AFRICAN EXPORT-IMPORT BANK

FINANCIAL STATEMENTS FOR THE NINE MONTHS AND THREE MONTHS ENDED 30 SEPTEMBER 2022

DIRECTORS' COMMENTARY

This communique is issued pursuant to Stock Exchange of Mauritius (SEM) Listing Rules 11.3 and 12.20 and Section 8.8 of the Securities Act of Mauritius 2005.

REVIEW OF FINANCIAL PERFORMANCE

INTRODUCTION

The following discussion is on the abridged unaudited Financial Statements of African Export-Import Bank (Afreximbank, or the Bank) and its subsidiaries, the Fund for Export Development in Africa (FEDA) entities and Afreximbank Insurance Management Company (AfrexInsure), together referred to as the "Group". The abridged Financial Statements are for the nine and three months periods ended 30 September 2022 and comprise of Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, and the accompanying commentary. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. This report discusses the Group's financial performance to 30 September 2022, focusing on factors that influenced the observed results.

OPERATING ENVIRONMENT

Heightened geopolitical risks including the Russia-Ukraine conflict, tightening of global financial markets and recurrent COVID-19 virus outbreaks have resulted in unprecedented levels of volatility and uncertainty across global markets. Supply chain disruptions have continued, most notably ones involving the oil, gas, vegetable oils, grains, and agricultural input sectors.

Shortages arising from supply chain disruptions have resulted in higher-than-expected inflation, which has become a major impediment to global economic growth. Major economies, amongst them, the United States, several European Union member countries, and the United Kingdom are experiencing the highest inflation levels in decades. In response, their Monetary authorities have increased benchmark interest rates: the Federal Reserve introduced five interest rates hikes this year, including three unusually large 75 basis point (bps) increases; the European Central Bank increased interest rates by 75bps in September 2022 (the highest increase in a decade); and the Bank of England increased its benchmark interest rate to 2.25%.

Federal Reserve officials have signalled a further 125bps hike in benchmark interest rates by the end of 2022, and indications from other developed economies' monetary authorities are that they will follow suit.

Major currencies, including the euro, the British pound, and yen have weakened against the US dollar, exacerbating market uncertainties, thereby further threatening global economic growth. It is against this backdrop that the International Monetary Fund has forecast that economic growth of the three largest economies, the United States, China, and the European Union will stall during the remainder of 2022 and in 2023.

Africa has not been spared from the economic disruptions that have arisen from geopolitical crises and the COVID-19 pandemic. While some oil and gas exporters in Africa have benefitted from the Russia-Ukraine crisis due to higher oil and gas prices, to a greater extent, most African economies have been adversely impacted by these disruptions. Additionally, because a number of African countries are significant importers of petroleum, grain, vegetable oils, and agricultural inputs (fertilisers, chemicals, and machinery) originating from the Black Sea, their import bills have significantly increased as the crisis has caused commensurate shortages and price escalations.

Furthermore, with rising interest rates in the United States, the US dollar has continued to strengthen against most African currencies. The impact of the higher interest rates, together with the strengthening of the US dollar, triggered increases in borrowing and imports costs and national debt burdens. During the first nine months of 2022, Africa's largest economies, Egypt, Nigeria, and South Africa experienced relatively higher year-on-year inflation levels of 15%, 21% and 7.6%, respectively. In addition, the currencies of Egypt and South Africa weakened by approximately 24% and 14%, respectively.

Negative global investor sentiment has continued to cause capital flow reversals and difficulties in accessing new credit lines and foreign direct investment for the continent. As China is Africa's biggest trading partner, the economic slowdown of its economy on account of continued COVID-19 lockdowns is expected to contribute to the lower-than-projected growth of African economies.

In view of these global challenges, the International Monetary Fund downgraded Africa's GDP growth forecast for 2022 to 3.9% from 4.3%, while global growth is now estimated at about 3.2%, down from 4.1%.

In the context of this challenging operating environment, the Bank has pursued programmes and activities to ensure that its clients and member states countries weather the turbulences in an organised manner. In this regard, and in line with the Bank's mandate and its Sixth Strategic Plan (covering 2022-2026). the Bank successfully pursued and implemented:

a) a launch of the Ukraine Crisis Adjustment Trade Financing Programme for Africa (UKAFPA) in March 2022, which saw the Bank approving funded and unfunded requests of about US$8.5 billion under this programme, with a pipeline of requests exceeding a gross amount of US$15 billion. The UKAFPA, with an approved net limit of US$4 billion, assisted the Bank's member states in managing the adverse effects of the Russia-Ukraine crisis, thereby facilitating import of critical goods such as oil, gas, grains, and agricultural inputs. Additionally, the programme supported member states in meeting maturing trade finance obligations;

b) raising more than US$716 million in fresh equity during the period under review. On a cumulative basis, the gross paid-in equity raised since the approval of the Bank's General Capital Increase (GCI II) in July 2021 amounted to US$1.4 billion (US$1.1 billion adjusted for the time-based discount on the offer). The GCI II aims to raise US$6.5 billion in fresh equity, with US$2.6 billion in paid-in equity, which will support key elements of the Bank's Sixth Strategic Plan, such as boosting intra-African trade, deepening the implementation of the African Continental Free Trade Agreement (AfCFTA), expanding industrialisation and export manufacturing, and strengthening the financial capacity of the Bank;

c) remaining committed to the implementation of the AfCFTA as evidenced by the approval of US$1 billion in support of the AfCFTA Adjustment Fund. The Bank's contribution forms part of the larger financial requirements that are necessary to ensure that member states adjust in an orderly manner to the new trading regime of "zero tariffs", which is retooling to take advantage of new market opportunities. The Bank is also diligently working with the African Union to mobilise other resources as part of the AfCFTA Adjustment Funds, having been appointed the managers of the Funds . In addition, the Bank's Board has approved a grant of US$10 million to enable the commencement of operations of the Base Fund, targeting compensation for tariff revenue losses;

d) launching, in partnership with African Union Commission and the AFCFTA Secretariat, the commercial operations of the Pan-African Payment and Settlement System (PAPSS), a payments system and settlement system, adopted by the African Union to bolster the implementation of the AfCFTA. Considerable progress has been made, with eight central banks, forty-three commercial banks and seven switches now active on the system. Significant progress has also been made in discussions with the Association of Africa Central Banks to facilitate a smooth continent-wide rollout; and

e) developing the Africa Trade Exchange platform in cooperation with the United Nations Economic Commission for Africa and the AfCFTA Secretariat in response to the surge in import costs resulting from the Russia-Ukraine crisis. The platform, which is now in use, supports pooled procurement of critical commodities in response to the Russia-Ukraine crisis, bringing down import costs.

FINANCIAL HIGHLIGHTS

Key performance highlights for the Bank and the Group in the nine months ended 30 September 2022 (9M'2022) compared to the period ended 30 September 2021 (9M'2021) and/or 31 December 2021 (FY'2021) are presented hereunder.

Bank:

- Gross interest income grew by 28% to reach US$930.3 million, compared to the previous year;
- Net Interest Income increased to US$626.4 million, representing a 26% growth over 9M'2021;
- Net Income increased to US$326.9 million, a 28% increase from US$254.9 recorded during 9M'2021;
- Net Loans and advances at US$21.5 billion as at the end of 9M'2022, represented a 19% increase over the FY'2021 balance;
- Total assets and guarantees rose by 9% to reach US$26.4 billion, compared to the FY'2021 balance;
- Liquid assets of the Bank stood at 12% of the Bank's Total assets as at 9M'2022 compared to 14% achieved at 31 December 2021;
- The Non-performing loans (NPL) ratio as at 30 September 2022 stood at 3.35% (FY'2021: 3.35%);
- The Bank achieved a return on average shareholders' equity (ROAE) and return on average assets (ROAA) of 9.84% (9M'2021: 9.83%) and 1.85% (9M'2021: 1.73%) respectively; and
- The Capital Adequacy Ratio stood at 27% at 9M'2022 (9M'2021: 22%) in line with the strong Shareholders' responses to the GCI II and the Bank's long-term Capital Management Strategy and Policy targets.

Group:

- The Group's Net Income, at US$322.5 million, was slightly lower than the Net Income of the Bank. This was mainly as a result of US$3.3 million in Operating expenses incurred by the Bank's subsidiaries during 9M'2022; and
- The Group achieved ROAE and ROAA of 9.74% and 1.83% respectively.

DETAILED COMMENTARY ON FINANCIAL PERFORMANCE AND POSITION

In line with expectations, the subsidiary entities did not contribute to the reported Interest Income, Interest expenses and Net fees and commission. Therefore, the Group performance with respect to these Financial Statements line items mirror the performance of the Bank. A further detailed analysis of the Bank's Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position as well as the results of the Group are presented hereunder.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Net Interest Income and Margin

Net Interest Income grew by 26% to reach US$626.4 million in 9M'2022 in comparison to 9M'2021 largely driven by a 28% increase in Interest Income which reached US$930.3 million. Net Interest Margin (NIM) stood at 3.62%, compared to the prior-year level of 3.34%. This was largely attributed to comparatively higher average yields achieved on the Bank's interest-bearing assets as benchmark interest rates rose. Loans and Advances constituted 83% of the interest-bearing assets. The improved NIM also reflected effective management of borrowing costs.

Net Interest Income grew by 20% to reach US$249.1 million in the three (3) months ended 30 September 2022 (3Q'2022) compared to the three (3) months ended 30 June 2022 (2Q'2022). This was mainly driven by a 32% increase in Interest Income on the back of increasing yields and higher average balances of Loans and advances during 3Q'2022 compared to 2Q'2022. In comparison to the three (3) months ended 30 September 2021 (3Q'2021), Net Interest Income increased by 49%, a direct result of a combination of the growth in the average volumes of, and increasing yields on, Loans and advances.

Fees and Commission Income

The Bank's Fees and commission income comprised mainly of fees earned on Guarantees, Letters of credits (LCs) and client Advisory Services. Total Fee and Commission income increased by 16% to reach US$69.8 million for 9M'2022 compared to 9M'2021. This was largely on account of total Guarantees and LCs fees which grew significantly and closed 9M'2022 at US$49 million, a 45% increase over the 9M'2021 level. This achievement was on account of comparatively higher high yields realised on Guarantees and LCs during the period. During 9M'2022, fees on Advisory Services amounted to US$19.4 million (9M'2021: US$26.4 million). This decrease was largely attributable to relatively fewer advisory mandates concluded during 9M'2022.

Fees and Commission Income (Cont'd)

With respect to 3Q'2022, Fees and commission income declined slightly to US$25.9 million from US$26.2 million recorded for 2Q'2022 largely on account of fewer advisory mandates concluded during 3Q'2022 and a slight reduction in the volume of Guarantees and LCs. Compared to 3Q'2021, higher average volumes of Guarantees and LCs in 3Q'2022 gave rise to a 33% increase in Fees and commission income.

Operating Expenses

The Bank's Total Operating expenses amounted to US$148.4 million for 9M'2022 compared to US$115.7 million for 9M'2021. The 28% growth in Operating expenses was largely on the back of significant inflationary pressures on procured goods and services, an increase in the staff headcount, and the expansion in strategic initiatives and programme offers by the Bank. Against this backdrop, General and Administrative expenses and Personnel costs rose by 49% and 10%, respectively. In line with prior year trends, General and Administrative expenses and Personnel expenses accounted for 93% of the Bank's total Operating expenses.

Also driven by inflation and costs associated with the implementation of the Bank's strategic initiatives, its 3Q'2022 Operating expenses increased by 28% over the comparative period to reach US$57.8 million (3Q'2021: US$45.2 million). The level of Operating expenses for 3Q'2022 was 14% higher compared to 2Q'2022.

The Group recorded total Operating expenses of US$151.7 million for 9M'2022. The total Operating expenses of the subsidiary entities for 9M'2022 were US$3.3 million, comprising mainly Personnel expenses (US$2.1 million) and Administrative expenses (US$1.2 million).

The Bank's Cost-to-Income ratio remained unchanged at 21% at 9M'2022 and 9M'2021. The Cost-to-income ratio for 3Q'2022 slightly improved to 21% compared to 22% and 24% for 2Q'2022 and 3Q'2021, respectively. This ratio is pertinent to the banking industry and was well within the Bank's strategic upper limit of 30%.

The Group's Cost-to-Income ratio was 22% at 9M'2022.

Expected Credit Losses on Financial Instruments

The Bank is the only lending entity within the Group and therefore the credit-impaired loans (NPLs) pertain to the Bank. NPLs represented 3.35% of the Bank's total Loans and advances (portfolio) as at 30 September 2022 (FY2021: 3.35%). The provisions for Expected Credit Losses of US$243.9 million for 9M'2022 (9M'2021: US$182.1 million) are assessed as adequate for the outstanding Loans and advances and other financial instruments falling within the ambit of IFRS9.

As shown in the table below, 96.65% of the total Loans and advances, which are not credit impaired, are classified as Stage 1 (85.26%) and Stage 2 (11.39%) in line with the principles of IFRS 9. The relatively high proportion of Loans and advances that are not credit impaired in relation to the total portfolio is indicative of the sound quality of the portfolio as well as the low probability of significant losses arising in the immediate future. This outcome also reflects the prudence of the Bank's Structured Trade Finance-based lending and robust risk management practices.

IFRS 9 STAGING - LOANS AND ADVANCES				
	30 September 2022			
	9M'2022			
	Stage 1	Stage 2	Stage 3	Total
	US$000	US$000	US$000	US$000
Gross Amount	19,111,975	2,553,963	750,529	22,416,468
Loss allowance	(98,094)	(242,107)	(321,011)	(661,213)
Suspended interest	-	-	(214,813)	(214,813)
Total provisions	(98,094)	(242,107)	(535,824)	(876,026)
Carrying amount	**19,013,881**	**2,311,856**	**214,705**	**21,540,442**
Percent of Loan by Stage to Total gross loans	**85.26**	**11.39**	**3.35**	

Expected Credit Losses on Financial Instruments (Cont'd)

IFRS 9 STAGING - LOANS AND ADVANCES				
	31 December 2021			
	FY'2021			
	Stage 1	Stage 2	Stage 3	Total
	US$000	US$000	US$000	US$000
Gross Amount	16,286,344	1,851,768	628,416	18,766,528
Loss allowance	(47,415)	(162,403)	(203,660)	(413,478)
Modification loss	-	(1,650)	-	(1,650)
Suspended Interest	-	-	(175,165)	(175,165)
Total provisions	(47,415)	(164,053)	(378,825)	(590,293)
Carrying amount	**16,238,930**	**1,687,715**	**249,590**	**18,176,235**
Percent of Loan by Stage to Total gross loans	**86.78**	**9.87**	**3.35**	

Stage 1 - Financial instruments with no significant increase in credit risk since recognition or having low credit risk at the reporting date.

Stage 2 - Financial instruments with significant increase in credit risk since recognition but do not have objective evidence of impairment.

Stage 3 - Financial instruments with objective evidence of impairment at the reporting date.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position shows that the Group's financial position remained strong and liquid. A detailed discussion of the status of assets and liabilities as at 30 September 2022 is presented hereunder.

Assets

The Bank's Total Assets increased by 15% from US$21.9 billion as at 31 December 2021 (FY'2021) to reach US$25.2 billion as at 30 September 2022. The increase in Total Assets was largely driven by a 19% increase in Loans and advances to customers which closed 9M'2022 at US$21.5 billion. Loans and advances accounted for 86% of Total assets. As at 9M'2022, the balance of Cash and cash equivalents remained relatively unchanged at US$2.9 billion compared to the FY'2021 closing position of US$3 billion.

The Bank's Total Assets and Guarantees stood at US$26.4 billion as at 9M'2022, compared to US$24.2 billion as at FY'2021. Letters of credit balances at 9M'2022 amounted to US$1.4 billion compared to US$1.2 billion as at FY'2021.

The Bank's Liquid Assets to Total Assets ratio was 12% at 9M'2022 (FY'2021: 14%). This ratio was well within the Bank's strategic target range of 10% to 15%. Apart from the use of liquid assets on normal business activities, the high liquidity levels maintained will enable the Bank to achieve its planned Loan disbursements and to meet maturing obligations for the remainder of 2022 and beyond. Additionally, high liquidity levels will enable the Bank to intervene in response to any unplanned credit requests occasioned by the current global turmoil and market uncertainties.

The Group's Total on-balance sheet assets stood at US$25.2 billion as at 9M'2022 (FY'2021: US$21.9 billion). Included in the Group's Total assets as at 30 September 2022, are FEDA Holdings' equity investments amounting to US$62.6 million (FY'2021: US$38.1 million) and Property and equipment of US$0.2 million (FY'2021: US$nil) acquired by FEDA entities.

Liabilities

The Bank's Total liabilities stood at US$20.3 billion at 9M'2022 reflecting a 13% increase over FY'2021 on account of US$0.9 billion additional deposits from customers (Deposits and customer accounts) and US$1.4 billion from bilateral and syndication facilities (Due to banks). Money market deposits and Debt securities in issue remained largely unchanged at US$1.5 billion (FY'2021: 1.4 billion) and US$3.3 billion (FY'2021: US$3.4 billion), respectively.

As at 9M'2022, Total borrowings (Due to banks and Debt securities in issue) accounted for 57% of the Bank's liabilities (FY'2021: 58%). For 9M'2022 and FY'2021, Deposits and customer accounts accounted for 33% of the Bank's Total Liabilities while Money market deposits accounted for 7% of the Bank's Total liabilities (FY'2021: 8%). This funding mix enabled the Bank to maintain a healthy balance of cost of borrowing, sufficient liquidity, and sustainable growth in Loans and advances.

The Group's Total Liabilities position stood at US$20.3 billion at 9M'2022. Included in this position is US$1.9 million relating to liabilities payable by subsidiary entities to third parties.

Shareholders' Funds

As the Bank is also the Group Holding company, the Group Shareholders' funds largely mirror the Bank's Shareholders' funds, and these rose by 23% to reach US$4.9 billion as at 30 September 2022 compared to FY'2021. The increase in the Group Shareholders' funds was largely attributable to the continued solid support of the GCI II by the Bank's Shareholders. The Bank's Callable capital, a considerable proportion of which was credit enhanced as part of the Bank's capital management strategy, amounted to US$2.8 billion as at 30 September 2022 (FY'2021: US$1.8 billion).

CONCLUSIONS AND OUTLOOK

The Group's performance, largely driven by the Bank, delivered solid results during the nine months ended 30 September 2022, despite the challenging global environment. The financial results reflect strong earnings growth and sustainable growth in assets and business activities, as evidenced by key performance indicators, such as profitability, liquidity, asset growth, and asset quality. The results achieved by the Group were above planned performance.

As money centres across the globe navigate the subdued global markets, mounting inflation, increasing interest rates, and market volatilities arising from, among others, geo-political tensions, the after-effects of the COVID-19 pandemic, and the under-performance of the Chinese economy, the Group remains focused on delivering on the priorities set under its Sixth Strategic Plan.

Management is confident of the Group's abilities to steer through this challenging operating environment and continue to provide trade finance solutions for the continent, while at the same time delicately managing the attendant risks to ensure sustainable growth.

FINANCIAL RATIOS

THE GROUP

	Sep-22 9M'2022	Dec-21 FY'2021
Profitability		
Return on Average Assets (ROAA)	1.83%	1.88%
Return on Average Equity (ROAE)	9.74%	11%
Operating efficiency		
Cost-to-income ratio	22%	23%
Asset Quality		
Non-performing loans ratio (NPL)	3.35%	3.35%
Loan loss coverage ratio	100%	115%
Liquidity		
Cash/Total assets	12%	14%
Capital Adequacy		
Capital Adequacy ratio	27%	25%

THE BANK

	Sep-22 9M'2022	Dec-21 FY'2021	Sep-21 9M'2021
Profitability			
Return on Average Assets (ROAA)	1.85%	1.88%	1.73%
Return on Average Equity (ROAE)	9.84%	11%	9.83%
Operating efficiency			
Cost-to-income ratio	21%	23%	21%
Asset Quality			
Non-performing loans ratio (NPL)	3.35%	3.35%	3.59%
Loan loss coverage ratio	100%	115%	115%
Liquidity			
Cash/Total assets	12%	14%	15%
Capital Adequacy			
Capital Adequacy ratio	27%	25%	21%

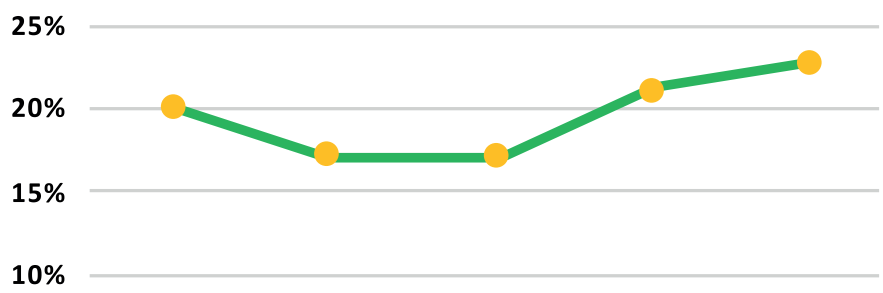
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	GROUP			BANK		
	September 2022 US$000	December 2021 US$000	September 2022 US$000	September 2022 US$000	December 2021 US$000	September 2021 US$000
ASSETS						
Cash and cash equivalents	2,921,338	3,047,771	3,005,472	2,920,892	3,047,771	3,005,472
Derivative assets held for risk management	25,572	-	2,647	25,572	-	2,647
Financial assets at fair value through profit or loss	102,807	136,237	-	40,247	98,177	-
Loans and advances to customers	21,540,442	18,176,235	16,479,908	21,540,442	18,176,235	16,479,908
Prepayments and receivables	131,249	103,991	98,738	139,344	108,288	98,738
Financial investments at amortised cost	246,519	243,646	245,182	246,519	243,646	245,182
Other assets	68,214	75,863	17,698	67,710	75,659	17,698
Property and equipment	123,228	101,298	63,275	123,016	101,298	63,275
Intangible assets	11,734	13,201	13,590	11,734	13,201	13,590
Investment in subsidiaries	-	-	-	90,478	66,479	-
Total Assets	**25,171,103**	**21,898,242**	**19,926,510**	**25,205,955**	**21,930,754**	**19,926,510**
LIABILITIES						
Derivative liabilities held for risk management	41,996	16,681	10,579	41,996	16,681	10,579
Money market deposits	1,517,018	1,411,075	1,929,489	1,517,018	1,411,075	1,929,489
Due to banks	8,291,280	6,928,655	6,155,331	8,291,280	6,928,655	6,155,331
Deposits and customer accounts	6,678,903	5,817,214	4,455,320	6,699,714	5,840,633	4,455,320
Debt securities in issue	3,333,867	3,443,084	3,442,800	3,333,867	3,443,084	3,442,800
Other liabilities and provisions	429,593	329,177	391,728	427,734	326,785	391,728
Total liabilities	**20,292,657**	**17,945,886**	**16,385,247**	**20,311,609**	**17,966,913**	**16,385,247**
CAPITAL FUNDS						
Share capital	806,068	647,312	585,520	806,068	647,312	585,520
Share premium	1,753,878	1,219,219	1,035,244	1,753,878	1,219,219	1,035,244
Warrants	183,915	160,952	122,128	183,915	160,952	122,128
Reserves	996,969	996,969	858,451	996,969	996,969	858,451
Retained earnings	1,137,617	927,904	939,919	1,153,517	939,389	939,919
Total capital funds	**4,878,446**	**3,952,356**	**3,541,263**	**4,894,346**	**3,963,841**	**3,541,263**
Total liabilities and capital funds	**25,171,103**	**21,898,242**	**19,926,510**	**25,205,955**	**21,930,754**	**19,926,510**

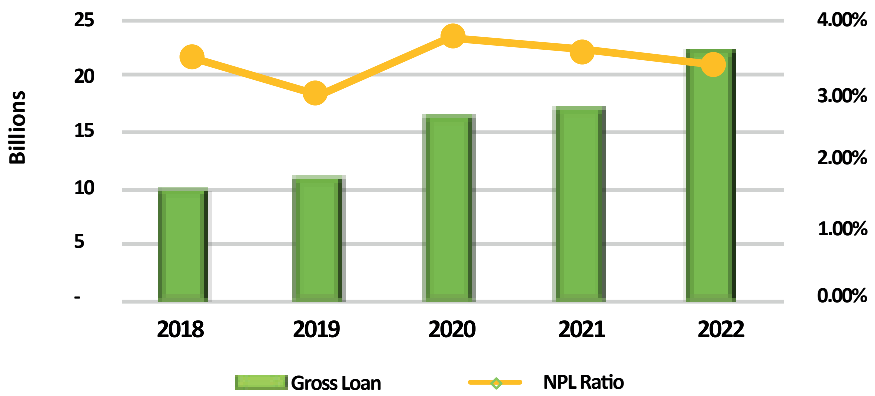
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP YTD RESULTS		BANK YTD RESULTS		BANK QUARTERLY RESULTS		
	9 Months September 2022 3Q'2022 US$000	6 Months September 2021 3Q'2022 US$000	9 Months September 2022 3Q'2022 US$000	9 Months September 2022 3Q'2022 US$000	3 Months September 2022 3Q'2022 US$000	3 Months June 2022 2Q'2022 US$000	3 Months September 2021 3Q'2021 US$000
Interest income using the effective interest method	930,333	727,807	930,333	727,807	389,538	295,319	242,037
Interest expense using the effective interest method	(301,987)	(232,215)	(301,987)	(232,215)	(136,790)	(89,084)	(74,823)
Other interest (expense)/income	(1,956)	1,405	(1,956)	1,479	(3,669)	1,754	74
Net interest income	**626,389**	**496,997**	**626,389**	**496,997**	**249,079**	**207,989**	**167,141**
Fee and commission income	69,757	60,352	69,757	60,352	25,893	26,248	19,422
Fee and commission expense	(4,527)	(5,660)	(4,527)	(5,660)	(325)	(1,923)	(1,526)
Net fee and commission income	**65,230**	**54,692**	**65,230**	**54,692**	**25,568**	**24,325**	**17,897**
Other operating income	5,527	11,189	5,526	11,189	2,628	1,614	4,812
Personnel expenses	(68,185)	(59,691)	(66,058)	(59,691)	(23,800)	(22,459)	(23,172)
General and administrative expenses	(73,362)	(48,518)	(72,208)	(48,518)	(30,107)	(25,210)	(19,511)
Depreciation and amortisation expense	(10,231)	(7,467)	(10,203)	(7,467)	(3,970)	(3,080)	(2,548)
Exchange adjustments	(8,745)	914	(7,637)	914	(4,420)	(2,305)	374
Fair value gain/(loss) from financial instruments at fair value through profit/loss	29,687	(11,097)	29,687	(11,097)	36,559	(8,690)	7,834
Credit losses on financial instruments	(243,856)	(182,077)	(243,856)	(182,077)	(109,070)	(77,861)	(66,785)
PROFIT FOR THE PERIOD	**322,455**	**254,940**	**326,870**	**254,940**	**142,467**	**94,321**	**86,041**

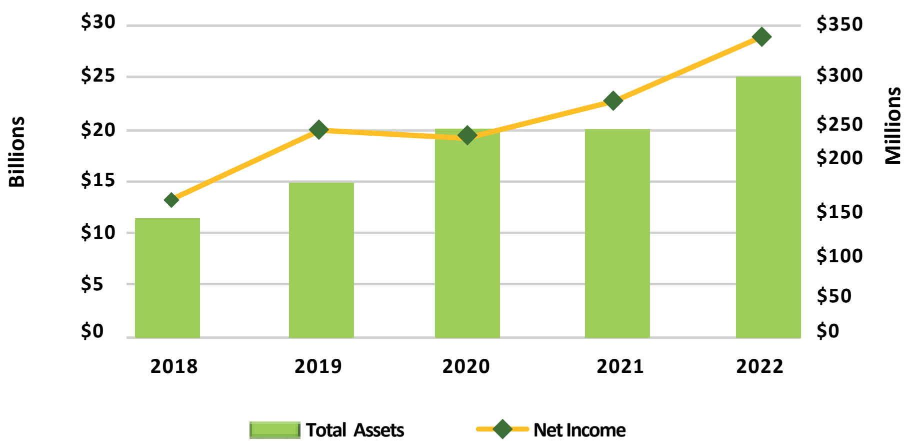
Cost-Income ratio trend for the period ended 30 September



NPL Ratio - Gross loans for the period ended 30 September



Net Income - Total assets for the period ended 30 September



GROUP STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022

	Share Capital US$000	Share Premium US$000	Warrants US$000	General Reserve US$000	Asset Revaluation Reserve US$000	Project preparation facility Fund reserve US$000	Retained Earnings US$000	Total US$000
Balance as at 31 December 2021	647,312	1,219,219	160,952	938,629	46,156	12,184	927,904	**3,952,357**
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	322,455	**322,455**
Total comprehensive income	-	-	-		-	-	322,455	**322,455**
Transactions with equity owners of the Bank								
Issued and paid-in capital during the period	158,756	534,658	-	-	-	-	-	**693,414**
Dividends for the period	-	-	-	-	-	-	(112,743)	**(112,743)**
Warrants issue during the period	-	-	22,962	-	-	-	-	**22,962**
Balance as at 30 September 2022	**806,068**	**1,753,878**	**183,915**	**938,629**	**46,156**	**12,184**	**1,137,617**	**4,878,446**
Balance as at 31 December 2020	583,524	1,029,964	122,128	801,353	42,098	15,000	772,900	**3,366,968**
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	254,940	**254,940**
Total comprehensive income	-	-	-	-	-	-	254,940	**254,940**
Transactions with equity owners of the Bank								
Warrants retirement	-	-	-	-	-	-	-	**-**
Issued and Paid in capital during the period	1,996	5,280	-	-	-	-	-	**7,276**
Dividends for the period	-	-	-	-	-	-	(87,921)	**(87,921)**
Balance as at 30 September 2021	**585,520**	**1,035,244**	**122,128**	**801,353**	**42,098**	**15,000**	**1,027,840**	**3,541,263**

BANK STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022

	Share Capital US$000	Share Premium US$000	Warrants US$000	General Reserve US$000	Asset Revaluation Reserve US$000	Project preparation facility Fund reserve US$000	Retained Earnings US$000	Total US$000
Balance as at 31 December 2021	647,312	1,219,219	160,952	938,629	46,156	12,184	939,389	**3,963,842**
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	326,870	**326,870**
Total comprehensive income	-	-	-		-	-	326,870	**326,870**
Transactions with equity owners of the Bank								
Issued and Paid in capital during the period	158,756	534,658	-	-	-	-	-	**693,414**
Dividends for the period	-	-	-	-	-	-	(112,743)	**(112,743)**
Warrants issue during the period	-	-	22,962	-	-	-	-	**22,962**
Balance as at 30 September 2022	**806,068**	**1,753,878**	**183,915**	**938,629**	**46,156**	**12,184**	**1,153,517**	**4,894,346**
Balance as at 31 December 2020	583,524	1,029,964	122,128	801,353	42,098	15,000	772,900	**3,366,968**
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	254,940	**254,940**
Total comprehensive income	-	-	-	-	-	-	254,940	**254,940**
Transactions with equity owners of the Bank								
Warrants retirement	-	-	-	-	-	-	-	**-**
Issued and Paid in capital during the period	1,996	5,280	-	-	-	-	-	**7,276**
Dividends for the period	-	-	-	-	-	-	(87,921)	**(87,921)**
Balance as at 30 September 2021	**585,520**	**1,035,244**	**122,128**	**801,353**	**42,098**	**15,000**	**939,919**	**3,541,263**

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022

	GROUP		BANK	
	September 2022 US$000	September 2021 US$000	September 2022 US$000	September 2021 US$000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit for the period	**322,455**	**254,940**	**326,870**	**254,940**
Adjustment for net interest income and non-cash items:				
Credit losses on financial instruments	243,856	182,077	243,856	182,077
Depreciation and amortisation	10,231	7,466	10,203	7,466
Fair value (gain)/loss on derivative instruments	(29,687)	11,097	(29,687)	11,097
	546,855	**455,581**	**551,242**	**455,581**
Changes in:				
Prepayments and receivables	(27,259)	6,108	(31,056)	6,108
Derivatives instruments	29,430	585	29,430	585
Other assets	7,607	(6,514)	7,828	(6,514)
Other liabilities	102,894	90,871	100,924	90,871
Financial investments held at fair value	33,430	-	57,930	-
Money market deposits	105,943	1,106,072	105,943	1,106,072
Deposits and customer accounts	861,689	(14,806)	861,689	(14,806)
Loans and advances to customers	(3,692,536)	(455,014)	(3,692,536)	(455,014)
Net cash (outflows)/inflow (used)/generated in operating activities	**(2,031,948)**	**1,182,883**	**(2,008,607)**	**1,182,883**
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property and equipment	(28,658)	(10,036)	(28,446)	(10,036)
Payments for software and development costs	(2,066)	(2,314)	(2,066)	(2,314)
Purchase of financial investments held at amortised cost	-	(175,000)	-	(175,000)
Proceeds from financial investments held at amortised cost	-	30,634	-	30,634
Investment in subsidiaries	-	-	(23,999)	-
Net cash outflow on investing activities	**(30,724)**	**(156,716)**	**(54,511)**	**(156,716)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash from capital subscriptions and share premium	693,414	7,276	693,414	7,276
Dividends paid	(33,546)	(31,906)	(33,546)	(31,906)
Increase/(decrease) in due to banks and debt securities	1,253,408	(713,519)	1,253,408	(713,519)
Net cash inflows/(outflows) from/(in) financing activities	**1,936,239**	**(738,149)**	**1,936,239**	**(738,149)**
Net (decrease)/increase in cash and cash equivalents	(126,433)	288,018	(126,880)	288,018
Cash and cash equivalents at 1 January	3,047,771	2,717,453	3,047,771	2,717,453
CASH AND CASH EQUIVALENTS AT PERIOD END	**2,921,338**	**3,005,471**	**2,920,892**	**3,005,471**
Represented in:				
Cash and cash equivalent as presented in the statement of financial position	2,921,338	3,005,471	2,920,892	3,005,471
CASH AND CASH EQUIVALENTS AT PERIOD END	**2,921,338**	**3,005,471**	**2,920,892**	**3,005,471**

ABOUT AFRICAN EXPORT IMPORT BANK

MANDATE

African Export-Import Bank (Afreximbank, or the Bank) is a multilateral trade finance institution, established in October 1993. Headquartered in Cairo Egypt, it commenced operations in September 1994.

AFREXIMBANK WHOLLY OWNED SUBSIDIARY ENTITIES

The Bank has 100% controlling interests in FEDA Holdings, FEDA Investments Company and FEDA Capital (collectively known as FEDA entities) which were incorporated in December 2021. FEDA was established by Afreximbank to facilitate foreign direct investment flows into Africa's trade and export sectors and to fill the equity funding gap in the continent. The Bank incorporated Afreximbank Insurance Management Company (AfrexInsure) towards the end of 2021. The objective of this vehicle is to help Africa to retain, on the continent, a sizeable proportion of trade related written insurance premiums. With effect from 31 December 2021, the Bank started consolidating the FEDA entities and AfrexInsure.

MANDATE

The Bank's mandate is to promote, finance and facilitate intra-and extra-African trade while operating commercially.

SHAREHOLDING

The Bank has four classes of shareholders: Class A (African Governments and/or their designated institutions and African Multilateral institutions, Class B (African financial institutions, and private investors), Class C (non-African institutions) and Class D (any investors). Classes A, B and C shares are partially paid-up subscription (40%) while class D shares are fully paid. Class D shares were created in 2012 to facilitate the Bank's entry into the equity capital market. In October 2017, the Bank listed Depository Receipts backed by its Class D shares on the SEM. The percentage of the Bank's total shareholding is as follows:

Class	Type of Shareholder	Percentage of total shareholding (%)
A	African Governments and or their designated institutions and African Multilateral institutions	62.91
B	African financial institutions, and private investors in Africa	26.52
C	Non-African institutions	6.95
D	Any investor – Depository Receipts issued by the Bank on the Stock Exchange of Mauritius	3.62
	Total	100.00

NET ASSET VALUE

The Group Net Asset Value (NAV) shown below is calculated taking into account the impact of the Warrants issued by the Bank:

	30 September 2022	31 December 2021
NAV per share **(US$)**	57,619	57,845
NAV per Depository Receipt **(US$)**	5.76	5.78

DIVIDENDS

The Group's dividend policy has remained the same with dividend declared and paid once a year based on annual audited Financial Statements and after approval by shareholders at the Annual General Meeting. The shareholders approved a dividend appropriation of US$112,743,144 (2020: US$87,921,317) at the Annual General Meeting in June 2022. The September 2022 Financial Statements reflect the dividend declared, which has been accounted for in equity as an appropriation of Retained Earnings after the approval. The approved dividend equates to US$0.25 (2020: US$0.27) per Depository Receipt.

NOTES

The Group is required to publish financial results for the nine-month period ended 30 September 2022 as per Listing Rule 12.19 of the SEM. The abridged unaudited Financial Statements for the nine months period ended 30 September 2022 have been prepared in accordance with the requirements of IFRS and the SEM Listing Rules.

The accounting policies adopted in the preparation of these unaudited Financial Statements are consistent with those applied in the preparation of the audited Financial Statements for the year ended 31 December 2021.

The abridged unaudited Financial Statements have not been reviewed or reported on by the Group's external auditors.

Copies of the abridged unaudited Financial Statements and the Statement of direct and indirect interests of each officer of the Group, pursuant to Rule8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request from the Executive Secretary at the Bank's Registered Office at No.72(B) El-Maahad El-Eshteraky Street, Heliopolis, Cairo 11341, Egypt.

This communique is issued pursuant to SEM Listing Rules 11.3 and 12.20 and Section 8.8 of the Securities Act of Mauritius 2005. The Board of Directors accepts full responsibility for the accuracy of the information contained in these financial statements. Directors are not aware of any matters or circumstances arising subsequent to the period ended 30 September 2022 that require any additional disclosure or adjustment to the Financial Statements.

On Behalf of the Board

African Export Import Bank

Executive Secretary

SBM Securities Limited

SEM Authorised Representative and Sponsor

14 November 2022

FORWARD-LOOKING STATEMENTS

This document has information which constitute forward looking statements as described with words like “should”, “would”, “may”, “could”, “expect”, “anticipate”, “estimate”, “project”, “intend”, and “believe”.

By their very nature, these statements require the Management of the Bank and its Subsidiaries to make assumptions that are subject to risks and uncertainties, especially uncertainties related to the financial, economic, regulatory, and social environment within which the Group operates. Some of these risks are beyond the control of the Group and may make actual results to vary materially from the expectations inferred from the forward-looking statements. Risk factors that could cause such differences include regulatory pronouncements, credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational, reputational, insurance, strategic, legal, environmental, and other known and unknown risks. As a result, when making decisions with respect to the Bank, subsidiary entities, or the Group as a whole, we recommend that readers apply further assessment and should not unduly rely on the forward-looking statements.

Any forward-looking statement contained in this document represents the views of the Management of the Bank and its subsidiaries as well as the Board of Directors of the Bank and its subsidiaries as of the date hereof and they are presented for the purpose of assisting the Group's investors and analysts to understand the Group financial position, priorities, anticipated financial performance, and, as such, may not be appropriate for other purposes. The Management of the Bank and its subsidiaries do not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time, by it or on its behalf, except as required under applicable relevant regulatory provisions or requirements.

Headquarters

72B El-Maahad El- Eshteraky
Street, Roxy, Heliopolis
Cairo 11341, Eygpt

T + (230) 22456 4100/1/2/3/4
business@afreximbank.com

Abuja Branch

No.2 Gnassingbe Eyadema
Street off Yakubu Gowon
Crescent Asokoro, Abuja, Nigeria

T + (230) 9 460 3160
abuja@afreximbank.com

Harare Branch

Eastgate Building, 3rd Floor
Gold Bridge (North Wing) Sam
Nujoma Street, Harare, Zimbabwe

T + (263) 24 2 700 904 / 941
harare@afreximbank.com

Abidjan Branch

3ème Etage, Immeuble CRRAE-UMOA,
Angle Boulevard Botreau Roussel - Rue Privée
CRRAE-UMOA, Abidjan, Côte d'Ivore

T + (225) 2030 7300
abidjan@afreximbank.com

Kampala Branch

Rwenzori Towers, 3rd Floor
Wing A Plot 6 Nakasero
Postal Address: P.O. Box 28412
Kampala, Uganda
T +(256) 414 583 214
kampala@afreximbank.com

Yaoundé Branch

National Social Insurance Fund (NSIF)
HQ Building Town hall, Independence
Square Po Box 405, Yaoundé, Cameroon

afreximbank.com