

# FMO

Entrepreneurial  
Development  
Bank

A photograph of two men standing in front of a green John Deere tractor. The man on the left, wearing a grey puffer vest over a t-shirt, is holding a tablet and pointing at the screen. The man on the right, wearing a dark grey work jacket and a black cap with 'KERNEL' written on it, is looking at the tablet. The background shows a clear blue sky and some green foliage.

# INTERIM REPORT 2025

## ← Cover photo

Kernel is a global leader in sunflower oil production and exports, and Ukraine's largest grain exporter. This photo captures Kernel's farming specialists in the Poltava region of Ukraine, applying protective treatments to winter rapeseed crops, an essential step to ensure healthy growth and resilience during the cold season.

In the Netherlands, Kernel is a key supplier of grain and sunflower oil, accounting for 25% of Ukraine's total agricultural exports. The company has partnered for years with Dutch distributor Fangoo & Zoon, co-launching a new sunflower oil brand: Bestolie-Kernel.

FMO recently supported Kernel through a participation in a working capital facility, enabling the purchase of seeds from Ukrainian farmers for processing. This marks FMO's first direct investment in Ukraine since the full-scale war began, aiming to help Ukraine generate hard currency and keep essential food products affordable for Dutch consumers.



# PIONEER DEVELOP SCALE

## 1 OUR VISION

We believe in a world in which, by 2050, more than 9 billion people live well and within planetary boundaries.

## 5 TO FULFILL OUR MISSION AND LIVE UP TO OUR PURPOSE

### MISSION

We enable entrepreneurs to increase inclusive and sustainable prosperity.

### PURPOSE

We create development impact by being additional in financing the private sector in low- and middle-income countries.

## 4 OUR STRATEGY

### PIONEER

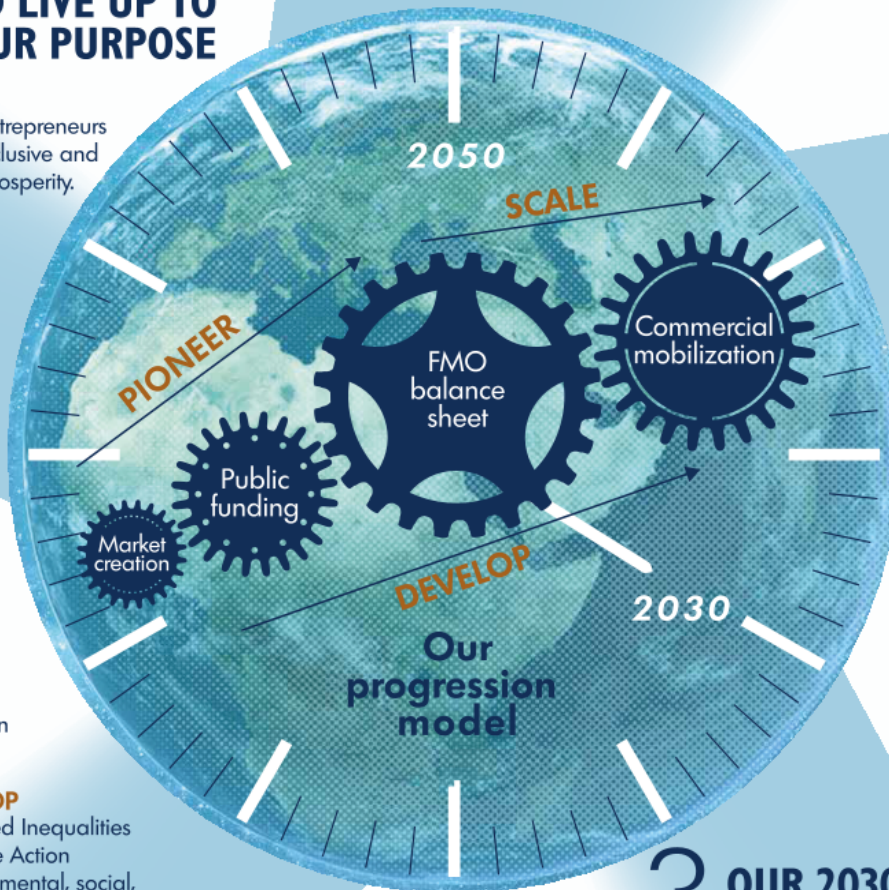
- Market creation
- Innovation

### DEVELOP

- Reduced Inequalities
- Climate Action
- Environmental, social, governance management

### SCALE

- Mobilization
- Efficiency



## 2 THE CHALLENGES

- Inequality on the rise
- Behind on the Paris goals
- Lack of bankable opportunities
- More stringent regulations
- Customers require speed and simplicity
- Increased stakeholder expectations

## 3 OUR 2030 AMBITIONS

To maximize our impact on 3 SDGs



...across 3 sectors



...with

**10** meaningful innovations

**10** bln € invested in SDG 10

**10** bln € invested in SDG 13

### SDG 8

- Grow jobs supported
- Increase decency and quality of jobs

### SDG 10

- Improve economic inclusion for the B40
- Increase gender lens investments
- Invest more in LDCs / fragile states

### SDG 13

- 'Net zero' portfolio by 2050 through just and inclusive transition
- Support customer alignment with Paris goals and customer resilience
- More investments in mitigation, adaptation, resilience, biodiversity



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# AT A GLANCE

## FMO is the Dutch entrepreneurial development bank

FMO is the Dutch entrepreneurial development bank. As a leading impact investor, FMO supports sustainable private sector growth in emerging markets and developing economies by investing in ambitious projects and entrepreneurs.

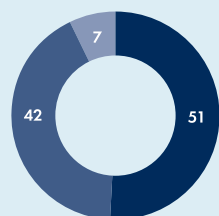
We believe in a world in which, by 2050, more than 9 billion people live well and within planetary boundaries. This is the future we are working towards in our long-term strategy towards 2030: Pioneer - Develop - Scale.

For more than 55 years we have been enabling entrepreneurs to make local economies more inclusive, productive, resilient and sustainable. We create development impact by being additional in financing the private sector in low- and middle-income countries, focusing on (1) Agribusiness, Food and Forestry, (2) Energy, and (3) Financial Institutions.

FMO has its head office in The Hague (the Netherlands) and local offices in Johannesburg (South Africa), Nairobi (Kenya), and San José (Costa Rica).

## Organization and ratings

Ownership structure %



- The State of the Netherlands
- Dutch banks
- Employers' associations, trade unions, corporate and individual investors

Ratings

**AAA**

Fitch ratings

**AAA**

Standard&Poor's

**7<sup>th</sup>**

/1020 banks  
Sustainalytics relative  
performance  
(1st=lowest risk)

**Prime**

ISS ESG rating

Employees

**892**

Total number of employees  
(headcount)

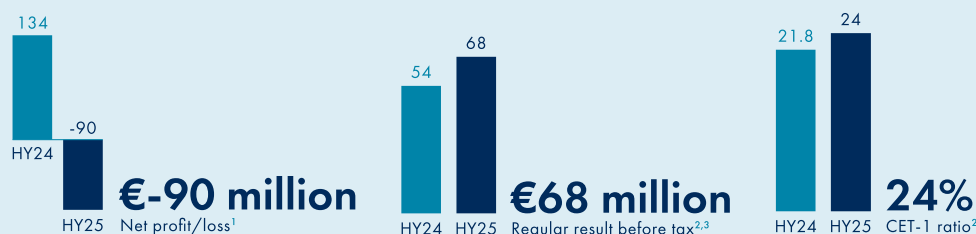
**75**

Number of nationalities

**42%**

women in senior and  
middle management

## Financial performance



1. Net loss follows mainly from depreciation of multiple currencies against EURO. Regular result remains stable.

2. This is an alternative performance measure (APM) that is not included in the financial statements.

3. Regular result before tax is calculated as regular income minus operating expenses. Regular income consists of net interest and fee income, dividend income, and remuneration for services rendered.

# Half-Year 2025 Performance

## Investing in inclusive and sustainable prosperity<sup>1</sup>

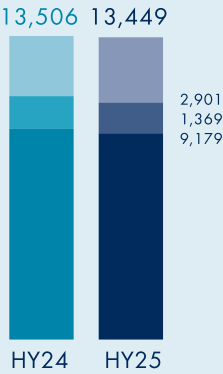


### Decent Work and Economic Growth

#### Total committed portfolio<sup>2</sup>

41% of our total committed portfolio has been labelled towards reduced inequalities and 38% towards climate action.

- Direct mobilized funds
- Public funds
- FMO's balance sheet

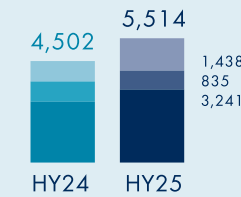


**€13,449 million**  
Total committed portfolio

of which



### Reduced Inequalities

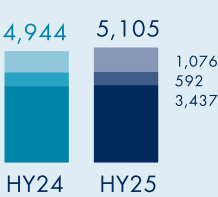


**€5,514 million**  
RI-labelled total committed portfolio

and



### Climate Action

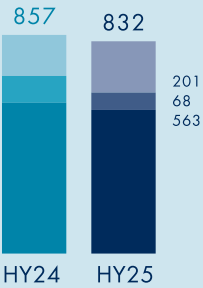


**€5,105 million**  
Green-labelled total committed portfolio

#### Total new investments<sup>2</sup>

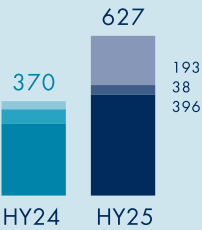
75% of our total new investment volume has been labelled towards reduced inequalities and 30% towards climate action.

- Direct mobilized funds
- Public funds
- FMO's balance sheet



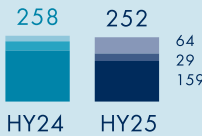
**€832 million**  
Total new investments

of which



**€627 million**  
RI-labelled total new investments

and

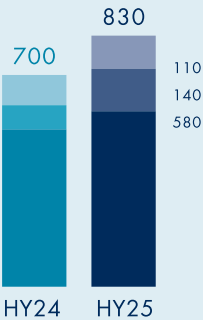


**€252 million**  
Green-labelled total new investments

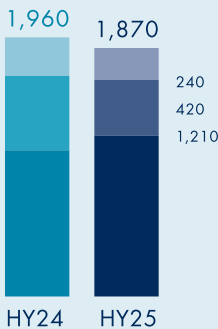
#### Other key indicators<sup>3</sup>

Our portfolio resulted in an estimated 830 thousand jobs supported and 1,870 ktCO<sub>2</sub>e financed avoided GHG emissions.

- Direct mobilized funds
- Public funds
- FMO's balance sheet



**830 thousand**  
Jobs supported



**1,870 ktCO<sub>2</sub>e**  
Total financed avoided greenhouse gas emissions

1. In addition to investments made on its own balance sheet, FMO also facilitates investments made through public finds and direct mobilized funds. The credit risk is for the providers of this capital.  
2. This is an alternative performance measure (APM) that is not included in the financial statements and is designed for steering purposes.  
3. The 2024 half-year figures have been restated in line with the restated figures disclosed in FMO's 2024 Annual Report.

# NOTE FROM THE MANAGEMENT BOARD .....

Welcome to FMO's interim report 2025. The report reflects FMO's work in the first six months of this year, showing our commitment to enabling entrepreneurs to increase inclusive and sustainable prosperity.

## Overall financial results

Our financial results for the period ending 30 June 2025 show a net loss of €90 million (HY24 profit: €134 million). Over the same period, our regular result before tax<sup>1</sup> amounted to €68 million (HY24: €54 million).

We report on our regular result before tax given the volatility of the net profit and loss due to e.g., changes in foreign exchange. The increase of the regular result compared to last year is explained by higher net interest income and dividend income, and relatively lower operating expenses. This shows a positive development of our underlying regular result before tax for the first half of 2025.

The net loss was mostly driven by the weakening of the US Dollar against the Euro, which affected the value of our private equity investments. Over the first half of 2025, the US Dollar weakened from 1.04 to 1.18 against the Euro. In addition, several other (local) currencies also depreciated against the Euro. These currency movements resulted in an unrealized foreign exchange (FX) loss of €217 million; €191 million related to the US Dollar and €26 million to other currencies. In 2024, the opposite occurred, when the US Dollar strengthened against the Euro (from 1.11 to 1.04), which helped boost our profit over 2024 by €116 million. At the same time, impairments on the loan portfolio show a positive result for the first half of 2025 following recoveries of previously written-off loans.

We aim to develop local financial markets in line with our mandate, which involves making loans and investments in foreign currency. We therefore accept this influence of e.g., the US Dollar exchange rate on our net profit and deliberately don't hedge our foreign currency position in equity investments to reduce the volatility of the capital ratio. A depreciation of the reporting currency (Euro) can significantly affect the capital ratio since our assets, hence also the risk-weighted assets (RWA), are mainly denominated in foreign currencies. The long open FX position in the equity portfolio functions as a partial hedge for our regulatory capital ratios.

The common equity tier 1 (CET-1) ratio at the end of the reporting period was 24.0% (HY24 21.8%). This increase can be explained by among others the reduction in risk-weighted assets, primarily driven by two major factors: (i) FX movements, notably a depreciation in the US Dollar position, and (ii) the implementation of Basel IV standards. Additionally, the €163 million in profit from HY2 2024 contributed to the increase of our CET-1 ratio.

## Overall impact results

As of 30 June 2025, our total committed portfolio was €13.5 billion, the same as in the first half of 2024. Of this, our Green-labelled total committed portfolio amounted to €5.1 billion (HY24: €4.9 billion) and our Reduced Inequalities (RI)-labelled total committed portfolio amounted to €5.5 billion (HY24: €4.5 billion). Compared to the end of 2024, our total committed portfolio figures show a decrease. Similar to the net profit/loss, this is mostly explained by the fluctuation of the US Dollar exchange rate: total committed portfolio increases when the US Dollar strengthens and decreases when it weakens.

Despite considerable uncertainty in our markets – outlined further in the Outlook section – we had a satisfactory first half of the year with respect to our total new investments realized, which were in line with the half year results presented last year (HY25 €830 million vs. HY24 €860 million). This is mainly driven by sector investments in Financial Institutions. Three-quarters of our total new investments thus far have been labelled RI. Through our local partners, we can reach small entrepreneurs – often women, youth, or those in rural areas. In addition, our sector investments in Agribusiness, Food & Forestry, and Energy are increasingly reaching underserved groups. The pipeline for investments in these sectors is well-developed, although challenges in the Energy market remain.

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1 Regular result excludes, among others, the unrealized foreign exchange results, the fair value of private equity investments, and impairments.



## Updates on Leadership and Compliance

As Fatoumata Bouaré's second and final term as FMO's Chief Finance & Operations Officer neared its end, Fatou joined the European Bank for Reconstruction and Development (EBRD) in London in May 2025 as Vice President, Chief Risk Officer. Michael Jongeneel will serve as interim Chief Finance & Operations Officer until her successor is appointed.

On 30 June, Peter Maila ended his time as FMO's Co-Chief Investment Officer to continue his career at Zvilo, a London-based supply chain finance company. The search for his successor is currently also underway. In the interim, FMO's other Co-Chief Investment Officer, Huib-Jan de Ruijter will take over Peter's responsibilities.

During the Annual General Meeting of shareholders on 23 April 2025, Rob Becker was appointed chair of FMO's Supervisory Board, taking over from Dirk Jan van den Berg, who stepped down from the Supervisory Board after concluding his second and final term.

In August 2023 we reported that, as a result of late notifications of unusual transactions to the Dutch Financial Intelligence Unit (FIU-NL) in 2021 and 2022, DNB decided on enforcement measures. FMO is appealing these administrative measures.

## Outlook

As we look ahead, we remain firmly committed to our mission and our Strategy 2030: Pioneer – Develop – Scale. At the same time, we are navigating an increasingly unstable and complex geopolitical landscape. Rising tensions, including the unfolding trade war and shifts in global power dynamics, bring both risks and uncertainties to the markets in which we operate. Various ongoing conflicts and wars continue to tragically impact the lives and livelihoods of millions, which deeply concerns us. We see it as our role to be countercyclical and focus on investing where it's most needed and when others shy away.

We are closely monitoring these developments and evaluating their potential implications for our operations, our partners, and the entrepreneurs we support. Through strategic forecasting exercises, we are taking a forward-looking approach to identify and prepare for plausible and impactful long-term scenarios. To sharpen our perspective and ensure we remain grounded and well-informed, we actively engage with external experts, such as the Clingendael Institute of the Netherlands.

## Responsibility statement

In accordance with Article 5:25d(2)(c) of the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*) we state that, to the best of our knowledge:

- The 2025 condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit of FMO and its consolidated undertakings;
- This Interim Report 2025 includes a fair overview of the important events that have occurred during the first six months of the financial year, and their impact on the condensed consolidated interim financial statements 2025; and
- This Interim Report 2025 includes a description of the principal risks and uncertainties for the remaining six months of the financial year.

The Hague, August 13, 2025

**Franca Vossen**, Chief Risk Officer

**Huib-Jan de Ruijter**, Co-Chief Investment Officer

**Michael Jongeneel**, Chief Executive Officer and Chief Finance and Operations Officer a.i.

# RISK DEVELOPMENTS

For a detailed overview of FMO's risk governance and risk management approach please refer to the 'Risk Management' section in FMO's 2024 Annual Report. The risk developments in the first half year of 2025 are described below.

## IFRS Reporting Requirement

Certain disclosures in this 'Risk Developments' section are an integral part of the 'Condensed consolidated interim financial statements. These sections include risk disclosures of financial instruments (IFRS 7) and capital disclosures (IAS 1). The specific sections include this introductory section and sections labelled 'Climate-related and environmental financial risk', 'Capital adequacy', 'Credit Risk', 'Equity investment risk', 'Concentration risk' and 'Market risk'.

## Climate-related and environmental financial risk

FMO defines climate-related and environmental (C&E) financial risk as the risk of any negative financial impact on FMO stemming from the current or prospective impact of climate-related and environmental factors on FMO either directly (e.g. on FMO's own operations and policies regarding its aggregate investment portfolio) or indirectly (e.g. through FMO's customers and invested assets).

In 2021, FMO began a project to embed C&E financial risks within the organization based on the European Central Bank (ECB) Guide on Climate-Related and Environmental Risks. Throughout 2024 and in 2025 as well, FMO reported quarterly portfolio scans to its Financial Risk Committee (FRC). The portfolio scan is an aggregated overview of C&E financial risks in FMO's investment portfolio (i.e. all loans and private equity exposures) and provides an initial assessment of C&E financial risk exposures in industries and geographies, offering a view of risk concentrations in the portfolio.

In 2023, FMO developed an application to operationalize climate risk assessments as part of the investment process, which supports FMO's deal teams in carrying out the climate risk assessments step by step. As of the beginning of 2024, the application has been rolled out to investment departments, enabling improved data collection and granular identification of climate-related and environmental financial risks. FMO continues to work on improving the application using an iterative approach.

As part of our supervisory discussions, De Nederlandsche Bank (DNB) has been assessing FMO's progress in managing C&E financial risks. In 2024, FMO conducted an additional materiality assessment and assessment on alignment with ECB's C&E sub-expectations. DNB provided feedback and indicated that FMO had progressed in an adequate manner. DNB expects FMO to continue advancing with regard to the integration of C&E financial risks within its risk management framework and strategy, with an expectation of reaching full compliance with the ECB Guide by 31 December 2025. FMO is also expected to periodically review, update and improve the C&E financial risk materiality assessment and to include the outcomes in its Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP).

In early 2025, FMO updated its materiality assessment and concluded that C&E financial risks are material to FMO's investment risk (credit and equity), liquidity risk, strategic/business model risk and reputation risk over the short, medium and long term. Based on current insights and the profile of FMO, it further concluded that C&E financial risks do not pose a material risk for FMO's market risk, business continuity risk or litigation risk across the different time horizons. FMO has mitigants in place for all its risk types to manage the risks within appetite. For further information, please refer to the paragraphs of the respective risk types.

In May 2025, FMO has organized a climate risk symposium, with attendance from both the Development Finance Institutions (DFI) and Multilateral Development Bank (MDB) community and the Dutch banking sectors. Representatives of over 30 organizations met at our The Hague office for a day of discussions and presentations around the topic. Keynotes were provided by our CEO Michael Jongeneel, Maarten van Aalst, Director General and Chief Science Officer of the Royal Netherlands

Meteorological Institute (KNMI) and Irene Heemskerk, head of the European Central Bank's climate change center.

## Capital adequacy

FMO complies with Capital Requirements Regulation (CRR) and Capital Requirements Directive (CRD) requirements and reports its capital ratios to the DNB every quarter. FMO calculates the capital requirement for its entire portfolio based on the standardized approach. As per 30 June 2025, the total capital ratio was 24.69%.

The reduction in risk-weighted assets (RWA) and the increase in deductions from own funds were primarily driven by two major factors: (i) foreign exchange movements, notably a 12% depreciation in the USD position, and (ii) the implementation of the new CRR 3 regulatory framework commonly referred to as Basel IV standards. The latter had a significant impact due to revised treatments of off-balance sheet exposures and collective investment undertakings (CIUs).

Additionally, the incorporation of the half-year financial result—partially offset by the issuance of Tier 2 capital instruments—contributed to a further decline in total own funds. The lower RWA, combined with a partial off-set by a reduced own funds, led to an increase in the total capital ratio of 3.4%.

FMO's capital ratio remains above the combined ratio of both the supervisory review and evaluation process (SREP) minimum, and FMO's internal requirements.

(€ x 1,000)	June 30, 2025	December 31, 2024
IFRS shareholders' equity	3,688,635	3,855,680
Tier 2 capital	300,000	250,000
Regulatory adjustments:		
- Interim profit not included in CET 1 capital	-	-166,995
- Other adjustments (deducted from CET 1)	-729,383	-425,076
- Other adjustments (deducted from Tier 2)	-216,634	-114,715
<b>Total capital</b>	<b>3,042,617</b>	<b>3,398,895</b>
<i>Of which Common Equity Tier 1 capital</i>	<i>2,959,252</i>	<i>3,263,610</i>
<b>Risk weighted assets</b>	<b>12,322,499</b>	<b>15,994,823</b>
Of which:		
- Credit and counterparty risk	9,637,988	12,243,509
- Foreign exchange	2,134,175	3,180,955
- Operational risk	527,659	554,290
- Credit valuation adjustment	22,677	16,069
Total capital ratio	24.69%	21.25%
Common Equity Tier 1 ratio	24.02%	20.40%

FMO's Total Capital Ratio increased from 21.25% percent on 31 December 2024 to 24.69% on 30 June 2025, well above the SREP, minimum and other regulatory requirements.

Under CRR provisions, FMO must deduct from regulatory capital any significant or insignificant stakes in subordinated loans and (in)direct holdings in financial sector entities exceeding approximately 10% of regulatory capital. Exposures below this threshold are subject to risk-weighting.

## Credit risk

During the first half of 2025, there were several geopolitical developments, including the (threat of) US tariffs, unrest at the India - Pakistan border and the increasing turmoil in the Middle East. FMO is closely monitoring these developments, however until now they have not had a material impact on FMO's asset quality. In addition, the conflict between Ukraine and Russia continued.

FMO's non-performing exposure (NPE) ratio slightly declined in HY2025 from 7.0% to 6.9%, with the portfolio dropping from €428 million to €378 million. Key drivers included €39 million in new NPEs, €17 million in repayments, €9 million reclassified as performing, €16 million in write-offs, and €47 million due to other movement including FX effects. The largest new NPE (€26 million) was in Mozambique's Energy sector. As in 2024, NPEs remain concentrated in Energy (€207 million) and Agribusiness (€93 million), with relatively low NPEs in Financial Institutions (€55 million) and Diverse Sectors (€23 million).

In terms of countries, NPEs are concentrated in Ukraine, Honduras and Ghana, which represented 18%, 13% and 12% of the total NPE portfolio respectively. Other countries with high NPEs are Mozambique, Nepal, Uganda and Myanmar, each representing 5%-7% of total NPEs.

Past due data for FMO's portfolio loans and receivables is shown below. This classification excludes financial assets other than loans, including interest-bearing securities and short-term deposits.

June 30, 2025					
(€ x 1,000)	Stage 1	Stage 2	Stage 3	Fair Value	Total
Loans not past due	3,873,782	422,815	128,679	631,912	5,057,188
Loans past due:					
-Past due up to 30 days	98,831	10,910	45,035	274	155,050
-Past due 30-60 days	-	4,003	25,671	12,934	42,608
-Past due 60-90 days	-	-	-	10,238	10,238
-Past due more than 90 days	-	99,255	129,200	17,481	245,936
<b>Gross Exposure</b>	<b>3,972,613</b>	<b>536,983</b>	<b>328,585</b>	<b>672,839</b>	<b>5,511,020</b>
Less: amortizable fees	-33,255	-4,729	-2,133	-19	-40,136
Less: ECL allowance	-24,263	-26,253	-134,681	-	-185,197
Less: FV adjustments	-	-	-	-31,342	-31,342
<b>Carrying amount</b>	<b>3,915,095</b>	<b>506,001</b>	<b>191,771</b>	<b>641,478</b>	<b>5,254,345</b>

December 31, 2024					
(€ x 1,000)	Stage 1	Stage 2	Stage 3	Fair Value	Total
Loans not past due	4,382,686	506,981	134,542	691,677	5,715,886
Loans past due:					
-Past due up to 30 days	97,658	16,025	13,598	-	127,281
-Past due 30-60 days	-	64,845	8,209	-	73,054
-Past due 60-90 days	-	29,446	-	-	29,446
-Past due more than 90 days	-	-	189,423	-	189,423
<b>Gross exposure</b>	<b>4,480,344</b>	<b>617,297</b>	<b>345,772</b>	<b>691,677</b>	<b>6,135,090</b>
Less: amortizable fees	-38,701	-5,674	-2,337	-	-46,712
Less: ECL allowance	-30,723	-31,694	-143,766	-	-206,183
Less: FV adjustments	-	-	-	-39,616	-39,616
<b>Carrying amount</b>	<b>4,410,920</b>	<b>579,929</b>	<b>199,669</b>	<b>652,061</b>	<b>5,842,579</b>

All interest-bearing securities (credit quality of AA or higher) and cash balances with banks (credit quality of BBB- or higher) are classified as Stage 1. An amount of €61k is calculated for the ECL of both asset classes as per 30 June 2025 (as per 31 December 2024 €60k).

The following table shows the credit quality and exposure to credit risk of the loans to the private sector at amortized cost and fair value on 30 June 2025.

June 30, 2025						
Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Fair value	Total	%
F1-F10 (BBB- and higher)	784,224	-	-	117,593	901,817	16%
F11-F13 (BB-,BB,BB+)	2,244,327	27,218	-	379,420	2,650,965	48%
F14-F16 (B-,B,B+)	839,978	122,943	-	109,103	1,072,024	20%
F17 and lower (CCC+ and lower)	104,084	386,822	328,585	66,723	886,214	16%
<b>Gross exposure</b>	<b>3,972,613</b>	<b>536,983</b>	<b>328,585</b>	<b>672,839</b>	<b>5,511,020</b>	<b>100%</b>
Less: amortizable fees	-33,255	-4,729	-2,133	-19	-40,136	
Less: ECL allowance	-24,263	-26,253	-134,681	-	-185,197	
Less: FV adjustments	-	-	-	-31,342	-31,342	
<b>Carrying amount</b>	<b>3,915,095</b>	<b>506,001</b>	<b>191,771</b>	<b>641,478</b>	<b>5,254,345</b>	

December 31, 2024						
Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Fair value	Total	%
F1-F10 (BBB- and higher)	1,027,684	-	-	40,097	1,067,781	17%
F11-F13 (BB-,BB,BB+)	2,206,347	7,293	-	429,664	2,643,304	43%
F14-F16 (B-,B,B+)	1,077,219	133,435	-	129,572	1,340,226	22%
F17 and lower (CCC+ and lower)	169,094	476,569	345,772	92,344	1,083,779	18%
<b>Gross exposure</b>	<b>4,480,344</b>	<b>617,297</b>	<b>345,772</b>	<b>691,677</b>	<b>6,135,090</b>	<b>100%</b>
Less: amortizable fees	-38,701	-5,674	-2,337	-	-46,712	
Less: ECL allowance	-30,723	-31,694	-143,766	-	-206,183	
Plus: FV adjustments	-	-	-	-39,616	-39,616	
<b>Carrying amount</b>	<b>4,410,920</b>	<b>579,929</b>	<b>199,669</b>	<b>652,061</b>	<b>5,842,579</b>	

The following table shows the credit quality and exposure to credit risk of the financial guarantees on 30 June 2025.

Financial guarantees <sup>1)</sup>	June 30, 2025			
Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Total
F1-F10 (BBB- and higher)	46,936	-	-	46,936
F11-F13 (BB-,BB,BB+)	220,240	30,473	-	250,713
F14-F16 (B-,B,B+)	-	36,089	-	36,089
F17 and lower (CCC+ and lower)	40,593	1,256	16,309	58,158
<b>Sub-total</b>	<b>307,769</b>	<b>67,818</b>	<b>16,309</b>	<b>391,896</b>
ECL allowance	-622	-461	-1,878	-2,961
<b>Total</b>	<b>307,147</b>	<b>67,357</b>	<b>14,431</b>	<b>388,935</b>

<sup>1</sup> Financial guarantees represent €187 million classified as contingent liabilities and €205 million classified as irrevocable facilities.



## Financial guarantees<sup>1)</sup>

December 31, 2024

Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Total
F1-F10 (BBB- and higher)	50,037	-	-	50,037
F11-F13 (BB-,BB,BB+)	293,199	-	-	293,199
F14-F16 (B-,B,B+)	12,238	28,502	-	40,740
F17 and lower (CCC+ and lower)	45,702	2,117	24,553	72,372
<b>Sub-total</b>	<b>401,176</b>	<b>30,619</b>	<b>24,553</b>	<b>456,348</b>
ECL allowance	-1,137	-296	-1,386	-2,819
<b>Total</b>	<b>400,039</b>	<b>30,323</b>	<b>23,167</b>	<b>453,529</b>

<sup>1)</sup> Financial guarantees represent €193m classified as contingent liabilities and €263m classified as irrevocable facilities.

The following table shows the credit quality and exposure to credit risk of the loan commitments to the private sector on 30 June 2025. These represent contracts signed but not yet disbursed.

## Loans commitments

June 30, 2025

Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Other <sup>1)</sup>	Total
F1-F10 (BBB- and higher)	3,944	-	-	42,481	46,425
F11-F13 (BB-,BB,BB+)	318,813	-	-	4,274	323,087
F14-F16 (B-,B,B+)	156,971	59,769	-	-	216,740
F17 and lower (CCC+ and lower)	7,961	49,149	14,355	-	71,465
<b>Total nominal amount</b>	<b>487,689</b>	<b>108,918</b>	<b>14,355</b>	<b>46,755</b>	<b>657,717</b>
ECL allowance	-2,614	-6,023	-251	-	-8,888
<b>Total</b>	<b>485,075</b>	<b>102,895</b>	<b>14,104</b>	<b>46,755</b>	<b>648,829</b>

<sup>1)</sup> Loan commitments for which no ECL is calculated (Fair Value loans).

December 31, 2024

Indicative counterparty credit rating scale of S&P (€ x 1,000)	Stage 1	Stage 2	Stage 3	Other <sup>1)</sup>	Total
F1-F10 (BBB- and higher)	23,094	-	-	140,097	163,191
F11-F13 (BB-,BB,BB+)	301,222	-	-	3,225	304,447
F14-F16 (B-,B,B+)	288,950	63,139	-	-	352,089
F17 and lower (CCC+ and lower)	58,431	38,008	7,388	-	103,827
<b>Total nominal amount</b>	<b>671,697</b>	<b>101,147</b>	<b>7,388</b>	<b>143,321</b>	<b>923,553</b>
ECL allowance	-4,742	-5,443	-397	-	-10,582
<b>Total</b>	<b>666,955</b>	<b>95,704</b>	<b>6,991</b>	<b>143,321</b>	<b>912,971</b>

<sup>1)</sup> Loan commitments for which no ECL is calculated (Fair Value loans).

The following tables show the changes in loans, financial guarantees and loan commitments. Additions in the tables include newly originated exposures, as well as drawdowns on existing exposures.

**Changes in Loans to the private sector at AC in 2025 (€ x 1,000)**

	Stage 1		Stage 2		Stage 3		Total	
	Gross amount	ECL allowance	Gross amount	ECL allowance	Gross amount	ECL allowance	Gross amount	ECL allowance
At January 1, 2025	4,441,643	-30,723	611,623	-31,694	343,435	-143,766	5,396,701	-206,183
Additions	688,342	-7,270	22,184	-1,179	-	-	710,526	-8,449
Exposure derecognised or matured/lapsed (excluding write offs)	-669,623	1,171	-43,549	879	-13,791	3,100	-726,963	5,150
Transfers to Stage 1	146,374	-4,326	-146,374	4,326	-	-	-	-
Transfers to Stage 2	-172,991	3,831	172,991	-3,831	-	-	-	-
Transfers to Stage 3	-	-	-30,974	1,842	30,974	-1,842	-	-
Modifications of financial assets (including derecognition)	1,682	-	2,243	-	10,382	-	14,307	-
Changes in risk profile (including changes in accounting estimates)	-	9,705	-	473	-	-12,217	-	-2,039
Amounts written off	-	-	-	-	-5,406	5,406	-5,406	5,406
Changes in amortizable fees	696	-	551	-	391	-	1,638	-
Premium/Discount	-22	-	-	-	-	-	-22	-
Changes in accrued income	-227	-	-204	-	-2,146	-	-2,577	-
Foreign exchange adjustments	-496,516	3,349	-56,237	2,931	-37,387	14,638	-590,140	20,918
<b>At June 30, 2025</b>	<b>3,939,358</b>	<b>-24,263</b>	<b>532,254</b>	<b>-26,253</b>	<b>326,452</b>	<b>-134,681</b>	<b>4,798,064</b>	<b>-185,197</b>

**Changes in Loans to the private sector at AC in 2024**

	Stage 1		Stage 2		Stage 3		Total	
	Gross carrying amount	ECL allowance	Gross carrying amount	ECL allowance	Gross carrying amount	ECL allowance	Gross carrying amount	ECL allowance
Balance at January 1, 2024	3,603,340	-26,306	508,602	-32,811	438,186	-195,288	4,550,128	-254,405
Additions	1,629,433	-11,276	36,858	-8,294	-	-	1,666,291	-19,570
Exposure derecognised or lapsed	-924,954	2,385	-92,211	7,658	-52,613	36,836	-1,069,778	46,879
Transfers to Stage 1	191,123	-15,336	-191,123	15,336	-	-	-	-
Transfers to Stage 2	-247,643	6,026	304,347	-10,986	-56,704	4,960	-	-
Transfers to Stage 3	-21,092	410	-16,480	2,078	37,572	-2,488	-	-
Modifications of financial assets (including derecognition)	-29,004	-	33,400	-	6,348	-	10,744	-
Changes in risk profile (including changes in accounting estimates)	-	15,272	-	-3,086	-	-29,329	-	-17,143
Consolidation of group entities	18,216	-211	-	-	2,996	-651	21,212	-862
Amounts written off/disposals	-	-	-	-	-53,283	53,283	-53,283	53,283
Changes in amortizable fees	-2,819	-	1,138	-	972	-	-709	-
Premium / discount	-26	-	-18	-	-	-	-44	-
Changes in accrued income	6,230	-	-1,905	-	-2,992	-	1,333	-
Foreign exchange adjustments	218,839	-1,687	29,015	-1,589	22,953	-11,089	270,807	-14,365
<b>Balance at December 31, 2024</b>	<b>4,441,643</b>	<b>-30,723</b>	<b>611,623</b>	<b>-31,694</b>	<b>343,435</b>	<b>-143,766</b>	<b>5,396,701</b>	<b>-206,183</b>

The full contractual amount of assets that were written off during the current and prior reporting period are still subject to enforcement activity.

**Movement  
financial  
guarantees<sup>1</sup> in  
2025 (€ x  
1,000)**

	Stage 1		Stage 2		Stage 3		Total	
	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance
Balance at January 1, 2025	401,176	-1,137	30,619	-296	24,553	-1,386	456,348	-2,819
Additions	18,940	-72	45,252	-390	-	-	64,192	-462
Exposures matured (excluding write-offs)	-48,523	369	-	-	-1,839	864	-50,362	1,233
Changes to models and inputs used for ECL calculations	-	119	-	184	-	-1,510	0	-1,207
Foreign exchange adjustments	-63,824	99	-8,053	41	-6,405	154	-78,282	294
<b>Balance at June 30, 2025</b>	<b>307,769</b>	<b>-622</b>	<b>67,818</b>	<b>-461</b>	<b>16,309</b>	<b>-1,878</b>	<b>391,896</b>	<b>-2,961</b>

<sup>1</sup> Financial guarantees represent €187 million classified as contingent liabilities and €205 million classified as irrevocable facilities.

**Movement  
financial  
guarantees<sup>1</sup> in  
2024 (€ x  
1,000)**

	Stage 1		Stage 2		Stage 3		Total	
	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance	Outstanding exposure/ Nominal amount	ECL allowance
Balance at January 1, 2024	303,741	-935	20,853	-507	25,814	-9,837	350,408	-11,279
Additions	240,775	-993	-	-	-	-	240,775	-993
Exposures matured (excluding write-offs)	-97,542	533	-20,681	557	-40,973	7,589	-159,196	8,679
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-26,673	160	26,673	-160	-	-	-	-
Transfers to Stage 3	-29,782	148	-	-	29,782	-148	-	-
Changes to models and inputs used for ECL calculations	-	-33	-	-82	-	1,334	-	1,219
Foreign exchange adjustments	10,657	-17	3,774	-104	9,930	-324	24,361	-445
<b>Balance at December 31, 2024</b>	<b>401,176</b>	<b>-1,137</b>	<b>30,619</b>	<b>-296</b>	<b>24,553</b>	<b>-1,386</b>	<b>456,348</b>	<b>-2,819</b>

<sup>1</sup> Financial guarantees represent €193 million classified as contingent liabilities and €263 million classified as irrevocable facilities.

**Movement of loan commitments in 2025 (€ x 1,000)**

	Stage 1		Stage 2		Stage 3		Total	
	Nominal amount	ECL allowance	Nominal amount	ECL allowance	Nominal amount	ECL allowance	Nominal amount	ECL allowance
Balance at January 1, 2025	671,697	-4,742	101,147	-5,443	7,388	-397	780,232	-10,582
Additions	734,880	-2,190	-	-	-	-	734,880	-2,190
Exposures derecognized or matured (excluding write-offs)	-820,082	3,266	-3,650	104	-412	-	-824,144	3,370
Transfers to Stage 1	-	-	-	-	-	-	0	0
Transfers to Stage 2	-35,507	834	35,507	-834	-	-	0	0
Transfers to Stage 3	-	-	-9,092	419	9,092	-419	0	0
Changes to models and inputs used for ECL calculations	-	-108	-	-960	-	366	0	-702
Changes due to modifications not resulting in derecognition	-	-	-	-	265	-	265	0
Amounts written off	-	-	-	-	-	-	0	0
Foreign exchange adjustments	-63,299	326	-14,994	691	-1,978	199	-80,271	1,216
<b>Balance at June 30, 2025</b>	<b>487,689</b>	<b>-2,614</b>	<b>108,918</b>	<b>-6,023</b>	<b>14,355</b>	<b>-251</b>	<b>610,962</b>	<b>-8,888</b>

**Movement of loan commitments in 2024 (€ x 1,000)**

	Stage 1		Stage 2		Stage 3		Total	
	Nominal amount	ECL allowance	Nominal amount	ECL allowance	Nominal amount	ECL allowance	Nominal amount	ECL allowance
Balance at January 1, 2024	565,739	-3,092	126,642	-6,457	4,509	-	696,890	-9,549
Additions	3,290,691	-7,358	-	-	-	-	3,290,691	-7,358
Exposures derecognized or matured (excluding write-offs)	-3,220,099	6,108	-41,814	4,148	-4,293	-	-3,266,206	10,256
Transfers to Stage 1	9,390	-421	-9,390	421	-	-	-	-
Transfers to Stage 2	-25,181	267	25,181	-267	-	-	-	-
Transfers to Stage 3	-	-	-6,510	510	6,510	-510	-	-
Changes to models and inputs used for ECL calculations	-	88	-	-3,280	-	133	-	-3,059
Consolidation of group entities	15,823	-135	-	-	-	-	15,823	-135
Changes due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Foreign exchange adjustments	35,334	-199	7,038	-518	662	-20	43,034	-737
<b>Balance at December 31, 2024</b>	<b>671,697</b>	<b>-4,742</b>	<b>101,147</b>	<b>-5,443</b>	<b>7,388</b>	<b>-397</b>	<b>780,232</b>	<b>-10,582</b>

The modelling methodologies applied in determining expected credit loss (ECL) in the current period are consistent with those applied in the financial year ending 31 December 2024.

The macroeconomic scenarios model parameters were updated following the publication of new macroeconomic outlooks by the International Monetary Fund (IMF) in April 2025 (October 2024). The updates of the model parameters based on GDP forecast caused new point-in-time adjustments to the probability of defaults in the impairment model, leading to a decrease of €0.6 million in combined stage-1 and stage-2 impairment charges.

IMF GDP % Growth Forecasts	2025	2024
Türkiye	2.7	3.2
India	6.2	6.5
Georgia	6.0	9.4
Argentina	5.5	-1.7
Nigeria	3.0	3.4
Uganda	6.1	6.3
Armenia	4.5	5.9
South Africa	1.0	0.6
Mongolia	6.0	4.9
Kenya	4.8	4.5
Ivory Coast	6.3	6.0
Ukraine	2.0	3.5

The following tables outline the impact of various scenarios on the ECL allowance.

(€ x 1,000)	Total unweighted amount per ECL scenario	Probability	Loans to the private Sector	Guarantees	Bonds and cash	Total
ECL scenario:						
Upside	177,018	2%	3,491	48	2	3,541
Base case	197,128	50%	97,043	1,481	40	98,564
Downside	229,022	48%	108,089	1,802	39	109,930
<b>Total at June 30, 2025</b>			<b>208,623</b>	<b>3,331</b>	<b>81</b>	<b>212,035</b>

(€ x 1,000)	Total unweighted amount per ECL scenario	Probability	Loans to the private Sector	Guarantees	Bonds and cash	Total
ECL scenario:						
Upside	194,826	2%	3,852	43	1	3,897
Base case	219,653	50%	108,382	1,410	34	109,826
Downside	261,515	48%	123,646	1,848	33	125,527
<b>Total at December 31, 2024</b>			<b>235,880</b>	<b>3,301</b>	<b>68</b>	<b>239,250</b>

June 30, 2025			
(€ x 1,000)	Loans to the private sector (Amortised Cost)	Loans to the private sector (Fair value)	Total
Performing	4,509,595	623,517	5,133,112
of which: performing but past due > 30 days and <=90 days	4,003	-	4,003
of which: performing forborne	139,935	9,856	149,791
Non Performing	328,586	49,322	377,908
of which: non performing forborne	177,419	31,173	208,592
of which: impaired	167,342	-	167,342
<b>Gross exposure</b>	<b>4,838,181</b>	<b>672,839</b>	<b>5,511,020</b>
Less: amortizable fees	-40,117	-19	-40,136
Less: ECL allowance	-185,197	-	-185,197
Plus: fair value adjustments	-	-31,342	-31,342
<b>Carrying amount at June 30</b>	<b>4,612,867</b>	<b>641,478</b>	<b>5,254,345</b>



December 31, 2024

(€ x 1,000)	Loans to the private sector (Amortised Cost)	Loans to the private sector (Fair value)	Total
Performing	5,097,642	609,262	5,706,904
of which: performing but past due > 30 days and <=90 days	-	-	-
of which: performing forborne	145,591	2,488	148,079
Non Performing	345,771	82,415	428,186
of which: non performing forborne	225,767	50,798	276,565
of which: impaired	216,080	-	216,080
<b>Gross exposure</b>	<b>5,443,413</b>	<b>691,677</b>	<b>6,135,090</b>
Less: amortizable fees	-46,712	-	-46,712
Less: ECL allowance	-206,183	-	-206,183
Plus: fair value adjustments	-	-39,616	-39,616
<b>Carrying amount at December 31</b>	<b>5,190,518</b>	<b>652,061</b>	<b>5,842,579</b>

## Equity investment risk

The first half of 2025 was marked by continued global uncertainty, driven by geopolitical tensions, fluctuating commodity prices and changing trade policies, which significantly impacted fiscal and monetary policies. This uncertainty also affected the flow of foreign direct investment (FDI) to our geographies. Despite some reduction in inflation rates compared to the peaks of 2022/23, inflationary pressures persisted, and interest rates remained elevated as central banks continued their efforts to control inflation and stabilize their economies. Despite a weaker USD impacting our financial performance in HY2025 negatively, the Private Equity portfolio's diverse geography and sectors supported a slight increase in underlying value.

## Concentration risk

Concentration risk is the risk that FMO's exposures are overly concentrated within or across different risk categories. Concentration risk could trigger losses large enough to threaten our financial stability. We ensure strong diversification within FMO's Emerging Market portfolio through stringent limits on individual counterparties, sectors, countries and regions.

## Country risk

Country risk arises from country-specific events that adversely impact FMO's exposure to a specific country. They include any factors that can impact FMO's portfolio within a country. These include economic, banking or currency crises, sovereign defaults and political-risk events. To ensure FMO's Emerging Market portfolio is sufficiently diverse, we use a country- and sector-limit framework. Country limits range from 8% to 22% of FMO's shareholders' equity, depending on the country rating, with higher limits in less risky countries. Sectoral exposures are limited to 50% of the country limit for each sector in any given country.

Country and sector concentration limits were within the risk appetite during the first six months of 2025.

In 2025, to support dynamic and selective country risk management, FMO introduced the possibility of increasing country limits by up to 2% of shareholder equity for a maximum of five countries—subject to a request from the Investment Departments and FRC approval and without exceeding the overall 22% cap. Criteria for defining a country as 'strategic' were also refined. In June 2025, the FRC approved limit increases for Türkiye, Egypt and Argentina.

## Market risk

### Currency risk

FMO's appetite for market risk is low and direct currency risk is largely hedged to remain within conservative boundaries. Exposures are hedged through matching currency characteristics of assets with liabilities, or through derivative transactions such as cross-currency swaps and FX forwards

conducted with either commercial parties or The Currency Exchange Fund (TCX Fund). Most currency exposures are micro-hedged to US dollars, with the USD position managed on a portfolio basis. Given that FMO operates in both EUR and USD simultaneously, a more tailored approach is required for USD FX position compared to other foreign currencies.

FMO does not take active positions in any currency for the purposes of making a profit. Each individual currency is managed within a strict position limit and an overall appetite level is set at 1% of shareholders' equity for the total open position across all currencies. Additionally, FMO deliberately maintains an unhedged foreign currency position in equity investments in order to manage the volatility of the capital ratio. By managing a structural open currency position, FMO can stabilize the capital ratio, but simultaneously increases the sensitivity of P&L (and thus shareholders' equity) towards currency movements. Individual and total open currency positions were within risk appetite during the first six months of 2025.

**Sensitivity of profit & loss account and shareholders' equity to main foreign currencies (€ x 1,000)**

Change of value relative to the euro	June 30, 2025		December 31, 2024	
	Sensitivity of profit & loss account <sup>1</sup>	Sensitivity of shareholders' equity <sup>2</sup>	Sensitivity of profit & loss account <sup>1</sup>	Sensitivity of shareholders' equity <sup>2</sup>
USD value increase of 10%	174,839	17,490	200,957	19,122
USD value decrease of 10%	-174,839	-17,490	-200,957	-19,122
INR value increase of 10%	8,205	-	8,866	-
INR value decrease of 10%	-8,205	-	-8,866	-
UZS value increase of 10%	4,495	-	4,497	-
UZS value decrease of 10%	-4,495	-	-4,497	-

<sup>1</sup> The sensitivities employ simplified scenarios. The sensitivity of the profit & loss account and shareholders' equity to possible changes in the main foreign currencies is based on the immediate impact on the financial assets and liabilities held at half year and year-end, including the effect of hedging instruments

<sup>2</sup> Shareholders' equity is sensitive to equity investments valued at fair value through other comprehensive income.

## Interest Rate Risk in the banking book

Interest rate risk is the risk of potential loss due to adverse changes in interest rates. Changing interest rates mainly influence the fair value of fixed interest balance sheet items, and affect our earnings by altering interest-rate-sensitive income and expenses, which in turn affects our net interest income (NII). FMO's appetite for interest rate risk is low and we do not take any active interest rate positions for the purposes of making a profit.

The interest rate gap and basis point value exposure are monitored each week against limits set by the FRC. The delta of the economic value of equity appetite breach limit is defined in the risk appetite framework and set at 5% of Tier I. The NII-at-Risk limit is defined in the risk appetite framework, with the appetite breach limit set at 1% of Tier I. Despite volatile rates in the United States, Europe and globally, our positions have remained within limits during the first half year of 2025.

## Regulatory compliance risk

Regulatory compliance risk is the risk that FMO does not operate in accordance with the applicable rules and regulations, either by not identifying applicable regulations (or not doing so in time), or not adequately implementing and adhering to applicable regulations and related internal policies and procedures. As a licensed bank, FMO is subject to regulations across a wide range of topics. This section covers certain material regulatory updates relevant to FMO for this and upcoming years.

## Basel IV

The new EU legislative package on the Capital Requirements Regulation (CRR3) and Capital Requirements Directive (CRD6) implementing the Basel IV standards within the EU was published on 19

June 2024. The CRR3 largely applies to FMO with effect from 1 January 2025, with a phase-in approach. The CRD6 will enter into force following its transposition in January 2026. The market risk framework under the new legislative package might also enter into force on 1 January 2026, with the possibility of one additional year postponement following the proposal of the EC.

In addition to the implementation of Basel IV standards, the legislative package introduced new rules requiring banks to systematically identify, disclose and manage sustainability risks (ESG risks), and stronger enforcement tools for supervision of EU banks. FMO has set up a bank-wide project for the timely and compliant implementation of the CRR3/CRD6 amendments that required changes to FMO's internal policies, systems and processes, ensuring compliance with the new legislative package. Under the new regulatory framework, FMO is required to apply a higher capital charge for some types of credit risk exposures, which has already been implemented, and potential future charges for market risk. You can find a more detailed description of the changes that will have an impact on FMO in our 2024 Annual Report.

## Corporate Governance Code

In March 2025, the Dutch Corporate Governance Code was amended with a statement on Risk Management ('Verklaring omtrent Risicobeheersing', or VOR). The VOR implies a broader statement by the Management Board on FMO's operational and compliance risks and on its sustainability reporting. It is applicable for the first time (as part of the 'In control statement') for the 2025 Annual Report.

## Digital Operational Resilience Act

The Digital Operational Resilience Act (DORA) is a European regulation aimed at establishing a uniform and comprehensive framework for digital operational resilience across the EU financial sector. DORA provides a single set of rules for the use of ICT systems by financial institutions, focusing on governance and board responsibilities, ICT risk management, security and business continuity, resilience testing, and third-party risk management. DORA (including underlying applicable rules) applies from 17 January 2025. Implementation of the DORA project within FMO has progressed significantly with the majority of the controls integrated into the Internal control framework. With the support of an external party, FMO is reviewing implementation of DORA. FMO aims to have implemented the remaining items by the end of 2025.

## Corporate Sustainability Reporting Directive

The Corporate Sustainability Reporting Directive (CSRD) entered into force in 2023. It revises and extends the requirements of its predecessor, the Non-Financial Reporting Directive (NFRD). As a large public-interest entity, FMO falls under the scope of the NFRD and will be among the first tranche of institutions required to implement the CSRD. The CSRD will require organizations to report in line with the European Sustainability Reporting Standards (ESRS). FMO issued its first report following the ESRS in 2025, covering the financial year 2024. FMO plans to publish its second report in 2026, covering the financial year 2025, while taking into account potential regulatory changes stemming from the EU Omnibus proposal.

## EU Taxonomy

In 2020, the European Commission introduced a taxonomy for sustainable activities. This is a classification system that defines criteria for economic activities that are aligned with a net-zero trajectory by 2050, and with broader environmental goals beyond climate alone. Since 2023, banks have been required to report their level of taxonomy alignment with the first two environmental objectives (climate change mitigation and climate change adaptation), and their taxonomy eligibility on all six environmental objectives (the two above, plus sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems). FMO reported these rules in our 2023 and 2024 Annual Report and plans to continue reporting in line with the framework as it evolves, taking into account potential regulatory changes stemming from the EU Omnibus proposal. A more detailed description of our compliance with EU Taxonomy, along with its applicability to our activities, can be found in the FMO 2024 Annual Report.

## EU AML/CFT Legislative package

In July 2021, the EU published its AML/CFT (Anti-Money Laundering and Countering the Financing of Terrorism) Legislative package, which included four legislative proposals: (i) a regulation establishing the

new EU AML Authority, (ii) the revision of the 2015 Regulation on Transfers of Funds, (iii) the 6th Directive on AML/CFT and (iv) a new Regulation on AML/CFT. The Regulation on AML/CFT is relevant for FMO as it contains the majority of legal requirements currently contained in the 5th AML/CFT Directive (e.g. requirements on CDD, FIU reporting, UBO and PEP), as well as certain new legal requirements. The package was adopted in May 2024 and is expected to enter into force in 2027.

## EBA Guidelines on restrictive measures

On 14 November 2024, the European Banking Authority (EBA) published its final report regarding the Guidelines on 'internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures'. The aim of the Guidelines is to ensure the effective management of legal risks relating to the violation of Union restrictive measures. FMO has conducted an impact assessment and is in the process of implementing the Guidelines where required. The Guidelines will become applicable on 30 December 2025.

## New fiscal qualification policy for legal forms (Wet Fiscale Kwalificatie rechtsvormen)

As of 2025 a change has been introduced in the Dutch Corporate income tax regulations (Wet VPB), changing the fiscal qualification of partnership-like vehicles, resulting in a change of fiscal qualification of a large number of FMO's investments in Private Equity Funds. The effect of the change is that vehicles become tax transparent due to which FMO must report its pro rata share of the Funds' balance sheet assets and income. Therefore, a smaller number of PE Fund investments will qualify for the participation exemption. FMO is in the process of fully assessing the impact of the new legislation and is developing a reporting framework to ensure accurate and consistent reporting of this impact. This is expected to be completed by the end of 2025. Based on a high-level estimate, the impact is considered to be immaterial for the 2025 condensed consolidated interim financial statements.

## EMIR 3.0

EMIR 3.0 came into force on 24 December 2024, requiring FMO to begin preparations for implementation. FMO conducted a detailed impact assessment on its derivatives business, based on the draft Regulatory Technical Standards (RTS). The assessment revealed that FMO is below the €3 billion threshold for the relevant interest rate categories, on an ongoing monthly and rolling 12-month basis, making it exempt from the Active Account Requirement (AAR). Most action items, such as building a €3 billion threshold monitoring tool into the Treasury ALM, have been completed, while the remaining action items, such as data quality control and a new reporting system for all trades cleared through non-EEA clearing houses are on hold pending publication of relevant (draft) RTS.

## Financial Economic Crime Risk

Financial Economic Crime (FEC) risk remains a critical area of focus for safeguarding the integrity of FMO and the financial system. Given this priority, FMO is committed to complying with applicable laws and regulations. Both internal and external monitoring along with auditing provide assurance that FMO is in control of its FEC risk. However, ongoing attention to the quality of the FEC framework is pivotal in further strengthening the framework, as well as being able to adapt to new and emerging risks. As part of our ongoing efforts to incorporate learnings, FMO conducts regular reviews of its FEC policies and framework.

Compliance department continues to monitor Know Your Customer (KYC) files, using a sample-based approach. The sample taken is random and consists of at least 5% of all finalized KYC files in a given quarter. In addition, risk-based thematic monitoring is conducted by Compliance on specific topics and processes. Thematic monitoring topics focus on FMO's highest inherent risks according to the Systematic Integrity Risk Analysis (SIRA).

FMO is conducting a review of the organization-wide SIRA. The primary objective is to re-assess and re-validate the organization's top inherent integrity risks and the effectiveness of existing mitigation measures. In addition, SIRA aims to identify emerging risks and evaluate FMO's exposure to these developments. The SIRA process will assess whether current mitigation strategies are adequate or require enhancement.

In August 2023 we reported that, as a result of late notification of unusual transactions to the Dutch Financial Intelligence Unit (FIU-NL) in 2021 and 2022, DNB decided on enforcement measures. FMO is appealing these administrative measures.

## General Data Protection Regulation

FMO has a strong data privacy framework. Employees increasingly recognize the importance of data privacy and their role in it. Processes have been streamlined, and privacy impact is assessed early on in projects and new applications. Our focus is on continuous improvement of our data protection framework taking into account the regulatory requirements and internal developments.





# Condensed Consolidated Interim Financial Statements

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# Consolidated statement of financial position

Before profit appropriation	Notes	June 30, 2025	December 31, 2024
<b>Assets</b>			
Cash balances with Banks		185,314	43,087
Current accounts with State funds and other programs		1,172	1,336
Short-term deposits	(4.2)		
-of which: Amortized cost		1,614,521	1,111,886
-of which: Fair value through profit or loss		65,963	369,481
Other receivables		20,682	18,393
Interest-bearing securities			
-of which: Amortized cost		427,676	481,798
-of which: Fair value through profit or loss		132,435	107,596
Derivative financial instruments	(4.3)	207,780	126,339
Loans to the private sector			
-of which: Amortized cost		4,612,867	5,190,518
-of which: Fair value through profit or loss		641,478	652,061
Current tax receivables	(15)	17,377	13,297
Equity investments	(4.4)		
-of which: Fair value through OCI		184,336	201,287
-of which: Fair value through profit or loss		2,056,198	2,355,626
Investments in associates and joint ventures	(4.5)	365,671	372,073
Property, plant and equipment		14,361	16,365
Intangible assets		34,316	26,445
Accrued assets		988	-
Deferred income tax assets	(15)	9,093	9,075
<b>Total assets</b>		<b>10,592,228</b>	<b>11,096,663</b>
<b>Liabilities</b>			
Short-term credits	(5)	267,599	216,912
Current accounts with State funds and other programs		10,547	93
Derivative financial instruments	(4.3)	241,199	471,386
Other financial liabilities	(4.6)		
-of which: fair value through profit or loss		100,457	121,715
Debentures and notes	(6)	6,135,703	6,335,981
Accrued liabilities		86,963	38,683
Other liabilities		23,948	18,923
Provisions		36,857	36,780
Deferred income tax liabilities	(15)	321	510
<b>Total liabilities</b>		<b>6,903,594</b>	<b>7,240,983</b>
<b>Shareholders' equity</b>			
Share capital		9,076	9,076
Share premium reserve		29,272	29,272
Contractual reserve		3,008,466	3,008,465
Development fund		657,981	657,981
Fair value reserve		69,877	86,758
Actuarial gains/losses on defined benefit plans		-5,913	-4,380
Translation reserve		-17,326	31,030
Other reserves		26,887	26,887
Undistributed result		-89,686	10,591
<b>Shareholders' equity (parent)</b>		<b>3,688,634</b>	<b>3,855,680</b>
Non-controlling interests		-	-
<b>Total shareholders' equity</b>		<b>3,688,634</b>	<b>3,855,680</b>
<b>Total liabilities and shareholders' equity</b>		<b>10,592,228</b>	<b>11,096,663</b>

# Consolidated statement of profit and loss

	Notes	June 30, 2025	June 30, 2024
<b>Income</b>			
Interest income calculated using the effective interest method	(8)	251,970	245,719
Other interest income	(8)	19,024	24,619
Interest expense calculated using the effective interest method	(9)	-134,166	-110,195
Other interest expense	(9)	-14,301	-50,757
Interest expenses on leases	(9)	-40	-50
<b>Net interest income</b>		<b>122,487</b>	<b>109,336</b>
Dividend income	(10)	14,086	10,151
Results from equity investments	(11)	-219,116	52,967
<b>Total results from equity investments</b>		<b>-205,030</b>	<b>63,118</b>
Fee and commission income		5,184	2,521
Fee and commission expense		-7,108	-6,865
<b>Net fee and commission income</b>	<b>(12)</b>	<b>-1,924</b>	<b>-4,344</b>
Net results from financial transactions	(13)	4,114	6,737
Remuneration for services rendered	(14)	14,426	15,011
Gains and losses due to derecognition		12	986
Other operating income		6	1
<b>Total other income</b>		<b>18,558</b>	<b>22,735</b>
<b>Total income</b>		<b>-65,909</b>	<b>190,845</b>
<b>Operating expenses</b>			
Staff costs		-70,055	-67,460
Administrative expenses		-13,641	-12,346
Depreciation, amortisation and impairment of PP&E and intangible assets		-5,871	-4,731
Other operating expenses		-573	-258
<b>Total operating expenses</b>		<b>-90,140</b>	<b>-84,795</b>
<b>Impairments on</b>			
Interest-bearing securities		-13	12
Loans		32,066	14,155
Loan commitments		530	-53
Guarantees issued		-381	10,299
<b>Total impairments</b>		<b>32,202</b>	<b>24,413</b>
<b>Results on associates/joint ventures</b>			
Share of the profit or loss of associates and joint ventures accounted for using the equity method		34,152	14,501
<b>Profit/(loss) before taxation</b>		<b>-89,695</b>	<b>144,964</b>
Income tax	(15)	9	-10,697
<b>Net profit/(loss)</b>		<b>-89,686</b>	<b>134,267</b>
<b>Net profit/(loss) attributable to</b>			
Owners of the parent company		-89,686	134,267
Non controlling interests		-	-
<b>Net profit/(loss)</b>		<b>-89,686</b>	<b>134,267</b>

# Consolidated statement of comprehensive income

	Notes	June 30, 2025	June 30, 2024
<b>Net profit/(loss)</b>		<b>-89,686</b>	<b>134,267</b>
<b>Other comprehensive income</b>			
Share of other comprehensive income of associates due to exchange differences		-48,356	10,001
Income tax effect		-	-
<b>Items to be reclassified to profit and loss</b>		<b>-48,356</b>	<b>10,001</b>
Changes in the fair value of equity instruments at FVOCI		-17,070	14,069
Actuarial gains/losses on defined benefit plans		-2,066	5,263
Income tax effect		722	-4,988
<b>Items not reclassified to profit and loss</b>		<b>-18,414</b>	<b>14,344</b>
<b>Total other comprehensive income, net of tax</b>		<b>-66,770</b>	<b>24,345</b>
<b>Total comprehensive income</b>		<b>-156,456</b>	<b>158,612</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent company		-156,456	158,612
Non-controlling interests		-	-
<b>Total comprehensive income</b>		<b>-156,456</b>	<b>158,612</b>

# Consolidated statement of changes in shareholders' equity

	Share capital	Share premium reserve	Contractual reserve	Development fund	Fair value reserve	Actuarial gains/losses on defined benefit plans	Translation reserve	Other reserves	Undistributed result	Non-controlling interests	Total
<b>Balance at December 31, 2023</b>	<b>9,076</b>	<b>29,272</b>	<b>2,721,823</b>	<b>657,981</b>	<b>65,208</b>	<b>-9,670</b>	<b>8,092</b>	<b>28,850</b>	<b>2,152</b>	<b>-</b>	<b>3,512,784</b>
Exchange differences on associates	-	-	-	-	-	-	10,001	-	-	-	10,001
Changes in the fair value of equity instruments at FVOCI	-	-	-	-	14,069	-	-	-	-	-	14,069
Actuarial gains/losses on defined benefit plans	-	-	-	-	-	5,263	-	-	-	-	5,263
Income tax effect other comprehensive income	-	-	-	-	-3,630	-1,358	-	-	-	-	-4,988
<b>Total other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,439</b>	<b>3,905</b>	<b>10,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,345</b>
Net profit / (loss) <sup>1</sup>	-	-	-	-	-	-	-	-	134,267	-	134,267
Dividend distributed	-	-	-	-	-	-	-	-	-2,152	-	-2,152
<b>Balance at June 30, 2024</b>	<b>9,076</b>	<b>29,272</b>	<b>2,721,823</b>	<b>657,981</b>	<b>75,647</b>	<b>-5,765</b>	<b>18,093</b>	<b>28,850</b>	<b>134,267</b>	<b>-</b>	<b>3,669,244</b>
<b>Balance at December 31, 2024</b>	<b>9,076</b>	<b>29,272</b>	<b>3,008,465</b>	<b>657,981</b>	<b>86,758</b>	<b>-4,380</b>	<b>31,030</b>	<b>26,887</b>	<b>10,591</b>	<b>-</b>	<b>3,855,680</b>
Exchange differences on associates	-	-	-	-	-	-	-48,356	-	-	-	-48,356
Changes in the fair value of equity instruments at FVOCI	-	-	-	-	-17,070	-	-	-	-	-	-17,070
Actuarial gains/losses on defined benefit plans	-	-	-	-	-	-2,066	-	-	-	-	-2,066
Income tax effect other comprehensive income	-	-	-	-	189	533	-	-	-	-	722
<b>Total other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-16,881</b>	<b>-1,533</b>	<b>-48,356</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-66,770</b>
Net profit / (loss) <sup>1</sup>	-	-	-	-	-	-	-	-	-89,686	-	-89,686
Dividend distributed	-	-	1	-	-	-	-	-	-10,591	-	-10,590
<b>Balance at June 30, 2025</b>	<b>9,076</b>	<b>29,272</b>	<b>3,008,466</b>	<b>657,981</b>	<b>69,877</b>	<b>-5,913</b>	<b>-17,326</b>	<b>26,887</b>	<b>-89,686</b>	<b>-</b>	<b>3,688,634</b>

<sup>1</sup> Under the Agreement State-FMO 1 July 2023, part of the net profit is added to the contractual reserve at each financial year-end. The part allocated to the contractual reserve is not distributable.



# Consolidated statement of cash flows

	Notes	June 30, 2025	June 30, 2024
<b>Operational activities</b>			
Net profit/(loss)		-89,686	134,267
Adjustment for non-cash items:			
- Result of associates and joint ventures		-34,152	-14,501
- Unrealised (gains) losses arising from changes in fair value <sup>1</sup>		-18,506	6,331
- Unrealised (gains) losses arising from changes in foreign exchange rates		204,830	-120,711
- Unrealised (gains) losses arising from other changes <sup>2</sup>		9,083	-715
- Amortization of premiums/discounts debentures and notes		38,642	1,891
- Impairments		-32,202	-24,414
- Depreciation, amortisation and impairment of PP&E and intangible assets		5,871	4,731
- Income tax expense/(gain)		-9	10,697
Changes in:			
- Income taxes payable / receivable		-4,079	2,141
- Loans		-111,233	-77,748
- Equity investments		91,014	17,105
- Other assets and liabilities <sup>3</sup>		53,023	-7,023
- Short-term deposits > 3 months <sup>3</sup>		-1,665	-91,520
- Short-term credits <sup>3</sup>		50,110	-28,759
<b>Net cash flow from operational activities</b>		<b>161,041</b>	<b>-188,228</b>
<b>Investment activities</b>			
Purchase of interest-bearing securities		-19,950	-61,128
Redemption/sale of interest-bearing securities		58,302	23,474
Investments in PP&E and intangible fixed assets		-9,988	-9,826
Disinvestments in PP&E and intangible fixed assets		5,722	1,367
Investments in associates/joint ventures		-15,367	-197
Disinvestments in associates/joint ventures		2,769	-
<b>Net cash flow from investment activities</b>		<b>21,488</b>	<b>-46,310</b>
<b>Financing activities</b>			
Proceeds from issuance of debt securities, debentures and notes	(6)	1,210,163	652,174
Redemption of debt securities, debentures and notes	(6)	-984,675	-644,681
Lease payments		-1,608	-1,645
Dividend paid		-10,591	-2,152
<b>Net cash flow from financing activities</b>		<b>213,289</b>	<b>3,696</b>
<b>Net cash flow</b>		<b>395,818</b>	<b>-230,842</b>
<b>Cash and cash equivalents</b>			
Cash balances with Banks and short term deposits at January 1		1,507,715	1,866,997
Net foreign exchange difference		-52,809	57,543
Total cash flow		395,818	-230,842
Cash balances with Banks and short term deposits at June 30		1,850,724	1,693,698
<b>Additional information on operational cash flows from interest and dividends</b>			
Interest received		275,318	263,255
Interest paid		-148,467	-160,953
Dividend received		14,086	10,151
Interest paid for lease liabilities		-40	-50
Income tax received/(paid)		-3,557	-

<sup>1</sup> Unrealized (gains) losses arising from changes in fair value related to fair value changes in loans to private sector, derivatives, equity investments, debentures and notes.

<sup>2</sup> Unrealized (gains) losses arising from other changes relate to changes in accrual and amortizable fees of financial assets and liabilities.

<sup>3</sup> Movement is excluding foreign exchange results. Foreign exchange results are included in unrealized gains (losses) arising from foreign exchange rates.

## Cash balances with Banks and short term deposits

The balance as mentioned in the cash flow statement corresponds with the following items in the consolidated statement of financial position:

Cash position maturity bucket < 3 months	June 30, 2025	December 31, 2024
Cash balances with Banks	185,314	43,087
Short term deposits measured at AC	1,614,521	1,111,886
Short term deposits measured at FVPL	65,963	369,481
-of which > 3 months	-15,074	-16,739
<b>Cash balances with Banks and short term deposits &lt; 3 months</b>	<b>1,850,724</b>	<b>1,507,715</b>

## Notes to the condensed consolidated interim financial statements

### 1 Corporate information

FMO was incorporated in 1970 as a public limited company with 51% of shares held by the Dutch Government and 49% held by commercial banks, state unions and other members of the private sector. The company is located at Anna van Saksenlaan 71, The Hague, The Netherlands and is registered under ID 27078545 in the Chamber of Commerce. FMO finances activities in emerging markets and developing economies to stimulate private sector development. In addition, FMO provides services in relation to government and public funds and programs.

The 2025 condensed consolidated interim financial statements of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (hereafter referred to as 'FMO' or 'the company') were prepared by the members of the Management Board and signed by all members of the Management Board and the Supervisory Board on August 13, 2025.

### Financing and investing activities

FMO is the Dutch entrepreneurial development bank. We support sustainable private sector growth in developing and emerging markets by investing in entrepreneurs. We specialize in sectors where our contribution can have the highest long-term impact: Financial Institutions, Energy and Agribusiness, Food & Forestry (Formerly Agribusiness, Food & Water).

FMO's main activity consists of providing loans, guarantees and equity capital to the private sector in the emerging markets and developing economies. Furthermore, FMO offers institutional investors access to its expertise in responsible emerging markets investing through its subsidiary FMO Investment Management B.V.

We arrange syndicated loans to mobilize funds, by bringing together investors – commercial banks and other development finance institutions (DFIs) - with FMO for structuring these transactions. This enables us to provide our clients with increased access to finance and more diversified lending, while giving our financial partners efficient opportunities to enter new markets.

### Commercial fund management

FMO's subsidiary, FMO Investment Management B.V. (FMO IM), provides facility/investment management services for third party investment funds, which are invested in FMO's transactions in emerging and developing markets. Through these funds FMO IM offers investors access to our expertise in responsible emerging market investing.

### Services in relation to government and public funding

Apart from financing activities from its own resources, FMO provides loans, guarantees and equity capital from government funding, within the conditions and objectives stipulated in the agreements. The Dutch Government funding consists of subsidies provided under the General Administrative Law Act regarding MASSIF, Access to Energy Fund (AEF), Building Prospects (BP) and Dutch Fund for Climate and Development (DFCD). In addition, funding is provided by the UK Government for the Mobilizing Finance for Forests (MFF) program.

In 2024 FMO in conjunction with the European Commission (EC) and the Dutch Government established the DFCD Aya program which expanded on the existing DFCD program. This initiative resulted in FMO providing a loan commitment of

€240 million to the program, of which €105 million is covered by financial guarantee from the EC. As a result of this financial interest, and taking into account the control FMO exercises over part of the program, FMO now consolidates the Land Use Facility (LUF) part of DFCD for financial reporting purposes.

Furthermore, the FMO Ventures Program and the LUF are programs involving FMO, the Dutch State and European Commission. The FMO Ventures Program facilitates investments in young startups and scale ups while LUF facilitates investments specifically in sectors relating to agroforestry, sustainable land use and climate resilient food production. These programs are structured entities that have been designed so that voting or similar rights are not a dominant factor in deciding who controls the entity and relevant activities are directed by means of contractual arrangements. FMO has control over direct relevant investment decisions and returns of these programs. Therefore, FMO has consolidated the FMO Ventures program and LUF on FMO's statement of financial position.

FMO incurs a risk in MASSIF as it has an equity share of 2.16% (2024: 2.16%). In addition, the subsidy agreements for certain public fund programs contain provisions for FMO to return at least 75% of the subsidy amounts on the end dates of the respective programs. With respect to the remaining interest in MASSIF, and the full risk in the other government programs, FMO has a contractual right and obligation to settle the results arising from the programs' activities with the Dutch Government. The economic risks related to these funds are predominantly taken by the Dutch Government, and FMO has limited control over policy issues regarding these funds. FMO receives a remuneration fee for managing these funds. Therefore, MASSIF is not consolidated in FMO's books.

The European Development Financial Institutions Management Company (EDFI MC) (of which FMO is one of the shareholders together with the other EDFIs) was established in Brussels to manage European Commission (EC) funding for the Electri-FI global facility, the Agri-FI investment facility and the Electri-FI country facility. FMO, as accredited entity for the EC, acts as delegatee (contractee) for the EC and has sub-delegated all operational activities related to these facilities to the EDFI MC. FMO receives a fee for facilitating these activities.

FMO was accredited by Green Climate Fund (GCF) and capitalizes on FMO's experience in mobilizing and enabling the private sector in developing countries towards low-emission and climate-resilient investments. In this context, FMO has received funds from the EU, USAID and the Dutch Government with the purpose to invest directly in Climate Investor One (CIO), a facility raised by FMO and managed by Climate Fund Managers (CFM). CIO and Climate Investor Two (CI2) are blended finance, capital-recycling facilities mandated with delivering renewable energy infrastructure projects in emerging markets that contribute to each phase of a project's lifecycle. FMO receives a fee for facilitating these activities.

Mobilising Finance for Forests (MFF) was established by the UK government as a blended finance investment program to combat deforestation and other environmentally unsustainable land use practices contributing to global climate change. Through MFF, FMO has been appointed by the UK government to invest up to €172.5 million across a mix of investment funds and direct investments in tropical forest regions in Africa, Asia and Latin America. In 2024 the Dutch Government participated in the program by providing a €32.4 million commitment to MFF. The economic risks related to these funds are predominantly taken by the UK and the Dutch Government, and FMO has limited control over policy issues regarding these funds, therefore, MFF is not consolidated in FMO's books. FMO receives a remuneration fee for managing these funds.

The table provides a summary of the programs managed by FMO on behalf of the Dutch Government, UK Government and the EC. It provides an overview of the contributions made by the originating parties to date and the nature of FMO's involvement.

Program Execution Period

Program Name	Originator	Contribution to date ('000)	Start Date	End Date	Nature of Relationship with FMO	Consolidated (Yes/No)
MASSIF	Dutch ministry of foreign affairs	EUR 414,011	1-Jan-06	31-Dec-36	Public Fund Management and Investment Participation	No
BP	Dutch ministry of foreign affairs	EUR 472,012	1-Nov-01	31-Dec-28	Public Fund Management	No
Acces to Energy I	Dutch ministry of foreign affairs	EUR 210,880	1-Nov-06	31-Dec-30	Public Fund Management	No
CIO- Access to Energy II	Dutch ministry of foreign affairs	USD 56,000	1-Dec-12	1-Mar-37	Public Fund Management	No
MFF	UK Department for Energy Security and Net Zero	GBP 152,000	15-Feb-21	14-Feb-36	Public Fund Management	No
	Dutch ministry of foreign affairs	USD 33,500	1-Nov-24	14-Feb-38	Public Fund Management	
DFCD (LUF)	Dutch ministry of foreign affairs	EUR 200,000	1-Oct-24	30-Sep-37	Lender to LUF	Yes
			24-May-19	31-Dec-37	Public Fund Management	No
Market Creation Platform	Dutch ministry of foreign affairs	EUR 22,000	1-Nov-23	31-Dec-36	Public Fund Management	No
	European Commision	EUR 24,700	1-Jan-25	31-Dec-32		
Ventures	FMO, AEF, BP and MASSIF	EUR 200,000	1-Jul-20	1-Jul-37	Investment Participation	Yes

The EC and FMO have an agreement for the risk sharing facility NASIRA for an amount of €100 million. The facility uses guarantees to allow financial institutions to on-lend to underserved entrepreneurs within the European neighborhood and Sub-Saharan Africa. The guarantees are split into a loss-sharing hierarchy that is allocated between the issuing financial institution, the EC and FMO. The goal of these guarantees is to allow local financial institutions to provide loans to groups they perceive as too risky to finance without guarantees.

The EC has provided €40 million in guarantees to the FMO Ventures Program, which aims to invest €200 million in both fund and direct investments in Africa, the European Neighborhood and Asia (excluding China). In addition to equity investments, the program will also have a dedicated technical assistance program, for which the EC is providing €6.5 million, to support investees of FMO Ventures Program and promote the development of local venture capital ecosystems.

## 2 Basis of preparation and changes to accounting policies

### 2.1 Basis of preparation

These condensed consolidated interim financial statements as at June 30, 2025 have been prepared in accordance with IAS 34 of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

The accounting policies, presentation and methods of computation are consistent with those applied in the preparation of FMO's consolidated annual financial statements for the year ended December 31, 2024. The condensed consolidated interim financial statements do not include all of the information required in a complete set of financial statements prepared in line with IFRS as endorsed by the EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in FMO's financial position and performance since the last annual financial statements. These condensed consolidated interim financial statements should be read in conjunction with FMO's consolidated annual accounts as at December 31, 2024.

### 2.2 Group accounting and consolidation

The company accounts of FMO and the company accounts of the subsidiaries Asia Participations B.V., FMO Investment Management B.V., FMO Representative Office LAC Limitada, the FMO Ventures Program and the Land Use Facility (LUF,

within the Dutch Fund for Climate and Development (DFCD) program) are consolidated in these condensed consolidated interim financial statements. The entities except for the FMO Ventures Program are 100 percent owned by FMO.

FMO Representative Office LAC Limitada is FMO's representative entity in Costa Rica. The consolidation of this entity does not have a material impact on FMO's statement of financial position. Asia Participations B.V. and Equis DFI Feeder L.P. provide equity capital to companies in developing economies. FMO Investment Management B.V. carries out portfolio management activities for third party investment funds, which are invested in FMO's transactions in emerging markets and developing economies.

The FMO Ventures Program and the LUF are programs involving FMO, the Dutch State and European Commission. The FMO Ventures Program facilitates investments in young startups and scale ups while LUF facilitates investments specifically in sectors relating to agroforestry, sustainable land use and climate resilient food production. These programs are structured entities that have been designed so that voting or similar rights are not a dominant factor in deciding who controls the entity and relevant activities are directed by means of contractual arrangements. FMO has control over direct relevant investment decisions and returns of these programs. Therefore, FMO has consolidated the FMO Ventures program and LUF (for the first time in the 2024 financial year) on FMO's statement of financial position.

## 2.3 Foreign currency translation

The condensed consolidated interim financial statements are stated in euros, which is the presentation and functional currency of FMO. All amounts are denominated in thousands of euros unless stated otherwise. In accordance with IAS 21, foreign currency transactions are translated to euro at the exchange rate prevailing on the date of the transaction. At the statement of financial position date, monetary assets and liabilities are reported using the closing exchange rate. Non-monetary assets that are not measured at cost denominated in foreign currencies are reported using the exchange rate that existed when fair values were determined.

## 2.4 Adoption of new standards, interpretations and amendments

There are no new standards, interpretations or amendments adopted by the EU that have an impact on FMO.

## 2.5 Standards issued but not yet effective

FMO has assessed recently completed amendment and standard development projects expected to be effective from 2026 to 2027, FMO does not expect these amendments and new standards to have a significant impact on its consolidated financial statements, except for IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. FMO is in the process of establishing the materiality of the impact of IFRS 18. The relevant and more detailed impact assessment will be disclosed in the financial statements, as appropriate, when they have been endorsed for application within the European Union by the European Financial Reporting Advisory Group (EFRAG).

## 2.6 Estimates and assumptions

In preparing the condensed consolidated interim financial statements in conformity with IAS 34, management is required to make estimates and assumptions affected reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The same methods for making estimates and assumptions have been followed in the condensed consolidated interim financial statements as were applied in the preparation of FMO's consolidated annual accounts as at December 31, 2024.

## 2.7 Segment Reporting

The operating segments are reported in a manner consistent with internal reporting to FMO's chief operating decision maker. The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Board. FMO presents its operating segments based on servicing unit. Reference is made to the Segment Information note for more details on operating segments.

## 3 Segment information

The Management Board sets performance targets, approves and monitors the budgets prepared by servicing units. Servicing units are not identical to the strategic sectors.

FMO's strategic sectors represent the economic sectors in which FMO operates. The three strategic sectors are Agribusiness Food & Forestry, Financial Institutions and Energy, which also represent economic sectors. FMO's Management Board steers on the following five operating segments: Agribusiness, Food & Forestry, Financial Institutions, Energy, Private Equity and Other. The segment "Other" relates to the internal funding and operational activities of FMO.

FMO presents the results of the operating segments using a financial performance measure called underlying profit. Underlying profit excludes the EUR/USD currency effects related to the results from equity investments. All fair value changes including currency effects are recorded in the profit and loss account.

Underlying profit as presented below is an alternative performance measure. The table below shows a reconciliation of the underlying net profit to the IFRS-reported net profit.

At June 30, 2025	Financial Institutions	Energy	Agribusiness, Food & Forestry	Private Equity	Other	Total
Interest income	128,607	67,991	41,446	1,306	31,644	270,994
Interest expenses	-42,955	-21,705	-13,484	-36,293	-34,070	-148,507
Net fee and commission income	-1,393	586	-1,058	532	-591	-1,924
Dividend income	-	-	-	14,086	-	14,086
Results from equity investments	-	-	-	-2,560	-	-2,560
Net results from financial transactions	-4,044	338	-853	13,887	-5,214	4,114
Remuneration for services rendered	2,326	1,940	2,237	6,360	1,563	14,426
Gains and losses due to recognition	-10	22	-	-	-	12
Other operating income	-	-	-	-	6	6
Allocated income	-2,731	-1,380	-857	-2,308	7,276	-
<b>Total underlying income</b>	<b>79,800</b>	<b>47,792</b>	<b>27,431</b>	<b>-4,990</b>	<b>614</b>	<b>150,647</b>
Operating expenses	-23,696	-19,681	-15,989	-28,714	-2,060	-90,140
<b>Total operating expenses</b>	<b>-23,696</b>	<b>-19,681</b>	<b>-15,989</b>	<b>-28,714</b>	<b>-2,060</b>	<b>-90,140</b>
Impairments on loans and guarantees	-2,637	25,540	9,282	10	7	32,202
<b>Total impairments</b>	<b>-2,637</b>	<b>25,540</b>	<b>9,282</b>	<b>10</b>	<b>7</b>	<b>32,202</b>
Profit/(loss) before taxation	53,467	53,651	20,724	-33,694	-1,439	92,709
Share of the profit or loss of associates and joint ventures	-	-	-	32,920	1,232	34,152
Taxation	-13,794	-13,841	-5,347	27,525	53	-5,404
<b>Underlying net profit/(loss)</b>	<b>39,673</b>	<b>39,810</b>	<b>15,377</b>	<b>26,751</b>	<b>-154</b>	<b>121,457</b>
Currency effect equity investments				-211,143	-	-211,143
<b>IFRS-reported Net profit/(loss)</b>	<b>39,673</b>	<b>39,810</b>	<b>15,377</b>	<b>-184,392</b>	<b>-154</b>	<b>-89,686</b>

At June 30, 2024	Financial Institutions	Energy	Agribusiness, Food & Forestry	Private Equity	Other	Total
Interest income	118,663	74,736	36,608	1,982	38,349	270,338
Interest expenses	-43,627	-26,003	-13,063	-43,342	-34,967	-161,002
Net fee and commission income	-1,247	-255	-2,393	218	-667	-4,344
Dividend income	-	-	-	10,151	-	10,151
Results from equity investments	-	-	-	-1,283	-	-1,283
Net results from financial transactions	4,751	1,128	1,133	-2,066	1,791	6,737
Remuneration for services rendered	2,128	2,703	1,883	6,624	1,673	15,011
Gains and losses due to recognition	-	764	222	-	-	986
Other operating income	-	-	-	-	1	1
Allocated income	1,631	972	489	1,621	-4,713	-
<b>Total underlying income</b>	<b>82,299</b>	<b>54,045</b>	<b>24,879</b>	<b>-26,095</b>	<b>1,467</b>	<b>136,595</b>
Operating expenses	-22,740	-19,434	-14,773	-26,499	-1,349	-84,795
<b>Total operating expenses</b>	<b>-22,740</b>	<b>-19,434</b>	<b>-14,773</b>	<b>-26,499</b>	<b>-1,349</b>	<b>-84,795</b>
Impairments on loans and guarantees	-1,813	13,946	12,248	-46	78	24,413
<b>Total impairments</b>	<b>-1,813</b>	<b>13,946</b>	<b>12,248</b>	<b>-46</b>	<b>78</b>	<b>24,413</b>
Profit/(loss) before taxation	57,746	48,557	22,354	-52,640	196	76,213
Share of the profit or loss of associates and joint ventures	-	-	-	14,450	51	14,501
Taxation	-12,239	-10,291	-4,738	18,023	-52	-9,297
<b>Underlying net profit/(loss)</b>	<b>45,507</b>	<b>38,266</b>	<b>17,616</b>	<b>-20,167</b>	<b>195</b>	<b>81,417</b>
Currency effect equity investments	-	-	-	52,850	-	52,850
<b>IFRS-reported Net profit/(loss)</b>	<b>45,507</b>	<b>38,266</b>	<b>17,616</b>	<b>32,683</b>	<b>195</b>	<b>134,267</b>

Segment assets at June 30, 2025	Financial Institutions	Energy	Agribusiness, Food & Forestry	Private Equity	Other	Total
Loans to the private sector	2,931,483	1,425,131	874,550	22,369	812	5,254,345
Equity investments and investments in associates	-	-	-	2,584,168	22,037	2,606,205
Other assets	1,018,741	495,258	303,921	905,817	7,941	2,731,678
<b>Total assets</b>	<b>3,950,224</b>	<b>1,920,389</b>	<b>1,178,471</b>	<b>3,512,354</b>	<b>30,790</b>	<b>10,592,228</b>
Contingent liabilities – Effective guarantees issued	159,912	15,531	10,674	500	-	186,617
Assets under management (loans and equity investments) managed for the risk of the state	168,187	146,814	144,402	438,243	-	897,646

Segment assets at December 31, 2024	Financial Institutions	Energy	Agribusiness, Food & Forestry	Private Equity	Other	Total
Loans to the private sector	3,211,378	1,580,952	1,016,886	31,418	1,945	5,842,579
Equity investments and investments in associates	-	-	-	2,910,315	18,671	2,928,986
Other assets	851,247	419,066	269,548	779,772	5,465	2,325,098
<b>Total assets</b>	<b>4,062,625</b>	<b>2,000,018</b>	<b>1,286,434</b>	<b>3,721,505</b>	<b>26,081</b>	<b>11,096,663</b>
Contingent liabilities – Effective guarantees issued	150,493	18,120	23,995	568	-	193,176
Assets under management (loans and equity investments) managed for the risk of the state	146,616	155,442	168,638	545,016	-	1,015,712



## 4 Financial Instruments

### 4.1 Accounting classification

The following table shows the carrying amounts of financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which FMO has access at that date.

June 30, 2025						
	FVPL	Fair value hedging instruments	FVOCI- equity instruments	Amortized cost	Financial liabilities used as hedged items	Total
<b>Financial assets</b>						
Cash balances with Banks	-	-	-	185,314	-	185,314
Current accounts with state funds and other programs	-	-	-	1,172	-	1,172
Short-term deposits	65,963	-	-	1,614,521	-	1,680,484
Other receivables	-	-	-	20,682	-	20,682
Interest-bearing securities	132,435	-	-	427,676	-	560,111
Derivative financial instruments	147,215	60,565	-	-	-	207,780
Loans to the private sector	641,478	-	-	4,612,867	-	5,254,345
Accrued assets	-	-	-	988	-	988
Equity investments	2,056,198	-	184,336	-	-	2,240,534
<b>Total Financial assets</b>	<b>3,043,289</b>	<b>60,565</b>	<b>184,336</b>	<b>6,863,220</b>	<b>-</b>	<b>10,151,410</b>
<b>Financial liabilities</b>						
Short-term credits	-	-	-	267,599	-	267,599
Current accounts with state funds and other programs	-	-	-	10,547	-	10,547
Derivative financial instruments	172,234	68,965	-	-	-	241,199
Other financial liabilities	100,457	-	-	-	-	100,457
Debentures and notes	-	-	-	875,927	5,259,776	6,135,703
Accrued liabilities	-	-	-	86,963	-	86,963
Other liabilities	-	-	-	23,948	-	23,948
<b>Total Financial liabilities</b>	<b>272,691</b>	<b>68,965</b>	<b>-</b>	<b>1,264,984</b>	<b>5,259,776</b>	<b>6,866,416</b>

During the current period FMO acquired new interest bearing securities. Interest rate swaps are entered into to manage the risk associated with the securities and these swaps are measured at fair value through profit and loss. Therefore, to eliminate a possible accounting mismatch, the interest bearing securities are designated at fair value through profit and loss. The maximum credit exposure of the securities is €131 million and the cumulative change in fair value for the period is a gain of €1 million. The notional value of the swaps is €130 million, and the cumulative change in fair value for the period is a loss of €2 million. The movements in fair value are attributable nearly completely to market risk.

December 31, 2024

	Fair Value P&L	Fair value hedging instruments	FVOCI- equity instruments	Amortized cost	Financial liabilities used as hedged items	Total
<b>Financial assets</b>						
Cash balances with Banks	-	-	-	43,087	-	43,087
Current accounts with state funds and other programs	-	-	-	1,336	-	1,336
Short-term deposits	369,481	-	-	1,111,886	-	1,481,367
Other receivables	-	-	-	18,393	-	18,393
Interest-bearing securities	107,596	-	-	481,798	-	589,394
Derivative financial instruments	98,600	27,739	-	-	-	126,339
Loans to the private sector	652,061	-	-	5,190,518	-	5,842,579
Equity investments	2,355,626	-	201,287	-	-	2,556,913
<b>Total Financial assets</b>	<b>3,583,364</b>	<b>27,739</b>	<b>201,287</b>	<b>6,846,946</b>	<b>-</b>	<b>10,659,408</b>
<b>Financial liabilities</b>						
Short-term credits	-	-	-	216,912	-	216,912
Current accounts with state funds and other programs	-	-	-	93	-	93
Derivative financial instruments	339,658	131,728	-	-	-	471,386
Other financial liabilities	121,715	-	-	-	-	121,715
Debentures and notes	-	-	-	863,404	5,472,577	6,335,981
Accrued liabilities	-	-	-	38,683	-	38,683
Other liabilities	-	-	-	18,923	-	18,923
<b>Total Financial liabilities</b>	<b>461,373</b>	<b>131,728</b>	<b>-</b>	<b>1,137,953</b>	<b>5,472,577</b>	<b>7,203,693</b>

In this condensed consolidated interim financial statements, immaterial presentation updates have been made to aggregate 'Wage tax assets' and 'Wage tax liabilities', which were presented separately in the 31 December 2024 consolidated annual financial statements, with 'Other receivables' and 'Other liabilities', respectively.

## 4.2 Short-term deposits

	June 30, 2025	December 31, 2024
Collateral delivered (related to derivative financial instruments)	189,914	381,245
Cash held at central bank	1,402,291	702,745
Mandatory reserve deposit with Dutch central bank	4,296	8,211
Collateral delivered to European Central Bank	2,946	2,946
Other short-term deposits	15,074	16,739
<b>Short term deposits measured at AC</b>	<b>1,614,521</b>	<b>1,111,886</b>
Commercial paper	-	240,726
Money market funds	65,963	128,755
<b>Short term deposits measured at FVPL</b>	<b>65,963</b>	<b>369,481</b>
<b>Balance at December 31</b>	<b>1,680,484</b>	<b>1,481,367</b>

Mandatory reserve represents the average daily target set by regulator and is not available for user in FMO's day-to-day operations. Furthermore, FMO's investments in commercial paper matured during 2025.

## 4.3 Derivatives

FMO uses various derivatives to hedge its assets and liabilities against interest rate risk and market risk. During the first half of 2025, the derivatives position has decreased and is related to maturing or termination of interest rate swaps and cross - currency interest swaps (see tables below). Changes in the curves and FX were the main drivers for the changes in fair value.

The following table summarizes the notional amounts and the fair values of derivatives. Some derivatives are held to reduce interest rate risks and currency risks but do not meet the specified criteria to apply hedge accounting for the reporting period. The table also includes derivatives related to the asset portfolio.

2025						
Carrying amount						
	Notional amount	Assets	Liabilities	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recorded in profit or loss	Line item in P&L that includes hedge ineffectiveness
<b>Derivatives hedge accounting instruments:</b>						
Interest rate swaps	5,261,258	60,565	68,965	76,522	-3,814	Results from financial transactions
<b>Derivatives other than hedge accounting instruments:</b>						
Currency swaps	410,968	466	4,363			
Interest rate swaps	2,817,531	20,104	9,899			
Cross-currency interest rate swaps	3,331,428	126,645	148,390			
<b>Subtotal</b>	<b>6,559,927</b>	<b>147,215</b>	<b>162,652</b>			
Embedded derivatives related to asset portfolio		-	9,582			
<b>Total derivative assets / (liabilities) other than hedge accounting instruments</b>	<b>6,559,927</b>	<b>147,215</b>	<b>172,234</b>			
<b>Balance at June 30</b>	<b>11,821,185</b>	<b>207,780</b>	<b>241,199</b>			

2024						
Carrying amount						
	Notional amount	Assets	Liabilities	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recorded in profit or loss	Line item in P&L that includes hedge ineffectiveness
<b>Derivatives hedge accounting instruments:</b>						
Interest rate swaps	5,541,648	27,739	131,728	48,680	7,254	Results from financial transactions
<b>Derivatives other than hedge accounting instruments:</b>						
Currency swaps	319,791	2,687	389			
Interest rate swaps	3,055,885	41,008	5,537			
Cross-currency interest rate swaps	3,349,386	54,905	321,490			
<b>Subtotal</b>	<b>6,725,062</b>	<b>98,600</b>	<b>327,416</b>			
Embedded derivatives related to asset portfolio		-	12,242			
<b>Total derivative assets / (liabilities) other than hedge accounting instruments</b>	<b>6,725,062</b>	<b>98,600</b>	<b>339,658</b>			
<b>Balance at December 31</b>	<b>12,266,710</b>	<b>126,339</b>	<b>471,386</b>			

The amounts relating to items designated as hedged items were as follows:

2025					
Balance sheet line item	Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item				
	Liabilities	Assets	Liabilities	Change in fair value used for calculating hedge ineffectiveness	Accumulated amount remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses
Debentures and notes	5,259,776	-	-	-80,336	-
<b>Balance at June 30</b>	<b>5,259,776</b>	<b>-</b>	<b>-</b>	<b>-80,336</b>	<b>-</b>
2024					
Balance sheet line item	Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item				
	Liabilities	Assets	Liabilities	Change in fair value used for calculating hedge ineffectiveness	Accumulated amount remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses
Debentures and notes	5,472,577	-	-	-41,426	-
<b>Balance at December 31</b>	<b>5,472,577</b>	<b>-</b>	<b>-</b>	<b>-41,426</b>	<b>-</b>

## 4.4 Equity Investments

The overall change in fair value as per June 2025 is mainly driven by FX exchange results. Unrealized results from capital movement for FVPL positions is €13.9 million, please also refer to note 11.

	Equity measured at FVOCI	Equity measured at FVPL	Total
Net balance at January 1, 2025	201,287	2,355,626	2,556,913
Purchases and contributions	119	125,738	125,857
Conversion of loans to equity	-	3,311	3,311
Return of Capital (including sales)	-	-216,869	-216,869
Changes in fair value	-17,070	-211,608	-228,678
<b>Total balance at June 30, 2025</b>	<b>184,336</b>	<b>2,056,198</b>	<b>2,240,534</b>

	Equity measured at FVOCI	Equity measured at FVPL	Total
Balance at January 1, 2024	167,074	2,193,771	2,360,845
Purchases and contributions	120	329,824	329,944
Conversion of loans to equity	-	289	289
Transfer associate/FVPL	-	-	-
Return of capital (including sales)	-	-329,927	-329,927
Changes in fair value	34,093	161,669	195,762
<b>Balance at December 31, 2024</b>	<b>201,287</b>	<b>2,355,626</b>	<b>2,556,913</b>

## 4.5 Investments in associates & Joint Ventures

	June 30, 2025	December 31, 2024
Net balance	372,073	308,179
Purchases and contributions	15,367	7,338
Conversion from loans to equity	4,386	7,887
Conversion Associates/FVPL	-	-
Return of capital (including sales)	-2,769	-
Share in net results	34,152	39,483
Exchange rate differences	-57,538	9,186
<b>Total</b>	<b>365,671</b>	<b>372,073</b>

## 4.6 Other Financial Liabilities

	June 30, 2025	December 31, 2024
Net Balance	121,715	74,003
Purchases and contributions	2,417	7,280
Return of Capital (including sales)	-102	0
Changes in fair value through profit & loss	-13,510	-14,233
Other changes	-10,063	-200
Other additions	-	54,865
<b>Total</b>	<b>100,457</b>	<b>121,715</b>

The financial liabilities contained in this note relate to amounts payable to the Dutch government as a part of their participation in the program. Other changes relate to the recognition of liabilities for FMO's obligations to the public fund programs managed on behalf of the Dutch State. Other additions line item relates to the consolidation in 2024 of the Land Use Facility of the Dutch Fund for Climate Development (DFCD) and represents the amounts payable to the Dutch government as a result of their participation in the program.

## 4.7 Fair values

### Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on lowest level input that is significant to the fair value measurement as a whole, as follows:

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

## Valuation processes

For recurring and non-recurring fair value measurements categorized within Level 3 of the fair value hierarchy, FMO uses the valuation processes to decide its valuation policies and procedures and analyze changes in fair value measurement from period to period.

FMO's fair value methodology and governance over applied methods includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure quality and adequacy. The responsibility of ongoing measurement resides with the relevant departments. Once submitted, fair value estimates are also reviewed and challenged by the Financial Risk Committee (FRC). The FRC approves the fair values measured including the valuation techniques and other significant input parameters used. The appropriateness of the valuation techniques applicable to the underlying instruments is assessed as part of the valuation process and any potential changes between levels in the fair value hierarchy are considered.

## Valuation techniques

When available, the fair value of an instrument is measured by using the quoted price in an active market for that instrument (level 1). A market is regarded as active if transactions of the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, valuation techniques are used that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Valuation techniques include:

1. Recent broker/ price quotations
2. Discounted cash flow models
3. Option-pricing models

The techniques incorporate current market and contractual prices, time to expiry, yield curves and volatility of the underlying instrument. Inputs used in pricing models are market observable (level 2) or are not market observable (level 3). A substantial part of fair value (level 3) is based on net asset values.

Investments are measured at fair value when a quoted market price in an active market is available or when fair value can be estimated reliably by using a valuation technique. The main part of the fair value measurement related to investments (level 3) is based on net asset values of investment funds as reported by the fund manager and are based on advanced valuation methods and practices. When available, these fund managers value the underlying investments based on quoted prices, if not available multiples are applied as input for the valuation.

The following table presents the carrying value and estimated fair value of FMO's non fair value financial assets and liabilities.

The carrying values in the financial asset and liability categories are valued at amortized cost except for the funding in connection with hedge accounting.

## Financial assets-liabilities not measured at fair value

	June 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets not measured at fair value</b>				
Short term deposits at AC	1,614,521	1,614,521	1,111,886	1,111,886
Cash balances with Banks	185,314	185,314	43,087	43,087
Interest-bearing securities	427,676	421,182	481,798	470,770
Loans to the private sector at AC	4,612,867	4,427,047	5,190,518	5,027,228
Current accounts with state funds and other programs	1,172	1,172	1,336	1,336
Other receivables	20,682	20,682	18,321	18,321
<b>Total financial assets not measured at fair value</b>	<b>6,862,232</b>	<b>6,669,918</b>	<b>6,846,946</b>	<b>6,672,628</b>
<b>Financial liabilities not measured at fair value</b>				
Short-term credits	267,599	267,599	216,912	216,912
Debentures and notes	6,135,703	6,206,370	6,335,981	6,431,967
Current accounts with state funds and other programs	10,547	10,547	93	93
Accrued liabilities	86,963	86,963	38,683	38,683
Other liabilities	23,948	23,948	18,861	18,861
<b>Total financial liabilities not measured at fair value</b>	<b>6,524,760</b>	<b>6,595,427</b>	<b>6,610,530</b>	<b>6,706,516</b>

The valuation technique we use for the fair value determination of loans to the private sector and non-hedged funding is based on the discounted cash-flow method. The discount rate we apply is calculated per loan by transforming market-based data to match the characteristics of the assessed loan.

The following table gives an overview of the financial instruments valued at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

June 30, 2025	Level 1	Level 2	Level 3	Total
<b>Financial assets mandatorily at FVPL</b>				
Short-term deposits	65,963	-	-	65,963
Derivative financial instruments	-	207,780	-	207,780
Loans to the private sector	87,255	-	554,223	641,478
Equity investments	33,717	-	2,022,481	2,056,198
<b>Financial assets designated at FVPL</b>				
Interest bearing securities	132,435	-	-	132,435
<b>Financial assets at FVOCI</b>				
Equity investments	-	-	184,336	184,336
<b>Total financial assets at fair value</b>	<b>319,370</b>	<b>207,780</b>	<b>2,761,040</b>	<b>3,288,190</b>
<b>Financial liabilities mandatorily at FVPL</b>				
Derivative financial instruments	-	231,617	9,582	241,199
<b>Financial liabilities designated at FVPL</b>				
Other financial liabilities	-	-	100,457	100,457
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>231,617</b>	<b>110,039</b>	<b>341,656</b>



December 31, 2024	Level 1	Level 2	Level 3	Total
<b>Financial assets mandatorily at FVPL</b>				
Short-term deposits	128,755	240,726	-	369,481
Derivative financial instruments	-	126,339	-	126,339
Loans to the private sector	99,857	-	552,204	652,061
Equity investments	23,881	-	2,331,745	2,355,626
<b>Financial assets designated at FVPL</b>				
Interest-bearing securities at FVTPL	107,596	-	-	107,596
<b>Financial assets at FVOCI</b>				
Equity investments	-	-	201,287	201,287
<b>Total financial assets at fair value</b>	<b>360,089</b>	<b>367,065</b>	<b>3,085,236</b>	<b>3,812,390</b>
<b>Financial liabilities mandatorily at FVPL</b>				
Derivative financial instruments	-	459,144	12,242	471,386
<b>Financial liabilities designated at FVPL</b>				
Other financial liabilities	-	-	121,715	121,715
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>459,144</b>	<b>133,957</b>	<b>593,101</b>

Movements in financial instruments measured at fair value based on level 3	Derivative financial instruments	Loans to the private sector	Equity investments	Total financial assets
Balance at Januari 1, 2024	-	500,458	2,327,880	2,828,338
Total gains or losses				
-In profit and loss (changes in fair value)	-	2,863	51,875	54,738
-In other comprehensive income (changes in fair value)	-	-	34,093	34,093
Purchases /disbursements	-	56,064	329,945	386,009
Sales/repayments	-	-55,088	-326,091	-381,179
Interest capitalization	-	2,252	-	2,252
Write-offs	-	-1,603	-	-1,603
Accrued income	-	4,397	-	4,397
Exchange rate differences	-	28,217	115,041	143,258
Derecognition and/or restructuring FVPL versus AC	-	11,203	-	11,203
Conversion from loans to equity	-	-289	289	-
Conversion associate/FVPL	-	-	-	-
Transfers into level 3	-	3,730	-	3,730
Transfers out of level 3	-	-	-	-
Other changes	-	-	-	-
<b>Balance at December 31, 2024</b>	<b>-</b>	<b>552,204</b>	<b>2,533,032</b>	<b>3,085,236</b>
Total gains or losses				
-In profit and loss (changes in fair value)	-	4,399	-7,546	-3,147
-In other comprehensive income (changes in fair value)	-	-	-17,070	-17,070
Purchases /disbursements	-	92,493	125,855	218,348
Sales/repayments	-	-14,244	-216,869	-231,113
Interest Capitalization	-	478	-	478
Write-offs	-	-10,873	-	-10,873
Accrued income	-	-5,889	-	-5,889
Reclassification Loans versus Equity	-	-1,202	3,311	2,109
Exchange rate differences	-	-63,143	-213,896	-277,039
<b>Balance at June 30, 2025</b>	<b>-</b>	<b>554,223</b>	<b>2,206,817</b>	<b>2,761,040</b>

## Valuation techniques and unobservable inputs used measuring fair value of loans to the private sector

Type of debt investment	Fair value at June 30, 2025	Valuation technique	Range (weighted average) of significant unobservable inputs	Fair value measurement sensitivity to unobservable inputs
Loans	67,023	Discounted cash flow model	Based on client spread change for fixed rate loans at FVTPL	A decrease/increase of the used spreads with 1% will result in a higher/lower fair value of approx €2.0 million
	161,378	ECL measurement	Based on client rating for floating rate loans at FVTPL	An improvement / deterioration of the Client Rating with 1 notch will result approx 0.4% increase/decrease
	35,328	Credit impairment	n/a	n/a
Debt Funds	290,494	Net Asset Value	n/a	n/a
<b>Total</b>	<b>554,223</b>			

## Valuation techniques and unobservable inputs used measuring fair value of equity investments

Type of equity investment	Fair value at June 30, 2025	Valuation technique	Range (weighted average) of significant unobservable inputs	Fair value measurement sensitivity to unobservable inputs of 10%
Private equity fund investments	1,247,390	Net Asset Value	Discounts applied ranging from 10 to 100%	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 4.3 million.
Private equity direct investments	47,674	Recent transactions	Discounts applied ranging from 50 to 75%	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 0.4 million.
	405,994	Book multiples	Discounts applied ranging from 10 to 90% Book multiple applied ranging from 0.82 to 1.2	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 2.2 million. Changes in the multiples applied would result in a lower/ higher fair value in valuation of EUR 40.6 million.
	218,055	Earning Multiples	Discounts applied ranging from 10 to 40% Earnings multiple applied ranging 1 to 17.9	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 2.0 million. Changes in the multiples applied would result in a lower/ higher fair value in valuation of EUR 21.8 million.
	107,090	Discounted Cash Flow (DCF)	Discounts applied ranging from 20 to 50% DCF model inputs: Discount rates applied ranging from 10.7% to 16.2% Expected monthly cash flows ranging from EUR 0.1 million to 2.6 million	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 0.2 million. Changes in the DCF model by lowering the discount rate and increasing the Cash flows would result in a positive change in fair value of EUR 24.8 mio. By increasing the discount rate and increasing the cash flows would result in a positive change in valuation of EUR 1.1 million.
	75,324	Put option	Discounts applied ranging from 10 to 29%	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 0.9 million.
	46,787	Firm offers	Discounts applied 10%	Changes in the discounts applied would result in a lower/ higher fair value in valuation of EUR 0.5 million.
	58,503	Cost	N/A	N/A
<b>Total</b>	<b>2,206,817</b>			

## 5 Short term credits

	June 30, 2025	December 31, 2024
Collateral received (related to derivative financial instruments)	117,637	17,099
Commercial paper	149,962	199,813
<b>Balance at December 31</b>	<b>267,599</b>	<b>216,912</b>

## 6 Debentures and notes

Debentures and notes includes issued debt instruments in various currencies under FMO's Debt Issuance Programs. In addition, two subordinated notes, totaling €550 million are also included in the Debenture and Notes line item. Under IFRS these notes are classified as financial liability, but for regulatory purposes it is considered as Tier 2 capital. The first note was issued on July 15, 2020 with a maturity date of January 15, 2031. The note is issued at 99.764% of the aggregated nominal amount at a fixed coupon rate of 0.625%. The note is non-convertible and can be called on first call date after five years till July 15, 2026. The second note was issued on June 19, 2025 with a maturity date of June 19, 2036. The note is issued at 99.859% of the aggregated nominal amount at a fixed coupon rate of 3%. The note is non-convertible and can be called on first call date after six years till June 19, 2031.

The following table summarizes the carrying value of the debentures and notes.

	June 30, 2025	December 31, 2024
Debentures and notes under hedge accounting	5,259,776	5,472,577
Debentures and notes valued at AC	875,927	863,404
<b>Total debentures and notes</b>	<b>6,135,703</b>	<b>6,335,981</b>

The nominal amounts of the debentures and notes are as follows:

	June 30, 2025	December 31, 2024
Debentures and notes under hedge accounting	5,228,084	5,514,090
Debentures and notes valued at AC	846,351	829,735
<b>Total debentures and notes</b>	<b>6,074,435</b>	<b>6,343,825</b>

The movements can be summarized as follows:

	2025
Balance at January 1	6,335,981
Amortization of premiums/discounts	38,642
Proceeds from issuance	1,210,163
Redemptions	-984,675
Changes in fair value	80,336
Changes in accrued expense	-607
Exchange rate differences	-544,137
<b>Balance at June 30</b>	<b>6,135,703</b>

Line item 'changes in fair value' represents the fair value changes attributable to the hedge risk in connection with the debentures and notes used for hedge accounting purposes.

## 7 Commitments and contingent liabilities

To meet the financial needs of borrowers, FMO enters into various irrevocable commitments (loan commitments, equity commitments and guarantee commitments) and contingent liabilities. These contingent liabilities consist among others of financial guarantees, which commit FMO to make payments on behalf of the borrowers in case the borrower fails to fulfill payment obligations. Though these obligations are not recognized on the balance sheet, they do obtain Credit Risk similar to loans to the private sector. Therefore, provisions are calculated for financial guarantees and loan commitments according to the ECL measurement methodology.

Furthermore, the contingencies include an irrevocable payment commitment (IPC) to the Single Resolution Board (SRB) in Brussels. In April 2016, the SRB provided credit institutions with the option to fulfil part of their obligation to pay the annual ex - ante contributions to the Single Resolution Fund (SRF) through IPCs.

	June 30, 2025	December 31, 2024
<b>Contingent liabilities</b>		
Encumbered funds (Single Resolution Fund)	2,946	2,946
Effective guarantees issued	186,617	193,176
<b>Total contingent liabilities</b>	<b>189,563</b>	<b>196,122</b>
Effective guarantees received	480,935	503,519
<b>Total guarantees received</b>	<b>480,935</b>	<b>503,519</b>

Nominal amounts for irrevocable facilities is as follows:

	June 30, 2025	December 31, 2024
Contractual commitments for disbursements of:		
- Loans	657,717	923,553
- Equity investments and associates	822,730	980,534
- Contractual commitments for financial guarantees given	205,279	263,172
<b>Total irrevocable facilities</b>	<b>1,685,726</b>	<b>2,167,259</b>

## 8 Interest Income

	June 30, 2025	June 30, 2024
Interest on loans measured at AC	229,563	218,996
Interest on collateral delivered	3,038	6,633
Interest income related to cash balances with banks	14,533	15,322
Interest on interest-bearing securities	4,836	4,768
<b>Interest income calculated using the effective interest method</b>	<b>251,970</b>	<b>245,719</b>
Interest on loans measured at FVPL	31,348	26,239
Interest on short-term deposits	1,666	10,665
Interest on interest bearing securities at FVPL	6,865	990
Interest on derivatives related to asset portfolio	-20,855	-13,275
<b>Other interest income</b>	<b>19,024</b>	<b>24,619</b>
<b>Total interest income</b>	<b>270,994</b>	<b>270,338</b>

Interest income remained largely unchanged during the current financial period, as the growth of the loan portfolio was largely offset by the lower interest rates on the variable loan portfolio.

Interest Income on financial instruments at FVPL is recognized in the income statement as it accrues, based on the contractual interest terms. Changes in the fair value of these financial instruments, including the effects of credit and market risk, are separately recognized in the income statement in Note 13 on "Result from financial transactions".

## 9 Interest Expense

	June 30, 2025	June 30, 2024
Interest on debentures and notes in hedge accounting	-82,391	-66,523
Interest on debentures and notes not in hedge accounting	-51,775	-43,672
<b>Interest expense calculated using the effective interest method</b>	<b>-134,166</b>	<b>-110,195</b>
Interest on derivatives related to funding portfolio	-14,301	-50,757
<b>Other interest expense</b>	<b>-14,301</b>	<b>-50,757</b>
Interest on leases	-40	-50
<b>Total interest expense</b>	<b>-148,507</b>	<b>-161,002</b>

Interest expense decreased due to lower SOFR rate on FMO's variable rate funding portfolio.

## 10 Dividend income

	June 30, 2025	June 30, 2024
Dividend income direct investments	4,708	5,873
Dividend income fund investments	9,378	4,278
<b>Total dividend income</b>	<b>14,086</b>	<b>10,151</b>

## 11 Results from equity investments

	June 30, 2025	June 30, 2024
<b>Results from equity investments</b>		
Unrealized results from capital results	4,948	4,578
Unrealized results from FX conversions - capital results	-5,123	847
Unrealized results from FX conversions - cost price	-211,433	53,403
<b>Results from Fair value re-measurements</b>	<b>-211,608</b>	<b>58,828</b>
<b>Results from sales</b>		
Realized results	55,150	20,441
Release of unrealised result	-62,658	-26,302
<b>Net results from sales</b>	<b>-7,508</b>	<b>-5,861</b>
<b>Total results from equity investments</b>	<b>-219,116</b>	<b>52,967</b>

Refer to Note 4.4 for details of the movements in results from equity investments.

## 12 Net fee and commission income

	June 30, 2025	June 30, 2024
Prepayment fees	1,189	155
Fees for FVPL loans	29	121
Administration fees	1,498	1,054
Other fees (for example arrangement, cancellation and waiver fees)	2,468	1,191
<b>Total fee and commission income</b>	<b>5,184</b>	<b>2,521</b>
Custodian fees and charges for the early repayment of debt securities	-694	-674
Guarantee fees related to unfunded risk participants	-6,414	-6,191
<b>Total fee and commission expense</b>	<b>-7,108</b>	<b>-6,865</b>
<b>Net fee and commission income / (expense)</b>	<b>-1,924</b>	<b>-4,344</b>

## 13 Results from financial transactions

The movement for results from financial transactions can be mainly explained by changes in valuations for derivatives and FX results. This movement is primarily driven by changes in cross currency basis spreads and yield curves of various underlying currencies (e.g. USD, EUR, AUD).

	June 30, 2025	June 30, 2024
Gains/(losses) on remeasurement on valuation of hedged items	-80,336	18,104
Gains/(losses) on remeasurement of hedging instruments	76,522	-17,309
<b>Net result on hedge accounting</b>	<b>-3,814</b>	<b>795</b>
Result on sale and valuation of treasury derivatives not under hedge accounting	-21,515	5,066
Result on sale and valuation of derivatives related to asset portfolio	-276	-719
Result on sale and valuation of interest bearing securities at FVPL	-4,371	-1,673
Result on sale and valuation of loans at FVPL	682	7,012
<b>Net result on financial instruments mandatory at FVPL</b>	<b>-25,480</b>	<b>9,686</b>
Foreign exchange results loans at FVPL	-75,284	15,496
Foreign exchange results derivatives	171,288	-56,594
Foreign exchange results on other financial assets/liabilities	-85,754	43,336
<b>Net foreign exchange results</b>	<b>10,250</b>	<b>2,238</b>
Other financial results	-12	-135
Other changes	23,170	-5,847
<b>Other results from financial transactions</b>	<b>23,158</b>	<b>-5,982</b>
<b>Net results from financial transactions</b>	<b>4,114</b>	<b>6,737</b>

'Other changes' in the current period relate majorly to the remeasurement of 'Other financial liabilities' for FMO's obligations to the public fund programs managed on behalf of the Dutch State. Refer to Note 4.6 for further details on the nature of 'Other financial liabilities'.

## 14 Remuneration for services rendered

	June 30, 2025	June 30, 2024
Funds and programs managed on behalf of the State:		
- MASSIF	5,173	5,201
- Building Prospects	4,820	4,735
- Access to Energy Fund	1,798	1,861
Syndication fees, remuneration from directorships and others	2,635	3,214
<b>Total remuneration for services rendered</b>	<b>14,426</b>	<b>15,011</b>

Remuneration for managing funds and programs is assessed for market conformity. Related management expenses are included in operating expenses.

## 15 Tax

Current income tax receivables amount to €17.4 million (December 31, 2024: €13.3 million).

The domestic corporate income tax rate for 2025 is 25,8% (2024: 25.8%). The effective rate based on the 2025 forecast is calculated at 0.0% - mainly due to the participation exemption of equity results. For June 30, 2025 financial result this results in a corporate income tax of € 0.0 million (June 30, 2024: €10.7 million). For June 30, 2025 financial result, this leads to no unrecognized unused tax losses (December 31, 2024: €0 million) and no unrecognized unused tax credits (December 31, 2024: €0).

Deferred tax assets		
Pension provision	2,846	2,816
Actuarial gains and losses on defined benefit plans	2,056	1,523
Unused tax credits	1,508	1,508
Liability Government Funds	2,632	3,173
Leases	51	55
<b>Total deferred tax assets</b>	<b>9,093</b>	<b>9,075</b>
Deferred tax liabilities		
Fair value movements equity investments	-321	-510
<b>Total deferred tax liabilities</b>	<b>-321</b>	<b>-510</b>
<b>Net balance at December 31</b>	<b>8,772</b>	<b>8,565</b>

## 16 Related parties

FMO considers the Dutch Government, subsidiaries, associates, the Management Board and the Supervisory Board as related parties.

In the first half of 2025 the following changes in the composition of the Management Board of FMO have occurred. Effective April 1, 2025, Fatoumata Bouaré, Chief Finance & Operations Officer, has left FMO. Fatoumata served as a member of the Management Board for seven and a half years.

On April 23, 2025, during the Annual Meeting of shareholders of FMO the re-appointment of Michael Jongeneel as CEO and Huib-Jan de Ruijter as Co-CIO were confirmed. All Management Board members have been (re-)appointed for four years. Effective July 1, 2025, Peter Maila, Co-Chief Investment Officer, has left FMO. Peter joined FMO as a member of the Management Board since December 1, 2022.

In the first half of 2025 the following changes in the composition of the Supervisory Board of FMO have occurred. On April 23, 2025 at the end of the Annual General Meeting of shareholders of FMO, Dirk Jan van den Berg, member and chair of the Supervisory Board of FMO stepped down after completing his second and final term. During the same Annual General Meeting of shareholders Rob Becker was appointed as a new member and the chair of the Supervisory Board. He is appointed for a term of four years and serves on the Selection Appointment and Remuneration Committee.

In the first half of 2025 there were no transfers from public funds managed on behalf of Dutch Government to FMO.

## 17 Dividends

At December 2024, the Management Board and the Supervisory Board proposed distributing a sum of €10.6 million (2023: €2.1 million) as cash dividend to shareholders. The proposal was approved during the General Meeting of Shareholders of April 23, 2025 and the cash dividend was paid out.

## 18 Events after the end of the reporting period

There have been no significant subsequent events between the balance sheet date and the date of approval of these accounts which would impact the condensed consolidated interim financial statements as per June 30, 2025.



# Independent auditor's review report .....





# Independent auditor's review report

To: the shareholders and the supervisory board of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

## Our conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ('the bank') for the six-month period ended 30 June 2025 are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union.

## What we have reviewed

We have reviewed the accompanying condensed consolidated interim financial statements for the six-month period ended 30 June 2025 of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V., The Hague, which comprise the consolidated statement of financial position as at 30 June 2025, and the related consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the period then ended and the related selected explanatory notes comprising material accounting policy information and other explanatory information.

## Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the condensed consolidated interim financial statements' section of our report.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



## Independence

We are independent of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

## Responsibilities with respect to the condensed consolidated interim financial statements and the review

### Responsibilities of the management board and the supervisory board for the condensed consolidated interim financial statements

The management board of the bank is responsible for the preparation of the condensed consolidated interim financial statements in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union. Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the bank's financial reporting process.

### Our responsibilities for the review of the condensed consolidated interim financial statements

Our responsibility is to express a conclusion on the accompanying condensed consolidated interim financial statements. This requires that we plan and perform the review in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of the management board and others within the bank, as appropriate, applying analytical procedures and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.



We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding of the bank and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated interim financial statements where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the condensed consolidated interim financial statements.
- Making inquiries of the management board and others within the bank.
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial statements.
- Obtaining assurance evidence that the condensed consolidated interim financial statements agree with or reconcile to the bank's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether the management board has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial statements.
- Considering whether the condensed consolidated interim financial statements have been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amsterdam, 13 August 2025

PricewaterhouseCoopers Accountants N.V.

Original has been signed by C.C.J. Segers RA

# LIST OF ABBREVIATIONS

AAR	Active Account Requirement	FRC	Financial Risk Committee
AC	Amortized cost	FV	Fair value
AEF	Access to Energy Fund	FVOCI	Fair value through other comprehensive income
ALM	Asset Liability Management	FVPL	Fair value through profit or loss
AML	Anti-Money Laundering	FX	Foreign exchange
C&E	Climate-related and environmental	GCF	Green Climate Fund
CDD	Customer Due Diligence	GDP	Gross Domestic Product
CET1	Common Equity Tier 1	IAS	International Accounting Standards
CFM	Climate Fund Managers	ICAAP	Internal Capital Adequacy Assessment Process
CFT	Countering the Financing of Terrorism	IFRS	International Financial Reporting Standards
CRD	Capital Requirements Directive	ILAAP	Internal Liquidity Adequacy Assessment Process
CRR	Capital Requirements Regulation	IMF	International Monetary Fund
CSRD	Corporate Sustainability Reporting Directive	IPC	Irrevocable payment commitment
CIUs	Collective investment undertakings	KYC	Know Your Customer
DORA	Digital Operational Resilience Act	MDB	Multilateral Development Bank
DFIs	Development Finance Institutions	MFF	Mobilizing Finance for Forests
DFCD	Dutch Fund for Climate and Development	NFRD	Non-Financial Reporting Directive
DNB	De Nederlandse Bank (Dutch Central Bank)	NPE	Non-performing exposure
EBA	European Banking Authority	OCI	Other comprehensive income
EC	European Commission	PE	Private equity
ECB	European Central Bank	PEP	Politically Exposed Person
ECL	Expected Credit Loss	PP&E	Property Plant and Equipment
EDFI	European Development Finance Institution	RI	Reduced Inequalities
EEA	European Economic Area	RTS	Regulatory Technical Standards
ESG	Environmental, Social and Governance	RWA	Risk-weighted assets
ESRS	European Sustainability Reporting Standards	SIRA	Systematic Integrity Risk Analysis
EU	European Union	SRB	Single Resolution Board
FDI	Foreign direct investment	SREP	Supervisory review and evaluation process
FEC	Financial Economic Crime	SRF	Single Resolution Fund
FIU	Financial Intelligence Unit	UBO	Ultimate Beneficial Owner
FMO	Financierings-Maatschappij voor Ontwikkelingslanden N.V	VOR	Verklaring omtrent Risicobeheersing
FMO IM	FMO Investment Management	Wet VPM	Dutch Corporate Income Tax Regulations

# ADDITIONAL INFORMATION .....

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## REPORTING SCOPE

This interim report covers activities that took place or had effect on the first six months of 2025.

FMO published its integrated annual report 2024 in March. This report is audited by the external auditor. Please read the 2024 auditor's report for detailed information on the scope and result of their work. Previous reports are available on [reporting.fmo.nl](http://reporting.fmo.nl) or via [annualreport.fmo.nl](http://annualreport.fmo.nl)