# Asian Infrastructure Investment Bank

## Condensed Financial Statements (Unaudited)

## for the Nine Months Ended Sep. 30, 2025

## Contents

### Financial Statements

**Asian Infrastructure Investment Bank**
**Condensed Statement of Comprehensive Income**
**For the nine months ended Sep. 30, 2025**

| *In thousands of US Dollars* | **Note** | **For the nine months ended Sep. 30, 2025 (unaudited)** | **For the nine months ended Sep. 30, 2024 (unaudited)** |
|---|---|---|---|
| Interest income | C1 | 1,604,596 | 1,689,626 |
| Interest expense | C1 | (961,946) | (871,352) |
| **Net interest income** | | **642,650** | **818,274** |
| Net fee and commission income | C2 | 33,306 | 28,883 |
| Net gain on financial instruments measured at fair value and foreign exchange | C3 | 155,514 | 276,233 |
| Net loss on financial instruments measured at amortized cost | C9 | (4,820) | (181) |
| Impairment provision (charge)/release | C4 | (27,591) | 55,224 |
| General and administrative expenses | C5 | (215,507) | (190,583) |
| **Operating profit for the period** | | **583,552** | **987,850** |
| Accretion of paid-in capital receivables | C10 | 181 | 531 |
| **Net profit for the period** | | **583,733** | **988,381** |
| Other comprehensive income | | | |
| *Items will not be reclassified to profit or loss* | | | |
| Unrealized gain/(loss) in fair-valued borrowings arising from changes in own credit risk | C12 | 125,672 | (143,542) |
| **Total comprehensive income** | | **709,405** | **844,839** |
| **Attributable to:** | | | |
| Equity holders of the Bank | | **709,405** | **844,839** |

The accompanying notes are an integral part of these financial statements.

**Asian Infrastructure Investment Bank**
**Condensed Statement of Financial Position**
**As at Sep. 30, 2025**

| *In thousands of US Dollars* | **Note** | **Sep. 30, 2025 (unaudited)** | **Dec. 31, 2024 (audited)** |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | C6 | 4,717,317 | 1,922,539 |
| Term deposits | C6 | 2,657,362 | 462,012 |
| Treasury investments | | | |
| Investments at fair value through profit or loss | C7 | 13,652,065 | 12,606,677 |
| Debt securities, at amortized cost | C9 | 10,997,220 | 11,042,476 |
| Investment operations | | | |
| Loan investments, at amortized cost | C8 | 29,343,010 | 26,637,065 |
| Debt securities, at amortized cost | C9 | 767,165 | 706,013 |
| Investments at fair value through profit or loss | C7 | 2,248,100 | 1,932,264 |
| Paid-in capital receivables | C10 | 304,414 | 234,336 |
| Derivative assets | C13 | 1,168,760 | 832,061 |
| Property and equipment | | 5,735 | 5,592 |
| Intangible assets | | 6,337 | 6,776 |
| Other assets | C11 | 685,772 | 728,631 |
| **Total assets** | | **66,553,257** | **57,116,442** |
| **Liabilities** | | | |
| Borrowings | C12 | 41,272,331 | 32,953,799 |
| Derivative liabilities | C13 | 965,864 | 1,175,585 |
| Prepaid paid-in capital | | 374 | 669 |
| Other liabilities | C14 | 1,031,396 | 528,854 |
| **Total liabilities** | | **43,269,965** | **34,658,907** |
| **Members' equity** | | | |
| Paid-in capital | C15 | 19,524,400 | 19,407,500 |
| Reserves | | | |
| Accretion of paid-in capital receivables | | (785) | (418) |
| Unrealized loss in fair-valued borrowings arising from changes in own credit risk | | (68,080) | (193,752) |
| Retained earnings | | 3,827,757 | 3,244,205 |
| **Total members' equity** | | **23,283,292** | **22,457,535** |
| **Total liabilities and members' equity** | | **66,553,257** | **57,116,442** |

The accompanying notes are an integral part of these financial statements.

**Asian Infrastructure Investment Bank**
**Condensed Statement of Changes in Equity**
**For the nine months ended Sep. 30, 2025**

| | | | | | Reserves | | | |
|---|---|---|---|---|---|---|---|---|
| *In thousands of US Dollars* | **Note** | **Subscribed capital** | **Less: callable capital** | **Paid-in capital** | **Accretion of paid-in capital receivables** | **Unrealized loss in fair-valued borrowings arising from changes in own credit risk** | **Retained earnings** | **Total member's equity** |
| **Jan. 1, 2024** | | **97,027,300** | **(77,621,900)** | **19,405,400** | **(994)** | **(51,740)** | **2,096,191** | **21,448,857** |
| Capital subscription and contribution | | 10,500 | (8,400) | 2,100 | - | - | - | 2,100 |
| Net profit for the period | | - | - | - | - | - | 988,381 | 988,381 |
| Other comprehensive loss | | - | - | - | - | (143,542) | - | (143,542) |
| Paid-in capital receivables - accretion effect | | - | - | - | (90) | - | - | (90) |
| Transfer of accretion | C10 | - | - | - | 531 | - | (531) | - |
| **Sep. 30, 2024 (unaudited)** | C15 | **97,037,800** | **(77,630,300)** | **19,407,500** | **(553)** | **(195,282)** | **3,084,041** | **22,295,706** |
| **Jan. 1, 2025** | | **97,037,800** | **(77,630,300)** | **19,407,500** | **(418)** | **(193,752)** | **3,244,205** | **22,457,535** |
| Capital subscription and contribution | | 584,400 | (467,500) | 116,900 | - | - | - | 116,900 |
| Net profit for the period | | - | - | - | - | - | 583,733 | 583,733 |
| Other comprehensive loss | | - | - | - | - | 125,672 | - | 125,672 |
| Paid-in capital receivables - accretion effect | | - | - | - | (548) | - | - | (548) |
| Transfer of accretion | C10 | - | - | - | 181 | - | (181) | - |
| **Sep. 30, 2025 (unaudited)** | C15 | **97,622,200** | **(78,097,800)** | **19,524,400** | **(785)** | **(68,080)** | **3,827,757** | **23,283,292** |

The accompanying notes are an integral part of these financial statements.

**Asian Infrastructure Investment Bank**
**Condensed Statement of Cash Flows**
**For the nine months ended Sep. 30, 2025**

| *In thousands of US Dollars* | Note | For the nine months ended Sep. 30, 2025 (unaudited) | For the nine months ended Sep. 30, 2024 (unaudited) |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net profit for the period | | 583,733 | 988,381 |
| Adjustments for: | | | |
| Interest income from term deposits | | (75,212) | (103,905) |
| Interest expense for borrowings | C12 | 950,210 | 858,130 |
| Interest expense for leasing | C1 | 9 | 20 |
| Issuance cost for borrowings | C5 | 10,233 | 8,507 |
| Accretion of paid-in capital receivables | C10 | (181) | (531) |
| Net loss/(gain) on financial instruments measured at fair value through profit or loss | | 550,494 | (91,230) |
| Impairment provision charge/(release) | C4 | 27,591 | (55,224) |
| Depreciation and amortization | | 3,699 | 3,045 |
| Increase in loan investments | C8 | (2,737,226) | (3,349,562) |
| Increase in debt securities in investment operations portfolio | | (146,618) | (8,175) |
| Net cash paid for derivatives | | (133,777) | (560,518) |
| Decrease in other assets | | 43,652 | 274,854 |
| Increase in other liabilities | | 502,029 | 439,196 |
| **Net cash used in operating activities** | | **(421,364)** | **(1,597,012)** |
| **Cash flows from investing activities** | | | |
| Increase in investment with equity participation | | (222,855) | (246,571) |
| Dividends received and return of capital contributions | | 76,811 | 78,896 |
| Debt securities at amortized cost purchased in treasury investment portfolio | | (16,178) | (3,152,559) |
| Debt securities at amortized cost matured, terminated or sold under treasury investment portfolio | | 62,577 | 27,015 |
| (Increase)/decrease in other treasury investment | | (321,510) | 1,201,350 |
| (Increase)/decrease in term deposits | | (2,180,452) | 1,005,900 |
| Interest received from term deposits | | 60,314 | 103,658 |
| Increase in intangible assets, property and equipment | | (4,196) | (3,175) |
| **Net cash used in investing activities** | | **(2,545,489)** | **(985,486)** |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowings, net | C12 | 17,641,327 | 12,454,018 |
| Repayments of borrowings | C12 | (10,877,929) | (7,142,072) |
| Interest payments on borrowings | C12 | (1,047,585) | (908,762) |
| Capital contributions received | C10 | 46,155 | 26,020 |
| Prepaid paid-in capital received | | 4 | 369 |
| Lease payments | | (341) | (331) |
| **Net cash from financing activities** | | **5,761,631** | **4,429,242** |
| **Net increase in cash and cash equivalents** | | 2,794,778 | 1,846,744 |
| Cash and cash equivalents at beginning of period | | 1,922,539 | 1,839,122 |
| **Cash and cash equivalents at end of period** | C6 | **4,717,317** | **3,685,866** |

The accompanying notes are an integral part of these financial statements.

## A General Information

The Asian Infrastructure Investment Bank (the "Bank" or "AIIB") is a multilateral development bank. By the end of year 2015, representatives from 57 founding members signed AIIB's Articles of Agreement (the "AOA") which entered into force on Dec. 25, 2015. The Bank commenced operations on Jan. 16, 2016. AIIB's principal office is in Beijing, the People's Republic of China ("China").

As at Sep. 30, 2025, the Bank's total approved membership is 110, of which 104 have completed the membership process and have become members of AIIB in accordance with the AOA.

AIIB's purpose is to: (i) foster sustainable economic development, create wealth, and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors; and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions.

The legal status, privileges and immunities for the operation and functioning of AIIB in China are agreed in the AOA and further defined in the Headquarters Agreement between the government of the People's Republic of China (the "Government") and the Bank on Jan. 16, 2016.

The Bank's first overseas office, an Interim Operational Hub (the "Hub"), was established in Abu Dhabi, the United Arab Emirates, upon the government of the United Arab Emirates (the "UAE") and the Bank signing an agreement regarding the establishment of an office in the UAE on April 19, 2023. The Hub provides proximity to global financial centers and connectivity with the international infrastructure ecosystem, which is important in maintaining AIIB's growth momentum.

## B Accounting Policies

### B1 Basis of preparation

These condensed interim financial statements for the nine months ended Sep. 30, 2025 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"): IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the annual financial statements for the year ended Dec. 31, 2024.

The accounting policies adopted are consistent with those used in the Bank's annual financial statements for the year ended Dec. 31, 2024. Investments at fair value through profit or loss and debt securities at amortized cost have been disaggregated by portfolios of treasury investment and investment operations. This allows for more detailed information to be provided to report users (refer to Notes C7 and C9). The comparative figures have been restated accordingly.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in its process of applying the Bank's accounting policies. The financial statements have been prepared on a going concern basis.

### B2 New accounting pronouncements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, effective for annual reporting periods beginning on or after Jan. 1, 2027. The new standard aims to give users of financial statements more transparent and comparable information about an entity's financial performance. The Bank is undertaking assessments of the potential impact of the new standard and amendments to the standards.

In addition to IFRS 18, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures in May 2024, effective for annual reporting periods beginning on, or after, Jan.1, 2026. The amendments provide further clarification regarding the classification and measurement of financial assets and liabilities. The Bank does not expect these amendments to have a material impact on its operations or financial statements.

### B3 Comparatives

The comparative date of the Condensed Statement of Financial Position is as at Dec. 31, 2024, while the comparative period of the Condensed Statement of Comprehensive Income, the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows are from Jan. 1, 2024 to Sep. 30, 2024.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C1 Interest income and expenses

| | For the nine months ended Sep. 30, 2025 | For the nine months ended Sep. 30, 2024 |
|---|---|---|
| **Interest income** | | |
| Loan investments [1] | 1,100,189 | 1,152,013 |
| Debt securities | 344,830 | 276,364 |
| Cash, cash equivalents, and deposits | 155,698 | 261,224 |
| Reverse repurchase agreements | 3,879 | 25 |
| **Total interest income** | **1,604,596** | **1,689,626** |
| **Interest expense** | | |
| Borrowings [2] | (960,143) | (871,332) |
| Repurchase agreements | (1,794) | - |
| Lease | (9) | (20) |
| **Total interest expense** | **(961,946)** | **(871,352)** |
| **Net interest income** | **642,650** | **818,274** |

(1) Interest income for loan investments includes amortization of front-end fees and other incremental and directly related costs in relation to loan origination that are an integral part of the effective interest rate of those loans.

(2) Interest expense is accrued mainly based on the notional coupon rate. However, the Bank uses derivatives to manage interest rate and foreign currency risks, and hence, the actual borrowing cost for the Bank is swapped from fixed to floating rate. Please refer to Note C13 Derivatives for details.

### C2 Net fee and commission income

| | For the nine months ended Sep. 30, 2025 | For the nine months ended Sep. 30, 2024 |
|---|---|---|
| Loan and guarantee fees | 34,169 | 30,690 |
| MCDF administration fee [1] | 1,715 | 1,647 |
| Special Funds administration fee | 1,064 | 349 |
| Cofinancing service income | 35 | 210 |
| **Total fee and commission income** | **36,983** | **32,896** |
| Cofinancing service fee | (3,677) | (4,013) |
| **Total fee and commission expense** | **(3,677)** | **(4,013)** |
| **Net fee and commission income** | **33,306** | **28,883** |

(1) According to the Governing Instrument of the Finance Facility of the Multilateral Cooperation Center for Development Finance ("MCDF Finance Facility") and the agreement on the terms and conditions of service as the administrator ("Administrator") of the MCDF Finance Facility, the Bank provides administrative and financial services to the MCDF Finance Facility, including hosting of the Secretariat of the Multilateral Cooperation Center for Development Finance ("MCDF"). Therefore, the Bank charges an administration fee for the services provided as the Administrator of the MCDF Finance Facility. The MCDF serves as a multilateral initiative to foster high-quality infrastructure and connectivity investments in developing economies.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C3 Net gain on financial instruments measured at fair value and foreign exchange

| | For the nine months ended Sep. 30, 2025 | For the nine months ended Sep. 30, 2024 |
|---|---|---|
| Money Market Funds (Note C6) | 35,569 | 71,683 |
| Investments at fair value through profit or loss (Note C7) | 804,812 | 777,683 |
| Borrowings (Note C12) | (1,767,948) | (857,587) |
| Derivatives (Note C13): | | |
| - Borrowings associated | 1,240,749 | 245,108 |
| - Investments operations associated | (654,180) | (105,454) |
| - Treasury investments associated | (173,927) | 31,480 |
| **Net (loss)/gain on financial instruments measured at fair value through profit or loss** | **(514,925)** | **162,913** |
| Net foreign exchange gain [1] | 670,439 | 113,320 |
| **Total** | **155,514** | **276,233** |

[1] The Bank uses derivatives to hedge net foreign currency exposures. Therefore, the net foreign exchange gains or losses arising from non-USD monetary items can be partially offset by the net gains or losses derived from derivative instruments.

### C4 Impairment provision

| | For the nine months ended Sep. 30, 2025 | For the nine months ended Sep. 30, 2024 |
|---|---|---|
| Loan investments | 31,927 | (59,659) |
| Debt Securities | (4,071) | 4,048 |
| Guarantees | (265) | 387 |
| **Total impairment provision** | **27,591** | **(55,224)** |

### C5 General and administrative expenses

| | For the nine months ended Sep. 30, 2025 | For the nine months ended Sep. 30, 2024 |
|---|---|---|
| Staff costs | 119,211 | 104,477 |
| Professional service expenses | 31,383 | 28,377 |
| IT services | 18,526 | 17,200 |
| Facilities and administration expenses | 14,281 | 13,372 |
| Issuance cost for borrowings | 10,233 | 8,507 |
| Travel expenses | 11,983 | 10,238 |
| Others | 9,890 | 8,412 |
| **Total general and administrative expenses** | **215,507** | **190,583** |

Refer to Note C19 for details of key management remuneration.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C6 Cash, cash equivalent, and deposits with banks

| | Sep. 30, 2025 | Dec. 31, 2024 |
|---|---|---|
| Cash | - | - |
| Deposits with banks | | |
| - Demand deposits [(1)] | 47,781 | 46,843 |
| - Term deposits with initial maturity of three months or less | 4,303,909 | 1,557,222 |
| Money Market Funds [(2)] | 365,627 | 318,474 |
| **Total cash and cash equivalents** | **4,717,317** | **1,922,539** |
| Add: term deposits with initial maturity more than three months [(3)] | 2,657,362 | 462,012 |
| **Total cash, cash equivalents, and deposits with banks** | **7,374,679** | **2,384,551** |

(1) USD27.91 million of demand deposits is segregated for the externally managed portfolios (Dec. 31, 2024: USD27.51 million).

(2) Money Market Funds

| | For the nine months ended Sep. 30, 2025 | For the year ended Dec. 31, 2024 |
|---|---|---|
| As at beginning of period/year | 318,474 | 1,150,086 |
| Additions | 18,408,400 | 22,317,336 |
| Disposals | (18,396,816) | (23,230,751) |
| Fair value gain, net | 35,569 | 81,803 |
| **Total Money Market Funds** | **365,627** | **318,474** |

Money Market Funds (“MMFs”) are rated triple-A equivalent and invest in a diversified portfolio of short-term high-quality assets. The objective of the investment is only to meet short-term cash commitments. The MMFs are subject to an insignificant risk of changes in value, with daily liquidity and an investment return comparable to normal USD denominated money market interest rates. The MMFs are exposed to credit, market and liquidity risks and are measured at fair value.

(3) Term deposits with initial maturity more than three months have maturities up to 24 months. As at Sep. 30, 2025, USD2.66 billion of term deposits have remaining maturity within 12 months (Dec. 31, 2024: USD0.46 billion).

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C7 Investments at fair value through profit or loss

| | For the nine months ended Sep. 30, 2025 | For the year ended Dec. 31, 2024 |
|---|---|---|
| As at the beginning of period/year | 14,538,941 | 16,635,658 |
| Investment, net | 627,569 | (2,526,831) |
| Return of capital contributions | (71,157) | (95,600) |
| Net gain of investments | 804,812 | 525,714 |
| **Total investments at fair value through profit or loss** | **15,900,165** | **14,538,941** |

Analysis of investments at fair value through profit or loss:

| | Sep. 30, 2025 | Dec. 31, 2024 |
|---|---|---|
| **Treasury investments** | | |
| External Managers Program (a) | 4,666,535 | 4,456,279 |
| Debt securities (b) | 8,985,530 | 8,150,398 |
| **Subtotal** | **13,652,065** | **12,606,677** |
| **Investment operations** | | |
| Fixed income portfolio and debt securities (c) | 851,287 | 676,804 |
| Investment with equity participation (d) | 1,396,813 | 1,255,460 |
| **Subtotal** | **2,248,100** | **1,932,264** |
| **Total investments at fair value through profit or loss** | **15,900,165** | **14,538,941** |

(a) The Bank has engaged external asset managers to invest in portfolios of high credit quality securities (the “External Managers Program”). The portfolios are fair value measured and securities are eligible for sale.

(b) The Bank invests mainly in debt securities of high credit quality, such as bonds, certificates of deposit and commercial papers, which are mostly actively managed within treasury investment portfolio. The debt securities are measured at fair value through profit or loss.

(c) The Bank has engaged an external asset manager to invest in a fixed-income portfolio, which is to develop the climate bond markets in Asia, composed of labeled green bonds and unlabeled climate-aligned bonds. Separately, the Bank also invests in securities for infrastructure and development purposes in its investment operations portfolio.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C7 Investments at fair value through profit or loss (Continued)

(d) The Bank holds investments with equity participation which includes limited partnership funds ("LP Funds"), trust, associates through venture capital and others.

LP Funds are managed by the general partners, who manage all investments on behalf of the limited partners. The Bank, along with other investors, has entered into LP Funds as a limited partner.

As at Sep. 30, 2025, the Bank held USD122.49 million investments in associates through venture capital (Dec. 31, 2024: USD124.54 million), which are measured at fair value through profit or loss in accordance with IFRS 9 by applying the exemption from adopting the equity method under IAS 28. For the nine months ended Sep. 30, 2025, these investments recorded a fair value gain of USD2.51 million, which is included in Note C3 (for the nine months ended Sep. 30, 2024: fair value gain of USD9.93 million).

The total remaining capital commitment amount for investments with equity participation has no significant change as at Sep. 30, 2025 compared to Dec. 31, 2024. The investments with equity participation do not have a fixed exit date.

Please refer to Note C19 for the transactions with associates through venture capital.

### C8 Loan investments, loan commitments and related ECL allowance

| **Loan investments** | **Sep. 30, 2025** | **Dec. 31, 2024** |
|---|---|---|
| Gross carrying amount | 29,572,568 | 26,835,342 |
| ECL allowance | (229,558) | (198,277) |
| **Net carrying amount** | **29,343,010** | **26,637,065** |

Loan investments are carried at amortized cost. At initial recognition, loan investments are measured at fair value using the assumptions market participants of either sovereign-backed or nonsovereign-backed projects would use when pricing the loan assets. The market where the Bank enters into such transactions is considered to be the principal market. The transaction price normally represents the fair value of loans at their initial recognition.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

## C8 Loan investments, loan commitments and related ECL allowance (Continued)

All sovereign-backed loans to eligible members are subject to the same pricing, taking into account the "preferred creditor status" and other terms giving the Bank rights more favorable than those available to commercial creditors. The Bank applies commercial pricing practices to nonsovereign-backed loans. The Bank has no intention to sell sovereign-backed loans, nor does it believe there is a secondary market for such loans.

The Bank began offering variable spread loans in 2019 where the lending rate consists of a variable reference rate and a variable spread. The variable spread consists of a fixed contractual lending spread and maturity premium along with a variable borrowing cost margin. The reference rate and the borrowing cost margin are determined at each interest rate reset date and are applicable for the following six months. The borrowing cost margin is based on the cost of the underlying funding for these loans at the time of the reset. As at Sep. 30, 2025, USD20,668.3 million of the total carrying amount of the Bank's loans are variable spread loans (Dec. 31, 2024: USD18,687.9 million).

As at Sep. 30, 2025, USD2,277.1 million of the total carrying amount matures within 12 months (Dec. 31, 2024: USD1,823.0 million).

The following table sets out overall information about the credit quality of loan investments and undrawn loan commitments for effective contracts as at Sep. 30, 2025. The gross amounts of loans are net of the transaction costs and fees that are capitalized through the effective interest method, or EIR method. Loan commitment is recorded based on the legal obligation of the Bank to provide the financing, for which the Bank does not have the full discretion to withdraw.

| | **Sep. 30, 2025** | **Dec. 31, 2024** |
|---|---|---|
| Loan investments, gross carrying amount | 29,572,568 | 26,835,342 |
| Undrawn loan commitments | 15,340,009 | 13,005,442 |
| | 44,912,577 | 39,840,784 |
| Total ECL allowance (a) | (230,638) | (198,712) |
| | **44,681,939** | **39,642,072** |

(a) As at Sep. 30, 2025, the total ECL allowance related to undrawn loan commitments is USD1.08 million (Dec. 31, 2024: USD0.44 million), and is presented as a provision in Note C14.

For the nine months ended Sep. 30, 2025, the impairment provision charged on loan investments and undrawn loan commitments were USD31.93 million (impairment provision released for the nine months ended Sep. 30, 2024: USD59.66 million), as disclosed in Note C4.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C9 Debt securities at amortized cost

| | Sep. 30, 2025 | Dec. 31, 2024 |
|---|---|---|
| **Treasury investments** | | |
| Externally managed fixed income portfolio (a) | 351,085 | 413,661 |
| Internally managed fixed income portfolio (b) | 10,647,799 | 10,631,623 |
| ECL allowance | (1,664) | (2,808) |
| **Subtotal** | **10,997,220** | **11,042,476** |
| **Investment operations** | | |
| Investment operations bond portfolios (c) | 775,194 | 722,185 |
| ECL allowance | (8,029) | (16,172) |
| **Subtotal** | **767,165** | **706,013** |
| **Net carrying amount** | **11,764,385** | **11,748,489** |

(a) The Bank engaged an external asset manager to invest in a treasury investment portfolio of high credit quality securities. The portfolio adopts a hold-to-maturity business strategy. The debt securities are initially recognized at fair value and subsequently measured at amortized cost.

(b) The Bank has an internally managed treasury investment portfolio of high credit quality debt securities. The portfolio adopts a hold-to-maturity business strategy. The debt securities are initially recognized at fair value and subsequently measured at amortized cost.

(c) The Bank has invested in a fixed income debt securities investment portfolio which comprises Asian infrastructure-related bonds and other investments of debt securities through private placements. The debt securities are initially recognized at fair value and subsequently measured at amortized cost.

For the nine months ended Sep. 30, 2025, USD4.82 million net investment loss was recognized as a result of disposal of certain debt securities in the portfolios (for the nine months ended Sep. 30, 2024: USD0.18 million).

Debt securities at amortized cost are subject to credit losses estimated by applying an ECL model, assessed on a forward-looking basis. As at Sep. 30, 2025, ECL allowances of USD8.03 million and USD1.66 million have been provided respectively to debt securities in investment operations and treasury investment portfolio (Dec. 31, 2024: USD16.17 million and USD2.81 million respectively).

As at Sep. 30, 2025, USD3,173.43 million of the gross carrying amount matures within 12 months (Dec. 31, 2024: USD2,858.41 million).

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C10 Paid-in capital receivables

According to the AOA, payments for paid-in capital (refer to Note C15) are due in five installments, with the exception of members considered as less developed economies, who may pay in ten installments. Paid-in capital receivables represent amounts due from members in respect of paid-in capital. These amounts are initially recognized at fair value and subsequently measured at amortized cost. The fair value discount is accreted through income using the effective interest method. For the nine months ended Sep. 30, 2025, a total discount of USD0.55 million (for the nine months ended Sep. 30, 2024: USD0.09 million) has been debited to the reserve. An amount of USD0.18 million (for the nine months ended Sep. 30, 2024:USD0.53 million) has been accreted through income in the current year.

As at Sep. 30, 2025, overdue contractual undiscounted paid-in capital receivables, amounting to USD290.14 million (Dec. 31, 2024: USD218.35 million) (Note C15), are not considered impaired.

As at Sep. 30, 2025, USD299.64 million (Dec. 31, 2024: USD226.77 million) of the paid-in capital balance is due within 12 months.

| | **For the nine months ended Sep. 30, 2025** | **For the year ended Dec. 31, 2024** |
|---|---|---|
| As at the beginning of period/year | 234,336 | 262,637 |
| Paid-in capital receivables originated | 116,352 | 2,010 |
| Contributions received | (46,155) | (30,777) |
| Transfer from prepaid paid-in capital to contribution | (300) | (200) |
| Accretion to profit or loss | 181 | 666 |
| **Total paid-in capital receivable** | **304,414** | **234,336** |

### C11 Other assets

| | **Sep. 30, 2025** | **Dec. 31, 2024** |
|---|---|---|
| Receivable for unsettled trades | 428,825 | 100,918 |
| Cash collateral receivable (Note C13) | 243,627 | 614,349 |
| Prepayments | 8,468 | 8,729 |
| Receivable for Special Funds and MCDF administration fees | 2,420 | 2,756 |
| Others | 2,432 | 1,879 |
| **Total other assets** | **685,772** | **728,631** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C12 Borrowings

| | **Sep. 30, 2025** | **Dec. 31, 2024** |
|---|---|---|
| Borrowings carried at fair value | 37,389,726 | 31,597,860 |
| Borrowings carried at amortized cost | 3,882,605 | 1,355,939 |
| **Total borrowings** | **41,272,331** | **32,953,799** |

The Bank raises funds through various markets to support its operations and enhance its presence in the key capital markets which provide the Bank with cost-efficient funding levels. The Bank's debt issuance programs include the SEC-registered Shelf, Global Medium-Term Notes Programme, Australian Dollar and New Zealand Dollar Debt Issuance Programme, Renminbi Bond Issuance Program, and Euro Commercial Paper Programme (the "ECP"). Among these funding sources, the SEC-registered fixed-rate global notes have been the primary program of the Bank's borrowing activities. These funding initiatives have enabled the Bank to access diverse sources of capital and strengthen its financial position.

The following table sets out the details of the outstanding amount by denominated currency.

| **Denominated currency** | **Sep. 30, 2025** | **Dec. 31, 2024** |
|---|---|---|
| USD | 23,638,498 | 19,669,284 |
| GBP | 5,129,667 | 4,081,553 |
| EUR | 4,824,920 | 2,875,429 |
| CNY | 2,962,095 | 2,696,075 |
| AUD | 1,356,422 | 931,979 |
| INR | 1,219,458 | 1,070,727 |
| HKD | 1,147,012 | 760,550 |
| CHF | 396,535 | 244,061 |
| MXN | 242,099 | 120,519 |
| Others | 355,625 | 503,622 |
| **Total** | **41,272,331** | **32,953,799** |

Borrowings that are paired with swaps are designated as financial liabilities at fair value through profit or loss. The designation significantly reduces accounting mismatches that would otherwise arise if the borrowings were carried at amortized cost while the related swaps are carried at fair value. Interest from borrowings is calculated based on outstanding balances of the borrowings and coupon rates and presented as interest expense in the Statement of Comprehensive Income.

Floating rate notes and ECP are carried at amortized cost with interest expenses recognized under the effective interest rate method.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C12 Borrowings (Continued)

The fair value changes for financial liabilities that are designated as at fair value through profit or loss that are attributable to changes in the Bank's own credit risk, are recognized in other comprehensive income in accordance with the requirements of IFRS 9. Fair value movements attributable to changes in the Bank's own credit risk are determined using the mark-to-market approach by applying an observable own credit spread curve to the Bank's exposure at the reporting date.

For the nine months ended Sep. 30, 2025, the fair value gain attributable to changes in the Bank's own credit risk included in the other comprehensive income amounted to USD125.67 million (for the nine months ended Sep. 30, 2024: fair value loss of USD143.54 million).

The following table sets out information about changes in liabilities arising from borrowing activities, including changes arising from cash flows and non-cash changes.

| | **For the nine months ended Sep. 30, 2025** | **For the year ended Dec. 31, 2024** |
|---|---|---|
| As at beginning of period/year | 32,953,799 | 30,528,131 |
| Changes arising from cash flows | | |
| - Proceeds from borrowings, net | 17,641,327 | 14,047,018 |
| - Repayment of borrowings | (10,877,929) | (11,655,017) |
| - Interest payments | (1,047,585) | (1,071,831) |
| - Issuance cost for borrowings | 10,233 | 9,047 |
| Non-cash changes | | |
| - Accrued interest | 950,210 | 1,149,257 |
| - Changes in fair value included in the other comprehensive income | (125,672) | 142,012 |
| - Changes in fair values included in profit or loss (Note C3) | 1,767,948 | (194,818) |
| **Total borrowings** | **41,272,331** | **32,953,799** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C13 Derivatives

As at Sep. 30, 2025, the Bank has entered into several interest rate swap, foreign exchange forward and cross currency swap contracts. The Bank makes use of derivatives primarily to hedge the Bank's borrowings, so as to convert issuance proceeds into the currency and interest rate structure sought by the Bank. The Bank also uses derivatives to manage the net interest rate and foreign exchange risks arising from its financial assets including, but not limited to, loans, certificates of deposit and bond investments.

Derivative contracts are financial instruments valued at each reporting date using valuation techniques that consider observable market data such as yield curves, interest rates, and foreign currency rates. Net interest paid or received on these derivative contracts is included within the net gain on financial instruments.

The following table sets out the contractual notional amounts and fair values of the derivatives as at Sep. 30, 2025 and Dec. 31, 2024. The payments under each of the derivative contracts are subject to enforceable master netting arrangements.

| | As at Sep. 30, 2025 | | |
|---|---|---|---|
| | Contractual notional amount | Fair value Assets | Liabilities |
| **Derivatives** | | | |
| Interest rate swaps | 32,227,026 | 215,309 | 106,660 |
| Cross currency swaps | 25,437,609 | 941,828 | 850,963 |
| FX forwards | 2,558,319 | 11,623 | 8,241 |
| **Total derivatives** | **60,222,954** | **1,168,760** | **965,864** |

| | As at Dec. 31, 2024 | | |
|---|---|---|---|
| | Contractual notional amount | Fair value Assets | Liabilities |
| **Derivatives** | | | |
| Interest rate swaps | 29,233,488 | 186,848 | 365,326 |
| Cross currency swaps | 21,170,690 | 573,143 | 800,848 |
| FX forwards | 2,202,738 | 72,070 | 9,411 |
| **Total derivatives** | **52,606,916** | **832,061** | **1,175,585** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

## C13 Derivatives (Continued)

The table below presents the undiscounted cash flows in/(out) of the derivatives the Bank has entered into as at Sep. 30, 2025 and Dec. 31, 2024.

| | As at Sep. 30, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 1 month** | **1-3 months** | **3-12 months** | **1-5 years** | **Over 5 years** | **Total** |
| **Total Derivatives** | | | | | | |
| Interest rate swaps | (129,444) | (89,364) | 172,095 | 199,920 | 56,608 | 209,815 |
| Gross settling cross currency swaps - inflow | 160,645 | 2,052,670 | 4,453,102 | 16,533,183 | 6,715,176 | 29,914,776 |
| Gross settling cross currency swaps - outflow | (155,932) | (2,097,596) | (4,292,563) | (16,399,862) | (6,389,815) | (29,335,768) |
| Gross settling FX forwards - inflow | 711,428 | 1,140,965 | 704,931 | - | - | 2,557,324 |
| Gross settling FX forwards - outflow | (712,982) | (1,137,824) | (699,839) | - | - | (2,550,645) |
| **Total derivatives** | **(126,285)** | **(131,149)** | **337,726** | **333,241** | **381,969** | **795,502** |

| | As at Dec. 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 1 month** | **1-3 months** | **3-12 months** | **1-5 years** | **Over 5 years** | **Total** |
| **Total Derivatives** | | | | | | |
| Interest rate swaps | (4,530) | 21,557 | (254,470) | 56,429 | (1,519) | (182,533) |
| Gross settling cross currency swaps - inflow | 418,330 | 424,420 | 4,273,174 | 15,688,201 | 3,926,744 | 24,730,869 |
| Gross settling cross currency swaps - outflow | (407,752) | (425,956) | (4,328,376) | (15,440,357) | (3,843,978) | (24,446,419) |
| Gross settling FX forwards - inflow | 548,271 | 754,050 | 816,476 | - | - | 2,118,797 |
| Gross settling FX forwards - outflow | (534,221) | (736,215) | (775,191) | - | - | (2,045,627) |
| **Total derivatives** | **20,098** | **37,856** | **(268,387)** | **304,273** | **81,247** | **175,087** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C13 Derivatives (Continued)

The Bank requires collateral in the form of cash against the exposures to derivative counterparties. The Bank records cash collateral in respect of the interest rate swaps and cross currency swaps based on the fair value of the swaps. This amount is presented separately in the Bank's Statement of Financial Position as the cash flows are not applied towards the settlement of net interest payments. The collateral would only be applied against amounts due in the event that some or all the corresponding swaps are terminated early, including, but not limited to, as a result of a default by the relevant counterparty. As at Sep. 30, 2025, the Bank has received cash collateral of USD429.71 million (Note C14) (Dec. 31, 2024: USD264.36 million) from the swap counterparties and has paid cash collateral of USD243.63 million (Note C11) (Dec. 31, 2024: USD614.35 million) to the swap counterparties.

Due to the collateral arrangements in the Bank's derivatives contracts, the counterparty valuation adjustment ("CVA") and debt valuation adjustment ("DVA") do not have a material impact on the derivative valuations as at Sep. 30, 2025 and Dec. 31, 2024.

The contractual notional amounts of the derivatives and carrying amount of the hedged financial instruments are as follows. The Bank's risk exposures have been well hedged. Therefore, the profit and loss are effectively managed on a net basis.

| | As at Sep. 30, 2025 | | As at Dec. 31, 2024 | |
|---|---|---|---|---|
| | Contractual notional amount of derivative | Gross carrying amount of economically hedged financial instruments | Contractual notional amount of derivative | Gross carrying amount of economically hedged financial instruments |
| Borrowings related hedge | 37,591,724 | 37,389,726 | 36,211,901 | 31,597,860 |
| Loans related hedge | 7,882,429 | 6,905,842 | 6,481,437 | 6,307,348 |
| Debt securities related hedge in investment operations portfolio | 1,021,419 | 1,003,955 | 617,847 | 585,619 |

Derivatives with notional amount of USD13,727.38 million are under the management of treasury investment portfolio (Dec. 31, 2024: USD9,295.73 million).

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C14 Other liabilities

| | Sep. 30, 2025 | Dec. 31, 2024 |
|---|---|---|
| Payable for unsettled trades | 511,811 | 120,698 |
| Cash collateral payable (Note C13) | 429,708 | 264,357 |
| Deferred interest (Note C19) | 38,262 | 39,087 |
| Accrued expenses | 27,120 | 35,187 |
| Staff cost payable | 12,733 | 6,929 |
| Financial guarantee liabilities | 9,049 | 10,997 |
| Provision for loan and debt securities | 1,542 | 435 |
| Lease liability | 150 | 481 |
| Bank overdrafts | - | 48,306 |
| Others | 1,021 | 2,377 |
| **Total other liabilities** | **1,031,396** | **528,854** |

### C15 Share capital

| | Sep. 30, 2025 | Dec. 31, 2024 |
|---|---|---|
| Authorized capital | 100,000,000 | 100,000,000 |
| - Allocated | | |
| - Subscribed | 97,622,200 | 97,037,800 |
| - Unsubscribed | 389,800 | 974,200 |
| - Unallocated | 1,988,000 | 1,988,000 |
| Total authorized capital | 100,000,000 | 100,000,000 |
| Subscribed capital | 97,622,200 | 97,037,800 |
| Less: callable capital | (78,097,800) | (77,630,300) |
| Paid-in capital | 19,524,400 | 19,407,500 |
| Paid-in capital comprises: | | |
| - amounts received | 19,219,201 | 19,172,747 |
| - amount due but not yet received | 290,136 | 218,353 |
| - amount not yet due | 15,063 | 16,400 |
| **Total paid-in capital** | **19,524,400** | **19,407,500** |

## C Disclosure Notes

### C15 Share capital (Continued)

In accordance with Articles 4 and 5 of the AOA, the initial authorized capital stock of the Bank is USD100 billion, divided into 1,000,000 shares, which shall be available for subscription only by members.

The original authorized capital stock is divided into paid-in shares and callable shares, with paid-in shares having an aggregate par value of USD20 billion and callable shares having an aggregate par value of USD80 billion.

Payment of the amount subscribed to the callable capital stock of the Bank shall be subject to call only as and when required by the Bank to meet its liabilities. Calls on unpaid subscriptions shall be uniform in percentage on all callable shares.

In accordance with Article 37 of the AOA, any member may withdraw from the Bank at any time by delivering a notice in writing to the Bank at its principal office. A withdrawing member remains liable for all direct and contingent obligations to the Bank to which it was subject at the date of delivery of the withdrawal notice. At the time an economy ceases to be a member, the Bank shall arrange for the repurchase of such economy's shares by the Bank as a part of the settlement of accounts with such economy.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

## C15 Share capital (Continued)

| Member | Total share | Subscribed capital | Callable capital | Paid-in capital |
|---|---|---|---|---|
| Afghanistan | 866 | 86,600 | 69,300 | 17,300 |
| Algeria | 50 | 5,000 | 4,000 | 1,000 |
| Argentina | 50 | 5,000 | 4,000 | 1,000 |
| Armenia | 374 | 37,400 | 29,900 | 7,500 |
| Australia | 36,912 | 3,691,200 | 2,953,000 | 738,200 |
| Austria | 5,008 | 500,800 | 400,600 | 100,200 |
| Azerbaijan | 2,541 | 254,100 | 203,300 | 50,800 |
| Bahrain | 1,036 | 103,600 | 82,900 | 20,700 |
| Bangladesh | 6,605 | 660,500 | 528,400 | 132,100 |
| Belarus | 641 | 64,100 | 51,300 | 12,800 |
| Belgium | 2,846 | 284,600 | 227,700 | 56,900 |
| Benin | 50 | 5,000 | 4,000 | 1,000 |
| Brazil | 50 | 5,000 | 4,000 | 1,000 |
| Brunei Darussalam | 524 | 52,400 | 41,900 | 10,500 |
| Cambodia | 623 | 62,300 | 49,800 | 12,500 |
| Canada | 9,954 | 995,400 | 796,300 | 199,100 |
| Chile | 100 | 10,000 | 8,000 | 2,000 |
| China | 297,804 | 29,780,400 | 23,824,300 | 5,956,100 |
| Cook Islands | 5 | 500 | 400 | 100 |
| Croatia | 50 | 5,000 | 4,000 | 1,000 |
| Cyprus | 200 | 20,000 | 16,000 | 4,000 |
| Côte d’Ivoire | 50 | 5,000 | 4,000 | 1,000 |
| Denmark | 3,695 | 369,500 | 295,600 | 73,900 |
| Djibouti | 5 | 500 | 400 | 100 |
| El Salvador | 50 | 5,000 | 4,000 | 1,000 |
| Ecuador | 50 | 5,000 | 4,000 | 1,000 |
| Egypt | 6,505 | 650,500 | 520,400 | 130,100 |
| Ethiopia | 458 | 45,800 | 36,600 | 9,200 |
| Fiji | 125 | 12,500 | 10,000 | 2,500 |
| Finland | 3,103 | 310,300 | 248,200 | 62,100 |
| France | 33,756 | 3,375,600 | 2,700,500 | 675,100 |
| Georgia | 539 | 53,900 | 43,100 | 10,800 |
| Germany | 44,842 | 4,484,200 | 3,587,400 | 896,800 |
| Ghana | 50 | 5,000 | 4,000 | 1,000 |
| Greece | 100 | 10,000 | 8,000 | 2,000 |
| Guinea | 50 | 5,000 | 4,000 | 1,000 |
| Hong Kong, China | 7,651 | 765,100 | 612,100 | 153,000 |
| Hungary | 1,000 | 100,000 | 80,000 | 20,000 |
| Iceland | 176 | 17,600 | 14,100 | 3,500 |
| India | 83,673 | 8,367,300 | 6,693,800 | 1,673,500 |

*(All amounts in thousands of US Dollars unless otherwise stated)*

## C Disclosure Notes

## C15 Share capital (Continued)

| Member | Total share | Subscribed capital | Callable capital | Paid-in capital |
|---|---|---|---|---|
| Indonesia | 33,607 | 3,360,700 | 2,688,600 | 672,100 |
| Iran | 15,808 | 1,580,800 | 1,264,600 | 316,200 |
| Iraq | 250 | 25,000 | 20,000 | 5,000 |
| Ireland | 1,313 | 131,300 | 105,000 | 26,300 |
| Israel | 7,499 | 749,900 | 599,900 | 150,000 |
| Italy | 25,718 | 2,571,800 | 2,057,400 | 514,400 |
| Jordan | 1,192 | 119,200 | 95,400 | 23,800 |
| Kazakhstan | 7,293 | 729,300 | 583,400 | 145,900 |
| Kenya | 50 | 5,000 | 4,000 | 1,000 |
| Korea | 37,387 | 3,738,700 | 2,991,000 | 747,700 |
| Kuwait | 5,360 | 536,000 | 428,800 | 107,200 |
| Kyrgyz Republic | 268 | 26,800 | 21,400 | 5,400 |
| Lao PDR | 430 | 43,000 | 34,400 | 8,600 |
| Liberia | 50 | 5,000 | 4,000 | 1,000 |
| Libya | 526 | 52,600 | 42,100 | 10,500 |
| Luxembourg | 697 | 69,700 | 55,800 | 13,900 |
| Madagascar | 50 | 5,000 | 4,000 | 1,000 |
| Malaysia | 1,095 | 109,500 | 87,600 | 21,900 |
| Maldives | 72 | 7,200 | 5,800 | 1,400 |
| Malta | 136 | 13,600 | 10,900 | 2,700 |
| Mauritania | 50 | 5,000 | 4,000 | 1,000 |
| Mongolia | 411 | 41,100 | 32,900 | 8,200 |
| Morocco | 50 | 5,000 | 4,000 | 1,000 |
| Myanmar | 2,645 | 264,500 | 211,600 | 52,900 |
| Nauru | 5 | 500 | 400 | 100 |
| Nepal | 809 | 80,900 | 64,700 | 16,200 |
| Netherlands | 10,313 | 1,031,300 | 825,000 | 206,300 |
| New Zealand | 4,615 | 461,500 | 369,200 | 92,300 |
| Norway | 5,506 | 550,600 | 440,500 | 110,100 |
| Oman | 2,592 | 259,200 | 207,400 | 51,800 |
| Pakistan | 10,341 | 1,034,100 | 827,300 | 206,800 |
| Papua New Guinea | 50 | 5,000 | 4,000 | 1,000 |
| Peru | 1,546 | 154,600 | 123,700 | 30,900 |
| Philippines | 9,791 | 979,100 | 783,300 | 195,800 |
| Poland | 8,318 | 831,800 | 665,400 | 166,400 |
| Portugal | 650 | 65,000 | 52,000 | 13,000 |
| Qatar | 6,044 | 604,400 | 483,500 | 120,900 |
| Romania | 1,530 | 153,000 | 122,400 | 30,600 |
| Russia | 65,362 | 6,536,200 | 5,229,000 | 1,307,200 |
| Rwanda | 50 | 5,000 | 4,000 | 1,000 |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C15 Share capital (Continued)

| **Member** | **Total share** | **Subscribed capital** | **Callable capital** | **Paid-in capital** |
|---|---|---|---|---|
| Samoa | 21 | 2,100 | 1,700 | 400 |
| Saudi Arabia | 25,446 | 2,544,600 | 2,035,700 | 508,900 |
| Serbia | 50 | 5,000 | 4,000 | 1,000 |
| Singapore | 2,500 | 250,000 | 200,000 | 50,000 |
| Solomon Islands | 5 | 500 | 400 | 100 |
| South Africa | 50 | 5,000 | 4,000 | 1,000 |
| Spain | 17,615 | 1,761,500 | 1,409,200 | 352,300 |
| Sri Lanka | 2,690 | 269,000 | 215,200 | 53,800 |
| Sudan | 590 | 59,000 | 47,200 | 11,800 |
| Sweden | 6,300 | 630,000 | 504,000 | 126,000 |
| Switzerland | 7,064 | 706,400 | 565,100 | 141,300 |
| Tajikistan | 309 | 30,900 | 24,700 | 6,200 |
| Thailand | 14,275 | 1,427,500 | 1,142,000 | 285,500 |
| Timor-Leste | 160 | 16,000 | 12,800 | 3,200 |
| Togo | 50 | 5,000 | 4,000 | 1,000 |
| Tonga | 12 | 1,200 | 1,000 | 200 |
| Tunisia | 50 | 5,000 | 4,000 | 1,000 |
| Türkiye | 26,099 | 2,609,900 | 2,087,900 | 522,000 |
| United Arab Emirates | 11,857 | 1,185,700 | 948,600 | 237,100 |
| United Kingdom | 30,547 | 3,054,700 | 2,443,800 | 610,900 |
| Uruguay | 50 | 5,000 | 4,000 | 1,000 |
| Uzbekistan | 2,198 | 219,800 | 175,800 | 44,000 |
| Vanuatu | 5 | 500 | 400 | 100 |
| Viet Nam | 6,633 | 663,300 | 530,600 | 132,700 |
| **Total** | **976,222** | **97,622,200** | **78,097,800** | **19,524,400** |

## C Disclosure Notes

## C16 Reserves

Based on Article 18.1 of the AOA, the Board of Governors shall determine at least annually what part of the net income of the Bank shall be allocated, after making provision for reserves, to retained earnings or other purposes and what part, if any, shall be distributed to the members.

## C17 Distributions

Retained earnings as at Sep. 30, 2025 are USD3,827.76 million (Dec. 31, 2024: USD3,244.21 million). For the nine months ended Sep. 30, 2025, USD0.18 million (for the nine months ended Sep. 30, 2024: USD0.53 million) of retained earnings has been transferred to the reserve for accretion of the paid-in capital receivables.

No dividends were declared during the reporting period.

## C18 Unconsolidated structured entities

Special Funds established and administered by the Bank based on Article 17.1 of the AOA are unconsolidated structured entities for accounting purposes. Consistent with Article 10 of the Bank's AOA, the resources of the Special Funds shall at all times and in all respects be held, used, committed, invested or otherwise disposed of entirely separately from the Bank's ordinary resources.

### The Project Preparation Special Fund

The objective of the Project Preparation Special Fund is to support and facilitate preparatory activities during the preparation and early implementation of projects, on a grant basis, for the benefit of one or more members of the Bank that, at the time when the decision to extend the grant is made by the Bank, are classified as recipients of financing from the International Development Association ("IDA"), and other members of the Bank with substantial development needs and capacity constraints.

The resources of the Project Preparation Special Fund consist of: (a) amounts accepted from any member of the Bank, any of its political or administrative sub-divisions, or any entity under the control of the member or such sub-divisions or any other economy, entity or person approved by the President that may become a contributor to the Special Funds; (b) income derived from investment of the resources of the Special Funds; and (c) funds reimbursed to the Special Funds, if any.

The full cost of administering the Project Preparation Special Fund is charged to the Project Preparation Special Fund. The Bank charges an administration fee based on the principle of full cost recovery on the contribution amount received by the Project Preparation Special Fund, and the Project Preparation Special Fund bears all expenses appertaining directly to operations financed from the resources of the Project Preparation Special Fund.

## C Disclosure Notes

### C18 Unconsolidated structured entities (Continued)

As at Sep. 30, 2025, the Project Preparation Special Fund aggregate contributions received amounted to USD129 million (Dec. 31, 2024: USD128 million). For the nine months ended Sep. 30, 2025, fees recognized as income amounted to USD0.01 million (for the nine months ended Sep. 30, 2024: USD0.17 million).

**The Special Fund Window for Less Developed Members (the “Special Fund Window”)**

The Special Fund Window provides interest rate buy-down to eligible sovereign-backed financing aligned with AIIB’s Corporate Strategy in eligible members according to the approved Rules and Regulations. The Special Fund Window is funded by the amounts transferred by the Bank from its Project Preparation Special Fund and voluntary contributions from the Bank’s Members.

The full cost of administering the Special Fund Window is charged to the Special Fund Window. The Bank charges an administration fee based on the principle of full cost recovery on the contribution amount received by the Special Fund Window, and the Special Fund Window bears all expenses appertaining directly to operations financed from the resources of the Special Fund Window.

For the nine months ended Sep. 30, 2025, fees recognized as income amounted to USD0.74 million (for the nine months ended Sep. 30, 2024: USD0.03 million).

As at Sep. 30, 2025, USD0.68 million of administration fee receivable by the Bank (Dec. 31, 2024: USD0.61 million), and the interest rate buy-down balance for eligible sovereign-backed loans from the Special Fund Window amounted to USD38.26 million (Dec. 31, 2024: USD39.09 million) (Note C14).

**AIIB Project-Specific Window**

On March 19, 2024, the Bank established the Project-Specific Window for the Bank to accept, manage and disburse external grants for the co-financing of eligible projects in the Bank’s low- and middle-income members and small island members as defined in the Rules and Regulations of the AIIB Project-Specific Window.

The resource of the Project-Specific Window consists of contributions from eligible contributors to co-finance specific eligible projects approved by the contributors. Contributions received will be channeled and disbursed to the approved specific projects. The full cost of administration shall be charged to the Project-Specific Window.

The full cost of administering the Project-Specific Window is charged to the Project-Specific Window. The Bank charges an administration fee based on the principle of full cost recovery on the contribution amount received by the Project-Specific Window, and the Project-Specific Window bears all expenses appertaining directly to operations financed from the resources of the Project-Specific Window.

## C Disclosure Notes

### C18 Unconsolidated structured entities (Continued)

For the nine months ended Sep. 30, 2025, fees recognized as income amounted to USD0.16 million (for the nine months ended Sep. 30, 2024: none).

As at Sep. 30, 2025, there was no administration fee receivable by the Bank (Dec. 31, 2024: none).

**AIIB External Special Funds**

Special Fund resources received by AIIB in its role as implementing entity of multilateral partnership facilities are considered as AIIB External Special Funds collectively. AIIB became the Global Infrastructure Facility Technical Partner ("GIF TP") on June 23, 2021 after executing the Financial Procedures Agreement; the MCDF Implementing Partner ("MCDF IP") on Aug. 9, 2021 after executing the Implementing Partner Agreement; the Pandemic Prevention, Preparedness and Response Trust Fund Implementing Entity ("PPR IE") on Feb. 10, 2023 after executing the Financial Procedures Agreement; and the Green Climate Fund Accredited Entity ("GCF AE) on June 25, 2025 after executing the Accreditation Master Agreement. Resources from the multilateral partnership facilities are administered in separate External Special Funds.

The Bank is not obliged to provide financial support to the Special Funds.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C19 Related party transactions

Parties are generally considered to be related if the parties are under common control, or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely to the legal form.

Major outstanding balances with related parties are as follows:

| | **Sep. 30, 2025** | | | **Dec. 31, 2024** | | |
|---|---|---|---|---|---|---|
| | China related entities | Key management personnel | Other related parties | China related entities | Key management personnel | Other related parties |
| Loan investments | 1,795,803 | - | - | 1,525,013 | - | - |
| LP Fund | 75,524 | - | - | 71,798 | - | - |
| Equity and debt security investments in/or related to associates through venture capital | - | - | 203,706 | - | - | 183,097 |
| Other assets | - | - | 675 | - | - | 611 |
| Staff loan | - | 50 | - | - | 13 | - |
| Other liabilities | - | - | 38,263 | - | - | 39,087 |

The income and expense items affected by transactions with related parties are as follows:

| | **For the nine months ended Sep. 30, 2025** | | | **For the nine months ended Sep. 30, 2024** | | |
|---|---|---|---|---|---|---|
| | China related entities | Key management personnel | Other related parties | China related entities | Key management personnel | Other related parties |
| Income from loan investments | 52,837 | - | - | 55,878 | - | - |
| Net gain/(loss) on LP fund | 3,613 | - | - | (2,812) | - | - |
| Net gain on equity and debt security investments in/or related to associates through venture capital | - | - | 6,047 | - | - | 16,207 |
| Income from staff loan | - | 2 | - | - | 2 | - |
| Income from Special Funds (Administration Fee) | - | - | 916 | - | - | 200 |

## C Disclosure Notes

### C19 Related party transactions (Continued)

#### Shareholder with significant influence

The Bank considers China as the member that has a significant influence over the Bank's financial and operating policies through its ability to exercise its voting powers in the Board. As at Sep. 30, 2025 the Government of China (the “Government”) owned approximately 30.51% of the paid-in capital of the Bank (Dec. 31, 2024: approximately 30.69%).

The Bank enters into transactions with enterprises ultimately controlled by the Government (State-owned Entities), including but not limited to, lending, debt securities, equity and fund investments, deposits and interbank placements, goods and services.

The Bank considers the transactions with China state-owned entities are activities conducted in the ordinary course of business, and the dealings of the Bank have not been significantly or unduly affected by the fact that these entities are ultimately controlled by the Government.

Significant transactions with China related entities are as follow:

#### (1) Loan investments

The Bank has loan facilities to nonsovereign borrowers that are ultimately controlled by State-owned Entities with a total outstanding balance of USD224.08 million as at Sep. 30, 2025 (Dec. 31, 2024: USD221.1 million). The Bank entered into the agreements with the borrowers in the ordinary course of business under normal commercial terms and at market rates.

The Bank has sovereign-backed facilities to China with a total outstanding balance of USD1,571.72 million equivalent as at Sep. 30, 2025 (Dec. 31, 2024: USD1,303.91 million). The Bank’s standard interest rate for sovereign-backed loans has been applied.

#### (2) LP Fund

In July 2019, the Bank approved a USD75 million investment into a limited partnership fund organized under the laws of Hong Kong, China and subscribed to an interest therein in November 2019. In addition to the Bank, the Government and other entities related therewith are also limited partners of the Fund. The Bank will not take part in the management of the Fund. As at Sep. 30, 2025, the fair value of the Bank’s interest in the Fund is USD75.52 million (Dec. 31, 2024: USD71.80 million).

## C Disclosure Notes

## C19 Related party transactions (Continued)

Transactions with other related parties are as follows:

### (1) Equity and debt security investments in/or related to associates

The fair value of the Bank's interest in the investment in associates through venture capital is USD122.49 million. As at Sep. 30, 2025, the Bank holds USD81.21 million of infrastructure asset-backed securities issued by one associate.

### (2) Transactions with Special Funds

As at Sep. 30, 2025, other assets include a receivable from Special Fund Window for the administration fee of USD0.68 million (Dec. 31, 2024: USD0.61 million).

As at Sep. 30, 2025, the interest rate buy-down balance from Special Fund Window was USD38.26 million (Dec. 31, 2024: USD39.09 million).

### Key management personnel

Key management personnel are those persons who have the authority and responsibility to plan, direct and control the activities of the Bank. Key management personnel of the Bank is defined as the members of the Bank's Executive Committee, that is, in accordance with the Terms of Reference of the Executive Committee dated Jan. 5, 2022, the President, the Vice Presidents, the General Counsel, the Chief Risk Officer, the Chief Financial Officer and the Chief Economist. On Jan. 1, 2025, leadership positions of the Investment Client Units are titled as Chief Investment Officers. The Chief Investment Officers are members of the Bank's Executive Committee. On Sep. 1, 2025, the Chief Partnerships Officer was included as a member of the Bank's Executive Committee.

For the nine months ended Sep. 30, 2025 and the nine months ended Sep. 30, 2024, other than loan granted to key management personnel as disclosed above, the Bank has no material transactions with key management personnel.

The compensation of key management personnel for the nine months ended Sep. 30, 2025 comprises short-term employee benefits of USD3.41 million (for the nine months ended Sep. 30, 2024: USD3.30 million) and defined contribution plans of USD0.68 million (for the nine months ended Sep. 30, 2024: USD0.66 million).

## C Disclosure Notes

### C19 Related party transactions (Continued)

#### Use of office building

In accordance with Article 5 of the Headquarters Agreement, Government will provide a permanent office building ("Permanent Premises") and temporary office accommodation to the Bank, free of charge. The Permanent Premises and temporary office accommodation are provided to the Bank for the purposes of carrying out its Official Activities, as defined in Article 1(k) of the Headquarters Agreement. The Bank does not have legal ownership of the Permanent Premises. Please refer to Headquarters Agreement disclosed on public domain of AIIB website.

The provision of the Permanent Premises and temporary office accommodation is not subject to any consideration payable by the Bank, or any conditions relating to the Bank's lending or investing activities. The Bank, however, remains responsible for the management of the Premises and/or for the associated costs, including that of utilities and services.

On June 1, 2020, the Bank officially moved to the Permanent Premises. The temporary office was returned to the Government on June 5, 2020.

The Permanent Premises of the Bank are located at Towers A and B, Asia Financial Center, No.1 Tianchen East Road, Chaoyang District, Beijing 100101 and, as of the reporting date, provides the Bank with approximately 110,866 square meters of office space and associated facilities and equipment.

On Sep. 11, 2019, the People's Government of Tianjin Municipality (the "Tianjin Municipality") and the Bank entered into a Memorandum of Understanding (the "MOU"), in accordance with Article 5 of the Headquarters Agreement, to set out the arrangements regarding the premises of the Bank as its backup business office in Tianjin (the "Tianjin Premises"). Specifically, according to the MOU, Tianjin Municipality will provide the Tianjin Premises to the Bank for its use, free of charge, similar to the arrangements for the Permanent Premises.

On March 31, 2021, Tianjin Municipality officially handed over the Tianjin Premises to the Bank. The Tianjin Premises are located at Level 25, Level 26, 3-14, No. 681, Ronghe Road, Binhai New Area, Tianjin, and provide the Bank with approximately 4,258 square meters of office space.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## C Disclosure Notes

### C20 Segment reporting

The Bank has only one reportable segment since financial results are reviewed and resource allocation decisions are made at the entity level.

The table below illustrates the geographic distribution of the Bank's loan and guarantee revenue by destination for the nine months ended Sep. 30, 2025, and Sep. 30, 2024.

Loan and guarantee revenue comprises loan interest income, loan commitment fee, guarantee fees and other service fees.

| | For the nine months ended Sep. 30, 2025 | | | For the nine months ended Sep. 30, 2024 | | |
|---|---|---|---|---|---|---|
| **Region** | **Sovereign - backed loans and guarantees** | **Nonsovereign -backed loans** | **Total** | **Sovereign - backed loans and guarantees** | **Nonsovereign - backed loans** | **Total** |
| Central Asia | 93,028 | 17,566 | 110,594 | 95,563 | 14,292 | 109,855 |
| Eastern Asia | 55,990 | 10,687 | 66,677 | 59,436 | 10,130 | 69,566 |
| Southeastern Asia | 242,678 | 20,302 | 262,980 | 231,765 | 19,852 | 251,617 |
| Southern Asia | 404,127 | 21,704 | 425,831 | 426,131 | 18,883 | 445,014 |
| Western Asia | 149,201 | 47,450 | 196,651 | 177,168 | 57,592 | 234,760 |
| Oceania | 4,276 | - | 4,276 | 5,674 | - | 5,674 |
| Other Regional | - | 13,386 | 13,386 | - | 12,589 | 12,589 |
| Total Regional | 949,300 | 131,095 | 1,080,395 | 995,737 | 133,338 | 1,129,075 |
| Total Non-Regional | 38,728 | 15,235 | 53,963 | 40,630 | 12,998 | 53,628 |
| **Total** | **988,028** | **146,330** | **1,134,358** | **1,036,367** | **146,336** | **1,182,703** |

### C21 Events after the end of the reporting period

There have been no other material events since the reporting date that would require disclosure or adjustment to these financial statements.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

### D1 Overview

The Bank adopts a proactive and comprehensive approach to risk management that is instrumental to the Bank's financial viability and success in achieving its mandate. The ability to identify, mitigate and manage risk begins with the Bank's policies established with a strong risk culture. In addition to establishing appropriate risk parameters and a thorough and robust project review and monitoring process, the risk management function provides independent oversight of credit and other investment risk, market risk, liquidity risk, counterparty credit risk, model risk, operational risk, and compliance risk in the Bank's activities. It is also designed to manage assets and liabilities to minimize the volatility in its equity value and to maintain sufficient liquidity.

For further information, please refer to the accompanying notes D Financial Risk Management included in the Bank's financial statements for the year ended Dec. 31, 2024.

### D2 Credit and other investment risks

***Credit quality analysis***

Except for loan investments, debt securities and issued guarantee commitments, other financial assets are paid-in capital receivables, deposits with banks and MMFs, for which the credit risk is not material.

The following table sets out the debt securities at amortized cost, loans and undrawn loan commitments for sovereign-backed loans, nonsovereign-backed loans exclusive of any received sovereign guarantees, with their respective ECL allowance balance as at Sep. 30, 2025.

| | **Sep. 30, 2025** | | | **Dec. 31, 2024** | | |
|---|---|---|---|---|---|---|
| | **Gross Carrying amount** | **Undrawn Commitments** | **ECL** | **Gross Carrying amount** | **Undrawn Commitments** | **ECL** |
| Sovereign-backed loans | 26,530,501 | 14,313,642 | (35,256) | 24,433,825 | 11,868,382 | (63,078) |
| Nonsovereign-backed loans | 3,042,067 | 1,026,367 | (195,382) | 2,401,517 | 1,137,060 | (135,634) |
| Loan investments | 29,572,568 | 15,340,009 | (230,638) | 26,835,342 | 13,005,442 | (198,712) |
| Debt securities | 11,774,079 | 151,167 | (10,157) | 11,767,469 | - | (18,980) |
| **Total** | **41,346,647** | **15,491,176** | **(240,795)** | **38,602,811** | **13,005,442** | **(217,692)** |

The maximum credit risk exposure of the issued financial guarantees as at Sep. 30, 2025 is USD1,297.05 million (Dec. 31, 2024: USD1,343.73 million), with an associated ECL allowance of USD0.83 million (Dec 31, 2024: USD1.1 million). The issued financial guarantees are classified as Stage 1.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

### *Credit quality analysis (Continued)*

(i) Concentration of credit risk in investment operations portfolio

The geographical distribution by the destination of the Bank's loan investments (gross carrying amount of loans and exposure of undrawn loan commitments), issued guarantee commitments and associated ECL is as follows:

| | Sep. 30, 2025 | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|
| **Region** | **Stage 1** | **Stage 2** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **Sovereign-backed loans and guarantees[1]** | | | | | | |
| Central Asia | 4,156,814 | - | 4,156,814 | 3,670,967 | 50,099 | 3,721,066 |
| Eastern Asia | 3,525,104 | - | 3,525,104 | 2,929,068 | - | 2,929,068 |
| Southeastern Asia | 10,063,782 | 65,146 | 10,128,928 | 8,853,967 | 69,720 | 8,923,687 |
| Southern Asia | 15,368,799 | 349,966 | 15,718,765 | 14,159,500 | 757,041 | 14,916,541 |
| Western Asia | 5,928,171 | - | 5,928,171 | 4,796,682 | - | 4,796,682 |
| Oceania | 90,777 | - | 90,777 | 110,445 | - | 110,445 |
| Total Regional | 39,133,447 | 415,112 | 39,548,559 | 34,520,629 | 876,860 | 35,397,489 |
| Total Non-Regional | 2,592,629 | - | 2,592,629 | 2,248,448 | - | 2,248,448 |
| **Subtotal** | **41,726,076** | **415,112** | **42,141,188** | **36,769,077** | **876,860** | **37,645,937** |

| | Sep. 30, 2025 | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|
| **Region** | **Stage 1** | **Stage 2** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **ECL allowance** | | | | | | |
| Central Asia | 1,553 | - | 1,553 | 1,459 | 2,395 | 3,854 |
| Eastern Asia | 373 | - | 373 | 393 | - | 393 |
| Southeastern Asia | 1,361 | 6,889 | 8,250 | 1,495 | 7,195 | 8,690 |
| Southern Asia | 14,706 | 5,508 | 20,214 | 18,405 | 26,270 | 44,675 |
| Western Asia | 2,867 | - | 2,867 | 3,614 | - | 3,614 |
| Oceania | 351 | - | 351 | 540 | - | 540 |
| Total Regional | 21,211 | 12,397 | 33,608 | 25,906 | 35,860 | 61,766 |
| Total Non-Regional | 2,484 | - | 2,484 | 2,412 | - | 2,412 |
| **Subtotal** | **23,695** | **12,397** | **36,092** | **28,318** | **35,860** | **64,178** |

(1) The issued financial guarantees are classified as Stage 1.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

### *Credit quality analysis (Continued)*

(i) Concentration of credit risk in investment operations portfolio (Continued)

| | Sep. 30, 2025 | | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|---|
| **Region** | **Stage 1** | **Stage 2** | **Stage 3 [(1)]** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **Nonsovereign-backed loans** | | | | | | | |
| Central Asia | 332,329 | 265,185 | - | 597,514 | 433,911 | 93,812 | 527,723 |
| Eastern Asia | 417,944 | - | - | 417,944 | 475,002 | - | 475,002 |
| Southeastern Asia | 565,350 | 26,601 | - | 591,951 | 479,076 | - | 479,076 |
| Southern Asia | 619,331 | 40,302 | - | 659,633 | 393,713 | 40,746 | 434,459 |
| Western Asia | 818,845 | 165,197 | 30,861 | 1,014,903 | 1,009,900 | 43,969 | 1,053,869 |
| Other Regional | - | 296,693 | - | 296,693 | - | 220,564 | 220,564 |
| Total Regional | 2,753,799 | 793,978 | 30,861 | 3,578,638 | 2,791,602 | 399,091 | 3,190,693 |
| Total Non- Regional | 298,853 | 190,943 | - | 489,796 | 243,377 | 104,506 | 347,883 |
| **Subtotal** | **3,052,652** | **984,921** | **30,861** | **4,068,434** | **3,034,979** | **503,597** | **3,538,576** |
| **Total** | **44,778,728** | **1,400,033** | **30,861** | **46,209,622** | **39,804,056** | **1,380,457** | **41,184,513** |

| | Sep. 30, 2025 | | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|---|
| **Region** | **Stage 1** | **Stage 2** | **Stage 3 [(1)]** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **ECL allowance** | | | | | | | |
| Central Asia | 841 | 18,606 | - | 19,447 | 471 | 13,013 | 13,484 |
| Eastern Asia | 580 | - | - | 580 | 1,293 | - | 1,293 |
| Southeastern Asia | 3,940 | 212 | - | 4,152 | 2,548 | - | 2,548 |
| Southern Asia | 2,074 | 5,327 | - | 7,401 | 2,166 | 4,501 | 6,667 |
| Western Asia | 2,952 | 15,333 | 3,688 | 21,973 | 6,583 | 4,119 | 10,702 |
| Other Regional | - | 110,252 | - | 110,252 | - | 86,141 | 86,141 |
| Total Regional | 10,387 | 149,730 | 3,688 | 163,805 | 13,061 | 107,774 | 120,835 |
| Total Non- Regional | 620 | 30,957 | - | 31,577 | 3,302 | 11,497 | 14,799 |
| **Subtotal** | **11,007** | **180,687** | **3,688** | **195,382** | **16,363** | **119,271** | **135,634** |
| **Total** | **34,702** | **193,084** | **3,688** | **231,474** | **44,681** | **155,131** | **199,812** |

[(1)] A nonsovereign-backed loan was assessed as "credit impaired" and downgraded to Stage 3. As at Sep. 30, 2025, USD3.01 million of ECL allowance has been provided for the loan.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

### *Credit quality analysis (Continued)*

(i) Concentration of credit risk in investment operations portfolio (Continued)

The sector distribution of the proceeds of the Bank's projects for loan investments (gross carrying amount of loans and exposure of undrawn loan commitments), issued guarantee commitments and associated ECL is as follows:

| | Sep. 30, 2025 | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|
| **Sector** | **Stage 1** | **Stage 2** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **Sovereign-backed loans and guarantees** | | | | | | |
| CRF[1]-Economic Resilience/PBF[2] | 11,579,450 | - | 11,579,450 | 11,488,734 | - | 11,488,734 |
| CRF-Finance/Liquidity | 732,616 | - | 732,616 | 634,914 | 170,213 | 805,127 |
| CRF-Public Health | 3,246,237 | - | 3,246,237 | 3,217,801 | - | 3,217,801 |
| Education Infrastructure | 252,239 | - | 252,239 | 249,841 | - | 249,841 |
| Energy | 4,989,564 | 293,208 | 5,282,772 | 4,593,591 | 293,322 | 4,886,913 |
| Transport | 9,600,255 | 121,904 | 9,722,159 | 7,552,870 | 213,023 | 7,765,893 |
| Urban | 2,129,877 | - | 2,129,877 | 1,602,243 | 200,302 | 1,802,545 |
| Water | 4,379,657 | - | 4,379,657 | 3,823,313 | - | 3,823,313 |
| Health Infrastructure | 1,132,065 | - | 1,132,065 | 1,007,497 | - | 1,007,497 |
| Multi-sector | 2,457,274 | - | 2,457,274 | 2,098,414 | - | 2,098,414 |
| Others | 1,226,842 | - | 1,226,842 | 499,859 | - | 499,859 |
| **Subtotal** | **41,726,076** | **415,112** | **42,141,188** | **36,769,077** | **876,860** | **37,645,937** |

| | Sep. 30, 2025 | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|
| **Sector** | **Stage 1** | **Stage 2** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **ECL allowance** | | | | | | |
| CRF-Economic Resilience/PBF | 10,864 | - | 10,864 | 14,111 | - | 14,111 |
| CRF-Finance/Liquidity | 1,231 | - | 1,231 | 1,831 | 3,158 | 4,989 |
| CRF-Public Health | 1,047 | - | 1,047 | 1,206 | - | 1,206 |
| Education Infrastructure | 27 | - | 27 | 13 | - | 13 |
| Energy | 2,275 | 4,668 | 6,943 | 2,883 | 7,886 | 10,769 |
| Transport | 1,466 | 7,729 | 9,195 | 955 | 13,076 | 14,031 |
| Urban | 1,339 | - | 1,339 | 813 | 11,740 | 12,553 |
| Water | 1,351 | - | 1,351 | 1,674 | - | 1,674 |
| Health Infrastructure | 15 | - | 15 | 16 | - | 16 |
| Multi-sector | 1,619 | - | 1,619 | 2,358 | - | 2,358 |
| Others | 2,461 | - | 2,461 | 2,458 | - | 2,458 |
| **Subtotal** | **23,695** | **12,397** | **36,092** | **28,318** | **35,860** | **64,178** |

(1) Crisis Recovery Facility (CRF) supported AIIB's members and clients in alleviating and mitigating economic, financial and public health pressures arising from COVID-19.

(2) PBF refers to policy-based financing.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

### *Credit quality analysis (Continued)*

(i) Concentration of credit risk in investment operations portfolio (Continued)

| | Sep. 30, 2025 | | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|---|
| **Sector** | **Stage 1** | **Stage 2** | **Stage 3** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **Nonsovereign-backed loans** | | | | | | | |
| CRF-Finance/ Liquidity | 316,098 | 296,693 | - | 612,791 | 355,018 | 220,564 | 575,582 |
| CRF-Public Health | 37,538 | - | - | 37,538 | 99,502 | - | 99,502 |
| Digital Infrastructure and Technology | 130,238 | - | - | 130,238 | 140,755 | - | 140,755 |
| Energy | 1,017,251 | 397,820 | 30,861 | 1,445,932 | 1,041,654 | 283,033 | 1,324,687 |
| Multi-sector | 668,425 | - | - | 668,425 | 347,662 | - | 347,662 |
| Transport | 303,352 | 290,408 | - | 593,760 | 583,374 | - | 583,374 |
| Urban | 377,824 | - | - | 377,824 | 278,666 | - | 278,666 |
| Education Infrastructure | 80,054 | - | - | 80,054 | 78,769 | - | 78,769 |
| Health Infrastructure | 121,872 | - | - | 121,872 | 109,579 | - | 109,579 |
| **Subtotal** | **3,052,652** | **984,921** | **30,861** | **4,068,434** | **3,034,979** | **503,597** | **3,538,576** |
| **Total** | **44,778,728** | **1,400,033** | **30,861** | **46,209,622** | **39,804,056** | **1,380,457** | **41,184,513** |

| | Sep. 30, 2025 | | | | Dec. 31, 2024 | | |
|---|---|---|---|---|---|---|---|
| **Sector** | **Stage 1** | **Stage 2** | **Stage 3** | **Total** | **Stage 1** | **Stage 2** | **Total** |
| **ECL allowance** | | | | | | | |
| CRF-Finance/ Liquidity | 686 | 110,252 | - | 110,938 | 1,842 | 86,141 | 87,983 |
| CRF-Public Health | 107 | - | - | 107 | 361 | - | 361 |
| Digital Infrastructure and Technology | 221 | - | - | 221 | 330 | - | 330 |
| Energy | 4,355 | 33,948 | 3,688 | 41,991 | 4,661 | 33,130 | 37,791 |
| Multi-sector | 1,916 | - | - | 1,916 | 1,989 | - | 1,989 |
| Transport | 1,697 | 36,487 | - | 38,184 | 5,760 | - | 5,760 |
| Urban | 1,501 | - | - | 1,501 | 1,381 | - | 1,381 |
| Education Infrastructure | 8 | - | - | 8 | 7 | - | 7 |
| Health Infrastructure | 516 | - | - | 516 | 32 | - | 32 |
| **Subtotal** | **11,007** | **180,687** | **3,688** | **195,382** | **16,363** | **119,271** | **135,634** |
| **Total** | **34,702** | **193,084** | **3,688** | **231,474** | **44,681** | **155,131** | **199,812** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

### D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

(ii) Reconciliation of gross carrying amount of loans and exposure of undrawn loan commitments, issued guarantee commitments, debt securities and ECL.

An analysis of the changes in the gross carrying amount of loans, exposure of undrawn loan commitments and issued guarantee commitments, with the related changes in ECL allowances is as follows:

**Sovereign-backed loans and issued guarantee commitments**

| | Stage 1 | Stage 2 | Total |
|---|---|---|---|
| **Gross carrying amount of loans and exposure of undrawn loan/issued guarantee commitments as at Jan. 1, 2025** | 36,769,077 | 876,860 | 37,645,937 |
| New loans, commitments and guarantees originated | 4,279,269 | - | 4,279,269 |
| Repayments | (606,968) | (30,450) | (637,418) |
| Movement in net transaction costs, fees, and related income through EIR method | 11,184 | 7,026 | 18,210 |
| Cancelled commitment | (244,404) | (3,636) | (248,040) |
| Foreign exchange movements | 1,083,230 | - | 1,083,230 |
| Transfer to stage 1 | 434,688 | (434,688) | - |
| Transfer to stage 2 | - | - | - |
| **As at Sep. 30, 2025** | **41,726,076** | **415,112** | **42,141,188** |

| | Stage 1 | Stage 2 | Total |
|---|---|---|---|
| **ECL allowance as at Jan. 1, 2025** | 28,318 | 35,860 | 64,178 |
| Additions | 1,516 | - | 1,516 |
| Change in risk parameters (1) | (6,863) | (4,136) | (10,999) |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | 789 | (19,327) | (18,538) |
| Change from 12-month (stage 1) to lifetime (stage 2) ECL | - | - | - |
| Reversal of ECL allowance | (65) | - | (65) |
| **As at Sep. 30, 2025** | **23,695** | **12,397** | **36,092** |

(1) The change in the loss allowance is due to change in the Probability of Default, Loss Given Default and Exposure at Default used to calculate the expected credit loss for the loans.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

**Nonsovereign-backed loans**

| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
|---|---|---|---|---|
| **Gross carrying amount of loans and exposure of undrawn loan commitments as at Jan. 1, 2025** | 3,034,979 | 503,597 | - | 3,538,576 |
| New loans and commitments originated | 807,769 | - | - | 807,769 |
| Repayments | (375,233) | (23,840) | - | (399,073) |
| Movement in net transaction costs, fees, and related income through EIR method | (10,976) | (904) | - | (11,880) |
| Derecognition | - | - | - | - |
| Cancelled commitment | (48,449) | - | - | (48,449) |
| Foreign exchange movements | 109,611 | 71,880 | - | 181,491 |
| Transfer to stage 1 | - | - | - | - |
| Transfer to stage 2 | (465,049) | 465,049 | - | - |
| Transfer to stage 3 | - | (30,861) | 30,861 | - |
| **As at Sep. 30, 2025** | **3,052,652** | **984,921** | **30,861** | **4,068,434** |

| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
|---|---|---|---|---|
| **ECL allowance as at Jan. 1, 2025** | 16,363 | 119,271 | - | 135,634 |
| Additions | 17,372 | - | - | 17,372 |
| Change in risk parameters [(1)] | (4,981) | 20,130 | - | 15,149 |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | - | - | - | - |
| Change from lifetime (stage 2) ECL to lifetime (stage3) ECL | (17,295) | 41,286 | 3,688 | 27,679 |
| Reversal of ECL allowance | (452) | - | - | (452) |
| **As at Sep. 30, 2025** | **11,007** | **180,687** | **3,688** | **195,382** |
| **Total gross carrying amount of loans and exposure of undrawn loan commitments as at Sep. 30, 2025** | **44,778,728** | **1,400,033** | **30,861** | **46,209,622** |
| **Total ECL allowance as at Sep. 30, 2025** | **34,702** | **193,084** | **3,688** | **231,474** |

(1) The change in the loss allowance is due to change in the Probability of Default, Loss Given Default and Exposure at Default used to calculate the expected credit loss for the loans. It also includes those changes resulting from Post Model Adjustment.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

**Sovereign-backed loans and issued guarantee commitments**

| | Stage 1 | Stage 2 | Total |
|---|---|---|---|
| **Gross carrying amount of loans and exposure of undrawn loan/issued guarantee commitments as at Jan. 1, 2024** | 31,047,342 | 1,530,986 | 32,578,328 |
| New loans, commitments and guarantees originated | 6,721,414 | - | 6,721,414 |
| Repayments | (1,190,845) | (49,913) | (1,240,758) |
| Movement in net transaction costs, fees, and related income through EIR method | (32,970) | 135 | (32,835) |
| Cancelled commitment | (41,002) | - | (41,002) |
| Foreign exchange movements | (339,210) | - | (339,210) |
| Transfer to stage 1 | 604,348 | (604,348) | - |
| Transfer to stage 2 | - | - | - |
| **As at Dec. 31, 2024** | **36,769,077** | **876,860** | **37,645,937** |

| | Stage 1 | Stage 2 | Total |
|---|---|---|---|
| **ECL allowance as at Jan. 1, 2024** | 32,804 | 153,923 | 186,727 |
| Additions | 3,718 | - | 3,718 |
| Change in risk parameters [(1)] | (8,755) | (103,957) | (112,712) |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | 558 | (14,106) | (13,548) |
| Change from 12-month (stage 1) to lifetime (stage 2) ECL | - | - | - |
| Reversal of ECL allowance | (7) | - | (7) |
| **As at Dec. 31, 2024** | **28,318** | **35,860** | **64,178** |

(1) The change in the loss allowance is due to change in the Probability of Default, Loss Given Default and Exposure at Default used to calculate the expected credit loss for the loans. It also includes those changes resulting from methodology updates. For details, please refer to section D3 ECL measurement in the Bank's annual financial statements for the year ended Dec. 31, 2024.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

**Nonsovereign-backed loans**

| | Stage 1 | Stage 2 | Stage 3 | Total |
|---|---|---|---|---|
| **Gross carrying amount of loans and exposure of undrawn loan commitments as at Jan. 1, 2024** | 2,258,213 | 496,516 | 67,255 | 2,821,984 |
| New loans and commitments originated | 1,156,213 | - | - | 1,156,213 |
| Repayments | (123,757) | (30,554) | - | (154,311) |
| Movement in net transaction costs, fees, and related income through EIR method | 316 | 436 | (170) | 582 |
| Derecognition | - | - | (67,085) | (67,085) |
| Cancelled commitment | (65,681) | (45,364) | - | (111,045) |
| Foreign exchange movements | (55,766) | (51,996) | - | (107,762) |
| Transfer to stage 1 | - | - | - | - |
| Transfer to stage 2 | (134,559) | 134,559 | - | - |
| **As at Dec. 31, 2024** | **3,034,979** | **503,597** | **-** | **3,538,576** |

| | Stage 1 | Stage 2 | Stage 3 | Total |
|---|---|---|---|---|
| **ECL allowance as at Jan. 1, 2024** | 7,429 | 25,180 | 62,751 | 95,360 |
| Additions | 1,683 | - | - | 1,683 |
| Change in risk parameters (1) | 8,179 | 77,055 | - | 85,234 |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | - | - | - | - |
| Change from 12-month (stage 1) to lifetime (stage 2) ECL | (758) | 17,514 | - | 16,756 |
| Reversal of ECL allowance | (170) | (478) | (62,751) | (63,399) |
| **As at Dec. 31, 2024** | **16,363** | **119,271** | **-** | **135,634** |
| **Total gross carrying amount of loans and exposure of undrawn loan commitments as at Dec. 31, 2024** | **39,804,056** | **1,380,457** | **-** | **41,184,513** |
| **Total ECL allowance as at Dec. 31, 2024** | **44,681** | **155,131** | **-** | **199,812** |

(1) The change in the loss allowance is due to change in the Probability of Default, Loss Given Default and Exposure at Default used to calculate the expected credit loss for the loans. It also includes those changes resulting from methodology updates and Post Model Adjustment. For details, please refer to section D3 ECL measurement in the Bank's annual financial statements for the year ended Dec. 31, 2024.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

**Debt securities**

| | Stage 1 | Stage 2 | Stage 3 [(1)] | Total |
|---|---|---|---|---|
| **Debt securities as at Jan. 1, 2025** | 11,752,481 | - | 14,988 | 11,767,469 |
| New debt securities | 2,025,314 | - | 252 | 2,025,566 |
| Accrual and amortization | 15,807 | - | 230 | 16,037 |
| Foreign exchange movements | (7,015) | - | - | (7,015) |
| Transfer to stage 1 | - | - | - | - |
| Transfer to stage 2 | - | - | - | - |
| Transfer to stage 3 | - | - | - | - |
| Derecognition | (1,866,675) | - | (10,136) | (1,876,811) |
| **As at Sep. 30, 2025** | **11,919,912** | **-** | **5,334** | **11,925,246** |

| | Stage 1 | Stage 2 | Stage 3 [(1)] | Total |
|---|---|---|---|---|
| **ECL allowance as at Jan. 1, 2025** | 4,970 | - | 14,010 | 18,980 |
| Additions | 1,594 | - | 128 | 1,722 |
| Change in risk parameters | (999) | - | 12 | (987) |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | - | - | - | - |
| Change from 12-month (stage 1) to lifetime (stage 2) ECL | - | - | - | - |
| Change from 12-month (stage 2) to lifetime (stage 3) ECL | - | - | - | - |
| Reversal of ECL allowance | (573) | - | (8,985) | (9,558) |
| **As at Sep. 30, 2025** | **4,992** | **-** | **5,165** | **10,157** |

(1) As at Sep. 30, 2025, the Bank held debt securities from three issuers that were assessed as "credit impaired" and classified as Stage 3. Among these, debt securities totaling USD5.14 million have undergone a restructuring program.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

**Debt securities**

| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
|---|---|---|---|---|
| **Debt securities as at Jan. 1, 2024** | 8,266,858 | - | 14,490 | 8,281,348 |
| New debt securities | 6,721,328 | - | - | 6,721,328 |
| Accrual and amortization | 65,926 | - | 498 | 66,424 |
| Foreign exchange movements | (2,307) | - | - | (2,307) |
| Transfer to stage 1 | - | - | - | - |
| Transfer to stage 2 | - | - | - | - |
| Transfer to stage 3 | - | - | - | - |
| Derecognition | (3,299,324) | - | - | (3,299,324) |
| **As at Dec. 31, 2024** | **11,752,481** | **-** | **14,988** | **11,767,469** |

| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
|---|---|---|---|---|
| **ECL allowance as at Jan. 1, 2024** | 1,224 | - | 13,759 | 14,983 |
| Additions | 1,819 | - | - | 1,819 |
| Change in risk parameters | 2,095 | - | 251 | 2,346 |
| Change from lifetime (stage 2) to 12-month (stage 1) ECL | - | - | - | - |
| Change from 12-month (stage 1) to lifetime (stage 2) ECL | - | - | - | - |
| Change from 12-month (stage 1) to lifetime (stage 3) ECL | - | - | - | - |
| Reversal of ECL allowance | (168) | - | - | (168) |
| **As at Dec. 31, 2024** | **4,970** | **-** | **14,010** | **18,980** |

## D Financial Risk Management

## D2 Credit and other investment risks (Continued)

***Credit quality analysis (Continued)***

***Change of accounting estimates in LGD methodology***

As part of its credit risk monitoring and model governance processes, the Bank periodically evaluates the performance of the ECL model and reviews the appropriateness of critical modelling methodology and risk parameter inputs.

During the nine months ended Sep. 30, 2025, the Bank conducted a comprehensive review on Loss Given Defaults (LGD) methodology for nonsovereign investments applied to ECL calculation. The Bank currently adopts a nonsovereign LGD framework across a range of asset classes, including Project Finance, Corporates, and Financial Institutions. Following a comprehensive review in 2025, the Bank recalibrated the nonsovereign LGD to ensure alignment with external standards by drawing on accumulated experience, rating agency data, and benchmarking against Multilateral Development Bank (MDB) practices. The ECL impact attributed to this methodological modification was about a decrease of USD8 million as of the third quarter of 2025.

***Change of accounting estimates for Post Model Adjustment (PMA)***

In assessing the appropriateness of the Bank's provisions for ECL, the Bank considers all available information within its credit rating, LGD assessment and "forward-looking" variables for each investment when calculating ECL under the Bank's model. Where necessary, the Bank includes post model adjustments (PMA) to reflect information beyond forecastable variables, including geopolitical and economic factors, which are assessed at individual project level. As at Sep. 30, 2025, the PMAs resulted in an increase of provision amounting to USD121 million (Dec. 31, 2024: USD81 million).

## E Fair Value Disclosures

The majority of the Bank's assets and liabilities in the Statement of Financial Position are financial assets and financial liabilities. Fair value measurement of nonfinancial assets and nonfinancial liabilities does not have a material impact on the Bank's financial position and operations, taken as a whole.

The Bank does not have any financial assets or financial liabilities subject to nonrecurring fair value measurements for the nine months ended Sep. 30, 2025 (for the year ended Dec. 31, 2024: none).

The fair value of the Bank's financial assets and financial liabilities are determined as follows:

- If traded in active markets, fair values of financial assets and financial liabilities with standard terms and conditions are determined with reference to quoted market bid prices and ask prices, respectively.

- If not traded in active markets, fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models or discounted cash flow analysis using prices from observable current market transactions for similar instruments or using unobservable inputs relevant to the Bank's assessment.

### Fair value hierarchy

The Bank classifies financial assets and financial liabilities into the following three levels based on the extent to which inputs to valuation techniques used to measure fair value of the financial assets and financial liabilities are observable:

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in an active market for identical assets or liabilities;

Level 2: Fair value measurements are those derived from inputs other than quoted included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3: Fair value measurements are based on models, and unobservable inputs are significant to the entire measurement.

In June 2024, the Bank enhanced the methodology to assess the fair value hierarchy at the security level. Please refer to below tables for the fair value hierarchy of the financial assets and liabilities as at Sep. 30, 2025 and Dec. 31, 2024 following the new method.

The Bank recognizes transfers in and transfers out of levels at the end of the reporting period during which the change has occurred.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## E Fair Value Disclosures

### Financial assets and financial liabilities not measured at fair value on the Statement of Financial Position

The table below summarizes the carrying amounts and fair values of those financial instruments not measured in the Statement of Financial Position at their fair value:

| | Sep. 30, 2025 | | Dec. 31, 2024 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| ***Financial assets*** | | | | |
| - Loan investments, at amortized cost | 29,343,010 | 30,259,843 | 26,637,065 | 27,310,079 |
| - Debt securities, at amortized cost | 11,764,386 | 11,848,033 | 11,748,489 | 11,647,162 |
| - Paid-in capital receivables | 304,414 | 303,699 | 234,336 | 233,504 |
| ***Financial liabilities*** | | | | |
| - Borrowings | 3,882,605 | 3,886,693 | 1,355,939 | 1,360,395 |

As at Sep. 30, 2025, other than those disclosed above, the Bank's balances of financial instruments are not measured at fair value but with short-term maturity approximate their fair values.

Fair value of loan investments and paid-in capital receivables measured at amortized cost has been calculated using Level 3 inputs by discounting the cash flows at a current interest rate applicable to each loan and paid-in capital receivable.

The significant input used in the fair value of loan are risk-free rate, credit default swap spreads, expected recovery rate and foreign exchange rates. Management makes certain assumptions about the unobservable inputs to the model. These are regularly assessed for reasonableness and impact on the fair value of loans. An increase in the level of forecast cash flows in subsequent periods would lead to an increase in the fair value and an increase in the discount rate used to discount to forecast cash flow would lead to a decrease in the fair value of loans.

Fair value of debt securities held at amortized cost are generally based upon quoted market prices, if available. If the market prices are not readily available, fair values are estimated using either values obtained from independent parties offering pricing services or adjusted quoted market prices of comparable investments or using the discounted cash flow methodology.

Fair value of borrowings held at amortized cost are generally based upon quoted market prices, if available. If the market prices are not readily available, fair values are determined using discounted cash flow models.

***(All amounts in thousands of US Dollars unless otherwise stated)***

## E Fair Value Disclosures

### Financial assets and financial liabilities measured at fair value on the Statement of Financial Position (Continued)

The table below summarizes the fair values of the financial assets and financial liabilities measured in the Statement of Financial Position at their fair value:

**As at Sep. 30, 2025**

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets and financial liabilities** | | | | |
| Investments at fair value through profit or loss | | | | |
| - External Managers Program | 4,478,171 | 188,364 | - | 4,666,535 |
| - Investments with equity participation | - | - | 1,396,813 | 1,396,813 |
| - Debt securities | 7,732,189 | 1,840,511 | - | 9,572,700 |
| - Investment operations fixed-income portfolio | 214,644 | 49,473 | - | 264,117 |
| Money Market Funds | - | 365,627 | - | 365,627 |
| Derivative assets | - | 1,168,760 | - | 1,168,760 |
| **Total financial assets** | **12,425,003** | **3,612,735** | **1,396,813** | **17,434,552** |
| Borrowings | - | (37,389,726) | - | (37,389,726) |
| Derivative liabilities | - | (965,864) | - | (965,864) |
| **Total financial liabilities** | **-** | **(38,355,590)** | **-** | **(38,355,590)** |

**As at Dec. 31, 2024**

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets and financial liabilities** | | | | |
| Investments at fair value through profit or loss | | | | |
| - External Managers Program | 4,284,987 | 171,292 | - | 4,456,279 |
| - Investments with equity participation | - | - | 1,255,460 | 1,255,460 |
| - Debt securities | 7,194,609 | 1,382,394 | - | 8,577,003 |
| - Investment operations fixed-income portfolio | 204,264 | 45,935 | - | 250,199 |
| Money Market Funds | - | 318,474 | - | 318,474 |
| Derivative assets | - | 832,061 | - | 832,061 |
| **Total financial assets** | **11,683,860** | **2,750,156** | **1,255,460** | **15,689,476** |
| Borrowings | - | (31,597,860) | - | (31,597,860) |
| Derivative liabilities | - | (1,175,585) | - | (1,175,585) |
| **Total financial liabilities** | **-** | **(32,773,445)** | **-** | **(32,773,445)** |

***(All amounts in thousands of US Dollars unless otherwise stated)***

## E Fair Value Disclosures

### Financial assets and financial liabilities measured at fair value on the Statement of Financial Position (Continued)

The MMFs' shares are not traded in any market. The fair value of the MMFs is derived from that of the net assets value; therefore, MMFs are classified as Level 2 instruments.

External Managers Program and debt securities have been valued either using the discounted cash flow method based on observable market input, or obtained from market price. Derivative instruments and borrowings have been valued using discounted cash flow methodology based on observable market inputs. Quoted prices (unadjusted) in active markets are typical Level 1 inputs, while inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly or indirectly, are typically Level 2 inputs.

In some situations, the inputs used to measure fair value might fall in different level of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement falls shall be determined based on the lowest level input that is significant to the fair value measurement in its entirety. When unobservable inputs are significant to the fair value measurement, those financial instruments are to be categorized as level 3.

During the nine months ended Sep. 30, 2025, due to changes in market conditions for certain investment securities, quoted prices in active markets were no longer available for these securities. However, there was sufficient information available to measure the fair values of these securities based on observable market inputs. Therefore, there were USD33.52 million of debt instruments transferred from Level 1 to Level 2 of the fair value hierarchy. In addition, there were transfers of USD47.34 million in investments of debt instruments from Level 2 to Level 1, when quoted prices in active markets become available.

The table below provides a reconciliation of the fair values of the Bank's Level 3 financial assets for the nine months ended Sep. 30, 2025 and the year ended Dec. 31, 2024.

**Investments with equity participation:**

| | **For the nine months ended Sep. 30, 2025** | **For the year ended Dec. 31, 2024** |
|---|---|---|
| As at beginning of period/year | 1,255,460 | 980,416 |
| Additions | 222,855 | 326,578 |
| Return of capital contributions | (71,157) | (95,600) |
| Fair value (loss)/gain, net | (10,345) | 44,066 |
| **Total** | **1,396,813** | **1,255,460** |

The fair value gains or losses are all attributable to the change in unrealized gains or losses relating to those financial assets held at the end of the reporting period.

## E Fair Value Disclosures

### Financial assets and financial liabilities measured at fair value on the Statement of Financial Position (Continued)

The fair value of the investments with equity participation is mainly based on an adjusted net assets method. To assess the fair value of the underlying assets of the equity investments, discounted cash flow valuation technique is mainly adopted. The unobservable inputs mainly include weighted average cost of capital, liquidity discount and projected cash flows.

There has been no transfer in and/or out of Level 3 during the nine months ended Sep. 30, 2025 (for the year ended Dec. 31, 2024: none).