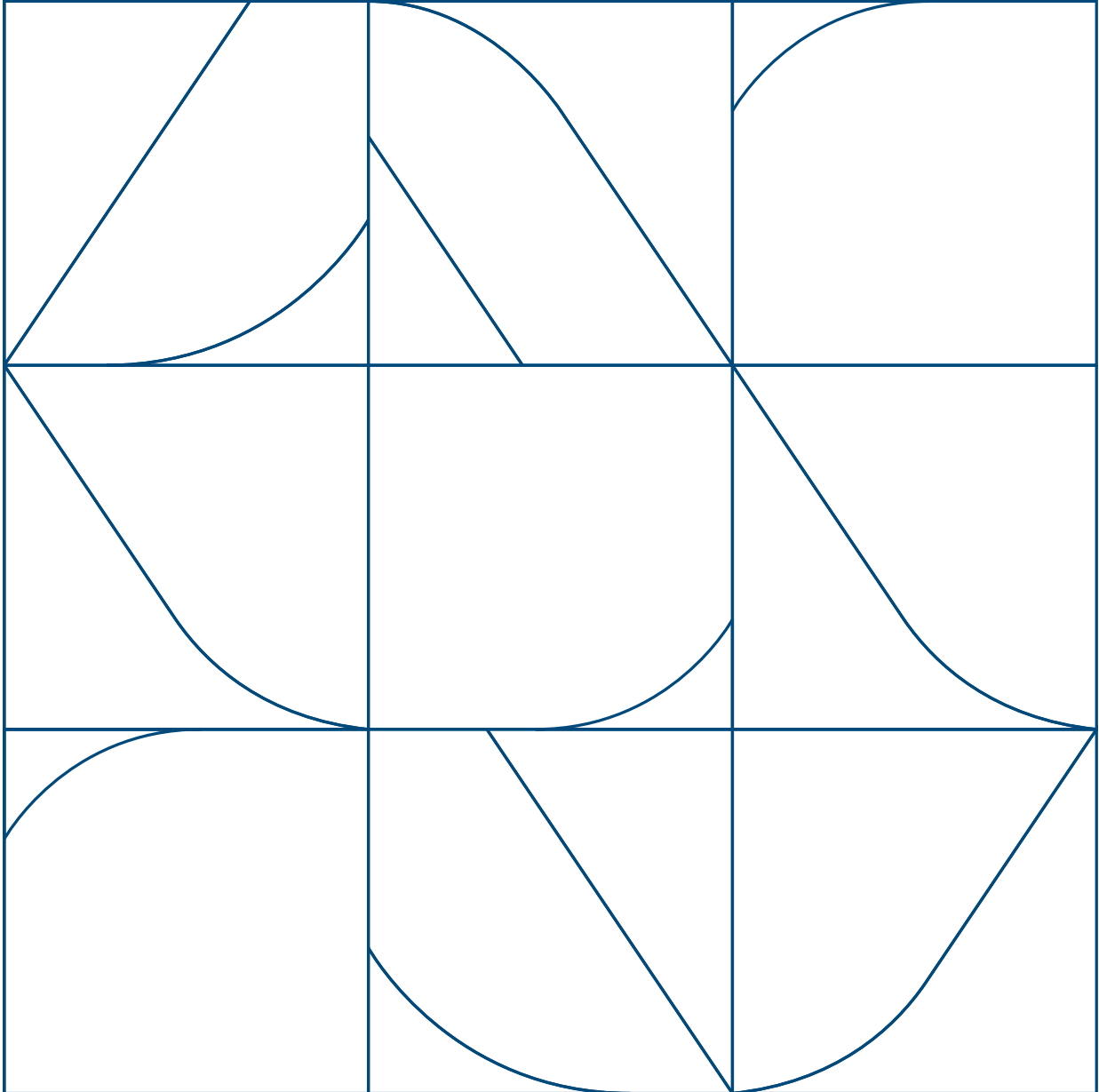




BIAT

*Annual
Report*
— 2019

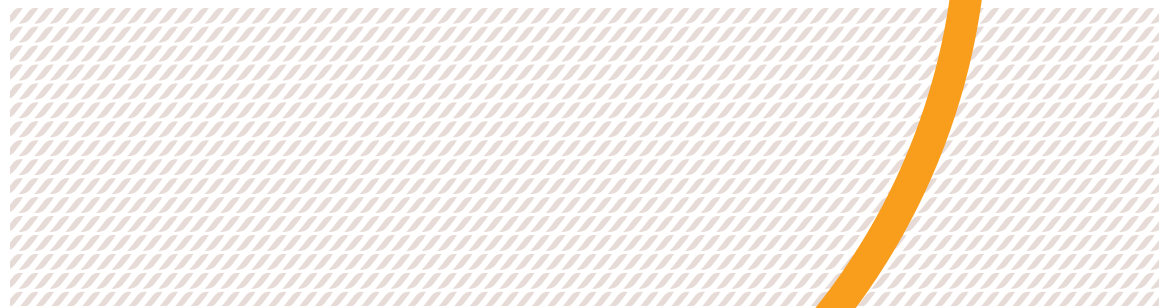


بنك تونس العربي الدولي

BANQUE INTERNATIONALE ARABE DE TUNISIE



Annual Report 2019



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— Address by the Chairman of the Board of Directors

Performances of 2019 follows up from the approach of progress pursued by our bank over the past few years recent years.

Indeed, the development program that was set up more than ten years ago has resulted in a real transformation of the bank's commercial organization, processes and governance methods.

As a result, BIAT succeeded in increasing its market share measured by strong Key Performance Indicators and a vanguard position.

BIAT's growth is explained by its continued support for the country's economic activity by assisting our 920 000 clients- individuals as well as small, mid-size and large businesses in their development projects. In this respect, it is to be noted that BIAT's customer base has been expanded thanks to the acquisition of over 4,000 new clients thus bringing the total number of institutional clients to over 36,000 by the end of 2019.

Today, we continue to support individuals and businesses, regardless of their size or the industry in which they operate, without any restrictions whatsoever and, this even in the current difficult economic context. Our commercial strategy is starting to bring tangible results in view of the differentiated care we offer according to customer profile. Customer acquisition is now better targeted through enhanced support and proactivity.

We have actively pursued our ambitious digital development program, which is now at the heart of our strategy.

In 2018, a diagnosis and scoping of the digital transformation was carried out that thus enabling the bank to set up a strategic roadmap with the aim of improving customer journey and designing innovative products, optimizing costs and improving operational efficiency.

In 2019, the prerequisites for this digital transformation have been initiated; in particular through the implementation of new information systems governance and setting up a dedicated team working



Ismail Mabrouk
Chairman
of the Board
of Directors

in agile operating model and ensuring preparation of technical capabilities required. The work has led to the launch of the first digital initiative in the first quarter of 2020.

In 2019, BIAT was awarded four renowned international excellence labels, in recognition for its good management, governance and quality of services:

- The Global Finance Award for the best Tunisian bank for the 4th consecutive year
- The Best Tunisian Bank prize awarded for the 2nd time by Euromoney;
- The Best Banking Governance in Tunisia Prize awarded by CFI - Capital Finance International;
- The Business Vision Tunisian Best Banking Team Award.

We feel deeply honored by these recognitions which confirm the validity of our strategic orientations.

As a responsible and corporate citizen bank, BIAT has continued its support for the economy and its commitment to youth through its Foundation. As a reference player in the market, we are committed to Tunisia and we are multiplying initiatives to contribute

to the stimulation of the public debate in order to boost the country's economy.

Banking on the trust and the support of our clients and stakeholders, we are committed on a daily basis to working together to contribute to the development of our country's growth.

— Address by the Executive Manager

In 2019, The Tunisian economy recorded a slowdown in growth, as reflected by the GDP growth rate of 1% against 2.7% achieved in 2018, despite the improvement in some indicators relating to the tourism sector, the exceptional cereal harvest and the gradual recovery of production of phosphate and derivatives.

This slowdown at the national growth, which occurred against a backdrop of a slowing down world economy, was nevertheless accompanied by an improvement in the country's macroeconomic fundamentals: a recovery of the dinar (+9.1% against the euro and +7% against the U.S. dollar at the end of 2019), a decline in inflation (6.7% on average in 2019 against 7.3% in 2018) and an easing of liquidity constraints in the banking sector.

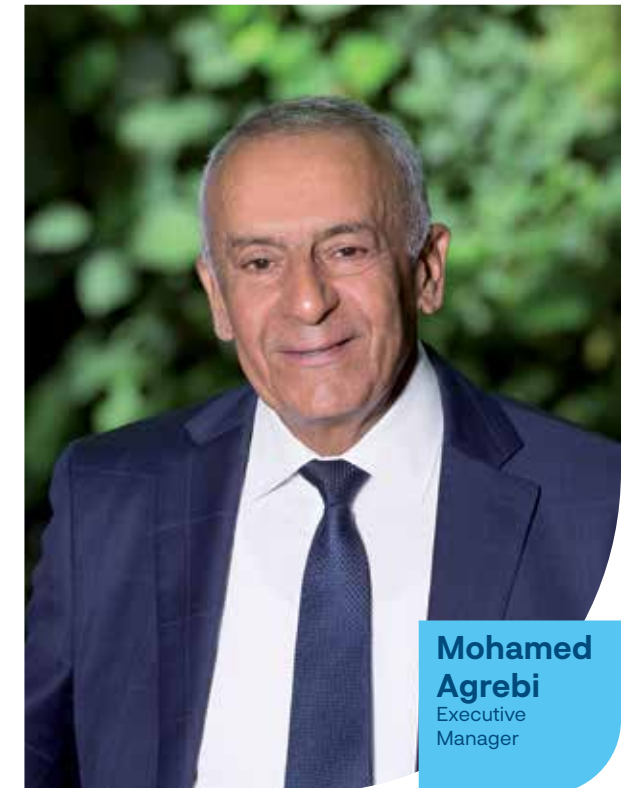
In this context, BIAT maintained its leading position in terms of deposits while ranking 2nd in terms of loans, despite the restrictive credit policy the bank adopted in 2019 with regard to loans denominated in dinars. This policy was motivated by the need to comply with regulatory standards in terms of liquidity and transformation and to limit its recourse to BCT refinancing.

In 2019, deposits grew 12.9% to TND 12 997 million, with a consolidation of the market share by 0.5 point to 17.3%, despite a market still marked by a liquidity crisis and overbidding on term deposits collection .

Net credits, for their part, fell by 2.7% to TND 10,389 million with a decline in their market share (gross and excluding credits to the State) of 1.4 point to 12.1% (excluding credits to the State).

In addition and with regard to 2019, our Bank confirms, once again, its status as a first-rate bank lender to the Tunisian economy and households, while adequately controlling the level of risk, as evidenced by its Non-Performing Loan Rate (CDL) which stood at 6.4 % in 2019.

The total balance sheet grew by 3.2% to TND 16 332 million.



Mohamed Agrebi
Executive Manager

In 2019, these performances allowed our bank to reach a Net Banking Income (NBI) of around TND 956.9 million, a growth of 14.75% compared to 2018.

This was made possible by an interest margin of TND 537.9 million(+16.5% compared to 2018), other non-banking revenues of TND 220.4 million (+16.3% compared to 2018) and a commission margin of TND 198.6 million(+8.4% compared to 2018).

This dynamic development and risk management was coupled with great operational rigor, as the operating ratio stood at 41.7%, a net increase of 4.3 points compared to 2018, reflecting the impact of operational optimization projects combined with efficient NBI generation.

In the light of all the above-mentioned factors, in 2019, the bank's net profit rose to TND 333 million, showing a net growth compared with the previous year.

I - BIAT PROFILE

These results helped to keep our profitability ratios within higher ranges:

- Net income / NBI between 30% and 34.8%,
- A NBI/Total Assets of 5.9%, a growth of 0.6 points compared to 2018 (5.3%),
- An ROE of 22.6%, an increase of 1.8 points compared to 2018 (20.8%),
- ROA of 2%, a growth of 0.4 points compared to 2018 (1.6%).

The growth of activity, revenue and profit indicators was made possible thanks to a solid and diversified customer base of nearly 920,000 individual and business customers, an asset that has been consolidated with the acquisition of 69 000 new customers in 2019.

In terms of regulatory ratios, it should be noted that the Solvency Ratio, the transformation ratio (credits/deposits) and the liquidity ratios are all green with respect to the required standards:

- A Solvency ratio of 12.17 %.
- A Loans/deposits ratio of 108.7 %.
- A LCR ratio of 191.6 %.

As for the consolidated financial statements, the latter show:

- A Total Balance Sheet of TND 16 886.3 million, a growth of 2.3% compared to 2018.
- A Net Income of TND 344.8 million, an increase of 32%.

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

- **A Commercial and Operational 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** which provides collaborators and customers with the best working tools, particularly through cutting-edge ERP tools.

Despite external and internal economic constraints which caused the Tunisian economy to struggle to return to potential growth levels, All in all, for BIAT, the year 2019 can be described as a successful year that ended on a positive note, which is still struggling to regain a satisfactory growth rate.

In 2020, and in the face of the COVID-19 health crisis and its economic and financial repercussions globally and nationally which are already discernable during the first semester of the year, BIAT can only demonstrate resilience.

To this end, it banks on the controlled and reasonable management of the company's activities and will strive to offer quality services and consolidate its financial fundamentals and ensure that they are as closely aligned with customers', partners' and shareholders' expectations as possible.

43 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 1968 collaborators in 2019, BIAT has more than 924 thousand customers and an international correspondents network around 1500 banks. It has the densest network in Tunisia with 205 agencies divided across the country, with a representation in Tripoli-Libya.

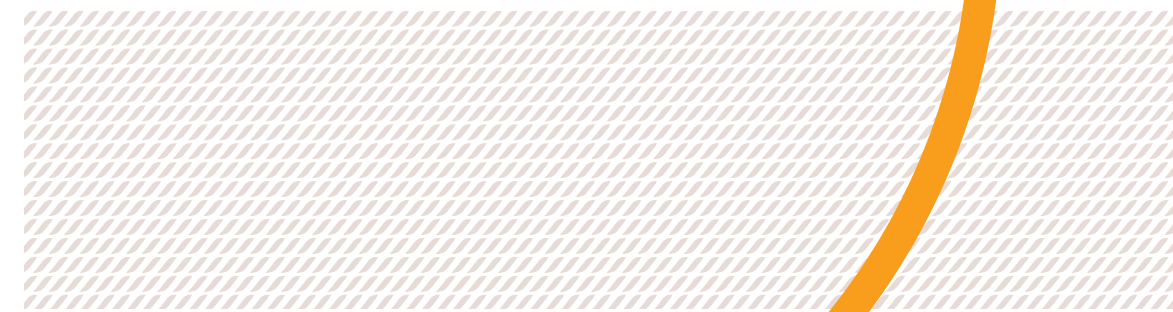
It also has a subsidiary BIAT France, with the status of a payment agent with an agency in Paris.

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.



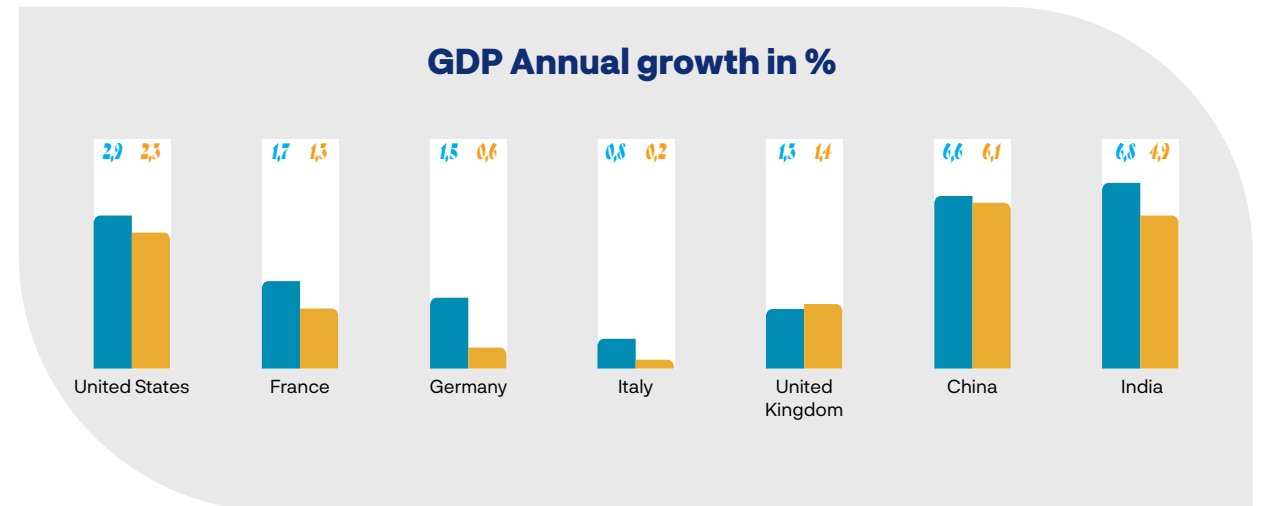
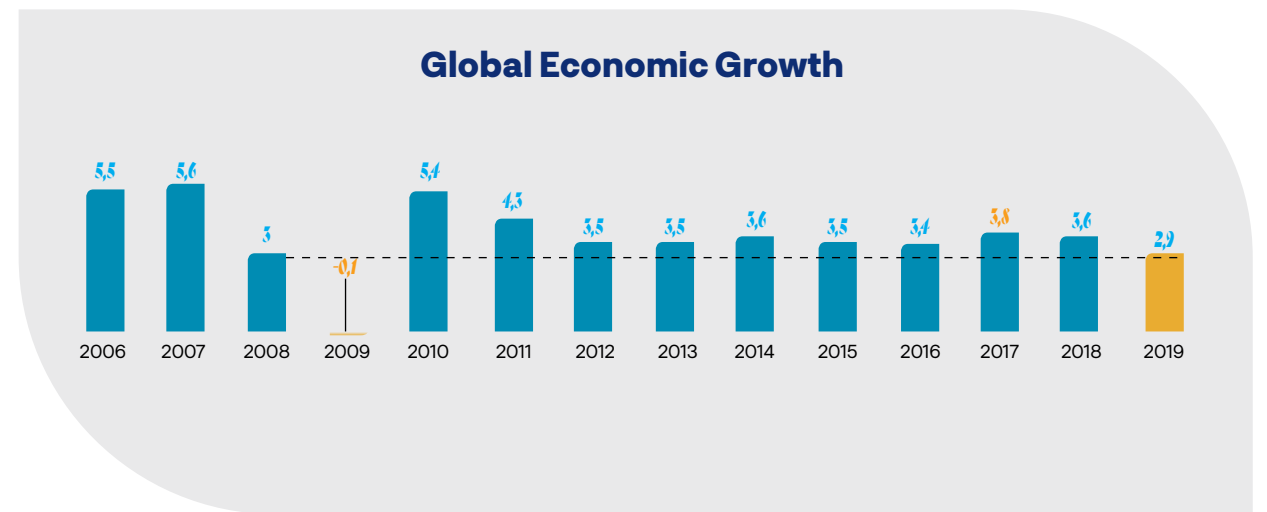
1. ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT



1.1 Economic Environment

At The International Level

Global economic growth declined from 3.6% to 2.9% compared to 2018. This is the lowest growth rate recorded since the financial crisis of 2008.



The decline in the global growth rate is explained by the lower growth rate of industrial production. In addition, the tensions between China and the United States (in relation to rebalancing of trade) and the difficulties associated with the implementation

of BREXIT adversely affected the global growth dynamics.

For their part, prices of international energy and most commodities witnessed a decrease for the full year 2019, marking a reversal of the trend compared to 2018:

	2017	2018	Var (%)	2019	Var (%)
Pétrole Brent (\$)	54,4	71,1	31%	64	-10%
Pétrole WTI (\$)	50,9	64,8	27%	57	-12%
Gaz naturel (*)	68,9	82,1	19%	61,1	-25%
Blé tendre (\$)	178,2	203,9	14%	211,3	4%
Blé dur (\$)	174,2	209,9	21%	201,7	-4%

(*) Natural gas index (2010 = 100)

At the National Level

Economic activity in 2019 was marked by a low growth rate (1%), by far below expectations (3.1%) and 2018 achievements (2.7%).

GDP: Annual T/T-4 shifts at previous year's prices

	2016	2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018	2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019	2019
Agriculture and fisheries	-8,53	1,8	13,8	11,0	11,0	9,7	11,3	-0,7	2,8	3,1	-1,9	0,8
Manufacturing industries	0,78	1,3	3,4	1,5	0,2	0,3	1,1	-0,5	-0,5	-1,3	-0,1	-0,7
Non-manufacturing industries	-1,77	-3,2	-6,3	0,0	2,4	-1,1	-1,7	-1,0	-2,8	-2,8	-0,3	-1,8
Market services activities	3,355	4,7	3,4	3,6	3,3	2,5	3,2	2,8	2,3	1,8	1,8	2,2
Non-market activities	2,524	0,7	0,3	0,2	0,3	0,9	0,4	0,4	0,9	1,0	1,6	1,0
Gross National Product	1,1	2,0	2,9	3,1	2,9	2,2	2,7	1,1	1,2	1,0	0,8	1,0

Source : INS

- An underperformance of the manufacturing and non-manufacturing industries. Had it not been for these poor performances, overall growth could have reached 1.3%.
- A weak agricultural growth (0.8% in 2019 against 11.3% in 2018), despite a record cereal production (2,400 thousand tons in 2019 against 1,430 thousand tons in 2018).
- In the final analysis, the market services sector that enabled to reach a positive overall performance with a growth rate of 2.2%.

- Despite the fact that growth was stunted in 2019, unemployment rate was down compared to 2018, dropping from 15.5% to 14.9%.

Chiffres clés	2017	2018	2019
Growth of GDP (at constant prices)	1,9%	2,7 %	1%
Average Inflation rate (in %)	5,3%	7,3 %	6,7%
Current deficit (in % of GDP)	10,3%	11,1 %	8,8%
Budget deficit (in % of GDP)	6,1%	4,8 %	3,5%
Goods exports growth (in %)	+18,1%	19,1%	7%
Goods imports growth (in %)	+19,8%	20%	5,4%
Debt services / Current revenues (in %)	14,2%		-
Tourism revenues (in TND million)	2.831	4.141	5.619
Growth	+19,3%	+46,3%	35,7%
Total investment (in TND million)	18 046		
Growth	4,2 %		
Investment rate (in % of GDP)	18,8%	18,5%	18,5%
National Savings (in %)	8,9%	9,3%	8,5%
Lending to the economy (in TND million)	81.648	88.537	
Growth	12,7%	8,4%	
Money stock M3 (in TND million)	68,194	72 370	79 255
Growth	11,3 %	6,1%	9,5%

Source : BCT, Ministry of Finances and National Statistics Institute

1.2 Banking and financial environment

Banking system

During 2019, the banking system's activity was characterized by an increase in deposits comparable to that of the previous year, despite a sharp decline in the volume of loans.

The liquidity deficit that had characterized the banks' cash position over the last years eased significantly in 2019.

Customers deposits

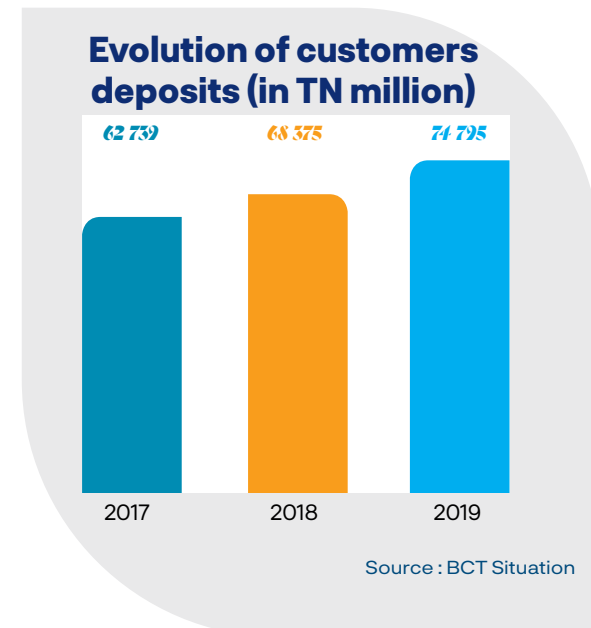
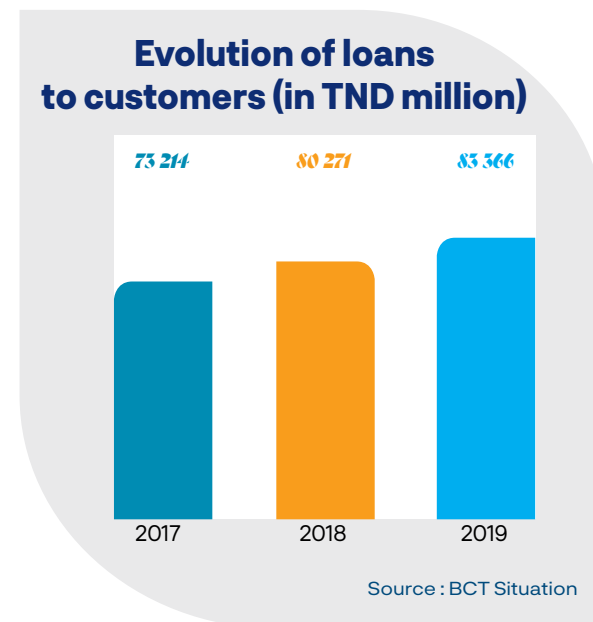
Customer deposits in the banking system stood at TND 74,795 million as at December 31st, 2019, recording an increase of 9.4% comparable to that recorded a year earlier (+9.0%).

This increase was driven by term deposits and savings deposits with increases of 16.8% and 7.8% respectively while demand deposits increased by only 5.3%.

The share of low-interest deposits (sight deposits & other sums) in total deposits was thus reduced by 1.5 point compared to 2018, mainly in favor of term deposits (+1.9 point).

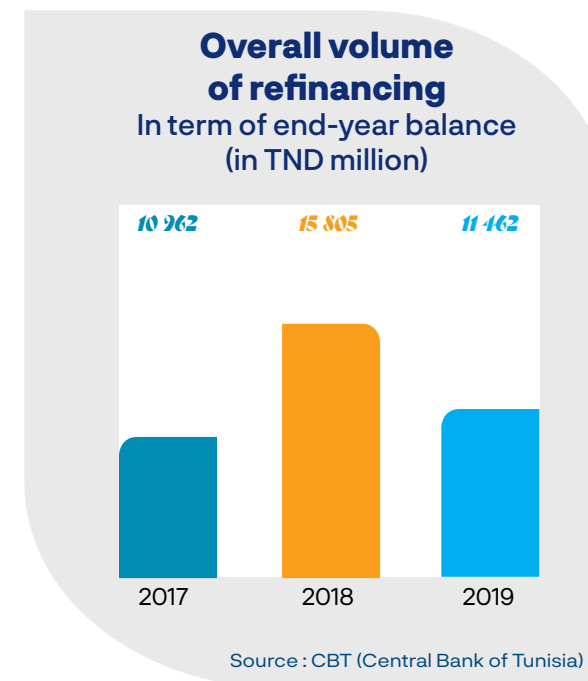
Loans to customers

At the end of 2019, loans to customers at the level of banking system totaled TND 83.366 million, reflecting a decrease in the pace of growth compared to the previous year of (+3.9% versus +9.6%).



Overall volume of refinancing

The liquidity deficit that had characterized the banks' cash position over the last years eased significantly in 2019. Thus, recording a decrease of 27.5% and resulting at the end of the year in an overall volume of refinancing of TND 11 462 million against TND 15.805 million observed at the end of the preceding financial year.



Stock Exchange¹

Tunindex index closed during the year 2019 with 7 122,09 points, a growth of 2.06% following the increases of 15.76% in 2018 and 14.45% in 2017.

The annual balance of the sectoral indices published by Tunis Stock Exchange, shows that out of the 13 indices (sectors and sub-sectors), only four indices posted a positive performance in 2019.

With the exception of the index «base materials», which recorded a gain of 1.39%, all other sectoral indexes of super-sectors posted negative performances.

The index «Industries» recorded the sharpest drop with 14.83% followed by the index «Consumer services» with a decrease of 14.69% and the index

« financial companies » with the slight drop of 0.37%.

Market rate

For the whole year 2019, the average money market rate (MMR) stood at 7.74 %, increasing by 105 basis points compared to 2017 (6.69%).

This increase is explained by the decision of the BCT to boost its key rate in February 2019 by 100 points to 7.75%.

The MMR stands during the year 2019 at a higher level of key rate linked to the persistence of the important deficit of liquidity.

Since the 1st of January 2018, the savings remuneration rate (SRR) remained unchanged at 5%.

(1) Source : BVMT

— **2**

**BANK'S
ACTIVITIES AND
RESULTS**



— 2.1 The Bank's Vision and Strategy

In recent years, the bank has embarked on a transformation process that has enabled it to assume the status of Tunisian market leader through several initiatives, including:

- Expanding the branch network and the overhaul of the sales organization ,
- Review of the risk chain with a view to implementing cutting-edge risk management,
- Improving trade receivable recovery rates
- The implementation of a new information system to sustain the bank's development
- The development of the Tunisians Residing Abroad (T.R.E) market segment
- Enhancing the group's financial activities
- Pooling certain back office activities and improving control of operating costs
- Undertaking a project to enhance human capital development.

The Bank is also committed to a Corporate Social Responsibility approach, notably through its ongoing support of the BIAT Foundation's initiatives in the areas of education and culture.

The Bank's strategic orientations for the next development cycle are part of a vision based on the following axes:

In this context, the bank's ambition is structured around the following:

- Strengthening its leadership position in the banking market,
- Restoring balance liquidity,
- Stabilizing cost.

The main goals set within the five-year plan are:

- To better meet the specific needs of our customers through a differentiated service offering by market/segment (care model , products and services...);
- Improving customer experience notably self-service cash and the digitisation of high-priority customers' journey
- Further strengthen synergies between financial subsidiaries in particular through cross-selling.
- Implementation of a new IS operational model to support the bank's future development, in particular through improved responsiveness (agility).
- Sustained efforts to control operating expenses and the reduction of the cost/income ratio through optimization of expense allocation.

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

— 2.2 Highlights of the Bank

A New logo and a new institutional brand motto “Committed to you”.

BIAT is reinventing itself and is looking to the future through a new visual identity with a new positioning focused on commitment.

The new logo, consisting in a simple, refined and modern sign, retains the symbolism and the colors of the old logo, very much in line with BIAT's corporate colors. The square stands for the solidity of the institution while the wave of the future is replaced by a sign symbolizing the take-off, dynamism and support. As regards the BIAT typography, it falls outside the frame to suggest impact and ensure readability, thereby helping the logo to get iconized.

BIAT has taken on a new identity to reflect its evolution throughout this last decade. During this period, the bank has gone through several successive transformation plans: clear and shared governance, a new information system, a new commercial organization, a new risk management policy, the development of financial activities through the BIAT Group and the enhancement of its societal commitments, notably through the BIAT Foundation. The bank has also embarked on growth-generating projects for the future including its digital transformation which represents a key element of its strategy.

Enrichment and redevelopment of the offer

- Launching contactless payment for small purchases in a simple, fast and secure way;
- Launching the startup offer aimed at companies having obtained the «startup» label in accordance with the regulations in force;
- Enriching the bancassurance offer with an improved version of the life insurance product «Familia Gold/Silver».

Proximity

- Strengthening BIAT's presence in the country's main economic centres with the opening of the 205th branch in the Azur City mall ;
- Organizing meetings with clients in the regions of Hammamet, Sousse and Sfax as part of its proximity policy;

- Organizing meetings with clients in Tunis and Sfax on the theme «Optimizing Working Capital Needs» as part of its support to companies.

Expertise

- Setting up specialized teams and a support model, dedicated to the different client profiles within the framework of the new commercial strategy ;
- Organizing meetings on export development in Tunisia as part of a programme dedicated to skills development, with the participation of the World Bank, the European Bank for Reconstruction and Development BERD as well as other important organizations and investment funds.

A committed and responsible bank

- The launching of the first economic outlook note containing a quarterly assessment of economic trends on the national and international levels with retrospective analyses , thematic focuses and instructive case-studies;
- The setting up of a partnership with Columbia Global Centers Tunis, the 9th regional center, of the prestigious Columbia University, whose mission is to contribute to a better understanding of the regions of North and West Africa through education, entrepreneurship, political science, heritage and archaeology;
- The support by BIAT Labs incubator to its 3rd and 4th promotion of entrepreneurs through the organization of «Investor Days» to help promote their projects in the presence of representatives of the entrepreneurial ecosystem, investors and potential customers;
- The launching by The BIAT Foundation of the professional master in management and cultural policy, in partnership with the Tunis Dauphine Institute and under the supervision of the Tunisian Ministry of Cultural Affairs;
- The launching by the BIAT Foundation of its «ENGAGE» program calling on youth engagement to help contribute to the improvement of their environment through innovative ideas and social actions;
- The closing by the BIAT Foundation of the 3rd edition of the SPARK Clubs and the launching of

the SPARK Days in Tozeur. The BIAT Foundation's SPARK program aims to value and stimulate the entrepreneurial spirit among youth people aged 15-18 through fun activities and interactive workshops.

Awards garnered by the Bank

BIAT has obtained four labels of excellence. Thus, BIAT was elected «Best Bank in Tunisia 2019» for the

fourth consecutive year by the prestigious American magazine Global Finance, specialized in financial publications. It was awarded the prize for «Best Banking Management Team in Tunisia 2019» by the Business Vision jury. BIAT also received from The English magazine Capital Finance International the prize for «Best Banking Governance in Tunisia 2019». It won for the second year Euromoney 's Award of Excellence, the most highly respected award in the global banking industry worldwide.

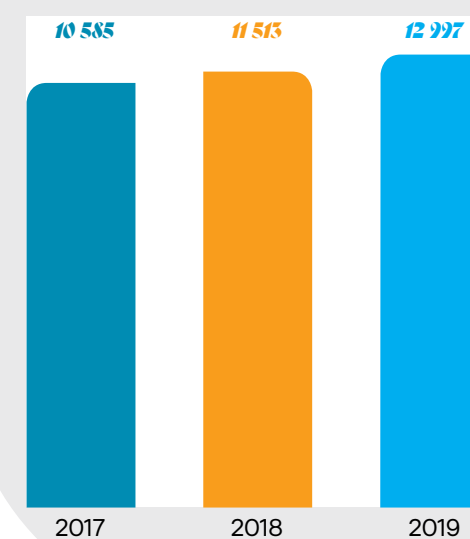
— 2.3 Bank's Activities in 2019

2.3.1 Customer Deposits

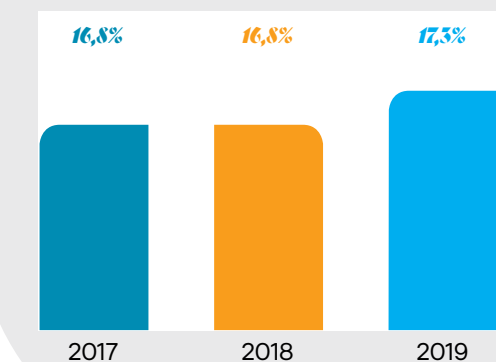
By the end of 2019, customer deposits recorded a growth of 12.9% to reach TND 12 997 million.

BIAT is thus consolidating its market position with a 17.3% share in 2019 (against 16.8% in 2018).

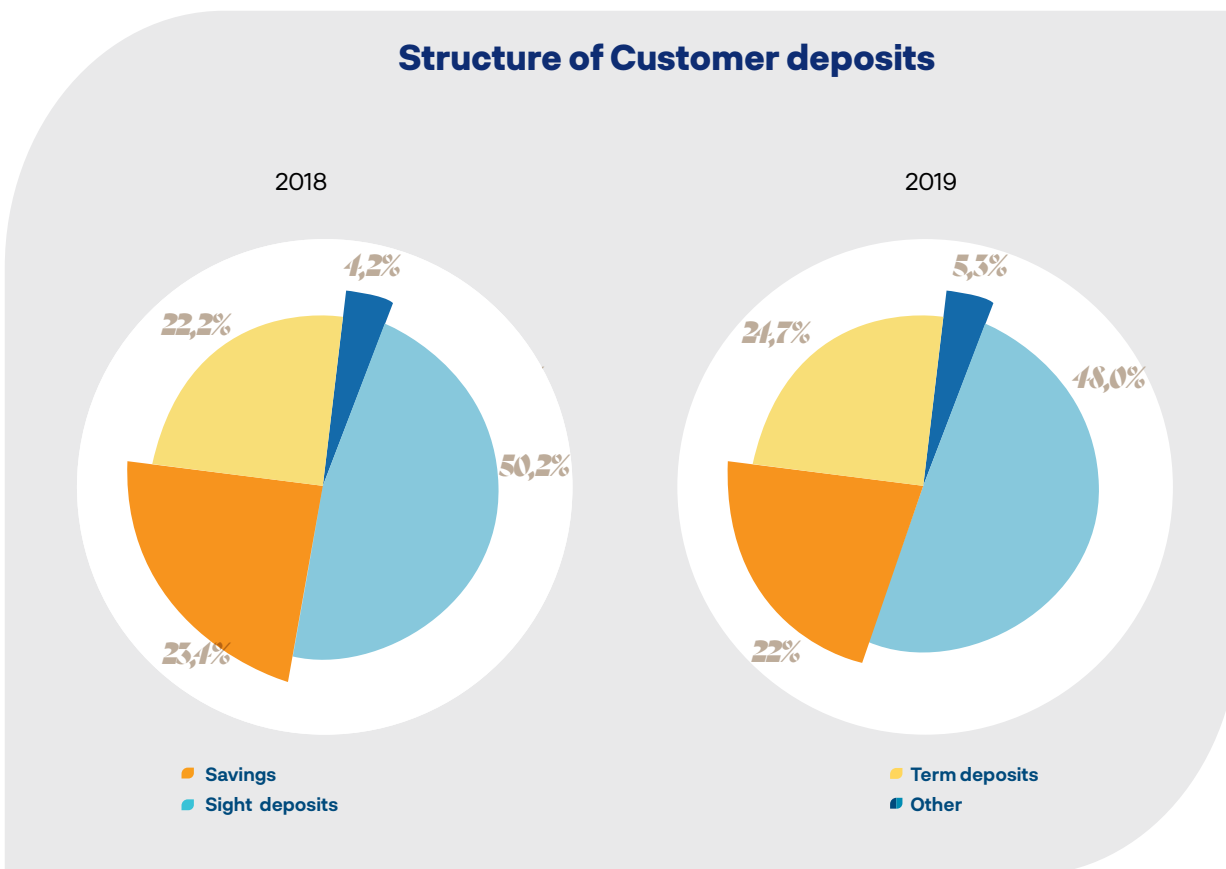
Evolution of customer deposits (in TND million)



Customer deposits Market Share's (in TND million)



The bank's deposit structure remains among the most favourable in the sector. The share of non-interest-bearing or low-interest deposits represents 54.4% of total deposits.

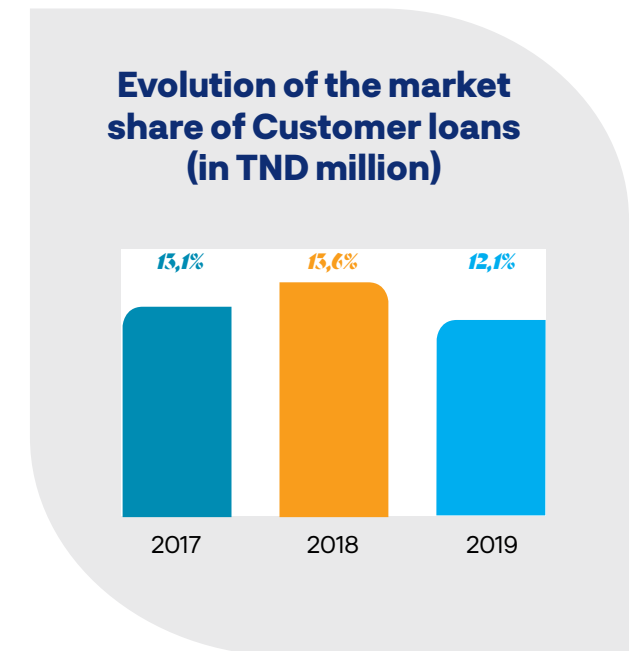
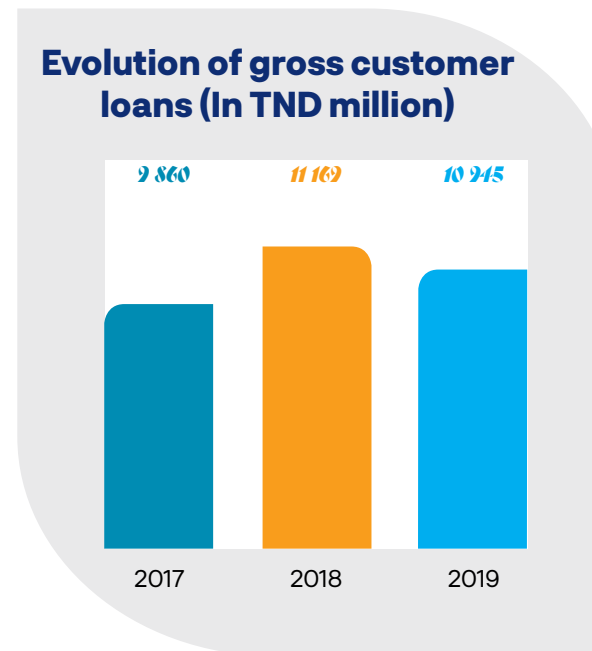


2.3.2 Customer Loans

BIAT gross customer loans reached, for the financial year 2019, TND 10 945 million, recording a slight decrease of -2.0% compared to the end of December 2018.

BIAT market share has decreased from 13.6 % at the end of December 2018 to 12.1% at the end of December 2019.

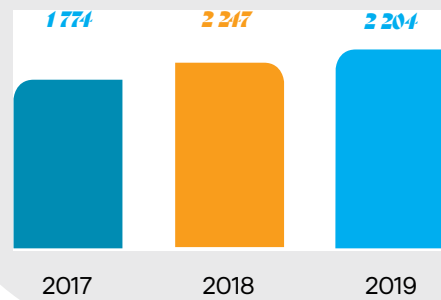
The net loans stood at TND 10 389 million, a growth of 2.7%.



2.3.3 Customer signature commitments

The volume of signature commitments in favor of customers decreased by -1.9% equaling TND 2.204 million by the end of the year 2019.

Customer signature commitments evolution (In TND million)

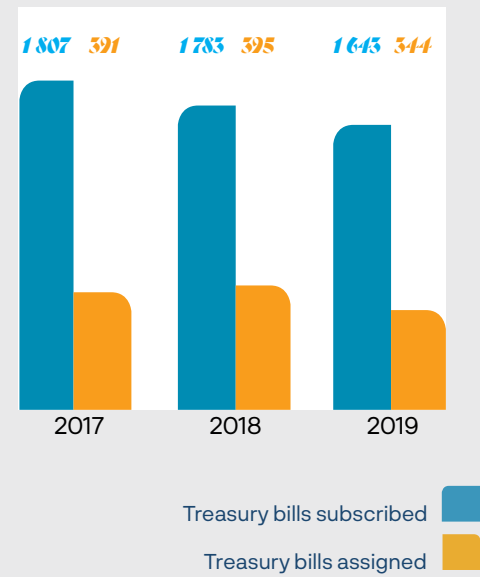


2.3.4 Government Securities Portfolio

The participation of the bank in the financing of the government budget is set at TND 1 643 million for the year of 2019, recording thus a decline of 7.9% compared to the end of December 2018.

The share held by customers decreases to 12.9 % to reach TND 344 million.

State securities portfolio evolution (In TND million)



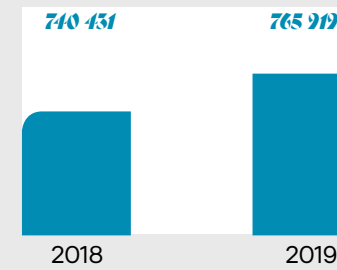
2.3.6 Conquest of Customers

The bank's goodwill improved in 2019 with the conquest of 36 613 thousand new individual and professional customers, bringing the number of clients to about 924 240.

2.3.7 Electronic Banking

The number of cards issued by the end of 2019 reached 765 919 units, with a market share of 14% in the banking system.

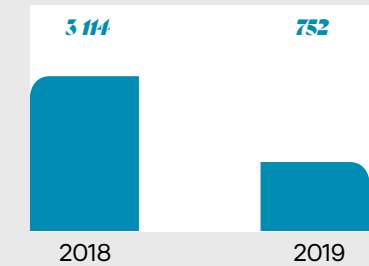
Evolution number of Cards



2.3.8 Refinancing at the Money Market

The bank closed 2019 with a total refinancing recourse of TND 752 million, significantly lower than the figure recorded at the end of 2018 (TND 3 114 million).

Total refinancing Recourse (in terms of year-end balances in MD)

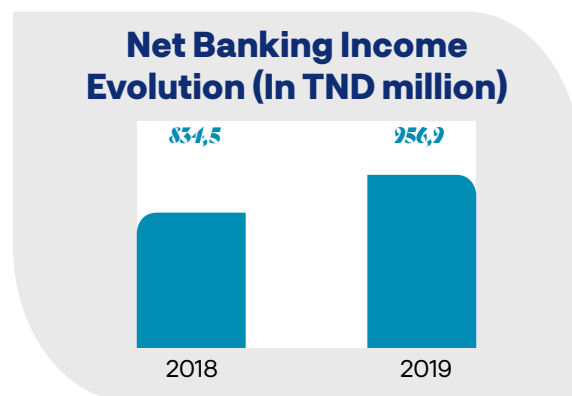


2.4 The Bank's Result in 2019

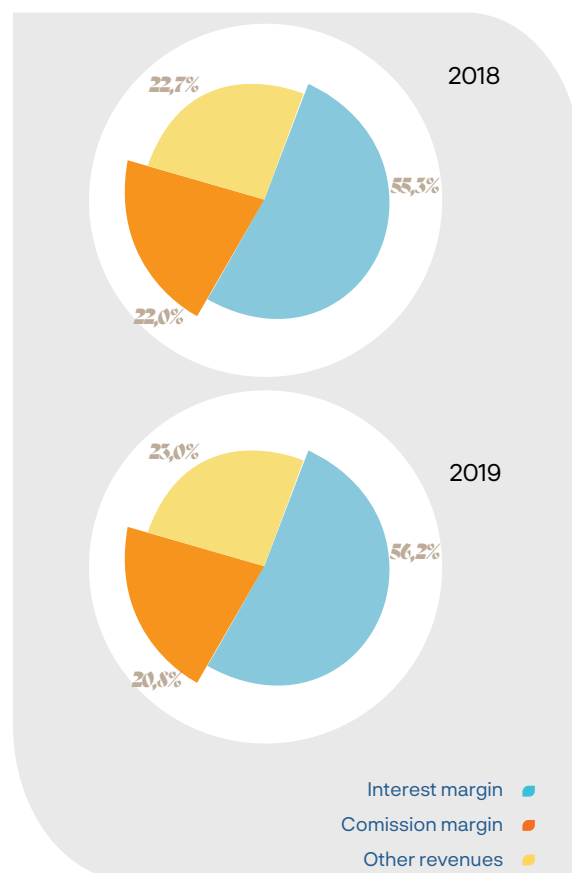
• The Net Banking Income

By the end of 2019, the net banking income reached TND 956,9 million, recording an increase of 14.7%.

The progressions of the interest margin, the commission margin and other revenues were respectively 16.5%, 8.4 % and 16.3%.

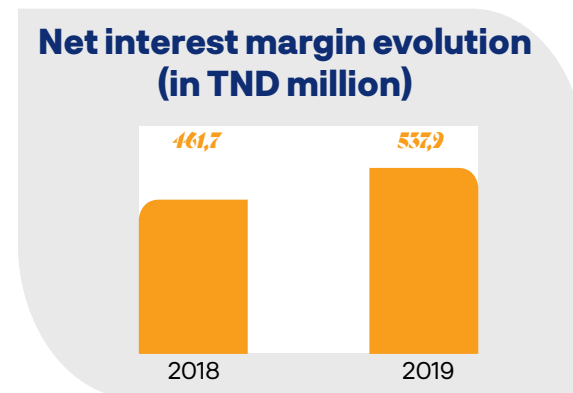


The NBI structure is broken down as follows:



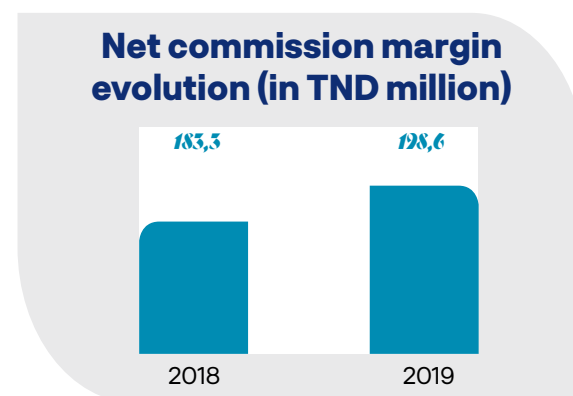
- Interest Margin

The interest margin amounted to TND 537,9 million or 56.2 % of the NBI, an increase of 16.5%.



- Commission margin

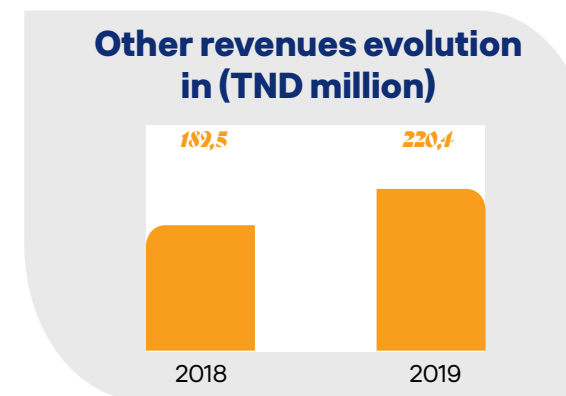
The commission margin has improved by 8.4% to reach TND 198,6 million.



By December 31st, 2019, the share of the commission margin in the NBI stood at 20.8 %.

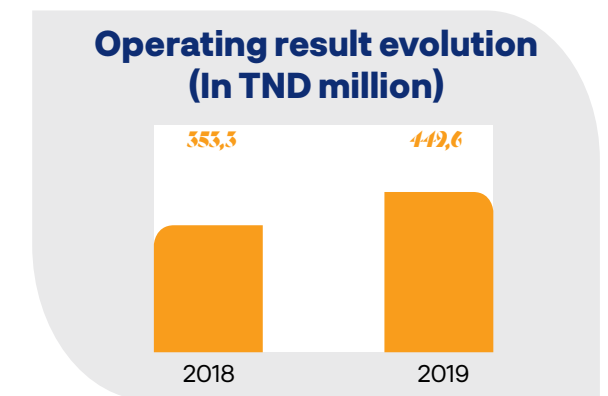
- Other revenues

Other revenues increased by 16.3% to reach TND 220,4 million. By December 31st, 2019, the other revenues represented 23.0% of NBI.



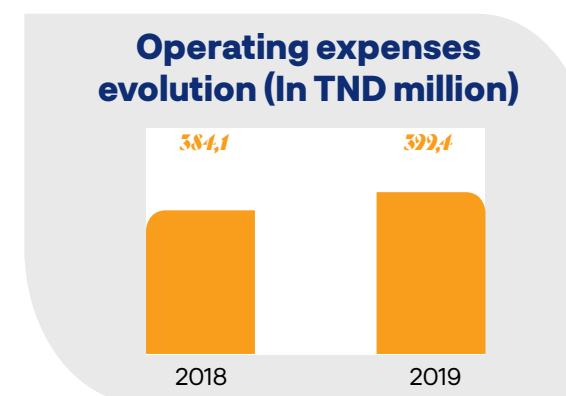
• Operating result

The operating result records a growth of 27.3% to reach TND 449,6 million.



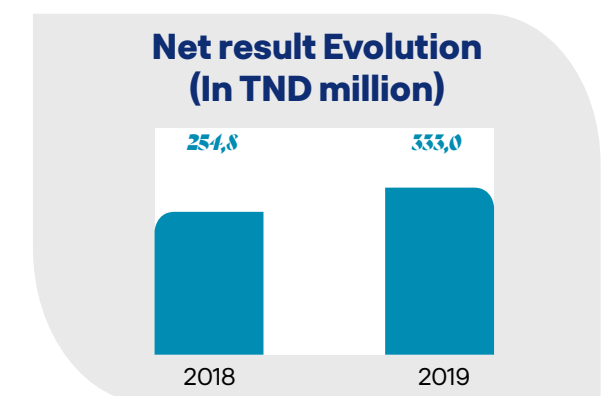
• Operating expenses

At the end of 2019, operating expenses recorded an increase of 4.0% to reach TND 399,4 million.



• The Net result

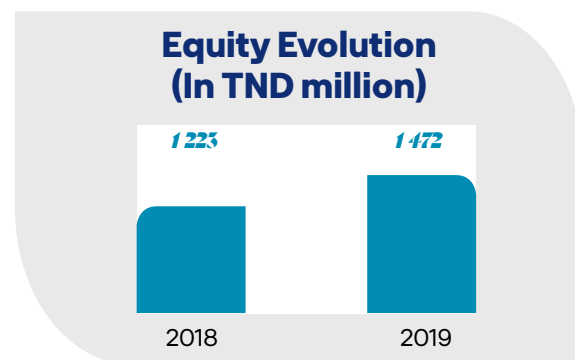
In the end, the net result stands at TND 333,0 million, at the end of 2019, a growth of 30,7% in comparison with preceding financial year (TND 254,8 million).



As result to this evolution, the operating ratio improved by 4,3 points to reach 41,7%.

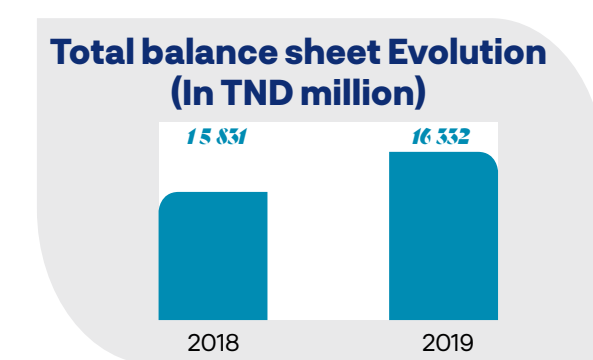
• Equity

With respect to the financial year 2019, Equity totaled TND 1 471,6 million against TND 1 223,1 million in 2018, a growth of 20.3%.



• Total Balance sheet

At the end of December 2019, the total balance sheet totalizes TND 16 332 million against TND 15 831 million in 2018, a growth of 3.2%.

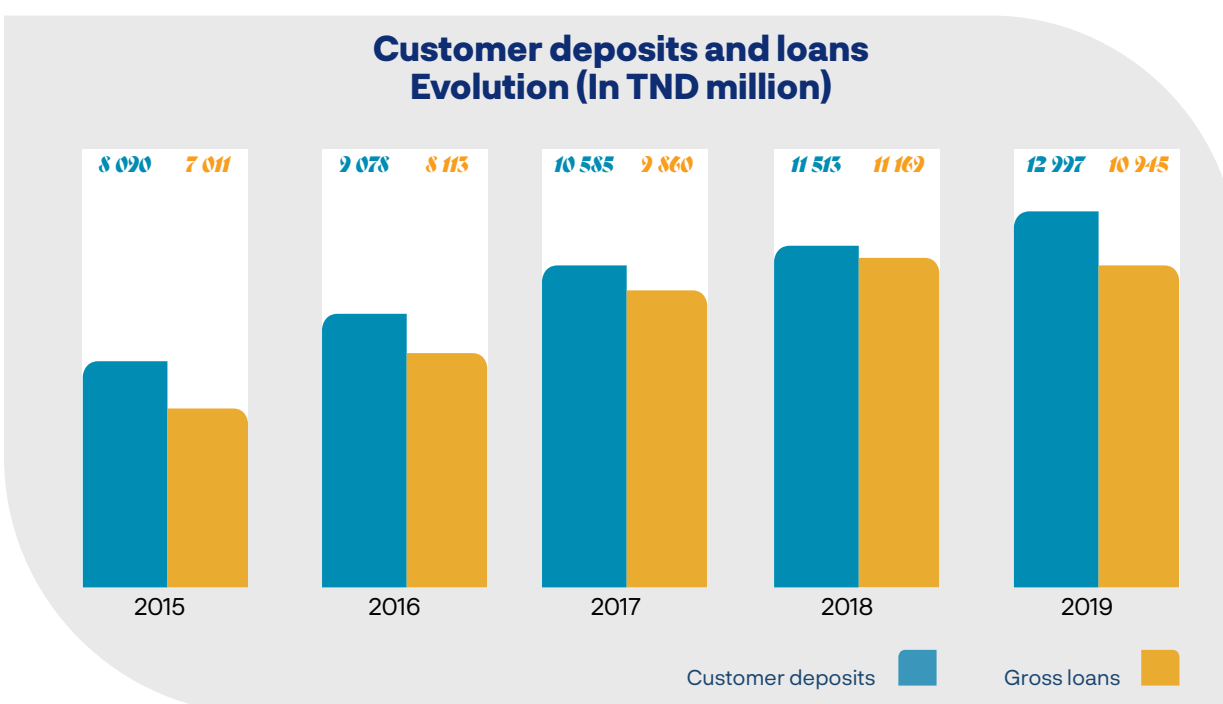


2.5 Bank's development and achievements over the recent years

2.5.1 Customer deposits and loans

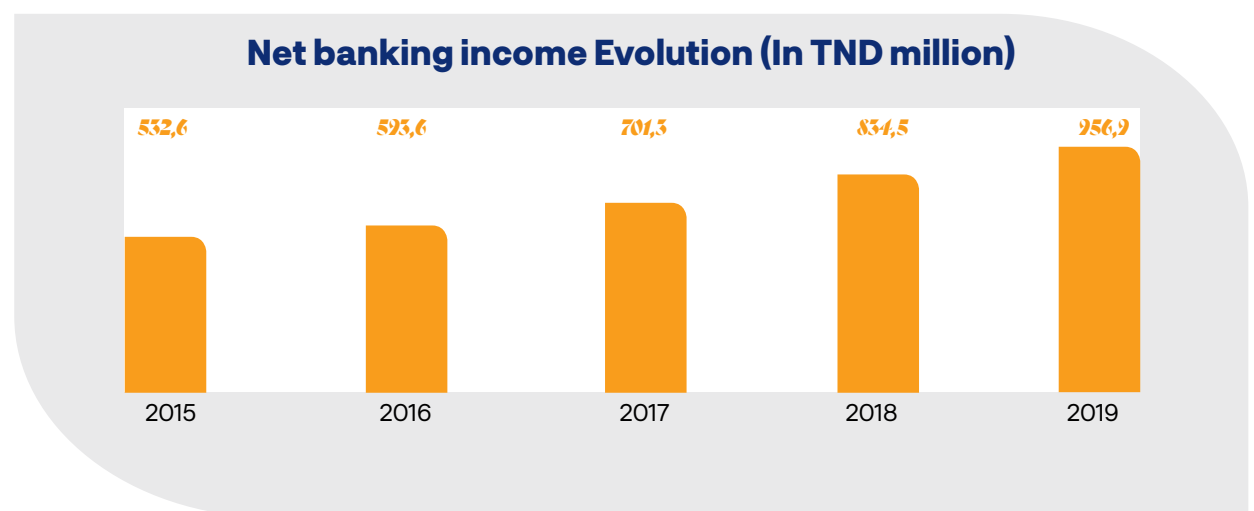
Customer deposits amount to TND 12 997 million by the end of 2019, an average growth of 12.6% over the past five years.

The gross customer loans stood at TND 10 945 million by December 31st, 2019, an average growth of 11.8% over the same period.



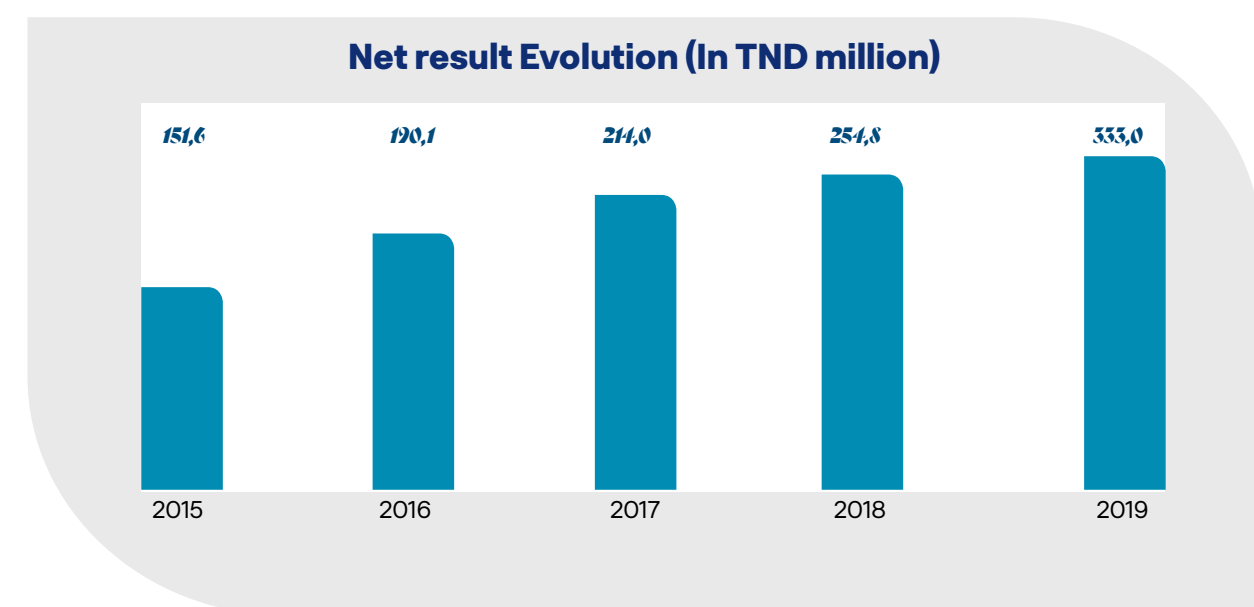
2.5.2 Net banking income

The net banking income has recorded an average annual growth of 15.8% over the last five years, to reach TND 956,9 million by the end of 2019.



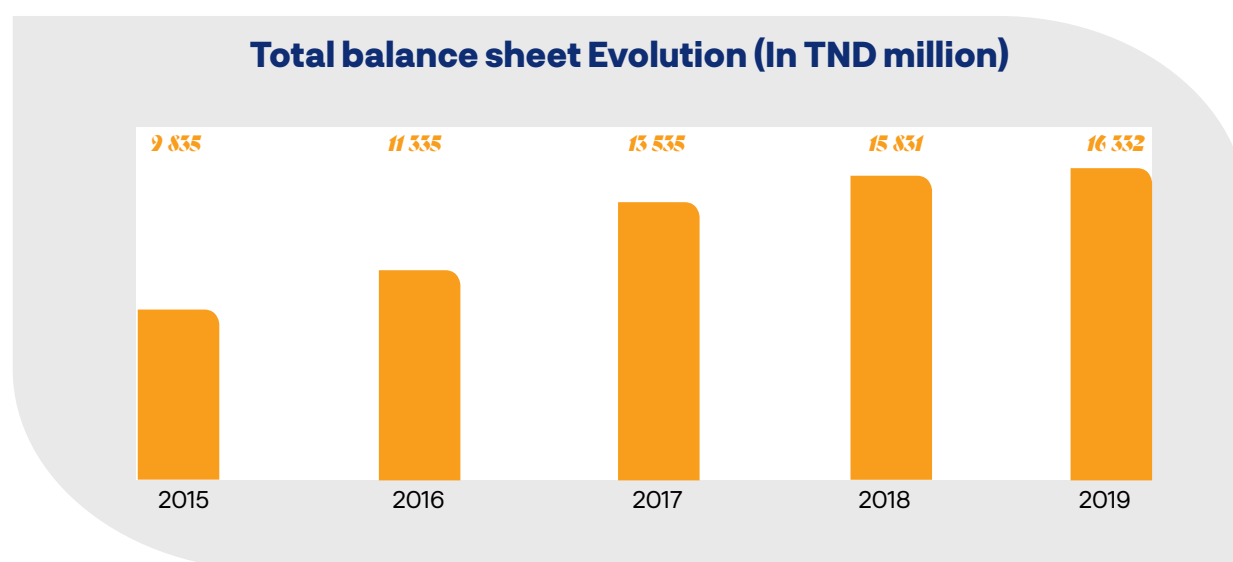
2.5.3 Net Result

The net result grew from TND 151,6 million in 2015 to TND 333,0 million in 2019, an average annual growth of 21.7% over the last five years.



2.5.4 Total Balance sheet

The total balance sheet has increased by 13.5 % over the last five years reaching TND 16.332 million at the end of December 2019.



2.5.5 Ratios

The majority of the bank ratios recorded an improvement in 2019.

Profitability Ratios

	2015	2016	2017	2018	2019
NBI/ Total Assets	5,4%	5,2%	5,2%	5,3%	5,9%
Net Result/ NBI	28,5%	32,0%	30,5%	30,5%	34,8%
Net Result / Equity Capital (ROE) Return on Equity	19,7%	21,3%	20,6%	20,8%	22,6%
Net Result / Total Asset (ROA) return on assets	1,5%	1,7%	1,6%	1,6%	2,0%

Productivity Ratios

(In thousands dinars)

	2015	2016	2017	2018	2019
Deposits / employee	3 289	3 788	4 860	5 652	6 604
Gross loans / employee	2 850	3 386	4 527	5 483	5 561
NBI / employee	216	248	322	410	486

Structure Ratios

	2018	2019
Deposits / Gross Loans	135%	109%

Regulatory Ratios

Equity and risk coverage ratios

(In TND millions)

	2015	2016	2017	2018	2019
Capital	170,0	170,0	170,0	170,0	170,0
Reserves	406,6	462,2	484,6	512,8	595,9
Profits of the year	151,6	190,1	214,0	254,8	333,0
Other equity and forwarded result	43,0	71,4	171,6	285,5	372,7
Equity ⁽¹⁾	771,2	893,8	1 040,2	1 223,1	1 471,6

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

	2015	2016	2017	2018	2019
Weighted net assets (in TND million)	7 254,9	9 479,3	11 140,4	13 057,4	13 177,8
Total of net core capital (in TND million)	691,8	815,3	954,2	1 122,8	1 454,5
Risk coverage Ratio (Tier 1)	9,54%	8,60%	8,57%	8,22%	10,64%
Additional own funds (in TND million)	94,0	168,0	243,4	256,0	209,3
Total net equity ⁽²⁾	785,8	983,3	1 197,7	1 378,8	1 663,8
Global ratio of risk coverage	10,83%	10,37%	10,75%	10,09%	12,17%

(2) After appropriation of the result for the year by the general meeting

2.6 BIAT Rating (Rating solicited by the bank)

In its recent report of (February 2020), the International credit rating agency Moody's upgraded the outlook for the Banque Internationale Arabe de Tunisie (BIAT) from negative to stable, all while affirming its rating. This rating action follows Moody's decision to affirm the Tunisian government's long-term issuer ratings of B2 and change its outlook from negative to stable (14 February 2020).

Moody's affirmed BIAT's long-term local-currency deposit rating at B2, long-term foreign currency deposit rating at B3 and its BCA at B3.

The upgrade of the bank's BCAs (Baseline Credit Assessments) is based in particular on a resilient profitability, a good level of liquidity and strong deposit collection capacity. However, these strengths are mitigated by the quality of its credit exposure quality in a persistently difficult operational environment.

The affirmation of the long-term deposits' rating reflects Moody's view that, despite a challenging operating environment, the bank's credit profiles, will remain broadly stable (B3 confirmed).

The confirmation of the rating also reflects Moody's assessment of a high probability of government support if needed given BIAT's systemic relevance as a leading financial player.

Consequently the rating of BIAT is as follows:

Deposits in foreign currencies	b3/ NP
Deposits in local currency	b2/NP
Evaluation of the intrinsic strength	b3
Evaluation of the adjusted intrinsic strength	b3
Evaluation counterparty risk assessment	B2/NP
Outlook	Stable

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.

2015	2016	2017	2018	2019
2,5 NEC	2,2 NEC	2,1 NEC	1,9 NEC	1,1 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.

2015	2016	2017	2018	2019
0,6 NEC	0,6 NEC	0,9 NEC	0,5 NEC	0,4 NEC

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

2015	2016	2017	2018	2019
0 client	0 client	0 client	0 client	0 client

Standard 3: incurred risk on related parties shall not exceed 1 time the bank's NEC.

2015	2016	2017	2018	2019
0,8 NEC	0,7 NEC	0,7 NEC	0,4 NEC	0,35 NEC

Liquidity Ratio

	2017	2018	2019
(LCR Ratio (Liquidity Coverage Ratio	94,2%	46,2%	191,57%

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

	2015	2016	2017	2018	2019
Gross Risk	8 342,6	9 719,8	11 589,7	13 363,9	13 149,0
BDL	556,0	562,3	612,2	733,6	841,4
BDL ratio	6,7%	5,8%	5,3%	5,5%	6,4%
BDL coverage ratio*	68,8%	66,5%	63,8%	57,2%	58,6%

(*) : The coverage ratio was calculated based on the provisions for loans to customers (Provisions excluded for Risks and charges)

— 2.7 Subsequent events to the balance sheet date

The first quarter of 2020 was characterized by the outbreak of an unprecedented health crisis related to the spread of the coronavirus (COVID-19), classified by the World Health Organization on March 11th, 2020 as a pandemic, affecting the whole world and whose final impact on the global economy and monetary and financial markets remains uncertain.

In order to mitigate the economic and financial consequences of this pandemic at the national level, public authorities have taken exceptional measures of an economic and social nature, including the quarantine, the lowering of the key interest rate by 100 basis points and the postponement, under certain conditions, of the maturities of credits granted to companies, professionals and individuals, relating to the period from March 1st to September 30th, 2020, as provided for by the BCT circulars n°2020-06 of 19 March 2020 and n°2020-07 of 25 March 2020.

The impact of the virus prevention measures that can be further strengthened and sustained over time along with the lack of visibility on the economic and social fallout of this epidemic, represent risk factors that may have an adverse impact on the bank's activities, its operating results and the structure of its jobs and resources.

Nevertheless, given the solidity of its current financial situation, BIAT now has an important resilience factors allowing it to face this crisis and ensure the continuity of its activities.

As things currently stand and in light of the foregoing, this material event subsequent to December 31st, 2019, whose possible financial impact cannot be estimated in a reasonable way for the moment, given the rapid evolution of the situation, does not give rise to adjustments to the financial statements closed on that date.

— 2.8 Foreseeable Development and Future Prospects

In this particularly difficult context, marked by the negative economic and financial effects of the coronavirus pandemic on the various economic agents, and whose impact cannot be estimated at this time, BIAT will spare no effort to achieve its strategic objectives and support its customers and accompany the country's development.

This approach will be pursued while improving the mobilization of deposits, so as to preserve liquidity balance and ensure risk monitoring in strict compliance with regulatory ratios in this area.

In 2020, Efforts will also focus on the consolidation of the bank's leadership position, through the completion of projects and areas for improvement in order, inter alia, to:

- Better meet the specific needs of our customers and improve their experience at our branches particularly through the development of self-service and digitalization
- Pursue our efforts to bring cost under control by optimizing cost allocation.

In the face of the economic challenges, BIAT will pursue its efforts for the recognition of its citizens' dimension notably through its ongoing support for the BIAT Foundation's initiatives in the areas of education and culture.

— 2.9 Research and Development Activities

The year 2019 is the second year of implementation of the five-year IS Strategic Plan 2018-2022, which is designed to provide our customers with more expertise and diversified solutions. This plan affects all of the bank's business lines and will speed up its digital transformation in the coming years.

2019, was marked by the launch of major projects which will give the bank a clear competitive edge, such as: the upgrade of the T24 solution (the T24 upgrade) and the implementation of the digital technical platform, in anticipation of the Digital project of the bank.

Eager to expand its product portfolio, the bank launched in 2019:

- The E-Dealing solution, which enables customers with trading room access rights to consult the prices offered by the BIAT trading room, according to their profiles, and to carry out foreign exchange transactions, up to the allocated limit.
- The Front-to-risk FX (Foreign Exchange Option) tool, which enables the Trading Room to handle foreign currency options (pricing, premium calculation, purchase/sale, exercise of the option) while interfacing with T24.
- New commitment products, enabling the financing of the film industry.

In addition, in 2019, the bank made several adjustments to T24, aimed at improving customer satisfaction and ensuring compliance with regulations, including those concerning:

- The «Multivir en Dinars» system,
- Commercial and Financial applications,
- Risk monitoring with the implementation of a process for managing risk recommendations and comments
- The management process of guaranteed bonds following their total dematerialization.

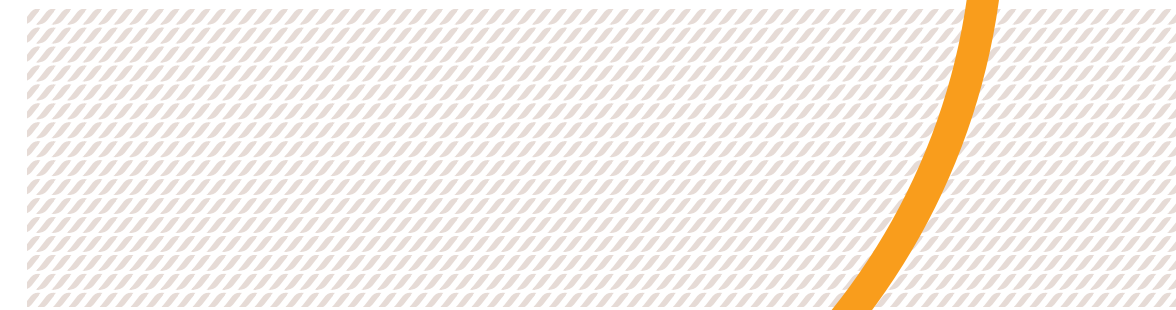
In 2019, particular attention was paid to the electronic banking activity. Thus, the bank has set up several projects such as:

- The contactless payment application using cards and electronic payment terminals (EPT)
- The international technological card for resident companies having obtained the «Startup» label
- The certification of contactless EPTs and new ranges of EPTs acquired by the bank,
- The Monitoring Card,
- The installation and commissioning of 25 self-service banking terminals, 2 internal cash dispensers (Menzah 1 and Tunis City) and 14 internal ATMs,
- The provision of a fourth banknote cassette at most of external ATMs in order to reduce queues at bank counters and improve service quality.

In order to upgrade its IT infrastructure, the bank launched in 2019 several IT infrastructure projects, namely: the renovation of servers and the acquisition of latest storage sites providing high performance and significantly improving data storage density.

— 3

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 / 2019

FINANCIAL CORPORATIONS 88,28

Capital investissement	Assurance	Marchés financiers	Autres
33.75	43.03	7.74*	3.77
SICAF 100% (D+Id)	Assurances 94,48% (D+Id)	BIAT Capital 99,94% (D+Id)	CIAR 100% (D+Id)
20.09	39.92	3.00	0.85
BCR 98,08% (D+Id)	Protectrice 100% (D+Id)	BAM** 99,4% (D+Id)	BIAT FRANCE 100%
8.04	3.1	0.49	2.92
SGP 100% (Id)		Tunisie Titrisation*** 98,80% (D+Id)	
2.50		0.64	
INMA HOLDING 23,5% (D)			
0.2			
Anva Seed Fund 37,5% (D)			
3			

NON FINANCIAL CORPORATIONS 186,27

Tourisme	Immobilier	Services/ Industrie
104.36	80.85	1.06
STI 67,30% (D+Id)	MFCP EL FEJJA 59,99% (D+Id)	BIAT Consulting 100% (D+Id)
28.3	26.35	0.15
HLC 40% (D+Id)	TAAMIR 100% (Id)	OSI 100% (D+Id)
15.37	5.1	0.0
SPT SFAX 82,76%(D+Id)	SOPIAT 100% (D+Id)	DAUPHINE 30,07% (D)
14.2	44	0.9
STSP Nafta 100%(Id)	STPI 25% (D)	
8.0	1.0	
MED V 76,16%(D+Id)	PLI 50% (Id)	
31.32	1.0	
GSM 62,18%(D+Id)	Skanes Loisir et Culture 25% (D)	
1.74	3.4	
SALLOUM 50,76%(D+Id)		
2.09		
Faiza 42,31%(D+Id)		
0.28		
SPT HAMMAMET 30% (D)		
3.06		

* Including TND 3.61 million pertaining to participations in SICAVs (TND 0.51 million) and 2 mutual funds (3,1) managed by BAM.

** BAM manages 4 SICAV and 2 mutual funds FCP

*** Tunisie Titrisation manages 2 special purpose vehicles (SPV)

- Direct participation on which BIAT has a significant influence
- Direct and indirect participation controlled by the BIAT
- Amount of participation in TND million

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 94,5% 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 2019, BIAT Insurance's turnover reached TND 122 million, of which TND 54 million were generated from Bancassurance products.

Insurance Protectrice Company

Its capital amounts to TND 1.8 million, 46% of which is held directly by BIAT.

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. At the end of 2019, its share capital amounts to TND 8,093 million.

It also manages the Private Equity Funds on behalf of the BIAT Group with an amount of around TND 453,199 million on December 31st, 2019.

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 the 31st, 2019, about 89% of the resources (Capital and Managed Funds) were invested, an investment volume of TND 402 686 million.

The year 2019 was marked by:

- A paid-up volume of the BIAT Group managed funds amounting

- TND 174,155 million
- An investment volume of around TND 141 million
- A net result of TND 5,205 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 19 million, mainly by participating in SGP, TAAMIR Company, SKANES LOISIR Company, Protec-trice and BIAT consulting. On December the 31st, 2019, its share capital reached TND 19 million.

The net profit for the year 2019 amounted to TND 0.191 million.

Société Générale de Placement « SGP »

The company was launched in September 1992. Its corporate purpose is to manage the financial holdings. It manages an investments portfolio of more than TND 4.8 million and an investment envelope of approximately TND 0.6 million. As at December the 31st, 2019, its share capital reached TND 2.5 million, held at 99% by SICAF BIAT.

For the year 2019, the company registered a net profit of TND 0.363 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 more than TND 5.1 million. By December the 31st, 2019, its share capital reached TND 0.5 million, held at 23.5% by BIAT.

3.1.3 Activities related to Assets management and brokerage

BIAT Asset Management

BIAT ASSET MANAGEMENT is a subsidiary representing 98.4% of BIAT, specialized in the UCITS management. Its corporate capital amounts to TND 500 million.

By the end of 2019, the outstanding of UCITS managed by BIAT Asset Management stood at TND 501 million. The company thus ranks second in terms of assets under management with a market share of 13.6 %.

The company manages a range of products:

Debenture UCITS

BIAT Asset Management holds a 12.7% market share in debenture-market UCITS and manages TND 393 million worth of assets distributed as follows:

- SICAV TRESOR : created in 1997, SICAV TRESOR is a UCITS debenture of distribution. By the end of 2019, its managed assets amount to TND 157 million.
- SICAV PATRIMOINE OBLIGATAIRE : created in 2007, SICAV PATRIMOINE OBLIGATAIRE is a debenture UCITS of capitalization. By the end of 2019, its managed assets amount to TND 236 million.

UCITS devoted to holders of savings account in shares

BIAT Asset Management is a leader on UCITS market geared toward holders of Equity Savings Accounts with a 41% market share and an outstanding of TND 88 million:

- **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 70 million at the end of 2019.
- **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 18 million at the end of 2019.

Mixed UCITS

Regarding the Mixed UCITS, BIAT Asset Management has a market share of 5.5% and total outstanding of TND 19.7 million.

- 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 2019, to TND 6.5 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 2019.

- **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 have reached TND 12.6 million by the end of 2019.

BIAT Capital

Founded in 1995, under Law 94-117 pertaining to financial market reform, BIAT Capital is the stock market broker of BIAT group. BIAT CAPITAL has TND 3 million held up to 100% by BIAT. Since 2015, BIAT CAPITAL accompanies trade points of BIAT in order to offer to the bank customers a wide range of products of the financial market.

Over the year 2019, the volume of transactions handled by BIAT CAPITAL amounted to TND 393 million with market share of 5.8%.

Tunisie Titrisation

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

It manages the following two mutual claims funds:

Special Purpose Vehicle (SPV) «BIAT CREDIMMO1»

Created in 2006, its purpose consists of the mortgage backed securities acquisition, assigned by BIAT, in order to issue representative shares of these receivables at one time. The volume of the sold receivables by the Bank is TND 50 million in the framework of this operation.

As at 31 December 2019, the capital outstanding amounts to TND 0.07 million.

Special Purpose Vehicle (SPV) «BIAT CREDIMMO 2»

Created in 2007, its purpose consists of the mortgage-backed securities acquisition, assigned by BIAT, in order to issue representative shares of these receivables at one time. The volume of the sold receivables by the Bank is TND 50 million in the framework of this operation.

As at 31 December 2019, the outstanding capital amounts to TND 1.1 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 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 2019, its share capital amounted to TND 31.4 million.

The company owns the Ibis and Novotel on Mohammed V Avenue in Tunis capital, which is managed since their opening in February 2012, by ACCOR Group.

These hotels have a solid market standing thanks to the maintenance of the heritage quality, through ongoing maintenance and renovation, and service through appropriate supervision and training.

Thanks to the performances achieved by the Mohamed site « SPT Mohamed V », the Company has made particular progress on the consolidation of its hotel business line according to international standards, through the construction of a second Novotel unit at the Berges du Lac II, with a carrying capacity of 122 rooms built on an area exceeding 13 000 m² and which is set to open its doors in the second half of 2020.

Société Touristique Sahara Palace Nafta

The company was created in 2006 with a share capital of TND 8 million. The company's purpose is to develop the hotel industry, catering, tourism and thermal spas. It owns the SAHARA PALACE hotel in Nafta, repurchased in 2006 by the STI, within the framework of the national program of privatization and has not been operated since then.

The hotel is located at 2 km from the center of Nefta, 20 km from Tozeur airport and only 30 km from the Tunisian-Algerian border.

This project has attracted a lot of interest from certain investors aware of the potential of the region and the site.

Société de Promotion Touristique Sfax

The creation of SPT Sfax in 2014 with a capital of 17.4MD 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, with 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 the commencement of its operations in April 2018, Ibis Sfax 3* has been able to move up into the best 5-star+ category for customer satisfaction. It was ranked the 3rd best rated hotel by customers in the last quarter of 2019. It also ranks first among the 3- star+ hotel category in Tunisia.

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, was affected negatively by the adverse events of the previous years the Tunisian tourism sector going through.

The current capital of the company is TND 6.5 million. Its turnover increased in 2019 to TND 0.559 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.

Société de Promotion Touristique Salloum «SPT Salloum»

The company was created in 1990. By December the 31st, 2019, its share capital has reached TND 4,7

million. 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 global with the AFT.

Because of the structural problems of tourism which had been aggravated by difficulties since 2011, the government authorities have decided to review the overall investment policy, without, however, examining the case of the new areas under study, including Salloum area.

Thus, the Company remains awaiting instructions, particularly on the vocation of the zone, in order to resume the studies.

Société de Promotion Touristique Hammamet « SPT Hammamet »

Created in 2016, with a share capital of TND 10.2 million, the company's purpose is the development of hotels, catering, tourism and spas. As part of a reconstruction approach and enhancement of repurchased hotel-keeper, reflections were undertaken to the development of products and hotel services expected to contribute in the revitalization of beach tourism.

Hammamet Leisure Company

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 context, in particular in the tourism industry, studies have resumed since the end of 2016 for the development of a high-end touristic project.

By December the 31st, 2019, its share capital has reached TND 21,9 million.

3.1.5 Real estate activities

Société du Pôle de Compétitivité de Monastir Elfejjja « mfcpole »

The establishment of the company was in October 2006. By December the 31st, 2019, its share capital has reached TND 40 million. Within the framework of an ambitious development project, Mfcpole pursues its prospection efforts in a challenging investment context. The main tasks of the company «Mfcpole» 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
- Facilitation 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 the 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.

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. By the end of 2019, its share capital has reached TND 46 million, SOPIAT continues playing its role of vehicle real estate in response to BIAT group needs in terms of expansion of branches' network, archive and deposit spaces and other real estate needs.

Société TAAMIR

Started operating in 1988. The Company's purpose is the acquisition, assignment, development, administration, leasing of immovable properties or fractions of immovable and non-immovable properties, and the property management. By the end of 2019, the company's share capital reached TND 5 million.

The company plays the role of vehicle real estate for the BIAT Group.

Palm Links Immobilière

Palm Links Immobilière is a public limited company of real estate development created in 1999 with a share capital of TND 2 million. It was created under the initiative of Golf Sousse Monastir GSM and its

Shareholders in the aim of enhancing the value of a section of the land lot through the real estate development. In April 2003, the share capital was reduced by TND 1.8 million through restitution of shareholders contributions to be taken down to TND 0.2 million. Palm Links Immobilière, having completed the development and marketing of all the lots, will be liquidated as soon as some remaining administrative obstacles are removed.

Société Tunisienne de Promotion des Pôles Immobiliers et Industriels «STPI»

Created in 2006, the company's purpose is real estate development, in particular, the development of industrial zones. By December 31st, 2019, its share capital was set at TND 4 million held up to 25% by BIAT.

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

BIAT Consulting was created in the first half of 2014 with a share capital of TND 0.5 million held up to 100% by BIAT group. Its main mission is to establish partnerships with the banks and financial institutions abroad through the conduct:

- Of strategic missions, organization and transformation,
- Of projects of setting up an information system and
- Of training programs.

At the end of its sixth year of operation, BIAT Consulting recorded a turnover of around TND 1.5 million thanks mainly to its presence in several countries and the realization of partnership arrangements in various African countries.

• **Wendkuni Bank – Burkina Faso:** BIAT Consulting assists the new WBI bank in the setting up of the entire process related to a bank creation in the West African sub-region.

• **Bancobu – Burundi:** BIAT Consulting assists Bancobu in the setting up of a Back Office centralization.

• **BNDA – Mali:** BIAT Consulting assists BNDA in the creation and launch of a general organization and major projects structure that will assume the steering role of project management (PMO) within the framework of the bank's strategic development plan. BIAT Consulting will help this newly created structure to pilot target projects identified at the level of the bank such as the review of the grants process, the reorganization of the commercial sector, and the implementation of a GEPEC.

• **BIAT Consulting Paris:** Implementation of 3 partnerships in Paris.

• **Tunis:** BIAT Consulting set up several training courses.

In 2020, BIAT Consulting intends to put in place a new strategy «BIAT Consulting 2020-2025» based in particular on new governance.

In addition, BIAT Consulting is also planning to develop its presence in Paris through outsourcing its activity with partners in France.

Organisation et services informatiques « OSI »

Started operating in 1987, the company is specialized in the commercialization of goods and services concerning the organization, the management, and the processing of information. Its current share capital amounts to TND 0.02 million.

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 BIAT.

The year 2019 was marked by the consolidation of the activity for own-account and the increase of the subcontracting activity on behalf of BIAT. This

3.2 BIAT Group Result

significant improvement of CIAR activity reflected directly on its performance and profitability indicators.

By the end of the year 2019, CIAR's turnover has recorded an increase of 15.7% to reach TND 9.904 KDT, against TND 8.556 KDT at the end of the year 2018.

The gross operating income recorded, for its own part, an increase of 35% to reach TND 6.037 KDT by the end of the financial year 2019, against TND 5.271 KDT, the previous year, under the combined control effect of general operating expenses (22.5 %) and the increase in net revenue of recovery (16 %).

As to the financial year ended on December 31st, 2019, the net profit stood at TND 4.000 KDT, an increase of 16% compared to TND 3.442 KDT at the end of 2018.

BIAT France

BIAT France was created on the 24th of November 2014, a subsidiary "BIAT France- Payment Agent", is a limited liability company by simplified stock under the

French law, held at 100% by BIAT. By the end of the year 2018, its share capital amounted to € 1.2 million. The subsidiary's headquarters and first branch are located at 6, rue de la Chaussée d'Antin in the 9ème arrondissement of Paris.

The main activity of BIAT France consists of money transfer to Tunisia. It affords its customers a rapid and secure online transfer through its subsidiary's website at a very competitive price.

BIAT France represents an advanced interface of BIAT that enables Tunisians residing at ile of France to carry their projects in Tunisia (real estate investment or other).

In 2019, BIAT France performed very well compared to 2018 with an increase of more than 34% in number and 91% in volume.

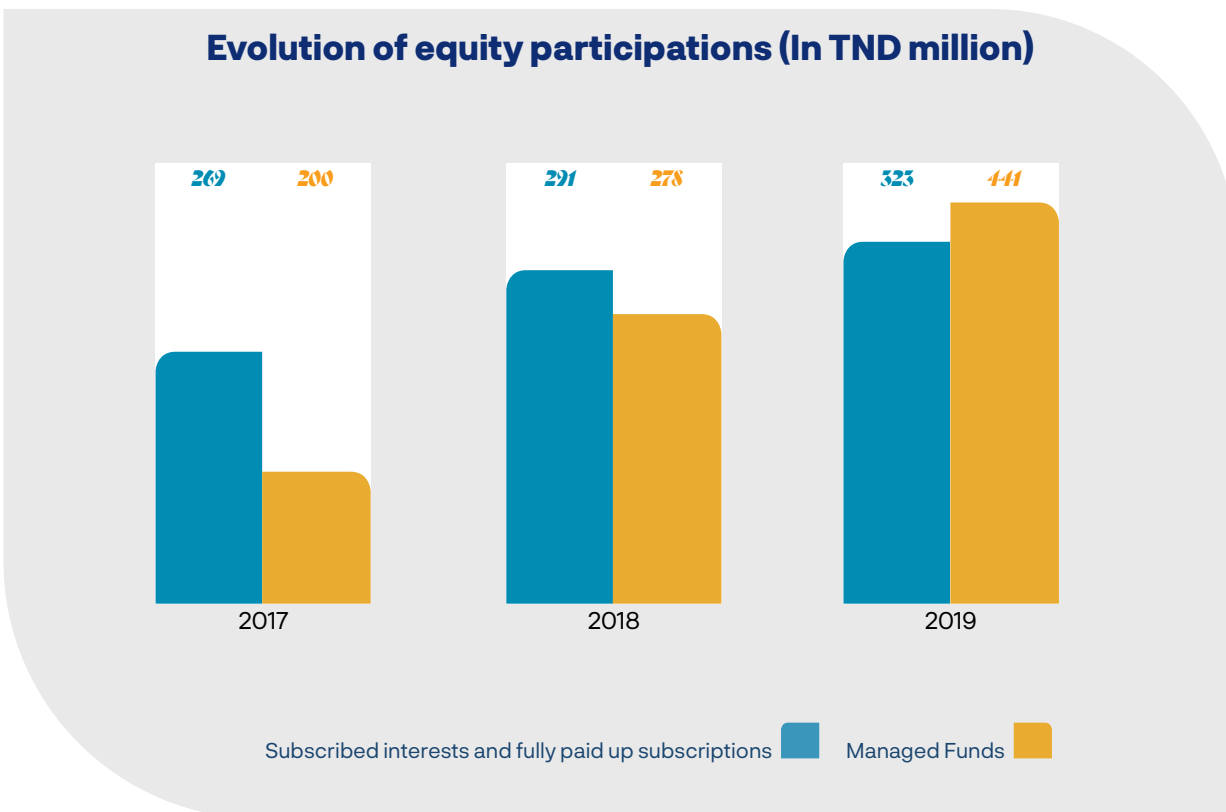
The expected target in terms of monthly number and volume has been largely exceeded as indicated respectively below:

- 318 operations per month against a target of 250
- 1,3M€ per month against a minimum target of 1M€

Company	Corporate Income 2019	Corporate Income 2018	Variation
BIAT	333 006	254 765	78 241
BCAP	364	358	6
BAM	873	906	(33)
BCR	5 249	1 624	3 625
CIAR	4 000	3 442	558
SICAF	191	785	(594)
SOPIAT	321	225	96
SALLOUM	14	-3	17
OSI	-4	-3	(1)
PROTECT	-1213	-2483	1270
ASSBIAT	11 604	8 768	2 836
FAIZA	-3	-3	-
OPPRUNITY	-5	-10	5
TRESOR	7 422	8 106	(684)
PRESPERITY	202	291	(89)
SGP	363	304	59
TAAMIR	152	87	65
GSM	-1422	-975	(447)
LINKS	4	-2	6
STI	-825	7 905	(8 730)
TITRIS	-10	-79	69
ELFEJJA	7 703	5 182	2 521
PATRIMOINE	12 340	11 151	1 189
FCC1	21	-9	30
STPI	-208	-187	(21)
FCP	1630	990	640
FCC2	17	30	(13)
STSP	-559	-731	172
SPTMV	3 245	3 697	(452)
ITD	132	-9	141
BCO	-53	191	(244)
SPTSFAX	-1686	-1367	(319)
BFR	9	76	(67)
PERFORMANCE	323	227	96
HLC	-610	-592	(18)
AMORCAGE	-189	-199	10
Total	382 398	302 458	79 940

— 3.3 Evolution of the investment portfolio

By December the 31st, 2019, the accounting value of fully paid up subscriptions (Interests and managed funds) recorded an increase of 34% compared with the year 2018 to amount to TND 764 million.



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SHAREHOLDING

— 4.1 Capital allocation information and voting rights

4.1.1 Capital Structure as at 31/12/2019

Shareholders	Number of Shares and voting rights	Capital Share and voting rights in %
A/ Tunisian shareholders	16 799 973	98,8%
LEGAL ENTITIES	13 148 387	77,3%
NATURAL PERSONS	3 651 586	21,5%
B/ Foreign shareholders	200 027	1,2%
TOTAL	17 000 000	100,0%

4.1.2 Allocation of voting rights

The 17,000,000 shares representing the bank capital entail 17,000,000 voting rights.

Under Article 39 of the Articles of Incorporation, each member of the ordinary or extraordinary General Meeting has as many votes as the number of shares he possesses and represents with no limitation, except for legal exceptions.

4.1.3 Major changes made at the Level of share capital

The year 2019 was particularly marked by the following transactions:

– Main acquisitions :

- SARRAY MENA VALUE FUND acquired 45 395 BIAT shares or 0.26 % of the capital;
- IFICO acquired 30 000 BIAT shares or 0.18 % of the capital;

- HORCHANI FINANCE acquired 23 279 BIAT shares or 0.14 % of the capital
- ICF acquired 21 460 BIAT shares or 0.13 % of the capital
- FCP VALEURS CEA acquired 13 272 BIAT shares or 0.08% of the capital.
- MAGHREB FINANCIERE HOLDING acquired 10 000 BIAT shares or 0.06% of the capital
- STE MARHABA BEACH HOTEL acquired 5 869 BIAT shares or 0.03% of the capital
- Main assignments :
- INOPLAST FINANCIERE assigned 69 215 BIAT shares or 0.4 % of the capital
- TUNISIE PORCELAINNE assigned 54 371 BIAT shares or 0.32 % of the capital
- BELAZUR assigned 42 594 BIAT shares or 0.25% of the capital
- LA FINANCIERE WIDED SICAF assigned 20 000 BIAT shares or 0.12 % of the capital
- SORIK assigned 16 567 BIAT shares or 0.10 % of the capital.

— 4.2 Required conditions to attend the General Meeting

Under Article 35 of the Articles of Incorporation:

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:

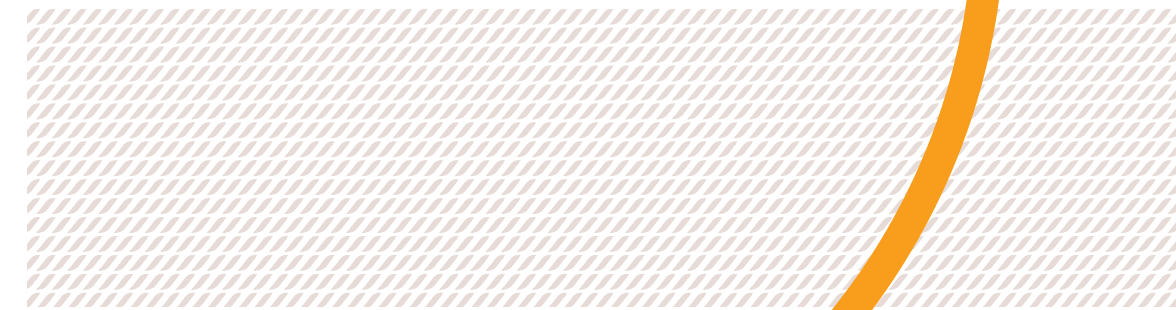
1/ In order to have the right to attend or be represented at General Meetings shareowners must be listed on the company's registers, at least eight days prior to the fixed date for the meeting.

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.

— **5**

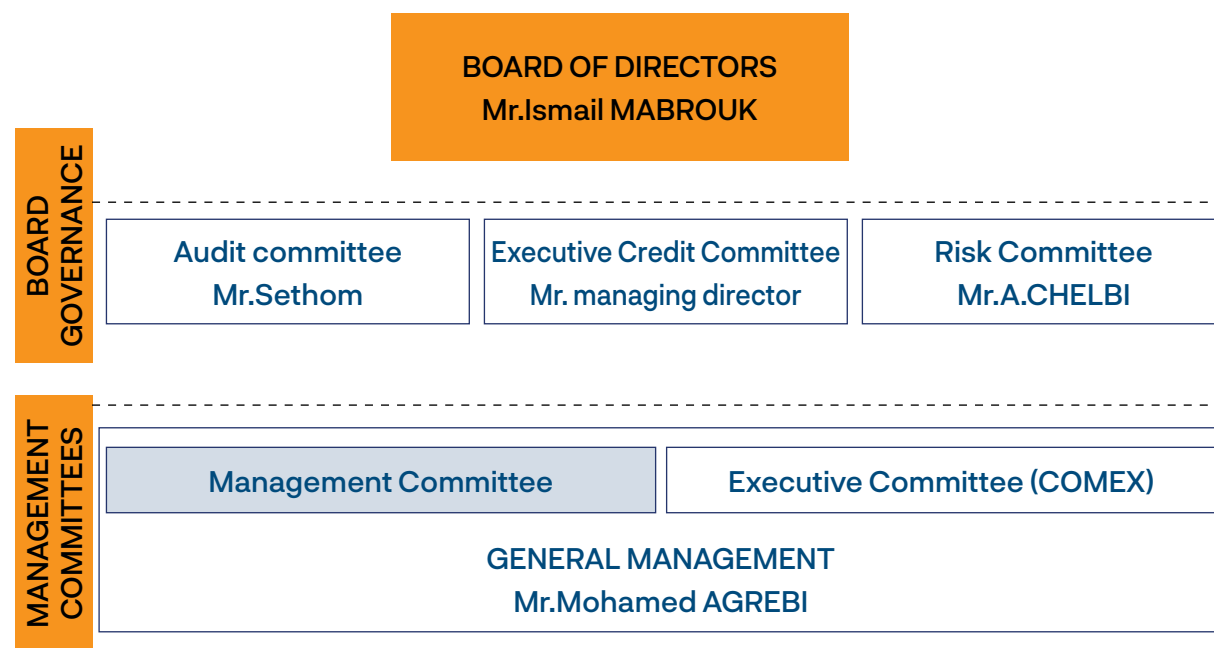
GOVERNANCE



5.1 The board of Directors Report on its Activities during 2019

5.1.1 Governance

Presentation of the Bank's governance bodies at Board and general Management level:



Governance code :

The Extraordinary General Meeting held on 29th of May 2007, decided to opt for the separation of the functions of Chairman of the Board and the managing director.¹

¹ The Banking Act n°2016-48 makes it mandatory to separate the functions of Chairman of the Board of Directors and Managing director.

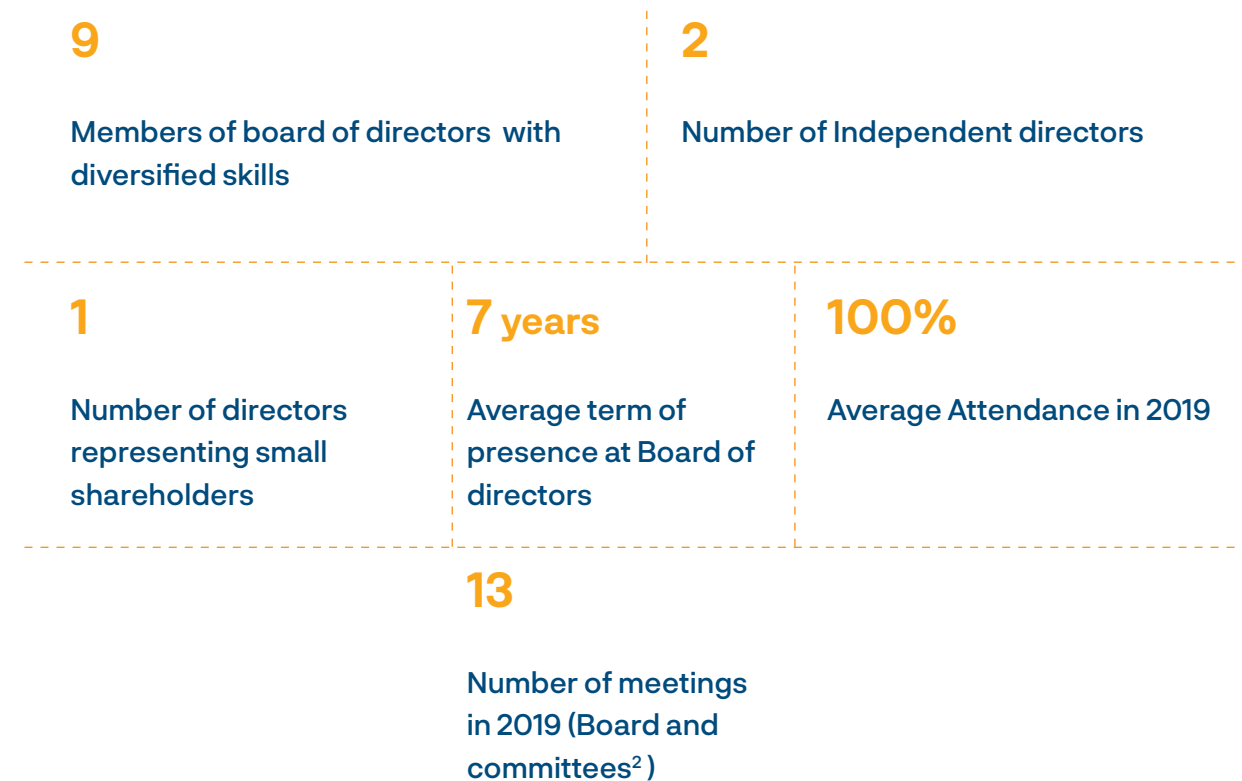
The Chairman organizes, directs and coordinates the work of the Board of Directors and reports to the General Meeting. He ensures the implementation of the options adopted by the board.

The Managing director ensures under his responsibility the overall management of the bank. He represents the Bank in its dealings with third parties.

The BIAT refers to a code of governance from page 72 to 75.

5.1.2 The Board of Directors

Figures as of December 31st, 2019



• As of December 31, 2019, the Board of Directors consists of 9 members, appointed by the General assembly. The term of office of the directors is set at 3 years, according to the Bank's articles of association.

• 8 terms of office expire at the end of the General assembly called to approve the financial statements for 2019.

• 7 directors are members of one or more committees of the Board of Directors.

² the regulatory committees

Composition of the Current Board of Directors:

BIAT's Board of Directors is currently composed of nine members.



Name	The year of appointment	Numbers of years on board (*)	Main Function Occupied	Member of committee of board	Capacity of directors
Ismail Mabrouk (**)	2006	14	Chairman of BIAT's Board of Directors		Chairman
Karim Milad (**)	2012	8	Chief Executive Officer of TTS Nouvelair, Tunisavia	Risk Committee	Member
Hichem Driss (**)	2012	8	Chief Executive Officer of 5 hotel companies	Risk Committee	Member
Sami Hachicha (**)	2017	3	Chairman of 2 companies of Hachicha group : Inoplast holding and inoplast S.A.	committee of internal auditing	Member
Jean Messinesi (**)	2009	11	Former Manager of the HSBC-France bank President of Antiope Consulting SAS	committee of internal auditing	Member
Mohamed Affif Chelbi (**)	2014	6	Former Minister of Industry and Technology	Chairman of risk committee	Independent member
Mehdi Sethom (**)	2014	6	Manager of MCF Company SARL - MCF SARL, SME Partners SARL and INMA SARL	Chairman of internal auditing Member of the Executive Committee of Credit	Independent member
Tahar Sioud (**)	2007	13	Former Vice Governor ³ of BCT and Ex- SEAE and ex-minister of trade	committee of internal auditing	Member representing the interests of small shareholders
Elyes Ben Rayana (**)	2019	1	Manager of eStrat - SARL and Value Digital Services - SARL		Member

(*) at the next general assembly called to the accounts for the year 2019.

(**) the three year office term comes to an end at the general assembly called to approve the accounts for the year 2019, except for MR. Elyes Ben Rayana who was appointed on April 26th, 2019.

³ State Secretary of the Foreign Affairs

Skills and experience of the members of the Board of Directors:

The composition of the board seeks to strike a balance between professional experience and skills.

Competence and experience in the financial world and in the management of large international companies are the basic criteria for the selection of directors.

An analysis of the skills of the directors shows that they complement each other and that their profiles cover all the activities of the bank and its subsidiaries.

The biographies of the directors are included in this report (page 54 to 56).

Directors' attendance:

In 2019, Mr. Ismail Mabrouk presided over all meetings of the Board of Directors.

The attendance rate of directors at Board and Board's committees (Audit Committee, Risk Committee and Executive Credit Committee) was also 100%

A diversified composition in terms of age:

All age brackets are represented on the Board of Directors.

This balanced distribution makes it possible to combine experience, availability and responsiveness.

A composition that complies with regulatory requirements:

Name	Having no connection with the said institution ⁴	Holding no direct or indirect share in the capital of the bank	Not acting on behalf of customer, suppliers or a provider of a significant service to the bank	Has not been one of the paid employees of the bank	Has not exercised for more than 9 years the office of a member representing the shareholders' interests in the said Board	Has not exercised for more than 6 years the office of Auditor for the institution
Mohamed Affif Chelbi	✓	✓	✓	✓	✓	✓
Mehdi Sethom	✓	✓	✓	✓	✓	✓

All independence criteria are met in accordance with the circular n°2011-06.

⁴ Having no connection with the said institution within the meaning of the article No.23 of the law 2001-65 (replaced by the article 43 of the law n°2016-48)

Introduction of the members of the board of directors



ISMAÏL MABROUK

Chairman of the board of directors

Biography

Chairman of the Board of Directors of BIAT since 2009.

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.



SAMI HACHICHA

Member of the audit committee

Biography

Sami Hachicha, is a graduate of the University of Paris 9 Dauphine and the University of Paris 2 Assas.

He began his career in the banking sector. He was in charge of the North Tunis region at BIAT.



KARIM MILAD

Member of the risk committee

Biography

Karim MILAD holds a diploma 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.



JEAN MESSINESI

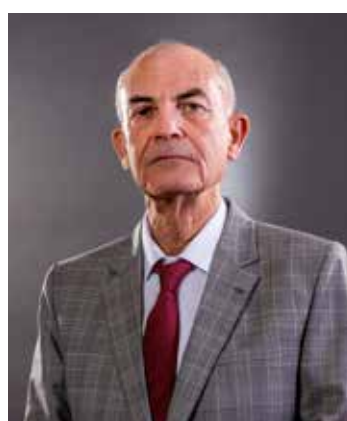
Member of the audit committee

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.



HICHEM DRISS

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 School of Business.

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

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



MOHAMED AFIF CHELBI

**Independent Member
Chairman of the risk committee**

Biography

Mohamed Afif CHELBI holds an engineering diploma 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

Independent Member

Chairman 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 Paribas Group and merchant bank Swicorp.



TAHAR SIOUD

Member representing the interests of small shareholders

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.



ELYES BEN RAYANA

Member of the nomination and remuneration 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 member of the board in 2019, He managed the funding and Investment Banking businesses of BIAT.

Main activities of the Board of Directors:

In 2019, the Board of Directors held 3 meetings, on March 15, June 19 and October 16, 2019 respectively.

The average duration of each meeting was 2 hours, and the attendance rate of directors was 100% per meeting.

As it does every year, the board approved the individual and consolidated annual accounts as well as the draft resolutions to be submitted to the general assembly.

The board also examined the business plan 2019-2023, deliberated on the assignments, and regulated transactions carried out during 2019 and approved the proposed acquisitions and assignments of shares.

During 2019, the Board continued to monitor the Bank's liquidity situation and its trajectory in the light of the country's macroeconomic situation. It validated the action plan developed by the Bank, for the other regulatory ratios.

The board was regularly informed of the progress of discussions with the parties of the major contentious

relationships, giving its instructions to preserve the interests of the Bank, while trying to find workable forms of arrangement.

The Board was informed of the BCT's project of consolidating practices of the deposit remuneration, concerning the maximum limit to be applied for the deposit remuneration.

It was also notified of regulatory developments and their consequences on the Bank's organization. In this respect, it was informed of a bilateral agreement concluded between the Tunisian Ministry of Finance and the Embassy of the United States of America pursuant to the FATCA Law, which aims at improving tax compliance.

At the level of the company's communication policy, the board:

- approved the new logo and the new brand motto.
- notified of the awards that BIAT has received in 2019: numerous distinctions from renowned international magazines specialized in financial publications that honor BIAT and support its quest for excellence.

5.1.3 Board's Committees :

In 2019, The Board of Directors is assisted by three committees:

- The Audit Committee
- The Risk Committee
- The Executive Credit Committee

Audit committee		Risk committee	
4 Number of Members	100% Attendance of Members	3 Number of Members	100% Attendance of Members
6 Number of meetings		4 Number of meetings	1 Independent Member (chairman)
1 Director representing small shareholders	1 Independent Member (chairman)		

Executive Credit Committee	
1 Number of Member	100% Attendance of Members
6 Number of meetings	

5.1.4 Organization of the Institution and its Lines of Business

The BIAT is organized into:

- Retail Banking;
- Large corporates and institutions

- Several departments (risk, finance, banking transactions, general control, strategy and project management, management control, etc.)
- Central managements in support of the bank's activity

The branch network is composed of 205 branches and structured in 14 areas, which are grouped under 4 regional departments.

5.1.5 GOVERNANCE CODE

FUNDAMENTAL PRINCIPLES OF BIAT GOVERNANCE

BIAT governance refers to the principles that determine the proper functioning of its control and risk management system, and guarantees the fundamental balance of the bank, social interest and its sustainable and partnership-based performance.

These principles are:

- Separation of powers of control and executive powers.
- The independence of supervisory bodies.
- The optimum composition of the Board of Directors.
- The skill and diligence of the members of the Board
- The organization in committees
- The management of remunerations
- The management and optimal supervision of risks
- The reliable and democratic functioning of the General Meeting of Shareholders
- The responsibility (reporting on management level)
- The transparency of accounting and financial information.

THE BOARD OF DIRECTORS

The Board of Directors is a collegial body that collectively represents all shareholders and acts at all circumstances in the interest of the bank. The Board monitors the efficiency and safety of assets, dividend policy, societal responsibilities towards employees, customers, suppliers, the communities in which the bank is in contact through its activities.

It determines the orientations and general policies of the bank and oversees their implementation.

THE SEPARATION OF THE FUNCTIONS OF THE CHAIRMAN AND THE MANAGING DIRECTOR :

To comply with the best practices in corporate governance and with reference to the fundamental principles, the Extraordinary General Meeting held on 29th May 2007, decided to opt for the separation of the functions of Chairman of the Board and the managing director.

Moreover, the new banking law n ° 2016-48 made the separation obligatory between the function of the Chairman of the Board and that of the managing director.

The Chairman organizes, directs and coordinates the work of the Board of Directors and reports to the General Meeting. He ensures the implementation of the options adopted by the board.

The Managing director ensures under his responsibility the overall management of the bank. He represents the Bank in its dealings with third parties.

The Managing director exercises these powers within the limits of the corporate purpose of the bank, subject to those that the law, the Articles and decisions of the Shareholders' Meetings and the Board of Directors expressly attributed to Shareholders' Meetings, to the Board of Directors, to the Chairman, as well as to other committees or bodies of the bank.

As such, the Board delegates to him the necessary powers to act in all circumstances on behalf of the bank.

INDEPENDENCE OF THE BOARD OF DIRECTORS

- The Board ensures its functioning and organizes its work in complete independence while avoiding conflicts of interest, the confusion of powers and roles, complacency, passivity and complicity in own interests at the expense of the corporate interest of the bank. No external or internal influence is exercised on the decisions of the Board which are

sovereign and collegial independence also means competences and diligence that reflect on the quality of work, decisions and resolutions taken by the board.

INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The current internal regulation is designed to determine, in the framework of the regulatory provisions in force, the mission and operating procedures of the Board of Directors and its committees as well as the rights and duties of each member of the Board. It also specifies the respective role and the powers of the Chairman and the Managing director.

• Composition of the Board of Directors:

Board members are selected for their integrity and reputation, their academic qualifications, their competences and professional experience as well as their accordance with the functions that were entrusted to them.

Moreover, these members must not be affected by the prohibitions outlined in the article No.60 of the law No.48 of 2016.

No one can occupy the function of board member in two banks at the same time.

The Board includes at least **two independent members** of shareholders and a member **representing the interests of small shareholders** within the meaning of legislation and the regulation related to the financial market, as regards the institutions listed on the Stock Exchange of Tunis.

It is forbidden for the Managing director and the deputy Managing director to be members of the bank's Board of Directors.

The mandate of the independent members and members representing shareholders can be renewed only once.

• The independent members of the Board of Directors:

Is considered independent member within the meaning of the law No.48 of 2016, any person not having any links with the said bank or its shareholders or its executives likely to undermine the independence

of its decisions or lead it to a real or potential interest conflict situation.

In application of the BCT's circular No.2011-06, the independence criteria are fixed as such:

- Having no connection with the said institution within the meaning of the article No.23 of the law 2001-65 related to the credit institutions (article 43 of the new law 2016-48)
- Holding no direct or indirect share in the capital of the bank;
- Not acting on behalf of customer, suppliers or a provider of a significant service to the bank;
- Has not been one of the paid employees of the bank;
- Has not exercised for more than 9 years the office of a member representing the shareholders' interests in the said Board;
- Has not exercised for more than 6 years the office of Auditor for the institution..

• Roles and Missions of the Board of Directors:

The Board of Directors defines the strategy's bank and ensures the monitoring of its implementation. It oversees the monitoring of all major changes which impact the activity of the bank or the financial institution, to preserve the interests of depositors, shareholders, of all the stakeholders and, in general, the long-term interests of the bank.

The Board of Directors is responsible for:

- Controlling the engagement level of the bank's board in the implementation of the governance system and its evaluation in a periodical manner with respect to its adaptation with the major changes occurred at the bank or the financial institution in particular, in terms of activity' size, operations' complexity, market evolution and organizational requirements.
- Implementing, in collaboration with the General Management, a risk appetite strategy which takes into consideration the competitive and regulatory environment as well as the bank capacity to handle risks;
- Appointing the General Management ;
- Closing the financial statement and establishing the bank's annual report;

- Establishing models for measuring capital adequacy in relation to the volume and the nature of risks, liquidity management policies, legal compliance requirements and texts organizing the activity and internal control device and ensuring its implementation;
- Appointing the first responsible of the internal audit structure, on the proposal of the General Management;

Within the framework and without this enumeration being exhaustive, the Board has the powers such as defined by the articles of association;

• Board of Directors Functioning:

The Board of Directors meets, at the convening letter of its Chairman or at least half of its members, at least quarterly and as often as the interest of the bank so requires in case of occurrence of exceptional events possibly affecting the normal conditions of activity.

Any member of the board absent from one of the meetings of the Board may be represented by one of his colleagues by means of a given power even by letter, fax or telegram.

The mandate is only valid for one session. A member of the board of directors can represent only one of his colleagues.

The board of directors can validly deliberate only if at least half of its members are present.

The decisions are taken by the majority of votes of the members present or represented. The member of the Board of Directors who is also a proxy of one of his colleagues has the right of two votes.

In case of equality of votes, the Chairman will have the casting voice.

The convening letter shall indicate the meeting's agenda and shall be sent to members of the board at least 10 days prior to the Board's meeting. The documents discussed during the meeting including those containing strategic, financial or accounting information, shall be as well communicated to members of the Board at least 10 days prior to the meeting so that they can be prepared and analyzed in sufficient time.

The draft minutes of each meeting is sent to Members of the Board within thirty days prior to the said meeting. The final minutes and the convocation shall

be forwarded to the following meeting and approved at that meeting.

The tasks of Secretary of the Meeting are performed either by a Member of the Board, or by anyone even a non-shareholder or someone who is not a member of the Board, subject to the decision of the Board.

• Prerogatives and Powers of the Chairman of the Board of Directors

The Board of Directors appoints among its members a Chairman.

The chairman shall be a natural person and shareholder of the bank and of Tunisian nationality.

The Chairman of the Board is appointed for a term which may not exceed his mandate as a Member of the Board of Directors. He is eligible for one or more terms.

The Board of Directors may at any time remove the chairman from his functions.

The President is responsible for convening the board, chairing its meetings, proposing the agenda, ensuring the achievement of the options adopted by the Board and chairing the sessions of the General Meetings. The Chairman organizes, directs and coordinates the work of the Board of Directors and on which he reports to the General Meeting.

In case of impediment of the Chairman of Board, this latter may delegate his powers to a member of the Board. Such delegation is renewable and is to be made for a limited duration.

In the event that the Chairman of the Board is unable to perform his duties, the Board of Directors may proceed with the office.

The Chairman of the Board may invite members of the Bank's management, the auditors or other persons from outside the Bank with specific competencies with regard to the topics in the agenda to attend all or part of a meeting of the Board of Directors.

The Chairman ensures that the number, the missions, the composition as well as the functioning of the special committees required by the regulations in force are constantly adapted to the needs of the Bank and to the best practices of corporate governance.

• Roles and Powers of the Managing director

The Board of Directors appoints for a fixed term the Managing director of the bank who shall be of Tunisian nationality

The Managing director may not perform this function in another bank, in another financial institution, in an insurance company, in a stock exchange brokerage company, in a securities portfolio management company or in an investment company.

The Managing director may not simultaneously hold the office of director of an economic enterprise.

The Managing director must have the status of resident in Tunisia within the meaning of the Exchange Regulations in force.

The Managing director ensures under his responsibility the overall management the bank. He represents the Bank in its dealings with third parties.

The Managing director exercises these powers within the limits of the corporate purpose of the bank, except for those that the law, Articles of association and decisions of the Shareholders Meetings and of the Board of Directors expressly attributed to Shareholders Sessions, to the Board of Directors, to the Chairman, as well as to other committees or bodies of the bank.

As such, the Board delegates to him the necessary powers to act in all circumstances on behalf of the bank.

The Managing director has as main missions:

- 1/ the implementation of strategic policies and orientations of the bank,
- 2/ the implementation of the bank's annual budget as approved ahead by the Board of Directors.

He also sets up the internal control system and the system of mastery of risks identified by the board and ensures the supervision.

The Board of Directors also delegates to the managing director the necessary powers to exercise his office.

The Board of Directors may, at the request of the managing director, appoint one or more deputy managing directors to assist him.

The Board of Directors, on the proposal of the managing director, ratifies the scope of powers given to the deputy managing directors.

The Board of Directors may, at any moment, remove or change the deputy Managing director (s).

The deputy managing director may not perform this function in another bank, in another financial institution, in an insurance company, in a stock exchange brokerage company, in a securities portfolio management company or in an investment company.

The deputy managing director may not simultaneously hold the office of director of an economic enterprise.

• Obligations of the Members of the Board of Directors

The obligations of each member of the board are due to the bank as a whole and not to a particular shareholder.

All members of the Board shall:

- o Permanently satisfy the conditions of respectability, integrity, impartiality and honesty required under the legal provisions in force and the rules of ethics, by placing the bank's interest over their personal interests;
- o Devote the necessary time and attention to their tasks;
- o Be diligent in performing their tasks;
- o keep confidential about the information they have access to and keep themselves from using it for non-professional purposes;
- o Avoid, to the extent possible all activities that might cause conflict of interests;
- o Inform the Board of any information which created or might create a situation of conflict of interests;
- o Refrain from participating or voting when in matters to which they could have a conflict of interests or when their objectivity or capacity to properly carry out their duties towards the institution may be altered;
- o Request, beforehand, the authorization of the Board before indulging in certain activities in order to make sure that such activities will not cause conflict of interests;
- o Not use the assets of the bank for personal usage;

All members of the Board shall as well:

- o Contribute actively in the works of the Board by constructively questioning the General Management;
- o Make sure that the general management provides all necessary information for the discussions and deliberations of the Board;
- o Make sure that the Bank acts in conformity with all the applicable laws;
- o Diligently attend the meetings of the Board;
- o Acquire training in the subjects of finance, taxation, law, risk and in general in all subjects relating to the banking profession;
- o Make sure that meetings' agenda cover all the important issues.

• The Board Members' Access to Information:

Members of the Board of Directors receive, from the Chairman, the managing director, or from any other body created by the Board of Directors, all documents, reports and information needed for the fulfillment of their tasks, and may obtain any documents they consider to be useful.

The bank ensures for the members of the Board – so that they be able to fully carry out their duties, specific training programs relating namely to banking and financial operations, to Risk management, and to other related subjects as well.

• Specialized Committees of the Board of directors

Committees support the board in exercising its tasks, particularly in the preparation of its strategic decisions and the fulfillment of its supervisory duty.

In this regard, Committees should:

- Analyze, in depth, the technical questions which rise from their attributions;
- Report their works regularly to the Board which maintains, in a last resort, the general responsibility of the missions assigned to them;
- Inform the Board of any event likely to bring prejudice to the activity of the bank;
- Submit to the Board, at the meeting that concern examination of the annual financial statements of

the institution, a detailed annual report concerning their activities.

A copy of this report is to be addressed to the Central Bank of Tunisia 15 days prior to the Ordinary General assembly of Shareholders.

Committees may, as they deem necessary, suggest to the Board to undertake by the body of executive management any mission or inquiry.

The Board nominates, among its members, the members of the committee. In case of vacancy in the committee, the Board shall, without delay, fill such vacancy.

The composition of every committee should consider the qualifications related to the attributions of the aforementioned committee, of the members who hold seats.

The General Management shall provide the committees with any documents or information which they deem useful, and shall provide them with the necessary means to fulfill their missions. It should provide them, in particular with:

- The notifications of the results of control in documents and on site of the Central Bank of Tunisia;
- The reports of control performed by competent public authorities and auditors;
- The reports of rating agencies.

Each committee is to convene by virtue of the convocation of the Chairman to meet at least six times a year and any time its chairman deems it useful.

The committee can also call any of the officers of the bank whose presence is deemed useful.

The committee cannot validly deliberate without the presence of at least three of its members. Where the Chairman is unable to attend, the chairmanship is confided to one of the committee members which shall be chosen by his peers.

Minutes of each meeting should be established.

The decisions are adopted by the majority of the present members. In case of a tied-vote, the question matter is submitted to the Board.

Each committee should draw a chart, approved by the Board, determining its attributions, its composition, its functioning rules and its relations with the Board and the operational structures of the institution.

The Executive credit Committee: (see the chart of the Executive credit Committee).

The Executive Credit Committee is from now on not obligatory within the meaning of the Law 2016-048

The Risk Committee (See the chart of the Risk Committee).

The permanent committee of internal auditing (See the chart of the permanent Committee of internal Auditing).

• The Evaluation of the Board of Directors

The Board initiates, every year its own evaluation, reconsidering its composition, its organization, and its functioning order. This evaluation should:

- Review the functioning modalities of the Board;
- Ascertain that vital question matters have been conveniently prepared and discussed beforehand.
- Assess the effective contribution of each member of the Board to the latter's works resulting of his competency and of his implication in the deliberations.

NOMINATION AND REMUNERATIONS:

Nomination of the Members of the Board of Directors

The nomination of the Board of Directors members follows a well-structured procedure. The selection of the members of the Board of Directors is done through an ad-hoc committee designated by the Board of directors, made-up of at least three members of the Board. This committee submits an initial list according to the criteria of competence, diligence, representation of the members of the Board who are shareholders and independence of the independent members. This list is submitted to the Board of Directors for initial assessment and validation, and then to the General assembly for final authorization and validation.

Remuneration of the Members of the Board of Directors

Board members receive as attendance fees, an allowance the amount of which is determined annually by the ordinary general assembly.

The Board of Directors ensures the adequacy of the level of attendance fees and decides the method of the compensation distribution on the basis of on a report prepared by at least two of its members who are nominated for this purpose.

The Board of Directors may grant to its members exceptional compensation for specific assignments or tasks entrusted to them or to encourage their participation in the Board Committees. It sets in this case the remunerations and their terms on the basis of a report prepared by the members nominated for this purpose.

Article 200 of the Commercial Companies Code requires auditors to include in their special report, on which the General assembly shall deliberate, the obligations and commitments taken by the bank itself or by a corporation that it controls within the meaning of Article 461 of the said Code, concerning remuneration, allowances or benefits that are awarded to members of the Board or that are due to them or that they may be entitled to under the termination or modification of their duties.

Remuneration of the Members of the General Management

The Board determines the remuneration of the managing director and the Deputy managing directors based on a report provided by at least two of its members nominated for this purpose. One of the members should be independent.

Article 200 of the Commercial Companies Code requires auditors to include in their special report, on which the General assembly shall deliberate, the obligations and commitments taken by the bank itself or by a corporation that it controls within the meaning of Article 461 of the said Code, concerning remuneration, allowances or benefits that are awarded to Managing director s or to deputy Managing director s or that are due to them or that they may be entitled to under the termination or modification of their duties.

Remuneration of the Members of Senior Management

The Board determines the remuneration of the Members of Senior Management based on a report provided by at least two of its members nominated for this purpose. One of the members should be independent. The report should refer to pertinent comparatives and ratios, in order to well assess the soundness of each evaluation.

GENERAL ASSEMBLY OF SHAREHOLDERS

The General Assembly of Shareholders is the supreme and sovereign authority of bank governance. Shareholders participate to the debates of the general Meeting and to its works under conditions favorable to the performance of their roles. Thus, the accounting and financial documents are provided to shareholders at least 15 days prior to the Meeting. On the day of meeting, shareholders are free to express themselves and ask questions to the Board and to the bank's management. Reports are provided and the reports of the Board and Board Committees are presented.

The shareholders are represented on the Board of Directors through the election of its members. The Board is collectively responsible for the performance of its duties to the General assembly to which it legally assumes the essential responsibilities: convenes and sets the agenda of the Meeting, appoints the Chairman, the managing director, the deputy managing directors and the officers of senior management, monitors their management, approves the annual accounts submitted to approval of the assembly and presents its activities through its report to the Assembly.

COMMUNICATION POLICY :

The Board of Directors defines the financial communication policy of the bank.

The board shall establish a mechanism for the dissemination of information to shareholders, depositors, market counterparties, regulators and the public in general.

This ensures the timely communication of relevant and reliable information in terms of quantity and quality of the significant aspects of the activity of the establishment.

It includes the following Items:

- A structure with a mission to provide a comprehensive, objective, updated information of the bank;
- An annual report prepared after the end of the financial year;
- Quarterly reports, providing quarterly financial information and a reporting of the Board about all operations made by the institution;
- Regular meetings between senior management of the institution and the investors and shareholders;
- Regular information sessions organized by senior management of the bank, in particular the managing director and the head of the financial department, intended for shareholders, market analysts and journalists of the financial press.

ATTACHMENTS OF GOVERNANCE CODE:

• Annex 1: The Charter of the Member of the Board of Directors

Art.1- Administration and social interest

Each Board member shall act in all circumstances given priority to the corporate interest of the bank.

Art.2- Compliance with laws, regulations and articles of association

Each member of the Board must take the full measure of their rights and obligations.

Art.3- Exercise of functions: Guidelines

The member of the Board performs his duties with independence, integrity, diligence, loyalty and professionalism.

Art.4- Independence and duty of expression

The member of the Board shall preserve in all circumstances independent judgment, decision-making and action. He is not to be influenced by any factor foreign to the corporate interest he seeks to uphold.

He /she alerts the Board on any item of knowledge it seemed likely to affect the interests of the bank.

He /she has a duty to articulate their questions and opinions. He assures to the extent possible the convincing of the Board of Directors of the relevance

of his positions. In case of disagreement, he/she ensures that they are explicitly recorded in the minutes of the deliberations.

Art.5- Independence and conflict of interest

In general, the participation in the Board should not be used to acquire, use, or disseminate information in conditions that are not in harmony with the ethics in order to develop its own current or future activity.

The member of the Board shall endeavor to avoid any conflict that may exist between its moral or material interests and those of the bank. He informs the Board of any conflict of interest in which he may be involved. In cases where he cannot avoid being in a conflict of interests, he should not take part in debates as well as in the decisions regarding related matters.

Art.6- Loyalty and good faith:

A Member of the Board takes no initiative which could harm the interests of the bank and acts in good faith in all circumstances.

He personally undertakes to respect the full confidentiality of the information he receives, of the debates in which he participates and of the taken decisions.

He is prohibited from using for personal gain or for the benefit of anyone else privileged information to which he has access.

Art.7- Professionalism and Commitment

The Member of the Board of Directors binds himself/herself to devote the necessary time and attention to his/her duties.

1. He/she is to acquire knowledge of specificities of the Bank, its challenges and values, including by raising questions to its principal officers.
2. He/she attends the Board's meetings with assiduity and diligence. He does his utmost to participate in at least one of the specialized committees of the Board.
3. He /she attends the General assemblies of Shareholders.
4. He /she does his/her best to get in the appropriate deadlines elements which he believes indispensable for his information to deliberate with full background knowledge in the Board of Directors.

5. He/she endeavors to update the knowledge which would be useful to him and has the right to ask the bank for training that is necessary for the proper performance of his duties.

Art.8- Professionalism and efficiency

Each member of the Board of Directors contributes to the collegiality and to the effectiveness of the works of the board and the specialized committees composed within its existence.

1. He/she makes any recommendation that he considers might improve the functioning modalities of the board, notably during its periodic evaluation. He accepts the evaluation of his own action within the Board of Directors.
2. He/she endeavors with the other members of the Board of Directors to have the control mission accomplished effectively and without obstacles. In particular, he ensures that the bank procedures allowing for the control of compliance with laws and rules are in letter and spirit.
3. He /she makes sure that the decisions adopted by the members of the Board of Directors are without exception, formal decisions, properly included in the minutes of its meetings.

Art.9 – Application of the Charter

On the issue of essential principles for the good functioning of the Board of Directors, each member strives to ensure the correct application of this Charter in the bodies of governance in which he participates.

• Annex 2: The Prevention and Management Policies of Conflicts of Interests

Pursuant to Article 7 of BCT's circular No. 2011-06, BIAT formalized its policy of prevention and management of conflicts of interest.

This document seeks to define the rules which should enable the members of the Board of Directors of BIAT to avoid, insofar as possible, finding themselves in situations of conflicts of interest.

The prevention and management policy of conflict of interests define the procedures through which BIAT:

- Identifies the situations leading or likely to lead to a conflict of interests;

- Sets up a declaration and approval system to be followed by the members of the Board before they be indulged in activities likely to create conflicts with the interests of BIAT, or those of customers, suppliers or of any other intervening party.

1- What is a Conflict of Interests?

A conflict of interests is born out of a situation in which a member of the Board of Directors holds or serves to his own interest, interests that could impact his duty of being objective in the exercising of his function.

It is meant by "personal interest" an interest alien to the interest of BIAT, whether direct, that is the personal interest of the member of the Board himself, or indirect and which is that of his parents, friends, business partners or in companies in which the member occupies an office.

The personal interest can, thereby, affect the discernment of the member of the Board of Directors which is, thus, no more exclusively focused on the corporate interest of BIAT.

The personal interest can be material, as for example, gaining profit at the expenses of BIAT, or non-material such as the approval of a transaction which gives privilege to a third party.

The risk of conflict of interests concerns all the members of the Board, including the independent members.

A member of the Board may find himself in a situation of conflict of interests that can be:

- Potential, when a change in situation, whether of the member of the Board or his environment, or that of the bank itself, would in future create a situation of conflict of interests;
- Apparent, when the situation of conflict appears to well-informed third parties, susceptible of affecting the exercising of the functions of the members of the Board of Directors.
- Real, when the exercise of the rights and powers of the member of the Board has been or will be, through witness, influenced by the existence of personal interests, opposing the corporate interest of BIAT.

In general, all the situations likely to violate the loyalty, integrity, or the judgment of a member of the Board of Directors, also fall within the range that this definition covers.

Reporting and Approval Scheme

Periodicity of Reporting:

Each member of BIAT's Board of Directors should, when taking up his duties, and afterwards annually, communicate in writing to the Board of Directors the list of interests he holds toward legal entities likely to put him in a situation of conflict of interests.

Throughout his mandate, and within the framework of his duty of loyalty, as defined in BIAT's governance code, the member of the Board who finds himself in a situation of conflict of interests that is potential, apparent or real, should inform the Board of Directors.

Management of Conflict of Interests' situation:

The Board of Directors examines the situation of the concerned member of the Board, proceeds to necessary verifications, including the resort to an expertise in order to find out the occurrence or non-occurrence of the situation of conflict of interests and takes measures to safeguard the interests of BIAT.

When the Board assesses that the concerned member is in a situation of conflict of interests, the Board shall ask his non participation in the debates, as well as in all other decision makings regarding the concerned matters.

Any decision made by the Board related to the issue of conflict of interests concerning one or several members of BIAT's Board of Directors, shall be reported in the minutes of the Board; these minutes indicate, if need be, withholding of voting for one or many members of the Board of Directors or mention the fact that the Board has ruled on the absence or approbation of conflict of interests.

Within the framework of its own evaluation in accordance with Article 5 of BCT's circular No. 2011-06, the Board can annually ask two of its members to examine the conditions in which the question of conflict of interests situations was managed within the Board, and to suggest recommendations, including the review or the updating of the this document.

Annexe 3 : The Policy of Financial Communication:

The obligation of Financial Communication

This obligation concerns the periodic information, the occasional information, as well as the privileged information.

- 1) Periodic information relate to the annual report publication, to the annual and biannual results, as well as the quarterly indicators, such is in the conditions set forth by the regulations in force.
- 2) Occasional information are those, in the case where they were made public, could have an influence on BIAT's share price.
- 3) Privileged information for projects or investments, which if made known to competitors, will have their value affected and will also harm the competitive position of the bank.

BIAT, within this precise framework, communicates general information, while specifying that at the same time that some information has not been published as well as the motive behind such decision.

Principles of Financial Communication

The policy of the BIAT's financial communication aims to ensure the simultaneous, effective and integral disclosure of information that are pertinent, exact, precise and sincere, disclosed on time and homogeneous compared with the preceding publications.

Within this framework, BIAT:

- 1) Ensures that the information is accessible to all at the same time;
- 2) Publishes exact, accurate and genuine information;
- 3) Ensures the effective and integral of the information of a regulatory nature with respect to the conditions set forth by the regulations in force.

5.1.6 Charter of the Permanent Committee of Internal Auditing

In accordance with the provisions of Article 49 of law No. 2016-48, pertaining to credit institutions and to Article 23 of the Central Bank of Tunisia's circular No. 2011-06 dated the 20th of May 2011, reinforcing the rules of good governance in credit institutions, the Board of Directors ("the Board") of the "Banque Internationale Arabe de Tunisie" [BIAT] created a permanent committee of internal auditing ("The Committee").

The composition, the attributions and the rules of functioning of the committee are determined in accordance with the provisions of the current charter.

Composition

The committee is composed of at least three members appointed by the Board, particularly for their qualifications in the financial, accounting and control sector; their mandates should be in conformity with their mandates in the Board.

Members of the committee may be re-elected; in case of office vacancy in the committee, the Board should, without delay, fill such vacancy.

The committee is chaired by a member of the Board having the quality of independent board member within the meaning of article 47 of the circular No. 2016-48 and the article 13 of the Central Bank of Tunisia's circular No. 2011-06 dated the 20th of May 2011, and having a qualification and expertise in financial and accounting sector.

In accordance with the decision of the Board of Directors dated the 29th of September 2017, the committee is composed as follows:

- **Chairman:**

- o Mr. Mehdi SETHOM, Independent Member

- **Members:**

- o Mr. Tahar SIOUD: Director representing the interests of small shareholders,

- o Mr. Jean MESSINESI : Director

- o Mr. Sami HACHICHA : Director

The members of the Board are not eligible to be members in the Risk Committee as indicated in Article 50 of the circular No.2016-48.

Members of the General Management cannot be members of the committee.

The committee can call to its meetings or to a part of them, any member of the General Management, the auditors, as well as any one responsible for an internal structure of the bank or subsidiary of BIAT group whose presence is deemed useful.

Attributions: The committee assists the Board in the making of strategic decisions and in performing its duty of monitoring; in this context it is required to:

- Ensure the consistency of the measurement, monitoring and risk management systems, and ensure the clarity of the information provided.

- Analyze the insufficiency in the functioning of the internal control system by the different control bodies and ensure the setting up of corrective measures;
- Examine intermediary and annual financial statements of the bank and the annual report as well, before submitting them to the Board;
- Suggest the nomination of the auditors and provide an opinion about their work programs and the results of their audits;
- Consider any event or any operation that may affect the financial situation of the Bank, its business activity or its reputation and brought to its knowledge by the Auditors.
- Examine any statement of the bank before its submission to the supervising authorities.
- Control and coordinate the activities of the General Control structures, as well as the other bodies in charge of control missions;
- Ensure that the General Control Structures have the logistics and human sources enabling them to perform their missions effectively;
- Notify the Board of the nomination of the officer of General Control and of his collaborators, and give notice of promotions and remuneration;

The committee may, in the case where particular circumstances require it, suggest to the Board that the General Management expedite missions or inquiries.

The Chairman of the committee presents, during the meetings of the Board, the synthesis of works of the committee as well as the recommendations he makes.

The Committee submits annually its activity report to the Board.

Operating Rules

Frequency

The committee meets at least six times per year on the convocation of its Chairman and each time he deems such to be useful. The chairman can delegate this power to the committee secretary.

Quorum

The committee can only validly deliberate with the presence of at least three of its members. Should the

Chairman have an impediment; the chairmanship is entrusted to one of the committee members chosen by his peers.

The participation of a member in the work of the Committee by videoconference or audio-conference is equivalent to an effective presence and confers on him the right to vote as well as the right to remuneration decided by the Board of Directors.

Committee Decisions

The decisions are adopted by the majority of the present members. In case of a tied-vote, the question matter is submitted to the Board.

The committee deliberations are recorded in a meeting minutes which is transmitted to all the members of the Board during the following meeting.

Secretariat

The secretariat is ensured by the General Control. In this light, in collaborating with the project management office of the Bank, it is in charge of:

- Preparing the agenda which it submits beforehand to the Committee Chairman;
- Managing the relations with the bodies of the bank which are concerned with the agenda;
- Ensuring the collection and the centralization of any document prepared for the needs of The committee;
- Elaborating the minutes of each meeting of the committee.

Monitoring decisions taken by the committee

The monitoring of the implementation of decisions taken by the committee is ensured by the PMO bank office.

Relations with the Board and the Operating Bodies of the Bank

For the purpose of exercising its missions, the General Management provides the committee with all useful

documents or information. In this light, the different bodies of the bank forward to the committee's secretariat, particularly the following documents:

- The reports of control missions as well as the recommendations' monitoring;
- The documentation related to the means destined to ensure the good functioning of internal control;
- The notes concerning the development strategy of the bank and the financial projections;
- The intermediary and annual financial statements before their submission to the Board for approval;
- The notifications of the documentary and on the spot control results of Central Bank of Tunisia;
- The auditing reports written by the competent public authorities and by the auditors;
- The reports of rating agencies;
- The reports referred to in Articles 52 and 53 of BCT's circular No. 2006-19 pertaining to internal control.

5.1.7 Charter of the Executive Credit Committee:

In accordance with the provisions of the Articles 23 and 24 of the Central Bank of Tunisia's Circular No. 2011-06 dated the 20th of May 2011, reinforcing the rules of good governance in credit institutions, the Board of Directors ("The Board") of the Banque Internationale Arabe (Arab International Bank) created an executive credit committee ("the Committee").

The Committee is no longer mandatory within the meaning of the law 2016-48). However, the Board of Directors has decided to maintain it.

The composition, attributions and the rules of the committee functioning are defined according to the provisions of the current charter, and to the principles stated in the governance code of the bank.

Composition

Members

The executive credit committee is an emanation of the Board of Directors and whose members are

appointed by this latter. It has at least 3 members who have no seats in any other committee. Their mandates should be in accordance with that in the Board.

The members of the committee should have solid qualification and a good expertise when it comes to loans or are ready and able to acquire the necessary knowledge at a reasonable time.

In the case of a vacancy in the committee, the Board should, without delay, fill such vacancy. Besides, the Board can decide to replace a member of the committee at any time.

Chairman

The chairman of the committee is appointed by the Board.

Quorum

The quorum is set at three members. When the chairman is prevented from attending, the chairmanship of the committee is entrusted to one of the committee members, having the quality of director, and who shall be chosen by his peers.

Secretariat

The secretariat is ensured by the Risk Department, a body in charge of the management of credits. In this light, it is in charge of:

- Preparing the agenda projects which it submits beforehand to the Committee's chairman
- Managing the relations with the bodies of the bank concerned with the agenda.
- Ensuring the collection and centralization of documents prepared for the committee need.
- Elaborating the minutes of every committee meeting.

Monitoring the implementation of the decisions taken by the committee

Monitoring the decisions taken by the committee is ensured by the PMO of the Bank.

Attributions

The Executive Credit Committee has as mission to examine the financing activity of the bank.

In this light, it gives its opinion to the Board about some categories of loans, among which are the following:

- The restructuring loans whose value and duration exceed the limits fixed by the Board
 - The loans which lead to an exceeding of engagements compared to the limits determined by the committee of risks and approved by the Board.
 - The loans granted, restructured or cancelled for the benefit of persons who have relations with the bank within the meaning of article 23 of law No. 2001-65 dated the 10th of July 2001 pertaining to credit institutions and of article 200 of the code of commercial companies.
 - The loans given to the customers classified in the bank or in other loan institutions, within the meaning of BCT's circular No. 91-24.
 - Receivables classified at the bank or at other credit institutions within the meaning of BCT's circular No. 91-24.
 - The write-offs and the losses exceed the limits determined by the board.
- It can suggest recommendations for the review of the financing policy of the bank concerning particularly:
- The appropriation of loans according to nature, region, and economic sector;
 - The maximum limits of risk concentration per beneficiary.

Meetings

The committee meets as often as it deems useful, but at least six times per year, by convocation of its Chairman. Except in the case of emergency, the call for a meeting is made at least, one week before the meeting.

The Chairman should call for the committee meeting whenever it's requested by one of the members.

Only the members of the Executive credit Committee are authorized to attend the meetings of the executive

credit committee. Nevertheless, the committee can invite any internal officers of the bank to take part in all or in part of the meeting session when their presence is deemed useful.

Decisions are adopted by the majority of the attending members. In case of a tied vote, the question matter is raised to the Board.

It is forbidden for the non- executive members of the Board to take part in the decision making submitted to the executive credit committee, in case where their presence implicates a situation of conflict of interests or the non-justified access to privileged information.

Reporting

Minutes, is established after each meeting by the committee's secretary, in which are recorded the opinions about the examined loans. It is submitted to all the members of the Board during the following meeting of the Board.

The PMO Bank member in charge of monitoring the decisions taken by the committee addresses signed-minutes extracts to the persons nominated to fulfill procedures or to information recipients.

The committee will submit to the Board an annual report concerning the activity of credit of the bank, during the meeting held for the examination of the annual financial statements of the bank. This report will provide details on the activity of the committee.

The PMO Bank member present, at the beginning of every meeting, a report concerning the progress made on the decisions taken during the preceding meetings.

Evaluation

The Executive Credit Committee reconsiders, every year, its functioning modalities, examines its own efficiency and makes effective any necessary change after the approval of the Board.

Relations with the Board and the Operating Bodies of the Bank

The Board authorizes the Committee to:

- Examine any field related to that of attributions
- Receive from other bodies of the bank and from the General Management, all the information necessary for the fulfillment of its mission and communicate the documents it deems useful, in particular:

- o The reports of control achieved by the competent public authorities, the auditors....,
- o Macro-economic, sectoral, regional, or specific, retrospective or prospective studies.
- o The notes on the strategy of development of the bank and the financial projections.
- o The reports of the rating agencies.
- o The notifications of the documentary and on the spot control results of Central Bank of Tunisia;

The committee can suggest to the Board to be commissioned by the General Management to undertake any mission or enquiry when special circumstances so require.

5.1.8 Charter of Risk Committee:

In accordance with the provisions of the Articles 23 and 27 of the Central Bank of Tunisia's Circular No. 2011-06 dated the 20th of May 2011, reinforcing the rules of good governance in credit institutions, the Board of Directors ("The Board") of the Banque Internationale Arabe de Tunisie (Arab International Bank of Tunisia) created a Risk Committee ("the Committee").

The composition, attributions and the rules of the committee functioning are defined according to the provisions of the current charter, and to the principles stated in the governance code of the bank.

Composition

Members

The risk committee is an emanation of the Board of Directors and whose members are appointed by this latter. It has at least 3 members who have no seats in any other committee. Their mandates should be in accordance with that in the Board.

Committee members should have a solid qualification and good expertise in banking risk management or be ready and able to acquire the necessary knowledge within at a reasonable time.

Members of general management cannot be members of the Risk Committee.

In case of a vacancy in the committee, the Board should, without delay, fill such vacancy. Besides, the Board can decide to replace a member of the committee at any time.

Chairman

The chairman of the committee is appointed by the Board and should be obligatorily an independent director (within the meaning of article 13 of BCT's Circular No. 2011-06 dated the 20th of May 2011), having a solid qualification and good expertise in risk management.

Quorum

The quorum is set at three members. When the chairman is prevented from attending, the chairmanship of the committee is entrusted to one of the committee members, having the quality of director, and who shall be chosen by his peers.

Secretariat

The secretariat is ensured by the Risk Department, a body in charge of the management of risks. In this light, it is in charge, in collaboration with PMO of the bank of:

- Preparing the agenda projects which it submits beforehand to the Committee's chairman
- Ensuring the collection and the centralization of the documents prepared for the needs of the committee
- Elaborating the minutes of every committee meeting.

Monitoring the decisions taken by the committee

Monitoring the decisions taken by the committee is ensured by the PMO of the Bank.

Attributions

The Committee of Risks has as mission to support the board fulfilling its responsibilities related to the management and monitoring risks and in compliance with the regulations and policies decided in the subject.

Within this framework, it is required to:

- Develop and update the management strategy of all risks incurred by the bank including credit, market, liquidity and operational risks, taking into consideration the risk-appetite of the Board, the

financial situation of the Bank, and its capacity of managing and controlling the risks within the framework of such strategy.

- Set the exposure limits of exposition to, and the operational ceilings of all risks. As for credit risk, it is about limits by counterparty, group, class of risk, sector of activity, region or nature of the loan.
- Approve the measure and surveillance system of risks, the tools and standards of risk assessment, as well as the delegations of power in the matter of risk taking.
- Monitor the General Management's compliance with the management strategy of risks as defined by the Board.
- Analyze the bank exposure to all the risks it incur including credit, markets, liquidity and operational risks and monitor the compliance of exposure limits.
- Evaluate the policy of provisioning and ensure the permanent adequacy of equity capital
- Study the risks resulting of the strategic decisions taken by the Board
- Examine the scenarios of stress testing and analyze its results
- Approve the activity continuity plans
- Give its opinion to the Board concerning the nomination of the risk department manager and his remuneration
- Ensures that the risk office and the other concerned entities have the human and logistic means necessary to accomplish effectively their mission
- Propose to the board methodologies of integration of the risk component in the performance criteria.
- Ensure the monitoring of loans granted to customers whose commitments exceed the amounts provided for in article 7 of the BCT's circular No. 91-24 dated the 17th of December 1991 pertaining to the division and coverage of risks and to commitments monitoring.

Rules of Functioning

Meetings

The committee shall meet, on the convocation of its Chairman, as often as it deems useful, and at least six times per year. Except in cases of emergency, the convocation is made at least one week before the meeting.

The Chairman should call for a committee meeting whenever it's requested by one of the members.

Only the members of the Risk Committee are authorized to attend the meetings of the committee of risks. Nevertheless, the committee can invite any internal officer of the bank to attend all the committee meeting or part of it, whenever his presence is deemed useful.

The decisions are adopted by the majority of the attending members. In case of a tied vote, the question matter is raised to the Board.

Reporting

Minutes shall be established after each session by the Committee's secretary, in which are recorded among other things, the recommendations of corrective actions to improve the management of the bank risks. It is submitted to all the Board members during the following meeting.

The secretary addresses signed minutes' extracts to the persons nominated to fulfill the decisions taken, or to the information recipients.

The committee will submit, to the Board, an annual report on the governance of risks within the bank, during the meeting held about the examination of the bank annual financial statements. This report will provide details on the activity of the committee.

Evaluation

The Committee of Risks reconsiders on yearly basis its functioning modalities, examines its own effectiveness and sets up any necessary changes after approval of the Board.

Relations with the Board and the Bank Operational Structures

The Board authorizes the committee to:

- Examine all domains falling within the scope of these attributions
- Receive from other bank bodies and the General Management any information necessary to the fulfillment of its mission and all documents it considers useful; particularly:

- o The reports of control achieved by the competent public authorities, the auditors...,
 - o macro-economic, sectoral, regional, or specific, retrospective or prospective studies
 - o The notes on the strategy of development of the bank and the financial projections
 - o The report of social and environmental performance
 - o the reports of the rating agencies
 - o The notifications of the documentary and on the spot control results of Central Bank of Tunisia
- The committee can suggest to the Board to be commissioned by the General Management to undertake any mission or enquiry when special circumstances so require.

5.1.9 Structure of the Shareholding and Voting Rights as at December 31st, 2019

Shareholders	Number of shares	Portion in %
A/ foreign shareholders	200 027	1,18%
B/ Tunisian shareholders	16 799 973	98,82%
* legal entities	13 148 387	77,34%
MAGHREB FINANCE HOLDING	3 480 778	20,48%
MAGHREB FINANCIERE HOLDING	2 540 446	14,94%
MENINX HOLDING	1 367 982	8,05%
HORCHANI FINANCE	953 637	5,61%
T.T.S FINANCIERE	661 118	3,89%
IFICO S,A	540 358	3,18%
TUNISIAN TRAVEL SERVICE	390 964	2,30%
INOPLAST FINANCIERE HOLDING	360 870	2,12%
CAPINVEST .	331 656	1,95%
GAT	264 441	1,56%
LA FINANCIERE WIDED-SICAF FWS	227 473	1,34%
S.P.D.I.T.	186 708	1,10%
OTHER	1 605 866	9,45%
*Natural Person	3 651 586	21,48%
MILAD KARIM	435 809	2,56%
FAKHFAKH HEND	274 539	1,61%
KAMOUN HABIB	262 629	1,54%
FAKHFAKH KHALED	241 840	1,42%
MILAD DORRA	186 431	1,10%
MILAD MERIEM	183 062	1,08%
OTHER	2 067 276	12,16%
TOTAL	17 000 000	100,00%

The 17,000,000 shares represent the capital of the bank entail 17,000,000 voting rights.

5.1.10 Obligations and Commitments of the Bank toward Executives

1. The obligations and commitments toward executives as referred to in article 200 new II-5 of the code of commercial companies are as follows :

The Chief Executive Officer's remuneration is set by the committee established under the Board of Directors meeting on May 24th, 2017. This remuneration amounted for the year 2019 to a gross amount of TND 969 million, including employer's expenses of TND 205 million, the salary, the allowances and the pension provision.

- Furthermore, the Chief Executive Officer received a compensation of TND 18 million as a member of the Executive Credit Committee.

The Chief Executive Officer also benefits from a company car with driver and assumes the additional costs.

2. The obligations and commitments of BIAT towards its directors, for the financial year ended as at December 31st, 2019, are as follows (in TND):

Nature of the benefit	Managing director		DGD of Bank Detail		Directors	
	Expense of the Financial year	Liabilities on 31/12/2019	Expense of the Financial year	Liabilities on 31/12/2019	Expense of the Financial year	Liabilities on 31/12/2019
Short-term benefits (*)	1 017 938	112 317	1 540 609	-	666 000	564 000
Post Retirement benefit	-	-	-	-	-	-
Other long term benefits	-	-	-	-	-	-
End of Contract indemnities	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-
Total	1 017 938	112 317	1 540 609	-	666 000	564 000

(*) : Remuneration services, social security contributions and paid leave to corporate officers ;attendance fees and other remunerations paid to directors.

- The remuneration of the Deputy Chief Executive Officer in charge of retail banking is set by the committee established under the Board of Directors meeting on May 24th, 2017 and amounted, for the financial year 2019, to a gross amount of TND 1.541 million, including remuneration at retirement of TND 564 million and the employers' expenses of TND 321 million .

- The members of the Board of Directors are remunerated by attendance fees set by the Ordinary General assembly of march 15th, 2019. These attendance fees have reached a gross amount of TND 540 million in 2019.

In addition, the directors who sit on the delegation of the Board of Directors, the Standing Internal Audit Committee, the Credit Executive Committee and the Risk Committee, benefited from gross remuneration amounting to TND 126 for the financial year 2019.

— 5.2 General Management

Managing director

The Board of Directors meeting held on May 24th, 2017, at the end of the said meeting, renewed the mandate of Mr. Mohamed AGREBI as the Managing director for three years ending following the Ordinary General Meeting called to approve the accounts for the financial year 2019.

— 5.3 Statutory Auditors

The Ordinary General Meeting of April 26th, 2020 appointed the firm FINOR and the firm FMBZ - KPMG Tunisie as statutory auditors for a three-year period, expiring after the Ordinary General Meeting called to improve the company accounts for the financial year 2021.



BIAT'S SHARE IN THE STOCK MARKET

6.1 Trend in BIAT Share Price in 2019



The BIAT share price reached 114,0 dinars by December the 31st, 2019, thus recording a negative return of -0,42% against a return of -2,06% for the Tunindex index .

BIAT performance allowed it be on the top of the market, with a capitalization of TND 1938, 0 million.

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 2019 was 546 537.

Shareholders	2018	2019
Share Capital		
* In number of shares	17 000 000	17 000 000
* In millions of dinars	170	170
Highest price/ lowest price (in dinars)	178,00 / 117,00	123,00 / 106,10
Closing price (in dinars)	119,50	114,00
Profit after accounting per share (in dinars)	14,986	19,56
P.E.R	7,97	5,83
Dividend per share (*) (in dinars)	5,00	-
Market Capitalization (in TND million)	2 031,50	1 938,0

(*) subject to the approval of the OGA.

6.2 Undertaken Financial Communication Actions

In conformity with its strategy of communication, BIAT continued in 2019 to communicate with its shareholders through the addressing of four quarterly issues letters to the shareholder's.

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, rating agencies, etc.

A meeting caes also organized with the associations of the small shareholders.

— **7**

**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.

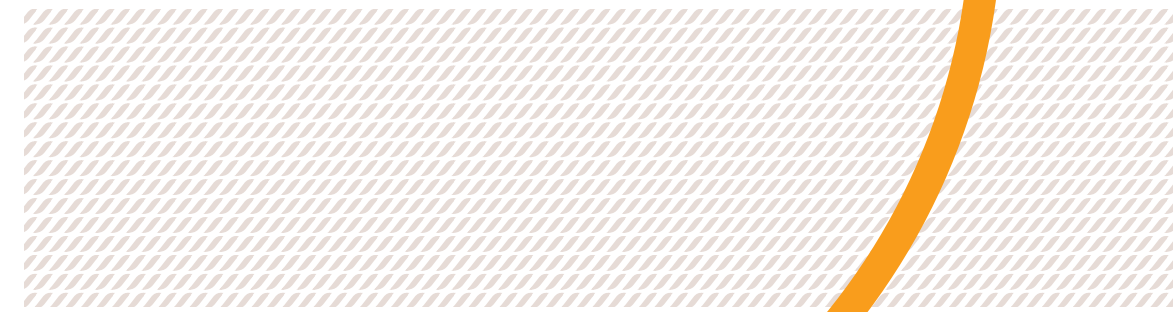
7.2 Change in Shareholder's Equity and Dividend Paid

thousand

	Other reserves						Other Equity	Results Reported	Results Of the period	Total
	Share capital	Share Premium	Legal Reserves	Ordinary Reserves	Social Funds	Exempt reinvestment reserves				
Equity on 31/12/2017 before income appropriation	170 000	43 760	17 000	77 005	101 083	245 732	3	171 564	214 017	1 040 164
AGO appropriation on 30/04/2018						100 043		113 974	-214 017	
Dividends		-43 760		-28 490						-72 250
Reserves Transfer				3 718		-3 718				
Equity on 31/12/2017 after income appropriation	170 000	-	17 000	52 233	101 083	342 057	3	285 538	-	967 914
Equity capital at 31/12/2018 before income appropriation	170 000		17 000	52 233	101 512	342 058	3	285 537	254 765	1 223 108
AGO income appropriation 26/04/2019						120 043		87 122	-207 165	
Dividends				-37 400					-47 600	-85 000
Reserves Transfer				5 400		-5 400				
Equity on 31/12/2018 after income appropriation	170 000	-	17 000	20 233	101 512	456 701	3	372 659	-	1 138 108
Equity on 31/12/2019 before income appropriation	170 000		17 000	20 232	101 977	456 701	3	372 659	333 006	1 471 578
AGO income appropriation on 03/06/2020						170 000		163 006	-333 006	
Dividends										
Reserves Transfer				22 381		-22 381				
Equity on 31/12/2019 after income appropriation	170 000	-	17 000	42 613	101 977	604 320	3	535 665	-	1 471 578



AUDIT



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

8.1.1 Excerpt from Activity Report of the Permanent Internal Auditing Committee of the Year 2019

In conformity of the decision of the Board of Directors of September 29th, 2017, the Committee consists of Mr. Mehdi Sethom, as Chairman and Mr. Tahar Sioud, Jean Messinesi and Mr. Sami Hachicha as **directors**.

The Committee met six times during the financial year 2019.

REVIEW OF THE FINANCIAL STATEMENTS

The Committee examined the individual and consolidated financial statements for the 2018 financial year, as well as the financial statements as at June 30th, 2019, prior to their submission to the Board, such in the presence of the Statutory Auditors and the Head of the Finance and Accounting Department. These discussions concerning the financial statements focused mainly on the following points:

- The level of the risk coverage ratio continues its downward trend to reach 57, 19 % at the end of 2018, compared to 63.80% in 2017. The Committee recommended that the bank should be able to align itself with the trends in the sector, which are close to 70%,
- The bank encounters difficulties in complying with the minimum thresholds of the regulatory ratios, particularly following the tightening of these ratios by the BCT. The Committee took note of the preparation of an action plan to ensure compliance with the various ratios and invited the management to regularly monitor its implementation and to keep the Committee informed.
- Committee members also welcomed the substantial improvement in the cost/income ratio (-5.23 points) which contrasts with the bank's business trends.

As part of the follow-up on the work of the Statutory Auditors, the Committee also examined a presentation on the main recommendations made in the Statutory Auditors' management letters and 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.

Internal and general control

The Committee was kept informed of the list of agreements concluded with persons having ties with the bank as defined in Article 43 of the Banking Act and Article 200 of the Commercial Companies Code.

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 examined a presentation on the organization and methods of intervention of the General Control structures and discussed synergy between these structures as well as the independence of the bodies in charge of Periodic Control from those of Permanent Control.

The Committee was informed of the findings of the work of the general control for 2018 as well as the improvement in the main risk measurement indicators at both network and central structure levels.

With respect to the AML/CFT system, the Committee members stressed the importance of enhancing the customer knowledge culture (KYC) among sales staff in order to prevent risks of money laundering and terrorist financing.

The Committee also approved the intervention programs of the General Control structures for the year 2019.

In addition, the Committee members validated the terms of reference of the internal audit mission of the AML/CFT system, to be undertaken in accordance with the regulations in force.

Renewing Term of office of the statutory auditors for 2019-2021

Upon the proposal of the audit committee, The Board of Directors renewed the term of office for the firms FINOR and KPMG Tunisie for the financial years 2019, 2020 and 2021, following the Ordinary General Meeting called to approve the accounts for the financial year 2018.



SOCIAL REPORT

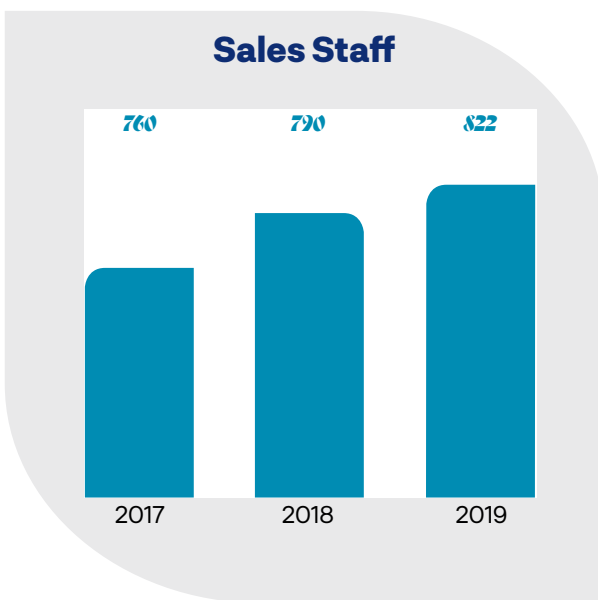
9.1 RH Indicators

9.1.1 Evolving of Personnel

In 2019, BIAT' staff stood at 1968 employees.

The ratio of productivity (Staff/ Branch) is 9.64 in 2019 against 10.03 in 2018.

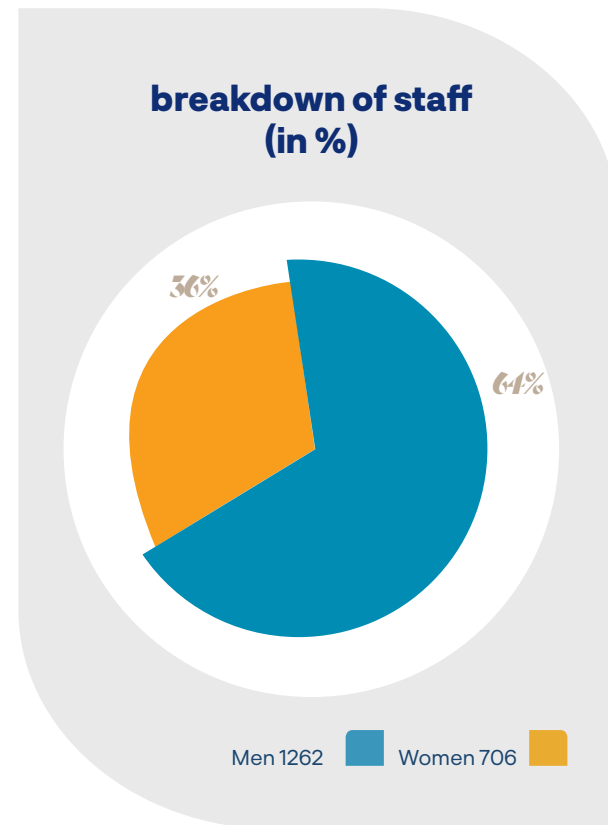
Meanwhile, it should be highlighted that in 2019 the Bank increased the sales staff to a total of 822 (or 42% of Staff). Up from 790 persons in 2018 (or 39% of Staff).



The structure of the Staff between the headquarters and the network, which keeps developing in favor of the network, represents 55% of the total Workforce of the Bank.

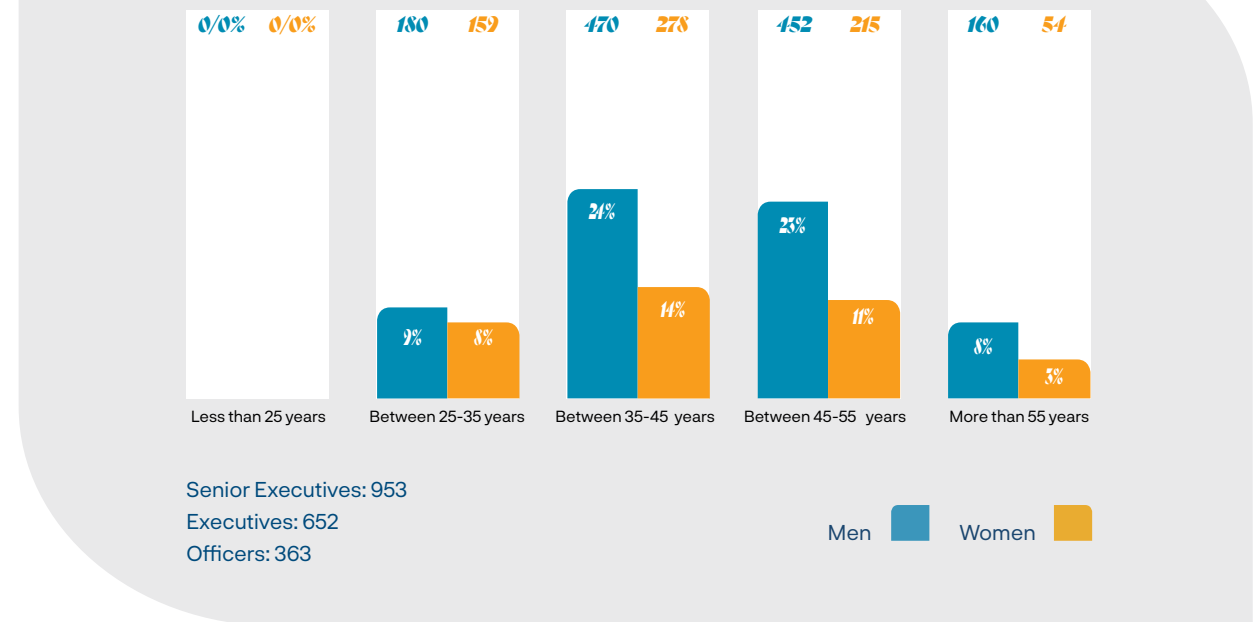
9.1.2 Breakdown of Staff

In 2019, the breakdown between Men-Women is respectively 64% and 36%.

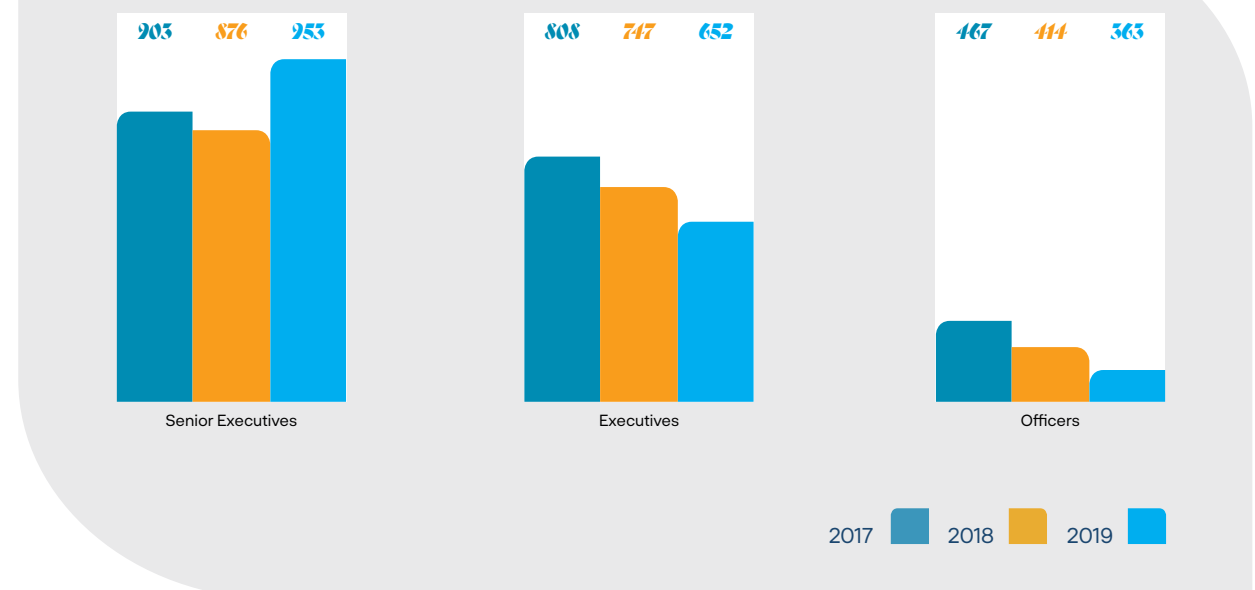


- The average age is of 43.4 years, slightly above that of 2018.
- The average seniority is 17.4 years against 16 years in 2018.

Ages Pyramid in 2019



Managerial Supervision Rate 2019



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 in the aim of contributing in the enhancement of the quality of services, and to enable personnel to evolve within the framework of the individualized professional courses. It is therefore a key player in the processes 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 teams specialized in pedagogic engineering, the administration of training, the evaluation and the capitalization of knowledge. It has 9 classrooms furnished with modern equipments and a school agency. The CDC relies on a body of internal trainers with rich and varied competencies as well as with 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. The diploma trainings: in banking, finance and management sectors in partnership with different organisms and university institutions.
 2. The certifying trainings: dedicated to the accountants, banking analysts, collectors, sales advisors of the bank, managers of loans risks and Compliance officers etc.
- **The Campus organizes an open day** inviting partner universities to present their programs and different offers for the benefit of the children of employees with a baccalaureate or pre-baccalaureate degree.
 - **Skills upgrading courses, Agency 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 has a library of specialized books and aims at collecting, processing and broadcasting information through newsletters and electronic newsletters. It organizes conferences called "Tuesdays of CDC" and reading days in the headquarters of the bank.

9.1.3 Management of Trainees Activity

BIAT is committed to a proactive approach to employability of students, welcoming, during 2019, 1436 students from various disciplines (Computer science, Finance, Management, Economics, Statistics, Commerce, etc.), received for introductory or advanced internships (72%) and for graduation projects (28%).

Furthermore, trainees represent, for BIAT, a recruitment pool of the best talents. In this regard, some partnership Agreements were signed between BIAT and some universities to ensure the training of the best students specialized in the Banking Sector.

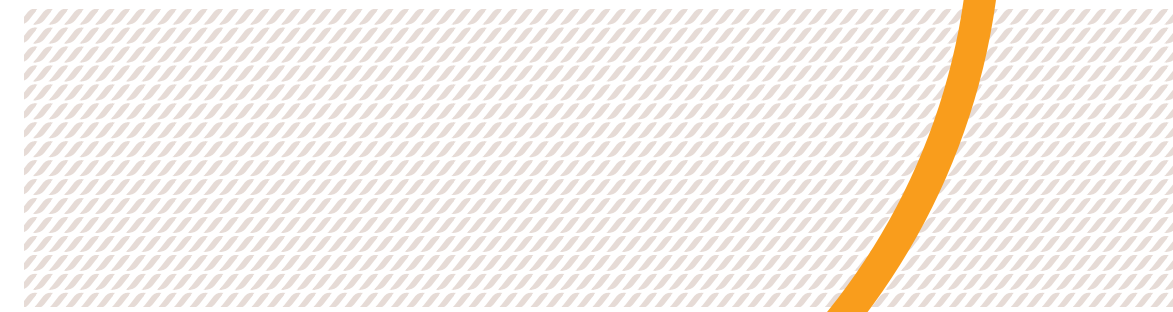
	2017			2018			2019		
	Net-work	Central Service	Total	Net-work	Central Service	Total	Net-work	Central Service	Total
Graduation projects	398	338	736	275	317	592	187	215	402
introductory / advanced internships	866	307	1173	634	336	970	728	306	1034
Total	1264	645	1909	909	653	1562	915	521	1436

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.

— **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 security and control measures which aim to ensure all risks control and enhance the regularity, safety and efficiency of the operations.

The first two levels of control are ensured concretely by the operational parties, line managers and independent operational units.

The third level is the responsibility of the independent entities emerging from the General control department. Their intervention takes place according to a missions program that is beforehand validated by the Control Committee and by the Permanent Committee of Internal Auditing.

This control level is split in two distinct systems:

The Permanent Control: it is ensured by the Management of Permanent Control Department and includes the following directions:

- Management of Permanent Control 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 watch 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.
- HISS or Head of Information System Security which ensures a permanent control of the information security through the implementation of the general information security strategy and its declination by activity. It also manages the diagnosis missions of the information system security and the intrusive tests.

The Periodic Control: ensured by the Inspection Department and the Audit 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.

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

The year 2019 was marked by the continued deployment of the Bank's efforts to comply with, in particular, those relating to the strengthening internal control rules for AML/CFT (Fight against anti-money laundering and Terrorism financing) risk management.

Compliance

During 2019, the practice of the Compliance function has affected several areas and businesses and covered many aspects relating to prevention, assistance, regulatory monitoring, upgrading and control.

Fight against anti-money laundering and Terrorism financing

The global mechanism for fight against money laundering and terrorism financing of has been enhanced by:

- Implementing self-assessment of the measures taken in this area;
- Strengthening the client recognition process and implementing the related development on the bank system;
- Establishing a process to identify the beneficial owner;
- Implementing a detailed freezing assets and screening procedures;

Training and Ethics

The bank places special emphasis on the values and principles set out in our code of ethics. Training of employees and new recruits continued during 2019 to share principles that reinforce our commitment to the bank's objectives.

The global anti-money laundering and anti-terrorist financing compliance system consolidates employees' skills by increasing the number of training and awareness-raising sessions on regulatory requirements cascaded into internal procedures on compliance in general and particularly on anti-money laundering and terrorist financing and the bank's values as set out in our Code of Conduct.

— 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.).

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.

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.

- Or positions that may give rise to currency risk, including spot or forward exchange transactions. These positions can be on or off the balance sheet.

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.

Settlement risk/delivery is defined as the risk that, during the time required to settle the settlement transaction, a failure or difficulties that prevent the bank's counterparty from delivering the agreed financial instruments or funds to the bank, while the bank has already fulfilled its commitments to the counterparty.

Operational risk is defined as 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. The definition includes, amongst others, legal risk excluding strategic and reputation risks.

Strategic risk is the risk inherent in the strategy chosen by the bank or arising from the bank's inability to implement its strategy and which may result in a decline in the value of its share.

Reputation risk is the risk of an act or event that is likely to damage the bank's reputation or brand image.

Other risks are those that remain after all preventive, protective and mitigating measures have been taken into account.

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.

Over the years, BIAT has also developed a culture of risk management and control and has gradually disseminated good risk management practices and the implementation of assessment tools.

10.2.2 Bank Objectives and Policy Regarding the Risk Management

The bank opts for an integrated risk department, which shall be independent from the other line-businesses, attached directly to the General Management and in charge of the three main risks foreseen by the Basel Committee.

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 initiated in 2019

In 2019, the bank granted its assistance to the economy in accordance with the principles set out in its declaration of risk appetite while respecting the

strategic orientations set out on credit policy as well as the regulatory provisions.

Internal rating and credit risk measurement system

Validation of the internal rating system

The second half of 2019 was marked by the launch of a quantitative validation mission of the rating system to ensure its robustness.

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 is periodically subject to a backtesting stage.

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 SNI (override analysis)
 - Test the quality of models implemented at the level of the information systems
 - Review the governance of the SNI
- 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 models through the examination of migration matrices

Internal Rating System Audit Mission

An internal audit mission of the rating system and a study of its compliance with the requirements set out

in BCT Circular No. 2016-06 on the counterparty rating system. The internal audit report did not show any qualification likely to affect the rating methodologies.

It should be recalled that, in the long term, the rating system will provide the bank with the framework for:

- Implement a rational pricing policy that takes into account the quality of risk
- Define the delegated schemes
- Integrate rating into the definition of commercial policy and the setting of exposure limits
- Measure regulatory data including required provision levels and minimum capital requirements
- Calculate the probability of default (PD) and include it in the calculation of the Expected Credit Loss (ECL) at the level of the impairment models as required by accounting standards IFRS9.

Implementation of IFRS standards

Pursuant to the decision of the National Accounting Council (Conseil National de la Comptabilité) dated 6 September 2018, relating to the adoption of IFRS accounting standards for the financial statements for the year ended December 31st, 2021 and circular of the central bank BCT of 29 January 2020 relating to the first measures to be implemented for the adoption of IFRS standards by banks and financial institutions and the Financial Market Council's press release dated 11 February 2020 relating to the transition to IFRS accounting standards, the BIAT launched at the beginning of the first quarter of 2020 a scoping mission prior to the implementation of IFRS standards through:

- Development of a strategic plan for the implementation of the IFRS standards project, including in particular:
 - A project roadmap
 - The project team and the structures involved
 - The strategic and operational steering process of the project
 - The measures required for the adoption of information and accounting system meets the IFRS standards
 - An internal and external communication plan
 - A training plan for all stakeholders in the project
- Setting up a project steering committee in charge of:

- Setting up the project team
- Monitoring and control of the project's progress
- Follow up the objectives in compliance with the strategic orientations
- Coordination between business lines and support functions
- Validation of the project key phases

The IFRS standards project aims to prepare the consolidated financial statements ended as at December 31, 2021 in accordance with the new IFRS and to implement the procedures, processes and information systems required for the preparation of the various reporting (IFRS, BCT, etc.).

Scoreboard for production follow-up

Following difficulties encountered by the banking system in managing liquidity, a Scoreboard for credit production follow-up intended for the network and all staff involved in the process of granting loans in dinars was developed by the Risk Department's Reporting Directorate.

Thanks to the scoreboard, outstanding loans were kept at the reference level (i.e. 31/12/2018) without the need for other instruments to hedge liquidity risk, by enabling network officers to manage extensions of credits according to the maturities of claims.

Supporting the oil mill sector and olive oil exporters

Following the publication by the Central Bank of Tunisia (BCT) of the circular note n°12-2019 enacting support measures for oil producers and olive oil exporters, debt rescheduling (including interest) was granted to those encountering difficulties with respect to payments falling due during the agricultural seasons 2017/2018 and 2018/2019. The rescheduling would be considered on a case-by-case basis over a period and based on an assessment of the beneficiary's ability to repay the loan. The rescheduled loans as well as loans extended within the framework of the 2019/2020 season are accepted for refinancing by the BCT.

Following the said circular note and the non-classification of the debts of these two sectors, banks are required, when calculating collective provisions, to assign the sectors of olive oil producers and olive oil export specific categories in the referential methodology of calculation of these provisions, while applying to them the minimum following provisioning

rates as follows: Olive oil producers: 35%; Olive oil exporters: 30%.

Setting up of the unique identifier

Following the promulgation of the law n°2018-52 of October 29, 2018 relating to the national register of companies, a careful coordination work has been undertaken in collaboration with the BCT in order to implement this new identification of legal entities while maintaining the link with the data history already recorded through old identification systems and exchanged via the BCT Data Exchange System, so as not to compromise regulatory and risk management issues and others relating to submission of reports to the Central Bank that this new method of identification of legal entities might entail.

Remote consultation service of the Central Bank of Tunisia

As part of the modernization of administrative services, the Central Bank of Tunisia has made available to the public starting from October 14, 2019 a website allowing individuals and legal entities to view their own data recorded at the BCT Information Center free of charge.

Accessing these data, however, requires a pre-registration on the website.

The activation of the accounts of natural persons requires the presence of the person concerned or his or her authorized representative at the head office of the BCT or at one of its branches or at one of the bank branches.

The activation of the accounts of professionals and companies requires the filing of a registration application at the head office of the BCT or one of its branches requesting an access activation (the application form to be downloaded from the site), a copy of the identity document of the authorized representative and a recent extract from the register of companies of less than 3 months.

This site has been certified and approved by an external IT security auditor approved by the National Agency for Computer Security in collaboration with the National personal Data Protection Agency.

Market Risk Management

Market risks are managed by the Market Risk Department.

The main aspects of market risk management are as follows:

- Daily and independent monitoring of the front office, positions and risks arising from all the bank's market activities, and the comparison of these positions and risks with the limits set ;
- Defining the functions of the databases and systems used to measure market risks;
- Examining all limit requests made by the various activities within the global authorizations granted by the managing director and monitoring their use;
- Preparing daily risk reports highlighting risk indicators and any breaching of a limit value;
- Monitoring regularly the market parameters used to calculate risks and results is ensured;
- Developing risk calculation models and independent valuation models as well as validating models used by business lines to calculate risks and the results of the operations as well as their explanation;
- Calculating equity requirements to meet potential market-related losses (BCT Circular n°2018-06/ solvency ratio).

As part of market risk governance, a quarterly Market Risk Committee is set up, for the preparation of quarterly reports analyzing the bank's achievements in market activities as well as risk indicators and the bank's exposure to market risks (foreign exchange, interest rate, liquidity and exposure to bank counterparties in terms of foreign exchange investments and signature commitments) as well as key significant events of the year.

RATE RISK

BIAT has an interest rate and liquidity risk management system that provides a global and at the same time detailed view of applications and resources and the impact generated by the variation of certain market parameters. From this point of view, BIAT complies with the regulations in force, governed by circular 2006-19 of 28 November 2006.

Interest rate risk management measures the impact on the bank's results and the value of its balance sheet in the event of an unfavourable change in interest rates.

Currently, BIAT's interest rate risk management is based on the global fixed-rate limit.

By December the 31st, 2019, the applications and resources of the bank were distributed as follows on the basis of the vision (ALM):

- 92% of the liability is made of the resources with a fixed rate and 8% of the resources with a variable rate; this structure is linked to the migration of the resources savings with variable rates to the resources with fixed rates after the BCT decision taken in 2011 to fix the remuneration of savings.
- 42% of the asset is made of the applications with fixed rate and 58% of the applications with variable rate.

The balance sheet structure is characterized by a significant production of loans indexed to the MMR and by fixed-rate deposits; this situation explains a fixed-rate limit that has been increasing continuously since 2011.

10.2.6 Operational Risk Management

In accordance with article 45 of circular 2006-19 of 28 November 2006, Operational risk is defined as follows:

«... the risk of loss resulting from deficiencies or failures attributable to the design, organization and implementation of procedures, human or technical errors and external events. The definition includes, amongst others, legal risk but excludes strategic and reputational risks...»

In accordance with this circular, BIAT has chosen to implement all the qualitative aspects of operational risk management planned.

With respect to the quantitative aspects of calculating the capital requirements to be allocated to operational risks, BIAT applies the provisions of circular 2018-06 of 05 July 2018.

Work on operational risks during 2018 focused on the implementation of the risk mapping approach by processes and its application to certain processes in the bank. Attention has been given to defining a process for managing operational risk incidents.

For 2019, a structuring project was launched with the assistance of an external firm to define the operational risk management guidelines and policy

and to validate and generalize the risk mapping process across all the bank's processes.

Thus, 6 Macro-processes have been mapped (5 Operational Macro-processes and 1 IT Macro-process) and work is underway to complete the remaining Macro-processes in the bank.

Furthermore, the process of updating the mapping via the incident database is being put in place.

10.2.7 Asset-Liability Management

The mechanism of asset-liability management (ALM) is an integral part of the overall risk management mechanism and interacts with all of its components in the aim of adequate control of exposure to various banking risks.

BIAT scales its liquidity and rates risks. The impact of a rate variation on its interest margin is estimated, and rate shocks of 200 base points or simulations of crisis are equally performed in conformity with the obligations of the Basel Committee for banking control.

BIAT has thus a mechanism of liquidity and rate risk management that favors a global and detailed vision of application and resources and the impact generated by the variation in certain parameters of the market. From this perspective, BIAT complies with the regulations in force, defined by Circular 2006-19 dated the 28th of November 2006.

- Interest Rate Risks:

By December the 31st, 2019, the applications and resources of the bank were distributed as follows on the basis of the vision (ALM):

- 92% of the liability is made of the resources with a fixed rate and of 8% of the resources with a variable rate; this structure is linked to the migration of the resources savings with variable rates to the resources with fixed rates after the BCT decision taken in 2011 to fix the remuneration of savings.
- 42% of the asset is made of the applications with fixed rate and 58% of the applications with variable rate.

Division of utilization / Resources according to the rate category as at 31/12/2019:



- Liquidity Risk:

As at December the 31st, 2019, BIAT achieved a CRL liquidity ratio of 191,57%

The bank posted an LCR higher than the 100% limit set by the BCT to reach 191,57% by the end of December 2019.

This evolution is explained mainly by the recourse decrease to BCT following the corrective actions put in place allowing BIAT to post a surplus liquidity.

11 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 individuals, professionals, TLA (Tunisians Living Abroad) and SME. As a bank of proximity, BIAT organized around a network of more than 206 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.

The branch network is strengthened by a multi-channel network: web banking, mobile banking, self-service spaces, ATMs, customer relations centers...

Thanks to a professional and specialized team deployed within the network and supported by the central structures, the Retail Bank accompanies and advises more than 920 000 individual, professional and Tunisian customers abroad in the management of their day-to-day banking activities and in carrying out their projects. SME clients also benefit from dedicated support to support their growth and meet their needs.

Retail Banking clients benefit from a full range of products and services that meet all of their banking and financial needs: everyday banking, savings, investments, consumer loans, mortgages, insurance, financing of the bank. investment, financing of the operating cycle, 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 line with the performances recorded in previous years, Retail Banking experienced in 2019 a significant increase in business activity. The targets related to its principal aggregates were met, except for deposits collection, whose performance was adversely affected by the reduction in households' propensity to save and the lack of liquidity in the market.

Alongside with these organizational measures, various actions related to marketing and commerce of operational nature was also launched in 2019 in support of the activity of branches. Among them we highlight:

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

- Launch of the contactless payment functionality with BIAT cards allowing for contactless payments with no code entry required.
- Launch of the Startup offer aimed at companies having obtained the «startup» label.
- Launch of the two variants of the Familia bancassurance product: Familia Silver and Familia Gold with guarantee ceilings based on the needs of each customer category

- The Launching of Promotional Campaigns, namely:

- The campaign of TRE
- The New Ceilings Campaign Cards
- The Contactless Payment Campaign
- The Savings Contest Campaign
- The Campaigns of Self-Service Banking of Tunis, Sfax & Monastir Mall

- The Launch of synergy commercial campaigns with the BIAT group subsidiaries (Financial products, bank insurance) and with the Commercial Banking center for the CEA conventions particularly for the different liberal trades (health professionals, architects ,.....)

- The organization of more than 150 field activities / customer events aimed at the Premium, Middle Class, TRE (trade fairs abroad) and Youth Markets/Segments. By the end of 2019, a number of regional meetings were held with health professionals.

- Development of the CRC Customer Relations Center (CRC) with the support of 29 new agencies whose calls will now be referred to the CRC, bringing to 55 the total number of agencies covered by the CRC, whose expanding activity through the 2019 indicators is highlighted as follows:

- An average of 600 calls per day,
- Nearly 2,000 claims and 60,000 requests for assistance and information managed and treated properly over the year.

- Opening of the 205th BIAT Agency at the Azur City Shopping Mall located in the Governorate of Ben Arous.

— 11.2 Funding and Investment Banking Business (FIB)

Funding and investment banking business activities are dedicated to supporting of customers who are Large Companies, Institutional and Investors and propose a complete offer structured in transverse business lines including: the markets of capitals, the “Corporate Finance”, the Capital Investment, development abroad, and the other financial activities of the group BIAT (Insurance, Financial Markets, Management of Assets...)

The logic of development of the business line FIB is articulated around the following main axes:

- Quality sponsorship of customers through, a group of persons in charge of business, highly qualified and who constitute the unique contact managing the entire relation with the customer.
- Valuation of customers' portfolio of the bank in a cross-selling logic with the different business lines of the bank.
- Well-organized business lines, competent teams offering services complying with the best standards of the local market.
- Successful subsidiaries and experts in their line of business, developing operational and commercial synergies with the bank.

Among the key actions done in 2019, we report:

- The reinforcement of the commercial activities and the clients proximity illustrated by:
 - Growth of the CIB's customer financing, reflecting our commitment to support the economy and our clients in their development project.
 - Reinforcement of the cross-selling activities with the various business lines; in particular, the insurance and financial market activities
 - The enrichment of the e-banking platform with an e-trade offer hence, enabling customers to initiate and monitor foreign trade transactions online;
 - Organization of several meetings in Tunis, Sousse, Sfax and Bizerte to present our products and services offers as well as to ensure the proximity with our business customers.
- The Consolidation of our leading position in capital markets businesses and ongoing support to our clients despite persistent tensions in the foreign exchange market.

— 12 CORPORATE SOCIAL RESPONSIBILITY

— 12.1 Support for cultural, sports and associative activities

Support for cultural, sports and associative activities:

BIAT continued its efforts to participate in the development of art in various fields and to promote Tunisian artists throughout the country.

In this respect, among the most significant events that BIAT has organized or supported, we will mention:

- The Mediterranean Film Festival of Tunisia «MANARAT»: Aware of the importance of cultural and creative industries in economic development, BIAT has consolidated its support for culture with the sponsorship of the edition 2019 of the «MANARAT» festival for the second year in a row. This festival has the particularity of offering free screenings on the beaches called «Toiles de mer» and making cinema more accessible to the general public.
- The festival of contemporary art in public space «DREAM CITY»: BIAT renews its partnership with DREAM CITY for its 7th edition, a festival of art in public space, exhibiting works resulting from an artistic manufacturing process of more than eleven months.

- The International Jazz Festival of Kef «SICCA JAZZ»: BIAT took under its wing the 2nd edition of the Artistic Caravan organized in the margins of the International Jazz Festival «SICCA JAZZ» to help democratize and popularize art at the level of seven delegations in Le Kef as well as to the artistic vibrancy in the regions.

- The International Film Festival of Tozeur «TOIFF»: BIAT supports the TOIFF edition 2019 in Tozeur. The festival hosts several national and international films and aspires to promote culture and cinema in the southern region, as well as the region as a film destination and attract great national and international productions and train a new generation of filmmakers.

In the field of sport, BIAT's commitment was confirmed by the strengthening of its partnership with the «Les Foulées du Mégara» half-marathon.

Organized by the association «Megara pour la Jeunesse», this event took place in the northern suburbs of Tunis for its 11th consecutive year and launch two races, on different courses.

— 12.2 BIAT Labs incubation platform “B@Labs”

B@Labs, BIAT's incubator, supported two cohorts of entrepreneurs through a tailor-made program provided by experts and mentors over several months.

Two « Investor Days » organized in honour of these two promotions sought to reward them and make their projects known to investors and potential customers present at the said events.

— 12.3 Youth BIAT Foundation

The BIAT Foundation is a concrete and lasting translation of BIAT's civic commitment and social responsibility approach through three main axes: education, culture and the promotion of entrepreneurship.

ENTREPRENEURSHIP AXIS IN 2019

The «Entrepreneurship» axis is a priority intervention axis of the BIAT Foundation. It aims to develop the entrepreneurial culture among young people and to provide support to those who embark on the entrepreneurial adventure and to those who already create value and contribute to the development of their communities and the development of Tunisia.

Also, as an endeavor that is intended to be able to bring together people from different horizons, in a rich and vibrant ecosystem, the BIAT Foundation launches a series of programs and initiatives in a dynamic and sharing spirit. Each project is a meeting place for information, training, communication and networking, bringing together startups, support structures and all those connected with the entrepreneurial ecosystem.

1/ SPARK PROGRAM

The BIAT Foundation has launched its SPARK program to encourage high school students and students aged 15 to 25 to understand and discover the world of entrepreneurship in a playful and interactive manner. SPARK is conceived around events organized in several cities of the country, with partner universities, during which young people meet business leaders and participate in practical workshops of generations of ideas, with the aim of developing their sense of initiative, team work and entrepreneurial culture.

The program revolves around two components:

- The Spark Days (December 2019 at ISET Tozeur);
- The 22 Spark Clubs active in partner universities in several regions.

2/ Open startup Tunisia

OST is the entrepreneurship and social innovation program for students, the result of a public-private partnership involving Columbia Engineering and Columbia Business School, the Ministry of Higher Education and Scientific Research, the United States Embassy, the BIAT Foundation, Africinvest, Columbia Global Centers and GoMyCode.

3/ BLOOM MASTERS

It is the largest entrepreneurship contest in Tunisia, initiated by the BIAT Foundation for Youth in Bloom Masters partnership with the MIT Enterprise Forum Pan-Arab.

This competition will honor innovative Tunisian start-ups who will also benefit from support from experts and opportunities in addition to high-level networking and visibility in the media.

With its Bloom Masters competition, the BIAT Foundation supports excellence in entrepreneurship and hopes to propel Tunisian start-ups on regional and international entrepreneurial scenes.

4/ EOT : ENTREPRENEURS OF TUNISIA

EOT is a project co-founded by the BIAT Foundation and MAZAM providing the actors of the Tunisian entrepreneurial ecosystem with an online mapping as well as analysis and development of data relating to the entrepreneurial environment through publishing studies and periodic reports in graphics which are made accessible to all those connected with the entrepreneurial ecosystem and seeking information.

5/ ENTREPRENEURSHIP CIRCLE

The BIAT Foundation organized a meeting on September 24, 2019, within the framework of the project «EOT: Entrepreneurs of Tunisia» which was devoted to CO-WORKING SPACES, catalysts of the entrepreneurial ecosystem with the revelation of the new computer graphics developed within the EOT Platform. This computer graphics traces the evolution of the state of coworking spaces in Tunisia for the year 2018.

EDUCATION AXE 2019

In the field of Education, the BIAT Foundation committed to the development of skills by supporting young people through programs that promote equal opportunities and prioritize the values of excellence by developing creativity and knowledge.

1/ GENERATION LEADERS

Promoting excellence, rewarding perseverance and the work of young people is at the heart of the BIAT Foundation's concerns.

To this end, it has set up a program of excellence: the «Elite Programme», aimed at supporting bright, motivated and active graduates to pursue their university studies. This program includes training in entrepreneurship, personal development, language training as well as cultural outings and involvement in the BIAT Foundation's community life. It also offers a scholarship that rewards their work and provides them with a financial support throughout their studies.

The program reaches more than 150 fellows from 19 governorates.

2/ WARCHETNA

The objective of the Warchetna program is to help young people in rural and peri-urban areas by rehabilitating public educational structures. Thus, the BIAT Foundation offers a new living environment to these socio-educational spaces and makes them places where young people can express themselves, acquire new skills and build themselves.

Support provided to children by the foundation through the deployment of a whole series of workshops around five themes: theatre reading, initiation to the arts, initiation to computer programming, chess games and sports activities.

3/ ENGAGE

In keeping with its values of Citizenship, Collaboration and Excellence, the BIAT Foundation launches the ENGAGE program, a program supporting the Citizens' Initiative. The initiative aims at inspiring, supporting and connecting young leaders aged between 18 and 30 years old from throughout Tunisia in order to encourage them to realize their ideas and community initiatives in their immediate environment.

Thus, ENGAGE revolves around 4 axes: (1) Training (2) Inspiration (3) Coaching (4) Project support and follow-up. Throughout the program, the leader is guided to work with the members of his team to identify and clearly define the change to be made. He or she will define his or her vision and mission to come up with an action plan that will respond to and solve the identified problem.

4/ DISCOVERY OF THE PROFESSIONAL WORLD

This project is a real bridge between the university and the company. The BIAT Foundation aims to bring students from partner universities to the reality of

the world of business, enabling them to broaden and complete their theoretical knowledge.

5/ One School Bag, One Future

For the 2019-2020 school year, more than 10,000 school bags with books and school supplies were distributed to students in 102 schools throughout Tunisia, mainly in rural municipalities with a population not exceeding 3,000. This solidarity action was initiated by the BIAT Foundation in 2015 and highlighted by the solidarity spirit shared by BIAT volunteers.

CULTURE AXE 2019

The BIAT Foundation supports, through this axis, the training and professionalization of cultural actors in various disciplines as well as it participates in the development of young talented artists by promoting the diversity of cultural expressions.

1/ EXECUTIVE MASTER MANAGEMENT AND CULTURAL POLICIES

Recognizing the role of the cultural sector in the economic recovery of the country, the BIAT Foundation launched a training program for cultural actors. The Executive Master in Management and Cultural Policies is a program initiated and supported by the BIAT Foundation and developed by the Tunis Dauphine Institute under the supervision of the Tunisian Ministry of Cultural Affairs. It aims at training professionals of the cultural sector in management and administrative management of cultural organizations as well as in the implementation of a cultural policy.

2/ INN DESIGN

INNDESIGN is a program organized around workshops and challenges specially dedicated to students of art and design schools located in Tunisia.

The aim of this project is to cultivate the appetite of young creators with an entrepreneurial spirit. Inn Design promotes interdisciplinarity in the training of young students, by creating an interaction between the academic and professional worlds.

13 FINANCIAL STATEMENTS 2019

13.1 AUDITOR'S GENERAL REPORT ON THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

RAPPORT GÉNÉRAL DES COMMISSAIRES AUX COMPTES

EXERCICE CLOS LE 31 DÉCEMBRE 2019

To the Shareholders of Banque Internationale Arabe de Tunisie "BIAT" Dear Sirs,

I. Audit report of the financial statements

Opinion

We have audited the accompanying financial statements of Banque Internationale Arabe de Tunisie «BIAT», which comprises the balance sheet as at December 31, 2019, as well as the off balance-sheet commitments, the income and cash flows' statements and a summary of significant accounting policies and other notes. These financial statements were approved by the Board of Directors on March 18, 2020 on the basis of the elements available at that date in an evolving context of the health crisis related to covid-19 and show positive shareholders' equity of **1 471 578 KTND**, including the profit for the financial year amounting to **333 006 KTND**.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Banque Internationale Arabe de Tunisie « BIAT » as at December 31, 2019 and the results of its operations and its cash flows for the financial year then ended in accordance with Generally Accepted Accounting System in Tunisia.

Basis for opinion

We conducted our audit in accordance with professional standards applicable in Tunisia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank «BIAT» in accordance with the rules of professional ethics that apply to the audit of financial statements in Tunisia and we have fulfilled our other ethical responsibilities in accordance with these rules. 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 for 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.

We identified the following key audit matters :

Evaluation of customer's commitments

Key Audit Matter	Audit Procedures
<p>The Bank is exposed to counterparty risk both on its portfolio of direct commitments and on off balance sheet commitments granted to customers. This inherent risk in the banking business constitutes a major area of attention because of the importance of the judgment required for its estimation and the significant size of receivables in the Bank's balance sheet (64 %) totaling 10 389 129 KTND as at 31 December 2019 and the net cost of risk associated with the level of profit for the year, which amounts to 89 518 KTND in individual provisions and 2 018 KTND in collective provisions.</p> <p>The accounting rules and methods relating to the valuation and the recognition of bad debts and their depreciation, as well as additional information on these items in the annual financial statements, are disclosed in the notes to the financial statements, respectively to the financial statements. Note II-3 « The evaluation of the receivables rules», Note III-3 « Customer loans » and Note VII-3 « Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities».</p> <p>The valuation of the commitments and the valuation of the provisions involve a high degree of judgment and considering the importance of customers' commitments, we consider that this caption constitutes a key Audit Matter.</p>	<p>We have obtained an understanding of the procedures put in place by your Bank, and have assessed the correct implementation of key controls, as well as their ability to prevent and / or detect material misstatements, with a focus on:</p> <ul style="list-style-type: none"> - the supervisory mechanism put in place regarding the process of depreciation of customer commitments; - the reliability of the information provided by the Bank concerning customers whose outstanding amounts show impairment's indicators; - the procedures and controls defined by the Bank to manage counterparty risk identify clients to classify, provision, and determine the minimum level of provision required by banking regulations. <p>In our customer engagement review procedures, we have taken a risk-based approach to sampling.</p> <p>We have assessed the repayment capacity of debtors and assessed the classification, taking into account late payments, accounts receivable financial information, future business prospects, collateral valuation reports and other available information.</p>

Valuation of Investment portfolio

Key Audit Matter	Audit Procedures
<p>The Bank carries out an evaluation of its investment securities' portfolio at each closing date. This assessment constitutes a major area of attention because of the importance of the judgment necessary for its estimation and the significant importance of the «Investment Portfolio» item in the Bank's balance sheet (12%), which totals as at December 31, 2019, 2 017 817 KTND, as well as the weight of related income which amounting during the year to 114 036 KTND.</p> <p>The accounting rules and methods relating to the valuation and accounting of investment securities, as well as additional information on this item in the annual financial statements are disclosed in the notes to the financial statements, respectively under Note II-4 «The rules for valuing securities», Note III-5 «Investment portfolio» and Note VII-1-4 «Investments portfolio revenues».</p> <p>The valuation of Investment portfolio involves a high level of judgment regarding the specificities of the methods used and given the importance of the «Investment portfolio» item, we consider that this caption is a key audit Matter.</p>	<p>In particular, our audit procedures of the investment portfolio consisted of:</p> <ul style="list-style-type: none"> - Verifying the internal control procedures put in place by the bank in this respect, particularly with regard to the monitoring and evaluation of these assets and carry out enforcement tests in this respect. - Ensuring compliance with the rules provided by accounting standard NCT 25 relative to the securities' portfolio in banking institutions. - Appreciating the relevance of the methodology adopted by the bank in terms of the completeness of taking into account the income from investment securities, their evaluation and their connection to the financial year, in particular by examining the bases and modalities of their determination according to available information. - Verifying the appropriateness of the valuation method used for each security category and that it is adapted to the nature, characteristics and circumstances of the investment made. - Appreciating the reasonableness of the valuation of each category of investment securities and check the procedures for determining and recognizing the required provisions. - Verifying the accuracy of the investment securities' portfolio data provided in the notes to the financial statements.

Recognition of Interests and other similar revenues

Key Audit Matter	Audit Procedures
<p>As indicated in the note VII-1-1 to the annual financial statements, Interests and other similar revenues from credit transactions amounting to 1 093 784 KTND at December 31, 2019 and represent the largest revenue item of the Bank's operation (72%).</p> <p>Because of their composition, their amounts, and the specificities of the rules of their accounting under Note II-1 «The rules of taking into account products», As well as the large volume of transactions and the complexity of the rules' calculation of suspended revenues, even slight changes in interest rates and durations could have a significant impact on the net banking income and, consequently, on the profit for the year and the equity of the Bank.</p> <p>For this reason, we consider this section to be a key Audit Matter.</p>	<p>Our audit procedures of Interests and other similar revenues included:</p> <ul style="list-style-type: none"> - Assessment the information system, policies, processes and controls put in place to recog-nize revenue from credit operations. - Verify the effective application of the automated or manual controls in place. - Carry out substantive analytical procedures on the development of outstanding interest and similar income. - Verify compliance with accounting standard NCT 24 «Commitments and related revenues in banking institutions» in terms of income recognition and separation of accounting periods "Cut off principle". - To carry out, by the sampling technique, detailed tests on the calculation of the breakage of the bank's revenues. - Perform tests to verify the validity of the suspended revenues based on a representative sample. - Verify the appropriateness of the information provided in the notes to the financial state-ments.

Emphasis of matter

As indicated in Note IX "Events subsequent to the closing date", the first quarter of 2020 was characterized by the outbreak of an unprecedented health crisis linked to the spread of the coronavirus (COVID-19) which was classified as a pandemic by the World Health Organization on March 11, 2020, having affected countries around the world and whose final impacts on the entire global economy and on monetary and financial markets remain uncertain.

In order to mitigate the economic and financial repercussions of this pandemic at the national level, exceptional measures of an economic and social nature have been taken by the public authorities, including in particular the general lockdown, the reduction of the key interest rate by 100 basis points and the postponement, under certain conditions, of the maturities of loans granted to companies, professionals and individuals, relating to the period from March 1 to September 30, 2020, as provided for by BCT circulars n° 2020-06 of March 19, 2020 and n° 2020-07 of March 25, 2020.

The virus prevention measures that can be further strengthened and last over time, as well as the lack of visibility on the economic and social fallout of this epidemic, are risk factors that may have an unfavorable impact on the bank's activities and its results operation as well as the structure of its uses and resources.

However, given the strength of its current financial situation, the BIAT now has significant resilience factors enabling it to face this crisis and ensure the continuity of its activities.

As things stand and taking into account the foregoing, this is a significant event subsequent to December 31, 2019, which does not give rise to adjustments to the financial statements closed on that date and for which the estimate of possible financial impact cannot be made in a reasonable manner at this time, given the rapidly changing situation.

These financial statements are approved and authorized for publication by the Board of Directors on March 18, 2020.

Our opinion remains unchanged on this point.

Management Report

The management report is the responsibility of the Board of Directors.

Our opinion on the financial statements does not extend to the Management Report and we do not express any form of assurance on this report, as approved by the Board of Directors on March 18, 2020.

In accordance of article 266 of the Commercial Companies' Code, our responsibility is to verify the accuracy of the information given on the accounts of the Bank in the management report by reference to the data appearing in the financial statements. Our work consists in reading the management report and, in so doing, assessing whether there is a material inconsistency between it and the financial statements or the knowledge that we acquired during our audit, or if the report otherwise seems to have a significant anomaly. If, based on the work we have done, we conclude that there is a material misstatement in the Management Report; we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements, in accordance with the corporate accounting system and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of director are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless the board of director either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The governance of bank is responsible for overseeing the bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 auditing Standards in Tunisia, 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 financial statements.

As part of an audit in accordance with international Auditing Standards in Tunisia, we exercise 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 and related disclosures made by management, as well as related information provided by management;
- We reach a conclusion as to the appropriateness of management's use of the going concern accounting principle and, based on the evidence obtained, whether or not there is significant uncertainty related to events or situations likely to cast significant doubt on the bank's ability to continue as a going concern. If we find material uncertainty, we are required to draw the attention of readers of our report to the information provided in the financial statements about this uncertainty or, if this information is not adequate, to express an amended opinion. Our conclusions are based on the evidence obtained up to the date of our report. Future events or situations could cause the bank to cease operations.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate to the governance officers, in particular, the expected scope and timing of the audit work and our material findings, including any significant internal control deficiencies that we may have identified during our audit.

We are also required to provide governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Among the issues communicated to those charged with governance, we determine which were the most important in the audit of the financial statements of the period under review: these are the key questions of the audit. We describe these issues in our report, unless the legal or regulatory texts prevent them from being published or if, under extremely rare circumstances, we determine that we should not disclose an issue in our report because we can reasonably be expected to wait until the harmful consequences of communicating this issue outweigh the benefits to the public interest.

II. Report on other legal and regulatory requirements

As part of our statutory audit assignment, we have also carried out the specific verifications required by the standards provided by the Institute of Chartered Accountants of Tunisia and by applicable regulatory texts.

Effectiveness of the internal control system

In accordance with the provisions of article 3 of law n° 94-117 dated November 14th, 1994, as amended by law n° 2005-96 dated October 18th, 2005 reorganization of the financial market, we carried out the examination internal control procedures relating to the processing of accounting information and the preparation of financial statements. In this regard, we recall that the responsibility for the design and implementation of an internal control system as well as the periodic monitoring of its effectiveness and efficiency lies with the management and the Board of Directors.

Based on our review, we have not identified any major deficiencies that could alter our opinion on the financial statements.

A report addressing the weaknesses and irregularities identified during our audit was provided to the bank's governance officers.

Conformity of the maintenance of securities accounts to the regulations in force

In accordance with the provisions of article 19 of decree n° 2001-2728 dated November 20, 2001, we proceeded to the verifications relating to the conformity of the maintenance of the accounts in transferable securities issued by the bank to the regulation in force.

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

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

Tunis, March 31, 2020

Statutory auditors

F.M.B.Z KPMG TUNISIE
Kalthoum BOUGUERRA

FINOR
Walid BEN SALAH

Auditors' special report on the financial statements as at december 31, 2019

AUDITORS' SPECIAL REPORT ON THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2019

To the Shareholders of Banque Internationale Arabe de Tunisie "BIAT"

Dear Sirs,

Pursuant to Articles 43 and 62 of law No.2016-48 relating to Banks and Financial Institutions, Article 200 and following, and Article 475 of the Commercial Companies' Code, we hereby report on the regulated agreements and transactions realized during the financial year 2019.

Our responsibility is to ensure compliance with legal procedures for the authorization and approval of these agreements and / or transactions and ultimately of their fair interpretation in the financial statements. Our responsibility does not extend to seeking to identify the existence of any such agreements or transactions, but to disclose to you, based on information provided for us, and those obtained through our audit, their characteristics and essential terms, without having to make a decision on their usefulness and appropriateness. It is up to you to assess the interests in concluding these agreements and the realization of these transactions, for their approval.

I. Agreements newly concluded during the financial year 2019:

1. BIAT concluded an agreement, in 2019, with the International Arab Company for Debt Recovery "CIAR", for the assignment of bank receivables with an amount of 2 583 KDT for the price of 350 KDT.
2. BIAT concluded in 2019 with the company « TAAMIR » a lease agreement of furniture and equipment storage depot with a surface area of 350 m² located in Sidi Daoud industrial zone, la Marsa.

The lease was consented and accepted for a period of three months beginning on March 1st, 2019 and ending on May 31st, 2019, renewable from month to month by tacit consent within the limit of a maximum duration of one year from the effective date of the agreement.

This rent was granted and accepted for a total rent of TND 6 996 VAT excluded for the initial lease agreement of 3 months.

The amount of expenses for the year 2019 amounts to TND 23.319 VAT excluded.
3. BIAT concluded in 2019 with « eStrat » Company a consulting and strategic assistance agreement.

In return to this mission, BIAT pays an annual remuneration amounting to 800 KDT tax excluded.

This agreement is concluded for a period of three years beginning on January 1st, 2019. It will be renewed by tacit consent, unless a written waiver was given by one of the parties, subject to a notice of one month.

The amount invoiced in this respect by the company « eStrat », for 2019, amounts to 800,000 dinars VAT excluded.

These three agreements were authorized by the Board of Directors' meetings on June 19, 2019.
4. An agreement was concluded in 2019 between the BIAT and the company SOPIAT, by virtue of which the latter provides BIAT with a senior technician to perform the necessary functions in the works related to the renovation of the BIAT building project Lac I.

In return of these services, the SOPIAT invoices the honorarium includes salaries and the advantages including all charges of the technician with a margin of 5%.

The amount invoiced by SOPIAT for the year 2019 amounts to TND 56.955 VAT excluded.

5. An agreement was concluded in 2019 between BIAT and the company SOPIAT, by virtue of which SOPIAT provides BIAT with two technicians for the follow up of the operators in maintenance of the 5th floor for the 2nd phase of the bank's registered office.

In return of the services rendered, BIAT shall pay honorarium to SOPIAT Company with invoices including salaries and benefits all charges included for these two technicians with a margin of 5%.

The amount invoiced by SOPIAT for the year 2019 amounts to TND 51.538 VAT excluded.

6. An agreement was executed in 2019 between BIAT and SOPIAT Company, by virtue of which the latter provides the BIAT with two workers to ensure the follow up of the operators in maintenance of the 5th floor for the 2nd phase of the bank's registered office.

In return of the services rendered, BIAT shall pay honorarium to SOPIAT Company with invoices including salaries and benefits all charges included for these two workers with a margin of 5%.

The amount invoiced by SOPIAT in 2019 amounts to TND 31 128 VAT excluded.

The three (3) agreements referred to in paragraphs 4 to 6 above were entered into for a period of two years beginning on January 1, 2019 and ending on December 31, 2020 and may be renewed.

7. BIAT concluded in 2019 with the company « Value Digital Services » an IT engineering consulting agreement for the period starting from April 15th, 2019 till the end of September 2019.

In return for this mission, BIAT pays an annual remuneration of 320 KDT tax excluded.

The four (4) agreements mentioned in paragraphs 4 to 7 above were authorized by the Board of Directors at its meeting of October 16, 2019.

8. BIAT concluded two agreements, in 2019 with the International Arab Company for Debt Recovery "CIAR", for the onlending of bank receivables with a total amount of 153 KDT covered by provisions and Overdraft charges.
9. BIAT concluded in 2019 with the company « Value Digital Services » an IT engineering consulting agreement.

In return for this mission, BIAT pays remuneration of 385 KDT tax excluded relevant to the preparatory work and the initial implementation of the system.

The said remuneration will be paid on a monthly basis according to the number of staff made available based on a remuneration scale agreed upon by both parties which can be reviewed by mutual agreement in the light of the future developments.

This agreement is concluded for a period of three years starting from November 1st, 2019.

The amount invoiced in this respect, by the company « Value Digital Services », during 2019, amounts to 805,000 dinars HT.

10. BIAT concluded with the company « SOPIAT » a lease agreement of a set of premises and real estate for all commercial use, situated on the ground floor and the 1st floor of the complex El Ahmadi in La Marsa with a gross total surface of 595 m².

This rent was consented and accepted for a period of two years, beginning on December 13th, 2019 and ending on December 12th, 2021, renewable by tacit consent for an annual rent of TND 334.999 VAT excluded.

The rent will be subject to non-cumulative increase of 5% applicable from the 3rd year of the rental.

The three (3) agreements mentioned in paragraphs 8 to 10 above were authorized by the Board of Directors on January 22, 2020.

11. BIAT concluded an agreement, in 2019, with the International Arab Company for Debt Recovery "CIAR", for the assignment of bank receivables with an amount of 33 861 KDT for the price of 490 KDT.
12. By decision of BIAT France's sole shareholder and after becoming aware of the achievements of its subsidiary, it was decided to allocate an operating subsidy of 1.216 KDT, the equivalent value of € 380.000 for the financial year 2019.
13. BIAT concluded with BIAT Consulting an assistance and support agreement for the management IT team Projects being implemented by the bank, by virtue of which BIAT Consulting provides the bank with a qualified team for this purpose.

This agreement is concluded for a period starting from October 15th, 2019 until December 31st, 2019.

Where the duration of the mission is extended, an amendment to this agreement will be drawn up and will specify the terms and conditions.

This mission is carried out for a total remuneration of TND 30.000 tax excluded.

14. BIAT concluded with the company «Value Digital Service» a lease agreement of premise to be used as offices with a surface area of 821 m², and a part situated on the second floor with an area of 323 m² of the building, located at the corner of the main avenue and Lac Turkana street Lac1—Tunis.

This rent was consented and accepted for a period of two years, renewable from year to year by tacit consent for an annual rent of TND 286 000 VAT excluded. It will be subject to an annual cumulative increase of 5% applicable from the 3rd year of the rental.

15. Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-5) with a total amount of 37.580 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 8.109 tax excluded.

16. Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-6) with a total amount of 9.230 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.992 tax excluded.

17. Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-7) with a total amount of 10.760 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 2.323 tax excluded.

18. Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-8) with a total amount of 6.920 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.493 tax excluded.

19. Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-9) with a total amount of 6.150 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.328 tax excluded.

- 20.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-10) with a total amount of 4.065 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 878 tax excluded.

- 21.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Funds 2020-1) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 22.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Funds 2020-2) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 23.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Funds 2020-3) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of

the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 24.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Funds 2020-4) with a total amount of 14. 252 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 25.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-1) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 26.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-2) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 27.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-3) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of :

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 28.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-4) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 29.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-5) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The nineteen (19) agreements referred to in paragraphs 11 to 29 above were authorized by the Board of Directors on March 18, 2020.

II. Transactions performed in relation with the agreements concluded during the previous years:

The execution of the following agreements, concluded during the previous financial years, continued during the financial year closed on December 31, 2019:

GOLF SOUSSE MONASTIR «GSM»

- 1.** After the conclusion of the transfer of dation of payment act with the company GOLF SOUSSE MONSATIR "GSM", on December 27th, 2013, by virtue of which BIAT became the owner of the real estate property of three land titles situated in the tourist zone Dkhila Monsatir, the company GSM showed its will to rent the Golf Course with its conveniences and its outbuildings, already transferred to BIAT.

BIAT accepted this request and determined an annual rent composed of:

- A fixed portion of TND 200.000 VAT excluded per year payable on quarterly basis in advance. A cumulative increase of 5% per year will be applied to the fixed portion of the rent as from the third year of the rent.
- A variable portion calculated on the basis of the turnover, tax excluded, as follows:
 - Between TND 0 and TND 500.000 => 10%
 - Between TND 500.001 and TND 1 000.000 => 15%
 - More than TND 1.000.001 => 20%

The present lease is accepted for a period of two successive years beginning on January 1st, 2014 and ending December 31st, 2015, renewable by tacit consent.

The Board of Directors meeting on December 18, 2013 authorized this agreement.

Compagnie Internationale Arabe de Recouvrement « CIAR »

- 2.** BIAT rented, to the company CIAR, for administrative offices usage, the office situated on the first floor of the building located in Sfax Harzallah.

This rent is consented and accepted for a period of two consecutive years, beginning on September 1st, 2013 and ending on August 31st, 2015, renewable by tacit consent and an annual rent of TND 4.950 VAT excluded payable on quarterly basis in advance. This rent is subject to a cumulative increase by 5% applied from the third year of the rent.

The amount listed among BIAT incomes in 2019 amounts to TND 6.117.

- 3.** BIAT and CIAR concluded in 2015 an agreement by virtue of which BIAT is engaged in fulfilling the missions of assistance and IT consulting.

The missions of assistance and consulting in the study, the choice and the setting up of IT solutions should be subject to a mission order informed by CIAR presenting the number of days of the mission with a daily rate fixed to TND 500 tax excluded.

The administrative and technical assistance missions are made an annual remuneration of TND 7.500 tax excluded.

These remunerations are paid to BIAT quarterly in arrears by presenting an invoice.

The present agreement is concluded for duration of three years. It will be renewed by tacit consent, except for a written renunciation by one of the parties by giving notice of 3 months.

The amount recorded among BIAT incomes in 2019 amounts to TND 7.500.

4. BIAT concluded in 2012 with the company « CIAR » a lease agreement of an office with a surface area of 16.45m² situated on the first floor of the building in Boulevard 14 Janvier, Route Touristique Khezema, Sousse.

The leasing was authorized and accepted for a period of two consecutive years beginning on September 1st, 2012 and ending on August 31st, 2014, renewable from year to year by tacit consent. This leasing was authorized and accepted for an annual of TND 2.468 VAT excluded quarterly payable in advance.

The above-mentioned rent will be subject to an annual increase of 5% applied as from the third year of the leasing.

The amount recorded among BIAT incomes in 2019 amounts to TND 3.202.

5. BIAT concluded in 2014 with the company CIAR an agreement of detachment of executives. Besides the salaries and salary supplements and advantages, the invoicing by the BIAR to the CIAR includes a margin of 5%.

The amount invoiced by BIAT in 2019 amounts to TND 519.634.

The Board of Directors meeting on April 22, 2015 authorized this agreement.

6. In November 2014, BIAT concluded a mandate contract with the aim of recovering receivables with the company CIAR.

This contract states in its purpose that BIAT gives mandate to CIAR which accepts to act in its name and on its behalf to collect receivables from its customers.

In return of its services, CIAR perceives fixed remuneration as follows:

- Fixed fees: TND 50 per be paid 60 days from the date of power of attorney
- Variable fees: 12% on the totality of collected sums including delay interests.

These remunerations modalities shall be applied from July 21st, 2017.

The amount invoiced by CIAR in 2019 amounts to TND 662.298.

This agreement was authorized by the Board of Directors' meeting on December 18, 2014. Its first amendment was authorized by the Board of Directors' meeting on December 16, 2015 and its second was authorized by the Board of Directors' meeting on September 29, 2017.

7. BIAT concluded in 2014 with CIAR Company an agreement on administrative and accounting assistance.

In return to this mission, BIAT perceives an annual remuneration amounting to 18 KDT tax excluded.

This remuneration was renewed by virtue of the amendment signed in December 2016.

This amendment was authorized by the Board of Directors' meeting on 22nd of March 2017.

8. BIAT signed a sublease agreement, in 2016, with the company CIAR of set of areas of the building situated at the corner of Radhia Haddad Street and Hollande Street.

This sublease is consented and accepted for a period of three consecutive years, beginning on September 1st, 2016 and ending on July 31st, 2019, renewable by tacit consent for further period of three years until a leave was served by one of the two parties or at the end of the term of the main lease.

This rent was authorized and accepted by a monthly rent of TND 6.562.500 VAT excluded, payable quarterly and in advance.

An annual cumulative increase of 5% will be applied from August 1st, 2017

Starting from November 2018, an amendment was signed, providing for the extension of all the rented spaces of three offices located on the second floor of the building in rue de Radhia Haddad. Starting from November 1st, 2018 till July 31st, 2019, the monthly rent for all the spaces rented to the «CIAR» amounts to TND 9 .337 ,431VAT excluded.

An annual cumulative rent increase will be applied, from August 1st, 2019 at an annual rate of 5%.

The amount recorded among BIAT's incomes in 2019 amounts to TND 114.383.

This agreement was authorized by the Board of Directors' meeting on September 29, 2017. Its amendment was authorized by the Board of Directors' meeting on March 15, 2019.

BIAT CAPITAL RISQUE

9. Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

10. Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 59.757 tax excluded.

11. Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 59.757 tax excluded.

- 12.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-4) with an amount of 15.450 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 71.507 tax excluded.

- 13.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on January 4th, 2019, an agreement related to the management of funds (Regional Fund 2019-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 117.960 tax excluded.

- 14.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 15.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- .5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 16.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-4) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 17.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-5) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 128.048 tax excluded.

- 18.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on December 5th, 2018 an agreement related to the management of funds (Industrial Fund 2018-4) with an amount of 24.550 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 368.786 tax excluded

The ten (10) agreements mentioned in paragraphs 9 to 18 above were authorized by the Board of Directors on March 15, 2019.

- 19.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on December 20th, 2017 an agreement related to the management of funds (Regional Fund 2017-3) with an amount of 40.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 698.752 tax excluded.

- 20.** Within the framework of the exonerated investment affecting the income of the year 2017, BIAT confided to BIAT CAPITAL RISQUES on December 20th, 2017 the management of a fund (FG BIAT Free 2017-3) with a total amount of 17.001 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 85.005 tax excluded.

- 21.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12th, 2018 an agreement related to the management of funds (Industrial Fund 2018-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 162.511 tax excluded.

- 22.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12th, 2018 an agreement related to the management of funds (Industrial Fund 2018-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 155.956 tax excluded.

- 23.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12th, 2018 an agreement related to the management of funds (Industrial Fund 2018-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 151.626 tax excluded.

- 24.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 158.081 tax excluded.

- 25.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 155.533 tax excluded.

- 26.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 121.875 tax excluded.

- 27.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on march 17th , 2017 an agreement related to the management of funds (Industrial Fund 2017-1) with an amount of 6.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 104. 638 tax excluded.

- 28.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on march 17th , 2017 an agreement related to the management of funds (Industrial Fund 2017-2) with an amount of 5.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 87.488 tax excluded.

- 29.** Within the framework of the exonerated investment affecting the income of the year 2016, BIAT confided to "BIAT CAPITAL RISQUE" on March 9th, 2017 the management of a fund (FG BIAT Free 2017-1) with a total amount of 9.001 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 45.005 tax excluded.

- 30.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 10th, 2017, an agreement related to the management of funds (FG BIAT Free 2017-2) with an amount of 5.501 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 96.255 tax excluded.

- 31.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17th, 2017 an agreement related to the management of funds (Regional Fund 2017-1) with an amount of 5.100 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 89.057 tax excluded.

- 32.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17th, 2017 an agreement related to the management of funds (Regional Fund 2017-2) with an amount of 4.750 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 82.981 tax excluded.

The fourteen (14) agreements mentioned in paragraphs 19 to 32 above were authorized by the Board of Directors at its meeting of March 30, 2018.

- 33.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 5th, 2016, an agreement related to the management of funds (Industrial Fund 2016-3) with a total amount of 15.700 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies as modified and completed by subsequent texts.

BIAT CAPITAL RISQUE will receive, quarterly and in arrears, a management commission of 0.5% tax excluded per year on the totality of the funds amount.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 78.500 tax excluded.

- 34.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 29th, 2016, an agreement related to the management of funds (Free Funds 2016-2) with an amount of 4.501 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 78.755 tax excluded.

The two agreements mentioned in paragraphs 33 and 34 above were authorized by the Board of Directors on March 22, 2017.

- 35.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 29th, 2016, an agreement related to the management of funds (Regional Funds 2016) with a total amount of 5.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the invested amounts between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 86.459 tax excluded.

- 36.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 29th, 2016, an agreement related to the management of funds (Industrial Funds 2016-1) with a total amount of 5.000 KDT. The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 87.335 tax excluded.

- 37.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on March, 24th, 2016, an agreement related to the management of funds (Industrial Funds 2016-2) with a total amount of 5.050 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the invested amount.

- 1% per year on the invested amount between the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 88.241 tax excluded.

- 38.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 18th, 2016, an agreement related to the management of funds (Funds Free 2016-1) with a total amount of 9.401 KDT.

BIAT CAPITAL RISQUE will receive, quarterly and in arrears, a management commission of 0.5% tax excluded per year on the totality of the funds amount.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 47.005 tax excluded

The four agreements mentioned in paragraphs 35 to 38 were authorized by the Board of Directors on October 6, 2016.

- 39.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on June 18th, 2015, an agreement related to the management of funds (Funds Free 2015-1) with an amount of 2.001 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 35.005 tax excluded.

- 40.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT confided to BIAT CAPITAL RISQUE on May 20th, 2013, the management of a fund (Funds Free 2013) with an amount of 8.853 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 44.265 tax excluded.

- 41.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded, on March 18th, 2014, a management agreement of industrial fund of 2014 with an amount of 2.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

The Manager will also be entitled to a performance commission (calculated on a scale) if the return is higher than the average MMR of the period.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 30.657 tax excluded.

- 42.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded on January 17th, 2014, an agreement related to the management of funds (Funds Free 2014-1) with an amount of 11.671 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 58.355 tax excluded

The two agreements mentioned in paragraphs 41 and 42 above were authorized by the Board of Directors on April 23, 2014.

- 43.** BIAT confided to BIAT CAPITAL RISQUE, on March 15th, 2013, the management of regional funds 2013 with a total amount of 5.000 KDT fully paid up and this, in order to promote the projects located in regional development zones and job-creating projects benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 75.022 tax excluded.

- 44.** BIAT confided to BIAT CAPITAL RISQUE on March 15th, 2013, the management of 2013 industrial funds with an amount of 5.500 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 75.174 tax excluded.

The two agreements mentioned in paragraphs 43 and 44 above were authorized by the Board of Directors on May 23, 2013.

- 45.** BIAT concluded with BIAT CAPITAL RISQUE on December 30th, 2009, a fund management agreement, by virtue of which it entrusts to the latter, under risk capital Funds, the management of a fund of an amount of 3.000 KDT, fully paid up.

The fund manager, in this case the company BIAT CAPITAL RISQUE will act to ensure the best profitability possible on the on participations financed by the fund such is, until its total repayment.

In return BIAT CAPITAL RISQUE receives, for the management of the fund, a commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund. The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 19.500 tax excluded.

This agreement was authorized by the Board of Directors on April 28, 2010.

- 46.** BIAT concluded with BIAT CAPITAL RISQUES on December 24th, 2008, a fund management agreement, by virtue of which it entrusts to the latter, under risk capital Funds, the management of a fund of an amount of 14.250 KDT, fully paid up.

The fund manager, in this case the company BIAT CAPITAL RISQUE will act to ensure the best profitability possible on the on participations financed by the fund such is, until its total repayment.

In return BIAT CAPITAL RISQUE receives, for the management of the fund, a commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund. The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 6.572 tax excluded

This agreement was authorized by the Board of Directors on April 28, 2009.

- 47.** BIAT confided, during 2010, to BIAT CAPITAL RISQUE the management of funds with a total amount of 10.000 KDT fully paid up benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The manager of the fund, BIAT CAPITAL RISQUE will act to ensure for BIAT, the best return of participations until the total repayment of the fund.

BIAT CAPITAL RISQUE receives, for the management of the fund, an annual commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund.

This agreement was amended in May 2011 as follows:

Destination Funds:

- Participations to reinforce companies own funds as it is defined by law n°95-87 of October 30th, 1995.
- To intervene, by means of subscription or acquisition of ordinary shares or preferred shares without the right to vote, to investment certificates of companies, equity securities, convertible bonds to shares and membership shares and in general to any other category assimilated to own funds.

Remuneration funds:

- 0.5% per year VAT excluded on the invested amounts, and this, during the blocking period;
- 1.75% per year VAT excluded on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% per year VAT excluded on the invested amounts, between the end of the seventh and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 7.990 tax excluded.

This agreement was authorized by the Board of Directors on March 16, 2011.

- 48.** BIAT confided to BIAT CAPITAL RISQUE, in 2011, the management of regional funds with a total amount of 6.000 KDT fully paid up and this, in order to promote the industrial projects located in regional development zones and job-creating projects benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 84.000 tax excluded.

- 49.** BIAT confided to "BIAT CAPITAL RISQUE" on December 28th 2011, the management of an industrial fund 2011 of a global amount of TND 6.000 fully paid up, in order to support the effort and the process of regional development taking advantage of fiscal privileges defined under law No. 95-88 dated October 30th, 1995 as amended and completed by the new provisions of articles 39 and 48 of the code of the IS and the IRPP and subsequent texts.

The company "BIAT CAPITAL RISQUE" receives, on the managing of the fund, a commission of:

- 0.5% per year on the invested amounts, and this, during the blocking period;
- 1.75% per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% per year on the invested amounts, between the eighth and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 49.000 tax excluded.

The two agreements mentioned in paragraphs 48 and 49 above were authorized by the Board of Directors on December 14, 2011.

- 50.** BIAT concluded, on December 27th, 2007, with BIAT CAPITAL RISQUE, an agreement of management of risk capital funds under which, it entrusts to this company under risk capital fund, the management of a fund with a total amount of 9.000 KDT, fully paid up.

The manager of the fund, BIAT CAPITAL RISQUE will act to ensure for BIAT, a minimum profitability average of participations equivalent to MMR+0.5%, such is until the total repayment of the fund. In return, BIAT CAPITAL RISQUE receives, on the management of the fund, a commission of the managed funds, equal to 1% per year tax exclude, annually calculated in arrears, on the initial amount of the fund. After the period of five years, this commission will be annually calculated in arrears on the outstanding amount of the fund.

The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 1.277 tax excluded.

- 51.** BIAT confided to BIAT CAPITAL RISQUE on April 13th, 2011, the management of a regional fund of a global amount of 10.000 KDT fully paid up, taking advantage of fiscal privileges defined under law No. 95-88 dated October 30th, 1995 as amended and completed by the new provisions of articles 39 and 48 of the code of the IS and the IRPP and subsequent texts.

The company "BIAT CAPITAL RISQUE" receives, on the managing of the fund, a commission of:

- 0.5% per year on the invested amounts, and this, during the blocking period;
- 1.75% per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% per year on the invested amounts, between the eighth and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 122.146 tax excluded.

- 52.** An amendment of the agreements of management of capital risk funds was concluded on December 2015 between BIAT and BIAT CAPITAL RISQUE by virtue of which the two parties commonly agreed to add to all of the current agreements of management of funds a provision relative to direct costs related to shareholding lines and engaged by BIAT CAPITAL RISQUE.

Thus, the direct costs engaged by BIAT CAPITAL RISQUE for the implementation and disinvestment of shareholding lines imputed to current funds in force, will be taken in charge by BIAT.

Cet avenant a été autorisé par le conseil d'administration réuni le 16 Mars 2016.

- 53.** BIAT concluded in 2004 with BIAT CAPITAL RISQUE an amendment of management agreement of October 17th, 2000. By virtue of this amendment BIAT receives, in return of its benefits, an annual remuneration of TND 50.000 all taxes included.

The income recorded at this level in 2019 amounts to TND 42.017.

- 54.** BIAT rented to the company BIAT CAPITAL RISQUE two offices of administrative usage, of a surface area of 92m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning the 1st of September 2015 and ending the 31st of august 2017, for an annual rent of TND 28.000 VAT excluded. The rent will be subject to an annual increase of 5% applicable from the 2nd year.

The income recorded at this level in 2019 amounts to TND 32.954.

This agreement was authorized by the Board of Directors on March 16, 2016.

- 55.** In 2015 BIAT concluded with the company « BIAT CAPITAL RISQUE » an agreement of secondment of seven executives.

Besides the salaries and salary complements and benefits, BIAT invoices to « BIAT CAPITAL RISQUES » include:

- A margin of 5%,
- VAT at the current rate.

The invoicing amount of BIAT amounts in 2019 to TND 799 803.

This agreement was authorized by the Board of Directors on March 16, 2016.

SOPIAT

- 56.** BIAT rented to SOPIAT two offices of administrative usage, of a surface area of 49m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning January 26th, 2015 and ending January 25th, 2017, for an annual rent of TND 14.717 VAT excluding.

The income recorded in 2019 amounts to TND 17.818.

This agreement was authorized by the Board of Directors on March 16, 2016.

- 57.** The BIAT, as part of work on the project of the second tranche of its registered office, needed the temporary help of certain technicians specialized in the monitoring and the piloting of building sites and she moved closer to the SOPIAT on July 1st 2012, to equip him with two senior technicians for a temporary mission.

In return of this provision, the BIAT will reimburse the SOPIAT, by presenting an invoice, wages (including bonuses and other benefits, social employer costs, paid vacations and reimbursement of professional fees) provided by the SOPIAT to these two technicians with an increase of 10%.

This provision comes into effect on August 1st, 2012 and will come to an end in the date planned for the completion of the construction project, which is June 30th, 2014.

The amount invoiced by SOPIAT in 2019 amounts to TND 27.300 VAT excluding.

This agreement was authorized by the Board of Directors on March 13, 2013.

BIAT CONSULTING

- 58.** The BIAT executed, in November 2016, with the company BIAT CONSULTING, a framework convention for providing executives for a period starting on March 1st, 2016.

In exchange of the services rendered, the company BIAT CONSULTING calculated the honorarium based on the real cost of the gross salary all charges included, including the indirect charges for the personnel provided, all increased by 5%.

The amount invoiced by BIAT CONSULTING for 2019 amounts to TND 172.829 Tax excluded.

This agreement was authorized by the Board of Directors' meeting on April 24, 2017.

- 59.** The BIAT concluded in 2014 with the company BIAT CONSULTING an Agreement of accounting and administrative assistance.

In return of this mission, the BIAT receives an annual remuneration to the amount of TND 2,800 VAT included

An amendment to this agreement was concluded in December 2015 between BIAT and the Company BIAT CONSULTING by virtue of which both parties have agreed to extend the annual remuneration expected for the year 2014, in the same terms and conditions, i.e. TND 2.800 VAT included. Such remuneration will increase to TND 3.100 tax excluded for the year 2017 and the followings.

This amendment was authorized by the Board of Directors' meeting on April 24, 2017.

- 60.** BIAT rented to BIAT CONSULTING company three offices of administrative usage, of a surface area of 101m², located on its head office in Avenue Habib Bourguiba Tunis.

This rental was agreed for two consecutive years, beginning on October 1st, 2015 and ending on September 30th, 2017 for an annual rent of TND 30.683 VAT excluded. This rent will be subject to an annual increase of 5% applicable from the 2nd year.

The amount invoiced by BIAT in 2019 amounts to TND 35.963.

This agreement was authorized by the Board of Directors' meeting on October 6, 2016.

- 61.** The BIAT concluded in 2014 with the company BIAT CONSULTING an Agreement of detachment of two executives. Besides the salaries and salary supplements and advantages, the invoicing by BIAT to BIAT CONSULTING includes a margin of 5%.

An amendment to the said agreement was concluded in 2019, by virtue of which both parties agreed to suspend the secondment of one of the two executives to BIAT CONSULTING starting from 1st of January 2018.

The amount invoiced by BIAT to BIAT CONSULTING, in 2019, amounts to TND 271 645.

This agreement was authorized by the Board of Directors on April 22, 2015, while the amendment was authorized by the Board of Directors on October 16, 2019.

BIAT ASSET MANAGEMENT

- 62.** The BIAT executed on October 25th, 2017 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assign to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT – CEA PNT TUNIIAR.

In exchange for these services, the BIAT will receive an annual remuneration of 0.1%, tax excluded of the assets of FCP BIAT - CEA PNT TUNIIAR. This remuneration, which is deducted daily, is monthly paid in arrears.

The amount stated for this post in 2019 amounts to TND 18.324.

This agreement was authorized by the Board of Directors' meeting on 30 March 2018.

- 63.** The BIAT executed on May 04th, 2016 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assigns to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT - EQUITY PERFORMANCE.

In exchange for these services, the BIAT will receive an annual remuneration of 0.1%, tax excluded of the assets of FCP BIAT - EQUITY PERFORMANCE. This remuneration, which is deducted daily, is paid annually in arrears.

The amount of income recorded in 2019 amounts to TND 15.336.

This agreement was authorized by the Board of Directors' meeting on March 22, 2017.

- 64.** BIAT amended on December 25th, 2017 the two deposits and distribution agreements of mutual fund investment "FCP BIAT – EPARGNE ACTIONS" the first was signed, on November 24th, 2006 with BIAT ASSET MANAGEMENT then was renewed, on November 20th, 2013, while the second was newly signed at this same date on November 20th, 2013.

The amendments made at the first agreement regarding the remuneration of BIAT. In fact, the deposit commission rate was maintained in 2013 at 0.1% VAT included of the fund net asset, at the level of the first amendment, and then was amended at the increase, at the level of the second amendment made in 2017, bringing it from 0.1% VAT included to 0.1% tax excluded.

These remunerations, daily levied, are monthly paid in arrears.

Besides, BIAT amended also, on December 25th, 2017, the second agreement of distribution signed in November 2013 that have established a remuneration for the distribution fees of 0.2% VAT included which is levied on the net asset of FCP BIAT- EPARGNE ACTIONS.

These amendments made at this agreement related to the remuneration of distributors namely BIAT and BIAT CAPITAL. In fact, the distribution services will be remunerated by the commissions at the rate of 0.3% tax excluded of the net asset per year in favor of distributors in proportion to their distributions instead of 0.2% VAT included. The amendment of 2017 provided also the management of this distribution commissions by the manager namely BIAT ASSET MANAGEMENT which will now supported by BIAT ASSET MANAGEMENT and paid monthly in arrears on simple invoice presentation.

The amount listed under the result of the financial year 2019 amounts to TND 76.594.

This first amendment was authorized by the Board of Directors' meeting on March 12, 2014 and the second by the board of directors' meetings on March 30, 2018.

- 65.** The BIAT executed on May 4th, 2016 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assigns to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT - EQUITY PERFORMANCE.

In exchange for these services, the BIAT will receive a share of the distribution commission of 0.3% tax excluded per year of the net asset and this, in proportion to its distribution. The said commission which is supported by BIAT ASSET MANAGEMENT will be deducted from management commission that it will deduct from the net asset of FCP BIAT – EQUITY PERFORMANCE.

The remuneration of BIAT will be paid by the company BIAT ASSET MANAGEMENT monthly in arrears on simple invoice presentation.

This agreement was authorized by the Board of Directors' meeting on 22 March 2017.

- 66.** The BIAT executed, in June 2016, with the Construction Company IRIS, an agreement for leasing two premises to be used as offices with a surface area of 855 m², situated at Building «Youssef Towers», rue du Dinar, Les Jardins du Lac, Les Berges du Lac II - Tunis, as well as 18 parking lots situated at the underground of the building.

This rent is granted for an annual rent of TND 210.810.

A sub-rental agreement was signed in January 2017 with the company BIAT ASSET MANAGEMENT, relating to a part of the above-mentioned premises of a total area of 273 m² with 6 parking spaces, for a period starting on 1 October 2016 until 31 July 2018. At the end of this period, the sublease shall be renewed from year to year from August 1st, 2018 by tacit consent.

This rent is granted for a monthly rent of TND 59.185 VAT excluded for a period beginning from 01/06/2016 and ending on 31/07/2017 and a rent of TND 74.573 VAT excluded for a period beginning from 01/08/2017 and ending on 31/07/2018.

An amendment to the said agreement was concluded in 2020, under which the lessor, the principal lessee and the sub-lessee agreed to:

Firstly, to renew the agreement for a period of three years starting from the 1st of august 2019 and ending the 31st July 2020, renewable from year to year by tacit consent

Secondly, to reduce the leased area to 165, 1 m2

Last, to set the annual rent at TND 54.076 excluding taxes as from the effective date of this amendment, namely on 01/08/2019, while maintaining the increase of 5%.

It should be mentioned that, as provided in the amendment, the sublessee will pay to the principal lessee an annual amount of TND 3 119 excluding taxes as its contribution to the trustee fees in addition to the tax due to the local authority «TCL» as from 01/08/2019.

The amount recorded in income of 2019 amounts to TND 68 207.

This agreement was authorized by the Board of Directors on March 22, 2017, while the amendment was authorized by the Board of Directors on March 18, 2020.

- 67.** The BIAT concluded, in January 2015, with BIAT ASSET MANAGEMENT an agreement of a detachment of six executives.

Besides the salaries and salary complements and benefits, BIAT invoicing to « BIAT ASSET MANAGEMENT » include:

- A margin of 5%,
- VAT at the current rate.

The amount of BIAT invoicing in 2019 amounts to TND 448.455.

This agreement was authorized by the Board of Directors' meeting on March 16, 2016.

SICAV OPPORTUNITY et SICAV PROSPERITY

- 68.** BIAT amended, on December 23rd, 2013 and on December 25th, 2017 the two Agreements of exclusive trustee of securities and funds of the "SICAV OPPORTUNITY" and of the "SICAV PROSPERITY" initially signed on March 08th, 2003.

The amendments made to these Agreements, concern the remuneration of BIAT, in fact, the rate of commissions of paid deposits were reviewed in decreasing, at the level of the first amendment bringing it from 0.3% VAT included to 0.1% VAT included of the net assets for "SICAV OPPORTUNITY" and from 0.2% VAT included to 0.1% VAT included of the net assets for "SICAV PROSPERITY" and then was reviewed in increasing, at the level of the second amendment, bringing it from 0.1% VAT included to 0.1% tax excluded.

These remunerations, daily levied, are monthly paid in arrears.

In addition, BIAT amended also, on December 25th, 2017, the two agreements of distribution of the SICAV OPPORTUNITY and SICAV PROSPERITY securities initially signed in 2013 between BIAT, BIAT CAPITAL and BIAT ASSETS MANAGEMENT.

The amendments made to these agreements regarding the remuneration of distributors namely BIAT and BIAT CAPITAL. In fact, the distribution services will be remunerated by commissions with the rate of 0.3% tax excluded of the net assets per year in favor of the distributors of securities in proportion to their distributions

for the two SICAV instead of 0.2% VAT included for SICAV OPPORTUNITY and 0.1% VAT included for SICAV PROSPERITY. The amendment of 2017 also provided for the management of these distribution's commissions by the manager namely BIAT ASSET MANAGEMENT which now be supported by BIAT ASSET MANAGEMENT and paid monthly in arrears on simple invoice presentation.

The amounts listed in the result of the financial year 2019 amount to TND 10.625.

The second amendment was authorized by the Board of Directors' meeting on March 30, 2018.

SICAV TRESOR

- 69.** BIAT amended, on December 18th, 2015, the Agreement of exclusive trustee of securities and funds of the "SICAV TRESOR" initially signed on March 8th, 2003, as amended in 2010 and 2013.

The amendments made to this Agreement, concerns the remuneration of BIAT, in fact, the rate of commissions of paid deposits were reviewed in decreasing bringing them from 0.15% VAT included to 0.10% VAT included of the net assets of the said funds.

These remunerations, daily levied, are monthly paid in arrears.

In addition, an Agreement of distribution of the SICAV TRESOR securities were signed ON December 2013 between BIAT, SICAV TRESOR and the BIAT ASSET MANAGEMENT which provided for the application of distribution commission equal to 0.2% VAT included of the net assets in favor of distributors of SICAV TRESOR securities and this, in proportion to their distributions.

This agreement was amended on December 2015 to comply with the new regulation as well as the FATCA law.

This remuneration, daily levied, is paid monthly in arrears. This convention is concluded for a period of one year starting from its signature, and it will be renewable by tacit consent.

The incomes of the financial year 2019 amount to TND 494.851.

SICAV PATRIMOINE OBLIGATAIRE

- 70.** BIAT concluded, on October 13th, 2009, an Agreement of exclusive trustee of the securities and funds of the "SICAV PATRIMOINE OBLIGATOIRE". By virtue of the provisions of this Agreement, the services of BIAT are remunerated at rate of 0.1% VAT included of the net assets of the said SICAV, with a minimum of TND 5,000 VAT excluded and a maximum of TND 20,000 VAT excluded per year. The minimum and maximum thresholds were cancelled by virtue of an agreement concluded on December 2015.

This remuneration is levied daily and payable monthly in arrears.

This Agreement stipulates, in addition, that the said SICAV will be domiciled in the premises of BIAT without setting up a rental agreement and gives no rights to the establishment a commercial property for its own benefit.

This Agreement was reviewed on December 23rd, 2013 in order to set up a commission of distribution equal to 0.15% VAT included of the net assets in favor of the distributors of securities SICAV PATRIMOINE OBLIGATOIRE namely BIAT, BIAT CAPITAL and BIAT ASSET MANAGEMENT and this, in proportion to their distribution.

The rate of distribution commission rises to 0.2% VAT included of net asset by virtue of an agreement concluded on December 2015.

This remuneration, daily levied, is monthly paid in arrears. This Agreement is concluded for a period of a year starting from its signature and will be renewable by tacit consent.

The amount listed in the result of the financial year 2019 amounts to TND 664.269.

This amendment was authorized by the Board of Directors' meeting on October 06, 2016.

BIAT CAPITAL

71. BIAT concluded, in July 2017, with «BIAT CAPITAL» an agreement of account securities maintenance of transferable securities issued by BIAT with all the other obligations which fall to BIAT CAPITAL namely the holding, the reports and the communications attached to it. This agreement is granted and accepted for a period of one year, starting from the date of its signature is July 25, 2017, renewable by tacit agreement. BIAT CAPITAL will receive in exchange of the said service a fixed annual amount of TND 12,500 tax excluded.

The amount invoiced by BIAT CAPITAL for 2019 amounts to TND 12.500 tax excluded.

This agreement was authorized by the Board of Directors' meeting on September 29, 2017.

72. The BIAT executed, in June 2016, with the Construction Company IRIS, an agreement for leasing two premises to be used as offices with a surface area of 855 m², situated at Building «Youssef Towers», rue du Dinar, Les Jardins du Lac, Les Berges du Lac II - Tunis, as well as 18 parking lots situated at the underground of the building.

This rent is granted for an annual rent of TND 210.810.

In this respect, the sublease agreement for administrative office usage was signed, in January 2017, with the company BIAT CAPITAL relating to a part of the above-mentioned premises of a total area of 331m² with 7 parking spaces, for a period beginning from 01/10/2016 and ending on 31/07/2018. At the end of this period, the sublease will be renewable from year to year starting from August 1st, 2018 by tacit consent.

This rent is granted for a monthly rent of TND 71.452 VAT excluded for a period beginning from 01/10/2016 and ending on 31/07/2017 and a rent of TND 90.029 VAT excluded for a period beginning from 01/08/2017 and ending on 31/07/2018.

An amendment to the said agreement was concluded in 2020, under which the lessor, the principal lessee and the sub-lessee agreed to:

Firstly, to renew the agreement for a period of three years starting from the 1st of august 2019 and ending the 31st july 2020 , renewable from year to year by tacit consent .

Secondly, to reduce the leased area to 232,2 m²

Last, to set the annual rent at TND 73.716 excluding taxes as from the effective date of this amendment, namely on 01/08/2019, while maintaining the increase of 5%.

It should be mentioned that, as provided in the amendment, the sublessee will pay to the principal lessee an annual amount of TND 4 408 excluding taxes as its contribution to the trustee fees in addition to the tax due to the local authority «TCL» as from 01/08/2019.

The amount recorded in income of 2019 amounts to TND 85 858.

This agreement was authorized by the Board of Directors on March 22, 2017, while the amendment was authorized by the Board of Directors on March 18, 2020.

73. The Bank concluded in 2007 with the company «BIAT CAPITAL», an Agreement of «Credit - employee», under which the Bank proposes to facilitate employees to holders of the company «BIAT CAPITAL» access to formulas of flexible loans, quick and advantageous according concessional.

74. In 2015 BIAT concluded with the company « BIAT CAPITAL » an agreement of detachment of ten executives.

Besides the salaries and salary complements and benefits, BIAT invoices to « BIAT CAPITAL » include:

- A margin of 5%,
- VAT at the current rate.

The amount included in the result of 2019 amounts to TND 817.928.

This agreement was authorized by the Board of Directors' meeting on March 16, 2016.

75. The BIAT concluded on January 2nd, 2004, with BIAT CAPITAL an agreement of collecting market orders. Article 8 of this agreement stipulates that a portion of brokerage commissions on any transaction negotiated by BIAT CAPITAL Company for BIAT or its customers is allocated as following:

Type of commission	BIAT Remuneration	BIAT CAPITAL Remu-neration
Brokerage commissions on transactions realized on the markets of the rating of the stock exchange	50%	50%
Brokerage commissions on transactions realized on the counter markets	-	100%
Any commissions levied on the customer's specific to BIAT CAPITAL	-	100%
Any commissions levied on the customer's specific to BIAT	100%.	-

OSI

76. During the financial year 2009, BIAT concluded an agreement with the company «OSI», by virtue of which it accepts to retrocede, to the said company, the amount of the rent and the related expenses paid by this latter for the premises used by BIAT's services. This Agreement is agreed for a period of one year renewable.

In this respect, the amount of expenses of the year 2019 amounts to TND 30.920 VAT excluded.

This agreement was authorized by the Board of Directors' meeting on April 28, 2010.

ORANGE TUNISIE SA

77. On August 30th, 2010, BIAT rented to the company «Orange Tunisie SA», the entirety of the premises situated on the ground-floor of the building situated on n° 246 avenue Habib Bourguiba in Kram, having the surface area of 154 m². This rental was agreed for a period of three years, beginning as of April 1st, 2010, and ending on March 31st, 2013, tacitly renewable.

The monthly rent was set by mutual agreement between the two parties, at the sum of TND 2.567 VAT excluded. It will be subject to an annual cumulative increase of 5% effective as of the second year of the rental.

The company «Orange Tunisie SA» paid an amount of TND 5.134 as a guarantee of the payment of the rent.

The amount listed under the result of the financial year 2019 amount to TND 47.218.

This agreement was authorized by the Board of Directors' meeting on December 15, 2010.

78. On December 24th, 2010, BIAT rented to the company «Orange Tunisie SA», the entirety of the premises situated on the ground-floor of the building situated on Rue Moncef Bey in Bizerte, having an approximate surface area equaling 211.5 m². This rental was agreed for duration of three years, beginning as of December 1st, 2010.

The rent was set by mutual agreement between the two parties, at the sum of TND 2.644 VAT excluded per month. It will be subject to a cumulative annual increase of 5% effective as of the second year of the rental.

The amount listed under the result of the financial year 2019 amounts to TND 47.068.

This agreement was authorized by the Board of Directors' meeting on March 16, 2011.

SICAF BIAT et SGP

79. On December 23rd, 2011, BIAT concluded with the «SICAF BIAT» and «SGP» agreements of accounting, financial and administrative assistance:

In return of this mission, BIAT receives from each subsidiary the following:

- The equivalent of the salary expenses and employers' contributions pertaining to the human means in charge of the accounting and administrative assistance, supported by BIAT and increased by a margin of 10%, reach thereby an annual amount of TND 19,800 VAT excluded per company. This remuneration is reviewable annually on the basis of the actual expenses incurred by the Bank.
- The equivalent of the salary and employers' expenses related to the human means in charge of the management and administration increased by 10%;
- The equivalent of general fees pertaining to the provision of premises and other logistics supported by BIAT reaching thereby an annual amount set at TND 1,200 VAT excluded, per company. This amount will be subject to a cumulative increase of 6% applicable each year and this, from the second year of provision.

In November 2018, these agreements were the subject of two separate amendments relating to BIAT's remuneration, and in particular to:

- The modification of the payment terms by replacing the quarterly payment with an annual payment.
- The annulment of the re-invoicing of overhead costs relating to the provision of premises and other logistical resources, supported by BIAT.
- The determination, now, at flat-rate salary and personnel expenses relating to human resources responsible for accounting and administrative assistance, calculated on the basis of a fixed scale. This amount will be subject, from the second year onwards following the effect of the 2018 amendment, to a cumulative increase of 6% applicable each year.
- The reduction of the margin on salary and personnel expenses relating to human resources in charge of management and administration from 10% to 5%.

The amounts listed under the result of the financial year 2019 amounted to TND 21.199.

These amendments were authorized by the Board of Directors' meeting on December 19, 2018.

TUNISIE TITRISATION

80. On May 10th, 2006, BIAT concluded an agreement with the company «TUNISIE TITRISATION» by virtue of which both contractors constitute the common claims fund «FCC BIAT-CREDIMMO 1», a co-ownership with the sole purpose to acquire receivables relating to real estate credits approved by the grantor BIAT to individuals, in order to issue shares representatives of these loans.

The total initial cost of this issuance amounts to 50,000 KDT and the debts transferred by BIAT in the said fund represented by the company «TUNISIE TITRISATION», total an initial still-due balance of 50,019 KDT.

The total subscriptions of BIAT to this fund, by December 31st, 2019, amount to 1.519 KDT, relating exclusively to subscriptions in substantial shares.

Within the framework of this transaction, BIAT ensures as well as the role of the trustee of the assets of the Fund, that of the collector. In this respect, and in remuneration of the missions of the trustee entrusted

to it, BIAT receives at the management company «TUNISIE TITRISATION» acting on behalf of the fund, a commission equal to 0.05% VAT excluded per year, of the still due capital of live receivables at the beginning of the period of calculation. In addition, and in its capacity of collector, BIAT collects from the said management company on behalf of the fund, a commission equal to 0.4% VAT excluded per year, of the still due capital of live receivables at the beginning of the calculation period.

Commissions collected by BIAT in this respect for the financial year ending December 31st, 2019 reached TND 1.951 tax excluded.

81. On May 18th, 2007, BIAT concluded an Agreement with the company «TUNISIE TITRISATION » by virtue of which both contractors constitute the common claims fund « FCC BIAT-CREDIMMO 2 » a co-ownership with the sole purpose to acquire receivables relating to real estate credits approved by the grantor BIAT to individuals, in order to issue shares representatives of these loans.

The total initial cost of this issuance amounts to 50,000 KDT and the debts transferred by BIAT in the said fund represented by the company «TUNISIE TITRISATION», total an initial still-due balance of 50.003 KDT.

The total subscriptions of BIAT in the substantial shares, by 31 December 2019, amount to 1,503 KDT.

Within the framework of this transaction, BIAT ensures as well as the role of the trustee of the assets of the Fund, that of the collector. In this respect, and in remuneration of the missions of the trustee entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION» acting on behalf of the fund, a commission equal to 0.05% VAT excluded per year, of the still due capital of live receivables at the beginning of the period of calculation. In addition, and in its capacity of collector, BIAT collects from the said management company on behalf of the fund, a commission equal to 0.4% VAT excluded per year, of the still due capital of live receivables at the beginning of the calculation period.

Commissions received by BIAT in this respect for the financial year ending December 31st, 2019, amount to TND 9.764 tax excluded.

BIAT ASSURANCES

82. BIAT concluded, in February 2018, with the company «Assurances BIAT» a lease agreement of premise for administrative office usage, with a surface of 183m² including common areas, situated on the 1st floor of the building in la place de Sidi Mtir in Mahdia.

This rent is granted for monthly rent of TND 638,140 and annual rent of TND 7 657 680 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the sublease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental.

Rental income listed under the BIAT's result for the financial year 2019 amounts to TND 8 443.

83. BIAT concluded, in February 2018, with the company «Assurances BIAT» a lease agreement of part of premise for administrative office usage, with a surface of 87,5 m² located at Rue El Meniar, 47 Avenue Habib Bourguiba, la Manouba.

This rent is granted for monthly rent of TND 860 and annual rent of TND 10.320 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the sublease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental

Rental income listed under the BIAT's result for the financial year 2019 amounts to TND 11.378.

84. BIAT concluded, in February 2018, with the company «Assurances BIAT» a lease agreement of part of premise for administrative office usage, with a surface of 80m² located at route de Tunis Km 6,5, Avenue Hédi Chaker Sakiet Ezzit, Sfax.

This rent is granted for monthly of TND 960 and annual rent of TND 11.520 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the sublease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental

Rental income listed under the BIAT's result for the financial year 2018 amounts to TND 12.701.

The three agreements mentioned in paragraphs 82 to 84 above were authorized by the Board of Directors' meeting on March 30, 2018.

85. Since 2004, BIAT concluded insurance contracts with the company « Assurances BIAT » - through the intermediate of the company "LA PROTECTRICE ASSURANCE".

The expense supported, in 2019, is detailed as follows:

Type	Amount of the expenses of Insurance (in TND)
Third-party insurance	64.888
Physical Accidents Insurance	92.121
Life insurance « Family Protection »	150.060
Insurance « Assistance à l'étranger pour les cartes bancaires visa premier » (assistance abroad for bankcards visa first)	1.009.607
Insurance « vol global banque » (Global Theft Bank)	336 025
Insurance against theft and loss of cards	433.000
Insurance « incendie et garanties annexes » (fire and attached guarantee)	466.167
Insurance automobile fleet	29.703
Insurance multi-risk on computers	33.623
Insurance Pack Saphir and Silver	507.651
Insurance Pack « Express » and Pack « First »	124.000
Insurance Pack Elite	138.840
Insurance Pack Platinum	400.000
Insurance « Assistance à l'étranger pour les cartes Platinum et infinite » (assistance abroad for platinum and infinite cards)	285.632
Insurance «carte de crédit» Credit Card	170.207
Insurance groups of the staff (employer's contribution)	10.345.767
Life Insurance (AFEK)(*)	1.352.309

(*In 2012, BIAT signed a collective «life insurance» agreement with BIAT ASSURANCE in favor of its staff, known as «members».

86. BIAT ASSURANCES gives in sublease to the bank a premise denominated "Commercial 2" having a total surface of 145m² and situated on the ground floor of the building located in Berges du Lac II, built on the port of "DIAR EL ONS". This rent is granted and accepted for a fixed period from January 1st, 2010 to April 30th, 2014.

Starting from May 2014, an addendum was signed to extend the duration of the rent from May 1st, 2014 to April 30th, 2019. An annual cumulative increase of the rent will be applicable from May 1st, 2014, with a annual rate of 5% on the basis of the rent of the previous year.

The amount listed under BIAT charges of 2019 amounts to TND 35.124.

This amendment was authorized by the Board of Directors' meeting on April 22, 2015.

SOCIETE DE PROMOTION TOURISTIQUE «SPT SFAX»

87. BIAT rented to SPT Sfax an office of administrative usage, of a surface area of 25m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on 1st of January 2015 and ending on 31st of December 2016, for an annual rent of TND 7.525 VAT excluded.

The income recorded in 2019 amounts to TND 9.147.

This agreement was authorized by the Board of Directors' meeting on March 16, 2016.

SOCIETE DE PROMOTION TOURISTIQUE «SPT MOHAMED V»

88. An agreement was executed in September 2016 between the BIAT and the company SPT Mohamed V, by virtue of which the BIAT puts at the disposal of the company SPT Mohamed V two Executive Manager for a punctual intervention on NOVOTEL Hotel. This convention was executed for a period of four years starting on January 1st, 2016 and ending on December 31st, 2019.

In return of the services rendered, the BIAT invoices the honorarium including salary shares and the advantages with all charges included.

The invoice amount will be increased by applicable dues and taxes at the date of the invoice.

This agreement was authorized by the Board of Directors' meeting on October 6, 2016.

89. BIAT rented to the company SPT Mohamed V an office of administrative usage, of a surface area of 43m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on July 1st 2016 and ending on December 31st 2018, renewable from year to year by tacit consent, for an annual rent of TND 13.019 VAT excluded, payable quarterly and in advance.

The rent is subject to an annual cumulative increase by 5% applied from July 1st 2017.

The income recorded in 2019 amounts to TND 14.712.

This agreement was authorized by the Board of Directors' meeting on March 16, 2016.

III. Obligations and commitments of the company towards its 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:

13.2 Individual financial statements at 31/12/2019

INDIVIDUAL FINANCIAL STATEMENTS AT 31/12/2019

BALANCE SHEET As of December 31st, 2019 (In Thousands of dinars)

	Note	31/12/2019	31/12/2018	Variation	In %
ASSETS					
Cash and balances with BCT, CCP and TGT	III-1	1 472 884	1 496 686	(23 802)	-1,59%
Banking and financial institutions loans	III-2	1 734 739	1 026 883	707 856	68,93%
Customers loans	III-3	10 389 129	10 676 697	(287 568)	-2,69%
Commercial Securities Portfolio	III-4	69 390	63 295	6 095	9,63%
Investments portfolio	III-5	2 017 817	1 955 338	62 479	3,20%
Fixed Assets	III-6	206 584	201 850	4 734	2,35%
Other assets	III-7	441 223	410 234	30 989	7,55%
Total Assets		16 331 766	15 830 983	500 783	3,16%
LIABILITIES					
Tunisian Central Bank and Post Office	IV-1	1 201	722	479	66,34%
Deposits and holding of banking and financial institutions	IV-2	1 254 845	2 424 863	(1 170 018)	-48,25%
Deposits and assets of customers	IV-3	12 996 824	11 512 676	1 484 148	12,89%
Borrowing and special resources	IV-4	213 572	266 819	(53 247)	-19,96%
Other liabilities	IV-5	393 746	402 795	(9 049)	-2,25%
Total Liabilities		14 860 188	14 607 875	252 313	1,73%
SHAREHOLDERS' EQUITY					
Share capital		170 000	170 000	-	-
Reserves		595 910	512 803	83 107	16,21%
Other shareholders' equity		3	3	-	-
Reported results		372 659	285 537	87 122	30,51%
Results of the year		333 006	254 765	78 241	30,71%
Total shareholders' equity	V	1 471 578	1 223 108	248 470	20,31%
Total shareholders' equity and liabilities		16 331 766	15 830 983	500 783	3,16%

- The remuneration of the Chief Executive Officer is fixed by the committee of the Board of Directors' meeting held on May 24, 2017. This remuneration increased to a gross amount of TND 969 thousand for the financial year 2019, including employer's expenses of TND 205 thousand. It includes, in addition to the salary and allowances, the assumption of a retirement pension.

He also benefits from a remuneration of TND 18 thousand in his capacity as a member of the Executive Credit Committee.

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

- The remuneration of the Deputy General Director in charge of Retail Banking, having left the bank during 2019, is fixed by the committee of the Board of Directors' meeting of May 24, 2017. It amounted, for the fiscal year 2019, to a gross amount of 1,541 KTD including a severance pay of 564 KTD and employers' costs of 321 KTD.

- The members of the Board of Directors are remunerated by attendance fees set by the ordinary general meeting of March 15, 2019. The attendance fees for the financial year 2019 increased to a gross amount of TND 540 thousand.

In addition, directors who serve on the delegation of the Board of Directors, the Internal Audit Committee, the Executive Credit Committee and the Risk Committee benefited from gross remuneration of TND 126 thousand for the financial year 2019.

2. BIAT's obligations and commitments to its executives for the year ended on the 31st of December 2019 are as follows (in TND):

Nature of benefit	Chief executive		Deputy Director General		Directors	
	Expense for the year	Liabilities until 31/12/2019	Expense for the year	Liabilities until 31/12/2019	Expense for the year	Liabilities until 31/12/2019
Short-term benefits (*)	1 017 938	112 317	1 540 609	-	666 000	564 000
Post-employment benefits	-	-	-	-	-	-
Other long-term benefits	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-
Payments in shares	-	-	-	-	-	-
Total	1 017 938	112 317	1 540 609	-	666 000	564 000

(*) : Remuneration paid, social expenses, and the paid leave to corporate officers; Directors' fees and other remuneration paid to the directors.

In addition to the above-mentioned agreements and transactions, our work did not disclose the existence of other agreements or transactions falling within the scope of Articles 43 and 62 of Law 2016-48 relating to the banks and financial institutions, Articles 200 and following and 475 of the Commercial Companies' Code.

Tunis: March 31, 2020

The Statutory Auditors

F.M.B.Z KPMG-TUNISIE
Kalthoum BOUGUERRA

FINOR
Walid BEN SALAH

STATE OF OFF-BALANCE SHEET COMMITMENTS

As of December 31st, 2019
(In thousands of dinars)

	31/12/2019	31/12/2018	Variation	In %
CONTINGENT LIABILITIES				
Collateral and other guarantees	2 422 407	2 367 272	55 135	2,33%
a- To banks and financial institutions	726 225	773 303	(47 078)	-6,09%
b- Customers	1 696 182	1 593 969	102 213	6,41%
Letters of credits	581 067	692 143	(111 076)	-16,05%
a- To customers	508 163	653 357	(145 194)	-22,22%
b- Others	72 904	38 786	34 118	87,96%
Total contingent liabilities	3 003 474	3 059 415	(55 941)	-1,83%
COMMITMENTS GIVEN				
Financing commitments given	1 011 266	739 573	271 693	36,74%
To customers	1 011 266	739 573	271 693	36,74%
Commitments on securities	2 135	2 838	(703)	-24,77%
a- Non paid-up participations	2 118	2 796	(678)	-24,25%
b- Securities to be received	17	42	(25)	-59,52%
Total commitments given	1 013 401	742 411	270 990	36,50%
COMMITMENTS RECEIVED				
Guarantees received	5 023 584	4 976 621	46 963	0,94%
Total commitments received	5 023 584	4 976 621	46 963	0,94%

STATE OF RESULT

Period: From January 1st to December 31st, 2019
(In Thousands of dinars)

	Note	Financial Year 2019	Financial Year 2018	Variation	In %
BANKING OPERATING INCOME					
Interests and other similar revenues	VII-1-1	1 093 784	896 036	197 748	22,07%
Commissions (in incomes)	VII-1-2	201 640	185 985	15 655	8,42%
Gains on commercial securities portfolio and financial operations	VII-1-3	106 379	86 845	19 534	22,49%
Investments portfolio revenues	VII-1-4	114 036	102 667	11 369	11,07%
Total banking operating income		1 515 839	1 271 533	244 306	19,21%
BANKING OPERATING EXPENSES					
Interests incurred and related expenses	VII-2-1	(555 928)	(434 298)	(121 630)	28,01%
Incurred commissions	VII-2-2	(3 022)	(2 730)	(292)	10,70%
Total banking operating expenses		(558 950)	(437 028)	(121 922)	27,90%
Net Banking Income		956 889	834 505	122 384	14,67%
Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities	VII-3	(105 035)	(103 128)	(1 907)	1,85%
Net provision charge and value adjustments on investment portfolio	VII-4	(14 393)	(5 421)	(8 972)	165,50%
Other operating income	VII-5	11 567	11 449	118	1,03%
Personnel expenses	VII-6	(212 057)	(220 902)	8 845	-4,00%
General operating expenses	VII-7	(152 251)	(128 516)	(23 735)	18,47%
Allocations to depreciations and provisions on fixed as-sets	VII-8	(35 085)	(34 703)	(382)	1,10%
Operating income		449 635	353 284	96 351	27,27%
Net gain/loss on ordinary items	VII-9	(4 940)	206	(5 146)	-2498,06%
Income Tax	VII-10	(111 689)	(88 821)	(22 868)	25,75%
Income from ordinary activities		333 006	264 669	68 337	25,82%
Balance in gain/loss from other extraordinary items		-	(9 904)	9 904	-100,00%
Net income for the period		333 006	254 765	78 241	30,71%
Accounting changes affecting deferred profit		-	-	-	-
Net income for the year after accounting changes		333 006	254 765	78 241	30,71%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (As of December 31st, 2019)

STATEMENT OF CASH FLOW Period: From January 1st To December 31st, 2019 (In Thousands of Dinars)

	Note	Financial Year 2019	Financial Year 2018
OPERATING ACTIVITIES			
Banking operating revenues received (excluding investment portfolio revenues)		1 397 471	1 166 882
Banking operating charges paid out		(558 586)	(437 102)
Deposits/deposit withdrawal with other banks and financial institutions		(65 573)	(47 072)
Loans and advances/repayment of loans and advances extended to customers		273 317	(1 293 800)
Deposits/customer deposits withdrawal		1 261 557	618 964
Payment to personnel and other creditors		(347 594)	(308 633)
Other cash flows from operating activities		(30 007)	77 826
Corporate income tax		(112 027)	(88 897)
Net cash flow from operating activities		1 818 558	(311 832)
INVESTING ACTIVITIES			
Interests and collected dividends on investment portfolio		117 963	94 154
Purchase/disposal of investment securities		(81 439)	(112 106)
Purchase/disposal of fixed assets		(46 061)	(33 380)
Net cash flow from investing activities		(9 537)	(51 332)
FINANCING ACTIVITIES			
Issue/repayment of loans		(65 505)	9 579
Increase/decrease of special resources		(3 189)	(5 985)
Dividends paid		(85 000)	(72 250)
Net cash flow from financing activities		(153 694)	(68 656)
Impact of variations in exchange rates on liquidity and cash equivalents	IX-1	137 172	180 565
Net change in liquidity and cash equivalent during the financial year		1 792 499	(251 255)
Liquidity and cash equivalents at beginning of the financial year		(237 802)	13 453
Liquidity and cash equivalents at the end of the financial year	IX-2	1 554 697	(237 802)

Note I – Compliance with Tunisian Accounting Standards

The financial statements of the International Arab Bank of Tunisia shall be drawn up in accordance with the provisions of law No. 96-112 of 30-12-1996 on the accounting system of enterprises and the provisions of the Order of the Minister of Finance of 25-03-1999 approving sector-specific accounting standards for banking operations.

The financial statements are prepared in accordance with the model defined in accounting standards No. 21 related to the presentation of financial statements of banking institutions.

Note II – Ground of measurement and relevant accounting principles applied and presentation of financial statements

The financial statements have been closed at 31st of December 2019, by virtue of the accounting principles and policies provided for in Decree No. 96-2459 of 30-12-1996, approving the conceptual framework for accounting and accounting principles under standards accounting Sector banking institutions. Among these principles, we describe below the rules that have been applied to take account of income and expenses, the valuation rules for receivables and securities and the rules for converting foreign currency transactions.

II-1. The rules of taking into account products

Interests, similar income and commissions are taken in the result of 2019 for their amounts related to the period from January 1st to December 31st 2019. Thus, the income that had been received and which concerns the periods subsequent to December 31st 2019 is not taken into consideration in the financial year of 2019 and this in accordance to the provisions of accounting standards. The accrued and not yet due incomes on 31-12-2019 are also included in the financial year.

In accordance with the provisions of Sector Accounting Standards No. 24 and Circular No. 91-24 of 17-12-1991 of the Central Bank of Tunisia, interest and similar income due on 31-12-2019 and uncollected or whose receipt is doubtful are not taken into account in the result and appear on the balance sheet in the form of reserved overdraft charges.

Interests and similar income recorded in prior year overdraft charges booked in 2019 are included in the financial year of 31-12-2019.

II-2. The rules for taking into account charges

Interest expense, incurred commissions, staff working costs and other expenses are taken into account as a reduction of the income 31-12-2019 for their amounts related to the period from January 1st to December 31st 2019. Thus, expenses that have been disbursed and which relate to periods after 31-12-2019 are recorded in the balance sheet in the form of adjustment accounts.

The expenses related to the period concerned by this situation and that have not been disbursed till 31-12-2019 are reduced from the income.

II-3. The evaluation rules for receivables

In accordance with the provisions of the Sector Accounting Standards for Banking Institutions and Circular No. 91-24 of 17 December 1991 of the Central Bank of Tunisia, an evaluation of all the Bank's claims was carried out on the basis of the situation as of 31-12-2019 and taking into account the subsequent events of this date.

This evaluation was accompanied by an assessment of all deductible guarantees within the meaning of circular 91-24 of the Central Bank of Tunisia related to prudential rules.

These two transactions led the Bank to determine the amount of required provisions, an amount of provisions for the year 2019 and an amount of reserved income.

II-4. The rules for valuing securities

In accordance with the provisions of the Sector Accounting of Banking Institutions and Circular No. 91-24 of 17-12-1991 of the Central Bank of Tunisia, the securities held by the bank are evaluated, subsequently to their initial accounting, as follow:

Transactions Securities:

Transactions Securities:

Transactions securities are evaluated at their value market (weighted-average stock exchange price). The variation of the exchange rate, subsequent to their market-to-market evaluation, is included in the result. In addition, the BTA are evaluated to their market value according to the sovereign issues yield curve published at the balance sheet date of the financial year 2019.

Investment Securities:

On the cut-off date, it is conducted to the comparison of acquisition cost to the market value for the listed securities and at fair value for unlisted securities. In addition, the BTA are valued at amortized cost taking into account the spread, from the date of acquisition of any discount and/or premium on the residual maturity of the securities.

The unrealized gains on investment securities are not recognized. The unrealized losses arising from the difference between the carrying amount (eventually adjusted for amortization of premiums and/or reversals of discount) and the market value or fair value of the securities, are provisioned only in the following cases:

- Due to new circumstances, there is a high probability that the institution does not hold this securities until maturity; and
- There are risks of default of the securities issuer.

Participation securities:

On the cut-off date, these securities are valued on the basis of the last stock exchange price of the month of December 2019 for the listed securities and the financial position of the issuing companies for the unlisted securities, the determined unrealized gains are not taken into account in the result and the unrealized losses are however recognized in the form of provisions on securities.

II-5. foreign currency transactions conversion rules

In accordance with the provisions of the sectorial accounting standards of banking institutions, the financial statements are closed by taking into account foreign receivables and debts and the foreign exchange position which are converted on the basis of the last exchange rate of the Central Bank of Tunisia CBT for the month of December 2019. The exchange gains and losses resulting from this conversion are taken into account in the financial year ending on 31/12/2019.

II-6. Financial Statements Presentation

The financial statements closed and published by BIAT for the year 2019 are presented in accordance with Sector Accounting Standard No.21.

These statements include the data for the year 2019 and those related to the year 2018.

Note III – Balance Sheet Assets

(figures are in thousands of Tunisian Dinars)

The Balance Sheet Assets includes the following items:

- AC1: Cash and balances with Central Bank of Tunisia, Post Office accounts and the Tunisian General Treasury;
- AC2: Receivables from banking and financial institutions;
- AC3: Receivables from customer;
- AC4: Trade securities portfolio;
- AC5: investment securities portfolio;
- AC6: Fixed assets;
- AC7: Other Assets.

III-1. Cash and Balances with Central Bank of Tunisia (CBT), Post Office Accounts (POA) and General Treasury of Tunisia (GTT)

The volume of this post registered a decrease between December 2018 and December 2019 for TND 23 802 thousand or 1.59% passing from a period to another from TND 1 496 686 thousand to TND 1 472 884 thousand. This item is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Cash	137 723	150 557	(12 834)	-8,52%
Holdings in CBT	1 335 072	1 346 040	(10 968)	-0,81%
Holdings in POA	89	89	-	-
Total cash and balances with CBT, POA and GTT	1 472 884	1 496 686	(23 802)	-1,59%

III-2. Receivables from Banks and Financial Institutions

The volume of this post recorded an increase between December 2018 and December 2019 of TND 707 856 thousand or 68,93% passing from a period to another from TND 1 026 883 thousand to TND 1 734 739 thousand. This volume is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Receivables from banking institutions (a)	1 446 722	735 553	711 169	96,68%
Receivables from financial institutions (b)	288 017	291 330	(3 313)	-1,14%
Total receivables from banking and financial institutions	1 734 739	1 026 883	707 856	68,93%

- (a) The increase in the volume of our receivables from banks of TND 711 169 thousand or 96,68 % which passed from TND 735 553 thousand in 31/12/2018 to TND 1 446 722 thousand in 31/12/2019 relates the following positions:

	31/12/2019	31/12/2018	Variation	In %
Loan accounts with Central Bank of Tunisia	602 656	406 178	196 478	48,37%
Loan accounts of interbank market	783 996	290 559	493 437	169,82%
Accrued interests on loans	1 804	2 781	(977)	-35,13%
Correspondents' accounts NOSTRI	31 463	13 529	17 934	132,56%
Correspondents' accounts LORI	3 387	490	2 897	591,22%
Accrued interests on correspondents' accounts	1	5	(4)	-80,00%
Non-allocated values	23 415	22 011	1 404	6,38%
Total	1 446 722	735 553	711 169	96,68%

- (b) The decrease in our total receivables from financial institutions of TND 3 313 thousand or 1,14% which shifted from TND 291 330 thousand on December 2018 to TND 288 017 thousand on December 2019 is mainly attributable to the decrease of our loans to the Leasing companies balanced by the increase in Loans granted to other financial institutions. this section is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Loans granted to Leasing companies	171 353	233 959	(62 606)	-26,76%
Loans granted to other financial institutions	109 859	53 618	56 241	104,89%
Related receivables and debts	6 805	3 753	3 052	81,32%
Total	288 017	291 330	(3 313)	-1,14%

III-3. Customer receivables

Customers' receivables consist of current and classified accounts receivables, other current and classified loans, current and classified loans on special resources.

Gross doubtful loans (classified) as well as required provisions covering classified assets are determined in compliance with the provided provisions as well as the circular No 91-24 dated 17 December 1991 of the Central Bank of Tunisia related to prudential rules and banking accounting standards applicable to banking institutions.

The net total of customer receivables went from TND 10 676 697 thousand on December 2018 to TND 10 389 129 thousand on December 2019 recording thereon a decrease of TND 287 568 thousand or 2,69%. it is broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Customer accounts receivable	1 297 267	1 170 585	126 682	10,82%
Other customer loans	9 590 066	9 935 883	(345 817)	-3,48%
Loans on special resources	57 599	62 236	(4 637)	-7,45%
Total	10 944 932	11 168 704	(223 772)	-2,00%
Provisions on customer loans	(346 120)	(303 910)	(42 210)	13,89%
Interest reserve	(139 104)	(115 500)	(23 604)	20,44%
Collective Provisions	(70 579)	(72 597)	2 018	-2,78%
Total Customer Receivables	10 389 129	10 676 697	(287 568)	-2,69%

(1) Customer accounts receivables

Customer accounts receivables recorded from one period to another an increase of TND 126 682 thousand or 10,82% rising from TND 1 170 585 thousand on December 2018 to 1 297 267 TND thousand on December 2019. These accounts are broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Current accounts receivables	1 119 216	1 107 241	11 975	1,08%
Doubtful accounts receivables	52 634	49 900	2 734	5,48%
Advance on time deposits	124 812	13 206	111 606	845,12%
Receivables on customers' accounts	605	238	367	154,20%
Total	1 297 267	1 170 585	126 682	10,82%

The gross amount of doubtful receivables accounts amounting to TND 52 634 thousand is divided between the different categories under the prudential rules of the Central Bank of Tunisia CBT as follows:

	31/12/2019	31/12/2018	Variation	In %
Category 2	8 150	7 570	580	7,66%
Category 3	20 100	25 890	(5 790)	-22,36%
Category 4	24 384	16 440	7 944	48,32%
Total	52 634	49 900	2 734	5,48%

(2) Other customer's loans

The other customer's loans recorded from one period to another a decrease of TND 345 817 thousand or 3,48% passing from TND 9 935 883 thousand on December 2018 to TND 9 590 066 thousand on December 2019. these accounts are broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Other current borrowings	8 845 094	9 299 830	(454 736)	-4,89%
Other doubtful borrowings	744 972	636 053	108 919	17,12%
Total	9 590 066	9 935 883	(345 817)	-3,48%

- (a) Other current loans are divided as follows:

	31/12/2019	31/12/2018	Variation	In %
Industrial and commercial loans	5 437 587	5 707 358	(269 771)	-4,73%
Loans on real property, developers	89 200	119 241	(30 041)	-25,19%
Loans on real property, buyers	2 799 574	2 991 470	(191 896)	-6,41%
Agriculture loans	426 027	430 087	(4 060)	-0,94%
Associated current account	2 900	2 900	-	0,00%
Discount portfolio	8 755 288	9 251 056	(495 768)	-5,36%
Non-allocated values	370	1 367	(997)	-72,93%
Accrued interests for other bank overdrafts	113 443	75 248	38 195	50,76%
Accrued interests for associated bank overdrafts	561	328	233	71,04%
Interests received in advance (in less)	(24 568)	(28 169)	3 601	-12,78%
Total other bank overdrafts	8 845 094	9 299 830	(454 736)	-4,89%

(b) The gross amount of other doubtful loans amounting to TND 744 972 thousand, are divided between the different categories defined by the prudential regulation of the Central Bank of Tunisia as follows:

	31/12/2019	31/12/2018	Variation	In %
Category 2	26 876	25 131	1 745	6,94%
Category 3	63 465	71 218	(7 753)	-10,89%
Category 4	654 631	539 704	114 927	21,29%
Total	744 972	636 053	108 919	17,12%

(3) Loans on special resources

Loans on special resources recorded from one period to another a decrease of TND 4 637 thousand or 7.45% pass-ing from TND 62 236 thousand on December 2018 to TND 57 599 thousand on December 2019. These accounts are broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Current loans on special resources	41 356	42 920	(1 564)	-3,64%
Receivables on special resources loans	193	211	(18)	-8,53%
Loans on doubtful special resources	16 050	19 105	(3 055)	-15,99%
Total	57 599	62 236	(4 637)	-7,45%

The gross amount of loans on doubtful special resources amounting to TND 16 050 thousand, are divided between the different categories under the prudential regulation of the Central Bank of Tunisia CBT as follows:

	31/12/2019	31/12/2018	Variation	In %
Category 2	34	353	(319)	-90,37%
Category 3	479	1 312	(833)	-63,49%
Category 4	15 537	17 440	(1 903)	-10,91%
Total	16 050	19 105	(3 055)	-15,99%

Considering the foregoing, customer loans are summarized as follows:

(i) Current receivables

	31/12/2019	31/12/2018	Variation	in %
Current receivables excluding commitments by signature	10 040 672	10 414 423	(373 751)	-3,59%
Non allocated values	370	1 367	(997)	-72,93%
Related receivables	114 801	76 026	38 775	51,00%
Interests received in advance (in less)	(24 568)	(28 169)	3 601	-12,78%
Total	10 131 275	10 463 647	(332 372)	-3,18%
Current commitments by signature	2 176 568	2 218 805	(42 237)	-1,90%
Total	12 307 843	12 682 452	(374 609)	-2,95%

(ii) Gross doubtful receivables

	31/12/2019	31/12/2018	Variation	In %
Doubtful receivables excluding commitments by signature	813 655	705 058	108 597	15,40%
Doubtful commitments by signature	27 777	28 521	(744)	-2,61%
Total	841 432	733 579	107 853	14,70%

The gross amount of doubtful receivables, amounting to TND 841 432 thousand, is divided between the different categories under the prudential regulation of the Central Bank of Tunisia CBT as follows:

	31/12/2019	31/12/2018	Variation	In %
Category 2	35 811	34 039	1 772	5,21%
Category 3	86 073	99 683	(13 610)	-13,65%
Category 4	719 548	599 857	119 691	19,95%
Total	841 432	733 579	107 853	14,70%

Provisions and overdrafted charges covering the balance sheet receivables have been established for an amount of TND 477 559 thousand have been charged on the amount of receivables classified above-mentioned

Provisions made to cover the off-balance sheet commitments are included in the balance sheet liabilities at an amount of TND 15 128 thousand.

Thus, provisions and overdrafted charges which were formed to cover classified customer's receivables totaled

TND 492 687 thousand broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Overdraft charges on classified receivables	131 439	99 607	31 832	31,96%
Provisions for classified balance sheet receivables	346 120	303 910	42 210	13,89%
Provisions on off-balance sheet commitments	15 128	16 019	(891)	-5,56%
Total	492 687	419 536	73 151	17,44%

Provisions and overdraft charges which were formed to cover the unclassified customer's receivables totaled TND 78 244 thousand broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Overdraft charges on unclassified receivables	7 665	15 893	(8 228)	-51,77%
Collective provision	70 579	72 597	(2 018)	-2,78%
Total	78 244	88 490	(10 246)	-11,58%

It is worth mentioning that within the context of the analysis and assessment of customer receivables, the provisions required for classified receivables have been determined taking into account only the deductible collaterals as defined in the Circular of the Central Bank of Tunisia CBT No. 91-24

Thus, were excluded from his calculation the non-deductible guarantees such as pledging of a business, mortgages on registering requisitions; maritime mortgages; mortgages on private agreements; pledging of fixed equipment; pledges on deals; pledges on rolling stock; pledges on goods; joint and several guarantees of individual and legal entities; endorsements of individual and legal entities; life insurance; and domiciliation of salaries, rents and contracts.

III-4. Trading Securities portfolio

The volume of trading securities portfolio has passed between December 2018 and December 2019 from TND 63 295 thousand to TND 69 390 thousand , thus recording an increase of TND 6 095 thousand or 9,63%.

This change comes from the increase in the volume of securities transactions for TND 6 097 thousand or 10% due to the different subscriptions operations and refunds done during the period from 01/01/2019 to 31/12/2019 accompanied by a decrease of the total of the investments securities for TND 2 thousand or 0.09%.

The movement of securities as well as their distribution between securities disposed to customer and securities kept in portfolio are detailed here in after:

(1) Trading Securities

a) Trading securities subscribed and non-redeemed are broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Fungible Treasury Bills	378 359	452 776	(74 417)	-16,44%
Short term treasury Bills	31 479	1 050	30 429	2898,00%
Sub-total trading securities (principal)	409 838	453 826	(43 988)	-9,69%
Receivables and related debts	1 548	2 268	(720)	-31,75%
Total	411 386	456 094	(44 708)	-9,80%

b) Trading securities are divided between securities kept in the bank's portfolio and securities assigned to customer and are presented as of 31/12/2019 as follows:

Designation	31/12/2019	31/12/2018	Variation	In %
<i>1) Securities kept in the bank's portfolio</i>				
Fungible Treasury Bills	47 529	58 721	(11 192)	-19,06%
Short term Treasury Bills	18 009	-	18 009	-
Receivables and related debts	1 548	2 268	(720)	-31,75%
Total securities kept in portfolio	67 086	60 989	6 097	10,00%
<i>2) Securities assigned to customer</i>				
Customer : Fungible Treasury Bills	330 830	394 055	(63 225)	-16,04%
Customer : Short Term Treasury Bills	13 470	1 050	12 420	1182,86%
Total securities assigned to customer	344 300	395 105	(50 805)	-12,86%
General Total	411 386	456 094	(44 708)	-9,80%

(2) Investment Securities

Investment securities which are made primarily of SICAV securities dropped from TND 2 306 thousand as of 31/12/2018 to TND 2 304 thousand as of 31/12/2019 recording a decrease of TND 2 thousand or 0.09%.

	31/12/2019	31/12/2018	Variation	In %
SICAV Securities	2 303	2 303	-	0,00%
Related receivables and payables	1	3	(2)	-66,67%
Total	2 304	2 306	(2)	-0,09%

III-5. Investissement Securities Portfolio

This heading which consists mainly of investment securities, equity securities, shares in associated companies and joint venture, share in affiliated companies, managed funds and holding of securities went from TND 1 955 338 thousand on December 2018 to TND 2 017 817 thousand on December 2019, recording an increase of TND 62 479 thousand or 3.2%.

	31/12/2019	31/12/2018	Variation	In %
Gross outstanding of investment securities	2 019 075	1 943 094	75 981	3,91%
Receivables on investment securities	55 010	58 939	(3 929)	-6,67%
Provisions and bank charges reserved for the investment portfolio's depre-ciation	(56 268)	(46 695)	(9 573)	20,50%
Total Investment Portfolio	2 017 817	1 955 338	62 479	3,20%

This increase is detailed as follows:

	31/12/2019
New acquisitions	32 201
Repayment of investment treasury bills	(95 240)
Repayment of national loans	(700)
Release of managed funds	(8 115)
Onlending of managed funds	169 271
Allocation to provisions on investment securities	(21 154)
Reversal of provisions on investment securities	(9 827)
Reprise de provisions sur titres d'investissement	892
Reversal interests reserved on managed funds	(517)
Reversal interests reserved on portage	(121)
Repayment of subordinated shares FCC	(282)
Change in related receivables and the contribution of dividends for which the law is established and unmatured	(3 929)
Total	62 479

These operation are detailed as follows:

Wording	Investment Securities	Equity securities and resell agreements securities	Shares in related companies and joint ventures	Managed Funds	Total
Gross balance as at 31/12/2018 excluding related receivables	1358 276	62 862	228 876	293 080	1 943 094
Repayment of treasury bills	(95 240)	-	-	-	(95 240)
Release or and/acquisitions made during 2019	-	1 196	31 005	169 271	201 472
disposal, liquidations, repayment or losses made during 2019	(8 397)	(700)	-	(21 154)	(30 251)
Reclassification	-	(2 250)	2 250	-	-
Gross balance as at 31/12/2019 excluding related receivables	1 254 639	61 108	262 131	441 197	2 019 075
Related receivables on Treasury Bills	47 941	-	-	-	47 941
Related receivables on investment portfolio other than BTA	588	1 576	2 370	2 535	7 069
Provisions and bank charges reserved for the investment portfolio depreciation	-	(15 027)	(27 087)	(14 154)	(56 268)
Total investment portfolio	1 303 168	47 657	237 414	429 578	2 017 817

III-6. Fixed Assets

The fixed values are accounted for their purchase value taxes-free increased by the non recoverable VAT except for transport equipment which is stated in the balance sheet at their purchase cost inclusive of tax.

The fixed values depreciation are exercised using straight-line depreciation method and calculated according to the depreciation rates recognized by the fiscal Regulation in force, except for the business assets.

The depreciation allowances are determined and recorded on the basis of the book value of the fixed assets net to the recoverable value and taking into account the acquisition date of every fixed asset item.

The following are the applied depreciation rates:

Fixed Assets	Lifetime	Depreciation Rate
Intangible fixed assets		
Software	3 years	33,33%
Licenses	3 years	33,33%
Business Assets	20 years	5%
Tangible fixed assets		
Buildings	20 et 40 years	5% and 2,5%
General installations, fittings and fixtures of buildings	10 years	10%
Office Equipments	10 years	10%
Transport equipments	5 years	20%
Computer hardware	6,67 years	15%
Fixed assets with particular legal status	10 years	10%

The net fixed assets and their depreciations recorded an increase of TND 4 734 thousand or 2.35% going from TND 201 850 thousand on 31/12/2018 to TND 206 584 thousand in 31/12/2019.

	31/12/2019	31/12/2018	Variation	In %
Intangible fixed assets	77 452	74 274	3 178	4,28%
Depreciation of intangible fixed assets	(67 766)	(62 926)	(4 840)	7,69%
Tangible fixed assets	385 804	371 639	14 165	3,81%
Depreciation of tangible fixed assets	(208 302)	(194 953)	(13 349)	6,85%
Depreciation in progress and advances	19 396	13 816	5 580	40,39%
Total fixed assets	206 584	201 850	4 734	2,35%

The fixed assets are detailed on 31/12/2019 as follows:

	31/12/2018	Acquisitions	Disposal or layout	Reclassification	31/12/2019
License	25 091	2 389	-	-	27 480
Computer software	45 127	2	-	406	45 535
Goodwill and right to lease	4 056	-	-	381	4 437
Total intangible fixed assets	74 274	2 391	-	787	77 452
Lands	42 691	123	-	1 425	44 239
Constructions	110 203	-	(14)	946	111 135
Fixtures and fittings of constructions	88 021	3 254	(289)	4 357	95 343
Buildings to be allocated	164	-	-	-	164
Fixed assets with particular legal status	345	-	-	-	345
Office furniture	16 746	407	(680)	1 245	17 718
Computer equipments	51 783	2 842	(2 332)	2	52 295
Transport equipments	1 232	67	-	-	1 299
Constructions not allocated to professional activities	5 007	-	-	-	5 007
General installation of constructions	7 181	3	-	-	7 184
Banking operating equipments	24 802	3 419	(1 158)	27	27 090
Fixtures, fitting of banking operating equipment	46	7	-	-	53
Office equipments	13 197	354	(249)	354	13 656
Fittings of office equipments	1 852	2	(1)	10	1 863
Fittings of office furniture	8 369	293	(296)	47	8 413
Total tangible fixed assets	371 639	10 771	(5 019)	8 413	385 804
Works in progress	12 547	15 361	-	(9 549)	18 359
Advances on fixed assets in progress	1 269	-	(232)	-	1 037
Total Gross values of fixed assets	459 729	28 523	(5 251)	(349)	482 652

	Cumul. Depreciation 31/12/2018	Endowment	Adjustment sale and disposal	Amort. Cumulé 31/12/2018	Net Book Value 31/12/2019
License	(21 453)	(2 485)	-	(23 938)	3 542
Computer software	(38 629)	(2 133)	-	(40 762)	4 773
Goodwill and right to lease	(2 844)	(222)	-	(3 066)	1 371
Total intangible fixed assets	(62 926)	(4 840)	-	(67 766)	9 686
Lands	-	-	-	-	44 239
Constructions	(41 059)	(3 452)	-	(44 511)	66 624
Fittings, fixtures of constructions	(61 576)	(6 465)	264	(67 777)	27 566
Buildings to be allocated	-	-	-	-	164
Fixed assets with particular legal status	(334)	(5)	-	(339)	6
Office furniture	(10 944)	(1 053)	679	(11 318)	6 400
Computer equipment	(39 106)	(3 411)	2 331	(40 186)	12 109
Transport equipment	(1 033)	(74)	-	(1 107)	192
Constructions not allocated to Professional activities	(109)	(6)	-	(115)	4 892
General installation of constructions	(6 398)	(99)	-	(6 497)	687
Banking operating equipment	(16 274)	(2 650)	1 158	(17 766)	9 324
fittings, fixtures of banking operating	(25)	(4)	-	(29)	24
Office equipment	(10 270)	(569)	242	(10 597)	3 059
Fittings of office equipments	(1 473)	(65)	1	(1 537)	326
Fittings of office furniture	(6 193)	(466)	295	(6 364)	2 049
Total tangible fixed assets	(194 794)	(18 319)	4 970	(208 143)	177 661
Works in progress	-	-	-	-	18 359
Advances on fixed assets in progress	-	-	-	-	1 037
Provision on fixed assets	(159)	-	-	(159)	(159)
Total Gross values of fixed assets	(257 879)	(23 159)	4 970	(276 068)	206 584

III-7. Other assets

The heading went from TND 410 234 thousand on December 2018 to TND 441 223 thousand on December 2019, recording an increase of TND 30 989 thousand or 7.55%. This heading is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Adjustment accounts	98 948	109 503	(10 555)	-9,64%
Other assets accounts	342 275	300 731	41 544	13,81%
Total other assets	441 223	410 234	30 989	7,55%

Thus, the total of the balance sheet recorded between December 2018 and December 2019, an increase of TND 500 783 Thousand or 3.16% shifting from TND 15 830 983 thousand to TND 16 331 766 thousand.

NOTE IV – Liabilities on the balance sheet

(figures are expressed in TND thousand: thousand of Tunisian dinars)

Liabilities on the balance sheet consist of the following sections:

- PA1 : Central Bank of Tunisia, Post Office Accounts
- PA2 : Deposit liabilities and holdings of banking and financial institutions
- PA3 : Deposit liabilities and holdings of customers
- PA4 : borrowings and special resources
- PA5 : Other liabilities

IV-1. Central Bank of Tunisia and Post Office Accounts

The volume of this heading changed from one period to another from TND 722 thousand to TND 1201 thousand, an increase of TND 479 thousand or 66,34%.

This change is due mainly to the increase of CBT checks awaiting payment in the amount of TND 389 thousand or 53,88% and the credit balance of our foreign currency accounts held to the CBT of TND 90 thousand on December 2019. this heading is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
CBT Checks awaiting payment	1 111	722	389	53,88%
CBT foreign currency accounts	90	-	90	-
Total Central bank and CCP	1 201	722	479	66,34%

IV-2. Deposits and holdings in banking and financial institutions

The volume of this heading changed from one period to another from TND 2 424 863 thousand to TND 1 254 845 thousand, a decrease of TND 1 170 018 thousand or 48,25%. this heading is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Deposits and holdings of banking institutions (a)	1 252 333	2 419 763	(1 167 430)	-48,25%
Deposits and holdings of financial institutions (b)	2 512	5 100	(2 588)	-50,75%
Total deposits and holdings of banking and financial institutions	1 254 845	2 424 863	(1 170 018)	-48,25%

This change is explained by:

(a) a decrease in the deposits and holdings of banking institutions from TND 1 167 430 thousand or 48.25% which shifted from TND 2 419 763 thousand in December 2018 to TND 1 252 333 thousand in December 2019.

	31/12/2019	31/12/2018	Variation	In %
loan in Dinars with the BCT	1 085 000	2 308 000	(1 223 000)	-52,99%
Loan in Dinars with banks	40 000	68 716	(28 716)	-41,79%
Deposits of the correspondents bankers	118 522	38 768	79 754	205,72%
Other amounts due	6 035	743	5 292	712,25%
Connected debts	2 776	3 536	(760)	-21,49%
Deposits and assets of banking institutions	1 252 333	2 419 763	(1 167 430)	-48,25%

* A decrease of deposits with financial institutions from TND 2 588 thousand or 50,75% that went from TND 5100 thousand on December 2018 to TND 2 512 thousand on December 2019. This change originates essentially from deposits of leasing companies.

IV-3. Deposit and assets of customers

Deposits of customers recorded an increase of TND 1 484 148 thousand or 12.89%, rising from TND 11 512 676 thousand on December 2018 to TND 12 996 824 thousand on December 2019. This increase is originated from the following items:

	31/12/2019	31/12/2018	Variation	In %
Demand deposits	6 243 960	5 777 139	466 821	8,08%
Savings deposits	2 852 838	2 690 349	162 489	6,04%
Term account	2 316 944	1 915 894	401 050	20,93%
Term vouchers	263 392	260 023	3 369	1,30%
Certificates of deposits Money market	549 000	333 000	216 000	64,86%
Related debts	74 959	46 560	28 399	60,99%
Other amounts due	695 731	489 711	206 020	42,07%
Total Deposits and assets of customers	12 996 824	11 512 676	1 484 148	12,89%

IV-4. Borrowings and special resources

Borrowings and special resources recorded a decrease of TND 53 247 thousand or 19,96%, dropping from TND 266 819 thousand on December 2018 to TND 213 572 thousand on December 2019. This decrease is originated from the following items:

	31/12/2019	31/12/2018	Variation	In %
Borrowings and debts on special resources	43 625	46 837	(3 212)	-6,86%
Related debts on special resources	124	158	(34)	-21,52%
Public funds	13 419	13 278	141	1,06%
Total public funds and foreign bodies	57 168	60 273	(3 105)	-5,15%
Subordinate loans	149 503	198 600	(49 097)	-24,72%
Debt related to loans	6 901	7 946	(1 045)	-13,15%
Total borrowings and special resources	213 572	266 819	(53 247)	-19,96%

This heading mainly consists of :

- Of the subordinate loan BIAT 2014 : this subordinate loan was set up on December 2014 for an amount of TND 50 000 thousand. The loan of this debt on 31/12/2019 is TND 12.700 thousand.
- Of the subordinate loan BIAT 2016: this subordinate loan was set up on December 2016 for an amount of TND 70 000 thousand. The loan of this debt on 31/12/2019 is TND 41 800 thousand.
- Of the subordinate loan BIAT 2017: this subordinate loan was set up in 2017 for an amount of TND 80 000 thousand. The loan of this debt on 31/12/2019 is TND 50 200 thousand
- Of the subordinate loan BIAT 2018: this subordinate loan was set up in 2018 for an amount of TND 55 000 thousand. The loan of this debt on 31/12/2019 is TND 44 803 thousand
- These subordinate loans, which were taken into account in the calculation of solvency ratio as of qua-si-equity, serves in particular to finance the credits granted to the customers.
- Resources received from public funds and foreign bodies to be used by the bank to finance credits granted to the customers.
- These funds recorded a decrease of TND 3 105 thousand or 5.15 % going down from TND 60 273 thousand on December 2018 to TND 57 168 thousand on December 2019.

This change is originated from refunds made for the benefits to these same funds of fallen due amounts, compensated by the release of new resources. This change is detailed as follows:

	Balance as at 31/12/2018	Resources	Refunds	Balance as at 31/12/2019
AFD	10 215	-	(2 987)	7 228
BEI	2 151	-	(690)	1 461
BIRD	5 246	-	(1 143)	4 103
CFD	5 064	-	(928)	4 136
ESPAGNOLE	1 374	-	(298)	1 076
FDCI	374	-	(105)	269
FNG	1 644	-	(1 644)	-
FONAPRA	5 223	600	(437)	5 386
FOPRODI	2 377	-	(134)	2 243
FOSDA / FOSEP	154	-	-	154
PREMIER LOGEMENT	3 507	1 400	-	4 907
RESTRUCTURATION FINANCIERE	-	460	-	460
ITL	16 412	5 745	(2 617)	19 540
KFW	4 937	-	(222)	4 715
PROPARCO	8	-	-	8
BAD			(71)	1 358
Related debts	158	124	(158)	124
TOTAL	60 273	8 329	(11 434)	57 168

IV-5. Other liabilities

The total of this item shifted from TND 402 795 thousand on December 31, 2018 to TND 393 746 thousand on December 31 st, 2019, recording a decrease of TND 9 049 thousand or 2.25%. this change results from the following subsections:

	31/12/2019	31/12/2018	Variation	In %
Provisions for liabilities and expenses (1)	100 745	85 467	15 278	17,88%
Accounts of expectation and regularization (2)	185 994	211 371	(25 377)	-12,01%
Other accounts (3)	107 007	105 957	1 050	0,99%
Total Other Liabilities	393 746	402 795	(9 049)	-2,25%

(1) Provisions for liabilities and expenses

Provisions for liabilities and expenses shifted between December 2018 and December 2019 from TND 85 467 thousand to TND 100 745 thousand, recording an increase of TND 15 278 thousand or 17.88%.

	31/12/2019	31/12/2018	Variation	In %
Provisions for risks of exploitation	85 617	69 448	16 169	23,28%
Provisions on off-balance sheet commitments	15 128	16 019	(891)	-5,56%
Total Provisions for liabilities and expenses	100 745	85 467	15 278	17,88%

(2) Accounts of expectation and regularization

The accounts of expectation and regularization shifted between December 2018 and December 2019 from TND 211 371 thousand to TND 185 994 thousand, a decrease of TND 25 377 thousand or 12.01%.

	31/12/2019	31/12/2018	Variation	In %
Other deferred revenues	7 918	7 049	869	12,33%
Accrued expenses	78 961	85 002	(6 041)	-7,11%
Suspense accounts to be settled	99 115	119 320	(20 205)	-16,93%
Total Suspense accounts and regularization	185 994	211 371	(25 377)	-12,01%

(3) Other accounts

The other accounts shifted between December 2018 and December 2019 from TND 105 957 thousand to TND 107 007 thousand, an increase of TND 1 050 thousand or 0.99%.

	31/12/2019	31/12/2018	Variation	In %
State, taxes and fees	63 775	61 088	2 687	4,40%
Deduction accounts	34 290	29 829	4 461	14,96%
Other accounts payable	8 942	15 040	(6 098)	-40,55%
Total other accounts	107 007	105 957	1 050	0,99%

NOTE V – Statement of Shareholders Equity

(Figures are expressed in TND thousand: Thousand of Tunisian Dinars)

The total of shareholders equity shifted between December 2018 and December 2019 from TND 1 223 108 thousand to TND1 471 578 thousand, recording thereby an increase of TND 248 470 thousand or 20.31%.

The following chart summarizes the shareholders equity's change between 2018 and 2019.

	Share Capital	Reserves	Other Shareholders Equity	Forwarded Results	Net income of the financial year	Total
Balance as at 31/12/2017	170 000	484 580	3	171 564	214 017	1 040 164
Allocation of the income	-	100 044	-	113 973	(214 017)	-
distributed dividends	-	(72 250)	-	-	-	(72 250)
Social funds	-	429	-	-	-	429
Net income of the financial year 2018	-	-	-	-	254 765	254 765
Balance as at 31/12/2018	170 000	512 803	3	285 537	254 765	1 223 108
Allocation of the income	-	120 043	-	87 122	(207 165)	-
Distributed dividends	-	(37 400)	-	-	(47 600)	(85 000)
Social funds	-	464	-	-	-	464
Net income of the financial year 2019	-	-	-	-	333 006	333 006
Balance as at 31/12/2019	170 000	595 910	3	372 659	333 006	1 471 578

In application to article 19 of the law No. 54-2013 of December 30, 2013 carrying financial management Act of 2014, the distributable equity free of restraint amounted to TND 98 110 thousand on December 31st, 2019 and detailed as follows:

Unavailable Reserves submitted to a particular tax regime:	TND 77 868 thousand
Reserves submitted to a particular tax regime:	TND 20 086 thousand
Other reserves :	TND 147 thousand
Retained earnings :	TND 9 thousand

Thus, the available equity capital is not subjected to withholding tax, amounts on December 31st, 2019 to TND 20 242 thousand.

NOTE VI – Statement of off-balance sheet commitments

(Figures are expressed in TND thousand: Thousand of Tunisian Dinars)

1) The received guarantees appearing on the statement of off-balance sheet commitments does not include non-deductible guarantees as defined in the circular No. 91-24 of 17-12-1991 of the Central Bank of Tunisia. Besides, these guarantees are included in the off-balance sheet for the claim value listed in the balance sheet and related to these guarantees. Thus, surplus of the guarantees with respect to each out-standing claim is excluded from this situation.

2) The foreign-exchange transactions not solved on the date 31/12/2019 amount to TND 669 046 thousand.

3) The value of securities to be delivered resulting from securities operations amounts on 31/12/2019 to TND 4 thousand.

NOTE VII – Statement of Income*(Figures are expressed in TND thousand: Thousand of Tunisian Dinars)***VII-1. Banking operating revenues**

The total of this item shifted from TND 1 271 533 thousand on December 31st, 2018 to TND 1 515 839 thousand on December 31st, 2019, recording an increase of TND 244 306 thousand or 19.21%.

These banking operating revenues consist of the following items:

- Interests and et assimilated income;
- Commissions in income;
- Earnings on trade securities portfolio and financial transactions;
- Incomes of the portfolio investment securities;

VII-1-1. Interests and assimilated income

Interests and assimilated income shifted from TND 896 036 thousand on 31/12/2018 to TND 1 093 784 thousand on 31/12/2019, recording an increase of TND 197 748 thousand or 22.07%. This change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Interests on bank ordinary accounts	258	164	94	57,32%
Interests on accounts of interbank loans	9 502	9 699	(197)	-2,03%
Interests on customer loans	872 501	737 535	134 966	18,30%
Interests on accounts receivables to customer	140 319	105 965	34 354	32,42%
Interests and assimilated income from guarantee commitment	28 996	24 606	4 390	17,84%
Other interests and assimilated income	42 208	18 067	24 141	133,62%
Total interests and assimilated income	1 093 784	896 036	197 748	22,07%

VII-1-2. Commissions in income

The commissions in income shifted from TND 185 985 thousand on 31/12/2018 to TND 201 640 thousand on 31/12/2019, recording an increase of TND 15 655 thousand or 8.42%. This change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Commission on foreign-exchange transactions	2 922	2 398	524	21,85%
Commission on financing commitments	34 761	33 691	1 070	3,18%
Commission on guarantee commitments	12 160	11 868	292	2,46%
Commission on services of financial services	70 336	62 604	7 732	12,35%
Commissions on other banking operating	81 461	75 424	6 037	8,00%
Total Commissions (in income)	201 640	185 985	15 655	8,42%

VII-1-3. Gains on trade securities portfolio and financial operations

These gains total TND 106 379 thousand on 31/12/2019 against TND 86 845 thousand on 31/12/2018, an increase of TND 19 534 or 22,49%.

	31/12/2019	31/12/2018	Variation	In %
Incomes on transaction securities (a)	2 232	5 165	(2 933)	-56,79%
Incomes on securities of investment (b)	56	44	12	27,27%
Gains on foreign-exchange and arbitrage transactions (c)	104 091	81 636	22 455	27,51%
Total Gains on trade securities portfolio and financial operations	106 379	86 845	19 534	22,49%

This decrease is detailed as follows:

(a) Revenues of transaction securities

The income of transaction securities shifted between December 2018 and December 2019 from TND 5 165 thousand to TND 2 232 thousand, a decrease of TND 2 933 thousand or 56.79%. these incomes are detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Incomes of transaction securities	3 416	9 701	(6 285)	-64,79%
Capital gain or loss of disposal or refund	(411)	253	(664)	-262,45%
Capital gain or loss of reassessment of BTA Securities	(773)	(4 789)	4 016	-83,86%
Total Incomes on transaction securities	2 232	5 165	(2 933)	-56,79%

(b) Net Gain on foreign-exchange transactions

The net gains on foreign-exchange transactions which consist mainly of gains and losses related to transactions of manual foreign-exchange, from spot and future foreign-exchange transactions increased from TND 81 636 thousand on 31/12/2018 to TND 104 091 thousand on 31/12/2019 recording a rise of TND 22 455 thousand or 27.51%.

VII-1-4. Incomes of investment portfolio

The incomes of investment portfolio which consist mainly of interests on investment treasury bills subscribed by the bank and perceived dividends on equity securities and incomes on managed funds recorded an increase of TND 11 369 thousand or 11,07 % going from one period to another from TND 102 667 thousand to TND 114 036 thousand.

	31/12/2019	31/12/2018	Variation	In %
Interests and incomes of the investment securities	99 864	92 325	7 539	8,17%
Incomes of shares in the associated companies	12 921	7 750	5 171	66,72%
Incomes of equity securities	1 251	2 592	(1 341)	-51,74%
Total incomes of the investment securities	114 036	102 667	11 369	11,07%

VII-2. Bank operating expenses

The total of this heading went from TND 437 028 thousand on December 31st , 2018 to TND 558 950 thousand on December 31st , 2019, recording an increase of TND 121 922 thousand or 27.9 %.

These bank operating expenses consists of the following items:

- Incurred interests and assimilated expenses
- incurred commissions.

VII-2-1. The incurred interests and assimilated expenses

The incurred interests and assimilated expenses went from TND 434 298 thousand on 31/12/2018 to TND 555 928 thousand on 31/12/2019, recording an increase of TND 121 630 thousand or 28.01%. this change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Interests on bank ordinary accounts	626	580	46	7,93%
Interests on interbank loans accounts	5 463	2 459	3 004	122,16%
Interests on customer's deposits	361 025	293 960	67 065	22,81%
Interests on obligatory and subordinate loans	15 362	15 817	(455)	-2,88%
Interests on special resources	1 381	1 520	(139)	-9,14%
Other interests and expenses	172 071	119 962	52 109	43,44%
Total incurred interests and assimilated expenses	555 928	434 298	121 630	28,01%

VII-2-2. Incurred commissions

The incurred commissions went from TND 2 730 thousand on 31/12/2018 to TND 3 022 thousand on 31/12/2019, recording an increase of TND 292 thousand or 10.7%. This change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Commissions on treasury transactions and interbank transactions	2 924	2 678	246	9,19%
Commissions on other transactions	98	52	46	88,46%
Total incurred commissions	3 022	2 730	292	10,70%

VII-3. Allocation to provisions and the result of valued adjustment of receivables, off-balance sheet and liabilities

The balance under this heading records on 31/12/2019 a net allocation of TND 105 035 thousand broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocation to provisions on customer receivables	(118 330)	(105 812)	(12 518)	11,83%
Allocation to provisions for risks and expenses	(19 022)	(7 471)	(11 551)	154,61%
Total allocations	(137 352)	(113 283)	(24 069)	21,25%
Losses on receivables	(48 538)	(97 536)	48 998	-50,24%
Total allocations and losses on receivables	(185 890)	(210 819)	24 929	-11,82%
Reversal of provisions on customer receivables	79 201	98 860	(19 659)	-19,89%
Reversal of provisions for losses and expenses	1 487	8 699	(7 212)	-82,91%
Total reversals	80 688	107 559	(26 871)	-24,98%
Recoveries of receivable written off	167	132	35	26,52%
Total reversal and recoveries on receivables	80 855	107 691	(26 836)	-24,92%
Balance	(105 035)	(103 128)	(1 907)	1,85%

VII-4. Allocation to provisions and the result of adjustment values on investment portfolio

The volume of this heading records on 31/12/2019 a loss on balance of TND 14 393 thousand broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocation to provisions on equity securities, portage and managed funds	(8 469)	(1 044)	(7 425)	711,21%
Allocation to provisions on shares in the related companies and joint ventures	(1 358)	(2 101)	743	-35,36%
Total allocation	(9 827)	(3 145)	(6 682)	212,46%
Expenses and losses on securities	(5 694)	(3 317)	(2 377)	71,66%
Total of allocations and losses on receivables	(15 521)	(6 462)	(9 059)	140,19%
Reversal of provisions on shares in the related companies and joint ventures	892	1 041	(149)	-14,31%
Capital gain of disposal of equity securities	236	-	236	-
Total reversal	1 128	1 041	87	8,36%
Total reversal and recoveries on receivables	1 128	1 041	87	8,36%
Balance	(14 393)	(5 421)	(8 972)	165,50%

VII-5. Other operating incomes

This section, which is composed mainly of rental incomes and of interests on staff loans, shifted between December 2018 and December 2019 from TND 11 449 thousand to TND 11 567 thousand, recording thereby an increase of TND 118 thousand or 1,03%.

VII-6. Staff costs

This section, which is composed mainly of salaries, social expenses and other staff expenses, shifted between December 2018 and December 2019 from TND 220 902 thousand to TND 212 057 thousand, recording thereby a decrease of TND 8 845 thousand or 4%.

VII-7. General operating expenses

The increase of TND 23 735 thousand recorded between December 2018 and December 2019 results from an increase in the non-banking operating costs at the rate of TND 9 780 thousand and the rise in other general operating expenses to the tune of TND 13 956 thousand.

VII-8. Allocations to depreciations and provisions on fixed assets

The balance of this section records on 31/12/2019 an amount of TND 35 085 thousand broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocations to depreciations of intangible fixed assets	4 840	8 038	(3 198)	-39,79%
Allocations to depreciations of tangible fixed assets	18 319	16 369	1 950	11,91%
Allocations to depreciations of deferred expenses	11 926	10 296	1 630	15,83%
Total allocations to depreciations and to provisions on fixed assets	35 085	34 703	382	1,10%

VII-9. Balance in gain or in loss resulting from other ordinary items

This section is detailed as follows:

	31/12/2019	31/12/2018	Variation	En %
Capital loss of assignment of fixed assets	(2)	-	(2)	-
Other ordinary losses	(4 993)	-	(4 993)	-
Other ordinary gains	-	16	(16)	-100,00%
+ Value of assignment of fixed assets	55	190	(135)	-71,05%
Total balance in gain/loss resulting from other ordinary items	(4 940)	206	(5 146)	-2498,06%

VII-10. Income taxes

The balance of this section records on 31/12/2019 an amount of TND 111 689 thousand against TND 88 821 thousand on 31/12/2018, an increase of TND 22 868 thousand or 25,75%. The balance for 2019 includes the amount of the social solidarity contribution calculated in accordance with the provisions of Article 53 of the Finance Act for 2018 as amended by the article 39 of the Finance Act for 2020.

NOTE VIII – Cashing portfolio

The value of checks, bills and other assimilated values held by the bank on behalf of third parties, awaiting collection amount on 31/12/2019 to TND 771 252 thousand. In accordance with the provisions provided for by the sector-based accounting standard of banking institutions, these values are not included in the balance sheet.

NOTE IX – Statement of cash flows

(figures are expressed in TND thousand: thousand of Tunisian dinars)

IX-1. effect of exchange rate change on cash and cash equivalent

The evolution of the exchange rate of the currencies quoted by the CBT which were used for the conversion in Dinars of our deposits and foreign currency assets as shown on the financial statements ending on 31/12/2019 have generated an impact cash and cash equivalents in the amount of TND 137 172 thousand.

This change is attributable in the following sections:

Designation	31/12/2019
Bank operating incomes	193
Customer deposits	189 890
Loans and advances granted to customer	(57 645)
Amounts paid to staff and sundry creditors	415
Issue/repayment of loans	119
Other cash flow generated from operating activities	4 200
Net change	137 172

IX-2. Cash and cash equivalents

This section is mainly composed of cashing in dinars and foreign currency, holdings with the Central Bank and with the center of postal checks, net sight assets with banking institutions, loans and borrowings for a period of less than three months and transaction securities portfolio.

The treasury of the bank shifted from TND (237 802) thousand on 31/12/2018 to TND 1 554 697 thousand on 31/12/2019, recording an increase of TND 1 792 499 thousand or 753,78%, broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Cash in TND				
Cash in dinars	120 773	110 697	10 076	9,10%
Correspondents debtors	28 194	22 458	5 736	25,54%
Correspondents creditors	(1 111)	(723)	(388)	53,67%
Cash debtors equivalents	9 569	6 491	3 078	47,42%
Cash creditors equivalents	(6 035)	(408)	(5 627)	1379,17%
Total cash in TND	151 390	138 515	12 875	9,30%
Foreign currencies cash				
Foreign currencies cash	45 375	56 450	(11 075)	-19,62%
Correspondents debtors	1 313 393	1 321 100	(7 707)	-0,58%
Correspondents creditors	(118 612)	(38 768)	(79 844)	205,95%
Foreign currencies investment	1 218 762	598 199	620 563	103,74%
Total foreign currencies cash	2 458 918	1 936 981	521 937	26,95%
Transactions securities	69 389	63 418	5 971	9,42%
Loans in dinars	(1 125 000)	(2 376 716)	1 251 716	-52,67%
Cash and cash equivalent	1 554 697	(237 802)	1 792 499	753,78%

Note X – Transactions with related parties

- BIAT concluded an agreement, in 2019, with the International Arab Company for Debt Recovery "CIAR", for the assignment of bank receivables with an amount of 2 583 KDT for the price of 350 KDT.
- BIAT concluded in 2019 with the company « TAAMIR » a lease agreement of furniture and equipment storage depot with a surface area of 350 m² located in Sidi Daoud industrial zone, la Marsa .
The lease was consented and accepted for a period of three months beginning on march 1st, 2019 and ending on may 31st, 2019, renewable from month to month by tacit consent within the limit of a maximum duration of one year from the effective date of the agreement.
This rent was granted and accepted for a total rent of TND 6 996 VAT excluded for the initial lease agreement of 3 months.
The amount of expenses for the year 2019 amounts to TND 23.319 VAT excluded.
- BIAT concluded in 2019 with « eStrat » Company a consulting and strategic assistance agreement.
In return to this mission, BIAT pays an annual remuneration amounting to 800 KDT tax excluded.
This agreement is concluded for a period of three years beginning on January 1st, 2019 .It will be renewed by tacit consent, unless a written waiver was given by one of the parties , subject to a notice of one month.
- An agreement was concluded in 2019 between the BIAT and the company SOPIAT, by virtue of which the latter provides BIAT with a senior technician to perform the necessary functions in the works related to the renovation of the BIAT building project Lac I.
In return of these services, the SOPIAT invoices the honorarium includes salaries and the advantages including all charges of the technician with a margin of 5%.
The amount invoiced by SOPIAT for the year 2019 amounts to TND 56.955 VAT excluded.

- An agreement was concluded in 2019 between BIAT and the company SOPIAT, by virtue of which SOPIAT provides BIAT with two technicians for the follow up of the operators in maintenance of the 5th floor for the 2nd phase of the bank's registered office.

In return of the services rendered, BIAT shall pay honorarium to SOPIAT Company with invoices including salaries and benefits all charges included for these two technicians with a margin of 5%.

The amount invoiced by SOPIAT for the year 2019 amounts to TND 51.538 VAT excluded.

- An agreement was executed in 2019 between BIAT and SOPIAT Company, by virtue of which the latter provides the BIAT with two workers to ensure the follow up of the operators in maintenance of the 5th floor for the 2nd phase of the bank's registered office.

In return of the services rendered, BIAT shall pay honorarium to SOPIAT Company with invoices including salaries and benefits all charges included for these two workers with a margin of 5%.

The amount invoiced by SOPIAT in 2019 amounts to TND 31 128 VAT excluded.

- BIAT concluded in 2019 with the company « Value Digital Services » an IT engineering consulting agreement for the period starting from April 15th, 2019 till the end of September 2019.

In return for this mission, BIAT pays an annual remuneration of 320 KDT tax excluded.

- BIAT concluded two agreements, in 2019 with the International Arab Company for Debt Recovery "CIAR", for the onlending of bank receivables with a total amount of 153 KDT covered by provisions and Overdraft charges.

- BIAT concluded in 2019 with the company « Value Digital Services » an IT engineering consulting agreement.

In return for this mission, BIAT pays remuneration of 385 KDT tax excluded relevant to the preparatory work and the initial implementation of the system.

the said remuneration will be paid on a monthly basis according to the number of staff made available based on a remuneration scale agreed upon by both parties which can be reviewed by mutual agreement in the light of the future developments.

This agreement is concluded for a period of three years starting from November 1st, 2019.

- BIAT concluded with the company «SOPIAT» a lease agreement of a set of premises and real estate for all commercial use, situated on the ground floor and the 1st floor of the complex El Ahmadi in La Marsa with a gross total surface of 595 m².

This rent was consented and accepted for a period of two years, beginning on December 13th, 2019 and ending on December 12th, 2021, renewable by tacit consent for an annual rent of TND 334.999 VAT excluded.

The rent will be subject to non-cumulative increase of 5% applicable from the 3rd year of the rental.

- BIAT concluded an agreement, in 2019, with the International Arab Company for Debt Recovery "CIAR", for the assignment of bank receivables with an amount of 33 861 KDT for the price of 490 KDT.

- By decision of BIAT France's sole shareholder and after becoming aware of the achievements of its subsidiary, it was decided to allocate an operating subsidy of 1.216 KDT, the equivalent value of € 380.000 for the financial year 2019.

- BIAT concluded with BIAT Consulting an assistance and support agreement for the management IT team Projects being implemented by the bank, by virtue of which BIAT Consulting provides the bank with a qualified team for this purpose.

This agreement is concluded for a period starting from October 15th, 2019 until December 31st, 2019.

Where the duration of the mission is extended, an amendment to this agreement will be drawn up and will specify the terms and conditions.

This mission is carried out for a total remuneration of TND 30.000 tax excluded.

- 14.** BIAT concluded with the company «Value Digital Service» a lease agreement of premise to be used as offices with a surface area of 821m², and a part situated on the second floor with an area of 323 m² of the building, located at the corner of l'avenue principale et de la rue de Lac Turkana Lac1—Tunis.

This rent was consented and accepted for a period of two years, renewable from year to year by tacit consent for an annual rent of TND 286 000 VAT excluded. It will be subject to an annual cumulative increase of 5% applicable from the 3rd year of the rental.

- 15.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-5) with a total amount of 37.580 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 8.109 tax excluded.

- 16.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-6) with a total amount of 9.230 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.992 tax excluded.

- 17.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-7) with a total amount of 10.760 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 2.323 tax excluded.

- 18.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-8) with a total amount of 6.920 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.493 tax excluded.

- 19.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-9) with a total amount of 6.150 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 1.328 tax excluded.

- 20.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2019-10) with a total amount of 4.065 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund a commission of management of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;
- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% tax excluded per year on the invested amounts, between the seventh and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 878 tax excluded.

the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

- 29.** Within the framework of the exonerated investment affecting the income of the year 2019, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial fund 2020-5) with a total amount of 10.000 KDT.

BIAT CAPITAL RISQUE receives as a management of funds, a commission of:

- 0.5% tax excluded per year on the invested amounts, and this, during the blocking period;

- 1.75% tax excluded per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% tax excluded per year on the invested amounts, between the eighth and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

- 30.** After the conclusion of the transfer in lieu of payment act with the company GOLF SOUSSE MONSATIR "GSM", on December 27th, 2013, by virtue of which BIAT became the owner of the real estate property of three land titles situated in the tourist zone Dkhila Monsatir, the company GSM showed its will to rent the Golf Course with its conveniences and its outbuildings, already transferred to BIAT.

BIAT accepted this request and determined an annual rent composed of:

- A fixed portion of TND 200.000 VAT excluded per year payable on quarterly basis in advance. A cumulative increase of 5% per year will be applied to the fixed portion of the rent as from the third year of the rent.

- A variable portion calculated on the basis of the turnover, tax excluded, as follows:

- Between TND 0 and TND 500.000 => 10%
- Between TND 500.001 and TND 1 000.000 => 15%
- More than TND 1.000.001 => 20%

The present lease is accepted for a period of two successive years beginning on January 1st 2014 and ending December 31st, 2015, renewable by tacit consent.

- 31.** BIAT rented, to the company CIAR, for administrative offices usage, the office situated on the first floor of the building located in Sfax Harzallah.

This rent is consented and accepted for a period of two consecutive years, beginning on September 1st, 2013 and ending on August 31st, 2015, renewable by tacit consent and an annual rent of TND 4.950 VAT excluded payable on quarterly basis in advance. This rent is subject to a cumulative increase by 5% applied from the third year of the rent.

The amount listed among BIAT incomes in 2019 amounts to TND 6.117.

- 32.** BIAT and CIAR concluded in 2015 an agreement by virtue of which BIAT is engaged in fulfilling the missions of assistance and IT consulting.

The missions of assistance and consulting in the study, the choice and the setting up of IT solutions should be subject to a mission order informed by CIAR presenting the number of days of the mission with a daily rate fixed to TND 500 tax excluded.

The administrative and technical assistance missions are made an annual remuneration of TND 7.500 tax excluded.

These remunerations are paid to BIAT quarterly in arrears by presenting an invoice.

The present agreement is concluded for duration of three years. It will be renewed by tacit consent, except for a written renunciation by one of the parties by giving notice of 3 months.

The amount recorded among BIAT incomes in 2019 amounts to TND 7.500.

- 33.** BIAT concluded in 2012 with the company « CIAR » a lease agreement of an office with a surface area of 16.45m² situated on the first floor of the building in Boulevard 14 Janvier, Route Touristique Khezema, Sousse.

The leasing was authorized and accepted for a period of two consecutive years beginning on September 1st, 2012 and ending on August 31st, 2014, renewable from year to year by tacit consent. This leasing was authorized and accepted for an annual of TND 2.468 VAT excluded quarterly payable in advance.

The abovementioned rent, will be subject to an annual increase of 5% applied as from the third year of the leasing.

The amount recorded among BIAT incomes in 2019 amounts to TND 3.202.

- 34.** BIAT concluded in 2014 with the company CIAR an agreement of detachment of executives. Besides the salaries and salary supplements and advantages, the invoicing by the BIAT to the CIAR includes a margin of 5%.

The amount invoiced by BIAT in 2019 amounts to TND 519 634.

- 35.** In November 2014, BIAT concluded a mandate contract with the aim of recovering receivables with the company CIAR.

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

In return of its services, CIAR perceives fixed remuneration as follows:

- Fixed fees: TND 50 per be paid 60 days from the date of power of attorney
- Variable fees: 12% on the totality of collected sums including delay interests.

These remunerations modalities shall be applied from July 21st, 2017.

The amount invoiced by CIAR in 2019 amounts to TND 662.298.

- 36.** BIAT concluded in 2014 with CIAR Company an agreement on administrative and accounting assistance.

In return to this mission, BIAT perceives an annual remuneration amounting to 18 KDT tax excluded.

- 37.** BIAT signed a sublease agreement, in 2016, with the company CIAR of set of areas of the building situated at the corner of Radhia Haddad Street and Hollande Street.

This sublease is consented and accepted for a period of three consecutive years, beginning on September 1st, 2016 and ending on July 31st, 2019, renewable by tacit consent for further period of three years until a leave was served by one of the two parties or at the end of the term of the main lease.

This rent was authorized and accepted by a monthly rent of TND 6.562,500 VAT excluded, payable quarterly and in advance.

An annual cumulative increase of 5% will be applied from august 1st, 2017

Starting from November 2018, an amendment was signed, providing for the extension of all the rented

spaces of three offices located on the second floor of the building in rue de Radhia Haddad. Starting from November 1st, 2018 till July 31st, 2019, the monthly rent for all the spaces rented to the «CIAR» amounts to TND 9.337, 431 VAT excluded.

An annual cumulative rent increase will be applied, from August 1st, 2019 at an annual rate of 5%.

The amount listed among BIAT's incomes in 2019 amounts to TND114.383.

- 38.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 39.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 59.757 tax excluded.

- 40.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 59.757 tax excluded.

- 41.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Industrial Fund 2019-4) with an amount of 15.450 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 71.507 tax excluded.

- 42.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on January 4th, 2019, an agreement related to the management of funds (Regional Fund 2019-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 117.960 tax excluded.

- 43.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 44.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 45.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-4) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 106.551 tax excluded.

- 46.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1st, 2019, an agreement related to the management of funds (Regional Fund 2019-5) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 128.048 tax excluded.

- 47.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on December 5th, 2018 an agreement related to the management of funds (Industrial Fund 2018-4) with an amount of 24.550 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 368.786 tax excluded.

- 48.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on December 20th, 2017 an agreement related to the management of funds (Regional Fund 2017-3) with an amount of 40.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 698.752 tax excluded.

- 49.** Within the framework of the exonerated investment affecting the income of the year 2017, BIAT confided to BIAT CAPITAL RISQUES on December 20th, 2017 the management of a fund (FG BIAT Free 2017-3) with a total amount of 17.001KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 85.005 tax excluded.

- 50.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th, 2018 an agreement related to the management of funds (Industrial Fund 2018-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 162.511 tax excluded.

- 51.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Industrial Fund 2018-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 155.956 tax excluded.

- 52.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Industrial Fund 2018-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 151.626 tax excluded.

- 53.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-1) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end

of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 158.081 tax excluded.

- 54.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-2) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 155.533 tax excluded.

- 55.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12th , 2018 an agreement related to the management of funds (Regional Fund 2018-3) with an amount of 10.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 121.875 tax excluded.

- 56.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on march 17th , 2017 an agreement related to the management of funds (Industrial Fund 2017-1) with an amount of 6.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;
- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 104.638 tax excluded.

- 57.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17th, 2017 an agreement related to the management of funds (Industrial Fund 2017-2) with an amount of 5.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 87.488 tax excluded.

- 58.** Within the framework of the exonerated investment affecting the income of the year 2016, BIAT confided to "BIAT CAPITAL RISQUE" on March 9th, 2017 the management of a fund (FG BIAT Free 2017-1) with a total amount of 9.001 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 45.005 tax excluded.

- 59.** 59. Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 10th, 2017, an agreement related to the management of funds (FG BIAT Free 2017-2) with an amount of 5.501 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 96.255 tax excluded.

- 60.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17th, 2017 an agreement related to the management of funds (Regional Fund 2017-1) with an amount of 5.100 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 89.057 tax excluded.

- 61.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17th, 2017 an agreement related to the management of funds (Regional Fund 2017-2) with an amount of 4.750 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% tax excluded per year on placed amounts, during the blocking period;

- 1.75% tax excluded per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% tax excluded per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 82.981 tax excluded.

- 62.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 5th, 2016, an agreement related to the management of funds (Industrial Fund 2016-3) with a total amount of 15.700 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies as modified and completed by subsequent texts.

BIAT CAPITAL RISQUE will receive, quarterly and in arrears, a management commission of 0.5% tax excluded per year on the totality of the funds amount.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it would have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 78.500 tax excluded.

- 63.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December, 29th, 2016, an agreement related to the management of funds (Free Funds 2016-2) with an amount of 4.501 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 78.755 tax excluded.

- 64.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February, 29th, 2016, an agreement related to the management of funds (Regional Funds 2016) with a total amount of 5.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the invested amounts between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 86.459 tax excluded.

- 65.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February, 29th, 2016, an agreement related to the management of funds (Industrial Funds 2016-1) with a total amount of 5.000 KDT. The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 87.335 tax excluded.

- 66.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on March, 24th, 2016, an agreement related to the management of funds (Industrial Funds 2016-2) with a total amount of 5.050 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the invested amount.

- 1% per year on the invested amount between the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 88.241 tax excluded.

- 67.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 18th, 2016, an agreement related to the management of funds (Funds Free 2016-1) with a total amount of 9.401 KDT.

BIAT CAPITAL RISQUE will receive, quarterly and in arrears, a management commission of 0.5% tax excluded per year on the totality of the funds amount.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 47.005 tax excluded.

- 68.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on June 18th, 2015, an agreement related to the management of funds (Funds Free 2015-1) with an amount of 2.001 KDT.

The managed fund will be used to finance projects in compliance with the conditions and within the limits of law No. 88-92 dated 2 August 1988 related to investment companies, as modified and completed by subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

In case where BIAT CAPITAL RISQUE will reach a yield higher than the average MMR of the period, it could have right to a performance commission which will be calculated according to a scale.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 35.005 tax excluded.

- 69.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT confided to BIAT CAPITAL RISQUE on May 20th, 2013, the management of a fund (Funds Free 2013) with an amount of 8.853 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 44.265 tax excluded.

- 70.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded, on March 18th, 2014, a management agreement of industrial fund of 2014 with an amount of 2.000 KDT.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;

- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the outstanding funds, between the end of the seventh year and the tenth year.

The Manager will also be entitled to a performance commission (calculated on a scale) if the return is higher than the average MMR of the period.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 30.657 tax excluded.

- 71.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded on January 17th, 2014, an agreement related to the management of funds (Funds Free 2014-1) with an amount of 11.671 KDT.

BIAT CAPITAL RISQUE receives on the remuneration of the said fund, quarterly and in arrears, a commission of management of 0.5% per year, tax excluded, on the totality of the amount of the funds.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 58.355 tax excluded.

- 72.** BIAT confided to BIAT CAPITAL RISQUE, on March 15th, 2013, the management of regional funds 2013 with a total amount of 5.000 KDT fully paid up and this, in order to promote the projects located in regional development zones and job-creating projects benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 75.022 tax excluded.

- 73.** BIAT confided to BIAT CAPITAL RISQUE on March 15th, 2013, the management of 2013 industrial funds with an amount of 5.500 KDT fully paid up and this, in order to promote the industrial projects and the related activities benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.
- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 75.174 tax excluded.

- 74.** BIAT concluded with BIAT CAPITAL RISQUE on December 30th, 2009, a fund management agreement, by virtue of which it entrusts to the latter, under risk capital Funds, the management of a fund of an amount of 3.000 KDT, fully paid up.

The fund manager, in this case the company BIAT CAPITAL RISQUE will act to ensure the best profitability possible on the on participations financed by the fund such is, until its total repayment.

In return BIAT CAPITAL RISQUE receives, for the management of the fund, a commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund. The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 19.500 tax excluded.

- 75.** BIAT concluded with BIAT CAPITAL RISQUES on December 24th, 2008, a fund management agreement, by virtue of which it entrusts to the latter, under risk capital Funds, the management of a fund of an amount of 14.250 KDT, fully paid up.

The fund manager, in this case the company BIAT CAPITAL RISQUE will act to ensure the best profitability possible on the on participations financed by the fund such is, until its total repayment.

In return BIAT CAPITAL RISQUE receives, for the management of the fund, a commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund. The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 6.572 tax excluded.

- 76.** BIAT confided, during 2010, to BIAT CAPITAL RISQUE the management of funds with a total amount of 10.000 KDT fully paid up benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The manager of the fund, BIAT CAPITAL RISQUE will act to ensure for BIAT, the best return of participations until the total repayment of the fund.

BIAT CAPITAL RISQUE receives, for the management of the fund, an annual commission of the managed fund, equal to 1% per year tax excluded in arrears on the initial amount of the fund. After the period of five years, the commission will be annually calculated on the outstanding amount of the fund. .

This agreement was amended in May 2011 as follows:

Destination Funds:

- Participations to reinforce companies own funds as it is defined by law n°95-87 of October 30th 1995.
- To intervene, by means of subscription or acquisition of ordinary shares or preferred shares without the right to vote, to investment certificates of companies, equity securities, convertible bonds to shares and membership shares and in general to any other category assimilated to own funds.

Remuneration funds:

- 0.5% per year VAT excluded on the invested amounts, and this, during the blocking period;
- 1.75% per year VAT excluded on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;
- 1% per year VAT excluded on the invested amounts, between the end of the seventh and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 7.990 tax excluded.

- 77.** BIAT confided to BIAT CAPITAL RISQUE, in 2011, the management of regional funds with a total amount of 6.000 KDT fully paid up and this, in order to promote the industrial projects located in regional development zones and job-creating projects benefiting from fiscal advantages determined by law 95-88 dated October 30, 1995 as amended and supplemented by the new provisions of Article 39 and 48 of the code of the IS and IRPP and the subsequent texts.

The BIAT CAPITAL RISQUE receives on the fund remuneration a management commission of:

- 0.5% per year on placed amounts, during the blocking period;
- 1.75% per year on the invested amounts between the date of fund liberation and the end of the seventh year following this liberation. After the period of account blocking, the commission is received in arrears on the outstanding amount.

- 1% per year on the invested amounts between the eighth year and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 84.000 tax excluded.

- 78.** BIAT confided to "BIAT CAPITAL RISQUE" on December 28th 2011, the management of an industrial fund 2011 of a global amount of TND 6.000 fully paid up, in order to support the effort and the process of regional development taking advantage of fiscal privileges defined under law No. 95-88 dated October 30th, 1995 as amended and completed by the new provisions of articles 39 and 48 of the code of the IS and the IRPP and subsequent texts.

The company "BIAT CAPITAL RISQUE" receives, on the managing of the fund, a commission of:

- 0.5% per year on the invested amounts, and this, during the blocking period;

- 1.75% per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% per year on the invested amounts, between the eighth and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 49.000 tax excluded.

- 79.** BIAT concluded, on December 27th, 2007, with BIAT CAPITAL RISQUE, an agreement of management of risk capital funds under which, it entrusts to this company under risk capital fund, the management of a fund with a total amount of 9.000 KDT, fully paid up.

The manager of the fund, BIAT CAPITAL RISQUE will act to ensure for BIAT, a minimum profitability average of participations equivalent to MMR+0.5%, such is until the total repayment of the fund. In return, BIAT CAPITAL RISQUE receives, on the management of the fund, a commission of the managed funds, equal to 1% per year tax exclude, annually calculated in arrears, on the initial amount of the fund. After the period of five years, this commission will be annually calculated in arrears on the outstanding amount of the fund.

The risk of default by the beneficiaries of funding supports levied on the fund is supported by BIAT.

The amount invoiced by BIAT CAPITAL RISQUE in 2019 amounts to TND 1.277 tax excluded.

- 80.** BIAT confided to BIAT CAPITAL RISQUE on April 13th, 2011, the management of a regional fund of a global amount of 10.000 KDT fully paid up, taking advantage of fiscal privileges defined under law No. 95-88 dated October 30th, 1995 as amended and completed by the new provisions of articles 39 and 48 of the code of the IS and the IRPP and subsequent texts.

The company "BIAT CAPITAL RISQUE" receives, on the managing of the fund, a commission of :

- 0.5% per year on the invested amounts, and this, during the blocking period;

- 1.75% per year on the invested amounts, between the date of funds release and the end of the seventh year following that of the release. After the blocking period, the commission is perceived in arrears on the outstanding amounts;

- 1% per year on the invested amounts, between the eighth and the tenth year.

The amount invoiced by BIAT CAPITAL RISQUE for 2019 amounts to TND 122.146 tax excluded.

- 81.** An amendment of the agreements of management of capital risk funds was concluded on December 2015 between BIAT and BIAT CAPITAL RISQUE by virtue of which the two parties commonly agreed to add to all of the current agreements of management of funds a provision relative to direct costs related to shareholding lines and engaged by BIAT CAPITAL RISQUE.

Thus, the direct costs engaged by BIAT CAPITAL RISQUE for the implementation and disinvestment of shareholding lines imputed to current funds in force, will be taken in charge by BIAT.

- 82.** BIAT concluded in 2004 with BIAT CAPITAL RISQUE an amendment of management agreement of October 17th 2000. By virtue of this amendment BIAT receives, in return of its benefits, an annual remuneration of TND 50.000 all taxes included.

The income recorded at this level in 2019 amounts to TND 42.017.

- 83.** BIAT rented to the company BIAT CAPITAL RISQUE two offices of administrative usage, of a surface area of 92m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning the 1st of September 2015 and ending the 31st of august 2017, for an annual rent of TND 28.000 VAT excluded. The rent will be subject to an annual increase of 5% applicable from the 2nd year.

The income recorded at this level in 2019 amounts to TND 32.954.

- 84.** BIAT rented to SOPIAT two offices of administrative usage, of a surface area of 49m², located on its head office in Avenue Habib Bourguiba-Tunis.

Besides the salaries and salary complements and benefits, BIAT invoices to « BIAT CAPITAL RISQUES » include:

- A margin of 5%,

- VAT at the current rate .

The invoicing amount of BIAT amounts in 2019 to TND 799 803.

- 85.** La BIAT a loué à la Société SOPIAT deux bureaux pour usage administratif, d'une superficie globale de 49m², situés dans l'immeuble abritant son siège social, sis à l'Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning January 26th, 2015 and ending January 25th 2017, for an annual rent of TND 14.717 VAT excluding.

The income recorded in 2019 amounts to TND 17.818.

- 86.** The BIAT, as part of work on the project of the second tranche of its registered office, needed the temporary help of certain technicians specialized in the monitoring and the piloting of building sites and she moved closer to the SOPIAT on July 1st 2012, to equip him with two senior technicians for a temporary mission.

In return of this provision, the BIAT will reimburse the SOPIAT, by presenting an invoice, wages (including bonuses and other benefits, social employer costs, paid vacations and reimbursement of professional fees) provided by the SOPIAT to these two technicians with an increase of 10%.

This provision comes into effect on August 1st, 2012 and will come to an end in the date planned for the completion of the construction project, which is June 30th, 2014.

The amount invoiced by SOPIAT in 2019 amounts to TND 27.300 VAT excluding.

- 87.** The BIAT executed, in November 2016, with the company BIAT CONSULTING, a framework convention for providing executives for a period starting on March1st, 2016.

In exchange of the services rendered, the company BIAT CONSULTING calculated the honorarium based on the real cost of the gross salary all charges included, including the indirect charges for the personnel provided, all increased by 5%.

The amount invoiced by BIAT CONSULTING for 2019 amounts to TND 172.829 Tax excluded.

- 88.** The BIAT concluded in 2014 with the company BIAT CONSULTING an Agreement of accounting and administrative assistance.

In return of this mission, the BIAT receives an annual remuneration to the amount of TND 2,800 VAT included

An amendment to this agreement was concluded in December 2015 between BIAT and the Company BIAT CONSULTING by virtue of which both parties have agreed to extend the annual remuneration expected for the year 2014, in the same terms and conditions, i.e. TND 2.800 all taxes included. Such remuneration will increase to TND 3.100 tax excluded for the year 2017 and the followings.

- 89.** BIAT rented to BIAT CONSULTING company three offices of administrative usage, of a surface area of 101m², located on its head office in Avenue Habib Bourguiba Tunis.

This rental was agreed for a two consecutive years, beginning on October 1st, 2015 and ending on September 30th, 2017 for an annual rent of TND 30.683 VAT excluded. This rent will be subject to an annual increase of 5% applicable from the 2nd year.

The amount invoiced by BIAT in 2019 amounts to TND 35.963.

- 90.** The BIAT concluded in 2014 with the company BIAT CONSULTING an Agreement of detachment of two executives. Besides the salaries and salary supplements and advantages, the invoicing by BIAT to BIAT CONSULTING includes a margin of 5%.

An amendment to the said agreement was concluded in 2019, by virtue of which both parties agreed to suspend the secondment of one of the two executives to BIAT CONSULTING starting from 1st of January 2018.

The amount invoiced by BIAT to BIAT CONSULTING, in 2019, amounts to TND 271 645.

- 91.** The BIAT executed on October 25th, 2017 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assigns to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT – CEA PNT TUNISIAR.

In exchange for these services, the BIAT will receive an annual remuneration of 0.1%, tax excluded of the assets of FCP BIAT - CEA PNT TUNISIAR. This remuneration, which is deducted daily, is monthly paid in arrears.

The amount stated for this post in 2019 amounts to TND 18.324.

- 92.** The BIAT executed on May 04th, 2016 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assigns to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT - EQUITY PERFORMANCE.

In exchange for these services, the BIAT will receive an annual remuneration of 0.1%, tax excluded of the assets of FCP BIAT - EQUITY PERFORMANCE. This remuneration, which is deducted daily, is paid annually in arrears.

The amount of income recorded in 2019 amounts to TND 15.336.

- 93.** BIAT amended on December 25th, 2017 the two deposits and distribution agreements of mutual fund investment "FCP BIAT – EPARGNE ACTIONS" the first was signed, on November 24th, 2006 with BIAT ASSET MANAGEMENT then was renewed, on November 20th, 2013, while the second was newly signed at this same date on November 20th, 2013.

The amendments made at the first agreement regarding the remuneration of BIAT. In fact, the deposit commission rate was maintained in 2013 at 0.1% all taxes included of the fund net asset, at the level of the first amendment, and then was amended at the increase, at the level of the second amendment made in 2017, bringing it from 0.1% all taxes included to 0.1% tax excluded.

These remunerations, daily levied, are monthly paid in arrears.

Besides, BIAT amended also, on December 25th, 2017, the second agreement of distribution signed in November 2013 that have established a remuneration for the distribution fees of 0.2% all taxes included which is levied on the net asset of FCP BIAT- EPARGNE ACTIONS.

These amendments made at this agreement related to the remuneration of distributors namely BIAT and BIAT CAPITAL. In fact, the distribution services will be remunerated by the commissions at the rate of 0.3% tax excluded of the net asset per year in favor of distributors in proportion to their distributions instead of 0.2% all taxes included. The amendment of 2017, provided also the management of this distribution commissions by the manager namely BIAT ASSET MANAGEMENT which will now supported by BIAT ASSET MANAGEMENT and paid monthly in arrears on simple invoice presentation.

The amount listed under the result of the financial year 2019 amounts to TND 76.594.

- 94.** The BIAT executed on May 4th, 2016 with the company BIAT ASSET MANAGEMENT, an agreement relating to filing and management by virtue of which this latter assigns to BIAT, which accepts, the mission of exclusive agent of the funds and titles owned by FCP BIAT - EQUITY PERFORMANCE.

In exchange for these services, the BIAT will receive a share of the distribution commission of 0.3% tax excluded per year of the net asset and this, in proportion to its distribution. The said commission which is supported by BIAT ASSET MANAGEMENT will be deducted from management commission that it will deduct from the net asset of FCP BIAT – EQUITY PERFORMANCE.

The remuneration of BIAT will be paid by the company BIAT ASSET MANAGEMENT monthly in arrears on simple invoice presentation.

- 95.** The BIAT executed, in June 2016, with the Construction Company IRIS, an agreement for leasing two premises to be used as offices with a surface area of 855 m², situated at Building «Youssef Towers», rue du Dinar, Les Jardins du Lac, Les Berges du Lac II - Tunis, as well as 18 parking lots situated at the underground of the building.

This rent is granted for an annual rent of TND 210.810.

A sub-rental agreement was signed in January 2017 with the company BIAT ASSET MANAGEMENT, relating to a part of the above-mentioned premises of a total area of 273 m² with 6 parking spaces, for a period starting on 1 October 2016 until 31 July 2018. At the end of this period, the sublease shall be renewed from year to year from August 1st, 2018 by tacit consent.

This rent is granted for a monthly rent of TND 59.185 VAT excluded for a period beginning from 01/06/2016 and ending on 31/07/2017 and a rent of TND 74.573 VAT excluded for a period beginning from 01/08/2017 and ending on 31/07/2018.

An amendment to the said agreement was concluded in 2020, under which the lessor, the principal lessee and the sub-lessee agreed to:

Firstly, to renew the agreement for a period of three years starting from the 1st of august 2019 and ending the 31st July 2020, renewable from year to year by tacit consent

Secondly, to reduce the leased area to 165, 1 m²

Last, to set the annual rent at TND 54.076 excluding taxes as from the effective date of this amendment, namely on 01/08/2019, while maintaining the increase of 5%.

It should be mentioned that, as provided in the amendment, the sublessee will pay to the principal lessee an annual amount of TND 3 119 excluding taxes as its contribution to the trustee fees in addition to the tax due to the local authority «TCL» as from 01/08/2019.

The amount recorded in income of 2019 amounts to TND 68 207.

- 96.** The BIAT concluded, in January 2015, with BIAT ASSET MANAGEMENT an agreement of a detachment of six executives.

Besides the salaries and salary complements and benefits, BIAT invoicing to « BIAT ASSET MANAGEMENT» include:

- A margin of 5%,
- VAT at the current rate.

The amount of BIAT invoicing in 2019 amounts to TND 448.455.

- 97.** BIAT amended, on December 23rd, 2013 and on December 25th, 2017 the two Agreements of exclusive trustee of securities and funds of the "SICAV OPPORTUNITY" and of the "SICAV PROSPERITY" initially signed on March 08th, 2003.

The amendments made to these Agreements, concern the remuneration of BIAT, in fact, the rate of commissions of paid deposits were reviewed in decreasing, at the level of the first amendment bringing it from 0.3% all taxes included to 0.1% all taxes included of the net assets for "SICAV OPPORTUNITY" and from 0.2% all taxes included to 0.1% all taxes included of the net assets for "SICAV PROSPERITY" and then was reviewed in increasing, at the level of the second amendment, bringing it from 0.1% all taxes included to 0.1% tax excluded.

These remunerations, daily levied, are monthly paid in arrears.

In addition, BIAT amended also, on December 25th, 2017, the two agreements of distribution of the SICAV OPPORTUNITY and SICAV PROSPERITY securities initially signed in 2013 between BIAT, BIAT CAPITAL and BIAT ASSETS MANAGEMENT.

The amendments made to these agreements regarding the remuneration of distributors namely BIAT and BIAT CAPITAL. In fact, the distribution services will be remunerated by commissions with the rate of 0.3% tax excluded of the net assets per year in favor of the distributors of securities in proportion to their distributions for the two SICAV instead of 0.2% all taxes included for SICAV OPPORTUNITY and 0.1% all taxes included for SICAV PROSPERITY. The amendment of 2017 also provided for the management of these distribution's commissions by the manager namely BIAT ASSET MANAGEMENT which now be supported by BIAT ASSET MANAGEMENT and paid monthly in arrears on simple invoice presentation.

The amounts listed in the result of the financial year 2019 amount to TND 10.625.

- 98.** BIAT amended, on December 18th, 2015, the Agreement of exclusive trustee of securities and funds of the "SICAV TRESOR" initially signed on March 8th, 2003, as amended in 2010 and 2013.

The amendments made to this Agreement, concerns the remuneration of BIAT, in fact, the rate of commissions of paid deposits were reviewed in decreasing bringing them from 0.15% all taxes included to 0.10% all taxes included of the net assets of the said funds.

These remunerations, daily levied, are monthly paid in arrears.

In addition, an Agreement of distribution of the SICAV TRESOR securities were signed ON December 2013 between BIAT, SICAV TRESOR and the BIAT ASSET MANAGEMENT which provided for the application of distribution commission equal to 0.2% all taxes included of the net assets in favor of distributors of SICAV TRESOR securities and this, in proportion to their distributions.

This agreement was amended on December 2015 to comply with the new regulation as well as the FATCA law.

This remuneration, daily levied, is paid monthly in arrears. This convention is concluded for a period of one year starting from its signature, and it will be renewable by tacit consent.

The incomes of the financial year 2019 amount to TND 494.851.

- 99.** BIAT concluded, on October 13th, 2009, an Agreement of exclusive trustee of the securities and funds of the "SICAV PATRIMOINE OBLIGATOIRE". By virtue of the provisions of this Agreement, the services of BIAT are remunerated at rate of 0.1% all taxes included of the net assets of the said SICAV, with a minimum of TND 5,000 VAT excluded and a maximum of TND 20,000 VAT excluded per year. The minimum and maximum thresholds were cancelled by virtue of an agreement concluded on December 2015.

This remuneration is levied daily and payable monthly in arrears.

This Agreement stipulates, in addition, that the said SICAV will be domiciled in the premises of BIAT without setting up a rental agreement and gives no rights to the establishment a commercial property for its own benefit.

This Agreement was reviewed on December 23rd, 2013 in order to set up a commission of distribution equal to 0.15% all taxes included of the net assets in favor of the distributors of securities SICAV PATRIMOINE OBLIGATOIRE namely BIAT, BIAT CAPITAL and BIAT ASSET MANAGEMENT and this, in proportion to their distribution.

The rate of distribution commission rises to 0.2% all taxes included of net asset by virtue of an agreement concluded on December 2015.

This remuneration, daily levied, is monthly paid in arrears. This Agreement is concluded for a period of a year starting from its signature, and will be renewable by tacit consent.

The amount listed in the result of the financial year 2019 amounts to TND 664.269.

- 100.** BIAT concluded, in July 2017, with «BIAT CAPITAL» an agreement of account securities maintenance of transferable securities issued by BIAT with all the other obligations, which fall to BIAT CAPITAL namely the holding, the reports and the communications attached to it. This agreement is granted and accepted for a period of one year, starting from the date of its signature is July 25 th , 2017, renewable by tacit agreement. BIAT CAPITAL will receive in exchange of the said service a fixed annual amount of TND 12,500 tax excluded.

The amount invoiced by BIAT CAPITAL for 2019 amounts to TND 12.500 tax excluded.

- 101.** The BIAT executed, in June 2016, with the Construction Company IRIS, an agreement for leasing two premises to be used as offices with a surface area of 855 m², situated at Building «Youssef Towers», rue du Dinar, Les Jardins du Lac, Les Berges du Lac II - Tunis, as well as 18 parking lots situated at the underground of the building.

This rent is granted for an annual rent of TND 210.810.

In this respect, the sublease agreement for administrative office usage was signed, in January 2017, with the company BIAT CAPITAL relating to a part of the above-mentioned premises of a total area of 331m² with 7 parking spaces, for a period beginning from 01/10/2016 and ending on 31/07/2018. At the end of this period, the sublease will be renewable from year to year starting from August 1st, 2018 by tacit consent.

This rent is granted for a monthly rent of TND 71.452 VAT excluded for a period beginning from 01/10/2016 and ending on 31/07/2017 and a rent of TND 90.029 VAT excluded for a period beginning from 01/08/2017 and ending on 31/07/2018.

An amendment to the said agreement was concluded in 2020, under which the lessor, the principal lessee and the sub-lessee agreed to:

Firstly, to renew the agreement for a period of three years starting from the 1st of august 2019 and ending the 31st july 2020 , renewable from year to year by tacit consent .

Secondly, to reduce the leased area to 232, 2 m²

Last, to set the annual rent at TND 73.716 excluding taxes as from the effective date of this amendment, namely on 01/08/2019, while maintaining the increase of 5%.

It should be mentioned that, as provided in the amendment, the sublessee will pay to the principal lessee an annual amount of TND 4 408 excluding taxes as its contribution to the trustee fees in addition to the tax due to the local authority «TCL» as from 01/08/2019.

The amount recorded in income of 2019 amounts to TND 85 858.

102. The Bank concluded in 2007 with the company «BIAT CAPITAL», an Agreement of «Credit - employee», under which the Bank proposes to facilitate employees to holders of the company "BIAT CAPITAL" access to formulas of flexible loans, quick and advantageous according concessional.

103. In 2015 BIAT concluded with the company « BIAT CAPITAL RISQUE » an agreement of detachment of ten executives.

Besides the salaries and salary complements and benefits, BIAT invoices to « BIAT CAPITAL RISQUES » include:

- A margin of 5%,
- VAT at the current rate.

The amount included in the result of 2019 amounts to TND 817.928.

104. The BIAT concluded on January 2nd 2004, with BIAT CAPITAL an agreement of collecting market orders. Article 8 of this agreement stipulates that a portion of brokerage commissions on any transaction negotiated by BIAT CAPITAL Company for BIAT or its customers is allocated as following:

Type of commission	BIAT Remuneration	BIAT CAPITAL Remuneration
Brokerage commissions on transactions realized on the markets of the rating of the stock exchange	50%	50%
Brokerage commissions on transactions realized on the counter markets	-	100%
Any commissions levied on the customer's specific to BIAT CAPITAL	-	100%
Any commissions levied on the customer's specific to BIAT	100%.	-

105. During the financial year 2009, BIAT concluded an agreement with the company "OSI", by virtue of which it accepts to retrocede, to the said company, the amount of the rent and the related expenses paid by this latter for the premises used by BIAT's services. This Agreement is agreed for a period of one year renewable.

In this respect, the amount of expenses of the year 2019 amounts to TND 30.920 VAT excluded.

106. On August 30th, 2010, BIAT rented to the company "Orange Tunisie SA", the entirety of the premises situated on the ground-floor of the building situated on n° 246 avenue Habib Bourguiba in Kram, having the surface area of 154 m². This rental was agreed for a period of three years, beginning as of April 1st, 2010, and ending on March 31st, 2013 tacitly renewable.

The monthly rent was set by mutual agreement between the two parties, at the sum of TND 2.567 VAT excluded. It will be subject to an annual cumulative increase of 5% effective as of the second year of the rental.

The company "Orange Tunisie SA" paid an amount of TND 5.134 as a guarantee of the payment of the rent.

The amount listed under the result of the financial year 2019 amount to TND 47.218.

107. On December 24th, 2010, BIAT rented to the company "Orange Tunisie SA", the entirety of the premises situated on the ground-floor of the building situated on Rue Moncef Bey in Bizerte, having an approximate surface area equaling 211.5 m². This rental was agreed for duration of three years, beginning as of December 1st, 2010.

The rent was set by mutual agreement between the two parties, at the sum of TND 2.644 VAT excluded per month. It will be subject to a cumulative annual increase of 5% effective as of the second year of the rental.

The amount listed under the result of the financial year 2019 amounts to TND 47.068.

108. On December 23rd, 2011, BIAT concluded with the « SICAF BIAT » and « SGP » agreements of accounting, financial and administrative assistance:

In return of this mission, BIAT receives from each subsidiary the following:

- The equivalent of the salary expenses and employers contributions pertaining to the human means in charge of the accounting and administrative assistance, supported by BIAT and increased by a margin of 10%, reach thereby an annual amount of TND 19,800 VAT excluded per company. This remuneration is reviewable annually on the basis of the actual expenses incurred by the Bank.
- The equivalent of the salary and employers expenses related to the human means in charge of the management and administration increased by 10%;
- The equivalent of general fees pertaining to the provision of premises and other logistics supported by BIAT reaching thereby an annual amount set at TND 1,200 VAT excluded, per company. This amount will be subject to a cumulative increase of 6% applicable each year and this, from the second year of provision.

In November 2018, these agreements were the subject of two separate amendments relating to BIAT's remuneration, and in particular to:

- The modification of the payment terms by replacing the quarterly payment with an annual payment.
- The annulment of the re-invoicing of overhead costs relating to the provision of premises and other logistical resources, supported by BIAT.
- The determination, now, at flat-rate salary and personnel expenses relating to human resources responsible for accounting and administrative assistance, calculated on the basis of a fixed scale. This amount will be subject, from the second year onwards following the effect of the 2018 amendment, to a cumulative increase of 6% applicable each year.
- The reduction of the margin on salary and personnel expenses relating to human resources in charge of management and administration from 10% to 5%.

The amounts listed under the result of the financial year 2019 amounted to TND 21.199.

109. On May 10th, 2006, BIAT concluded an agreement with the company «TUNISIE TITRISATION» by virtue of which both contractors constitute the common claims fund «FCC BIAT-CREDIMMO 1», a co-ownership with the sole purpose to acquire receivables relating to real estate credits approved by the grantor BIAT to individuals, in order to issue shares representatives of these loans.

The total initial cost of this issuance amounts to 50,000 KDT and the debts transferred by BIAT in the said fund represented by the company «TUNISIE TITRISATION», total an initial still-due balance of 50,019 KDT.

The total subscriptions of BIAT to this fund, by December 31st, 2019, amount to 1.519 KDT, relating exclusively to subscriptions in substantial shares.

Within the framework of this transaction, BIAT ensures as well as the role of the trustee of the assets of the Fund, that of the collector. In this respect, and in remuneration of the missions of the trustee entrusted to it, BIAT receives at the management company «TUNISIE TITRISATION» acting on behalf of the fund, a commission equal to 0.05% VAT excluded per year, of the still due capital of live receivables at the beginning of the period of calculation. In addition, and in its capacity of collector, BIAT collects from the said management company on behalf of the fund, a commission equal to 0.4% VAT excluded per year, of the still due capital of live receivables at the beginning of the calculation period.

Commissions collected by BIAT in this respect for the financial year ending December 31st, 2019 reached TND 1.951 tax excluded.

110. On May 18th, 2007, BIAT concluded an Agreement with the company «TUNISIE TITRISATION » by virtue of which both contractors constitute the common claims fund « FCC BIAT-CREDIMMO 2 » a co-ownership with the sole purpose to acquire receivables relating to real estate credits approved by the grantor BIAT to individuals, in order to issue shares representatives of these loans.

The total initial cost of this issuance amounts to 50,000 KDT and the debts transferred by BIAT in the said fund represented by the company «TUNISIE TITRISATION», total an initial still-due balance of 50.003 KDT.

The total subscriptions of BIAT in the substantial shares, by 31 December 2019, amount to 1,503 KDT.

Within the framework of this transaction, BIAT ensures as well as the role of the trustee of the assets of the Fund, that of the collector. In this respect, and in remuneration of the missions of the trustee entrusted to it, BIAT receives from the management company «TUNISIE TITRISATION» acting on behalf of the fund, a commission equal to 0.05% VAT excluded per year, of the still due capital of live receivables at the beginning of the period of calculation. In addition, and in its capacity of collector, BIAT collects from the said management company on behalf of the fund, a commission equal to 0.4% VAT excluded per year, of the still due capital of live receivables at the beginning of the calculation period.

Commissions received by BIAT in this respect for the financial year ending December 31st, 2019, amount to TND 9.764 tax excluded.

- 111.** BIAT concluded , in February 2018 ,with the company « Assurances BIAT» a lease agreement of premise for administrative office usage, with a surface of 183m2 including common areas, situated on the 1st floor of the building in la place de Sidi Mtir in Mahdia.

This rent is granted for monthly rent of TND 638,140 and annual rent of TND 7 657 680 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the lease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental.

Rental income listed under the BIAT's result for the financial year 2019 amounts to TND 8 443.

- 112.** BIAT concluded , in February 2018 ,with the company « Assurances BIAT» a lease agreement of part of premise for administrative office usage, with a surface of 87,5 m2 located at Rue El Meniar, 47 Avenue Habib Bourguiba, la Manouba.

This rent is granted for monthly rent of TND 860 and annual rent of TND 10.320 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the lease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental

Rental income listed under the BIAT's result for the financial year 2019 amounts to TND 11 378.

- 113.** BIAT concluded , in February 2018 ,with the company « Assurances BIAT» a lease agreement of part of premise for administrative office usage, with a surface of 80m2 located at route de Tunis Km 6,5, Avenue Hédi Chaker Sakiet Ezzit, Sfax.

This rent is granted for monthly of TND 960 and annual rent of TND 11.520 Vat excluded for a period beginning from 01/01/2017 and ending on 31/12/2018.

At the end of this period, the lease will be renewable from year to year by tacit consent.

This amount will be subject to a cumulative increase of 5% effective as of the second year of the rental

Rental income listed under the BIAT's result for the financial year 2019 amounts to TND 12.701.

- 114.** Since 2004, BIAT concluded insurance contracts with the company « Assurances BIAT » - through the intermediate of the company «LA PROTECTRICE ASSURANCE ».

The expense supported, in 2019, is detailed as follows:

Type	Amount of the expenses of Insurance (in TND)
Third-party insurance	64.888
Physical Accidents Insurance	92.121
Life insurance « Family Protection »	150.060
Insurance « Assistance à l'étranger pour les cartes bancaires visa premier » (assistance abroad for bankcards visa first)	1.009.607
Insurance « vol global banque » (Global Theft Bank)	336 025
Insurance against theft and loss of cards	433.000
Insurance « incendie et garanties annexes » (fire and attached guarantee)	466.167
Insurance automobile fleet	29.703
Insurance multi-risk on computers	33.623
Insurance Pack Saphir and Silver	507.651
Insurance Pack« Express» and Pack « First»	124.000
Insurance Pack Elite	138.840
Insurance Pack Platinum	400.000
Insurance «Assistance à l'étranger pour les cartes Platinum et infinite» (assistance abroad for platinum and infinite cards)	285.632
Insurance « carte de crédit» Credit Card	170.207
Insurance groups of the staff (employer's contribution)	10 345 767
Life Insurance (AFEK)(*)	1 352.309

(*) In 2012, BIAT signed a collective «life insurance» agreement with BIAT ASSURANCE in favor of its staff, known as «members».

- 115.** BIAT ASSURANCES gives in sublease to the bank a premise denominated "Commercial 2" having a total surface of 145m² and situated on the ground floor of the building located in Berges du Lac II, built on the port of "DIAR EL ONS". This rent is granted and accepted for a fixed period from January 1st, 2010 to April 30th, 2014.

Starting from May 2014, an addendum was signed to extend the duration of the rent from May 1st, 2014 to April 30th, 2019. An annual cumulative increase of the rent will be applicable from May 1st, 2014, with an annual rate of 5% on the basis of the rent of the previous year.

The amount listed under BIAT charges of 2019 amounts to TND 35 124.

- 116.** BIAT rented to SPT Sfax an office of administrative usage, of a surface area of 25m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on 1st of January 2015 and ending on 31st of December 2016, for an annual rent of TND 7.525 VAT excluded.

The income recorded in 2019 amounts to TND 9.147.

- 117.** An agreement was executed in September 2016 between the BIAT and the company SPT Mohamed V, by virtue of which the BIAT puts at the disposal of the company SPT Mohamed V two Executive Manager for a

punctual intervention on NOVOTEL Hotel. This convention was executed for a period of four years starting on January 1st, 2016 and ending on December 31st, 2019.

In return of the services rendered, the BIAT invoices the honorarium including salary shares and the advantages with all charges included.

The invoice amount will be increased by applicable dues and taxes at the date of the invoice.

118. BIAT rented to the company SPT Mohamed V an office of administrative usage, of a surface area of 43m², located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on July 1st 2016 and ending on December 31st 2018, renewable from year to year by tacit consent, for an annual rent of TND 13.019 VAT excluded, payable quarterly and in advance.

The rent is subject to an annual cumulative increase by 5% applied from July 1st 2017.

The income recorded in 2019 amounts to TND 14.712.

Note XI – Subsequent events to the balance sheet date

The first quarter of 2020 was characterized by the outbreak of an unprecedented health crisis related to the spread of the coronavirus (COVID-19), classified by the World Health Organization on March 11th, 2020 as a pandemic, affecting the whole world and whose final impact on the global economy and monetary and financial markets remains uncertain.

In order to mitigate the economic and financial consequences of this pandemic at the national level, public authorities have taken exceptional measures of an economic and social nature, including the quarantine, the lowering of the key interest rate by 100 basis points and the postponement, under certain conditions, of the maturities of credits granted to companies, professionals and individuals, relating to the period from March 1st to September 30th, 2020, as provided for by the BCT circulars n°2020-06 of 19 March 2020 and n°2020-07 of 25 March 2020.

The impact of the virus prevention measures that can be further strengthened and sustained over time along with the lack of visibility on the economic and social fallout of this epidemic, represent risk factors that may have an adverse impact on the bank's activities, its operating results and the structure of its jobs and resources.

Nevertheless, given the solidity of its current financial situation, BIAT now has an important resilience factors allowing it to face this crisis and ensure the continuity of its activities.

As things currently stand and in light of the foregoing, this material event subsequent to December 31st, 2019, whose possible financial impact cannot be estimated in a reasonable way for the moment, given the rapid evolution of the situation, does not give rise to adjustments to the financial statements closed on that date.

The financial statements of the bank are approved and authorized for publication by the Board of Directors on 18 March 2020.

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CONSOLIDATED STATEMENTS 2019

14.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

"BIAT" GROUP STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS – FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019

To the Shareholders of Banque Internationale Arabe de Tunisie "BIAT"

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Banque Internationale Arabe de Tunisie «BIAT» Group, which comprises the consolidated balance sheet as at December 31, 2019, as well as the consolidated off balance-sheet commitments, the consolidated income and cash flows' statements and a summary of significant accounting policies and other notes. These consolidated financial statements were approved by the Board of Directors on March 18, 2020 on the basis of the elements available at that date in an evolving context of the health crisis related to covid-19 and show positive shareholders' equity of 1 492 383 KTND, including the consolidated profit for the financial year amounting to 344 770 KTND.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Banque Internationale Arabe de Tunisie «BIAT» as at December 31, 2019 and the results of its operations and its cash flows for the financial year then ended in accordance with Generally Accepted Accounting System in Tunisia.

Basis for opinion

We conducted our audit in accordance with professional standards applicable in Tunisia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group «BIAT» in accordance with the rules of professional ethics that apply to the audit of financial statements in Tunisia and we have fulfilled our other ethical responsibilities in accordance with these rules. 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Evaluation of customer's commitments

Key Audit Matter	Audit Procedures
<p>The Group is exposed to counterparty risk both on its portfolio of direct commitments and on off balance sheet commitments granted to customers. This inherent risk in the banking business constitutes a major area of attention because of the importance of the judgment required for its estimation and the significant size of receivables in the Group's balance sheet (61%) totaling 10 352 516 KTND as at 31 December 2019 and the net cost of risk associated with the level of profit for the year, which amounts to 109 447 KTND in individual provisions and 2 018 KTND in collective provisions.</p> <p>The accounting rules and methods relating to the valuation and the recognition of bad debts and their depreciation, as well as additional information on these items in the annual financial statements, are disclosed in the notes to the financial statements, respectively to the financial statements. Note II-7 « Evaluation of the receivables rules», Note IV-3 « Customer loans » and Note VIII-3 « Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities ».</p> <p>The valuation of the commitments and the valuation of the provisions involve a high degree of judgment and considering the importance of customers' commitments, we consider that this caption constitutes a key Audit Matter.</p>	<p>We have obtained an understanding of the procedures put in place by your Bank, and have assessed the correct implementation of key controls, as well as their ability to prevent and / or detect material misstatements, with a focus on:</p> <ul style="list-style-type: none"> - the supervisory mechanism put in place regarding the process of depreciation of customer commitments ; - the reliability of the information provided by the Bank concerning customers whose outstanding amounts show impairment's indicators ; - the procedures and controls defined by the Bank to manage counterparty risk identify clients to classify, provision, and determine the minimum level of provision required by banking regulations. <p>In our customer engagement review procedures, we have taken a risk-based approach to sampling.</p> <p>We have assessed the repayment capacity of debtors and assessed the classification, taking into account late payments, accounts receivable financial information, future business prospects, collateral valuation reports and other available information.</p>

Valuation of Investment portfolio

Key Audit Matter	Audit Procedures
<p>The Group carries out an evaluation of its investment securities' portfolio at each closing date. This assessment constitutes a major area of attention because of the importance of the judgment necessary for its estimation and the significant importance of the «Investment Portfolio» item in the Group's balance sheet (10%), which totals as at December 31, 2019, 1 730 365 KTND, as well as the weight of related income which amounting during the year to 106 149 KTND.</p> <p>The additional information on this item in the annual financial statements are disclosed in the notes to the financial statements, respectively under Note IV-5 « Investment Portfolio», Note VIII-1-4 « Investments portfolio revenues».</p> <p>The valuation of Investment portfolio involves a high level of judgment regarding the specificities of the methods used and given the importance of the «Investment portfolio» item, we consider that this caption is a key audit Matter.</p>	<p>In particular, our audit procedures of the investment portfolio consisted of:</p> <ul style="list-style-type: none"> - Verifying the internal control procedures put in place by the bank in this respect, particularly with regard to the monitoring and evaluation of these assets and carry out enforcement tests in this respect. - Ensuring compliance with the rules provided by accounting standard NCT 25 relative to the securities' portfolio in banking institutions. - Appreciating the relevance of the methodology adopted by the bank in terms of the completeness of taking into account the income from investment securities, their evaluation and their connection to the financial year, in particular by examining the bases and modalities of their determination according to available information. - Verifying the appropriateness of the valuation method used for each security category and that it is adapted to the nature, characteristics and circumstances of the investment made. - Appreciating the reasonableness of the valuation of each category of investment securities and check the procedures for determining and recognizing the required provisions. - Verifying the accuracy of the investment securities' portfolio data provided in the notes to the financial statements.

Recognition of Interests and other similar revenues

Key Audit Matter	Audit Procedures
<p>As indicated in the note VIII-1-1 to the annual consolidated financial statements, Interests and other similar revenues amounting to 1 093 005 KTND at December 31, 2019 and represent the largest revenue item of the Group's operation (67%).</p> <p>Because of their composition, their amounts, and the specificities of the rules of their accounting, As well as the large volume of transactions and the complexity of the rules' calculation of suspended revenues, even slight changes in interest rates and durations could have a significant impact on the net banking income and, consequently, on the profit for the year and the equity of the Group.</p> <p>For this reason, we consider this section to be a key Audit Matter.</p>	<p>Our audit procedures of Interests and other similar revenues included:</p> <ul style="list-style-type: none"> - Assessment the information system, policies, processes and controls put in place to recognize revenue from credit operations. - Verify the effective application of the automated or manual controls in place. - Carry out substantive analytical procedures on the development of outstanding interest and similar income. - Verify compliance with accounting standard NCT 24 «Commitments and related revenues in banking institutions» in terms of income recognition and separation of accounting periods "Cut off principle". - To carry out, by the sampling technique, detailed tests on the calculation of the breakage of the bank's revenues. - Perform tests to verify the validity of the suspended revenues based on a representative sample. - Verify the appropriateness of the information provided in the notes to the financial statements.

Emphasis of matter

As indicated in Note IX "Events subsequent to the closing date", the first quarter of 2020 was characterized by the outbreak of an unprecedented health crisis linked to the spread of the coronavirus (COVID-19) which was classified as a pandemic by the World Health Organization on March 11, 2020, having affected countries around the world and whose final impacts on the entire global economy and on monetary and financial markets remain uncertain.

In order to mitigate the economic and financial repercussions of this pandemic at the national level, exceptional measures of an economic and social nature have been taken by the public authorities, including in particular the general lockdown, the reduction of the key interest rate by 100 basis points and the postponement, under certain conditions, of the maturities of loans granted to companies, professionals and individuals, relating to the period from March 1 to September 30, 2020, as provided for by BCT circulars n° 2020-06 of March 19, 2020 and n° 2020-07 of March 25, 2020.

The virus prevention measures that can be further strengthened and last over time, as well as the lack of visibility on the economic and social fallout of this epidemic, are risk factors that may have an unfavorable impact on the group's activities and its results operation as well as the structure of its uses and resources.

However, given the strength of its current consolidated financial situation, the BIAT group now has significant resilience factors enabling it to face this crisis and ensure the continuity of its activities.

As things stand and taking into account the foregoing, this is a significant event subsequent to December 31, 2019, which does not give rise to adjustments to the consolidated financial statements closed on that date and for which the estimate of possible financial impact cannot be made in a reasonable manner at this time, given the rapidly changing situation.

These consolidated financial statements are approved and authorized for publication by the Board of Directors on March 18, 2020.

Our opinion remains unchanged on this point.

Management Report

The management report is the responsibility of the Board of Directors.

Our opinion on the consolidated financial statements does not extend to the Management Report and we do not express any form of assurance on this report, as approved by the Board of Directors on March 18, 2020.

In accordance of article 266 of the Commercial Companies' Code, our responsibility is to verify the accuracy of the information given on the accounts of the Group in the management report by reference to the data appearing in the financial statements. Our work consists in reading the management report and, in so doing, assessing whether there is a material inconsistency between it and the financial statements or the knowledge that we acquired during our audit, or if the report otherwise seems to have a significant anomaly. If, based on the work we have done, we conclude that there is a material misstatement in the Management Report; we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements consolidated

Management is responsible for the preparation and fair presentation of these consolidated financial statements, in accordance with the corporate accounting system and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of director are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of director either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The governance of bank are responsible for overseeing the bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 auditing Standards in Tunisia, 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 in accordance with international Auditing Standards in Tunisia, we exercise 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 that is sufficient and appropriate to provide a basis for our 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 and related disclosures made by management, as well as related information provided by management;
- We reach a conclusion as to the appropriateness of management's use of the going concern accounting principle and, based on the evidence obtained, whether or not there is significant uncertainty related to events or situations likely to cast significant doubt on the bank's ability to continue as a going concern. If we find material uncertainty, we are required to draw the attention of readers of our report to the information provided in the financial statements about this uncertainty or, if this information is not adequate, to express an amended opinion. Our conclusions are based on the evidence obtained up to the date of our report. Future events or situations could cause the bank to cease operations.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate to the governance officers, in particular, the expected scope and timing of the audit work and our material findings, including any significant internal control deficiencies that we may have identified during our audit.

We are also required to provide governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Among the issues communicated to those charged with governance, we determine which were the most important in the audit of the financial statements of the period under review: these are the key questions of the audit. We

describe these issues in our report, unless the legal or regulatory texts prevent them from being published or if, under extremely rare circumstances, we determine that we should not disclose an issue in our report because we can reasonably be expected to wait until the harmful consequences of communicating this issue outweigh the benefits to the public interest.

Tunis: March 31, 2020

Statutory auditors

F.M.B.Z KPMG TUNISIE
Kalthoum BOUGUERRA

FINOR
Walid BEN SALAH

14.2 Consolidated statements 2019

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2019

CONSOLIDATED BALANCE SHEET

As of December 31st, 2019

(In Thousands of Dinars)

	Note	31/12/2019	31/12/2018	Variation	In %
Assets					
Cash and assets with BCT, CCP, TGT	IV-1	1 473 077	1 496 901	(23 824)	-1,59%
Banking and financial institutions loans	IV-2	1 678 508	1 013 947	664 561	65,54%
Customer loans	IV-3	10 352 516	10 632 421	(279 905)	-2,63%
Commercial Securities Portfolio	IV-4	647 600	722 668	(75 068)	-10,39%
Investment Portfolio	IV-5	1 730 365	1 729 413	952	0,06%
Equity Affiliates	IV-6	9 993	3 848	6 145	159,69%
Fixed values	IV-7	376 954	342 252	34 702	10,14%
Net differential acquisition(Goodwill)	IV-8	7 396	9 054	(1 658)	-18,31%
Other Assets	IV-9	609 862	561 340	48 522	8,64%
Total assets		16 886 271	16 511 844	374 427	2,27%
LIABILITIES					
Central Bank of Tunisia and Post Office	V-1	1 201	722	479	66,34%
Deposits and holding with banking and financial institutions	V-2	1 259 962	2 427 567	(1 167 605)	-48,10%
Customers deposits and assets	V-3	12 641 443	11 301 779	1 339 664	11,85%
Borrowings and special resources	V-4	196 747	223 363	(26 616)	-11,92%
Other liabilities	V-5	791 083	771 300	19 783	2,56%
Total liabilities		14 890 436	14 724 731	165 705	1,13%
Minority Interests					
Minority share in consolidated reserves	VI	478 495	530 904	(52 409)	-9,87%
Minority share in consolidated income	VI	24 957	24 262	695	2,86%
Total minority interests		503 452	555 166	(51 714)	-9,32%
SHAREHOLDERS' EQUITY					
Share capital		170 000	170 000	-	-
Consolidated reserves		977 610	800 796	176 814	22,08%
Other shareholders' equity		3	3	-	-
Consolidated income of the financial year		344 770	261 148	83 622	32,02%
Total shareholders' equity	VII	1 492 383	1 231 947	260 436	21,14%
Total liabilities and shareholders' equity		16 886 271	16 511 844	374 427	2,27%

STATEMENT OF OFF-BALANCE COMMITMENTS

As of December 31st, 2019

(In Thousands of Dinars)

	31/12/2019	31/12/2018	Variation	In %
CONTINGENT LIABILITIES				
Guarantees and endorsements given	2 422 407	2 367 272	55 135	2,33%
a- To banks and financial institutions	726 225	773 304	(47 078)	-6,09%
b- To costumers	1 696 182	1 593 969	102 213	6,41%
Letters of Credits	581 067	692 143	(111 076)	-16,05%
a- To costumers	508 163	653 357	(145 194)	-22,22%
b- Others	72 904	38 786	34 118	87,96%
Total contingent liabilities	3 003 474	3 059 415	(55 941)	-1,83%
COMMITMENTS GIVEN				
Financing commitments given	1 011 266	739 573	271 693	36,74%
To costumer	1 011 266	739 573	271 693	36,74%
Commitments on securities	2 135	2 838	(703)	-24,77%
a- Non paid up participations	2 118	2 796	(678)	-24,25%
b- Securities to be received	17	42	(25)	-59,52%
Total commitments given	1 013 401	742 411	270 990	36,50%
COMMITMENTS RECEIVED				
Guarantees received	5 023 584	4 976 621	46 963	0,94%
Total commitments received	5 023 584	4 976 621	46 963	0,94%

CONSOLIDATED STATEMENT OF INCOME
Period from 1^{er} January 1st to December 31st, 2019
(In Thousands of Dinars)

	Note	Financial Year 2019	Financial Year 2018	Variation	In %
BANKING OPERATING INCOME					
Interests and other similar revenues	VIII-1-1	1 093 005	893 885	199 120	22,28%
Commissions (in incomes)	VIII-1-2	302 512	281 007	21 505	7,65%
Gains on commercial securities portfolio and financial operations	VIII-1-3	140 523	124 184	16 339	13,16%
Investments portfolio revenues	VIII-1-4	106 149	96 456	9 693	10,05%
Total banking operating income		1 642 189	1 395 532	246 657	17,67%
BANKING OPERATING EXPENSES					
Interests incurred and related expenses	VIII-2-1	(537 540)	(419 357)	(118 183)	28,18%
Claims paid on insurance operations	VIII-2-2	(57 639)	(52 792)	(4 847)	9,18%
Incurred commissions	VIII-2-3	(4 105)	(3 328)	(777)	23,35%
Losses on commercial securities portfolio and financial transactions		(113)	(182)	69	-37,91%
Total banking operating expenses		(599 397)	(475 659)	(123 738)	26,01%
Net banking income		1 042 792	919 873	122 919	13,36%
Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities	VIII-3	(122 914)	(135 388)	12 474	-9,21%
Net provision charge and value adjustments on investment portfolio	VIII-4	(10 461)	(2 285)	(8 176)	357,81%
Other operating income	VIII-5	52 440	42 243	10 197	24,14%
Personnel expenses	VIII-6	(240 738)	(237 150)	(3 588)	1,51%
General operating expenses	VIII-7	(176 354)	(149 535)	(26 819)	17,93%
Allocations to depreciations and provisions on fixed assets	VIII-8	(44 816)	(42 084)	(2 732)	6,49%
Operating Income		499 949	395 674	104 275	26,35%
Share in earnings of companies accounted for under the equity method		(302)	(442)	140	-31,67%
Balance in gain/loss from other ordinary items	VIII-9	(4 406)	453	(4 859)	-1072,63%
Income tax	VIII-10	(125 146)	(100 366)	(24 780)	24,69%
Income from ordinary activities		370 095	295 319	74 776	25,32%
Share of profit attributable to minority interests		(24 957)	(24 262)	(695)	2,86%
Income from ordinary activities of the group		345 138	271 057	74 081	27,33%
Net gain/loss from other extraordinary items		(368)	(9 909)	9 541	-96,29%
Consolidated Net income of the year		344 770	261 148	83 622	32,02%
Effect of accounting changes net of deferred tax		-	-	-	-
Consolidated Net income for the year after accounting changes		344 770	261 148	83 622	32,02%

CONSOLIDATED STATEMENT OF CASH FLOW
Period from January 1st to December 31st 2019
(In Thousands of Dinars)

	Financial Year 2019	Financial Year 2018
OPERATING ACTIVITIES		
Banking operating revenues collected (excluding investment portfolio revenues)	1 578 542	1 333 663
Banking operating charges disbursed	(628 148)	(516 542)
Deposits/ deposits withdrawal with other banks and financial institutions	(23 961)	(47 486)
Loans and advances/ repayment of loans and advances granted to customer	204 674	(1 289 613)
Deposits/ customer deposits withdrawal	1 306 455	958 158
Investment securities/ transaction securities	31 185	(1 366)
Payments made to personnel and other creditors	(419 881)	(370 511)
Other cash flow from operating activities	8 729	99 938
Corporate income tax	(128 265)	(103 347)
Net cash flow from operating activities	1 929 330	62 894
INVESTMENT ACTIVITIES		
Interests and collected dividends on investment portfolio	110 927	87 578
Purchase/ disposal on investment portfolio	(62 276)	(60 835)
Purchase / disposal on fixed assets	(70 775)	(112 146)
Net Cash flow from investment activities	(22 124)	(85 403)
FINANCING ACTIVITIES		
Issue/ repayment of loans	(51 411)	4 139
Increase / decrease of special resources	12 811	(6 887)
Paid dividends and other distributions	(95 122)	(83 573)
Other financing flow	(29 746)	(77 038)
Net cash flow from financing activities	(163 468)	(163 359)
Net change in cash and cash equivalent during the financial year	1 743 738	(185 868)
Cash and cash equivalent at the beginning of the financial year	227 403	413 271
Cash and cash equivalent at the end of the financial year	1 971 141	227 403

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31st 2019

Note I – General Principles

The consolidated financial statements of BIAT Group have been prepared in accordance with the rules and accounting principles enacted by law No. 96-112 dated 30 December 1996 related to the accounting system of enterprises and the Tunisian accounting standards related in particular to operations specific to banking institutions, to the consolidation of financial statements and business combination (NCT 35, 36, 37, 38 and 39).

The financial statements are established in accordance with the model defined in the Tunisian accounting standards No. 21 related to the presentation of financial statements of banking institutions.

Note II – Accounting principles applied to the consolidated financial statements

The consolidated financial statements as at 31-12-2019 by applying the provisions and rules provided in particular by law No. 2001-117 of 06/12/2001 supplementing the Commercial Companies Code and by the accounting standards related to the consolidation of financial statements and business combination. Among these rules, we describe below those related to the consolidation perimeter, consolidations methods, restatements and eliminations, tax treatment and Share differences acquisition.

II-1. Consolidation Perimeter

The consolidation perimeter is made of all companies on which BIAT exercises exclusive control; whether directly or indirectly by its consolidated companies and by the companies over which it exercises a significant influence.

II-2. Adopted consolidation

II-2.1 Global Integration Method

Companies controlled exclusively by the bank (with a controlling percentage of more than 40%) and the companies whose activity is an extension of banking activities or related activities are consolidated using the full consolidation method.

This method consists of replacing the amount of equity securities of assets items, liabilities, expenses and incomes of each consolidated companies, by indicating the share of minority interests in the consolidated shareholders' equity and in the consolidated income of the financial year.

II-2.2 Equity method

Companies on which BIAT exercises a significant influence are consolidated using the equity method. The significant influence is assumed when the entity it consolidates holds at least 20% of the voting rights while having the power to participate in the financial and operational policy decisions of the investee and, however, without exercising these policies.

This method consists of replacing an amount of equity securities for the Bank Group's share of equity, including the income for the financial year of companies accounted for using equity method.

II-3. Restatement and eliminations

The necessary restatement for the companies' harmonization of both the accounting and valuation methods and carried out.

Receivables, liabilities and reciprocal commitments, charges and revenues are eliminated.

The effect on the consolidated balance sheet, the off-balance sheet and statement of income of intra-group transactions is eliminated.

Intra-group dividends, provisions on the consolidated securities and gains or losses arising from the assets sales between the group companies are offset.

II-4. Closing date

The consolidated financial statements are established from the individual annual accounts which are ended on December 31st 2019 for all of the group companies..

II-5. Tax treatment

The tax expense on the consolidated companies includes the payable tax by the various companies, adjusted for the deferred taxes effect arising from the temporary differences caused by the differences between the accounting recognition date and the taxation date.

II-6. Share differences acquisition

The positive differences recorded in the consolidated shares acquisition between their cost price and the net equity share are recorded in the balance sheet under Goodwill. These differences are not allocated to the balance sheet items and are amortized based on the investment outlook return at the time of acquisition. The amortization period used is twenty years.

The negative Goodwill is recognized in the income of the financial year.

II-7. Evaluation of the receivables rules

According to the provisions of the sector Accounting Standards for the Banking Institutions, and the Circular No. 91-24 of 17-12-1991 of the Central Bank of Tunisia, an evaluation of all the bank's receivables was carried out based on the situation as at December 31, 2019 and taking into account the subsequent events at this date.

This evaluation was accompanied by an assessment of all guarantees of all deductible guarantees within the meaning of circular No.91-24 of the Central Bank of Tunisia related to prudential rules.

These two transactions led the Bank to determine the amount of required provisions, an amount of provisions for the year 2019 and an amount of reserved income.

Note III – Companies included in the consolidation perimeter

By December 31st, 2019, the consolidation perimeter of BIAT group is detailed as follows:

	31/12/2019		31/12/2018	
	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
BIAT Capital	99,94	99,94	99,94	99,94
BIAT Assets Management	99,40	99,40	99,40	99,40
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
Société de Promotion Touristique	50,76	50,76	50,76	50,76
Organisation et Service Informatique	100,00	100,00	100,00	100,00
Société la PROTECTRICE	99,99	99,99	99,99	99,99
Assurances BIAT	94,48	94,48	94,48	94,48
Société FAIZA	42,31	42,31	42,31	42,31
SICAV Opportunity	89,06	89,06	72,78	72,78
SICAV Trésor	9,39	6,35	4,24	0,85
SICAV Prosperity	10,23	10,23	5,70	5,70
Société Générale de Placement	100,00	100,00	100,00	100,00
Société TAAMIR	100,00	100,00	100,00	100,00
Société Golf Sousse Monastir	62,18	57,15	62,18	57,15
Société Palm Links Immobilière	50,00	50,00	50,00	50,00
Société Tanit International	67,30	67,30	67,30	67,30
Société Tunisie Titrisation	98,80	98,69	98,80	98,69
Société de pôle de compétitivité de Monastir	59,99	59,99	52,49	52,49
SICAV PATRIMOINE Obligataire	2,52	1,19	1,70	1,38
Fonds commun de créances 1	100,00	100,00	100,00	100,00
Société tunisienne de promotion des pôles immobiliers et industriels	25,00	25,00	25,00	25,00
Fonds Commun de placement Epargne Actions	0,41	0,41	0,53	0,52
Fonds commun de créances 2	100,00	100,00	78,57	77,98
Société Touristique Sahara Palace	100,00	67,30	100,00	67,30
Société de Promotion Touristique Mohamed V	76,16	76,16	76,16	76,16
Institut Tunis Dauphine	30,07	30,07	30,07	30,07
BIAT Consulting	100,00	99,93	100,00	99,93
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	82,76	82,75	82,76	82,75
BIAT France	100,00	100,00	100,00	100,00
FCP Equity Performance	68,18	67,00	68,18	67,00
Société de Promotion Touristique Hammamet	30,00	30,00	30,00	30,00
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	47,22	47,22	-	-
Fond D'amorçage ANAVA	37,04	37,04	-	-

III-2. Consolidation Method

By December 31st, 2019, the consolidation perimeter of BIAT group is detailed as follows:

	31/12/2019	31/12/2018
Banque Internationale Arabe de Tunisie	Global Integration	Global Integration
BIAT Capital	Global Integration	Global Integration
BIAT Assets Management	Global Integration	Global Integration
BIAT Capital risque	Global Integration	Global Integration
Compagnie Internationale Arabe de Recouvrement	Global Integration	Global Integration
SICAF BIAT	Global Integration	Global Integration
Société de Promotion Immobilière Arabe de Tunisie	Global Integration	Global Integration
Société de Promotion Touristique	Global Integration	Global Integration
Organisation et Service Informatique	Global Integration	Global Integration
Société la PROTECTRICE	Global Integration	Global Integration
Assurances BIAT	Global Integration	Global Integration
Société FAIZA	Global Integration	Global Integration
SICAV Opportunity	Global Integration	Global Integration
SICAV Trésor	Global Integration	Global Integration
SICAV Prosperity	Global Integration	Global Integration
Société Générale de Placement	Global Integration	Global Integration
Société TAAMIR	Global Integration	Global Integration
Société Golf Sousse Monastir	Global Integration	Global Integration
Société Palm Links Immobilière	Global Integration	Global Integration
Société Tanit International	Global Integration	Global Integration
Société Tunisie Titrisation	Global Integration	Global Integration
Société de pôle de compétitivité de Monastir	Global Integration	Global Integration
SICAV PATRIMOINE Obligataire	Global Integration	Global Integration
Fonds commun de créances 1	Global Integration	Global Integration
Société tunisienne de promotion des pôles immobiliers et industriels	Equity Method	Equity Method
Fonds Commun de placement Epargne Actions	Global Integration	Global Integration
Fonds commun de créances 2	Global Integration	Global Integration
Société Touristique Sahara Palace	Global Integration	Global Integration
Société de Promotion Touristique Mohamed V	Global Integration	Global Integration
Institut Tunis Dauphine	Equity Method	Equity Method
BIAT Consulting	Global Integration	Global Integration
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	Global Integration	Global Integration
BIAT France	Global Integration	Global Integration
FCP Equity Performance	Global Integration	Global Integration
Société de Promotion Touristique Hammamet	Equity Method	Equity Method
Hammamet Leisure Company	Global Integration	Global Integration
INMA HOLDING	Equity Method	Global Integration
SKANES LOISIRS ET CULTURE	Equity Method	Outside the Perimeter
FOND D'amorçage ANAVA	Equity Method	Outside the Perimeter

Note IV – Balance Sheet Assets*(Figures are expressed in Thousands of Tunisian Dinars)***IV-1. Cash and Balances with Central Bank (CBT), Post Office Accounts (POA) and General Treasury of Tunisia (GTT)**

The volume of this post registered a decrease between December 2018 and December 2019 for TND 23 824 thousand or 1,59% ,going down from a period to another from TND 1 496 901 thousand to TND 1 473 077 thousand. This item is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Cash	137 915	150 772	(12 857)	-8,53%
Holdings in CBT	1 335 073	1 346 040	(10 967)	-0,81%
Holdings in POA	89	89	-	-
Total cash and balances with CBT, POA and GTT	1 473 077	1 496 901	(23 824)	-1,59%

IV-2. Receivables from Banks and Financial Institutions

The volume of this post recorded an increase between December 2018 and December 2019 of TND 664 561 thousand or 65.54% passing from a period to another from TND 1 013 947 thousand to TND 1 678 508 thousand. This volume is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Receivables from banking institutions (a)	1 464 014	752 126	711 888	94,65%
Receivables from financial institutions(b)	214 494	261 821	(47 327)	-18,08%
Total receivables from banking and financial institutions	1 678 508	1 013 947	664 561	65,54%

a) The increase in the volume of our receivables from banks of TND 711 888 thousand or 94,65% which passed from TND 752 126 thousand on 31/12/2018 to TND 1 464 014 thousand on 31/12/2019 relates the following positions:

	31/12/2019	31/12/2018	Variation	In %
Loan accounts with Central Bank of Tunisia CBT	602 656	406 178	196 478	48,37%
Loan accounts of interbank market	784 233	290 559	493 674	169,90%
Accrued interests on loans	1 804	2 781	(977)	-35,13%
Correspondents' accounts NOSTRI	48 334	29 908	18 426	61,61%
Correspondents' accounts LORI	3 388	490	2 898	591,43%
Accrued interests on correspondents' accounts	1	5	(4)	-80,00%
Non-allocated values	23 598	22 205	1 393	6,27%
Total	1 464 014	752 126	711 888	94,65%

b) The decrease in our total receivables from financial institutions of TND 47 327 thousand or 18.08% which shifted from TND 261 821 thousand on December 2018 to TND 214 494 thousand on December 2019 is mainly attributable to the decrease of our loans to the Leasing companies. This section is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Loans granted to leasing companies	171 353	233 959	(62 606)	-26,76%
Loans granted to other financial institutions	39 002	24 647	14 355	58,24%
Related receivables and debts	4 139	3 215	924	28,74%
Total	214 494	261 821	(47 327)	-18,08%

IV-3. Customer Loans

Customers receivables consists of current and classified accounts receivables, other current and classified loans, current and classified loans on special resources.

Gross doubtful loans (classified) as well as required provisions covering classified assets are determined in compliance with the provided provisions as well as the circular No 91-24 dated 17 December 1991 of the Central Bank of Tunisia related to prudential rules and banking accounting standards applicable to banking institutions.

The net total of customer receivables passed from TND10 632 421 thousand on December 2018 to TND 10 352 516 thousand on December 2019 recording thereon a decrease of TND 279 905 thousand or 2.63%. it is broken down as follows:

	31/12/2019	31/12/2018	Variation	In %
Customer accounts receivable	1 292 636	1 172 644	119 992	10,23%
Other customer loans	9 559 034	9 890 514	(331 480)	-3,35%
Loans on special resources	57 599	62 236	(4 637)	-7,45%
Total	10 909 269	11 125 394	(216 125)	-1,94%
Provisions and overdraft charges reserved on customer loans	(486 174)	(420 376)	(65 798)	15,65%
Collective provisions	(70 579)	(72 597)	2 018	-2,78%
Total Customer loans	10 352 516	10 632 421	(279 905)	-2,63%

IV-4. Commercial securities Portfolio

The volume of this post shifted from December 2018 to December 2019 from TND 722 668 thousand to TND 647 600 thousand, recording thereby a decrease of TND 75 068 thousand or 10,39 %.

	31/12/2019	31/12/2018	Variation	In %
Trading securities	400 529	449 802	(49 273)	-10,95%
Investment securities	247 071	272 866	(25 795)	-9,45%
Total commercial securities portfolio	647 600	722 668	(75 068)	-10,39%

This change stems from a decrease in the trading securities volume of TND 49 273 thousand or 10,95% accompanied by a decline in the total investment securities amounting to TND 25 795 thousand or 9.45 %.

IV-5. Investment portfolio

The total of this post shifted from TND 1 729 413 thousand in December 2018 to TND 1 730 365 thousand in December 2019, an increase of TND 952 thousand or 0.06%.

	31/12/2019	31/12/2018	Variation	In %
Gross outstanding of investment securities	1 713 304	1 697 730	15 574	0,92%
Receivables related to investment securities	53 290	58 069	(4 779)	-8,23%
Provisions and overdraft charges reserved for the investment portfolio's depreciation	(36 229)	(26 386)	(9 843)	37,30%
Total investment portfolio	1 730 365	1 729 413	952	0,06%

IV-6. Equity affiliates

The total of this post shifted from TND 3 848 thousand in December 2018 to TND 9 993 thousand in December 2019, an increase of TND 6 145 thousand or 159.69%.

	31/12/2019	31/12/2018	Variation	In %
Institut Tunis Dauphine	195	100	95	95,00%
Société de Promotion Touristique Hammamet	2 985	3 060	(75)	-
Société tunisienne de promotion des pôles immobiliers et industriels	460	688	(228)	-33,14%
SKANES LOISIRS ET CULTURE	3 400	-	3 400	-
Fond d'amorçage ANAVA	2 953	-	2 953	-
Total equity method securities	9 993	3 848	6 145	159,69%

IV-7. Fixed assets

The fixed assets are accounted for their purchase value taxes-free increased by the non-recoverable VAT except for transport equipment, which is stated in the balance sheet at their purchase cost inclusive of tax.

The fixed values depreciation are exercised using straight-line depreciation method and calculated according to the depreciation rates recognized by the fiscal Regulation in force, except for the business assets.

The depreciation allowances are determined and recorded on the basis of the fixed assets accounting value and in function to the purchase date of each fixed assets item.

The net fixed assets of their depreciation recorded an increase of TND 34 702 thousand or 10,14% passing from TND 342 252 thousand in 31/12/2018 to TND 376 954 thousand in 31/12/2019.

These fixed assets are detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Intangible assets	81 938	78 458	3 480	4,44%
Depreciation of intangible assets	(71 360)	(66 145)	(5 215)	7,88%
Tangible assets	566 071	534 644	31 427	5,88%
Depreciation of tangible assets	(259 704)	(240 528)	(19 176)	7,97%
Current assets and advances	60 009	35 823	24 186	67,52%
Total fixed assets	376 954	342 252	34 702	10,14%

IV-8. Goodwill

The total of this post shifted from TND 9 054 thousand in December 2018 to TND 7 396 thousand in December 2019, a decrease of TND 1 658 thousand.

	Gross value 31/12/2018	Accumu Depreciation 31/12/2018	Net Carrying Amount 31/12/2018	Gross value 31/12/2017	Accumu Depreciation 31/12/2017	Net Carrying Amount 31/12/2017
Securities held by BIAT	20 633	(13 266)	7 367	20 351	(11 401)	8 950
SALLOUM	171	(128)	43	171	(121)	50
GSM	881	(881)	-	881	(881)	-
BCAP	16	(15)	1	16	(14)	2
ASSBIAT	10 802	(3 819)	6 983	10 802	(3 279)	7 523
BCR	95	(71)	24	95	(67)	28
SICAF	44	(31)	13	44	(29)	15
ELFEJJA	282	-	282	-	-	-
STI	6 540	(6 540)	-	6 540	(6 540)	-
STPI	12	(8)	4	12	(7)	5
SOPIAT	49	(32)	17	49	(30)	19
PROTECT	1 741	(1 741)	-	1 741	(435)	1 306
Securities held by SGP	1 015	(1 015)	-	1 015	(980)	35
OSI	78	(78)	-	78	(43)	35
GSM	937	(937)	-	937	(937)	-
Securities held by BCR	18	(18)	-	18	(18)	-
SICAF	18	(18)	-	18	(18)	-
Securities held by SICAF	308	(279)	29	308	(239)	69
TAAMIR	131	(112)	19	131	(105)	26
PROTECT	122	(122)	-	122	(90)	32
SGP	34	(29)	5	34	(27)	7
SOPIAT	21	(16)	5	21	(15)	6
Total	21 974	(14 578)	7 396	21 692	(12 638)	9 054

IV-9. Other Assets

The total of this post shifted from TND 561 340 thousand in December 2018 to TND 609 862 thousand in December 2019, recording an increase of TND 48 522 thousand or 8,64%.

Thus, the total of the consolidated balance sheet recorded between December 2018 and December 2019, an increase of TND 374 427 thousand or 2,27% passing from TND 16 511 844 thousand to TND 16 886 271 thousand.

NOTE V – Liabilities Balance Sheet*(figures are expressed in thousands of Tunisian Dinars)***V-1. Central Bank and Post Office**

The volume of this post changed from one period to another from TND 722 thousand to TND 1 201 thousand, an increase of TND 479 thousand or 66,34%.

This change is mainly due to an increase of CBT checks awaiting for payment in the amount of TND 389 thousand or 53,88% and an increase of the credit balance of our foreign currencies accounts held by CBT of TND 90 thousand in December 2019.

	31/12/2019	31/12/2018	Variation	In %
Check CBT awaiting payment	1 111	722	389	53,88%
CBT foreign currencies accounts	90	-	90	-
Total Banque Centrale et CCP	1 201	722	479	66,34%

V-2. Deposits and holdings of the banking and financial institutions

The volume of this post shifted from one period to another from TND 2 427 567 thousand to TND 1 259 962 thousand, a decrease of TND 1 167 605 thousand or 48,1%.

	31/12/2019	31/12/2018	Variation	In %
Deposits and holdings of banking institutions	1 257 372	2 422 354	(1 164 982)	-48,09%
Deposits of financial institutions	2 590	5 213	(2 623)	-50,32%
Total deposits of banking and financial institutions	1 259 962	2 427 567	(1 167 605)	-48,10%

This change is explained by:

* a decrease in deposits and holdings of banking institutions from TND 1 164 982 thousand or 48,09% which shifted from TND 2 422 354 thousand in December 2018 to TND 1 257 372 thousand in December 2019.

	31/12/2019	31/12/2018	Variation	In %
Loan in dinars with the CBT	1 085 000	2 308 000	(1 223 000)	-52,99%
Loan in dinars with banks	40 042	68 799	(28 757)	-41,80%
Deposits of correspondents bankers	122 860	39 641	83 219	209,93%
Other amounts due	6 636	2 377	4 259	179,18%
Related debts	2 834	3 537	(703)	-19,88%
Deposits and holdings of banking institutions	1 257 372	2 422 354	(1 164 982)	-48,09%

* a decrease in deposits of the financial institutions from TND 2 623 thousand or 50,32% which shifted from TND 5 213 thousand in December 2018 to TND 2 590 thousand in December 2019. This change stems mainly from deposits of leasing companies.

V-3. Customer Deposits and holdings

Customer deposits recorded an increase of TND 1 339 664 thousand or 11,85%, passing from TND 11 301 779 thousand in December 2018 to TND 12 641 443 thousand in December 2019. This increase stems from the following posts:

	31/12/2019	31/12/2018	Variation	In %
Demand deposits	6 171 918	5 719 401	452 517	7,91%
Savings deposits	2 852 838	2 690 349	162 489	6,04%
Term accounts	2 237 211	1 867 841	369 370	19,78%
Term vouchers	263 392	260 023	3 369	1,30%
Certificates of deposits money market	394 000	229 010	164 990	72,04%
Related debts	74 503	45 444	29 059	63,94%
Other amounts due	647 581	489 711	157 870	32,24%
Total customer deposits and holdings	12 641 443	11 301 779	1 339 664	11,85%

V-4. loans and special resources

Loans and special resources recorded a decrease of TND 26 616 thousand or 11,92%, passing from TND 223 363 thousand in December 2018 to TND 196 747 thousand in December 2019. This decrease results from the following posts:

	31/12/2019	31/12/2018	Variation	In %
Loans and debts for special resources	63 512	51 624	11 888	23,03%
Related debts on special resources	124	158	(34)	-21,52%
Public funds	13 419	13 278	141	1,06%
Total public funds and foreign bodies	77 055	65 060	11 995	18,44%
Subordinate loans	114 306	152 234	(37 928)	-24,91%
Debts connected with loans	5 386	6 069	(683)	-11,25%
Total loans and special resources	196 747	223 363	(26 616)	-11,92%

V-5. Other liabilities

The total of this post shifted from TND 771 300 thousand on December 31st, 2018 to TND 791 083 thousand on December 31st, 2019, recording an increase of TND 19 783 thousand or 2.56 %.

NOTE VI – Minority Interests*(Figures are expressed in Thousands of Tunisian Dinars)*

The minority interests are detailed by consolidated company as follows:

Sociétés	31/12/2019		31/12/2018	
	Reserves	Income	Reserves	Income
BIAT Capital	2	-	2	-
BIAT Assets Management	4	5	4	5
BIAT Capital risque	151	99	148	30
Société de Promotion Immobilière Arabe de Tunisie	1	-	1	-
Société de Promotion Touristique	2 132	(10)	2 133	(1)
Assurances BIAT	2 294	615	2 080	441
SICAV Opportunity	64	(1)	210	(3)
SICAV Trésor	131 178	6 951	182 801	8 037
SICAV Prosperity	5 665	181	10 560	274
Société Golf Sousse Monastir	(155)	155	-	-
Société Palm Links Immobilière	138	2	140	(1)
Société Tanit International	6 323	133	5 248	1 075
Société Tunisie Titrisation	2	-	3	(1)
Société de pôle de compétitivité de Monastir	19 034	3 082	21 183	2 462
SICAV PATRIMOINE Obligataire	216 290	11 899	221 337	10 804
Fonds Commun de placement Epargne Actions	69 151	1 623	58 034	985
Fonds commun de créances 2	-	-	565	6
Société de Promotion Touristique Mohamed V	8 910	773	8 034	881
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	2 724	(291)	3 176	(452)
FCP Equity Performance	3 891	107	4 193	75
Hammamet Leisure Company	10 696	(366)	11 052	(355)
Total	478 495	24 957	530 904	24 262

NOTE VII – Statement of Shareholders' Equity*(Figures are expressed in Thousands of Tunisian Dinars)*

The total of the shareholders' equity shifted from December 2018 to December 2019 from TND 1 231 947 thousand to TND 1 492 383 thousand, recording thereby an increase of TND 260 436 thousand or 21.14%.

Sociétés	31/12/2019		31/12/2018	
	Reserves	Income	Reserves	Income
Banque Internationale Arabe de Tunisie	1 179 732	320 959	1 004 829	246 578
BIAT Capital	269	363	494	318
BIAT Assets Management	86	868	86	901
BIAT Capital risque	(324)	5 041	(435)	1 539
Compagnie Internationale Arabe de Recouvrement	5 248	4 688	4 943	3 805
SICAF BIAT	1 155	96	1 165	388
Société de Promotion Immobilière Arabe de Tunisie	(208)	297	(437)	208
Société de Promotion Touristique	(299)	(18)	(288)	(10)
Organisation et Service Informatique	177	(39)	184	(7)
Société la PROTECTRICE	(754)	(2 551)	198	(3 595)
Assurances BIAT	8 133	9 961	4 999	6 992
Société FAIZA	(684)	(3)	(681)	(3)
SICAV Opportunity	31	(4)	71	(7)
SICAV Trésor	(806)	471	(1 640)	69
SICAV Prosperity	134	21	126	17
Société Générale de Placement	1 584	65	1 488	50
Société TAAMIR	576	(27)	434	(36)
Société Golf Sousse Monastir	(20 140)	(632)	(19 202)	(731)
Société Palm Links Immobilière	29	2	31	(1)
Société Tanit International	(15 287)	274	(17 499)	2 212
Société Tunisie Titrisation	(502)	(10)	(423)	(78)
Société de pôle de compétitivité de Monastir	2 177	4 621	2 409	2 720
SICAV PATRIMOINE Obligataire	(286)	143	(32)	151
Fonds commun de créances 1	497	21	512	(9)
Société tunisienne de promotion des pôles immobiliers et industriels	(328)	(209)	(120)	(187)
Fonds Commun de placement Epargne Actions	46	7	59	5
Fonds commun de créances 2	32	17	3	24
Société Touristique Sahara Palace	(7 543)	(559)	(6 812)	(731)
Société de Promotion Touristique Mohamed V	4 562	2 469	1 760	2 814
Institut Tunis Dauphine	(800)	94	(743)	(56)
BIAT Consulting	297	(53)	195	191
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	(1 323)	(1 395)	845	(2 168)
BIAT France	29	9	229	69
Société de Promotion Touristique Hammamet	(74)	-	-	-
FCP Equity Performance	474	216	2 054	152
Hammamet Leisure Company	(8 239)	(244)	(8 002)	(237)
INMA HOLDING	(200)	-	(1)	(199)
Fond d'amorçage ANAVA	142	(189)	-	-
Total capital and shareholders' capital Group excluding income	1 147 613	344 770	970 799	261 148

Consolidated company	Integration method	Shareholders' Equity	Securities Elimination	Gross Acquisition Differences	Const amort/ losses val. EA	Neutr of div	Provisions and revaluation	Valuation Difference	Internal Gain	Deferred taxes and other	Minority Reserves	Total Shareholders' Equity
BIAT	Global Integration	1138 572	-	-	-	12 861	25 730	-	(3 814)	6 383	-	1179 732
BCAP	Global Integration	3 267	(2 998)	16	(14)	-	-	-	-	-	(2)	269
BAM	Global Integration	588	(498)	-	-	-	-	-	-	-	(4)	86
BCR	Global Integration	8 825	(8 045)	95	(67)	105	-	-	(1 086)	-	(151)	(324)
CIAR	Global Integration	1 297	(1 018)	-	-	-	-	-	2 592	2 377	-	5 248
SICAF	Global Integration	19 789	(19 000)	62	(47)	351	-	-	-	-	-	1 155
SOPIAT	Global Integration	46 915	(46 616)	70	(45)	21	-	-	(717)	165	(1)	(208)
SALLOUM	Global Integration	4 294	(2 548)	171	(120)	-	-	-	-	36	(2 132)	(299)
OSI	Global Integration	167	(24)	78	(43)	-	-	-	-	(1)	-	177
PROTECT	Global Integration	3 594	(4 699)	1 863	(526)	-	-	-	(1 311)	325	-	(754)
ASSBIAT	Global Integration	41 040	(38 624)	10 802	(3 279)	266	222	-	-	-	(2 294)	8 133
FAIZA	Global Integration	258	(542)	-	-	-	(400)	-	-	-	-	(684)
OPPRUNITY	Global Integration	585	(490)	-	-	-	-	-	-	-	(64)	31
TRESOR	Global Integration	145 028	(14 656)	-	-	-	-	-	-	-	(131 178)	(806)
PRESPERITY	Global Integration	6 311	(512)	-	-	-	-	-	-	-	(5 665)	134
SGP	Global Integration	2 830	(3 292)	34	(27)	345	1 694	-	-	-	-	1 584
TAAMIR	Global Integration	5 003	(4 655)	131	(105)	177	-	-	-	25	-	576
GSM	Global Integration	(4 055)	(4 134)	1 818	(1 818)	-	-	-	(18 453)	6 347	155	(20 140)
LINKS	Global Integration	277	(110)	-	-	-	-	-	-	-	(138)	29
STI	Global Integration	27 087	(28 299)	6 540	(6 540)	-	(2 447)	-	(7 406)	2 101	(6 323)	(15 287)
TITRIS	Global Integration	296	(796)	-	-	-	-	-	-	-	(2)	(502)
ELFEJJA	Global Integration	46 610	(26 647)	282	-	-	-	1 808	(1 123)	281	(19 034)	2 177
PATRIMOINE	Global Integration	221 771	(6 065)	-	-	298	-	-	-	-	(216 290)	(286)
FCC1	Global Integration	2 016	(1 519)	-	-	-	-	-	-	-	-	497
STPI	Equity Method	667	(1 000)	12	(7)	-	-	-	-	-	-	(328)
FCP	Global Integration	69 437	(240)	-	-	-	-	-	-	-	(69 151)	46
FCC2	Global Integration	1 535	(1 503)	-	-	-	-	-	-	-	-	32
STSP	Global Integration	457	(8 000)	-	-	-	-	-	-	-	-	(7 543)
SPTMV	Global Integration	37 379	(23 910)	-	-	3	-	-	-	-	(8 910)	4 562
ITD	Equity Method	62	(900)	-	-	-	-	-	-	38	-	(800)
BCO	Global Integration	797	(500)	-	-	-	-	-	-	-	-	297
SPTSFAF	Global Integration	17 054	(14 400)	-	-	-	-	-	(1 671)	418	(2 724)	(1 323)
BFR	Global Integration	2 950	(2 921)	-	-	-	-	-	-	-	-	29
PERFORMANCE	Global Integration	12 194	(7 829)	-	-	-	-	-	-	-	(3 891)	474
SPTH	Equity Method	2 986	(3 060)	-	-	-	-	-	-	-	-	(74)
HLC	Global Integration	17 827	(15 370)	-	-	-	-	-	-	-	(10 696)	(8 239)
INMA	Equity Method	-	(200)	-	-	-	-	-	-	-	-	(200)
AMORCAGE	Equity Method	3 142	(3 000)	-	-	-	-	-	-	-	-	142
Total consolidated		1 892 252	(302 020)	21 974	(12 638)	14 427	24 799	1 808	(32 989)	18 495	(478 495)	1 147 613

Consolidated Company	Integration Method	Social Result	Neutr allocations provisions	Neutr of div	deduct (+v) internal	Const-mort/ losses val. EA	Deferred taxes and others	Minority interests	Consolidated income
BIAT	Global Integration	333 006	1 152	(12 861)	-	-	(338)	-	320 959
BCAP	Global Integration	364	-	-	-	(1)	-	-	363
BAM	Global Integration	873	-	-	-	-	-	(5)	868
BCR	Global Integration	5 249	-	(105)	-	(4)	-	(99)	5 041
CIAR	Global Integration	4 000	-	-	-	-	688	-	4 688
SICAF	Global Integration	191	258	(351)	-	(2)	-	-	96
SOPIAT	Global Integration	321	-	(21)	-	(3)	-	-	297
SALLOUM	Global Integration	14	-	-	-	(7)	(35)	10	(18)
OSI	Global Integration	(4)	-	-	-	(35)	-	-	(39)
PROTECT	Global Integration	(1 213)	-	-	-	(1 338)	-	-	(2 551)
ASSBIAT	Global Integration	11 604	(222)	(266)	-	(540)	-	(615)	9 961
FAIZA	Global Integration	(3)	-	-	-	-	-	-	(3)
OPPRUNITY	Global Integration	(5)	-	-	-	-	-	1	(4)
TRESOR	Global Integration	7 422	-	-	-	-	-	(6 951)	471
PRESPERITY	Global Integration	202	-	-	-	-	-	(181)	21
SGP	Global Integration	363	49	(345)	-	(2)	-	-	65
TAAMIR	Global Integration	152	-	(177)	-	(7)	5	-	(27)
GSM	Global Integration	(1 422)	-	-	-	-	945	(155)	(632)
LINKS	Global Integration	4	-	-	-	-	-	(2)	2
STI	Global Integration	(825)	1 225	-	-	-	7	(133)	274
TITRIS	Global Integration	(10)	-	-	-	-	-	-	(10)
ELFEJJA	Global Integration	7 703	-	-	-	-	-	(3 082)	4 621
PATRIMOINE	Global Integration	12 340	-	(298)	-	-	-	(11 899)	143
FCC1	Global Integration	21	-	-	-	-	-	-	21
STPI	Equity Method	(208)	-	-	-	(1)	-	-	(209)
FCP	Global Integration	1 630	-	-	-	-	-	(1 623)	7
FCC2	Global Integration	17	-	-	-	-	-	-	17
STSP	Global Integration	(559)	-	-	-	-	-	-	(559)
SPTMV	Global Integration	3 245	-	(3)	-	-	-	(773)	2 469
ITD	Equity Method	132	-	-	-	-	(38)	-	94
BCO	Global Integration	(53)	-	-	-	-	-	-	(53)
SPTSFAF	Global Integration	(1 686)	-	-	-	-	-	291	(1 395)
BFR	Global Integration	9	-	-	-	-	-	-	9
PERFORMANCE	Global Integration	323	-	-	-	-	-	(107)	216
HLC	Global Integration	(610)	-	-	-	-	-	366	(244)
AMORCAGE	Equity Method	(189)	-	-	-	-	-	-	(189)
Total consolidated		382 398	2 462	(14 427)	-	(1 940)	1 234	(24 957)	344 770

NOTE VIII – Income Statement*(figures are expressed in Thousands of Tunisian Dinars)***VIII-1. Bank operating Revenues**

The total of this post shifted from TND 1 395 532 thousand on December 31st, 2018 to TND 1 642 189 thousand on December 31st, 2019, recording an increase of TND 246 657 thousand or 17.67%.

VIII-1-1. Interests and other similar revenues

Interests and assimilated income shifted from TND 893 885 thousand on 31/12/2018 to TND 1 093 005 thousand on 31/12/2019, recording an increase of TND 199 120 thousand or 22, 28%.

This change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Interests on bank ordinary accounts	293	278	15	5,40%
Interests on accounts of interbank loans	9 699	9 995	(296)	-2,96%
Interests on customer loans	869 370	733 890	135 480	18,46%
Interests on accounts receivables to costumer	139 456	105 827	33 629	31,78%
Interests and assimilated income on guarantee commitments	28 956	24 578	4 378	17,81%
Other interests and assimilated income	45 231	19 317	25 914	134,15%
Total Interests and assimilated income	1 093 005	893 885	199 120	22,28%

VIII-1-2. commissions in income

Commissions in income shifted from TND 281 007 thousand on 31/12/2018 to TND 302 512 thousand on 31/12/2019, recording an increase of TND 21 505 thousand or 7,65%. This change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Commission on foreign-exchange transactions	2 922	2 398	524	21,85%
Commission on financing commitments	31 469	29 409	2 060	7,00%
Commission on guarantee commitments	12 156	11 863	293	2,47%
Commission on services of financial services	69 098	61 191	7 907	12,92%
Commissions on other banking transactions	186 867	176 146	10 721	6,09%
Total Commissions (in income)	302 512	281 007	21 505	7,65%

VIII-1-3. Gains on commercial securities portfolio and financial transactions

These gains totaling TND 140 523 thousand on 31/12/2019 against TND 124 184 thousand on 31/12/2018, an increase of TND 16 339 or 13.16%.

	31/12/2019	31/12/2018	Variation	In %
Income of transactions securities (a)	5 780	6 598	(818)	-12,40%
Income of investment securities (b)	30 631	35 698	(5 067)	-14,19%
Gains on foreign-exchange and arbitration transactions	104 112	81 888	22 224	27,14%
Total Gains on commercial securities portfolio and financial transactions	140 523	124 184	16 339	13,16%

This increase is detailed as follows:

(a) Income of trading securities

The income of trading securities shifted between December 2018 and December 2019 from TND 6 598 thousand to TND 5 780 thousand, a decrease of TND 818 thousand or 12,4%. The income is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Income of transaction securities	6 988	6 173	815	13,20%
Capital gain or loss of disposal or refund	(1 208)	425	(1 633)	-384,24%
Total income of trading securities	5 780	6 598	(818)	-12,40%

(b) Income of investment securities

The income of the investment securities which consists of interests received on the bonds and income from priority shares of FCC, recorded a decrease of TND 5 067 thousand or 14,19%, passing from one period to another from TND 35 698 thousand to TND 30 631 thousand.

	31/12/2019	31/12/2018	Variation	In %
Bonds Interests	30 600	35 602	(5 002)	-14,05%
Incomes from debts securitization funds	31	96	(65)	-67,71%
Total income of investment securities	30 631	35 698	(5 067)	-14,19%

(c) Net Gain on foreign-exchange transactions

The net gains on foreign-exchange transactions which consists mainly of gains and losses related to transactions of manual foreign-exchange, from spot and future foreign-exchange transactions shifted from TND 81 888 thousand on 31/12/2018 to TND 104 112 thousand on 31/12/2019 recording an increase of TND 22 224 thousand or 27.14 %.

VIII-1-4. Investments portfolio revenues

The income of investment portfolio which consists mainly of interests on investment securities and perceived dividends on equity securities and income on portage securities recorded an increase of TND 9 693 thousand or 10.05% passing from a period to another from TND 96 456 thousand to TND 106 149 thousand.

	31/12/2019	31/12/2018	Variation	In %
Interests and income of investment securities	99 724	92 236	7 488	8,12%
Income of equity securities	6 425	4 220	2 205	52,25%
Total income of investment portfolio	106 149	96 456	9 693	10,05%

VIII-2. banking operating expenses

The total of this post shifted from TND 475 659 thousand on December 31st, 2018 to TND 599 397 thousand on December 31st, 2019, recording an increase of TND 123 738 thousand or 26.01%.

These banking exploitation expenses consist of the following posts:

- Incurred interests and assimilated expenses
- claims paid on insurance operations
- Incurred commissions
- Losses on commercial securities portfolio and financial operations

VIII-2-1. Interests incurred and related expenses

The incurred interests and assimilated expenses shifted from TND 419 357 thousand on 31/12/2018 to TND 537 540 thousand on 31/12/2019, recording an increase of TND 118 183 thousand or 28.18%. this change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Interests on bank ordinary accounts	267	1 154	(887)	-76,86%
Interests on interbank loans accounts	5 463	2 459	3 004	122,16%
Interests on customer deposits	342 943	281 488	61 455	21,83%
Interests on obligatory and subordinate loans	12 018	12 559	(541)	-4,31%
Interests on special resources	1 381	1 520	(139)	-9,14%
Other interests and expenses	175 468	120 177	55 291	46,01%
Total incurred interests and assimilated expenses	537 540	419 357	118 183	28,18%

VIII-2-2. Claims paid on insurance transactions

The claims paid on insurance transactions shifted from TND 52 792 thousand on 31/12/2018 to TND 57 639 thousand on 31/12/2019, recording an increase of TND 4 847 thousand or 9.18 %.

VIII-2-3. Incurred commissions

Incurred commissions shifted from TND 3 328 thousand on 31/12/2018 to TND 4 105 thousand on 31/12/2019, recording an increase of TND 777 thousand or 23.35%. this change is detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Commissions on treasury transactions and interbank transactions	3 081	2 733	348	12,73%
Commissions on other transactions	1 024	595	429	72,10%
Total incurred Commissions	4 105	3 328	777	23,35%

VIII-3. Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities

The balance of this section records on 31/12/2019 a net allocation of TND 122 914 thousand detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocation to provisions on receivables and claims	(145 228)	(146 662)	1 434	-0,98%
Allocation to provisions for risks and expenses	(19 262)	(7 627)	(11 635)	152,55%
Total allocation	(164 490)	(154 289)	(10 201)	6,61%
Losses on receivables	(49 404)	(95 681)	46 277	-48,37%
Total allocation and losses on receivables	(213 894)	(249 970)	36 076	-14,43%
Reversal of provisions on customer receivables	87 037	105 393	(18 356)	-17,42%
Reversal of provisions for losses and expenses	3 777	9 057	(5 280)	-58,30%
Total provision reversal	90 814	114 450	(23 636)	-20,65%
Recoveries of receivable written off	166	132	34	25,76%
Total reversal and recoveries on receivables	90 980	114 582	(23 602)	-20,60%
Balance	(122 914)	(135 388)	12 474	-9,21%

VIII-4. Net provision charge and value adjustment on investment portfolio

The volume of this section records on 31/12/2019 a loss of TND 10 461 thousand detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocation to provisions on equity securities, portage and managed funds	(10 514)	(2 695)	(7 819)	290,13%
Expenses and losses on securities	(1 073)	(508)	(565)	111,22%
Total allocation and losses on investment portfolio	(11 587)	(3 203)	(8 384)	261,75%
Reversal of provisions on equity securities, portage and managed funds	891	844	47	5,57%
Capital gain on the sale of equity securities	235	74	161	217,57%
Total reversal	1 126	918	208	22,66%
Total reversal and recoveries on investment portfolio	1 126	918	208	22,66%
Balance	(10 461)	(2 285)	(8 176)	357,81%

VIII-5. Other operating incomes

This section shifted between December 2018 and December 2019 from TND 42 243 thousand to TND 52 440 thousand, recording thereby an increase of TND 10 197 thousand or 24.14%.

VIII-6. Staff expenses

This section which consists mainly of salaries, social expenses and other staff expenses, shifted between December 2018 and December 2019 from TND 237 150 thousand to TND 240 738 thousand, recording thereby an increase of TND 3 588 thousand or 1.51%.

VIII-7. General operating expenses

The increase of TND 26 819 recorded between December 2018 and December 2019 results from an increase of non-banking operating expenses in the amount of TND 10 085 thousand and an increase of other general operating expenses to the tune of TND 16 734 thousand.

VIII-8. Allocations to depreciation and provisions on fixed assets

The balance of this section records on 31/12/2019 an amount of TND 44 816 thousand detailed as follows:

	31/12/2019	31/12/2018	Variation	In %
Allocations to depreciations of intangible fixed assets	7 155	9 127	(1 972)	-21,61%
Allocations to depreciations of tangible fixed assets	24 828	21 052	3 776	17,94%
Allocations to depreciation of deferred expenses	12 833	11 905	928	7,80%
Total	44 816	42 084	2 732	6,49%

VIII-9. balance in gain or loss resulting from other ordinary items

The balance of this section is a loss of TND 4 406 thousand mainly resulting from capital gain on the assignment of fixed assets for TND 208 thousand, other ordinary gains for TND 433 thousand and other ordinary losses for TND 5 045 thousand.

VIII-10. Income tax

The balance of this section records on 31/12/2019 an amount of TND 125 146 thousand against TND 100 366 thousand on 31/12/2018, an increase of TND 24 780 thousand or 24.69%. The balance of 2019 includes the amount of the social solidarity contribution calculated in accordance with the provisions of Article 39 of the Finance Act 2020.

Note IX – Subsequent events to the balance sheet date

The first quarter of 2020 was characterized by the outbreak of an unprecedented health crisis related to the spread of the coronavirus (COVID-19), classified by the World Health Organization on March 11th, 2020 as a pandemic, affecting the whole world and whose final impact on the global economy and monetary and financial markets remains uncertain.

In order to mitigate the economic and financial consequences of this pandemic at the national level, public authorities have taken exceptional measures of an economic and social nature, including the quarantine, the lowering of the key interest rate by 100 basis points and the postponement, under certain conditions, of the maturities of credits granted to companies, professionals and individuals, relating to the period from March 1st to September 30th, 2020, as provided for by the BCT circulars n°2020-06 of 19 March 2020 and n°2020-07 of 25 March 2020.

The impact of the virus prevention measures that can be further strengthened and sustained over time along with the lack of visibility on the economic and social fallout of this epidemic, represent risk factors that may have an adverse impact on the bank's activities, its operating results and the structure of its jobs and resources.

Nevertheless, given the solidity of its current financial situation, BIAT now has an important resilience factors allowing it to face this crisis and ensure the continuity of its activities.

As things currently stand and in light of the foregoing, this material event subsequent to December 31st, 2019, whose possible financial impact cannot be estimated in a reasonable way for the moment, given the rapid evolution of the situation, does not give rise to adjustments to the financial statements closed on that date.

The financial consolidated statements of the bank are approved and authorized for publication by the Board of Directors on 18 March 2020.

— **15**

**RESOLUTIONS OF
THE ORDINARY
GENERAL
ASSEMBLY**



Resolutions of the Ordinary General Assembly

First Resolution

Pursuant to the decision of the general lockdown of March 20, 2020 and the Note of the Central Bank of Tunisia No. 2020-17 of April 1st, 2020, the Ordinary General assembly confirms the postponement of the assembly.

The Ordinary General assembly approves holding this Ordinary General assembly through video conferencing or other audio visual means in accordance with the recommendations of the Financial Market Council.

This resolution was put to the vote and adopted unanimously.

Second Resolution

After hearing the report of the Board of Directors on the individual financial situation and the consolidated position for the year 2019 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 July 11th, 2016 relating to banks and financial institutions, as well as the individual and consolidated financial statements as at December 31st, 2019 as presented.

Consequently, it gives the Board of Directors Members complete and unconditional discharge of their management for the financial year of 2019.

This resolution was put to the vote and adopted unanimously.

Third Resolution

The Ordinary General Assembly decides to allocate the net profit for the year 2019, which amounts to TND 333.005.739, 217 as follows:

	(In dinars)
Net Profit for the year	333.005.739,217
Retained Earnings	372.658.871,872
Total distributable	705.664.611,089
Reserves For Financial Re-investments	170.000.000,000
Retained Earnings	535.664.611,089

This resolution was put to the vote and adopted unanimously.

Fourth Resolution

The Ordinary General Assembly decides to transfer to the optional reserves the reserves for financial reinvestments in the amount of TND 22.380.742 which had been allocated in connection with the distribution of the profits for the financial years 2010, 2012, 2013 and 2014.

This resolution was put to the vote and adopted unanimously.

Fifth Resolution

The ordinary general assembly decides to:

- Renew the term of office of member of the board of directors:

- Mr Ismail MABROUK
- Karim MILED
- Hichem Driss
- Tahar SIOUD as representative of small shareholders
- Sami Hachicha
- Mohamed Afif Chelbi
- Mehdi Sethom
- Jean Messenessi

- Appoint Mr Fadhel Abdelkefi as member of the board of directors

for a three-year period ending at the close of the ordinary general assembly to be held to approve the financial statements for the financial year 2022.

This resolution was put to the vote and adopted unanimously.

Sixth Resolution

In view of the present exceptional circumstances and in order to comply with the regulations of the Central Bank of Tunisia relating to the conditions of appointment of independent members of the Board of Directors (Art 47 of the Banking Law n° 2016-48 of July 11, 2016), the Ordinary General assembly decides to defer the appointment of the two independent members, which was initially planned during this General assembly.

To this end, the Ordinary General assembly grants to the Board of Directors the powers to co-opt two independent members.

This cooptation will be submitted to the next Ordinary General Assembly for ratification.

This resolution was put to the vote and adopted unanimously.

Seventh Revolution

The Ordinary General Assembly decides to allocate to the Board of Directors the gross sum of seven hundred twenty thousand dinars as directors' fees for the financial year 2020.

The Board of Directors shall decide on its distribution among its members.

The Ordinary General Assembly also decides to allocate to the members of the internal audit committee, the executive credit committee, the risk committee and the nomination and remuneration committee of the gross sum of three hundred per member and attendance for the financial year 2020.

This resolution was put to the vote and adopted unanimously.

Eighth Resolution

The Ordinary General Assembly authorizes the Bank to issue one or more ordinary debenture and/or subordinated loans for a maximum global amount of TND 500 million over a period of three years and delegates all necessary powers to the managing Board to fix the terms, amounts and conditions of their issue.

The Ordinary General Assembly authorizes the Managing Board to delegate to Central Administration the power to fix the day before the issue the terms and conditions of the loan.

This resolution was put to the vote and adopted unanimously.

Ninth 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 Chief Executive Officer, 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.

Tenth Resolution

The Ordinary General Assembly gives full powers to the legal representative of the bank or to any person mandated by him to affect all deposits and fulfill all legal formalities for publication or regularization.

This resolution was put to the vote and adopted unanimously.

Concerning the threshold crossing, Mr Ismail MABROUK gave the floor to Mr Iyadh BEN SLIMANE, who indicated that no threshold crossing has been notified to the bank since the last Ordinary General assembly held on April 26th, 2019.

There being no further business and no one asking to speak, the meeting concluded at 11:50.

The Scrutineers

The secretary

The chairman

— 16 RESOLUTIONS OF THE EXTRAORDINARY GENERAL ASSEMBLY

— Resolutions of the Extraordinary General Assembly

First Resolution

The Extraordinary General Assembly approves holding this assembly through video conferencing or other audio visual means in accordance with the recommendations of the Financial Market Council.

This resolution was put to the vote and adopted unanimously.

Second Resolution

After taking note of the report of the Board of Directors, The Extraordinary General assembly decides to increase the bank's capital from TND 170 000 000 to TND 178 500,000, by incorporating ordinary reserves of TND 8,500,000 and issuing new shares of 850,000, with a nominal value of TND 10 (ten) each, to be allocated free of charge to former shareholders at the rate of one (1) new share for twenty (20) old shares.

The new shares will carry dividend rights starting from the 1st January 2020.

This resolution was put to the vote and adopted unanimously.

Third Resolution

The Extraordinary General Assembly decides to amend Article 7 of the articles of association as follows:

Article 7 (Former)

The corporate capital is set at One hundred and seventy million Tunisian Dinars (TND 170 000 000), divided into TND 17 000 000 shares of ten Tunisian Dinars (TND 10) each as follows:

- TND 169 628,260 made up of 16 962,826 cash shares of Ten Tunisian Dinars each;
- TND 371,740 made up of 37,174 shares of ten Dinars each, allocated in consideration of contributions in kind of TND 100,000 made by the Société Marseillaise de Crédit and TND 271,740 made by the British Bank of the Middle East of TND 271,740.

Article (7) New

The corporate capital is set at one hundred and seventy-eight million five hundred thousand Tunisian Dinars (TND 178 500 000), divided into TND 17 850 000 shares of ten Tunisian Dinars (TND 10) each as follows:

- TND 178 128,260 by the issue of 17 812 826 cash shares of ten Dinars each;
- TND 371,740 made up of 37,174 shares of ten Tunisian Dinars each, assigned upon the creation of BIAT in consideration of contributions in kind of TND 100,000 made by the Société Marseillaise de Crédit and TND 271,740 by the British Bank of the Middle East of TND 271,740.

This resolution was put to the vote and adopted unanimously.

Fourth Resolution

The Extraordinary General Assembly gives the Board of Directors the power to carry out formalities required for the completion of the capital increase.

The Extraordinary General Assembly authorizes the Board of Directors to delegate the power to the managing director to carry out formalities required for the completion of this capital increase.

This resolution was put to the vote and adopted unanimously.

Fifth Resolution

The Extraordinary General Assembly decides to make the following amendments to articles of association in accordance with the legislative provisions:

Introductory Paragraph of Title III: Management of the company (Former)

The company is governed by Articles 189 to 223 of the Commercial Companies Code and by the provisions of these Articles of Association.

Introductory Paragraph of Title III: Management of the company (New)

The company is governed by Articles 189 to 207 and 216 to 223 of the Commercial Companies Code and by the provisions of these Articles of Association.

Article 19 (1,2 and 3) (Former)

- 1/ The Company is administrated by a board of directors composed of at least three members and at most twelve members.
- 2/ The Ordinary General Assembly appoints the members of the Board of Directors for a three-year renewable term.
- 3/ the members of the Board of Directors may be dismissed at any time by decision of the Ordinary General Assembly.

Article 19 (1,2 and 3) (New)

- 1/ The Company is administrated by a board of directors composed of three members at least and at most twelve members.

The Board includes at least two independent members and a member representing the interests of small shareholders within the meaning of legislation and the regulation related to the financial market.

Is considered an independent member within the meaning of the law, any person not having any links with the said bank or its shareholders or its executives likely to undermine the independence of their decisions or that might lead to a real or potential interest conflict. Are considered small shareholders, the public within the meaning of the legislation related to the financial market

- 2/ The Ordinary General Assembly of shareholders appoints the members of the Board of Directors for a three-year renewable term.

In the event of appointment, for whatever reason, during the term of office on the Board, the appointment is made for the remainder of the unexpired term on the board.

The term of office for the independent members and the member representing small shareholders may be renewed once.

- 3/ the members of the Board of Directors may be dismissed at any time by decision of the Ordinary General Assembly.

The Ordinary General Assembly may not dismiss the two independent members, except for a serious reason relating to their violation of legal requirements or the articles of association, or for faults committed in the exercise of the directors' management or for loss of independence.

Article 24 (19) (Former)

- 19/It takes out all loans by way of a credit line or otherwise. However, borrowings in the form of bond issues must be authorized by an Ordinary General Assembly of Shareholders;

Article 24 (19) (New)

19/ it authorizes the borrowing of all sums necessary for the Company's needs. Such borrowings may be concluded by any means, including by way of a credit facility or otherwise. However, borrowings in the form of bond issues shall be authorized by an Ordinary Assembly of Shareholders, which may delegate to the Board of Directors the necessary powers to proceed with their issue on one or more occasions and to determine the terms and conditions thereof.

Paragraph 3 of Article 25 (Former)

3/ where a member of the board is unable to attend, the managing director may attend the meetings of the board of directors, without exercising the director's voting right.

Paragraph 3 of Article 25 (New)

The managing director may not be a member of the board of directors. He/she may attend the meetings of the board of directors, without having the right to vote.

Article 29 (Former)

Regulated agreements are governed by Article 200 of the Commercial Companies Code and by the banking law in force.

Article 29 (new)

1/ Regulated agreements are governed by Article 200 of the Commercial Companies Code and by the banking law in force related to financial institutions.

2/Any agreement concluded directly or through an intermediary between the company, on the one hand, and the Chairman of its Board of Directors, its managing director, one of its Deputy managing directors, one of its directors, one of the physical persons holding directly or indirectly a fraction of the voting rights above five percent(5%) of the corporate capital, or controlling the company under the article 461 of the Commercial Companies Act (Code des Sociétés Commerciales), on the other hand, are subject to the approval of the board of directors, in the light of special report of the statutory auditor or auditors on the financial and economic impacts of the transactions of the Company.

These provisions also apply to agreements in which the above-mentioned persons have an indirect interest.

Agreements concluded between the Company and another Company, when the chairman, the managing director, one of the deputy-managing directors, or one of the directors is a partner who is jointly liable for the debts of such Company, a Manager, managing director, Director or, in general, an executive of such Company.

Where the person concerned is member of the board of directors, he /she shall not vote on the requested authorization.

3/ Are also subject to the Board of Directors' prior authorization, the General Assembly's Approval and the report of Auditor or auditors, the following operations:

- Assignment of goodwill or one of its elements or rent of the same to third-parties.
- Significant borrowings concluded in favor of the Company to an amount exceeding TND 500 Million Tunisian Dinars per borrowing.
- Assignment of fifty percent (50%) or more of the gross book value of the Company's fixed assets.

The board of directors gives its approval in the light of special report of the statutory auditor or auditors on the financial and economic impacts on the Company's transactions.

4/The obligations and commitments made by the company itself or by a company controlled by it, in compliance with article 461 of the Commercial Companies Code, in favor of the chairman of the board of directors, the managing director, one of its deputy-managing directors, or one of its directors, relating to

their remunerations, to the allowances and benefits attributed to them or which they may be entitled to, whenever they will be dismissed or their function will be changed, shall be subject to the provisions of the above-mentioned subparagraph.

Paragraph 3 of Article 34 (Former)

3/ General Assemblies, of whatever nature, may not be held, prior to the sixteenth day following the date of publication of the first convening notice.

The General Assembly held on second notice shall in no case be less than fifteen days.

Such term shall elapse between the first and second notice.

The Ordinary General Assembly is convened through a notice published in the Journal officiel de la République Tunisienne – JORT [Tunisian Official Gazette] and in two daily newspapers one of which in the Arabic language.

Paragraph 3 of Article 34 (New)

3/ General Assemblies, of whatever nature, may not be convened prior to the twenty-second day following the date of publication of the notice of meeting in the officiel de la République Tunisienne – JORT [Tunisian Official Gazette] and the national register of companies.

The General Assembly convened on second notice shall in no case be held prior to fifteen days following the publication of the first notice.

1st Paragraph of Article 49 (Former)

1/ Dividends are paid at time set by the Board of Directors. Any dividend that has not been claimed within the five-year eligibility period shall lapse in accordance with the law.

1st Paragraph of Article 49 (New)

1/ Dividends are paid at time set by the Board of Directors within a maximum period of three months from the date of the general meeting that decided on the distribution. The shareholders may unanimously decide otherwise.

When the time limit of three months is exceeded, the retained earnings generate a trade surplus within the meaning of the legislation in force.

Any dividend that has not been claimed within the five-year eligibility period shall lapse in accordance with the law.

The Extraordinary General Assembly decides to replace the expression «registered letter with acknowledgement of receipt» where it appears in the Articles of Association by the expression «by registered letter with acknowledgement of receipt or by any other means leaving a written record giving the document a probative value».

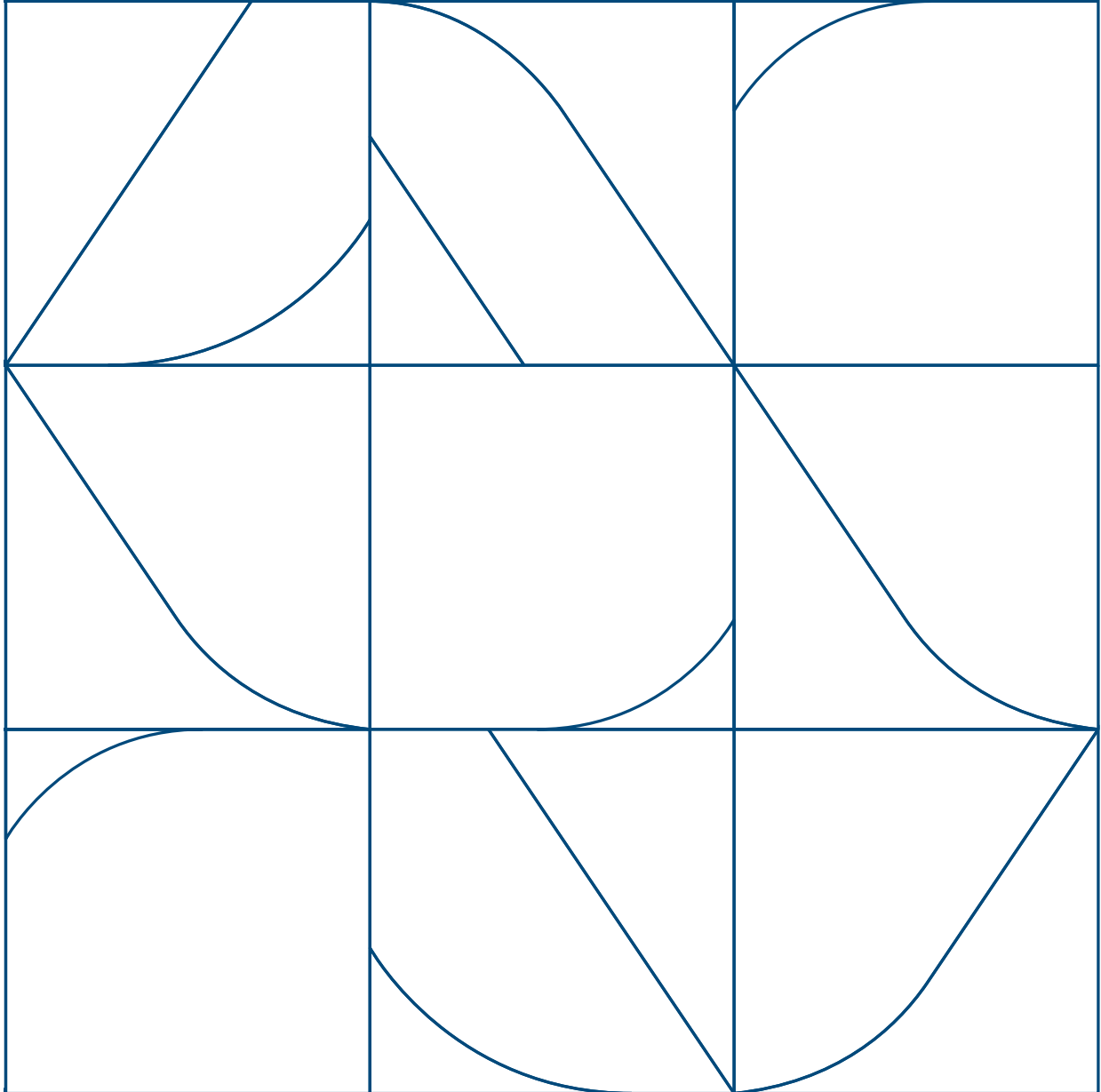
This resolution was put to the vote and adopted unanimously.

Sixth Resolution


The Extraordinary General Assembly gives full powers to the bank's legal representative or to any person mandated by the latter to affect all deposits and fulfill all legal formalities for publication or regularization.

This resolution was put to the vote and adopted unanimously.

Annual Report 2019



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