THE NEW DEVELOPMENT BANK

Report on Review of Condensed Financial Statements
and Condensed Financial Statements
For the six months ended June 30, 2025

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CONTENTS PAGE(S)

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Report on Review of Condensed Financial Statements

To the Board of Directors of the New Development Bank

Introduction

We have reviewed the accompanying condensed statement of financial position of the New Development Bank (the Bank) as at June 30, 2025 and the related condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the six-month period then ended, and notes to the condensed financial statements.

Management of the Bank is responsible for the preparation and fair presentation of these condensed financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on these condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

Other Matter - Restriction on Distribution

Our responsibility is to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. Our report is not to be used for any other purposes or by any other parties. We do not assume responsibility towards or accept liabilities to any other parties for the contents of this report.

Deloitte Touche Tohmatsu CPA LLP

Deloitte Touche Tohmatsu Certified Public Accountants LLP
Shanghai, People's Republic of China

September 17, 2025

Condensed Statement of Profit or Loss and Other Comprehensive Income
For the six months ended June 30, 2025
Expressed in millions of U.S. dollars

	Notes	Six months ended June 30, 2025 (unaudited)	Six months ended June 30, 2024 (unaudited)	Year ended December 31, 2024 (audited)
Interest income	6	748	818	1,591
Interest expense	6	(359)	(322)	(663)
Net interest income	6	389	496	928
Net fee income	7	5	4	7
Net (losses)/gains on financial instruments at fair value through profit or loss (FVTPL)	8	(486)	80	66
		(92)	580	1,001
Staff costs	9	(35)	(31)	(66)
Other operating expenses	10	(15)	(14)	(33)
Impairment losses under expected credit loss (ECL) model, net of reversal	11	(52)	(32)	(65)
Foreign exchange gains/(losses)		453	(180)	(246)
Other expense		(5)	(1)	(6)
Operating profit for the period/year		254	322	585
Unwinding of interest on paid-in capital receivables		5	6	10
Profit for the period/year		259	328	595
Other comprehensive income/(expense)				
Items that may be reclassified subsequently to profit or loss:				
Fair value gains/(losses) on debt instruments at fair value through other comprehensive income (FVTOCI)		9	(2)	3
Impairment losses for debt instruments at FVTOCI included in profit or loss, net of reversal		-*	(1)	(1)
Other comprehensive income/(expense) for the period/year		9	(3)	2
Total comprehensive income for the period/year		268	325	597

* Less than United States Dollar (USD) half of a million

Condensed Statement of Financial Position
As at June 30, 2025
Expressed in millions of U.S. dollars

	Notes	As at June 30, 2025 (unaudited)	As at December 31, 2024 (audited)
Assets			
Cash and cash equivalents	12	2,060	609
Due from banks other than cash and cash equivalents	13	5,509	5,282
Derivative financial assets	14	255	315
Financial assets at FVTPL	15	132	623
Debt instruments at FVTOCI	16	933	702
Debt instruments measured at amortised cost	17	3,930	4,091
Loans and advances	18	20,567	19,518
Paid-in capital receivables	19	429	386
Right-of-use assets		1	1
Property and equipment		1	1
Intangible assets		-*	-*
Other assets	20	101	8
Total assets		33,918	31,536
Liabilities			
Derivative financial liabilities	14	370	210
Financial liabilities designated at FVTPL	21	14,428	12,557
Bank borrowings	22	4,750	4,756
Bond payables	23	1,573	1,560
Lease liabilities		-*	-*
Contract liabilities	24	61	57
Other liabilities	25	122	157
Total liabilities		21,304	19,297
Equity			
Paid-in capital	26	10,661	10,538
Reserves	27	(25)	(23)
Retained earnings		1,978	1,724
Total equity		12,614	12,239
Total equity and liabilities		33,918	31,536

* Less than United States Dollar (USD) half of a million

The condensed financial statements on pages 2 to 38 were approved and authorised for issue by the Management of the Bank and the Board of Directors on September 17, 2025 and signed on their behalf by:

Dilma Vana Rousseff President	Monale Ratsoma Chief Financial Officer	Halima Nazeer Director General, Finance, Budget and Accounting

Condensed Statement of Changes in Equity
For the six months ended June 30, 2025
Expressed in millions of U.S. dollars

	Paid-in capital	Capital reserve	Revaluation Reserve	Other reserves	Retained earnings	Total
As at January 1, 2025	10,538	-*	-*	(23)	1,724	12,239
Operating profit for the period	-	-	-	-	254	254
Other comprehensive income for the period	-	-	9	-	-	9
Unwinding of interest on paid-in capital receivables for the period	-	-	-	-	5	5
Total comprehensive income for the period	-	-	9	-	259	268
Capital subscriptions	123	-	-	-	-	123
Impact on discounting of paid-in capital receivables	-	-	-	(16)	-	(16)
Impact of early payment on paid-in capital receivables	-	-	-	-*	-	-*
Reclassification of unwinding of interest arising from paid-in capital receivables	-	-	-	5	(5)	-
As at June 30, 2025 (unaudited)	10,661	-*	9	(34)	1,978	12,614

	Paid-in capital	Capital reserve	Revaluation reserve	Other reserves	Retained earnings	Total
As at January 1, 2024	10,538	-*	(2)	(33)	1,139	11,642
Operating profit for the period	-	-	-	-	322	322
Other comprehensive expense for the period	-	-	(3)	-	-	(3)
Unwinding of interest on paid-in capital receivables for the period	-	-	-	-	6	6
Total comprehensive (expense)/income for the period	-	-	(3)	-	328	325
Impact of early payment on paid-in capital receivables	-	-	-	-*	-	-*
Reclassification of unwinding of interest arising from paid-in capital receivables	-	-	-	6	(6)	-
As at June 30, 2024 (unaudited)	10,538	-*	(5)	(27)	1,461	11,967

* Less than USD half of a million

Condensed Statement of Cash Flows
For the six months ended June 30, 2025
Expressed in millions of U.S. dollars

	Six months ended June 30, 2025 (unaudited)	Six months ended June 30, 2024 (unaudited)
OPERATING ACTIVITIES		
Profit for the period	259	328
Adjustments for:		
Interest expense	359	322
Interest income from debt instruments measured at amortised cost	(84)	(49)
Interest income from debt instruments at FVTOCI	(19)	(58)
Depreciation and amortisation	-*	-*
Losses on disposal of property and equipment	-*	-
Unrealised losses/(gains) on financial instruments	587	(69)
Realised losses on derivatives	41	75
Realised gains from financial liabilities designated at FVTPL	(138)	(83)
Realised gains from private equity funds included in financial assets at FVTPL	-*	-
Unwinding of interest on paid-in capital receivables	(5)	(6)
Impairment losses under ECL model, net of reversal	52	32
Unwinding of discount on the ECL included in interest income	1	-*
Exchange (gains)/losses on debt instruments measured at amortised cost	(2)	1
Exchange losses on bond payables	14	-
Exchange gains on note payables	-	(1)
Exchange (gains)/losses on lease liabilities	-*	-*
Other exchange losses/(gains)	2	-*
Debt issuance cost	5	1
Fee expense	-*	1
Operating cash flows before changes in operating assets and liabilities	1,072	494
Net (increase)/decrease in due from banks	(227)	1,119
Net increase in loans and advances	(1,093)	(506)
Net decrease in money market funds included in financial assets at FVTPL	500	-
Net (increase)/decrease in other assets	(93)	15
Net (decrease)/increase in other liabilities and contract liabilities	(42)	40
Cash generated from operations	117	1,162
Proceeds from settlement on derivatives	936	172
Payment of settlement on derivatives	(909)	(138)
NET CASH FROM OPERATING ACTIVITIES	144	1,196

* Less than USD half of a million

Condensed Statement of Cash Flows - continued
For the six months ended June 30, 2025
Expressed in millions of U.S. dollars

	Six months ended June 30, 2025 (unaudited)	Six months ended June 30, 2024 (unaudited)
INVESTING ACTIVITIES		
Interest received on debt instruments measured at amortised cost	27	22
Interest received on debt instruments at FVTOCI	15	4
Dividends from private equity funds included in financial assets at FVTPL	-*	-
Purchase of debt instruments measured at amortised cost	(2,292)	(3,313)
Proceeds from redemption of debt instruments measured at amortised cost	2,512	948
Purchase of debt instruments at FVTOCI	(254)	(665)
Proceeds from redemption of debt instruments at FVTOCI	36	475
Purchase of financial assets at FVTPL	(8)	(17)
Proceeds from settlement on derivatives	6	70
Payment of settlement on derivatives	(4)	(69)
Purchase of property and equipment and intangible assets	-*	(1)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	38	(2,546)
FINANCING ACTIVITIES		
Interest paid on bonds	(230)	(269)
Interest paid on bank borrowings	(130)	(32)
Interest paid on note payables	-	(57)
Interest paid on lease liabilities	-*	-*
Paid-in capital received	69	45
Proceeds from issuance of bonds and note	3,019	1,054
Repayment from bonds	(1,382)	(1,433)
Proceeds from withdrawal of bank borrowings	-	3,200
Proceeds from issuance of note payables	-	929
Repayments from note payables	-	(1,728)
Payment of issuance cost of bond payables	(5)	(1)
Payment of fee expense of bank borrowings	-*	(1)
Proceeds from settlement on derivatives	88	81
Payment of settlement on derivatives	(160)	(191)
Repayments of lease liabilities	-*	-*
NET CASH FROM FINANCING ACTIVITIES	1,269	1,597
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,451	247
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	609	762
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,060	1,009
Interest received in operating activities	631	647
Interest paid in operating activities	(1)	-*

* Less than USD half of a million

1. General Information

The New Development Bank (the Bank) was established on the signing of the Agreement on the New Development Bank (the Agreement) on July 15, 2014 by the Government of the Federative Republic of Brazil (Brazil), the Russian Federation (Russia), the Republic of India (India), the People's Republic of China (China) and the Republic of South Africa (South Africa), collectively known as the "BRICS" countries or founding members. The Agreement took effect on July 3, 2015 according to the notification endorsed by Brazil in its capacity as depositary. On September 16, 2021, October 4, 2021, February 20, 2023 and May 19, 2025, the People's Republic of Bangladesh (Bangladesh), the United Arab Emirates (UAE), the Arab Republic of Egypt (Egypt) and the People's Democratic Republic of Algeria (Algeria), respectively, became new members of the Bank. The headquarters of the Bank is located in Shanghai, China. The Bank has established Africa Regional Center in Johannesburg, Americas Regional Office in Sao Paulo with a sub-office in Brasilia, Eurasian Regional Centre (ERC) in Moscow and Indian Regional Office (IRO) in Gujarat International Finance Tec-City.

As at June 30, 2025, the Bank had nine member countries. More details of member countries' paid-in capital are disclosed in Note 26. Additionally, the Bank's Board of Governors admitted one prospective member that will officially become a member country once it deposits its instrument of accession.

The purpose of the Bank is to mobilise resources for infrastructure and sustainable development projects within BRICS and other emerging economies and developing countries, complementing the existing efforts of multilateral and regional financial institutions, for global growth and development.

2. Basis of Preparation of Condensed Financial Statements and Accounting Policy

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". The condensed statement of profit or loss and other comprehensive income and relevant notes for the year ended December 31, 2024 are also presented for reference.

The condensed financial statements for the six months ended June 30, 2025 should be read in conjunction with the Bank's financial statements for the year ended December 31, 2024.

The accounting policies and methods of computation used in the condensed financial statements for the six months ended June 30, 2025 are the same as those presented in the Bank's financial statements for the year ended December 31, 2024.

2. Basis of Preparation of Condensed Financial Statements and Accounting Policy - continued

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Bank's financial positions and performance for the current and prior periods and/or disclosures set out in these condensed financial statements.

3. Key Sources of Estimation Uncertainty

The preparation of condensed financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the accounting policies of the Bank. The key sources of estimation uncertainty used in the condensed financial statements for the six months ended June 30, 2025 are the same as those followed in the preparation of the Bank's financial statements for the year ended December 31, 2024.

4. Financial Risk Management

Overview

The Bank's operating activities expose it to a variety of financial risks. As a multilateral development bank, the Bank aims to safeguard its capital base by taking prudent approaches and following international practices in identifying, measuring, monitoring and mitigating financial risks.

The Bank has established various risk management policies approved by the Board of Directors in line with its Agreement which are designed to identify and analyse risks of particular categories, and to set up appropriate risk limits and controls. The Board of Directors sets out the risk management strategy and the risk tolerance level in different risk management policies.

The primary responsibility for risk management at an operational level rests with the Management of the Bank. Management and various specialist committees are tasked with integrating the management of risk into the day-to-day activities of the Bank, by monitoring related risk parameters and tolerance through policies and procedures under the strategy approved by designated committees.

The Bank is exposed to a variety of financial risks namely: credit risk, liquidity risk and market risk which comprises exchange rate risk and interest rate risk.

Credit risk

The Bank is committed to mobilising resources for infrastructure and sustainable development projects in BRICS and other emerging market economies and developing countries. The Bank provides financial support through loans, guarantees, equity investment and other financial activities to fulfill this purpose. Any potential inability or unwillingness of borrowers or obligors to meet their financial obligation with the Bank stands as credit risk.

4. Financial Risk Management - continued

Credit risk - continued

According to the nature of the Bank's business, the principal sources of credit risks are:

(i) credit risk in its sovereign operations;
(ii) credit risk in its non-sovereign operations; and
(iii) obligors credit risk in its treasury business.

A prudential credit risk limit structure facilitates the management of risks associated to the Bank's portfolio. Credit risk concentration limits are applied to exposures to single jurisdiction, sector, obligor and product.

The Bank mainly relies on external credit rating results from major international rating agencies (e.g. Moody's, S&P Global Rating and Fitch) to provide an initial assessment of the credit quality of sovereign and non-sovereign borrowers and treasury counterparties. In case where the loans are guaranteed by the governments of the individual countries, the credit risk is assessed on the guarantor. In case a loan is not rated by any of the external credit ratings mentioned previously, the Bank uses either an alternative agency approved by the Finance Committee or an internal credit assessment taking into account specific project, borrower, sector, macro and country credit risks. The Risk Management Department of the Bank continuously monitors the overall credit risk of the Bank on a periodic basis.

ECL measurement

The Bank adopts a three-stage model for impairment based on changes in credit quality since initial recognition. The ECL calculation tool designed by Moody's is used for the six months ended June 30, 2025 and the year ended December 31, 2024.

The ECL is calculated on a 12-month basis for assets without a significant increase in credit risk since their initial recognition or on a lifetime basis for assets with a significant increase in credit risk. For financial assets that are credit-impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost rather than the gross carrying amount from the beginning of the next reporting period.

Significant increases in credit risk

In assessing whether a financial instrument has experienced a significant increase in credit risk, the Bank considers both qualitative and quantitative criteria including forward looking information available without undue cost or effort. In particular, the following information is considered in assessing whether there has been a significant increase in credit risk.

4. Financial Risk Management - continued

Credit risk - continued

Significant increases in credit risk - continued

Quantitative criteria:

- Delay in interest, principal or other contractual payment exceeding 30 days;
- Credit rating downgrade by three notches compared to the credit rating at initial recognition.

Qualitative criteria:

- History of arrears within 12 months;
- Adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its obligations;
- Material regulatory action against the borrower or counterparty that is expected to cause a significant change in the borrower's ability to meet its obligations.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a material detrimental impact on the estimated future cash flows of that financial asset have occurred. The following criteria is applied in assessing credit-impaired financial asset for the Bank's portfolio.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Delay in interest, principal or other contractual payment exceeding 90 days or in the case of sovereign lending by more than 180 days;
- Any breach of contract other than payment overdue, such as covenant breach;
- Significant financial difficulty of the issuer or the borrower;
- Borrower or counterparty is no longer considered a going concern;
- Failure to pay a final judgement or court order;
- Bankruptcy, liquidation or the appointment of a receiver or any similar official.

Definition of default

For internal credit risk management, the Bank considers occurrence of an event of default when internally and externally obtained information indicates that the debtor is unlikely to discharge its obligations, including to the Bank, in full (without taking into account any collaterals held by the Bank).

4. Financial Risk Management - continued

Credit risk - continued

Definition of default - continued

The Management of the Bank considers that payment default has occurred when the financial asset is more than 90 days past due unless the Bank has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. For the sovereign loans, the Management of the Bank considers that the payment default occurs when it is more than 180 days past due. It aligns with the definition of payment default for sovereign exposures used by major international rating agencies and other Multilateral Development Banks.

12-month ECL measurement

Estimation of 12-month ECL is calculated using the following formula for a given scenario:

$$12m\ ECL = \sum_{t=1}^{12m} PD_t \times LGD_t \times EAD_t \times DF_t$$

- Unconditional Point-in-time Probability of Default (PIT-PD) is derived based on Moody's model considering specific rating, country and industry information for sovereign and non-sovereign exposures, due from banks, debt instruments measured at amortised cost and debt instruments at FVTOCI. It is then conditioned on three future macro-economic scenarios (baseline, optimistic and pessimistic);
- LGD for the sovereign loans is set at a range of 10% - 45% and LGD is set at 45% for non-sovereign loans with senior unsecured claims and 75% for the non-sovereign loans with subordinated claim. The bank may apply a higher LGD to credit-impaired financial assets as applicable. LGD of 45% is adopted for due from banks, debt instruments measured at amortised cost and debt instruments at FVTOCI;
- EAD for stage 1 loan includes the sum of loans disbursed, interest receivable while EAD for stage 1 loan commitment includes net projected disbursement schedule over the next 12 months which is a part of loan commitments. The EAD includes the sum of principal and interest receivable over the next 12 months for due from banks, debt instruments measured at amortised cost and debt instruments at FVTOCI; and
- Discount rate is equal to the effective interest rate.

4. Financial Risk Management - continued

Credit risk - continued

Lifetime ECL measurement

Estimation of lifetime ECL is calculated using the following formula for a given scenario:

$$Lifetime\ ECL = \sum_{t=1}^{Lifetime} PD_t \times LGD_t \times EAD_t \times DF_t$$

- The process to determine the PIT-PD term structure is the same as 12-month ECL calculation for the first 5 years and PIT-PD is assumed to revert back to the long-run PD for the remaining years;
- LGD is the same as those used for the 12-month ECL calculation;
- EAD for any given year is based on the sum of loan disbursed, interest receivable and net projected disbursement schedule over the remaining loan contract period for sovereign and non-sovereign loans and/or loan commitments. The EAD is based on the sum of principal and interest receivable throughout the remaining life for due from banks, debt instruments measured at amortised cost and debt instruments at FVTOCI;
- Discount rate is equal to the effective interest rate; and
- Lifetime of the loan is the remaining loan contract period.

Forward-looking information incorporated in ECL

Macro scenario development

(i) Three macro scenarios: baseline, optimistic and pessimistic. Each scenario is forecasted for five years;
(ii) Based on each member country's development and conditions, a range of forward-looking macro-economic information is considered;
(iii) Choice of macro scenarios and probability weightings of each scenario is approved by the Management.

$$Weighted\ Average\ ECL = \sum_{Scenarios} Weight_{Scenario} \times ECL_{Scenario}$$

The baseline, optimistic and pessimistic scenarios were given weightings of 50%, 25% and 25% respectively. The estimation is based on the best representative management judgment and going forward the current path of macro-economic projections which is judged to have an equal chance of being worse (pessimistic scenario) or better (optimistic scenario).

5. Fair Value of Financial Assets and Liabilities

The Bank's financial instruments that are measured subsequent to initial recognition at fair value mainly included financial liabilities designated at FVTPL, derivatives, financial assets at FVTPL, and debt instruments at FVTOCI as at June 30, 2025.

The Risk Management Department of the Bank is responsible for the fair value measurement. Analysis of fair value disclosures uses a hierarchy that reflects the significant inputs used in measuring the fair value. For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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. The estimated fair values are based on relevant information available at the reporting date and involve judgement.

Fair value of the Bank's financial instruments that are measured at fair value on a recurring basis

The Bank is of the opinion that there is no active market related to its bonds issued and certain debt instruments at FVTOCI in view of the low trading volume and frequency.

The fair value estimates are based on the following methodologies and assumptions:

- The fair values of derivative assets and liabilities, including foreign exchange forwards, interest rate swaps and cross currency swaps are obtained from discounted cash flow models that are commonly used by market participants using observable key inputs as appropriate in the market and published by reputable agencies like Bloomberg such as interest rates and foreign exchange rates.
- The fair value of the financial liabilities designated at FVTPL is measured at discounted cash flow using key observable inputs such as interest rates and foreign exchange rates.
- The fair value of money market funds is based on the net asset value provided by fund manager.
- The fair value of private equity funds is based on the shares of the net asset values of the fund, determined with reference to fair value of the underlying investments by using valuation techniques such as discounted cash flow model.
- The fair value of debt instruments at FVTOCI is based on quoted price in an active market or independent valuation services.

5. Fair Value of Financial Assets and Liabilities - continued

Fair value of the Bank's financial instruments that are measured at fair value on a recurring basis - continued

The following table presents the valuation techniques and inputs used for the financial instrument in Level 3.

Financial instruments	Valuation technique(s) and key input(s)	Significant Unobservable input(s)	Relationship of unobservable input(s) to fair value
Private equity fund	Shares of the net asset value of the fund, determined with reference to the fair value of the underlying investments, calculated based on valuation techniques including discounted cash flow model.	Net asset value	The higher the net asset value, the higher the fair value.

As at June 30, 2025 (unaudited)	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets				
Financial assets at FVTPL	-	-	132	132
Debt instruments at FVTOCI	923	10	-	933
Derivative financial assets	-	255	-	255
Total financial assets measured at fair value	923	265	132	1,320
Financial liabilities				
Derivative financial liabilities	-	370	-	370
Financial liabilities designated at FVTPL	-	14,428	-	14,428
Total financial liabilities measured at fair value	-	14,798	-	14,798

As at December 31, 2024 (audited)	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets				
Financial assets at FVTPL	-	500	123	623
Debt instruments at FVTOCI	692	10	-	702
Derivative financial assets	-	315	-	315
Total financial assets measured at fair value	692	825	123	1,640
Financial liabilities				
Derivative financial liabilities	-	210	-	210
Financial liabilities designated at FVTPL	-	12,557	-	12,557
Total financial liabilities measured at fair value	-	12,767	-	12,767

There were no transfers between Level 1 and Level 2 for the six months ended June 30, 2025 and the year ended December 31, 2024.

5. Fair Value of Financial Assets and Liabilities - continued

Fair value of the Bank's financial instruments that are measured at fair value on a recurring basis - continued

Reconciliation of Level 3 fair value measurements of financial assets at FVTPL

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
As at beginning of the period/year	123	84
Purchased	8	42
Unrealised changes in fair value recognised in profit or loss	1	(3)
As at end of period/year	132	123

Fair value of the Bank's financial instruments that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The table below shows the carrying amount and expected fair value of loans and advances and debt instruments measured at amortised cost, which is not presented on the Bank's statement of financial position at their fair values. The fair value of the debt instruments measured at amortised cost is obtained from active market quotes, pricing service quotes or using the discounted cash flow methodology. The fair value of loans and advances is determined in accordance with discounted cash flow method. The main parameters used in discounted cash flow method for financial instruments held by the Bank that are not measured on a recurring basis include loan interest rates, foreign exchange rates and counterparty credit spreads.

	As at June 30, 2025 (unaudited)		As at December 31, 2024 (audited)	
	Carrying amount USD million	Fair value USD million	Carrying amount USD million	Fair value USD million
Financial assets				
Debt instruments measured at amortised cost	3,930	3,916	4,091	4,047
Loans and advances	20,567	22,403	19,518	21,238

5. Fair Value of Financial Assets and Liabilities - continued

***Fair value of the Bank's financial instruments that are not measured at fair value on a recurring basis* (but fair value disclosures are required)** - continued

As at June 30, 2025 (unaudited)	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets				
Debt instruments measured at amortised cost	1,340	1,888	688	3,916
Loans and advances	-	-	22,403	22,403

As at December 31, 2024 (audited)	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets				
Debt instruments measured at amortised cost	1,345	2,242	460	4,047
Loans and advances	-	-	21,238	21,238

Except for the above, the Bank considered that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the Bank's statement of financial position, approximate their fair values.

6. Net Interest Income

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Interest income calculated using the effective interest rate method			
- Banks	163	198	340
- Loans and advances	481	513	1,033
- Debt instruments measured at amortised cost	84	49	134
- Financial assets held under resale agreements	-*	-	-*
- Swap related collateral	1	-*	1
- Debt instruments at FVTOCI	19	58	83
Total interest income	748	818	1,591
Interest expense calculated using the effective interest rate method			
- Note payables	-	(54)	(70)
- Bond payables	(45)	(53)	(115)
- Interest expense on financial liabilities at FVTPL	(188)	(139)	(286)
- Bank borrowings	(124)	(75)	(190)
- Swap related collateral	(2)	(1)	(2)
Interest expense on lease liabilities	-*	-*	-*
Total interest expense	(359)	(322)	(663)
Net interest income	389	496	928

* Less than USD half of a million

7. Net Fee Income

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Front-end fee recognised	3	2	3
Commitment fee	2	3	6
Cofinancing service fee	-*	-	-
Total fee income	5	5	9
Upfront fee expense	-	(1)	(1)
Commitment fee expense	-*	-*	(1)
Agency fee	-*	-*	-*
Total fee expense	-*	(1)	(2)
Net fee income	5	4	7

* Less than USD half of a million

8. Net (Losses)/Gains on Financial Instruments at FVTPL

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Derivatives	(261)	67	163
Bonds and notes issued	(230)	14	(96)
Money market funds	4	3	2
Others (Note 1 below)	1	(4)	(3)
Total	(486)	80	66

Note 1: Others mainly represent investments in private equity funds.

9. Staff Costs

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Salaries and allowances	26	23	50
Other benefits	9	8	16
Total	35	31	66

The Bank provides other benefits, based on their eligibility and applicability, to its staff members during their employment with the Bank. These include medical insurance, life insurance, accidental death and dismemberment insurance, Staff Retirement Plan (SRP) and Post Retirement Plan (PRP).

The charge recognised for the six months ended June 30, 2025 for the SRP and PRP was USD 5 million (unaudited) (six months ended June 30, 2024: USD 5 million, unaudited) and USD 1 million (unaudited) (six months ended June 30, 2024: less than USD half of a million, unaudited) respectively and is included in "Other benefits". There are two retirement plans in operation. Both SRP and PRP are defined contribution schemes and are operated through trust funds. For SRP, both the Bank and staff contribute. For PRP, only the Bank contributes.

The Bank did not incur any salary expenses and other employee benefits for members of the Board of Governors and the Board of Directors except the President of the Bank for the six months ended June 30, 2025 and 2024. According to Article 11 of the Agreement, the Board of Governors shall determine the salary and terms of the service contract of the President of the Bank.

10. Other Operating Expenses

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Professional fees	3	3	6
IT expenses	4	4	10
Office expenses	4	4	9
Travel expenses	4	3	6
Auditor's remuneration	-*	-*	1
Hospitality expenses	-*	-*	-*
Depreciation and amortisation	-*	-*	1
Others	-*	-*	-*
Total	15	14	33

* Less than USD half of a million

11. Impairment Losses Under ECL Model, Net of Reversal

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)	Year ended December 31, 2024 USD million (audited)
Impairment losses recognised/(reversed) on:			
- Due from banks other than cash and cash equivalents	-*	(2)	-*
- Debt instruments at FVTOCI	-*	(1)	(1)
- Debt instruments measured at amortised cost	-*	2	1
- Loans and advances	45	29	51
- Loan commitments	7	4	14
Total	52	32	65

* Less than USD half of a million

12. Cash and Cash Equivalents

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Cash on hand	-*	-*
Demand deposits	309	95
Time deposits with original maturity within three months	1,751	514
Total	2,060	609

* Less than USD half of a million

13. Due From Banks Other than Cash and Cash Equivalents

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Commercial banks	7,263	5,799
Less: ECL allowance	(3)	(3)
	7,260	5,796
Less: Time deposits with original maturity within three months	(1,751)	(514)
Total	5,509	5,282

Reconciliation of provision for due from banks:

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
ECL allowance of due from banks as at beginning of the period/year	3	3
Additions	2	3
Derecognition	(1)	(3)
Change in risk parameters	(1)	-
ECL allowance of due from banks as at end of the period/year	3	3

ECL allowance of due from banks is measured on the basis of 12-month ECL as at June 30, 2025 and December 31, 2024.

14. Derivative Financial Assets/Liabilities

During the six months ended June 30, 2025, the Bank has entered into derivative contracts in relation to the USD denominated note and the Renminbi (RMB) bond, that were paired with swaps of which the total notional amounts are USD 2,199 million to convert the issuance proceeds into the interest rate structure sought by the Bank.

Besides, the Bank has entered into derivative contracts in connection with loans and advances and financial liabilities designated at FVTPL to convert the notional amounts into the cross currency swap structure sought by the Bank during the six months ended June 30, 2025. The Bank has mainly entered into forward contracts for debt instruments measured at amortised cost and due from banks other than cash and cash equivalents to convert the notional amounts into the currency structure sought by the Bank.

Notwithstanding the purpose for achieving an economic hedge, the Bank opted not to apply hedge accounting to any derivative contracts entered into for the six months ended June 30, 2025 and the year ended December 31, 2024.

As at June 30, 2025 (unaudited)	Notional Amount USD million	Fair Value Asset USD million	Fair Value Liability USD million
Interest Rate Swap	12,898	162	97
Cross Currency Swap	4,511	84	273
Forward Contract	1,126	9	-*
Total	18,535	255	370

As at December 31, 2024 (audited)	Notional Amount USD million	Fair Value Asset USD million	Fair Value Liability USD million
Interest Rate Swap	11,986	165	169
Cross Currency Swap	3,192	134	41
Forward Contract	1,291	16	-*
Total	16,469	315	210

* Less than USD half of a million

The Bank has entered into several agreements with its derivative counterparties under the Master Agreement of the International Swaps and Derivatives Association (ISDA). The Bank requires collateral in the form of cash and security against the exposures to derivative counterparties. The Bank records collateral in respect of the interest rate swaps, cross currency swaps and forward contracts based on the margin paid or received with reference to the fair value of the derivative contracts. The collateral would only be applied against amounts due in the event that some or all the corresponding derivative contracts are terminated early, including but not limited to, as a result of a default by the relevant counterparty.

15. Financial Assets at FVTPL

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Mandatorily measured at FVTPL:		
- Private equity funds	132	123
- Money market funds	-	500
Total	132	623

16. Debt Instruments at FVTOCI

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Government bonds	99	97
Bank bonds	810	581
Corporate bonds	24	24
Total	933	702

Reconciliation of provision for debt instruments at FVTOCI:

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
ECL allowance of debt instruments at FVTOCI as at beginning of the period/year	-*	1
Additions	-*	-*
Derecognition	-*	(1)
Change in risk parameters	-*	-*
ECL allowance of debt instruments at FVTOCI as at end of the period/year	-*	-*

* Less than USD half of a million

ECL allowance of debt Instruments at FVTOCI is measured on the basis of 12-month ECL as at June 30, 2025 and December 31, 2024.

17. Debt Instruments Measured at Amortised Cost

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Government bonds	396	394
Bank bonds	3,461	3,624
Corporate bonds	75	75
Less: ECL allowance	(2)	(2)
Net carrying amount	3,930	4,091

Reconciliation of provision for debt instruments measured at amortised cost:

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
ECL allowance of debt instruments measured at amortised cost as at beginning of the period/year	2	1
Additions	1	1
Derecognition	(1)	-*
Change in risk parameters	-*	-*
ECL allowance of debt instruments measured at amortised cost as at end of the period/year	2	2

* Less than USD half of a million

ECL allowance of debt instruments measured at amortised cost is measured on the basis of 12-month ECL as at June 30, 2025 and December 31, 2024.

18. Loans and Advances

	As at June 30, 2025 (unaudited)	As at December 31, 2024 (audited)
Principal	20,502	19,401
Interest receivable	258	264
Gross carrying amount	20,760	19,665
Less: ECL allowance	(193)	(147)
Net carrying amount	20,567	19,518

Reconciliation of provision for loans raised:

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
ECL allowance of loans as at beginning of the period/year	147	94
Additions	5	6
Derecognition	(2)	(2)
Change in risk parameters	43	49
ECL allowance of loans as at end of the period/year	193	147

For the six months ended June 30, 2025, the additions to the ECL allowance of USD 5 million (unaudited) (for the year ended December 31, 2024: USD 6 million, audited) was due to increase or origination of loans and advances with gross carrying amount of USD 1,401 million (unaudited) (for the year ended December 31, 2024: USD 2,576 million, audited).

For the six months ended June 30, 2025, the derecognition to the ECL allowance of USD 2 million (unaudited) (for the year ended December 31, 2024: USD 2 million, audited) was due to repayment of loans and advances with gross carrying amount of USD 705 million (unaudited) (for the year ended December 31, 2024: USD 536 million, audited).

For the six months ended June 30, 2025, the change in risk parameters led to the recognition of ECL of USD 43 million (unaudited) (for the year ended December 31, 2024: recognition of ECL of USD 49 million, audited) was mainly due to change in the PD.

18. Loans and Advances - continued

As at June 30, 2025 (unaudited)	12-month ECL USD million	Lifetime ECL -not credit-impaired USD million	Lifetime ECL - credit-impaired USD million	Total USD million
Impairment allowance	27	120	46	193

As at December 31, 2024 (audited)	12-month ECL USD million	Lifetime ECL -not credit-impaired USD million	Lifetime ECL - credit-impaired USD million	Total USD million
Impairment allowance	17	86	44	147

19. Paid-in Capital Receivables

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Balance as at the beginning of period/year (Note 1 below)	409	460
Add:		
Paid-in capital receivables originated during the period/year (Note 2 below)	123	-
Less:		
Installment received during the period/year	(69)	(51)
Total nominal amounts of receivable at the end of the period/year (Note 4 below)	463	409
Less:		
Interest on paid-in capital receivables to be unwound in the future period/year (Note 3 below)	(34)	(23)
Balance as at the end of the period/year	429	386

Note 1: The Bank established the rights to receive the initial subscribed paid-in capital of Bangladesh and UAE of 1,884 shares and 1,112 shares amounted to USD 188 million and USD 111 million respectively upon the date on which their instruments of accession to the Agreement are deposited. The payment of the amount initially subscribed to the paid-in capital stock of the Bank shall be made in seven installments. The first, second, third and fourth installments of paid-in capital were paid by each member within 6 months, 18 months, 30 months and 42 months respectively from the dates of depositing the instruments of accession. The remaining three installments shall each become due successively one year from the date on which the preceding installment becomes due.

19. Paid-in Capital Receivables - continued

Note 1: - continued

The Bank established the rights to receive the initial subscribed paid-in capital of Egypt of 2,392 shares amounted to USD 239 million upon the date on which Egypt's instruments of accession are deposited. The payment of the amount of Egypt initially subscribed to the paid-in capital stock of the Bank shall be made in seven installments. As of June 30, 2025, both the first and second installments of the paid-in capital for Egypt have been fully paid. The third installment of paid-in capital of Egypt shall become due 30 months from the date of depositing the instrument of accession. The remaining four installments shall each become due successively one year from the date on which the preceding installment becomes due.

Note 2: The Bank established the rights to receive the initial subscribed paid-in capital of Algeria of 1,228 shares amounted to USD 123 million upon the date on which Algeria's instruments of accession are deposited. The payment of the amount of Algeria initially subscribed to the paid-in capital stock of the Bank shall be made in seven installments. The first installment of paid-in capital of Algeria shall become due 6 months from the date of depositing the instrument of accession. The remaining six installments shall each become due successively one year from the date on which the preceding installment becomes due.

Note 3: The discounting method is applied to derive the interest to be unwound over the installment period. The balance includes an initial discount of USD 683 million (December 31, 2024: USD 667 million) less USD 613 million of accumulated unwinding interest already unwound on the paid-in capital receivables (December 31, 2024: USD 608 million) and USD 36 million of accumulated early payment impact on discounting which was credited to reserves as an equity transaction by the end of June 30, 2025 (December 31, 2024: USD 36 million).

Note 4: As at June 30, 2025, the total paid-in capital receivables that will be due within one-year amounted to an undiscounted value of USD 89 million, and that will be due after one-year amounted to an undiscounted value of USD 374 million.

20. Other Assets

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Swap related collateral	99	5
Others (Note 1 below)	2	2
Commitment fee receivables	-*	1
Other receivables	-*	-*
Total	101	8

* Less than USD half of a million

Note 1: Others mainly include prepayment.

21. Financial Liabilities Designated at FVTPL

		As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Bonds and notes	- Principal	14,194	12,695
	- Interest payable	170	166
	- Fair value adjustment	64	(304)
Total		14,428	12,557

In January 2025, the Bank issued a five-year RMB bond with par value of RMB 6 billion (USD 818 million equivalent) with the maturity date on January 16, 2030. The interest is paid by the Bank annually with fixed coupon rate of 1.7%.

In March 2025, the Bank issued a three-year USD note with par value of USD 1.25 billion with the maturity date on March 31, 2028. The interest is paid by the Bank annually with fixed coupon rate of 4.375%.

In April 2025, the Bank issued a three-year RMB bond with par value of RMB 7 billion (USD 952 million equivalent) with the maturity date on April 10, 2028. The interest is paid by the Bank annually with fixed coupon rate of 1.82%.

There has been no change in fair value of the bonds and notes attributable to changes in the Bank's credit risk for the six months ended June 30, 2025 and for the year ended December 31, 2024. The contractual principal amount to be paid at maturity in original currency are RMB 42.5 billion (December 31, 2024: RMB 39.5 billion, audited) for RMB denominated bonds, USD 7.89 billion, HKD 2.38 billion and EUR 90 million (December 31, 2024: USD 6.64 billion, HKD 2.38 billion and EUR 90 million, audited) for USD, HKD and EUR denominated notes respectively.

22. Bank borrowings

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Bank borrowings	4,750	4,756
Total	4,750	4,756

On January 25, 2024, the Bank utilised the bank borrowing facility and drew down an amount of USD 2 billion with the maturity of January 25, 2027. The interest is paid by the Bank semi-annually with the rate of SOFR plus 0.70% margin.

On March 29, 2024, the Bank utilised the bank borrowing credit facility and drew down an amount of USD 1.2 billion with maturity of March 29, 2027. The interest is paid by the Bank quarterly with the rate of SOFR plus 0.83% margin.

22. Bank borrowings - continued

On October 15, 2024, the Bank utilised the bank borrowing facility and drew down an amount of USD 1.5 billion with maturity of October 15, 2027. The interest is paid by the Bank semi-annually with the rate of SOFR plus 0.70% margin.

All bank borrowings are unsecured and unsubordinated.

23. Bond Payables

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Bond payables	1,573	1,560
Total	1,573	1,560

24. Contract Liabilities

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Deferred income (Note 1 below)	61	57
Total	61	57

Note 1: The deferred income disclosed above relates to the unsatisfied performance obligations of front-end fees as at June 30, 2025 and December 31, 2024. Revenue recognised for the six months ended June 30, 2025 that was included in the contract liabilities balance at the beginning of the period is USD 3 million (unaudited) (six months ended June 30, 2024: USD 2 million, unaudited).

25. Other Liabilities

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Impairment provision of loan commitments	45	38
Swap related collateral	66	109
Annual leave provision	5	4
Accrued expenses	5	5
Employee benefits payable	1	1
Others	-*	-*
Total	122	157

Reconciliation of provision for loan commitments:

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
ECL allowance of loan commitments as at beginning of the period/year	38	24
Additions	2	1
Derecognition	-*	-*
Change in risk parameters	5	13
ECL allowance of loan commitments as at end of the period/year	45	38

* Less than USD half of a million

For the six months ended June 30, 2025, the additions to the ECL allowance of USD 2 million (unaudited) (for the year ended December 31, 2024: USD 1 million, audited) was due to origination of loan commitments that is expected to be drawn down within 12 months from June 30, 2025 and/or over the remaining loan contract period of USD 770 million (unaudited) (for the year ended December 31, 2024: USD 1,456 million, audited).

For the six months ended June 30, 2025, the change in risk parameters led to the recognition of ECL USD 5 million (unaudited) (for the year ended December 31, 2024: USD 13 million, audited) was mainly due to change in the PD.

25. Other Liabilities - continued

As at June 30, 2025 (unaudited)	12-month ECL USD million	Lifetime ECL - not credit-impaired USD million	Total USD million
Impairment allowance	5	40	45

As at December 31, 2024 (audited)	12-month ECL USD million	Lifetime ECL - not credit-impaired USD million	Total USD million
Impairment allowance	3	35	38

There have been no credit-impaired loan commitments up to June 30, 2025.

26. Paid-in Capital

A statement of capital subscriptions showing the amount of paid-in and callable shares subscribed to by each member according to the Agreement and the Resolution, is set out in the following table. There is no amendment to the terms of subscription payment in the Agreement and the Resolution up to June 30, 2025.

	As at June 30, 2025 (unaudited)		As at December 31, 2024 (audited)	
	Number of shares	Amount in USD million	Number of shares	Amount in USD million
Authorised shared capital	1,000,000	100,000	1,000,000	100,000
Less: unsubscribed by members	(466,920)	(46,692)	(473,060)	(47,306)
Total subscribed capital	533,080	53,308	526,940	52,694
Less: callable capital	(426,464)	(42,647)	(421,552)	(42,156)
Total paid in capital	106,616	10,661	105,388	10,538

26. Paid-in Capital - continued

A statement of capital subscriptions showing the amount of paid-in and callable shares subscribed to by each member is set out in the following table:

As at June 30, 2025 (unaudited)	Total shares Numbers	Total capital USD million	Callable capital USD million	Paid-in capital USD million	Paid-in capital[1] received USD million	Paid-in capital outstanding USD million
Brazil	100,000	10,000	8,000	2,000	2,000	-
Russia	100,000	10,000	8,000	2,000	2,000	-
India	100,000	10,000	8,000	2,000	2,000	-
China	100,000	10,000	8,000	2,000	2,000	-
South Africa	100,000	10,000	8,000	2,000	2,000	-
Bangladesh	9,420	942	754	188	94	94
UAE	5,560	556	445	111	56	55
Egypt	11,960	1,196	957	239	48	191
Algeria	6,140	614	491	123	-	123
Total	533,080	53,308	42,647	10,661	10,198	463

As at December 31, 2024 (audited)	Total shares Numbers	Total capital USD million	Callable capital USD million	Paid-in capital USD million	Paid-in capital[1] received USD million	Paid-in capital outstanding USD million
Brazil	100,000	10,000	8,000	2,000	2,000	-
Russia	100,000	10,000	8,000	2,000	2,000	-
India	100,000	10,000	8,000	2,000	2,000	-
China	100,000	10,000	8,000	2,000	2,000	-
South Africa	100,000	10,000	8,000	2,000	2,000	-
Bangladesh	9,420	942	754	188	66	122
UAE	5,560	556	445	111	39	72
Egypt	11,960	1,196	957	239	24	215
Total	526,940	52,694	42,156	10,538	10,129	409

1 Pursuant to Article 9 and attachment 2 of the Agreement each founding members' paid in capital stock is received in seven installments. Further, the paid in capital stock for newly admitted members shall be received in seven installments according to annexure of the respective Board Resolutions.

27. Reserves

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Capital reserve (Note 1 below)	-*	-*
Revaluation reserve	9	-*
Other reserves (Note 2 below)	(34)	(23)
Total	(25)	(23)

* Less than USD half of a million

Note 1: As at June 30, 2025, the Bank has received cash contributions amounting to USD 0.30 million (unaudited) (December 31, 2024: USD 0.30 million, audited) from Russian Federation for the reimbursement of relevant payments for the ERC. The Bank recognises such cash contributions from Russian Federation as capital reserve on the basis that the contribution agreement does not include a contractual obligation of the Bank to repay cash or another financial asset, and there are no other features that would meet the definition of a financial liability.

As at June 30, 2025, the Government of India, on behalf of the Bank has paid the rent plus taxes amounting to USD 0.13 million (unaudited) (December 31, 2024: USD 0.13 million, audited) as applicable of IRO for the lease period of first two years. The Bank recognises such contributions as capital reserve on the basis that the contribution agreement does not include a contractual obligation of the Bank to repay cash or another financial asset, and there are no other features that would meet the definition of a financial liability.

Note 2: Other reserves mainly represent the difference on the present value of paid-in receivables and the nominal amounts of subscribed paid-in capital arisen from the installment payments of the subscribed paid-in capital, which is regarded as an equity transaction. The subsequent unwinding of interest on paid-in capital receivables is reclassified from retained earnings to other reserves immediately following the unwinding treatment in the relevant accounting period.

28. Commitments

(1) Capital commitments

As at June 30, 2025 and December 31, 2024, the Bank had no irrevocable capital expenditures commitment.

28. Commitments - continued

(2) Credit Commitments

	As at June 30, 2025 USD million (unaudited)	As at December 31, 2024 USD million (audited)
Letters of effectiveness signed	7,678	7,327
Total	7,678	7,327

Credit commitments represent general facility limits granted to borrowers. These credit facilities may be drawn on demand in the form of loans and advances upon the signing of the letter of effectiveness when the conditions precedent for the first drawdown have been complied with by borrowers.

29. Related Party Disclosure

In the ordinary course of business, the Bank may grant loans to a government or through a government credit guarantee arrangement, the Bank is, in accordance with IAS 24 Related Party Disclosures, exempted from the disclosure requirements in relation to related party transactions and outstanding balances, including commitments and debt instruments at FVTOCI, with:

- A government that has control or joint control of, or significant influence over, the Bank; and
- Another entity that is a related party because the same government has control or joint control of, or significant influence over, both the Bank and the other entity.

The name and relationship with member governments are disclosed below. As at June 30, 2025 and December 31, 2024, no transactions, individually or collectively with governments are considered significant to the Bank.

(1) Name and relationship

Name of related parties	Relationship
The Federative Republic of Brazil	The Bank's shareholder
The Russian Federation	The Bank's shareholder
The Republic of India	The Bank's shareholder
The People's Republic of China	The Bank's shareholder
The Republic of South Africa	The Bank's shareholder
The People's Republic of Bangladesh	The Bank's shareholder
The United Arab Emirates	The Bank's shareholder
The Arab Republic of Egypt	The Bank's shareholder
The People's Democratic Republic of Algeria	The Bank's shareholder

29. Related Party Disclosure - continued

(1) Name and relationship - continued

According to the Agreement between the Bank and the Government of the People's Republic of China, the Headquarters of the Bank, permanent premises and other relevant facilities to support the Bank's operations shall be provided by the Government of the People's Republic of China, for free.

The permanent premise of the Bank is located at 1,600 Guozhan Road, Shanghai Expo Park, Pudong New District, Shanghai.

According to the Agreement between the Government of the Russian Federation and the Bank on the Hosting of the New Development Bank ERC in the Russian Federation, the Government of the Russian Federation has agreed to transfer special purpose contribution to the Bank for reimbursement of rent payment of ERC office premises and the cost of purchasing of supply of furniture, equipment, and other facilities for the operation of ERC. Details of the cash contribution received from the Russian Federation as at June 30, 2025 are set out in Note 27.

According to the Agreement between the Government of the India and the Bank on the Hosting of the New Development Bank IRO in the India. The Government of India on behalf of the Bank has paid the rent plus taxes as applicable for the period of first two years. Details of the contribution from the Government of India as at June 30, 2025 are set out in Note 27.

Details of the paid-in capital receivables as at June 30, 2025 and December 31, 2024 are set out in Note 19, and unwinding of interest on paid-in capital receivables for the six months ended June 30, 2025 and 2024 are set out in the condensed statement of profit or loss and other comprehensive income.

(2) Details of Key Management Personnel (KMP) of the Bank:

KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank, directly or indirectly, including the President and Vice Presidents (Management of the Bank).

The following persons were KMP of the Bank during the six months ended June 30, 2025:

Names	Countries	Position
Dilma Vana Rousseff	Brazil	President
Vladimir Kazbekov	Russia	Vice President; Chief Operating Officer
Anil Kishora	India	Vice President; Chief Risk Officer
Qiangwu Zhou	China	Vice President; Chief Administrative Officer
Monale Ratsoma	South Africa	Vice President; Chief Financial Officer

29. Related Party Disclosure - continued

(3) During the period, the remuneration of KMP were as follows:

	Six months ended June 30, 2025 USD million (unaudited)	Six months ended June 30, 2024 USD million (unaudited)
Salary and allowance	2	1
Staff Retirement Plan	-*	-*
Post-Retirement Insurance Plan	-*	-*
Other short-term benefits	-*	-*
Total	2	1

* Less than USD half of a million

30. Segment Information

For the six months ended June 30, 2025 and 2024, the Bank has a single reportable segment and evaluates the financial performance of the Bank as a whole.

The following table presents the Bank's loan revenue by borrowers' geographic region for the six months ended June 30, 2025.

Loan revenue comprises loan interest incomes, front-end fee recognised, commitment fee and co-financing service fee.

As at June 30, 2025	Sovereign exposures USD million	Non-Sovereign exposures USD million	Total USD million
Brazil	84	13	97
Russia	28	7	35
India	133	11	144
China	93	1	94
South Africa	98	18	116
Total	436	50	486

30. Segment Information - continued

As at June 30, 2024	Sovereign exposures USD million	Non-Sovereign exposures USD million	Total USD million
Brazil	75	16	91
Russia	35	16	51
India	140	12	152
China	94	-	94
South Africa	110	20	130
Total	454	64	518

31. Unconsolidated Structured Entity

The Board of Governors approved the establishment of the NDB Project Preparation Fund (NDB-PPF) on January 20, 2017. The NDB-PPF, established and administered by the Bank based on Article 3 and Article 23 of the Agreement, is an unconsolidated structured entity for accounting purposes. The objective of the NDB-PPF is to help NDB achieve its purpose of promoting infrastructure and sustainable development by supporting the preparation of bankable projects to facilitate borrowing member countries to raise funds for such projects from NDB and other financial institutions. The Bank is entrusted with the administration of the NDB-PPF to fulfill its purpose. The NDB-PPF does not expose the Bank to any loss, nor does it generate significant variable interest to the extent that consolidation is required. Accordingly, the NDB-PPF is an unconsolidated structured entity for accounting purposes.

Consistent with Article 18c of the Agreement, the ordinary capital resources of the Bank and the resources of the NDB-PPF shall at all times and in all respects be held, used, committed, invested or otherwise disposed of entirely separate from each other. The NDB-PPF will be open to contributions from all its member countries. Non-member countries and international organisations/funds may also contribute to the NDB-PPF with the Board of Director's approval authorised by the Board of Governors.

As at June 30, 2025, the NDB-PPF had received contributions amounting to USD 9 million (unaudited) (December 31, 2024: USD 9 million, audited). The Bank has not earned any income from NDB-PPF for the six months ended June 30, 2025 and 2024.

In July 2024, the NDB, as the grantor, signed a Grant Agreement with the Republic of India, as the recipient, to provide technical assistance funded out of the NDB-PPF.

32. Subsequent Events

Subsequent to June 30, 2025, the paid-in capital due relating to the third installment of USD 35.88 million was overdue from a member country.

33. Approval of Condensed Financial Statements

The condensed financial statements were approved by the Management and the Board of Directors and authorised for issuance on September 17, 2025.

* * * End of the Condensed Financial Statements * * *