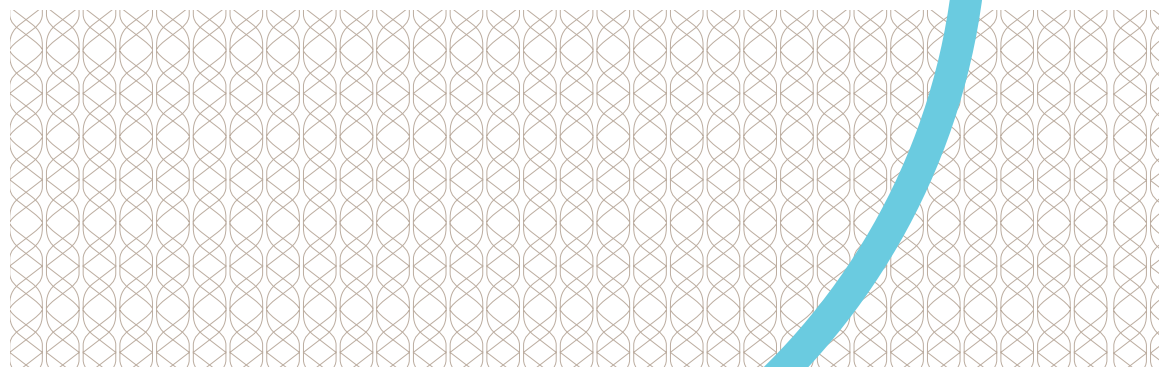




# **ANNUAL REPORT 2020**





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# — Address by the chairman of the Board of Directors

After a successful start early 2020, both in terms of our development program and commercial activity, we had to deal with the health crisis that shook the world in March 2020.

From the outset of the crisis, BIAT quickly adapted to the new context and activated its resilience plans, by implementing a mechanism ensuring the continuity and stability of activities and transactions as well as the safety of clients and employees. Thus, all BIAT branches were kept open throughout the health crisis. Support services were also operational to ensure operations continuity.

We closely monitored the evolution of the situation and adapted the preventive actions and decisions taken, with the objective of ensuring the safety of employees and customers, operations continuity and providing a high quality service, with confidence and serenity.

In this exceptional context, BIAT continued in 2020 to support its 950,000 clients through its commercial network of 205 branches, which remained operational throughout the health crisis. Hence, more than 43,000 new loans were granted to individual customers.

BIAT has also strengthened the support measures in favor of its 38,000 business and professional customers through the Moltazimoun initiative whose objective is to contribute to maintaining employment and economic activity in Tunisia. This initiative has resulted in a set of exceptional measures implemented in favor of our customers including a 500 million dinar to finance the new financial needs of companies and professionals as well as a decision-making system adjusted in the direction of greater decentralization.

This initiative resulted in the granting of more than 1.1 billion dinars in support credits benefitting 2,000 clients all over the country and encompassing all sectors of activities.

Similarly, aware that the context of the country calls for solidarity and joint efforts, BIAT donated an amount of TND 18.3 million to the "1818 Fund". Additional funds were mobilized to finance the BIAT foundation's operations, including the acquisition of



**Ismail Mabrouk**  
Chairman of the Board

medical equipment to improve hospital capacity and as well as non-medical equipment necessary for the provision of health services.

BIAT also took part in the first joint social responsibility action of the Tunisian banking sector initiated by APTBEF in favor of public schools. In this regard, BIAT assumed responsibility for redevelopment and restoration work of 5 schools in different governorates.

Relying on sound governance and strategic orientations, BIAT has pursued its development projects, both in terms of its digital transformation and the expansion of its activities as a financial group of reference in Tunisia.

BIAT's governance system ensures compliance with the regulations in force.

Indeed, the Board of Directors relies on the work of four specialized committees, each comprising at

least three members of the Board of Directors with a charter detailing the missions of each committee.

These committees operate mainly in the areas of audit, risk and credit, and make recommendations to the Board and ensure the follow up.

The governance system in place at the level of BIAT's Board of Directors is put in practice in all of the bank's structures for greater efficiency and effectiveness.

The year 2020 was marked by the launch of the first mobile version of the digital offer MyBIAT. This launch follows an in-depth diagnosis and a scoping of BIAT's digital transformation, allowing for the implementation of an operational model to support the bank's future development through a better agility for the future implementation of new features.

Following a period of trial and appreciation by a population of test customers, the first version was put online for all BIATnet subscribers.

In addition to its functional and intuitive design, MyBIAT is a highly secure banking application that complies with the latest technological standards.

In March 2020, the BIAT Group strengthened its position by acquiring Tunisie Valeurs, a financial

institution specialized in asset management, stock market intermediation, financial engineering and treasury securities.

Through this transaction, BIAT aims to consolidate its position in capital market activities, to expand its corporate offer and provide its clients with a customized support carried out by the best experts in the market.

Despite the slowdown in economic activity, most of BIAT's indicators recorded an increase during the year 2020, with a net banking income (NBI) of TND 940.8 million, equity of TND 1 753.9 million and a net result of TND 281.8 million.

The results recorded in 2020 demonstrate the soundness of the BIAT. This soundness has been built up and strengthened year after year. Thus, in order to strengthen the equity capital, we have favored a strategy of reinvesting profits with a view to financing the bank's future development.

At the end of an unprecedented year in terms of health, social and economic conditions, BIAT has shown its capacity to manage the crisis in a responsible manner by fully playing its part with regards to its employees, clients and society while maintaining its financial performance as a reference player in Tunisia.

# — Address by the General Manager

In a national context strongly affected by the health crisis of COVID-19, Tunisia recorded in 2020 an economic downturn, as shown by the unprecedented contraction of 8.8% of its GDP against a 1% growth in 2019.

This historic decline in national growth, which came against the backdrop of the global economic recession, was due in particular to a sharp drop in industrial production, a manifest deterioration in tourism and transport indicators, and a considerable contraction in exports as a result of a lower external demand, particularly in the euro zone.

In this difficult macroeconomic background, Tunisia recorded in 2020 a worsening of the budget deficit, an increase in public debt and a rise in the unemployment rate.

Nevertheless, some fundamentals have improved as reflected by the reduction in the current account deficit, the increase in the country's net foreign currency (162 days of imports), an inflation decline by (5.6% on average) and a confirmed appeasement of the banking system's liquidity needs as shown by banks' overall need for refinancing which standing at TND 9 699 million at the end of 2020.

In 2020, BIAT maintained its leading position in terms of deposits and net banking income while ranking 2nd in terms of loans, despite the fragile economic context and the difficult health situation.

Deposits grew by 13,8% to TND 14 787 million, with a consolidation of the bank's market share by 0.6 point to 17.9 %, despite a market still subject to a liquidity crisis and a competition on term deposits collection.

Net credits, for their part, grew by 9.2% to TND 11 341 million against TND 10 389 million in 2019 and BIAT's market share of gross lending (excluding credits to the State) stood at 12.1%.

In addition, in 2020, 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 5.6 % in 2020, recording an improvement of 0,8 % compared to 2019, despite the negative macroeconomic context



**Mohamed Agrebi**  
General Manager

induced by the health crisis and the weakening of the financial situation of economic agents.

The total balance sheet grew by 9.5 % to reach a volume of TND 17 874 million.

In 2020, these performances allowed our bank to reach a Net Banking Income (NBI) of around TND 940.8 million, a decrease of 1.7% compared to 2019, an interest margin of TND 489.0 million, a commission margin of TND 211.8 million and other non-banking revenues of TND 240.0 million.

These achievements were coupled with great operational rigor, as the operating ratio stood at 43.4 %, despite the decline in NBI and the expenses linked to COVID-19.

In the light of all the above-mentioned factors, in 2020 the bank's net profit stood at TND 281.8 million, a decrease of 15.4% compared with the previous year.

This level of result helped to achieve the following profitability ratios:

- Net income / NBI of 30 %
- An NBI / Total Assets of 5.3 %, a decrease of 0.6 points compared to 2019
- A ROE of 16.1 %, a decrease of 6.5 points compared to 2019
- A ROA of 1.6 %, a decline of 0.4 points compared to 2019

The growth of activity, revenue and profit indicators was made possible thanks to a solid and diversified customer base of nearly 950,000 individual and business customers, an asset that has been consolidated with the winning of 53 000 new customers in 2020.

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 13.25 %.
- A Loans/deposits ratio of 94.5%.
- A LCR ratio of 193 %.

As for the consolidated financial statements, the latter show:

- A Total Balance Sheet of TND 18 441 8 million, a growth of 9.2 % compared to 2019.
- A Net Income of TND 277.5 million, a decline of 19.5 %.

These achievements 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 an integrated management software tools.

The relevance of our vision and the soundness of our strategic orientations have earned us several international recognitions from renowned international organizations, namely:

- The Capital Finance International Award for the best banking governance in Tunisia for the 2nd year in a row.
- The Best Custodian Bank in Tunisia by Global Finance;
- BIAT has also been ranked by Financial Afrik as the 20<sup>th</sup> African bank with a strong regional impact, being the only Tunisian bank on the list.

Thus, given the drastic fallout from the COVID-19 health crisis and the constraints of the political and social environment, 2020 proved to be a difficult year with impacts that BIAT was able to mitigate.

BIAT has emerged from this situation with greater resilience and solidity. This solidity has been built up and strengthened year after year thanks to a strategy favoring the reinvestment of profits and the consolidation of equity to finance the bank's future development.

Despite the economic situation, our bank continued to retain, develop and serve its clients well, seizing all development opportunities in a wise and considered manner while ensuring that its operating model is being improved.

In 2021, where the effects of the health crisis are still perceptible in the first half of the year, thanks to the acceleration of the deployment of effective vaccines and the hope of an economic recovery as from the second half of the year, BIAT intends to maintain a solid and resilient position thanks to a sound and controlled management of its activities. Thus, the bank will make sure to seize all possible opportunities while continuing to provide quality services, and to resume the growth trend of its results, always improving and constantly in line with the expectations of its clients, partners and shareholders.



# — BIAT PROFILE

44 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 1913 collaborators in 2020, BIAT has more than 940 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.

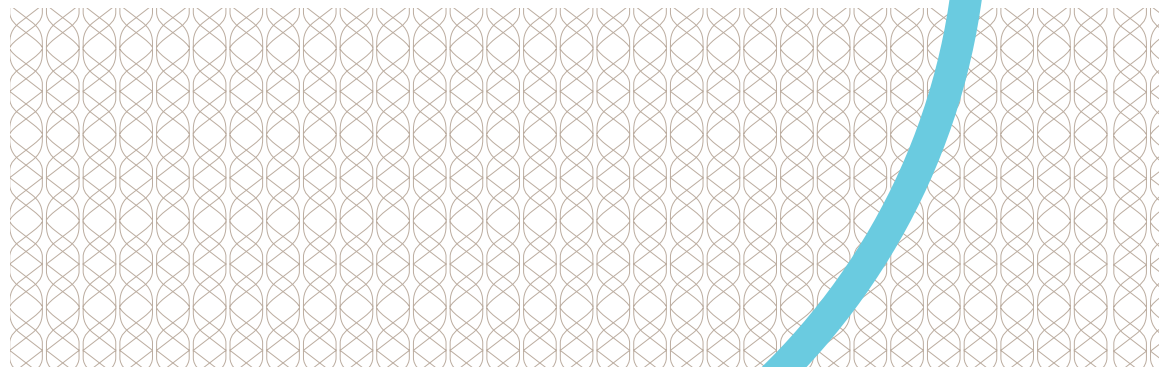
A universal bank providing a full range of service with all kinds of customers individuals, Tunisians Residing Abroad (T.R.E) business customers, SMEs, large companies and institutional customers, BIAT is now a diversified financial group operating in the areas of insurance, asset management, investment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

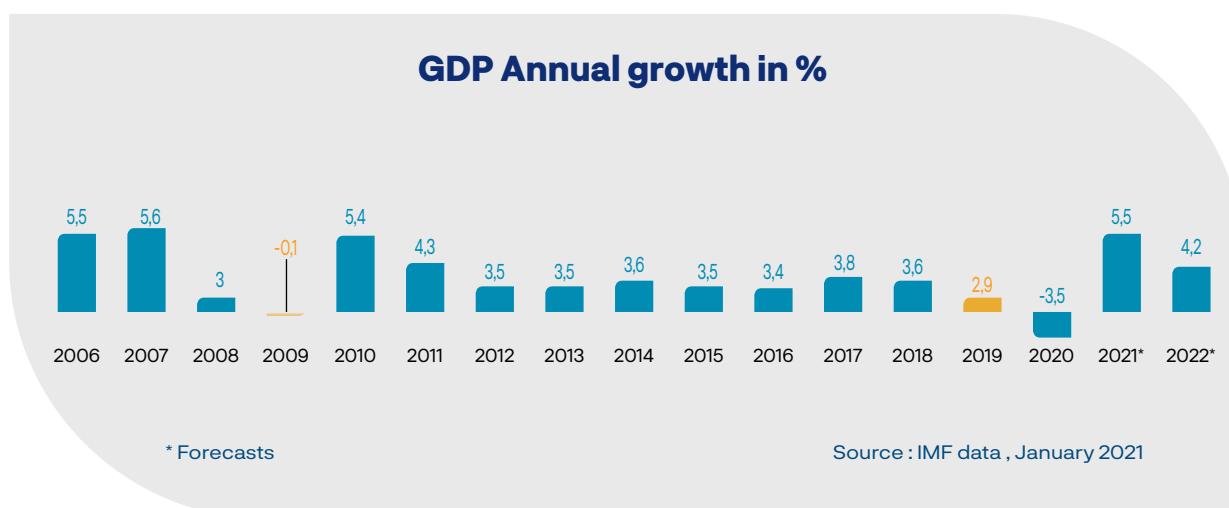
## At The International Level

The global economy faced an unprecedented ordeal that slowed the engines of growth, resulting in an estimated 3.5%<sup>1</sup> year-on-year (y-o-y) contraction in global GDP.

The Covid-19 pandemic which first emerged in China grew up rapidly into a global economic crisis and the measures put in place to contain the spread of the virus (social distancing, lockdown, border closures, mandatory business closures) disrupted supply chains and limited international trade, thereby reducing global supply.

Global demand also suffered an abysmal decline due to rising unemployment, falling disposable incomes, and fears of contamination.

However, it is essential to distinguish between what is attributable to the health crisis on the one hand and the underlying trends already observed in 2019, on the other. Indeed, the downward economic slide continued and strengthened further after 2019, notably due to the decline in the rate of growth of production.



The economic crisis has had repercussions on energy prices. During this exceptional year, the evolution of prices was mainly affected by the drop in demand.

## Annual Average Energy Price

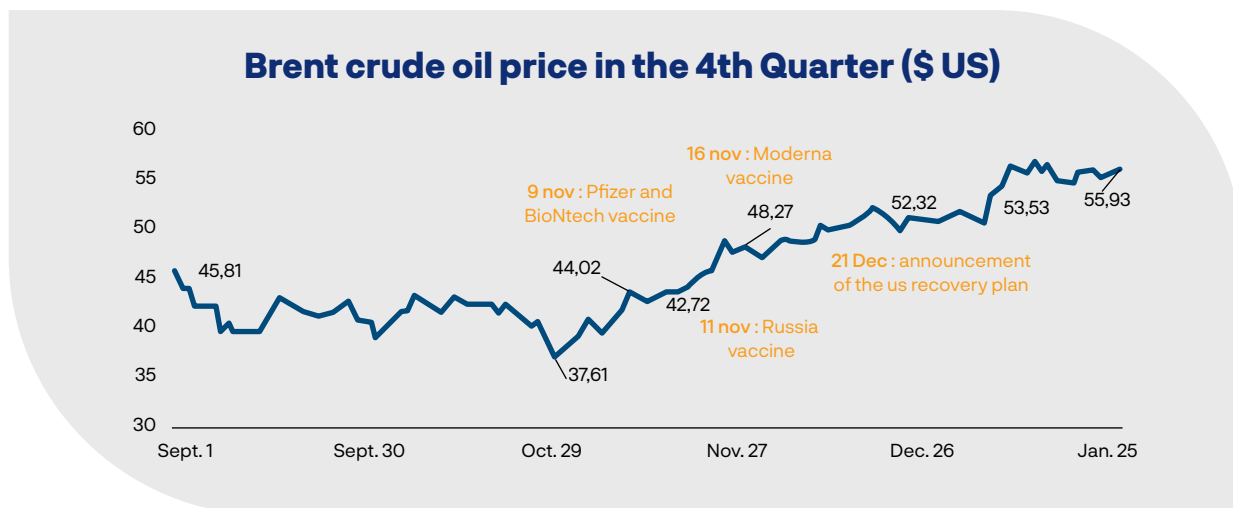
	2018	2019	Var 19/18	2020	Var 20/19
Brent crude oil ( \$US/bbl)	70	64	-8%	43	-34%
WTI Crude Oil ( \$US/bbl)	64	57	-10%	40	-31%
Natural Gas (Natural gas index (2010 =100))	81	61	-24%	46	-25%

Source : World Bank World Bank Commodities Price Data (The Pink Sheet)

<sup>1</sup>IMF-January 2021

Nevertheless, however the successive announcements concerning the development of effective vaccines against the Covid-19 virus during

the 4th quarter were accompanied by price increase in Brent crude oil of around 20% compared to the beginning of November.



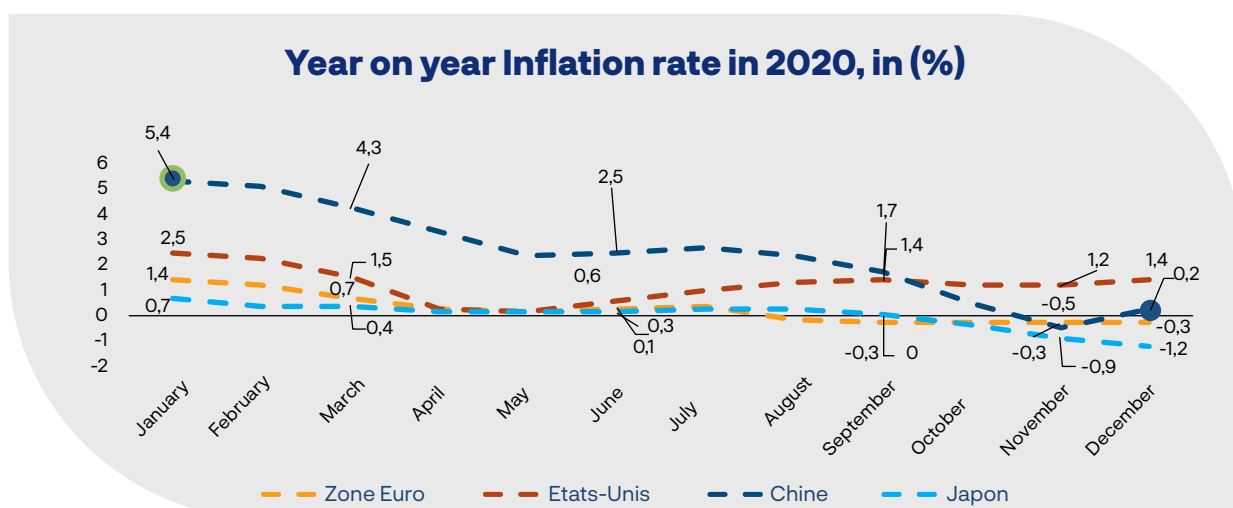
As Regards food prices, wheat prices (common wheat and durum wheat) recorded an increase in 2020.

### Annual Average wheat price

	2018	2019	Var 19-18	2020	Var 20-19
Common Wheat (\$US/mt)	200	212	+6%	230	+8%
Durum Wheat (\$US/mt)	206	203	-2%	214	+6%

Source : World Bank,-World Bank Commodities Price Data (The Pink Sheet)

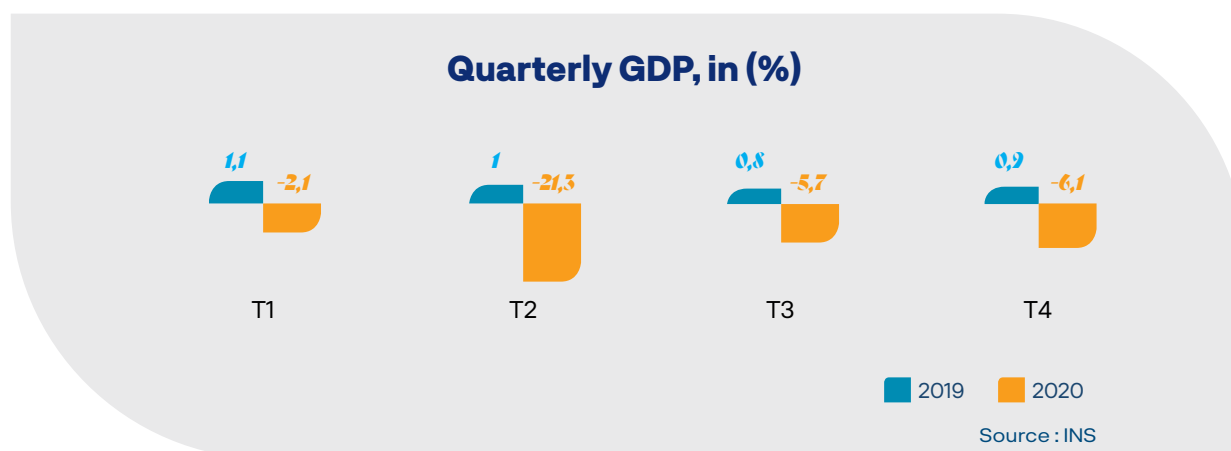
Inflation rate was on a declining trend in most countries, reflecting the decline in international demand and lower energy prices.



## AT the National Level

The Tunisian economy was not spared from the economic and health crisis. The decrease in GDP in 2020 amounted to 8.8% year on year against a growth of 0.9% in 2019.

This contraction was particularly high during the second quarter (-21.3%), due to the protective measures taken by the government during this period (35 days of lockdown which represent 38% of the second quarter and 10% over a full year.



At the sectoral level, due to their strong dependence on foreign trade and final household consumption, industrial and service activities were particularly impacted.

Nevertheless, it is important to underline that for the industry sector, structural difficulties have already been observed since 2019.

Overall, had it not been for the performance of the agricultural sector, the contraction of GDP could have been more significant.

The economic crisis had an impact on employment. The unemployment rate increased from 14.9% in 2019 to 17.4% in 2020.

Main Figures	2018	2019	2020
Growth of GDP (at constant prices)	2,7%	1%	-8,8%
Inflation rate (in %)	7,3%	6,7%	5,6%
Current deficit (in % of GDP)	-11,1%	-8,4%	-6,8%
Budget deficit (in % of GDP)	-4,8%	-3,5%	-11,4%*
Goods exports growth (in %)	+19,1%	+7%	-11,7%
Goods imports growth (in %)	+20%	+5,5%	-18,7%
Debt services / Current revenues (in %)	11,9%	14,5%	11,8%*
Foreign currency assets (in number of days of impot)	84	111	160
Tourism revenues (in TND million)	4.141	5.626	2.018
Growth	-	+35,9%	-64,1%
Investment rate (in % of GDP)	18,6%	17,7%	13%*
National Savings (in %)	9,6%	8,9%	4,6%*
Lending to the economy (in TND million)	89.215	92.367	101.004
Growth	-	+3,5%	+7,3%
Money stock M3 (in TND million)	79.409	87.401	97.159
Growth	-	+10%	+11%

\*Provisional Data

Source: BCT, Ministry of Finances and National Statistics Institute

## — 1.2 Banking and financial environment

During 2020, the banking system's activity was characterized by an increase in the pace of growth in sight deposits, saving deposits and loans and a further decrease in the banks liquidity's needs.

### • Customers deposits

Customer deposits in the banking system stood at TND 82.405 million as at December 31<sup>st</sup>, 2020, recording an increase of 9.5 %.

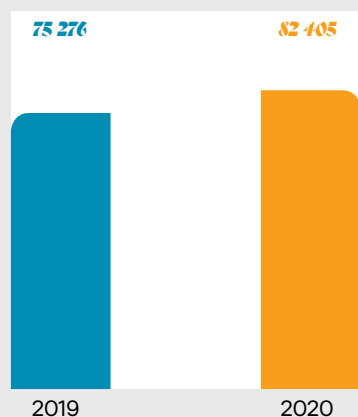
This increase was driven by sight deposits and savings deposits with increases of 17.6 % and 15.6% respectively while term deposits decreased by 4.1%.

The share of low-interest deposits (sight deposits & other sums) in total deposits was thus consolidated by 1,3 point compared to 2019, mainly in favor of term deposits (-3.8 points).

### • Loans to customers

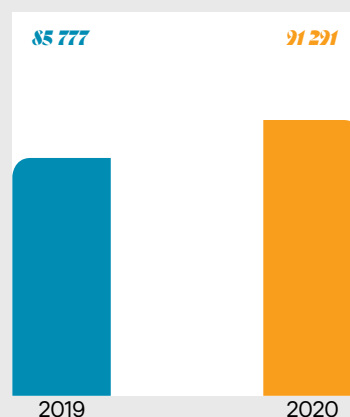
At the end of 2020, loans to customers at the level of banking system totaled TND 91.291 million, an increase of 6.4%.

**Evolution of customers deposits (in TN million)**



Source: BCT Situation

**Evolution of loans to customers (in TND million)**

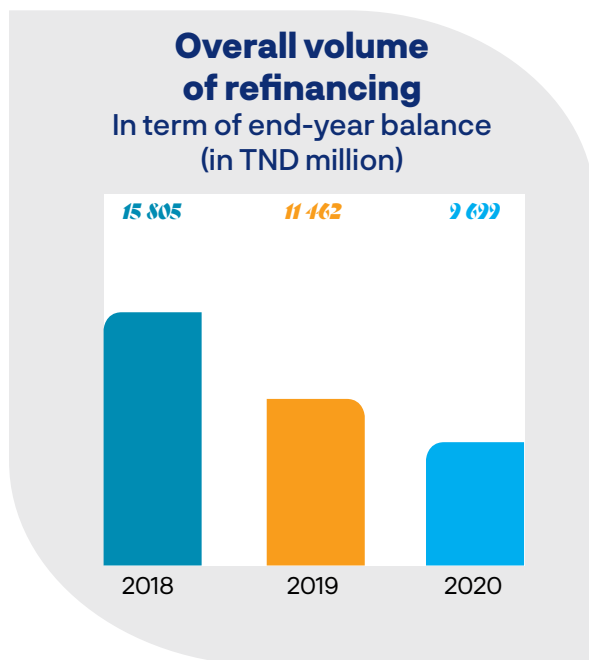


Source: BCT Situation



#### • Overall volume of refinancing

The liquidity deficit that had characterized the banks' cash position over the last years eased significantly in 2020. Thus, recording a decrease of 15.4 % and resulting at the end of the year in an overall volume of refinancing of TND 9 699 million against TND 11 462 million observed at the end of the preceding financial year.



#### Market rate

For the whole year 2020, the average money market rate (MMR) stood at 6.86%, a decline of 88 basis points compared to 2019 (7.74%).

This decline is explained by the decision of the BCT to lower its key rate in March by 100 points and in October (50 points).

The MMR stands during the year 2020 at a close level of key rate.

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

#### Stock Exchange

In 2020, Tunindex index contracted by 3.33 % compared to a decrease of 2.1% in 2019, mainly as a result of the health crisis COVID-19 as well as the sharp decline in banking values, despite the exceptional measures taken by the various regulatory authorities of the financial system to contain the economic impact of the crisis.

As for the sector indices, nine indices recorded positive annual performance at rates ranging from 2.1% (Consumer Services) to 38.8% (Building and Construction Materials) while the other four indices posted negative performance ranging from -16.1% (Financial Companies) to -21.3% (Base Materials).

For its part, The index TUNBANK recorded a drop with 18.5% weighed down by the burden of plummeting banking stocks.

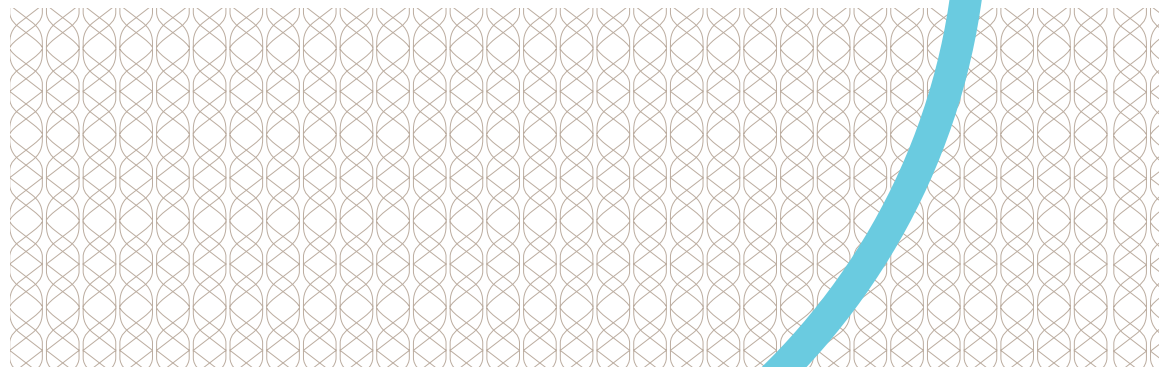
(1) Source : BVMT





# 2

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





## — 2.1 The Bank's Vision and Strategy

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

### The Bank's Vision

**1** A solid financial group recognized for its professionalism and good governance

**2** A leading bank in its markets capable of adapting and responding to the specific needs of each of its clients and supporting them over the long term

**3** A corporate citizen that is actively involved in the country's sustainable development

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

- The development of its activities to Strengthen its leadership position in the banking market
- Improving customer experience and designing innovative products as part of its digital transformation roadmap;
- Continuous improvement and optimization to stabilize costs.

The mains **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 through the digitalization 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.

As regards the implementation of the five-year plan, the Bank ended the financial year 2020 well ahead of the strategic objectives set:

- Speeding up the Bank's digital transformation project;
- Strengthening BIAT financial group's positioning and its development potential in the financial market activities (acquisition of Tunisie Valeurs, a reference player in the stock market intermediation and asset management sector in Tunisia);
- Development of the Corporate and Investment Banking activities and consolidating of the Bank's positioning on the market activities, the corporate offer and the international development (The implementation of a new organization of the Corporate and Investment Banking within the Bank and the commitment of structuring projects (IS, process..) aiming at putting at the disposal of its customers a diversified offer and customized support provided by the best experts of the market);
- Establishment of a continuous improvement process impacting all of the structures of the bank (Conduct of strategic diagnosis missions and implementation of improvement plans);
- Continued deployment of the «Cap Client 2022» sales strategy;
- Consolidating the Bank's governance system;
- Review of the risk chain with a view to implementing cutting-edge risk management,
- Improving recovery
- 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.

At the organization level the year 2020 was marked by the conduct of strategic missions of a major organizational impact.

Thus, several actions were carried out aiming at reorganizing certain structures and the optimization of certain processes, including:

- Setting up a new organization of the Corporate and Investment Bank within the framework of the strategic project of development of market activities and diversification of our offer aiming at providing our customers with a customized support provided by the best experts;
- Strengthening the governance system and the establishment of a mechanism to better manage the relationship with the authorities and public bodies in charge;
- Consolidation of the framework for the management of interest rate and liquidity risks (ALM management) by creating a function specifically for this task.
- Setting up a system for supervising new relationships and account openings.

## — 2.2 Highlights of the Bank

### Proximity – the Moltazimoun (we are all committed) initiative to support clients during the crisis

In 2020, BIAT launched its Moltazimoun initiative aiming at supporting its clients during the crisis through adapted solutions.

This initiative results in a set of exceptional measures for individuals, professionals and business customers.

In addition to the postponement of the maturities of loans and the free provision of several banking services, an envelope of TND 500 million has been dedicated to the new financing needs of business and professional customers that meet their specific needs and capacities.

The decision-making scheme streamlined towards greater decentralization.

### BIAT Group - Acquisition of Tunisie Valeurs

During the year 2020, BIAT acquired Tunisie Valeurs. This strategic acquisition offers a significant potential creation of value for the financial sector and for the BIAT Group, consolidating, thus, its position as a reference group in all financial businesses and services.

Through this transaction, BIAT aspires to consolidate as an investment and financing bank and expand its corporate offer and to provide its business customers with a customized support provided by the best experts in the market.

### Enrichment and redevelopment of the offer

✓ Launching the first mobile version of the digital offer MyBIAT. Backed by the new digital platform, MyBIAT will progressively offer its customers digitalized services and processes in order to facilitate the follow-up and processing of their banking operations;

✓ Implementation of the «BIAT Secure Code» online payment security system on all its national debit cards, along with its international cards, previously equipped with this system;

✓ Launching the «Cagnotte» service which allows all customers having a Silver, Safir or Tounessna pack to benefit from free permanent transfers in order to encourage them to build up a gradual and regular savings.

### A committed and responsible bank

In 2020, BIAT pursued its policy of social responsibility. Several concrete initiatives were carried out including:

✓ The launching an economic outlook note and a special note on COVID to assess the economic trends on the national and international levels with retrospective analyses, thematic focuses and instructive case-studies;

✓ The renewal 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;

✓ Supporting Public Policy Leadership program, in partnership with the Mediterranean School of Business (MSB), which aims at providing decision-makers and senior analysts with knowledge and tools for public policy analysis, design, and implementation.

✓ Continuation of the activities performed by the BIAT Foundation despite the unprecedented health, social and economic situation. The BIAT Foundation has adapted its activities to the context in order to maintain the link with all its members and to support them through its projects, mainly the SPARK Program, Generation Leaders and the Executive Master in Management and Cultural Policies.

The BIAT Foundation has also refocused its efforts on supporting the communities and sectors most affected by the Covid-19 pandemic: health, education and culture.

## Banking Awards, International Rankings and Certifications

In 2020, BIAT received two international awards :

-  The Best Banking Governance prize in Tunisia for the 2nd consecutive year awarded by Capital Finance International: This prize supports the excellence of BIAT's governance system, one of the pillars of its success. It recognizes BIAT's achievements on a number of criteria such as executive leadership, excellence in corporate governance, risk management and the integration of social responsibility in the bank's strategy.
-  The Best custodian bank in Tunisia awarded by Global Finance: This award recognizes the excellence of the services and the quality of the operations of BIAT's securities and custodian activities and acknowledges its performance on several criteria: quality of service, back office operations, exception management, Business Continuity Plan, mastery of the regulations and practices of the local market

BIAT was also ranked by Financial Afrik 20th among African banks with a strong regional impact, BIAT being the only Tunisian bank in the ranking.

Two international certifications were obtained in 2020:

- AML 30000 (Anti Money Laundering index 30000) certification: the international certification standard for the fight against money laundering, terrorist financing and the proliferation of weapons of mass destruction.

This fight is crucial for it allows us to protect our clients, to preserve business flow and to maintain solid relations with our foreign partners, banking correspondents and financial backers.

- Renewal of the certification of the international standard MSI 20000 (Market Standard Indicator index 20000): An international financial standard relating to the quality of financial activity through the measurement of two axes: financial solidity on the one hand and financial performance on the other hand.

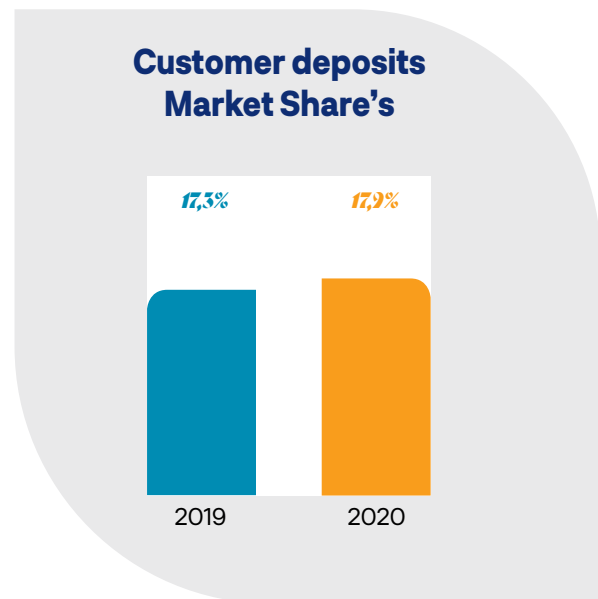
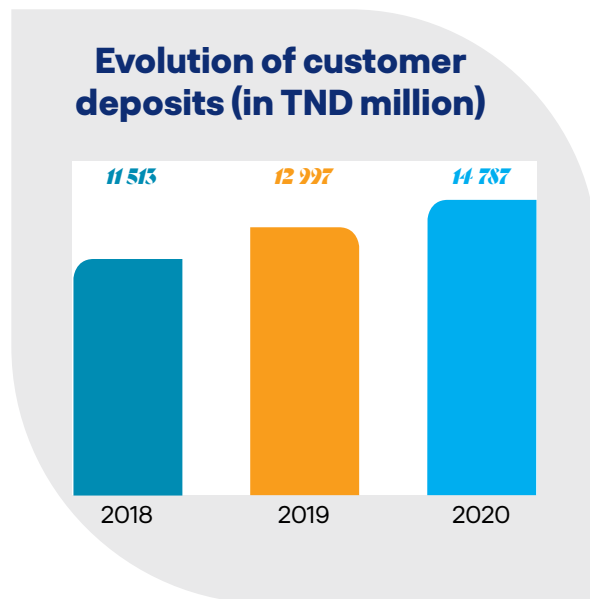


## 2.3 Bank's Activities in 2020

### 2.3.1 Customer Deposits

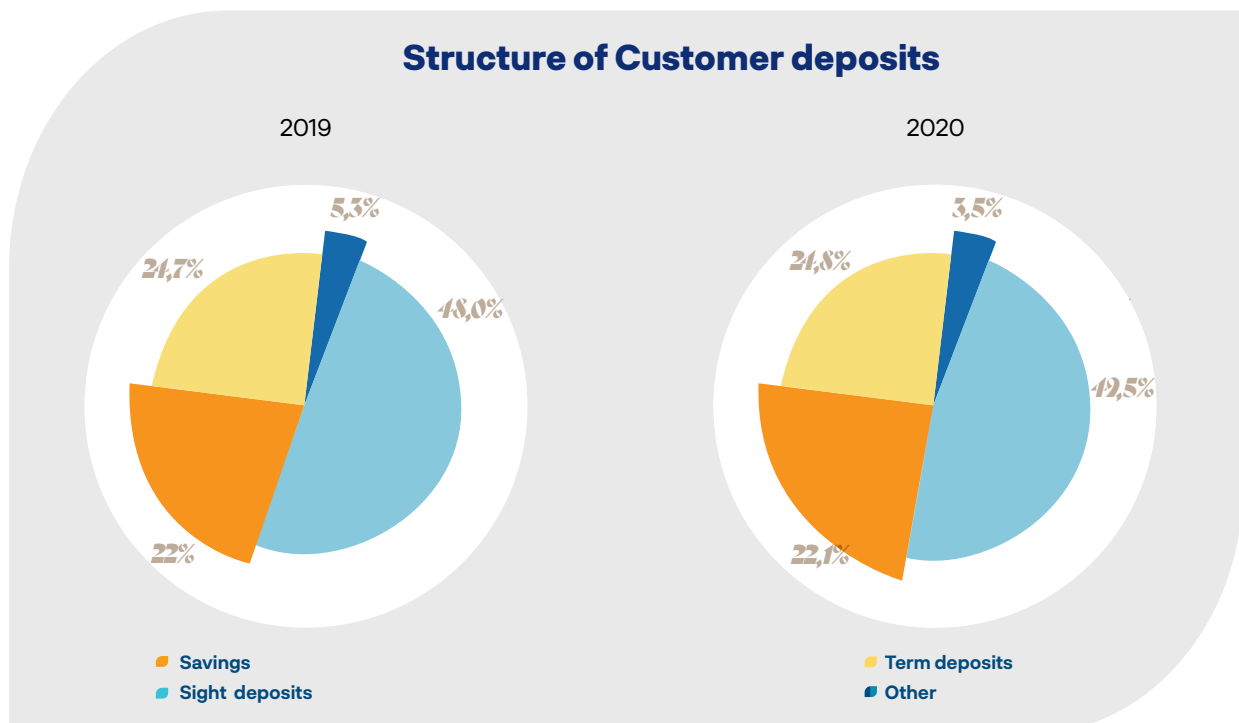
By the end of 2020, customer deposits recorded a growth of 13.8% to reach TND 14787 million.

BIAT is thus consolidating its market position with a 17.9 % share in 2020 (against 17.3% in 2019).



The bank's deposit structure remains among the most favourable in the sector. The share of non-interest-

bearing or low-interest deposits represents 53,1% of total deposits.



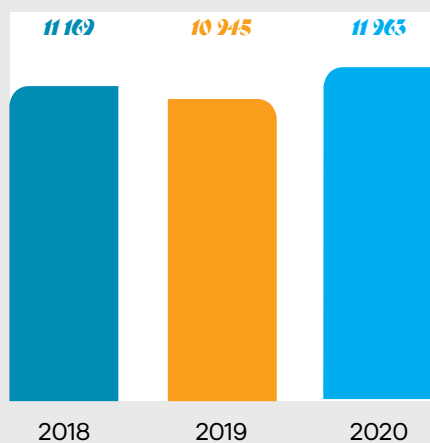
### 2.3.2 Customer Loans

BIAT gross customer loans reached, for the financial year 2020, TND 11.963 million, recording a slight increase of 9.3% compared to the end of December 2019.

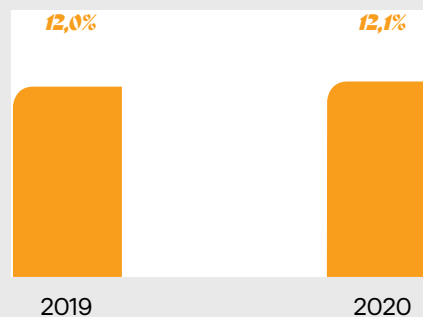
The net customer loans stood at TND 11.341 million, a growth of 9.2 %.

BIAT is thus consolidating its market position with a 12.1% share in 2020 (against 12% in 2019).

**Evolution of gross customer loans (In TND million)**



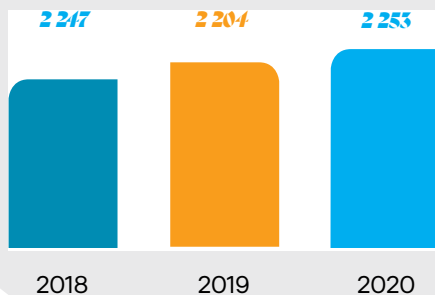
**Evolution of the market share of Customer loans**



### 2.3.3 Customer signature commitments

The volume of signature commitments in favor of customers increased by +2.2% equaling TND 2.253 million by the end of the year 2020.

#### Customer signature commitments evolution (In TND million)

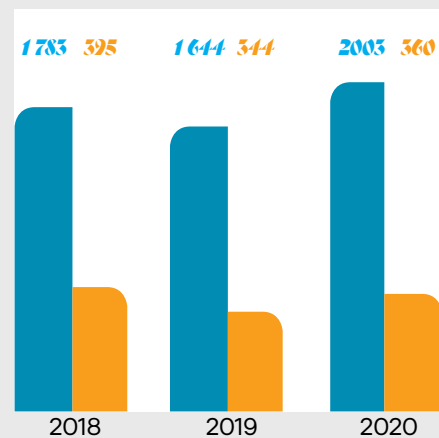



### 2.3.4 Government Securities Portfolio


The participation of the bank in the financing of the government budget is set at TND 2003 million for the year of 2020, recording thus an increase of 21,8 % compared to the end of December 2019.

The share ceded to customers increases to 4,7% to reach TND 360 million..

#### State securities portfolio evolution (In TND million)



Treasury bills subscribed 

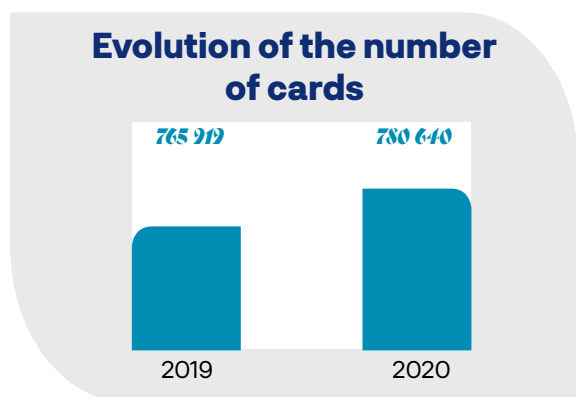
Treasury bills ceded 

### 2.3.6 Conquest of Customers

The bank's goodwill improved in 2020 with the conquest of 15 760 thousand new individual and professional customers, bringing the number of clients to about 940 000.

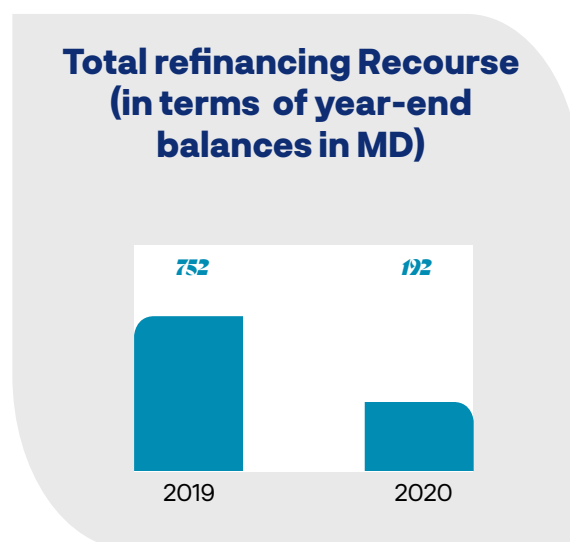
### 2.3.7 Electronic Banking

The number of cards issued by the end of 2020 reached 780 640 units.



### 2.3.8 Refinancing at the Money Market

The bank closed 2020 with a total refinancing recourse of TND 192 million, significantly lower than the figure recorded at the end of 2019 (TND 752 million).

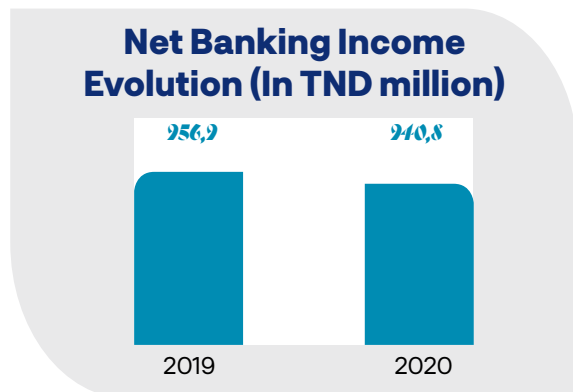


## — 2.4 The Bank's Result in 2020

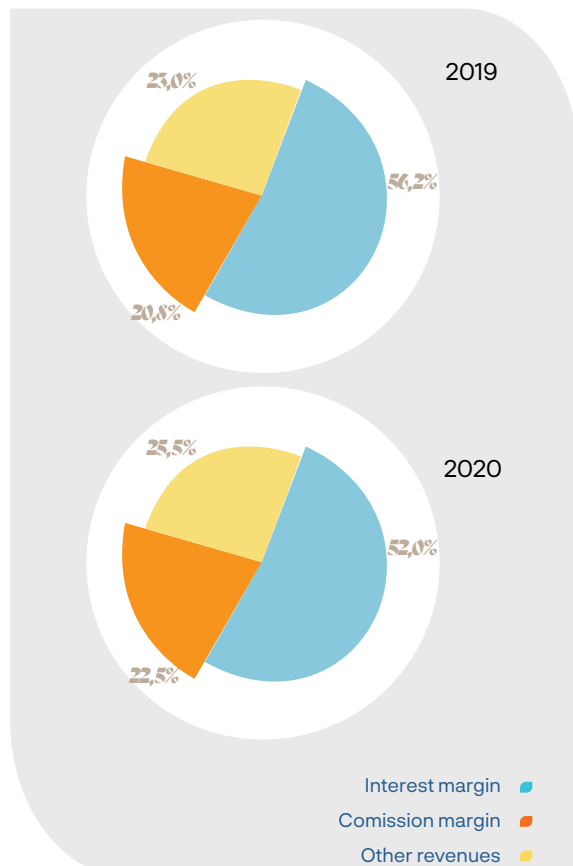
### • The Net Banking Income

By the end of 2020, the net banking income reached TND 940,8 million, recording an decrease of 1.7%.

The progressions of the interest margin, the commission margin and other revenues were respectively -9,1%,6,6% and 8,9%.

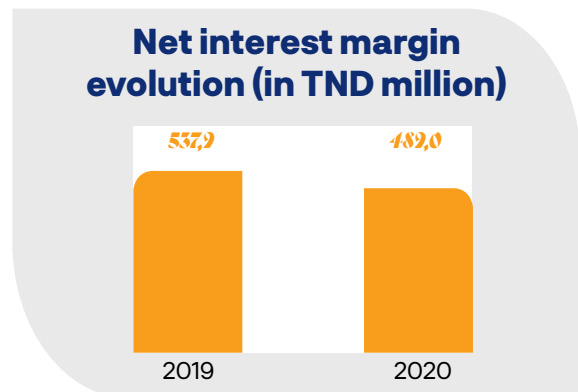


The NBI structure is broken down as follows:



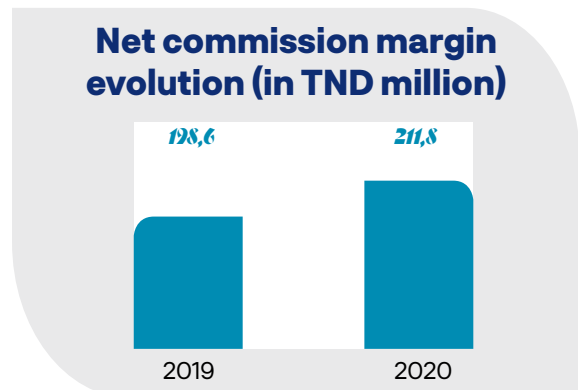
### • Interest Margin

The interest margin amounted to TND 489,0 million or 52,0% of the NBI, a decrease of 9,1%.



### • Commission margin

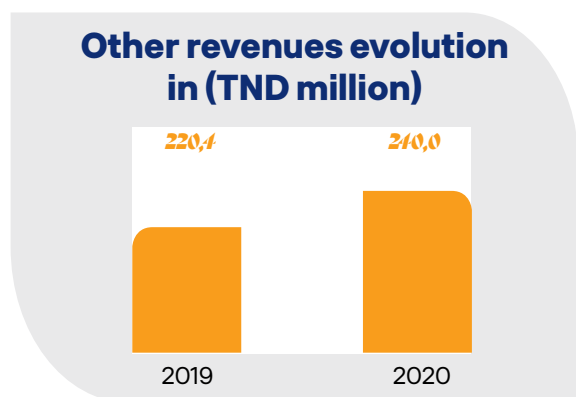
The commission margin has improved by 6.6 % to reach TND 211.8 million.



By December 31st , 2020, the share of the commission margin in the NBI stood at 22.5 %.

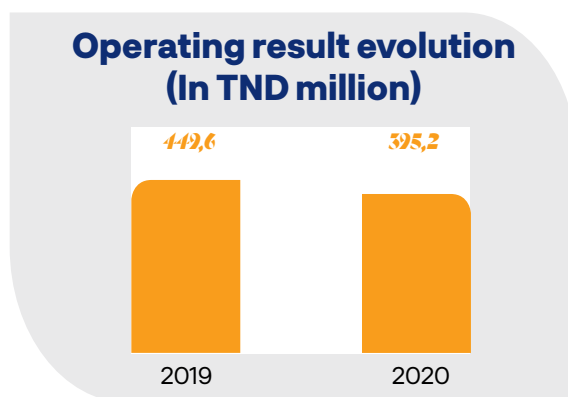
• Other revenues

Other revenues increased by 8,9% to reach TND 240,0 million. By December 31st, 2020, the other revenues represented 25,5% of NBI.



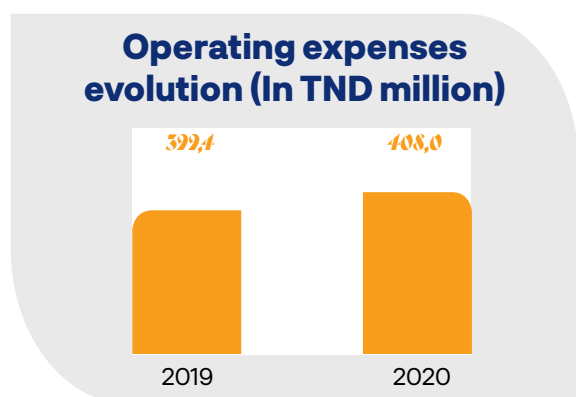
• Operating result

The operating result records a decline of 12,1% to reach TND 395,2 million.



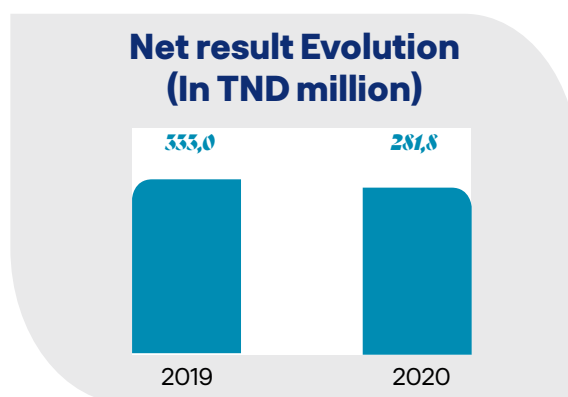
• Operating expenses

At the end of 2020, operating expenses recorded a growth of 2,2% to reach TND 408,0 million.



• The Net result

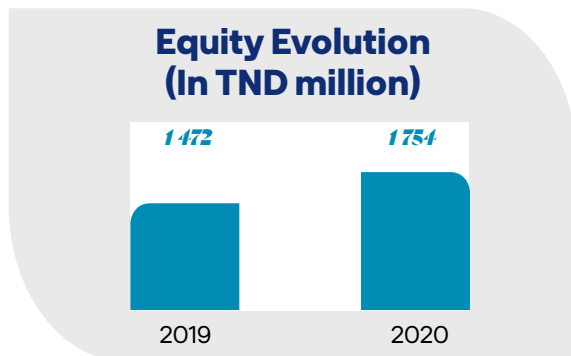
In the end, the net result stands at TND 281,8 million, at the end of 2020, a decrease of 15,4 % in comparison with preceding financial year (TND 333,0 million).



As result to this evolution, the operating ratio stood at 43,4% .

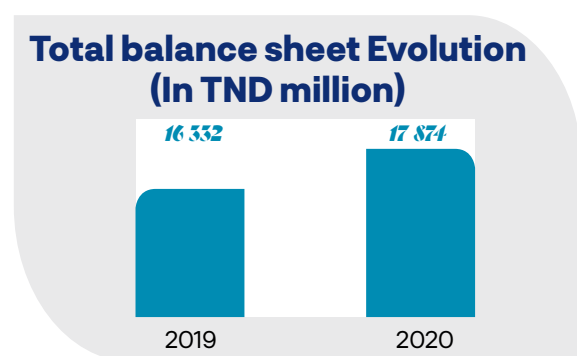
#### • Equity

With respect to the financial year 2020, Equity totaled TND 1 753,9 million against TND 1 471,6 million in 2019 a growth of 19,2%.



#### • Total Balance sheet

At the end of December 2020, the total balance sheet totalizes TND 17 874 million against TND 16 332 million in 2019, a growth of 9,4%.

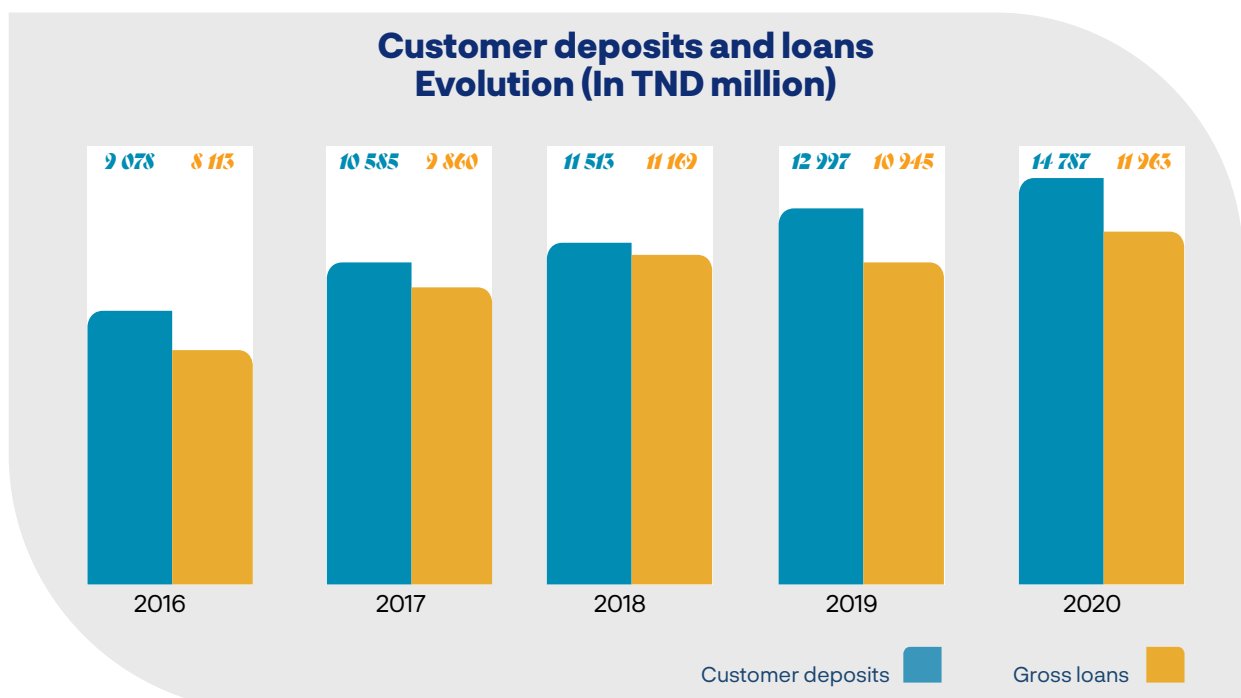


## — 2.5 Bank's development and achievements over the recent years

### 2.5.1 Customer deposits and loans

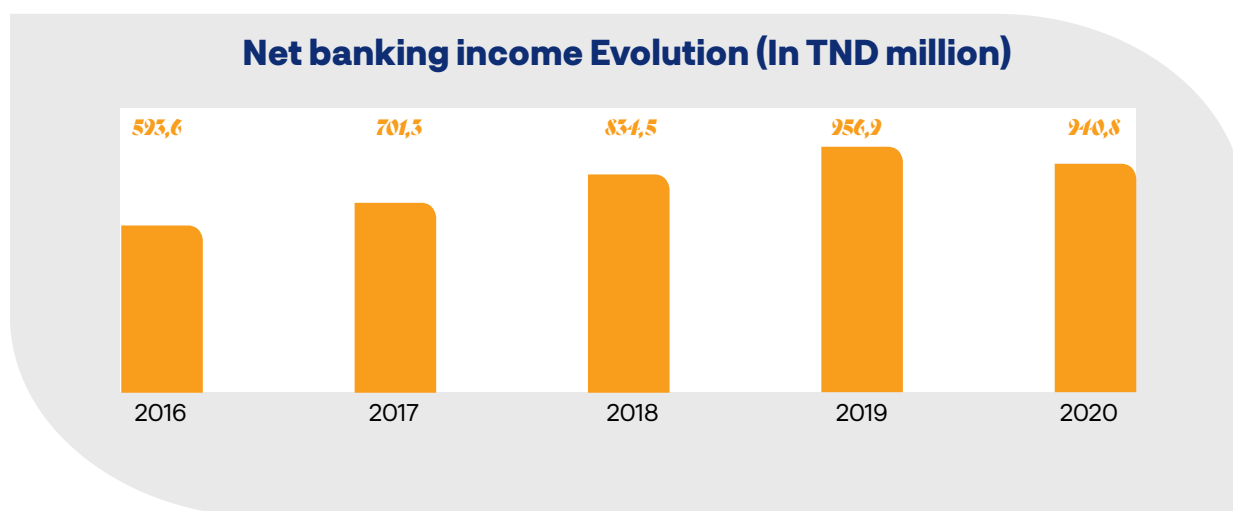
• Customer deposits amount to TND 14.787 million by the end of 2020, an average growth of 13,00 % over the past five years.

• The gross customer loans stood at TND 11.963 million by December 31st , 2020, an average growth of 10,2% over the same period.



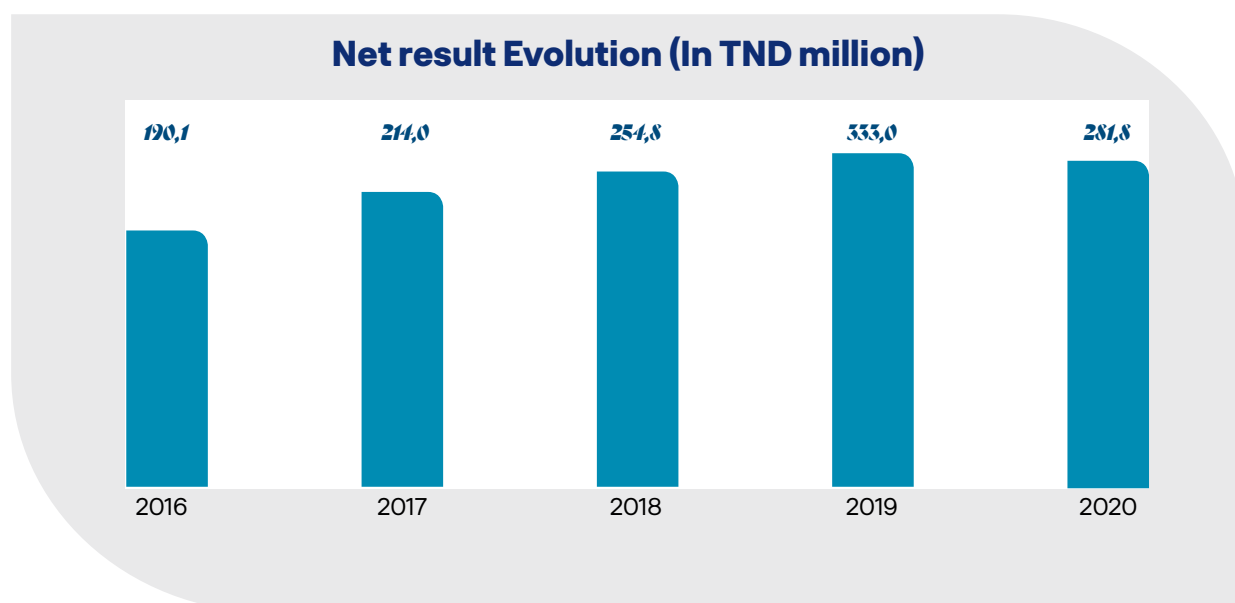
### 2.5.2 Net banking income

The net banking income has recorded an average annual growth of 12,2% over the last five years, to reach TND 940,8 million by the end of 2020.



### 2.5.3 Net Result

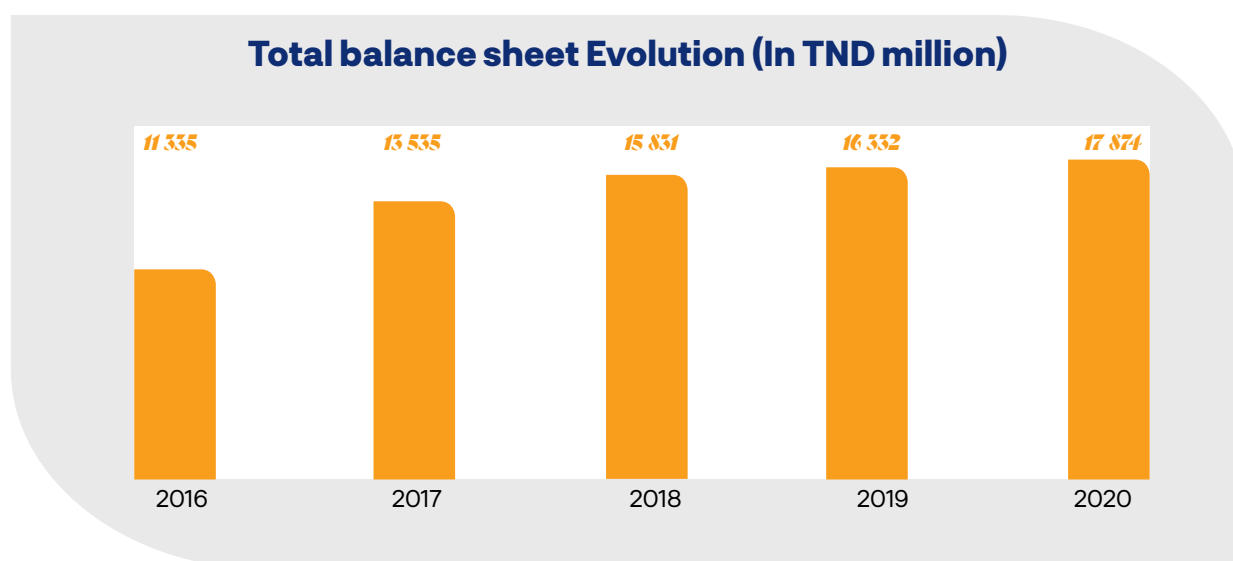
The net result grew from TND 190,1 million in 2016 to TND 281,8 million in 2020, an average annual growth of 10,3% over the last five years.





## 2.5.4 Total Balance sheet

The total balance sheet has increased by 12.1 % over the last five years reaching TND 17.874 million at the end of December 2020.



## 2.5.5 Ratios

### Profitability Ratios

	2016	2017	2018	2019	2020
NBI/ Total Assets	5,2%	5,2%	5,3%	5,9%	5,3%
Net Result/ NBI	32,0%	30,5%	30,5%	34,8%	30,0%
Net Result / Equity Capital (ROE)	21,3%	20,6%	20,8%	22,6%	16,1%
Net Result / Total Asset (ROA)	1,7%	1,6%	1,6%	2,0%	1,6%

## Productivity Ratios

(In thousands dinars)

	2016	2017	2018	2019	2020
Deposits / employee	3 788	4 860	5 652	6 604	7 730
Gross loans / employee	3 386	4 527	5 483	5 561	6 254
NBI / employee	248	322	410	486	492

## Regulatory Ratios

### Loans to deposits ratio

	2018	2019	2020
Loans / Deposits	135%	109%	95%

### Equity and risk coverage ratios

(In TND millions)

	2016	2017	2018	2019	2020
Capital	170,0	170,0	170,0	170,0	178,5
Reserves	462,2	484,6	512,8	595,9	757,9
Profits of the year	190,1	214,0	254,8	333,0	281,8
Other equity and forwarded result	71,4	171,6	285,5	372,7	535,7
Equity <sup>(1)</sup>	893,8	1 040,2	1 223,1	1 471,6	1 753,9

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

	2015	2016	2017	2018	2019	2020
Weighted net assets (in TND million)	7 254,9	9 479,3	11 140,4	13 057,4	13 177,8	14 344,3
Total of net core capital (in TND million)	691,8	815,3	954,2	1 122,8	1 454,5	1 555,2
Risk coverage Ratio (Tier 1)	9,54%	8,60%	8,57%	8,22%	10,64%	10,25%
Additional own funds (in TND million)	94,0	168,0	243,4	256,0	209,3	453,7
Total net equity <sup>(2)</sup>	785,8	983,3	1 197,7	1 378,8	1 663,8	2 008,9
Global ratio of risk coverage	10,83%	10,37%	10,75%	10,09%	12,17%	13,25%

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

## 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	2020
2,5 NEC	2,2 NEC	2,1 NEC	1,9 NEC	1,1 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	2020
0,6 NEC	0,6 NEC	0,9 NEC	0,5 NEC	0,4 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	2020
0 client	0 client	0 client	0 client	0 client	0 client

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

2015	2016	2017	2018	2019	2020
0,8 NEC	0,7 NEC	0,7 NEC	0,4 NEC	0,3 NEC	0,4 NEC

## Liquidity Ratio

	2017	2018	2019	2020
LCR Ratio (Liquidity Coverage Ratio)	94,2%	46,2%	191,57%	192,98%

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

	2015	2016	2017	2018	2019	2020
Gross Risk	8 342,6	9 719,8	11 589,7	13 363,9	13 149,0	14 215,5
BDL	556,0	562,3	612,2	733,6	841,4	798,2
BDL ratio	6,7%	5,8%	5,3%	5,5%	6,4%	5,6%
BDL coverage ratio*	68,8%	66,5%	63,8%	57,2%	58,6%	65,2%

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

## — 2.6 BIAT Rating (Requested rating by the bank)

In its recent report (February 2021), Moody's downgraded the outlook for the BIAT deposit rating in local currency from B2 to B3 in connection with the deterioration in the sovereign rating outlook of the country.

Consequently the rating of BIAT is as follows:

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

## — 2.7 Foreseeable development and Future Prospect

In the current national macroeconomic context marked by the persistence, at the beginning of 2021, of the negative economic and financial impacts of the coronavirus health crisis and, as from the 2nd quarter, the approval and deployment of effective vaccines, which allows to ease the governmental anti-Covid measures and relaunch the Tunisian economic activity, BIAT will not fail to deploy all the necessary means in order to continue to play its role as a first class financial intermediary and to mobilize all its internal resources to achieve its strategic objectives, support its customers and accompany the development of the country.

Within the framework of scrupulous compliance with the relevant regulatory ratios and standards, this positioning will be pursued throughout the year with the aim of consolidating results and improving performance, in particular, by optimizing the mobilization of deposits, monitoring the liquidity balance and increasing risk surveillance.

In 2021, BIAT's efforts will also be focused on consolidating the bank's leadership position in the sector through the implementation of projects and follow up on progress aiming at:

- Better meeting the specific needs of our clients and improving their experience, notably through the development of self-service and digitalization;
- Further improving productivity by controlling costs and optimizing expense allocation.

In spite of the economic situation, BIAT is 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.

## — 2.8 Research and Development Activities

In 2018, BIAT embarked on digital transformation and implementation of IS new five-year plan 2018-2022 .This plan aims ,in particular , at becoming the digital leader of the offers in the financial sector in Tunisia and playing a catalytic role in the digital transformation of the country.

In 2020, the foundations of the bank's digital transformation program were laid.

The year 2020 was marked by the launching of the first version of the My BIAT mobile digital offer hence, providing a contact and proximity channel with the bank as well as a secure, flexible, ergonomic and scalable transactional channel according to the changing needs of customers.

The year 2020 was also particularly marked by the health context and the crisis linked to COVID 19.

As a responsible and corporate citizen bank, BIAT launched an initiative called Engagés-Moltazimoun (we are all committed) with a set of support measures, during lockdown, resulting in the implementation of several IT projects including:

- Free ATM withdrawals for all Tunisian bank and postal card holders;
- Postponement by the Banks of the maturities of credits granted to companies and professionals
- Supporting customers in their financing needs of current operations;
- Digitalization of the payment of social aids ;
- Suspension of the deadlines for settling unpaid checks, etc.

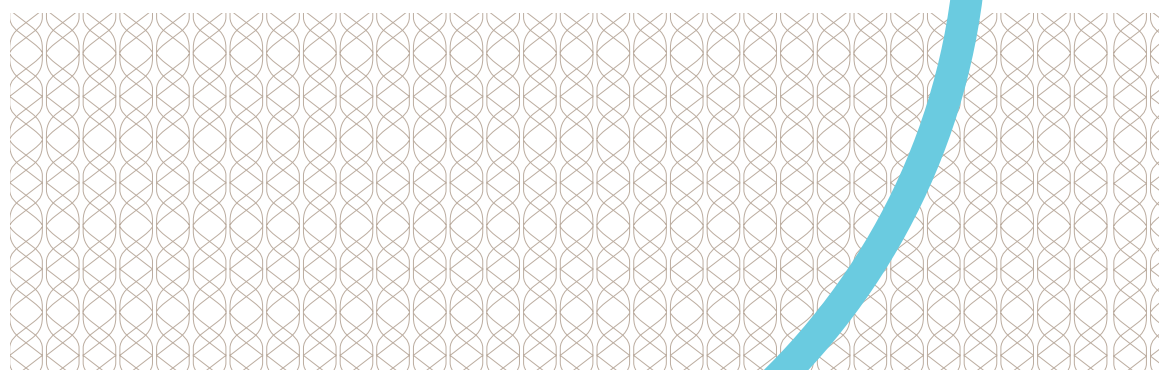
In 2020, The IS and Digital transformation plan has been updated ,including new projects such as:

- Implementation of innovative solutions for business lines as part of BIAT financial group's strategy aimed at strengthening its positioning and its development potential in financial market activities;
- upgrading the infrastructure and applications in an avant-garde way and in a spirit of technological watch, providing the business lines with more efficient solutions.



— 3

# BIAT GROUP AND PARTICIPATIONS







## 3.1 BIAT Group

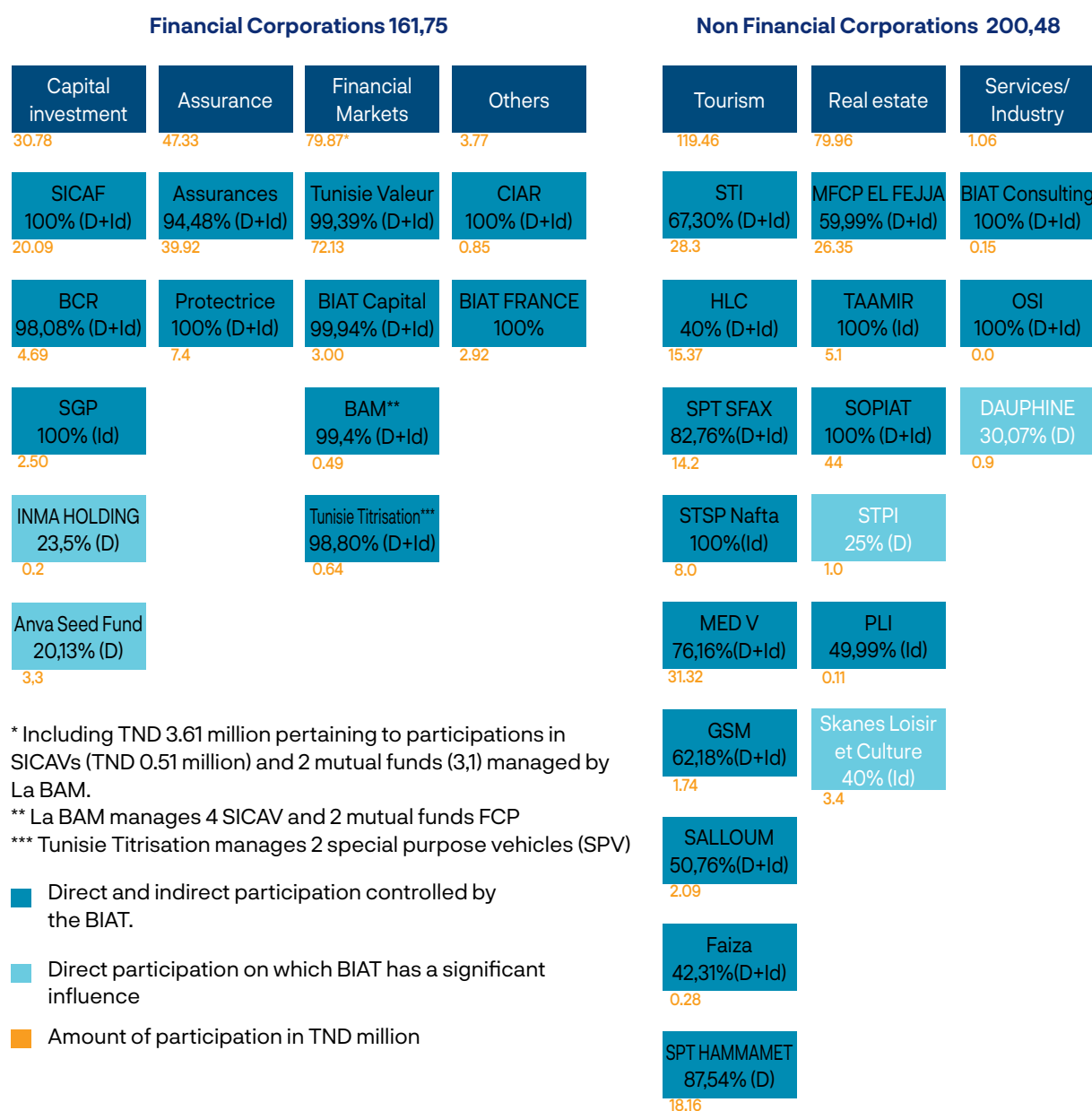
BIAT Group on several financial business lines that are complementary to the banking line of business of BIAT.

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 31-12-2020



### 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 2020, BIAT Insurance's turnover reached TND 128 million, of which TND 53 million were generated from Bancassurance products.

#### Insurance Protectrice Company

Its capital amounts to TND 6,1 million, 84,1% 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.

As at December 31<sup>st</sup>, 2020, its share capital amounts to TND 4,678 million.

It also manages the Private Equity Funds on behalf of the BIAT Group with an amount of around TND 551,543 million on December 31<sup>st</sup>, 2020.

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 31<sup>st</sup>, 2020, about 85% of the resources (Capital and Managed Funds) were invested, an investment volume of TND 472,538 million.

The year 2020 was marked by:

- A paid-up volume of the BIAT Group managed funds amounting to TND 99,251 million
- An investment volume of around TND 68,2 million
- A net result of TND 4,279 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 21 million, mainly by participating in SGP, TAAMIR Company, Protectrice and BIAT consulting.

As at December the 31<sup>st</sup>, 2020, its share capital reached TND 19 million.

#### Société Générale de Placement « SGP »

The company was launched in September 1992. Its corporate purpose is to manage the financial holdings. It manages an investments portfolio of more than TND 2 million and an investment envelope of approximately TND 0.6 million. As at December the 31<sup>st</sup>, 2020, its share capital reached TND 2.5 million, held at 99.9% by SICAF BIAT.

For the year 2020, the company registered a net profit of TND 0.3 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 17.5 million.

By December 31<sup>st</sup>, 2020, its share capital reached TND 0.5 million.

#### Anava Seed Fund

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

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

### 3.1.3 Activities related to Assets management and brokerage

#### Activities related to Assets management and brokerage

##### 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 2020, the outstanding of UCITS managed by BIAT Asset Management stood at TND 565 million. The company thus ranks second in terms of assets under management with a market share of 12,1%.

The company manages a range of products:

##### Debenture UCITS

BIAT Asset Management holds a 11,2% market share in debenture-market UCITS and manages TND 452 million worth of assets distributed as follows:

- **SICAV TRESOR** : created in 1997, SICAV TRESOR is a UCITS debenture of distribution. By the end of 2020, its managed assets amount to TND 155 million.
- **SICAV PATRIMOINE OBLIGATAIRE** : created in 2007, SICAV PATRIMOINE OBLIGATAIRE is a debenture UCITS of capitalization. By the end of 2020, its managed assets amount to TND 297 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 44% market share and an outstanding of TND 96 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 2020.
- **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 26 million at the end of 2020.

##### Mixed UCITS

Regarding the Mixed UCITS, BIAT Asset Management has a market share of 4% and total outstanding of TND 17 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 2020, to TND 5.9 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 2020.
- **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 10.6 million by the end of 2020.

##### 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 2020, the volume of transactions handled by BIAT CAPITAL amounted to TND 414 million with market share of 7.4%.

##### 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 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 assigned receivables by the Bank is TND 50 million in the framework of this operation.

As at 31 December 2020, the outstanding capital amounts to TND 0.3 million.

#### Tunisie Valeurs

In 2020, the BIAT group acquired a majority block of the stock market intermediary Tunisie Valeurs. By December 31st, 2020, the share capital of Tunisie Valeurs amounts to TND 20 million held up to 99.4% by BIAT.

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

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

Backed by a network of 10 branches and a team of 120 professionals, Tunisie Valeurs is now ranks among the largest operators in the market.

At the end of 2020, the outstanding amount of mutual funds managed by Tunisie Valeurs stood at TND 823 million. The company ranks first in the market in terms of UCITS assets with a market share of 18%.

In the area of intermediation, the volume of transactions treated amounted to TND 1133 million, with a market share of 20%.

### 3.1.4 Activities within the Tourism

#### Société Tanit International « STI »

Founded in 1989, STI has as main purpose the development of the hotels, tourism and the health resorts in Tunisia as well as the direct or indirect participation in any company sharing the same purpose. The STI is the result of a partnership between the three following banks STB, BNA and BIAT.

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

#### Société Touristique Sahara Palace Nafta

The company was created in 2006 with a share capital of TND 8 million, held up to 100% by BIAT. 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 Nafta, 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 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 2020, 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 and Novotel Hotel at Berges du Lac which is at the completion phase of work.

Thanks to their positioning and reputation, the Mohamed V hotels have been able to withstand the consequences of lockdown on the country in general and the tourism sector in particular.

During 2020, the renovation work on the Mohamed V site was finalized and the work on the Novotel du Lac was restarted after a short interruption, for a postponed opening in the 2nd quarter of 2021.

This hotel will complete the accommodation offer (total capacity of 400 keys), catering with a capacity of about 180 banquets with 6 rooms with a total capacity of 240 people.

#### Société de Promotion Touristique Sfax

The creation of SPT Sfax in 2014 with a capital of TND 17.4 million was the result of a development

opportunity, in partnership with the ACCOR Group and Tunisian private individuals, of a 3\* hotel under the Ibis brand in Sfax, with a 187 room capacity, 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.

Thanks to the quality of the construction and its teams, the hotel was able to gradually recover from the crisis related to COVID, welcoming active local clients and some Foreign businesses operating in the region.

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

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

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

As at 31 December 2020, the capital amounts to TND 4.7 million.

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

Created in 2016, the company's purpose is the development of hotels, catering, tourism and spas. As part of a reconstruction approach and enhancement of repurchased hotel-keeper, reflections were undertaken to the development for a hotel that meets the international standards of high-end tourism, expected to contribute in the revitalization of seaside tourism.

By December 31<sup>st</sup> 2020, its share capital has reached TND 57.3 million.

#### 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.

The development is envisaged as soon as the investment climate improves.

By December 31<sup>st</sup>, 2020, its share capital has reached TND 21,9 million.

#### Société Golf Sousse Monastir

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

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

The Golf course, mainly visited by foreign tourist customers, was affected negatively by the particular context which the Tunisian tourism sector is going through following the pandemic.

The current capital of the company is TND 6.5 million. Its turnover increased in 2020 to TND 0.306 million.

#### Société FAIZA

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

### 3.1.5 Real estate activities

#### Société du Pôle de Compétitivité de Monastir El Fejja «mfcpole»

The establishment of the company was in October 2006. By December 31<sup>st</sup>, 2020, 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.

As a proof showing its willingness to listen to the needs of foreign investors seeking to operate buildings meeting their specifications, the Company has of late awarded one of latter a rental project in the desired area.

#### 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 2020, 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 2020, 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 31<sup>st</sup>, 2020, 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:

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

At the end of its seventh year of operation and during a particularly challenging year, BIAT Consulting recorded a turnover of around TND 1 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 has renewed its partnership with WBI for three year period , reflecting the confidence of the General Management in the expertise provided by BIAT Consulting.

- **Bancobu – Burundi** : BIAT Consulting Assists Bancobu in the maintenance and support of the performance management activity for one year period.
- **BNDA - Mali**: BIAT Consulting supports 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 assist this newly created structure in piloting 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.
- **BNI - Ivory Coast**: BIAT Consulting supports BNI on the «Operational Efficiency» component. This project aims at meeting the strategic needs of BNI in the area of productivity improvement and the implementation of a tool to measure permanent productivity as well as the optimization of processes.
- **Solidaire Banque – Congo DRC**: BIAT Consulting assists Solidaire Banque with training in compliance, risk management, strategy and organization and project management.
- **BIAT Consulting Paris**: implementation of a new subcontracting partnership with Humans4Help Consulting (H4H) in Paris.
- **Tunis** : BIAT Consulting set up several training initiatives with Libyan banks on compliance issues.

In 2021, BIAT Consulting intends to continue to carry out missions based on new governance on the African continent in order to share BIAT Group teams' experience and expertise.

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 2020 was marked by outbreak of the health crisis, which severely affected the recovery efforts following government measures aimed at combating the pandemic (lockdown, suspension of proceedings and cessation of court activity). As a result of this health crisis, slowdown in the recovery rates has been recorded during the financial year 2020.

By the end of the year 2020, CIAR's turnover has recorded a decrease of 17.6% to reach TND 8.155 KDT, against TND 9.904 KDT at the end of the year 2019.

The gross operating income recorded, for its own part, a decline of 35% to reach TND 3.915 KDT by the end of the financial year 2020, against TND 6.037 KDT, the previous year,

As to the financial year ended on December 31st, 2020, the net profit stood at TND 2.612 KDT, a decline of 35 % compared to TND 4.000 KDT at the end of 2019.

#### 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 with a share capital of € 1.2 million. The subsidiary's headquarters and first branch are located at 6, rue de la Chaussée d'Antin in the 9<sup>ème</sup> arrondissement of Paris.

BIAT France began operating in November 2015.

The subsidiary is approved by the authorities in force as a payment agent specialized in money transfer services. It provides its customers with rapid, secure online transfer through its subsidiary's website at a very competitive price.

BIAT France represents an advanced interface of BIAT that supports and advise its Tunisian clients

residing at France as well as Europe in carrying out their projects in Tunisia (real estate investment or other).

In 2020, following the international health crisis and the two lockdowns in France, a specific system was put in place at the subsidiary level, notably with teleworking, to maintain and ensure the continuity of activity.

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

- In terms of number of transfers: +14% from 3,820 transactions to more than 4,350 transactions, an average of 363 transfers in 2020 compared to 318 in 2019 against a target of 300 transactions.
- In terms of volume of transfers: Stability of the total volume of transactions received through the subsidiary at more than €15K, an average of €1.3M maintained over the two years against a target of €1M.



## 3.2 BIAT Group Result

The main consolidated data of the group indicate that the total balance-sheet, as at December 31<sup>st</sup>, 2020, amounts to TND 18.441,8 million, a growth of 9.2 % compared with the end of 2019.

By December 31<sup>st</sup>, 2020, The net banking income recorded a decrease of 0.8 %, or TND 1034,0 million

As for the net consolidated result, it records for its part a decrease of 19.5 % reaching the amount of TND 277,4 million by the end of 2020.

The group's corporate income can be analyzed between 2019 and 2020 as follows:

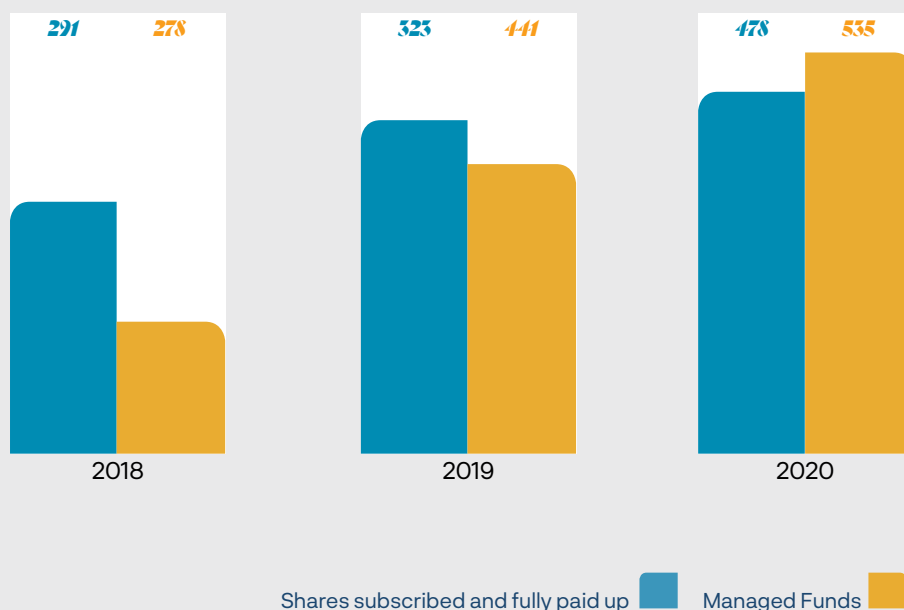
Company	Corporate Income 2020	Corporate Income 2019	Variation
BIAT	281 842	333 006	-51 164
BCAP	370	364	6
BAM	817	873	-56
BCR	4 281	5 249	-968
CIAR	2 612	4 000	-1 388
SICAF	61	191	-130
SOPIAT	221	321	-100
SALLOUM	27	14	13
OSI	-4	-4	0
PROTECT	-2 896	-1 213	-1 683
ASSBIAT	16 163	11 604	4 559
FAIZA	-1	-3	2
OPPRUNITY	-7	-5	-2
TRESOR	7 199	7 422	-223
PRESPERITY	162	202	-40
SGP	297	363	-66
TAAMIR	250	152	98
GSM	-1 360	-1 422	62
LINKS	-1	4	-5
STI	-208	-825	617
TITRIS	1	-10	11
ELFEJJA	4 199	7 703	-3 504
PATRIMOINE	14 569	12 340	2 229
FCC1	115	21	94
STPI	-258	-208	-50
FCP	500	1 630	-1 130
FCC2	-150	17	-167
STSP	-713	-559	-154
SPTMV	-3 629	3 245	-6 874
ITD	188	132	56
BCO	-292	-53	-239
SPTSFAK	-3 753	-1 686	-2 067
BFR	122	9	113
PERFORMANCE	106	323	-217
SPTHAMMAMET	-1 425		-
HLC	-593	-610	17
AMORCAGE ANAVA	-149	-189	40
TVAL	1 645		-
<b>Total</b>	<b>320 308</b>	<b>382 398</b>	<b>-62 307</b>

## — 3.3 Evolution of the equity participations

By December 31<sup>st</sup>, 2020, the accounting value of fully paid up subscriptions (direct participations and

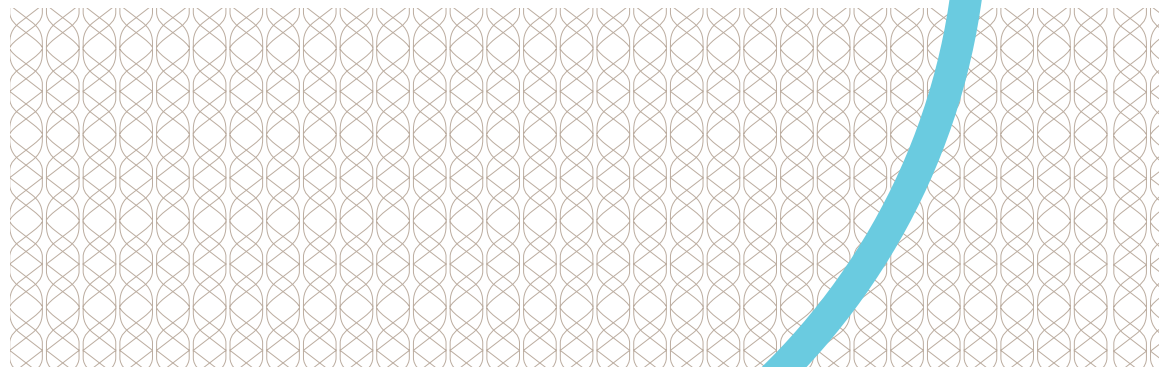
managed funds) stood at TND 1013 million, an increase of 33% compared with the year 2019.

**Evolution of equity participations (In TND million)**





# SHAREHOLDING





## — 4.1 Capital allocation information and voting rights

### 4.1.1 Capital Structure as at 31/12/2020

Shareholders	Number of Shares and voting rights	Capital Share and voting rights in %
A/ Tunisian shareholders	17 659 979	98,94%
LEGAL ENTITIES	13 804 830	77,34%
NATURAL PERSONS	3 855 149	21,6%
B/ Foreign shareholders	190 021	1,06%
TOTAL	17 850 000	100,0%

### 4.1.2 Allocation of voting rights

The 17 850 000 shares representing the bank capital entail 17 850 000 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.

- MOHASEN HACHICHA acquired 14 875 BIAT shares or 0.08 % of the capital;
- SARRAY VALUE FUND SPC acquired 10 816 BIAT shares or 0.06 % of the capital;
- FCP BIAT EQUITY PERFORMANCE acquired 7 845 BIAT shares or 0.04 % of the capital;

#### - Main assignments:

- LA FINANCIERE WIDED SICAF assigned 14 875 BIAT shares or 0.08 % of the capital
- BNYMRE UPS GROUP TRUST assigned 10 816 BIAT shares or 0.06 % of the capital
- KAMOUN HABIB assigned 10 000 BIAT shares or 0.06 % of the capital
- BNYMRE UPS GROUP TRUST assigned 7 292 BIAT shares or 0.04 % of the capital
- TAX-MANAGED EMERGING MARKET FUND assigned 5 229 BIAT shares or 0.03 % of the capital.

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

The year 2020 was particularly marked by the following transactions:

#### - Main acquisitions :

- SARRAY VALUE FUND SPC acquired 15 000 BIAT shares or 0.08 % 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:

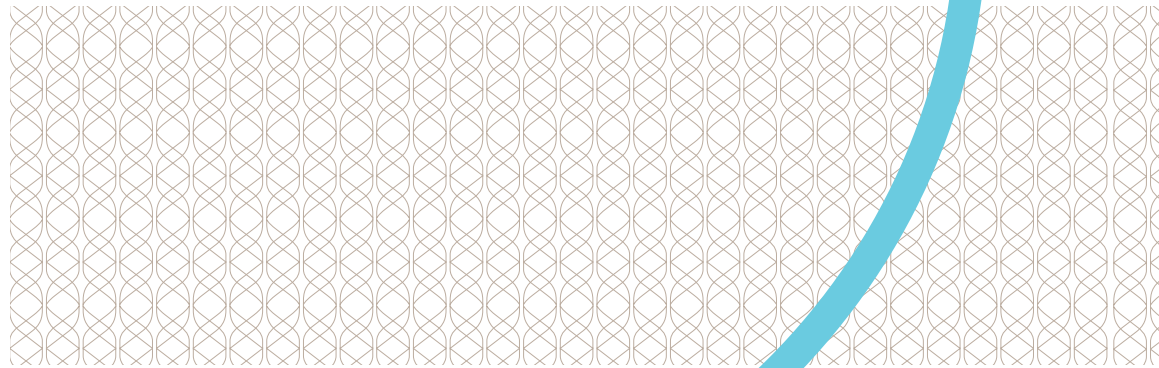
1/ In order to have the right to attend or be represented at General Meetings shareowners must be listed on the company's registers, at least eight days prior to the fixed date for the meeting.

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.



# GOVERNANCE



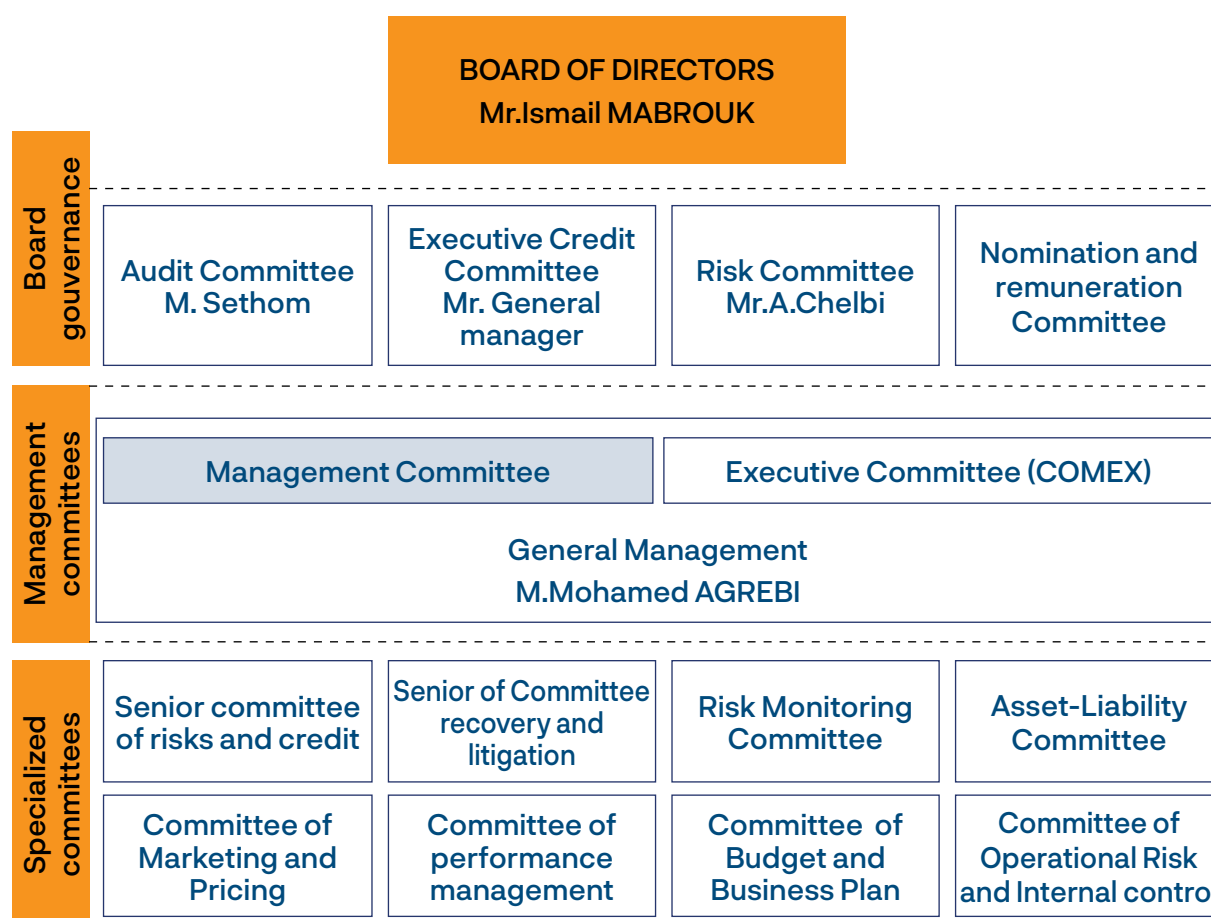




## 5.1 The board of Directors Report on its Activities during 2020

### 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 May 29th, 2007, decided to opt for the separation of the functions of Chairman of the Board and the managing director.<sup>2</sup>

<sup>2</sup> 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 66 to 75.

### 5.1.2 The Board of Directors:

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



- As of December 31st, 2020, the Board of Directors consists of 10 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.

- 9 directors are members of one or more committees of the Board of Directors.

- **Composition of the Board of Directors:** BIAT's Board of Directors is currently composed of ten members.

Directors	Term of mandate(*)	Numbers of years on board	Main Function Occupied	Member of committee of board	Capacity of directors
Ismail Mabrouk (**)	2020-2023	15	Chairman of BIAT's Board of Directors	Chairman Committee of nomination and remuneration	Chairman
Karim Milad (**)	2020-2023	8	Chief Executive Officer of TTS	Risk Committee	Member
Hichem Driss (**)	2020-2023	9	Chief Executive Officer of 5 hotel companies	Risk Committee Committee of nomination and remuneration	Member
Sami Hachicha (**)	2020-2023	4	Chairman of hydraulic equipment company's Board of Directors	Audit committee	Member
Jean Messinesi (**)	2020-2023	12	Former Manager of the HSBC-France bank	Audit committee	Member
Mohamed Afif Chelbi (**)	2020-2023	7	Former Minister of Industry and Technology	Chairman of risk committee	Independent member
Mehdi Sethom (**)	2020-2023	7	Manager of MCF Company TUNISIA	Chairman of Audit committee. Member of the Executive Committee of Credit	Independent member
Tahar Sioud (**)	2020-2023	14	Former Vice Governor of BCT and Former SEAE <sup>1</sup>	Audit committee	Member representing the interests of small shareholders
Elyes Ben Rayana (**)	2019-2022	2	Former manager of Mckinsey strategy firm in Paris	Committee of nomination and remuneration	Member
Fadhel Abdelkefi (**)	2020-2023 First term		Former Acting minister of finance		Member

(\*) For all these mandates, the year refers to the year of the General Assembly called to approve the financial statements for the previous year

(\*\*) the three year office term comes to an end at the General Assembly called to approve the accounts for the year 2022, except for MR. Elyes Ben Rayana who was appointed at the General Assembly on April 26<sup>th</sup>, 2019.

<sup>1</sup>State Secretary of the Foreign Affairs

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

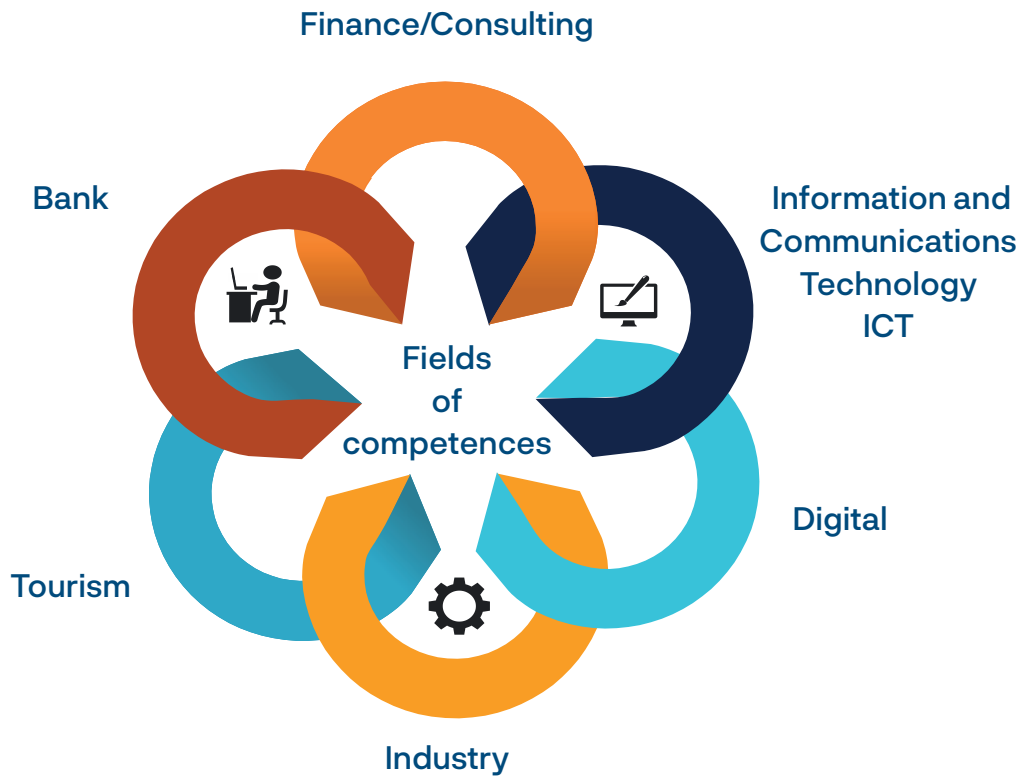
The composition of the board seeks to strike a balance between professional experience and skills.

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 60 to 63).



**Directors' attendance:**

In 2020, Mr. Ismail Mabrouk presided over all meetings of the Board of Directors.

The attendance rate of directors at Board meetings was also 95% .

Three meetings were held remotely to prevent the spread of the Covid-19 virus.

**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:**

Directors	Having no connection with the said institution	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 Afif Chelbi	✓	✓	✓	✓	✓	✓
Mehdi Sethom	✓	✓	✓	✓	✓	✓

## 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

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.

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



### **KARIM MILAD**

#### **Member of the Risk Committee**

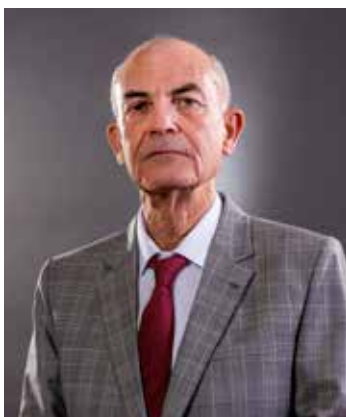
##### Biography

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.



### **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 finance sectors.

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.



## **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.



## **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.



## **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 director in 2019, He managed the funding and Investment Banking businesses of BIAT.





## FADHEL ABDELKEFI

### Director

#### Biography

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

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

### Main activities of the Board of Directors:

In 2020, the Board of Directors held 9 meetings, as follows:

- |              |                |
|--------------|----------------|
| - 22 January | - 24 June      |
| - 18 March   | - 23 September |
| - 31 March   | - 18 December  |
| - 29 April   | - 25 December  |
| - 03 June    |                |

The average duration of each meeting was 3 hours.

#### • Meeting Agenda:

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 budget for the year 2021, deliberated on the assignments of real estate, and regulated transactions carried out during 2020 and approved the proposed acquisitions and assignments of shares.

The Board was regularly informed of changes in regulatory ratios and monitored the implementation of the developed action plan.

The board was also notified 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.

AT another level, the Board reviewed the main provisions of the Finance Act for 2021 and its impact on the Bank.

#### • Follow-up on the impact of COVID:

The Board was informed of all the measures taken by the government following the economic crisis caused by COVID. It discussed the main circulars on the subject and agreed to support clients through:

- ✓ Implementation of an initiative called committed (or Moltazimoun) which has several support measures;
- ✓ Setting up a steering committee for committed initiative to ensure the processing of the various requests of our customers with the level of responsiveness and consistency required by the context.

• **Validation of strategic orientations:**

**The Board of directors approved the following strategic projects:**

<p style="text-align: center;"><b>Digital Transformation</b></p> <p>The Board of directors approved the digital transformation project.</p>	<p style="text-align: center;"><b>Acquisition Project</b></p> <p>The Board of directors approved the acquisition of the company Tunisie Valeurs.</p>	<p style="text-align: center;"><b>Implementation of the IFRS standards project</b></p> <p>The board members validated the strategic plan and the roadmap of the IFRS project in accordance with the provisions of the BCT 2020-01 circular.</p>
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• **Follow-up of the communication policy:**

On the level of the communication policy of the company, the board was notified of the various prizes awarded to BIAT in 2020. These various distinctions emanated from renowned international magazines specializing in international finance.

• **Review of the report on the certification of the AML/CFT system of BIAT:**

The Board of Directors examined the report relating to the certification mission of our AML/CFT system which was entrusted to the firm MAGHREB CORPORATE, member of IWK CORPORATE. The purpose of this mission is to measure the conformity of our system and to analyze its level of effectiveness in relation to the requirements of the anti-money laundering index 30000 (the first Global certified standard).

The board was informed that MAGHREB CORPORATE issued a favorable opinion for granting our institution the AML 30000 compliance certification.

• **Training members of the board of directors:**

In application of the rules of good governance, the members of the Board of Directors of the bank have undergone a training in AML/CFT matters provided by a renowned expert.

• **Board of directors' Evaluation:**

The Board of Directors conducted a self-evaluation of its operations in December 2020.

An internally designed questionnaire was communicated to the board members to assess the performance and effectiveness of the board in carrying out its mission.

The results of this self-assessment are satisfactory.

**5.1.3 Board's Committees:**

In 2020, The Board of Directors is assisted by three committees:

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

Audit committee		Risk committee	
<b>4</b> Number of directors	<b>100%</b> Attendance of directors	<b>3</b> Number of directors	<b>100%</b> Attendance of directors
<b>6</b> Number of meetings		<b>4</b> Number of meetings	<b>1</b> Independent director (chairman)
<b>1</b> Director representing small shareholders	<b>1</b> Independent director (chairman)		

Executive Credit Committee	
<b>1</b> Number of directors	<b>100%</b> Attendance of directors
<b>6</b> Number of meetings	

### Main work:

#### The Audit Committee

In 2020, The Committee met six times with an attendance rate of 100%.

It reviewed the annual individual and consolidated financial statements, as well as the semi-annual

financial statements, prior to their presentation to the Board and submitted its recommendations to the Board.

The committee also reviewed the strategic plan for the adoption of IFRS. It was informed of the main developments in relation to the BCT draft Circular on the Governance.

The Committee examined the recommendations of the internal control letter drawn up by the Statutory Auditors and monitored the progress of the implementation of its recommendations.

The members of the Audit Committee were informed of the results of the final report of the AML/CFT inspection mission carried out by the BCT.

### The Risk Committee

The Risk Committee convened four times, with an attendance rate of 100%.

The Risk Committee examined the main risk aggregation, in particular credit risk, market risk, liquidity risk and legal risk.

It also reviewed the progress of the operational risk mapping and validated the operational risk appetite.

The Committee was informed of the support measures granted to companies and individuals.

It validated the conduct of a Stress Testing exercise in accordance with the BCT's request.

The committee was also notified of the IFRS standards adoption project and the strategic plan for its conduct and its purposes.

### The Executive Credit Committee

In 2020, the Executive Credit Committee met eight times, with an attendance rate of 100%.

At each meeting, the Executive Credit Committee reviews the bank's financing activities by examining credit files in accordance with the current delegation of power.

### 5.1.4 Organization of the Institution and its Lines of Business

The BIAT is organized into:

- Retail Banking;
- Several departments (risk, Funding and Investment Banking business (FIB), finance, accounting , banking transactions, general control, strategy and project management, management control, etc.)

- Central managements and 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 29<sup>th</sup> 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.

• **The Board of Directors is responsible for:**

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:

- o Analyze, in depth, the technical questions which rise from their attributions;
- o Report their works regularly to the Board which maintains, in a last resort, the general responsibility of the missions assigned to them;
- o Inform the Board of any event likely to bring prejudice to the activity of the bank;
- o 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:

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

### Annex 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 Audit Committee

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 29 September 2017, the committee is composed as follows:

- **Chairman:**

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 20<sup>th</sup> 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 20<sup>th</sup> 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 17<sup>th</sup> 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 31<sup>st</sup>, 2020

Shareholders	Number of shares	Portion in %
A/ FOREIGN SHAREHOLDERS	190 021	1,06%
B/ TUNISIAN SHAREHOLDERS	17 659 979	98,94%
* TUNISIAN STATE	1 150	0,01%
* CORPORATIONS	13 565 963	76,00%
MAGHREB FINANCE HOLDING	3 654 816	20,48%
MAGHREB FINANCIERE HOLDING	2 667 467	14,94%
MENINX HOLDING	1 436 381	8,05%
HORCHANI FINANCE	1 013 819	5,68%
T.T.S FINANCIERE	695 748	3,90%
IFICO S,A	567 375	3,18%
TUNISIAN TRAVEL SERVICE	410 512	2,30%
INOPLAST FINANCIERE HOLDING	378 913	2,12%
CAPINVEST .	348 651	1,95%
GAT	280 047	1,57%
LA FINANCIERE WIDED-SICAF FWS	222 540	1,25%
S.P.D.I.T.	196 043	1,10%
OTHER	1 693 651	9,49%
*Funds	237 717	1,33%
*NATURAL PERSONS	3 855 149	21,60%
MILAD KARIM	457 599	2,56%
FAKHFAKH HEND	288 268	1,61%
KAMOUN HABIB	262 673	1,47%
FAKHFAKH KHALED	251 932	1,41%
MILAD DORRA	195 752	1,10%
MILAD MERIEM	192 215	1,08%
OTHERS	2 206 710	12,36%
<b>TOTAL</b>	<b>17 850 000</b>	<b>100,00%</b>

The 17,850, 000 shares represent the capital of the bank entail 17,850, 000 voting rights.

#### 5.1.10 Obligations and Commitments of the Bank toward Executives

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

The Board of Directors held on June 3<sup>rd</sup> , 2020, decided to renew the term of office of Mr. Mohamed AGREBI in his capacity as the managing director of

the bank, and delegated the necessary powers to the Nomination and Remuneration Committee in order to fix his remuneration

This remuneration amounted a gross amount of 1.050 KDT for the financial year 2020, including employer's expenses of 222 KDT. It includes, in addition to the salary and allowances, the assumption of a retirement pension.

He also benefits from a remuneration of 24 KDT in his capacity as a member of the Executive Credit Committee.

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

The members of the Board of Directors are remunerated by attendance fees set by the Ordinary General Assembly held on June the 3<sup>rd</sup>, 2020.

The attendance fees for the financial year 2020 are fixed to a gross amount of 540 KDT.

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 132 KDT for the financial year 2020.

2. BIAT's obligations and commitments to its executives for the year ended on December 31<sup>st</sup>, 2020 are as follows (in TND):

Nature of Benefit	Managing Director		Directors	
	Expense of the year	Liabilities as of 31/12/2020	Expense of the year	Liabilities as of 31/12/2020
Short term Benefits (*)	1 098 750	126 565	672 000	579 000
Post employment Benefits	-			
Other long term Benefits	-	-	-	-
Termination benefit	-	-	-	-
Payment in shares	-	-	-	-
<b>Total</b>	<b>1 098 750</b>	<b>126 565</b>	<b>672 000</b>	<b>579 000</b>

(\*): Remuneration paid, social expenses, and the paid leave to corporate officers; attendance fees and other remuneration paid to the directors.

In addition to the abovementioned 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 No. 2016-48 dated 11 July 2016, on banks and financial institutions, Articles 200 and seq. and 475 of the Commercial Companies Code.

## — 5.2 General Management

### Managing director

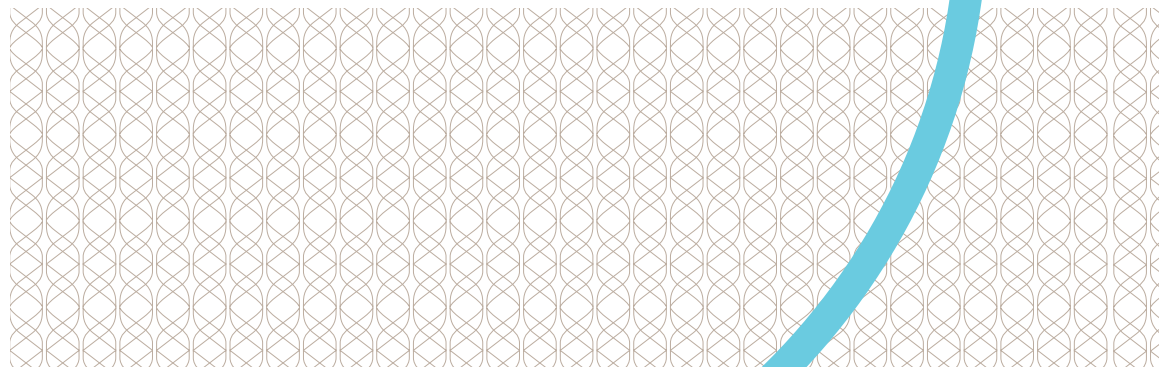
The Board of Directors meeting held on June 3<sup>rd</sup>, 2020, at the end of the said meeting, renewed the mandate of Mr. Mohamed AGREBI as the Managing director for three years ending following the Ordinary General Meeting called to approve the accounts for the financial year 2022.

## — 5.3 Statutory Auditors

The Ordinary General Meeting of April 26<sup>th</sup>, 2019 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 approve the company accounts for the financial year 2021.



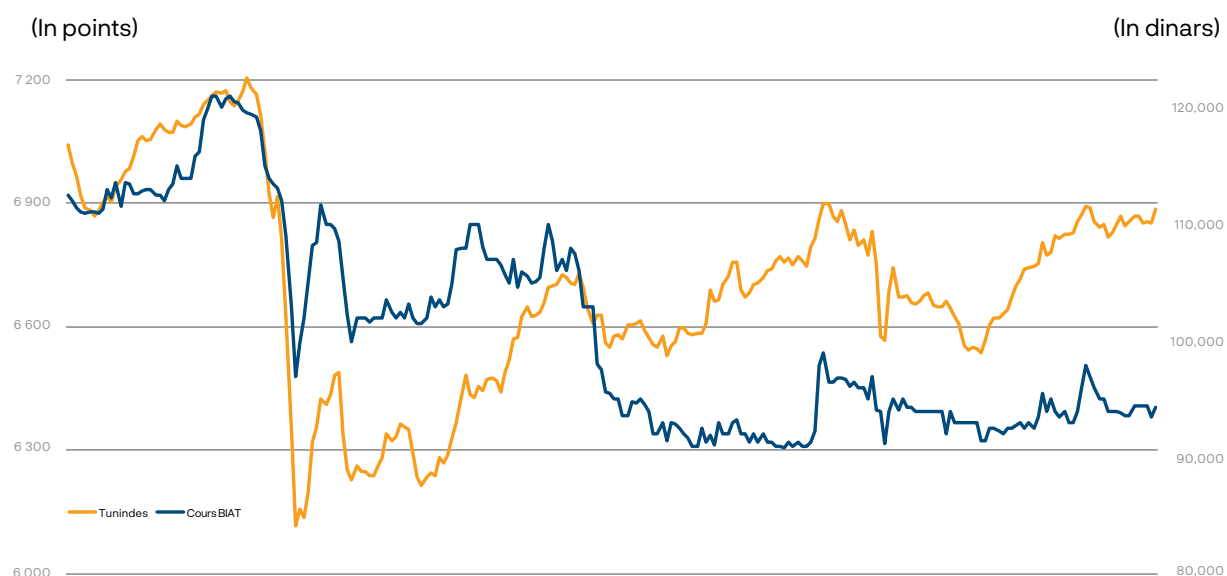
# **BIAT'S SHARE IN THE STOCK MARKET**







## 6.1 Trend in BIAT Share Price in 2020



By December the 31<sup>st</sup>, 2020, The BIAT share price reached 94,3 dinars, thus recording a negative return of -12,97% against a return of -18,45% for the Banks index and -3,33% for Tunindex .

BIAT performance allowed it be on the top of the market, with a capitalization of TND 1 683, 26 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 2020 was 353 899.

Shareholders	2019	2020
<b>Share Capital</b>		
* In number of shares	17 000 000	17 850 000
* In millions of dinars	170	178.5
<b>Highest price/ lowest price (in dinars)</b>	123,00 / 106,10	122,00 / 90,00
<b>Closing price (in dinars)</b>	114,00	94,30
<b>Profit after accounting per share (in dinars)</b>	19,56	15,79
<b>P.E.R</b>	5,83	5,97
<b>Dividend per share (*) (in dinars)</b>	-	10,000
<b>Market Capitalization (in TND million)</b>	1938,0	1 683,26

(<sup>1</sup>) subject to the approval of the OGA.

## — 6.2 Undertaken Financial Communication Actions

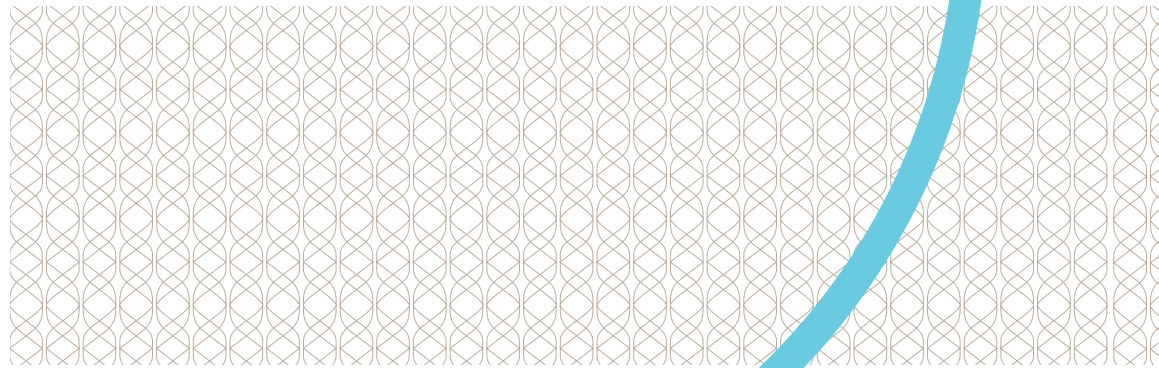
In conformity with its strategy of communication, BIAT continued in 2020 to communicate with its shareholders through the addressing of four quarterly issues letters to the shareholder's.

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 and rating agencies, etc.



# **INCOME APPROPRIATION**





## — 7.1 Statutory Provisions in Terms of income Appropriation

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

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

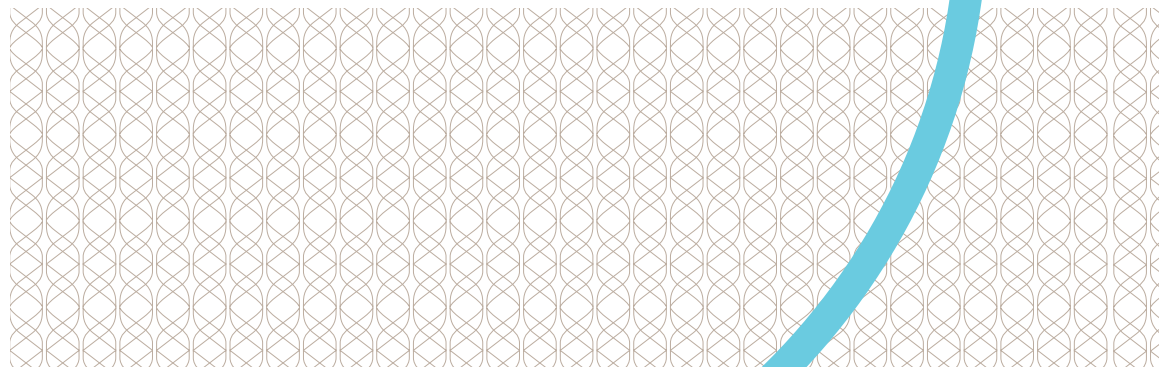
## 7.2 Change in Shareholder's Equity and Dividend Paid

(In thousands of dinars)

				Other reserves		Other Equity	Results Reported	Results Of the period	Total
	Share capital	Legal Reserves	Ordinary Reserves	Social Funds	Exempt reinvestment reserves Other Equity				
Equity on 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 appropriation on 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 capital at 31/12/2019 before income appropriation	170 000	17 000	20 233	101 977	456 701	3	372 659	333 006	1 471 578
AGO income appropriation 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
Equity on 31/12/2020 before income appropriation	178 500	17 000	34 113	102 483	604 320	3	535 665	281 842	1 753 926
AGO income appropriation on 23/04/2021		850			167 000		-64 508	-103 342	
Dividends								-178 500	-178 500
Reserves Transfer			747		-747				
Equity on 31/12/2020 after income appropriation	178 500	17 850	34 860	102 483	770 573	3	471 157	-	1 575 426



# AUDIT







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

### Excerpt from Activity Report of the Permanent Internal Auditing Committee of the Year 2020

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 2020.

#### I/ REVIEW OF THE FINANCIAL STATEMENTS

The Committee examined the individual and consolidated financial statements for the 2019 financial year, as well as the financial statements as at June 30<sup>th</sup>, 2020, prior to their submission to the Board, such in the presence of the Statutory Auditors and the Head of the Finance and Accounting Department.

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

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

#### II/ 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.

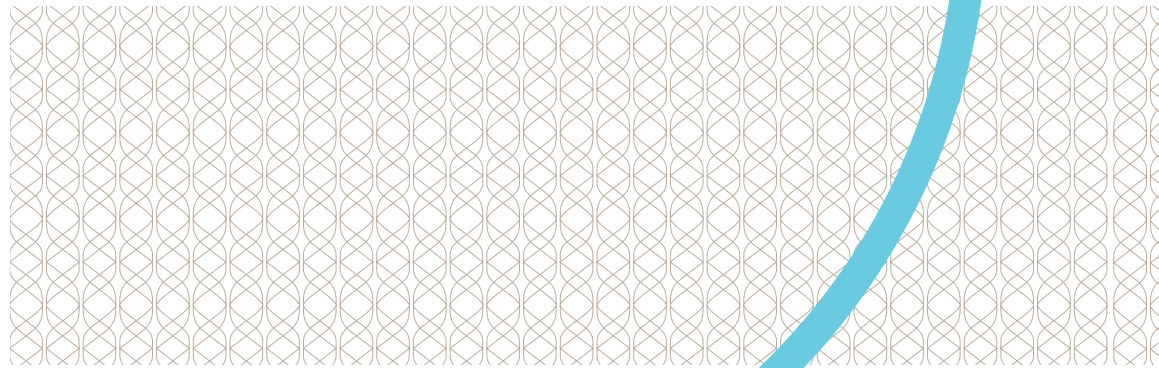
As part of assessing the bank's internal control system and reviewing the procedures for intervention by the structures in charge of control, The Committee was informed of the findings of the work of the general control for 2019 as well as the improvement in the main risk measurement indicators at both network and central structure levels.

The Committee also approved the intervention programs of the General Control structures for the year 2020.





# SOCIAL REPORT





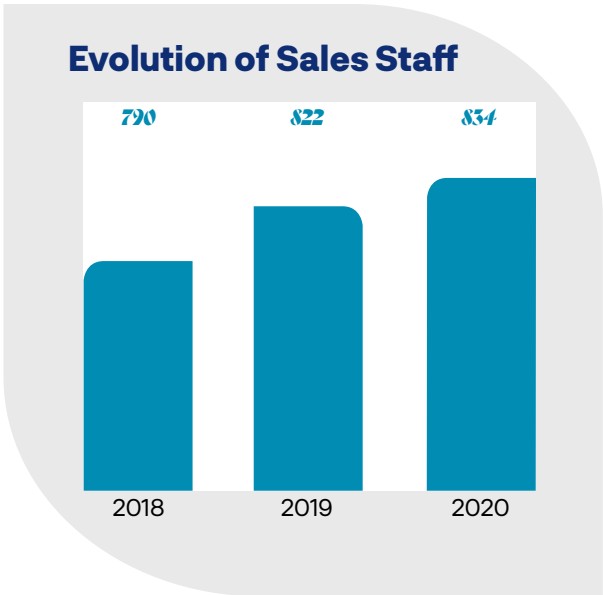
# 9.1 RH Indicators

## 9.1.1 Evolving of Personnel

As at December 31<sup>st</sup>, 2020, BIAT' staff stood at 1913 employees.

The ratio of productivity (Staff/ Branch) is 9.37 in 2020 against 9.64 in 2019.

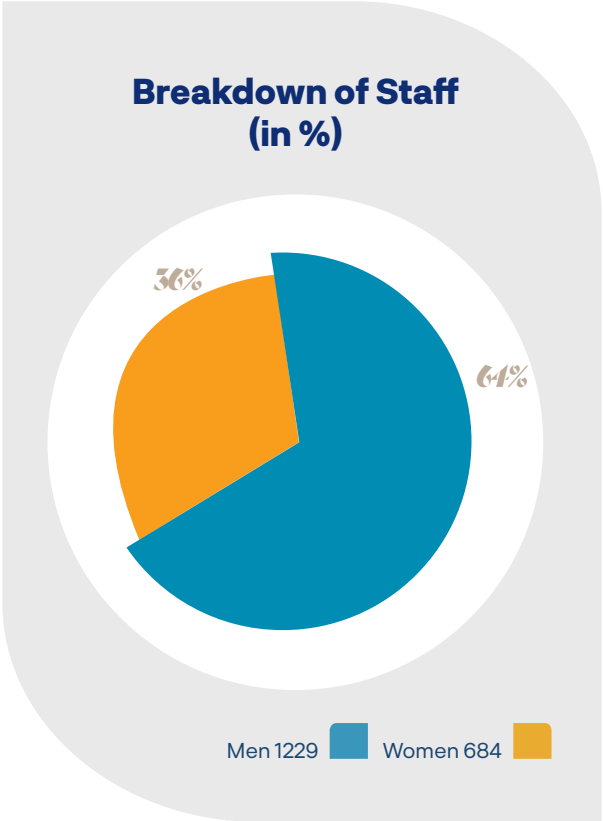
Meanwhile, it should be highlighted that in 2020 the Bank increased the sales staff to a total of 834 (or 44% of Staff) up from 822 persons in 2019 (or 42% of Staff).



The structure of the Staff between the headquarters and the network, which keeps developing in favor of the network, represents 56% of the total Workforce of the Bank.

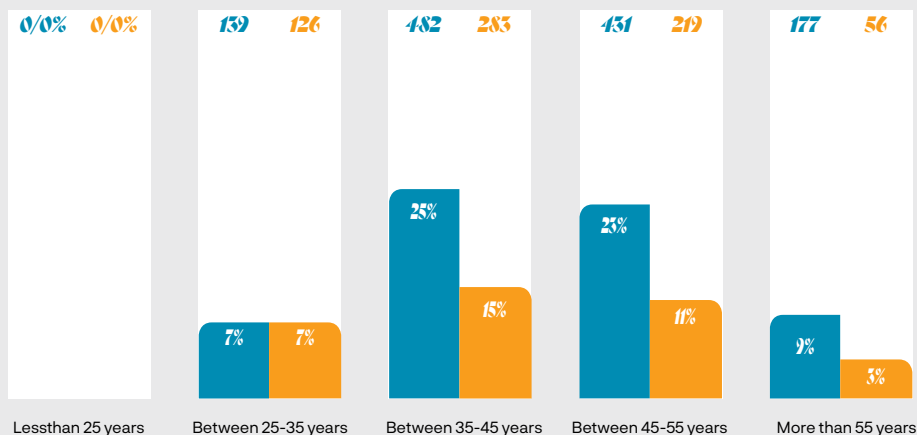
## 9.1.2 Breakdown of Staff

In 2020, the breakdown between Men-Women is respectively 64% and 36%.



- The average age is of 43.9 years, slightly above that of 2019.
- The average seniority is 16.9 years against 17.4 years in 2019.

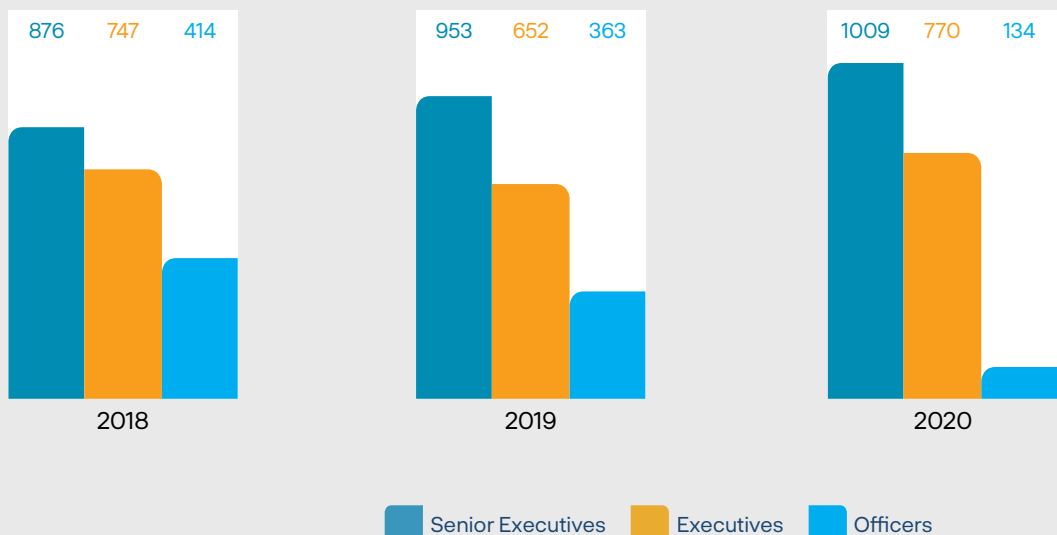
### Ages Pyramid in 2020



Senior Executives : 1009  
 Executives : 770  
 Officers : 134

Men ■ Women ■

### Managerial Supervision Rate in 2020



Senior Executives ■ Executives ■ Officers ■

### 9.1.3 Management of Trainees Activity

BIAT is committed to a proactive approach to employability of students, welcoming 2020, 1352 students from various disciplines (Computer science, Finance, Management, Economics, Statistics, Commerce, etc.), received for introductory or advanced internships (69 %) and for graduation projects (31 %).

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. Among the actions carried out we mention:

	2018			2019			2020		
	Net-work	Central Service	Total	Net-work	Central Service	Total	Net-work	Central Service	Total
Graduation projects	275	317	592	187	215	402	188	237	425
Introductory / advanced internships	634	336	970	728	306	1034	635	292	927
<b>Total</b>	<b>909</b>	<b>653</b>	<b>1562</b>	<b>915</b>	<b>521</b>	<b>1436</b>	<b>823</b>	<b>529</b>	<b>1352</b>

### 9.1.4 Mobility

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

## — 9.2 Competencies Development Center

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

The Competencies Development Center (CDC) aims at developing the competencies and the knowledge of the bank's employees 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 09 diploma curriculums and 12 certifying cycle**

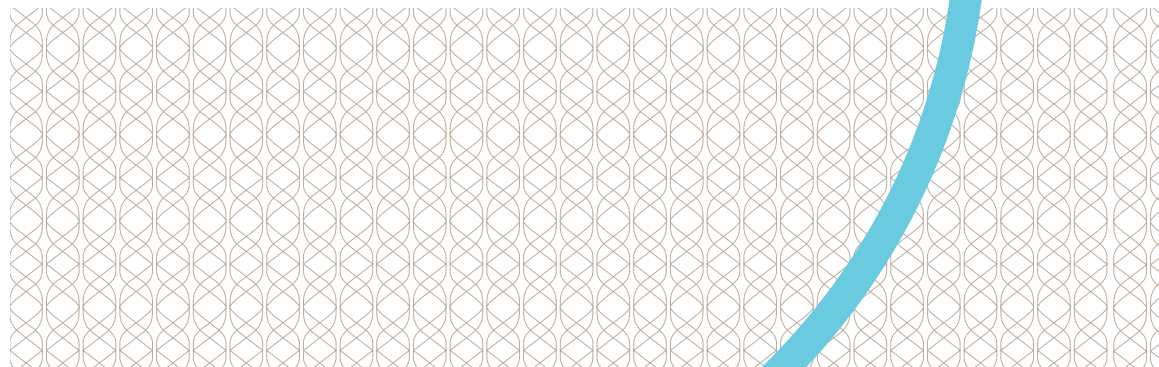
1. The diploma trainings: in banking, finance and management sectors in partnership with different organisms and university institutions.
  2. The certifying trainings: dedicated to the accountants, banking analysts, collectors, sales advisors of the bank, managers of credit risk and Compliance officers etc.
- **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.
  - **External Seminars in Tunisia and Abroad**

The CDC has enhanced its training offer by increasing the number of business modules and the various training channels such as on-site coaching, webinars, educational capsules and the E-learning platform.



— 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 Permanent Committee of Internal Auditing.

This control level is split into two distinct systems :

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

- Management of Permanent Control and operational risk Department aims at detecting, at early stages, the incurred risks, to continuously ensure distant and on sites control by dedicated teams and to supply a regular reporting of the noted incidents and inadequacies, as well as the ameliorations steps to be achieved.
- The Compliance Department and LAB ensure an ongoing regulatory monitoring and guaranty the proper fulfillment of the legal obligations, as well as the compliance with the good practices and the professional and ethical rules. It also plays a role in monitoring the proper fulfillment of the bank's ethics code, the anti-money laundering and terrorist financing. In addition, it carries out training activities in this field for the concerned persons.
- 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 2020 was marked by the continued deployment of the Bank's efforts to comply with national and international regulatory requirements.

In depth and an ongoing regulatory monitoring has been ensured in order to cover all the bank's activities, in particular, for those affected by the new governmental measures taken during the period of the COVID 19 pandemic.

### Compliance

During 2020, the practice of the Compliance function has affected several areas and businesses including those related to:

- The implementation of the action plan of the inspection mission carried out in September 2019 by the INPDP (the National Authority for Personal Data Protection ): Implementing the recommendations to enhance the bank's compliance in terms of personal data protection;
- Digital transformation: Guarantee the compliance of the various digital operations with the legislation in force, both in terms of operations and personal data protection.

### Fight against anti-money laundering and Terrorism financing

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

- The certification of BIAT's AML-FT system, in accordance with the AML 30000 standard;
- Launching a campaign for the regularization of the stock of clients' KYC files, based on a risk-based approach;
- Implementing an alert management system on T24, facilitating the periodic update of KYC records and identification of beneficial owners;
- Updating the bank's process for freezing the assets of terrorists, on the UN list and/or the Tunisian national list.

### Training and Ethics

As regards training, a new step was taken following those events:

- The organization of a training session for the members of the Board of Directors, intended for the Fight against Money Laundering and Terrorist Financing;
- The gradual adoption of a new distance training method (E-learning tool) along with our current «face to face» training system.

## — 10.2 Management of Risks

### 10.2.1 Main Risks Facing the Bank

Risk management focuses on the following main categories.

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

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

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

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

**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.
- Counterparty risks in market transactions, with particular vigilance given the economic situation following the COVID-19 crisis
- Implementing an internal rating system has made it possible to better monitor the bank's exposure to these counterparties.

**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.

The Risk Department is responsible for managing credit and market risk.

The General Control Department is in charge of the Operational risk, including information systems risk and compliance risk.

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

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

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

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

## 10.2.2 Bank Objectives and Policy Regarding the Risk Management in 2020

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 conducted in 2020

In 2020, the bank made its Lending to the economy in accordance with the principles set out in its declaration of risk appetite while respecting the strategic orientations of credit policy as well as the regulatory provisions including those taken by the BCT following the COVID-19 pandemic.

### Internal rating and credit risk measurement system

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

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

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

The rating consists of assigning a score to each counterparty on the basis of qualitative and quanti-

tative criteria, by referring to an internal rating scale consisting of 11 homogeneous risk classes that reflect the probability of default by the counterparties: 10 classes for the healthy portfolio and one class reserved for the defaulted portfolio.

The internal rating system is structured around the following principles:

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

It should be highlighted that the rating system will eventually provide the bank with the framework to:

- Set up a rational pricing policy taking into account the quality of risk
- Define the delegated schemes
- Integrate the rating in the definition of the commercial policy and the setting of exposure limits
- Measure regulatory data, in particular, the required provisioning levels and the minimum capital requirement.

Counterparty ratings are an important factor in assessing the quality of exposures, through analysis of the rated portfolio and changes in its distribution.

Follow up is also performed to counterparties whose risk quality has deteriorated. The rating and rating review process for counterparties is triggered by various types of events:

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

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

### Internal Rating System Audit Mission

An internal audit mission of the rating system was carried out to ensure 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 irregularities likely to affect the rating methodologies.

### Validation of the internal rating system

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

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

The rating system is subject to annual backtesting to monitor its performance and robustness in predicting default.

The validation of the rating system consists of:

- a qualitative validation: includes :
  - o Assess the database quality
  - o Study the operational integration of the NIS (concept of «Use Test»)
  - o Verify the completeness and quality of the documentation
  - o Analyze the gaps between the scores proposed by the Business Experts and the SNI (override analysis)
  - o Test the quality of models implemented at the level of the information systems
  - o 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 the models through the examination of migration matrices

The year 2019 was marked by launching a quantitative validation mission of the rating system to ensure its robustness.

As a result of the COVID 19 outbreak, the SNI validation effort planned for 2020 has been postponed to 2021.

### Implementation of IFRS standards

In accordance with the regulatory requirements enacted by the various regulatory bodies, in Tunisia, such as the decision of the general assembly of the National Accounting Council dated 6 September 2018 relating to the adoption of IFRS accounting standards for the consolidated financial statements for the year ended December 31st, 2021 and circular n° 2020-01 of the central bank BCT relating to Preliminary measures to be implemented for the adoption of IFRS standards and the Financial Market Council's press release dated 11 February 2020 which requires listed companies to prepare their consolidated financial statements in accordance with IFRS as from January 1st 2021,

In this regard, BIAT is preparing its consolidated financial statements for the financial year 2021 in line with those standards.

The IFRS implementation project at BIAT Group was launched at the end of October 2020 with the assistance of a major audit and consulting firm. To this end, the project is divided into three key phases:

**Phase 1: Diagnosis and Gap Analysis:** The purpose of this phase is to carry out a diagnosis of the divergences between the accounting policies of BIAT Group and the IFRS standards as well as the information systems, to review the internal rating system («SNI») in order to determine the prerequisites for the implementation of the expected credit loss model according to IFRS 9 and to carry out a preliminary impact study of the NCT/IFRS divergences, by proposing the corresponding scenarios to the main accounting choices.

**Phase 2: Design of the implementation plan:** this step aims at preparing, following the validation of phase 1, a detailed action plan for the implementation of IFRS standards.

**Phase 3: Implementation and support** for the preparation of IFRS consolidated financial statements.

This phase consists of monitoring the implementation of the action plan and supporting in the preparation

of the initial consolidated financial statements in accordance with IFRS.

As regards the progress of the project, the work of the initial phase including the preliminary impact study is currently being finalized.

Training sessions on IFRS and the main divergences with Tunisian standards have been conducted for the BIAT Group's top management in order to raise awareness of the project's stakes and the expected impacts on the key indicators.

### The postponement of deadlines of credit repayment following the covid-19 crisis

Following BCT circular n°2020-06 pertaining to supporting companies by postponing repayment deadline for bank loans and circular n° 2020-07 on supporting individuals whose net monthly income is lower than 1000 dinars and circular n°2020-08, in support to individuals whose monthly income exceeds 1000 dinars the bank has put in place a series of mechanisms that facilitate the implementation of this exceptional regulation.

The first step was to identify the scope of individuals for an immediate mass response. Subsequently, the deadlines of the companies that requested to benefit from this mechanism were extended, in coordination with the various operational and support units involved.

This operation obviously required technical support at the level of the information system, both in terms of development and testing of the functions implemented.

Accounting adjustments were also determined in order to allow customers to benefit from the retroactive effects of the circulars on due dates previously settled. Subsequently, these deferrals were normalized through credits to individuals that were put in place, and helped to clear accounts of these deferrals. All of these exceptional measures were subject to special monitoring, which was to be taken into account when classifying the receivables and calculating the affected ratios.

Finally, given the liveliness and thorough commitment of the bank's employees in helping to absorb the Covid-19 shock, management dashboards for the network were adapted so as to include the relevant information on deferrals, to ensure complete and unified knowledge of the situation.

### The stress-test

In keeping with the Covid-19 crisis management and for systemic risk anticipation purposes, the BCT requested from all the credit institutions, including BIAT, a set of wide spectrum data.

This information gathered from all the BIAT units and in a similar way from the other banks of the system allowed to evaluate the solidity of the credit institution facing the different scenarios simulating different degrees of deterioration of the economic situation, as well as to provide a review on the situation of the banking system as well as a benchmark.

### Collective provisions

Following the stress test carried out in August 2020, the Central Bank of Tunisia issued on January 11<sup>th</sup>, 2021 the circular n°2021-01 on the collective provisions for the year 2020.

Because of the current difficulties confronting the global and Tunisian economies and which have impacted banks, the methodology of calculation of collective provisions has been modified as follows:

- The sectoral breakdown used to calculate collective provisions has been refined in order to distinguish the most vulnerable economic sectors and apply specific parameters to them.
- Some variables involved in the calculation and whose value was determined by the bank have been replaced by other variables, the «delta migration», whose value is directly informed by the BCT and which responds to the partly systemic character of the latent risk targeted by these collective provisions.
- The minimum provisioning rates for certain sectors have been raised.
- This new methodology, which resulted in an increase in the amount of collective provisions, was applied for the financial year ended, after the validation of the statutory auditors.

### The DATA project

In collaboration with our partners, the «DATA» project was launched in 2020. It consists in the creation of a new risk data warehouse which will be the basis of cross section data which will, in a homogenous manner, provide input to all the units of the bank and will allow new axes of analysis, for a better control of the risk.

This project includes the following steps, managed according to the AGILE project management methodology:

- New data extraction jobs from the T24 system;
- Development of a structured and standardized database;
- A phase of consistency and integrity tests;
- Automation and layout of reports using new IS reporting technologies;
- Development of a «proof of concept Big Data»: a kind of prototype that will help to decide whether or not to take the technological leap that Big Data represents.

### 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.

## 10.2.4 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 June 2018.

Work on operational risks during 2020 focused on:

- Updating the composition and powers of the Operational Risk Coordination Committee and business incidents (circular note 2020/12).
- Implementing operational risk mapping for the 20 steering, support and operational macro-processes and 1 IT macro-process.
- appointing operational risk correspondents and implementing the operational risk incident database.

In 2021, work on the mapping of operational risks will be carried out for the six IT macro-processes. In addition, the operational risk map will be updated according to the incidents reported and the progress made in Action plans.

## 10.2.5 Asset-Liability Management

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

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

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

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

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

**- Interest Rate Risks:**

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

By December 31<sup>st</sup>, 2020, the applications and resources of the bank were distributed as follows on the basis of the vision (ALM):

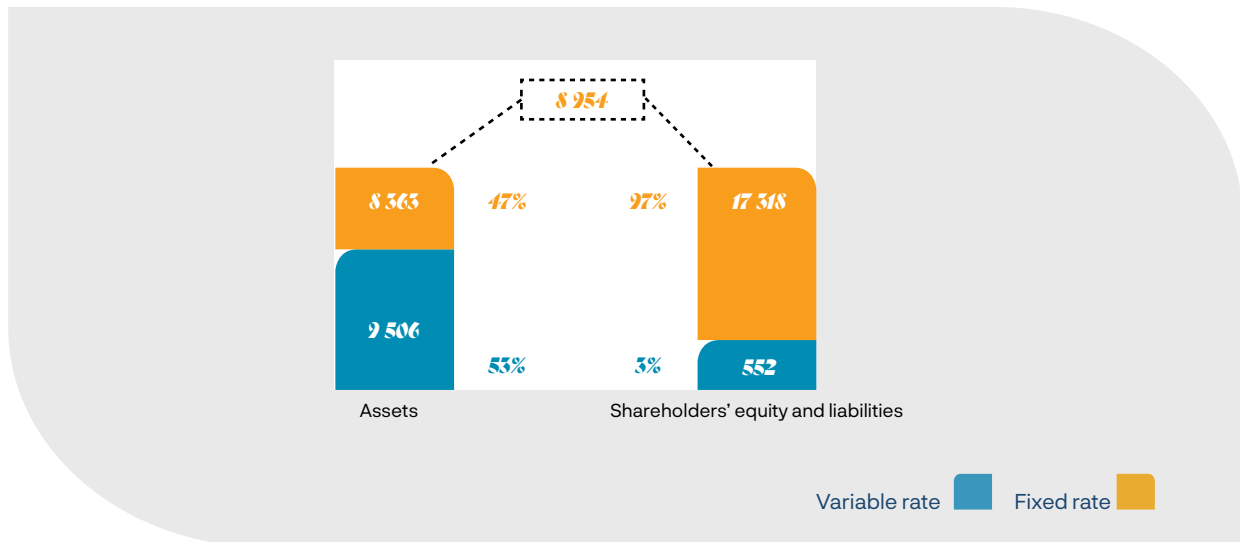
- 97% of the liability is made of the resources with a fixed rate and of 3% of the resources with a variable rate; this structure is linked to the migration of the resources savings with variable rates to the resources with fixed rates after the BCT decision taken in 2011 to fix the remuneration of savings.

- 47% of the asset is made of the applications with fixed rate and 53% 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.

Rate shocks and simulations are undertaken to measure the impact of interest rate variations on the bank's results and the value of its balance sheet.

**Jobs Breakdown of / Resources according to the rate category as at 31/12/2020:**



**- Liquidity Risk:**

As at December 31<sup>st</sup>, 2020, BIAT achieved a CRL liquidity ratio of 242.25%

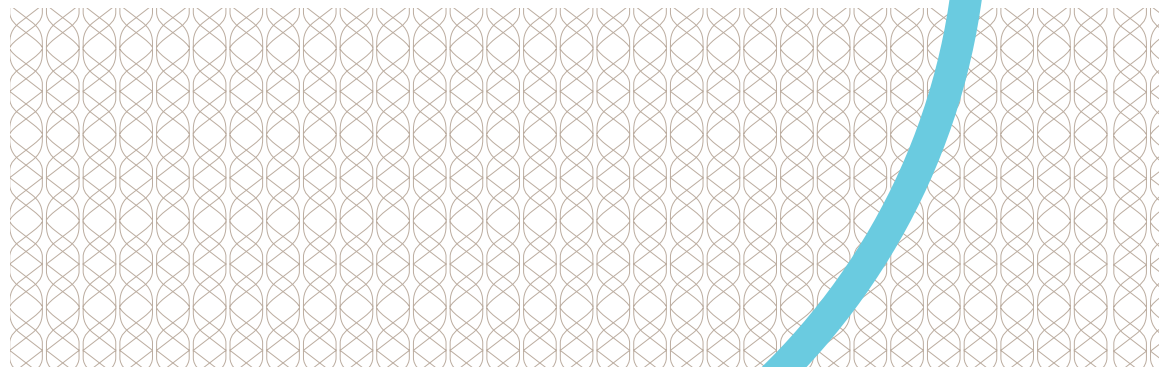
The bank posted an LCR higher than the 100% limit set by the BCT to reach 242.25% in January 2021.

Following the corrective actions put in place, BIAT posted a surplus liquidity of TND 969 million.

This evolution is explained mainly by the recourse decrease to BCT and the increase of liquid assets, the BTA, following the decrease of the use of these securities as collateral at the BCT.



# RETAIL BANKING BUSINESS LINE





## — 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 205 branches covering the whole of the Tunisian territory. The Retail Banking is organized in 14 zones structured around 4 regional departments, which responds to the desire to strengthen the proximity with the customers and ensure the best care.

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

Thanks to a professional and specialized team deployed within the network and supported by the central structures, the Retail Bank accompanies and advises more than 940 000 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 and international operations...

Retail Banking also provides, through the branch network, operational support to the activities deployed for the benefit of large companies and institutional investors, as well as Corporate and Investment Banking.

In 2020, the Retail Banking experienced a satisfactorily business activity overall, although it was affected, as was the entire banking sector, by the Covid 19 health crisis.

Thanks to its resilience and the exceptional mobilization of its employees, the targets related to its main business aggregates were met and even exceeded for certain indicators such as deposit collection.

Alongside with these organizational measures, various actions related to marketing and commerce of operational nature was also launched in 2020 in support of the activity of branches. Among which we highlight:

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

- Launching the first mobile version of the digital offer MyBIAT. Backed by the new digital platform, MyBIAT will progressively offer its customers digitalized services and processes in order to facilitate the follow-up and processing of their banking operations;
- Free «Download» option via BIATNET which enables customers to download their account statements remotely.
- Securing online payments for national debit cards through the «3D secure» protocol with the entry of a confidential code sent by SMS to the cardholder customer, for the validation of the transaction.
- Launch of the «Cagnotte» service, integrated in the Silver, Safir, Tounessa and Tounessna international packaged offers in order to encourage savings through the offer of preferential conditions on permanent transfers to a savings account.
- Pack Express: replacing the Express card by the Electronic card which brings more flexibility to the customer thanks to the possibility of payment by card and withdrawal via the ATMs of other banks.

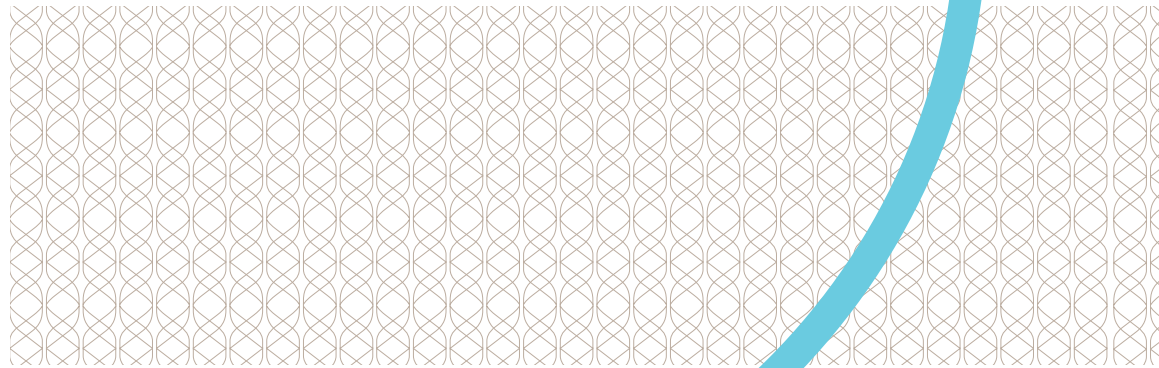
☐ The Launching of three Promotional Campaigns, namely:

- The Campaigns of Self-Service Banking of Tunis, Sfax & Monastir Mall
- The TRE summer campaign which focused this year on a continuous digital presence on all BIAT social networks in a context of low summer return to the country.
- The Credit Campaign highlights the richness of the credit offer for individuals (consumer and real estate) and the bank commitment to accompany and support its customers in the realization and concretization of their personal projects

- ❑ The launch of a program of assistance and support to very small businesses / SME within the framework of the program «Moultazimoun» committed set up following the health crisis of Covid 19.
- ❑ The organization of digital events for TRE customers on BIAT's social networks, replacing the international events held in 2018 and 2019 (real estate fairs in countries devoted to of TRE and CTN actions), around targeted themes on banking and real estate investment in Tunisia.
- ❑ Development of the CRC Customer Relations Center (CRC ) with the support of 45 new agencies whose calls will now be referred to the CRC, bringing the total number of agencies to 100 covered by the CRC, whose expanding activity through the 2020 indicators is highlighted as follows:
  - A total of 280,000 calls received in 2020, an increase of 128% compared to 2019, which is mainly attributable to the huge number of calls and the processing of remote requests during the lockdown period.
  - Nearly 2,000 claims and 120,000 requests for assistance and information managed and treated properly over the year.

— 12

**CORPORATE  
SOCIAL  
RESPONSIBILITY**







## — 12.1 Support for cultural, sports and associative activities

### Support for training programs and cultural and associative activities:

BIAT has continued its support to education and training programs through various initiatives:

#### • Sponsorship of students in partnership with Jeune Afrique

BIAT has joined the «Student Sponsorship» program launched by the Jeune Afrique Group in order to sponsor students from Dauphine Tunis, chosen for their academic excellence.

Recognizing the importance of economic and political culture in personal development and the construction of a critical mind, BIAT is committed, through this partnership, to facilitating access to quality information for young people interested in the political and economic news of the African continent as home of tomorrow's decision makers.

#### • Partnership with Columbia Global Centers Tunis

Committed to the promotion and encouragement of academic excellence, BIAT has supported the Columbia Global Centers Tunis network whose mission is to better understand the North and West African regions.

Established in several countries, the Columbia Global Centers network forms the core of the prestigious Columbia University to promote its programs and educational initiatives, expand the university's global reach and enrich the diversity of the academic experience.

#### • Support for the Public Policy Leadership Program

BIAT continued its support to the Public Policy Leadership Program (PL2P), a training program launched in September 2018 at MSB University with the aim of providing high-level Tunisian decision-makers and analysts with the most up-to-date knowledge and tools in public policy analysis, design, implementation and evaluation.

The overall philosophy of this high-level training program is based on the belief that informed decisions based on well-designed and effectively implemented public policies can generate sustainable results and inclusive development.

The program is targeted primarily to decision-makers and senior managers responsible for the preparation, implementation and evaluation of public policies in Tunisia.

Senior leaders from the private sector, civil society, and elected officials are also eligible depending on their interest and opportunities for participation.

In addition, its commitment to the development and promotion of culture has taken concrete form, particularly through its partnership, for the third consecutive year, with «La saison Bleue», an association campaigning for a sustainable coastline and a new governance of the sea.

This long-term partnership aims at contributing to the success of the World Sea Forum, now considered it as the reference on the southern shore of the Mediterranean, as a global event actively working to develop the sustainable blue economy, not only in the riparian countries of the basin, but also in all coastal countries.

BIAT also participated in the Club Bleu/Blue Club, the first international think tank devoted to the maritime identity, as a main founding member.

## — 12.2 BIAT Labs incubation platform

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

The year 2020 has been a special year with unprecedented health, social and economic situations. The BIAT Foundation has adapted its activities to the crisis context in order to maintain the link with all its members and to continue to support them through its projects, mainly the SPARK Program, Generation Leaders and the Executive Master in Management and Cultural Policies.

In addition, the BIAT Foundation has refocused its efforts on supporting the communities and sectors most affected by the Covid-19 pandemic: Health, Education and Culture.

### THE BIAT FOUNDATION IS COMMITTED TO HEALTH SECTOR

BIAT Foundation has carried out several actions including financial support and acquisition of equipment for hospitals and associations:

- Hospital Charles Nicolle of Tunis
- Hospital Habib Thameur of Tunis
- Hospital Abderrahmen Mami of Ariana
- Hospital Taher Maamouri of Nabeul
- Regional Hospital of Hammamet
- Hospital Taher Sfar of Mahdia
- Hospital of Hédi Chaker Sfax
- Regional Hospital of Kebili
- National Council of the Order of doctors
- «Our Health First» Association
- Medical Association of Kairouan
- Association of Doctors of Sfax
- Association Gloire of Carthage
- Association for the Promotion of the Mental Health of the Child and the Adolescent (ASPMEA)
- Tunisian Association of Assistance to Breast Cancer Patients (ATAMCS)
- Creative Community Network CO-ART

### THE BIAT FOUNDATION SUPPORTS PUPILS AND STUDENTS

The BIAT Foundation has donated 2000 thermometers to the Ministry of Education to facilitate the resumption of classes for baccalaureate students in more than 600 schools.

With respect to education, through its network of partner universities, the BIAT Foundation has also provided computers to students who were stuck in various regions because of the lockdown making it possible for them to complete their courses online. These computers enabled them to maintain the link with their academic institutions.

### THE BIAT FOUNDATION SUPPORTS CULTURAL ACTORS: THE FUND FOR REVIVAL

THE FUND FOR CULTURAL REVIVAL (FCR) is a concrete social and economic measure put in place by the Ministry of Cultural Affairs.

It is targeted to artists, intermittent workers without fixed salaries, cultural operators and private cultural spaces to overcome the financial difficulties encountered during the health crisis.

The BIAT Foundation was the first to respond to the call of the Ministry of Cultural Affairs and is the main donor of this fund.

### THE BIAT FOUNDATION MAINTAINS THE LINK WITH ITS BENEFICIARY COMMUNITIES

#### EXECUTIVE MASTER MANAGEMENT AND CULTURAL POLICIES

The BIAT Foundation supports the training and professionalization of cultural actors in various disciplines. , It is from this perspective that the Executive Master Management and Cultural Policies was launched.

This program is initiated and supported by the BIAT Foundation, developed by the Tunis Dauphine Institute, under the supervision of the Tunisian Ministry of Cultural Affairs. It aims at training professionals in the cultural sector in the management and administration of cultural organizations.

The launch of this Executive Master took place in 2019. The first promotion formed by 23 cultural actors

of different disciplines, has successfully completed its course in September.

The 2nd promotion composed of 30 beneficiaries of the Executive Master began its course in October.

## DEVELOPMENT OF THE SPARK PROGRAM

The SPARK program is the first encounter between young people aged 15 to 18 (sparkers) and the world of entrepreneurship.

Through this program, the BIAT Foundation develops the culture of entrepreneurship among young high school and university students, encouraging them to understand and discover the world of entrepreneurship in an interactive and playful way.

The program has greatly evolved through its 4 editions and is now structured around a network of more than 30 entrepreneurship clubs based in public and private partner universities (Grand Tunis, Sousse, Monastir, Mahdia, Kairouan and Sfax).

Each of these clubs is coordinated by a university teacher and led by students as Junior Coaches.

Benefiting from a wide range of training courses organized in Bootcamps, the sparkers will be supported and trained to acquire high-level entrepreneurial skills:

- Design thinking training
- Social entrepreneurship training
- Training in pitching
- Training in market research and financial feasibility
- Training in coaching techniques based on NLP tools

Since the launch of the SPARK program, they are currently more than 3000 youth in total.

These young people have benefited from ideation workshops, presentations of inspiring entrepreneurs, training and a wide evolving network in the Tunisian and international entrepreneurial ecosystem. These activities are organized in more than 200 workshops per edition in favour of sparkers in different areas such as business planning, communication, personal development, initiative taking and teamwork.

## GENERATION LEADERS

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

Generation Leaders aims at supporting bright, motivated and active graduates to pursue their university studies.

Since its launch in 2014, the BIAT Foundation has accompanied 180 youth on the path to excellence.

This program includes a wide range of training, courses and activities, as well as networking and coaching, with the aim of developing human, social and entrepreneurial skills.

For the year 2020, our young future leaders have benefited from more than 1200 hours of diverse and varied training (Language courses, coaching for integration into professional life, Lean start-up, AGILE method, Wordpress, Neurolinguistic Programming, Story-telling and Theatre courses). They also took part in cultural outings, hikes and involvement in the associative life of the BIAT Foundation.

Rewarding the work and providing financial support, the «Generation Leaders» program offers the young people a scholarship to pursue their studies in an environment rich with opportunities.

## THE BIAT FOUNDATION LAUNCHES AN INTERNSHIP PLATFORM

The BIAT Foundation provides its community members with an internship platform with the aim of supporting of its members in «searching» and «offering» internships.

Indeed, it is a platform that allows access to a large and rich network of companies, institutions and young people. This internship platform is a space for networking and connecting members of the BIAT Foundation's big family.

The platform is targeted to students who are looking for an interesting, useful and coherent internship with their studies and professional objectives. It also allows recruiters to plan the recruitment of their interns and to find the most suitable profiles for their activities.

## DEVELOPMENT OF THE ENTREPRENEURIAL CULTURE IN THE UNIVERSITY

The objective is to promote the entrepreneurial spirit, creativity, initiatives and the sense of responsibility among students.

In 2020, the BIAT Foundation continued to support the 4th edition of OPEN START UP Tunisia. This

competition allows teams composed of students from multidisciplinary and multi-regional Tunisian universities to develop innovative start-up ideas in line with the Millennium Development Goals.

The BIAT Foundation launches the UTM-INNOV competition in partnership with the University of Tunis el Manar «UTM» .

It is a multidisciplinary entrepreneurship competition between the academic institutions of the UTM aiming at developing the entrepreneurial culture among students in order to encourage them to create start-ups and innovative companies.

### **EOT: ENTREPRENEURS OF TUNISIA**

co-founded by the BIAT Foundation and MAZAM , the EOT project offers an online mapping of the actors of the Tunisian entrepreneurial ecosystem as well as analysis and valorization of data related to the

entrepreneurial environment by publishing studies and periodic reports in the form of infographics accessible to all those involved in the entrepreneurial ecosystem and in search of information.

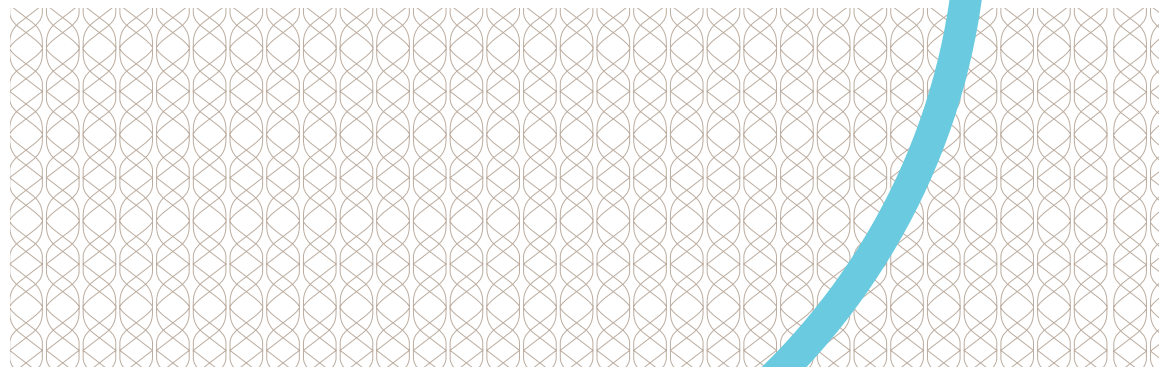
### **WARCHETNA**

The objective of the Warchetna programme 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 comes in the form of a whole series of workshops around six themes: theatre reading, initiation to the arts, initiation to computer programming, chess games, sports activities and musical courses.

— 13

**FINANCIAL  
STATEMENTS  
OF THE YEAR  
2020**





# — 13.1 Auditor's General Report on the Financial Statements for the year ended 31 december 2020

## AUDITOR'S GENERAL REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 31st, 2020, 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 10 March 2021, on the basis of the elements available at that date, in a changing context of the health crisis related to Covid-19 and show positive equity of 1753 926 KTND, including the profit for the year amounting to 281 842 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 31st, 2020 and the results of its operations and cash flows for the financial year then ended in accordance with Generally Accepted Accounting System 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 section « Auditors' responsibilities for the Audit of the financial statements » 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 ethical responsibilities in accordance with these rules.

We believe that the audit evidence we have obtained is sufficient and appropriate to basis our audit opinion.

#### Key Audit Matters

Key audit matters are those matters that, 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 that should be disclosed in our report:

## 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 (63%) totaling 11 340 970 KTND as at 31 December 2020 and the net cost of risk associated with the level of profit for the year, which amounts to 87 809 KTND in individual provisions and 38 503 KTND in collective provisions.</p> <p>The accounting rules and methods relating to the evaluation 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 « Customers loans » and Note VII-3 «Allocation to provisions and the result of valued adjustment of receivables, off-balance sheet and liabilities ».</p> <p>The evaluation of the commitments and the estimation 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"> <li>- The supervisory mechanism put in place regarding the process of depreciation of customer commitments ;</li> <li>- The reliability of the information provided by the Bank concerning customers whose outstanding amounts show impairment's indicators ;</li> <li>- 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.</li> </ul> <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>



## Evaluation of Investments 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 (15%), which totals as at December 31<sup>st</sup>, 2020, 2 662 720 KTND, as well as the weight of related income which amounting during the year to 126 335 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 evaluation rules of the securities », Note III-5 «Investments portfolio» and Note VII-1-4 «Investments portfolio revenues».</p> <p>The evaluation 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"> <li>- 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.</li> <li>- Ensuring compliance with the rules provided by accounting standard NCT 25 related to the securities' portfolio in banking institutions.</li> <li>- 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.</li> <li>- 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.</li> <li>- Appreciating the reasonableness of the valuation of each category of investment securities and check the procedures for determining and recognizing the required provisions.</li> <li>- Verifying the accuracy of the investment securities' portfolio data provided in the notes to the financial statements.</li> </ul>

## 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 996 797 KTND at December 31<sup>st</sup>, 2020 and represent the largest revenue item of the Bank's operation (69 %).</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 reserved incomes, 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"> <li>- Assessment the information system, policies, processes and controls put in place to recognize revenue from credit operations.</li> <li>- Verify the effective application of the automated or manual controls in place.</li> <li>- Carry out substantive analytical procedures on the development of outstanding, interest and assimilated income.</li> <li>- Verify compliance with accounting standard NCT24 «Commitments and related revenues in banking institutions» in terms of income recognition and separation of accounting periods "Cut off principle".</li> <li>- Carry out, by the sampling technique, detailed tests on the calculation of the breakage of the bank's revenues.</li> <li>- Perform tests to verify the validity of the reserved income based on a representative sample.</li> <li>- Verify the appropriateness of the information provided in the notes to the financial statements.</li> </ul>

## Observation Paragraphs

- a. We draw your attention to the note II.7 «Highlights of the year» of the financial statements which describes the events related to the COVID-19 health crisis, the measures taken by the public authorities in this respect and their impact on the bank's activity as well as the accounting treatments related to the postponement of the maturities of credits granted to professionals and individuals, as provided for in the circulars of the Central Bank of Tunisia. n°2020-06, n°2020-07 and n°2020-08.
- b. As indicated in the note II-3 « The evaluation rules of receivables» of the financial statements and in application of the circular of the Central Bank of Tunisia n°2012-06 as amended and completed by the subsequent texts, and in order to cover the latent risks on the current commitments and the commitments requiring a particular follow-up in the sense of the CBT circular n°91-24, the bank has established, general provisions called «collective provisions «by deduction from the results

The methodology for calculating these provisions was modified by CBT circular n°2021-01. This change of estimate was treated in a prospective way and resulted in the constitution of additional collective provisions of 30 198 KDT for the financial year 2020. Thus, the balance of the collective provisions established by the bank as of December 31<sup>st</sup>, 2020, amounts to 109 082 KDT.

Our opinion is not modified with regard to these points.

## 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 10 March 2021.

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 directors 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 applicable 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 collectively, 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 our professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the 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 that 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 14 November 1994, as amended by law n ° 2005-96 dated 18 October 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 20 November 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.

### Disclosure of Criminal Acts

Within the framework of the accomplishment of our mission, we have taken knowledge of an attempted hacker attack on the bank's computer system on February 18th, 2021, following which a complaint was lodged on February 23<sup>rd</sup> 2021 with the public prosecutor of the court of first instance of Tunis.

On our part and pursuant to the article 270 of the code of the commercial companies and of the paragraph 36 of the standard N° 10 of the Order of the Chartered Accountants of Tunisia, by letter dated April 6<sup>th</sup>, 2021, we disclosed this criminal act to the public prosecutor of the court of first instance of Tunis.

Tunis, April 6<sup>th</sup>, 2021

The Statutory Auditors

F.M.B.Z KPMG TUNISIE  
Kalthoum BOUGUERRA

FINOR  
Walid BEN SALAH

# Auditor's special report on the financial statements for the year ended 31 december 2020

## AUDITOR'S SPECIAL REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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

Dear Sirs,

Pursuant to Articles 43 and 62 of law No.2016-48 dated 11 July 2016 relating to Banks and Financial Institutions, Article 200 and seq, and Article 475 of the Commercial Companies' Code, we hereby report on the agreements concluded and transactions realized during the financial year 2020.

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 ended on December 31<sup>st</sup>, 2020:

1. The Board of Directors of the bank, held on December 18th, 2020, authorized a restructuring project of the BIAT Group's capital market activities, as a part of new strategy for consolidating its position as a reference group on all the financial businesses, and aiming in particular at regrouping some activities by pole and aligning the means and resources related to them in order to better serve its customers.

The modus operandi of the aforementioned restructuring project consists of the following:

1- The assignment of 4,920 shares held by BIAT in the company «BIAT Asset Management», at 98.4%, to the benefit of the company «Tunisie Valeurs-LC» for a unit price of 420 dinars per share, for a total transaction value amounting to TND 2 066,400 determined on the basis of an independent evaluation.

This transaction was carried out at the beginning of the financial year 2021.

2- The merger of the company «BIAT CAPITAL-LC» by the company «Tunisie Valeurs-LC», subsidiaries of BIAT, held at 99.94% and 92.62% respectively by BIAT.

This merger project will be carried out according to an exchange parity of 16 shares of «Tunisie Valeurs-LC» for 27 shares of «BIAT CAPITAL-LC», which was determined on the basis of independent evaluations according to methods and calculation bases detailed in the draft merger treaty,

Thus, this merger project of the company «BIAT CAPITAL-LC» by the company «Tunisie Valeurs -LC», will be carried out through the contribution of all the assets and liabilities of «BIAT CAPITAL-LC» to the company «Tunisie Valeurs -LC», followed by the dissolution of BIAT CAPITAL-LC and the capital increase of the company «Tunisie Valeurs -LC», through the creation of 177. 776 new shares to be allotted to the shareholders of «BIAT CAPITAL-LC», at a unit issue price of 18.900 dinars per share, including 5 dinars of nominal value and 13.900 dinars of merger premium, of a total capital increase of TND 888.880 and a merger premium of TND 2.471.086.

As at December 31<sup>st</sup>, 2020, this merger project has not yet been definitively implemented.

**2.** BIAT concluded, in 2020 ,a memorandum of understanding with the company «SOPIAT» as follows:

- BIAT substitutes «SOPIAT» in all its rights and obligations resulting from the promises of sale of the following real estate properties:

1- The promise of sale concluded on December 25<sup>th</sup>, 2017 between the «Société de Promotion du Lac de Tunis « SPLT » and the « SOPIAT » for the acquisition of a lot of land n° D 17-3/ICP R+4, located at the subdivision plan « La Perle du Lac », composed of the plot n° 54 with an area of 2439 m<sup>2</sup> to be excluded from the Land Title n° 190712 Tunis.

The said property has been the subject of a final sale agreement concluded between BIAT and «SPLT», dated 28 July, 2020 registered at the treasury office of Lac on September 1<sup>st</sup>, 2020 under n°20104582.

2- The promise of sale concluded on December 22<sup>nd</sup>, 2017 between the company of Promotion of the Tunis Lake « SPLT » and the company « Taamir » for the acquisition of a lot of land n° D 17-4/ICP R+4, located at the plan of allotment « La Perle du Lac », composed of the plot No. 53 with an area of 2435 m<sup>2</sup> to be excluded from the land title No. 190712 Tunis, which was transferred to SOPIAT according to the tripartite memorandum of understanding concluded between the «SPLT», the company «TAAMIR» and the «SOPIAT» duly signed and authenticated on April 20<sup>th</sup>, 2018.

The said property has been the subject of a final sale agreement concluded between BIAT and «SPLT», dated 7 August, 2020 registered at the treasury office of Lac on September 1<sup>st</sup>, 2020 under the n°20104583.

- For this purpose, BIAT commits to pay SOPIAT a global amount of TND 17.040.314, for the funds and expenses paid in advance by SOPIAT on behalf of BIAT and having allowed the realization of the acquisition of the 2 aforementioned land lots.

The two parties have also agreed to grant to «SOPIAT», BIAT's representative, a remuneration of TND 340.000 (tax excluded ) for its technical assistance to the said acquisition transaction.

This agreement was authorized by the board of directors held on December 25<sup>th</sup>, 2020.

- 3.** During the financial year 2020, BIAT invoiced the company «BIAT ASSURANCE» an amount of TND 509,574 tax excluded for the provision of staff.
- 4.** 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 1.222 KTND, the equivalent value of € 360.000 for the financial year 2020.
- 5.** BIAT concluded an agreement, in 2020, with the International Arab Company for Debt Recovery «CIAR», for the assignment of bank receivables with an amount of 50 507 KTND for the definite fixed price of 100 KTND.
- 6.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-1) 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.

7. Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-2) 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.

8. Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-3) 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.

9. Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-4) 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.

10. Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-5) 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.

- 11.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-6) 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.

- 12.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-7) 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.

- 13.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-8) 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.

- 14.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-9) 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.

- 15.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-10) 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.

- 16.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-1) 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.

- 17.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-2) 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.

- 18.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-3) 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.

- 19.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-4) 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.

- 20.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-5) 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.

- 21.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-6) 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 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-7) with a total amount of 7.000 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.

The nineteen (19) agreements referred to in paragraphs 4 to 22 above were authorized by the Board of Directors on March 10<sup>th</sup>, 2021.

## II. Operations performed in relation with the agreements concluded in the previous years:

The execution of the following agreements, concluded during previous fiscal years, continued during the fiscal year ended December 31, 2020:

### GOLF SOUSSE MONASTIR «GSM»

- 1.** After the conclusion of the transfer in lieu of payment act with the company GOLF SOUSSE MONSATIR "GSM", on December 27<sup>th</sup>, 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 1<sup>st</sup> 2014 and ending December 31<sup>st</sup>, 2015, renewable by tacit consent

An amendment to the said agreement was concluded, in 2020, by virtue of which both parties agreed to review the amount of the rent of the golf course, reducing it to an annual rent of TND 50,000 VAT excluded, payable on quarterly basis in advance from January 1<sup>st</sup>, 2020.

The rent is subject to a cumulative annual increase of 5% applied from January 1<sup>st</sup>, 2021

The amount listed among BIAT incomes in 2020 amounts to TND 50 000.

This agreement was authorized by the Board of Directors on December 18<sup>th</sup>, 2013, while the amendment was authorized by the Board of Directors on December 18<sup>th</sup>, 2020.

### International Arab Company for Debt Recovery “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 1<sup>st</sup>, 2013 and ending on August 31<sup>st</sup>, 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 2020 amounts to TND 6 423.

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 2020 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 16.45m<sup>2</sup> 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 1<sup>st</sup>, 2012 and ending on August 31<sup>st</sup>, 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 2020 amounts to TND 3.362.

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 BIAT to the CIAR includes a margin of 5%.

The amount invoiced by BIAT in 2020 amounts to TND 1 248 324.

This agreement was authorized by the Board of Directors on April 22<sup>nd</sup>, 2015.

- 6.** 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 21<sup>st</sup>, 2017.

The amount invoiced by CIAR in 2020 amounts to TND 478 373.

This agreement was authorized by the Board of Directors on December 18<sup>th</sup>, 2014. Its first amendment was authorized by the board of Directors on December 16<sup>th</sup>, 2015 and the second one on September 29<sup>th</sup>, 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 under the amendment signed in December 2016.

It was authorized by the board of Directors on March 22<sup>nd</sup>, 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 1<sup>st</sup>, 2016 and ending on July 31<sup>st</sup>, 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 1<sup>st</sup>, 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 1<sup>st</sup>, 2018 till July 31<sup>st</sup>, 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 1<sup>st</sup>, 2019 at an annual rate of 5%.

The amount listed among BIAT's incomes in 2020 amounts to TND 120 103.

This agreement was authorized by the Board of Directors held on September 29<sup>th</sup>, 2017. Its amendment was authorized by the Board of Directors on march 15<sup>th</sup>, 2019.

## BIAT CAPITAL RISQUE

- 9.** 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 2020 amounts to TND 500 850 tax excluded.

- 10.** 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 2020 amounts to TND 121 150 tax excluded.

- 11.** 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 2020 amounts to TND 141 300 tax excluded.

- 12.** 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 2020 amounts to TND 90 850 tax excluded.

- 13.** 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 2020 amounts to TND 80.765 tax excluded.

- 14.** 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 2020 amounts to TND 53 388 tax excluded.

- 15.** 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 2020-1) with a total amount of 10.000 KDT.

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

- 05.% 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 2020 amounts to TND 61 390 tax excluded.

- 16.** 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:

- 05.% 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 2020 amounts to TND 61 390 tax excluded.

- 17.** 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:

- 05.% 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 2020 amounts to TND 61 289 tax excluded.

- 18.** 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:

- 05.% 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 2020 amounts to TND 86 886 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 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 74 143 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 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 73 937 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 (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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 76 526 tax excluded.

- 22.** 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 60 488 tax excluded.

- 23.** 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 amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 61 100 tax excluded.

The fifteen (15) agreements referred to in paragraphs 9 to 23 above, were authorized by the Board of Directors held on March 18<sup>th</sup>, 2020.

- 24.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 25.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 134 375 tax excluded.

- 26.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 131 250 tax excluded.

- 27.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 205 500 tax excluded.

- 28.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on January 4<sup>th</sup>, 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 2020 amounts to TND 166 130 tax excluded.

- 29.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 2020 amounts to TND 158 269 tax excluded.

- 30.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 31.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 32.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 33.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on December 5<sup>th</sup>, 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 2020 amounts to TND 423 268 tax excluded.

The ten (10) agreements referred to in paragraphs 24 to 33 above, were authorized by the Board of Directors held on March 15<sup>th</sup>, 2019.

- 34.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on December 20<sup>th</sup>, 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 2020 amounts to TND 698 752 tax excluded.

- 35.** Within the framework of the exonerated investment affecting the income of the year 2017, BIAT confided to BIAT CAPITAL RISQUES on December 20<sup>th</sup>, 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 2020 amounts to TND 85.005 tax excluded.

- 36.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 162.511 tax excluded.

- 37.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 174 675 tax excluded.

- 38.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 173 701 tax excluded.

- 39.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 174 825 tax excluded.

- 40.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 172 133 tax excluded.

- 41.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 174 720 tax excluded.

- 42.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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.

- 43.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 87.488 tax excluded.

- 44.** Within the framework of the exonerated investment affecting the income of the year 2016, BIAT confided to "BIAT CAPITAL RISQUE" on March 9<sup>th</sup>, 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 2020 amounts to TND 45.005 tax excluded.



- 45.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 10<sup>th</sup>, 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 2020 amounts to TND 96.255 tax excluded.

- 46.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 89.057 tax excluded.

- 47.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 82.981 tax excluded.

The fourteen (14) agreements referred to in paragraphs 34 to 47 above, were authorized by the Board of Directors held on March 30<sup>th</sup>, 2018.

- 48.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 5<sup>th</sup>, 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 2020 amounts to TND 78.500 tax excluded.

- 49.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December, 29<sup>th</sup>, 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 2020 amounts to TND 78.755 tax excluded.

The two (2) agreements referred to in paragraphs 48 to 49 above, were authorized by the Board of Directors held on March 22<sup>nd</sup>, 2017.

- 50.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February, 29<sup>th</sup>, 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 2020 amounts to TND 86.459 tax excluded.

- 51.** 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 2020 amounts to TND 87.335 tax excluded.

- 52.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on March, 24<sup>th</sup>, 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 2020 amounts to TND 88.241 tax excluded.

- 53.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 18<sup>th</sup>, 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 2020 amounts to TND 47.005 tax excluded.

The four agreements referred to in paragraphs 50 to 53 were authorized by the Board of Directors held on October 6<sup>th</sup>, 2016.

- 54.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on June 18<sup>th</sup>, 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 2020 amounts to TND 35.005 tax excluded.

- 55.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT confided to BIAT CAPITAL RISQUE on May 20<sup>th</sup>, 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 2020 amounts to TND 44.265 tax excluded.

- 56.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded, on March 18<sup>th</sup>, 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 2020 amounts to TND 28.921 tax excluded.

- 57.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded on January 17<sup>th</sup>, 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 2020 amounts to TND 58.355 tax excluded.

The two (2) agreements referred to in paragraphs 56 to 57 above, were authorized by the Board of Directors held on April 23<sup>rd</sup>, 2014.

- 58.** BIAT confided to BIAT CAPITAL RISQUE, on March 15<sup>th</sup>, 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 2020 amounts to TND 72.530 tax excluded.

- 59.** BIAT confided to BIAT CAPITAL RISQUE on March 15<sup>th</sup>, 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 2020 amounts to TND 64 572 tax excluded.

The two (2) agreements referred to in paragraphs 58 to 59 above, were authorized by the Board of Directors held on May 23<sup>rd</sup>, 2013.

- 60.** BIAT concluded with BIAT CAPITAL RISQUE on December 30<sup>th</sup>, 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 2020 amounts to TND 19.500 tax excluded.

This agreement was authorized by the Board of Directors held on April 28<sup>th</sup>, 2010.

- 61.** BIAT concluded with BIAT CAPITAL RISQUES on December 24<sup>th</sup>, 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 2020 amounts to TND 6.572 tax excluded.

This agreement was authorized by the Board of Directors held on April 28<sup>th</sup>, 2009.

- 62.** 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 30<sup>th</sup> 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 2020 amounts to TND 7.990 tax excluded.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2011.

- 63.** 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 2020 amounts to TND 47.000 tax excluded.

- 64.** BIAT confided to “BIAT CAPITAL RISQUE” on December 28<sup>th</sup> 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 30<sup>th</sup>, 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 2020 amounts to TND 28.000 tax excluded.

The two (2) agreements referred to in paragraphs 63 to 64 above, were authorized by the Board of Directors held on December 14<sup>th</sup>, 2011.

- 65.** BIAT concluded, on December 27<sup>th</sup>, 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 2020 amounts to TND 1.277 tax excluded.

- 66.** BIAT confided to BIAT CAPITAL RISQUE on April 13<sup>th</sup>, 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 30<sup>th</sup>, 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 2020 amounts to TND 52.820 tax excluded.

- 67.** 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.

This amendment was authorized by the Board of Directors held on March 16<sup>th</sup>, 2016.

- 68.** BIAT concluded in 2004 with BIAT CAPITAL RISQUE an amendment of management agreement of October 17<sup>th</sup> 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 2020 amounts to TND 42.017.

- 69.** BIAT rented to the company BIAT CAPITAL RISQUE two offices of administrative usage, of a surface area of 92m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning the 1<sup>st</sup> of September 2015 and ending the 31<sup>st</sup> 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 2<sup>nd</sup> year.

The income recorded at this level in 2020 amounts to TND 34.601.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2016.

- 70.** 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 amount invoiced to BIAT for the year 2020 amounts to TND 1 622 454.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2016.

## SOPIAT

- 71.** BIAT concluded with the company « SOPIAT» a rental agreement of premise for preserving the archives with a total surface area of 3.138 m<sup>2</sup> located in logistics center, industrial zone El fejja.

The rental was consented and accepted for three year period beginning on April 1<sup>st</sup>, 2020 and ending on may 31<sup>st</sup>, 2022, for an annual rent of TND 434.000 VAT excluded

This rent will be renewable by tacit consent within the limit of a maximum duration of one year from the effective date of the agreement.

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

In return to this mission, SOPIAT perceives an annual remuneration amounting to TND 434.000 VAT excluded.

This remuneration will be subject to non-cumulative increase of 5% applicable from the 3<sup>rd</sup> year of the rental.

The agreement is granted for a period starting from April 1<sup>st</sup>, 2020 and ending on March 31<sup>st</sup>, 2022, renewable by tacit consent.

The amount of expenses for the year 2020 amounts to TND 325.500 VAT excluded.

This agreement was authorized by the Board of Directors held on March 18<sup>th</sup>, 2020.

- 72.** 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 1<sup>st</sup> floor of the complex El Ahmadi in La Marsa with a gross total surface of 595 m<sup>2</sup>.



This rent was consented and accepted for a period of two years, beginning on December 13<sup>th</sup>, 2019 and ending on December 12<sup>th</sup>, 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 3<sup>rd</sup> year of the rental.

The amount of expenses for the year 2020 amounts to TND 334.999 VAT excluded.

This agreement was authorized by the Board of Directors held on January 22<sup>nd</sup>, 2020.

- 73.** 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 2020 amounts to TND 50.049 VAT excluded.

- 74.** 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 5<sup>th</sup> floor for the 2<sup>nd</sup> 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 2020 amounts to TND 50.193 VAT excluded.

The two (2) agreements referred to in paragraphs 73-74 above, have been concluded for two year period starting from January 1<sup>st</sup>, 2019 and ending on December 31<sup>st</sup>, 2020 and will be renewable by tacit consent .

The two (2) agreements referred to in paragraphs 73 to 74 above, were authorized by the Board of Directors on October 16<sup>th</sup>, 2019.

- 75.** 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 5<sup>th</sup> floor for the 2<sup>nd</sup> 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%.

An amendment to the said agreement was concluded, on November 9<sup>th</sup>, 2020, by virtue of which Sopi at provides BIAT with a worker for the follow-up of the maintenance of the 5<sup>th</sup> floor of the 2<sup>nd</sup> phase of the bank's registered office.

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

This agreement has been concluded for two year period starting from January 1<sup>st</sup>, 2019 and ending December 31<sup>st</sup>, 2020 and will be renewable by tacit consent.

The amendment to the initial agreement covers a period starting from November 9<sup>th</sup>, 2020 and ending December 31<sup>st</sup>, 2020.

The amount invoiced by SOPIAT for the year 2020 amounts to TND 30.334 VAT excluded.

This agreement was authorized by the Board of Directors held on October 16<sup>th</sup>, 2019 while the amendment was authorized by the Board of Directors on March 10<sup>th</sup>, 2021.

- 76.** BIAT rented to SOPIAT two offices of administrative usage, of a surface area of 49m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning January 26<sup>th</sup>, 2015 and ending January 25<sup>th</sup> 2017, for an annual rent of TND 14.717 VAT excluding.

The income recorded in 2020 amounts to TND 18.708.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2016.

- 77.** 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 1<sup>st</sup> 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 1<sup>st</sup>, 2012 and will come to an end in the date planned for the completion of the construction project, which is June 30<sup>th</sup>, 2014.

The amount invoiced by SOPIAT in 2020 amounts to TND 49.700 VAT excluded

This agreement was authorized by the Board of Directors held on March 13<sup>th</sup>, 2013.

## BIAT CONSULTING

- 78.** The BIAT executed, in November 2016, with the company BIAT CONSULTING, a framework convention for providing executives for a period starting on March 1<sup>st</sup>, 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%.

An amendment to the said agreement was concluded, in 2020, by virtue of which both parties agreed to review the billing rate of the assistance services rendered by «BIAT Consulting», fixing it at TND 500 all taxes included per day/man.

The payment will be made at the latest within 30 days from the receipt of the invoice, which shall be accompanied by a schedule of presence of the participants duly signed by the manager of the BIAT project subject of the service.

The amount invoiced by BIAT CONSULTING for 2020 amounts to TND 191.944 Tax excluded.

This agreement was authorized by the Board of Directors held on April 24<sup>th</sup>, 2017, while the amendment was authorized by the Board of Directors on December 25<sup>th</sup>, 2020.

- 79.** 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.

This amendment was authorized by the Board of Directors on April 24<sup>th</sup>, 2017.

- 80.** BIAT rented to BIAT CONSULTING company three offices of administrative usage, of a surface area of 101m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba Tunis.

This rental was agreed for a two consecutive years, beginning on October 1<sup>st</sup>, 2015 and ending on September 30<sup>th</sup>, 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 2<sup>nd</sup> year.

The amount invoiced by BIAT in 2020 amounts to TND 37.762.

This agreement was authorized by the Board of Directors on October 6<sup>th</sup>, 2016.

- 81.** 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 1<sup>st</sup> of January 2018.

The amount invoiced by BIAT to BIAT CONSULTING, in 2020, amounts to TND 272.336.

This agreement was authorized by the Board of Directors held on April 22<sup>nd</sup>, 2015, while the amendment was authorized by the Board of Directors on October 16<sup>th</sup>, 2019.

## BIAT ASSET MANAGEMENT

- 82.** The BIAT executed on October 25<sup>th</sup>, 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 2020 amounts to TND 24.974.

This agreement was authorized by the Board of Directors held on March 30<sup>th</sup>, 2018.

- 83.** The BIAT executed on May 04<sup>th</sup>, 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 2020 amounts to TND 12.935.

This agreement was authorized by the Board of Directors held on March 22<sup>nd</sup>, 2017.

- 84.** BIAT amended on December 25<sup>th</sup>, 2017 the two deposits and distribution agreements of mutual fund investment "FCP BIAT – EPARGNE ACTIONS" the first was signed, on November 24<sup>th</sup>, 2006 with BIAT ASSET MANAGEMENT then was renewed, on November 20<sup>th</sup>, 2013, while the second was newly signed at this same date on November 20<sup>th</sup>, 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 25<sup>th</sup>, 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 BIAR 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 2020 amounts to TND 79.193.

The first amendment was authorized by the Board of Directors held on March 12<sup>th</sup>, 2014 .

The second amendment was authorized by the Board of Directors on March 30<sup>th</sup>, 2018.

- 85.** The BIAT executed on May 4<sup>th</sup>, 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 held on March 22<sup>nd</sup>, 2017.

- 86.** 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 m<sup>2</sup>, 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 m<sup>2</sup> 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 1<sup>st</sup>, 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 1<sup>st</sup> of august 2019 and ending the 31<sup>st</sup> July 2020 , renewable from year to year by tacit consent .

Secondly, to reduce the leased area to 165,1 m<sup>2</sup>.

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 2020 amounts to TND 55 202.

This agreement was authorized by the Board of Directors held on March 22<sup>nd</sup>, 2017, while its amendment was authorized by the Board of Directors on March 18<sup>th</sup>, 2020.

- 87.** 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 2020 amounts to TND 637.267.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2016.

### **SICAV OPPORTUNITY” and of “SICAV PROSPERITY**

- 88.** BIAT amended, on December 23<sup>rd</sup>, 2013 and on December 25<sup>th</sup>, 2017 the two Agreements of exclusive trustee of securities and funds of the “SICAV OPPORTUNITY” and of the “SICAV PROSPERITY” initially signed on March 08<sup>th</sup>, 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 25<sup>th</sup>, 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 2020 amount to TND 7.927.

The second aforementioned amendment was authorized by the Board of Directors on March 30<sup>th</sup>, 2018.

### **SICAV TRESOR**

- 89.** BIAT amended, on December 18<sup>th</sup>, 2015, the Agreement of exclusive trustee of securities and funds of the “SICAV TRESOR” initially signed on March 8<sup>th</sup>, 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 2020 amount to TND 405.987.

## SICAV PATRIMOINE OBLIGATAIRE

**90.** BIAT concluded, on October 13<sup>th</sup>, 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 23<sup>rd</sup>, 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 2020 amounts to TND 697.086.

These amendments were authorized by the Board of Directors on October 6<sup>th</sup>, 2016.

## BIAT CAPITAL

**91.** 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<sup>th</sup>, 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 2020 amounts to TND 12.500 tax excluded.

This agreement was authorized by the Board of Directors held on September 29<sup>th</sup>, 2017.

- 92.** 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 m<sup>2</sup>, 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 331m<sup>2</sup> 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 1<sup>st</sup>, 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 1<sup>st</sup> of august 2019 and ending the 31<sup>st</sup> july 2020, renewable from year to year by tacit consent .

Secondly, to reduce the leased area to 232, 2 m<sup>2</sup>.

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 2020 amounts to TND 75.252.

This agreement was authorized by the Board of Directors on March 22<sup>nd</sup>, 2017. Its amendment was authorized by the Board of Directors on March 18<sup>th</sup>, 2020.

- 93.** 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.

- 94.** 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 2020 amounts to TND 1 029 997.

This agreement was authorized by the Board of Directors on March 16<sup>th</sup>, 2016.

- 95.** The BIAT concluded on January 2<sup>nd</sup> 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%	-

## OSI

**96.** 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 2020 amounts to TND 30.920 VAT excluded.

This agreement was authorized by the Board of Directors on April 28<sup>th</sup>, 2010.

## ORANGE TUNISIE SA

**97.** On August 30<sup>th</sup>, 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 m<sup>2</sup>. This rental was agreed for a period of three years, beginning as of April 1<sup>st</sup>, 2010, and ending on March 31<sup>st</sup>, 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 2020 amount to TND 49.579.

This agreement was authorized by the Board of Directors meeting on December 15<sup>th</sup>, 2010.

**98.** On December 24<sup>th</sup>, 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 m<sup>2</sup>. This rental was agreed for duration of three years, beginning as of December 1<sup>st</sup>, 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 2020 amounts to TND 49.421.

This agreement was authorized by the Board of Directors held on March 16<sup>th</sup>, 2011.

## SICAF BIAT & SGP

**99.** December 23<sup>rd</sup>, 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 2020 amounted to TND 13.483.

These amendments were authorized by the Board by December 19<sup>th</sup>, 2018.

## TUNISIE TITRISATION

**100.** On May 10<sup>th</sup>, 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 31<sup>st</sup>, 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 31<sup>st</sup>, 2020 reached TND 156 tax excluded.

**101.** On May 18<sup>th</sup>, 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 31<sup>st</sup>, 2020, amount to TND 4.416 tax excluded.

## BIAT ASSURANCES

**102.** BIAT concluded, in February 2018, with the company « Assurances BIAT» a lease agreement of premise for administrative office usage, with a surface of 183m<sup>2</sup> 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 2020 amounts to TND 8 865.

**103.** 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 m<sup>2</sup> 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 2020 amounts to TND 11 947.

**104.** 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 80m<sup>2</sup> 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 2020 amounts to TND13.336.

The three agreements referred to in paragraphs 103 to 105 above, were authorized by the Board of Directors held on March 30<sup>th</sup>, 2018.

**105.** Since 2004, BIAT concluded insurance contracts with the company « Assurances BIAT » through the intermediate of the company “LA PROTECTRICE ASSURANCE”.

The expense supported, in 2020, is detailed as follows:

Type	Amount of the expenses of Insurance (in TND)
Third-party insurance	67.179
Physical Accidents Insurance	92.123
Life insurance « Family Protection »	152.039
Insurance « Assistance à l'étranger pour les cartes bancaires visa premier et Business Gold » (assistance abroad for bankcards visa first and Business Gold)	1.177.581
Insurance « vol global banque » (Global Theft Bank)	336.025
Insurance against theft and loss of cards	364.458
Insurance « incendie et garanties annexes » (fire and attached guarantee)	468.592
Insurance automobile fleet	42.610
Insurance multi-risk on computers	33.623
Insurance Pack Saphir and Silver	804.235
Insurance Pack « Express » and Pack « First »	52.857
Insurance Pack Elite	191.310
Insurance Pack Platinum	472.545
Insurance « Assistance à l'étranger pour les cartes Platinum et infinite » (assistance abroad for platinum and infinite cards)	416.138
Insurance « carte de crédit » Credit Card	179.352
Insurance groups of the staff (employer's contribution)	10.988.344
Life Insurance (AFEK) <sup>(*)</sup>	1.573.240

(\*) In 2012, BIAT signed a collective « life insurance » agreement with BIAT ASSURANCE in favor of its staff, known as « members ».

**106.** BIAT ASSURANCES gives in sublease to the bank a premise denominated “Commercial 2” having a total surface of 145m<sup>2</sup> 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 1<sup>st</sup>, 2010 to April 30<sup>th</sup>, 2014.

Starting from May 2014, an addendum was signed to extend the duration of the rent from May 1<sup>st</sup>, 2014 to April 30<sup>th</sup>, 2019. An annual cumulative increase of the rent will be applicable from May 1<sup>st</sup>, 2014, with an annual rate of 5% on the basis of the rent of the previous year.

The amount listed under BIAT charges of 2020 amounts to TND 32 578.

This amendment was authorized by the Board of Directors on April 22<sup>nd</sup>, 2015.

### **SOCIETE DE PROMOTION TOURISTIQUE «SPT SFAX»**

**107.** BIAT rented to SPT Sfax an office of administrative usage, of a surface area of 25m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on 1<sup>st</sup> of January 2015 and ending on 31<sup>st</sup> of December 2016, for an annual rent of TND 7.525 VAT excluded.

The income recorded in 2020 amounts to TND 9.604.

This agreement was authorized by the Board of Directors on March 16<sup>th</sup>, 2016.

### **SOCIETE DE PROMOTION TOURISTIQUE «SPT MOHAMED V»**

**108.** 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 1<sup>st</sup>, 2016 and ending on December 31<sup>st</sup>, 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 on October 6<sup>th</sup>, 2016.

**109.** BIAT rented to the company SPT Mohamed V an office of administrative usage, of a surface area of 43m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on July 1<sup>st</sup> 2016 and ending on December 31<sup>st</sup> 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 1<sup>st</sup> 2017.

The income recorded in 2020 amounts to TND 15.448.

This agreement was authorized by the Board of Directors on March 16<sup>th</sup>, 2016.

### **SOCIETE ESTRAT**

**110.** 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 1<sup>st</sup>, 2019 .

It will be renewable by tacit consent, unless a written waiver was given by one of the parties , subject to a notice of one month.

The amount invoiced by estrat for the year 2020 amounts to TND 740.000 tax excluded.

This agreement was authorized by the Board of Directors on June 19<sup>th</sup>, 2019.

## VALUE DIGITAL SERVICES

**111.** 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 1<sup>st</sup>, 2019.

The amount invoiced by « Value Digital Services » in 2020 amounts to TND 5 458 750 tax excluded.

This agreement was authorized by the Board of Directors on January 22<sup>nd</sup>, 2020.

**112.** BIAT concluded with the company « Value Digital Service » a lease agreement of premise to be used as offices with a surface area of 821m<sup>2</sup>, and a part situated on the second floor with an area of 323 m<sup>2</sup> of the building, located at l'angle de l'avenue principale et de la rue de Lac Turkana Lac 1 - 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 3<sup>rd</sup> year of the rental .

The income recorded in 2020 amounts to TND 286.000.

This agreement was authorized by the Board of Directors on March 18<sup>th</sup>, 2020.

## TAAMIR

**113.** BIAT concluded in 2019 with the company «TAAMIR» a lease agreement of furniture and equipment storage depot with a surface area of 350 m<sup>2</sup> 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 2020 amounts to TND 4.664 VAT excluded.

This agreement was authorized by the Board of Directors on June 19<sup>th</sup>, 2019.

## 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:

- The Board of Directors held on June 3<sup>rd</sup>, 2020, decided to renew the term of office of Mr. Mohamed AGREBI in his capacity as the managing director of the bank, and delegated the necessary powers to the Nomination and Remuneration Committee in order to fix his remuneration. This remuneration amounted a gross amount of 1.050 KTND for the financial year 2020, including employer's expenses of 222 KDT. It includes, in addition to the salary and allowances, the assumption of a retirement pension.

He also benefits from a remuneration of 24 KTND in his capacity as a member of the Executive Credit Committee.

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

- The members of the Board of Directors are remunerated by attendance fees set by the Ordinary General Assembly held on June the 3<sup>rd</sup>, 2020. The attendance fees for the financial year 2020 are fixed to a gross amount of 540 KTND.

In addition, administrators 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 132 KTND for the financial year 2020.

2. BIAT's obligations and commitments to its executives for the year ended on December 31<sup>st</sup>, 2020 are as follows (in TND):

Text	Managing Director		Directors	
	Expense of the year	Liabilities as of 31/12/2020	Expense of the year	Liabilities as of 31/12/2020
Short term Benefits (*)	1 098 750	126 565	672 000	579 000
Post employment Benefits	-			
Other long term Benefits	-	-	-	-
Termination benefit	-	-	-	-
Payment in shares	-	-	-	-
<b>Total</b>	<b>1 098 750</b>	<b>126 565</b>	<b>672 000</b>	<b>579 000</b>

(\*) : Remuneration paid, social expenses, and the paid leave to corporate officers; attendance fees and other remuneration paid to the directors.

In addition to the abovementioned 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 No. 2016-48 dated 11 July 2016, on banks and financial institutions, Articles 200 and seq and 475 of the Commercial Companies Code.

Tunis, April 6<sup>th</sup>, 2021

#### The Statutory Auditors

F.M.B.Z KPMG-TUNISIE  
Kalthoum BOUGUERRA

FINOR  
Walid BEN SALAH

## 13.2 Financial statements ending on 31/12/2020

### FINANCIAL STATEMENTS ENDING ON 31/12/2020

#### BALANCE SHEET

As of December 31<sup>st</sup>, 2020

(In Thousands of dinars)

	Note	31/12/2020	31/12/2019	Variation	In %
<b>ASSETS</b>					
Cash and balances with BCT, CCP and TGT	III-1	1 745 226	1 472 884	272 342	18,49%
Banking and financial institutions loans	III-2	1 444 915	1 734 739	(289 824)	-16,71%
Customers loans	III-3	11 340 970	10 389 129	951 841	9,16%
Commercial Securities Portfolio	III-4	8 022	69 390	(61 368)	-88,44%
Investment portfolio	III-5	2 662 720	2 017 817	644 903	31,96%
Fixed Assets	III-6	230 874	206 584	24 290	11,76%
Other assets	III-7	441 691	441 223	468	0,11%
<b>Total Assets</b>		<b>17 874 418</b>	<b>16 331 766</b>	<b>1 542 652</b>	<b>9,45%</b>
<b>LIABILITIES</b>					
Central Bank and Post Office	IV-1	780	1 201	(421)	-35,05%
Deposits and holding of banking and financial institutions	IV-2	606 999	1 254 845	(647 846)	-51,63%
Deposits and assets of customers	IV-3	14 786 831	12 996 824	1 790 007	13,77%
Borrowing and special resources	IV-4	328 188	213 572	114 616	53,67%
Other liabilities	IV-5	397 694	393 746	3 948	1,00%
<b>Total Liabilities</b>		<b>16 120 492</b>	<b>14 860 188</b>	<b>1 260 304</b>	<b>8,48%</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital		178 500	170 000	8 500	5%
Reserves		757 916	595 910	162 006	27,19%
Other shareholders' equity		3	3	-	-
Reported results		535 665	372 659	163 006	43,74%
Results of the year		281 842	333 006	(51 164)	-15,36%
<b>Total shareholders' equity</b>	<b>V</b>	<b>1 753 926</b>	<b>1 471 578</b>	<b>282 348</b>	<b>19,19%</b>
<b>Total shareholders' equity and liabilities</b>		<b>17 874 418</b>	<b>16 331 766</b>	<b>1 542 652</b>	<b>9,45%</b>

## STATE OF OFF-BALANCE SHEET COMMITMENTS

As of December 31<sup>st</sup>, 2020

(In thousands of dinars)

	31/12/2020	31/12/2019	Variation	In %
<b>CONTINGENT LIABILITIES</b>				
Collateral and other guarantees	2 384 847	2 422 407	(37 560)	-1,55%
a- To banks and financial institutions	720 351	726 225	(5 874)	-0,81%
b- Customers	1 664 497	1 696 182	(31 685)	-1,87%
Letters of credits	648 474	581 067	67 407	11,60%
a- To customers	588 616	508 163	80 453	15,83%
b- Others	59 858	72 904	(13 046)	-17,89%
<b>Total contingent liabilities</b>	<b>3 033 321</b>	<b>3 003 474</b>	<b>29 847</b>	<b>0,99%</b>
<b>COMMITMENTS GIVEN</b>				
Financing commitments given	1 003 913	1 011 266	(7 353)	-0,73%
To customers	1 003 913	1 011 266	(7 353)	-0,73%
Commitments on securities	37 166	2 135	35 031	1640,80%
a- Non paid-up participations	36 818	2 118	34 700	1638,34%
b- Securities to be received	348	17	331	1947,06%
<b>Total commitments given</b>	<b>1 041 079</b>	<b>1 013 401</b>	<b>27 678</b>	<b>2,73%</b>
<b>COMMITMENTS RECEIVED</b>				
Guarantees received	4 914 394	5 023 584	(109 190)	-2,17%
<b>Total commitments received</b>	<b>4 914 394</b>	<b>5 023 584</b>	<b>(109 190)</b>	<b>-2,17%</b>



**STATEMENT OF INCOME**  
 Period: From January 1<sup>st</sup> to December 31<sup>st</sup>, 2020  
 (In Thousands of dinars)

	Note	Financial Year 2020	Financial Year 2019	Variation	In %
<b>BANKING OPERATING INCOME</b>					
Interests and other similar revenues	VII-1-1	996 797	1 093 784	(96 987)	-8,87%
Commissions (in incomes)	VII-1-2	215 546	201 640	13 906	6,90%
Gains on commercial securities portfolio and financial operations	VII-1-3	113 700	106 379	7 321	6,88%
Investments portfolio revenues	VII-1-4	126 335	114 036	12 299	10,79%
<b>Total banking operating income</b>		<b>1 452 378</b>	<b>1 515 839</b>	<b>(63 461)</b>	<b>-4,19%</b>
<b>BANKING OPERATING EXPENSES</b>					
Interests incurred and assimilated expenses	VII-2-1	(507 808)	(555 928)	48 120	-8,66%
Commissions incurred	VII-2-2	(3 731)	(3 022)	(709)	23,46%
<b>Total banking operating expenses</b>		<b>(511 539)</b>	<b>(558 950)</b>	<b>47 411</b>	<b>-8,48%</b>
<b>Net Banking Income</b>		<b>940 839</b>	<b>956 889</b>	<b>(16 050)</b>	<b>-1,68%</b>
Allocation to provisions and the result of valued adjustment of receivables, off-balance sheet and liabilities	VII-3	(133 819)	(105 035)	(28 784)	27,40%
Allocation to provisions and the result of adjustment values on investment portfolio	VII-4	(15 604)	(14 393)	(1 211)	8,41%
Other operating incomes	VII-5	11 752	11 567	185	1,60%
Personnel expenses	VII-6	(217 202)	(212 057)	(5 145)	2,43%
General operating expenses	VII-7	(154 312)	(152 251)	(2 061)	1,35%
Allocations to depreciations and provisions on fixed assets	VII-8	(36 500)	(35 085)	(1 415)	4,03%
<b>Operating income</b>		<b>395 154</b>	<b>449 635</b>	<b>(54 481)</b>	<b>-12,12%</b>
Net gain/loss on ordinary items	VII-9	263	(4 940)	5 203	-105,32%
Income Taxes	VII-10	(84 898)	(111 689)	26 791	-23,99%
<b>Income from ordinary activities</b>		<b>310 519</b>	<b>333 006</b>	<b>(22 487)</b>	<b>-6,75%</b>
Balance in gain/loss from other extraordinary items	VII-11	(28 677)	-	(28 677)	-
<b>Net income for the period</b>		<b>281 842</b>	<b>333 006</b>	<b>(51 164)</b>	<b>-15,36%</b>
Accounting changes affecting deferred profit		-	-	-	-
<b>Net income for the year after accounting changes</b>		<b>281 842</b>	<b>333 006</b>	<b>(51 164)</b>	<b>-15,36%</b>

**STATEMENT OF CASH FLOW**  
 Period: From January 1<sup>st</sup> To December 31<sup>st</sup>, 2020  
 (In Thousands of Dinars)

	Note	Financial Year 2020	Financial Year 2019
<b>OPERATING ACTIVITIES</b>			
Banking operating revenues received (excluding investment portfolio revenues)		1 357 443	1 397 471
Banking operating charges paid out		(510 603)	(558 586)
Deposits/deposit withdrawal with other banks and financial institutions		114 254	(65 573)
Loans and advances/repayment of loans and advances extended to customers		(1 133 510)	273 317
Deposits/customer deposits withdrawal		1 835 781	1 261 557
Payment to personnel and other creditors		(344 342)	(347 594)
Other cash flows from operating activities		16 808	(30 007)
Corporate income tax		(121 633)	(112 027)
<b>Net cash flow from operating activities</b>		<b>1 214 198</b>	<b>1 818 558</b>
<b>INVESTING ACTIVITIES</b>			
Interests and collected dividends on investment portfolio		118 477	117 963
Purchase/disposal of investment securities		(653 127)	(81 439)
Purchase/disposal of fixed assets		(51 859)	(46 061)
<b>Net cash flow from investing activities</b>		<b>(586 509)</b>	<b>(9 537)</b>
<b>FINANCING ACTIVITIES</b>			
Issue/repayment of loans		84 046	(65 505)
Increase/decrease of special resources		3 567	(3 189)
Dividends paid		-	(85 000)
<b>Net cash flow from financing activities</b>		<b>87 613</b>	<b>(153 694)</b>
Impact of variations in exchange rates on liquidity and cash equivalents	IX-1	(28 868)	137 172
<b>Net change in liquidity and cash equivalent during the financial year</b>		<b>686 434</b>	<b>1 792 499</b>
Liquidity and cash equivalents at beginning of the financial year		1 554 697	(237 802)
<b>Liquidity and cash equivalents at the end of the financial year</b>	IX-2	<b>2 241 131</b>	<b>1 554 697</b>

# — NOTES TO THE ANNUAL FINANCIAL STATEMENTS (As of December 31<sup>st</sup>, 2020)

## 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 31<sup>st</sup> of December 2020, 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 2020 for their amounts related to the period from January 1<sup>st</sup> to December 31<sup>st</sup> 2020. Thus, the income that had been received and which concerns the periods subsequent to December 31<sup>st</sup> 2020 is not taken into consideration in the financial year of 2020 and this in accordance to the provisions of accounting standards. The accrued and not yet due incomes on 31-12-2020 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 31-12-2020 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 2020 are included in the financial year of 31-12-2020.

### II-2. The evaluation rules of receivables

Interest expense, incurred commissions, staff working costs and other expenses are taken into account as a reduction of the income 31-12-2020 for their amounts related to the period from January 1<sup>st</sup> to December 31<sup>st</sup> 2020. Thus, expenses that have been disbursed and which relate to periods after 31-12-2020 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 31-12-2020 are reduced from the income.

### II-3. The evaluation rules of 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 31-12-2020 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 2020 and an amount of reserved income.

It should be noted, in this respect, that the methodology for calculating collective provisions covering current commitments and those requiring special follow up, as provided for in Article 10 Bis of the aforementioned CBT circular, was amended by CBT circular n°2021-01 of January 11<sup>th</sup>, 2021. This change resulted in the constitution of an additional provision of TND 30.2 thousand for the year 2020.

#### **II-4. The evaluation rules of the 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 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 2020.

##### *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 2020 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 2020. The exchange gains and losses resulting from this conversion are taken into account in the financial year ending on 31/12/2020.

## II-6. Financial Statements Presentation

The financial statements closed and published by BIAT for the year 2020 are presented in accordance with Sector Accounting Standard No.21.

These statements include the data for the year 2020 and those related to the year 2019.

## II-7. Highlights of the year

### Direct and indirect financial impacts of the COVID19 pandemic on BIAT's results:

The coronavirus induced health crisis and the measures taken by governments worldwide to contain the spread of the pandemic (lockdown, social distancing and travel restrictions ...) have negatively affected the Tunisian economy causing the drivers of economic growth namely investment, consumption and export to grind to a halt, as well as a decline in foreign trade, tourism and current activity of the productive sector.

This economic slowdown, which has spread to the financial and banking sectors, has had the following major consequences:

- At the level of the financial sphere: companies' turnover losses lower income for working population and reduced demand for credit across all the market segments.
- At the level of the banking sector: the decline in interest income, income on foreign exchange transactions and fee-based commissions.

It is worth mentioning that the measures taken by the Tunisian government and by the CBT in response to this crisis included notably:

1. The postponement by the banks of the maturities of loans (in principal and interests) due from March 1st, 2020 until the end of September 2020 and, hence, the extension of the repayment deadlines.

This measure concerns loans granted to individuals whose net monthly income is lower than 1000 dinars and which are classified 0 and 1 at the end of December 2019 (CBT Circular N°2020-07).

2. The postponement by the banks of the maturities of loans (in principal and interests) due from April 1st, 2020 until the end of June 2020 and, hence, the extension of the repayment deadlines. This measure concerns loans granted to individuals whose monthly net income is higher than 1000 dinars and which are classified 0 and 1 at the end of December 2019 (CBT Circular N°2020-08).

3. The postponement by the Banks of the maturities of credits granted to companies and professionals and classified 0 and 1 at the end of December 2019 for the period starting from March 1st, 2020 until September 30th, 2020 (CBT Circular N°2020-06). This postponement is granted only after a request is made

4. Granting of new exceptional financing intended for the financing of justified needs of the operating cycle, repayable over a maximum period of seven years including two years of grace (CBT Circular N°2020-12).

5. Free interbank cash dispensers' withdrawal service (CBT Circular N°2020-05).

6. The suspension of fees levied on online billers and merchants transactions not exceeding one hundred (100) dinars, (BCT Circular N°2020-05).

7. The free delivery of a bank card to any customer holder of an account, who requests it (CBT Circular N°2020-05).

8. The key rate cut of 100 bps from 7.75% to 6.75% during the month of March 2020 then from 6.75% to 6.25% during the month of October.

9. At the request of the Central Bank of Tunisia CBT suspension of distribution by banks and financial institutions of dividends for the year 2019 and the prohibition to carry out any operation of redemption of their own shares.

10. Suspension of commissions' deduction on dishonored checks

11. Payment by the banks to the state budget as a cyclical contribution, of 2 % of the taxable result of 2019 payable and 2% of the taxable result of 2020.

12. As provided for by the circular of the Central Bank of Tunisia N°2020-06, extension till the end of September 2021 of the period of postponement of repayment installments of (in principal and interests) granted to companies and professionals of the tourist sector and the craft industries including the companies of tourist management (Circular CBT N°2020-19).

13. As provided for by the circular of the Central Bank of Tunisia N°2020-06, extension till the end of September 2021 of the period of postponement of repayment installments of (in principal and interests) granted to companies and professionals (Circular CBT N°2020-21).

As in the banking sector, BIAT has been impacted by the health crisis and the governmental and CBT measures directly and indirectly.

The indirect effects were reflected in the reduction of credit and foreign exchange activity as well as customer services.

The direct effects were assessed at the end of the year 2020 with a financial impact estimated at TND 106.6 Million (pre-tax) as presented in the following table:

Estimated direct financial impact of the pandemic crisis COVID 19	Impact in Million of Dinars
The key rate cut of 100 Bps, from 7.75% to 6.75% during the month of March 2020 and to 6.25% during the month of October 2020.	64,8
Commissions on cash dispensers withdrawals & Purchase commission on Eftpos terminals with amount <TND 100 and other commissions	11,4
Contribution to the National Pandemic Fund COVID 19	18,3
A contribution at the rate of 2% for 2019 and 2020	10,3
Cost of protective measures	1,8

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.

#### Treatment of loan repayment maturities postponements

Following the COVID-19 pandemic and in application of CBT Circulars n° 2020-06, 2020-07 and 2020-08, and within the framework of exceptional measures to support customers, BIAT undertook the postponement of loan repayment due dates, through the creation of a mirror account for each loan contract.

These mirror accounts have been linked to deferred loans as being loan repayment accounts. Thus, during the postponement period, the agreed amounts falling due, in terms of both principal and interest, were recorded by debiting the mirror account instead of the bank account of the client concerned by the postponement.

It should be noted that, in this respect, the following three categories of mirror accounts have been created by BIAT:

- A category for loans granted to individuals whose net monthly income is less than 1000 Dinars, with a 7 month deferral period

- A category for loans to individuals whose net monthly income is superior to 1000 Dinars, with a 3 month deferral period

- A category for loans granted to professionals.

At the end of the deferral period, the deferred payments for individuals have been materialized by amortized loans.

In accordance with the abovementioned BCT circulars, the deferral period has not been taken into account to determine the age of the trade receivables having benefited from the support measures.

### Note III – Assets Balance Sheet

(figures are in thousands of Tunisian Dinars)

The Assets of Balance Sheet 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 recorded an increase between December 2019 and December 2020 for TND 272 342 thousand or 18.49% passing from a period to another from TND 1 472 884 thousand to TND 1 745 226 thousand. This item is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Cash	125 458	137 723	(12 265)	-8,91%
Holdings in CBT	1 619 679	1 335 072	284 607	21,32%
Holdings in POA	89	89	-	-
<b>Total cash and balances with CBT, POA and GTT</b>	<b>1 745 226</b>	<b>1 472 884</b>	<b>272 342</b>	<b>18,49%</b>

#### III-2. Banking and Financial Institutions loans

The volume of this post recorded a decrease between December 2019 and December 2020 of TND 289 824 thousand or 16.71% passing from a period to another from TND 1 734 739 thousand to TND 1 444 915 thousand. This volume is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Receivables from banking institutions (a)	1 101 047	1 446 722	(345 675)	-23,89%
Receivables from financial institutions (b)	343 868	288 017	55 851	19,39%
<b>Total banking and financial institutions loans</b>	<b>1 444 915</b>	<b>1 734 739</b>	<b>(289 824)</b>	<b>-16,71%</b>

- (a) The decrease in the volume of our receivables from banks of TND 345 675 thousand or 23.89 % which passed from TND 1 446 722 thousand on December 31st, 2019 to TND 1 101 047 thousand on December 31st, 2020 relates the following position:

	31/12/2020	31/12/2019	Variation	In %
Loan accounts with Central Bank of Tunisia	594 927	602 656	(7 729)	-1,28%
Loan accounts of interbank market	436 989	783 996	(347 007)	-44,26%
Accrued interests on loans	2 605	1 804	801	44,40%
Correspondents' accounts NOSTRI	51 314	31 463	19 851	63,09%
Correspondents' accounts LORI	18	3 387	(3 369)	-99,47%
Accrued interests on correspondents' accounts	-	1	(1)	-100,00%
Non-allocated values	15 194	23 415	(8 221)	-35,11%
<b>Total</b>	<b>1 101 047</b>	<b>1 446 722</b>	<b>(345 675)</b>	<b>-23,89%</b>

- (b) The increase in our total receivables from financial institutions of TND 55 851 thousand or 19.39% which shifted from TND 288 017 thousand on December 2019 to TND 343 868 thousand on December 2020 is mainly attributable to the growth of our loans to the Leasing companies balanced by the decrease in Loans granted to other financial institutions. this section is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Crédits accordés aux sociétés de leasing	259 084	171 353	87 731	51,20%
Crédits accordés aux autres établissements financiers	80 571	109 859	(29 288)	-26,66%
Créances et dettes rattachées	4 213	6 805	(2 592)	-38,09%
<b>Total</b>	<b>343 868</b>	<b>288 017</b>	<b>55 851</b>	<b>19,39%</b>

### III-3. Customer loans

Customers' loans 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 10 389 129 thousand in December 2019 to TND 11 340 970 thousand in December 2020 recording thereon an increase of TND 951 841 thousand or 9.16%. it is broken down as follows:



	31/12/2020	31/12/2019	Variation	In %
Customer accounts receivables	1 126 265	1 297 267	(171 002)	-13,18%
Other customer loans	10 771 387	9 590 066	1 181 321	12,32%
Loans on special resources	65 656	57 599	8 057	13,99%
<b>Total</b>	<b>11 963 308</b>	<b>10 944 932</b>	<b>1 018 376</b>	<b>9,30%</b>
Provisions on customer loans	(367 838)	(346 120)	(21 718)	6,27%
Overdrafted charges	(145 418)	(139 104)	(6 314)	4,54%
Collective Provisions	(109 082)	(70 579)	(38 503)	54,55%
<b>Total Customer loans</b>	<b>11 340 970</b>	<b>10 389 129</b>	<b>951 841</b>	<b>9,16%</b>

### (1) Customer accounts receivables

Customer accounts receivables recorded from one period to another a decrease of TND 171 002 thousand or 13.18% falling from TND 1 297 267 thousand in December 2019 to TND 1 126 265 thousand in December 2020. These accounts are broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Current accounts receivables	1 048 428	1 119 216	(70 788)	-6,32%
Doubtful accounts receivables	69 332	52 634	16 698	31,72%
Advance on time deposits	7 755	124 812	(117 057)	-93,79%
Receivables on customers' accounts	750	605	145	23,97%
<b>Total</b>	<b>1 126 265</b>	<b>1 297 267</b>	<b>(171 002)</b>	<b>-13,18%</b>

The gross amount of doubtful receivables accounts amounting to TND 69 332 thousand is divided between the different categories under the prudential rules of the Central Bank of Tunisia CBT as follows:

	31/12/2020	31/12/2019	Variation	In %
Category 2	8 365	8 150	215	2,64%
Category 3	19 521	20 100	(579)	-2,88%
Category 4	41 446	24 384	17 062	69,97%
<b>Total</b>	<b>69 332</b>	<b>52 634</b>	<b>16 698</b>	<b>31,72%</b>

### (2) Other customer's loans

The other customer's loans recorded from one period to another an increase of TND 1 181 321 thousand or 12.32%, rising from TND 9 590 066 thousand in December 2019 to TND 10 771 387 thousand in December 2020. these accounts are broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Other current borrowings	10 086 557	8 845 094	1 241 463	14,04%
Other doubtful borrowings	684 830	744 972	(60 142)	-8,07%
<b>Total</b>	<b>10 771 387</b>	<b>9 590 066</b>	<b>1 181 321</b>	<b>12,32%</b>

(a) Other current loans are divided as follows:

	31/12/2020	31/12/2019	Variation	In %
Industrial and commercial loans	6 461 765	5 437 587	1 024 178	18,84%
Loans on real property, developers	71 067	89 200	(18 133)	-20,33%
Loans on real property, buyers	3 009 617	2 799 574	210 043	7,50%
Agriculture loans	460 591	426 027	34 564	8,11%
Associated current account	2 900	2 900	-	0,00%
<b>Discount portfolio</b>	<b>10 005 940</b>	<b>8 755 288</b>	<b>1 250 652</b>	<b>14,28%</b>
Non-allocated values	1 022	370	652	176,22%
Accrued interests for other bank overdrafts	102 963	113 443	(10 480)	-9,24%
Accrued interests for associated bank overdrafts	793	561	232	41,35%
Interests received in advance (in less)	(24 161)	(24 568)	407	-1,66%
<b>Total other bank overdrafts</b>	<b>10 086 557</b>	<b>8 845 094</b>	<b>1 241 463</b>	<b>14,04%</b>

(b) The gross amount of other doubtful loans amounting to TND 684 830 thousand, are divided between the different categories defined by the prudential regulation of the Central Bank of Tunisia as follows:

	31/12/2020	31/12/2019	Variation	In %
Category 2	19 819	26 876	(7 057)	-26,26%
Category 3	46 719	63 465	(16 746)	-26,39%
Category 4	618 292	654 631	(36 339)	-5,55%
<b>Total</b>	<b>684 830</b>	<b>744 972</b>	<b>(60 142)</b>	<b>-8,07%</b>

### (3) Loans on special resources

Loans on special resources recorded from one period to another an increase of TND 8 057 thousand or 13.99% passing from TND 57 599 thousand in December 2019 to TND 65 656 thousand in December 2020. These accounts are broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Current loans on special resources	48 916	41 356	7 560	18,28%
Receivables on special resources loans	226	193	33	17,10%
Loans on doubtful special resources	16 514	16 050	464	2,89%
<b>Total</b>	<b>65 656</b>	<b>57 599</b>	<b>8 057</b>	<b>13,99%</b>

The gross amount of loans on doubtful special resources amounting to TND 16 514 thousand, are divided between the different categories under the prudential regulation of the Central Bank of Tunisia CBT as follows:

	31/12/2020	31/12/2019	Variation	In %
Category 2	9	34	(25)	-73,53%
Category 3	195	479	(284)	-59,29%
Category 4	16 310	15 537	773	4,98%
<b>Total</b>	<b>16 514</b>	<b>16 050</b>	<b>464</b>	<b>2,89%</b>

Considering the foregoing, customer loans are summarized as follows:

*(i) Current receivables*

	31/12/2020	31/12/2019	Variation	In %
Current receivables excluding commitments by signature	11 111 039	10 040 672	1 070 367	10,66%
Non allocated values	1 022	370	652	176,22%
Related receivables	104 732	114 801	(10 069)	-8,77%
Interests received in advance (in less)	(24 161)	(24 568)	407	-1,66%
<b>Total</b>	<b>11 192 632</b>	<b>10 131 275</b>	<b>1 061 357</b>	<b>10,48%</b>
Current commitments by signature	2 225 559	2 176 568	48 991	2,25%
<b>Total</b>	<b>13 418 191</b>	<b>12 307 843</b>	<b>1 110 348</b>	<b>9,02%</b>

*(ii) Gross doubtful receivables*

	31/12/2020	31/12/2019	Variation	In %
Doubtful receivables excluding commitments by signature	770 676	813 655	(42 979)	-5,28%
Doubtful commitments by signature	27 554	27 777	(223)	-0,80%
<b>Total</b>	<b>798 230</b>	<b>841 432</b>	<b>(43 202)</b>	<b>-5,13%</b>

The gross amount of doubtful receivables, amounting to TND 798 230 thousand, is divided between the different categories under the prudential regulation of the Central Bank of Tunisia CBT as follows:

	31/12/2020	31/12/2019	Variation	In %
Category 2	28 450	35 811	(7 361)	-20,56%
Category 3	67 153	86 073	(18 920)	-21,98%
Category 4	702 627	719 548	(16 921)	-2,35%
<b>Total</b>	<b>798 230</b>	<b>841 432</b>	<b>(43 202)</b>	<b>-5,13%</b>

Provisions and overdrafted charges covering the balance sheet receivables have been established for an amount of TND 505 636 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 14 557 thousand.

Thus, provisions and overdrafted charges which were formed to cover classified customer's receivables totaled TND 520 193 thousand broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Overdraft charges on classified receivables	137 798	131 439	6 359	4,84%
Provisions for classified balance sheet receivables	367 838	346 120	21 718	6,27%
Provisions on off-balance sheet commitments	14 557	15 128	(571)	-3,77%
<b>Total</b>	<b>520 193</b>	<b>492 687</b>	<b>27 506</b>	<b>5,58%</b>

Provisions and overdraft charges which were formed to cover the unclassified customer's receivables totaled TND 116 702 thousand broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Overdraft charges on unclassified receivables	7 620	7 665	(45)	-0,59%
Collective provision	109 082	70 579	38 503	54,55%
<b>Total</b>	<b>116 702</b>	<b>78 244</b>	<b>38 458</b>	<b>49,15%</b>

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.

### III-4. Commercial Securities portfolio

The volume of commercial securities portfolio has passed between December 2019 and December 2020 from TND 69 390 thousand to TND 8 022 thousand, thus recording a decrease of TND 61 368 thousand or 88.44 %.

	31/12/2020	31/12/2019	Variation	In %
Trading securities (1)	5 719	67 086	(61 367)	-91,48%
Investment securities (2)	2 303	2 304	(1)	-0,04%
<b>Total commercial securities portfolio</b>	<b>8 022</b>	<b>69 390</b>	<b>(61 368)</b>	<b>-88,44%</b>

This change comes from the decrease in the volume of trading securities for TND 61 367 thousand or 91.48% due to the different subscriptions operations and refunds done during the period from 01/01/2020 to 31/12/2020.

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:

	31/12/2020	31/12/2019	Variation	In %
Fungible Treasury Bills	315 110	378 359	(63 249)	-16,72%
Short term treasury Bills	50 610	31 479	19 131	60,77%
<b>Sub-total trading securities (principal)</b>	<b>365 720</b>	<b>409 838</b>	<b>(44 118)</b>	<b>-10,76%</b>
Receivables and related debts	172	1 548	(1 376)	-88,89%
<b>Total</b>	<b>365 892</b>	<b>411 386</b>	<b>(45 494)</b>	<b>-11,06%</b>

b) Trading securities are divided between securities kept in the bank's portfolio and securities assigned to customer and are presented as of 31/12/2020 as follows:

Désignation	31/12/2020	31/12/2019	Variation	In %
<i>1) Securities kept in the bank's portfolio</i>				
Fungible Treasury Bills	5 426	47 529	(42 103)	-88,58%
Short term Treasury Bills	121	18 009	(17 888)	-99,33%
Receivables and related debts	172	1 548	(1 376)	-88,89%
<b>Total securities kept in portfolio</b>	<b>5 719</b>	<b>67 086</b>	<b>(61 367)</b>	<b>-91,48%</b>
<i>2) Securities assigned to customer</i>				
Customer : Fungible Treasury Bills	309 684	330 830	(21 146)	-6,39%
Customer : Short Term Treasury Bills	50 489	13 470	37 019	274,83%
<b>Total securities assigned to customer</b>	<b>360 173</b>	<b>344 300</b>	<b>15 873</b>	<b>4,61%</b>
<b>General Total</b>	<b>365 892</b>	<b>411 386</b>	<b>(45 494)</b>	<b>-11,06%</b>

### (2) Investment Securities

Investment securities which are made primarily of SICAV securities dropped from TND 2 304 thousand as of 31/12/2019 to TND 2 303 thousand as of 31/12/2020.

	31/12/2020	31/12/2019	Variation	In %
SICAV Securities	2 303	2 303	-	-
Related receivables and payables	-	1	(1)	-100%
<b>Total</b>	<b>2 303</b>	<b>2 304</b>	<b>(1)</b>	<b>-</b>

### III-5. Investment 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 2 017 817 thousand in December 2019 to TND 2 662 720 thousand in December 2020, recording an increase of TND 644 903 thousand or 31.96%.

	31/12/2020	31/12/2019	Variation	In %
Gross outstanding of investment securities	2 662 789	2 019 075	643 714	31,88%
Receivables on investment securities	63 142	55 010	8 132	14,78%
Provisions and bank charges reserved for the investment portfolio's depreciation	(63 211)	(56 268)	(6 943)	12,34%
<b>Total Investment Portfolio</b>	<b>2 662 720</b>	<b>2 017 817</b>	<b>644 903</b>	<b>31,96%</b>

This increase is detailed as follows:

	Variation
New acquisitions	667 339
Repayment of investment treasury bills	(103 676)
Disposal and loss of equity securities	(4 138)
Repayment of national loans	(8 115)
Release of managed funds	94 251
Onlending of managed funds	(1 947)
Allocation to provisions on investment securities	(7 076)
Reversal of provisions on investment securities	885
Reversal interests reserved on managed funds	(636)
Reversal interests reserved on portage	(116)
Change in related receivables and the contribution of dividends for which the law is established and unmatured	8 132
<b>Total</b>	<b>644 903</b>

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 31/12/2019 excluding related receivables	1254 639	61108	262 131	441197	2 019 075
Repayment of treasury bills	(103 676)	-	-	-	(103 676)
Release or and/acquisitions made during 2020	506 815	63 696*	96 828	94 251	761 590
disposal, liquidations, repayment or losses made during 2020	(8 115)	(789)	(3 349)	(1 947)	(14 200)
Gross balance as at 31/12/2020 excluding related receivables	1649 663	124 015	355 610	533 501	2 662 789
Related receivables on Treasury Bills	57 946	-	-	-	57 946
Related receivables on investment portfolio other than BTA	334	1240	-	3 622	5 196
Provisions and bank charges reserved for the investment portfolio depreciation	-	(16 896)	(30 042)	(16 273)	(63 211)
<b>Total investment portfolio</b>	<b>1707 943</b>	<b>108 359</b>	<b>325 568</b>	<b>520 850</b>	<b>2 662 720</b>

(\*) of which 63 515 mD represents the cost of acquiring securities following the completion of a recovery action.

### 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
<b>Intangible fixed assets</b>		
Software	3 years	33,33%
Licenses	3 years	33,33%
Business Assets	20 years	5%
<b>Tangible fixed assets</b>		
Buildings	20 and 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 24 290 thousand or 11.76% going from TND 206 584 thousand on 31/12/2019 to TND 230 874 thousand in 31/12/2020.

	31/12/2020	31/12/2019	Variation	In %
Intangible fixed assets	82 647	77 452	5 195	6,71%
Depreciation of intangible fixed assets	(71 096)	(67 766)	(3 330)	4,91%
Tangible fixed assets	427 100	385 804	41 296	10,70%
Depreciation of tangible fixed assets	(222 002)	(208 302)	(13 700)	6,58%
Depreciation in progress and advances	14 225	19 396	(5 171)	-26,66%
<b>Total fixed assets</b>	<b>230 874</b>	<b>206 584</b>	<b>24 290</b>	<b>11,76%</b>

The fixed assets are detailed on 31/12/2020 as follows:

	31/12/2019	Acquisitions	Disposal or layout	Reclassification	31/12/2020
License	27 480	4 483	-	73	32 036
Computer software	45 535	414	-	-	45 949
Goodwill and right to lease	4 437	-	-	225	4 662
<b>Total intangible fixed assets</b>	<b>77 452</b>	<b>4 897</b>	<b>-</b>	<b>298</b>	<b>82 647</b>
Lands	44 239	21 818	-	-	66 057
Constructions	111 135	-	-	-	111 135
Fixtures and fittings of constructions	95 343	3 195	(29)	12 451	110 960
Buildings to be allocated	164	-	-	-	164
Fixed assets with particular legal status	345	-	-	-	345
Office furniture	17 718	1	(345)	2 806	20 180
Computer equipments	52 295	1 499	(1 311)	2 267	54 750
Transport equipments	1 299	281	(139)	-	1 441
Constructions not allocated to professional activities	5 007	-	-	-	5 007
General installation of constructions	7 184	24	-	232	7 440
Banking operating equipments	27 090	963	(3 101)	-	24 952
Fixtures, fitting of banking operating equipment	53	-	-	-	53
Office equipments	13 656	239	(260)	62	13 697
Fittings of office equipments	1 863	18	(1)	-	1 880
Fittings of office furniture	8 413	550	(97)	173	9 039
<b>Total tangible fixed assets</b>	<b>385 804</b>	<b>28 588</b>	<b>(5 283)</b>	<b>17 991</b>	<b>427 100</b>
Works in progress	18 359	13 118	-	(18 289)	13 188
Advances on fixed assets in progress	1 037	-	-	-	1 037
<b>Total Gross values of fixed assets</b>	<b>482 652</b>	<b>46 603</b>	<b>(5 283)</b>	<b>-</b>	<b>523 972</b>



	Cumul. Depreciation 31/12/2019	Endowment	Adjustment sale and disposal	Cumul. Depreciation 31/12/2020	Net Book Value 31/12/2020
License	(23 938)	(2 330)	-	(26 268)	5 768
Computer software	(40 762)	(857)	-	(41 619)	4 330
Goodwill and right to lease	(3 066)	(143)	-	(3 209)	1 453
<b>Total intangible fixed assets</b>	<b>(67 766)</b>	<b>(3 330)</b>	<b>-</b>	<b>(71 096)</b>	<b>11 551</b>
Lands	-	-	-	-	66 057
Constructions	(44 511)	(3 342)	-	(47 853)	63 282
Fittings, fixtures of constructions	(67 777)	(6 410)	29	(74 158)	36 802
Buildings to be allocated	-	-	-	-	164
Fixed assets with particular legal status	(339)	(1)	-	(340)	5
Office furniture	(11 318)	(1 396)	343	(12 371)	7 809
Computer equipment	(40 186)	(3 924)	1 309	(42 801)	11 949
Transport equipment	(1 107)	(121)	139	(1 089)	352
Constructions not allocated to Professional activities	(115)	(5)	-	(120)	4 887
General installation of constructions	(6 497)	(109)	-	(6 606)	834
Banking operating equipment	(17 766)	(2 535)	3 097	(17 204)	7 748
fittings, fixtures of banking operating	(29)	(5)	-	(34)	19
Office equipment	(10 597)	(584)	255	(10 926)	2 771
Fittings of office equipments	(1 537)	(62)	1	(1 598)	282
Fittings of office furniture	(6 364)	(474)	95	(6 743)	2 296
<b>Total tangible fixed assets</b>	<b>(208 143)</b>	<b>(18 968)</b>	<b>5 268</b>	<b>(221 843)</b>	<b>205 257</b>
Works in progress	-	-	-	-	13 188
Advances on fixed assets in progress	-	-	-	-	1 037
Provision on fixed assets	(159)	-	-	(159)	(159)
<b>Total Gross values of fixed assets</b>	<b>(276 068)</b>	<b>(22 298)</b>	<b>5 268</b>	<b>(293 098)</b>	<b>230 874</b>

### III-7. Other assets

The heading went from TND 441 223 thousand in December 2019 to TND 441 691 thousand in December 2020, recording an increase of TND 468 thousand or 0.11%. This heading is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Adjustment accounts (1)	110 206	98 948	11 258	11,38%
Other assets accounts (2)	331 485	342 275	(10 790)	-3,15%
<b>Total other assets</b>	<b>441 691</b>	<b>441 223</b>	<b>468</b>	<b>0,11%</b>

#### (1) Adjustment Accounts

The adjustment accounts went from TND 98 948 thousand in December 2019 to TND 110 206 thousand in December 2020, recording an increase of TND 11 258 thousand.

#### (2) Other Assets Accounts

The others assets went from TND 342 275 thousand in December 2019 to TND 331 485 thousand in December 2020, recording a decrease of TND 10 790 thousand.

	31/12/2020	31/12/2019	Variation	In %
Various accounts	309 920	324 434	(14 514)	-4,47%
Inventory Account	4 437	3 822	615	16,09%
deferred expenses	4 036	5 655	(1 619)	-28,63%
Education fees	13 093	8 365	4 728	56,52%
<b>Total other Assets Accounts</b>	<b>331 485</b>	<b>342 275</b>	<b>(10 790)</b>	<b>-3,15%</b>

Thus, the total of the balance sheet recorded between December 2019 and December 2020, an increase of TND 1 542 652 Thousand or 9.45% shifting from TND 16 331 766 thousand to TND 17 874 418 thousand.

### NOTE IV – Liabilities 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 and 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 and Post Office Accounts

The volume of this heading changed from one period to another from TND 1 201 thousand to TND 780 thousand, a decrease of TND 421 thousand or 35.05%.

This change is due mainly to the decrease of CBT checks awaiting payment in the amount of TND 331 thousand or 29.79% and the credit balance of our foreign currency accounts held to the CBT of TND 90 thousand in December 2020. this heading is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
CBT Checks awaiting payment	780	1 111	(331)	-29,79%
CBT foreign currency accounts	-	90	(90)	-100,00%
<b>Total Central bank and CCP</b>	<b>780</b>	<b>1 201</b>	<b>(421)</b>	<b>-35,05%</b>

#### IV-2. Deposits and holdings of banking and financial institutions

The volume of this heading changed from one period to another from TND 1 254 845 thousand to TND 606 999 thousand, a decrease of TND 647 846 thousand or 51.63%. this heading is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Deposits and holdings of banking institutions	599 678	1 252 333	(652 655)	-52,12%
Deposits and holdings of financial institutions	7 321	2 512	4 809	191,44%
<b>Total deposits and holdings of banking and financial institutions</b>	<b>606 999</b>	<b>1 254 845</b>	<b>(647 846)</b>	<b>-51,63%</b>

This change is explained by:

- a decrease in the deposits and holdings of banking institutions of TND 652 655 thousand or 52.12 % which shifted from TND 1 252 333 thousand in December 2019 to TND 599 678 thousand in December 2020.

	31/12/2020	31/12/2019	Variation	In %
Loan in Dinars with the BCT	381 000	1 085 000	(704 000)	-64,88%
Loan in Dinars with banks	47 000	40 000	7 000	17,50%
Deposits of the correspondents bankers	144 805	118 522	26 283	22,18%
Other amounts due	26 715	6 035	20 680	342,67%
Connected debts	158	2 776	(2 618)	-94,31%
<b>Deposits and assets of banking institutions</b>	<b>599 678</b>	<b>1 252 333</b>	<b>(652 655)</b>	<b>-52,12%</b>

- an increase of deposits and holdings of financial institutions of TND 4 809 thousand or 191.44% that went from TND 2 512 thousand in December 2019 to TND 7 321 thousand in December 2020. This change originates essentially from deposits of leasing companies.

### IV-3. Deposit and assets of customers

Deposits of customers recorded an increase of TND 1 790 007 thousand or 13.77 %, rising from TND 12 996 824 thousand in December 2019 to TND 14 786 831 thousand in December 2020. This increase is originated from the following items:

	31/12/2020	31/12/2019	Variation	In %
Demand deposits	7 319 353	6 243 960	1 075 393	17,22%
Savings deposits	3 273 193	2 852 838	420 355	14,73%
Term account	2 479 192	2 316 944	162 248	7,00%
Term vouchers	290 096	263 392	26 704	10,14%
Certificates of deposits Money market	808 000	549 000	259 000	47,18%
Related debts	93 176	74 959	18 217	24,30%
Other amounts due	523 821	695 731	(171 910)	-24,71%
<b>Total Deposits and assets of customers</b>	<b>14 786 831</b>	<b>12 996 824</b>	<b>1 790 007</b>	<b>13,77%</b>

### IV-4. Borrowings and special resources

Borrowings and special resources recorded an increase of TND 114 616 thousand or 53.67%, rising from TND 213 572 thousand in December 2019 to TND 328 188 thousand in December 2020. This increase is originated from the following items:

	31/12/2020	31/12/2019	Variation	In %
Borrowings and debts on special resources	39 440	43 625	(4 185)	-9,59%
Related debts on special resources	110	124	(14)	-11,29%
Public funds	21 120	13 419	7 701	57,39%
<b>Total public funds and foreign bodies</b>	<b>60 670</b>	<b>57 168</b>	<b>3 502</b>	<b>6,13%</b>
Subordinate loans	251 956	149 503	102 453	68,53%
Debt related to loans	15 562	6 901	8 661	125,50%
<b>Total borrowings and special resources</b>	<b>328 188</b>	<b>213 572</b>	<b>114 616</b>	<b>53,67%</b>

This heading mainly consists of:

- Of the subordinate loan BIAT 2014 : this subordinate loan was set up in December 2014 for an amount of TND 50 000 thousand. The loan of this debt on 31/12/2020 is TND 6.350 thousand.
- Of the subordinate loan BIAT 2016: thus subordinate loan was set up on December 2016 for an amount of TND 70 000 thousand. The loan of this debt on 31/12/2020 is TND 27 800 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 31/12/2020 is TND 34 200 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 31/12/2020 is TND 34 606 thousand
- Of the subordinate loan BIAT 2019-1: this subordinate loan was set up in 2020 for an amount of TND 45 000 thousand. The loan of this debt on 31/12/2020 is TND 44 000 thousand

- Of the subordinate loan BIAT 2019-2: this subordinate loan was set up in 2020 for an amount of TND 105 000 thousand. The loan of this debt on 31/12/2020 is TND 105 000 thousand
- These subordinate loans, which were taken into account in the calculation of solvency ratio as of quasi-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 an increase of TND 3 502 thousand or 6.13 % going from TND 57 168 thousand on December 2019 to TND 60 670 thousand in December 2020.

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 31/12/2019	Resources	Refunds	Balance as at 31/12/2020
AFD	7 228	-	(2 805)	4 423
BEI	1 461	-	(717)	744
BIRD	4 103	-	(1 143)	2 960
CFD	4 136	-	(999)	3 137
ESPAGNOLE	1 076	358	(230)	1 204
FDCI	269	-	(25)	244
FONAPRA	5 386	279	(821)	4 844
FOPRODI	2 243	-	(79)	2 164
FOSDA / FOSEP	154	-	-	154
PREMIER LOGEMENT	4 907	1 770	-	6 677
RESTRUCTURATION FINANCIERE	460	6 577	-	7 037
ITL	19 540	4 623	(2 836)	21 327
KFW	4 715	-	(222)	4 493
PROPARCO	8	-	-	8
BAD	1 358	-	(214)	1 144
RELATED DEBTS	124	110	(124)	110
<b>TOTAL</b>	<b>57 168</b>	<b>13 717</b>	<b>(10 215)</b>	<b>60 670</b>

#### IV-5. Other liabilities

The total of this post shifted from TND 393 746 thousand on December 31<sup>st</sup>, 2019 to TND 397 694 thousand on December 31<sup>st</sup>, 2020, recording an increase of TND 3 948 thousand or 1%.

	31/12/2020	31/12/2019	Variation	In %
Provisions for liabilities and expenses (1)	103 461	100 745	2 716	2,70%
Accounts of expectation and regularization (2)	222 733	185 994	36 739	19,75%
Other accounts (3)	71 500	107 007	(35 507)	-33,18%
<b>Total Other Liabilities</b>	<b>397 694</b>	<b>393 746</b>	<b>3 948</b>	<b>1,00%</b>

### *(1) Provisions for liabilities and expenses*

Provisions for liabilities and expenses shifted between December 2019 and December 2020 from TND 100 745 thousand to TND 103 461 thousand, recording an increase of TND 2 716 thousand or 2.7%.

	31/12/2020	31/12/2019	Variation	In %
Provisions for risks of exploitation	88 905	85 617	3 288	3,84%
Provisions on off-balance sheet commitments	14 556	15 128	(572)	-3,78%
<b>Total Provisions for liabilities and expenses</b>	<b>103 461</b>	<b>100 745</b>	<b>2 716</b>	<b>2,70%</b>

### *(2) Accounts of expectation and regularization*

The accounts of expectation and regularization shifted between December 2019 and December 2020 from TND 185 994 thousand to TND 222 733 Thousand, an increase of TND 36 739 thousand or 19.75%.

	31/12/2020	31/12/2019	Variation	In %
Other deferred revenues	7 950	7 918	32	0,40%
Accrued expenses	90 629	78 961	11 668	14,78%
Suspense accounts to be settled	124 153	99 115	25 038	25,26%
<b>Total Suspense accounts and regularization</b>	<b>222 733</b>	<b>185 994</b>	<b>36 739</b>	<b>19,75%</b>

### *(3) Other accounts*

The other accounts shifted between December 2019 and December 2020 from TND 107 007 thousand to TND 71 500 thousand, a decrease of TND 35 507 thousand or 33.18%.

	31/12/2020	31/12/2019	Variation	In %
State, taxes and fees	34 286	63 775	(29 489)	-46,24%
Deduction accounts	31 680	34 290	(2 610)	-7,61%
Other accounts payable	5 534	8 942	(3 408)	-38,11%
<b>Total other accounts</b>	<b>71 500</b>	<b>107 007</b>	<b>(35 507)</b>	<b>-33,18%</b>

## NOTE V – Statement of Shareholders Equity

(Figures are expressed in TND thousand: Thousand of Tunisian Dinars)

The total of shareholders equity shifted between December 2019 and December 2020 from TND 1 471 578 thousand to TND 1 753 926 thousand, recording thereby an increase of TND 282 348 thousand or 19.19%.

The following chart summarizes the shareholders equity's change between 2019 and 2020.

	Share Capital	Reserves	Other Shareholders Equity	Forwarded Results	Net income of the financial year	Total
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 2018	-	-	-	-	333 006	333 006
Balance as at 31/12/2019	170 000	595 910	3	372 659	333 006	1 471 578
Allocation of the income	-	170 000	-	163 006	(333 006)	-
capital increase *	8 500	(8 500)	-	-	-	-
Social funds		506	-	-	-	506
Net income of the financial year 2020	-	-	-	-	281 842	281 842
Balance as at 31/12/2020	178 500	757 916	3	535 665	281 842	1 753 926

\* The Extraordinary General Assembly held on June 03<sup>rd</sup>, 2020 decided 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.

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 89 610 thousand on December 31st, 2020 and detailed as follows:

Unavailable Reserves submitted to a particular tax regime:	TND 55 587 thousand
Reserves submitted to a particular tax regime:	TND 33 867 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 31<sup>st</sup>, 2020 to TND 34 023 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 outstanding claim is excluded from this situation.

2) The foreign-exchange transactions not solved on the date 31/12/2020 amount to TND 514 048 thousand.

3) The value of securities to be delivered resulting from securities operations amounts on 31/12/2020 to TND 137 thousand.

**NOTE VII – Income Statement***(Figures are expressed in TND thousand: Thousand of Tunisian Dinars)***VII-1. Banking operating revenues**

The total of this item shifted from TND 1 515 839 thousand on December 31<sup>st</sup>, 2019 to TND 1 452 378 thousand on December 31<sup>st</sup>, 2020, recording a decrease of TND 63 461 thousand or 4.19%.

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 other similar revenues**

Interests and other similar revenues shifted from TND1 093 784 thousand on 31/12/2019 to TND 996 797 thousand on 31/12/2020, recording a decrease of TND 96 987 thousand or 8.87%. This change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Interests on bank ordinary accounts	262	258	4	1,55%
Interests on accounts of interbank loans	15 537	9 502	6 035	63,51%
Interests on customer loans	798 762	872 501	(73 739)	-8,45%
Interests on accounts receivables to customer	131 634	140 319	(8 685)	-6,19%
Interests and assimilated income from guarantee commitment	28 631	28 996	(365)	-1,26%
Other interests and assimilated income	21 971	42 208	(20 237)	-47,95%
<b>Total interests and other similar revenues</b>	<b>996 797</b>	<b>1 093 784</b>	<b>(96 987)</b>	<b>-8,87%</b>

**VII-1-2. Commissions (in incomes)**

The commissions shifted from TND 201 640 thousand on 31/12/2019 to TND 215 546 thousand on 31/12/2020, recording an increase of TND 13 906 thousand or 6.9%. This change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Commission on foreign-exchange transactions	1 140	2 922	(1 782)	-60,99%
Commission on financing commitments	55 080	34 761	20 319	58,45%
Commission on guarantee commitments	11 700	12 160	(460)	-3,78%
Commission on services of financial services	69 141	70 336	(1 195)	-1,70%
Commissions on other banking operating	78 485	81 461	(2 976)	-3,65%
<b>Total Commissions (in incomes)</b>	<b>215 546</b>	<b>201 640</b>	<b>13 906</b>	<b>6,90%</b>



### VII-1-3. Gains on commercial securities portfolio and financial operations

These gains total TND 113 700 thousand on 31/12/20 against TND 106 379 thousand on 31/12/2019, an increase of TND 7 321 or 6.88%.

	31/12/2020	31/12/2019	Variation	In %
Incomes on transaction securities (a)	3 119	2 232	887	39,74%
Incomes on investment securities	67	56	11	19,64%
Gains on foreign-exchange and arbitrage transactions (b)	110 514	104 091	6 423	6,17%
<b>Total Gains on commercial securities portfolio and financial operations</b>	<b>113 700</b>	<b>106 379</b>	<b>7 321</b>	<b>6,88%</b>

This increase is detailed as follows:

#### (a) Revenues of transaction securities

The income of transaction securities shifted between December 2019 and December 2020 from TND 2 232 thousand to TND 3 119 thousand, an increase of TND 887 thousand or 39.74%. these incomes are detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Incomes of transaction securities	2 135	3 416	(1 281)	-37,50%
Capital gain or loss of disposal or refund	673	(411)	1 084	-263,75%
Capital gain or loss of reassessment of BTA Securities	311	(773)	1 084	-140,23%
<b>Total transaction securities revenues</b>	<b>3 119</b>	<b>2 232</b>	<b>887</b>	<b>39,74%</b>

#### (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 shifted from TND 104 091 thousand on 31/12/2019 to TND 110 514 thousand on 31/12/2020 recording a rise of TND 6 423 thousand or 6.17%.

### VII-1-4. Investments portfolio revenues

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 TND12 299 thousand or 10.79 % going from one period to another from TND 114 036 thousand to TND 126 335 thousand.

	31/12/2020	31/12/2019	Variation	In %
Interests and incomes of the investment securities	107 605	99 864	7 741	7,75%
Incomes of shares in the associated companies	17 034	12 921	4 113	31,83%
Incomes of equity securities	1 696	1 251	445	35,57%
<b>Total investments portfolio revenues</b>	<b>126 335</b>	<b>114 036</b>	<b>12 299</b>	<b>10,79%</b>

## VII-2. Bank operating expenses

The total of this heading went from TND 558 950 thousand on December 31<sup>st</sup>, 2019 to TND 511 539 thousand on December 31<sup>st</sup>, 2020, recording a decrease of TND 47 411 thousand or 8.48%.

These bank operating expenses consists of the following items :

- Interests incurred and assimilated expenses
- Commissions incurred.

### VII-2-1. The interests incurred and assimilated expenses

The interests incurred and assimilated expenses went from TND 555 928 thousand on 31/12/2019 to TND 507 808 thousand on 31/12/2020, recording a decrease of TND 48 120 thousand or 8.66%. this change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Interests on bank ordinary accounts	483	626	(143)	-22,84%
Interests on interbank loans accounts	4 319	5 463	(1 144)	-20,94%
Interests on customer's deposits	418 647	361 025	57 622	15,96%
Interests on obligatory and subordinate loans	27 068	15 362	11 706	76,20%
Interests on special resources	1 235	1 381	(146)	-10,57%
Other interests and expenses	56 056	172 071	(116 015)	-67,42%
<b>Total interests incurred and assimilated expenses</b>	<b>507 808</b>	<b>555 928</b>	<b>(48 120)</b>	<b>-8,66%</b>

### VII-2-2. Commissions incurred

The commissions incurred went from TND 3 022 thousand on 31/12/2019 to TND 3 731 thousand on 31/12/2020, recording an increase of TND 709 thousand or 23.46%. This change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Commissions on treasury transactions and interbank transactions	3 341	2 924	417	14,26%
Commissions on other transactions	390	98	292	297,96%
<b>Total commissions incurred</b>	<b>3 731</b>	<b>3 022</b>	<b>709</b>	<b>23,46%</b>

### 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 31/12/2020 a net allocation of TND 133 819 thousand broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocation to provisions on customer receivables	(161 375)	(118 330)	(43 045)	36,38%
Allocation to provisions for risks and expenses	(9 295)	(19 022)	9 727	-51,14%
<i>Total allocations</i>	(170 670)	(137 352)	(33 318)	24,26%
Losses on receivables	(66 801)	(48 538)	(18 263)	37,63%
<b>Total allocations and losses on receivables</b>	<b>(237 471)</b>	<b>(185 890)</b>	<b>(51 581)</b>	<b>27,75%</b>
Reversal of provisions on customer receivables	101 726	79 201	22 525	28,44%
Reversal of provisions for losses and expenses	1 788	1 487	301	20,24%
<i>Total reversals</i>	103 514	80 688	22 826	28,29%
Recoveries of receivable written off	138	167	(29)	-17,37%
<b>Total reversal and recoveries on receivables</b>	<b>103 652</b>	<b>80 855</b>	<b>22 797</b>	<b>28,19%</b>
<b>Balance</b>	<b>(133 819)</b>	<b>(105 035)</b>	<b>(28 784)</b>	<b>27,40%</b>

### VII-4. Allocation to provisions and the result of adjustment values on investment portfolio

The volume of this heading records on 31/12/2020 a loss on balance of TND 15 604 thousand broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocation to provisions on equity securities, portage and managed funds	(3 988)	(8 469)	4 481	-52,91%
Allocation to provisions on shares in the related companies and joint ventures	(3 088)	(1 358)	(1 730)	127,39%
<i>Total allocation</i>	(7 076)	(9 827)	2 751	-27,99%
Expenses and losses on securities	(9 525)	(5 694)	(3 831)	67,28%
<b>Total of allocations and losses on receivables</b>	<b>(16 601)</b>	<b>(15 521)</b>	<b>(1 080)</b>	<b>6,96%</b>
Reversal of provisions on shares in the related companies and joint ventures	885	892	(7)	-0,78%
Capital gain of disposal of equity securities	112	236	(124)	-52,54%
<i>Total reversal</i>	997	1 128	(131)	-11,61%
<b>Total reversal and recoveries on receivables</b>	<b>997</b>	<b>1 128</b>	<b>(131)</b>	<b>-11,61%</b>
<b>balance</b>	<b>(15 604)</b>	<b>(14 393)</b>	<b>(1 211)</b>	<b>8,41%</b>

### VII-5. Other operating incomes

This section, which is composed mainly of rental incomes and of interests on staff loans, shifted between December 2019 and December 2020 from TND 11 567 thousand to TND 11 752 thousand, recording thereby an increase of TND 185 thousand or 1,6%.

### VII-6. Personnel expenses

This section, which is composed mainly of salaries, social expenses and other staff expenses, shifted between December 2019 and December 2020 from TND 212 057 thousand to TND 217 202 thousand, recording thereby an increase of TND 5 145 thousand or 2.43%.

### VII-7. General operating expenses

The increase of TND 2 061 thousand recorded between December 2019 and December 2020 results from a rise in the non-banking operating costs at the rate of TND 7 101 thousand and the decrease in other general operating expenses to the tune of TND 5 040 thousand.

### VII-8. Allocations to depreciations and provisions on fixed assets

The balance of this section records on 31/12/2020 an amount of TND 36 500 thousand broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocations to depreciations of intangible fixed assets	3 330	4 840	(1 510)	-31,20%
Allocations to depreciations of tangible fixed assets	18 968	18 319	649	3,54%
Allocations to depreciations of deferred expenses	14 202	11 926	2 276	19,08%
<b>Total allocations to depreciations and to provisions on fixed assets</b>	<b>36 500</b>	<b>35 085</b>	<b>1 415</b>	<b>4,03%</b>

### VII-9. Balance in gain or in loss resulting from other ordinary items

This section is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Capital loss of assignment of fixed assets	(16)	(2)	(14)	700,00%
Other ordinary gains and losses	167	(4 993)	5 160	-103,34%
+ Value of assignment of fixed assets	112	55	57	103,64%
<b>Total balance in gain/loss resulting from other ordinary items</b>	<b>263</b>	<b>(4 940)</b>	<b>5 203</b>	<b>-105,32%</b>

### VII-10. Income taxes

The balance of this section records on 31/12/2020 an amount of TND 84 898 thousand against TND 111 689 thousand on 31/12/2019, a decrease of TND 26 791 thousand or 23.99%. The balance 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.

### VII-11. Balance in gain or in loss resulting from other extraordinary items

The balance in gain/loss resulting from other extraordinary items records on 31/12/2020 an amount of TND 28 677 thousand, is made up exclusively of the donations provided to the 1818 Fund for the fight against the coronavirus, of TND 18 330 thousand, and the TND 10 346 thousand one-off, cyclically adjusted contribution, as provided for by the regulations in force.

### NOTE VIII – Portfolio Payment

The value of checks, bills and other assimilated values held by the bank on behalf of third parties, awaiting collection amount on 31/12/2020 to TND 752 929 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 31/12/2020 have generated an impact cash and cash equivalents in the amount of TND 28 868 thousand.

This change is attributable in the following sections:

Designation	31/12/2020
Bank operating incomes	(94)
Customer deposits	(63 071)
Loans and advances granted to customer	33 318
Amounts paid to staff and sundry creditors	(144)
Issue/repayment of loans	(52)
Other cash flow generated from operating activities	1 175
<b>Net change</b>	<b>(28 868)</b>

#### 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 1 554 697 thousand on 31/12/2019 to TND 2 241 131 thousand on 31/12/2020, recording an increase of TND 686 434 thousand or 44.15 %, broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
<b>Cash in TND</b>				
Cash in dinars	120 164	120 773	(609)	-0,50%
Correspondents debtors	31 004	28 194	2 810	9,97%
Correspondents creditors	(780)	(1 111)	331	-29,79%
Cash debtors equivalents	4 936	9 569	(4 633)	-48,42%
Cash creditors equivalents	(26 715)	(6 035)	(20 680)	342,67%
<b>Total cash in TND</b>	<b>128 609</b>	<b>151 390</b>	<b>(22 781)</b>	<b>-15,05%</b>
<b>Foreign currencies cash</b>				
Foreign currencies cash	27 616	45 375	(17 759)	-39,14%
Correspondents debtors	1 617 774	1 313 393	304 381	23,18%
Correspondents creditors	(144 805)	(118 612)	(26 193)	22,08%
Foreign currencies investment	1 031 915	1 218 762	(186 847)	-15,33%
<b>Total foreign currencies cash</b>	<b>2 532 500</b>	<b>2 458 918</b>	<b>73 582</b>	<b>2,99%</b>
Transactions securities	8 022	69 389	(61 367)	-88,44%
Loans in dinars	(428 000)	(1 125 000)	697 000	-61,96%
<b>Cash and cash equivalent</b>	<b>2 241 131</b>	<b>1 554 697</b>	<b>686 434</b>	<b>-44,15%</b>

## Note X – Transactions with related parties

### GOLF SOUSSE MONASTIR « GSM »

1. After the conclusion of the transfer in lieu of payment act with the company GOLF SOUSSE MONSATIR "GSM", on December 27<sup>th</sup>, 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 1<sup>st</sup> 2014 and ending December 31<sup>st</sup>, 2015, renewable by tacit consent

An amendment to the said agreement was concluded, in 2020, by virtue of which both parties agreed to review the amount of the rent of the golf course, reducing it to an annual rent of TND 50,000 VAT excluded, payable on quarterly basis in advance from January 1<sup>st</sup>, 2020,

The rent is subject to a cumulative annual increase of 5% applied from January 1<sup>st</sup>, 2021

The amount listed among BIAT incomes in 2020 amounts to TND 50 000.

### International Arab Company for Debt Recovery «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 31<sup>st</sup>, 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 2020 amounts to TND 6 423.

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 2020 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 16.45m<sup>2</sup> 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 1<sup>st</sup>, 2012 and ending on August 31<sup>st</sup>, 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 2020 amounts to TND 3.362.

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 BIAT to the CIAR includes a margin of 5%.

The amount invoiced by BIAT in 2020 amounts to TND1 248 324.

6. 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 21<sup>st</sup>, 2017.

The amount invoiced by CIAR in 2020 amounts to TND 478 373.

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 under the amendment signed in December 2016.

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 1<sup>st</sup>, 2016 and ending on July 31<sup>st</sup>, 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 1<sup>st</sup>, 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 1<sup>st</sup>, 2018 till July 31<sup>st</sup>, 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 1<sup>st</sup>, 2019 at an annual rate of 5%.

The amount listed among BIAT's incomes in 2020 amounts to TND120 103.

9. BIAT concluded an agreement, in 2020, with the International Arab Company for Debt Recovery "CIAR", for the assignment of bank receivables with an amount of 50 507 KTND for the definite fixed price of 100 KTND.

## BIAT CAPITAL RISQUE.

10. 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 2020 amounts to TND 500 850 tax excluded.



- 11.** 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 2020 amounts to TND 121 150 tax excluded.

- 12.** 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 141 300 tax excluded.

- 13.** 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 2020 amounts to TND 90 850 tax excluded.

- 14.** 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 2020 amounts to TND 80.765 tax excluded.

- 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 2019-10) 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 2020 amounts to TND 53 388 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 (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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 61 390 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 (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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 61 390 tax excluded.

- 18.** 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:

- 05.% 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 2020 amounts to TND 61 289 tax excluded.

- 19.** 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:

- 05.% 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 2020 amounts to TND 86 886 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 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 74 143 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 (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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 73 937 tax excluded.

- 22.** 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 76 526 tax excluded.

- 23.** 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.

The amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 60 488 tax excluded.

- 24.** 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 amount invoiced by BIAT CAPITAL RISQUE for 2020 amounts to TND 61 100 tax excluded.

- 25.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 26.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 134 375 tax excluded.

- 27.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 131 250 tax excluded.

- 28.** 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 2020 amounts to TND 205 500 tax excluded.

- 29.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on January 4<sup>th</sup>, 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 2020 amounts to TND 166 130 tax excluded.

- 30.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on March 1<sup>st</sup>, 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 2020 amounts to TND 158 269 tax excluded.

- 31.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 32.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 2020 amounts to TND 155 925 tax excluded.

- 33.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on march 1<sup>st</sup>, 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 155 925 tax excluded.

- 34.** Within the framework of exempted investment affecting the result of financial year 2018, BIAT and BIAT CAPITAL RISQUES concluded on December 5<sup>th</sup>, 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 2020 amounts to TND 423 268 tax excluded.

- 35.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on December 20<sup>th</sup>, 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 2020 amounts to TND 698 752 tax excluded.

- 36.** Within the framework of the exonerated investment affecting the income of the year 2017, BIAT confided to BIAT CAPITAL RISQUES on December 20<sup>th</sup>, 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 2020 amounts to TND 85.005 tax excluded.

- 37.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12<sup>th</sup>, 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 2020 amounts to TND 162.511 tax excluded.

- 38.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 174 675 tax excluded.

- 39.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 173 701 tax excluded.

- 40.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on march 12<sup>th</sup>, 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 2020 amounts to TND 174 825 tax excluded.

- 41.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12<sup>th</sup>, 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 2020 amounts to TND 172 133 tax excluded.

- 42.** Within the framework of exempted investment affecting the result of financial year 2017, BIAT and BIAT CAPITAL RISQUES concluded on March 12<sup>th</sup>, 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 2020 amounts to TND 174 720 tax excluded.

- 43.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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.

- 44.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 87.488 tax excluded.

- 45.** Within the framework of the exonerated investment affecting the income of the year 2016, BIAT confided to "BIAT CAPITAL RISQUE" on March 9<sup>th</sup>, 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 2020 amounts to TND 45.005 tax excluded.

- 46.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 10<sup>th</sup>, 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 2020 amounts to TND 96.255 tax excluded.

- 47.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 89.057 tax excluded.

- 48.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUES concluded on March 17<sup>th</sup>, 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 2020 amounts to TND 82.981 tax excluded.

- 49.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 5<sup>th</sup>, 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 2020 amounts to TND 78.500 tax excluded.

- 50.** Within the framework of exempted investment affecting the result of financial year 2016, BIAT and BIAT CAPITAL RISQUE concluded on December 29<sup>th</sup>, 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 2020 amounts to TND 78.755 tax excluded.

- 51.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February, 29<sup>th</sup>, 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 2020 amounts to TND 86.459 tax excluded.

- 52.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February, 29<sup>th</sup>, 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 2020 amounts to TND 87.335 tax excluded.

- 53.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on March, 24<sup>th</sup>, 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 2020 amounts to TND 88.241 tax excluded.

- 54.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on February 18<sup>th</sup>, 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 2020 amounts to TND 47.005 tax excluded.

- 55.** Within the framework of exempted investment affecting the result of financial year 2015, BIAT and BIAT CAPITAL RISQUE concluded on June 18<sup>th</sup>, 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 2020 amounts to TND 35.005 tax excluded.

- 56.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT confided to BIAT CAPITAL RISQUE on May 20<sup>th</sup>, 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 2020 amounts to TND 44.265 tax excluded.

- 57.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded, on March 18<sup>th</sup>, 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 2020 amounts to TND 28.921 tax excluded.

- 58.** Within the framework of exonerated investment affecting the income of financial year 2013, BIAT and BIAT CAPITAL RISQUE concluded on January 17<sup>th</sup>, 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 2020 amounts to TND 58.355 tax excluded.

- 59.** BIAT confided to BIAT CAPITAL RISQUE, on March 15<sup>th</sup>, 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 2020 amounts to TND 72.530 tax excluded.

- 60.** BIAT confided to BIAT CAPITAL RISQUE on March 15<sup>th</sup>, 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 2020 amounts to TND 64 572 tax excluded.

- 61.** BIAT concluded with BIAT CAPITAL RISQUE on December 30<sup>th</sup>, 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 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 2020 amounts to TND 19.500 tax excluded.

- 62.** BIAT concluded with BIAT CAPITAL RISQUES on December 24<sup>th</sup>, 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 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 2020 amounts to TND 6.572 tax excluded.

- 63.** 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 2020 amounts to TND 7.990 tax excluded.

- 64.** 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 2020 amounts to TND 47.000 tax excluded.

- 65.** BIAT confided to "BIAT CAPITAL RISQUE" on December 28<sup>th</sup> 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 30<sup>th</sup>, 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 2020 amounts to TND 28.000 tax excluded.

- 66.** BIAT concluded, on December 27<sup>th</sup>, 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 2020 amounts to TND 1.277 tax excluded.

- 67.** BIAT confided to BIAT CAPITAL RISQUE on April 13<sup>th</sup>, 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 30<sup>th</sup>, 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 2020 amounts to TND 52.820 tax excluded.

- 68.** An amendment of the agreements of management of capital risk funds was concluded in 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.

- 69.** BIAT concluded in 2004 with BIAT CAPITAL RISQUE an amendment of management agreement of October 17<sup>th</sup> 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 2020 amounts to TND 42.017.

- 70.** BIAT rented to the company BIAT CAPITAL RISQUE two offices of administrative usage, of a surface area of 92m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning the 1<sup>st</sup> of September 2015 and ending the 31<sup>st</sup> 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 2<sup>nd</sup> year.

The income recorded at this level in 2020 amounts to TND 34.601.

- 71.** 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 amount invoiced to BIAT for the year 2020 amounts to TND 1 622 454

- 72.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-1) 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.

- 73.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-2) 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.

- 74.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-3) 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.

- 75.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-4) 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.

- 76.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-5) 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.

- 77.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-6) 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.

- 78.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-7) 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.

- 79.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-8) 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.

- 80.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-9) 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.

- 81.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Industrial Fund 2021-10) 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.

- 82.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-1) 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.

- 83.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-2) 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.

- 84.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-3) 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.

- 85.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-4) 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.

- 86.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-5) 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.

- 87.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-6) 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.

- 88.** Within the framework of the exonerated investment affecting the income of the year 2020, BIAT and BIAT CAPITAL RISQUE signed an agreement of funds management (Regional Fund 2021-7) with a total amount of 7.000 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.

## SOPIAT

- 89.** BIAT concluded with the company « SOPIAT » a rental agreement of premise for preserving the archives with a total surface area of 3.138 m<sup>2</sup> located in logistics center, industrial zone El fejja.

The lease was consented and accepted for three year period beginning on April 1<sup>st</sup>, 2020 and ending on may 31<sup>st</sup>, 2022, for an annual rent of TND 434.000 VAT excluded.

This rent will be renewable by tacit consent within the limit of a maximum duration of one year from the effective date of the agreement.

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

In return to this mission, SOPIAT perceives an annual remuneration amounting to TND 434.000 VAT excluded.

This remuneration will be subject to non-cumulative increase of 5% applicable from the 3<sup>rd</sup> year of the rental.

The agreement is granted for a period starting from April 1<sup>st</sup>, 2020 and ending on March 31<sup>st</sup>, 2022, renewable by tacit consent.

The amount of expenses for the year 2020 amounts to TND 325.500 VAT excluded.

- 90.** 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 1<sup>st</sup> floor of the complex El Ahmadi in La Marsa with a gross total surface of 595 m<sup>2</sup>.

This rent was consented and accepted for a period of two years, beginning on December 13<sup>th</sup>, 2019 and ending on December 12<sup>th</sup>, 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 3<sup>rd</sup> year of the rental.

The amount of expenses for the year 2020 amounts to TND 334.999 VAT excluded.

- 91.** 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 2020 amounts to TND 50.049 VAT excluded.

- 92.** 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 5<sup>th</sup> floor for the 2<sup>nd</sup> 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 2020 amounts to TND 50.193 VAT excluded.

- 93.** 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 5<sup>th</sup> floor for the 2<sup>nd</sup> 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%.

An amendment to the said agreement was concluded, on November 9<sup>th</sup>, 2020, by virtue of which Sopi at provides BIAT with a worker for the follow-up of the maintenance of the 5th floor of the 2<sup>nd</sup> phase of the bank's registered office.

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

This agreement has been concluded for two year period starting from January 1<sup>st</sup>, 2019 and ending December 31<sup>st</sup>, 2020 and will be renewable by tacit consent .

The amendment to the initial agreement covers a period starting from November 9<sup>th</sup>, 2020 and ending December 31<sup>st</sup>, 2020.

The amount invoiced by SOPIAT for the year 2020 amounts to TND 30.334 VAT excluded.

- 94.** BIAT rented to SOPIAT two offices of administrative usage, of a surface area of 49m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning January 26<sup>th</sup>, 2015 and ending January 25<sup>th</sup> 2017, for an annual rent of TND 14.717 VAT excluding.

The income recorded in 2020 amounts to TND 18.708.

- 95.** 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 1<sup>st</sup> 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 1<sup>st</sup>, 2012 and will come to an end in the date planned for the completion of the construction project, which is June 30<sup>th</sup>, 2014.

The amount invoiced by SOPIAT in 2020 amounts to TND 49.700 VAT excluded.

- 96.** In 2020, BIAT concluded a memorandum of understanding with the company «SOPIAT» as follows:

- BIAT substitutes SOPIAT» in all its rights and obligations resulting from the promises of sale of the following real estate properties:

1- The promise of sale concluded on December 25<sup>th</sup>, 2017 between the «Société de Promotion du Lac de Tunis « SPLT» and the « SOPIAT» for the acquisition of a lot of land n° D 17-3/ICP R+4, located at the subdivision plan « La Perle du Lac», composed of the plot n° 54 with an area of 2439 m2to be excluded from the Land Title n° 190712 Tunis.

The said property has been the subject of a final sale agreement concluded between BIAT and «SPLT», dated 28 July 2020 registered at the treasury office of Lac on September 1<sup>st</sup>, 2020 under n°20104582.



2- The promise of sale concluded on December 22<sup>nd</sup>, 2017 between the company of Promotion of the Tunis Lake « SPLT » and the company « Taamir » for the acquisition of a lot of land n° D 17-4/ICP R+4, located at the plan of allotment « La Perle du Lac », composed of the plot No. 53 with an area of 2435 m<sup>2</sup> to be excluded from the land title No. 190712 Tunis, which was transferred to SOPIAT according to the tripartite memorandum of understanding concluded between the « SPLT », the company « TAAMIR » and the « SOPIAT » duly signed and authenticated on April 20<sup>th</sup>, 2018.

The said property has been the subject of a final sale agreement concluded between BIAT and « SPLT », dated 7 August 2020 registered at the treasury office of Lac on September 1<sup>st</sup>, 2020 under n°20104583.

- For this purpose, BIAT commits to pay SOPIAT a global amount of TND 17.040.314, for the funds and expenses paid in advance by SOPIAT on behalf of BIAT and having allowed the realization of the acquisition of the 2 aforementioned land lots.

The two parties have also agreed to grant to « SOPIAT », BIAT's representative, a remuneration of TND 340.000 (tax excluded) for its technical assistance to the said acquisition transaction.

## BIAT CONSULTING

**97.** The BIAT executed, in November 2016, with the company BIAT CONSULTING, a framework convention for providing executives for a period starting on March 1<sup>st</sup>, 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%.

An amendment to the said agreement was concluded, in 2020, by virtue of which both parties agreed to review the billing rate of the assistance services rendered by « BIAT Consulting », fixing it at TND 500 all taxes included per day/man.

The payment will be made at the latest within 30 days from the receipt of the invoice, which shall be accompanied by a schedule of presence of the participants duly signed by the manager of the BIAT project subject of the service.

The amount invoiced by BIAT CONSULTING for 2020 amounts to TND 191.944 Tax excluded.

**98.** 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.

**99.** BIAT rented to BIAT CONSULTING company three offices of administrative usage, of a surface area of 101m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba Tunis.

This rental was agreed for a two consecutive years, beginning on October 1<sup>st</sup>, 2015 and ending on September 30<sup>th</sup>, 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 2<sup>nd</sup> year.

The amount invoiced by BIAT in 2020 amounts to TND 37.762.

**100.** 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 1<sup>st</sup> of January 2018.

The amount invoiced by BIAT to BIAT CONSULTING, in 2020, amounts to TND 272.336.

## BIAT ASSET MANAGEMENT

**101.** The BIAT executed on October 25<sup>th</sup>, 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 2020 amounts to TND 24.974.

**102.** The BIAT executed on May 04<sup>th</sup>, 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 2020 amounts to TND12.935.

**103.** BIAT amended on December 25<sup>th</sup>, 2017 the two deposits and distribution agreements of mutual fund investment "FCP BIAT – EPARGNE ACTIONS" the first was signed, on November 24<sup>th</sup>, 2006 with BIAT ASSET MANAGEMENT then was renewed, on November 20<sup>th</sup>, 2013, while the second was newly signed at this same date on November 20<sup>th</sup>, 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 25<sup>th</sup>, 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 2020 amounts to TND 79.193.

**104.** The BIAT executed on May 4<sup>th</sup>, 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.

**105.** 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 m<sup>2</sup>, 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 m<sup>2</sup> 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 1<sup>st</sup>, 2018 by tacit consent.

This rent is granted for a monthly rent of TND 59.185 VAT excluded for a period beginning from 01/10/2016 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 1<sup>st</sup> of august 2019 and ending the 31<sup>st</sup> July 2020, renewable from year to year by tacit consent

Secondly, to reduce the leased area to 165,1 m<sup>2</sup>

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 2020 amounts to TND 55 202.

**106.** 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 2020 amounts to TND 637.267.

#### “SICAV OPPORTUNITY” and of “SICAV PROSPERITY”

**107.** BIAT amended, on December 23<sup>rd</sup>, 2013 and on December 25<sup>th</sup>, 2017 the two Agreements of exclusive trustee of securities and funds of the “SICAV OPPORTUNITY” and of the “SICAV PROSPERITY” initially signed on March 08<sup>th</sup>, 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 25<sup>th</sup>, 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 2020 amount to TND 7.927.

## "SICAV TRESOR"

**108.** BIAT amended, on December 18<sup>th</sup>, 2015, the Agreement of exclusive trustee of securities and funds of the "SICAV TRESOR" initially signed on March 8<sup>th</sup>, 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 in 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 in 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 2020 amount to TND 405.987.

## "SICAV PATRIMOINE OBLIGATOIRE"

**109.** BIAT concluded, on October 13<sup>th</sup>, 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 23<sup>rd</sup>, 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 2020 amounts to TND 697.086.

## BIAT CAPITAL

**110.** 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<sup>th</sup>, 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 2020 amounts to TND 12.500 tax excluded.

**111.** 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 m<sup>2</sup>, 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 331 m<sup>2</sup> 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 1<sup>st</sup>, 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 1<sup>st</sup> of august 2019 and ending the 31<sup>st</sup> july 2020, renewable from year to year by tacit consent .

Secondly, to reduce the leased area to 232,2 m<sup>2</sup>

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 2020 amounts to TND 75.252.

**112.** 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.

**113.** 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 2020 amounts to TND 1 029 997.

**114.** The BIAT concluded on January 2<sup>nd</sup> 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%.	-

## OSI

**115.** 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 2020 amounts to TND 30.920 VAT excluded.

## ORANGE TUNISIA LC

**116.** On August 30<sup>th</sup>, 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 m<sup>2</sup>. This rental was agreed for a period of three years, beginning as of April 1<sup>st</sup>, 2010, and ending on March 31<sup>st</sup>, 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 2020 amount to TND 49.579.

**117.** On December 24<sup>th</sup>, 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 m<sup>2</sup>. This rental was agreed for duration of three years, beginning as of December 1<sup>st</sup>, 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 2020 amounts to TND 49.421.

## SICAF BIAT & SGP

**118.** December 23<sup>rd</sup>, 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 2020 amounted to TND 13.483.

## TUNISIE TITRISATION

**119.** On May 10<sup>th</sup>, 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 31<sup>st</sup>, 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 31<sup>st</sup>, 2020 reached TND 156 tax excluded.

**120.** On May 18<sup>th</sup>, 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 2020, 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 31<sup>st</sup>, 2020, amount to TND 4.416 tax excluded.

## BIAT ASSURANCES

**121.** BIAT concluded , in February 2018 ,with the company «Assurances BIAT» a lease agreement of premise for administrative office usage, with a surface of 183 m<sup>2</sup> including common areas, situated on the 1<sup>st</sup> 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 2020 amounts to TND 8 865.

**122.** 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 m<sup>2</sup> 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 2020 amounts to TND 11 947.



**123.** 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 80m<sup>2</sup> 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 2020 amounts to TND 13.336.

**124.** Since 2004, BIAT concluded insurance contracts with the company « Assurances BIAT » - through the intermediate of the company "LA PROTECTRICE ASSURANCE".

The expense supported, in 2020, is detailed as follows:

Type	Amount of the expenses of Insurance (in TND)
Third-party insurance	67.179
Physical Accidents Insurance	92.123
Life insurance « Family Protection »	152.039
Insurance « Assistance à l'étranger pour les cartes bancaires visa premier et Business Gold » (assistance abroad for bankcards visa first and Business Gold)	1.177.581
Insurance « vol global banque » (Global Theft Bank)	336.025
Insurance against theft and loss of cards	364.458
Insurance « incendie et garanties annexes » (fire and attached guarantee)	468.592
Insurance automobile fleet	42.610
Insurance multi-risk on computers	33.623
Insurance Pack Saphir and Silver	804.235
Insurance Pack« Express» and Pack « First»	52.857
Insurance Pack Elite	191.310
Insurance Pack Platinum	472.545
Insurance «Assistance à l'étranger pour les cartes Platinum et infinite» ( assistance abroad for platinum and infinite cards )	416.138
Insurance « carte de crédit» Credit Card	179.352
Insurance groups of the staff (employer's contribution)	10.988.344
Life Insurance (AFEK)(*)	1.573.240

(\*) In 2012, BIAT signed a collective «life insurance» agreement with BIAT ASSURANCE in favor of its staff, known as «members».

**125.** BIAT ASSURANCES gives in sublease to the bank a premise denominated "Commercial 2" having a total surface of 145m<sup>2</sup> 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 1<sup>st</sup>, 2010 to April 30<sup>th</sup>, 2014.

Starting from May 2014, an addendum was signed to extend the duration of the rent from May 1<sup>st</sup>, 2014 to April 30<sup>th</sup>, 2019. An annual cumulative increase of the rent will be applicable from May 1<sup>st</sup>, 2014, with an annual rate of 5% on the basis of the rent of the previous year.

The amount listed under BIAT charges of 2020 amounts to TND 32 578.

**126.** During the 2020 financial year, BIAT invoiced BIAT ASSURANCES an amount of 509.574 dinars excluding tax for the provision of personnel.

### **SOCIETE DE PROMOTION TOURISTIQUE « SPT SFAX »**

**127.** BIAT rented to SPT Sfax an office of administrative usage, of a surface area of 25m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on 1<sup>st</sup> of January 2015 and ending on 31<sup>st</sup> of December 2016, for an annual rent of TND 7.525 VAT eCLxcluded.

The income recorded in 2020 amounts to TND 9.604.

### **SOCIETE DE PROMOTION TOURISTIQUE « SPT MOHAMED V »**

**128.** 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 1<sup>st</sup>, 2016 and ending on December 31<sup>st</sup>, 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.

**129.** BIAT rented to the company SPT Mohamed V an office of administrative usage, of a surface area of 43m<sup>2</sup>, located on its head office in Avenue Habib Bourguiba-Tunis.

This rental was agreed for a period of two consecutive years, beginning on July 1<sup>st</sup> 2016 and ending on December 31<sup>st</sup> 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 1<sup>st</sup> 2017.

The income recorded in 2020 amounts to TND 15.448.

### **Estrat**

**130.** 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 1<sup>st</sup>, 2019 .

It will be renewable by tacit consent, unless a written waiver was given by one of the parties , subject to a notice of one month.

The amount invoiced by estrat for the year 2020 amounts to TND 740.000 tax excluded.

## Value Digital Services

**131.** 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 1<sup>st</sup>, 2019.

The amount invoiced by « Value Digital Services » in 2020 amounts to TND 5 458 750 tax excluded.

**132.** BIAT concluded with the company « Value Digital Service» a lease agreement of premise to be used as offices with a surface area of 821 m<sup>2</sup>, and a part situated on the second floor with an area of 323 m<sup>2</sup> of the building, located at l'angle de 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 .

The income recorded in 2020 amounts to TND 286.000.

## TAAMIR

**133.** BIAT concluded in 2019 with the company « TAAMIR» a lease agreement of furniture and equipment storage depot with a surface area of 350 m<sup>2</sup> located in Sidi Daoud industrial zone, la Marsa.

The lease was consented and accepted for a period of three months beginning on march 1<sup>st</sup>, 2019 and ending on may 31<sup>st</sup>, 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 2020 amounts to TND 4.664 VAT excluded.

## BIAT FRANCE

**134.** 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 1.222 KDT, the equivalent value of € 360.000 for the financial year 2020.

## OBLIGATIONS AND COMMITMENTS TO DIRECTORS

**135.** BIAT's obligations and commitments to its executives for the year ended on December 31<sup>st</sup>, 2020 are as follows (in TND):

Nature of Benefit	Managing Director		Directors	
	Expense of the year	Liabilities as of 31/12/2020	Expense of the year	Liabilities as of 31/12/2020
Short term Benefits (*)	1 098 750	126 565	672 000	579 000
Post employment Benefits	-	-	-	-
Other long term Benefits	-	-	-	-
Termination benefit	-	-	-	-
Payment in shares	-	-	-	-
<b>Total</b>	<b>1 098 750</b>	<b>126 565</b>	<b>672 000</b>	<b>579 000</b>

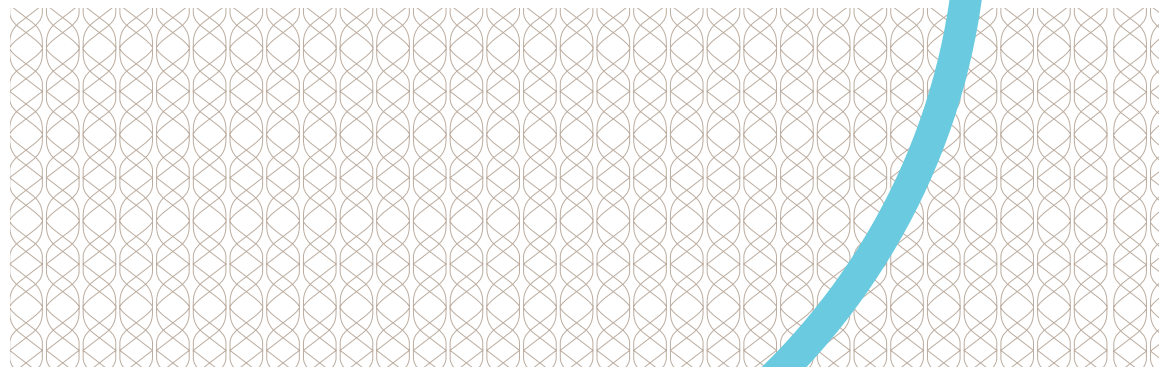
(\*) : Remuneration paid, social expenses, and the paid leave to corporate officers; attendance fees and other remuneration paid to the directors.

### Note XI – Events subsequent to the closing date

The financial statements of the bank are approved and authorized for publication by the Board of Directors on 10 March 2021. No event subsequent to the closing date that could impact the financial statements on December 31, 2020 has occurred until on the date of their arrest.

— **14**

**CONSOLIDATED  
FINANCIAL  
STATEMENTS AS  
OF DECEMBER  
31<sup>ST</sup>, 2020**





# 14.1 Auditor's report on the consolidated financial statements as at december 31, 2020

«BIAT » GROUP  
 STATUTORY AUDITOR'S REPORT  
 THE CONSOLIDATED FINANCIAL STATEMENTS –  
 THE FINANCIAL YEAR ENDING DECEMBER 31, 2020

To the Shareholders of Banque Internationale Arabe de Tunisie «BIAT»

Dear Sirs,

## I. Audit Report of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Banque Internationale Arabe de Tunisie «BIAT», which comprises the consolidated balance sheet as at December 31<sup>st</sup>, 2020, as well as the consolidated off balance-sheet commitments, the consolidated income and consolidated cash flows' statements and a summary of significant accounting policies and other notes. These financial statements were approved by the Board of Directors on 10 March 2021, on the basis of the elements available at that date, in a changing context of the health crisis related to Covid-19 and show positive equity of 1771 111 KTND, including the profit for the year amounting to 277 480 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<sup>st</sup>, 2020 and the results of its operations and cash flows for the financial year then ended in accordance with Generally Accepted Accounting System 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 consolidated 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 ethical responsibilities in accordance with these rules.

We believe that the audit evidence we have obtained is sufficient and appropriate to a basis for our opinion.

### Key Audit Matters

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

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

We identified the following key audit matters that should be disclosed in our report:

## 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 <b>11 260 746 KTND</b> as at 31 December 2020 and the net cost of risk associated with the level of profit for the year, which amounts to <b>108 628 KTND</b> in individual provisions and <b>38 503 KTND</b> in collective provisions.</p> <p>The accounting rules and methods relating to the evaluation 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 « The evaluation rules of the receivables », Note IV-3 « Customer loans » and Note VIII-3 « Allocation to provisions and the result of valued adjustment of receivables, off-balance sheet and liabilities ».</p> <p>The evaluation of the commitments and the estimation 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"> <li>- The supervisory mechanism put in place regarding the process of depreciation of customer commitments ;</li> <li>- The reliability of the information provided by the Bank concerning customers whose outstanding amounts show impairment's indicators ;</li> <li>- 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.</li> </ul> <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>



## Evaluation of Investments 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 (12%), which totals as at December 31<sup>st</sup>, 2020, 2 269 167 KTND, as well as the weight of related income which amounting during the year to 111 017 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 IV-5 «Investment portfolio» and Note VIII-1-4 «Investments portfolio revenues».</p> <p>The evaluation 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"> <li>- 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.</li> <li>- Ensuring compliance with the rules provided by accounting standard NCT 25 related to the securities' portfolio in banking institutions.</li> <li>- 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.</li> <li>- 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.</li> <li>- Appreciating the reasonableness of the valuation of each category of investment securities and check the procedures for determining and recognizing the required provisions.</li> <li>- Verifying the accuracy of the investment securities' portfolio data provided in the notes to the financial statements.</li> </ul>

## Recognition of Interests and other similar revenues

Key Audit Matter	Audit procedures
<p>As indicated in the note VIII-1-1 to the consolidated financial statements, Interests and other similar revenues from credit transactions amounting to 998 231 KTND at December 31<sup>st</sup>, 2020 and represent the largest revenue item of the Group's operation (63 %).</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 reserved incomes, 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"> <li>- Assessment the information system, policies, processes and controls put in place to recognize revenue from credit operations.</li> <li>- Verify the effective application of the automated or manual controls in place.</li> <li>- Carry out substantive analytical procedures on the development of outstanding, interest and assimilated income.</li> <li>- Verify compliance with accounting standard NCT24 «Commitments and related revenues in banking institutions» in terms of income recognition and separation of accounting periods "Cut off principle".</li> <li>- To carry out, by the sampling technique, detailed tests on the calculation of the breakage of the bank's revenues.</li> <li>- Perform tests to verify the validity of the reserved income based on a representative sample.</li> <li>- Verify the appropriateness of the information provided in the notes to the financial statements.</li> </ul>

## Observation Paragraphs

- a. We draw your attention to the note II.8 «Highlights of the year» of the financial statements which describes the events related to the COVID-19 health crisis, the measures taken by the public authorities in this respect and their impact on the bank's activity as well as the accounting treatments related to the postponement of the maturities of credits granted to professionals and individuals, as provided for in the circulars of the Central Bank of Tunisia. n°2020-06, n°2020-07 and n°2020-08.
- b. As indicated in the note II-7 «The evaluation rules of receivables» of the consolidated financial statements and in application of the circular of the Central Bank of Tunisia n°2012-06 as amended and completed by the subsequent texts, and in order to cover the latent risks on the current commitments and the commitments requiring a particular follow-up in the sense of the CBT circular n°91-24, the bank has established general provisions called «collective provisions» by deduction from the results.

The methodology for calculating these provisions was modified by CBT circular n°2021-01. This change of estimate was treated in a prospective way and resulted in the constitution of additional collective provisions of 30 198 KDT for the financial year 2020. Thus, the balance of the collective provisions established by the bank as of December 31st, 2020, amounts to 109 082 KDT.

Our opinion is not modified with regard to these points.

## 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 10 March 2021.

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 consolidated 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 consolidated 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 Consolidated Financial Statements

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 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 directors 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 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 applicable 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 collectively, 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 our professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence 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 consolidated 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 consolidated 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 that 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 14 November 1994, as amended by law n° 2005-96 dated 18 October 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 consolidated financial statements. In this regard, we recall that the responsibility for the design and implementation of an internal control system as well as the periodic monitoring of its effectiveness and efficiency 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 consolidated financial statements for the year ended 31 December 2020.

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

Tunis, April 6<sup>th</sup>, 2021

The Statutory Auditors

F.M.B.Z KPMG TUNISIE  
Kalthoum BOUGUERRA

FINOR  
Walid BEN SALAH

## 14.2 Consolidated Financial Statements as of December 31<sup>st</sup>, 2020

### THE CONSOLIDATED FINANCIAL STATEMENTS

#### Consolidated Balance Sheet

As of December 31<sup>st</sup>, 2020

(In Thousands of Dinars)

	Note	31/12/2020	31/12/2019	Variation	In %
<b>ASSETS</b>					
Cash and assets with BCT, CCP, TGT	IV-1	1 746 847	1 473 077	273 770	18,58%
Banking and financial institutions loans	IV-2	1 408 360	1 678 508	(270 148)	-16,09%
Customer loans	IV-3	11 260 746	10 352 516	908 230	8,77%
Commercial Securities Portfolio	IV-4	598 323	647 600	(49 277)	-7,61%
Investment Portfolio	IV-5	2 269 167	1 730 365	538 802	31,14%
Equity Affiliates	IV-6	7 025	9 993	(2 968)	-29,70%
Fixed values	IV-7	499 577	376 954	122 623	32,53%
Net differential acquisition(Goodwill)	IV-8	43 693	7 396	36 297	490,77%
Other Assets	IV-9	608 072	609 862	(1 790)	-0,29%
<b>Total assets</b>		<b>18 441 810</b>	<b>16 886 271</b>	<b>1 555 539</b>	<b>9,21%</b>
<b>LIABILITIES</b>					
Central Bank of Tunisia and Post Office	V-1	780	1 201	(421)	-35,05%
Deposits and holding with banking and financial institutions	V-2	619 626	1 259 962	(640 336)	-50,82%
Customers deposits and assets	V-3	14 348 935	12 641 443	1 707 492	13,51%
Borrowings and special resources	V-4	253 000	196 747	56 253	28,59%
Other liabilities	V-5	883 855	791 083	92 772	11,73%
<b>Total liabilities</b>		<b>16 106 196</b>	<b>14 890 436</b>	<b>1 215 760</b>	<b>8,16%</b>
<b>Minority Interests</b>					
Minority share in consolidated reserves	VI	542 297	478 495	63 802	13,33%
Minority share in consolidated income	VI	22 206	24 957	(2 751)	-11,02%
<b>Total minority interests</b>		<b>564 503</b>	<b>503 452</b>	<b>61 051</b>	<b>12,13%</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital		178 500	170 000	8 500	0
Consolidated reserves		1 315 128	977 610	337 518	34,52%
Other shareholders' equity		3	3	-	-
Consolidated income of the financial year		277 480	344 770	(67 290)	-19,52%
<b>Total shareholders' equity</b>	VII	<b>1 771 111</b>	<b>1 492 383</b>	<b>278 728</b>	<b>18,68%</b>
<b>Total liabilities and shareholders' equity</b>		<b>18 441 810</b>	<b>16 886 271</b>	<b>1 555 539</b>	<b>9,21%</b>

## STATEMENT OF OFF-BALANCE SHEET COMMITMENTS

As of December 31<sup>st</sup>, 2020

(In Thousands of Dinars)

	31/12/2020	31/12/2019	Variation	In %
<b>CONTINGENT LIABILITIES</b>				
Guarantees and endorsements given	2 384 847	2 422 407	(37 560)	-1,55%
a- To banks and financial institutions	720 351	726 225	(5 874)	-0,81%
b- To costumers	1 664 497	1 696 182	(31 685)	-1,87%
Letters of Credits	648 474	581 067	67 407	11,60%
a- To costumers	588 616	508 163	80 453	15,83%
b- Others	59 858	72 904	(13 046)	-17,89%
<b>Total contingent liabilities</b>	<b>3 033 321</b>	<b>3 003 474</b>	<b>29 847</b>	<b>0,99%</b>
<b>COMMITMENTS GIVEN</b>				
Financing commitments given	1 003 913	1 011 266	(7 353)	-0,73%
To costumer	1 003 913	1 011 266	(7 353)	-0,73%
Commitments on securities	37 166	2 135	35 031	1640,80%
a- Non paid up participations	36 818	2 118	34 700	1638,34%
b- Securities to be received	348	17	331	1947,06%
<b>Total commitments given</b>	<b>1 041 079</b>	<b>1 013 401</b>	<b>27 678</b>	<b>2,73%</b>
<b>COMMITMENTS RECEIVED</b>				
Guarantees received	4 914 394	5 023 584	(109 190)	-2,17%
<b>Total commitments received</b>	<b>4 914 394</b>	<b>5 023 584</b>	<b>(109 190)</b>	<b>-2,17%</b>

**CONSOLIDATED STATEMENT OF INCOME**  
 Period from 1er January 1<sup>st</sup> to December 31<sup>st</sup>, 2020  
 (In Thousands of Dinars)

	Note	Financial Year 2020	Financial Year 2019	Variation	In %
<b>Banking Operating Income</b>					
Interests and other similar revenues	VIII-1-1	998 231	1 093 005	(94 774)	-8,67%
Commissions (in incomes)	VIII-1-2	332 820	302 512	30 308	10,02%
Gains on commercial securities portfolio and financial operations	VIII-1-3	144 603	140 523	4 080	2,90%
Investments portfolio revenues	VIII-1-4	111 017	106 149	4 868	4,59%
<b>Total banking operating income</b>		<b>1 586 671</b>	<b>1 642 189</b>	<b>(55 518)</b>	<b>-3,38%</b>
<b>Banking Operating Expenses</b>					
Interests incurred and related expenses	VIII-2-1	(486 641)	(537 540)	50 899	-9,47%
Claims paid on insurance operations	VIII-2-2	(60 921)	(57 639)	(3 282)	5,69%
Incurred commissions	VIII-2-3	(4 904)	(4 105)	(799)	19,46%
Losses on commercial securities portfolio and financial transactions		(169)	(113)	(56)	49,56%
<b>Total banking operating expenses</b>		<b>(552 635)</b>	<b>(599 397)</b>	<b>46 762</b>	<b>-7,80%</b>
<b>Net banking income</b>		<b>1 034 036</b>	<b>1 042 792</b>	<b>(8 756)</b>	<b>-0,84%</b>
Net provision charge and value adjustments for loan losses, off-balance sheet items and liabilities	VIII-3	(154 171)	(122 914)	(31 257)	25,43%
Net provision charge and value adjustments on investment portfolio	VIII-4	(6 106)	(10 461)	4 355	-41,63%
Other operating income	VIII-5	35 050	52 440	(17 390)	-33,16%
Personnel expenses	VIII-6	(252 940)	(240 738)	(12 202)	5,07%
General operating expenses	VIII-7	(176 390)	(176 354)	(36)	0,02%
Allocations to depreciations and provisions on fixed assets	VIII-8	(50 525)	(44 816)	(5 709)	12,74%
<b>Operating Income</b>		<b>428 954</b>	<b>499 949</b>	<b>(70 995)</b>	<b>-14,20%</b>
Share in earnings of companies accounted for under the equity method		(218)	(302)	84	-27,81%
Balance in gain/loss from other ordinary items	VIII-9	603	(4 406)	5 009	-113,69%
Income tax	VIII-10	(100 950)	(125 146)	24 196	-19,33%
<b>Income from ordinary activities</b>		<b>328 389</b>	<b>370 095</b>	<b>(41 706)</b>	<b>-11,27%</b>
Share of profit attributable to minority interests		(22 206)	(24 957)	2 751	-11,02%
<b>Income from ordinary activities of the group</b>		<b>306 183</b>	<b>345 138</b>	<b>(38 955)</b>	<b>-11,29%</b>
Net gain/loss from other extraordinary items	VIII-11	(28 703)	(368)	(28 335)	7699,73%
<b>Consolidated Net income of the year</b>		<b>277 480</b>	<b>344 770</b>	<b>(67 290)</b>	<b>-19,52%</b>
Effect of accounting changes net of deferred tax		-	-	-	-
<b>Consolidated Net income for the year after accounting changes</b>		<b>277 480</b>	<b>344 770</b>	<b>(67 290)</b>	<b>-19,52%</b>

**CONSOLIDATED STATEMENT OF CASH FLOW**  
 Period from January 1<sup>st</sup> to December 31<sup>st</sup> 2020  
 (In Thousands of Dinars)

	Financial Year 2020	Financial Year 2019
<b>OPERATING ACTIVITIES</b>		
Banking operating revenues collected (excluding investment portfolio revenues)	1 520 004	1 578 542
Banking operating charges disbursed	(581 590)	(628 148)
Deposits/ deposits withdrawal with other banks and financial institutions	112 606	(23 961)
Loans and advances/ repayment of loans and advances granted to customer	(1 052 504)	204 674
Deposits/ customer deposits withdrawal	1 676 972	1 306 455
Investment securities/ transaction securities	10 475	31 185
Payments made to personnel and other creditors	(379 065)	(419 881)
Other cash flow from operating activities	75 697	8 729
Corporate income tax	(138 429)	(128 265)
<b>Net cash flow from operating activities</b>	<b>1 244 166</b>	<b>1 929 330</b>
<b>INVESTMENT ACTIVITIES</b>		
Interests and collected dividends on investment portfolio	102 308	110 927
Purchase/ disposal on investment portfolio	(633 126)	(62 276)
Purchase / disposal on fixed assets	(114 413)	(70 775)
<b>Net Cash flow from investment activities</b>	<b>(645 231)</b>	<b>(22 124)</b>
<b>FINANCING ACTIVITIES</b>		
Issue/ repayment of loans	19 672	(51 411)
Increase / decrease of special resources	16 567	12 811
Paid dividends and other distributions	(5 756)	(95 122)
Other financing flow	91 728	(29 746)
<b>Net cash flow from financing activities</b>	<b>122 211</b>	<b>(163 468)</b>
<b>Net change in cash and cash equivalent during the financial year</b>	<b>721 146</b>	<b>1 743 738</b>
Cash and cash equivalent at the beginning of the financial year	1 971 141	227 403
<b>Cash and cash equivalent at the end of the financial year</b>	<b>2 692 287</b>	<b>1 971 141</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (As at December 31<sup>st</sup> 2020)

## 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 31-12-2020 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 31<sup>st</sup> 2020 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. The evaluation rules of receivables

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, 2020 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 2020 and an amount of reserved income.

It should be noted, in this respect, that the methodology for calculating collective provisions covering current commitments and those requiring special follow up, as provided for in Article 10 Bis of the aforementioned circular, was amended by the circular of Central Bank of Tunisia n°2021-01 of January 11<sup>th</sup>, 2021. This change resulted in the constitution of an additional provision of TND 30.2 Million for the year 2020.

## II-8. Highlights of the year

### *Direct and indirect financial impacts of the COVID19 pandemic on BIAT's results:*

The coronavirus induced health crisis and the measures taken by governments worldwide to contain the spread of the pandemic (lockdown, social distancing and travel restrictions ...) have negatively affected the Tunisian economy causing the drivers of economic growth namely investment, consumption and export to grind to a halt, as well as a decline in foreign trade, tourism and current activity of the productive sector.

This economic slowdown, which has spread to the financial and banking sectors, has had the following major consequences:

- At the level of the financial sphere: companies' turnover losses lower income for working population and reduced demand for credit across all the market segments.
- At the level of the banking sector: the decline in interest income, income on foreign exchange transactions and fee-based commissions.

It is worth mentioning that the measures taken by the Tunisian government and by the Central Bank of Tunisia in response to this crisis included notably:

1. The postponement by the banks of the maturities of loans (in principal and interests) due from March 1<sup>st</sup>, 2020 until the end of September 2020 and, hence, the extension of the repayment deadlines.

This measure concerns loans granted to individuals whose net monthly income is lower than 1000 dinars and which are classified 0 and 1 at the end of December 2019 (CBT Circular N°2020-07).

2. The postponement by the banks of the maturities of loans (in principal and interests) due from April 1<sup>st</sup>, 2020 until the end of June 2020 and, hence, the extension of the repayment deadlines. This measure concerns loans granted to individuals whose monthly net income is higher than 1000 dinars and which are classified 0 and 1 at the end of December 2019 (CBT Circular N°2020-08).

3. The postponement by the Banks of the maturities of credits granted to companies and professionals and classified 0 and 1 at the end of December 2019 for the period starting from March 1<sup>st</sup>, 2020 until September 30<sup>th</sup>, 2020 (CBT Circular N°2020-06). This postponement is granted only after a request is made

4. Granting of new exceptional financing intended for the financing of justified needs of the operating cycle, repayable over a maximum period of seven years including two years of grace (CBT Circular N°2020-12).

5. Free interbank cash dispensers' withdrawal service (CBT Circular N°2020-05).

6. The suspension of fees levied on online billers and merchants transactions not exceeding one hundred (100) dinars, (BCT Circular N°2020-05).

7. The free delivery of a bank card to any customer holder of an account, who requests it (CBT Circular N°2020-05).

8. The key rate cut of 100 bps from 7.75% to 6.75% during the month of March 2020.

9. At the request of the Central Bank of Tunisia suspension of distribution by banks and financial institutions of dividends for the year 2019 and the prohibition to carry out any operation of redemption of their own shares.

10. Suspension of commissions' deduction on dishonored checks

11. Payment by the banks to the state budget as a cyclical contribution, of 2 % of the taxable result of 2019 payable and 2% of the taxable result of 2020.

12. As provided for by the circular of the Central Bank of Tunisia N°2020-06, extension till the end of September 2021 of the period of postponement of repayment installments of (in principal and interests) granted to companies and professionals of the tourist sector and the craft industries including the companies of tourist management (Circular CBT N°2020-19).

13. As provided for by the circular of the Central Bank of Tunisia N°2020-06, extension till the end of September 2021 of the period of postponement of repayment installments of (in principal and interests) granted to companies and professionals (Circular CBT N°2020-21).

As in the banking sector, BIAT has been impacted by the health crisis and the governmental and Central Bank of Tunisia measures directly and indirectly.

The indirect effects were reflected in the reduction of credit and foreign exchange activity as well as customer services.

The direct effects were assessed at the end of the year 2020 with a financial impact estimated at TND 106.6 Million (pre-tax) as presented in the following table:

Estimated direct financial impact of the pandemic crisis COVID 19	Impact in Million of Dinars
The key rate cut of 100 Bps, from 7.75% to 6.75% during the month of March 2020 and to 6.25% during the month of October 2020.	64,8
Commissions on cash dispensers withdrawals & Purchase commission on Eftpos terminals with amount <TND 100 and other commissions	11,4
Contribution to the National Pandemic Fund COVID 19	18,3
A contribution at the rate of 2% for 2019 and 2020	10,3
Cost of protective measures	1,8

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.

### *Treatment of loan repayment maturities postponements*

Following the COVID-19 pandemic and in application of CBT Circulars n° 2020-06, 2020-07 and 2020-08, and within the framework of exceptional measures to support customers, BIAT undertook the postponement of loan repayment due dates, through the creation of a mirror account for each loan contract.

These mirror accounts have been linked to deferred loans as being loan repayment accounts. Thus, during the postponement period, the agreed amounts falling due, in terms of both principal and interest, were recorded by debiting the mirror account instead of the bank account of the client concerned by the postponement.

It should be noted that, in this respect, the following three categories of mirror accounts have been created by BIAT:

- A category for loans granted to individuals whose net monthly income is less than 1000 Dinars, with a 7 month deferral period
- A category for loans to individuals whose net monthly income is superior to 1000 Dinars, with a 3 month deferral period
- A category for loans granted to professionals.

At the end of the deferral period, the deferred payments for individuals have been materialized by amortized loans.

## Note III – Perimeter and consolidation methods

### III-1. Companies included in the consolidation perimeter

By December 31<sup>st</sup>, 2020, the consolidation perimeter of BIAT group is detailed as follows:

	31/12/2020		31/12/2019	
	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	100,00	100,00	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	89,01	89,01	89,06	89,06
SICAV Trésor	12,58	4,35	9,39	6,35
SICAV Prosperity	11,58	11,58	10,23	10,23
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	49,99	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	59,99	59,99
SICAV PATRIMOINE Obligataire	1,45	1,10	2,52	1,19
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	0,39	0,39	0,41	0,41
Fonds commun de créances 2	100,00	100,00	100,00	100,00
Société Touristique Sahara Palace	100,00	67,30	100,00	67,30
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	74,00	72,70	68,18	67,00
Société de Promotion Touristique Hammamet	87,54	87,54	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	40,00	40,00	47,22	47,22
Fond D'amorçage ANAVA	20,13	20,13	37,04	37,04
TUNISIE VALEURS	99,39	99,39	-	-

### III-2. Consolidation Method

By December 31<sup>st</sup>, 2020, the consolidation perimeter of BIAT group is detailed as follows:

	31/12/2020	31/12/2019
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	Global Integration	Equity Method
Hammamet Leisure Company	Global Integration	Global Integration
INMA HOLDING	Equity Method	Equity Method
SKANES LOISIRS ET CULTURE	Equity Method	Equity Method
FOND D'amorçage ANAVA	Equity Method	Equity Method
TUNISIE VALEUR	Global Integration	Outside the Perimeter

## Note IV – Assets Balance Sheet

(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 an increase between December 2019 and December 2020 for TND 273 770 thousand or 18.58%, passing from a period to another from TND1 473 077 thousand to TND 1746 847 thousand. This item is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Cash	127 079	137 915	(10 836)	-7,86%
Holdings in CBT	1 619 679	1 335 073	284 606	21,32%
Holdings in POA	89	89	-	0,00%
<b>Total cash and balances with CBT, POA and GTT</b>	<b>1 746 847</b>	<b>1 473 077</b>	<b>273 770</b>	<b>18,58%</b>

### IV-2. Banking and financial institutions loans

The volume of this post recorded a decrease between December 2019 and December 2020 of TND 270 148 thousand or 16.09% passing from a period to another from TND 1 678 508 thousand to TND 1 408 360 thousand. This volume is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Receivables from banking institutions (a)	1 133 653	1 464 014	(330 361)	-22,57%
Receivables from financial institutions (b)	274 707	214 494	60 213	28,07%
<b>Total of banking and financial institutions loans</b>	<b>1 408 360</b>	<b>1 678 508</b>	<b>(270 148)</b>	<b>-16,09%</b>

a) The decrease in the volume of our receivables from banks of TND 330 361 thousand or 22.57 % which passed from TND 1 464 014 thousand on 31/12/2019 to TND 1 133 653 thousand on 31/12/2020 relates the following position:

	31/12/2020	31/12/2019	Variation	In %
Loan accounts with Central Bank of Tunisia CBT	594 927	602 656	(7 729)	-1,28%
Loan accounts of interbank market	436 989	784 233	(347 244)	-44,28%
Accrued interests on loans	2 605	1 804	801	44,40%
Correspondents' accounts NOSTRI	83 707	48 334	35 373	73,18%
Correspondents' accounts LORI	19	3 388	(3 369)	-99,44%
Accrued interests on correspondents' accounts	-	1	(1)	-100,00%
Non-allocated values	15 406	23 598	(8 192)	-34,71%
<b>Total</b>	<b>1 133 653</b>	<b>1 464 014</b>	<b>(330 361)</b>	<b>-22,57%</b>

b) The increase in our total receivables from financial institutions of TND 60 213 thousand or 28.07% which shifted from TND 214 494 thousand in December 2019 to TND 274 707 thousand in December 2020 is mainly attri-

butable to the growth of our loans to the Leasing companies for an amount of TND 87 732 thousand and the decrease of our loans granted to financial institutions for an amount of TND 27 479 Thousand. This section is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Loans granted to leasing companies	259 085	171 353	87 732	51,20%
Loans granted to other financial institutions	11 523	39 002	(27 479)	-70,46%
Related receivables and debts	4 099	4 139	(40)	-0,97%
<b>Total</b>	<b>274 707</b>	<b>214 494</b>	<b>60 213</b>	<b>28,07%</b>

### IV-3. Customer loans

Customers loans 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 TND 10 352 516 thousand in December 2019 to TND 11 260 746 Thousand in December 2020 recording thereon an increase of TND 908 230 thousand or 8.77%. it is broken down as follows:

	31/12/2020	31/12/2019	Variation	In %
Customer accounts receivable	1 119 316	1 292 636	(173 320)	-13,41%
Other customer loans	10 698 640	9 559 034	1 139 606	11,92%
Loans on special resources	65 656	57 599	8 057	13,99%
<b>Total</b>	<b>11 883 612</b>	<b>10 909 269</b>	<b>974 343</b>	<b>8,93%</b>
Provisions and overdraft charges reserved on customer loans	(513 784)	(486 174)	(27 610)	5,68%
Collective provisions	(109 082)	(70 579)	(38 503)	54,55%
<b>Total Customer loans</b>	<b>11 260 746</b>	<b>10 352 516</b>	<b>908 230</b>	<b>8,77%</b>

### IV-4. Commercial securities Portfolio

The volume of this post shifted from December 2019 to December 2020 from TND 647 600 thousand to TND 598 323 thousand, recording thereby a decrease of TND 49 277 thousand or 7.61%.

	31/12/2020	31/12/2019	Variation	In %
Trading securities	363 304	400 529	(37 225)	-9,29%
Investment securities	235 019	247 071	(12 052)	-4,88%
<b>Total commercial securities portfolio</b>	<b>598 323</b>	<b>647 600</b>	<b>(49 277)</b>	<b>-7,61%</b>

This change stems from a decrease in the trading securities volume of TND 37 225 thousand or 9.29% accompanied by a decline in the total investment securities amounting to TND 12 052 thousand or 4.88 %.



#### IV-5. Investment portfolio

The total of this post shifted from TND 1 730 365 thousand in December 2019 to TND 2 269 167 thousand in December 2020, an increase of TND 538 802 thousand or 31.14%.

	31/12/2020	31/12/2019	Variation	In %
Gross outstanding of investment securities	2 246 897	1 713 304	533 593	31,14%
Receivables related to investment securities	62 272	53 290	8 982	16,85%
Provisions and overdraft charges reserved for the investment portfolio's depreciation	(40 003)	(36 229)	(3 774)	10,42%
<b>Total investment portfolio</b>	<b>2 269 167</b>	<b>1 730 365</b>	<b>538 802</b>	<b>31,14%</b>

#### IV-6. Equity affiliates

The total of this post shifted from TND 9 993 thousand in December 2019 to TND 7 025 thousand in December 2020, a decrease of TND 2 968 thousand or 29.7%.

	31/12/2020	31/12/2019	Variation	In %
Institut Tunis Dauphine	384	195	189	96,92%
Société de Promotion Touristique Hammamet	-	2 985	(2 985)	(1)
Société tunisienne de promotion des pôles immobiliers et industriels	202	460	(258)	-56,09%
SKANES LOISIRS ET CULTURE	3 400	3 400	-	0,00%
Fond d'amorçage ANAVA	3 039	2 953	86	2,91%
<b>Total equity method securities</b>	<b>7 025</b>	<b>9 993</b>	<b>(2 968)</b>	<b>-29,70%</b>

#### 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 122 623 thousand or 32.53 % passing from TND 376 954 thousand in 31/12/2019 to TND 499 577 thousand in 31/12/2020.

These fixed assets are detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Intangible assets	88 421	81 938	6 483	7,91%
Depreciation of intangible assets	(76 105)	(71 360)	(4 745)	6,65%
Tangible assets	710 077	566 071	144 006	25,44%
Depreciation of tangible assets	(291 229)	(259 704)	(31 525)	12,14%
Current assets and advances	68 413	60 009	8 404	14,00%
<b>Total fixed assets</b>	<b>499 577</b>	<b>376 954</b>	<b>122 623</b>	<b>32,53%</b>

#### IV-8. Goodwill

The total of this post shifted from TND 7 396 thousand in December 2019 to TND 43 693 thousand in December 2020, an increase of TND 36 297 thousand.

	Gross value 31/12/2020	Accumu Depreciation 31/12/2020	Net Carrying Amount 31/12/2020	Gross value 31/12/2019	Accumu Depreciation 31/12/2019	Net Carrying Amount 31/12/2019
<b>Securities held by BIAT</b>	58 995	(15 322)	43 673	20 633	(13 266)	7 367
SALLOUM	171	(136)	35	171	(128)	43
GSM	881	(881)	-	881	(881)	-
BCAP	16	(16)	-	16	(15)	1
ASSBIAT	10 802	(4 359)	6 443	10 802	(3 819)	6 983
BCR	95	(76)	19	95	(71)	24
SICAF	44	(33)	11	44	(31)	13
ELFEJJA	282	(14)	268	282	-	282
STI	6 540	(6 540)	-	6 540	(6 540)	-
STPI	12	(9)	3	12	(8)	4
SOPIAT	49	(35)	14	49	(32)	17
PROTECT	1 741	(1 741)	-	1 741	(1 741)	-
TVAL	38 362	(1 482)	36 880	-	-	-
<b>Securities held by SGP</b>	1 015	(1 015)	-	1 015	(1 015)	-
OSI	78	(78)	-	78	(78)	-
GSM	937	(937)	-	937	(937)	-
<b>Securities held by BCR</b>	18	(18)	-	18	(18)	-
SICAF	18	(18)	-	18	(18)	-
<b>Securities held by SICAF</b>	308	(288)	20	308	(279)	29
TAAMIR	131	(117)	14	131	(112)	19
PROTECT	122	(122)	-	122	(122)	-
SGP	34	(31)	3	34	(29)	5
SOPIAT	21	(18)	3	21	(16)	5
<b>Total</b>	<b>60 336</b>	<b>(16 643)</b>	<b>43 693</b>	<b>21 974</b>	<b>(14 578)</b>	<b>7 396</b>

#### IV-9. Other Assets

The total of this post shifted from TND 609 862 thousand in December 2019 to TND 608 072 thousand in December 2020, recording a decrease of TND 1 790 thousand or 0.29%.

Thus, the total of the consolidated balance sheet recorded between December 2019 and December 2020, an increase of TND 1 555 539 thousand or 9.21% passing from TND 16 886 271 thousand to TND 18 441 810 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 TND1 201 thousand to TND 780 thousand, a decrease of TND 421 thousand or 35.05%.

This change is mainly due to a decrease of CBT checks awaiting for payment in the amount of TND 331 thousand or 29.79% and decline in the credit balance of our foreign currencies accounts held by CBT of TND 90 in December 2020.

	31/12/2020	31/12/2019	Variation	In %
Check CBT awaiting payment	780	1111	(331)	-29,79%
CBT foreign currencies accounts	-	90	(90)	-100,00%
<b>Total Banque Centrale et CCP</b>	<b>780</b>	<b>1201</b>	<b>(421)</b>	<b>-35,05%</b>

**V-2. Deposits and holdings of the banking and financial institutions**

The volume of this post shifted from one period to another from TND 1 259 962 thousand to TND 619 626 thousand, a decrease of TND 640 336 thousand or 50.82 %.

	31/12/2020	31/12/2019	Variation	In %
Deposits and holdings of banking institutions	612 305	1 257 372	(645 067)	-51,30%
Deposits of financial institutions	7 321	2 590	4 731	182,66%
<b>Total deposits of banking and financial institutions</b>	<b>619 626</b>	<b>1 259 962</b>	<b>(640 336)</b>	<b>-50,82%</b>

This change is explained by:

\* A decrease in deposits and holdings of banking institutions from TND 645 067 thousand or 51.3% which shifted from TND 1 257 372 thousand in December 2019 to TND 612 305 thousand in December 2020.

	31/12/2020	31/12/2019	Variation	In %
Loan in dinars with the CBT	381 000	1 085 000	(704 000)	-64,88%
Loan in dinars with banks	57 000	40 042	16 958	42,35%
Deposits of correspondents bankers	144 808	122 860	21 948	17,86%
Other amounts due	28 267	6 636	21 631	325,96%
Related debts	1 230	2 834	(1 604)	-56,60%
<b>Deposits and holdings of banking institutions</b>	<b>612 305</b>	<b>1 257 372</b>	<b>(645 067)</b>	<b>-51,30%</b>

\* An increase in deposits of the financial institutions from TND 4 731 thousand or 182.66% which shifted from TND 2 590 thousand in December 2019 to TND 7 321 thousand in December 2020. This change stems mainly from deposits of leasing companies.

### V-3. Customer Deposits and holdings

Customer deposits recorded an increase of TND 1 707 492 thousand or 13.51%, passing from TND 12 641 443 thousand in December 2019 to TND 14 348 935 thousand in December 2020. This increase stems from the following posts:

	31/12/2020	31/12/2019	Variation	In %
Demand deposits	7 188 003	6 171 918	1 016 085	16,46%
Savings deposits	3 273 193	2 852 838	420 355	14,73%
Term accounts	2 425 598	2 237 211	188 387	8,42%
Term vouchers	290 096	263 392	26 704	10,14%
Certificates of deposits money market	556 001	394 000	162 001	41,12%
Related debts	92 242	74 503	17 739	23,81%
Other amounts due	523 802	647 581	(123 779)	-19,11%
<b>Total customer deposits and holdings</b>	<b>14 348 935</b>	<b>12 641 443</b>	<b>1 707 492</b>	<b>13,51%</b>

### V-4. loans and special resources

Loans and special resources recorded an increase of TND 56 253 thousand or 28.59%, passing from TND 196 747 thousand in December 2019 to TND 253 000 thousand in December 2020. This increase results from the following posts:

	31/12/2020	31/12/2019	Variation	In %
Loans and debts for special resources	63 425	63 512	(87)	-0,14%
Related debts on special resources	110	124	(14)	-11,29%
Public funds	21 120	13 419	7 701	57,39%
<b>Total public funds and foreign bodies</b>	<b>84 655</b>	<b>77 055</b>	<b>7 600</b>	<b>9,86%</b>
Subordinate loans	154 029	114 306	39 723	34,75%
Debts connected with loans	14 316	5 386	8 930	165,80%
<b>Total loans and special resources</b>	<b>253 000</b>	<b>196 747</b>	<b>56 253</b>	<b>28,59%</b>

### V-5. Other liabilities

The total of this post shifted from TND 791 083 thousand on December 31<sup>st</sup>, 2019 to TND 883 855 thousand on December 31<sup>st</sup>, 2020, recording an increase of TND 92 772 thousand or 11.73%.

**NOTE VI – Minority Interests***(Figures are expressed in Thousands of Tunisian Dinars)*

The minority interests are detailed by consolidated company as follows:

Sociétés	31/12/2020		31/12/2019	
	Reserves	Income	Reserves	Income
BIAT Capital	2	-	2	-
BIAT Assets Management	4	5	4	5
BIAT Capital risque	96	72	151	99
Société de Promotion Immobilière Arabe de Tunisie	1	-	1	-
Société de Promotion Touristique	2 125	14	2 132	(10)
Assurances BIAT	2 607	883	2 294	615
Société FAIZA	(9)	9	-	-
SICAV Opportunity	61	(1)	64	(1)
SICAV Trésor	125 926	6 885	131 178	6 951
SICAV Prosperity	5 069	143	5 665	181
Société Golf Sousse Monastir	-	-	(155)	155
Société Palm Links Immobilière	140	-	138	2
Société Tanit International	6 456	(139)	6 323	133
Société Tunisie Titrisation	-	-	2	-
Société de pôle de compétitivité de Monastir	22 113	1 634	19 034	3 082
SICAV PATRIMOINE Obligataire	279 711	14 052	216 290	11 899
Fonds Commun de placement Epargne Actions	69 497	498	69 151	1 623
Société de Promotion Touristique Mohamed V	9 684	(737)	8 910	773
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	2 434	(615)	2 724	(291)
Société de Promotion Touristique Hammamet	3 122	(178)	-	-
FCP Equity Performance	2 719	29	3 891	107
Hammamet Leisure Company	10 333	(355)	10 696	(366)
TUNISIE VALEUR	206	7	-	-
<b>Total</b>	<b>542 297</b>	<b>22 206</b>	<b>478 495</b>	<b>24 957</b>

**NOTE VII – Statement of Shareholders' Equity***(Figures are expressed in Thousands of Tunisian Dinars)*

The total of the shareholders' equity shifted from December 2019 to December 2020 from TND 1 492 383 thousand to TND 1 771 110 thousand, recording thereby an increase of TND 278 727 thousand or 18.68%.

Sociétés	31/12/2020		31/12/2019	
	Reserves	Income	Reserves	Income
Banque Internationale Arabe de Tunisie	1 518 462	267 996	1 179 732	320 959
BIAT Capital	632	369	269	363
BIAT Assets Management	86	812	86	868
BIAT Capital risque	229	3 681	(324)	5 041
Compagnie Internationale Arabe de Recouvrement	5 938	3 226	5 248	4 688
SICAF BIAT	1 426	39	1 155	96
Société de Promotion Immobilière Arabe de Tunisie	100	141	(208)	297
Société de Promotion Touristique	(316)	6	(299)	(18)
Organisation et Service Informatique	139	(4)	177	(39)
Société la PROTECTRICE	(4 412)	(3 028)	(754)	(2 551)
Assurances BIAT	12 936	14 550	8 133	9 961
Société FAIZA	(694)	(10)	(684)	(3)
SICAV Opportunity	4	(6)	31	(4)
SICAV Trésor	(4 774)	314	(806)	471
SICAV Prosperity	151	19	134	21
Société Générale de Placement	1 913	25	1 584	65
Société TAAMIR	753	28	576	(27)
Société Golf Sousse Monastir	(20 774)	(4 831)	(20 140)	(632)
Société Palm Links Immobilière	31	(1)	29	2
Société Tanit International	(15 013)	(288)	(15 287)	274
Société Tunisie Titrisation	(513)	1	(502)	(10)
Société de pôle de compétitivité de Monastir	6 795	2 438	2 177	4 621
SICAV PATRIMOINE Obligataire	(161)	156	(286)	143
Fonds commun de créances 1	497	115	497	21
Société tunisienne de promotion des pôles immobiliers et industriels	(536)	(259)	(328)	(209)
Fonds Commun de placement Epargne Actions	43	2	46	7
Fonds commun de créances 2	48	(150)	32	17
Société Touristique Sahara Palace	(8 103)	(713)	(7 543)	(559)
Société de Promotion Touristique Mohamed V	7 034	(2 354)	4 562	2 469
Institut Tunis Dauphine	(705)	188	(800)	94
BIAT Consulting	244	(240)	297	(53)
STE DE PROMOTION TOURISTIQUE (SPT) SFAX	(2 719)	(2 949)	(1 323)	(1 395)
BIAT France	197	118	29	9
Société de Promotion Touristique Hammamet	3 770	(1 247)	(74)	-
FCP Equity Performance	83	77	474	216
Hammamet Leisure Company	(8 482)	(238)	(8 239)	(244)
INMA HOLDING	(200)	-	(200)	-
Fond d'amorçage ANAVA	(111)	(149)	142	(189)
TUNISIE VALEURS	(367)	(354)	-	-
<b>Total capital and shareholders' capital Group excluding income</b>	<b>1 493 631</b>	<b>277 480</b>	<b>1 147 613</b>	<b>344 770</b>

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	1 472 084	-	-	-	17 056	27 088	-	(3 814)	6 048	-	1 518 462
BCAP	Global Integration	3 631	(2 998)	16	(15)	-	-	-	-	-	(2)	632
BAM	Global Integration	588	(498)	-	-	-	-	-	-	-	(4)	86
BCR	Global Integration	5 559	(4 696)	95	(71)	524	-	-	(1 086)	-	(96)	229
CIAR	Global Integration	1 298	(1 018)	-	-	-	-	-	2 592	3 066	-	5 938
SICAF	Global Integration	19 633	(19 000)	62	(49)	175	605	-	-	-	-	1 426
SOPIAT	Global Integration	47 236	(46 616)	70	(49)	12	-	-	(717)	165	(1)	100
SALLOUM	Global Integration	4 314	(2 548)	171	(128)	-	-	-	-	-	(2 125)	(316)
OSI	Global Integration	163	(24)	78	(78)	-	-	-	-	-	-	139
PROTECT	Global Integration	5 571	(8 999)	1 863	(1 863)	-	-	-	(1 311)	327	-	(4 412)
ASSBIAT	Global Integration	46 993	(38 623)	10 802	(3 819)	190	-	-	-	-	(2 607)	12 936
FAIZA	Global Integration	239	(542)	-	-	-	(400)	-	-	-	9	(694)
OPPRUNITY	Global Integration	555	(490)	-	-	-	-	-	-	-	(61)	4
TRESOR	Global Integration	147 020	(25 868)	-	-	-	-	-	-	-	(125 926)	(4 774)
PRESPERITY	Global Integration	5 733	(513)	-	-	-	-	-	-	-	(5 069)	151
SGP	Global Integration	2 828	(3 292)	34	(29)	382	1 990	-	-	-	-	1 913
TAAMIR	Global Integration	5 155	(4 655)	131	(112)	203	-	-	-	31	-	753
GSM	Global Integration	(5 478)	(4 134)	1 818	(1 818)	-	-	-	(18 453)	7 291	-	(20 774)
LINKS	Global Integration	281	(110)	-	-	-	-	-	-	-	(140)	31
STI	Global Integration	26 262	(28 299)	6 540	(6 540)	-	(1 222)	-	(7 406)	2 108	(6 456)	(15 013)
TITRIS	Global Integration	285	(798)	-	-	-	-	-	-	-	-	(513)
ELFEJJA	Global Integration	54 307	(26 647)	282	-	-	-	1 808	(1 123)	281	(22 113)	6 795
PATRIMOINE	Global Integration	283 557	(4 368)	-	-	361	-	-	-	-	(279 711)	(161)
FCC1	Global Integration	2 016	(1 519)	-	-	-	-	-	-	-	-	497
STPI	Equity Method	459	(1 000)	12	(7)	-	-	-	-	-	-	(536)
FCP	Global Integration	69 769	(229)	-	-	-	-	-	-	-	(69 497)	43
FCC2	Global Integration	1 551	(1 503)	-	-	-	-	-	-	-	-	48
STSP	Global Integration	(103)	(8 000)	-	-	-	-	-	-	-	-	(8 103)
SPTMV	Global Integration	40 623	(23 909)	-	-	4	-	-	-	-	(9 684)	7 034
ITD	Equity Method	195	(900)	-	-	-	-	-	-	-	-	(705)
BCO	Global Integration	744	(500)	-	-	-	-	-	-	-	-	244
SPTSFAF	Global Integration	15 368	(14 400)	-	-	-	-	-	(1 671)	418	(2 434)	(2 719)
BFR	Global Integration	3 114	(2 921)	-	-	-	-	-	-	4	-	197
PERFORMANCE	Global Integration	10 440	(7 638)	-	-	-	-	-	-	-	(2 719)	83
SPTHAMMET	Equity Method	25 052	(18 160)	-	-	-	-	-	-	-	(3 122)	3 770
HLC	Global Integration	17 221	(15 370)	-	-	-	-	-	-	-	(10 333)	(8 482)
INMA	Equity Method	-	(200)	-	-	-	-	-	-	-	-	(200)
AMORCAGE ANAVA	Equity Method	3 189	(3 300)	-	-	-	-	-	-	-	-	(111)
TVAL	Global Integration	25 043	(72 128)	38 362	-	-	-	8 562	-	-	(206)	(367)
<b>Total consolidated</b>		<b>2 345 895</b>	<b>(399 813)</b>	<b>60 336</b>	<b>(14 578)</b>	<b>18 907</b>	<b>28 061</b>	<b>10 370</b>	<b>(32 989)</b>	<b>19 739</b>	<b>(542 297)</b>	<b>1 493 631</b>

Consolidated Company	Integration Method	Social Result	Neutr allocations provisions	Neutr of div	Constamort/ losses val. EA	Deferred taxes and others	Minority interests	Consolidated income
BIAT	Global Integration	281 842	2 955	(17 056)	-	255	-	267 996
BCAP	Global Integration	370	-	-	(1)	-	-	369
BAM	Global Integration	817	-	-	-	-	(5)	812
BCR	Global Integration	4 281	-	(524)	(4)	-	(72)	3 681
CIAR	Global Integration	2 612	-	-	-	614	-	3 226
SICAF	Global Integration	61	155	(175)	(2)	-	-	39
SOPIAT	Global Integration	221	-	(12)	(3)	(65)	-	141
SALLOUM	Global Integration	27	-	-	(7)	-	(14)	6
OSI	Global Integration	(4)	-	-	-	-	-	(4)
PROTECT	Global Integration	(2 896)	-	-	(2)	(130)	-	(3 028)
ASSBIAT	Global Integration	16 163	-	(190)	(540)	-	(883)	14 550
FAIZA	Global Integration	(1)	-	-	-	-	(9)	(10)
OPPRUNITY	Global Integration	(7)	-	-	-	-	1	(6)
TRESOR	Global Integration	7 199	-	-	-	-	(6 885)	314
PRESPERITY	Global Integration	162	-	-	-	-	(143)	19
SGP	Global Integration	297	112	(382)	(2)	-	-	25
TAAMIR	Global Integration	250	-	(203)	(7)	(12)	-	28
GSM	Global Integration	(1 360)	-	-	-	(3 471)	-	(4 831)
LINKS	Global Integration	(1)	-	-	-	-	-	(1)
STI	Global Integration	(208)	628	-	-	(847)	139	(288)
TITRIS	Global Integration	1	-	-	-	-	-	1
ELFEJJA	Global Integration	4 199	-	-	(14)	(113)	(1 634)	2 438
PATRIMOINE	Global Integration	14 569	-	(361)	-	-	(14 052)	156
FCC1	Global Integration	115	-	-	-	-	-	115
STPI	Equity Method	(258)	-	-	(1)	-	-	(259)
FCP	Global Integration	500	-	-	-	-	(498)	2
FCC2	Global Integration	(150)	-	-	-	-	-	(150)
STSP	Global Integration	(713)	-	-	-	-	-	(713)
SPTMV	Global Integration	(3 629)	-	(4)	-	542	737	(2 354)
ITD	Equity Method	188	-	-	-	-	-	188
BCO	Global Integration	(292)	-	-	-	52	-	(240)
SPTSFAX	Global Integration	(3 753)	-	-	-	189	615	(2 949)
BFR	Global Integration	122	-	-	-	(4)	-	118
PERFORMANCE	Global Integration	106	-	-	-	-	(29)	77
SPTHAMMAMET	Global Integration	(1 425)	-	-	-	-	178	(1 247)
HLC	Global Integration	(593)	-	-	-	-	355	(238)
AMORCAGE ANAVA	Equity Method	(149)	-	-	-	-	-	(149)
TVAL	Global Integration	1 645	-	-	(1 482)	(510)	(7)	(354)
<b>Total consolidated</b>		<b>320 308</b>	<b>3 850</b>	<b>(18 907)</b>	<b>(2 065)</b>	<b>(3 500)</b>	<b>(22 206)</b>	<b>277 480</b>



**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 1 642 189 thousand on December 31<sup>st</sup>, 2019 to TND 1 586 671 thousand on December 31<sup>st</sup>, 2020, recording a decrease of TND 55 518 thousand or 3.38%.

**VIII-1-1. Interests and other similar revenues**

Interests and similar income shifted from TND 1 093 005 thousand on 31/12/2019 to TND 998 231 thousand on 31/12/2020, recording a decrease of TND 94 774 thousand or 8.67%.

This change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Interests on bank ordinary accounts	1 257	293	964	329,01%
Interests on accounts of interbank loans	15 599	9 699	5 900	60,83%
Interests on customer loans	795 979	869 370	(73 391)	-8,44%
Interests on accounts receivables to customer	130 795	139 456	(8 661)	-6,21%
Interests and assimilated income on guarantee commitments	28 598	28 956	(358)	-1,24%
Other interests and assimilated income	26 003	45 231	(19 228)	-42,51%
<b>Total Interests and assimilated income</b>	<b>998 231</b>	<b>1 093 005</b>	<b>(94 774)</b>	<b>-8,67%</b>

**VIII-1-2. Commissions in income**

Commissions in income shifted from TND 302 512 thousand on 31/12/2019 to TND 332 820 thousand on 31/12/2020, recording an increase of TND 30 308 thousand or 10.02%. This change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Commission on foreign-exchange transactions	1 140	2 922	(1 782)	-60,99%
Commission on financing commitments	50 902	31 469	19 433	61,75%
Commission on guarantee commitments	11 697	12 156	(459)	-3,78%
Commission on provision of financial services	82 728	69 098	13 630	19,73%
Commissions on other banking transactions	186 353	186 867	(514)	-0,28%
<b>Total Commissions (in income)</b>	<b>332 820</b>	<b>302 512</b>	<b>30 308</b>	<b>10,02%</b>

**VIII-1-3. Gains on commercial securities portfolio and financial transactions**

These gains totaling TND144 603 thousand on 31/12/2020 against TND140 523 thousand on 31/12/2019, an increase of TND 4 080 or 2.9%.

	31/12/2020	31/12/2019	Variation	In %
Income of trading securities (a)	5 466	5 780	(314)	-5,43%
Income of investment securities (b)	28 449	30 631	(2 182)	-7,12%
Gains on foreign-exchange and arbitration transactions	110 688	104 112	6 576	6,32%
<b>Total Gains on commercial securities portfolio and financial transactions</b>	<b>144 603</b>	<b>140 523</b>	<b>4 080</b>	<b>2,90%</b>

This increase is detailed as follows:

#### *(a) Income of trading securities*

The income of trading securities shifted between December 2019 and December 2020 from TND 5 780 thousand to TND 5 466 thousand, a decrease of TND 314 thousand or 5.43%. The income is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Interests of trading securities	4 530	6 988	(2 458)	-35,17%
Capital gain or loss of disposal or refund	936	(1 208)	2 144	-177,48%
<b>Total income of trading securities</b>	<b>5 466</b>	<b>5 780</b>	<b>(314)</b>	<b>-5,43%</b>

#### *(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 2 182 thousand or 7.12%, passing from one period to another from TND 30 631 thousand to TND 28 449 thousand.

	31/12/2020	31/12/2019	Variation	In %
Bonds Interests	28 364	30 600	(2 236)	-7,31%
Incomes from debts securitization funds	85	31	54	174,19%
<b>Total income of investment securities</b>	<b>28 449</b>	<b>30 631</b>	<b>(2 182)</b>	<b>-7,12%</b>

#### *(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 104 112 thousand on 31/12/2019 to TND 110 688 thousand on 31/12/2020 recording an increase of TND 6 576 thousand or 6.32%.

#### **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 4 868 thousand or 4.59% passing from a period to another from TND 106 149 thousand to TND 111 017 thousand.

	31/12/2020	31/12/2019	Variation	In %
Interests and income of investment securities	107 739	99 724	8 015	8,04%
Income of equity securities	3 277	6 425	(3 148)	-49,00%
<b>Total income of investment portfolio</b>	<b>111 017</b>	<b>106 149</b>	<b>4 868</b>	<b>4,59%</b>

### VIII-2. Banking operating expenses

The total of this post shifted from TND 599 397 thousand on December 31<sup>st</sup>, 2019 to TND 552 635 thousand on December 31<sup>st</sup>, 2020, recording a decrease of TND 46 762 thousand or 7.8%.

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 537 540 thousand on 31/12/2019 to TND 486 641 Thousand on 31/12/2020, recording a decrease of TND 50 899 thousand or 9.47%. this change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Interests on bank ordinary accounts	797	267	530	198,50%
Interests on interbank loans accounts	4 319	5 463	(1 144)	-20,94%
Interests on customer deposits	404 271	342 943	61 328	17,88%
Interests on obligatory and subordinate loans	20 027	12 018	8 009	66,64%
Interests on special resources	1 235	1 381	(146)	-10,57%
Other interests and expenses	55 992	175 468	(119 476)	-68,09%
<b>Total incurred interests and assimilated expenses</b>	<b>486 641</b>	<b>537 540</b>	<b>(50 899)</b>	<b>-9,47%</b>

#### VIII-2-2. Claims paid on insurance transactions

The claims paid on insurance transactions shifted from TND 57 639 thousand on 31/12/2019 to TND 60 921 thousand on 31/12/2020, recording an increase of TND 3 282 thousand or 5.69%.

#### VIII-2-3. Incurred commissions

Incurred commissions shifted from TND 4 105 thousand on 31/12/2019 to TND 4 904 thousand on 31/12/2020, recording an increase of TND 799 thousand or 19.46%. this change is detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Commissions on treasury transactions and interbank transactions	3 559	3 081	478	15,51%
Commissions on other transactions	1 345	1 024	321	31,35%
<b>Total incurred Commissions</b>	<b>4 904</b>	<b>4 105</b>	<b>799</b>	<b>19,46%</b>

### VIII-3. Allocation to provisions and the result of valued adjustment of receivables, off-balance sheet and liabilities

The balance of this section records on 31/12/2020 a net allocation of TND 154 171 thousand detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocation to provisions on receivables and claims	(187 877)	(145 228)	(42 649)	29,37%
Allocation to provisions for risks and expenses	(9 984)	(19 262)	9 278	-48,17%
<i>Total allocation</i>	<i>(197 861)</i>	<i>(164 490)</i>	<i>(33 371)</i>	<i>20,29%</i>
Losses on receivables	(67 339)	(49 404)	(17 935)	36,30%
<b>Total allocation and losses on receivables</b>	<b>(265 200)</b>	<b>(213 894)</b>	<b>(51 306)</b>	<b>23,99%</b>
Reversal of provisions on customer receivables	107 948	87 037	20 911	24,03%
Reversal of provisions for losses and expenses	2 944	3 777	(833)	-22,05%
<i>Total provision reversal</i>	<i>110 892</i>	<i>90 814</i>	<i>20 078</i>	<i>22,11%</i>
Recoveries of receivable written off	137	166	(29)	-17,47%
<b>Total reversal and recoveries on receivables</b>	<b>111 029</b>	<b>90 980</b>	<b>20 049</b>	<b>22,04%</b>
<b>Balance</b>	<b>(154 171)</b>	<b>(122 914)</b>	<b>(31 257)</b>	<b>25,43%</b>

### VIII-4. Allocation to provisions and the result of adjustment values on investment portfolio

The volume of this section records on 31/12/2020 a loss of TND 6 106 thousand detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocation to provisions on equity securities, portage and managed funds	(4 224)	(10 514)	6 290	-59,82%
Expenses and losses on securities	(2 832)	(1 073)	(1 759)	163,93%
<b>Total allocation and losses on investment portfolio</b>	<b>(7 056)</b>	<b>(11 587)</b>	<b>4 531</b>	<b>-39,10%</b>
Reversal of provisions on equity securities, portage and managed funds	751	891	(140)	-15,71%
Capital gain on the sale of equity securities	199	235	(36)	-15,32%
<b>Total reversal</b>	<b>950</b>	<b>1 126</b>	<b>(176)</b>	<b>-15,63%</b>
<b>Total reversal and recoveries on investment portfolio</b>	<b>950</b>	<b>1 126</b>	<b>(176)</b>	<b>-15,63%</b>
<b>Balance</b>	<b>(6 106)</b>	<b>(10 461)</b>	<b>4 355</b>	<b>-41,63%</b>

### VIII-5. Other operating incomes

This section shifted between December 2019 and December 2020 from TND 52 440 thousand to TND 35 050 thousand, recording thereby a decrease of TND 17 390 thousand or 33,16%.

### VIII-6. Staff expenses

This section which consists mainly of salaries, social expenses and other staff expenses, shifted between December 2019 and December 2020 from TND 240 738 thousand to TND 252 940 thousand, recording thereby an increase of TND 12 202 thousand or 5.07%.

### VIII-7. General operating expenses

The increase of TND 36 thousand recorded between December 2019 and December 2020 results from an increase of non-banking operating expenses in the amount of TND 5 931 thousand and a decrease of other general operating expenses to the tune of TND 5 895 thousand.

### VIII-8. Allocations to depreciation and provisions on fixed assets

The balance of this section records on 31/12/2020 an amount of TND 50 525 thousand detailed as follows:

	31/12/2020	31/12/2019	Variation	In %
Allocations to depreciations of intangible fixed assets	5 929	7 155	(1 226)	-17,13%
Allocations to depreciations of tangible fixed assets	27 880	24 828	3 052	12,29%
Allocations to depreciation of deferred expenses	16 716	12 833	3 883	30,26%
<b>Total</b>	<b>50 525</b>	<b>44 816</b>	<b>5 709</b>	<b>12,74%</b>

### VIII-9. balance in gain or loss resulting from other ordinary items

The balance of this section is a gain of TND 603 thousand mainly resulting from capital gain on the assignment of fixed assets for TND 165 thousand and other ordinary gains for TND 329 thousand.

### VIII-10. Income tax

The balance of this section records on 31/12/2020 an amount of TND 100 950 thousand against TND 125 146 thousand on 31/12/2019, a decrease of TND 24 196 thousand or 19.33%. The balance of 2020 includes the amount of the social solidarity contribution calculated in accordance with the provisions of Article 39 of the Finance Act 2020.

### VIII-11. balance in gain or loss resulting from other extraordinary items

The balance in gain/loss resulting from other extraordinary items records on 31/12/2020 an amount of TND 28 703 thousand, is made up exclusively of the donations provided to the 1818 Fund for the fight against the coronavirus, TND 18 330 thousand and the TND 10 346 thousand one-off, cyclically adjusted contribution, as provided for by the regulations in force.

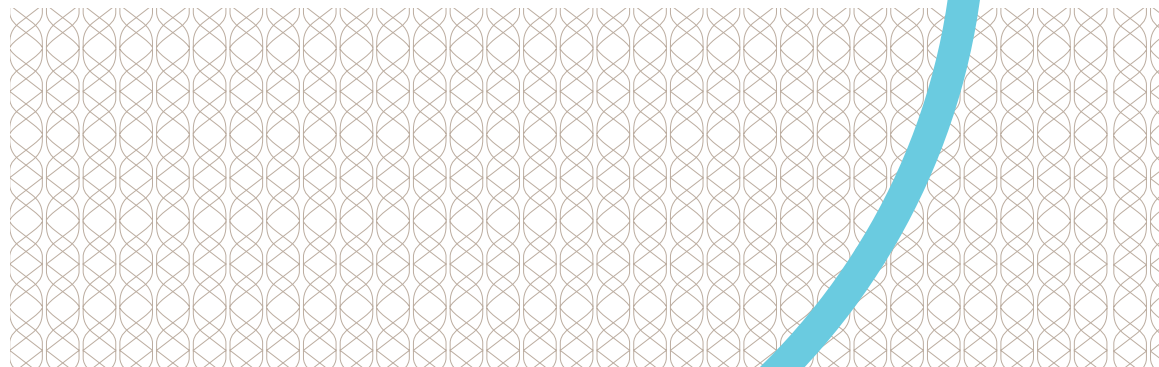
### Note IX – Events subsequent to the closing date

These consolidated financial statements of the «BIAT» group are approved and authorized for publication by the board of directors on March 10, 2021. No event subsequent to the closing date that could impact the consolidated financial statements on December 31, 2020 has occurred until on the date of their arrest.



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**RESOLUTIONS OF  
THE ORDINARY  
GENERAL  
ASSEMBLY**







# Resolutions of the Ordinary General Assembly

## First Resolution

The Ordinary General Assembly approves holding this assembly through audio visual means of communication due to the current circumstances of the COVID-19 epidemic.

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 2020 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 11<sup>th</sup>, 2016 relating to banks and financial institutions, as well as the individual and consolidated financial statements as at December 31<sup>st</sup>, 2020 as presented.

Consequently, it gives the Board of Directors Members complete and unconditional discharge of their management for the financial year of 2020.

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 2020, which amounts to TND 281.842.065,140 as follows:

(In dinars)

<b>Net Profit for the year</b>	<b>281.842.065,140</b>
Reported Results	535.664.611,089
<b>Total to allocate</b>	<b>817.506.676,229</b>
Legal Reserves	850.000,000
Reserves For Financial Re-investments to be deducted from Net Profit for the Net Result for the year	167.000.000,000
<b>Distributable Result</b>	<b>649.656.676,229</b>
Dividends	178.500.000,000
<b>Reported Results</b>	<b>471.156.676,229</b>

Accordingly, the dividend per share is set at TND 5 per share, with the new nominal value of 5 dinars, i.e 100% of the new nominal.

The Ordinary General Meeting instructs the General Manager to pay these dividends on a date that he will set.

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 747 400 which had been allocated in connection with the distribution of the profits for the financial years 2012 and 2013.

This resolution was put to the vote and adopted unanimously.

#### Fifth Resolution

The Ordinary General Assembly takes notes of the resignation of Mr Sami HACHICHA from his duties as member of the Board of directors.

This resolution was put to the vote and adopted unanimously.

#### Sixth Resolution

The Ordinary General Assembly appoints Mr Marc BEAUJEAN and Mrs Fatima-Zohra EL Fihri as independent members of the board of directors for three year period ending at the close of the Ordinary General Assembly to be held to approve the accounts for the year 2023.

This resolution was put to the vote and adopted unanimously.

#### Seventh Resolution

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 2021.

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 audit committee, the executive credit committee, the risk committee and the nomination and remuneration committee the gross sum of three thousand dinars per member and attendance for the financial year 2021.

This resolution was put to the vote and adopted unanimously.

#### Eighth Resolution

The Ordinary General Assembly decides to increase to nine hundred and fifty million dinars the maximum total amount, authorized by the Ordinary General Meeting of June 03, 2020, for the issue by the Bank of one or more ordinary debenture and/or subordinated loans.

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 Managing Director, member of the Management Board or Supervisory Board in accordance with the provisions of Article 192 of the Commercial Companies Code.

This resolution was put to the vote and adopted unanimously.

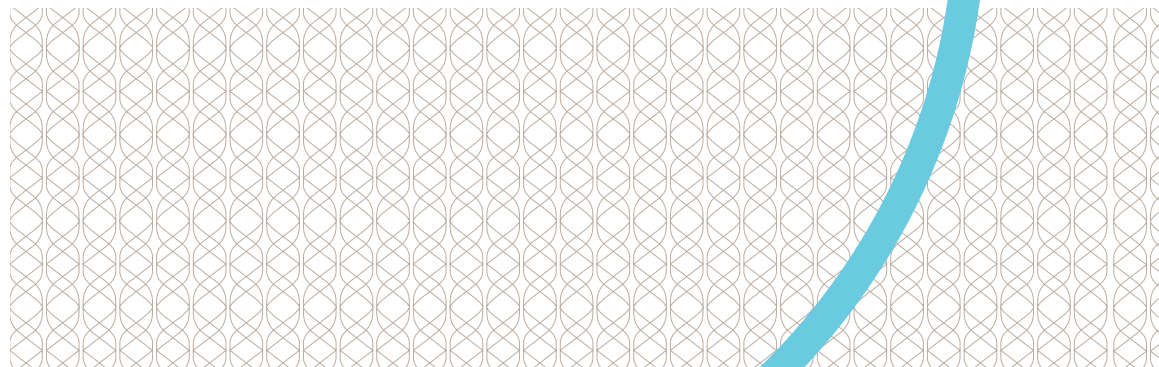
#### Tenth Resolution

The Ordinary General Assembly gives full powers to the legal representative of the bank or to any person mandated by the latter to carry out all deposits and fulfill all legal formalities for publication or regularization.

This resolution was put to the vote and adopted unanimously.

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**RESOLUTIONS  
OF THE  
EXTRAORDINARY  
GENERAL  
ASSEMBLY**





# — Resolutions of the Extraordinary General Assembly

## First Resolution

The Extraordinary General Assembly approves holding this assembly through audio visual means of communication due to the current circumstances of the COVID-19 epidemic.

This resolution was put to the vote and adopted unanimously.

## Second Resolution

After hearing the report of the Board of Directors, The Extraordinary General assembly decides to reduce the nominal value of share from TND 10 to TND 5.

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-eight million five hundred thousand 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 made up of 17 812 260 cash shares of Ten Tunisian Dinars each;
- TND 371 740 made up of 37 174 shares of ten 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 made by the British Bank of the Middle East.

### 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 35 700 000 shares of 5 Tunisian Dinars (TND 5) each.

This resolution was put to the vote and adopted unanimously.

## Fourth Resolution

The Extraordinary General Assembly gives full powers to the General Manager to carry out the formalities required for the completion of the decrease in nominal share value.

This resolution was put to the vote and adopted unanimously.

## Fifth Resolution

The Extraordinary General Assembly gives full powers to the bank's legal representative or to any person mandated by the latter to carry out all deposits and fulfill all legal formalities for publication or regularization.

This resolution was put to the vote and adopted unanimously.

