

# annual report

Banque Audi (Suisse) SA

2023

**Banque Audi Suisse**





# annual report

Banque Audi (Suisse) SA

2023

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# REPORT OF THE BOARD OF DIRECTORS

for the year ended 31 December 2023

## SUMMARY

In 2023, Banque Audi (Suisse) SA (the “Bank”) managed to navigate through the negative effects of the prolonged economic and monetary crisis impacting Lebanon since the end of 2019. Despite such constraints existing for over 4 years, the Bank was able to stabilize the situation during the year and post a net profit for the year of CHF 11.8 million, compared to CHF 7.9 million in 2022. Operating income for 2023 amounted to CHF 66.3 million, compared to CHF 56.3 million in 2022. However, operating expenses increased by CHF 7.9 million to CHF 45.3 million, as the Bank continued to strengthen and broaden its system of internal controls, with particular focus on compliance. This higher level of investment had a direct impact on the cost to income ratio raising it to 68.4%, from 66.5% in 2022.

Total Balance Sheet assets of the Bank decreased to CHF 0.924 billion, compared to CHF 1.327 billion in 2022.

## BALANCE SHEET

The year-on-year decrease of the total Balance Sheet assets of the Bank to CHF 0.924 billion is due to a number of factors. Firstly, from a source of financing perspective, client deposits decreased by CHF 442 million, principally due to the overall negative net new money given the continued crisis in Lebanon, despite the stabilization of NNM in Q4 2023, but also due to client investment, particularly in fiduciary deposits, given increasing interest rates in 2023. Such prevailing interest rates also had an impact on the Lombard Credit portfolio, which decreased by CHF 117 million to CHF 288 million as at the end of 2023. In this context, although the Bank continued to invest part of its reduced surplus liquidity in high-grade sovereign bonds, which from a short-term liquidity perspective are considered as High Quality Liquid Assets (“HQLA”), the Financial Investment portfolio decreased by CHF 150 million to CHF 355 million as at the end of 2023. In addition, the Bank continued to place part of the surplus liquidity with highly-rated Swiss Cantonal banks. The combination of these events resulted in the Bank deciding to significantly reduce its at sight liquidity position, and accordingly amounts deposited at the Swiss National Bank, also considered as HQLA, decreased by CHF 93 million to CHF 37 million at the end of 2023. However, given the Bank’s continued prudent management of its short-term liquidity position, the Liquidity Coverage Ratio remained relatively strong at 423%.

It should be noted that the 10% year-on-year devaluation of the USD versus the CHF, also had a noticeable impact on the total Balance Sheet assets.

From an Assets under Management (“AUM”) perspective, the Bank posted total AUMs of CHF 4.4 billion in 2023, compared to CHF 4.7 billion in 2022, principally due to the negative net new money of CHF 119 million in 2023, which noticeably included a positive net new money for Q4, as commercial activities began to stabilize. To note that the negative impact of the USD/CHF exchange rate year-on-year was also an important factor.

## INCOME STATEMENT

Results from interest operations increased year-on-year by CHF 10.4 million to CHF 30.3 million, principally due to the increasing interest rates during the year and continued re-investments in high-grade sovereign bonds and bank placements, partially offset by the impact of a decrease in the Lombard Credit portfolio.

Commission business and services income remained stable year-on-year at CHF 28.2 million, compared to CHF 29.4 million in 2022, principally due to the impact of the decrease in AUM and continued global uncertainty. Results from trading activities increased by CHF 1.5 million to CHF 8.6 million. This trading income is primarily driven by customer foreign exchange activity, as no proprietary foreign exchange trading, outside of hedging foreign exchange risk inherent in the Bank’s operations, is being undertaken by the Bank.

Operating expenses increased year-on-year by CHF 7.9 million to CHF 45.3 million, as a result of the Bank’s continued efforts to strengthen key risk and control functions. In particular, significant investments were made during the year to increase the size and quality of, and tools available to, the Compliance department, including the establishment of a dedicated Financial Crime Compliance department. Furthermore, the Bank continued to be assisted by its US lawyers as part of the OFAC Voluntary Self-Disclosure process which commenced in December 2022, including the performance of an independent risk-based bank-wide review of US sanctions compliance, and support in the development of a thorough sanctions risk assessment and its corresponding framework and, in the implementation of revised policies and procedures pertaining to sanctions.

The exceptional items included in the 2023 results mainly relate to the impact of an administrative procedure of CHF 4.3 million, closed after the 2023 financial year. This amount is shown in changes to provisions and other value adjustments.

## ALLOCATION OF RETAINED EARNINGS

It is proposed to allocate the 2023 net profit of CHF 11.8 million to retained earnings.

At year-end 2023, after the allocation to retained earnings, shareholders equity amounts to CHF 199.5 million (Net Tier I capital), with a Tier I capital ratio of 65.85%. As at 31 December 2023, the Bank continues to be well-capitalized with a combined Tier I and Tier II capital of CHF 206.7 million and ratio of 68.23%.

## NEW FINMA REGIME FOR CATEGORY 4 AND 5 BANKS

In 2018, the FINMA defined a new regime for category 4 and 5 banks which have a relatively high level of capital and liquidity. Although the Bank, as a category 4 bank, participated in the “pilot” phase of this new regime, the Board of Directors and the Executive Management of the Bank decided ultimately not to participate in this regime, principally due to certain disadvantageous changes in the capital adequacy rules under Basle III.



# REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS



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To the General Meeting of  
Banque Audi (Suisse) SA, Geneva

Geneva, 10 April 2024

## Report of the statutory auditor

### Report on the audit of the financial statements



#### Opinion

We have audited the financial statements of Banque Audi (Suisse) SA (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of income and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 9 to 24) comply with Swiss law and the Company's articles of incorporation.



#### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Board of Directors' responsibilities for the financial statements**

The Board of Directors is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework for banks, the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors 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 Directors is responsible for assessing the Company'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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

Our objectives 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 Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

## **Report on other legal and regulatory requirements**



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



## BALANCE SHEET AS AT 31 DECEMBER 2023

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Notes	31/12/2023	31/12/2022
<b>ASSETS</b>			
Liquid assets	12	37,422	130,555
Amounts due from banks	12	165,625	217,671
Amounts due from customers	4	287,954	404,993
Mortgage loans	4	19,826	20,500
Trading portfolio assets	5	138	100
Positive replacement values of derivative financial instruments	6	25,190	10,083
Financial Investments	7,12	355,026	505,272
Accrued income and prepaid expenses		4,232	8,982
Participations	8,9	223	246
Tangible fixed assets	10	28,436	28,834
Other assets	11	278	203
<b>Total assets</b>		<b>924,350</b>	<b>1,327,439</b>
<b>LIABILITIES</b>			
Amounts due to banks		31,283	16,587
Amounts due in respect of customer deposits		645,688	1,087,841
Negative replacement values of derivative financial instruments	6	17,438	11,630
Accrued expenses and deferred income		15,776	12,993
Other liabilities	11	1,659	1,775
Provisions	14	12,982	8,901
Reserves for general banking risks	14	2,100	2,100
Share capital	15	25,000	25,000
Statutory retained earnings reserve		17,000	17,000
Voluntary retained earnings reserve		19,300	19,300
Profits carried forward		124,312	116,395
Profit for the period		11,812	7,917
<b>Total liabilities</b>		<b>924,350</b>	<b>1,327,439</b>

	Notes	31/12/2023	31/12/2022
<b>OFF-BALANCE SHEET</b>			
Contingent liabilities	4,23	16,366	18,898
Irrevocable commitments	4	2,616	2,330



## INCOME STATEMENT FROM 1 JANUARY TO 31 DECEMBER 2023

(Expressed in thousands of Swiss Francs)

	Notes	2023	2022
<b>RESULTS FROM INTEREST OPERATIONS</b>			
Interest and discount income	27	25,739	14,929
Interest and dividend income from trading portfolio		-	-
Interest and dividend income from financial investments		4,968	4,680
Interest expenses		(434)	221
<b>Gross results from interest operations</b>		<b>30,273</b>	<b>19,830</b>
Changes in value adjustment for default risks and losses from interest operations		(78)	(196)
<b>Subtotal net results from interest operations</b>		<b>30,195</b>	<b>19,634</b>
<b>RESULTS FROM COMMISSION BUSINESS AND SERVICES</b>			
Commission income from securities trading and investment activities		33,134	36,755
Commission income from lending activities		298	301
Commission income from other services		1,628	1,789
Commission expense		(6,858)	(9,408)
<b>Subtotal results from commission business and services</b>		<b>28,202</b>	<b>29,437</b>
<b>RESULTS FROM TRADING ACTIVITIES</b>	26	<b>8,585</b>	<b>7,132</b>
<b>OTHER RESULTS FROM ORDINARY ACTIVITIES</b>			
Result from the disposal of financial investments		(651)	88
Income from non-consolidated participations		-	-
Other ordinary income		-	-
Other ordinary expenses		-	-
<b>Subtotal other results from ordinary activities</b>		<b>(651)</b>	<b>88</b>
<b>OPERATING EXPENSES</b>			
Personnel expenses	28	(31,580)	(27,042)
General and administrative expenses	29	(13,760)	(10,380)
<b>Subtotal operating expenses</b>		<b>(45,340)</b>	<b>(37,422)</b>
Value adjustments on participations and depreciation of tangible fixed assets and intangible assets	8,10	(1,416)	(1,320)
Changes to provisions and other value adjustments, and losses	14	(5,628)	(7,860)
<b>OPERATING RESULT</b>		<b>13,947</b>	<b>9,689</b>
Extraordinary income	30	-	1
Extraordinary expenses	30	(8)	(76)
Changes in reserves for general banking risks	14	-	-
Taxes	31	(2,127)	(1,697)
<b>PROFIT FOR THE PERIOD</b>		<b>11,812</b>	<b>7,917</b>

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## STATEMENT OF CHANGES IN EQUITY

(Expressed in thousands of Swiss Francs)

	Share capital	Statutory retained earnings reserve	Voluntary retained earnings reserve	Reserves for general banking risks	Profit carried forward	Profit for the period	TOTAL
Equity as at 1 January 2023	25,000	17,000	19,300	2,100	116,395	7,917	187,712
Other allocations to other reserves	-	-	-	-	7,917	(7,917)	-
Dividend and other distributions	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	11,812	11,812
<b>Equity as at 31 December 2023</b>	<b>25,000</b>	<b>17,000</b>	<b>19,300</b>	<b>2,100</b>	<b>124,312</b>	<b>11,812</b>	<b>199,524</b>

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## ALLOCATION OF NET INCOME PROPOSED BY THE BOARD OF DIRECTORS AND APPROVED BY THE SHAREHOLDERS' MEETING

(Expressed in thousands of Swiss Francs)

	2023	2022
<b>RETAINED EARNINGS</b>		
Profit for the period	11,812	7,917
Profit brought forward	124,312	116,395
Ordinary dividend	-	-
<b>Retained earnings at the end of the year</b>	<b>136,124</b>	<b>124,312</b>
<b>ALLOCATION OF THE RETAINED EARNINGS</b>		
Ordinary dividend	-	-
Profit carried forward	136,124	124,312
<b>Total</b>	<b>136,124</b>	<b>124,312</b>



# NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

## 1. NATURE OF THE BANK'S BUSINESS AND STAFFING LEVELS

### General Information

Banque Audi (Suisse) SA is a Bank incorporated in Switzerland, headquartered in Geneva and 100% held indirectly by Bank Audi SAL, Lebanon, through BAPB Holding Limited, Cyprus.

The Bank's primary activities are wealth management and administration in the form of investment management, placing of deposits on a fiduciary basis and secured lending for private customers.

The Bank has a representative office in Beirut for the purpose of developing the market of the Middle Eastern region.

The Bank's staff at 31 December 2023 comprises 102 employees, of which 5 are located in the representation office in Beirut (at 31 December 2022: 103 of which 5 located in the representation office in Beirut).

### Outsourcing

The Bank outsources services as defined by circular FINMA 2018/3. These services relate to the hosting and operation of its interbank messaging platform.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation

The annual financial statements are prepared in compliance with the requirements of the Swiss Civil Code, the Swiss law on banks and related ordinance and the directives of the Swiss Financial Markets Supervisory Authority (FINMA), as defined by circular FINMA 2020/1 (PCB).

### Accounting Recognition of Transactions

All transactions made until the balance sheet date are booked the day they are executed. Non-executed spot transactions are included in the balance sheet on transaction date.

### Foreign Currency and Precious Metal Balances

The financial statements are presented in Swiss francs. Foreign currency and precious metal balances are translated into their Swiss franc equivalents at the closing rate of exchange. Income and expense amounts denominated in foreign currencies are converted to Swiss francs. The rates applied at 31 December 2023 for the conversion of the main currencies into Swiss francs are the following:

USD 0.8370 (2022: 0.9251)  
EUR 0.9270 (2022: 0.9875)

### Forward Foreign Exchange Transactions and Derivative Financial Instruments

#### Trading Transactions

Outstanding forward foreign exchange transactions and derivative financial instruments, comprising currency and securities options, are expressed at prevailing market rates in the financial statements. The variation in positive and negative replacement values resulting from this treatment are included in results from trading activities in the income statement.

The contract volumes as presented correspond to the values of the underlying currencies and securities from which the instruments are derived.

#### Hedging Transactions

Hedging transactions are reported using the same valuation principles as the transactions that they are serving to hedge and are included under the same accounting captions. The continuing validity of the accounting treatment of hedging transaction is reviewed periodically. Transactions that can no longer be considered as valid hedges are treated as trading transactions.

### Liquid Assets and Amounts Due from and to Banks and Customers

Liquid assets and amounts due from and to banks and customers are reported in the balance sheet at their nominal value.

Impaired customer loans are subject to individual provisions which are recorded as a deduction from the amount due.

### Securities and Precious Metal Trading Portfolios

Securities held as trading items and securities held as available for sale are valued at their prevailing market rates at the balance sheet date. The financing cost of the securities portfolio is not included in the same income statement caption.

### Financial Investments

Interest bearing financial investments that are intended to be held to maturity are included in the balance sheet at cost adjusted on pro-rata basis to accrue to their value at maturity. In the event of the risk of non-repayment at maturity a specific provision is made and deducted from the reported value.

Physical precious metals are held to cover customer deposits booked on the balance sheet as non-physical metals, recorded at fair value, as well as the spot component of short term swap transactions on such metals.

### Tangible Fixed Assets

Tangible fixed assets are reported in the balance sheet at cost and are depreciated over their estimated useful economic lives on a straight line basis.

Owned operating premises are reported in the balance sheet at a maximum of their acquisition cost, less depreciation deemed to be economically necessary, on a straight line basis.

The useful lives of the different categories used for depreciation purposes are:

- Information technology hardware and purchased software: 3 years
- Office furniture and equipment: 5 years
- Installations and office improvements: 5 years
- Motor vehicles: 5 years
- Owned premises: 50 years

#### Provision

The principle of prudence is applied in recognizing adequate value adjustments and provisions in all situations that involve a degree of uncertainty as to the appreciation or evaluation of the risk.

#### Value Adjustments

The credit policy of the Bank is to lend to customers on a fully secured basis with collateral of quality, duly weighted. Impairment of collateral is the primary reason for which loan recovery may become doubtful. A value adjustment is made against each specific impaired loan and is the difference between the nominal value of the loan and the estimated recoverable amount taking into account the estimated realisable value of the collateral. Provisions are made for interest remaining due for more than three months.

#### Taxes

Income and capital taxes are provided for on all taxable items, including those in respect of which payment is deferred. The provisions are included in accrued expenses.

### 3. RISK MANAGEMENT

The risk management policies of the Bank are embodied in the internal directives approved by the Board of Directors. These directives set out the scope of the activities, their nature and the levels of authority delegated to management. The directives are accompanied by operating procedures that are developed by the departments concerned.

Monitoring of compliance with the directives is performed by the internal control function of the Bank.

#### Market Risk

Market risk management policy is defined in the directives on foreign exchange and securities trading. The requirements and limits include those relating to:

- Approved instruments
- Individual and overall positions
- Transaction limits
- Loss limits

With regard to foreign exchange activities, trading for the Banks' own account is minimal, the principal role being that of serving the customer base and covering customer transactions in the inter-bank market. Positions in foreign exchange or securities options are generally not taken other than for hedging revenues denominated in foreign currencies.

#### Interest Rate Risk

The directive on interest rate risk defines the authorized instruments and limits. The directive reflects the Bank's policy of low interest rate risk in view of the short maturities inherent in underlying customer transactions and the hedging of such transactions.

#### Credit Risk

The policy and rules on credit risk are set out in the directive on credit activities. Credit activity is limited to secured lending and, on an exceptional basis, to mortgage loans. The value of portfolios pledged are established by reference to a loan-to-value rate defined by asset class. The value of assets included in portfolios pledged by clients are regularly reappraised. Exposures are subject to daily monitoring by the Credit Department and approvals for over-limit situations are submitted to the authority levels stipulated in the directive.

#### Country Risk

Management of exposure to country risk including limits is set out in an internal directive. Country risk is principally generated by the Bank's investment portfolio and guarantees provided by customers to whom the Bank lends, and is subject to verification on a regular basis.

#### Operational Risk

Operational risks are those that arise in the event of an erroneous or omitted execution of a transaction or more generally from a procedural or technological weakness. These failures result in one or more of the risks set out above. The operational risks are covered by written departmental procedures.

#### Reputational and Compliance Risk

These risks arise from the absence of compliance with professional standards and legal and regulatory requirements, in accordance with FINMA circular 2017/1. The Compliance department is responsible for setting up, implementing, monitoring, and adapting the internal regulations and control systems required to combat money-laundering and the financing of terrorism, and comply with economic sanctions. This department is actively involved in raising employees' awareness of the respective obligations and perform independent checks to ensure that internal regulations are in line with the Bank's activity.

#### Risk Analysis by the Board of Directors

The Board of Directors has defined the principal objectives of risk management of the Bank by performing an inventory of identified risks and an evaluation of the probability of occurrence and its consequences, thus enabling the effective allocation of the Bank's resources.

#### Capital Adequacy

The Bank's capital adequacy and liquidity regulatory report is available on its website [www.bankaudipb.com](http://www.bankaudipb.com) in compliance with FINMA Circular 2016/01.

#### Significant events post balance sheet date

As indicated in the footnote to the table in Note 14, an administrative procedure was closed after 31 December 2023 and the resulting impact of CHF 4.3 million was fully provisioned.

## INFORMATION ON BALANCE SHEET TRANSACTIONS

### 4. PRESENTATION OF COLLATERAL FOR LOANS/RECEIVABLES, OFF-BALANCE SHEET TRANSACTIONS, AS WELL AS IMPAIRED LOANS/RECEIVABLES

(Expressed in thousands of Swiss Francs)

Presentation of collateral for loans/receivables, off-balance sheet transactions	Type of Collateral				
	Secured by mortgage	Other collateral	Unsecured	Total	
<b>LOANS (BEFORE NETTING WITH VALUE ADJUSTMENTS)</b>					
Amounts due from customers	-	287,796	486	288,282	
Mortgage loans					
- Office and business premises	19,826	-	-	19,826	
<b>Total Loans (before netting with value adjustments)</b>	<b>31/12/2023</b>	<b>19,826</b>	<b>287,796</b>	<b>308,108</b>	
	31/12/2022	20,500	404,767	425,773	
<b>Total Loans (after netting with value adjustments)</b>	<b>31/12/2023</b>	<b>19,826</b>	<b>287,796</b>	<b>158</b>	
	31/12/2022	20,500	404,767	226	
				425,493	
<b>OFF-BALANCE SHEET</b>					
Contingent liabilities	-	16,125	241	16,366	
Irrevocable commitments	-	-	2,616	2,616	
<b>Total off-balance sheet</b>	<b>31/12/2023</b>	<b>-</b>	<b>16,125</b>	<b>2,857</b>	
	31/12/2022	-	18,757	2,471	
				21,228	
<b>Impaired loans/receivables</b>					
		Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjust- ments
<b>Total impaired loans/receivables</b>	<b>31/12/2023</b>	<b>370</b>	<b>42</b>	<b>328</b>	<b>328</b>
	31/12/2022	339	57	282	280

### 5. BREAKDOWN OF TRADING PORTFOLIO

(Expressed in thousands of Swiss Francs)

	31/12/2023	31/12/2022
<b>TRADING PORTFOLIO ASSETS</b>		
Debt securities, money market securities / transactions	138	100
- of which, listed	138	100
<b>Total trading portfolio assets</b>	<b>138</b>	<b>100</b>
- of which, determined using a valuation model	-	-
- of which, securities eligible for repo transaction in accordance with liquidity requirements	-	-

## 6. PRESENTATION OF DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

(Expressed in thousands of Swiss Francs)

	Trading Instruments			Hedging Instruments		
	Replacement values		Contract volume	Replacement values		Contract volume
	Positive	Negative		Positive	Negative	
<b>FOREIGN EXCHANGE</b>						
Forward contracts	219	261	24,674	-	-	-
Swaps	9,845	2,158	575,439	-	-	-
Options (OTC)	4,246	4,246	198,716	-	-	-
<b>PRECIOUS METALS</b>						
Forward contracts	31	-	2,591	-	-	-
Swaps	76	-	12,987	-	-	-
Options (OTC)	807	807	39,793	-	-	-
<b>EQUITY SECURITIES / INDICES</b>						
Options (OTC)	9,966	9,966	19,634	-	-	-
<b>Total 31/12/2023</b>	<b>25,190</b>	<b>17,438</b>	<b>873,834</b>	-	-	-
Total 31/12/2022	10,083	11,630	496,573	-	-	-

The Bank does not apply any netting contracts on positive and negative replacement values.

<b>BREAKDOWN BY COUNTERPARTY</b>	Central clearing house	Bank & securities dealers	Other customers
Positive replacement values	-	24,630	560

## 7. BREAKDOWN OF FINANCIAL INVESTMENTS

(Expressed in thousands of Swiss Francs)

	Book Value		Fair Value	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>PRESENTATION OF FINANCIAL INVESTMENTS</b>				
Debt securities	270,903	382,589	267,603	370,391
- of which intended to be held to maturity	270,903	382,589	267,603	370,391
Equities securities	2	3	2	3
Precious metals	84,121	122,680	84,121	122,680
<b>Total financial investments</b>	<b>355,026</b>	<b>505,272</b>	<b>351,726</b>	<b>493,074</b>
- of which, securities eligible for repo transactions in accordance with liquidity requirements	-	-	-	-

The Bank has signed a Precious Metals Collective Pool Custody agreement with its global custodian, UBS, which ensures the daily conversion by UBS of non-physical metals, originating from customer deposits, into physical metals. The resulting physical metals are shown as Financial Investments.

<b>BREAKDOWN OF COUNTERPARTIES BY RATING</b>	From AAA to AA-	From A+ to A-	From BBB+ to BBB-
Book value of debt securities	201,682	69,221	-

The Bank's ratings are based on Standard & Poor's rating categories.

## 8. PRESENTATION OF PARTICIPATIONS

(Expressed in thousands of Swiss Francs)

	Acquisition cost	Accumulated value adjustment and changes in book value	Book value 31.12.2022	Additions	Disposals (including exchange difference)	Value adjustments	Book value 31.12.2023
Other participations							
- without market value	1,004	(758)	246	-	(23)	-	223
<b>Total participations</b>	<b>1,004</b>	<b>(758)</b>	<b>246</b>	<b>-</b>	<b>(23)</b>	<b>-</b>	<b>223</b>

## 9. DISCLOSURE OF COMPANIES IN WHICH THE BANK HOLDS A PERMANENT DIRECT OR INDIRECT SIGNIFICANT PARTICIPATION

COMPANY NAME AND DOMICILE	Business activity	Currency	Company capital (in 1'000s)	Share of capital and votes (in %) 31.12.2023	Share of capital and votes (in %) 31.12.2022	Held directly/indirectly
Audi Capital (KSA), Riyadh	Financial services	SAR	100,000	1.00%	1.00%	Directly

## 10. PRESENTATION OF TANGIBLE FIXED ASSETS

(Expressed in thousands of Swiss Francs)

	Acquisition cost	Accumulated depreciation	Book value 31.12.2022	Additions	Disposals	Depreciation	Book value 31.12.2023
Bank's buildings	37,749	(10,927)	26,822	-	-	(755)	26,067
Other tangible fixed assets	18,824	(17,654)	1,170	416	-	(180)	1,406
Acquired software	6,754	(5,912)	842	602	-	(481)	963
<b>Total tangible fixed assets</b>	<b>63,327</b>	<b>(34,493)</b>	<b>28,834</b>	<b>1,018</b>	<b>-</b>	<b>(1,416)</b>	<b>28,436</b>

## 11. OTHER ASSETS AND OTHER LIABILITIES

(Expressed in thousands of Swiss Francs)

	Other Assets		Other Liabilities	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Transit accounts	163	89	842	990
Indirect taxes	115	110	817	734
Compensation account	-	4	-	51
<b>Total</b>	<b>278</b>	<b>203</b>	<b>1,659</b>	<b>1,775</b>

## 12. DISCLOSURE OF ASSETS PLEDGED OR ASSIGNED TO SECURE OWN COMMITMENTS AND ASSETS UNDER RESERVATION OF OWNERSHIP

(Expressed in thousands of Swiss Francs)

	31/12/2023		31/12/2022	
	Book value	Effective commitments	Book value	Effective commitments
<b>PLEDGED/ASSIGNED ASSETS:</b>				
- Liquid assets	1,308	1,308	-	-
- Amounts due from banks	38,706	38,706	55,840	55,840
- Financial investments	95,429	95,429	21,114	21,114
<b>Total pledged assets</b>	<b>135,443</b>	<b>135,443</b>	<b>76,954</b>	<b>76,954</b>

## 13. DISCLOSURES ON THE ECONOMIC SITUATION OF OWN PENSION SCHEMES

(Expressed in thousands of Swiss Francs)

### Employer contribution reserve (ECR)

No reserve for future contributions has been set up by the Bank.

### PRESENTATION OF THE ECONOMIC BENEFIT/OBLIGATION AND THE PENSION EXPENSES

	Overfunding/ underfunding	Economic interest of the Bank		Change in economic interest	Contributions paid	Pension expenses in personnel expenses	
	2023	2023	2022	2023	2023	2023	2022
Pension plans with overfunding	-	-	-	-	1,599	1,599	1,550
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,599</b>	<b>1,599</b>	<b>1,550</b>

The Bank has signed a contract of affiliation to the collective foundation AXA in Lausanne, an independent provident institution applying the legal dispositions governing employee pension plans in Switzerland and offering a defined contribution plan. Its objective is to insure employees against the economic impact resulting from retirement, disability and death. In addition to the basic plan, executives and members of management are eligible for a supplemental defined contribution plan. These plans are financed by both the employer and the employees in accordance with the regulations of the plans.

On 1 January 2019, AXA transferred the 100% insured pension fund to a new partially insured plan with additional coverage. At 31 December 2023, the unaudited coverage rate was 103.4%, which means that there is no underfunding at this date.

### Liabilities relating to own pension schemes

The Bank has no liabilities relating to its own pension schemes as of 31 December 2023 (2022: none).

## 14. PRESENTATION OF VALUE ADJUSTMENTS AND PROVISIONS, RESERVES FOR GENERAL BANKING RISKS AND CHANGES THEREIN DURING THE CURRENT YEAR

(Expressed in thousands of Swiss Francs)

	Balance as at 31/12/2022	Used in conformity with designated purpose	Reclassifications	Currency differences	New creations charged to income	Release to income	Balance at 31/12/2023
Provisions for deferred taxes	-	-	-	-	-	-	-
Provisions for pension benefit obligations	-	-	-	-	-	-	-
Provisions for default risks	-	-	-	-	-	-	-
Provisions for other business risks	5	-	-	(1)	-	-	4
Provisions for restructuring	-	-	-	-	-	-	-
Other provisions	8,896	(943)	-	(525)	5,883	(333)	12,978
<b>Total provisions</b>	<b>8,901</b>	<b>(943)</b>	-	<b>(526)</b>	<b>5,883</b>	<b>(333)</b>	<b>12,982</b>
<b>Reserves for general banking risks</b>	<b>2,100</b>	-	-	-	-	-	<b>2,100</b>
<b>Value adjustments for default and country risks</b>	<b>280</b>	<b>(7)</b>	-	<b>(23)</b>	<b>78</b>	-	<b>328</b>
- of which, value adjustments for default risks in respect of impaired loans/receivables	280	(7)	-	(23)	78	-	328
- of which, value adjustments for expected losses	-	-	-	-	-	-	-
- of which, value adjustments for default inherent risks	-	-	-	-	-	-	-
- of which, value adjustments for latent risks	-	-	-	-	-	-	-

After year-end 2023, an administrative procedure was closed with an impact of CHF 4.3 million reflected in the income statement under "Changes in provisions and other value adjustments, losses" and under "Other provisions" above. It also contains provisions for legal fees related to the Voluntary Self-Disclosure process with the OFAC.

## 15. PRESENTATION OF SHARE CAPITAL

(Expressed in thousands of Swiss Francs)

	31/12/2023			31/12/2022		
	Total nominal value	Number of shares	Capital eligible for dividend	Total nominal value	Number of shares	Capital eligible for dividend
Share capital	25,000	25,000	25,000	25,000	25,000	25,000
<b>Total</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>

## 16. DISCLOSURE OF AMOUNTS DUE FROM/TO RELATED PARTIES

(Expressed in thousands of Swiss Francs)

	Amounts due from		Amounts due to	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Holders of qualified participations	75	30	21,717	16,325
Group companies	1	1	2,367	2,563
Transactions with members of governing bodies	-	-	170	1,289
Other related companies	304	5,770	2,334	4,464
<b>Total</b>	<b>380</b>	<b>5,801</b>	<b>26,588</b>	<b>24,641</b>

The Bank confirms that the conditions applicable to amounts due from and to related parties are at arm's length.

## 17. DISCLOSURE OF HOLDERS OF SIGNIFICANT PARTICIPATIONS

(Expressed in thousands of Swiss Francs)

The holders of participations below directly hold participations exceeding 5% of all voting rights:

	31/12/2023		31/12/2022	
	Nominal	Share as %	Nominal	Part en %
BAPB Holding Limited, Cyprus	25,000	100%	25,000	100%

At 31 December 2023, the share capital of Bank Audi (Suisse) SA, Geneva, is 100% held indirectly by Bank Audi SAL, Lebanon, through BAPB Holding Limited, Cyprus, which directly holds all of the share capital and voting rights of the Bank.

## 18. PRESENTATION OF MATURITY STRUCTURE OF FINANCIAL INSTRUMENTS

(Expressed in thousands of Swiss Francs)

	Due					Total
	At sight	Cancellable	Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	
<b>ASSETS / FINANCIAL INSTRUMENTS</b>						
Liquid assets	36,114	1,308	-	-	-	37,422
Amounts due from banks	16,919	38,706	110,000	-	-	165,625
Amounts due from customers	-	46,101	232,533	9,320	-	287,954
Mortgage loans	-	-	19,826	-	-	19,826
Trading portfolio assets	138	-	-	-	-	138
Positive replacement values of derivative financial instruments	25,190	-	-	-	-	25,190
Financial investments	84,121	2	150,336	53,329	67,238	355,026
<b>Total 31/12/2023</b>	<b>162,482</b>	<b>86,117</b>	<b>512,695</b>	<b>62,649</b>	<b>67,238</b>	<b>891,181</b>
Total 31/12/2022	347,023	78,617	440,656	125,167	297,711	1,289,174
<b>DEBT CAPITAL / FINANCIAL INSTRUMENTS</b>						
Amounts due to banks	31,283	-	-	-	-	31,283
Amounts due in respect of customer deposits	645,688	-	-	-	-	645,688
Negative replacement values of derivative financial instruments	17,438	-	-	-	-	17,438
<b>Total 31/12/2023</b>	<b>694,409</b>	-	-	-	-	<b>694,409</b>
Total 31/12/2022	1,116,058	-	-	-	-	1,116,058

## 19. PRESENTATION OF ASSETS AND LIABILITIES BY DOMESTIC AND FOREIGN ORIGIN (CLIENT'S DOMICILE)

(Expressed in thousands of Swiss Francs)

	31/12/2023		31/12/2022	
	Switzerland	Foreign	Switzerland	Foreign
<b>ASSETS</b>				
Liquid assets	37,422	-	130,555	-
Amounts due from banks	138,247	27,378	185,679	31,992
Amounts due from customers	29,316	258,638	28,948	376,045
Mortgage loans	19,826	-	20,500	-
Trading portfolio assets	-	138	-	100
Positive replacement values of derivative financial instruments	24,637	553	9,523	560
Financial investments	90,954	264,072	122,680	382,592
Accrued income and prepaid expenses	3,525	707	8,121	861
Participations	-	223	-	246
Tangible fixed assets	28,436	-	28,834	-
Other assets	278	-	167	36
<b>Total assets</b>	<b>372,641</b>	<b>551,709</b>	<b>535,007</b>	<b>792,432</b>
<b>LIABILITIES</b>				
Amounts due to banks	7,825	23,458	1,179	15,408
Amounts due in respect of customer deposits	27,139	618,549	41,475	1,046,366
Negative replacement values of derivative financial instruments	16,474	964	10,095	1,535
Accrued expenses and deferred income	15,771	5	12,726	267
Other liabilities	1,622	37	1,775	-
Provisions	12,982	-	8,901	-
Reserves for general banking risks	2,100	-	2,100	-
Share capital	25,000	-	25,000	-
Statutory retained earnings reserve	17,000	-	17,000	-
Voluntary retained earnings reserve	19,300	-	19,300	-
Profit carried forward	124,312	-	116,395	-
Profit for the period	11,812	-	7,917	-
<b>Total liabilities</b>	<b>281,337</b>	<b>643,013</b>	<b>263,863</b>	<b>1,063,576</b>

## 20. BREAKDOWN OF TOTAL ASSETS BY COUNTRY OR GROUP OF COUNTRIES (CLIENT'S DOMICILE)

(Expressed in thousands of Swiss Francs)

	31/12/2023		31/12/2022	
	Absolute	Share as %	Absolute	Share as %
Switzerland	372,641	40.4%	535,007	40.3%
Europe	158,690	17.2%	166,493	12.5%
North America	162,027	17.5%	257,919	19.4%
South America	6,737	0.7%	8,846	0.7%
Middle East	118,636	12.8%	172,306	13.0%
Other countries	105,619	11.4%	186,868	14.1%
<b>Total assets</b>	<b>924,350</b>	<b>100.0%</b>	<b>1,327,439</b>	<b>100.0%</b>

## 21. BREAKDOWN OF TOTAL ASSETS ABROAD BY CREDIT RATING OF COUNTRY GROUPS

(Expressed in thousands of Swiss Francs)

Internal rating	Standard & Poor's	NET FOREIGN EXPOSURE			
		31/12/2023		31/12/2022	
		Absolute	Share as %	Absolute	Share as %
1	AAA / AA-	397,991	85.5%	576,038	87.3%
2	A+ / A-	-	-	-	-
3	BBB+ / BBB-	30,940	6.6%	29,638	4.5%
4	BB+ / BB	255	0.1%	9,849	1.5%
5	BB-	34,754	7.5%	40,705	6.2%
6	B+ / B-	1,137	0.2%	2,679	0.4%
7	CCC+ / D	468	0.1%	457	0.1%
0	No rating	15	0.0%	21	0.0%
	<b>Total</b>	<b>465,560</b>	<b>100.0%</b>	<b>659,387</b>	<b>100.0%</b>

The Bank uses its own internal sovereign risk rating system which corresponds to the Standard & Poor's ratings published above.

## 22. PRESENTATION OF ASSETS AND LIABILITIES BY THE MOST SIGNIFICANT CURRENCIES FOR THE BANK

(Expressed in thousands of Swiss Francs)

	CHF	USD	EUR	Other	Precious metals	Total
<b>ASSETS</b>						
Liquid assets	37,051	109	233	29	-	37,422
Amounts due from banks	128,173	27,394	6,363	3,565	130	165,625
Amounts due from customers	65,580	172,764	44,624	4,986	-	287,954
Mortgage loans	19,826	-	-	-	-	19,826
Trading portfolio assets	-	138	-	-	-	138
Positive replacement values of derivative financial instruments	2,791	10,256	6,386	4,840	917	25,190
Financial Investments	-	215,462	55,443	-	84,121	355,026
Accrued income and prepaid expenses	1,689	2,063	423	57	-	4,232
Participations	-	-	-	223	-	223
Tangible fixed assets	28,436	-	-	-	-	28,436
Other assets	135	143	-	-	-	278
<b>Total assets shown in balance sheet</b>	<b>283,681</b>	<b>428,329</b>	<b>113,472</b>	<b>13,700</b>	<b>85,168</b>	<b>924,350</b>
Delivery obligations from spot, forward and option foreign exchange transactions	123,690	285,313	230,243	179,010	55,578	873,834
<b>Total assets</b>	<b>407,371</b>	<b>713,642</b>	<b>343,715</b>	<b>192,710</b>	<b>140,746</b>	<b>1,798,184</b>
<b>LIABILITIES</b>						
Amounts due to banks	6,024	13,004	1,788	939	9,528	31,283
Amounts due in respect of customer deposits	15,882	369,563	153,479	30,642	76,122	645,688
Negative replacement values of derivative financial instruments	4,087	1,005	5,966	5,370	1,010	17,438
Accrued expenses and deferred income	14,903	846	3	24	-	15,776
Other liabilities	1,055	438	166	-	-	1,659
Provisions	7,981	5,001	-	-	-	12,982
Reserves for general banking risks	2,100	-	-	-	-	2,100
Share capital	25,000	-	-	-	-	25,000
Statutory retained earnings reserve	17,000	-	-	-	-	17,000
Voluntary retained earnings reserve	19,300	-	-	-	-	19,300
Profit carried forward	124,312	-	-	-	-	124,312
Profit for the period	11,812	-	-	-	-	11,812
<b>Total liabilities shown in the balance sheet</b>	<b>249,456</b>	<b>389,857</b>	<b>161,402</b>	<b>36,975</b>	<b>86,660</b>	<b>924,350</b>
Delivery obligations from spot, forward and option foreign exchange transactions	154,382	320,729	181,863	155,051	54,083	866,108
<b>Total liabilities</b>	<b>403,838</b>	<b>710,586</b>	<b>343,265</b>	<b>192,026</b>	<b>140,743</b>	<b>1,790,458</b>
<b>Net position per currency</b>	<b>3,533</b>	<b>3,056</b>	<b>450</b>	<b>684</b>	<b>3</b>	<b>7,726</b>

## INFORMATION ON OFF-BALANCE SHEET TRANSACTIONS

### 23. BREAKDOWN OF CONTINGENT LIABILITIES

(Expressed in thousands of Swiss Francs)

	31/12/2023	31/12/2022
Other contingent liabilities	16,366	18,898
<b>Total contingent liabilities</b>	<b>16,366</b>	<b>18,898</b>

### 24. BREAKDOWN OF FIDUCIARY TRANSACTIONS

(Expressed in thousands of Swiss Francs)

	31/12/2023	31/12/2022
Fiduciary Deposits with third-party companies	687,683	609,409
Fiduciary Deposit with group companies	252,758	313,811
<b>Total fiduciary transactions</b>	<b>940,441</b>	<b>923,220</b>

### 25. BREAKDOWN OF ASSETS UNDER MANAGEMENT OR CUSTODY AND PRESENTATION OF THEIR DEVELOPMENT

(Expressed in thousands of Swiss Francs)

	31/12/2023	31/12/2022
<b>BREAKDOWN OF ASSETS UNDER MANAGEMENT OR CUSTODY</b>		
Assets under discretionary asset management agreements	406,946	425,350
Other assets under management or custody	3,966,942	4,285,612
<b>Total assets under management or custody (including double counting)</b>	<b>4,373,888</b>	<b>4,710,962</b>
- of which, double counting	-	-
<b>CHANGE IN ASSETS UNDER MANAGEMENT OR CUSTODY</b>		
	<b>2023</b>	<b>2022</b>
<b>Total assets under management or custody (including double counting) at beginning of year</b>	<b>4,710,962</b>	<b>5,651,181</b>
+/- Net new money inflows/(outflows)	(119,437)	(337,963)
+/- Price gains/(losses), interest, dividends and currency gains/(losses)	(100,598)	(520,625)
+/- Other effects	(117,039)	(81,631)
<b>Total assets under management or custody (including double counting) at end of year</b>	<b>4,373,888</b>	<b>4,710,962</b>

Managed assets include all client asset classes under management or custody at market value. Included within managed assets as at 31 December 2023 are CHF 252.8 million of Fiduciary Deposits held with Bank Audi SAL recorded at nominal value. These Fiduciary Deposits have all matured by December 31, 2023. In accordance with the requirements of the Central Bank of Lebanon, these funds are not transferable outside of the country.

Assets under discretionary asset management agreements are those for which clients have signed a discretionary asset management agreement.

Net new money comprises a combination of several factors. Firstly, inflow of funds resulting from the acquisition of new clients as well as fresh funds from existing clients. Secondly, outflows, subtracted from total inflows, comprising partial or total withdrawals of existing clients' assets. Changes in the value of assets caused by market effects (particularly price movements or interest / dividend payments) or interest charges, fees or expenses debited from clients are not included in the calculation of net new money inflows / outflows.

Other changes include the variation in assets under management or custody generated from financing provided by the Bank.

## INFORMATION ON INCOME STATEMENT

### 26. BREAKDOWN OF THE RESULT FROM TRADING ACTIVITIES

(Expressed in thousands of Swiss Francs)

	2023	2022
<b>BREAKDOWN BY BUSINESS ACTIVITY</b>		
Trading activities for the account of the client	7,695	7,307
Trading activities for own account	890	(175)
<b>Total result from trading activities</b>	<b>8,585</b>	<b>7,132</b>

	2023	2022
<b>BREAKDOWN BY BUSINESS TYPE</b>		
Result from trading activities from:		
- Equity securities (including funds)	4,175	2,193
- Foreign currencies	4,410	4,939
<b>Total result from trading activities</b>	<b>8,585</b>	<b>7,132</b>

### 27. DISCLOSURE OF MATERIAL REFINANCING INCOME IN THE ITEM INTEREST AND DISCOUNT INCOME AS WELL AS MATERIAL NEGATIVE INTEREST

(Expressed in thousands of Swiss Francs)

	2023	2022
Negative interest paid to the Swiss National Bank	-	(2,861)

### 28. BREAKDOWN OF PERSONNEL EXPENSES

(Expressed in thousands of Swiss Francs)

	2023	2022
Salaries	(26,170)	(22,889)
Social security benefits	(1,689)	(1,629)
Pension fund expenses	(1,599)	(1,550)
Other personnel expenses	(2,122)	(974)
<b>Total personnel expenses</b>	<b>(31,580)</b>	<b>(27,042)</b>

### 29. BREAKDOWN OF GENERAL AND ADMINISTRATIVE EXPENSES

(Expressed in thousands of Swiss Francs)

	2023	2022
Office space expenses	(675)	(658)
Expenses for information and communications technology	(2,877)	(2,553)
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	(24)	(18)
Fees of audit firm	(444)	(422)
- of which, for financial and regulatory audit	(444)	(422)
Other operating expenses	(9,740)	(6,729)
<b>Total general and administrative expenses</b>	<b>(13,760)</b>	<b>(10,380)</b>

### 30. PRESENTATION OF EXTRAORDINARY INCOME AND EXPENSES, AS WELL AS MATERIAL RELEASES OF HIDDEN RESERVES

(Expressed in thousands of Swiss Francs)

	2023	2022
<b>EXTRAORDINARY INCOME</b>		
Other extraordinary items	-	1
<b>Total extraordinary income</b>	<b>-</b>	<b>1</b>
	2023	2022
<b>EXTRAORDINARY EXPENSES</b>		
Social security controls from prior years	-	(76)
Other extraordinary items	(8)	-
<b>Total extraordinary expenses</b>	<b>(8)</b>	<b>(76)</b>

### 31. PRESENTATION OF CURRENT TAXES, DEFERRED TAXES AND DISCLOSURE OF TAX RATE

(Expressed in thousands of Swiss Francs)

	2023	2022
Current taxes	(2,127)	(1,697)
<b>Total taxes</b>	<b>(2,127)</b>	<b>(1,697)</b>
Weighted average tax rate based on the operating result	15%	18%



## BOARD OF DIRECTORS

### MARC J AUDI

BOARD MEMBER

As a member of the founding family of Bank Audi Group, Mr. Audi has over 35 years of banking experience with Bank Audi Group. He is a member of the Board of Directors of Bank Audi SAL. He holds a Masters degree in Business Management from the University of Paris IX Dauphine.

### SIMONA TERRANOVA

VICE-CHAIRMAN OF THE BOARD (INDEPENDENT\*)

Chairman of the Audit Committee. Mrs. Terranova has over 25 years of financial services experience and has held many senior executive positions in Geneva, Milan and Luxembourg. She is a qualified CPA and holds a Swiss External Audit Practicing Certificate since 2010. From 2006 to 2014, she was authorised by FINMA to conduct audits according to the Federal Law on Collective Capital Investments. She is currently a partner and founder of the financial services consulting firm, MT Finance (Switzerland) SA.

### JEAN-PIERRE JACQUEMOUD

BOARD MEMBER (INDEPENDENT\*)

Mr. Jacquemoud is an Attorney at Law. He holds a Law degree from the University of Geneva and a Masters degree in Comparative Law from the University of Texas in Austin. He holds a lawyers license from the Bar of Geneva and the Bar of New York. He is currently the principal partner at the Swiss law firm, Jacquemoud & Stanislas in Geneva. He also serves on the Board of Directors of various other companies in Switzerland, both within and outside of the financial services sector.

### FRANÇOIS TOBLER

BOARD MEMBER (INDEPENDENT\*)

Mr. Tobler is an Attorney at Law. He holds a law degree from the University of Geneva. He has over 25 years of financial services experience and has held senior non-executive positions in several Swiss Banks. He has also held the position of Deputy General Secretary of the Department of Home Affairs for the Republic and Canton of Geneva during 8 years. He is currently Chairman of the Board of Directors of an asset management company, Bastions Partners Office SA.

### AUDIT COMMITTEE

Simona Terranova (Chairman)

Christoph De Weck

Eric Hess

### KHALIL DEBS

BOARD MEMBER

Mr. Debs is Deputy CEO of Bank Audi Group, involved in managing all aspects of Group affairs. He joined Bank Audi SAL in 1995 as Group Head of Corporate Banking and played a key role in the development of the corporate and commercial lending activities in all Group entities. He holds a Master's degree in Business Administration from the Lebanese American University and is a Chartered Financial Analyst. He is also Chairman of the Board of Directors of Bank Audi LLC (Qatar) and a board member of several other Group entities.

### CHRISTOPH DE WECK

BOARD MEMBER (INDEPENDENT\*)

Mr. De Weck is an Attorney at Law. He holds a law degree from the University of Fribourg, and a lawyers licence from the Bar of Zurich the Bar of New York. He is currently a consultant at Aviolo Compliance Solutions GmbH, a company specializing in compliance matters. He has over 40 years of legal and compliance experience, where he has held senior executive positions in various companies.

### ERIC HESS

BOARD MEMBER (INDEPENDENT\*)

Mr. Hess is an Attorney at Law. He holds a law degree from the University of Geneva and a lawyer's license from the Bar of Geneva. He is currently a partner and founder of the Swiss law firm, Saint-Leger Avocats. He is also a deputy judge of the Criminal Court of Geneva, for both Police and Correctional Courts.

### FARID LAHOUD

BOARD MEMBER

As Chief Compliance and Governance Officer of Group Audi, Mr. Lahoud leads all aspects of Group Compliance. He joined the Audi Group in 1991 and has over 30 years of banking experience, and has held several senior positions in Compliance, Investment and Private Equity. Member of the Board of Directors of several Audi Group entities, he has also been a member of several NGO Advisory Committees. He holds a PhD in Business Administration from ESA Business School in Lebanon, in association with Panthéon-Sorbonne University.

### REMUNERATION COMMITTEE

Khalil Debs (Chairman)

Marc J Audi

Jean-Pierre Jacquemoud

\* Independent Board Members (FINMA, circular 2017/1).



## EXECUTIVE COMMITTEE

### RAGI BOUSTANY

#### GENERAL MANAGER

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Mr. Boustany joined the Bank in November 2015, after over 30 years of experience with BNP Paribas in various senior executive positions in Commercial & Investment Banking and Private Banking. He has held General Manager positions in the Middle East, UK and Switzerland. He holds a Law degree from the University "la Sagesse", Beirut.

### RANIA ABOU EL OULA

#### HEAD OF LEGAL, CENTRAL FILE AND SECRETARY GENERAL

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Mrs. Abou el Oula joined the Bank in July 2022 as Secretary General and was appointed Head of Legal, Central File and Secretary General in September 2023. She has over 20 years of experience in the banking and financial sector and has held executive positions with the Group. She has worked for the Group first as a lawyer, then as Head of Legal and Compliance, Head of Governance and finally as Chief Executive Officer of a Group financial institution. She holds a Bachelor of Laws and a Master of Laws from Saint Joseph University, Beirut, and holds the Bar Association of Beirut.

### MAHER MENIF

#### HEAD OF COMPLIANCE AND RISK

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Mr. Menif joined the Bank in October 2023. Previously, he worked for more than 20 years in the fields of audit, consulting, banking, collective asset managers, where he held several senior positions in Compliance, Risk and Audit. A qualified Chartered Accountant from Canada with an International Certificate in Banking Risk & Regulation, and a Financial Crime Specialist Certificate.

### YOUSSEF NIZAM

#### HEAD OF PRIVATE BANKING

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Mr. Nizam joined the Bank in June 2018, after over 12 years of Wealth Management experience in Group Audi in Saudi Arabia and Lebanon. He holds a Bachelor degree in Computer and Communications Engineering and a Masters degree in Engineering Management (Financial Engineering) from the American University of Beirut. He is also a Chartered Financial Analyst and a certified Financial Risk Manager.

### GREGORY SATNARINE

#### CHIEF FINANCIAL OFFICER / CHIEF OPERATING OFFICER

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Mr. Satnarine is responsible for Finance, Credit, Risks, Operations, IT, Internal Control, Human Resources and General Services. He joined the Bank in November 2014. He has over 30 years of banking and financial services experience, principally with Merrill Lynch & Co., in 3 geographical regions, including over 15 years of experience as Chief Financial Officer and Chief Operations Officer in the Swiss banking sector. A qualified Chartered Accountant from the UK with a Bachelor's degree in Economics, Accounting & Finance from the London School of Economics & Political Science.

### INTERNAL AUDIT

#### MARIO MAJZOUB



## BANK AUDI ADDRESSES

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