

THE NEW DEVELOPMENT BANK  
PROJECT PREPARATION FUND

Report on Review of Condensed Financial Statements  
and Condensed Financial Statements  
For the three months ended March 31, 2025

THE NEW DEVELOPMENT BANK PROJECT PREPARATION FUND

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DTT(R)(25)R00004

## Report on Review of Condensed Financial Statements

To the Board of Directors of the New Development Bank (The Bank)

### Introduction

We have reviewed the accompanying condensed statement of financial position of the New Development Bank Project Preparation Fund (the NDB-PPF) as at March 31, 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 three-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, for the purpose 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

May 30, 2025

THE NEW DEVELOPMENT BANK PROJECT PREPARATION FUND

Condensed Statement of Profit or Loss and Other Comprehensive Income  
For the three months ended March 31, 2025  
Expressed in thousands of U.S. Dollars

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	<u>Notes</u>	Three months ended March <u>31, 2025</u> (unaudited)	Three months ended March <u>31, 2024</u> (unaudited)	Year ended December <u>31, 2024</u> (audited)
Interest income	5	119	135	539
Impairment losses under expected credit loss model, net of reversal		(2)	(1)	1
General and administrative expense	6	<u>(4)</u>	<u>(4)</u>	<u>(25)</u>
Profit for the period/year		<u>113</u>	<u>130</u>	<u>515</u>
Total comprehensive income for the period/year		<u>113</u>	<u>130</u>	<u>515</u>

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Condensed Statement of Financial Position

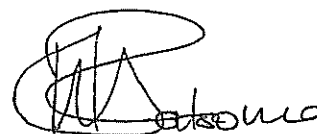
As at March 31, 2025


Expressed in thousands of U.S. Dollars

	Notes	As at March 31, 2025 (unaudited)	As at December 31, 2024 (audited)
Assets			
Cash and cash equivalents	7	458	287
Due from banks other than cash and cash equivalents	8	9,983	10,041
Other asset		<u>1</u>	<u>1</u>
Total assets		<u>10,442</u>	<u>10,329</u>
Liability			
Other liability		<u>17</u>	<u>17</u>
Total liability		<u>17</u>	<u>17</u>
Equity			
Contribution	9	9,000	9,000
Retained earnings		<u>1,425</u>	<u>1,312</u>
Total equity		<u>10,425</u>	<u>10,312</u>
Total equity and liability		<u>10,442</u>	<u>10,329</u>

The condensed financial statements on pages 2 to 10 were approved and authorised for issuance by the Management and the Board of Directors of the Bank on May 30, 2025 and signed on their behalf by:

  
Dilma Vana Rousseff  
President

  
Monale Ratsoma  
Chief Financial Officer

  
Halima Nazeer  
Director General,  
Finance, Budget and Accounting

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Condensed Statement of Changes in Equity  
For the three months ended March 31, 2025  
Expressed in thousands of U.S. Dollars

	<u>Contribution</u>	<u>Retained earnings</u>	<u>Total</u>
As at January 1, 2025	9,000	1,312	10,312
Profit for the period	-	113	113
Total comprehensive income for the period	-	113	113
As at March 31, 2025 (unaudited)	<u>9,000</u>	<u>1,425</u>	<u>10,425</u>

	<u>Contribution</u>	<u>Retained earnings</u>	<u>Total</u>
As at January 1, 2024	9,000	797	9,797
Profit for the period	-	130	130
Total comprehensive income for the period	-	130	130
As at March 31, 2024(unaudited)	<u>9,000</u>	<u>927</u>	<u>9,927</u>

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Condensed Statement of Cash flows  
For the three months ended March 31, 2025  
Expressed in thousands of U.S. Dollars

	Three months ended March <u>31, 2025</u> (unaudited)	Three months ended March <u>31, 2024</u> (unaudited)
<b>OPERATING ACTIVITIES</b>		
Profit for the period	113	130
Interest income from due from banks other than cash and cash equivalents	(109)	-
Impairment losses under expected credit loss model, net of reversal	2	1
Operating cash flows before changes in operating asset and liability	<u>6</u>	<u>131</u>
Net increase in due from banks other than cash and cash equivalents	-	(262)
Net increase in other asset	-*	(1)
Net decrease in other liability	-	-*
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<u>6</u>	<u>(132)</u>
<b>INVESTING ACTIVITIES</b>		
Interest received on due from banks other than cash and cash equivalents	165	-
Placement of deposits in banks	(3,300)	-
Withdrawal of deposits from banks	3,300	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>165</u>	<u>-</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>171</u>	<u>(132)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>287</u>	<u>373</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>458</u>	<u>241</u>
Interest received in operating activities	<u>11</u>	<u>173</u>

\* Less than USD half of a thousand

Notes to the Condensed Financial Statements  
For the three months ended March 31, 2025

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1. General Information

The Board of Governors of the New Development Bank (NDB or the Bank) approved the establishment of the NDB Project Preparation Fund (the NDB-PPF) on January 20, 2017 (the establishment date of the NDB-PPF) in accordance with Article 23a of the Agreement on the New Development Bank (the Agreement).

The NDB-PPF is established as a multi-donor fund which is open to contributions by all the Bank's members (the Contributors). 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. As stipulated in Article 18c of the Agreement, the ordinary capital resources and the NDB-PPF resources of the Bank shall be held, used, committed, invested, or otherwise disposed of entirely separate from each other.

The Bank signed contribution agreements with its Contributors as stated below:

<u>Countries</u>	<u>Date of Signing</u>	<u>Contribution Committed USD'000</u>
People's Republic of China (China)	September 4, 2017	4,000
Russian Federation (Russia)	October 15, 2017	1,500
Republic of India (India)	April 19, 2018	1,500
Republic of South Africa (South Africa)	March 31, 2022	2,000
Total		<u>9,000</u>

As of March 31, 2025, all the contribution has been received from China, India, Russia and South Africa.

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

For the NDB-PPF's internal use purpose, 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 three months ended March 31, 2025 should be read in conjunction with the NDB-PPF's financial statements for the year ended December 31, 2024.



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

The accounting policies and methods of computation used in the condensed financial statements for the three months ended March 31, 2025 are the same as those presented in the NDB-PPF's financial statements for the year ended December 31, 2024.

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

3. Financial Risk Management

**Overview**

All the financial instruments of the NDB-PPF as of March 31, 2025 and December 31, 2024 are measured at amortised cost.

The NDB-PPF follows the risk management policies of the Bank. 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. The Management of the Bank and various specialist committees are tasked with integrating the management of risk into the day-to-day activities of NDB-PPF, by monitoring related risk parameters and tolerance through policies and procedures under the strategy approved by designated committees.

The NDB-PPF was mainly exposed to credit risk, interest rate risk and liquidity risk associated with the financial institutions with which it deposited its cash resources for the three months ended March 31, 2025. The impact of these risks during the reporting year is not considered significant by Management.

**Credit risk**

The NDB-PPF takes on exposure to credit risk, which is a risk that one counterparty to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. The NDB-PPF placed its cash equivalents and deposits with highly-rated banks (senior investment grade credit ratings). ECL allowance of due from banks is measured on the basis of 12-month ECL up to March 31, 2025 and December 31, 2024.

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### 4. Fair Value of Financial Assets and Liabilities

The NDB-PPF considered that the carrying amounts of financial assets and financial liabilities measured at amortised cost, in the NDB-PPF's condensed statement of financial position, approximate their fair values.

### 5. Interest Income

	Three months ended March <u>31, 2025</u> USD'000 (unaudited)	Three months ended March <u>31, 2024</u> USD'000 (unaudited)	Year ended December <u>31, 2024</u> USD'000 (audited)
Interest income from banks	119	135	539
Total	<u>119</u>	<u>135</u>	<u>539</u>

### 6. General and administrative expense

	Three months ended March <u>31, 2025</u> USD'000 (unaudited)	Three months ended March <u>31, 2024</u> USD'000 (unaudited)	Year ended December <u>31, 2024</u> USD'000 (audited)
Auditor's remuneration	4	4	25
Total	<u>4</u>	<u>4</u>	<u>25</u>

### 7. Cash and Cash Equivalents

	As at March <u>31, 2025</u> USD'000 (unaudited)	As at December <u>31, 2024</u> USD'000 (audited)
Demand deposit	458	287
Total	<u>458</u>	<u>287</u>

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8. Due from Banks Other than Cash and Cash Equivalents

	As at March <u>31, 2025</u> USD'000 (unaudited)	As at December <u>31, 2024</u> USD'000 (audited)
Commercial banks	9,989	10,045
Less: ECL allowance	(6)	(4)
Total	<u>9,983</u>	<u>10,041</u>

Reconciliation of provision for due from banks:

	As at March <u>31, 2025</u> USD'000 (unaudited)	As at December <u>31, 2024</u> USD'000 (audited)
ECL allowance of due from banks as at beginning of the period/year	4	5
Additions/(Reversal)	<u>2</u>	<u>(1)</u>
ECL allowance of due from banks as at end of the period/year	<u>6</u>	<u>4</u>

\* Less than USD half of a thousand

9. Contribution

<u>As at March 31, 2025</u> (unaudited)	Contribution <u>committed</u> USD'000	Contribution <u>received</u> USD'000
Russia	1,500	1,500
India	1,500	1,500
China	4,000	4,000
South Africa	<u>2,000</u>	<u>2,000</u>
Total	<u>9,000</u>	<u>9,000</u>
 <u>As at December 31, 2024</u> (audited)	 Contribution <u>committed</u> USD'000	 Contribution <u>received</u> USD'000
Russia	1,500	1,500
India	1,500	1,500
China	4,000	4,000
South Africa	<u>2,000</u>	<u>2,000</u>
Total	<u>9,000</u>	<u>9,000</u>

10. Related Party Disclosures

The NDB-PPF's related parties are the Bank and the Contributors.

The Bank is entrusted with the administration of the NDB-PPF to fulfill its purpose. The NDB-PPF has not incurred any management fees to the Bank for its administration of the NDB-PPF for the three months ended March 31, 2025 and March 31, 2024.

11. Project Committed

	Commitments <u>approved</u> USD'000	Undrawn <u>commitments</u> USD'000
As at December 31, 2023 (audited)	-	-
Movement during the year	252	252
As at December 31, 2024 (audited)	252	252
Movement during the period	-	-
As at March 31, 2025 (unaudited)	252	252

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

12. Approval of Condensed Financial Statements

The condensed financial statements were approved by the Management and the Board of Directors and authorised for issuance on May 30, 2025.

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