



2026 Credit Rating Report for the Arab Energy Fund (Arab Petroleum Investments Corporation)

中诚信国际信用评级有限责任公司 | S/N: CCXI-20261378M-01

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China Chengxin International Credit Rating Co., Ltd.

May 19, 2026

Rated Entity and the Rating Result	The Arab Energy Fund (Arab Petroleum Investments Corporation)	AAA/Stable
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Rating Opinion

CCXI affirms the Arab Energy Fund’s (Arab Petroleum Investments Corporation, hereinafter referred to as the “Fund”) advantages, including its clear strategic positioning, very strong shareholder support, very low NPL ratio, and continued accumulation of usable equity underpinned by strong profitability. The Fund also benefits from smooth and diversified financing channels. The above factors provide robust support for its overall credit profile. At the same time, CCXI also notes the high concentration of the Fund’s loan portfolio and its substantial exposure to the energy sector, along with the relatively high overall risk correlation among member states. Attention should be paid to the potential adverse impacts brought by energy market volatility on the Fund’s asset quality and the member states’ capability to support.

Rating Outlook

CCXI believes that the credit rating of the Arab Energy Fund (Arab Petroleum Investments Corporation) will remain stable in the next 12-18 months.

Upgrading/Downgrading Factors

Possible factors to trigger an upgrade: Not applicable.

Possible factors to trigger a downgrade: The Fund sees material deterioration in asset quality amid energy market volatility; a pronounced decline in shareholders’ capability and willingness to support; or a significant weakening in profitability that undermines capital strength.

Credit Strengths

- The Fund has a clear strategic positioning and a very high capital adequacy, with very strong shareholders’ support.
- The Fund has a sound risk management framework, and the NPL ratio remains at a very low level.
- Strong profitability continues to bolster the accumulation of usable equity.
- The Fund has smooth and diversified financing channels.

Credit Challenges

- The Fund’s loan portfolio demonstrates high industry concentration and a substantial exposure to the energy sector.
- Overall risk correlation among member states is relatively high, and some member countries exhibit comparatively weak levels of economic development. Shifts in the geopolitical environment and energy market volatility could have potential adverse impacts on member states’ overall capability to support.

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Financial Overview

The Arab Energy Fund (Consolidated)	2023	2024	2025
Authorized capital (USD100 million)	200.00	200.00	200.00
Paid-in capital (USD100 million)	15.00	15.00	15.00
Callable capital (USD100 million)	85.00	85.00	85.00
Usable equity (USD100 million)	31.69	33.54	36.41
Loans and advances, net (USD100 million)	46.49	55.63	60.25
Investments, net (USD100 million)	43.42	46.94	55.46
Total assets (USD100 million)	98.81	109.18	134.18
Total liabilities (USD100 million)	67.12	75.64	97.76
Gross debts (USD100 million)	63.82	72.41	94.83
Net interest income (USD100 million)	1.85	2.16	2.32
Net profit (USD100 million)	2.25	2.66	2.82
NPL ratio (%)	0.8	0.5	0.2
Usable equity/risk-weighted assets (%)	33.2	31.7	28.5
Net profit/usable equity (%)	7.1	7.9	7.8
Gross debts/usable equity (%)	201.4	215.9	260.4

Notes: 1. CCXI compiled the data according to the auditor's report for 2023 and 2024, audited by PricewaterhouseCoopers, as well as the auditor's reports for 2025 audited by ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC), which all fairly represent the Fund's financial position and were provided by the Fund. The auditor's reports were prepared in accordance with the International Financial Reporting Standards (IFRS). Specifically, the financial data for 2023 were sourced from the auditor's report for 2024, and the financial data for 2024 and 2025 were sourced from the auditor's report for 2025. 2. Unless otherwise specified, all the data quoted in this Report are subject to the statistical standards of CCXI.

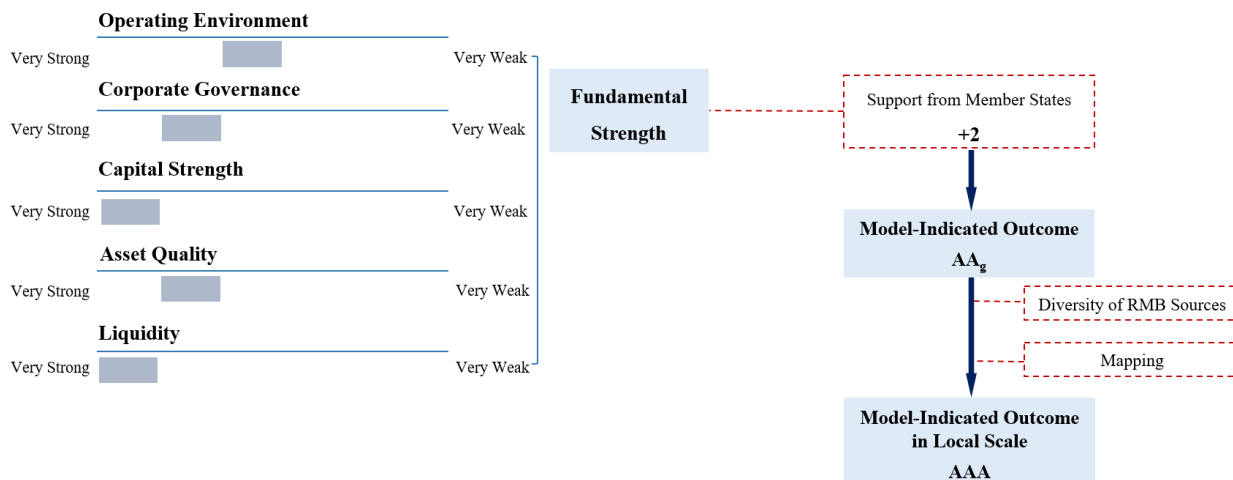
Peer Comparison (Data for 2025)

Entity name	Total assets (USD100 million)	Owner's equity (USD100 million)	Usable equity/risk-weighted assets (%)	Net profit/usable equity (%)	Gross debts/usable equity (%)	NPL ratio (%)
The New Development Bank	315.36	122.39	47.5	5.0	159.2	0.2
The Arab Energy Fund	134.18	36.41	28.5	7.8	260.4	0.2

In the view of CCXI, compared to the New Development Bank, the Arab Energy Fund's asset and owner's equity are smaller in scale, coupled by relatively higher leverage levels. Yet the Arab Energy Fund's NPL ratio remains at a very low level amongst multilateral institutions, while its profitability level remains high.

Note: Due to data availability, figures presented for the New Development Bank are data for 2024.
 Sources: Compiled by CCXI

Rating Model



Note:

Adjustment Factors: In the view of CCXI, the Fund's major member states show very strong contractual support and have very strong willingness to support, and the support capability of member states is at a relatively strong level. Two notches are added due to the support from member states.

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

Overview of the Rated Entity

The Arab Energy Fund (Arab Petroleum Investments Corporation, hereinafter referred to as the “Fund”) was established in 1975 as a multilateral development institution by ten member states of the Arab Energy Organization (AEO)¹: Algeria, Bahrain, Egypt, Iraq, Kuwait, Libya, Qatar, Saudi Arabia, Syria, and the United Arab Emirates (UAE). The Fund is committed to investment and financing across areas of energy value chain - from traditional hydrocarbons to new energy - in the Middle East and North Africa (MENA) region with a balanced approach, thus supporting regional energy transition initiatives. The Fund is headquartered in Riyadh, Saudi Arabia, with a branch office in Manama, Bahrain. Shareholding among member states is relatively balanced. As at the end of 2025, Saudi Arabia, the UAE, and Kuwait each held 17% of shares; Libya, Iraq, and Qatar held 15%, 10%, and 10%, respectively; Algeria, Bahrain, Egypt, and Syria collectively held 14%. As at the end of 2025, the Fund’s paid-in capital stood at USD1.5 billion, and its callable capital totaled USD8.5 billion.

The Fund’s main business lines include corporate banking, investment & partnerships, and treasury & capital markets. Its primary focus areas encompass traditional hydrocarbons, renewable energy, energy efficiency, energy supply chains, critical infrastructure, and energy transition technologies. Leveraging its status as a multilateral development institution, the Fund benefits from tax exemptions and preferred creditor status in its member states. In recent years, the Fund has focused on expanding its business scale to advance its strategic objectives, while maintaining growth in its asset portfolio. As at the end of 2025, the Fund’s total assets amounted to USD13,418 million.

Fundamental Strength

Operating Environment

CCXI opines that in 2025, with “OPEC+” gradually phasing out production cuts and the center of global oil prices moving down, economic growth in countries in the Middle East and North Africa showed a differentiated trend, and the Gulf countries maintained moderate to subdued growth under the vision of transformation ambitions. The outbreak of the Iran war in early 2026 has raised the uncertainty of regional development and global oil prices. Over the medium term, the regional economic structure would continue to undergo some passive adjustment given the pressures stemming from the global carbon transition, yet the Gulf countries boast sound development foundation, which could help maintain macro stability in the face of geopolitical fluctuations and preserve subsequent growth momentum, indicating a relatively resilient development outlook for the region.

The MENA region as a whole is endowed with abundant oil and natural gas resources; however, there are significant disparities among countries in terms of resource endowment, economic development, as well

¹ The Arab Energy Organization (AEO), formerly known as the Organization of Arab Petroleum Exporting Countries (OAPEC), was established in 1968 by Saudi Arabia, Kuwait, and Libya and currently comprises 11 member states. The organization’s mandate is to strengthen cooperation and relations among its members in the petroleum sector, safeguard individual and collective interests in the oil industry, coordinate member actions, and foster a favorable environment for the inflow of capital and technology into the petroleum industry. In December 2024, the organization officially adopted its current name, the Arab Energy Organization (AEO).

as religious and cultural backgrounds, with the Gulf countries generally exhibiting more advanced levels of economic development. The economic and fiscal conditions, balance of payments, and systemic risk profiles of major countries in the region remain closely linked to the global oil market trends and regional geopolitical dynamics. Persistent geopolitical tensions and the structural pressures stemming from the global carbon transition represent key risk factors for the region.

From April 2025, “OPEC+” member countries began phasing out production cuts, pushing the crude oil market towards a pattern of oversupply. The average price of Brent crude for the whole year dropped to \$68 per barrel, lower than the fiscal balance level of most Gulf countries, resulting in a slight increase in government debt burden. But the Gulf countries have accumulated significant fiscal surpluses during the preceding period of high oil prices, providing support for the advancement under their economic diversification agendas, and the overall growth environment remains sound. **Saudi Arabia** and the **UAE** saw continuously thriving non-oil sector in 2025, and their overall economy grew by 4.5% and 4.8%, respectively. The expansion of the northern gas field in **Qatar** has driven up liquefied natural gas (LNG) exports, and the economy is expected to grow by about 2.9% in 2025; **Kuwait**’s political environment has been unstable, and the approval of major infrastructure projects has been accelerating as the political deadlock eased in 2025, yet the reform progress has been slower than expected. Its economy is expected to grow by about 2.7%. **Oman**’s economic diversification plan continues to advance, and its economic growth is expected to be in the range of 2.2~2.5% in 2025. **Bahrain**, which has a weaker economic base than other Gulf countries, has focused on manufacturing and digital economy in recent years with financial support from regional allies. It is expected to grow by around 3% in 2025. **Egypt** continues to push forward systemic reforms with the support of the IMF. In 2025 its inflationary pressure eased and the economy is expected to grow by 3.5%. Both **Algeria** and **Iraq** saw an increase in oil production in 2025, but limited degree in economic diversification still restricted the release of growth potential. Amongst these two countries, Algeria renders a relatively stable political situation and is Europe’s second-largest gas supplier, indicating a relatively resilient energy revenue structure. Its 2025 growth projection is in the range of 3~3.8%. Iraq’s economy is expected to grow at a rate of about 0.5% given serious internal divisions within the government, which has been curbing its advancement of diversification plan as well as economic governance capabilities. **Libya** has been politically unstable, with oil production hitting a new high in 2025 under a brief peace window, and its economy growing by 13.2%, while the growth sustainability remains very weak.

Given the outbreak and escalation of the Iran war in early March 2026, disruptions to passage through the Strait of Hormuz have affected about one-fifth of global oil and LNG shipments at the moment. The current confrontation between the United States and Iran constitutes the greatest uncertainty in the region. For the Gulf countries, the disruption of regional trade could lead to fiscal consumption and push up the demand for debt financing. Under the fluctuation of energy revenues and the rise in risk premiums, the Gulf countries may adjust the pace of project spending, thereby bringing disruptions to economic performance. However, in recent years, the Gulf countries have strengthened their internal economic

resilience and enhanced external flexibility through initiatives such as economic diversification and pragmatic multilateral diplomacy. These strategies have enhanced their strategic autonomy and helped reduce dependence on Western powers, enabling them to better navigate the evolving global energy landscape and shifting geopolitical dynamics. It is expected that in the short-to-medium term, macro situation in countries such as **Saudi Arabia, the UAE and Qatar**, which possess solid macroeconomic foundation, rather early implementation of diversification plans and prudent fiscal management, is expected to maintain stable. **Bahrain** is a small economy in a geopolitically sensitive area, and its development trajectory is vulnerable to the weakening of regional economic ecosystem. If regional allies reduce their support in the face of their own pressure, its growth stability could be undermined. **Egypt** would continue to consolidate its development resilience, benefiting from the fulfillment of investment commitments and the advancement of strategic projects. Countries with high hydrocarbon-dependence and weak institutional building - such as **Iraq, Algeria and Libya** - would still bear risks stemming from fiscal revenue fluctuations and social challenges, and the Iran war's spillover effects could impact their income prospects and push up social pressure. Over the medium term, the internal development gap inside the Middle East and North Africa region could widen further. Hydrocarbon producers that have made meaningful progress in structural reforms are expected to continue advancing both politically and economically. Improvements in institutional governance are expected to support their capacity in managing risks associated with the global carbon transition and help sustain development resilience in longer term. However, hydrocarbon producers with poor political stability still face long-term structural challenges such as weak economic foundations, security pressures, unresolved political conflicts, and fluctuations in the external environment, which continue to limit their development stability.

Corporate Governance

In the view of CCXI, the Fund, with its clear strategic positioning, plays a key role in supporting member states in balancing their energy structures and promoting development. At the same time, the Fund's governance framework is robust and the internal governance has been further strengthened in recent years. The Fund maintains a well-established, clearly structured risk management system, with a prudent risk appetite.

The Fund was established in 1975 under the Establishment Agreement² approved and signed by ten OAPEC member states with an objective to provide financing for their energy and industrial projects. Under the latest 2023-2028 strategy, the Fund aims to promote sustainable development in the energy sectors of its member states. It seeks to expand its business scale through lending and investments, targeting to expand its asset portfolio to exceed USD 15 billion over the coming years. The Fund aspires to become a leading and influential institution in the MENA region, focusing on both traditional energy projects (including oil, natural gas, and petrochemical projects) and energy transition initiatives (such as renewable energy, green hydrogen, energy efficiency improvement, and carbon-reduction technologies). While prioritizing projects within the MENA region, the Fund also takes part in energy supply chain

² The agreement specifies that the core mission of the Fund is to provide financing support for oil, energy, and related industry projects in member countries and the Arab region; priority support for Arab joint projects, promoting energy and resource development and capital investment in member countries.

projects globally. Currently, it engages in debt financing and direct equity investments in sectors encompassing energy, utilities, etc., with the footprint across local, regional, and global markets.

Under its founding provisions, the Fund is wholly owned by the ten member state governments, with no private shareholders. Its authorized capital stands at USD20 billion and the subscribed capital USD10 billion, of which USD1.5 billion has been paid-in, with the remaining amount being callable. The Fund operates independently in both administrative and business functions and operates on a commercial basis. Its governance framework is well established, comprising the General Assembly, the Board of Directors (Board) and its committees, and the Office of the CEO. Board members, which are appointed by the respective member states³, are primarily senior officials from ministries of energy, ministries of finance, or sovereign wealth funds from member states. This structure helps ensure alignment between the Fund's strategic decisions and member states' energy strategies and industrial policies, while supporting resource integration and project execution. In terms of internal governance, since 2024, the Fund has appointed new heads for key functions, including Finance and Investment, added independent members with high expertise to its management-level committees to enhance oversight, and advanced technological infrastructure upgrades to strengthen operational resilience. In 2025, the Fund reorganized its board committee structure and established four specialized committees to better implement sustainability initiatives and enhance transparency in financial oversight, Board appointments, and strategic approvals. The Fund will remain committed to developing solutions across the energy value chain, continue to expand its equity and loan portfolios, and to strengthen governance, advance digital integration, and invest in talent development. Overall, the Fund, with its clear strategic positioning, plays a key role in supporting member states in balancing their energy structures and promoting development. The enhanced internal governance could further enhance the effectiveness of internal control and support the achievement of strategic objectives. In summary, the Fund has established a robust and comprehensive governance framework.

In the area of risk management, the Fund has established comprehensive policies and procedures that enable continuous and effective monitoring of all credit risk exposures. Proposed loans and investments are subject to detailed due diligence, analysis, and appraisal before being reviewed by the Credit Committee and the Investment Committee (consisting of the CEO and senior managers of the Fund) and the Board have the ultimate authority to sanction commitments. The Fund's risk management function operates independently from business operations, with clearly defined risk limits and regular stress testing of credit, liquidity, and market risk. In terms of the risk management process, the market risk management methods are approved by the Board, and market risk positions are continuously monitored through dedicated systems under the oversight of the Asset Liability Management Committee (ALCO) and the Risk Management Committee (RMC). The Risk Management Department actively manages credit and market risk using early warning indicators. The liquidity risk management methods are approved by the Board and the ALCO, with monitoring indicators in place to ensure sufficient funding for operations and

³ As at the end of 2025, all member countries of the Fund, except Syria, appointed a director each, making a total of 9 board members.

debt repayment under stress scenarios. Recently, the Fund has improved its ESG risk policy and updated its ESG risk toolkit to systematically monitor and manage related risks. Overall, the Fund implements sound risk management measures with a prudent risk appetite.

Capital Strength

In the view of CCXI, although the Fund's paid-in capital is relatively small in scale, its usable equity continues to grow underpinned by strong profitability and renders a high coverage ratio on risk-weighted assets. Meanwhile, the Fund's gross debts to usable equity ratio remains relatively low. Overall, the Fund's capital strength is very strong.

As at the end of 2025, the Fund's paid-in capital stood at USD1.5 billion, and its callable capital totaled USD8.5 billion. Compared with other multilateral development institutions operating in the region, such as the Islamic Development Bank (IsDB), the Arab Monetary Fund (AMF), and the Arab Fund for Economic and Social Development (AFESD), the Fund's paid-in capital is relatively small in scale. However, as the only multilateral development institution dedicated to the energy sector in the region, the Fund's paid-in capital is committed towards energy projects, and in recent years the Fund has substantially enhanced its investment capacity through active financing activities. The Fund demonstrates strong profitability, and its usable equity has continued to grow. As at the end of 2024, its usable equity increased by 5.8% year-on-year to USD3,354 million, and as at the end of 2025, the usable equity further rose by 8.6% to USD3,641 million compared to the end of 2024. The coverage of risk-weighted assets by usable equity remains high, with the usable equity/risk-weighted assets ratio standing at 28.5% as at the end of 2025. Over the coming years, the Fund's loans and investments are expected to expand further as business continues to grow. Nevertheless, supported by strong profitability, the coverage of risk-weighted assets by usable equity is expected to remain at a high level.

The Fund's gross debts continues to increase as its business expands; however, the coverage ratio of usable equity on gross debts remains at a relatively high level. As at the end of 2024, gross debts rose 13.5% year-on-year to USD7,241 million, with the gross debts/usable equity ratio climbing to 215.9%. In 2025, the Fund further expanded its bond issuance. As at the end of 2025, its gross debts grew by an additional 31.0% from the end of 2024 to USD9,483 million, and the gross debts/usable equity ratio reached 260.4%, yet still at a relatively low level.

The Fund operates under the dual targets of supporting the development of its member states and generating returns. It also regards ongoing profitability as a key driver of capital accumulation and sustainable growth. In recent years, the Fund has maintained strong profitability. The Fund's debt instrument investments and loans and advances had been increasing since 2024. In 2024, its net interest income reached USD216 million, rendering a 16.6% year-on-year increase. Supported by gains from asset disposals and higher valuations of financial assets, non-interest income increased by 17.5% year-on-year to USD141 million. As a result, the Fund's net profit in 2024 reached USD266 million, up 17.9% year-

on-year, with the net profit/usable equity ratio at 7.9%. In 2025, the Fund continued to show strong financial performance, with the net interest income reaching USD232 million, rendering a 7.3% year-on-year increase. At the same time, the dissipation of the one-off impact of asset disposal gains in 2024 together with the significant decline in valuations of financial assets outweighed the increase in dividend income and gains from disposal of debt securities, causing the non-interest income to decrease by 23.7% year-o-year to USD108 million in 2025. Given the combined impact of the above factors, the Fund's net profit increased by 6.3% year-on-year to USD282 million in 2025, with the net profit/usable equity ratio at 7.8%. Overall, the Fund exhibits robust profitability and a very strong capital position.

Asset Quality

In the view of CCXI, the Fund's NPL ratio remains at a very low level; however, given its business scope, the loan portfolio exhibits high concentration in terms of region and industry. Given dynamics in the energy market, attention should be paid to the impact of changes in member states' sovereign credit profiles and energy sector revenues on the Fund's asset quality.

The Fund is committed to providing financing for energy projects and enterprises in multiple countries (including its member states), primarily through loans and equity investments. It offers products and solutions such as project finance, trade finance, structured commodity finance along with financial advisory services. As at the end of 2024, the net value of the Fund's loan portfolio reached USD5,563million, an increase of 19.7% from the end of 2023. As at the end of 2025, the net value of the loan portfolio further expanded by 8.3% to USD6,025 million. In terms of regional distribution⁴, loan projects are predominantly concentrated in the Arab world, with Saudi Arabia representing the largest share, reaching 42% as at the end of 2025. Exposure to the UAE and Bahrain stood at 11% and 9% respectively, while exposures to Qatar and the US are both 7%. The Fund also has loan exposure in other Gulf Cooperation Council (GCC) countries, North Africa, Europe, Asia and Oceania. By industry distribution, the Fund's loans are primarily directed toward utilities and energy sectors, which accounted for 44% and 35% as at the end of 2025, respectively. Overall, the Fund's loan portfolio exhibits high levels of concentration in terms of region and industry.

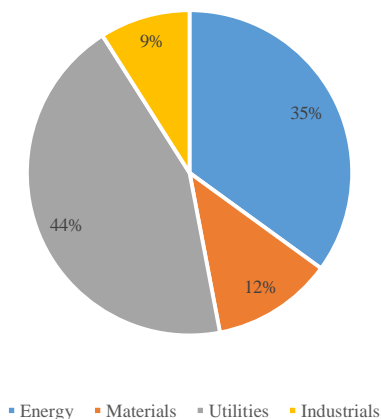
In terms of asset quality, the Fund's loan portfolio is largely directed toward countries with comparatively low sovereign credit risk, with borrowers being primarily sovereign or sovereign-related entities with a relatively strong credit profile. According to the Fund's internal indicators, the average rating of the loan portfolio is BBB. Meanwhile, the Fund could benefit from preferred creditor status on project loans extended to its member states. It follows that the Fund's NPL ratio has remained at a very low level and has continued to decline as the loan portfolio expands, falling from 1.2% at the end of 2022 to 0.2% at the end of 2025. Given the Fund's relatively high concentration in the energy sector and the relatively heavy hydrocarbon dependence of many borrowers' corresponding countries, attention should be paid to the impact of changes in member states' sovereign credit profiles and energy sector revenues on the Fund's

⁴ The regional and industry distribution of the loan portfolio is presented based on the gross carrying amount.

asset quality amid energy market volatility. As at the end of 2025, the average size of the Fund’s top ten loan projects were approximately USD180 million, while the aggregate represented roughly 30% of the loan portfolio. Major borrowers include JIZAN IGPC, EIG PEARL HOLDINGS, and Golden Triangle Polymers Co. Close attention should be paid to the operating performance of these entities.

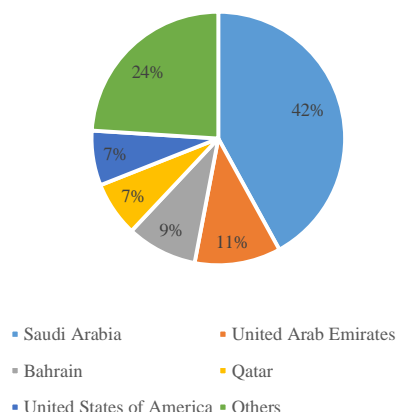
In addition to loans, the Fund also participates in projects through equity investments. As at the end of 2025, the Fund’s equity investment portfolio totaled approximately USD1.6 billion. The Fund primarily invests in unlisted equities, and the scale of its equity investments is expected to increase in the coming years to match the goal of expanding its influence in the MENA energy sector. The Fund holds a 10% equity stake in Saudi European Petrochemical Company (IBN ZAHR), which accounted for nearly 34% of the Fund’s equity investment portfolio as at the end of 2025. IBN ZAHR is a major petrochemical company in Saudi Arabia with mature operations and could generate dividend income for the Fund. Nonetheless, close attention should be paid to its operating performance amid volatilities in the macro - environment and the potential impacts on the Fund’s asset quality.

Figure 1. Concentration of loans and advances by industry as of the end of 2025 (calculated by gross carrying amount)



Sources: the Arab Energy Fund’s Investor Presentation, compiled by CCXI

Figure 2. Concentration of loans and advances by country as of the end of 2025 (calculated by gross carrying amount)



Sources: the Arab Energy Fund’s Investor Presentation, compiled by CCXI

Liquidity

In the view of CCXI, the Fund’s investment portfolio demonstrates very strong liquidity. Meanwhile, the Fund has smooth access to debt financing and aims to diversify its financing channels. Looking ahead, the Fund plans to enter the Panda bond market and further expand the use of financing instruments such as green bonds.

The Fund adopts prudent liquidity management, and all liquidity policies and procedures are subject to review and approval by the Board. The Treasury Department is responsible for liquidity management and conducts liquidity monitoring on a regular basis. The Fund has also established a Board-approved

Contingency Funding Plan (CFP) that define relevant actions and responsibilities should the Fund encounters a severe liquidity crisis. The Risk Management Department monitors CFP trigger factors and early warning indicators along with the associated strategies for addressing liquidity shortfalls. The Fund's treasury investments portfolio maintains a relatively high level of liquidity, comprising mainly cash, short-term bank deposits, and high-credit-rating bonds. As at the end of 2025, the ratio of short-term debts to liquid assets remained below 90%.

Given the relatively low level of paid-in capital contributed by member states, the Fund relies primarily on bond issuance in the capital markets and term financing from banks in terms of funding. In addition, its banking branch in Bahrain is entitled to banking qualifications and is capable in acquiring wholesale deposits. The Fund actively pursues a diversified funding strategy and has been broadening its toolkit across financing instruments, markets, investor base, and currencies. Its financing instruments include bilateral loans, Sukuk, Rule 144A and Reg S only bonds, Formosa bonds, and dim sum bonds, etc., with pricing currencies including Saudi riyal, U.S. dollar, euro, pound sterling, and offshore renminbi. The Fund intends to further diversify its funding channels through Panda bond issuance, with green financing being another strategic priority. Following its inaugural green bond issuance in 2021, the Fund updated its green financing framework in 2023 and continued to advance related initiatives. In 2024, it completed its second public green bond issuance followed by a green private placement in 2025. Over the next several years, the Fund is expected to expand its green bond issuance in order to boost financing for renewable-energy and low-carbon projects. In the coming years, the Fund is expected to adhere to proactive balance sheet management and prudent risk management practices to support business growth and liquidity needs, thereby enhancing its energy sector influence regionally and globally.

Support from Member States

In the view of CCXI, the contractual support and willingness to support from the Fund's shareholders are very strong. The member states' overall capability to support is relatively strong, while attention should be paid to the potential impact of energy market fluctuations on the member states' energy sector revenues and sovereign credit profiles. The support notching is the actual external support strength used due to the support of the Fundamental Strength and the limitation of member states' sovereign credit ratings.

The Fund was established by its member states to strengthen cooperation in the energy sector. Throughout its operations, it has participated directly in the development of major energy infrastructure projects and advancing the energy transition of its member states, which helps balance their energy structures and enhance economic momentum and development resilience. Member states, as shareholders, has been providing robust support for the Fund on multiple fronts. First, the shareholder base and capital support are strong. In April 2020, shareholders increased the Fund's callable capital from USD1 billion to USD8.5 billion, demonstrating a strong willingness to support. Second, the Board comprises senior officials, including ministers of energy, deputy ministers of finance, and heads of sovereign wealth funds from member states. This governance structure helps ensure alignment between the Fund's strategic objectives

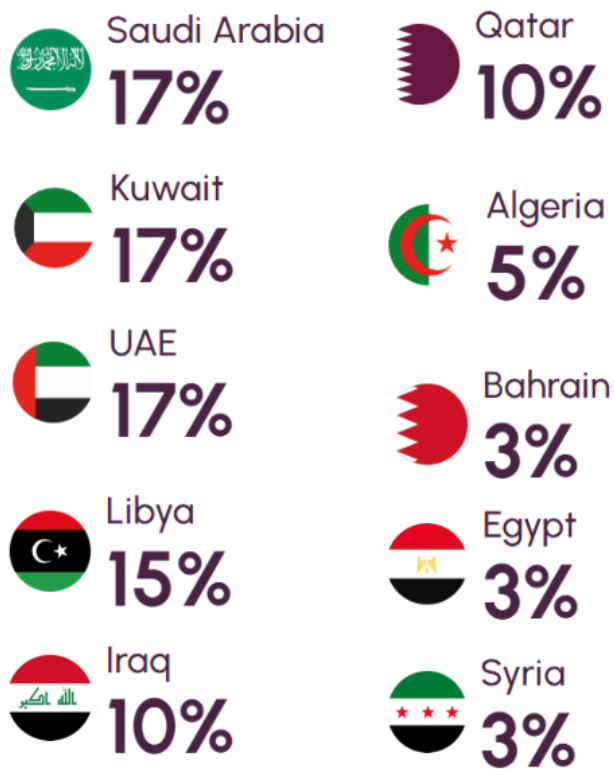
and national development priorities, with high-level policy guidance and support. Third, as set forth in its Establishment Agreement, the Fund enjoys certain rights in member states, such as exemptions from tax and foreign-exchange controls, along with preferred creditor status, which could provide benefit in terms of cross-border funding convenience, operating costs reduction and potential risk mitigation. With respect to contractual support, as at the end of 2025, the Fund's callable capital stood at USD8.5 billion, with the gross debts/callable capital ratio of 111.6%, reflecting very strong contractual support from its shareholders.

Member states' overall capability to support is relatively strong; however, given that the fiscal and economic performance of major member states are dependent on the hydrocarbon industry, attention should be paid to potential adverse impacts arising from energy market volatility on their energy sector revenues and sovereign credit profiles. In terms of the equity structure, as at the end of 2025, 61% of the Fund's shares were collectively held by the UAE, Kuwait, Qatar, and Saudi Arabia, with credit profiles being relatively strong in general. Other member states have relatively smaller economies and lower development levels and are generally economically dependent on the aforementioned Gulf countries. Nonetheless, the Fund benefits from shareholder-commitment provisions in the Establishment Agreement, under which any member state may be required to provide support on a "joint and several" basis (rather than strictly in proportion to its shareholding). As a result, it is expected that high-credit-rating member states can fully fill any funding shortfall if necessary. The support notching is the actual external support strength used due to the support of the Fundamental Strength and the limitation of member states' sovereign credit ratings.


Conclusion

In conclusion, CCXI assigns an issuer credit rating of **AAA** to the Arab Energy Fund (Arab Petroleum Investments Corporation), with a Stable outlook.

Appendix I: Equity Structure and Organizational Structure of the Arab Energy Fund (as at the end of 2025)



Respected & influential Board of Directors

 <p>Chairman</p> <p>Mohammed Abdulrahman Albrahim Assistant Minister for Oil and Gas Ministry of Energy Kingdom of Saudi Arabia</p>	 <p>Deputy Chairman</p> <p>Mr. Moussa Alhassan Atiq General Manager Libyan Foreign Investment Company State of Libya</p>	 <p>Sheikh, Dr. Nimer Fahed Al-Malik Al-Sabah Undersecretary, Ministry of Oil State of Kuwait</p>
 <p>Mr. Yousif Abdullah Hamoud Undersecretary of Financial Affairs, Ministry of Finance & National Economy Kingdom of Bahrain</p>	 <p>Mr. Sharif Salim Al-Olama Undersecretary for Energy and Petroleum Affairs Ministry of Energy & Infrastructure United Arab Emirates</p>	 <p>Khalid Khalifa Aljalalima Manager, Budgeting & Group Finance Mgmt. Reporting Controls, Qatar Energy State of Qatar</p>
 <p>H.E. Eng. Karim Badawi Minister of Petroleum & Mineral Resources Arab Republic of Egypt</p>	 <p>Mr. Hamdan Aueajal Al Rashid Advisor The Ministry of Oil for Legal and Administrative Affairs Republic of Iraq</p>	 <p>Mr. Djamel Eddine Zellaoui Deputy Director Ministry of Finance People's Democratic Republic of Algeria</p>

Oversight Committees

Board Executive Committee
Supports the Board by enabling timely decisions on strategic, financial, and investment matters

Audit and Compliance Committee
Oversees the integrity of financial reporting, compliance, internal controls, and the performance of internal and external audit functions

Risk and Sustainability Committee
Oversees ESG integration, sustainability policies, capital structure decisions, risk appetite, and risk management framework

Nomination and Remuneration Committee
Oversees human capital compensation policy, benefits framework policy, nomination of key functions, succession planning, and performance-based remuneration

Sources: the Arab Energy Fund's Investor Presentation

Appendix II: Financial Data and Major Indicators of the Arab Energy Fund (Consolidated)

Financial data (in EUR100 million)	2023	2024	2025
Cash and cash equivalents	2.12	1.37	3.32
Loans and advances, net	46.49	55.63	60.25
Investments, net	43.42	46.94	55.46
Risk-weighted assets	95.53	105.91	127.57
Total assets	98.81	109.18	134.18
Total liabilities	67.12	75.64	97.76
Gross debts	63.82	72.41	94.83
Sukuk and bonds issued	36.54	45.73	67.30
Paid-in capital	15.00	15.00	15.00
Usable equity	31.69	33.54	36.41
Interest income	5.24	6.32	6.62
Interest expense	3.38	4.16	4.30
Net interest income	1.85	2.16	2.32
Net profit	2.25	2.66	2.82
Net cash flow from operating activities	5.50	-11.84	-11.90
Net cash flow from investing activities	-4.02	-2.62	-9.57
Net cash flow from financing activities	0.42	13.72	23.43
Financial indicators	2023	2024	2025
NPL ratio (%)	0.8	0.5	0.2
Short-term debts/current assets (%)	91.1	82.0	65.8
Usable equity/risk-weighted assets (%)	33.2	31.7	28.5
Net profit/usable equity (%)	7.1	7.9	7.8
Gross debts/usable equity (%)	201.4	215.9	260.4

Appendix III: Calculation Formulas for Basic Financial Indicators

	Indicator	Calculation formula
Capital Structure	Gross debts	=deposits + securities sold under agreements to repurchase + term financing + Sukuk and bonds issued
	Usable equity	=total equity
	Risk-weighted assets	=placement with banks, net + loans and advances, net + investments, net + equity accounted investee, net
	Net interest income	=interest income - interest expense
Asset Quality	NPL ratio	=Stage 3 loans and advances /loans and advances, gross amount
Contractual Support	Contractual support	=gross debts/callable capital

Appendix IV: Symbols and Definitions for Credit Ratings

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

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

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

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

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

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

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



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