<b>898</b>

**IV-2. Deposits and assets of banking and financial institutions**

	31/12/2023	31/12/2022
Deposits and assets of banking institutions	481 075	575 677
Deposits of financial institutions	62 591	48 812
<b>Total Deposits and assets of banking and financial institutions</b>	<b>543 666</b>	<b>624 489</b>

Deposits and assets of banking institutions break down as follows:

	31/12/2023	31/12/2022
Borrowing in dinars from the CBT	-	331 000
Borrowing in dinars from banks	50 000	50 000
Correspondent bank deposits	184 848	185 554
Other amounts due	245 631	8 715
Related payables	596	408
<b>Deposits and assets of banking institutions</b>	<b>481 075</b>	<b>575 677</b>

The breakdown of deposits and assets of banking and financial institutions by maturity is as follows:

	Up to 3 months	More 3 months and less than a year	More 3 months and less than a year	Over 5 years	Indefinite duration	31/12/2023
<b>Deposits and assets of banking institutions</b>	50 032	19 614	-	-	411 429	481 075
Borrowing in dinars from banks	50 000	-	-	-	-	50 000
Correspondent bank deposits	-	19 054	-	-	165 794	184 848
Other amounts due	-	-	-	-	245 631	245 631
Related debts	32	560	-	-	4	596
<b>Deposits and assets of financial institutions</b>	51 434	-	-	-	11 157	62 591
Deposits from financial institutions	51 434	-	-	-	11 157	62 591
<b>Total</b>	<b>101 466</b>	<b>19 614</b>	<b>-</b>	<b>-</b>	<b>422 586</b>	<b>543 666</b>

The breakdown of deposits and assets of banking and financial institutions by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
<b>Deposits and assets of banking institutions</b>					
Borrowing in dinars from banks	-	-	-	50 000	50 000
Correspondent bank deposits	-	-	-	184 848	184 848
Other amounts due	-	-	-	245 631	245 631
Related debts	-	-	-	596	596
<b>Deposits and assets of financial institutions</b>					
Deposits from financial institutions	-	-	-	62 591	62 591
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>543 666</b>	<b>543 666</b>

Not all payables to banks and financial institutions are evidenced by interbank market securities.

### IV-3. Customer deposits and assets

	31/12/2023	31/12/2022
Demand deposits	9 441 352	8 876 899
Savings deposits	4 701 593	4 160 829
Maturity accounts	3 028 736	2 815 058
Maturity notes	286 405	280 986
Money market certificates of deposit	618 000	476 000
Related liabilities	102 069	78 363
Other amounts due	624 302	478 708
<b>Total</b>	<b>18 802 457</b>	<b>17 166 843</b>

The breakdown of customer deposits and assets by maturity is as follows:

	Up to 3 months	More 3 months and less than a year	More than one year and less than 5 years	Over 5 years	Indefinite duration	31/12/2023
Demand deposits	118 160	-	-	-	9 323 192	9 441 352
Savings deposits	-	-	-	-	4 701 593	4 701 593
Maturity accounts	782 562	872 186	1 370 171	3 817	-	3 028 736
Maturity notes	134 467	116 941	34 987	10	-	286 405
Money market certificates of deposit	604 000	14 000	-	-	-	618 000
Related payables	43 400	53 511	4 537	618	3	102 069
Other amounts due	-	-	-	-	624 302	624 302
<b>Total</b>	<b>1 682 589</b>	<b>1 056 638</b>	<b>1 409 695</b>	<b>4 445</b>	<b>14 649 090</b>	<b>18 802 457</b>

The breakdown of deposits and assets of banking and financial institutions by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
Demand deposits	442 650	-	-	8 998 702	9 441 352
Savings deposits	-	-	-	4 701 593	4 701 593
Maturing accounts	32 775	-	-	2 995 961	3 028 736
Maturity bonds	-	-	-	286 405	286 405
Money market certificates of deposit	254 500	-	-	363 500	618 000
Related debts	1 460	-	-	100 609	102 069
Other amounts due	368	-	-	623 934	624 302
<b>Total</b>	<b>731 753</b>	<b>-</b>	<b>-</b>	<b>18 070 704</b>	<b>18 802 457</b>

#### IV-4. Borrowings and special resources

Special Resources	31/12/2023	31/12/2022
Borrowings and debts for special resources	35 535	32 172
Debts on special resources	508	512
Public funds	43 459	45 061
<b>Total public funds and external bodies</b>	<b>79 502</b>	<b>77 745</b>
Subordinated borrowings	753 188	668 819
Debt related to borrowings	27 116	23 724
<b>Total borrowings and special resources</b>	<b>859 806</b>	<b>770 288</b>

This position consists mainly of:

- BIAT 2017 subordinated loan: This subordinated loan was set up in 2017 for an amount of 80,000 Thousand DT. The amount outstanding on 31/12/2023 is 1.100 Thousand DT.
- BIAT 2018 subordinated loan: This subordinated loan was set up in 2018 for an amount of 55,000 Thousand DT. The amount outstanding on 31/12/2023 is 1.606 Thousand DT.
- BIAT 2019-1 subordinated loan: This subordinated loan was set up in 2020 for an amount of 45,000 Thousand DT. The amount outstanding on 31/12/2023 is 41,000 Thousand DT.
- BIAT 2019-2 subordinated loan: This subordinated loan was set up in 2020 for an amount of 105,000 Thousand DT. The amount outstanding on 31/12/2023 is 44,130 Thousand DT.
- BIAT 2020-1 subordinated loan: This subordinated loan was set up in 2021 for an amount of 113,475 Thousand DT. The amount outstanding on 31/12/2023 is 90,945 Thousand DT.
- BIAT 2021-1 subordinated loan: This subordinated loan was set up in 2021 for an amount of 100,550 Thousand DT. The amount outstanding on 31/12/2023 is 83,926 Thousand DT.
- BIAT 2022-1 subordinated loan: This subordinated loan was set up in 2022 for an amount of 200,000 Thousand DT. The amount outstanding on 31/12/2023 is 198,207 Thousand DT.
- BIAT 2022-2 subordinated loan: This subordinated loan was set up in 2022 for an amount of 150,000 Thousand DT. The amount outstanding on 31/12/2023 is 142,275 Thousand DT.
- BIAT 2023-1 subordinated loan: This subordinated loan was set up in 2023 for an amount of 150,000 Thousand DT. The amount outstanding on 31/12/2023 is 150,000 Thousand DT.
- These subordinated loans, which are taken into account in the calculation of the solvency ratio as quasi-equity, will be used in particular to finance customer loans.
- Resources received from public funds and external bodies to be used by the Bank to finance customer loans.
- These funds rose by 31 Thousand DT of 1757 Thousand DT or 2.26 %, from 77,745 Thousand DT in December 2022 to 79,502 Thousand DT in December 2023.

Public funds and funds from outside bodies break down as follows :

	Balance at 31/12/2023	Balance at 31/12/2022
AFD	749	1 209
BIRD	559	674
CFD	932	1 538
ESPAGNOLE	3 492	3 790
FDCI	176	199
FONAPRA	3 673	3 593
FOPRODI	1 678	1 939
FOSDA FOSEP	99	98
PREMIER LOGEMENT	12 820	11 553
RESTRUCTURATION FINANCIERE	9 056	9 743
RESTRUC. PARTICIPATIF	2 166	2 250
ITL	25 469	20 190
KFW	3 826	4 049
PROPARCO	8	8
DOTATION COVID 19	13 791	15 685
BAD	500	716
Related payables	508	511
<b>TOTAL</b>	<b>79 502</b>	<b>77 745</b>

The breakdown of borrowings and special resources by maturity is as follows:

	Up to 3 months	More 3 mon- ths and less than a year	More than one year and less than 5 years	Over 5 years	Indefinite duration	31/12/2023
<b>Public and external funds</b>	1 930	7 621	22 713	41 564	5 674	79 502
Borrowings for special resources	262	5 344	14 760	14 367	802	35 535
Debts on special resources	508	-	-	-	-	508
Public funds	1 160	2 277	7 953	27 197	4 872	43 459
<b>Borrowings and special resources</b>	<b>25 069</b>	<b>61 079</b>	<b>402 476</b>	<b>291 680</b>	-	<b>780 304</b>
Subordinated borrowings	20 290	38 742	402 476	291 680	-	753 188
Debt related to borrowings	4 779	22 337	-	-	-	27 116
<b>Total</b>	<b>26 999</b>	<b>68 700</b>	<b>425 189</b>	<b>333 244</b>	<b>5 674</b>	<b>859 806</b>

The breakdown of borrowings and special resources by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
<b>Public and external funds</b>					
Borrowings and debts for special resources	-	-	-	35 535	35 535
Debts on special resources	-	-	-	508	508
Public funds	-	-	-	43 459	43 459
<b>Borrowings and special resources</b>					
Subordinated borrowings	290 101	-	-	463 087	753 188
Debt related to borrowings	9 466	-	-	17 650	27 116
<b>Total</b>	<b>299 567</b>	<b>-</b>	<b>-</b>	<b>560 239</b>	<b>859 806</b>

#### IV-5. Other liabilities

	31/12/2023	31/12/2022
Provisions for liabilities and charges (1)	168 889	140 135
Suspense and deferral accounts (2)	276 826	233 741
Other accounts (3)	206 811	221 380
<b>Total Other Liabilities</b>	<b>652 526</b>	<b>595 256</b>

##### (1) Provisions for liabilities and charges

	31/12/2023	31/12/2022
Provisions for operating risks	135 980	125 651
Provisions for off-balance sheet commitments	32 909	14 484
<b>Total provisions for liabilities and charges</b>	<b>168 889</b>	<b>140 135</b>

##### (2) Suspense and deferral accounts

	31/12/2023	31/12/2022
Other deferred income	9 304	8 824
Headquarters and branches	18	186
Accrued expenses	113 955	88 638
Suspense accounts to be settled	153 549	136 093
<b>Total Accruals and deferrals</b>	<b>276 826</b>	<b>233 741</b>



**(3) Other accounts**

	31/12/2023	31/12/2022
State, taxes and duties	156 768	170 243
Deduction accounts	39 046	38 397
Other sundry creditors	10 997	12 740
<b>Total other accounts</b>	<b>206 811</b>	<b>221 380</b>

**NOTE V – Statement of shareholders' equity**

(Figures are expressed in KDT: thousands of Tunisian Dinars)

The following table summarizes changes in shareholders' equity from fiscal 2022 to fiscal 2023:

	Share capital	Legal Reserve	Other reserves	Social Fund	Other shareholders' equity	Retained earnings	Net income for the year	Total
Sales at 31/12/2022	178 500	17 850	942 594	103 431	3	415 196	299 676	1 957 250
Appropriation of net income	-	-	190 000	-	-	109 676	(299 676)	-
Dividends distributed	-	-	-	-	-	(207 060)	-	(207 060)
Social fund	-	-	-	486	-	-	-	486
Net income for 2023	-	-	-	-	-	-	331 444	331 444
<b>Sales at 31/12/2023</b>	<b>178 500</b>	<b>17 850</b>	<b>1 132 594</b>	<b>103 917</b>	<b>3</b>	<b>317 812</b>	<b>331 444</b>	<b>2 082 120</b>

Pursuant to the provisions of Article 19 of Act no. 2013-54 of December 30, 2013, the Finance Act for the 2014 financial year, shareholders' equity available for distribution free of withholding tax amounted to 47,097 Thousand DT at December 31, 2023, broken down as follows

Reserves subject to special tax rules and not available for distribution: 45 871 Thousand DT

Reserves subject to special tax rules: 1 226 Thousand DT

As a result, shareholders' equity available free of withholding amounted to 1,226 Thousand DT on 31/12/2023.

### Earnings per share

Earnings per share for fiscal years 2022 and 2023 are as follows:

Figures in Tunisian dinar	31/12/2023	31/12/2022
Net income for the year	331 443 738	299 676 100
Number of common shares outstanding beginning of period	35 700 000	35 700 000
Number of common shares outstanding end of period	35 700 000	35 700 000
Weighted average number of common shares	35 700 000	35 700 000
Basic earnings per share in dinars	9,284	8,394

### NOTE VI – Off-balance sheet commitments

(Figures are expressed in KDT: thousands of Tunisian dinars)

#### VI-1. Sureties, endorsements and other guarantees

The breakdown of deposits, endorsements and other guarantees given by type of relationship is as follows :

	Related companies	Associated companies	Joint venture	Other	31/12/2023
Guarantees and endorsements in favor of banking and financial institutions	-	-	-	284 461	284 461
Guarantees and endorsements in favor of customers	1 648	351	-	2 055 933	2 057 932
	1 648	351	-	2 340 394	2 342 393

#### VI-2. Documentary credits

The breakdown of financing commitments by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
Credoc in favor of customers	-	-	-	807 217	807 217
Credoc import	-	-	-	91 856	91 856
Total	-	-	-	899 073	899 073

#### VI-3. Financing commitments given

The breakdown of financing commitments by type of relationship is as follows:

	Related companies	Associated companies	Joint venture	Other	31/12/2023
Financing commitments given to customers	-	-	-	1 285 419	1 285 419
Total	-	-	-	1 285 419	1 285 419

#### VI-4. Guarantees received

	31/12/2023	31/12/2022
Guarantees received from financial institutions	591 343	556 181
Guarantees received from the State	23 182	28 658
Guarantees received from customers	4 702 170	4 505 928
<b>Total Guarantees received</b>	<b>5 316 694</b>	<b>5 090 767</b>

Guarantees received consist of the following items at 31/12/2022 and 31/12/2023:

	Current Assets	Classified Assets	31/12/2022	Current Assets	Classified Assets	31/12/2023
POD	26 017	1 353	27 370	115 155	2 000	117 155
Mortgages	3 416 079	355 073	3 771 152	3 472 072	428 080	3 900 152
Deposits	182 066	2 306	184 372	184 775	2 427	187 202
Financial Assets	504 582	10 564	515 146	469 474	19 571	489 045
Insurance	64	-	64	41	-	41
State guarantees	5 556	586	6 142	1	78	79
Bank guarantees	529 102	1 266	530 368	562 963	1 421	564 384
FNG	7 087	1 701	8 788	6 313	2 875	9 188
Other organizations	5 911	7 817	13 728	3 895	10 019	13 914
Bank guarantees	21 594	-	21 594	23 748	-	23 748
The Tunisian Company for the Insurance of Foreign Trade COTUNACE	4 154	-	4 154	3 170	-	3 170
Other guarantees	-	7 889	7 889	-	8 616	8 616
<b>Total</b>	<b>4 702 212</b>	<b>388 555</b>	<b>5 090 767</b>	<b>4 841 607</b>	<b>475 087</b>	<b>5 316 694</b>

Guarantees received appearing on the statement of off-balance sheet commitments do not include non-deductible guarantees within the meaning of circular no. 91-24 of 17-12-1991 issued by the Central Bank of Tunisia. In addition, these guarantees are included in off-balance sheet commitments for the value of the receivable recorded in the balance sheet and relating to these guarantees. Thus, the surplus of guarantees in relation to the outstanding amount of each claim is excluded from this situation.

	31/12/2023	31/12/2022
<b>Spot foreign exchange transactions</b>		
Dinars purchased but not yet received	103 806	91 339
Currencies purchased but not yet received	121 492	99 062
Dinars sold but not yet delivered	28 792	25 263
Currencies sold but not yet delivered	196 276	164 343
<b>Forward foreign exchange transactions</b>		
Dinars receivable	297 375	481 480
Foreign currencies receivable	32 294	45 228
Dinars to deliver	33 604	45 885
Currencies to be delivered	290 425	461 799
<b>Currency/dinar swaps</b>	<b>101 572</b>	<b>26 425</b>
<b>Other foreign currency transactions</b>	<b>12 098</b>	<b>14 554</b>
Postponement / offset not run	12 098	14 554

## NOTE VII – Income statement

(Figures are expressed in KDT: thousands of Tunisian Dinars)

### VII-1. Banking income

The total for this item rose from 1,870,934 Thousand DT at December 31, 2022 to 2,156,458 Thousand DT at December 31, 2023, recording an increase of 285,524 Thousand DT or 15,26 %.

Income from banking operations comprises the following items:

- Interest and similar income ;
- Commission income ;
- Gains on trading securities portfolio and financial operations;
- Income from investment securities portfolio.

#### VII-1-1. Interest and similar income

	31/12/2023	31/12/2022
Interest on ordinary bank accounts	1 351	584
Interest on interbank loan accounts	28 840	35 869
Interest on customer loans	1 078 949	926 870
Interest on customer overdrafts	143 062	119 182
Interest and similar income on guarantee commitments	31 918	31 532
Other interest and similar income	128 596	41 093
<b>Total interest and similar income</b>	<b>1 412 716</b>	<b>1 155 130</b>

## VII-1-2. Commissions on products

	31/12/2023	31/12/2022
Commission on foreign exchange transactions	3 191	2 670
Commission on financing commitments	49 396	51 649
Commission on guarantee commitments	14 427	13 928
Commission on financial services	100 839	95 801
Commissions on other banking transactions	92 658	89 532
<b>Total commission income</b>	<b>260 511</b>	<b>253 580</b>

## VII-1-3. Gains on trading securities portfolio and financial transactions

	31/12/2023	31/12/2022
Income from trading securities (a)	2 274	2 030
Income from investment securities	208	242
Gains on foreign exchange and arbitrage transactions (b)	184 984	204 564
<b>Total Gains on trading securities portfolio and financial transactions</b>	<b>187 466</b>	<b>206 836</b>

*(a) Income from trading securities*

	31/12/2023	31/12/2022
Interest on trading securities	1 978	1 662
Capital gain or loss on sale or redemption	253	59
Gain or loss on revaluation of BTA securities	43	309
<b>Total income from trading securities</b>	<b>2 274</b>	<b>2 030</b>

*(b) Net gain on foreign exchange transactions*

Net gains on foreign exchange transactions, comprising mainly gains and losses on manual foreign exchange transactions and spot and forward foreign exchange, rose from 204,564 Thousand DT at December 31, 2022 to 184,984 Thousand DT at December 31, 2023, an decrease of 19,580 Thousand DT or 9.57%.

#### VII-1-4. Investment portfolio income

	31/12/2023	31/12/2022
Interest and income from investment securities	259 254	218 073
Income from shares in affiliated companies	24 954	25 551
Income from equity interests	11 557	11 764
<b>Total income from investment portfolio</b>	<b>295 765</b>	<b>255 388</b>

#### VII-2. Banking operating expenses

The total for this item rose from 603,788 Thousand DT at December 31, 2022 to 759,586 Thousand DT at December 31, 2023, recording an increase of 155,798 Thousand DT or 25.8 %.

These banking operating expenses comprise the following items:

- Interest expense and similar charges;
- Commissions incurred.

##### VII-2-1. Interest expense and similar charges

Interest incurred and similar expenses rose from 595,298 Thousand DT at December 31, 2022 to 753,041 Thousand DT at December 31, 2023, recording an increase of 157,743 Thousand DT or 26.5 %. This change is detailed as follows:

	31/12/2023	31/12/2022
Interest on ordinary bank accounts	2 730	2 251
Interest on interbank loan accounts	1 200	764
Interest on customer deposits	662 172	522 974
Interest on bonds and subordinated loans	73 628	49 303
Interest on special resources	2 335	2 423
Other interest and expenses	10 976	17 583
<b>Total interest and similar expenses</b>	<b>753 041</b>	<b>595 298</b>

##### VII-2-2. Commissions incurred

	31/12/2023	31/12/2022
Commissions on treasury and interbank transactions	6 444	7 277
Commissions on other transactions	101	1 213
<b>Total Commissions incurred</b>	<b>6 545</b>	<b>8 490</b>

### VII-3. Provisions and value adjustments on receivables, off-balance sheet and liabilities

At December 31, 2023, the balance of this item shows a net cost of risk of 235,779 Thousand DT, broken down as follows:

	31/12/2023	31/12/2022
Provisions on customer receivables	(247 091)	(307 305)
Provisions for liabilities and charges	(12 899)	(7 800)
<i>Total endowments</i>	(259 990)	(315 105)
Losses on receivables	(59 996)	(47 418)
<b>Total provisions and credit losses</b>	<b>(319 986)</b>	<b>(362 523)</b>
Reversal of provisions on customer receivables	83 150	72 986
Reversal of provisions for losses and expenses	823	6 338
<i>Total trade-ins</i>	83 973	79 324
Recovery of written-off receivables	234	242
<b>Total reversals and recoveries of receivables</b>	<b>84 207</b>	<b>79 566</b>
<b>Balance</b>	<b>(235 779)</b>	<b>(282 957)</b>

### VII-4. Provisions and value adjustments on investment portfolios

At December 31, 2023, this item shows a net cost of risk of 18,783 Thousand DT, broken down as follows:

	31/12/2023	31/12/2022
Provisions for investments in subsidiaries, portage and managed funds	(6 308)	(3 100)
Provisions for shares in affiliates and joint ventures	(273)	(2 399)
<i>Total endowments</i>	(6 581)	(5 499)
Expenses and losses on securities	(19 860)	(11 888)
<b>Total additions and losses</b>	<b>(26 441)</b>	<b>(17 387)</b>
Reversal of provisions for investments in subsidiaries, portage and managed funds	7 000	-
Reversal of provisions for shares in affiliates and joint ventures	658	2 510
Capital gain on sale of equity interests	-	5 121
<i>Total trade-ins</i>	7 658	7 631
<b>Total write-backs and recoveries</b>	<b>7 658</b>	<b>7 631</b>
<b>Balance</b>	<b>(18 783)</b>	<b>(9 756)</b>

### VII-5. Other operating income

This item, which mainly comprises rental income and interest on staff loans, rose from 11,474 Thousand DT in December 2022 to 12,692 Thousand DT in December 2023, an increase of 1,218 Thousand DT or 10.62 %.

### VII-6. Personnel expenses

This item, which mainly comprises salaries, social security charges and other personnel expenses, rose between December 2022 and December 2023 from 262,463 Thousand DT to 296,871 Thousand DT, recording an increase of 34,408 Thousand DT or 13.11%.

### VII-7. General operating expenses

The increase of 29,920 Thousand DT between December 2022 and December 2023 results from an increase in non-banking operating expenses of 14,760 Thousand DT and an increase in other general operating expenses of 15,160 Thousand DT.

The deduction from general operating expenses is as follows :

	31/12/2023	31/12/2022
Non-banking operating expenses	79 065	64 305
Other general operating expenses	140 688	125 528
<b>Total general operating expenses</b>	<b>219 753</b>	<b>189 833</b>

### VII-8. Depreciation, amortization and provisions on fixed assets

At December 31, 2023, the balance of this item amounted to 47,677 Thousand DT, broken down as follows:

	31/12/2023	31/12/2022
Amortization of intangible assets	4 373	4 402
Depreciation of property, plant and equipment	22 000	19 336
Amortization of deferred charges	21 304	20 911
<b>Total</b>	<b>47 677</b>	<b>44 649</b>

### VII-9. Balance in gain or loss from other ordinary items

This item breaks down as follows:

	31/12/2023	31/12/2022
Capital losses on disposal of fixed assets	(24)	(43)
Other ordinary gains and losses	(74)	(6)
+capital gains on disposal of fixed assets	98	37
<b>Total Gain/loss from other ordinary items</b>	<b>-</b>	<b>(12)</b>

### VII-10. Income tax

At December 31, 2023, the balance under this heading amounted to 259,257 Thousand DT, compared with 189,274 Thousand DT at December 31, 2022, representing an increase of 69,983 Thousand DT or 36,97 %. The balance includes the amount of the social solidarity contribution calculated in accordance with current regulations.



**NOTE VIII – Cash collection portfolio**

At December 31, 2023, the value of checks, bills and other similar securities held by the bank on behalf of third parties and awaiting collection amounted to 895,485 Thousand DT. In accordance with the provisions of the sectoral accounting standard for banking institutions, these assets are not included in the balance sheet.

**NOTE IX – Statement of cash flows**

(Figures are expressed in KDT: thousands of Tunisian Dinars)

**IX-1. Impact of exchange rate fluctuations on cash and cash equivalents**

Changes in the exchange rates of currencies quoted by the CBT, which were used to convert our foreign currency deposits and assets into dinars as shown in the financial statements for the year ended December 31, 2023, had an impact on cash and cash equivalents of 66,982 Thousand DT.

This change is attributable to the following items:

Designation	31/12/2023
Banking income	(49)
Customer deposits	(90 789)
Loans and advances to customers	28 535
Amounts paid to employees and sundry creditors	(328)
Loan issues and repayments	(121)
Other cash flows from operating activities	(4 230)
<b>Net variation</b>	<b>(66 982)</b>

**IX-2. Cash and cash equivalents**

This item consists mainly of cash in dinars and foreign currencies, assets with the Central Bank and the postal cheque center, net sight deposits with banks, interbank loans and borrowings for periods of less than three months and the trading securities portfolio.

	31/12/2023	31/12/2022
<b>Cash in TND</b>		
Cash dinars	168 027	151 401
Correspondent accounts receivable and investments with CBT	41 442	20 385
Correspondent accounts payable	(1 312)	(891)
Cash equivalents in debit	7 138	7 379
Cash equivalents in credit	(245 631)	(8 715)
<b>Total liquidities in TND</b>	<b>(30 336)</b>	<b>169 559</b>
<b>Cash in foreign currencies</b>		
Cash in currency	58 397	63 859
Correspondent accounts receivable and investments at CBT	121 767	145 695
Correspondent creditors	(187 487)	(185 554)
<b>Total cash and cash equivalents in foreign currencies</b>	<b>(7 323)</b>	<b>24 000</b>
Investments in foreign currencies and DT	2 705 236	2 811 832
Transaction securities	25 637	34 834
Borrowing dinars	(50 000)	(381 000)
<b>Cash and cash equivalents</b>	<b>2 643 214</b>	<b>2 659 225</b>

## Note X – Transactions avec les parties liées

### GOLF SOUSSE MONASTIR « GSM »

- Following the conclusion of the deed of dation in payment with the company GOLF SOUSSE MONASTIR «GSM», dated December 27, 2013, by virtue of which BIAT became the owner of the immovable property covered by three land titles located in the Dkhila Monastir tourist zone, the company «GSM» expressed its wish to lease the golf course with its easements and outbuildings, already ceded to BIAT.

BIAT has accepted this request and has set a compound annual rent of:

- A fixed portion of 200,000 dinars excl. VAT per annum, payable quarterly in advance. A cumulative increase of 5% per annum will be applied to the fixed portion of the rent, from the third year of rental.
- A variable portion calculated on the basis of sales excluding tax, as follows:
  - Between 0 and 500,000 DT => 10% of the total
  - Between TND 500,001 and TND 1,000,000 => 15%.
  - More than 1,000,001 DT => 20% of the amount

This lease is accepted for a period of two consecutive years, starting on January 1, 2014 and ending on December 31, 2015, renewable by tacit agreement.

An amendment to the said agreement was concluded in 2020, under which both parties agreed to revise the amount of the golf course rent by reducing it to an annual rent of 50,000 dinars excluding VAT, payable quarterly in advance from January 1, 2020, and to which a cumulative annual increase of 5% will be applied from January 1, 2021.

The amount included in BIAT's income in 2023 is 57,881 dinars.

## Compagnie Internationale Arabe de Recouvrement « CIAR »

2. BIAT has leased the office located on the second floor of the Sfax Harzallah building to the CIAR company for use as an administrative office.

This lease is granted and accepted for a period of two consecutive years, starting on September 1, 2013 and ending on August 31, 2015, renewable by tacit agreement, in return for an annual rent of 4,950 dinars excluding VAT, payable quarterly in advance. This rent will be subject to a cumulative increase of 5% applicable from the 3rd year of rental.

The amount included in BIAT's income in 2023 is 7,435 dinars.

3. In 2015, BIAT and CIAR signed an agreement under which the bank provides IT assistance and consultancy services.

Assistance and consultancy assignments for the study, selection and implementation of IT solutions must be covered by a CIAR-approved assignment order specifying the number of days of the assignment, at a daily rate of 500 dinars excluding VAT.

Administration and technical assistance are provided for an annual fee of 7,500 dinars excluding VAT.

These remunerations are paid to BIAT half-yearly in arrears, on presentation of an invoice.

This agreement is concluded for a period of three years, and will be renewed by tacit agreement unless one of the parties withdraws in writing, giving 3 months' notice.

The amount included in BIAT's income in 2023 is 7,500 dinars.

4. In 2012, BIAT signed a lease with CIAR for a 16.45 m<sup>2</sup> office on the second floor of the building located at Boulevard 14 Janvier, Route touristique Khezama, Sousse.

The lease is granted and accepted for a period of two consecutive years, commencing on September 1, 2012 and expiring on August 31, 2014, renewable from year to year by tacit agreement. This lease has been granted and accepted in return for an annual rent of 2,468 dinars excluding VAT, payable quarterly in advance.

The above rent will be subject to a cumulative annual increase of 5% from the 3rd year of rental.

The amount included in BIAT's income in 2023 is 3,891 dinars.

5. In 2014, BIAT signed an executive secondment agreement with CIAR. In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to CIAR includes a 5% margin.

The amount included in BIAT's expense transfers in 2023 is 943,639 dinars.

6. In November 2014, BIAT entered into an agency agreement with the company «CIAR» for the purpose of collecting its receivables.

This contract, which was the subject of two amendments, the first in 2015 and the second in 2017, stipulates in its purpose that BIAT gives a mandate to «CIAR», which agrees to act in its name and on its behalf to collect its receivables from its customers.

In return for its services, the «CIAR» receives remuneration set as follows:

- Fixed fee: 50 dinars per file paid 60 days from date of power of attorney.
- Variable costs: 12% on all sums recovered, including interest on arrears.

These remuneration terms apply from July 21, 2017.

The amount invoiced by CIAR in 2023 is 709 dinars.

7. In 2014, BIAT signed an accounting and administrative assistance agreement with CIAR.

In return for this mission, BIAT receives an annual fee of 18 KDT excluding VAT.

This remuneration was renewed under the endorsement signed in December 2016.

8. In 2016, BIAT signed a sublease agreement with CIAR for a number of spaces in the building located at the corner of rue de Radhia Haddad and rue d'Hollande.

This sublease is granted and accepted for a period of three consecutive years, commencing on September 1, 2016 and ending on July 31, 2019, renewable by tacit agreement for a further period of three years until notice of termination is served by either party or upon expiry of the main lease.

This lease has been granted and accepted in return for a monthly rent of 6,562.500 dinars exclusive of VAT, payable quarterly in advance.

From August 1, 2017, a cumulative annual increase of 5% is applied.

As of November 2018, a rider was signed, providing for the extension of all leased spaces by three offices located on the second floor of the building located at rue de Radhia Haddad. From November 1, 2018 to July 31, 2019, the monthly rent for all the space leased to «CIAR» will be 9,337.431 dinars excluding VAT.

From August 1, 2019, a cumulative annual rent increase will be applied at an annual rate of 5%.

This agreement cancelled in 2023.

The amount included in BIAT's income in 2023 is 11,350 dinars.

9. In 2023, BIAT signed two agreements with CIAR, for the assignment of bank receivables with a gross amount of 54,800 KTND for the price of 1,355 KTND.

## BIAT CAPITAL RISQUE.

**10.** In the context of tax-exempt investment, BIAT and BIAT CAPITAL RISQUE have signed several fund management agreements. The agreements in force in 2023 are detailed as follows:

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 022	Regional fund 2023-1	15 000	15 000	59	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <p>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</p> <p>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</p> <p>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 022	Regional fund 2023-2	15 000	15 000	58	
2 022	Regional fund 2023-3	15 000	15 000	58	
2 022	Regional fund 2023-4	15 000	15 000	58	
2 022	Regional fund 2023-5	15 000	15 000	58	
2 022	Regional fund 2023-6	10 000	10 000	39	
2 022	Industry fund 2023-1	15 000	15 000	60	
2 022	Industry fund 2023-2	15 000	15 000	60	
2 022	Industry fund 2023-3	15 000	15 000	60	
2 022	Industry fund 2023-4	15 000	15 000	60	
2 022	Industry fund 2023-5	15 000	15 000	59	
2 022	Industry fund 2023-6	15 000	15 000	59	
2 022	Industry fund 2023-7	15 000	15 000	59	
2 021	Regional fund 2022-1	15 000	15 000	92	
2 021	Regional fund 2022-2	15 000	15 000	93	
2 021	Regional fund 2022-3	15 000	15 000	93	
2 021	Regional fund 2022-4	15 000	15 000	75	
2 021	Regional fund 2022-5	15 000	15 000	75	
2 021	Industry fund 2022-1	15 000	15 000	108	
2 021	Industry fund 2022-2	15 000	15 000	94	
2 021	Industry fund 2022-3	15 000	15 000	92	
2 021	Industry fund 2022-4	15 000	15 000	92	
2 021	Industry fund 2022-5	15 000	15 000	92	
2 021	Industry fund 2022-6	10 000	10 000	62	
2 021	Regional Agricultural-fund 2022	20 000	20 000	100	
2 020	Industry fund 2021-1	10 000	10 000	148	

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 020	Industry fund 2021-2	10 000	10 000	157	
2 020	Industry fund 2021-3	10 000	10 000	152	
2 020	Industry fund 2021-4	10 000	10 000	157	
2 020	Industry fund 2021-5	10 000	10 000	157	
2 020	Industry fund 2021-6	10 000	10 000	141	
2 020	Industry fund 2021-7	10 000	10 000	143	
2 020	Industry fund 2021-8	10 000	10 000	152	
2 020	Industry fund 2021-9	10 000	10 000	152	
2 020	Industry fund 2021-10	10 000	10 000	152	
2 020	Regional fund 2021-1	10 000	10 000	87	
2 020	Regional fund 2021-2	10 000	10 000	152	
2 020	Regional fund 2021-3	10 000	10 000	153	
2 020	Regional fund 2021-4	10 000	10 000	124	
2 020	Regional fund 2021-5	10 000	10 000	87	
2 020	Regional fund 2021-6	10 000	10 000	87	
2 020	Regional fund 2021-7	7 000	7 000	107	
2 019	Regional fund 2020-1	10 000	10 000	151	
2 019	Regional fund 2020-2	10 000	10 000	151	
2 019	Regional fund 2020-3	10 000	10 000	151	
2 019	Regional fund 2020-4	14 252	14 252	216	
2 019	Industry fund 2020-1	10 000	10 000	168	
2 019	Industry fund 2020-2	10 000	10 000	169	
2 019	Industry fund 2020-3	10 000	10 000	155	
2 019	Industry fund 2020-4	10 000	10 000	151	
2 019	Industry fund 2020-5	10 000	10 000	151	
2 018	Regional fund 2019-1	10 000	10 000	165	
2 018	Regional fund 2019-2	10 000	10 000	175	
2 018	Regional fund 2019-3	10 000	10 000	175	
2 018	Regional fund 2019-4	10 000	10 000	175	

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 018	Regional fund 2019-5	10 000	10 000	175	
2 018	Industry fund 2019-1	10 000	10 000	175	
2 018	Industry fund 2019-2	9 600	9 600	143	
2 018	Industry fund 2019-3	10 000	10 000	154	
2 018	Industry fund 2019-4	15 450	15 450	233	
2 018	Industry fund 2019-5	37 580	37 580	580	
2 018	Industry fund 2019-6	9 230	9 230	141	
2 018	Industry fund 2019-7	10 760	10 760	162	
2 018	Industry fund 2019-8	6 920	6 920	105	
2 018	Industry fund 2019-9	6 150	6 150	93	
2 018	Industry fund 2019-10	4 065	4 065	61	
2 017	Industry fund 2018-1	10 000	8 600	137	
2 017	Industry fund 2018-2	10 000	10 000	150	
2 017	Industry fund 2018-3	10 000	9 680	97	
2 017	Industry fund 2018-4	24 150	23 050	410	
2 017	Regional fund 2018-1	10 000	8 500	162	
2 017	Regional fund 2018-2	10 000	9 900	171	
2 017	Regional fund 2018-3	10 000	8 500	162	
2 016	Industry fund 2017-1	6 000	3 921	69	
2 016	Industry fund 2017-2	5 000	3 269	57	
2 016	FG BIAT Free 2017-1	9 001	9 001	45	<p>BIAT CAPITAL RISQUE receives as remuneration, quarterly and in arrears, a management fee of 0.5% p.a. exclusive of tax, on the total amount of the fund.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>

Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 016	Managed Fund BIAT Free 2017-2	5 501	5 501	96	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <p>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</p> <p>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</p> <p>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 016	Regional fund 2017-1	5 100	3 332	58	
2 016	Regional fund 2017-2	4 750	3 103	54	
2 016	Regional fund 2017-3	40 000	26 000	455	
2 015	Free fund 2016-2	4 501	4 501	79	<p>.BIAT CAPITAL RISQUE receives a management fee of :</p> <p>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</p> <p>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</p> <p>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</p> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 015	Regional fund 2016	5 000	4 425	77	
2 015	Industry fund 2016-1	5 000	4 017	70	
2 015	Industry fund 2016-2	5 050	4 457	78	



Year of transaction	Funds	Amount in KTND	Outstanding FY23	FY23 HT load	Remuneration conditions
2 014	Free fund 2015-1	2 001	2 001	20	<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <ul style="list-style-type: none"> <li>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</li> <li>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</li> <li>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</li> </ul> <p>If BIAT CAPITAL RISQUE achieves a return in excess of the average MMR for the period, it will be entitled to a performance fee calculated according to a scale.</p>
2 013	Industry fund 2014	2 000	1 300	13	
2 012	Free fund 2013	8 853	8 853	44	
2 012	Regional fund 2013	5 000	3 252	33	
2 012	Industry fund 2013	5 500	3 150	31	
2 011	FG 2012	6 000	1 500		<p>BIAT CAPITAL RISQUE receives a management fee of :</p> <ul style="list-style-type: none"> <li>- 0.5% excl. tax per annum on amounts invested during the lock-up period;</li> <li>- 1.75% excl. tax per annum on amounts invested, between the date of release of funds and the end of the seventh year following release. After the lock-in period, the commission is charged in arrears on the outstanding amount;</li> <li>- 1% excl. tax per annum on amounts invested, between the end of the seventh year and the tenth year.</li> </ul>
2 011	Industry fund 2011	6 000	2 174		
2 010	Regional fund 2011	10 000	905		
2 009	FG 2010	10 000	799		

Year of transaction	Funds	Amount in KTND	Outs-tanding FY23	FY23 HT load	Remuneration conditions
2 008	FG 2008	14 250	499,997	5	In return for its management of the fund, "BIAT CAPITAL RISQUE" receives a fee equal to 1% per annum exclusive of tax, payable annually in arrears on the initial amount of the fund. After 5 years, this fee will be charged annually in arrears on the fund's total assets.
2 007	FG 2007	9 000	127,68	1	1% p.a. exclusive of tax, charged annually in arrears on the initial amount of the fund. After the 5-year period, this fee will be charged annually in arrears on the fund's assets under management.

- 11.** In December 2015, BIAT and «BIAT CAPITAL RISQUE» signed an amendment to the management agreements for venture capital funds, under which the two parties mutually agreed to add a provision to all current fund management agreements relating to direct expenses incurred by «BIAT CAPITAL RISQUE» in connection with equity lines.

Thus, direct expenses incurred by «BIAT CAPITAL RISQUE» in connection with the establishment or divestment of investment lines charged to the Funds in force will be borne by BIAT.

- 12.** In 2004, BIAT signed an amendment to the management agreement of October 17, 2000 with BIAT CAPITAL RISQUE. Under the terms of this amendment, BIAT receives an annual fee of 50,000 dinars (incl. VAT) in return for its services.

The income recognized in this respect in 2023 amounts to 42,017 dinars excluding VAT.

- 13.** BIAT has leased two offices for administrative use, with a total surface area of 92m<sup>2</sup>, to the company «BIAT CAPITAL RISQUE», located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on September 1, 2015 and ending on August 31, 2017, renewable from year to year by tacit agreement, and for an annual rent of 28,000 dinars excluding VAT. This rent will be subject to a cumulative increase of 5% applicable from the 2nd year of rental.

The revenue recognized in this respect in 2023 amounts to 40,055 dinars excluding VAT.

- 14.** On March 16, 2015, BIAT signed a secondment agreement with BIAT CAPITAL RISQUE for seven executives.

In 2021, a new agreement was signed concerning the secondment of BIAT employees to BIAT CAPITAL RISQUE, including its Chairman and Chief Executive Officer.

In return, BIAT CAPITAL RISQUE will pay BIAT, on half-yearly invoices, all salaries, additional salaries and benefits, including charges, for all seconded personnel.

In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to «BIAT CAPITAL RISQUES» includes a 5% margin and VAT at the prevailing rate.

This agreement cancelled and replaced the one signed on March 16, 2015 and took effect from January 1, 2021.

The amount included in BIAT's expense transfers in 2023 is 1,102,432 dinars.

## SOPAT

- 15.** BIAT has signed a rental agreement with the company SOPAT for premises used as archive storage space at the Logistics Centre in the El Fejja industrial zone, with a total surface area of 3,138 m<sup>2</sup> excluding floor area.

The lease is granted and accepted for a period of two years, commencing on April 1, 2020 and expiring on March 31, 2022, renewable from year to year by tacit agreement, and at an annual rent of 434,000 dinars exclusive of VAT. This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In return, SOPAT will receive an annual rent of 434,000 dinars excluding VAT, subject to a non-cumulative annual increase of 5% from the third year of rental.

The contract runs from April 1, 2020 to March 31, 2022, and is tacitly renewable from year to year.

In this respect, the charge for 2023 amounts to 471,975 dinars excluding VAT.

- 16.** BIAT has signed a rental agreement with SOPAT for a set of premises and real estate for commercial use, located on the ground floor and second floor of the El Ahmadi complex in La Marsa, with a total surface area of 595 m<sup>2</sup> excluding works.

The lease is granted and accepted for a period of two years, commencing on December 13, 2019 and expiring on December 12, 2021, renewable from year to year by tacit agreement, and for an annual rent of 334,999 dinars exclusive of VAT.

This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In this respect, the charge for 2023 amounts to 369,894 dinars excluding VAT.

- 17.** An agreement was signed in 2018 between BIAT and SOPAT, under which the latter provides the bank with two technicians to monitor the maintenance of the 5th floor of the 2nd tranche of the head office.

In return for the services rendered, BIAT will pay SOPAT a fee based on invoicing, including the salaries and benefits of the said technicians, at a mark-up of 5%.

A first amendment to the said agreement was signed on January 2, 2021, under which the two parties agreed to extend the mission of the two technicians for a period of two years, expiring on December 31, 2021.

A second amendment to the said agreement was concluded on September 30, 2021, under which the two parties agreed to suspend the provision to BIAT of one of the two technicians for the period from 01/10/2021 to 31/12/2021.

At the end of this period, the technician will once again be made available to BIAT under the same conditions as provided for in the agreement of January 2, 2018 and its first amendment of January 2, 2021.

The amount invoiced by SOPAT for 2023 is 26,048 dinars excluding VAT.

- 18.** In 2019, an agreement was signed between BIAT and SOPAT, under which the latter provides the bank with two employees to monitor maintenance work on the 5th floor of the 2nd tranche of the head office.

In return for the services rendered, BIAT will pay SOPAT a fee based on invoicing, including the salaries and benefits (including all charges) of these two employees, at a margin of 5%.

An amendment to the said agreement was signed on November 9, 2020, concerning the provision to the bank of a worker to monitor maintenance workers on the 5th floor of the 2nd tranche of the head office, for the period from November 9, 2020 to December 31, 2020.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the salaries and benefits, including all charges, of the staff made available, at a margin of 5%.

A second amendment to the agreement was signed on January 2, 2021, under which both parties agreed to extend the term of the agreement to December 31, 2021.

A third amendment to the agreement was signed on January 2, 2022, under which both parties agreed to extend the term of the agreement to December 31, 2023.

The amount invoiced by «SOPIAT» for 2023 is 38,921 dinars exclusive of VAT.

- 19.** BIAT has leased to SOPIAT two offices for administrative use, with a total surface area of 49m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on January 26, 2015 and ending on January 25, 2017, in return for an annual rent of 14,717 dinars excluding VAT.

This rent will be subject to a non-cumulative annual increase of 5%.

Income recognized in this respect in 2023 amounts to 21,657 dinars.

- 20.** Within the framework of its activities, which are essentially the granting of real estate credit, BIAT needs to carry out appraisals of real estate assets which are the subject of credit applications from its customers, and it approached SOPIAT on February 27, 2014, to make its technical director available to it and undertakes to provide it with all the necessary assistance and supervision.

In return for making these services available, BIAT undertakes to reimburse SOPIAT, on presentation of an invoice, 700 dinars (excluding tax) per working day (the daily rate includes travel, accommodation, meals and other expenses necessary for the performance of the service).

This agreement takes effect on March 1, 2014 for a period of one year, renewable by tacit agreement.

The amount invoiced by «SOPIAT» for 2023 is 101,500 dinars exclusive of VAT.

- 21.** An agreement was signed in April 2021 between BIAT and SOPIAT, under which the latter provides the bank with an agent to carry out the necessary function of welcoming visitors.

In return for services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the agent's salary and benefits, all charges included, at a margin of 5%.

This agreement runs from April 1, 2021 to December 31, 2022.

An amendment to the said agreement was concluded in December 2023, under which both parties agreed to extend the term of the agreement to December 31, 2023, renewable from year to year by tacit agreement.

The amount invoiced by «SOPIAT» for 2023 is 31,964 dinars excluding VAT.

- 22.** An agreement was signed in July 2021 between BIAT and SOPIAT, under which SOPIAT provides the bank with a senior technician to carry out the work required for the construction of the building housing the headquarters of TUNISIE VALEURS.

In return for services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the technician's salary and benefits, all charges included, at a margin of 30%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned. Invoices are payable quarterly.

This agreement runs from July 1, 2021 to December 31, 2023.

The amount invoiced by «SOPIAT» for 2023 is 97,342 dinars excluding VAT.

- 23.** An agreement has been concluded, in 2019, between BIAT and the company SOPIAT by virtue of which the latter makes available to the bank a senior technician to perform the necessary functions in connection with the renovation work on the BIAT building at Berges du Lac I.

In return for the services rendered, BIAT will pay SOPIAT a fee based on invoicing, including the technician's salary and benefits, all charges included, at a margin of 5%.

A first amendment to the said agreement was signed in 2021, under which both parties agreed to extend the technician's mission for one year, expiring on December 31, 2021.

A second amendment to the agreement was signed in 2022, under which both parties agreed to extend the technician's assignment for a further year, expiring on December 31, 2022.

A third amendment to the agreement was signed in 2023, under which both parties agreed to extend the technician's assignment for a further year, expiring on December 31, 2023, renewable from year to year by tacit agreement.

The amount invoiced by SOPIAT for 2023 is 81,398 dinars excluding VAT.

- 24.** BIAT has signed a rental agreement with the company SOPIAT for premises used as archive storage space at the Logistics Centre in the El Fejja industrial zone, with a total surface area of 8,562 m<sup>2</sup> excluding floor area.

The lease is granted and accepted for a period of two years, commencing on December 01, 2023 and expiring on November 30, 2025, renewable from year to year by tacit agreement, and at an annual rent of 958,944 dinars exclusive of VAT. This rent will be subject to a non-cumulative annual increase of 5% applicable from the 3rd year of rental.

In this respect, the charge for 2023 amounts to 79,912 dinars excluding VAT.

- 25.** An agreement has been concluded, in September 2023, between BIAT and the company SOPIAT by virtue of which the latter makes available to the bank a senior technician for two year starting on September 1, 2023, and a power engineer for two year starting on December 1, 2023, to perform the necessary functions for the works related to the construction of the office building.

BIAT will pay SOPIAT a fee based on invoicing, including the salaries and benefits of the said technicians, at a mark-up of 15%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned. Invoices are payable quarterly.

The amount invoiced by «SOPIAT» for 2023 is 41,893 dinars excluding VAT.

- 26.** An agreement has been concluded, in September 2023, between BIAT and the company SOPIAT by virtue of which the latter makes available to the bank an architect on part-time secondment (50% of his time) to carry out the functions required for the renovation of a real estate project for office use, in particular, participation in the studies, authorization procedures and follow up of the acceptance of works for a period of 18 months from January 1, 2023, till June 30, 2024.

BIAT will pay SOPIAT a fee based on invoicing, including 50% of the salaries and benefits, including all charges for the personnel at a mark-up of 15%.

The amount of the invoice will be readjusted according to any salary increase, any benefit granted or any exceptional bonus paid to the person concerned. Invoices are payable quarterly.

The amount invoiced by «SOPIAT» for 2023 is 103,127 dinars excluding VAT.

## BIAT CONSULTING

- 27.** In November 2016, BIAT signed a framework agreement with BIAT CONSULTING for the provision of personnel for a period of one year from March 1, 2016.

In return for the services rendered, BIAT CONSULTING invoices fees calculated on the basis of the actual cost of gross salaries, including all indirect charges, of the personnel provided, plus 5%.

A first amendment to the said agreement was concluded in 2020, under which the two parties agreed to revise the billing rate for assistance services rendered by «BIAT Consulting», and to set it at 500 dinars per day/man, inclusive of tax. Payment will be made within 30 days of receipt of the invoice, which must be accompanied by a schedule of attendance duly signed by the BIAT project manager. This amendment takes effect on October 1, 2020.

A second amendment to the said agreement was signed in 2022, under which the two parties agreed to revise the invoicing rate for assistance services provided by BIAT Consulting, and to set it at 600 dinars (incl. VAT) per day/man.

The amount invoiced by BIAT CONSULTING in 2023 is 83,100 dinars excluding VAT.

- 28.** In 2014, BIAT signed an accounting and administrative assistance agreement with BIAT CONSULTING.

In return for this mission, BIAT receives an annual fee of 2,800 dinars including VAT.

An amendment to the said agreement was concluded in December 2015, under which the two parties agreed to renew the annual remuneration provided for in respect of the 2014 financial year, under the same terms and conditions, namely 2,800 dinars inclusive of tax. This remuneration will be increased to 3,100 dinars exclusive of tax for the 2017 and subsequent financial years.

- 29.** BIAT has leased to BIAT CONSULTING three offices for administrative use, with a total surface area of 101m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on October 1, 2015 and ending on September 30, 2017, renewable from year to year by tacit agreement, and for an annual rent of 30,683 dinars excluding VAT. This rent will be subject to a cumulative increase of 5% applicable from the 2nd year of rental.

The amount invoiced by BIAT for 2023 is 43,714 dinars.

- 30.** In 2014, BIAT signed an agreement with BIAT CONSULTING for the secondment of two executives. In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to BIAT CONSULTING includes a 5% margin.

An amendment to the said agreement was concluded in 2019, under which the two parties agreed to suspend the secondment of one of the two executives to BIAT CONSULTING, with effect from January 1, 2018.

In 2023, BIAT did not bill any amount under this agreement.

## TUNISIE VALEURS ASSET MANAGEMENT (Former BIAT ASSET MANAGEMENT)

- 31.** On October 25, 2017, BIAT signed a custody and management agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) under which the latter entrusts BIAT, which accepts, with the mission of exclusive custodian of the securities and funds belonging to FCP BIAT-CEA PNT TUNISAIR.

In return for its services, BIAT will receive an annual fee of 0.1% exclusive of tax of the net assets of FCP BIAT-CEA PNT TUNISAIR. This fee is deducted daily and paid monthly in arrears.

Income recognized in this respect in 2023 amounted to 24,874 dinars.

- 32.** On May 4, 2016, BIAT signed a custody and management agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) under which the latter entrusts BIAT, which accepts, with the mission of exclusive custodian of the securities and funds belonging to FCP BIAT-EQUITY PERFORMANCE.

In return for its services, BIAT will receive an annual fee of 0.1% exclusive of tax of the net assets of FCP BIAT-EQUITY PERFORMANCE. This fee is deducted daily and paid monthly in arrears.

Income recognized in this respect in 2023 amounted to 11,183 dinars.

- 33.** BIAT amended, on December 25, 2017, the two deposit and distribution agreements of the «FCP BIAT - EPARGNE ACTIONS» mutual fund. The first was signed, on November 24, 2006, with «TUNISIE VALEURS ASSET MANAGEMENT» (EX BIAT ASSET MANAGEMENT) and then renewed, on November 20, 2013, while the second was newly signed on the same date, i.e. November 20, 2013.

The amendments made to the first agreement concern BIAT's remuneration. In 2013, the deposit commission rate was maintained at 0.1% (incl. tax) of the Fund's net assets, in the first amendment, and then revised upwards in the second amendment in 2017, from 0.1% (incl. tax) to 0.1% (excl. tax).

This fee is deducted daily and paid monthly in arrears.

In addition, on December 25, 2017, BIAT also amended the second distribution agreement signed in November 2013, which introduced a distribution fee of 0.2% incl. tax per annum, deducted from the net assets of FCP BIAT - EPARGNE ACTIONS.

The amendments to this agreement concern the remuneration of distributors, namely BIAT and TUNISIE VALEURS. Indeed, distribution services will be remunerated by commissions at the rate of 0.3% (excl. VAT) of net assets per annum in favor of the distributors in proportion to their distributions instead of 0.2% (incl. VAT). The 2017 amendment also provides for these distribution fees to be borne by the fund manager, TUNISIE VALEURS ASSET MANAGEMENT (formerly BIAT ASSET MANAGEMENT), and paid monthly in arrears on presentation of an invoice.

The amount recognized in income for fiscal 2023 is 60,756 dinars.

- 34.** On May 4, 2016, BIAT signed a distribution agreement with TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), under which the latter entrusts BIAT, which accepts, with marketing and distributing the units of FCP BIAT-EQUITY PERFORMANCE.

In return for its services, BIAT will receive a share of the distribution fee of 0.3% p.a. (excluding tax) of net assets, in proportion to its distribution. This fee, which is borne by TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), will be deducted from the management fee it charges on the net assets of FCP BIAT-EQUITY PERFORMANCE.

BIAT's remuneration will be paid by TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT) monthly in arrears on presentation of an invoice.

In 2023, BIAT did not bill any amount under this agreement.

## SICAV OPPORTUNITY and of SICAV PROSPERITY

- 35.** BIAT amended twice, on December 23, 2013 and December 25, 2017, the two exclusive custodian agreements for the securities and funds of the «SICAV OPPORTUNITY» and the «SICAV PROSPERITY» initially signed on March 8, 2003.

The amendments to these agreements concern BIAT's remuneration. In the first amendment, the deposit commission rate was lowered from 0.3% (incl. tax) to 0.1% (incl. tax) of net assets for «SICAV OPPORTUNITY» and from 0.2% (incl. tax) to 0.1% (incl. tax) of net assets for «SICAV PROSPERITY». In the second amendment, it was raised from 0.1% (incl. tax) to 0.1% (excl. tax).



Remuneration is deducted daily and paid monthly in arrears.

In addition, BIAT also amended, on December 25, 2017, the two agreements for the distribution of «SICAV OPPORTUNITY» and «SICAV PROSPERITY» securities initially signed in 2013 between BIAT, TUNISIE VALEURS and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSETS MANAGEMENT).

The amendments to these agreements concern the remuneration of distributors, namely BIAT and TUNISIE VALEURS. Indeed, distribution services will be remunerated by commissions at the rate of 0.3% (excl. tax) of net assets per annum in favor of the distributors in proportion to their distributions for the two SICAVs instead of 0.2% (incl. tax) for «SICAV OPPORTUNITY» and 0.1% (incl. tax) for «SICAV PROSPERITY». The 2017 amendment also provided for these distribution fees to be borne by the manager, TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSETS MANAGEMENT), and paid monthly in arrears on presentation of an invoice.

Net income for the year ended December 31, 2023 amounted to 6,249 dinars.

## SICAV TRESOR

**36.** BIAT amended, on December 18, 2015, the exclusive custodian agreement for the securities and funds of the «SICAV TRESOR» initially signed on March 8, 2003, as amended in 2010 and 2013.

The amendments to this agreement concern the deposit fee payable to BIAT, which has been revised downwards from 0.15% (incl. tax) to 0.10% (incl. tax) of the SICAV's net assets.

This fee, deducted daily, is paid monthly in arrears.

In addition, a distribution agreement for «SICAV TRESOR» securities was signed in December 2013 between BIAT, SICAV TRESOR and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), which provides for the application of a distribution fee equal to 0.2% (incl. tax) of net assets in favor of distributors of SICAV TRESOR securities, in proportion to their distributions. This agreement was amended in December 2015 to comply with new regulations and the FATCA law.

In 2023, this agreement was amended to reduce the distribution fee:

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 24, 2023,
- Of 0,3% (excl. tax) to 0,35% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

This fee, deducted daily, is paid monthly in arrears. This agreement is concluded for a period of one year from the date of signature, and is renewable by tacit agreement.

Income for fiscal 2023 amounted to 415,932 dinars.

## SICAV PATRIMOINE OBLIGATAIRE

**37.** On October 13, 2009, BIAT signed an agreement to act as exclusive custodian for the securities and funds of the «SICAV PATRIMOINE OBLIGATAIRE». Under the terms of this agreement, BIAT's services are remunerated at a rate of 0.1% (incl. VAT) of the net assets of the said SICAV, with a minimum of 5,000 dinars (excl. VAT) and a maximum of 20,000 dinars (excl. VAT) per year. The minimum and maximum thresholds were abolished under the agreement signed in December 2015. This fee is deducted daily and paid monthly in arrears.

The agreement also stipulates that the said SICAV will be domiciled on the premises of BIAT, without this constituting a lease or creating any right to commercial property in its favor.

This agreement was revised on December 23, 2013, to introduce a distribution fee equal to 0.15% (incl. tax) of net assets in favor of the distributors of SICAV PATRIMOINE OBLIGATAIRE securities, namely BIAT, TUNI-



SIE VALEURS and TUNISIE VALEURS ASSET MANAGEMENT (EX BIAT ASSET MANAGEMENT), in proportion to their distributions.

The distribution fee rate has been raised to 0.2% (incl. tax) of net assets under the agreement signed in December 2015.

In 2023, this agreement was amended to reduce the distribution fee:

- Of 0,2% (incl. VAT) to 0,3% (excl. tax) p.a., calculated on the net assets takes effect on July 22, 2022,
- Of 0,3% (excl. tax) to 0,5% (excl. tax) p.a., calculated on the net assets takes effect on January 2, 2024.

This fee, deducted daily, is paid monthly in arrears. This agreement is concluded for a period of one year from the date of signature, and is renewable by tacit agreement.

The amount recognized in income for the year ended December 31, 2023 was 1,625,621 dinars.

## TUNISIE VALEURS

**38.** In 2007, the Bank entered into an «Employee Credit» agreement with TUNISIE VALEURS, under which the Bank offers TUNISIE VALEURS employees access to flexible, rapid and advantageous credit facilities on preferential terms.

**39.** 39. On January 2, 2004, BIAT signed a stock market order collection agreement with TUNISIE VALEURS. Article 8 of this agreement stipulates that part of the brokerage commissions on all transactions negotiated by «TUNISIE VALEURS» on behalf of BIAT or its clients is allocated as follows:

Type of commission	Remuneration BIAT	Remuneration TUNISIE VALEURS
Brokerage commissions on transactions carried out on listed markets.	50%	50%
Brokerage commissions on transactions carried out on over-the-counter markets.	-	100%
All commissions deducted from customers specific to the « Tunisie Valeurs ».	-	100%
All commissions deducted from customers of the BIAT.	100%.	-

**40.** An agreement has been signed between BIAT and TUNISIE VALEURS concerning the partial secondment of an executive for a period of one year, renewable annually by tacit agreement.

In return, TUNISIE VALEURS will pay BIAT, on the basis of half-yearly invoices, all salaries, additional salaries and benefits, including all charges, for the seconded employee, up to 87% of the total amount.

In addition to salaries, supplementary salaries and benefits, BIAT's invoicing to TUNISIE VALEURS includes a 5% margin and VAT at the prevailing rate.

The remainder of the remuneration will be paid by BIAT in return for the tasks performed on its behalf by the employee on part-time secondment.

The amount included in BIAT's expense transfers in 2023 for this purpose amounts to 271,527 dinars excluding VAT.

## SICAF BIAT & SGP

**41.** On December 23, 2011, BIAT signed accounting, financial and administrative assistance agreements with SICAF BIAT and SGP.

In return for this mission, BIAT receives the following from each subsidiary:

- The equivalent of the payroll and employer's contributions relating to the human resources responsible for accounting and administrative assistance, borne by BIAT and increased by a margin of 10%, i.e. an annual amount of 19,800 dinars excluding VAT per Company. This remuneration is subject to annual revision in line with the actual costs incurred by the bank.
- The equivalent of salary and employer's contributions for human resources in charge of management and direction, plus 10%.
- The equivalent of overheads relating to the provision of premises and other logistical resources, borne by BIAT, i.e. a fixed annual amount of 1,200 dinars excluding VAT per company. This amount will be subject to a cumulative increase of 6% applicable each year, starting from the second year of availability.

These agreements were the subject of two separate amendments, in November 2018, which concerned BIAT's remuneration, and in particular:

- A change in payment terms from quarterly to annual.
- The elimination of the chargeback of overheads relating to the provision of premises and other logistical resources, borne by BIAT.
- A lump-sum calculation of payroll and employer's contributions relating to human resources in charge of accounting and administrative assistance, based on a fixed scale. From the second year following the effective date of the 2018 amendment, this amount will be subject to a cumulative increase of 6%, applicable each year.
- A reduction in the margin on wage and salary costs for management and executive staff from 10% to 5%.

Amounts booked to income for the year ended December 31, 2023 amounted to 16,059 dinars.

## TUNISIE TITRISATION

- 42.** On May 10, 2006, BIAT entered into an agreement with TUNISIE TITRISATION under the terms of which the two parties set up the FCC BIAT-CREDIMMO 1 debt securitization fund, a co-ownership whose sole purpose is to acquire receivables relating to real estate loans granted by the assignor (BIAT) to private individuals, with a view to issuing units representing said receivables.

The total initial issue price amounts to KDT 50,000 and the receivables assigned by BIAT to the fund represented by the company «TUNISIE TITRISATION», total an initial outstanding capital of KDT 50,019.

As at December 31, 2023, BIAT's total subscriptions to this fund amounted to 1,519 KDT, relating exclusively to subscriptions to residual units.

As part of this operation, BIAT acts both as custodian of the fund's assets and as collector. In this capacity, and as remuneration for the custodian duties entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION», acting on behalf of the fund, a commission equal to 0.05% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period. In addition, and in its capacity as debt collector, BIAT receives from the aforementioned company a commission equal to 0.4% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period.

BIAT has not received any commission in respect of the 2023 financial year.

- 43.** On May 18, 2007, BIAT entered into an agreement with TUNISIE TITRISATION under the terms of which the two parties set up the FCC BIAT-CREDIMMO 2 debt securitization fund, a co-ownership whose sole purpose is to acquire receivables relating to real estate loans granted by the assignor (BIAT) to private individuals, with a view to issuing units representing said receivables.

The total initial issue price amounts to KDT 50,000 and the receivables assigned by BIAT to the fund represented by the company «TUNISIE TITRISATION», total an initial outstanding capital of KDT 50,003.

As at December 31, 2023, BIAT's total subscriptions to this fund amounted to 1,503 KTD, relating exclusively to subscriptions to residual units.

As part of this operation, BIAT acts both as custodian of the fund's assets and as collector. In this capacity, and as remuneration for the custodian duties entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION», acting on behalf of the fund, a commission equal to 0.05% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period. In addition, and in its capacity as collector, BIAT receives from the aforementioned management company a commission equal to 0.4% excl. VAT per annum, of the outstanding capital of living receivables at the beginning of the calculation period.

BIAT has not received any commission in respect of the 2023 financial year.

## INSURANCE BIAT

- 44.** In July 2016 and January 2018, BIAT entered into two contracts with the company «Insurance BIAT» for the provision of two of the bank's employees to Insurance BIAT, in order to carry out assignments entrusted to them.

In return for the services rendered, Insurance BIAT will pay BIAT a fee based on half-yearly invoices, corresponding to the salaries and benefits, including all charges, of the staff made available, at a margin of 5%. These agreements cover an indefinite period.

The income recognized in respect of the provision of personnel in 2023 amounts to 455,732 dinars excluding tax.

- 45.** In February 2018, BIAT entered into a lease agreement with the company «Insurance BIAT» for premises used as administrative offices with an approximate surface area of 183m<sup>2</sup> including common areas, located on the second floor of the building at Place de Sidi Mtir in Mahdia.

This lease is granted for a monthly rent of 638,140 dinars excluding VAT, i.e. an annual rent of 7,657,680 dinars excluding VAT, for a period starting on January 1, 2017 and ending on December 31, 2018. At the end of this period, the lease will be renewed from year to year by tacit agreement.

The rent will be subject to an annual increase of 5% applicable from the 2nd year onwards.

Rental income recorded in BIAT's income statement for the year ended December 31, 2023 amounted to 10,262 dinars.

- 46.** In February 2018, BIAT entered into a lease agreement with the company «Insurance BIAT» for part of a premises used as administrative offices with an approximate surface area of 87.5 m<sup>2</sup>, located at Rue El Meniar, 47 Avenue Habib Bourguiba, la Manouba.

This lease is granted for a monthly rent of 860 dinars excluding VAT, i.e. an annual rent of 10,320 dinars excluding VAT, for a period starting on January 1, 2017 and ending on December 31, 2018. At the end of this period, the lease will be renewed from year to year by tacit agreement.

The rent will be subject to an annual increase of 5% applicable from the 2nd year onwards.

Rental income recorded in BIAT's income statement for the year ended December 31, 2023 amounted to 13,830 dinars.

- 47.** Since 2004, BIAT has taken out insurance policies with BIAT INSURANCE. The expense incurred in respect of the 2023 financial year breaks down as follows:

Nature	Expenses
Liability insurance	60.000
Personal Accident Insurance	77.818
Family protection life insurance	168.127
Foreign assistance insurance for Visa Premier and Business Gold cards,	1.381.543
Global bank robbery insurance	336.048
Insurance against theft and loss of cards	420.630
Fire and related insurance	522.506
Fleet insurance	67.502
Comprehensive computer insurance	99.337
Sapphire and Silver Pack insurance	843.435
Express and First Pack insurance	33.230
Pack Elite insurance	297.840
Platinum Pack insurance	554.540
Foreign assistance insurance for Platinum, infinite and business Premium cards".	666.922
Loan insurance (*)	186.047
Employee group insurance (employer contribution)	15.813.768
Life insurance (AFEK) (**)	1.762.300

(\*)At the end of 2021, BIAT signed a contract with BIAT INSURANCE to provide additional cover for loan deferrals.

(\*\*) In 2012, BIAT signed a group life insurance policy with BIAT INSURANCE for the benefit of its staff, known as «members».

**48.** BIAT INSURANCE sublets to the bank the premises known as «Commercial 2», with a total surface area of 145m<sup>2</sup>, located on the first floor of the building at Berges du Lac II, built on the «DIAR EL ONS» plot. This lease is granted and accepted for a firm period running from January 1, 2010 to April 30, 2014.

From May 2014, an amendment was signed to extend the lease term from May 1, 2014 to April 30, 2019. A cumulative annual rent increase will be applied from May 1, 2014, at an annual rate of 5% based on the previous year's rent.

The amount included in BIAT's expenses in 2023 is 43,578 dinars.

**49.** A memorandum of understanding relating to supplementary cover that applies to credit maturities deferred under the measures provided for by Legislative Decree no. 2020-19 of May 15, 2020, was entered into with BIAT INSURANCE on December 30, 2021 for a firm period of one year starting from January 1, 2023 to December 31, 2023.

This additional cover applies to deferred repayments on loans for which INSURANCE BIAT provided life insurance cover when the loan was taken out.

The protocol defined the scope of coverage by means of a list of credit contracts including the amount outstanding on January 1, 2023 of the deferred installments covered by the supplementary insurance and the amount of the supplementary insurance premium for the period from January 1, 2023 to December 31, 2023.

Credit installments include principal and interest on deferred monthly installments, as well as any related interim interest over the period of suspended payment.

For the period from January 1, 2022 to December 31, 2023, the capital insured by the initial contracts/ memberships is extended to the outstanding amount of the deferred installments at the date of death or IAD consolidation occurring during this period. This amount is specified in the amortization schedule for the deferred amount, which will be provided by the bank when the claim is reported.

This cover will be subject to the same conditions of cover and exclusions as those of the initial insurance contract/membership.

Supplementary cover is granted for the period from January 1, 2023 to December 31, 2023, in return for payment by the bank of a total insurance premium of 186,047 DT. This amount, detailed by contract/membership, has been established with a 60% reduction on the standard Temporary Death rate for Loan Cover and without acquisition costs, applied to the capital covered over the year 2023.

The expense recognized by BIAT for the 2023 financial year amounts to 186,047 dinars.

- 50.** In 2023, BIAT signed an executive secondment agreement with BIAT INSURANCE, under which the latter provides the company with a part-time department manager (50% of his time), to support IT and MOA teams in monitoring and implementing IS projects as well as prioritizing and budgeting IS projects, and assist the company in defining a strategy and an approach to carry out a possible transformation of the information system.

The amount invoiced by BIAT for 2023 is 85,621 dinars excluding VAT.

#### **SOCIETE DE PROMOTION TOURISTIQUE « SPT SFAX »**

- 51.** BIAT has leased an office for administrative use from SPT Sfax. 25m<sup>2</sup>, located in the building housing its head office at Avenue Habib Bourguiba-Tunis.

This lease is granted for a period of two consecutive years, starting on January 1, 2015 and ending on December 31, 2016, in return for an annual rent of 7,525 dinars excluding VAT.

The income recognized in this respect in 2023 amounts to 11,118 dinars.

#### **SOCIETE DE PROMOTION TOURISTIQUE « SPT MOHAMED V »**

- 52.** BIAT has leased a 43m<sup>2</sup> office for administrative use from SPT Mohamed V, located in its head office building on Avenue Habib Bourguiba-Tunis.

This lease is granted for a period starting on July 1, 2016 and ending on December 31, 2018, renewable from year to year by tacit agreement, and for an annual rent of 13,019 dinars exclusive of VAT, payable quarterly in advance.

This rent will be subject to a cumulative annual increase of 5% applicable from July 1, 2017.

The income recognized in this respect in 2023 amounts to 17,883 dinars.

#### **SOCIETE « ESTRAT »**

- 53.** In 2019, BIAT signed an agreement with eStrat for assistance, consulting and strategic support.

In return for this mission, BIAT pays an annual fee of 800 KDT excluding VAT.

This agreement is for a period of three years from January 1, 2019, renewable by tacit agreement unless one of the parties withdraws in writing, giving one month's notice.

In 2023, no services were rendered by eStrat under this agreement.

#### **VALUE DIGITAL SERVICES**

- 54.** In 2019, BIAT signed an IT engineering consultancy agreement with Value Digital Services.

In return for this mission, BIAT will pay a fee of 385 KDT excluding VAT, corresponding to the preliminary work and initial implementation of the system. Thereafter, the said remuneration will be paid on a monthly

basis depending on the number of staff made available, in accordance with a remuneration scale agreed by both parties and subject to review by mutual agreement in the light of future developments.

This agreement is for a three-year period starting November 1, 2019. An amendment to this agreement is concluded for a period of one year, and is renewable by tacit agreement.

The amount invoiced in this respect by Value Digital Services in 2023 is 12,472,500 dinars excluding VAT.

- 55.** BIAT has signed a lease with Value Digital Service for office space on the second floor of the building located at the corner of Avenue Principale and Rue du Lac Turkana in Berges du Lac 1 - Tunis, covering 821 sq.m., and part of the second floor, covering 323 sq.m.

The lease is granted and accepted for a period of two years, renewable from year to year by tacit agreement, at an annual rent of 286,000 dinars excluding VAT, subject to a cumulative annual increase of 5% from the third year of lease.

In 2023, this income will amount to 315,315 dinars.

## **SUPPORT ET MAINTENANCE EXPRESS « SME » (FORMER TAAMIR)**

- 56.** In 2020, BIAT signed a lease agreement with TAAMIR for a furniture and equipment storage depot with a surface area of 1,000 m<sup>2</sup> on the first floor of the premises built on the plot of land covered by land title no. 68062, located in the Sidi Daoud industrial zone, La Marsa.

The lease is granted and accepted for a period of two years, from April 1, 2020 to March 31, 2022, renewable from year to year by tacit agreement, in return for an annual rent of 70,000 dinars excluding VAT.

In this respect, the charge for 2023 amounted to 76,125 dinars excluding VAT.

- 57.** In 2022, BIAT signed a memorandum of understanding with SME to define the terms of collaboration between BIAT and SME for the management of the «MAISON DOREE» property and other building maintenance, technical and logistical services.

The amount of the annual contract is 1,227,286 dinars excluding VAT.

- 58.** Agreements of services:

- On September 9, 2022, BIAT signed an agreement with SME for the provision of building maintenance services.

The amount of the annual contract is 220,000 dinars including VAT.

In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 609,000 dinars including VAT.

- On November 1, 2022, BIAT signed an agreement with SME for the provision of support and mail management services.

The amount of the annual contract is 96,000 dinars including VAT.

In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 1,360,000 dinars including VAT.

- On November 1, 2022, BIAT signed an agreement with SME for the provision of curative and preventive maintenance services for network and telephony equipment.

The annual contract is worth 140,000 dinars including VAT.

- In 2023, an amendment was signed to extending the term of the initial agreement up to the date December 31, 2024, and fixing the amount of the annual contract is 268,000 dinars including VAT.

The expenses recognized in this respect in 2023 amounted to 470,508 dinars excluding VAT.

## LA PROTECTRICE

**59.** In 2022, BIAT signed a property management and agency framework agreement with «La Protectrice», under which the Bank grants an exclusive mandate to La Protectrice to put up for sale or rent properties belonging to it.

The agent company's remuneration is based on the following scale:

- 3% before tax for all sales of BIAT-owned real estate;
- 2% exclusive of tax for the purchase of any property by BIAT;
- A fee of one month's rent for all rental transactions.
- An exceptional increase of 1% to 2% in the agent's remuneration for the sale of properties that are difficult to sell for various reasons (location, condition of the property, land situation, etc.) will be fixed when the mandate is drawn up;

No invoices were issued under this agreement in 2023.

## BIAT FRANCE

**60.** In 2023, BIAT has signed an agreement with «BIAT France», under which BIAT retrocedes annually to BIAT France a portion of the income generated by the subsidiary's customers. The calculation of the amount to be invoiced by BIAT France is based on the retrocession of a share of the GNB (Gross National Product) generated by BIAT relating to BIAT France's customers.

In this respect, the charge for 2023 amounts to 2,627,840 dinars.

## OBLIGATIONS AND COMMITMENTS TO OFFICERS

Banque Internationale Arabe de Tunisie's obligations and commitments to its directors, as shown in the financial statements for the year ended December 31, 2023, are summarized as follows (in KDT):

Wording	General Manager		Former-General Manager		Executive Vice-President		Directors	
Type of benefit	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023	Expenses for the year	Liabilities at 31/12/2023
Short-term benefits (*)	704	455	916	-	535	274	-	-
Directors' fees	-	-	-	-	-	-	992	992
Committee fees	12	4	12	-	-	-	224	12
Termination and retirement benefits	84	162	537	-	15	114	-	-
<b>Total</b>	<b>800</b>	<b>621</b>	<b>1465</b>	<b>-</b>	<b>550</b>	<b>388</b>	<b>1216</b>	<b>1004</b>

(\*) : Remuneration, social security charges and paid vacation for corporate officers.

## Note XI – Subsequent events

These financial statements of the bank have been approved and authorized for issue by the Board of Directors on March 29, 2024.

There have been no events after the closing date that could have an impact on the financial statements for the year ended December 31, 2023.

**14**

**CONSOLIDATED  
FINANCIAL  
STATEMENTS  
AS OF DECEMBER  
31<sup>ST</sup>, 2023**





# 14.1 Statutory auditors' report on the consolidated financial statements for the year ended december 31, 2023

## STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

To the Shareholders of Arab International Bank of Tunisia

### I. Report on the Audit of the Consolidated Financial Statements

#### Opinion

As statutory auditor and in accordance with our audit mandate entrusted by your general meeting of shareholders, we have audited the accompanying consolidated financial statements of the Arab International Bank of Tunisia Group, which comprise the consolidated balance sheet, the consolidated off-balance sheet commitments as at December 31, 2023, the consolidated income statement and cash flow statement for the year ended on that date, and the notes to the consolidated financial statements that contain a summary of significant accounting policies. These consolidated financial statements show a total of net assets after depreciation and provisions amounting to 23 663 184 thousand dinars and a positive consolidated income of 358 591 thousand dinars.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Accounting System in Tunisia.

#### Basis for opinion

The audit was conducted in accordance with international auditing standards adopted in Tunisia. Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report. We conducted our audit engagement in compliance with the independence rules and the professional standards and the codes of ethics applicable for statutory auditors in Tunisia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have identified that the matters described below are the key questions of audit which shall be disclosed in this report:

## 1) Valuation of provisions for depreciation of Customer's Commitments

### • Description of Key Audit Matter

Given the activity of the parent company, the group is exposed to counterparty risk both on its loans and advances and on off-balance sheet commitments given to customers.

This risk, inherent to banking activity, constitutes a major area of attention given the importance of the amounts and the complexity of the classification process, which obeys quantitative and qualitative criteria requiring a high level of appreciation as well as the judgment required for the evaluation of the guarantees to be retained.

As at December 31st 2023, the net value of customer receivables amounted to 12 354 692 thousand dinars and the provisions and suspended interests constituted to cover the counterparty risk amounted to 1 187 790 thousand dinars (including 32 909 thousand dinars provisions on off-balance sheet commitments).

Due to the fact that the evaluation of commitments and the estimation of provisions imply an important level of judgment and taking into account the importance of customer commitments, we consider that the evaluation of provisions for impairment of commitments on customers constitutes a key audit matter.

### • Our audit approach

To cover this key issue, we have obtained an understanding of the procedures put in place by your group, and evaluated the correct implementation of key controls, as well as their ability to prevent and/or detect significant anomalies by focusing on:

- The supervisory mechanism put in place with regard to the process of depreciation of commitments on customers;
- The reliability of the information provided by the group about customers whose outstanding amounts show indicators of impairment losses;
- The procedures and controls defined by the group in order to ensure the management of counterparty risk, to identify the clients to be classified and provisioned and to determine the minimum level of provision required by banking regulations;
- The control and calculation mechanisms for general and additional provisions set up by the group.

In addition, through extensive sampling:

- We have verified that the commitments with depreciation indices have been identified and classified in accordance with the provisions of the circular of the Central Bank of Tunisia n° 91-24 (as amended and supplemented by the subsequent texts) relating to the division, risk coverage and monitoring of commitments; and
- We examined the values of the guarantees retained when calculating the provisions and assessed the assumptions and judgments retained by the group.

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

## 2) Valuation of provisions for impairment of equity securities

### • Description of the Key Audit Matter

The group holds a portfolio of equity securities with a gross value of 695 713 thousand dinars as at December 31, 2023. The provisions and suspended interests recorded on these securities amount to 53 642 thousand dinars.

On the date of adoption of the consolidated financial statements, the securities are valued on the basis of the market value for listed securities and at fair value for unlisted securities.

The Provisions for impairment of equity securities represent management's best assessment of the losses incurred or estimated at the closing date.

We have considered that the valuation of unlisted securities is a key audit matter due to their significant importance in the group's financial statements and the judgment necessary to assess fair value.

#### • Our audit approach

Our work has notably consisted of:

- Assess the control procedures put in place by the group as part of the evaluation process for unlisted securities;
- Challenge the valuation methods adopted by the group and assess the appropriateness of the assumptions and methods chosen for the valuation of unlisted securities with regard to the criteria provided for by the accounting standards applicable in this field;
- Carry out analytical procedures on the evolution of the investment portfolio and impairments.
- Through an extensive sample, we have verified that the participations with depreciation indices have been identified and that the associated provisions have been adequately estimated.
- Verify the appropriateness and sufficiency of the information provided in the notes to the consolidated financial statements.

### 3) Interests and fees revenue recognition

#### • Description of the Key Audit Matter

Interest, fees revenue, and commissions recognized as income by the group amounted to 1 679 458 thousand dinars as of December 31, 2023, and represent 70% of total banking operating income.

Although most of these revenues are generated and recorded automatically by the group's information system, we nevertheless considered, given the large volume of transactions and the specifics of the rules for their accounting, that taking into account interest and commissions constitutes a key audit point.

#### • Our audit approach

Our work has notably consisted of:

- The critical review of the internal control system set up by the group in terms of revenue recognition, including the evaluation, by our information technology experts, of computerized controls;
- Carrying out tests to verify the effective functioning of key controls including automated controls;
- The analytical examination of the revenues in order to corroborate the accounting data with in particular the management information, the historical data, the tariff evolution, the evolution of the stocks, the trends of the sector and the regulations related thereto;
- Verification of compliance with the Tunisian accounting standard n°24 and in particular the rules for the recognition of interests and agios on classified relationships;
- Verification of the appropriateness and sufficiency of the corresponding information provided in the notes to the consolidated financial statements.

## Report of the Board of Directors

The Board of Directors is responsible for the information contained in the Group's annual report.

Our opinion on the consolidated financial statements does not include the content of the Board of Directors report and we therefore express no form of conclusive remark as to the content of the said report.

Our responsibility is to verify the information contained in the GROUP's accounts contained in the Board of Directors report by referring to the data presented in the financial statements. Our work consists in reading the report of the Board of Directors in order to determine whether there are fundamental inconsistencies between the report and the consolidated financial statements or the information that has been brought to our attention within our audit engagement or whether the report of the Board otherwise contains significant errors. If, based on the work we have done, we conclude that there are substantial deficiencies in the Board of Directors' report; we are required to report them.

We have nothing to mention in this regard.

## Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Tunisia; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible for assessing the ability of the Arab International Bank of Tunisia Group to operate as a going concern and the disclosure, if any, of all matters relating to the going concern principle, including the use of the going concern principle in the preparation of consolidated financial statements, unless the Board of Directors has the intention of dissolving the Arab International Bank of Tunisia Group or suspending its operations or the absence of any realistic alternative other than to do so.

Corporate governance is responsible for overseeing the Arab International Bank of Tunisia Group's consolidated financial reporting procedures.

## Auditor's responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether resulting from fraud or error, and issuing an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with international Auditing Standards (ISA), we exercise our professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the related disclosures;
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Arab International Bank of Tunisia Group's ability to continue as a going concern. If we find out that a material uncertainty exists, then we must mention in the audit report related disclosures in the consolidated financial statements or rectify our opinion if these disclosures are not sufficient. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation of the consolidated financial statements including the disclosures and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We communicate with the Group heads of governance on the audit scope and its time and the main audit issues pertaining to the internal control system that we noted during our audit;

We also provide the Board of Directors with what confirms our commitment to the ethical requirements related to independence, and we inform them about all issues and other matters that may affect our independence and what would preserve this independence.

Among those matters communicated with the governance officials of the Arab International Bank of Tunisia, the scope and schedule of the audit work and the main audit matters, including any significant deficiencies in the internal control system that we noticed during our audit work.

## II. Report on Other Legal and Regulatory Requirements

As part of our statutory audit assignment, we have also carried out the specific verifications provided for by the standards published by the Tunisian Order of Chartered Accountants and by the relevant regulatory texts.

In accordance with the provisions of article 3 (new) of law n ° 1994-117 dated 14 November 1994, as amended by law n ° 2005-96 dated 18 October 2005, we carried out the examination of internal control procedures relating to the processing of accounting information and the preparation of consolidated financial statements.

Based on our review, we have not identified any major deficiencies that could alter our opinion on the consolidated financial statements.

A report dealing with the weaknesses and shortcomings identified during our audit was submitted to the bank's management.

Tunis, April 05<sup>th</sup>, 2024

The Statutory Auditors

Les Commissaires aux Comptes Associés MTBF  
Mohamed Lassaad BORJI

CMC-DFK International  
Chérif Ben ZINA

## 14.2 Consolidated financial statements for the year ended December 31, 2023

### Consolidated Balance sheet As at December 31, 2023 (In thousands of dinars)

	Note	31/12/2023	31/12/2022
<b>ASSETS</b>			
Cash and balances with CBT, PCC et TGT	IV-1	332 882	357 463
Due from Banks and Financial Institutions	IV-2	4 634 310	3 415 697
Loans and advances	IV-3	12 354 692	12 204 535
Trading securities portfolio	IV-4	1 040 106	802 319
Investment portfolio and equities portfolio	IV-5	3 895 501	3 594 153
Valuation of securities on equity method	IV-6	10 428	9 997
Property & Equipment	IV-7	694 439	544 178
Goodwill	IV-8	44 199	38 689
Other assets	IV-9	656 627	659 988
<b>Total assets</b>		<b>23 663 184</b>	<b>21 627 019</b>
<b>LIABILITIES</b>			
Due to Central Bank of Tunisia	V-1	3 951	898
Due to Banks and Financial Institutions	V-2	605 858	628 152
Customers' Deposits	V-3	18 069 080	16 510 916
Borrowings and Special Resources	V-4	561 865	610 081
Other liabilities	V-5	1 392 496	1 198 640
<b>Total liabilities</b>		<b>20 633 250</b>	<b>18 948 687</b>
<b>MINORITY RIGHTS</b>			
Minority share of the accumulated reserves	VI	823 988	640 571
Minority share of the combined net results	VI	47 191	37 080
<b>Total minorityrights</b>		<b>871 179</b>	<b>677 651</b>
<b>SHAREHOLDERS' EQUITY</b>			
Capital		178 500	178 500
Consolidated reserves		1 621 661	1 509 776
Other shareholders' equity		3	3
Consolidated Net Income of the year		358 591	312 402
<b>Total shareholders' equity</b>	VII	<b>2 158 755</b>	<b>2 000 681</b>
<b>Total liabilities and shareholders' equity</b>		<b>23 663 184</b>	<b>21 627 019</b>

**Consolidated off-balance sheet**  
**As at December 31<sup>st</sup>, 2023**  
(In Thousands of Dinars)

	31/12/2023	31/12/2022
<b>CONTINGENT LIABILITIES</b>		
Guarantees, warranties and other granted guarantees given	2 340 744	2 213 391
a- To banks and financial institutions	284 461	290 032
<b>b- To costumers</b>	<b>2 056 283</b>	<b>1 923 359</b>
Documentary credits	899 073	1 034 400
a- To costumers	807 217	800 442
b- Others	91 856	233 958
<b>Total contingent liabilities</b>	<b>3 239 817</b>	<b>3 247 791</b>
<b>COMMITMENTS GIVEN</b>		
Financing commitments given	1 285 419	1 334 440
a- To banks and financial institutions	-	-
b - To costumer	1 285 419	1 334 440
<b>Commitments on securities</b>	<b>903</b>	<b>2 911</b>
a- Non paid up participations	903	2 903
b- Securities to be received	-	8
<b>Total commitments given</b>	<b>1 286 322</b>	<b>1 337 351</b>
<b>RECEIVED COMMITMENTS</b>		
Guarantees received	5 316 610	5 059 983
<b>Total commitments received</b>	<b>5 316 610</b>	<b>5 059 983</b>



**Consolidated income statement**  
**From January 1<sup>st</sup> to December 31, 2023**  
(In thousands of dinars)

	Note	Exercice 2023	Exercice 2022
<b>BANKING OPERATING PRODUCTS</b>			
Interest and similar income	VIII-1-1	1 410 097	1 156 566
Commission income (*)	VIII-1-2	269 361	265 148
Profit on trading securities portfolio and financial operations	VIII-1-3	251 273	253 717
Income of investment portfolio	VIII-1-4	275 501	234 563
Insurance premiums issued (*)	VIII-1-5	193 040	158 334
<b>Total banking operating products</b>		<b>2 399 272</b>	<b>2 068 328</b>
<b>Banking Operating Expenses</b>			
Interest and similar expenses	VIII-2-1	(707 464)	(569 442)
Commission expenses	VIII-2-2	(7 764)	(9 317)
Loss on trading securities portfolio and financial transactions		(280)	(316)
Claims paid on insurance operations	VIII-2-3	(79 855)	(74 106)
<b>Total banking operating expenses</b>		<b>(795 363)</b>	<b>(653 181)</b>
<b>Net banking income</b>		<b>1 603 909</b>	<b>1 415 147</b>
Net provision allowances on loans, off-balances sheet and other liabilities	VIII-3	(342 601)	(365 021)
Net provision allowances on investment portfolio	VIII-4	(9 315)	2 762
Other operating income	VIII-5	83 506	92 000
Staff costs	VIII-6	(339 726)	(292 200)
General operating expenses	VIII-7	(264 173)	(227 584)
Depreciation, amortization, and provisions on fixed assets	VIII-8	(50 108)	(66 748)
<b>Operating result</b>		<b>681 492</b>	<b>558 356</b>
Gain or loss from using equity method		132	84
Gain or loss on other normal items	VIII-9	1 461	370
Income tax	VIII-10	(276 652)	(208 081)
<b>Result on ordinary activities</b>		<b>406 433</b>	<b>350 729</b>
Non-controlling interests		(47 191)	(37 080)
<b>Result on ordinary activities</b>		<b>359 242</b>	<b>313 649</b>
Gain or Loss on other extraordinary items	VIII-11	(651)	(1 247)
<b>Net result for the year attributable to shareholders</b>		<b>358 591</b>	<b>312 402</b>
Net effects on tax deferred of a change in accounting		-	-
<b>Net result for the year after changes in accounting</b>		<b>358 591</b>	<b>312 402</b>

(\*) Comparative data restated on a proforma basis for comparability purposes (for further details, please refer to note II.8 of the consolidated financial statements).

**Consolidated cash flows statement**  
From January 1<sup>st</sup> to December 31<sup>st</sup> 2023  
(In Thousands of Dinars)

	Exercice 2023	Exercice 2022
<b>OPERATING ACTIVITIES</b>		
Collected banking operating products (*)	2 224 734	1 936 580
Disbursed banking operating expenses	(899 601)	(771 007)
Deposits/with drawals on financial institutions deposits	(1 269 924)	(312 774)
Deposits/withdrawals on customers deposits (*)	(404 599)	(473 528)
Granted loans/ customers' loans reimbursement (*)	1 932 918	861 577
Acquisitions/disposals of trading securities	(12 809)	(23 535)
Payments to personnel and other accounts payables (*)	(590 515)	(459 844)
Other cash flows from operating activities (*)	(311 478)	43 737
Corporate tax paid	(302 447)	(97 246)
<b>Net cash flow from operating activities(*)</b>	<b>366 279</b>	<b>703 960</b>
<b>AINVESTMENT ACTIVITIES</b>		
Collected products on investment portfolio	279 919	201 541
Acquisition/disposals on investment portfolio	(1 108 255)	(733 012)
Acquisition/disposals on fixed assets	(112 932)	(76 911)
<b>Net Cash flow from investment activities</b>	<b>(941 268)</b>	<b>(608 382)</b>
<b>FINANCING ACTIVITIES</b>		
Increase/Repayment of borrowings	739 499	224 170
Increase/decrease of special resources (*)	1 881	(54 766)
Dividends paid	(234 447)	(195 932)
Other financing activities	164 498	125 706
<b>Net cash flow from financing activities (*)</b>	<b>671 431</b>	<b>99 178</b>
Effect of changes in scope of consolidation	(18 454)	-
Effect of exchange rate changes on cash and cash equivalents (*)	(66 980)	(38 820)
<b>Net changes in cash and cash equivalent during the year</b>	<b>11 008</b>	<b>155 936</b>
Cash and cash equivalent at the beginning of the year	3 237 779	3 081 843
<b>Cash and cash equivalent at the end of the year</b>	<b>3 248 787</b>	<b>3 237 779</b>

(\*) Comparative data restated on a proforma basis for comparability purposes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (At december 31, 2023)

## Note I – General principles

The consolidated financial statements of the BIAT Group have been prepared in accordance with the accounting rules and principles set out in law n°96-112 of 30 December 1996 relating to the company accounting system and the Tunisian Accounting Standards relating to operations specific to banking establishments, the consolidation of financial statements, and business combinations (TAS 35, 36, 37, 38 and 39).

The financial statements are presented in accordance with the model defined by Tunisian Accounting Standard n°21 relating to the presentation of the financial statements of banking establishments.

## Note II – Accounting rules applied in preparing the consolidated financial statements

The consolidated financial statements have been prepared as at December 31, 2023, in accordance with the provisions and rules set out in particular by the law N° 2001-117 of December 6, 2001, supplementing the Commercial Companies Code, and in the accounting standards relating to the consolidation of financial statements and business combinations. Among these rules, we describe below those relating to the scope of consolidation, consolidation methods, restatements and eliminations, tax treatment and goodwill.

### II-1. Scope of consolidation

The scope of consolidation includes all companies over which BIAT exercises exclusive control, either directly or indirectly through its consolidated companies, and companies over which it exercises significant influence.

### II-2. Consolidation methods adopted

#### II-2.1 Global integration method

Companies controlled exclusively by the bank (i.e. over 40%) and companies whose activities extend banking or related activities are consolidated globally.

This method consists of substituting the assets, liabilities, income, and expenses of each of the consolidated companies for the amount of their equity interests and disclosing minority interests' share in consolidated shareholders' equity and consolidated net income for the year.

#### II-2.2 The equity method

Companies over which BIAT exercises significant influence are accounted for by the equity method. Significant influence is presumed to exist when the consolidated entity holds at least 20% of the voting rights and has the power to participate in the financial and operating policy decisions of the investee but does not exercise control over these policies.

This method consists of substituting the amount of equity investments with the Bank Group's share in the equity, including profit for the year, of companies accounted for by the equity method.

The responsibility of the parent company to cover the liabilities of associates is limited to the amount of its shareholding.

### II-3. Restatements and eliminations

The restatements required to harmonize the companies' accounting and valuation methods are carried out.

Intercompany receivables, payables, commitments and income and expenses are eliminated.

The impact of intercompany transactions on the consolidated balance sheet, off-balance sheet items and income statement is eliminated.

Intra-group dividends, provisions on consolidated investments and capital gains or losses on asset disposals between Group companies are neutralized.

## II-4. Closing date

The consolidated financial statements have been prepared on the basis of the individual financial statements of all Group companies for the year ended December 31, 2023.

## II-5. Tax treatment

The consolidated corporate income tax charge comprises the current tax payable by the various companies, adjusted for the effect of deferred taxes arising from timing differences between the accounting recognition date and the tax assessment date.

## II-6. Goodwill on acquisition of shares

Positive differences arising on the acquisition of consolidated shares, between their cost price and the Group's share in net equity, are recorded on the assets side of the balance sheet under goodwill. These differences are not allocated to balance sheet items and are amortized based on the expected return on investment at the time of acquisition. The amortization period is twenty years.

Negative goodwill is recognized in income for the year.

## II-7. Rules for valuing receivables

In accordance with the provisions of the sectoral accounting standards for banking institutions and Circular No. 91-24 of 17-12-1991 issued by the Central Bank of Tunisia, a valuation of all the Bank's receivables has been carried out on the basis of the situation at 31-12-2023, taking into account events subsequent to that date.

This valuation was accompanied by an assessment of all deductible guarantees within the meaning of circular no. 91-24 of the Central Bank of Tunisia relating to prudential rules.

These two operations have led the Bank to determine the amount of provisions required, the amount of provisions for 2023 and the amount of income reserved.

Pursuant to the provisions of BCT circular no. 91-24, as amended and supplemented by subsequent texts, the bank has set aside general provisions, known as «collective provisions», to cover latent risks on current commitments and commitments requiring special monitoring within the meaning of the aforementioned circular.

The methodology for calculating these provisions was modified by BCT circular no. 2024-01 of January 17, 2024.

In addition, and as part of the ongoing drive to strengthen coverage of latent risks and prepare for Basel II requirements, the Bank has made adjustments to the parameters used to calculate collective provisions (adjustment factors and provisioning rates).

Additional collective reserves have been calculated by adjusting average migration rates and provisioning rates as follows.

- i. TMgi: The average migration rate as grossed up by the BCT has been adjusted by grossing it up by a BIAT-specific percentage  $\Delta$  proportional to the share of class 1 in current receivables (O+1): the larger the share, the larger the Delta.
- ii. TPgi: The standard provisioning rates recommended by the BCT have been increased to bring them into line with Basel standards: 40% for corporate loans, 45% for consumer loans and 35% for housing loans.

As a result, the stock of collective provisions set aside by the bank amounted to 383.9 KTD at December 31, 2023.

## II-8. Reclassification between headings of the consolidated financial statements

In order to improve the presentation of the consolidated financial statements for the year ended December 31, 2023, a reclassification has been made between headings of the consolidated income statement.

Following this reclassification, the figures in the consolidated financial statements for the year ended December 31, 2022 have been restated for comparability purposes as follows:

(Figures are expressed in Thousands of Tunisian Dinars)

Heading	balance as at December 31, 2022	Balance after reclassification as at December 31, 2022	Amount of reclassification As at December 31, 2022
Insurance premiums issued	-	158 334	158 334
Commissions (in products)	423 482	265 148	(158 334)

Similarly, reclassifications have been made in the statement of cash flows to highlight the effect of exchange rate change on cash and cash equivalents. Following this reclassification, the figures in the consolidated financial statements for the year ended December 31<sup>st</sup>, 2022 have been restated for comparability purposes as follows:

Heading	balance as at December 31, 2022	Balance after reclassification as at December 31, 2022	Amount of reclassification As at December 31, 2022
Collected banking operating products	1 936 522	1 936 580	58
Deposits/withdrawals on customers deposits	(421 581)	(473 528)	(51 947)
Granted loans/ customers' loans reimbursement	789 243	861 577	72 334
Payments to personnel and other accounts payables	(458 835)	(459 844)	(1 009)
Other cash flows from operating activities	24 359	43 737	19 378
<b>Net cash flow from operating activities</b>	<b>665 146</b>	<b>703 960</b>	<b>38 814</b>
Increase / decrease of special resources	(54 772)	(54 766)	6
<b>Net cash flow from financing activities</b>	<b>99 172</b>	<b>99 178</b>	<b>6</b>
Effect of exchange rate changes on cash and cash equivalents	-	(38 820)	(38 820)

## Note III – Companies included in the scope of consolidation

### III-1. Consolidation Perimeter

At December 31, 2023, the BIAT Group's scope of consolidation was as follows:

	31/12/2023		31/12/2022	
	Control Rate (in %)	Interest Rate (in %)	Control Rate (in %)	Interest Rate (in %)
Banque Internationale Arabe de Tunisie	100,00	100,00	100,00	100,00
Tunisie Valeurs Assets Management	99,60	99,02	99,60	99,02
BIAT Capital Risque	98,08	98,08	98,08	98,08
Compagnie Internationale Arabe de Recouvrement	100,00	100,00	100,00	100,00
SICAF BIAT	100,00	100,00	100,00	100,00
Société de Promotion Immobilière Arabe de Tunisie	100,00	100,00	100,00	100,00
SPT Salloum	50,76	50,76	50,76	50,76
Organisation et Services Informatiques	100,00	100,00	100,00	100,00
Société la PROTECTRICE	100,00	100,00	100,00	100,00
Assurances BIAT	94,48	94,48	94,48	94,48
Société FAIZA	42,31	42,31	42,31	42,31
SICAV Opportunity	89,15	88,42	89,04	89,04
SICAV Trésor	13,54	9,68	13,06	7,54
SICAV Prosperity	23,79	23,79	20,24	20,17
Société Générale de Placement	100,00	100,00	100,00	100,00
Société Support et Maintenance Express	100,00	100,00	100,00	100,00
Société Golf Sousse Monastir	62,18	57,15	62,18	57,15
Société Palm Links Immobilière	94,12	94,12	94,12	94,12
Société Tanit International	67,30	67,30	67,30	67,30
Société Tunisie Titrisation	98,80	98,68	98,80	98,68
Société du Pôle de Compétitivité de Monastir-El Fejja	60,00	60,00	60,00	60,00
SICAV Patrimoine Obligataire	0,70	0,43	1,19	0,86
Fonds Commun de Créances 1	100,00	100,00	100,00	100,00
FCP BIAT Epargne Actions	0,47	0,47	0,46	0,46
Fonds Commun de Créances 2	100,00	100,00	100,00	100,00
Société Touristique Sahara Palace	100,00	67,30	100,00	67,30
SPT Mohamed V	83,73	83,73	76,16	76,16
Institut Tunis Dauphine	30,07	30,07	30,07	30,07
BIAT Consulting	100,00	99,91	100,00	99,91
SPT SFAX	82,76	82,75	82,76	82,75
BIAT France	100,00	100,00	100,00	100,00
FCP Equity Performance	65,59	64,48	72,22	70,99
SPT Hammamet	87,54	87,54	87,54	87,54
Hammamet Leisure Company	40,00	40,00	40,00	40,00
INMA Holding	23,50	40,00	23,50	40,00
Skanes Loisirs et Culture	40,00	40,00	40,00	40,00
Fonds d'amorçage ANAVA	20,12	20,12	20,13	20,13
Tunisie Valeurs	99,41	99,41	99,41	99,41
Tunisia Tourism Group	100,00	100,00	100,00	100,00
Value Digital Services	60,00	60,00	-	-
Citrus Golf Club	67,10	67,10	-	-
Prospera Capital	99,99	98,77	-	-
FCP Valeurs Sérénité 2028	0,20	0,20	-	-

### III-2. Consolidation Method

At December 31, 2023, the BIAT Group's consolidation methods were as follows:

	31/12/2023	31/12/2022
Banque Internationale Arabe de Tunisie	Full consolidation	Full consolidation
Tunisie Valeurs Assets Management	Full consolidation	Full consolidation
BIAT Capital Risque	Full consolidation	Full consolidation
Compagnie Internationale Arabe de Recouvrement	Full consolidation	Full consolidation
SICAF BIAT	Full consolidation	Full consolidation
Société de Promotion Immobilière Arabe de Tunisie	Full consolidation	Full consolidation
SPT Salloum	Full consolidation	Full consolidation
Organisation et Services Informatiques	Full consolidation	Full consolidation
Société la PROTECTRICE	Full consolidation	Full consolidation
Assurances BIAT	Full consolidation	Full consolidation
Société FAIZA	Full consolidation	Full consolidation
SICAV Opportunity	Full consolidation	Full consolidation
SICAV Trésor	Full consolidation	Full consolidation
SICAV Prosperity	Full consolidation	Full consolidation
Société Générale de Placement	Full consolidation	Full consolidation
Société Support et Maintenance Express	Full consolidation	Full consolidation
Société Golf Sousse Monastir	Full consolidation	Full consolidation
Société Palm Links Immobilière	Full consolidation	Full consolidation
Banque d'Affaires de Tunisie	Out of scope	Out of scope
Société Tanit International	Full consolidation	Full consolidation
Société Tunisie Titrisation	Full consolidation	Full consolidation
Société du Pôle de Compétitivité de Monastir-El Fejja	Full consolidation	Full consolidation
SICAV Patrimoine Obligataire	Full consolidation	Full consolidation
Fonds Commun de Créances 1	Full consolidation	Full consolidation
FCP BIAT Epargne Actions	Full consolidation	Full consolidation
Fonds Commun de Créances 2	Full consolidation	Full consolidation
Société Touristique Sahara Palace	Full consolidation	Full consolidation
SPT Mohamed V	Full consolidation	Full consolidation
Institut Tunis Dauphine	Equity Method	Equity Method
FCP Croissance	Out of scope	Out of scope
FCP Equilibre	Out of scope	Out of scope
FCP Prudence	Out of scope	Out of scope
BIAT Consulting	Full consolidation	Full consolidation
SPT SFAX	Full consolidation	Full consolidation
BIAT France	Full consolidation	Full consolidation
FCP Equity Performance	Full consolidation	Full consolidation
SPT Hammamet	Full consolidation	Full consolidation
Hammamet Leisure Company	Full consolidation	Full consolidation
INMA Holding	Equity Method	Equity Method
Skanes Loisirs et Culture	Equity Method	Equity Method
Fonds d'amorçage ANAVA	Equity Method	Equity Method
Tunisie Valeurs	Full consolidation	Full consolidation
Tunisia Tourism Group	Full consolidation	Full consolidation
Value Digital Services	Full consolidation	Out of scope
Citrus Golf Club	Full consolidation	Out of scope
Prospera Capital	Full consolidation	Out of scope
FCP Valeurs Sérénité 2028	Full consolidation	Out of scope

**Note IV – Balance Sheet Assets***(Figures are expressed in Thousands of Tunisian Dinars)***IV-1. Cash and balances with BCT, CCP and TGT**

	31/12/2023	31/12/2022
Cash	191 672	177 611
Assets with the BCT	141 122	179 764
Assets with the CCP	88	88
<b>Total cash and assets with the BCT, CCP and TGT</b>	<b>332 882</b>	<b>357 463</b>

**IV-2. Receivables from Banks and Financial Institutions**

	31/12/2023	31/12/2022
Loans and advances to banks (a)	4 270 870	3 125 610
Loans and advances to financial institutions (b)	363 440	290 087
<b>Total Loans and advances to banking and financial institutions</b>	<b>4 634 310</b>	<b>3 415 697</b>

(a) Amounts due from banks break down as follows:

	31/12/2023	31/12/2022
BCT loan accounts	3 384 323	2 174 113
Interbank market loan accounts	775 620	875 396
Loan-related receivables	21 060	6 126
NOSTRI correspondent accounts	70 412	48 056
LORI correspondent accounts	275	51
Claims related to correspondent accounts	129	42
Unallocated values	19 051	21 826
<b>Total</b>	<b>4 270 870</b>	<b>3 125 610</b>

(b) Amounts due from financial institutions break down as follows:

	31/12/2023	31/12/2022
Loans granted to leasing companies	351 760	286 325
Loans granted to other financial institutions	5 652	-
Related receivables and payables	6 028	3 762
<b>Total</b>	<b>363 440</b>	<b>290 087</b>



### IV-3. Customer receivables

Customer receivables comprise current and classified accounts receivable, other current and classified loans, and current and classified loans from special resources.

Gross doubtful debts (classified) and the provisions required to cover classified assets are determined in accordance with the provisions of circular no. 91-24 of 17 December 1991 issued by the Central Bank of Tunisia related prudential rules, and the accounting standards applicable to banking institutions.

	31/12/2023	31/12/2022
Customer accounts receivable	1 131 559	1 025 007
Other customer loans	12 293 515	12 101 622
Loans from special resources	84 499	83 224
<b>Total</b>	<b>13 509 573</b>	<b>13 209 853</b>
Provisions and premiums on customer loans	(770 980)	(629 791)
Collective provisions	(383 901)	(375 527)
<b>Total loans and advances to customers</b>	<b>12 354 692</b>	<b>12 204 535</b>

### IV-4. Commercial securities Portfolio

	31/12/2023	31/12/2022
Assimilable treasury bills	201 117	233 819
Short Term Treasury Bills	11 667	10 481
<b>Transaction Securities</b>	<b>212 784</b>	<b>244 300</b>
Bonds issued by private corporations	169 852	157 042
Other investments	657 470	400 977
<b>Investment securities</b>	<b>827 322</b>	<b>558 019</b>
<b>Total commercial securities portfolio</b>	<b>1 040 106</b>	<b>802 319</b>

### IV-5. Investment securities portfolio

	31/12/2023	31/12/2022
Gross investment securities out standing	3 858 742	3 552 409
Related receivables on investment securities	90 401	93 904
Provisions and premiums for impairment in value of investment portfolio	(53 642)	(52 160)
<b>Total investment portfolio</b>	<b>3 895 501</b>	<b>3 594 153</b>

#### IV-6. Investments in associates

	31/12/2023	31/12/2022
Institut Tunis Dauphine	1 102	909
Skanes Loisirs et Culture	3 400	3 400
Fond d'amorçage ANAVA	5 926	5 688
<b>Total Investments in associates</b>	<b>10 428</b>	<b>9 997</b>

#### IV-7. Fixed assets

Fixed assets are recorded at acquisition cost, excluding VAT, plus non-recoverable VAT, except for transport equipment, which is recorded in the balance sheet at acquisition cost, including VAT.

Depreciation of fixed assets, except for goodwill, is calculated using the straight-line method at the depreciation rates allowed under current tax regulations.

Depreciation charges are determined and recorded based on the book value of fixed assets, and according to the acquisition date of each fixed asset.

These non-current assets break down as follows:

	31/12/2023	31/12/2022
Intangible assets	98 775	96 877
Amortization of intangible assets	(90 194)	(85 297)
Property, plant and equipment	918 359	795 320
Depreciation of property, plant and equipment	(386 023)	(345 394)
Assets under construction and advances	153 522	82 672
<b>Total fixed assets</b>	<b>694 439</b>	<b>544 178</b>

These fixed assets are detailed on December 31<sup>st</sup>, 2023 as follows:

	31/12/2022	Entry perimete	Acquisitions	Disposal or scrapping	Currency Effects	Reclassifica- tion	31/12/2023
License	37 061	1	432	(73)	-	36	37 457
Computer software	54 297	156	800	-	-	522	55 775
Goodwill and lease hold rights	5 194	-	-	-	-	-	5 194
Other intangible assets	325	9	8	-	7	-	349
<b>Total intangible fixed assets</b>	<b>96 877</b>	<b>166</b>	<b>1240</b>	<b>(73)</b>	<b>7</b>	<b>558</b>	<b>98 775</b>
Lands	169 017	57 504	890	(165)	-	13 870	241 116
Buildings	227 843	1 400	462	(127)	-	13 215	242 793
Fixtures and fittings for buildings	143 200	9 462	3 397	(119)	29	2 411	158 380
Buildings awaiting allocation	164	-	-	-	-	-	164
Fixed assets with special legal sta- tus	535	495	7	(109)	3	-	931
Office furniture	24 416	-	49	(363)	5	209	24 316
Computer equipments	65 020	657	4 278	(3 578)	1	6 738	73 116
Transport equipments	6 107	276	1 937	(752)	-	-	7 568
Buildings not used for business purposes	55 743	-	282	-	-	2 507	58 532
General building installations	10 021	1 782	322	(155)	-	820	12 790
Banking equipment	32 535	-	608	(5 106)	-	2 205	30 242
Fixtures and fittings for banking equipment	2 222	-	132	-	-	37	2 391
Office equipments	19 439	129	531	(331)	-	65	19 833
Office equipmentlayout	1 912	-	3	-	-	-	1 915
Office furniturelayout	10 331	-	213	(237)	-	14	10 321
Machinery and tools	26 815	4 855	2 587	(477)	-	104	33 884
Other tangible fixed assets	-	67	-	-	-	-	67
<b>Total tangible fixed assets</b>	<b>795 320</b>	<b>76 627</b>	<b>15 698</b>	<b>(11 519)</b>	<b>38</b>	<b>42 195</b>	<b>918 359</b>
Works in progress	80 703	250	113 587	-	-	(42 753)	151 787
Advances on assets under construction	1 969	22	163	(419)	-	-	1 735
<b>Gross value of fixed assets</b>	<b>974 869</b>	<b>77 065</b>	<b>130 688</b>	<b>(12 011)</b>	<b>45</b>	<b>-</b>	<b>1170 656</b>

	Amort. Ac- cumulated 31/12/2022	Entry perimeter	Endowment	Regulariza- tion Disposal and reclassi- fication	Currency Effects	Amort. Ac- cumulated 31/12/2023	CNV at 31/12/2023
License	(32 184)	(1)	(2 147)	73	-	(34 259)	3 198
Computer software	(49 063)	(143)	(2 511)	(11)	-	(51 728)	4 047
Goodwill and leaseholdrights	(3 743)	-	(132)	-	-	(3 875)	1 319
Other intangible fixed assets	(307)	(9)	(9)	-	(7)	(332)	17
<b>Total intangible fixed assets</b>	<b>(85 297)</b>	<b>(153)</b>	<b>(4 799)</b>	<b>62</b>	<b>(7)</b>	<b>(90 194)</b>	<b>8 581</b>
Land	(10)	-	-	-	-	(10)	241 106
Buildings	(84 475)	(391)	(6 537)	(1 418)	-	(92 821)	149 972
Fixtures and fittings for buildings	(103 316)	(10 580)	(9 276)	410	-	(122 762)	35 618
Buildings awaiting allocation	-	-	-	-	-	-	164
Fixed assets with special legal sta- tus	(390)	(388)	(32)	51	-	(759)	172
Office furniture	(16 320)	-	(1 632)	376	(4)	(17 580)	6 736
Computer equipment	(52 151)	(443)	(4 637)	3 878	(1)	(53 354)	19 762
Transport equipment	(3 905)	(275)	(842)	525	-	(4 497)	3 071
Buildings not used for business purposes	(8 467)	-	(2 478)	-	-	(10 945)	47 587
General building installations	(9 470)	(1 859)	(726)	155	(22)	(11 922)	868
Banking equipment	(22 566)	-	(3 099)	5 059	-	(20 606)	9 636
Fixtures and fittings for banking equipment	(1 579)	-	(252)	(35)	-	(1 866)	525
Office equipment	(15 143)	(85)	(1 011)	316	-	(15 923)	3 910
Office equipmentlayout	(1 696)	-	(40)	-	-	(1 736)	179
Office furniturelayout	(7 689)	-	(570)	235	-	(8 024)	2 297
Machinery and tools	(12 021)	(4 303)	(2 312)	1 617	-	(17 019)	16 865
Other tangible fixed assets	-	-	-	-	-	-	67
<b>Total tangible fixed assets</b>	<b>(339 198)</b>	<b>(18 324)</b>	<b>(33 444)</b>	<b>11 169</b>	<b>(27)</b>	<b>(379 824)</b>	<b>538 535</b>
Work in progress	-	-	-	-	-	-	151 787
Advances on assets under construction	-	-	-	-	-	-	1 735
Provisions for other tangible fixed assets	(6 196)	(3)	-	-	-	(6 199)	(6 199)
<b>Gross value of fixed assets</b>	<b>(430 691)</b>	<b>(18 480)</b>	<b>(38 243)</b>	<b>11 231</b>	<b>(34)</b>	<b>(476 217)</b>	<b>694 439</b>

#### IV-8. Goodwill

The total for this item fell from 38,689 KTD in December 2022 to 44,198 KTD in December 2023, an increase of 5,509 KTD.

	Gross value 31/12/2023	Accumu Depreciation 31/12/2023	CNV 31/12/2023	Gross Value 31/12/2022	Accumu Depreciation 31/12/2022	CNV 31/12/2022
Positive Goodwill	68 746	(24 547)	44 199	60 324	(21 635)	38 689
Securities held by BIAT	67 405	(23 206)	44 199	58 983	(20 295)	38 688
SPT Salloum	171	(162)	9	171	(154)	17
Société Golf Sousse Monastir	881	(881)	-	881	(881)	-
Assurances BIAT	10 801	(5 980)	4 821	10 802	(5 439)	5 363
BIAT Capital Risque	95	(90)	5	95	(86)	9
SICAF BIAT	44	(40)	4	44	(38)	6
MFCP El Fejja	282	(56)	226	282	(42)	240
Société Tanit International	6 540	(6 540)	-	6 540	(6 540)	-
SOPIAT	49	(42)	7	49	(40)	9
Société la PROTECTRICE	1 741	(1 741)	-	1 741	(1 741)	-
Tunisie Valeurs	38 377	(7 253)	31 124	38 378	(5 334)	33 044
Value Digital Services	4 865	(243)	4 622	-	-	-
SPT Mohamed V	3 559	(178)	3 381	-	-	-
Securities held by SGP	1 015	(1 015)	-	1 015	(1 015)	-
OSI	78	(78)	-	78	(78)	-
GSM	937	(937)	-	937	(937)	-
Securities held by BIAT Capital Risque	18	(18)	-	18	(18)	-
SICAF	18	(18)	-	18	(18)	-
Securities held by SICAF	308	(308)	-	308	(307)	1
TAAMIR	131	(131)	-	131	(130)	1
PROTECT	122	(122)	-	122	(122)	-
SGP	34	(34)	-	34	(34)	-
SOPIAT	21	(21)	-	21	(21)	-
Negative Goodwill	(16 480)	16 480	-	-	-	-
Securities held by TTG	(16 480)	16 480	-	-	-	-
GOLF	(16 480)	16 480	-	-	-	-
Total	52 266	(8 068)	44 199	60 324	(21 635)	38 689

#### IV-9. Other Assets

The total for this item rose from 659,988 KTD in December 2022 to 656,627 KTD in December 2023, recording a decrease of 3,361 KTD or 0.51 %.

Between December 2022 and December 2023, the consolidated balance sheet total increased by 2,036,165 KTD or 9.41%, from 21,627,019 KTD to 23,663,184 KTD.

#### NOTE V – Balance sheet liabilities

(Figures are expressed in KTD: thousands of Tunisian Dinars)

##### V-1. BCT and CCP

	31/12/2023	31/12/2022
BCT cheques awaiting settlement	1 312	891
BCT accounts in foreign currencies	2 639	-
Related debts on BCT and CCP accounts	-	7
<b>Total Central Bank and CCP</b>	<b>3 951</b>	<b>898</b>

##### V-2. Deposits and assets of banking and financial institutions

	31/12/2023	31/12/2022
Deposits and assets of banking institutions (a)	541 770	579 234
Deposits from financial institutions (b)	64 088	48 918
<b>Total deposits and holdings of banking and financial institutions</b>	<b>605 858</b>	<b>628 152</b>

(a) Deposits and assets of banking institutions break down as follows:

	31/12/2023	31/12/2022
Borrowing in dinars from the BCT	-	331 000
Borrowing in dinars from banks	111 284	53 929
Correspondent bank deposits	184 875	185 557
Other amounts due	245 252	8 336
Related debts	359	412
<b>Deposits and holdings of banking institutions</b>	<b>541 770</b>	<b>579 234</b>

(b) Deposits by financial institutions fell from 48,918 KTD in December 2022 to 64,088 KTD in December 2023.

### V-3. Customer deposits and assets

	31/12/2023	31/12/2022
Demand deposits	8 992 441	8 451 189
Savings deposits	4 701 593	4 160 828
Maturity accounts	2 996 061	2 782 588
Maturity notes	286 405	280 986
Money market certificates of deposit	368 000	279 501
Related debts	100 612	77 444
Other amounts due	623 968	478 380
<b>Total customer deposits and holdings</b>	<b>18 069 080</b>	<b>16 510 916</b>

### V-4. Borrowings and special resources

	31/12/2023	31/12/2022
Borrowings and debts for special resources	35 535	32 172
Debts on special resources	508	511
Public funds	43 459	45 061
<b>Total public and external funds</b>	<b>79 502</b>	<b>77 744</b>
Subordinated borrowings	465 845	512 905
Debts related to borrowings	16 518	19 432
<b>Total borrowings and special resources</b>	<b>561 865</b>	<b>610 081</b>

### V-5. Other liabilities

The total for this item rose from 1,198,640 KTD on December 31st, 2022 to 1,392,496 KTD on December 31st, 2023, recording an increase of 193,856 KTD or 16.17 %.

**NOTE VI – Minority Interests***(Figures are expressed in KTD: thousands of Tunisian Dinars)*

Minority interests break down as follows by consolidated company:

Companies	31/12/2023		31/12/2022	
	Reserves	Results	Reserves	Results
Tunisie Valeurs Assets Management	3	28	3	24
BIAT Capital Risque	95	114	90	103
Société de Promotion Immobilière Arabe de Tunisie	1	-	1	-
SPT Salloum	2 154	11	2 144	10
Assurances BIAT	3 879	1 015	3 289	1 077
SICAV Opportunity	63	-	62	(1)
SICAV Trésor	132 802	9 878	117 305	7 113
SICAV Prosperity	2 417	69	2 954	80
Société Palm Links Immobilière	118	5	111	8
Société Tanit International	6 606	85	6 485	122
Société du Pôle de Compétitivité de Monastir-El Fejja	25 831	2 108	23 103	5 128
SICAV Patrimoine Obligataire	488 755	32 397	396 228	22 974
FCP BIAT Epargne Actions	61 270	1 792	60 224	2 016
SPT Mohamed V	5 117	394	7 868	(372)
SPT SFAX	1 419	(58)	1 589	(169)
SPT Hammamet	5 999	(933)	6 610	(611)
FCP Equity Performance	3 867	129	2 750	88
Hammamet Leisure Company	8 987	(1 846)	9 527	(540)
Tunisie Valeurs	251	16	228	30
Value Digital Services	4 757	948	-	-
Citrus Golf Club	20 097	(450)	-	-
FCP Valeurs Sérénité 2028	49 500	1 489	-	-
<b>Total</b>	<b>823 988</b>	<b>47 191</b>	<b>640 571</b>	<b>37 080</b>



**NOTE VII – Statement of Shareholders' Equity***(Figures are expressed in Thousands of Tunisian Dinars)*

Companies	31/12/2023		31/12/2022	
	Reserves	Results	Reserves	Results
Banque Internationale Arabe de Tunisie	1 817 171	312 903	1 720 767	278 081
Tunisie Valeurs Assets Management	59	2 828	58	2 403
BIAT Capital Risque	177	5 819	(66)	5 280
Compagnie Internationale Arabe de Recouvrement	8 271	5 220	7 486	5 085
SICAF BIAT	2 447	287	2 236	216
Société de Promotion Immobilière Arabe de Tunisie	(11)	174	151	116
SPT Salloum	(310)	2	(312)	2
Organisation et Services Informatiques	111	(28)	125	(14)
Société la PROTECTRICE	(10 349)	(1 455)	(8 781)	(1 569)
Assurances BIAT	33 062	16 811	23 527	17 884
Société FAIZA	(712)	(3)	(709)	(3)
SICAV Opportunity	22	(1)	10	(4)
SICAV Trésor	6 143	1 059	(584)	580
SICAV Prosperity	243	21	214	20
Société Générale de Placement	2 737	118	2 294	107
Société Support et Maintenance Express	1 584	454	1 296	67
Société Golf Sousse Monastir	(27 404)	(1 979)	(25 857)	(1 547)
Société Palm Links Immobilière	282	77	160	122
Société Tanit International	(14 703)	174	(14 954)	250
Société Tunisie Titrisation	(167)	(19)	(160)	(12)
Société du Pôle de Compétitivité de Monastir-El Fejja	12 331	3 148	8 254	7 677
SICAV Patrimoine Obligataire	689	142	1 385	199
Fonds Commun de Créances 1	1 325	272	1 063	262
FCP BIAT Epargne Actions	138	8	(12)	9
Fonds Commun de Créances 2	259	147	123	136
Société Touristique Sahara Palace	(10 126)	(762)	(9 543)	(583)
SPT Mohamed V	41	1 851	1 230	(1 189)
Institut Tunis Dauphine	9	193	(226)	235
BIAT Consulting	(752)	(4)	(1 114)	361
SPT SFAX	(7 584)	(278)	(6 772)	(812)
BIAT France	900	788	364	438
SPT Hammamet	(8 019)	(6 556)	(3 725)	(4 294)
FCP Equity Performance	611	234	437	215
Hammamet Leisure Company	(9 378)	(1 231)	(9 018)	(360)
INMA Holding	(200)	-	(200)	-
Fonds d'amorçage ANAVA	887	(61)	740	(151)
Tunisie Valeurs	327	701	(1 608)	3 143
Tunisia Tourism Group	53	1 173	-	52
Value Digital Services	-	1 179	-	-
Citrus Golf Club	-	15 562	-	-
Prospera Capital	-	(380)	-	-
FCP Valeurs Sérénité 2028	-	3	-	-
<b>Total capital and shareholders' capital Group excluding income</b>	<b>1 800 164</b>	<b>358 591</b>	<b>1 688 279</b>	<b>312 402</b>

Company Consolidated	Integration method	Shareholders' equity	Elimination of securities	Gross goodwill calculation	Construct depreciation on loss of value EA	Neutralization of dividends	Provisions and revaluation	Valuation difference	Internally added value	Deferred tax and other	Minority interests	Total shareholders' equity
BIAT	Full consolidation	1750 675	-	-	-	24 898	30 827	-	(10 595)	21 365	-	1 817 171
TVALAM	Full consolidation	587	(525)	-	-	-	-	-	-	-	(3)	59
BCR	Full consolidation	5 559	(4 696)	95	(86)	486	-	-	(1 086)	-	(95)	177
CIAR	Full consolidation	1 354	(1 018)	-	-	-	-	-	-	7 935	-	8 271
SICAF	Full consolidation	19 924	(19 000)	62	(55)	195	1 321	-	-	-	-	2 447
SOPIAT	Full consolidation	28 177	(27 616)	70	(59)	28	-	-	(717)	107	(1)	(11)
SALLOUM	Full consolidation	4 375	(2 548)	171	(154)	-	-	-	-	-	(2 154)	(310)
OSI	Full consolidation	135	(24)	78	(78)	-	-	-	-	-	-	111
PROTECT	Full consolidation	(225)	(8 999)	1 863	(1 863)	-	-	-	(1 322)	197	-	(10 349)
ASSBIAT	Full consolidation	69 933	(38 623)	10 801	(5 439)	269	-	-	-	-	(3 879)	33 062
FAIZA	Full consolidation	230	(542)	-	-	-	(400)	-	-	-	-	(712)
OPPORTUNITY	Full consolidation	581	(496)	-	-	-	-	-	-	-	(63)	22
TRESOR	Full consolidation	153 406	(14 461)	-	-	-	-	-	-	-	(132 802)	6 143
PRESPERITY	Full consolidation	3 172	(512)	-	-	-	-	-	-	-	(2 417)	243
SGP	Full consolidation	3 000	(3 293)	34	(34)	436	2 594	-	-	-	-	2 737
SME	Full consolidation	6 000	(4 656)	131	(131)	221	19	-	-	-	-	1 584
GSM	Full consolidation	(8 721)	(4 134)	1 818	(1 818)	-	-	-	(18 453)	3 904	-	(27 404)
LINKS	Full consolidation	2 010	(1 610)	-	-	-	-	-	-	-	(118)	282
STI	Full consolidation	25 595	(28 300)	6 540	(6 540)	-	648	-	(7 406)	1 366	(6 606)	(14 703)
TITRIS	Full consolidation	261	(428)	-	-	-	-	-	-	-	-	(167)
ELFEJJA	Full consolidation	63 718	(26 649)	282	(42)	-	-	1 808	(1 123)	168	(25 831)	12 331
PATRIMOINE	Full consolidation	491 071	(2 001)	-	-	374	-	-	-	-	(488 755)	689
FCC1	Full consolidation	2 844	(1 519)	-	-	-	-	-	-	-	-	1 325
FCP	Full consolidation	61 562	(154)	-	-	-	-	-	-	-	(61 270)	138
FCC2	Full consolidation	1 762	(1 503)	-	-	-	-	-	-	-	-	259
STSP	Full consolidation	(2 251)	(8 000)	-	-	-	-	-	-	125	-	(10 126)
SPTMV	Full consolidation	30 015	(29 847)	3 559	-	-	-	-	-	1 431	(5 117)	41
ITD	Equity method	909	(900)	-	-	-	-	-	-	-	-	9
BCO	Full consolidation	145	(1 000)	-	-	-	-	-	-	103	-	(752)
SPTS FAX	Full consolidation	8 398	(14 400)	-	-	-	-	-	(1 671)	1 508	(1 419)	(7 584)
BFR	Full consolidation	3 812	(2 920)	-	-	-	-	-	-	8	-	900
PERFORMANCE	Full consolidation	11 184	(6 717)	-	-	11	-	-	-	-	(3 867)	611
SP THAMMAMET	Full consolidation	48 140	(50 160)	-	-	-	-	-	-	-	(5 999)	(8 019)
HLC	Full consolidation	14 979	(15 370)	-	-	-	-	-	-	-	(8 987)	(9 378)
INMA	Equity method	-	(200)	-	-	-	-	-	-	-	-	(200)
SKANES	Equity method	3 400	(3 400)	-	-	-	-	-	-	-	-	-
AMORCAGE ANAVA	Equity method	5 987	(5 100)	-	-	-	-	-	-	-	-	887
TVAL	Full consolidation	38 779	(75 127)	38 377	(5 334)	2 393	-	2 623	(1 115)	(18)	(251)	327
TTG	Full consolidation	45 053	(45 000)	-	-	-	-	-	-	-	-	53
VDS	Full consolidation	11 892	(12 000)	4 865	-	-	-	-	-	-	(4 757)	-
Citrus Golf Club	Full consolidation	61 077	(24 500)	(16 480)	-	-	-	-	-	-	(20 097)	-
Prospera Capital	Full consolidation	1 500	(1 500)	-	-	-	-	-	-	-	-	-
FCP Valeurs Séréntité 2028	Full consolidation	49 601	(100)	-	-	-	-	-	-	-	(49 500)	-
Consolidated total		3 019 605	(489 548)	52 266	(21 633)	29 311	35 009	4 431	(43 488)	38 199	(823 988)	1 800 164

Company Consolidated	Integration method	Corporate income	Neutralization of provisions	Neutralization of dividends	Inter-ladded value	Construct depreciation on loss of value EA	Deferred tax and other	Minority interests	Consolidated net income
BIAT	Full consolidation	331 444	10 002	(24 898)	-	-	(3 645)	-	312 903
TVALAM	Full consolidation	2 856	-	-	-	-	-	(28)	2 828
BCR	Full consolidation	6 424	-	(486)	-	(5)	-	(114)	5 819
CIAR	Full consolidation	5 192	-	-	-	-	28	-	5 220
SICAF	Full consolidation	656	(171)	(195)	-	(3)	-	-	287
SOPIAT	Full consolidation	206	-	(28)	-	(4)	-	-	174
SALLOUM	Full consolidation	21	-	-	-	(8)	-	(11)	2
OSI	Full consolidation	(28)	-	-	-	-	-	-	(28)
PROTECT	Full consolidation	(1 455)	-	-	-	-	-	-	(1 455)
ASSBIAT	Full consolidation	18 635	-	(269)	-	(540)	-	(1 015)	16 811
FAIZA	Full consolidation	(3)	-	-	-	-	-	-	(3)
OPPORTUNITY	Full consolidation	(1)	-	-	-	-	-	-	(1)
TRESOR	Full consolidation	10 937	-	-	-	-	-	(9 878)	1 059
PRESPERITY	Full consolidation	90	-	-	-	-	-	(69)	21
SGP	Full consolidation	597	(43)	(436)	-	-	-	-	118
SME	Full consolidation	312	363	(221)	-	-	-	-	454
GSM	Full consolidation	(1 998)	-	-	-	-	19	-	(1 979)
LINKS	Full consolidation	82	-	-	-	-	-	(5)	77
STI	Full consolidation	(240)	499	-	-	-	-	(85)	174
TITRIS	Full consolidation	(19)	-	-	-	-	-	-	(19)
ELFEJJA	Full consolidation	5 271	-	-	-	(15)	-	(2 108)	3 148
PATRIMOINE	Full consolidation	32 913	-	(374)	-	-	-	(32 397)	142
FCC1	Full consolidation	272	-	-	-	-	-	-	272
FCP	Full consolidation	1 800	-	-	-	-	-	(1 792)	8
FCC2	Full consolidation	147	-	-	-	-	-	-	147
STSP	Full consolidation	(783)	-	-	-	-	21	-	(762)
SPTMV	Full consolidation	2 847	-	-	-	(178)	(424)	(394)	1 851
ITD	Equity method	193	-	-	-	-	-	-	193
BCO	Full consolidation	20	-	-	-	-	(24)	-	(4)
SPTS FAX	Full consolidation	(484)	-	-	-	-	148	58	(278)
BFR	Full consolidation	795	-	-	-	-	(7)	-	788
PERFORMANCE	Full consolidation	374	-	(11)	-	-	-	(129)	234
SPTHAMMAMET	Full consolidation	(4 021)	-	-	-	-	(3 468)	933	(6 556)
HLC	Full consolidation	(1 218)	-	-	-	-	(1 859)	1 846	(1 231)
AMORCAGE ANAVA	Equity method	(61)	-	-	-	-	-	-	(61)
TVAL	Full consolidation	5 095	-	(2 393)	-	(1 919)	(66)	(16)	701
TTG	Full consolidation	1 173	-	-	-	-	-	-	1 173
VDS	Full consolidation	2 370	-	-	-	(243)	-	(948)	1 179
Citrus Golf Club	Full consolidation	(1 368)	-	-	-	16 480	-	450	15 562
Prospera Capital	Full consolidation	(380)	-	-	-	-	-	-	(380)
FCP Valeurs Séréntité 2028	Full consolidation	1 492	-	-	-	-	-	(1 489)	3
<b>Consolidated total</b>		<b>420 155</b>	<b>10 650</b>	<b>(29 311)</b>	<b>-</b>	<b>13 565</b>	<b>(9 277)</b>	<b>(47 191)</b>	<b>358 591</b>

**NOTE VIII – Income Statement***(Figures are expressed in KTD: thousands of Tunisian dinars)***VIII-1. Banking income**

The total for this item rose from 2,068,328 KTD at December 31, 2022 to 2,399,272 KTD at December 31, 2023, recording an increase of 330,944 KTD or 16%.

**VIII-1-1. Interest and similar income**

	31/12/2023	31/12/2022
Interest on ordinary bank accounts	2 580	690
Interest on interbank loan accounts	28 840	35 901
Interest on customer loans	1 072 934	925 559
Interest on customer overdrafts	140 888	118 721
Interest and similar income on guarantee commitments	31 902	31 527
Other interest and similar income	132 953	44 168
<b>Total interest and similar income</b>	<b>1 410 097</b>	<b>1 156 566</b>

**VIII-1-2. Commissions on products**

	31/12/2023	31/12/2022
Commission on foreign exchange transactions	3 191	2 670
Commission on financing commitments	42 958	46 073
Commission on guarantee commitments	14 422	13 922
Commission on financial services	115 549	112 982
Commissions on other banking transactions (*)	93 241	89 501
<b>Total Commissions (in income)</b>	<b>269 361</b>	<b>265 148</b>

(\*) Comparative data restated on a proforma basis for comparability purposes

**VIII-1-3. Gains on trading securities portfolio and financial transactions**

	31/12/2023	31/12/2022
Income of trading securities (a)	31 623	19 382
Income from marketable securities (b)	34 532	29 471
Gains on foreign-exchange and arbitration transactions (c)	185 118	204 864
<b>Total Gains on trading securities portfolio and financial transactions</b>	<b>251 273</b>	<b>253 717</b>

*(a) Trading securities income*

	31/12/2023	31/12/2022
Interests of trading securities	31 270	18 978
Capital gain or loss on sale or redemption	310	95
Gain/loss on revaluation of BTA securities	43	309
<b>Total income from trading securities</b>	<b>31 623</b>	<b>19 382</b>

*(b) Income from investment securities*

	31/12/2023	31/12/2022
Interest on bonds	34 324	29 229
Income from debt mutual funds	208	242
<b>Total income on investment securities</b>	<b>34 532</b>	<b>29 471</b>

*(c) Net Gain on foreign-exchange transactions*

Net gains on foreign exchange transactions, comprising mainly gains and losses on manual foreign exchange transactions and spot and forward foreign exchange, rose from 204,864 KTD at 31/12/2022 to 185,118 KTD at 31/12/2023, a decrease of 19,746 KTD or 9.64%.

**VIII-1-4. Investment portfolio income**

	31/12/2023	31/12/2022
Interests and income from investment securities	259 837	218 924
Income from equity securities	15 664	15 639
<b>Total income from investment portfolio</b>	<b>275 501</b>	<b>234 563</b>

**VIII-1-5. Insurance premiums issued**

Insurance premiums issued rose from 158,334 KTD at December 31, 2022 to 193,040 KTD at December 31, 2023, recording an increase of 34,706 KTD or 21.92%.

**VIII-2. Banking Operating Expenses**

The total for this item rose from 653,181 KTD at December 31, 2022 to 795,363 KTD at December 31, 2023, recording an increase of 142,182 KTD or 21.77%.

These banking operating expenses comprise the following items:

- Interest expense
- Claims paid on insurance operations
- Commissions incurred
- Losses on trading securities portfolio and financial transactions

#### VIII-2-1. Interest expense and similar charges

	31/12/2023	31/12/2022
Interest on ordinary bank accounts	3 019	8 433
Interest on interbank loan accounts	6 534	1 994
Interest on customer deposits	637 360	508 132
Interest on bonds and subordinated loans	46 681	30 814
Interests on special resources	2 335	2 423
Other interests and expenses	11 535	17 646
<b>Total interest and similar expenses</b>	<b>707 464</b>	<b>569 442</b>

#### VIII-2-2. Commissions incurred

	31/12/2023	31/12/2022
Commissions on treasury and interbank transactions	6 544	7 479
Commissions on other transactions	1 220	1 838
<b>Total Commissions incurred</b>	<b>7 764</b>	<b>9 317</b>

#### VIII-2-3. Claims paid on insurance operations

Claims paid on insurance operations rose from 74,106 KTD at 31/12/2022 to 79,855 KTD at 31/12/2023, recording an increase of 5,749 KTD or 7.76%.

### VIII-3. Provisions and value adjustments on receivables, off-balance sheet items and liabilities

	31/12/2023	31/12/2022
Provisions for receivables and claims	(355 629)	(388 335)
Provisions for liabilities and charges	(14 004)	(10 107)
<i>Total endowments</i>	(369 633)	(398 442)
Losses on receivables	(61 362)	(47 867)
<b>Total provisions and credit losses</b>	<b>(430 995)</b>	<b>(446 309)</b>
Reversal of provisions for customer receivables	84 990	73 106
Reversal of provisions for losses and expenses	3 170	7 939
<i>Total retakes</i>	88 160	81 045
Recovery of written-off receivables	234	243
<b>Total reversals and recoveries of receivables</b>	<b>88 394</b>	<b>81 288</b>
<b>Balance</b>	<b>(342 601)</b>	<b>(365 021)</b>

### VIII-4. Allowances to provisions and income from value adjustments on investment portfolios

The volume of this post recorded at December 31st, 2023 a net risk cost of 9,315 KTD detailed as follows:

	31/12/2023	31/12/2022
Allocation to provisions on equity securities, portage and managed funds	(7 709)	(3 559)
Expenses and losses on securities	(9 028)	(2 637)
<b>Total allocations and losses on investment portfolio</b>	<b>(16 737)</b>	<b>(6 196)</b>
Reversal of provisions on equity securities, portage and managed funds	7 021	2 281
Capital gain on the sale of equity securities	401	6 677
<b>Total reversal</b>	<b>7 422</b>	<b>8 958</b>
<b>Total reversal and recoveries on investment portfolio</b>	<b>7 422</b>	<b>8 958</b>
<b>Balance</b>	<b>(9 315)</b>	<b>2 762</b>

### VIII-5. Other operating incomes

Between December 2022 and December 2023, this item rose from 92,0000 KTD to 83,506 KTD, a decrease of 8,494 KTD or 9.23%.

### VIII-6. Staff costs

This item, which mainly comprises salaries, social security charges and other staff expenses, rose between December 2022 and December 2023 from 292,200 KTD to 339,726 KTD, recording an increase of 47,526 KTD or 16.26%.

### VIII-7. General operating expenses

The increase of 36,589 KTD between December 2022 and December 2023 results from an increase in non-banking operating expenses of 14,343 KTD and an increase in other general operating expenses of 22,246 KTD.

### VIII-8. Depreciation, amortization, and provisions on fixed assets

Le solde de cette rubrique enregistre au 31/12/2023 un montant de 58 281 mD ventilé comme suit :

	31/12/2023	31/12/2022
Amortization of intangible assets	4 799	4 827
Allocations to depreciations of Goodwill	(13 568)	2 500
Depreciation of property, plant and equipment	33 444	32 302
Amortization of deferred charges	22 791	25 955
Other provisions	2 642	1 164
<b>Total</b>	<b>50 108</b>	<b>66 748</b>

### VIII-9. Balance of gain or loss from other ordinary items

The balance of this item is a gain of 1,461 KTD, mainly due to other ordinary gains for 1,783 KTD and other ordinary losses for 528 KTD.

### VIII-10. Income tax

The balance of this item at 31/12/2023 was 276,6521 KTD, compared with 208,081 KTD at 31/12/2022, representing an increase of 68,571 KTD or 32.95%. The balances include the amount of the social solidarity as well as the economic contribution calculated in accordance with current legislation.

### VIII-11. Balance of gains/losses from other extraordinary items

The balance of gains/losses from other extraordinary items, which amounted to 651 KTD at 31/12/2023, corresponds essentially to exceptional losses at Group level.

## Note IX – Statement of cash flows

(Figures are expressed in KTD: thousands of Tunisian dinars)

### IX.1. Effect of exchange rate change on cash and other cash equivalents

Changes in the exchange rate of the currencies quoted by the BCT, which were used to convert our foreign currency deposits and holdings into dinars as shown in the financial statements for the year ended December 31st, 2023, had an Effect on cash and cash equivalents of 66,980 KTD.

This change is attributable to the following items:



	31/12/2023	31/12/2022
Banking operating revenues	(49)	(58)
Customer deposits	(90 789)	(72 334)
loans and advances granted to customer	28 535	51 947
Payments made to personnel and other creditors	(328)	1 009
Issue and repayment of loans	(121)	
Other cash flow from operating activities	(4 228)	(19 378)
Increase /decrease of special resources	-	(6)
<b>Net Change</b>	<b>(66 980)</b>	<b>(38 820)</b>

## IX.2. Cash and Cash equivalents

The balance of cash flow is as follows:

	31/12/2023	31/12/2022
<b>Cash in TND</b>		
Cash in dinars	170 090	152 991
Correspondents debtors	52 492	43 396
Correspondents creditors	(1 312)	(891)
Cash debtors equivalents	7 145	7 416
Cash creditors equivalents	(245 631)	(8 716)
<b>Total cash in TND</b>	<b>(17 216)</b>	<b>194 196</b>
<b>Foreign currencies cash</b>		
Foreign currencies cash	58 397	63 859
Correspondents debtors	122 584	145 286
Correspondents creditors	(187 514)	(185 557)
<b>Total foreign currencies cash</b>	<b>(6 533)</b>	<b>23 588</b>
<b>Investments in foreign currencies</b>	<b>2 708 136</b>	<b>2 811 832</b>
Trading Securities	675 684	593 092
Loans in dinars	(111 284)	(384 929)
<b>Cash and cash equivalents</b>	<b>3 248 787</b>	<b>3 237 779</b>

## Note X – Subsequent events

These financial statements of the BIAT Group have been approved and authorized for issue by the Board of Directors on march 29<sup>th</sup>, 2024. There have been no events after the closing date that could have an impact on the financial statements for the year ended December 31<sup>st</sup>, 2023.

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**RESOLUTIONS OF  
THE ORDINARY  
GENERAL  
ASSEMBLY**

**TUNIS, APRIL 26<sup>th</sup>, 2024**

# Resolutions of the Ordinary General Assembly

## First Resolution

Having heard the report of the Board of Directors on the individual financial situation and the consolidated position for the year 2023 and the reports of the statutory auditors, the Ordinary General Meeting of Shareholders entirely approves the Board of Directors' report, the regulated agreements governed by the provisions of Article 200 and following as well as the Article 475 of the Commercial Companies Code and Articles 43 and 62 of Law 2016-48 of 11 July 2016, relating to banks and financial institutions, as well as the individual and consolidated financial statements as at December 31<sup>st</sup>, 2023 as presented.

Consequently, it gives the members of the Board of Directors complete and unconditional discharge of their management for the financial year of 2023

This resolution was put to the vote and adopted unanimously.

## Second Resolution

The Ordinary General Assembly decides to allocate the net profit for the year 2023, which amounts to TND 331 443 734.034 as follows:

(In dinars)

Net Profit for the year	331 443 734,034
Retained Earnings	317 812 530,384
Distributable Profit	649 256 264,418
Dividends	214 200 000,000
Retained Earnings	435 056 264,418

Accordingly, the dividend per share is set at TND 6 000 per share.

The detachment of the dividend will be on May 13<sup>th</sup>, 2024. This dividend will be paid on May 15<sup>th</sup>, 2024.

This resolution was put to the vote and adopted unanimously.

## Third Resolution

As part of the distribution of the profits for the financial years 2015, 2016 and 2017, The Ordinary General Assembly decides to transfer to the optional reserves the allocations to reserves for financial reinvestments in the amount of TND 22 209 753.000

This resolution was put to the vote and adopted unanimously.

## Fourth Resolution

The Ordinary General Assembly decides to appoint Mr Karim BEN KAHLA and Mr. Moez LAABIDI as independent members of the board of directors for three year period comes to an end at the Ordinary General Assembly to be held to approve the accounts for the financial year 2026

This resolution was put to the vote and adopted unanimously.

### Fifth Resolution

The Ordinary General Assembly decides to allocate to the Board of Directors the gross sum of one million one hundred and twenty thousand dinars as directors' fees for the financial year 2024.

The Board of Directors shall decide on its distribution among its members and advisors.

The Ordinary General Assembly also decides to allocate to the members of the Audit Committee, the Executive Credit Committee, the Risk Committee and the Nomination and Remuneration Committee the gross sum of four thousand dinars per member and attendance for the financial year 2024.

This resolution was put to the vote and adopted unanimously.

### Sixth Resolution

The Ordinary General Assembly takes note of the responsibilities of the Chairman and the members of the Board of Directors in other companies as Manager, Director, Chairman and Managing Director, member of the Management Board or Supervisory Board in accordance with the provisions of Article 192 of the Commercial Companies Code.

This resolution was put to the vote and adopted unanimously.

### Seventh Resolution

The Ordinary General Assembly gives full powers to the legal representative of the bank or to any person mandated by the latter to carry out all deposits and fulfill all legal formalities for publication as provided for by the law.

This resolution was put to the vote and adopted unanimously.



70-72 Avenue Habib Bourguiba - 1000 Tunis



(+216) 71 131 000 / 31 311 000



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