

**New
Development
Bank**

Investor Presentation

September 2020



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Empowering Nations Through Innovation and Sustainability

1. OVERVIEW OF NDB
2. CREDIT STRENGTHS
3. LENDING ACTIVITIES
4. ENVIRONMENTAL AND SOCIAL COMMITMENT
5. BORROWING ACTIVITIES
6. FINANCIAL SUMMARY
7. ANNEXURE



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



HIGH CAPITALISATION

- High level of initial **authorised capital of US\$ 100bn** with initial **subscribed capital of US\$ 50bn** and **paid-in capital of US\$ 10bn²** places NDB amongst the largest MDBs globally



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 largest commitments amongst all MDBs



DRIVING INNOVATION AND SUSTAINABILITY

- **Support the development of financial markets in member states**, provide financing in both local and hard currencies and apply country systems
- **Sustainability is fundamental to the founding principles of NDB** and overlays everything we do



FLEXIBILITY

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

¹ Brazil, Russia, India, China and South Africa

² US\$ 7.2bn of paid-in capital has been received as at June 30, 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

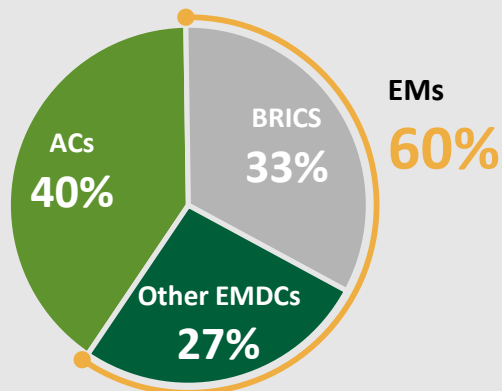
- Members fully committed to maintaining a very strong credit profile, equivalent to the strongest amongst NDB's peers
- Low leverage, rigorous project selection, conservative risk management policies and highly experienced management team are the key elements of NDB's business profile

Uniquely Positioned Multilateral Lender

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

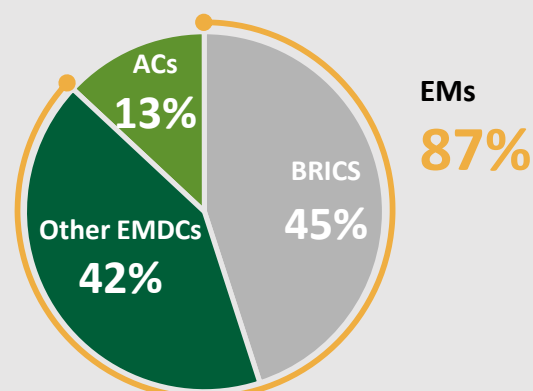
33%

OF TOTAL GLOBAL GDP
2019



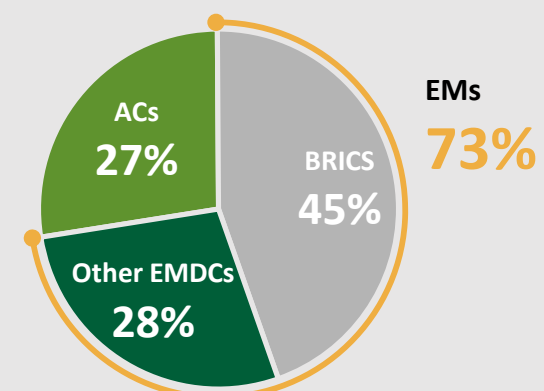
45%

OF TOTAL GLOBAL POPULATION
2019



45%

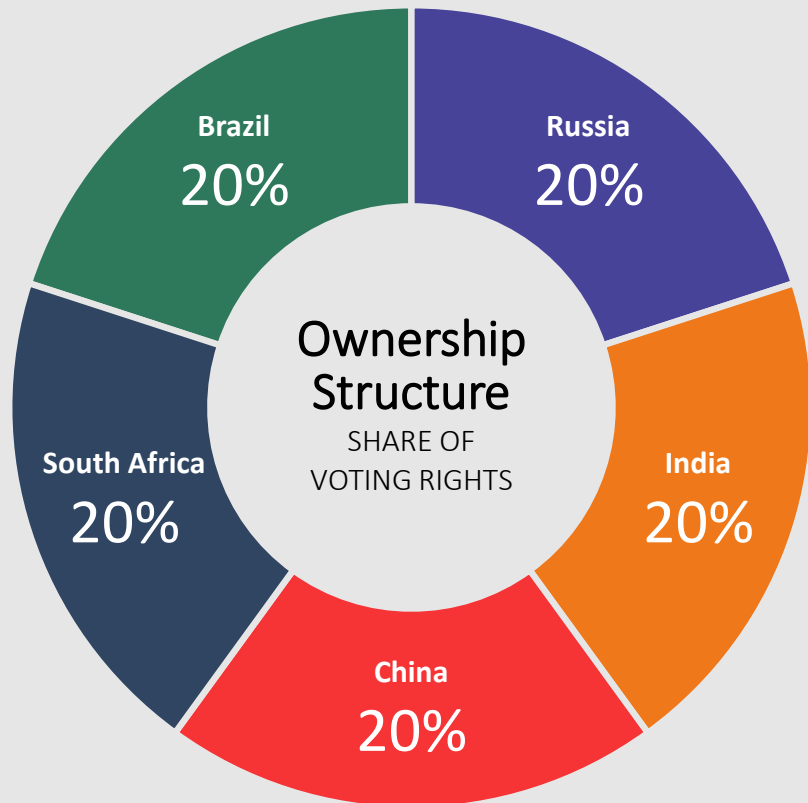
OF CONTRIBUTION TO GLOBAL GDP GROWTH
2019



Note: ACs stands for Advanced Countries and EMDCs stands for Emerging market and developing countries according to the country classification of the IMF. The shares of global GDP and the contribution to global GDP growth are based on GDP in purchasing power parity (PPP) terms

Source: IMF World Economic Outlook of April 2020 for GDP data and October 2019 for population data. Data may include IMF estimates and/or projections

Strong Shareholder Support and Long-Term Commitment



- **One of the highest ratios of paid-in capital to subscribed capital (20%)** and one of the largest commitments 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**

Policy Mandate Represents a Concrete Avenue for BRICS Cooperation



November 14, 2019

Declaration of the Leaders of Brazil, Russia, India, China and South Africa at the 11th BRICS Summit, Brasília, Brazil

We note with appreciation the role of the New Development Bank (NDB) in infrastructure and sustainable development financing. We stress the need for enhanced efforts to build a strong, balanced and high-quality portfolio of projects. We also note with pride the 5th anniversary of the signing of the NDB's Articles of Agreement in Fortaleza, Brazil. <...> We welcome the opening of NDB Regional Offices and their activities in member countries. We welcome the establishment of the Americas Regional Office in São Paulo, along with its sub-office in Brasília, and look forward to the opening of the two remaining NDB Regional Offices in Russia and India in 2020. Building upon the core functions of the Bank's headquarters, its Regional Offices shall contribute to expanding its operations and striving for a more robust project portfolio for all member countries.

EXISTING COOPERATIVE FRAMEWORK

BRICS Contingent
Reserve Arrangement
(CRA)

BRICS
Annual Summit

New Development Bank

Strategy for
BRICS Economic
Partnership

BRICS Interbank
Cooperation
Mechanism

NDB Benefits from Strong and Tangible Stakeholder Support

Preferred creditor status underpins preferential treatment on member countries' obligations to NDB

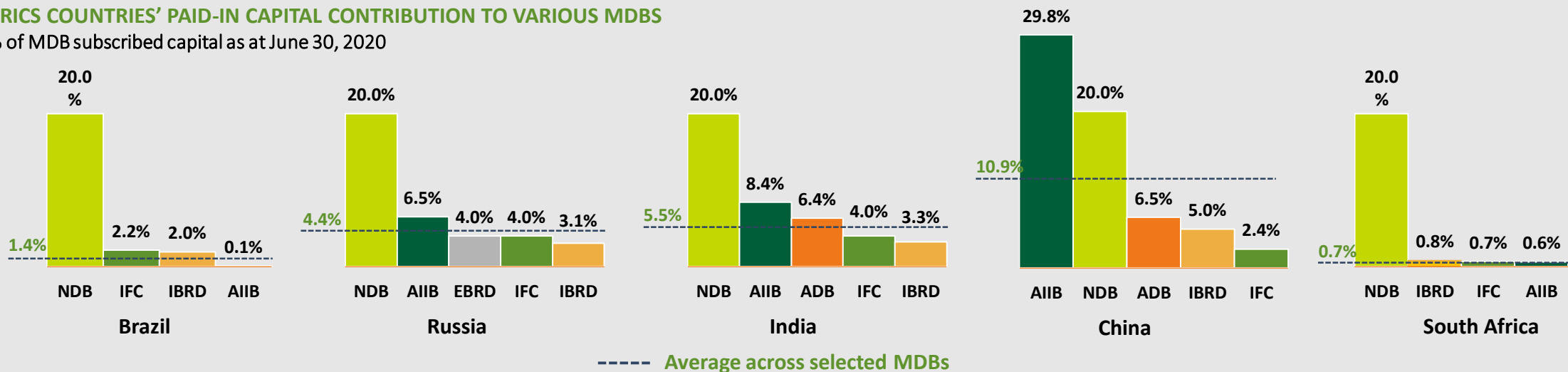
Articles of Agreement 31 (c)

To the extent necessary to carry out the purpose and functions of the Bank and subject to the provisions of this Agreement, all property and other assets of the bank shall be exempt from restrictions, regulations, controls and moratoria of any nature.

Member countries' commitment to NDB surpasses that to peer MDBs, representing their vested interest in the institution and a greater propensity to support NDB in times of distress

BRICS COUNTRIES' PAID-IN CAPITAL CONTRIBUTION TO VARIOUS MDBS

% of MDB subscribed capital as at June 30, 2020

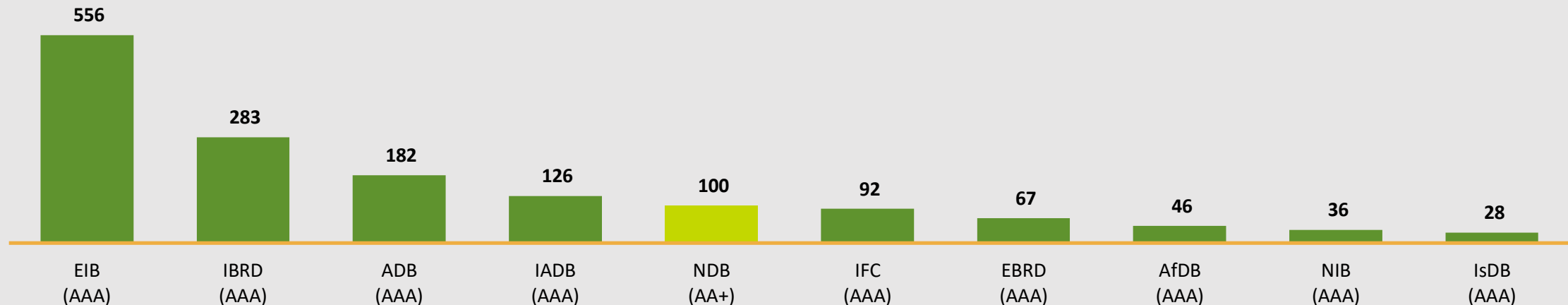


Capital Endowment Places NDB Amongst the Largest MDBs Globally



With an initial authorized capital of US\$100bn, NDB is a significant resource for fostering development and increasing the economic competitiveness of its member countries

TOTAL ADJUSTED ASSETS SIZE OF PEERS VERSUS AUTHORIZED CAPITAL OF NDB
US\$ bn



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

Key Milestones

- **AA+/AA+/AAA/AAA international credit rating with a stable outlook** received from S&P/Fitch/JCR/ACRA
- **AAA China domestic rating** received from two leading Chinese rating agencies, China Chengxin Credit Rating Co., Ltd. and China Lianhe Credit Rating Co., Ltd.

- **RMB Green Bond** issued in China in July 2016
- **RMB Bond Programme** registered in China in January 2019 and the 1st offering placed in February 2019
- **ZAR Bond Programme** registered in South Africa in April 2019
- **ECP Programme** established in April 2019 and the 1st offering placed in May 2019
- **RUB Bond Programme** registered in Russia in November 2019
- **EMTN Bond Programme** established in December 2019 and the 1st offering placed in June 2020
- **US\$ 7.2bn of paid-in capital** has been received*

- **Partnerships established** with key global and national institutions, including EBRD, EIB, AIIB, EDB, IIB, CAF, the World Bank Group, ADB, etc.



- **Agreement on the NDB** signed in Fortaleza in July 2014 and **entered into force in July 2015**
- **Headquarters Agreement** with China and the MoU with the Shanghai Municipal People's Government **signed in February 2016**
- **Key governance, operational and risk policies and procedures** established covering all functional areas

- **57 investment projects in all member countries** for a total approved amount of **US\$ 18.0bn****
- **Project Preparation Fund** contribution agreements signed with Russia, India and China

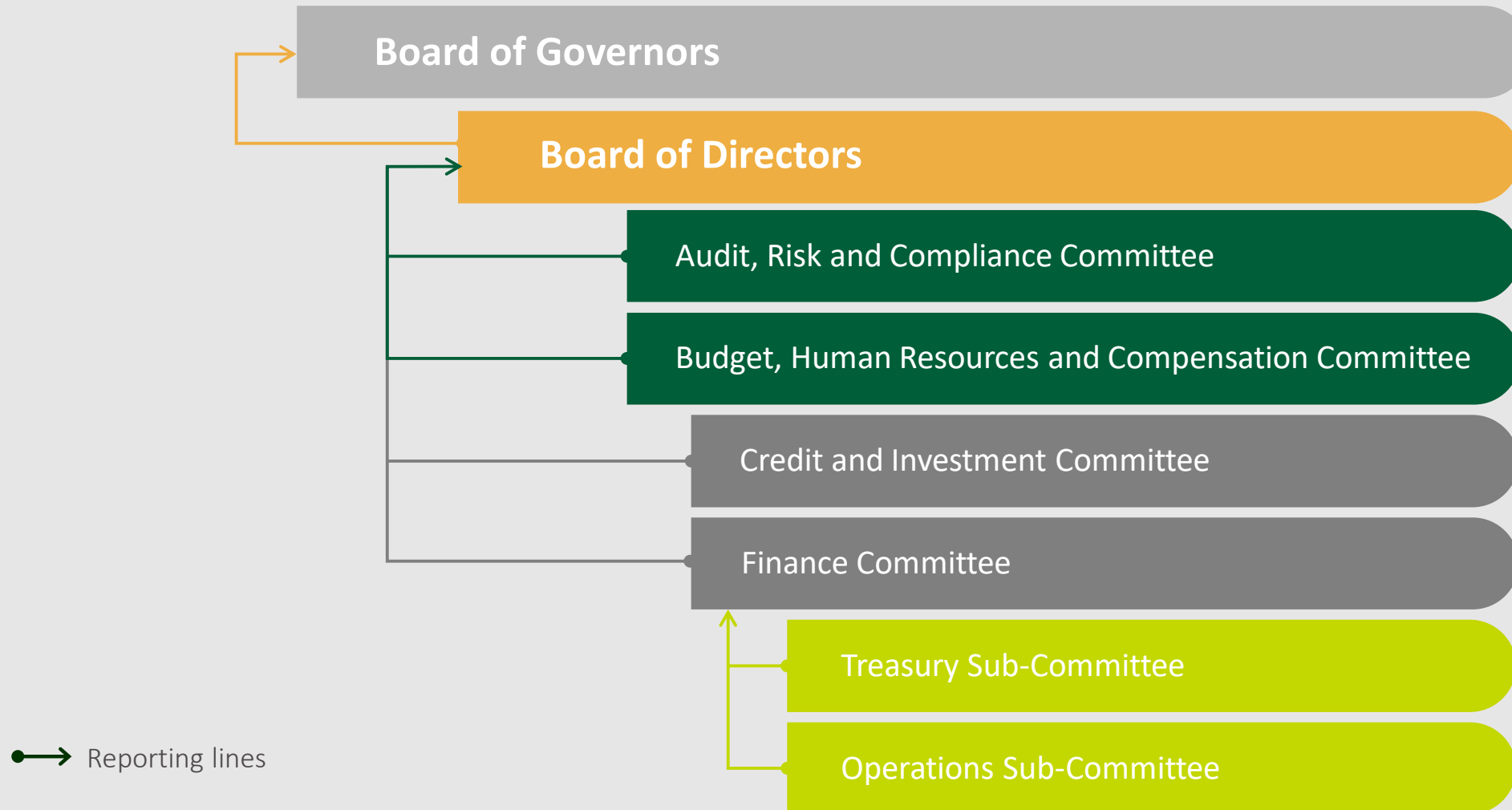
- **General Strategy** for 2017-2021 approved

- **Africa Regional Center** launched in Johannesburg, South Africa in August 2017
- **Terms, Conditions and Procedures for the Admission of New Member Countries** approved
- **Americas Regional Office** established in Sao Paulo, Brazil in November 2019

* As at June 30, 2020. Paid-in capital of US\$ 10bn will arrive in 7 instalments, with the last payment due January 2022

** As at June 30, 2020. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Governance Structure



Highly Experienced Management Team



President & Board Member
Mr. Marcos Troyjo

- Multi-layered career in government, business and academia. Actively involved in the public debate on economic development
- Served as Brazil's Deputy Minister of Economy and Special Secretary for Foreign Trade and International Affairs, represented the Brazilian Government in the boards of multilateral development institutions, was Chairman of Brazil's Commission on External Financing and National Investment Committee
- Co-founded and served as Director of the BRICLab at Columbia University. Lectured extensively at universities and research centers around the world and authored books on development, technology and global affairs
- Member of the World Economic Forum (WEF) Global Future Council on International Trade and Investment
- Economist and political scientist with a PhD and MSc in sociology of international relations from the University of Sao Paulo. Pursued postdoctoral studies at Columbia University. He is an alumnus of the Rio Branco Institute, the diplomatic academy of Brazil's Ministry of Foreign Affairs



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



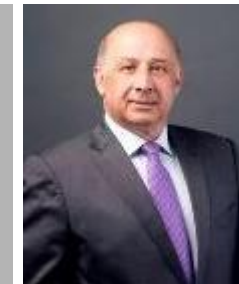
VP
Chief Operations Officer
Mr. Xian Zhu

- Extensive experience (16y+) at World Bank and Asian Development Bank (ADB)
- 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. Anil Kishora

- 38+ years of public sector experience at India's largest bank, State Bank of India (SBI)
- Served as Deputy Managing Director & CRO of SBI, was Deputy Managing Director & Chief General Manager of SBI Local Head Office in Chandigarh, India and CEO of SBI in Singapore
- Was a Council Member of Association of Banks in Singapore, a board member of IACPM, New York, Macquarie SBI Infrastructure Management Pte. Ltd. and Macquarie SBI Infrastructure Trustee Ltd.



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 (VEB) for 20 years and greatly contributed to the development of BRICS Interbank cooperation mechanism



2

Credit Strengths

Credit Ratings

Rating Agency	Long-Term	Short-Term	Outlook	Rating Drivers
International Credit Ratings				<ul style="list-style-type: none"> • Robust and solid capitalisation endowed with subscribed paid-in capital and ample liquidity • Strong ability of fund raising • Extraordinary shareholders' support and commitment • Systemic importance to founding members • Sound and prudent risk management, reflecting the bank's self-imposed prudential rules • Very strong level of aggregated expertise and seniority of the bank's management team • Rapid growth guaranteed by robust demand for financing of infrastructure and sustainable development projects in member countries • Strong preferred creditor status
S&P Global Ratings	AA+	A-1+	Stable	
Fitch Ratings	AA+	F1+	Stable	
Japan Credit Rating Agency	AAA		Stable	
Analytical Credit Rating Agency	AAA		Stable	
Domestic Credit Ratings				
China Chengxin International Credit Rating	AAA		Stable	
China Lianhe Credit Rating	AAA		Stable	
Analytical Credit Rating Agency	AAA(RU)		Stable	

Note: S&P ratings affirmed on February 28, 2020. Fitch ratings affirmed on July 29, 2020. JCR rating assigned on August 20, 2019. ACRA ratings affirmed on July 13, 2020. China Chengxin rating affirmed on July 23, 2020. China Lianhe rating affirmed on July 24, 2020

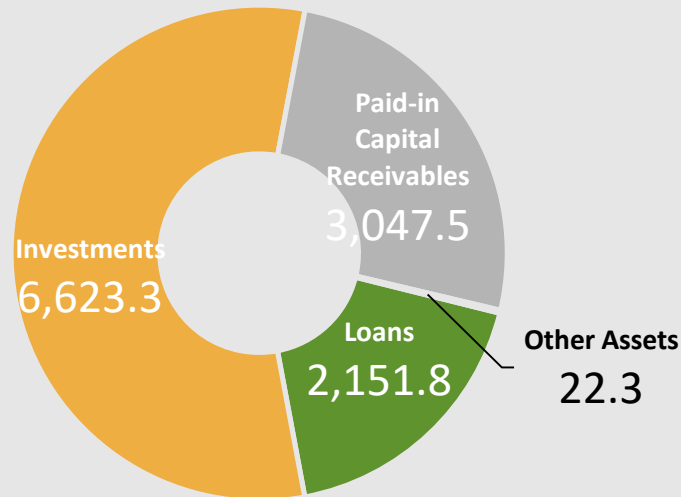
Highly Capitalised Institution

- **Policies and key risk limits are in line with AAA rated MDBs**

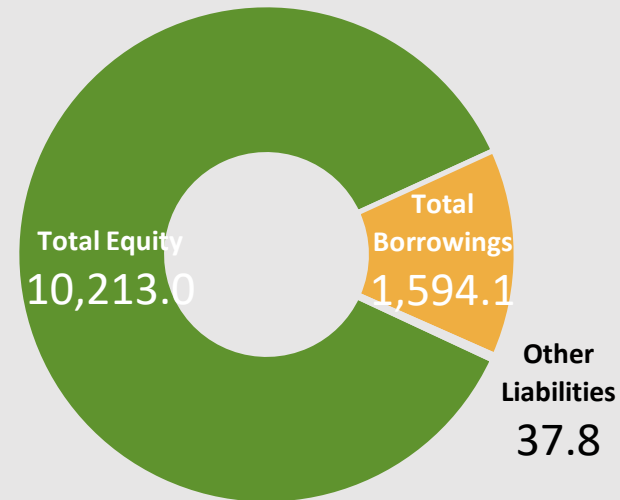
As at March 31, 2020

 - **Conservative capitalisation ratio:** minimum Equity-to-Asset ratio at 25% ✓ 82%
 - **Highly-liquid balance sheet:** liquid assets to cover minimum 12-month net cash outflow without accessing capital markets ✓ 259%
 - **Prudent capital management:** maximum Capital Utilization ratio at 90% ✓ 4.72%

ASSETS



LIABILITIES AND EQUITY



Source: NDB IFRS Financial Statements as at March 31, 2020

1. Numbers are presented in US\$ mn

2. Balance sheet total is US\$ 11,844.9mn

3. Investments, including cash and cash equivalents (US\$ 877.8mn), due from banks other than cash and cash equivalents (US\$ 5,699.6mn)

4. Total equity, including equity (US\$ 10,000.0mn), retained earnings (US\$ 280.5mn) minus other reserves (US\$ 67.5)

5. Total borrowings, including financial liabilities designated at fair value through profit and loss (US\$ 874.3mn) and note payables (US\$ 719.8mn)

Benchmarking to Peer Group



Extremely low leverage

Liquidity metrics in line or better than of AAA rated MDBs

Weighted average credit rating of projects approved is BBB-

	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



3

LENDING ACTIVITIES

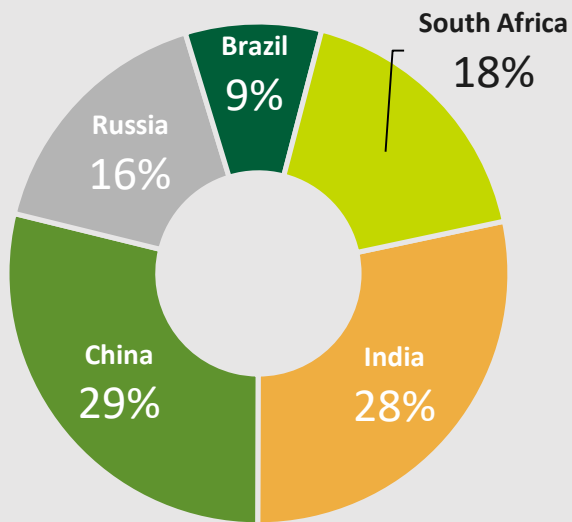
Support for Infrastructure and Sustainable Development

Development of sustainable infrastructure, being one of the key priorities for emerging economies in the coming decades, is the core focus of NDB's operations

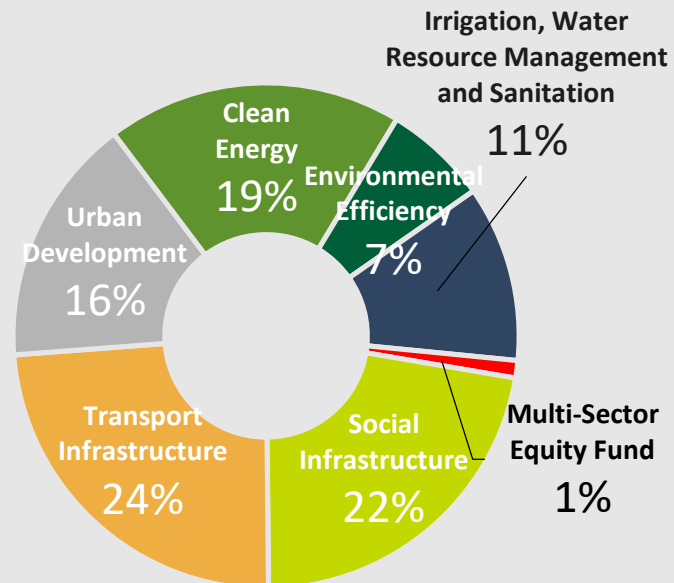
NDB Board of Directors approved 57 projects in all member countries for a total amount of US\$ 18.0bn*

74% of the total amount of approved projects are denominated in hard currencies (USD 67%, EUR 4%, CHF 3%), 26% in local currencies of member countries (CNY 20%, ZAR 6%)

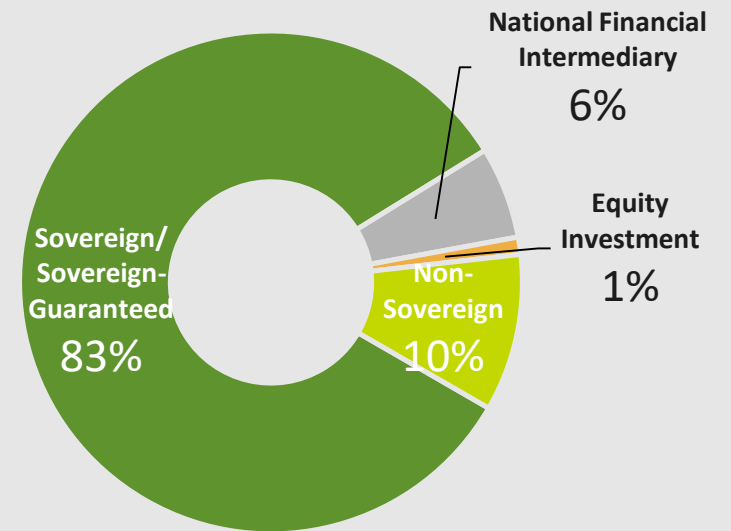
BY COUNTRY



BY SECTOR



BY TYPE



Note: Loans are classified by total loan notional, in approximate US\$ terms

* As at June 30, 2020. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Response to COVID-19 Outbreak

NDB targets the provision of up to a total of US\$ 10bn in crisis-related assistance including health and social safety expenditures, as well as supporting member states' economic recovery

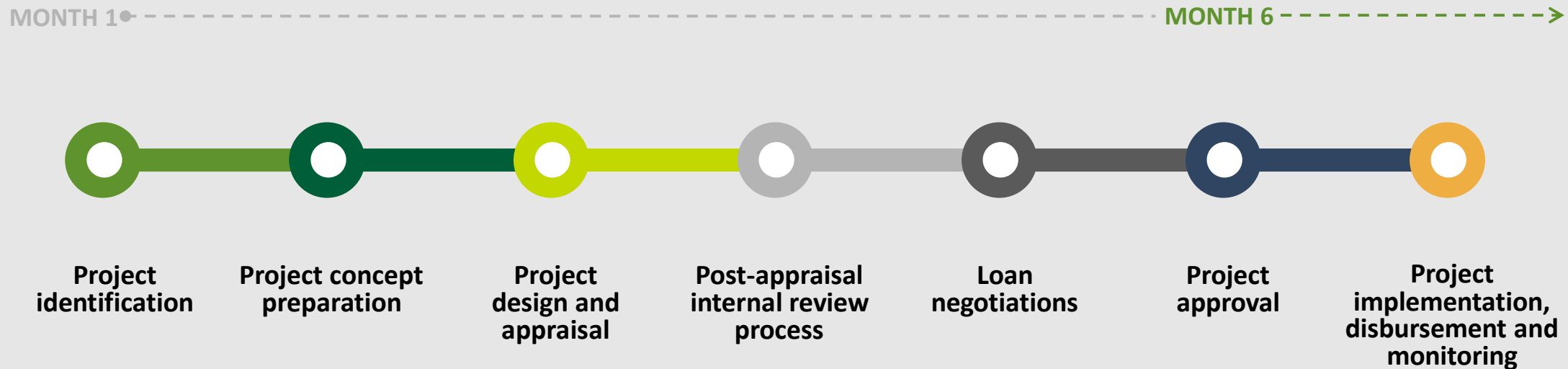
Highlights of Emergency Assistance Programs to Brazil, India, China and South Africa in Combating COVID-19

	Brazil	India	China	South Africa
Sector	Social Infrastructure	Social Infrastructure	Social Infrastructure	Social Infrastructure
Board Approval Date	July 20, 2020	April 30, 2019	March 19, 2020	June 19, 2020
Project Amount¹	US\$ 1bn	US\$ 1bn	CNY 7bn (~US\$ 1bn)	US\$ 1bn
Implementation Agency	Ministry of Citizenship, Government of Brazil	Department of Economic Affairs, Ministry of Finance, Government of India	Hubei Provincial Government, Guangdong Provincial Government and Henan Provincial Government	National Department of Health and Department of Social Development, the Government of South Africa
Objective	The purpose of the Program is to support the Government of Brazil to strengthen social safety nets and to address immediate socio-economic impacts arising from the COVID-19 outbreak, particularly on the most vulnerable population in Brazil, who have been heavily impacted by the COVID-19 outbreak	The Program will support the Government of India in its efforts to contain the spread of the virus and reduce human, social and economic losses	The objective of the Program is to provide an emergency assistance to China in combating the outbreak of COVID-19, through fiscal support to key stakeholders, at the national level, the provincial levels of the three provinces, and the municipal levels within the provinces	The objective of the Program is to assist the Government of South Africa in its efforts to combat the outbreak of COVID-19, minimize the loss of human life, and reduce social and economic losses

1. At the exchange rate at the time of Board approval

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

ENVIRONMENTAL AND SOCIAL COMMITMENT

Sustainability remains the bedrock of our mission and the work we do

Our perception of sustainability is also sculpted and influenced by the prevailing environment

We must craft a new sustainability paradigm with its promise to alleviate poverty, reduce sickness and enhance access to knowledge

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



Environmental and Social Exclusion List

- Manages operational and reputational risks of NDB and its stakeholders



Environmental and Social Standards

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

- 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



Sustainable Financing Policy Framework

- Describes the NDB principles in governing the use and management of the proceeds of green, social and sustainability bonds and other debt instruments

Environmental and Social Framework Underpins NDB's Operations

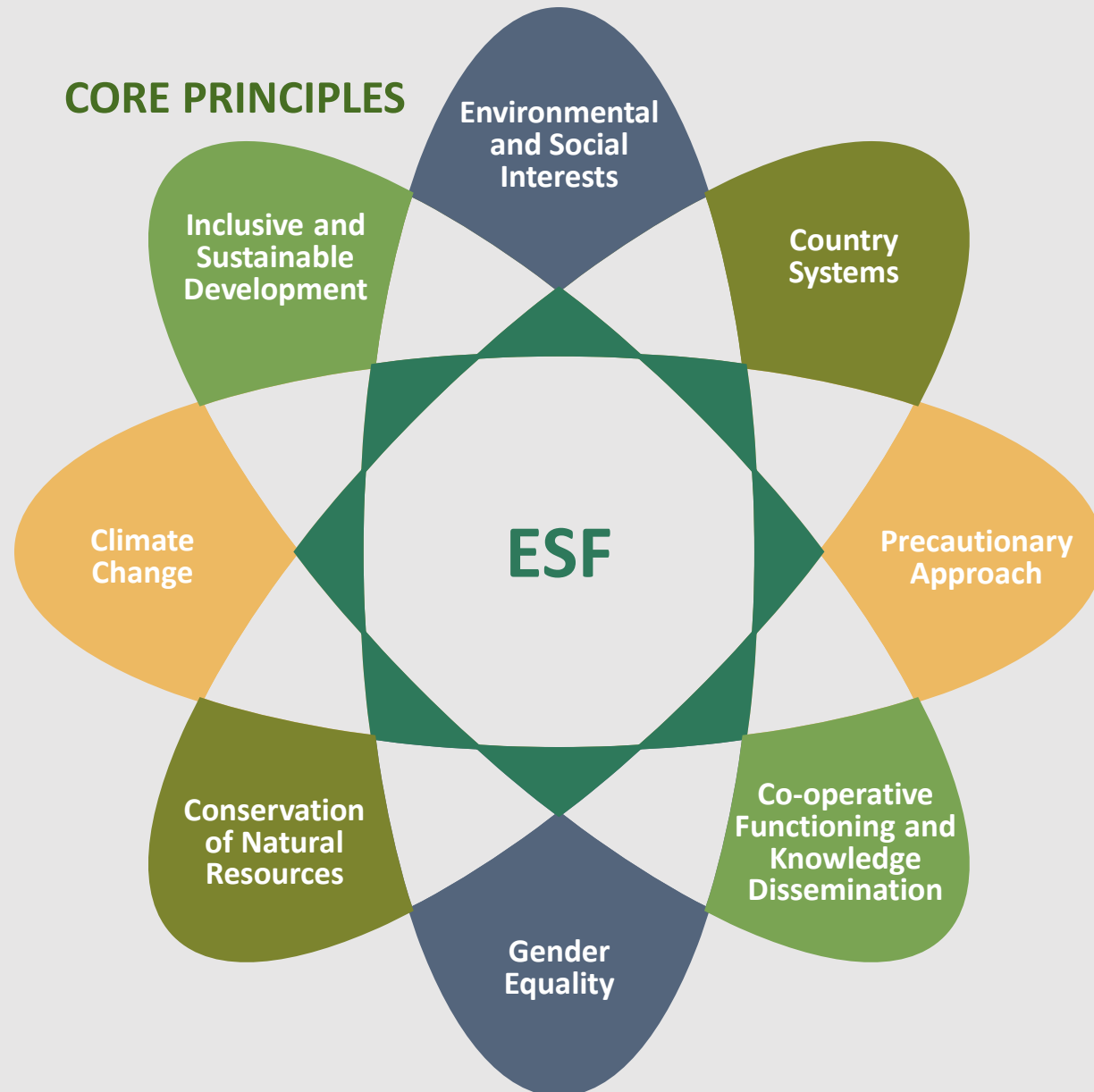
ENVIRONMENTAL AND SOCIAL POLICY REQUIREMENTS

- 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

CORE PRINCIPLES





5

BORROWING ACTIVITIES

Funding Strategy



Diversification of funding portfolio in by currency, tenor and type of interest rate



Access to international capital markets



Domestic borrowing programmes in BRICS



Regular issuances



Benchmark size transactions



Focus on Green and Sustainability financing instruments

Established Borrowing Programmes	Size
International	
EMTN Programme (Reg S)	US\$ 50bn
ECP Programme	US\$ 8bn
Domestic	
RUB bond Programme	RUB 100bn (~US\$ 1.4bn)
CNY bond Programme	CNY 10bn (~US\$ 1.4bn)
ZAR bond Programme	ZAR 10bn (~US\$ 600mn)

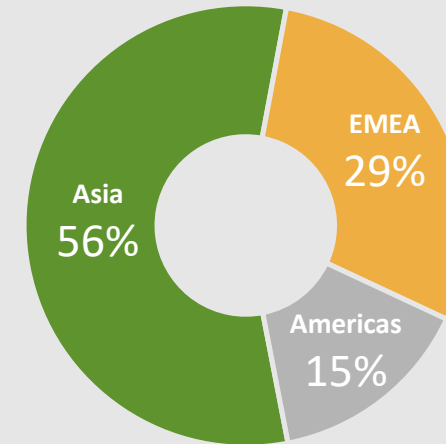
Case Study: 2020 Inaugural US\$ 1.5bn 3-year Covid Response Bond

Highlights of the NDB Covid Response Bond

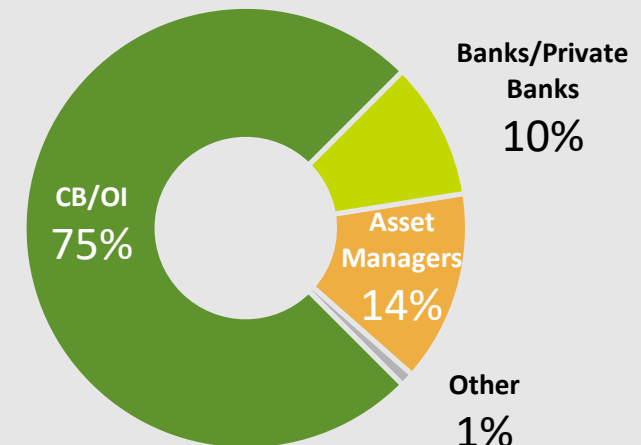
Format	RegS (Registered Form)
Size	US\$ 1.5bn
Pricing	June 16 th , 2020
Settlement	June 23 rd , 2020 (T+5)
Maturity	June 23 rd , 2023
Coupon	0.625%
Issue Spread	Mid Swaps +38bps UST +43bps
Joint Lead Managers	CITI, CACIB, GSI, HSBC, JPM

- Priced inaugural RegS US\$ 1.5bn 3-year Covid Response Bond at mid swaps +38bps equivalent to UST +43bps, which is 7bps tighter than initial price thoughts
- The transaction generated high-quality investor support, with orders in excess of US\$ 2.1bn and strong participation from central banks and official institutions, which took 75% of allocations
- The transaction was well-diversified in terms of geography, with investors in Asia taking 56% of allocations, followed by EMEA (29%) and the Americas (15%)
- The net proceeds from the sale of the Notes will be used as general corporate resources of the Issuer and will be used to finance sustainable development activities in the Issuer's member states. Such financing transactions will be largely focused on emergency support loans to the Issuer's member countries to fight the COVID-19 outbreak

GEOGRAPHIC DISTRIBUTION



INVESTOR TYPE DISTRIBUTION



Case Study: Inaugural CNY 3bn Green Bond in China

Highlights of the Inaugural Green Bond Issuance

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
Size¹	CNY 3bn (~US\$ 450mn)
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

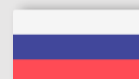


> Renewable Energy Projects and Associated Transmission in Brazil

- 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

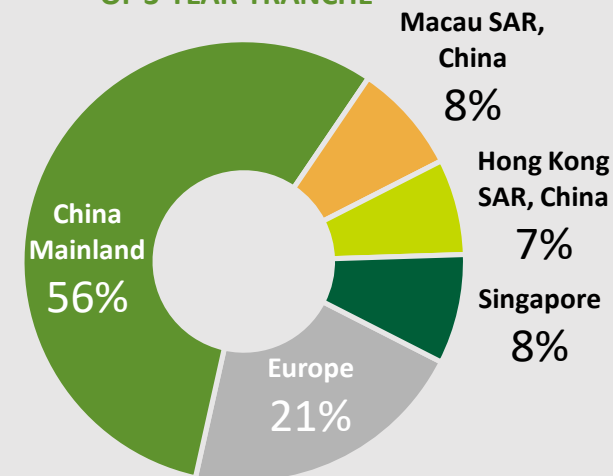
Case Study: 2019 CNY 3bn Dual-Tranche Transaction in China

- January 2019 – CNY 10bn bond Programme registered
- February 2019 – 3-year CNY 2bn and 5-year CNY 1bn bonds issued

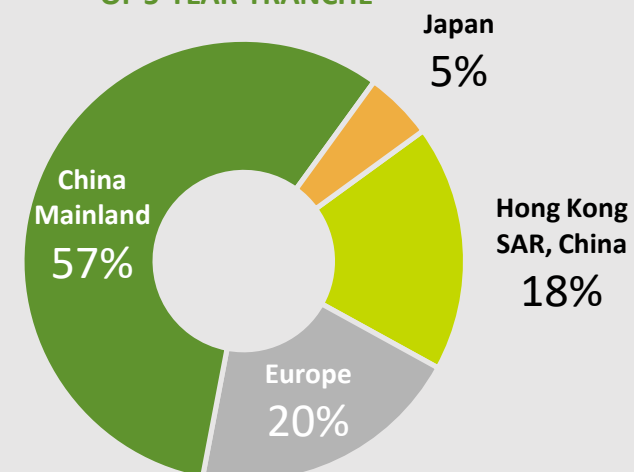
Instrument	Senior Unsecured	
Listing	China Interbank Bond Market	
Pricing	February 25 th , 2019	
Settlement	February 26 th , 2019	
Joint Lead Underwriters	ICBC, BOC, ABC, CCB	
Tenor	3-year	5-year
Maturity	February 26 th , 2022	February 26 th , 2024
Size¹	CNY 2bn (~US\$ 300mn)	CNY 1bn (~US\$ 150mn)
Coupon	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

Case Study: 2020 CNY 5bn Coronavirus Combating Bond in China



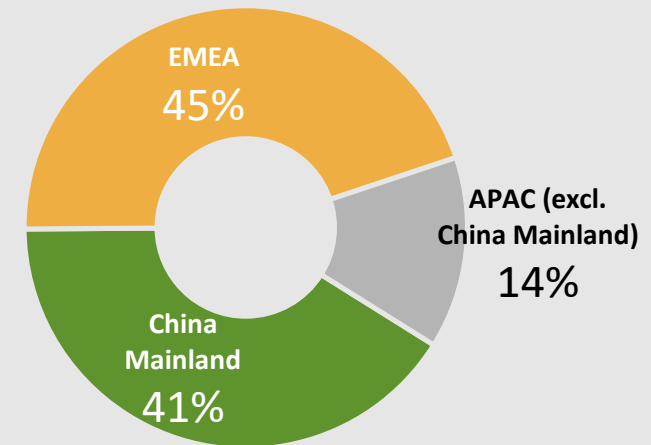
Highlights of the NDB Coronavirus Combating Bond

Instrument	Senior Unsecured
Listing	China Interbank Bond Market
Pricing	April 1-2 nd , 2020
Settlement	April 3 rd , 2020
Joint Lead Underwriters	ICBC, BOC, ABC, CCB
Tenor	3-year
Maturity	April 3 rd , 2023
Size¹	CNY 5bn (~US\$ 700mn)
Coupon	2.43%

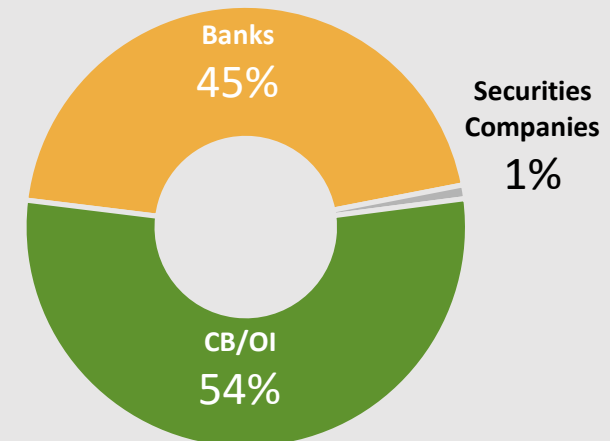
- Largest ever “Panda Bond” issued by international financial institution (IFI) in the China Interbank Bond Market to date as well as the first Coronavirus Combating Bond issued by IFI in China
- Final orderbook was more than 3x oversubscribed and reached CNY 15bn
- More than 20 investors participated in the transaction, showing broad diversification by geography and type despite volatile market conditions
- The proceeds of the NDB Coronavirus Combating Bond will be fully used to fund the NDB CNY 7 billion Emergency Assistance Program Loan to the People’s Republic of China

1. At the exchange rate at the time of issuance

GEOGRAPHIC DISTRIBUTION



INVESTOR TYPE DISTRIBUTION





6

FINANCIAL SUMMARY

Key Financial Metrics

Statement of Comprehensive Income (US\$ mn)	Jan 1, 2020–Mar 31, 2020	Jan 1, 2019–Dec 31, 2019	Jan 1, 2018–Dec 31, 2018	Jan 1, 2017–Dec 31, 2017
Net interest income	47.7	197.7	109.8	49.8
Net Fee income ¹	0.9	1.6	0.4	0
Net gains/(losses) on financial instruments ²	14.3	21.9	7.8	1.3
Staff costs and other operating expenses ³	(11.6)	(51.3)	(37.2)	(26.0)
Impairment provisions	(10.3)	(2.1)	(3.8)	(0)
Foreign exchange gains / (losses)	(18.3)	(17.4)	(5.0)	5.8
Operating profit	22.7	150.5	72.0	30.9
Unwinding of interest on paid-in capital receivables	13.6	72.4	93.8	127.2
Total comprehensive income	36.3	222.9	165.9	158.0
Statement of Financial Position (US\$ mn)	As at Mar 31, 2020	As at Dec 31, 2019	As at Dec 31, 2018	As at Dec 31, 2017
Assets				
Cash and cash equivalents	877.8	1,023.5	123.0	1,019.9
Due from banks other than cash and cash equivalents	5,699.6	5,494.8	4,800.6	3,212.4
Derivative financial assets	17.8	5.4	0.7	-
Debt instruments measured at amortised cost	45.9	33.8	-	-
Loans and advances	2,151.8	1,544.9	628.1	23.9
Paid-in capital receivables	3,047.5	3,713.5	4,846.8	5,933.4
Other assets ⁴	4.6	4.6	3.3	34.6
Total assets	11,844.9	11,820.6	10,402.4	10,224.1
Liabilities				
Derivative financial liabilities	11.2	12.2	6.4	3.3
Financial liabilities ⁵	874.3	882.8	443.8	449.4
Borrowings	-	110.1	-	-
Note payables	719.8	623.3	-	-
Other liabilities ⁶	26.6	21.0	7.4	2.8
Total liabilities	1,631.9	1,649.2	457.6	455.5
Equity				
Paid-in capital	10,000.0	10,000.0	10,000.0	10,000.0
Other reserves	(67.5)	(86.5)	(162.4)	(266.7)
Retained earnings	280.5	257.8	107.3	35.3
Total equity	10,213.0	10,171.3	9,944.9	9,768.6
Total equity and liabilities	11,844.9	11,820.6	10,402.4	10,224.1

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 **5-year green bond and 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 contract liabilities and lease liabilities



7 ANNEXURE

NDB in International and Domestic Markets

Established Borrowing Programmes	Established	Size	Validity of the Programme	Tenor of Bonds/Papers	Listing	Governing Law	Lead-Managers/Arrangers	Dealers
International								
EMTN Programme (Reg S)	December 2019	US\$ 50bn	Unlimited	No restriction	Euronext Dublin-Irish Stock Exchange (ISE)	English law	HSBC	
ECP Programme	April 2019	US\$ 8bn	Unlimited	364 days		English law	Citigroup	Citigroup, Barclays, Goldman Sachs, JPMorgan, BRED Banque Populaire
Domestic								
RUB bond Programme	November 2019	RUB 100bn (~US\$ 1.5bn)	Unlimited	Up to 20 years	Moscow Exchange (MOEX)	Laws of Russia	Gazprombank, Rosbank (SocGen Group)	
CNY bond Programme	January 2019	CNY 10bn (~US\$ 1.5bn)	January 2021	No restriction	China Interbank Bond Market	Laws of China	ICBC, BOC, ABC, CCB	
ZAR bond Programme*	April 2019	ZAR 10bn (~US\$ 700mn)	Unlimited	No restriction	Johannesburg Stock Exchange (JSE)	Laws of South Africa	Standard Bank of South Africa, Absa Bank (co-arranger)	Absa Bank, Nedbank, FirstRand Bank, Standard Bank of South Africa

Note: Size of the programmes in US\$ at the exchange rate at the time of registration

* JSE debt sponsor is Standard Bank of South Africa

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Thank you
