BADEA'S "Aa1" CREDIT RATING AFFIRMED BY MOODY'S RATINGS

STABLE OUTLOOK MAINTAINED

RIYADH, 17th September 2026

Moody's Ratings has today affirmed the **Aa1 long-term foreign-currency issuer and senior unsecured rating** of the Arab Bank for Economic Development in Africa (BADEA), with a **Stable outlook**. Moody's also affirmed the **(P)Aa1** rating on BADEA's foreign-currency senior unsecured Medium-Term Note (MTN) programme and its **Prime-1** short-term foreign-currency issuer rating.

The affirmation reflects Moody's expectation that BADEA's solvency and liquidity will remain very strong, supported by a lightly leveraged and highly liquid balance sheet, and by very strong capital buffers that continue to provide significant capacity to absorb losses while supporting the Bank's development-related asset (DRA) growth.

Moody's highlighted BADEA's **MFI Adjusted Capital (MAC) ratio** at **117%** at end-2025, remaining well above the median for highly rated multilateral financial institutions despite declining from 132% a year earlier due to rapid asset growth. The Bank's **non-performing asset (NPA) ratio** declined to **2.4%** at end-2025 from 2.7% a year earlier, and BADEA continues to hold a track record of zero loan write-offs since inception.

BADEA's liquidity profile remains strong, with the **Availability of Liquid Resources (ALR) ratio** standing at **206%** at end-2025, comfortably above the Bank's internal policy threshold of 150% of one-year net cash needs under stressed conditions. Moody's also noted BADEA's strong member support, underpinned by **$5 billion in callable capital**, more than three times the Bank's outstanding debt.

The Stable outlook reflects Moody's expectation that BADEA's very strong capital, solvency and liquidity metrics will remain consistent with the current rating, even as DRAs grow by more than 10% annually under the Bank's 2026–2029 strategic plan, supported by a strengthened risk management framework.

Statements from BADEA Leadership:

H.E. Dr. Fahad Aldossari, Chairman of the Board of Directors, stated

> *"Moody's affirmation of BADEA's Aa1 rating with a stable outlook reaffirms the strength of the Bank's capital position and the continued trust of our shareholders. It underscores our commitment to disciplined risk management as we scale our development impact across Sub-Saharan Africa."*

H.E. Mr. Abdullah KH Almusaibeeh, President of BADEA, added:

> *"This affirmation reflects the resilience of BADEA's balance sheet and the effectiveness of our strengthened risk management framework. It further supports our ability to access competitive international funding as we deliver on our 2026–2029 strategic plan."*

Links to the full Moody's Press Release: **[English]**

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About BADEA

The Arab Bank for Economic Development in Africa (BADEA) is an international financial institution funded by 18 Arab governments, all members of the League of Arab States, signatories to its Establishing Agreement of 18 February 1974. The Bank enjoys full international legal personality and complete autonomy in financial and administrative matters and is one of the few multilateral development institutions whose mandate is to serve non-shareholder countries.

BADEA was established to strengthen economic, financial and technical cooperation between the Arab and African regions; its financing benefits exclusively 44 non-Arab African countries in Sub-Saharan Africa. The Bank began operations in March 1975, and by the end of 2025 had provided financing totalling approximately USD 18.5 billion.

Since 2015, the Bank has expanded the scope of its interventions to include dedicated programmes for private sector financing and trade finance, alongside intensified efforts to stimulate the flow of Arab capital and investment into Africa. Notably, the Bank is currently operating under its 2030 Strategy, whose vision is to become the leading platform for Arab-African economic cooperation in support of sustainable development.

CONTACT

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