

**ARAB BANK FOR ECONOMIC
DEVELOPMENT IN AFRICA ("BADEA")**

**Interim Financial Information and
Independent Auditor's Review Report (Unaudited)**

For the six-month period ended 30 June 2025

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

**Interim financial information and independent auditor's review report
For the period ended 30 June 2025**

Contents	Pages
Report on review of interim financial information	1
Interim statement of financial position	2
Interim statement of income and expenditure	3
Interim statement of changes in member countries' equity	4
Interim statement of cash flows	5
Notes to the interim financial information	6 - 19



Arab Bank for Economic Development in Africa ("BADEA")

Report on review of interim financial information

The Board of Directors

Introduction

We have reviewed the accompanying interim statement of financial position of Arab Bank for Economic Development in Africa ("BADEA" or the "Bank") as at 30 June 2025 and the related interim statements of income and expenditure, changes in member countries' equity and cash flows for the six-month period then ended, and notes, comprising significant accounting policies and other explanatory information. Management is responsible for the preparation and presentation of these interim financial statements in accordance with the basis of preparation set out in note 2. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the basis of preparation set out in note 2 to the interim financial statements.

Emphasis of matter

We draw attention to Note 2 to the interim financial statements, which describes the basis of accounting approved by the Board of Directors that has been adopted in the preparation of these interim financial statements. As a result, the interim financial statements may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.



Khalid Ebrahim Al-Shatti
License No. 175
PricewaterhouseCoopers (Al-Shatti and Co.)

27 October 2025
Kuwait

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Interim statement of financial position

As of 30 June 2025

(All amounts in USD thousands unless otherwise stated)

	Notes	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Assets				
Cash and cash equivalents	3	983,194	687,598	730,988
Investments	4	2,105,319	1,986,684	2,418,136
Net trade finance	5	772,982	634,199	389,931
Net accrued interest on trade finance		9,317	6,277	6,695
Net loans	6	3,414,926	3,044,029	2,835,441
Net accrued interest on loans	7	71,667	61,699	61,562
Equity participation in financial institutions	8	114,040	113,972	108,909
Fixed assets		3,524	1,589	5,639
Other assets		37,149	16,978	16,067
Total assets		7,512,118	6,553,025	6,573,368
Liabilities				
Deposits from another financial institution	9	35,216	103,550	107,175
Borrowings from another financial institution	10	-	-	112,534
Debt securities in issue	11	1,467,313	517,750	535,875
Other liabilities		138,440	135,810	131,459
Provision for end of service benefits		13,545	15,588	13,974
Total liabilities		1,654,514	772,698	901,017
Net assets		5,857,604	5,780,327	5,672,351
Member countries' equity				
Share capital	12	5,000,000	5,000,000	5,000,000
General reserve	13	759,401	571,061	571,061
Net income for the period / year		98,203	209,266	101,290
Total member countries' equity		5,857,604	5,780,327	5,672,351

The accompanying notes set out on pages 6 to 19 form an integral part of this interim financial information.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Interim statement of income and expenditure

For the period ended 30 June 2025

(All amounts in USD thousands unless otherwise stated)

	Notes	(Unaudited)	
		Six months ended 30 June	
		2025	2024
Operating income			
Net income from investments	14	69,316	67,034
Net income from loans and trade finance	15	77,070	54,144
Interest expenses		(19,869)	(15,507)
Profit on exchange and derivatives valuation		824	1,127
Interest income on call accounts and term deposits		10,680	13,655
Other income		722	426
Net operating income		138,743	120,879
Expenses			
Grants disbursed to beneficiary countries		(4,507)	(3,460)
Provisions for loans and trade finance	5&6	(11,355)	(279)
General and administrative expenses	16	(24,678)	(15,850)
Total expenditure		(40,540)	(19,589)
Net income for the period		98,203	101,290

The accompanying notes set out on pages 6 to 19 form an integral part of this interim financial information.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

**Interim statement of changes in member countries' equity
For the period ended 30 June 2025**

(All amounts in USD thousands unless otherwise stated)

	Notes	Share capital	General reserve	Net income for the period	Total
Balance at 1 January 2024 (audited)		5,000,000	308,244	292,018	5,600,262
Appropriations		-	-	(29,201)	(29,201)
Transfer to general reserve	13	-	262,817	(262,817)	-
Net income for the period		-	-	101,290	101,290
Balance at 30 June 2024 (unaudited)		5,000,000	571,061	101,290	5,672,351
Balance at 1 January 2025 (audited)		5,000,000	571,061	209,266	5,780,327
Appropriations		-	-	(20,926)	(20,926)
Transfer to general reserve	13	-	188,340	(188,340)	-
Net income for the period		-	-	98,203	98,203
Balance at 30 June 2025 (unaudited)		5,000,000	759,401	98,203	5,857,604

The accompanying notes set out on pages 6 to 19 form an integral part of this interim financial information.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Interim statement of cash flows

For the period ended 30 June 2025

(All amounts in USD thousands unless otherwise stated)

	Notes	(Unaudited) Six months ended 30 June	
		2025	2024
Cash flows from operating activities:			
Net income for the period		98,203	101,290
Adjustments to:			
Dividend income		(3,721)	(4,726)
Unrealized gain on investments	14	(1,729)	(58,000)
Interest expense		19,869	15,507
Net foreign exchange differences		(17,180)	(28,904)
Depreciation of fixed assets	16	329	387
Net change in provisions for loans and trade finance	5&6	11,355	279
Provision charge for end of service benefits		1,065	1,048
		108,191	26,881
Net change in operating assets and liabilities:			
Investments		(116,906)	(94,104)
Net trade finance	5	(117,031)	47,039
Net accrued interest on trade finance		(3,040)	(1,678)
Net loans		(361,487)	(58,094)
Net accrued interest on loans		(9,968)	972
Other assets		(19,430)	(2,999)
Deposits from another financial institution	9	(76,745)	-
Interest expense paid		(22,295)	(6,989)
Other liabilities, net of appropriation		(15,870)	(1,023)
End of service benefits paid		(3,435)	(1,326)
Dividends received		3,310	4,726
Net cash used in operating activities		(634,706)	(86,595)
Cash flows from investing activities:			
Equity participation in financial institutions		(68)	(14)
Additions to fixed assets		(2,267)	(178)
Net cash used in investing activities		(2,335)	(192)
Cash flows from financing activities:			
Proceeds from debt securities in issue	11	810,150	543,125
Borrowings from another financial institution	10	-	(32,465)
Net cash generated from financing activities		810,150	510,660
Net increase in cash and cash equivalents		173,109	423,873
Net foreign exchange differences		122,487	19,087
Cash and cash equivalents at the beginning of the period		687,598	288,028
Cash and cash equivalents at the end of the period	3	983,194	730,988

The accompanying notes set out on pages 6 to 19 form an integral part of this interim financial information.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

1 ESTABLISHMENT AND OBJECTIVES

Arab Bank for Economic Development in Africa ("BADEA" or the "Bank") was established in accordance with the resolution of the Sixth Arab Summit Conference held on 28 November 1973 following the recommendations of the Economic Council of the League of Arab States. BADEA was established with a capital of USD 231 million and was subsequently increased in accordance with resolutions issued by the Board of Governors until it reached USD 5 billion as at 31 December 2022.

BADEA is an independent international financial institution domiciled in Khartoum, Sudan. It has international legal status, enjoys full legal personality and full autonomy in administrative and financial areas. BADEA is governed by the articles of its Establishment Agreement and by the principles of International Law.

BADEA's carries out its activities from its offices located in Al-Amiriya Tower, Al-Olaya District, King Fahd Road, Building Number 7922, Postal Code 12333- Riyadh, Kingdom of Saudi Arabia.

BADEA aims at consolidating economic, financial and technical cooperation between African countries and Arab countries. In order to achieve its objectives, BADEA undertakes the following functions:

- Participation in the financing of economic development in Africa.
- Stimulate the participation of Arab capital to African development.
- Support in Provision of technical assistance required for African development.
- Support the development of private sector institutions in African countries.
- Financing Arab African trade and Intra-African trade.

As per BADEA's agreement of establishment, the parties that may benefit from the Bank's operations are as follows:

- a) The Governments of the African countries, including any province, agency or organization thereof.
- b) Public or private companies, organizations and projects carrying out their business in African countries and in which capital the governments or citizens of those countries have a majority holding.
- c) Mixed, African or Arab-African companies whose purpose is economic development and that need financing for a specific project.

The interim financial information for the period ended 30 June 2025 was authorised for issuance by the Board of Directors on 9 October 2025.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

BADEA's interim financial information for the period ended 30 June 2025 has been prepared in accordance with the accounting policies prescribed in the Bank's manual of accounting approved by the Board of Directors and set out in note 2.2 through note 2.20. These accounting policies have been consistently applied in prior years.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of measurement

The interim financial statements have been prepared on the historical cost basis except for investments in bonds and equity securities and all financial derivatives' contracts that are measured at fair value.

2.3 Presentation currency

The currency used in BADEA's operation and preparation of the interim financial statements is the United States Dollar ("USD"). The interim financial statements are expressed in USD and are rounded off to the nearest thousands.

2.4 Accrual basis

The bank prepares its interim financial statements using the accrual basis. All regular purchases and sales of financial assets are recognized on the trade date.

2.5 Use of estimates

The preparation of interim financial statements approved by the Bank requires the use of estimates and assumptions that may affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, in addition to the amounts of income and expenditure for the period then ended. Such estimates are continually reviewed, based on past experience and other factors. The significant items in which these estimates are used comprise the following:

Provision for impairment of loans and trade finance

BADEA's method for determining the provision for impairment of loans and trade finance is described in note 2.8 "net loans and trade finance balances".

Impairment of investments carried at cost

Financial assets that are not listed are carried at cost less impairment. At the end of each reporting period, management assesses whether any impairment indicators exist considering different factors stated in the Bank's accounting policies. If such an indicator is identified, an impairment assessment is carried out whereby the fair value of the investment is compared to its carrying amount. Fair value for the purpose of the impairment assessment is determined using either income approach or market approach.

2.6 Investments

Investment in bonds and equity securities

Investments in bonds and equity securities are classified as investments held for trading; and are initially recognized at the fair value of the consideration given. Such investments are revalued at fair value that is the quoted market prices at the date of the interim statement of financial position. Changes in fair value are recognized in the interim statement of income and expenditure.

Investment in managed funds

Investments in managed funds that are not listed in the financial markets, are recorded at cost less provision for impairment, if any.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Investments (Continued)

Sukuk

Sukuk are financial assets which are acquired to be held to maturity. Sukuk are stated at cost less provision for impairment, if any.

2.7 Equity participation in financial institutions

Equity participation in financial institutions represents participations in regional and international development organizations are carried at cost.

2.8 Net loan and trade finance balances

Financial assets of fixed or determined payments that are not traded in an active market are classified as loans presented at amounts disbursed after deduction of repaid amounts and provision for loans and trade finance.

All loans granted by BADEA are recognized as assets when disbursed in cash and are recorded at the value of amounts disbursed.

Impairment of loans and trade finance is performed based on provision policies approved by the Board of Directors. According to these policies, the Bank regularly performs a classification of loans and trade finance based on past due date and other qualitative indicators and an internal rating is allocated to each counterparty. At each reporting period:

- Provision for loans to the public sector is calculated as a percentage from the past due instalments and a percentage of the balance of the outstanding loans less past due instalments; provision percentage is determined based on the counterparty internal rating.
- Provision for loans to the private sector and trade finance is calculated as a percentage of the outstanding balances of loans and trade finance; Provision percentage is determined based on the counterparty internal rating.

Loans and trade finance are presented in the interim statement of financial position net of provision for loans and trade finance.

Loans under renegotiated repayment arrangements, or instalment rescheduling as well as loans under the Initiative of Highly Indebted Poor Countries (HIPC) are classified as performing loans and treated as new loans under the new arrangements.

2.9 Impairment of financial assets

An assessment is made at each date of interim statement of financial position to determine whether there is objective evidence that a financial asset or a group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount and any impairment loss for changes in its carrying amount is determined for that asset and recognized in the interim statement of income and expenditure.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Income recognition

Income from interest on term deposits and call accounts, fixed income securities, sukuk, net trade finance and loans is recognized on an accrual basis.

BADEA excludes from its income any interest on the principal of public sector loans when the payment of interest is delayed for a period of more than 180 days. BADEA also excludes from its income any interest on the principal of the private sector and trade finance loans when the payment of interest is delayed for a period of more than 90 days.

Interest excluded during prior years are reviewed on a case-by-case basis by the management to assess the amount of interest to be reversed prospectively to the interim statement of income and expenditure. The criteria considered by the management when performing such review are the absence of arrears and the regular repayment of instalments on due dates during an appropriate period so that the management will have no doubt that the amount of interest is not recoverable.

Dividend income is recognized when it is declared.

2.11 Grants

Cost of study, preparation, and technical assistance of the projects are classified as grants and charged to the interim statement of income and expenditure when disbursed.

2.12 Fixed assets

Fixed assets are stated at cost net of accumulated depreciation. The cost of fixed assets is depreciated using the straight-line method over the estimated useful lives of the assets.

The estimated useful lives for the current and comparative period are as follows:

Buildings	30 years
Building renovations	4 years
Furniture and equipment	5 years
Vehicles	5 years

The Bank assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Bank estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.13 Provisions

Provisions are recognized when the Bank has a present obligation, legal or constructive, arising from past events and it is probable an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be estimated reliably.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Derivative financial instruments and hedging

Derivative financial instruments, including forward contracts and futures, are initially measured at cost; and are subsequently re-measured at fair value. Fair values are generally determined by reference to quoted market prices, discounted cash flow models and pricing models as appropriate.

Any changes in the fair values of derivatives that are held for trading purposes are directly included in the interim statement of income and expenditure.

2.15 Foreign currency translation

Transactions denominated in currencies other than United States Dollars are translated into United States Dollars at the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into United States Dollars at exchange rates prevailing at the date of the interim statement of financial position. Foreign exchange adjustments are included in the interim statement of income and expenditure.

2.16 Provision for end of service benefits

Provision for end of service benefits for the president of the Bank are computed in accordance with Article No. 6 of the Resolution of the Ministerial Committee selected to review the salaries and benefits of the Presidents and Directors General of Arab Financial Institutions.

Provision for end of service benefits for employees are calculated in accordance with Article No. (13/1) of BADEA's Employees Regulations as amended by the Board of Directors' resolutions.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash on hand and with banks; call accounts and time deposits maturing within three months or less from the date of acquisition and excluding any cash within externally managed investment portfolios.

2.18 Deposits and borrowings from other financial institutions

Deposits and borrowings from other financial institutions are interest bearing instruments maturing within one year and can be renewed for additional periods. These are recognized initially at fair value of amounts received less transaction costs.

2.19 Debt securities in issue

Debt securities in issue are initially measured at fair value and subsequently measured at amortized cost. The premium or discount and issuance costs are amortized over the life of the debt security using the straight-line method.

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.20 Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a current transaction between knowledgeable and willing parties in an arm's length transaction conducted with other parties. Then, differences between the carrying value and fair value are generated. The carrying value of investments in equity and bonds approximates their fair value as at the date of the interim statement of financial position.

BADEA doesn't currently sell its net loans, net trade finance nor equity participation in financial institutions. Accordingly, it is impractical to determine reliable fair value of these instruments.

3 CASH AND CASH EQUIVALENTS

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Cash on hand	17	13	-
Bank balances	253,059	491,958	147,507
Term deposits*	730,118	195,627	583,481
	983,194	687,598	730,988

*Represent deposits held at regional and international financial institutions with original maturity not exceeding three months. These deposits are denominated in USD and Euro under commercial terms.

4 INVESTMENTS

These consist of investments in externally managed equity and debt portfolios held for trading as well as directly managed sukuk and managed funds, as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
<i>Investments in managed portfolios</i>			
Bonds	1,360,631	1,282,794	1,399,352
Bonds – emerging markets	43	124	190,066
Equity securities	381,089	354,824	514,522
Cash and deposits within managed portfolios	20,528	34,086	39,945
Fair value of derivative instruments	(12,897)	21,423	2,462
Accrued interest and other payable balances	(100,611)	(99,572)	(52,752)
	1,648,783	1,593,679	2,093,595
<i>Direct investments</i>			
Sukuk and bonds	393,745	326,664	271,305
Investment in managed funds	63,176	63,512	51,012
Fair value of derivative instruments	(385)	2,829	2,224
	456,536	393,005	324,541
Total investments	2,105,319	1,986,684	2,418,136

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

5 NET TRADE FINANCE

Net trade finance represents credit facilities granted to finance Arab-African trade and trade between African countries. The balances as at 30 June 2025, 31 December 2024 and 30 June 2024 are as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Approved Loans	4,617,502	4,295,395	2,962,756
Revolving loans	93,080	38,004	-
Less: unsigned Loans	(1,846,126)	(1,779,718)	(986,861)
Total approved and signed loans	2,864,456	2,553,681	1,975,895
Less: ineffective loans	(134,562)	(126,952)	(120,000)
Total effective loans	2,729,894	2,426,729	1,855,895
Less: undisbursed loans	(471,979)	(552,480)	(381,077)
Total disbursements from loans	2,257,915	1,874,249	1,474,818
Less: loan instalments repaid	(1,484,933)	(1,240,050)	(1,084,737)
Balance as at reporting date	772,982	634,199	390,081
Less: net trade finance provision	-	-	(150)
Net balance as at reporting date	772,982	634,199	389,931

Ineffective loans represent loans signed, but their terms of effectiveness have not been fulfilled yet.

The movement on net trade finance for the period ended 30 June 2025, the year ended 31 December 2024, and the period ended 30 June 2024 is as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Opening balance	634,199	437,942	437,942
Disbursements during the period / year	349,318	472,959	69,976
Repayments during the period / year	(232,287)	(275,690)	(117,015)
Effect of foreign currency translation	21,752	(1,012)	(822)
Balance as at reporting date	772,982	634,199	390,081
Less: net trade finance provision	-	-	(150)
Net balance as at reporting date	772,982	634,199	389,931

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

6 NET LOANS

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Project loans	3,353,405	2,976,475	2,748,616
SAFAA loans	11,338	14,974	15,625
Total bilateral loans (a)	3,364,743	2,991,449	2,764,241
Participation in syndicated loans (b)	50,183	52,580	71,200
Net balance as at reporting date	3,414,926	3,044,029	2,835,441

a) Bilateral loans

The details of bilateral loan balances as at 30 June 2025, 31 December 2024 and 30 June 2024 are as follows:

	30 June 2025 (Unaudited)			(Audited) 31 December 2024	(Unaudited) 30 June 2024
	Project Loans			31 December 2024	
	Public Sector	Private Sector	SAFAA Loans	Total	
Approved Loans	7,894,291	1,832,690	214,244	9,941,225	8,932,977
Less: unsigned Loans	(1,558,000)	(422,668)	-	(1,980,668)	(1,577,205)
Total approved and signed loans	6,336,291	1,410,022	214,244	7,960,557	7,355,772
Less: ineffective loans	(271,400)	(30,869)	-	(302,269)	(417,278)
Total effective loans	6,064,891	1,379,153	214,244	7,658,288	6,938,494
Less: undrawn loans	(1,795,386)	(164,032)	-	(1,959,418)	(1,734,861)
Total disbursements from loans	4,269,505	1,215,121	214,244	5,698,870	5,203,633
Less: loan instalments repaid	(1,776,043)	(336,537)	(197,338)	(2,309,918)	(2,202,395)
Balance as at reporting date	2,493,462	878,584	16,906	3,388,952	3,001,238
Fair value of forward contracts	-	(2,951)	-	(2,951)	(207)
Less: loans provision	(4,033)	(11,657)	(5,568)	(21,258)	(9,582)
Net balance as at reporting date	2,489,429	863,976	11,338	3,364,743	2,991,449
					2,764,241

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

6 NET LOANS (CONTINUED)

a) Bilateral loans (Continued)

Ineffective loans represent loans signed, but their terms of effectiveness have not been fulfilled yet.

SAAFA (the "Fund") loans represent amounts granted by the Fund to non-Arab African countries prior to the merging of its loans in BADEA's capital in 1977.

The movement of net bilateral loan balances during the period ended 30 June 2025, the year ended 31 December 2024 and the period ended 30 June 2024, is as follows:

	30 June 2025 (Unaudited)			(Audited)	(Unaudited)	
	Project Loans		SAFAA Loans	Total	31 December 2024	30 June 2024
	Public Sector	Private Sector				
Opening balance	2,341,187	642,717	17,334	3,001,238	2,708,725	2,708,725
Disbursements during the period / year	194,195	271,801	-	465,996	531,304	170,913
Repayments during the period / year	(41,920)	(56,699)	(428)	(99,047)	(232,424)	(100,419)
Effect of foreign currency translation	-	20,765	-	20,765	(6,367)	(4,030)
Balance as at reporting date	2,493,462	878,584	16,906	3,388,952	3,001,238	2,775,189
Fair value of forward contracts	-	(2,951)	-	(2,951)	(207)	(1,608)
Less: loans provision	(4,033)	(11,657)	(5,568)	(21,258)	(9,582)	(9,340)
Net balance as at reporting date	2,489,429	863,976	11,338	3,364,743	2,991,449	2,764,241

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

6 NET LOANS (CONTINUED)

a) Bilateral loans (Continued)

Loans provision

Details of the movement on provision for bilateral loans during the period ended 30 June 2025, the year ended 31 December 2024 and the period ended 30 June 2024 is as follows:

	30 June 2025 (Unaudited)					
	Project Loans				(Audited)	(Unaudited)
	Public Sector	Private Sector	SAFAA Loans	Total	31 December 2024	30 June 2024
Opening balance	4,089	-	5,493	9,582	9,211	9,211
Charge during the period / year	115	11,336	75	11,526	478	129
Reversal during the period / year	(171)	-	-	(171)	(107)	-
Effect of foreign currency translation	-	321	-	321	-	-
Balance as at reporting date	4,033	11,657	5,568	21,258	9,582	9,340

b) Syndicated loans

Participation in syndicated loans represents BADEA's share in loans extended jointly by multiple lenders that are arranged and administered by other financial institutions. As at 30 June 2025, BADEA has USD 50.183 million of participation in syndicated loans (31 December 2024: USD 52.580 million and 30 June 2024: USD 71.200 million). The balance includes negative fair value of forward contracts of USD 1.599 million (31 December 2024: positive fair value of USD 1.244 million and 30 June 2024: positive fair value of USD 594 thousands).

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

7 NET ACCRUED INTEREST ON LOANS

	Public sector	Private Sector	Syndicated loans	(Unaudited) Total 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Accrued interest on loans	63,489	17,605	1,062	82,156	71,497	71,296
Excluded interest on loans*	(9,706)	(783)	-	(10,489)	(9,798)	(9,734)
Net accrued interest on loans	53,783	16,822	1,062	71,667	61,699	61,562

*BADEA excludes from its revenues interest on public sector loans when the payment of this interest is past due for more than 180 days. BADEA also excludes from its revenues any interest on private sector loans when the payment of these interests is past due for a period of more than 90 days.

Details of movement on excluded interest on loans during the period ended 30 June 2025, the year ended 31 December 2024, and the period ended 30 June 2024, is as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Opening balance	9,798	9,706	9,706
Charge during the period / year	844	92	28
Reversals during the period / year	(153)	-	-
Net balance as at reporting date	10,489	9,798	9,734

8 EQUITY PARTICIPATION IN FINANCIAL INSTITUTIONS

These represent participation in the equity of international and regional financial institutions as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
African Export & Import Bank	63,458	63,458	58,872
Arab Investment & Export Credit Guarantee Corporation	25,950	25,950	25,950
Trade and Development Bank	11,813	11,813	11,403
Africa Finance Corporation	12,500	12,500	12,500
Development Bank of the Central African States	319	251	184
	114,040	113,972	108,909

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

9 DEPOSITS FROM ANOTHER FINANCIAL INSTITUTION

Deposits from another financial institution are denominated in Euro under commercial terms. The movement on these deposits during the period/year was as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Opening balance	103,550	110,465	110,465
Repayments during the period/year	(76,745)	-	-
Effect of foreign currency translation	8,411	(6,915)	(3,290)
Closing balance as at reporting date	35,216	103,550	107,175

10 BORROWINGS FROM ANOTHER FINANCIAL INSTITUTION

Borrowings from another financial institution are unsecured, denominated in EURO under commercial terms. The movement on borrowings during the period/year was as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Opening balance	-	149,128	149,128
Repayments during the period/year	-	(149,650)	(32,465)
Effect of foreign currency translation	-	522	(4,129)
Closing balance as at reporting date	-	-	112,534

11 DEBT SECURITIES IN ISSUE

On 29 November 2023, BADEA established a Medium-Term note (EMTN PROGRAMME) without limitations with the underlying notes to be listed in London stock exchange. As at 30 June 2025, two issuances have taken place on the programme as follows:

- Issuance of social bonds on 25 January 2024 with 3-year maturity amounting to Euro 500 million with a fixed interest rate of 3.75% payable annually on 28 January of each year. The bonds have a par value of Euro 100,000 per unit and were issued with a price of 99.844 (at a discount of 0.156%).
- Issuance of bonds on 13 March 2025 for 3-year maturity amounting to Euro 750 million with a fixed interest rate of 3% payable annually on 20 March of each year. The bonds have a par value of Euro 100,000 per unit and were issued with a price of 99.653 (at a discount of 0.347%).

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

11 DEBT SECURITIES IN ISSUE (CONTINUED)

Details of the movement of debt securities in issue during the period ended 30 June 2025, the year ended 31 December 2024, and the period ended 30 June 2024 is as follows:

	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Opening balance	517,750	-	-
Placements during the period/year	810,150	543,125	543,125
Effect of foreign currency translation	139,413	(25,375)	(7,250)
Closing balance as at reporting date	1,467,313	517,750	535,875

12 SHARE CAPITAL

- As at 30 June 2025, the authorised capital amounted to USD 20 billion (31 December 2024: USD 20 billion and 30 June 2024: USD 20 billion).
- As at 30 June 2025, the subscribed capital amounted to USD 10 billion (31 December 2024: USD 10 billion and 30 June 2024: USD 10 billion).
- As at 30 June 2025, the paid-up capital amounted to USD 5 billion (31 December 2024: USD 5 billion and 30 June 2024: USD 5 billion).

The contribution of each member country in the paid-up capital as at reporting date is as follows:

Country	(Unaudited) 30 June 2025	(Audited) 31 December 2024	(Unaudited) 30 June 2024
Hashemite Kingdom of Jordan	10,704	10,704	10,704
State of United Arab Emirates	535,217	535,217	535,217
Kingdom of Bahrain	10,704	10,704	10,704
Republic of Tunisia	44,601	44,601	44,601
People's Democratic Republic of Algeria	214,087	214,087	214,087
Kingdom of Saudi Arabia	1,284,520	1,284,520	1,284,520
Republic of Sudan	10,704	10,704	10,704
Arab Republic of Syria	5,947	5,947	5,947
Republic of Iraq	749,304	749,304	749,304
Sultanate of Oman	64,226	64,226	64,226
State of Palestine	10,704	10,704	10,704
State of Qatar	428,174	428,174	428,174
State of Kuwait	784,985	784,985	784,985
Republic of Lebanon	35,681	35,681	35,681
State of Libya	713,622	713,622	713,622
Arab Republic of Egypt	10,704	10,704	10,704
Kingdom of Morocco	78,498	78,498	78,498
Islamic Republic of Mauritania	7,618	7,618	7,618
Total	5,000,000	5,000,000	5,000,000

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

Notes to the interim financial information

(All amounts in USD thousands unless otherwise stated)

13 GENERAL RESERVE

In accordance with Article 36 of the Establishment Agreement and based on recommendation of the Board of Directors; the Board of Governors shall annually determine the portion of net income that should be transferred to the general reserve, to the share capital, or any other transfers in line with the objectives of BADEA.

Pursuant to resolution No.2 of 2025 of the Board of Governors, 10% of the net profit for the year ended 31 December 2024 was appropriated and transferred to other liabilities and the remaining amount of USD 188.340 million was transferred to the general reserve (2024: 262.817 million was transferred to the general reserve).

14 NET INCOME FROM INVESTMENTS

	Period ended 30 June (unaudited)	
	2025	2024
Interest income	30,505	30,017
Dividends income	3,310	4,376
Net realized loss	(2,561)	(1,437)
Net unrealized gain	1,729	58,000
Foreign currency exchange gain (loss)	38,085	(21,626)
Investment expenses	(1,752)	(2,296)
	69,316	67,034

15 NET INCOME FROM LOANS AND TRADE FINANCE

	Period ended 30 June (unaudited)	
	2025	2024
Public sector loans	13,614	10,444
Private sector loans	32,813	21,627
SAAFA loans	51	5
Syndicated loans	2,026	3,193
Income from net loans	48,504	35,269
Income from net trade finance	28,566	18,875
	77,070	54,144

16 GENERAL AND ADMINISTRATIVE EXPENSES

	Period ended 30 June (unaudited)	
	2025	2024
Board of Governors expenses	328	94
Board of Directors expenses	1,140	640
Salaries and employee benefits	14,376	8,652
Travel and services*	4,938	3,120
Utilities	1,159	774
Depreciation of fixed assets	329	387
Other expenses**	2,408	2,183
	24,678	15,850

*Travel and services expenses for the period ended 30 June 2025 include the audit fees amounting to USD 135 thousand.

**Other expenses include costs of relocation to BADEA's new office in Riyadh, Kingdom of Saudi Arabia.