

**New
Development
Bank**

Investor Presentation

February 2020



Empowering nations through innovation and sustainability





1

OVERVIEW OF NDB

Who We Are

- ▶ NDB is a multilateral development bank established by BRICS¹ countries to mobilise resources for infrastructure and sustainable development projects

- The membership is open to members of the United Nations
- ▶ Nations



HIGH CAPITALISATION

- High level of initial **authorised capital of US\$ 100bn** with initial **subscribed capital of US\$ 50bn** and **paid-in capital of US\$ 10bn**² places NDB amongst the largest MDBs globally
- **Equal shareholding and voting power** amongst the five founding members

CREDIT STRENGTHS

- **AA+/AA+/AAA/AAA** long-term international credit rating with **stable outlook** from **S&P/Fitch/JCR³/ACRA⁴**
- **Conservative risk management and financial policies**
- Sound governance structure, led by a **highly experienced management team**
- **One of the highest ratios of paid-in capital to subscribed capital (20%)** and one of the highest committed amongst all MDBs

FLEXIBILITY

- Support of public and private projects through **loans, guarantees, equity participation and other financial instruments**

IMPROVING EFFICIENCY

- NDB aims to structure, negotiate, review, and **approve loans within a period of 6 months** without compromising on risk management standards and credit quality

DRIVING INNOVATION

- **Support the development of financial markets in member states**, provide financing in both local and hard currencies and apply country systems

¹ Brazil, Russia, India, China and South Africa

² US\$ 6.5bn of paid-in Capital has been received as at February 1, 2020

³ Japan Credit Rating Agency

⁴ Analytical Credit Rating Agency

Organising Principles and Distinguishing Features

1

Key institution in BRICS cooperative framework

- Established by BRICS to invest in infrastructure and sustainable development projects and promote financial cooperation among BRICS
- Central role in BRICS cooperative framework evident in strong political and financial support

2

Core mandate is infrastructure and sustainable development

- NDB focuses on high quality, financially viable and environmentally friendly infrastructure projects

3

Lean operations, partnership with other development institutions

- Cooperation with global, regional and national development institutions is a core operating principle
- Enhances development impact of NDB operations and enables NDB to maintain a lean operating profile

4

Full member support for maintaining a very strong financial profile

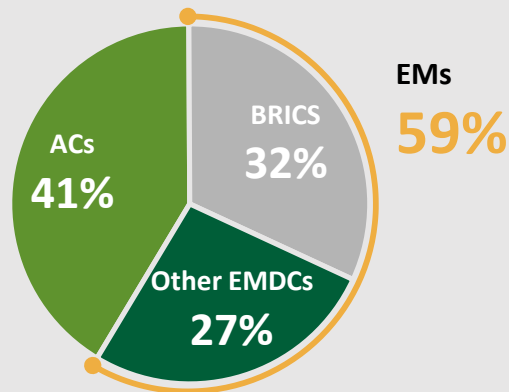
- Members fully committed to maintaining a very strong credit profile, equivalent to the strongest amongst NDB's peers
- Low leverage, rigorous project selection, conservative risk management policies and highly experienced management team are the key elements of NDB's business profile

Uniquely Positioned Multilateral Lender

BRICS as a key driver of the world economy faces a growing need for investment in infrastructure

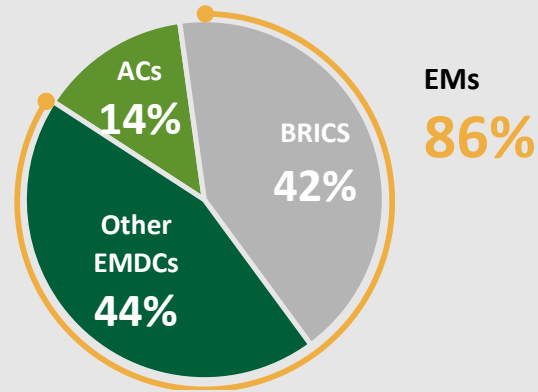
32%

OF TOTAL GLOBAL GDP
2018



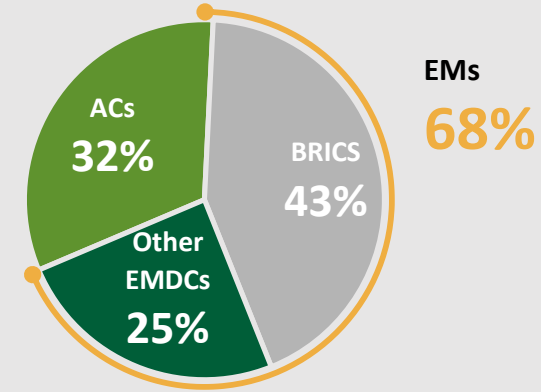
42%

OF TOTAL GLOBAL POPULATION
2018



43%

OF CONTRIBUTION TO GLOBAL GDP GROWTH
2018



Note: ACs stands for Advanced Countries and EMDCs stands for Emerging and Developing Countries according to the Country Classifications of IMF
The GDP shares are based on the purchasing-power-parity valuation of economies' GDP
Source: IMF WEO. Data may include IMF estimates

Key Milestones



* As at February 1, 2020. Paid-in capital of US\$10bn will arrive in 7 instalments, with the last payment due January 2022

** As at February 1, 2020

Benchmarking to Peer Group

Strong capitalisation and high liquidity metrics in line with other AAA rated MDBs

| | NDB | AIIB | ADB | AfDB | EBRD | EIB | IADB | IBRD | IFC |
|---|-------|-------|-------|------|-------|---------|-------|---------|--------|
| Credit Rating ¹ | AA+ | AAA | AAA | AAA | AAA | AAA | AAA | AAA | AAA |
| Total Assets (US\$ billion) | \$10 | \$20 | \$192 | \$34 | \$62 | \$556 | \$129 | \$283 | \$99 |
| Total Adjusted Assets (US\$ billion) | \$6 | \$15 | \$192 | \$34 | \$62 | \$556 | \$129 | \$283 | \$99 |
| Purpose Related Assets (US\$ billion) | \$1 | \$1 | \$114 | \$21 | \$29 | \$438 | \$93 | \$195 | \$38 |
| Liquidity (%) ² | 89% | 91% | 16% | 37% | 47% | 18% | 25% | 29% | 56% |
| Leverage (x) ³ | 0.1x | N.A. | 1.8x | 3.3x | 3.0x | 6.0x | 2.8x | 5.5x | 2.0x |
| Total Comprehensive Income (US\$ million) | \$166 | \$300 | \$904 | \$3 | \$157 | \$2,683 | \$763 | (\$331) | \$(44) |

Source: S&P Global Ratings "Supranationals Special Edition October 2019" based on Annual Audited Financial Statements of each institution as at 31 December 2018, except for IFC and IBRD, where Annual Audited Financial Statements as at 30 June 2019

1. S&P long-term issuer credit rating
2. Liquidity = Liquid Assets / Adjusted Total Assets
3. Leverage = Gross Debt / Adjusted Common Equity

Credit Strengths – International Credit Ratings 1/2

S&P Global Ratings

AA+

Stable Outlook

Long-Term Issuer Credit Rating

A-1+

Stable Outlook

Short-Term Issuer Credit Rating

Fitch Ratings

AA+

Stable Outlook

Long-Term Issuer Default Rating

F1+

Stable Outlook

Short-Term Issuer Default Rating

Rating Drivers

- Strong business profile and extremely strong financial profile
 - Extraordinary shareholder support
 - Sound and prudent risk management policies
 - Robust and solid capitalisation and ample liquidity
 - Senior Management has extensive experience in MDBs and is capable of delivering on NDB's mandate
-
- Excellent capitalisation endowed with subscribed paid-in capital
 - Low risk profile and strong risk management, reflecting the bank's self-imposed prudential rules
 - Very strong level of aggregated expertise and seniority of the bank's management team
 - Strong preferred creditor status
 - Strong shareholders' commitment to provide support to the bank

Japan Credit Rating Agency

AAA

Stable Outlook

Long-Term Issuer Credit Rating

Analytical Credit Rating Agency

AAA

Stable Outlook

Long-Term Issuer International Credit Rating

AAA(RU)

Stable Outlook

Long-Term Issuer National Credit Rating

Rating Drivers

- Strong support for the NDB's operations by its member countries
- Solid capital base
- Conservative risk management framework to ensure financial soundness
- Preferred creditor status

-
- Very strong intrinsic financial strengths
 - NDB's management quality, strategy, and operational transparency are strong
 - Strong capital adequacy
 - Strong risk profile
 - NDB's liquidity and funding position is strong
 - Systemic importance to the shareholder founding members

Credit Strengths – Domestic Credit Ratings in Member Countries

China Chengxin International Credit Rating

AAA

Stable Outlook

Local Currency Issuer Rating

China Lianhe Credit Rating

AAA

Stable Outlook

Long-Term Local Currency Issuer Rating

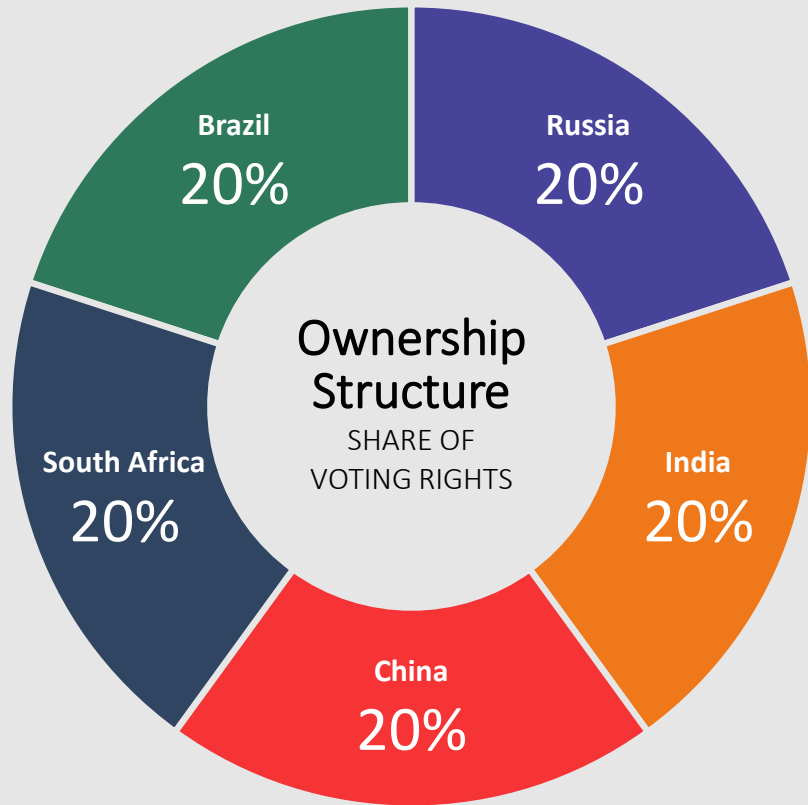
Rating Drivers

- Strong shareholder support and timely contribution of paid-in capital
- Sound management, governance standards, and prudent risk management framework
- Clear development strategy
- High quality of the loan portfolio and very low risk of default
- Significant amount of paid-in capital and strong ability of fund raising
- Rapid growth guaranteed by robust demand for financing of infrastructure and sustainable development projects in member countries



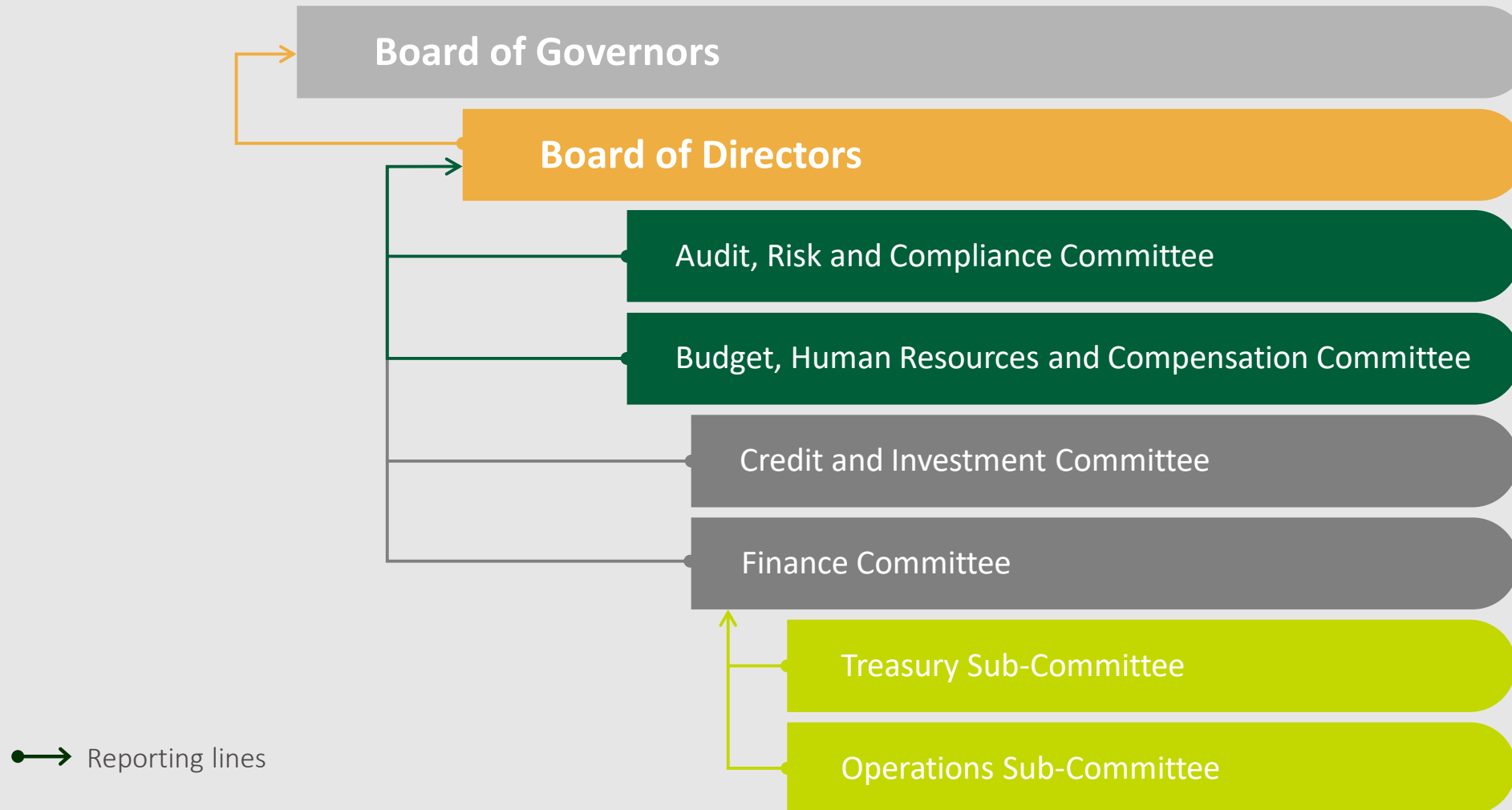
2 GOVERNANCE

Strong Shareholder Support and Long-Term Commitment



- One of the highest ratios of paid-in capital to subscribed capital (20%) and one of the highest committed amongst all MDBs
- High commitment of member countries to NDB represents their **vested interest** in the institution and a greater propensity to support NDB in times of distress
- Equal voting power amongst founding shareholders
- No member holds veto power
- Preferential treatment in member countries with extensive immunities, privileges and exemptions

Governance Structure



Highly Experienced Management Team



President & Board Member
Mr. K.V. Kamath

- Over 40 years of banking experience in Project Finance, Venture Capital and Credit
- Prior roles include Chairman of ICICI Bank and Infosys Limited, Board member, Schlumberger Ltd.
- 8+ years at Asian Development Bank's Private Sector Department
- Recipient of Padma Bhushan, one of India's highest civilian honors
- Internationally recognised business leader - CNBC's Asian Business Leader of the year (2001), Businessman of the Year (Forbes Asia, 2007), Business Leader of the Year (Economic Times, 2007)
- President of the Confederation of Indian Industry (2008-09) and Co-Chair of World Economic Forum Annual meeting in Davos



VP
Chief Financial Officer
Mr. Leslie
Maasdorp

- 25+ years of public and private sector experience
- Prior roles as Managing Director and President of Bank of America Merrill Lynch for Southern Africa, Vice Chairman of Barclays Capital and ABSA Capital
- Served as Special Advisor to the Minister of Labor of South Africa and as Deputy Director General in the Ministry of Public Enterprises
- Served as International Advisor to Goldman Sachs International



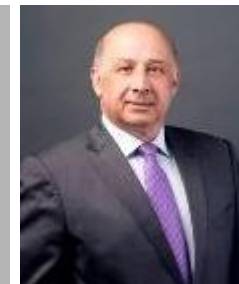
VP
Chief Operations Officer
Mr. Xian Zhu

- Extensive experience (16y+) at World Bank and Asian Development Bank
- Prior roles as Strategy and Operations Director at the World Bank for South Asia, responsible for South Asia Region's overall operations and portfolio management and Senior Advisor, Infrastructure Department, ADB
- Worked in various capacities in the Ministry of Finance of China
- Recipient of the Heinz Fellowship



VP
Chief Risk Officer
Mr. Sarquis J.
B. Sarquis

- 25+ years of public sector experience, including senior positions at Brazil's Ministry of External Relations
- Extensive experience in working with multilateral organisations, including OECD, IMF, World Bank, WTO and UN
- Holds PhD and MSc in Economics of London School of Economics
- Recipient of the Gilbert de Botton Award in Finance Research



VP
Chief Administrative Officer
Mr. Vladimir
Kazbekov

- Extensive experience in the public sector and in the field of development finance
- Served in several senior roles in the Russian Ministry of Foreign Affairs and Presidential Executive Office
- Worked in executive position for the Russian National Development Bank (Vnesheconombank) for 20 years and greatly contributed to the development of BRICS Interbank cooperation mechanism



3

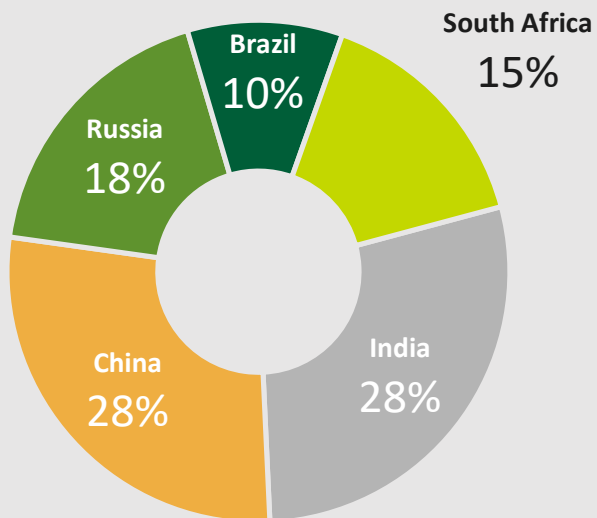
LENDING ACTIVITIES

Support for Infrastructure and Sustainable Development

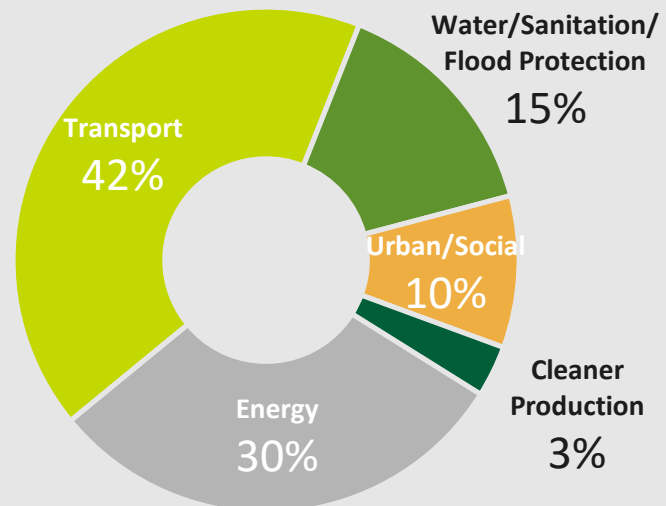
NDB Board of Directors approved 51 projects in all member countries for a total amount of US\$ 15.2bn*

Breakdown of loan approvals, as at February 1, 2020

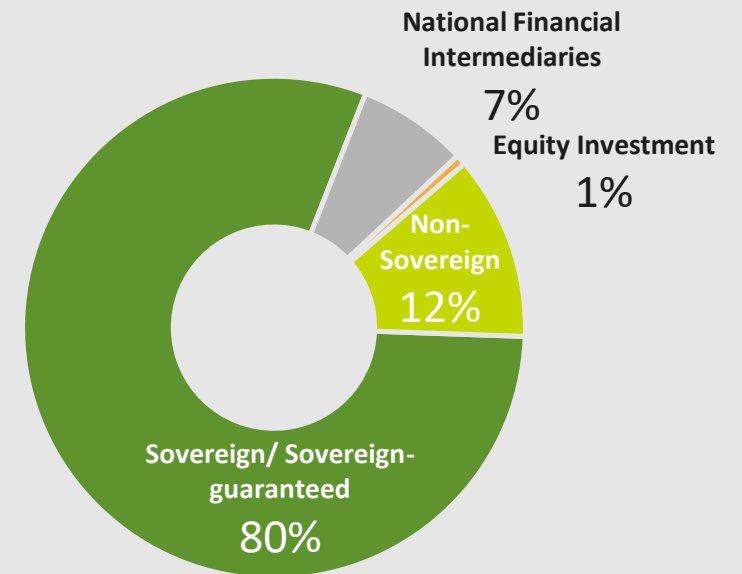
BY COUNTRY



BY SECTOR



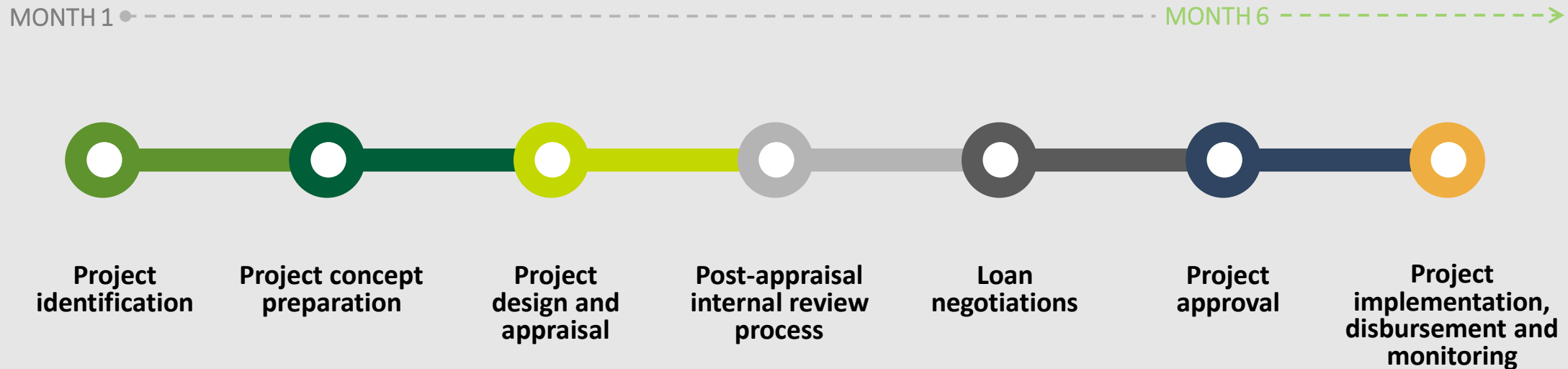
BY LOAN TYPE



Note: Loans are classified by total loan notional, in approximate US\$ terms
* As at February 1, 2020

Rigorous Project Appraisal

NDB aims to structure, negotiate, review and approve loans within a period of 6 months without compromising on its risk management standards and credit quality



- Environmental, social and developmental analysis
- Thorough screening and approval requirements
- Credit risk analysis and appraisal
- Screening/review from legal perspective
- Compliance, environmental, anti-money laundering and counter terrorism management checks



4

BORROWING ACTIVITIES

Funding Strategy



Diversification of funding portfolio in terms of currencies, tenors and types of interest rates



Access to the international capital markets



Domestic borrowing programmes in BRICS



Benchmark size transactions



Regular issuances



Focus on Green and Sustainability financing instruments

NDB in Capital Markets: Inaugural CNY 3bn Green Bond in China

Highlights of the Inaugural Green Bond Issuance

| | |
|--------------------------------|---------------------------------------|
| Issuer Rating | AAA (CCXI and China Lianhe) |
| Instrument | Senior Unsecured Green Financial Bond |
| Listing | China Interbank Bond Market |
| Pricing | July 13 th , 2016 |
| Settlement | July 19 th , 2016 |
| Tenor | 5-year |
| Maturity | July 19 th , 2021 |
| Amount | CNY 3bn (~US\$ 450mn) ¹ |
| Coupon | 3.07% |
| Joint Lead Underwriters | BOC, ICBC, CCB, CDB, HSBC, SCB |

- First time an international financial institution issued a green financial bond in the China Interbank Bond Market
- Rated AAA by leading domestic rating agencies in China
- Final order-book was more than 3x oversubscribed
- More than 30 investors participated in the bidding process
- The proceeds are used for “Green” infrastructure and sustainable development projects
- Independent certification agency (EY) provided assurance to confirm that the bond meets the criteria of ICMA Green Bond Principles and the Green Bond regulations in China² to be qualified as “Green”

1. At the exchange rate at the time of issuance

2. The Issuance of Green Financial Bonds in the National Inter-bank Bond Market (Letter [2015] No. 39) and the Green Financial Bond Endorsed Project Catalogue (2015) published by the People’s Bank of China

Selected Projects for the Use of Proceeds from the inaugural Green Bond



> Lingang Distributed Solar Power Project in Shanghai, China

- 100 MW solar rooftop PV and avoided 73,000t CO₂/year

> Putian Pinghai Bay Offshore Wind Power Project in Fujian, China

- 700 MW offshore wind power and avoided 869,900t CO₂/year

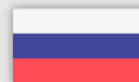


> Renewable Energy Projects and Associated Transmission in Brazil

- 600 MW renewable energy and avoided 1,000,000t CO₂/year

> Petrobras Environmental Protection Project in Brazil

- harmful emissions significantly reduced, water and soil contamination avoided



> Hydroelectric Power Project in Karelia, Russia

- 50 MW renewable energy and avoided 48,000t CO₂/year

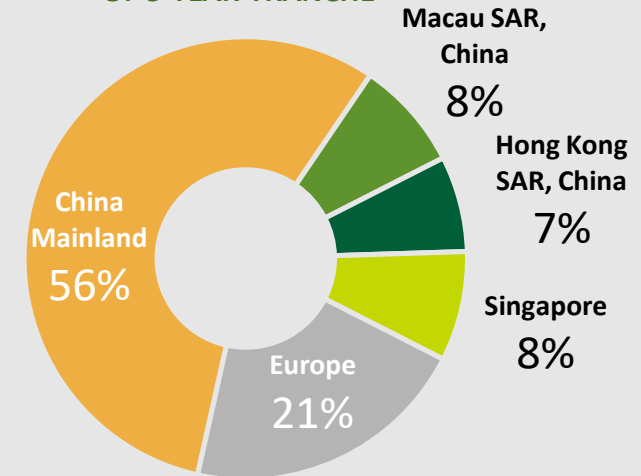
NDB in Capital Markets: CNY 10bn Bond Programme in China

- July 2016 – debut CNY 3bn Green Bond issued
- January 2019 – CNY 10bn bond Programme registered
- February 2019 – 3-year CNY 2bn and 5-year CNY 1bn bonds issued

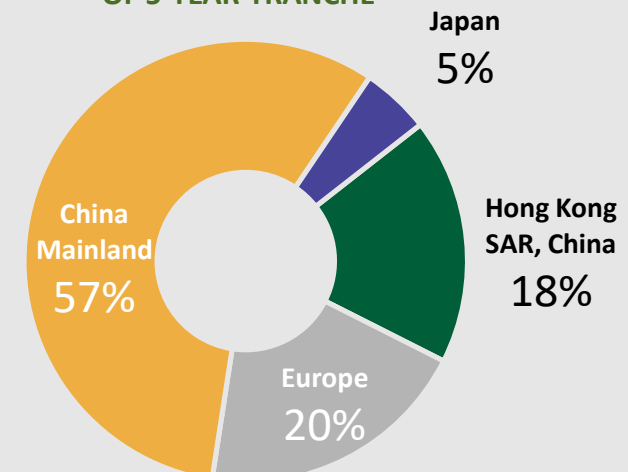
| | | |
|--------------------------------|---|----------------------------------|
| Issuer Rating | AA+ (S&P and Fitch) AAA (CCXI and China Lianhe) | |
| Instrument | Senior Unsecured | |
| Listing | China Interbank Bond Market | |
| Pricing | February 25 th , 2019 | |
| Settlement | February 26 th , 2019 | |
| Joint Lead Underwriters | ICBC, BOC, ABC, CCB | |
| Tenor | 3-year | 5-year |
| Maturity | February 26 th , 2022 | February 26 th , 2024 |
| Amount¹ | CNY 2bn (~US\$ 300mn) | CNY 1bn (~US\$ 150mn) |
| Coupon | 3.00% | 3.32% |

- First international financial institution to register and issue bond in the China Interbank Bond Market under the “Panda Bond” Rules² issued by the People’s Bank of China and China’s Ministry of Finance
- Final order-book was more than 3x oversubscribed
- More than 20 investors from domestic state-owned, joint-venture and rural banks, fund companies, securities companies, foreign banks and sovereign funds participated in the bidding process

GEOGRAPHIC DISTRIBUTION OF 3-YEAR TRANCHE



GEOGRAPHIC DISTRIBUTION OF 5-YEAR TRANCHE



1. At the exchange rate at the time of issuance

2. Interim Measures for the Administration of Bond Issuance by Overseas Institutions in the National Interbank Bond Market under the People’s Bank of China and Ministry of Finance Announcement [2018] No. 16 issued on September 25, 2018

NDB in Capital Markets: ZAR 10bn Bond Programme in South Africa



- April 2019 – NDB registered its debut ZAR bond Programme in South Africa
- The Programme with unlimited validity is listed on Johannesburg Stock Exchange (JSE) and governed by the laws of South Africa
- Bonds issued under the Programme will constitute unsecured obligations of NDB, ranking equally with all of the Bank's other unsecured and unsubordinated obligations
- Standard Bank of South Africa acts as a lead-arranger for the Programme and Absa Bank is a co-arranger

| | |
|----------------------------------|---|
| Size¹ | ZAR 10bn (~US\$ 700mn) |
| Validity of the Programme | Unlimited |
| Issuer Rating | AA+ (S&P and Fitch) AAA (JCR) |
| Instrument | Senior Unsecured |
| Listing | Johannesburg Stock Exchange (JSE) |
| Governing Law | Laws of South Africa |
| Lead-Arranger | Standard Bank of South Africa |
| Co-Arranger | Absa Bank |
| Dealers | Absa Bank, Nedbank, FirstRand Bank, Standard Bank of South Africa |
| JSE Debt Sponsor | Standard Bank of South Africa |
| Coupon | Fixed or Floating Rate |

1. At the exchange rate at the time of registration

NDB in Capital Markets: RUB 100bn Bond Programme in Russia



- November 2019 – NDB registered its debut RUB bond Programme in Russia
- The Programme with unlimited validity is listed on Moscow Exchange (MOEX) and governed by the laws of Russia
- Bonds issued under the Programme will constitute unsecured obligations of NDB, ranking equally with all of the Bank's other unsecured and unsubordinated obligations
- Gazprombank and Rosbank act as a lead-managers for the Programme and debut issuance under the Programme
- January 2020 – ACRA has rated NDB at AAA and AAA(RU) on the international and national scales, respectively

| | |
|----------------------------------|---|
| Size¹ | RUB 100bn (~US\$ 1.5bn) |
| Validity of the Programme | Unlimited |
| Tenor of the Bonds | Up to 20 years |
| Issuer Rating | AA+ (S&P and Fitch) AAA (JCR and ACRA) AAA(RU) (ACRA) |
| Instrument | Senior Unsecured |
| Listing | Moscow Exchange (MOEX) |
| Governing Law | Laws of Russia |
| Lead-Managers | Gazprombank, Rosbank |
| Coupon | Fixed or Floating Rate |

1. At the exchange rate at the time of registration

International Capital Markets Presence: EMTN Programme

- December 2019 – NDB established its debut EMTN Programme
- The Programme with the maximum size of US\$ 50bn and unlimited validity is established under the Regulation S of the United States Securities Act of 1933, as amended
- The Programme is listed on the Euronext Dublin-Irish Stock Exchange (ISE) and governed by English law
- Notes issued under the EMTN Programme will constitute the direct, unconditional obligations of NDB ranking pari passu among themselves and at least pari passu with all other present and future obligations of the Bank
- The Programme is rated “AA+” by S&P Global Ratings and “AA+” by Fitch Ratings

| | |
|----------------------------------|--|
| Size¹ | US\$ 50bn |
| Validity of the Programme | Unlimited |
| Tenor of the Bonds | No restriction |
| Issuer Rating | AA+ (S&P and Fitch) AAA (JCR) |
| Format | Regulation S of the United States Securities Act of 1933, as amended |
| Instrument | Senior Unsecured |
| Listing | Euronext Dublin-Irish Stock Exchange (ISE) |
| Governing Law | English law |
| Arranger | HSBC |
| Coupon | Fixed or Floating Rate |

NDB in Money Market: USD 2bn ECP Programme

- April 2019 – NDB established its debut ECP Programme for liquidity management purposes
- The Programme with the maximum size of US\$ 2bn is established under the Regulation S of the United States Securities Act of 1933, as amended
- Commercial papers issued under the Programme will be governed by English law and will constitute direct, unsecured obligations of NDB, ranking equally with all of the Bank's other unsecured and unsubordinated obligations
- The Programme is rated “A-1+” by S&P Global Ratings and “F1+” by Fitch Ratings

| | |
|-------------------------------|--|
| Size | US\$ 2bn |
| CP Rating | A-1+ and F1+ (S&P and Fitch) |
| Format | Regulation S of the United States Securities Act of 1933, as amended |
| Governing Law | English law |
| Arranger | Citigroup |
| Dealers | Citigroup, Barclays, Goldman Sachs |
| Issue and Paying Agent | Citibank |
| Form of the Notes | Global Notes |
| Clearing | Euroclear and Clearstream |



5 ENVIRONMENTAL AND SOCIAL COMMITMENT

Key Elements of NDB's Environmental and Social Responsibility

Sustainability is fundamental to the founding principles of NDB and overlays everything we do



Environmental and Social Framework

- Ensures environmental and social soundness and sustainability of operations and support the integration of environmental and social considerations into the operation decision-making process



Environmental and Social Policy

- Manages environmental and social risks and impacts in projects
- Manages operational and reputational risks of NDB and its stakeholders



Environmental and Social Exclusion List

- Mainstreams environmental and social considerations into decision-making processes of all parties



Environmental and Social Standards

- Encourages the international good environmental and social practices in its operations and in doing so strengthen the country systems



Environmental and Social Guideline

- Guides NDB operations and sets the requirements to the borrowers to implement projects in environmentally and socially sustainable manner

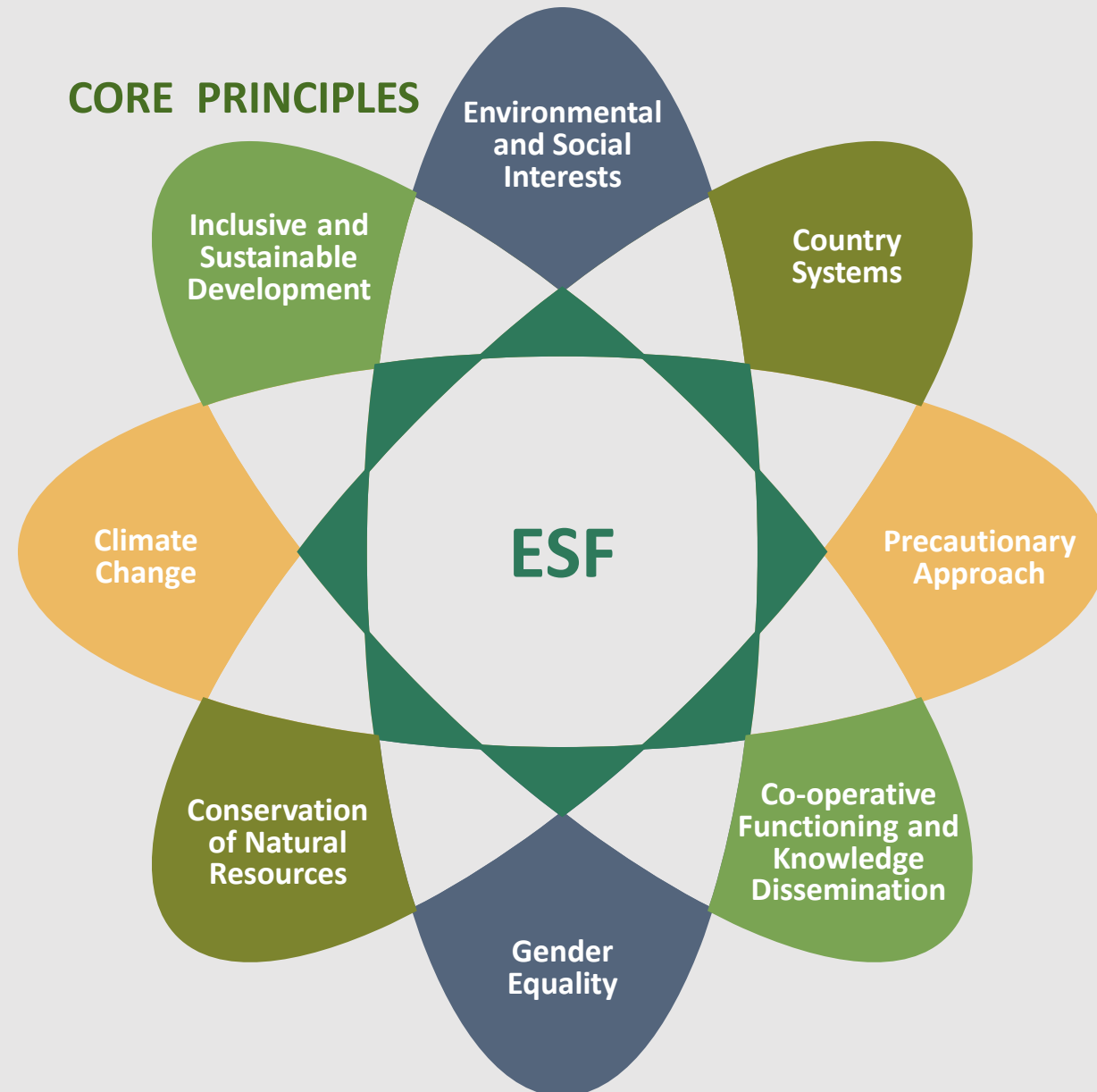
Environmental and Social Framework Underpins NDB's Operations

ENVIRONMENTAL AND SOCIAL POLICY REQUIREMENTS

- Screening and Categorization
- Environmental and Social Assessment and Management Plans
- Public Consultation
- Transparency and Information Disclosure
- Monitoring and Reporting
- Grievance Redressal Mechanisms

ENVIRONMENTAL AND SOCIAL STANDARDS

- Environmental and Social Assessment
- Involuntary Resettlement
- Indigenous Peoples





6

FINANCIAL SUMMARY

Key Financial Metrics

| Statement of Comprehensive Income (US\$ million) | Jan 1, 2018 – Dec 31, 2018 | Jan 1, 2017 – Dec 31, 2017 | Jul 3, 2015 – Dec 31, 2016 |
|--|----------------------------|----------------------------|----------------------------|
| Net interest income | 109.8 | 49.8 | 22.3 |
| Net Fee income ¹ | 0.4 | 0 | - |
| Net gains/(losses) on financial instruments ² | 7.8 | 1.3 | 2.5 |
| Staff costs and other operating expenses ³ | (37.2) | (26.0) | (18.0) |
| Impairment provisions | (3.8) | (0) | - |
| Foreign exchange gains / (losses) | (5.0) | 5.8 | (2.4) |
| Operating profit | 72.0 | 30.9 | 4.4 |
| Unwinding of interest on paid-in capital receivables | 93.8 | 127.2 | 223.3 |
| Total comprehensive income | 165.9 | 158.0 | 227.7 |
| Statement of Financial Position (US\$ million) | As at Dec 31, 2018 | As at Dec 31, 2017 | As at Dec 31, 2016 |
| Assets | | | |
| Cash and cash equivalents | 123.0 | 1,019.9 | 347.8 |
| Due from banks other than cash and cash equivalents | 4,800.6 | 3,212.4 | 2,284.9 |
| Derivative financial assets | 0.7 | - | - |
| Loans and advances | 628.1 | 23.9 | - |
| Paid-in capital receivables | 4,846.8 | 5,933.4 | 7,401.0 |
| Other assets ⁴ | 3.3 | 34.6 | 20.0 |
| Total assets | 10,402.4 | 10,224.1 | 10,053.7 |
| Liabilities | | | |
| Derivative financial liabilities | 6.4 | 3.3 | 44.0 |
| Financial liabilities ⁵ | 443.8 | 449.4 | 403.1 |
| Other liabilities | 7.4 | 2.8 | 1.2 |
| Total liabilities | 457.6 | 455.5 | 448.3 |
| Equity | | | |
| Paid-in capital | 10,000.0 | 10,000.0 | 10,000.0 |
| Other reserves | (162.4) | (266.7) | (399.0) |
| Retained earnings | 107.3 | 35.3 | 4.4 |
| Total equity | 9,944.9 | 9,768.6 | 9,605.4 |
| Total equity and liabilities | 10,402.4 | 10,224.1 | 10,053.7 |

In keeping to NDB's operating principles as a **lean organisation**, administrative expenses are expected to kept low

Credit exposure arising from **investments due from banks** are rated at senior investment grade

Financial liabilities relates to NDB's 5-year green bond

Total capital **contributions received and paid-in capital** receivables due

Difference between the present value and the nominal value of outstanding paid-in capital

Source: NDB Audited IFRS Financial Statements. Note: Figures may not tally due to rounding differences

1. Net fee income, including other operating income
2. Net gains/(losses) on financial instruments at fair value through profit or loss
3. Staff costs and other operating expenses, including other income
4. Other assets, including property and equipment and intangible assets
5. Financial liabilities designated at fair value through profit or loss

Key Financial Metrics: 9M 2019

| Statement of Comprehensive Income (US\$ million) | Jan 1, 2019 – Sep 30, 2019 | Jan 1, 2018 – Sep 30, 2018 | Jan 1, 2018 – Dec 31, 2018 |
|--|----------------------------|----------------------------|----------------------------|
| Net interest income | 147.6 | 75.8 | 109.8 |
| Net Fee income ¹ | 1.1 | 0.3 | 0.4 |
| Net gains/(losses) on financial instruments ² | 35.0 | 7.3 | 7.8 |
| Staff costs and other operating expenses ³ | (35.5) | (26.5) | (37.2) |
| Impairment provisions | (0.5) | (1.6) | (3.8) |
| Foreign exchange gains / (losses) | (31.7) | (4.8) | (5.0) |
| Operating profit | 116.0 | 50.4 | 72.0 |
| Unwinding of interest on paid-in capital receivables | 54.5 | 71.6 | 93.8 |
| Total comprehensive income | 170.6 | 122.0 | 165.9 |
| Statement of Financial Position (US\$ million) | As at Sep 30, 2019 | As at Sep 30, 2018 | As at Dec 31, 2018 |
| Assets | | | |
| Cash and cash equivalents | 279.7 | 227.3 | 123.0 |
| Due from banks other than cash and cash equivalents | 6,012.5 | 4,251.0 | 4,800.6 |
| Derivative financial assets | 4.7 | - | 0.7 |
| Debt instruments measured at amortised cost | 7.2 | - | - |
| Loans and advances | 1,074.2 | 381.5 | 628.1 |
| Paid-in capital receivables | 4,295.5 | 5,414.8 | 4,846.8 |
| Other assets ⁴ | 3.6 | 79.7 | 3.3 |
| Total assets | 11,677.4 | 10,354.3 | 10,402.4 |
| Liabilities | | | |
| Derivative financial liabilities | 19.6 | 18.2 | 6.4 |
| Financial liabilities ⁵ | 855.1 | 429.2 | 443.8 |
| Note payables | 668.8 | - | - |
| Other liabilities ⁶ | 15.1 | 6.4 | 7.4 |
| Total liabilities | 1,558.6 | 453.8 | 457.6 |
| Equity | | | |
| Paid-in capital | 10,000.0 | 10,000.0 | 10,000.0 |
| Other reserves | (104.5) | (185.2) | (162.4) |
| Retained earnings | 223.3 | 85.7 | 107.3 |
| Total equity | 10,118.8 | 9,900.5 | 9,944.9 |
| Total equity and liabilities | 11,677.4 | 10,354.3 | 10,402.4 |

Strong NII growth driven by capital contributions received from members

In keeping to NDB's operating principles as a lean organisation, administrative expenses are expected to be kept low

Credit exposure arising from investments due from banks are rated at senior investment grade

Financial liabilities relates to NDB's five-year green bond and new panda bond issued in Q1 2019

Note payables relates to NDB's ECPs issued in 2019

Total capital contributions received and paid-in capital receivables due

Difference between the present value and the nominal value of outstanding paid-in capital

Source: NDB Audited IFRS Financial Statements. Note: Figures may not tally due to rounding differences

1. Net fee income, including other operating income

2. Net gains/(losses) on financial instruments at fair value through profit or loss

3. Staff costs and other operating expenses, including other income

4. Other assets, including property and equipment, intangible assets and right-of-use assets

5. Financial liabilities designated at fair value through profit or loss

6. Other liabilities, including lease liabilities



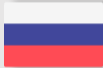


7 ANNEXURE

Loans Approved in 2016

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|--|---|--------------------------------|-----------------------|--|---------------|
|  Brazil | BNDES, Brazil's national bank for economic and social development | Loan to NFI | US\$ 300mn | On-lending to support renewable energy and transmission projects. A diversified set of sub-projects in solar, wind, hydropower and other areas with additional capacity of 600 MW will be financed by BNDES on an on-lending basis | US\$ |
|  Russia | Eurasian Development Bank and International Investment Bank | Loan to NFI | US\$ 100mn | Construction of small hydroelectric power plants in Karelia with total capacity of 49.8 MW | US\$ |
|  India | Canara Bank | Sovereign-guaranteed financing | US\$ 250mn | On-lending to renewable energy projects in solar and wind energy, hydropower and other areas with a total capacity of 500 MW of clean energy | US\$ |
| | The Republic of India | Sovereign financing | US\$ 350mn | Upgrade of approximately 1,500 km of major district roads in Madhya Pradesh | US\$ |
|  China | The People's Republic of China | Sovereign financing | CNY 525mn (US\$ 81mn) | Financing of distributed solar power project in the Lingang Industrial Area. In this flagship development zone, rooftop solar power installations will have a total capacity of 100 MW | CNY |
| | The People's Republic of China | Sovereign financing | CNY 2bn (US\$ 298mn) | Financing of offshore wind power capacity to generate 873 million kWh of electricity in the Pinghai Bay in Putian, Fujian Province | CNY |
|  South Africa | Eskom Holdings | Sovereign-guaranteed financing | US\$ 180mn | Financing grid connection infrastructure for renewable energy projects | US\$ |


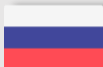


Loans Approved in 2017

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|--------------------------------|---------------------|----------------------|---|---------------|
|  Russia | The Russian Federation | Sovereign financing | US\$ 460mn | Development of infrastructure and implementation of information technology systems of the judicial system in Russia | US\$ |
| | The Russian Federation | Sovereign financing | US\$ 68.8mn | Construction of a toll transport corridor connecting the Ufa city center to the M-5 federal highway | US\$ |
|  India | The Republic of India | Sovereign financing | US\$ 470mn | On-lending to the Government of Madhya Pradesh for developing the rural drinking water supply scheme in the state of Madhya Pradesh | US\$ |
| | The Republic of India | Sovereign financing | US\$ 345mn | On-lending to the Government of Rajasthan for rehabilitating the Indira Gandhi canal system | US\$ |
|  China | The People's Republic of China | Sovereign financing | CNY 2bn (US\$ 300mn) | Enhancement of flood control, and improvement of water quality in Hunan province's Xiang River watershed | CNY |
| | The People's Republic of China | Sovereign financing | US\$ 200mn | Upgrade of traditional industries to achieve energy conservation, resources recycling and pollutants reduction through technology modernisation | US\$ |






Loans Approved in 2018 1/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|-------------------------------------|--------------------------------|-------------|---|---------------|
|  Brazil | The State of Pará | Sovereign-guaranteed financing | US\$ 50mn | Construction of urban roads and drainage, sanitation and telecommunication in small urban cities in 29 municipalities of the State of Pará | US\$ |
| | The State of Maranhão | Sovereign-guaranteed financing | US\$ 71mn | Improvement and reconstruction of 143 km of the MA-006 Maranhão State highway | US\$ |
| | Petroleo Brasileiro S.A (Petrobras) | Non-Sovereign financing | US\$ 200mn | Upgrading of the infrastructure of 2 existing refineries with the objective of reducing harmful emissions and preventing water and soil contamination | US\$ |
|  Russia | The Russian Federation | Sovereign financing | US\$ 320mn | Modernisation and construction of integrated water supply and sanitation systems along the Volga river to combat water pollution | US\$ |
| | The Russian Federation | Sovereign financing | US\$ 220mn | Development of tourism infrastructure with a focus on the preservation of cultural heritage and development of urban infrastructure of 9 historic cities of national significance | US\$ |






Loans Approved in 2018 2/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|--------------------------------|-------------------------|-------------|--|---------------|
|  India | The Republic of India | Sovereign financing | US\$ 350mn | Construction and upgrading of rural roads with a total length of 4,000 km, spread across 26 districts in the state of Bihar, and benefiting approximately 3,400 places of habitation | US\$ |
|  China | The People's Republic of China | Sovereign financing | US\$ 300mn | Development of sustainable infrastructure in 7 small cities in Chongqing Municipality, to improve the living conditions of local residents | US\$ |
|  South Africa | Transnet SOC Ltd. (Transnet) | Non-Sovereign financing | US\$ 200mn | Enhancement of the capacity of port in Durban, through rehabilitating of container terminal berths and upgrading of port infrastructure to provide additional slots for larger vessels | US\$ |





Loans Approved in 2018 3/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|--|--|-------------------------|-------------|---|---------------|
|  Russia | SIBUR Holding, PJSC | Non-Sovereign financing | US\$ 300mn | Construction of environmentally sustainable infrastructure development including water treatment facilities, transport and logistics infrastructure | US\$ |
|  India | The Republic of India | Sovereign financing | US\$ 175mn | Construction and upgrading of about 350 bridges in Madhya Pradesh State, to realise the full benefits of upgrading the State Highways and Major Districts Roads | US\$ |
| | The Republic of India | Sovereign financing | US\$ 350mn | On-lending to the State Government of Madhya Pradesh for rehabilitating Major District Roads with a total length of about 2,000 km | US\$ |
|  China | The People's Republic of China | Sovereign financing | US\$ 300mn | Construction of the first urban rail line in the city of Luoyang. The line will stretch for 22 km and have 18 stations | US\$ |
|  South Africa | The Development Bank of Southern Africa (DBSA) | Loan to NFI | US\$ 300mn | Loan to a NFI for on-lending to sustainable development projects within the energy sector in South Africa that contribute to the reduction in CO ₂ emissions, improvement of energy sector mix and robustness, as well as to the increase of energy efficiency | US\$ |





Loans Approved in 2018 4/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|--------------------------------|---------------------|---------------------------|--|---------------|
|  India | The Republic of India | Sovereign financing | US\$ 260mn | Construction of three metro lines in Mumbai with the total length aggregate about 58 km, to address the current transport challenges and to enhance the city's public transportation capacity | US\$ |
| | The People's Republic of China | Sovereign financing | CNY 2bn (US\$ 288mn) | Construction of an offshore 300 MW wind farm to provide improve energy structure of Guangdong Province in Yangjiang's shallow water area with reduction of pollution emissions of 499,500 tons of CO ₂ emissions annually | CNY |
|  China | The People's Republic of China | Sovereign financing | CNY 4.2bn (US\$ 605mn) | Construction of the new airport in Hohhot city of Inner Mongolia Autonomous Region with a designed capacity of 28 million passengers and freight traffic of 320,000 tonnes each year | CNY |
| | The People's Republic of China | Sovereign financing | US\$ 400mn | On-lending to the People's Government of Jiangxi Province for development of the natural gas transmission system to promote sustainable economic development | US\$ |

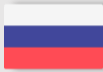





Loans Approved in 2019 1/4



| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|--|--------------------------------|---------------------------|--|---------------|
|  China | The People's Republic of China | Sovereign financing | CNY 825mn (US\$ 123mn) | Upgrading urban and rural water supply and sewage facilities and enhancing the economic efficiency of water resources and the effectiveness of water management system in Shengzhou, in Zhejiang Province in China | CNY |
| | The People's Republic of China | Sovereign financing | US\$ 300mn | Improvement of urban water systems, restoration of the ecological balance and enhancing flood protection in Chongzuo, in Guangxi Zhuang Autonomous Region | US\$ |
|  South Africa | Trans-Caledon Tunnel Authority (TCTA) | Sovereign-guaranteed financing | ZAR 3.2bn (US\$ 222mn) | Lending to TCTA for the implementation of Phase II of Lesotho Highlands Water Project and financing the construction of water transfer infrastructure | ZAR |
| | Industrial Development Corporation (IDC) | Loan to NFI | ZAR 1.15bn (US\$ 80mn) | Lending to IDC for on-lending to renewable energy sub-projects contributing to the reduction in carbon dioxide emissions, improvement of energy sector mix, and increase of energy efficiency of the economy | ZAR |
| | Eskom Holdings | Sovereign-guaranteed financing | US\$ 480mn | Retrofitting flue-gas desulfurization equipment, to make Medupi TPP compliant with South Africa's environmental standards coming into force | US\$ |




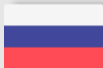

Loans Approved in 2019 2/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|--|---|--------------------------------|---------------------------|---|---------------|
|  Russia | Eurasian Development Bank | Loan to NFI | US\$ 300mn | On-lending to facilitate investments in renewable energy generation plants that will contribute to Russia's power generation mix in line with the country's Energy Strategy 2030 | US\$ |
|  India | The Republic of India | Sovereign financing | US\$ 300mn | Construction of a major bridge across the Brahmaputra and approach roads, connecting the south bank to the north bank of the Guwahati metropolitan area, in the State of Assam, with the total length of approximately 8.3 km | US\$ |
| | The Republic of India | Sovereign financing | US\$646mn | Lending to address the connectivity challenges through upgrading state highways and district roads of heavy traffic, and reconstructing bridges that are obsolete, in the State of Andhra Pradesh | US\$ |
|  China | The People's Republic of China | Sovereign financing | CNY 2.1bn (US\$ 306mn) | Developing a green bus system and improving public transport services in Yinchuan Municipality, in Ningxia Hui Autonomous Region in China through replacing all existing natural gas-fueled buses with electric buses | CNY |
| | The People's Republic of China | Sovereign financing | CNY 2.5bn (US\$ 364mn) | Lending to reduce the logistics gap, meet the growing demand of logistics infrastructure, and support the robust economic growth, through building roads, railways, and airport in Lanzhou New Area, in Gansu Province in China | CNY |
|  South Africa | South African National Roads Agency SOC Ltd. (SANRAL) | Sovereign-guaranteed financing | ZAR 7.0bn (US\$ 469bn) | Lending to improve key national road segments with the objective to reduce transportation costs in South Africa | ZAR |

Loans Approved in 2019 3/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|---|-----------------------------------|-------------------------|-------------------------|--|---------------|
|  Brazil | The Federative Republic of Brazil | Sovereign financing | US\$ 500mn | On-lending to climate change mitigation and adaption sub-projects in the sectors of urban mobility, waste treatment, renewable energy, and energy efficiency | US\$ |
| | Vale S.A. | Non-Sovereign financing | US\$ 300mn | Lending to upgrade of the transportation infrastructure capacity of Vale's Northern System in the states of Pará and Maranhão, encompassing the Carajás Railway and the Ponta da Madeira Port Terminal | US\$ |
|  India | The Republic of India | Sovereign financing | US\$ 312mn | Construction and upgrade of drinking water supply infrastructure in 25 towns in the State of Manipur | US\$ |
| | The Republic of India | Sovereign financing | US\$ 225mn | Construction of a metro line of 31 km in Indore, in the State of Madhya Pradesh | US\$ |
| | REC Ltd. | Non-Sovereign financing | US\$ 300mn | REC Limited is a primary financing provider to India's power sector. Lending to finance construction of renewable energy power plants and associated evacuation transmission lines (sub-projects) | US\$ |
|  China | The People's Republic of China | Sovereign financing | CNY 2.76bn (US\$ 392mn) | Construction of a modern tram network with a total length of about 28 km in Huangshi Municipality, in Hubei Province | CNY |

Loans Approved in 2019 4/4

| Country | Borrower | Type | Loan Amount | Purpose | Loan currency |
|--|--|--------------------------------|------------------------|--|---------------|
|  Brazil | Equity Investment in Patria Infrastructure Fund IV, L.P. | Equity Investment | US\$ 100mn | Support investments in Brazil's key infrastructure sectors in line with the targets set by the Brazilian government, to achieve sustainable economic growth | US\$ |
|  Russia | The Russian Federation | Sovereign financing | EUR 451mn (US\$ 500mn) | Support supply of highly skilled engineering workforce to the labor market through providing necessary educational infrastructure to Russian higher education institutions | EUR |
| | Joint Stock Company Russian Railways | Non-Sovereign financing | CHF 500mn (US\$ 509) | Lending to support the Locomotive Fleet Renewal Program | CHF |
|  South Africa | Eskom Holdings | Sovereign-guaranteed financing | ZAR 6.0bn (US\$ 418mn) | Lending for setting up Battery Energy Storage System comprising 360 MW of distributed battery storage sites across four provinces of South Africa | ZAR |



“

Sustainability remains the bedrock of our mission and the work we do. To my mind, sustainability is not rigid or immutable, rather, it is fluid and adaptive.

”

K.V. Kamath
NDB PRESIDENT



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Thank you
