



THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2019

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

| <u>CONTENTS</u> | <u>PAGE</u> |
|--|-------------|
| UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 2 |
| UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION | 3 |
| UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY | 4 |
| UNAUDITED CONDENSED STATEMENT OF CASH FLOWS | 5-6 |

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019
EXPRESSED IN THOUSANDS OF U.S. DOLLARS

| | Notes | Nine months ended September 30, 2019 | Nine months ended September 30, 2018 | Three months ended September 30, 2019 | Three months ended September 30, 2018 | Year ended December 31, 2018 |
|---|-------|--|--|---|---|---------------------------------------|
| Interest income | 6 | 169,249 | 86,067 | 61,029 | 32,130 | 123,400 |
| Interest expense | 6 | (21,618) | (10,229) | (9,511) | (3,410) | (13,597) |
| Net interest income | 6 | <u>147,631</u> | <u>75,838</u> | <u>51,518</u> | <u>28,720</u> | <u>109,803</u> |
| Net fee income | 7 | 1,112 | 319 | 792 | 202 | 418 |
| Net gains/(losses) on financial instruments at fair value through profit or loss | 8 | <u>35,000</u> | <u>7,265</u> | <u>22,191</u> | <u>3,744</u> | <u>7,809</u> |
| | | <u>183,743</u> | <u>83,422</u> | <u>74,501</u> | <u>32,666</u> | <u>118,030</u> |
| Staff costs | 9 | (24,374) | (17,904) | (8,742) | (6,682) | (25,310) |
| Other operating expenses | 10 | (11,144) | (8,625) | (3,472) | (3,365) | (11,936) |
| Impairment (provision)/reversal | 4 | (525) | (1,632) | 391 | (351) | (3,758) |
| Foreign exchange losses | | <u>(31,671)</u> | <u>(4,840)</u> | <u>(21,241)</u> | <u>(3,210)</u> | <u>(4,989)</u> |
| Operating profit for the period/year | | <u>116,029</u> | <u>50,421</u> | <u>41,437</u> | <u>19,058</u> | <u>72,037</u> |
| Unwinding of interest on paid-in capital receivables | | <u>54,519</u> | <u>71,581</u> | <u>17,901</u> | <u>23,722</u> | <u>93,822</u> |
| Profit for the period/year | | <u>170,548</u> | <u>122,002</u> | <u>59,338</u> | <u>42,780</u> | <u>165,859</u> |
| Total comprehensive income for the period/year | | <u>170,548</u> | <u>122,002</u> | <u>59,338</u> | <u>42,780</u> | <u>165,859</u> |

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019
EXPRESSED IN THOUSANDS OF U.S. DOLLARS

| | Notes | As at September 30, 2019 | As at December 31, 2018 |
|---|-------|--------------------------------|-------------------------------|
| Assets | | | |
| Cash and cash equivalents | 11 | 279,742 | 122,988 |
| Due from banks other than cash and cash equivalents | 12 | 6,012,473 | 4,800,559 |
| Derivative financial assets | 13 | 4,728 | 710 |
| Debt instruments measured at amortised cost | 14 | 7,165 | - |
| Loans and advances | 15 | 1,074,193 | 628,104 |
| Paid-in capital receivables | 16 | 4,295,485 | 4,846,783 |
| Right-of-use assets | 17 | 162 | - |
| Property and equipment | 18 | 1,149 | 1,205 |
| Intangible assets | 19 | 1,005 | 931 |
| Other assets | 20 | 1,298 | 1,133 |
| Total assets | | <u>11,677,400</u> | <u>10,402,413</u> |
| Liabilities | | | |
| Derivative financial liabilities | 13 | 19,561 | 6,374 |
| Financial liabilities designated at fair value through profit or loss | 21 | 855,124 | 443,809 |
| Note payables | 22 | 668,810 | - |
| Lease liabilities | 23 | 149 | - |
| Contract liabilities | 24 | 11,437 | 3,866 |
| Other liabilities | 25 | 3,513 | 3,501 |
| Total liabilities | | <u>1,558,594</u> | <u>457,550</u> |
| Equity | | | |
| Paid-in capital | 26 | 10,000,000 | 10,000,000 |
| Other reserves | 27 | (104,515) | (162,429) |
| Retained earnings | | 223,321 | 107,292 |
| Total equity | | <u>10,118,806</u> | <u>9,944,863</u> |
| Total equity and liabilities | | <u>11,677,400</u> | <u>10,402,413</u> |

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019
 EXPRESSED IN THOUSANDS OF U.S. DOLLARS

| | Paid-in capital | Other reserves | Retained earnings | Total |
|---|----------------------------|---------------------------|------------------------------|--------------|
| As at January 1, 2019 | 10,000,000 | (162,429) | 107,292 | 9,944,863 |
| Operating profit for the period | - | - | 116,029 | 116,029 |
| Unwinding of interest on paid-in capital receivables for the period | - | - | 54,519 | 54,519 |
| Profit and total comprehensive income for the period | - | - | 170,548 | 170,548 |
| Impact of early payment on paid-in capital receivables (Note 16) | - | 3,395 | - | 3,395 |
| Reclassification of unwinding of interest arising from paid-in capital receivables | - | 54,519 | (54,519) | - |
| As at September 30, 2019 | 10,000,000 | (104,515) | 223,321 | 10,118,806 |
| | | | | |
| | Paid-in capital | Other reserves | Retained earnings | Total |
| As at January 1, 2018 | 10,000,000 | (266,646) | 35,255 | 9,768,609 |
| Operating profit for the period | - | - | 50,421 | 50,421 |
| Unwinding of interest on paid-in capital receivables for the period | - | - | 71,581 | 71,581 |
| Profit and total comprehensive income for the period | - | - | 122,002 | 122,002 |
| Impact of early payment on paid-in capital receivables | - | 9,895 | - | 9,895 |
| Reclassification of unwinding of interest arising from paid-in capital receivables | - | 71,581 | (71,581) | - |
| As at September 30, 2018 | 10,000,000 | (185,170) | 85,676 | 9,900,506 |

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019
EXPRESSED IN THOUSANDS OF U.S. DOLLARS

| | Nine months ended September 30,2019 | Nine months ended September 30,2018 |
|--|--|--|
| OPERATING ACTIVITIES | | |
| Profit for the period | 170,548 | 122,002 |
| Adjustments for: | | |
| Interest expense | 21,618 | 10,229 |
| Interest income from debt instruments at amortised cost | (649) | - |
| Depreciation and amortisation | 427 | 146 |
| Unrealised gains on financial instruments | (31,808) | (1,614) |
| Unwinding of interest on paid-in capital receivables | (54,519) | (71,581) |
| Impairment provisions for loans and commitments | 525 | 1,632 |
| Exchange losses on debt instruments at amortised cost | 1,149 | - |
| Exchange gains on lease liabilities | (3) | - |
| Debt issuance cost | 552 | - |
| Operating cash flows before changes in operating assets and liabilities | <u>107,840</u> | <u>60,814</u> |
| Net increase in due from banks | (1,211,914) | (1,038,581) |
| Net increase in loans and advances | (442,652) | (356,622) |
| Net increase in other assets | (178) | (44,227) |
| Net increase in other liabilities and contract liabilities | 3,623 | 994 |
| Interest paid on bond | (13,414) | (13,910) |
| Interest paid on lease liability | (3) | - |
| NET CASH USED IN OPERATING ACTIVITIES | <u>(1,556,698)</u> | <u>(1,391,532)</u> |
| INVESTING ACTIVITIES | | |
| Proceeds from redemption of debt instruments at amortised cost | 40,810 | - |
| Purchase of debt instruments at amortised cost | (48,475) | - |
| Purchase of property and equipment, intangible assets | (383) | (1,012) |
| NET CASH USED IN INVESTING ACTIVITIES | <u>(8,048)</u> | <u>(1,012)</u> |
| FINANCING ACTIVITIES | | |
| Paid-in capital received | 609,212 | 600,000 |
| Proceeds from issuance of short-term borrowings | - | 13,000 |
| Proceeds from issuance of bonds | 448,012 | - |
| Proceeds from issuance of note payables | 765,020 | - |
| Repayment of short-term borrowings | - | (13,000) |
| Repayment from note payables | (100,000) | - |
| Payment of bond issuance cost | (683) | - |
| Payment of lease liability | (61) | - |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | <u>1,721,500</u> | <u>600,000</u> |

THE NEW DEVELOPMENT BANK

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019
EXPRESSED IN THOUSANDS OF U.S. DOLLARS

| | Nine months ended September 30,2019 | Nine months ended September 30,2018 |
|---|--|--|
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 156,754 | (792,544) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 122,988 | 1,019,854 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | <u>279,742</u> | <u>227,310</u> |