

East African Development Bank
Condensed Interim financial information (Unaudited)
for the six months period ended
30 June 2024

East African Development Bank
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For the six months period ended 30 June 2024

Table of contents	Page
Corporate information	2 - 3
Directors' report	4 - 7
Statement of Directors' responsibilities	8
Independent auditor's report	9
Condensed Statement of Profit or Loss and other comprehensive income	10
Condensed Statement of financial position	11
Condensed Statement of changes in equity	12-13
Condensed Statement of cash flows	14
Notes to the condensed interim financial information	15 - 37

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

CORPORATE INFORMATION

Registered office and principal place of business

Plot 4 Nile Avenue
EADB Building
P. O. Box 7128
Kampala, Uganda

Country offices

Kenya

7th Floor, The Oval Office
Ring Road, Parklands Westland
P.O Box 47685
Nairobi, Kenya

Rwanda

Ground Floor, Glory House
Kacyiru
P.O. Box 6225
Kigali, Rwanda

Tanzania

349 Lugalo/ Urambo Street Upanga
P.O. Box 9401
Dar es Salaam
Tanzania

Bankers

Standard Chartered Bank London
The Co-operative Bank of Kenya Limited
KCB Bank Rwanda Plc
NCBA Bank Kenya Plc
Standard Chartered Bank New York
Standard Chartered Bank AG
Citibank Europe Plc UK Branch
Citibank – New York
Standard Chartered Bank Uganda Limited
Citibank Uganda Limited
Stanbic Bank Uganda Limited
Standard Chartered Bank Kenya Limited
Bank of Kigali
Standard Chartered Bank Tanzania Limited

Auditor

KPMG
Certified Public Accountants,
3rd Floor, Rwenzori Courts
Plot 2 & 4A, Nakasero Road
P.O. Box 3509
Kampala, Uganda

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

CORPORATE INFORMATION (CONTINUED)

Lawyers

Uganda

M/s Kampala Associated Advocates,
Plot 41 Nakasero Road,
P.O. Box 9566
Kampala, Uganda

Rwanda

M/s Trust Law Chambers
KG 569 ST, TLC House
Plot 4 Kacyiru
P. O. Box 6679 Kigali Rwanda

Tanzania

M/s IMMMA Advocates
IMMMA House, Plot No 357
102 United Nations Road, Upanga 11103,
PO Box 72484
Dar es Salaam, Tanzania

Kenya

M/s Kaplan & Stratton
Williamson House, 4th Ngong Avenue
P.O. Box 40111 – 00100
Nairobi, Kenya

M/s Mohammed Muigai Advocates
MM Chambers, 4th Floor, K-Rep Centre
Wood Avenue, Off Lenana Road, Kilimani
P.O Box 61323-00200, Nairobi, Kenya

M/s Hamilton Harrison & Mathews
1st Floor, Delta Office Suites, Waiyaki Way
P.O. Box 30333-00100 Nairobi, Kenya

Company Secretary

The Legal Department,
East African Development Bank
Plot 4 Nile Avenue, P.O. Box 7128
Kampala Uganda

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

DIRECTORS' REPORT

1. Introduction

The Directors hereby submit this half year report together with the unaudited condensed Interim Financial results for the six months period ended 30 June 2024, which disclose the state of affairs of East African Development Bank ("the Bank").

2. Incorporation

The Bank was created under the Treaty for the East African Co-operation of 1967, which was subsequently amended and re-enacted as the Treaty and Charter of the East African Development Bank ("The Bank's Charter") in 1980.

3. Mission and Vision

The Bank's Vision is to be a partner of choice in promoting sustainable social-economic development.

The Bank's Mission is to promote sustainable social economic development in East Africa by providing development finance, advisory and support services.

4. Principal activity

The principal activity of the Bank is development finance lending under the Bank's Charter. The Bank's principal activity is achieved through following:

- (a) Provision of financial assistance through loans to promote the development of Member States;
- (b) Provision of consulting, promotion, agency and other similar services for the region;
- (c) Promotion of economic development in the Member States, in such fields as industry, tourism, agriculture, telecommunications and other fields of development;
- (d) Joint financing operations and technical assistance to national development agencies of the Member States and use of such agencies as channels for financing specific projects; and
- (e) Co-operation with other institutions and organizations, public or private, national or international, which are interested in the development of the Member States.

5. Business Objectives and Strategies

The Bank supports economic development in Member States through medium and long-term lending of financially viable and socially sustainable projects.

The Bank started operating based on its 5 year strategic plan 2024-2028 which was approved by the Board in 2023.

6. Governance

The Bank's governance consists of Governing Council and the Board of Directors. In addition, there is an advisory panel comprised of eminent personalities with extensive experience in international and development financing and they advise the Bank on best practices and effective strategies to pursue.

The Following are the members in each governance structure who served during the six months period ended 30 June 2024:

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

DIRECTORS' REPORT (CONTINUED)

a) Members of the Governing Council

	Name	Details
1	Hon. Matia Kasaija (Chairman)	Minister of Finance, Planning and Economic Development, Republic of Uganda
2	Hon. Dr. Mwigulu Nchemba	Minister of Finance and Planning, United Republic of Tanzania
3	Prof. Njuguna Ndung'u Up to 11 July 2024	Cabinet Secretary, The National Treasury and Planning, Republic of Kenya
4	Hon. CPA John Mbadi Ng'ongo EGH From 08 August 2024	Cabinet Secretary, The National Treasury and Planning, Republic of Kenya
5	Dr. Uzziel Ndagijimana Up to 12 June 2024	Minister of Finance and Economic Planning, Republic of Rwanda
6	Mr Yusuf Murangwa From 12 June 2024	Minister of Finance and Economic Planning, Republic of Rwanda

b) Members of the Board of Directors

	Name	Details
1	Dr. Ramathan Ggoobi	Permanent Secretary and Secretary to the Treasury, Ministry of Finance, Planning and Economic Development, Republic of Uganda
2	Dr. Chris Kiptoo	Principal Secretary, the National Treasury, Republic of Kenya
3	Mr Reuben Karemera	Deputy Accountant General in charge of Treasury Management in the Ministry of Finance and Economic Planning, Republic of Rwanda
4	Dr. Natu Mwamba ¹	Permanent Secretary, Ministry of Finance and Planning, United Republic of Tanzania
5	Dr Abdu Mukhtar	African Development Bank - Class B shareholders Representative
6	Mr Francis N. Karuiru	Private Sector Representative, Republic of Kenya
7	Mrs Khadija I. Simba	Private Sector Representative, United Republic of Tanzania
8	Mr Faustin Mbundu	Private Sector Representative, Republic of Rwanda
9	Mr James Tumusiime	Private Sector Representative, Republic of Uganda
10	Ms Vivienne Yeda	Director General, East African Development Bank

c) Members of the Advisory Panel

	Name	Details
1	Mr Mahesh Kotecha, CFA	President, Structured Credit International Corp. (SCIC), New York
2	Mr Toyoo Gyohten	President, Institute for International Monetary Affairs, Japan and Senior Adviser, Bank of Tokyo, Mitsubishi Limited
3	Mr Lars Ekengren Up to May 2024	Former Deputy Director General, Swedish International Development Agency ("SIDA")
4	Mr Jannik Lindbaek	Former Executive Vice president and CEO of the International Finance Corporation ("IFC")
5	Mr Claes De Neergaard From May 2024	Former Honorary Vice President of the European Investment Bank (EIB), Board member of the European Bank for Reconstruction and Development (EBRD), Chairman of AP3 (the Swedish National pension Fund).

¹ Dr. Natu Mwamba nominated Dr. Charles Ambele Mwamwaja to represent her in the Board meetings.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

DIRECTORS' REPORT (CONTINUED)

7. Capital and Shareholding

The Bank's authorised share capital is USD 2,160,000,000 comprised of 160,000 shares with a par value of USD 13,500 each. The authorised shares are classified into Class A shares (144,000) which are available for subscription to only Member States and in equal proportion and Class B (16,000) which are available for subscription to members other than Member States.

The following was the shareholding at the end of the six months period ended 31 June 2024.

Name	June 2024		June 2023		December 2023	
	Shares	Value	Shares	Value	Shares	Value
Class A	Number	USD'000	Number	USD'000	Number	USD'000
Government of Kenya	3,800	51,300	3,800	51,300	3,800	51,300
Government of United Republic of Tanzania	3,800	51,300	3,800	51,300	3,800	51,300
Government of Uganda	3,800	51,300	3,800	51,300	3,800	51,300
Government of Rwanda	3,106	41,930	2,401	32,414	2,828	38,178
Total Class A	14,506	195,830	13,801	186,314	14,228	192,078
Class B						
African Development Bank	1,240	16,740	1,240	16,740	1,240	16,740
FMO – Netherlands Development Finance Company	-	-	123	1,661	-	-
DEG – Deutsche Investitions- und Entwicklungsgesellschaft	-	-	32	432	-	-
Yugoslav Consortium	28	378	28	378	28	378
SBIC - Africa Holdings	24	324	24	324	24	324
NCBA Bank Kenya Ltd	5	68	5	67.5	5	68
Nordea Bank Sweden	5	68	5	67.5	5	68
Standard Chartered Bank London	2	27	2	27	2	27
Barclays Bank Plc., London	2	27	2	27	2	27
Total Class B	1,306	17,632	1,461	19,724	1,306	17,632
Total Class A&B	15,812	213,462	15,262	206,038	15,534	209,710

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

DIRECTORS' REPORT (CONTINUED)

8. Financial Performance

The performance of the Bank remained strong as evidenced by profitable results and growth in assets. The table below summarized some of the performance indicators.

Performance highlights

Performance indicator	Formula	Jun 2024	Jun 2023	Dec 2023
Profit for the period (USD '000')	NA	5,811	6,490	13,052
Total assets (USD '000')	NA	459,009	426,303	454,382
Equity	NA	332,366	310,568	322,302
Return on Assets	(Profit/Total assets) *100%	2.53%	3.04%	2.87%
Return on Equity	(Profit/Total equity) *100%	3.50%	4.18%	4.05%
Operating expenses to Operating Income	(Operating expense/Net interest income + non-interest income) *100	35.17%	32.16%	30.50%
Non-Performing Loans ratio	Non-performing (Stage 3) loans/Gross loans and advances) *100%	0.84%	4.07%	0.88%
Earnings per share (USD)	Profit attributable to ordinary shares/ Weighted average number of ordinary shares outstanding during the year	371	425	850

By order of the Board



Chairman – Board of Directors



Director

27-09-2024

Date

27-09-2024

Date

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors accept responsibility for the condensed interim financial information including adequate disclosures, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with IAS 34: *Interim Financial Reporting*.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the interim financial information and of such internal control as the directors determine is necessary to enable the preparation of the interim financial information that is free from material misstatements, whether due to fraud or error.

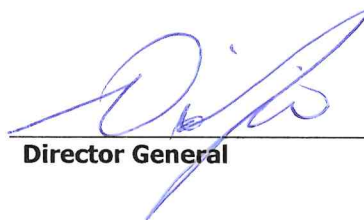
Nothing has come to the attention of the directors to indicate that the interim financial information is not prepared in accordance with IAS 34: *Interim Financial Reporting* or that the Bank will not remain a going concern for at least twelve months from the date of this statement.

Approval of the condensed interim financial information

The condensed interim financial information of East African Development Bank, as identified in the first paragraph, were approved and authorised for issue by the Board of Directors on 27 September 2024.



Chairman – Board of Directors



Director General

Independent auditor's report on Review of Condensed Interim Financial Information

To the members of East African Development Bank

Introduction

We have reviewed the accompanying condensed statement of financial position as at 30 June 2024, the condensed statements of profit or loss and other comprehensive income, the condensed statements of changes in equity and the condensed statements of cash flows for the six-month period ended 30 June 2024; and notes to the condensed interim financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

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

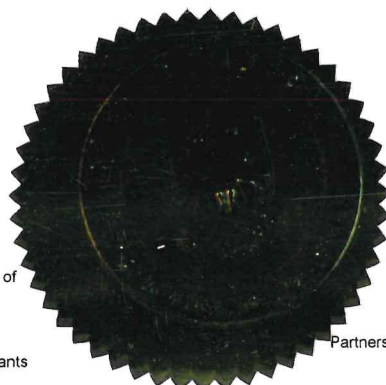
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2024 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

The engagement partner on the review resulting in this independent auditor's report is CPA Stephen Ineget – P0401.

KPMG
Certified Public Accountants
3rd Floor, Rwenzori Courts
Plot 2 & 4A Nakasero road
PO Box 3509
Kampala, Uganda

Date: 1 October 2024

CPA Stephen Ineget

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Condensed Statement of Profit or Loss and other comprehensive income

	Notes	Unaudited 6 months to Jun-24 USD'000	Unaudited 6 months to Jun-23 USD'000	Audited 12 months ended Dec-23 USD'000
Interest income	4	14,282	11,996	25,623
Interest expense	5	(4,294)	(2,818)	(6,305)
Net interest income		9,988	9,178	19,318
Fee and commission income	6	39	98	152
Other operating income	7	399	1,652	2,050
Other losses	8	(1,266)	(1,263)	(844)
Net fair value losses on investment property	21	-	-	(292)
Net operating income		9,160	9,665	20,384
Net impairment losses on financial assets	16(a)	(127)	(67)	(1,114)
Operating income after impairment charges		9,033	9,598	19,270
Employee benefits expense	9	(1,659)	(1,620)	(3,119)
Depreciation and amortization	22,23 24	(163)	(364)	(689)
Other operating expenses	10	(1,400)	(1,124)	(2,410)
Profit before income tax	11	5,811	6,490	13,052
Income tax expense	12	-	-	-
Profit for the year		5,811	6,490	13,052
Other comprehensive income		-	-	1,224
Total comprehensive income		5,811	6,490	14,276
Earnings per share – basic (Expressed in USD per share)	13	370.77	425.26	850.38

The notes set out on pages 15 to 37 form an integral part of the condensed interim financial information.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

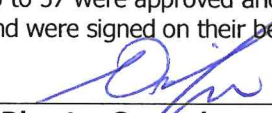
Condensed Statement of Financial Position

	Notes	Unaudited 6 months to Jun-24 USD'000	Audited 12 months ended Dec-2023 USD'000
Assets			
Cash at bank	14	27,913	60,473
Placements with commercial banks	15	265,923	241,980
Loans and lease receivables	16	127,661	114,506
Derivative financial instruments	17	11	-
Assets Available for Sale	18	3,908	3,370
Equity investments	19	634	649
Other assets	20	1,463	1,816
Intangible assets	23	-	-
Property and equipment	22	8,593	8,646
Right of use assets	24	272	311
Investment property	21	22,631	22,631
Total assets		459,009	454,382
Liabilities			
Other liabilities	25	3,110	4,427
Derivative financial instruments	17	-	6
Borrowings	26	108,753	112,837
Lease liabilities	27	276	306
Special funds	28	3,990	3,990
Grants	29	3,035	3,035
Capital fund	30	7,479	7,479
Total liabilities		126,643	132,080
Capital and reserves			
Share capital	31	213,462	209,710
Share premium	31	7,519	7,024
Funds waiting allotment	32	77	71
Special reserve	33	12,906	12,906
Revaluation reserves	35	10,456	10,456
Retained earnings	36	87,946	82,135
Total shareholders' equity		332,366	322,302
Total equity and liabilities		459,009	454,382

The condensed interim financial information set out on pages 10 to 37 were approved and authorised for issue by the Board of Directors on 27-09-2024 and were signed on their behalf by:



Chairman – Board of Directors



Director General

The notes set out on pages 15 to 37 form an integral part of the condensed interim financial information.

**East African Development Bank
Condensed Interim financial information (Unaudited)
For six months period ended 30 June 2024**

Condensed Statement of Changes in Equity

	Notes	Share Capital USD '000	Share premium USD '000	Special reserves USD '000	Funds awaiting allotment USD '000	Retained earnings USD '000	Revaluation reserve USD '000	Total equity USD '000
Period ended 30 June 2024		209,710	7,024	12,906	71	82,135	10,456	322,302
At 1 January 2024		-	-	-	-	5,811	-	5,811
Comprehensive income		-	-	-	-	5,811	-	5,811
Profit for the period		-	-	-	-	5,811	-	5,811
Total comprehensive income		-	-	-	-	5,811	-	5,811

Transactions with owners recorded directly in equity	31							
Additional capital		3,752	495		6			4,253
At 30 June 2024 – Unaudited		213,462	7,519	12,906	77	87,946	10,456	332,366

	Notes	Share Capital USD '000	Share premium USD '000	Special reserves USD '000	Funds awaiting allotment USD '000	Retained earnings USD '000	Revaluation reserve USD '000	Total equity USD '000
Period ended 30 June 2023		205,120	6,530	12,785	69	69,452	9,273	303,229
At 1 January 2023		-	-	-	-	6,490	-	6,490
Comprehensive income		-	-	-	-	6,490	-	6,490
Profit for the period		-	-	-	-	6,490	-	6,490
Total comprehensive income		-	-	-	-	6,490	-	6,490

Transactions with owners recorded directly in equity								
Additional shares	31	1,998	-	-	4	-	-	2,002
Share repurchase	31	(1,080)	-	-	-	-	-	(1,080)
Premium on par value	31	-	-	-	-	(73)	-	(73)
At 30 June 2023 – Unaudited		206,038	6,530	12,785	73	75,869	9,273	310,568

The notes set out on pages 15 to 37 form an integral part of the condensed interim financial information.

East African Development Bank
Condensed Interim financial information (Unaudited)
For six months period ended 30 June 2024

Condensed Statement of Changes in Equity

	Notes	Share Capital USD '000	Share premium USD '000	Special reserves USD '000	Funds awaiting allotment USD '000	Retained earnings USD '000	Revaluation reserve USD '000	Total equity USD '000
Year ended 31 December 2023		205,120	6,530	12,785	69	69,452	9,273	303,229
At 1 January 2023		-	-	-	-	13,052	-	13,052
Comprehensive income		-	-	-	-	13,052	-	13,052
Profit for the year		-	-	-	-	13,052	-	13,052
Total comprehensive income		-	-	-	-	13,052	-	13,052
Other comprehensive income		-	-	-	-	-	1,224	1,224
Revaluation movement on land and buildings		-	-	-	-	-	1,224	1,224
Other comprehensive income		-	-	-	-	-	1,224	1,224
Transactions with owners recorded directly in equity		7,763	494	-	2	-	-	8,259
Additional capital	31	7,763	494	-	2	-	-	8,259
Transfer to special reserve	33	-	-	121	-	(121)	-	-
Transfer from the revaluation reserve	35	-	-	-	-	41	(41)	-
Share repurchase	31	(3,173)	-	-	-	-	-	(3,173)
Discount on par value	31	-	-	-	-	(289)	-	(289)
At 31 December 2023 – Audited		209,710	7,024	12,906	71	82,135	10,456	322,302

The notes set out on pages 15 to 37 form an integral part of the condensed interim financial information.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Condensed Statement of Cash flows

		Unaudited	Unaudited	Audited
		6 months to Jun-24	6 months to Jun-23	12 months ended Dec-23
	Notes	USD'000	USD'000	USD'000
Cash flows from operating activities				
Interest receipts		11,807	10,835	26,238
Interest payments	26	(4,174)	(3,017)	(4,670)
Interest on lease liabilities		(7)	(12)	(37)
Net fee and commission receipts		(80)	(347)	300
Other income received		407	1,638	2,008
Payments to employees and suppliers		(3,719)	(2,843)	(5,824)
Cash inflows from operating activities		4,234	6,254	18,015
Principal loan receipts		13,156	14,979	29,242
New loan disbursements		(24,412)	(690)	(26,443)
Net other receipts from customers		162	(38)	1,193
Settlement of other liabilities		(1,645)	(670)	(317)
Net cash flows generated from operating activities		(8,505)	19,835	21,690
Investing activities				
Purchase of investment property	21	-	-	(142)
Purchase of property and equipment	22	(71)	-	(193)
Proceeds from sale of property and equipment		-	-	1
Placements with commercial banks	15	(149,045)	(109,034)	(15,854)
Net cash used in investing activities		(149,116)	(109,034)	(16,188)
Financing activities				
Settlement of medium and long term borrowings	26	(10,441)	(13,425)	(16,745)
Proceeds from borrowings	26	1,611	17,371	37,371
Payment of principal portion of the lease liability	27	(54)	(42)	(79)
Receipt from member states towards share capital	32	4,253	2,002	8,259
Share repurchase	31	-	(1,154)	(3,462)
Net cash used in financing activities		(4,631)	4,752	25,344
Net increase/(decrease) in cash and cash equivalents		(162,252)	(84,447)	30,846
Cash and cash equivalent at start of year	34	192,287	162,888	162,888
Effects of exchange rates on cash held		1,078	(510)	(1,447)
At end of period	34	31,113	77,931	192,287

The notes set out on pages 15 to 37 form an integral part of the condensed interim financial information.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information

1. Reporting entity

The East African Development Bank ("the Bank") was created under the Treaty for the East African Co-operation of 1967, which was subsequently amended and re-enacted as the Treaty and Charter of the East African Development Bank ("The Charter") in 1980 with its current membership comprising the four East African Countries of Uganda, Kenya, Tanzania and Rwanda with its head office in Kampala, Uganda. The Bank is primarily involved in development finance lending and the provision of related services as stipulated under its Charter.

The Bank's principal office address is:

Plot 4 Nile Avenue, EADB Building
P. O. Box 7128, Kampala, Uganda

For purposes of the Bank's Charter, the profit and loss account is represented by the statement of comprehensive income and the balance sheet is represented by the statement of financial position in this financial information.

2. Basis of accounting

The Bank's condensed interim financial information for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting, and in the manner required by the Treaty and Charter of East African Development Bank ("the Bank's Charter") and should be read in conjunction with the Bank's last annual financial statements as at and for the year ended 31 December 2023. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Bank's financial position and performance since the last annual financial statements.

The condensed interim financial information are presented in the functional currency, United States Dollars ("USD"), rounded to the nearest thousand ("000"), and prepared on the historical cost basis, except where otherwise stated in the accounting policies below.

The condensed interim financial information were authorised for issue by the Bank's board of directors on 27 September 2024.

3. Use of judgements and estimates

In preparing the condensed interim financial information, the Bank has made judgements and estimates that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

This significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Measurement of expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVOCI is an area that requires the use of complex models and significant assumptions about the future economic conditions and credit behaviour of the customers which are used to derive the inputs of expected credit loss (ECL), namely probability of default, exposure at default (ED) and loss given default (LGD).

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

Use of judgements and estimates (continued)

Measurement of expected credit loss allowance (continued)

A number of judgements and assumptions are required in applying the accounting requirements for measuring ECL such as:

- Determining criteria for significant increase in credit risk (SICR);
- Choosing appropriate models and assumptions for measuring the ECL; and
- Determining the economic scenarios to be used.
- Assessing the appropriateness of management overlays where applicable

Measurement of fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Valuation techniques using significant unobservable inputs.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

4 Interest income

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Interest income on loans to projects	6,224	5,870	11,729
Interest income on lease receivables	7	12	21
Interest income on placements with other Banks	8,051	6,114	13,873
	14,282	11,996	25,623

5 Interest expense

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Interest expense on borrowings – from Multilateral Development Banks	3,310	2,272	4,874
Interest expense on lines of credit – from Commercial Banks	984	546	1,431
	4,294	2,818	6,305

6 Fee and commission income

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Other fees and commission income	39	72	126
Commitment fees	-	26	26
	39	98	152

7 Other operating income

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Rental income	271	243	498
Dividend income	11	15	15
Recovery of previously written off loans	2	1,378	1,387
Profit on Sale of Fixed Assets	-	-	1
Write back of other liabilities	115	16	149
	399	1,652	2,050

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

8 Other losses

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Net foreign exchange gain/(losses)	(1,277)	(1,263)	(838)
Net fair value (losses) on equity investments at fair value and derivatives	-	-	-
Net Fair Value Gain/(loss) on Derivative Instruments	11	-	(6)
	<u>(1,266)</u>	<u>(1,263)</u>	<u>(844)</u>

9 Employee benefits expense

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Salaries and wages	1,050	1,093	2,038
Pension and gratuity	156	159	310
Other staff costs	453	368	771
	<u>1,659</u>	<u>1,620</u>	<u>3,119</u>

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

10 Other operating expenses

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Staff duty travel	106	87	176
Directors expenses	30	63	119
Insurance	128	131	263
Advertising and publicity	136	54	159
Legal fees	282	223	487
Computer software expenses	71	68	138
Internal audit costs	10	11	29
Statutory audit fees	27	27	64
Consultancy fees	173	128	299
Project insurance	62	0	0
Utilities	30	29	65
Communication costs	56	51	99
Establishments expenses	189	167	358
Subscription to professional bodies	9	9	18
Other administrative expenses	91	76	136
	1,400	1,124	2,410

11 Profit before income tax

Profit before income tax is stated after charging the following:

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Directors emoluments:			
- Fees and allowances	9	25	38
- Other Board expenses	10	26	49
Depreciation on property and equipment (note 22)	123	307	605
Depreciation of right-of-use asset (note 24)	39	57	84
Impairment of loans and advances (note 16a)	127	67	1,114
Employee benefits expense (Note 9)	1,659	1,620	3,119
Auditors remuneration	27	27	64
Operating expenses	1,400	1,124	2,410

12 Taxation

In accordance with Article 49 of the Bank's Charter, the Bank, its property, other assets, income and its operations and transactions are exempt from all taxation and custom duties within Member states.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

13 Earnings per share – basic and diluted

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares for the number of shares not yet issued but for which payments have been received by the Bank.

	Unaudited Jun-24 USD	Unaudited Jun-23 USD	Audited Dec-23 USD
Net profit attributable to ordinary shareholders	5,811,000	6,490,248	13,051,561
Weighted average number of ordinary shares movements during the year	15,673	15,262	15,348
Basic earnings per share	<u>370.77</u>	<u>425.26</u>	<u>850.38</u>
Diluted Earnings per share			
Dilutive number of ordinary shares	6	5	5
Total issued and dilutive shares	15,679	15,267	15,353
Diluted earnings per share	<u>370.62</u>	<u>425.12</u>	<u>850.10</u>
14 Cash at bank	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Cash at bank	<u>27,913</u>	<u>24,796</u>	<u>60,473</u>
15 Placements with commercial banks		Jun-24 USD '000	Dec-2023 USD '000
Placements with banks in member states			
Principal		44,572	64,136
Interest receivable		697	549
Placements with other banks			
Principal		217,249	176,053
Interest receivable		3,405	1,242
		<u>265,923</u>	<u>241,980</u>
The above amount is analyzed as follows:			
Amounts due within 3 months of date of acquisition		3,200	131,813
Amounts due after 3 months of date of acquisition		262,723	110,167
		<u>265,923</u>	<u>241,980</u>

The weighted average effective interest rate on placements with other banks was 5.52% (2023: 5.41)

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

16	Loans and lease receivables		
	Loans to projects (Gross)	Unaudited	Audited
		Jun-24	Dec-23
		USD'000	USD'000
	Principal	128,126	114,977
	Interest receivable	2,119	1,955
	Deferred fee income from disbursed loans	(614)	(508)
	Gross loans	129,631	116,424
	Gross loans and leases receivable comprise the following:		
	Loans to projects	129,472	116,189
	Finance lease receivables	159	235
	Total gross loans and receivables	129,631	116,424
	Impairment losses on loans and advances (Note 16a)	(1,970)	(1,918)
	Net carrying amounts	127,661	114,506
	Maturity analysis		
	Loans maturing within 1 year	29,749	40,499
	Loans maturing after 1 year	99,882	76,433
	Total	129,631	116,932

16 (a) In table below is an analysis of the movement in the provision for impairment of loans and advances.

	Unaudited	Audited
	Jun-24	Dec-23
	USD'000	USD'000
Loss allowance at end of year	1,970	1,918
Less: provisions at start of the year as above	(1,918)	(8,553)
Increase in provision for expected credit losses	52	(6,635)
Penalty interest suspended	38	-
Charge on projects Charge Off	-	7,663
Total charge for the period	90	1,028
Expected Credit Loss		
Impairment on loans and advances to customers (Note 16 (a))	90	1,028
Impairment on other financial assets (Note 21)	37	86
Total charge for the period	127	1,114

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

16 Loans and lease receivables (continued)

Loans per country

Jun-24	Gross	Impairment	Net
Uganda	33,756	919	32,837
Kenya	7,038	125	6,913
Tanzania	84,660	920	83,740
Rwanda	4,177	6	4,171
Total	129,631	1,970	127,661

Jun-23	Gross	Impairment	Net
Uganda	30,841	799	30,042
Kenya	22,738	6,685	16,053
Tanzania	61,438	1,080	60,358
Rwanda	4,067	21	4,046
Total	119,084	8,585	110,499

Dec-23	Gross	Impairment	Net
Uganda	33,037	677	32,360
Kenya	7,158	147	7,011
Tanzania	72,839	1,088	71,751
Rwanda	3,390	6	3,384
Total	116,424	1,918	114,506

Loans by Quality

Jun-24	Gross	Impairment	Net
Stage 1	128,544	1,639	126,905
Stage 2	-	-	-
Stage 3	1,087	331	756
Total	129,631	1,970	127,661

Jun-23	Gross	Impairment	Net
Stage 1	91,186	1,650	89,536
Stage 2	22,933	4,503	18,430
Stage 3	4,965	2,432	2,533
Total	119,084	8,585	110,499

Dec-23	Gross	Impairment	Net
Stage 1	115,400	1,734	113,666
Stage 2	-	-	-
Stage 3	1,024	184	840
Total	116,424	1,918	114,506

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

17 Derivative financial instruments

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices, commodity prices, foreign exchange rates, credit risk and indices. The table below analyses the notional principal amounts and the positive (assets) and negative (liabilities) fair values of the Bank's derivative financial instruments. Notional principal amounts are the amount of principal underlying the contract at the reporting date. The fair values of derivative financial assets and financial liabilities at the end of each reporting period were as follows:

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
Notional principal amounts	3,200	2,000
Fair value Assets	3,231	2,000
Fair value Liabilities	<u>(3,220)</u>	<u>(2,006)</u>

The table below shows the movement in fair value of financial assets during the year and fair value included in the statement of comprehensive income

Derivative financial instruments

	Unaudited Jun-24 USD '000	Audited Dec-23 USD '000
Derivative asset/(Liability)	11	(6)
Fair value (loss)/ gain on embedded financial instruments	-	-
	<u>11</u>	<u>(6)</u>

The net fair value losses/gains on financial assets held at fair value in the statement of comprehensive is analysed as follows:

	Unaudited Jun-24 USD '000	Audited Dec-23 USD '000
Fair value (loss)/ gains on equity investments	-	-
Fair value (losses)/gain on derivative financial instruments	11	(6)
At end of period	<u>11</u>	<u>(6)</u>

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

18 Assets Available for Sale

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
Assets available for sale	3,908	3,370
At end of period	3,908	3,370

During the second half of 2023 the Bank de-recognized two loans, having made full provision. The loans were secured by landed properties which are now available for sale. These include apartment blocks and land in different locations. Valuation of the assets available for sale was independently done by professional valuers. It has been estimated that the sale process will take approximately one year and therefore the estimated sale values have been discounted to the present values at the time of reporting. The Bank is reasonably certain that the sale will take place within the estimated period.

19 Equity investments at fair value

The Bank advances financing in the form of equity in exceptional cases where the project is assessed to have a significant impact on the community and its development as well as where the equity participation is necessary for improving the capital structure of the company or where the sponsors are unable to raise additional equity to enable the borrower operate on a commercially sound footing. Usually these are companies, which have substantial development impact but whose cash flows cannot support continuous repayments for long term loans. These investments are reported at their fair values in accordance with the Bank's accounting policies. The movement in equity investments during the year was as follows:

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
At start of year	649	718
Less:		
Provisions	-	(90)
Foreign exchange Loss	(15)	(69)
Fair value gain/(loss)	-	90
At end of period	634	649

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

20 Other assets

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
Prepayments	390	92
Value Added Tax receivable	515	435
Fees and commission receivable	15	19
Tenants rent receivable	63	71
Front End Fees	953	830
Settlement Account	11	699
Other receivables	201	243
	2,148	2,389
Provision on other receivables	(685)	(573)
	1,463	1,816

21 Investment property

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
At start of period	22,631	18,773
Additions	-	142
Transfers	-	4,008
Net fair value gains (losses)	-	(292)
At end of period	22,631	22,631

An independent valuation of the Bank's land and buildings was performed by professional valuers Knight Frank Limited for locations in Uganda and Kenya and Africa Property Limited for locations in Tanzania to determine the fair value of the land and buildings as at the end of each year based on estimated open market values. Properties that are held by the Bank for generation of rental income have been classified under investment property as per Note 20. Land and buildings to the extent occupied by the Bank for administrative use are classified under property, plant and equipment (Note 21). The table below shows revenue, costs and capital commitments related to investment property:

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
Rental income from investment property	271	498
Direct operating expenses: Rented properties	5	19.00
Direct operating expenses: Unrented properties	5	13
Approved capital commitment	1,300	1,300

At half year, the Bank performed an assessment, and the fair value is a close approximation of the book carrying amounts.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

Investment property (continued)

Fair value measurements as per valuation reports

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
Land	16,779	16,779
Buildings	5,852	5,852
Total	22,631	22,631

Fair value movements for the above is included below

Land

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
At start of period	16,779	13,923
Valuation gain/(loss)	-	(137)
Transfers from property and equipment	-	2,993
At end of period	16,779	16,779

Buildings

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
At start of period	5,852	4,850
Additions	-	142
Valuation gain/(loss)	-	(155)
Transfers from property and equipment	-	1,015
At end of period	5,852	5,852

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

22 Property and equipment

	Land and buildings USD 000'	Capital work in progress USD 000'	Office equipment USD 000'	Motor Vehicles USD 000'	Furniture & fittings USD 000'	Total USD 000'
Jan-June 2023 Movement Schedule						
Costs						
At 1 January 2023	13,078	54	2,019	686	800	16,637
Additions	-	(54)	-	-	-	(54)
Disposals	-	-	-	-	-	-
At 30 June 2023	13,078	-	2,019	686	800	16,583
Accumulated Depreciation						
At 1 January 2023	(1,434)	-	(1,851)	(686)	(824)	(4,795)
Depreciation charge	(238)	-	(56)	-	(13)	(307)
At 30 June 2023	(1,672)	-	(1,907)	(686)	(837)	(5,102)
Net book amount – 30 June 2023	11,406	-	112	-	(37)	11,481
Jan-Dec 2023 Movement Schedule						
Costs						
At 1 January 2023 Corrected Opening balance	12,997	54	2,025	687	872	16,635
Revaluation gain	1,224	-	-	-	-	1,224
Additions	26	103	60	-	4	193
Disposals	-	-	(28)	-	(11)	(39)
Reclassification of assets to Investment property	(4,008)	-	-	-	-	(4,008)
Reversal of accumulated depreciation on revaluation	(1,910)	-	-	-	-	(1,910)
At 31 December 2023	8,329	157	2,057	687	865	12,095
Accumulated Depreciation						
At 1 January 2023	(1,434)	-	(1,840)	(687)	(832)	(4,793)
Accumulated depreciation	(476)	-	(104)	-	(25)	(605)
Disposal Depreciation reserve	1,910	-	28	-	11	39
Reversal on revaluation	-	-	-	-	-	-
At 31 December 2023	-	-	(1,916)	(687)	(846)	(3,449)
Net book amount – December 2023	8,329	157	141	-	19	8,646

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

22 Property and equipment (continued)

Jan-June 2024 Movement Schedule

Costs

At 1 January 2024 Opening balance

Correction of opening balance

Additions

Disposals

At 30 June 2024

	Land and buildings USD 000'	Capital work in progress USD 000'	Office equipment USD 000'	Motor Vehicles USD 000'	Furniture & fittings USD 000'	Total USD 000'
At 1 January 2024 Opening balance	8,329	157	2,057	687	865	12,095
Correction of opening balance	-	41	29	(8)	-	(8)
Additions	-	-	-	-	1	71
Disposals	-	-	-	-	-	-
At 30 June 2024	8,329	198	2,086	679	866	12,158

Accumulated Depreciation

At 1 January 2024

Accumulated depreciation

Correction of opening balance

Depreciation charge

Disposal Depreciation reserve

At 30 June 2024

At 1 January 2024	-	-	(1,916)	(687)	(846)	(3,449)
Accumulated depreciation	-	-	-	8	-	8
Correction of opening balance	(100)	-	(18)	-	(6)	(124)
Depreciation charge	-	-	-	-	-	-
Disposal Depreciation reserve	-	-	-	-	-	-
At 30 June 2024	(100)	-	(1,934)	(679)	(852)	(3,565)

Net book amount – June 2024

At 30 June 2024	8,229	198	152	-	14	8,593
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East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

23 Intangible assets

	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
Cost			
At start of year	1,965	1,965	1,965
Additions during the period	-	-	-
	1,965	1,965	1,965
Amortization			
	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
At start of year	(1,965)	(1,965)	(1,965)
Amortization charge for the period	-	-	-
	(1,965)	(1,965)	(1,965)
At end of period	-	-	-

24 Right-of-use assets

Under IAS 17 – Leases, prepaid operating lease rentals were recognised at historical cost and subsequently amortised over the lease period. In respect of the change in accounting policy to IFRS 16 – Leases, the carrying amount of prepaid operating lease rentals at 1 January 2019 were reclassified as right-of-use assets specifically in respect to the Bank’s rented office premises in Kenya and Rwanda. The average lease term is 2 years and 3 years, respectively. During the year, the Bank made adjustments after re-calculating the amounts based on the new leases and interest rates.

	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
Cost at start and end of year	405	677	677
Additions	-	-	11
Lease re-measurement	-	-	87
Correction for prior year	-	-	(370)
Adjusted cost	405	677	405
Accumulated depreciation	(94)	(479)	(479)
Depreciation charge for the year	(39)	(57)	(84)
Correction for prior year	-	-	469
Accumulated depreciation at end of year	(133)	(536)	(94)
At end of period	272	141	311

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

25 Other liabilities

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
Advances from customers	43	156
Rent received in advance	42	42
Accrued expenses	736	911
Deferred fee income	395	298
Deposits from tenants	58	114
KFW line of credit	-	1,661
KFW Managed Fund-Annual Interest	1,510	961
Other creditors	326	284
	<u>3,110</u>	<u>4,427</u>

The KFW line of credit relates to an agricultural financing programme under the German Financial Cooperation in Kenya and Uganda meant for on-lending to selected Partnering Financial Institutions (PFIs) in local currency both medium and long term facilities.

26 Borrowings

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
Lines of credit with multi-lateral development banks	102,561	101,198
Lines of credit with other financial Institutions	6,192	11,639
	<u>108,753</u>	<u>112,837</u>
Maturity analysis of borrowings		
Amounts payable within one year	19,837	15,544
Amounts payable after one year but within five years	81,844	87,526
Amounts payable after five years	41,047	41,464
	<u>142,728</u>	<u>144,534</u>
Borrowings movement analysis		
At start of year	112,837	94,962
Proceeds from borrowings	1,611	37,371
Interest incurred during the year	4,294	6,305
Principal payments within the year	(10,441)	(16,745)
Interest payments within the year	(4,174)	(4,670)
Foreign exchange differences	4,626	(4,386)
At end of period	<u>108,753</u>	<u>112,837</u>

The weighted average effective interest rate on borrowings was 7.41% (2023:7.00% and June 2023: 6.92%). The Bank has not given any security for the borrowings and has not defaulted on any of them.

The KFW lines of credit relate to an agricultural financing programme and a financing program to improve access to sustainable and demand-driven financial services for the population and Micro, Small and Medium Enterprises (MSMEs) in rural areas under the German Financial Cooperation in Kenya and Uganda meant for on-lending to selected Partnering Financial Institutions (PFIs) in local currency short term, medium and long-term facilities.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

27 Lease liabilities

	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
Current	83	65	102
Non-current	193	216	204
	276	281	306

Below is an analysis of the movements in lease liabilities:

At start of year	306	316	316
Additions	-	-	11
Payments of principal portion of lease liability	(54)	(42)	(79)
Payments of interest portion of lease liability	(7)	(12)	(37)
Interest charge for the year (recognized in profit or loss)	31	19	33
Lease re-measurement	-	-	87
Net foreign exchange difference	-	-	(25)
At end of period	276	281	306

The incremental borrowing rate applied was 9.5% and 6% for leases denominated in Kenya Shillings and United States Dollars respectively.

Amounts recognised in the profit or loss

	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
Interest on lease liabilities	31	19	33
Depreciation on right of use asset	39	57	84

Amounts recognised in the profit or loss

	Unaudited Jun-24 USD'000	Unaudited Jun-23 USD'000	Audited Dec-23 USD'000
Payments of principal portion of lease liability	54	42	79
Payments of interest portion of lease liability	7	12	37

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

28 Special funds

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
At start and end of period	3,990	3,990

This relates to the Norwegian/ EADB fund which was created out of a 1986/7 grant of NOK 30 million by the Norwegian Government to the Government of Uganda to provide loans for the rehabilitation of Ugandan industries. Under the grant agreement, the Bank was allowed to use a portion of interest paid on those loans to cover administrative expenses. Any balance of interest on loans and other interest earned on funds made available under the agreement was to accrue to a special fund to be managed by the Bank. The special fund was to be used for certain expenditure including; a) payments to consultants and experts, b) strengthening the Bank's administrative capacity, c) technical assistance, d) loans on concessionary terms, e) or any other purpose agreed by the government of Norway and the Bank. The agreement is silent on the use of capital repayments. Consultations are underway with the Norwegian Government to determine the utilization/ disposition of the remaining balance.

29 Grants

	Housing Finance Bank feasibility study grant USD'000	Share repurchase grant USD'000	Total USD'000
Period ended 30 June 2024			
At start of year	150	2,885	3,035
Additions	-	-	-
Grant utilisation	-	-	-
At end of period	150	2,885	3,035
Year ended 31 December 2023			
At start of year	150	1,731	1,881
Additions	-	1,154	1,154
At end of year	150	2,885	3,035

The share re-purchase grant was created during the year ended 31 December 2021 out of the discount offered by FMO and DEG from the real value of shares at the time of their exit. The difference between the market value and agreed settlement value is used to create grants which will be used to either support new Class A shareholder or create an SME fund as may be approved by the Governing Council. As per provisions of the share sale/purchase agreement an additional grant of USD 1.15 million was received during the year by waiver of last instalment after the Bank fulfilled all conditions set in the share sale/purchase agreement. That condition was fulfilled during the year and final grant received.

Housing Finance Feasibility study grant

The grant represents funds received from the Government of Tanzania to fund the Housing Finance Bank feasibility study.

East African Development Bank
Condensed Interim financial information (Unaudited)
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

30 Capital fund

	Unaudited Jun-24 USD '000	Audited Dec-23 USD '000
At start and end of period	<u><u>7,479</u></u>	<u><u>7,479</u></u>

This represents the balance of funds received from the Norwegian Government, in 1982 and 1987 for the Norwegian/ EADB fund on a grant basis. The Bank awaits feedback from the Norwegian Government on the disposition of the outstanding amount.

31 Share capital

Authorised share capital

The Bank's authorised capital is USD 2,160,000,000 consisting of 160,000 shares with a par value of USD 13,500 each. Whereas the Bank's charter provides for 5 callable shares for every one subscribed, a resolution was passed in 2013 fixing African Development Bank (AfDB) callable shares at 1,037 independent of the shares they subscribed.

Class A

The authorised number of Class A ordinary shares is 144,000, (2022: 144,000) at a par value of USD 13,500 each. Class A ordinary shares are available for subscription to only member states and in equal proportion.

Class B

The authorised number of Class B ordinary shares is 16,000 (2022: 16,000) at a par value of USD 13,500 each. Class B ordinary shares are available for subscription to members other than member states. All issued Class B shares are fully paid up.

Share repurchase

Class A shareholders do not have option to exit the Bank but the Charter provide basis on which class B shareholders may exit/sale their shares. During the reporting period the Bank continued buying shares from two class B shareholders (FMO & DEG) where 80 shares were bought in the first half of 2023 while total bought for the full year (2023) was 235 shares. The repurchase was concluded in 2023 and therefore no transactions in 2024. The table below shows movement.

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Number of shares	-	80	235
Value of shares			
Amount paid for shares	-	1,154	3,462
Par value of shares paid for (at 13,500 per share)	-	1,080	3,173
Premium on par value	<u><u>-</u></u>	<u><u>74</u></u>	<u><u>289</u></u>

**East African Development Bank
Condensed Interim financial information
For the six months period ended 30 June 2024**

Notes to the condensed interim financial information (continued)

(1) Authorised share capital

	Paid up share capital Number	Callable share capital Number	Total Number	Paid up share capital USD'000	Callable share capital USD'000	Total USD'000
Class A						
At 30 June 2023	24,000	120,000	144,000	324,000	1,620,000	1,944,000
At 31 December 2023	24,000	120,000	144,000	324,000	1,620,000	1,944,000
At 30 June 2024	24,000	120,000	144,000	324,000	1,620,000	1,944,000
Class B						
At 30 June 2023	4,000	12,000	16,000	54,000	162,000	216,000
At 31 December 2023	4,000	12,000	16,000	54,000	162,000	216,000
At 30 June 2024	4,000	12,000	16,000	54,000	162,000	216,000
Totals Authorised (Class A&B) As at June 2023 & 2024	28,000	132,000	160,000	378,000	1,782,000	2,160,000

(2) Issued share capital

Class A						
At 31 December 2022	13,653	68,265	81,918	184,316	921,577	1,105,893
Issue of shares Jan-June 2023	148	740	888	1,998	9,990	11,988
At 30 June 2023	13,801	69,005	82,806	186,314	931,567	1,117,881
At 31 December 2022	13,653	68,265	81,918	184,315	921,578	1,105,893
Issue of shares	575	2,875	3,450	7,763	38,812	46,575
At 31 December 2023	14,228	71,140	85,368	192,078	960,390	1,152,468
Issue of shares Jan-June 2024	278	1,390	1,668	3,752	18,765	22,517
At 30 June 2024	14,506	72,530	87,036	195,830	979,155	1,174,985

**East African Development Bank
Condensed Interim financial information
For the six months period ended 30 June 2024**

Notes to the condensed interim financial information (continued)

Class B	Paid up share capital Number	Callable share capital Number	Total Number	Paid up share capital USD'000	Callable share capital USD'000	Total USD'000
At 31 December 2022	1,541	1,037	2,578	20,804	14,000	34,804
Share repurchase at par	(80)	-	(80)	(1,080)	-	(1,080)
At 30 June 2023	1,461	1,037	2,498	19,724	14,000	33,724
At 31 December 2022	1,541	1,037	2,578	20,804	14,000	34,804
Issue of shares	-	-	-	-	-	-
Share repurchase at par	(235)	-	(235)	(3,172)	-	(3,173)
At 31 December 2023	1,306	1,037	2,343	17,632	14,000	31,631
Share repurchase at par	-	-	-	-	-	-
At 30 June 2024	1,306	1,037	2,498	17,632	14,000	31,631
Total (CL A&B) June 2023	15,262	70,042	85,304	206,038	945,569	1,151,607
Total (CL A&B) December 2023	15,534	72,177	87,711	209,710	974,392	1,184,102
Total (CL A&B) June 2024	15,812	73,567	89,534	213,462	993,155	1,206,617

East African Development Bank
Condensed Interim financial information
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

Share Premium

Share premium arose on the shares issued to the Republic of Rwanda on admission at a value of USD 17,913 per share above par value of USD 13,500 per share translating into a premium of USD 4,413 per share. The table below shows the movement during the period:

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Additional shares issued at premium	112	-	112
At start of year	7,024	6,530	6,530
Premium on additional shares	495	-	494
At end of year	<u>7,519</u>	<u>6,530</u>	<u>7,024</u>

32 Funds awaiting allotment

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
At start of year	71	69
Cash received towards share capital	4,253	8,259
Share allotment within the year	(4,247)	(8,257)
At end of period	<u>77</u>	<u>71</u>

33 Special reserve

	Unaudited Jun-24 USD'000	Audited Dec-23 USD'000
At start of year	12,906	12,785
Transfer of appraisal fees	-	121
At end of period	<u>12,906</u>	<u>12,906</u>

The transfer to the special reserve is made in accordance with Article 17 of the Bank's Charter, the reserve being credited with commissions earned during the year. The special reserve is non distributable and serves the purpose of enabling the Bank meet its liabilities on borrowings or guarantees chargeable.

34 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	Unaudited Jun-24 USD '000	Unaudited Jun-23 USD '000	Audited Dec-23 USD '000
Cash and bank balances (Note 13)	27,913	24,796	60,473
Balances due from banks originally maturing within 90 days	3,200	53,135	131,814
	<u>31,113</u>	<u>77,931</u>	<u>192,287</u>

East African Development Bank
Condensed Interim financial information
For the six months period ended 30 June 2024

Notes to the condensed interim financial information (continued)

35 Revaluation reserve

The revaluation surplus arose from the revaluation of land and buildings performed and is non distributable.

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
At start of year	10,456	9,273
Fair value revaluation gain	-	1,224
Transfer of excess depreciation to retained earnings		(41)
At end of period	10,456	10,456

36 Retained earnings

Retained earnings are comprised of balance brought forward plus profit generated during the period.

	Unaudited	Audited
	Jun-24	Dec-23
	USD '000	USD '000
At start of year	82,135	69,452
Profit for the period	5,811	13,052
Transfers	-	(369)
At end of period	87,946	82,135

37 Financial Risk Management

The Bank operations are usually exposed to financial risks namely Credit Risk, Liquidity Risk and Market risk which includes interest rate risk and foreign exchange risk.

These interim financial information do not include analysis of these financial risks and therefore should be read together with the analysis contained in the Bank's audited financial statements.

The Bank continued applying prudent risk management practices and as at the reporting date there were no exposures exposing the Bank to losses. Most of the exposures remained at almost similar levels reported in the 2023 audited financial statements.