2025 Credit Rating Report for the African Export-Import Bank

中诚信国际信用评级有限责任公司 | S/N: CCXI-20252759M-01

CHINA CHENGXIN INTERNATIONAL CREDIT RATING CO.,LTD.

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China Chengxin International Credit Rating Co., Ltd.

July 30, 2025

Rated entity	African Export-Import Bank
Rating Result of the Rated Entity	**AAA/Stable**
Rating Opinion	CCXI affirms the advantages of the African Export-Import Bank (hereinafter referred to as "the Bank") including its very high strategic positioning, sound risk management system, flexible in business development, very strong profitability, prudent liquidity management and very high coverage ratio of current assets on short-term debts. These advantages strongly support the overall credit strength of the Bank. CCXI also concerns the factors impacting the Bank's operations and overall credit position, including Africa's weak economic foundation and volatile macroeconomic environment, high geographical and industrial concentration of the Bank's loan portfolio and the weak support capability of its major shareholders and member states.
Rating Outlook	CCXI believes that the credit rating of the African Export-Import Bank will remain stable in the next 12 to 18 months.
Upgrading/Downgrading Factors	**Possible factors to trigger an upgrade:** Not applicable. **Possible factors to trigger a downgrade:** Serious decline in profitability, substantial deterioration of solvency or significant reduction in liquidity.

Credit Strengths

- The Bank, as a leading multilateral development bank in Africa, has a very high strategic positioning and a sound risk management framework.
- The Bank is flexible in business development and able to adapt its loan mechanisms according to the needs of member states in different stages.
- The Bank demonstrates very strong profitability, maintaining a high ratio of net profit on usable equity.
- The Bank employs prudent liquidity management with very high coverage ratio of current assets on short-term debts.

Credit Challenges

- Africa has weak economic foundation and volatile macroeconomic environment, while some African countries are facing significant economic challenges.
- The Bank's loan portfolio is primarily located in Africa with high geographical and industrial concentration.
- The Bank's major shareholders and member states have weak capability to support.

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Financial Overview

African Export-Import Bank (Consolidated)	2022	2023	2024
Authorised share capital (USD 100 million)	50.00	50.00	250.00
Paid-in share capital (USD 100 million)	8.50	9.21	9.90
Share premium (USD 100 million)	19.09	21.88	25.31
Callable capital (USD 100 million)	31.71	37.17	43.36
Usable equity (USD 100 million)	52.07	61.21	71.84
Loans and advances to customers (USD 100 million)	229.66	267.23	290.05
Investment securities at amortised cost (USD 100 million)	2.44	3.19	3.65
Total assets (USD100 million)	278.63	334.69	352.65
Total liabilities (USD100 million)	226.56	273.48	280.81
Gross debts (USD100 million)	224.26	270.38	277.28
Net interest income (USD100 million)	9.10	14.44	18.11
Net profit (USD100 million)	4.55	7.56	9.74
Usable equity/risk-weighted assets (%)	22.2	22.4	24.0
Net profit/usable equity (%)	8.7	12.4	13.6
Gross debts/usable equity (%)	430.7	441.7	386.0

Notes: 1. CCXI compiles based on the audit report of 2023 published by the Bank and audited by KPMG and Deloitte, the audit report of 2024 published by the Bank and audited by Deloitte and EY, both of which fairly represent the financial position of the Bank. All of these auditor reports were prepared in accordance with the IFRS. In breakdown, the financial data from 2022 adopts the audit report data in 2023, and the financial data in 2023 and 2024 adopts the audit report data in 2024. 2. Unless otherwise specified, all the data quoted in the Report are subject to the standards of CCXI.

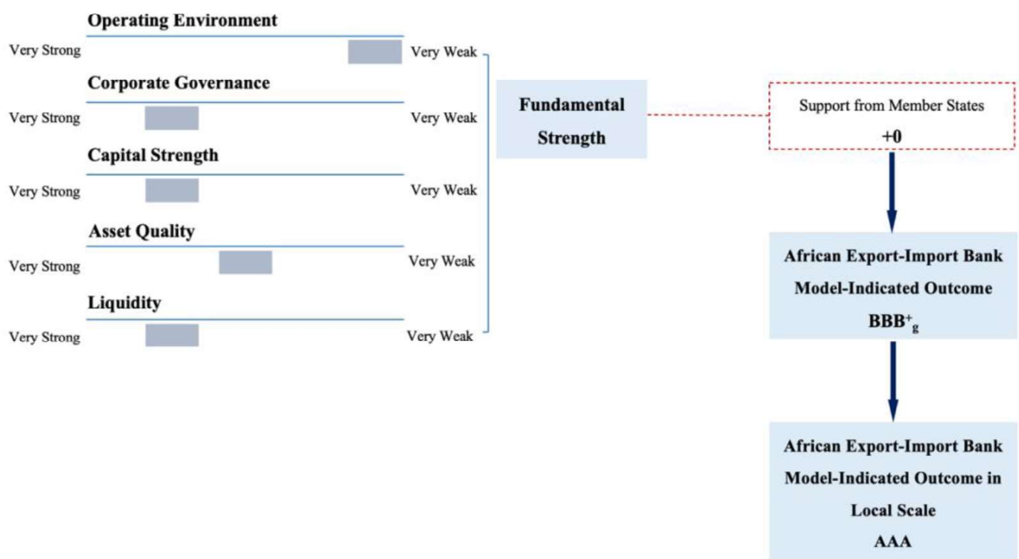
Peer Comparison (Data for 2024)

Bank name	Total assets (USD100 million)	Total equity (USD100 million)	Usable equity/risk-weighted assets (%)	Net profit/usable equity (%)	Gross debts/usable equity (%)	NPL (%)
Eurasian Development Bank (EDB)	59.95	22.67	46.7	10.1	159.8	0.0
African Export-Import Bank	**352.65**	**71.84**	**24.0**	**13.6**	**386.0**	**2.3**

CCXI believes that, compared to the EDB, the African Export-Import Bank has a relatively larger total assets and stronger profitability. However, the Bank's leverage ratio and non-performing loan (NPL) ratio are higher than those of the EDB.

Data sources: Compiled by CCXI.

Rating Model



Note:

Support from Member States: In the view of CCXI, the Bank's major shareholders and member states have weak capability to support and the contractual support is moderate. There is no adjustment to support from member states.

Methodology: CCXI Rating Methodology and Model for Multilateral Development Institutions (C400100_2019_01)

Overview of the Rated Entity

The African Export-Import Bank (hereinafter referred to as "the Bank") is a multilateral development bank (MDB) established by 25 African sovereign states and three African multilateral development institutions under the auspices of the African Development Bank. The Bank was founded in 1993 and commenced operations in 1994. Headquartered in Cairo, Egypt, the Bank operates branches in Cote d'Ivoire, Nigeria, Barbados, Zimbabwe, Uganda and Cameroon. The Bank mainly provides financing services for entities related to imports and exports in Africa. The Bank mainly promotes intra-African and international trade activities through trade finance, provides direct financing and project financing for the imports and exports of African enterprises in energy, communications, services, manufacturing, metals and mining industries, and invests in infrastructure projects that enhance Africa's export capacity. The Bank is dedicated to stimulating a consistent expansion and diversification of African trade, rapidly increasing Africa's share of global trade while ensuring its financial sustainability. As at the end of 2024, the Bank's total assets amounted to USD35,265 million.

With a mixed public-private shareholder base, the Bank has the special attributes of MDBs and also involves a wide variety of private-sector entities, functioning on commercial principles. As at the end of 2024, the Bank's membership included 52 African countries and 12 CARICOM[1] countries, basically covering the entire Africa; the Bank had 166 shareholders grouped into classes A, B, C and D. Class A shareholders, taking up the largest proportion, include African states or other designated institutions, the African Development Bank, and African regional and sub-regional institutions. As at the end of 2024, the Bank had paid-in share capital of USD990 million and callable capital of USD4.3 billion. In recent years, the Bank has continued to expand its membership and shareholder base to increase its reach and influence.

Fundamental Strength

Operating Environment

Africa's economic foundation remains weak, with a generally homogeneous economic structure. In 2024, Africa's economy demonstrated resilience, with a growth rate higher than that of 2023. However, it faced challenges such as global geopolitical conflicts, high inflation, currency depreciation, and relatively high debt pressure. Meanwhile, economic downturn pressure became evident in some African countries. In 2025, benefiting from the progress of regional integration, ongoing structural reforms, reduced inflationary pressures, and other factors, the growth rate of the African economy is expected to further increase. Nevertheless, uncertainties in the global trade environment remain a major challenge for the African economy. In the medium to long term, Africa's economy and trade are expected to achieve rapid growth by implementing reforms and diversification strategies to reduce reliance on natural resources, leveraging Africa's advantages of

[1] CARICOM, which stands for the Caribbean Community, is a regional economic cooperation organization established by 15 Caribbean countries. The Caribbean is home to a large number of African diasporas.

demographic dividend and regional integration to achieve relatively rapid growth.

Africa, the second-largest continent by land area and home to over 1.4 billion people, abounds with natural resources. However, it remains the least economically developed region globally, with a GDP per capita of less than USD3,000. The continent hosts more than 30 least developed countries (LDCs), reflecting its weak economic foundation. Additionally, Africa's economies are largely homogeneous, relying heavily on the production and export of low-value-added agricultural and mineral commodities while importing intermediate and manufactured goods. This dependence makes them particularly vulnerable to fluctuations in international commodity prices. Furthermore, some African countries face challenges such as political instability, chaos of war, and terrorism, reflecting very weak institutional strength, which significantly constrains their economic development.

In 2024[2], Africa's economy demonstrated resilience. Benefiting from robust government spending and private consumption, Africa's economic growth rate reached 3.3% in 2024, higher than the 3.0% in 2023, and 29 African countries saw an increase in their growth rates. Benin, Cape Verde, Ethiopia, Niger, and Rwanda achieved growth rates above 7%. Nevertheless, the African economy still faced multiple challenges. Global geopolitical conflicts, high inflation, currency depreciation, and significant debt pressures adversely impacted the economies of some African countries, causing the 2024 economic growth rate of Africa to be lower than previously expected. Moreover, local political conflicts significantly impacted some African countries' economies. The civil war in Sudan led to a continuous negative economic growth rate in the country, reaching -12.8% in 2024. The conflict forced the closure of South Sudan's main oil pipeline, severely impacting its economy, which heavily relies on oil exports. Currency depreciation, high inflation, and immerse fiscal pressures resulted in an over 25% economic contraction in the country.

In 2025, Africa's economic growth rate is expected to further increase. Benefiting from the progress in regional integration, ongoing structural reforms, and reduced inflationary pressures, the African economy is projected to continue growing, with a growth rate potentially reaching 3.9%, higher than the levels of 2023-2024. Against the backdrop of declining inflationary pressures, African household disposable income is expected to rise, and household consumption is projected to remain the primary driver of economic growth in Africa. Given the high uncertainty in the global trade environment, and affected by low global economic growth and pressured commodity prices, the contribution of net exports to the African economy will remain negative. Government spending and private investment will continue to contribute to Africa's economic growth, but their contribution may be relatively low due to significant fiscal pressures and tight monetary policies. Nevertheless, growth trends across different economies are diverging due to differences in economic structures, dependency on commodities, and political stability among countries. It is estimated that over 20 African countries will see economic growth rates exceeding 5% in 2025, with Ethiopia, Niger, Rwanda, and Senegal potentially achieving growth rates above 7%.

[2] The following economic data comes from the African Development Bank.

However, affected by the declines in oil production and prices, Equatorial Guinea's economic growth rate in 2025 is projected to be -4.0%, while Sudan will still be impacted by civil war, with an economic growth rate of -0.6%. As a major economy in Africa, South Africa continues to face domestic political instability and low global economic growth, with an expected economic growth rate below 1%. Nigeria continues to face global economic fluctuations and domestic infrastructure deficiencies, with its economic growth rate expected to remain around 3%.

In terms of trade, African exports focus on primary products, while intra-African trade is mainly focused on finished products. In recent years, African merchandise trade has fluctuated amid volatile internal and external environment. From 2021 to 2022, Africa's total merchandise trade expanded on rising commodity prices and energy demand worldwide, reaching USD1.4 trillion[3] in 2022. In 2023, affected by multiple external factors, the total value of Africa's commodity trade contracted by 5.6% year-on-year to USD1.3 trillion. In 2024, the increased commodity prices, especially the rising oil prices, drove the growth of Africa's commodity trade, and Europe's increasing demand for energy also stimulated the demand for African energy resources. The total value of Africa's commodity trade grew by 13.9% year-on-year to USD1.5 trillion. Benefiting from the ongoing regional integration across Africa, the total value of intra-African commodity trade has generally shown an upward trend in recent years. The implementation of the *African Continental Free Trade Agreement* (AfCFTA)[4] in 2024 propelled intra-African trade to USD220.3 billion, a 12.4% increase over the previous year, accounting for over 14% of Africa's total commodity trade. Looking ahead to 2025-2026, intra-African trade is expected to keep growing with the full implementation of AfCFTA policies. Africa's major trade partners include China, the European Union, the United States and India. China has remained Africa's largest trade partner for 16 consecutive years, with trade volume exceeding USD290 billion in 2024. In June 2025, China expressed its willingness to sign a China-Africa Economic Partnership for Shared Development with 53 African countries, excluding Eswatini (all African countries that China maintains diplomatic relations), implementing zero tariffs on all tariff items. Under the protection of trade rules, China-Africa trade still has significant growth potential.

Over the medium to long term, Africa's economy and trade are expected to achieve rapid growth by implementing reforms and diversification strategies to reduce reliance on natural resources, leveraging the region's demographic dividend and regional integration. Many African countries are currently pursuing economic reforms and diversification strategies to reduce dependence on a single resource. For instance, Nigeria has eliminated fuel subsidies and is focusing its future economic development on agriculture and the solid minerals industry to reduce its excessive reliance on oil. Countries like Morocco, Tunisia, and Zambia are making substantial investments in renewable energy sources such as solar and wind power to lessen their dependence on traditional energy sources. Ethiopia is also promoting climate-

[3] The following trade data comes from the African Export-Import Bank.

[4] African Continental Free Trade Agreement (AfCFTA), officially launched in January 1, 2021, aims to create a single market for African countries. AfCFTA plays a vital role in promoting regional integration and lowering trade barriers in Africa.

smart agriculture to enhance the adaptability of its agricultural sector. Meanwhile, the African economy is witnessing the emergence of multiple new growth drivers, including the digital economy, energy transition, accelerated industrialization and agricultural modernization, as well as infrastructure development. Among these, digital transformation has become a consensus among African nations, aimed at enhancing economic efficiency and competitiveness while promoting economic diversification. African countries are striving to strengthen internet infrastructure, eliminate cross-border digital trade tariff barriers, and implement unified electronic authentication and trust mechanisms to reduce trade obstacles and accelerate the regional integration and globalization of the digital economy. In addition, Africa benefits from being one of the world's youngest and fastest-growing employment hubs. This demographic dividend, coupled with rising urbanization, advancements in science and technology, a digital transition, stronger regional integration, and deepening alignment with China's Belt and Road Initiative (BRI), will further accelerate the development of Africa's economy and trade.

Corporate Governance

In the view of CCXI, the African Export-Import Bank is a leading MDB in the region with a clear-cut strategic plan, a very high strategic positioning and the ability to achieve the set strategic goals. The Bank demonstrates a sound risk management system and a risk appetite to commensurate with the needs of the Bank's business development. Meanwhile, the Bank is able to reduce the credit risk of loans using risk mitigation tools.

The African Export-Import Bank is dedicated to stimulating the consistent expansion and diversification of African trade, rapidly increasing Africa's share of global trade. The Bank maintains a balance between mission fulfilment, business operations and risk management through public-private partnership, operating as a leading MDB in the region with a very high strategic positioning. The Bank was founded in 1993 with 25 original member states, and has expanded to incorporate new member states from time to time. In 2024, the Bank added Libya to its membership and Somalia in the first half of 2025. The number of the Bank's member states is currently at 53 (52 at year-end 2024), basically covering the entire Africa. In addition, the Bank has established partnerships with international organizations, including the African Union[5] and the Alliance of African Multilateral Financial Institutions (AAMFI)[6]. The African Union is the Bank's core policy guiding institution. The Bank aligns its strategy with the African Union's *Agenda 2063* development goals. The Bank is committed to promoting intra-African trade and regional integration and deeply involving in the promotion of AfCFTA through cooperation with the African Union. Meanwhile, as a founding member of AAMFI, the Bank works closely with other MDBs in Africa to facilitate the financing and implementation of major projects in the region.

The General Meeting of Shareholders is the Bank's highest authority, while the Board of Directors,

[5] The African Union (AU) is an important regional association of countries. It is a continent-wide political entity integrating politics, economic and military affairs. Its main task is to maintain and promote peace and stability on the African continent, implement reform and poverty reduction strategies and spearhead the development and rejuvenation of Africa.

[6] The Alliance of African Multilateral Financial Institutions (AAMFI) was created during the 37th African Union (AU) summit in February 2024. AAMFI is composed of African multilateral financial institutions established under treaty to support Africa's economic development and integration goals by promoting cooperation and serving the common development vision of member states.

authorized by the General Meeting of Shareholders, is responsible for the Bank's daily operations, policy direction, and major decisions. By the end of 2024, the Bank's Board of Directors was composed of 12 members, of which 4 represented Class A shareholders, 4 represented Class B shareholders, 2 represented Class C shareholders and 2 were independent directors. All directors have equal voting rights and make decisions under the principle of simple majority. The Bank has a diversified shareholder structure, consisting of four types of shareholders: Class A, Class B, Class C, and Class D. As of the end of 2024, the Bank's Class A shareholders totaled 54, holding 64.9% of the share capital; Class B shareholders totaled 96, holding 25.8% of the share capital; Class C shareholders totaled 15, holding 6.4% of the share capital; and Class D shareholders totaled 1, holding 2.9% of the share capital. Class A shareholders are composed of African sovereign states or their designated institutions, the African Development Bank, and regional and sub-regional financial institutions across the African continent. Class B shareholders are African commercial banks, financial institutions, and investors. Class C shareholders include investors outside of Africa, such as international financial institutions, economic organizations, and foreign banks. Class D shares are available to all investors and were listed on the Mauritius Stock Exchange in 2017 in the form of depositary receipts. The Bank's top five shareholders were the Central Bank of Egypt, the Federal Government of Nigeria, the National Bank of Egypt, the Central Bank of Nigeria, and the Reserve Bank of Zimbabwe, collectively holding over 45% of the shares as of the end of 2024. In recent years, the Bank has continued to attract equity capital. In 2024, the Bank's net paid-in capital (including paid-in share capital, share premiums, and warrants) increased by USD0.4 billion. The Bank will continue to expand its shareholder base and increase its capital in the future.

The Bank's strategic plan for 2022-2026 focuses on four key pillars: enhancing intra-African trade, promoting African industrialization and export development, strengthening the Bank's position in global trade financing, and ensuring the Bank's financial sustainability. The strategic plan is clear and well-defined. By the end of 2026, the Bank aims to increase the share of intra-African trade financing in its total loan and guarantee portfolio to 36%, with an average return on equity and return on assets of over 9% and 1.8%, respectively. From 2022 to 2024, the Bank made good progress on several strategic indicators. As of the end of 2024, the share of intra-African trade financing in the Bank's total loan and guarantee portfolio, average return on equity, and return on assets were 32%, 15.4%, and 3.0%, respectively, which were above the 2024 full-year guidance. In addition, the Bank has established a trade development impact assessment mechanism to measure its achievements in Africa's trade-related fields. Key indicators include the degree of fulfillment of intra-African trade and manufacturing financing needs, the level of support for small and medium-sized enterprises, and the number of trade service investment projects.

In terms of risk management, the Bank has risk management procedures and execution bodies based on internal guidelines to ensure that risk management is integrated into strategic planning and daily operations. The Bank has a well-established risk management framework, with a professional management team that continuously monitors nine core risks, including business and strategy risk, credit risk, liquidity risk, operational risk, market risk, compliance risk, environmental, social, and governance (ESG) risk, reputational risk, and mandate risk. The Bank adopts a “three lines of defense” management framework: the first line consists of risk owners who are responsible for the daily identification and management of risks; the second line is the risk management department, which oversights risk; and the third line is the internal audit department, which provides risk assurance. As the Bank focuses primarily on trade financing, its capital adequacy and leverage limits are relatively relaxed compared to MDBs whose main business is in infrastructure. For instance, the Bank’s capital adequacy ratio, which is targeted above the Bank’s strategic minimum ratio of 20%, is lower than the targets set by the African Development Bank and the African Financial Corporation. Additionally, the Bank places significant emphasis on risk mitigation measures, effectively reducing credit risk of loans through cash collateral, payment risk transfer and loan insurance.

Capital Strength

In the view of CCXI, the Bank has achieved very strong profitability, a relatively high level of usable equity/risk-weighted assets ratio and a moderate level of gross debts/usable equity ratio. Overall, the Bank’s capital strength is relatively strong.

On July 3, 2024, the Bank announced that the shareholders of the Bank approved an increase in the authorised share capital from USD5 billion to USD25 billion. As at the end of 2024, the Bank had authorised share capital of USD25 billion, of which the paid-in share capital was USD990 million and callable capital was about USD4.3 billion. Since 2022, the Bank kept absorbing equity capital with its share capital and share premium showing a growing trend. In 2024, buoyed by sustained earnings and shareholder capital injections, the Bank’s usable equity at year-end increased by 17.4% year-on-year to USD7,184 million, up more than 80% compared with the end of 2021. As African countries showed relatively high demand for loans, in recent years the Bank maintained a high level of loan approvals and disbursements, with risk-weighted assets showing a growing trend. By the end of 2023, the Bank’s risk-weighted assets (as defined by CCXI) increased by 16.8% year-on-year to USD27,339 million. In 2024, in line with its strategic plan to expand financing support across the African continent, the Bank’s risk-weighted assets (as defined by CCXI) at year-end increased by 9.5% year-on-year to USD29,935 million, up more than 60% compared with the end of 2021. With both usable equity and risk-weighted assets (as defined in CCXI’s methodology) on the rise, the Bank retained a relatively high usable equity/risk-weighted assets ratio, which stood at 24.0% at the end of 2024.

The Bank has a relatively large size of debts, with a moderate degree of coverage by its usable equity. As its business expanding in size, the Bank saw a growing scale of debts from 2022 to 2024. At the end of 2023, the Bank’s gross debts increased by 20.6% year-on-year to USD27,038 million, and the gross debts/usable equity ratio rose to 441.7%. In 2024, the Bank used cash and cash equivalents to settle a portion of maturing liabilities, which moderated the growth of gross debts. At year-end, the Bank’s gross debts increased by 2.6% year-on-year to USD27,728 million. Since debt growth lagged behind the increase in usable equity, the gross debts/usable equity ratio declined to 386.0% by the end of 2024.

The Bank regards making profits as one of its development goals and sustained profits help improve the Bank's capital strength. Despite a volatile macro environment, the Bank has managed to maintain very strong profitability in recent years. Driven by income growth, the Bank's net profit rose by 66.1% year-on-year to USD756 million in 2023. In 2024, the Bank's net interest margin remained elevated alongside continued growth in interest-earning assets, the net interest income rose 25.4% year-on-year to USD1,811 million, while net profit increased 28.8% to USD974 million, lifting net profit/usable equity ratio to 13.6%. Overall, the Bank has a relatively strong capital strength.

Asset Quality

In the view of CCXI, the Bank maintains a relatively low NPL ratio and actively uses risk mitigation tools to reduce the credit risk of loans. However, the Bank exhibits high levels of regional and industrial concentration of its loan portfolio, and sovereign defaults in some African countries may continue to impair the Bank's asset quality. Going forward, attention should be paid to the impact of global geopolitical conflicts and the deteriorating macroeconomic environments in certain African countries on the Bank's operations and asset quality.

As a financial service provider for imports and exports in Africa, the African Export-Import Bank uses its own resources, information and strategic positioning advantages to provide various forms of trade finance services across the continent. Credit-related business is the core business of the Bank, mainly providing financing services for entities related to imports and exports in Africa. In terms of business types, the Bank's credit-related business is divided into line of credit[7], direct financing, project financing, accounts receivable purchase/discounting, export development and asset-backed lending. Among them, line of credit and direct financing are the main business types of the Bank. The balance of loans under the two categories has been above 80% of total loans in recent years. In terms of industries, the Bank's loans mainly include finance, energy, services and manufacturing. Meanwhile, the Bank's business development is flexible. The Bank has launched important loan programs of different themes at different stages in response to the core needs of various countries on the African continent. These programs mainly include the Counter-Cyclical Trade Liquidity Facility (COTRALF) launched in 2015 in response to falling commodity prices and political crises, the Afrexim Trade Facilitation Program (AFTRAF) launched in 2018 to advance the African Continental Free Trade Agreement (AfCFTA), the Pandemic Trade Mitigation Facility (PATIMFA) launched in 2020 to address the fallout from the COVID-19 pandemic and the Ukraine Crisis Adjustment Trade Finance Program for Africa (UKAFPA) launched in 2022 in response to spillover effects of the Russia-Ukraine conflict. Through these programs, the Bank has provided critical support for economic stability and trade development in some African countries. Since 2022, the Bank has facilitated the import of critical goods by some African countries through the

[7] The Bank provides loans and guarantees through intermediary banks to small and medium-sized trade entities whose balance sheet size and trade volume usually do not meet the Bank's lending thresholds.

AFTRAF and UKAFPA programs, recording elevated levels of loan approvals and disbursements.

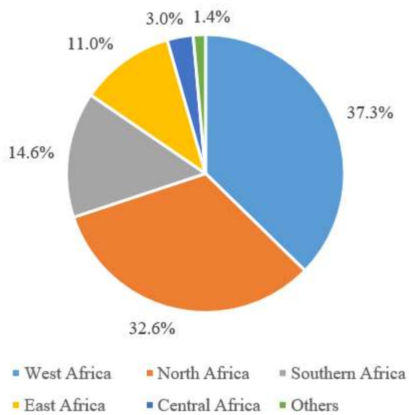
As an MDB co-founded by the African Development Bank, the African Export-Import Bank demonstrates a very high level of research on the regional macro environment and industry development, and has effective risk management measures in place. Compared with traditional lending projects, trade finance is mainly based on the genuine trade background, with relatively short terms and relatively low risks. The Bank uses risk mitigation tools on a large scale to mitigate the risk in trade finance. Credit risk is mitigated by using cash, government bonds and other assets as collateral for loans and also purchasing credit risk insurance. Also, the Bank carries out a large deal of structured trade finance, transferring risks to OECD off-takers through the assignment of receivables[8]. Thanks to these risk mitigation tools, about 38% of the Bank's repayment risk has been transferred to OECD counterparties, bringing the credit risk in the Bank's loans to a relatively low level. In addition, as an MDB, the African Export-Import Bank enjoys preferred creditor status that ensures its loans/debts securities will be paid in priority when some African countries are facing insolvency risk. In recent years, the Bank's NPL ratio has remained relatively low. Due to the growth in business scale, the NPL ratio fell to 2.3% by the end of 2024. However, the Bank's asset quality faces challenges from sovereign defaults in some African countries. As of the end of 2024, sovereign loans to Ghana and Zambia accounted for approximately 3.3% of the Bank's loan portfolio. At the end of the same period, the Bank did not classify these sovereign loans to Ghana and Zambia as non-performing[9]; should these exposures be reclassified, the Bank's NPL ratio would evidently rise. Meanwhile, the Bank holds over 2% exposure to South Sudan's sovereign, and macroeconomic volatility in the country may also impact the Bank's asset quality. Additionally, global geopolitical conflicts and deteriorating macroeconomic conditions in certain African countries may affect the Bank's operations. CCXI will continue to monitor fluctuations in the asset quality of the Bank. Nevertheless, due to adequate provisioning coverage (47%) for combined sovereign exposures to Ghana, Zambia, and South Sudan, the impact of sovereign defaults on the Bank's asset quality is expected to be manageable.

The Bank shows a high level of industrial and geographical concentrations. At the end of 2024, the Bank recorded USD30,834 million in total loans (loan portfolio)[10], of which line of credit was in a large scale, accounting for more than 55% of its loan portfolio. The Bank has large loans to financial institutions, with 47.9% of its loan portfolio to the financial sector at the end of 2024. Meanwhile, since oil and gas are important trade products in Africa, the Bank's loans to oil and gas industries remains at a high level, staying 19.5% of its loan portfolio at the end of 2024. Other important loans customers include governments, power enterprises, construction enterprises and manufacturers. In terms of geographical concentration, as Nigeria and Egypt are large economies with huge trade demand and home to some of

[8] In this model, African exporters apply for loans from the Bank, using accounts receivable from OECD off-takers as collateral. If the African exporter fails to repay the loan, the Bank can recover the transferred accounts receivable from the OECD off-takers, thereby achieving effective risk transfer.
[9] Benefiting from the preferred creditor status, the Bank can be exempted from debt restructuring. Therefore, the Bank believe that loans to Ghana and Zambia will still be carried out in accordance with the previous terms.
[10] The total loans are total customer loans and advances before provisions and use the Bank's separate statements.

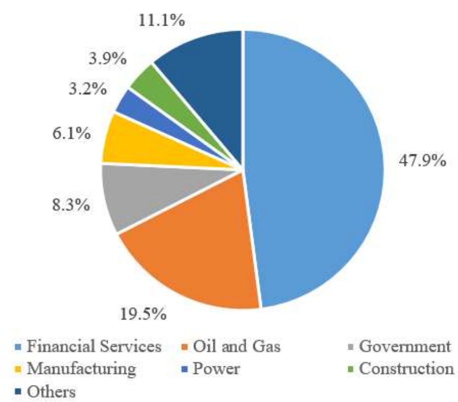
the Bank's important shareholders, including the Central Bank of Egypt, the Federal Republic of Nigeria and a number of Egyptian commercial banks, the Bank's loans are mainly distributed in West Africa and North Africa. At the end of 2024, the Bank's total loans to West Africa and North Africa accounted for 37.4% and 32.6% of its loan portfolio respectively, and Southern Africa, Eastern Africa and Central Africa accounted for 14.6%, 11.0% and 3.0%, respectively.

Figure 1. The Bank's Loan Portfolio by Region as at the End of 2024 (Calculated by Amount)



Sources: Provided by the Bank, compiled by CCXI

Figure 2. The Bank's Loan Portfolio by Industry as at the End of 2024 (Calculated by Amount)



Sources: Provided by the Bank, compiled by CCXI

Liquidity

In the view of CCXI, the Bank maintains prudent liquidity management with sufficient liquid assets to cover short-term debts, and have relatively strong financing capacity backed by a wide variety of financing sources worldwide. Overall, the Bank has a relatively strong liquidity.

The African Export-Import Bank adopts a prudent policy on liquidity management. The Bank requires cash and highly liquid assets to account for more than 10% of total assets, with a liquidity coverage ratio of more than 100%, and also requires asset portfolio duration to be shorter than or matching liability duration to fund maturing debts through accumulated asset cash flows. In recent years, the Bank has been able to meet the requirements of liquidity indicators. The Bank's cash and cash equivalents kept growing from 2022 to 2023 as the business size expanded, reaching USD5,622 million at the end of 2023, accounting for 16.8% of total assets. And liquid assets remained sufficient to cover short-term debts. In 2024, the Bank used internal resources to expand its loan portfolio, causing its cash and cash equivalents to fall to USD4,649 million, but its cash and cash equivalents to total assets remained above 10%. Overall, the Bank shows very strong performance of liquidity indicators.

The Bank's sources of funds include issuing bonds, borrowings, deposits and shareholders' capital injection, manifesting diversified financing channels and broad geographical distribution. The Bank's main deposit product is the Afreximbank Central Bank Deposit/Investment Program (CENDEP), which was launched in 2015. CENDEP is a deposit product targeting the central banks of African countries, aiming to finance African trade and economic development projects by absorbing part of the foreign exchange reserves of African central banks, and also provides returns on the deposits. For the Bank, CENDEP has low financing costs, while the terms of CENDEP are relatively short, where CCXI will closely monitor the impact of its changes on the Bank's liquidity. As of the end of 2024, bank deposits[11] accounted for about 39% of total liabilities. Meanwhile, the Bank can raise funds from the international bond market through its USD5 billion Global Medium-Term Note Programme. Additionally, the Bank actively engages in regional capital markets, successfully issuing its inaugural Samurai bond and Panda bond in November 2024 and April 2025, respectively, raising over USD800 million collectively. The Bank's borrowings are through syndicated loans and bilateral lines, and its main counterparties include MDBs and the export credit agencies; at the end of 2024, the borrowings accounted for about 50% of total liabilities.

Support from Member States

In the view of CCXI, the Bank's shareholders show very strong willingness to support the Bank, but the main shareholders and member states have weak capability to support, with contractual support at a moderate level. There is no adjustment to support from member states.

The African Export-Import Bank has a large number of member countries, basically covering the entire Africa. The African Export-Import Bank is a leading MDB in Africa, playing a key role in Africa's economic stability and trade development. Also, the Bank benefits from preferred creditor status, tax exemptions, customs duties exemptions and other immunities and privileges in its member states. The Bank has established in-depth cooperation with the governments of member states, and provides loans to African states in distress. The member countries show very strong willingness to support the Bank. As at the end of 2024, the Bank's callable capital was approximately USD4.3 billion, with its gross debts/callable capital below 7x and its contractual support at a moderate level.

In terms of support capability, the sovereign credit ratings of the Bank's major member states are generally low, and their economic structures are highly vulnerable to external factors such as commodity price fluctuations. Additionally, their fiscal and external solvency positions are generally weak. Meanwhile, member states have a relatively high degree of asset correlation with the Bank. Given these considerations, there is no adjustment to support from member states.

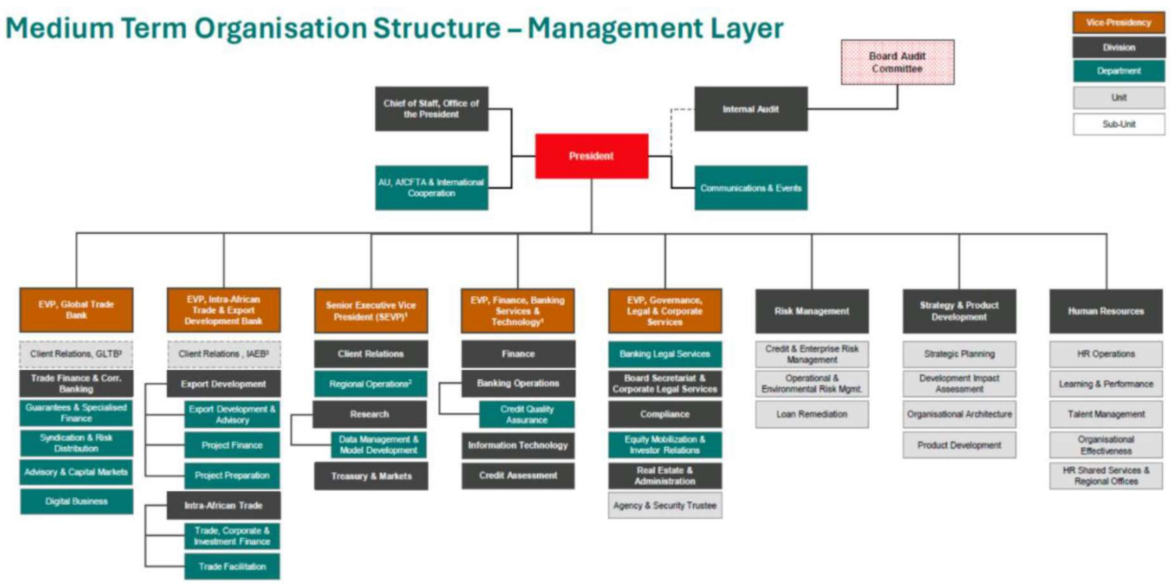
Conclusion

In conclusion, CCXI assigns an issuer credit rating of **AAA** to the African Export-Import Bank with a Stable outlook.

[11] Including money market deposits, deposits and customer accounts.

Appendix I: Equity Structure and Organizational Structure of the African Export-Import Bank (as at the end of 2024)

Type of Shareholder	Number of Shareholders	Shareholding (%)
Class A shareholders	54	64.9
Class B shareholders	96	25.8
Class C shareholders	15	6.4
Class D shareholders	1	2.9
Total	**166**	**100**



Sources: Provided by the Bank, organized by CCXI.

Appendix II: Financial Data of the African Export-Import Bank (Consolidated)

Financial data (in USD100 million)	2022	2023	2024
Cash and cash equivalents	41.00	56.22	46.49
Loans and advances to customers	229.66	267.23	290.05
Investment securities at amortised cost	2.44	3.19	3.65
Risk-weighted assets	234.07	273.39	299.35
Total assets	278.63	334.69	352.65
Borrowings due to banks	91.47	126.30	140.41
Deposits and customer accounts	82.47	101.79	82.49
Debt securities in issue	33.68	28.53	26.19
Total liabilities	226.56	273.48	280.81
Gross debts	224.26	270.38	277.28
Paid-in share capital	8.50	9.21	9.90
Usable equity	52.07	61.21	71.84
Net interest income	9.10	14.44	18.11
Net non-interest income	0.99	1.31	1.73
Interest income	13.91	24.83	30.60
Interest expenses	-4.75	-10.45	-12.64
Net profit	4.55	7.56	9.74
Cash flows from/(used in) operating activities	-16.41	-15.94	-23.20
Cash flows from/(used in) investing activities	-0.77	-1.06	-1.72
Cash flows from/(used in) financing activities	27.78	32.13	15.27
Financial indicators	**2022**	**2023**	**2024**
NPL ratio (%)	3.4	2.5	2.3
Short-term debts/current assets (%)	73.1	64.6	77.7
Usable equity/risk-weighted assets (%)	22.2	22.4	24.0
Net profit/usable equity (%)	8.7	12.4	13.6
Gross debts/usable equity (%)	430.7	441.7	386.0

Appendix III: Calculation Formulas for Basic Financial Indicators

	Indicator	Calculation formula
Capital Strength	Gross debts	= Money market deposits + Borrowings due to banks + Debt securities in issue + Deposits and customer accounts
	Usable equity	= Total equity
	Risk-weighted assets	= Financial assets at fair value through profit or loss + Investment securities at amortised cost + Loans and advances to customers
	Net interest income	= Interest income - Interest expense
Asset Quality	NPL ratio	= Stage 3 loans / Loan portfolio
Contractual Support	Contractual support	= Gross debts / Callable capital

Appendix IV: Symbols and Definitions for Credit Ratings

Entity grade symbol	Definition
AAA	The Rated Entity has extremely strong ability to repay debts, is basically not affected by adverse economic environment, and has extremely low default risk.
AA	The Rated Entity has very strong ability to repay debts, is less affected by adverse economic environment, and has very low default risk.
A	The Rated Entity has relatively strong ability to repay debts, is vulnerable to adverse economic environment, and has relatively low default risk.
BBB	The Rated Entity's ability to repay debts is moderate, which is greatly affected by adverse economic environment and has moderate default risk.
BB	The Rated Entity has relatively weak ability to repay debts, is greatly affected by adverse economic environment, and has relatively high default risk.
B	The ability of the Rated Entity to repay debts depends heavily on the good economic environment, and the default risk is very high.
CCC	The ability of the Rated Entity to repay debts is extremely dependent on a good economic environment, and the default risk is extremely high.
CC	The Rated Entity is basically unable to repay its debts, and default is likely to occur.
C	The Rated Entity cannot repay the debt.

Note: Except for AAA, CCC and below, each credit rating can be fine-tuned with "+" and "-" symbols, indicating slightly higher or slightly lower than this rating.

Medium and long-term debt grade symbol	Definition
AAA	Bonds have strong security, are basically not affected by adverse economic environment, and have extremely low credit risk.
AA	Bonds have strong security, are less affected by adverse economic environment, and have very low credit risk.
A	Bonds have strong security, are vulnerable to adverse economic environment and have relatively low credit risk.
BBB	The security of bonds is average, which is greatly affected by adverse economic environment and has moderate credit risk.
BB	Bonds are weak in security, greatly affected by adverse economic environment and have relatively high credit risk.
B	The security of bonds depends heavily on a good economic environment, and the credit risk is very high.
CCC	The security of bonds is extremely dependent on a good economic environment, and the credit risk is extremely high.
CC	There is basically no guarantee of repayment of bonds.
C	Can't repay the bonds.

Note: Except for AAA, CCC and below, each credit rating can be fine-tuned with "+" and "-" symbols, indicating slightly higher or slightly lower than this rating.

Entity grade symbol (Global Scale)	Definition
AAA_g	Capacity to meet commitments on short-term and long-term debts is extremely strong. The Rated Entity is operated in a virtuous circle. The foreseeable uncertainty on business operations is minimal.
AA_g	Capacity to meet short-term and long-term financial commitments is very strong. The Rated Entity is operated in a virtuous circle. Foreseeable uncertainty in business operations is relatively low .
A_g	Capacity to meet short-term and long-term commitments is strong. The Rated Entity is operated in a virtuous circle. Business operation and development may be affected by internal uncertain factors, which may create fluctuations in profitability and solvency of the issuer.
BBB_g	Capacity to meet financial commitment is considered adequate and capacity to meet short-term and long-term commitments is satisfactory. Business is operated in a virtuous circle. Business is affected by internal and external uncertainties. Profitability and solvency may experience significant fluctuation. Principal and interest may not be sufficiently protected by the terms of agreement.

BB_g	Capacity to meet short-term and long-term financial commitment is relatively weak. Financial commitment towards short-term and long-term debts is below average. Status of business operations and development is not good. Solvency is unstable and subject to sustainable risk.
B_g	Financial commitment towards short-term and long-term debts is bad. Business is affected by internal and external uncertain factors. There are difficulties in business operations. Solvency is uncertain and subject to high credit risk.
CCC_g	Financial commitment towards short-term and long-term debts is very bad. Business is affected by internal and external uncertain factors. There are difficulties in business operations. Poor solvency with very high credit risk.
CC_g	Financial commitment towards short-term and long-term debts is extremely bad. There are very limited positive internal and external factors to support business operation and development. Business operations are poor and extremely high credit risk is found.
C_g	Financial commitment towards short-term and long-term debts is insolvent. Business falls into a vicious circle. Very limited positive internal and external factors are found to support business operations and development in positive cycle. Extremely high credit risk is seen and is near default.
D_g	Unable to meet financial commitments. Default is confirmed.

Note: The Global Scale Symbol applies to financial and non-financial corporate and multilateral institutional entities. Except for AAA_g, CCC_g and below, each credit rating can be fine-tuned with "+" and "-" symbols, indicating slightly higher or slightly lower than this rating.

Independence, Objectivity and Professionalism

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