

AIB Special Funds

**Auditor's Report and Combined Statements of Receipts, Disbursements,
and Fund Balances
for the year ended Dec. 31, 2024**



羅兵咸永道

Independent Auditor's Report

To the Board of Governors of the Asian Infrastructure Investment Bank (the "Bank" or "AIIB"):

Opinion

What we have audited

The financial information of AIIB Special Funds, which is set out on pages 1 to 9, comprises:

- the Combined Statements of Receipts, Disbursements, and Fund Balances for the year ended 31 December 2024 for AIIB Special Funds; and
- the notes to the Combined Statements of Receipts, Disbursements, and Fund Balances for the year ended 31 December 2024 for AIIB Special Funds, which include material accounting policies and other explanatory information (together "the financial information").

Our opinion

In our opinion, the financial information of AIIB Special Funds for the year ended 31 December 2024 is prepared, in all material respects, in accordance with the accounting policies set out in Note B to the financial information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Information section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of AIIB Special Funds in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.



Emphasis of Matter – Basis of Accounting and Restriction on Use

We draw attention to Note B to the financial information, which describes the basis of accounting. The financial information is prepared to provide information to the Board of Governors. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the Board of Governors of the AIIB and should not be used by any other parties for any purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Managements and Those Charged with Governance for the Financial Information

Management of AIIB Special Funds is responsible for the preparation of the financial information in accordance with the accounting policies set out in Note B to the financial information and for such internal control as the management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information, the management is responsible for assessing the ability of AIIB Special Funds to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the management either intends to liquidate AIIB Special Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of AIIB Special Funds are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial information.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the AIIB Special Funds internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the AIIB Special Funds to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the AIIB Special Funds to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, China, March 26, 2025

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AIB Special Funds
Combined Statements of Receipts, Disbursements, and Fund Balances
For the year ended Dec. 31, 2024

<i>In thousands of US Dollars</i>	Notes	For the year ended Dec. 31, 2024	For the year ended Dec. 31, 2023
Contributions	C1		
Internal Special Funds		42,724	7,500
External Special Funds		5,244	1,378
Total contributions received		47,968	8,878
Interest income	C2	8,290	9,983
Other receipts	C3	4,140	-
Total receipts		60,398	18,861
Project-related disbursements	C4		
Internal Special Funds		(13,947)	(17,030)
External Special Funds		(1,208)	(1,115)
Total project-related disbursements		(15,155)	(18,145)
General and administrative expenses	C5	(127)	(59)
Total disbursements		(15,282)	(18,204)
Excess of receipts over disbursements		45,116	657
Fund Balance:			
At Jan. 1, 2024/2023		26,363	25,706
At Dec. 31, 2024/2023		71,479	26,363
Fund balance consists of:			
AIB Special Funds			
undisbursed cash balance	C6	71,479	26,363

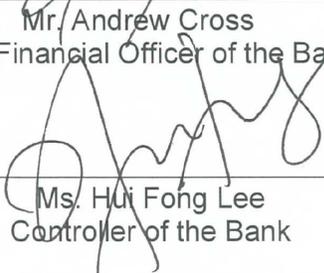
The accompanying notes are an integral part of this Combined Statements of Receipts, Disbursements, and Fund Balances (the "Statements").



 Mr. Jin Litun
 President of the Bank



 Mr. Andrew Cross
 Chief Financial Officer of the Bank



 Ms. Hui Fong Lee
 Controller of the Bank

AIIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
For the year ended Dec. 31, 2024
(All amounts in thousands of US Dollars unless otherwise stated)

A Organization and Operations

A1 General information

The Asian Infrastructure Investment Bank (the “Bank” or “AIIB”) is empowered by Article 17.1 of its Articles of Agreement (the “Bank’s Articles”) to establish and administer Special Funds which are designed to serve the purpose and come within the functions of the Bank. The Bank may then carry out special funds operations financed from such Special Funds.

The Bank has established multi-donor Special Funds which are open to contributions by all Bank members and others. The purposes of such Special Funds include to support and facilitate preparatory activities during the preparation and early implementation of projects to be financed by the Bank; to buy down the interest due under sovereign-backed financing projects; and for grant-cofinancing on behalf of contributors into eligible AIIB projects. For these Special Funds whereby the resources from the contributors are accepted, held, managed, administered, used, committed, expended, or otherwise disposed of by the Bank in accordance with the Bank’s Articles and governance structure, they are collectively referred to as “AIIB Internal Special Funds”.

The Bank also established special funds for funds received by virtue of AIIB’s accreditation as implementing entity of multilateral partnership facilities, whereby it enters into legal arrangements individually with the respective multilateral partnership facilities. The resources received from the multilateral partnership facilities are administered by the Bank in accordance with the Bank’s Articles and the respective agreements entered into by AIIB and the multilateral partnership facilities, and these are collectively referred to as “AIIB External Special Funds”.

The AIIB External Special Funds serve multiple purposes, such as providing support to the selection, design, structuring and preparation of high-quality, bankable, sustainable infrastructure programs and projects in emerging markets that are attractive to private capital through technical assistance grants or advisory support, and to promote high-quality infrastructure and connectivity investments in developing countries in compliance with international financial institution (the “IFI”) standards, including by encouraging other investors and financial institutions to adopt such standards.

The contributors of the AIIB Internal Special Funds and the multilateral partnership facilities of the AIIB External Special Funds are collectively known as the “Contributors”.

Name of Special Fund	Date of Establishment	Type of Special Funds
Project Preparation Special Fund (“PPSF”)	June 24, 2016	Internal Special Fund
Special Fund Window for Less Developed Members (“SFW”)	May 7, 2020	Internal Special Fund
Project-Specific Window (“PSW”)	March 19, 2024	Internal Special Fund
Implementing Partner of the Multilateral Cooperation Center for Development Finance Facility (“MCDF IP”)	August 9, 2021	External Special Fund
Technical Partner of the Global Infrastructure Facility Partnership Program (“GIF TP”)	June 23, 2021	External Special Fund
Implementing Entity of the Pandemic Prevention, Preparedness and Response Trust Fund (“PPR IE”)	February 10, 2023	External Special Fund

The Statements were signed by the President, the Chief Financial Officer, and the Controller of the Bank on March 26, 2025.

AIIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
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A Organization and Operations

A2 Activities of the AIIB Special Funds

The operations of AIIB Special Funds have been mainly recorded as cash receipts from the respective Contributors, and cash disbursements to eligible projects. Their activities are carried out primarily in the following ways:

Client-executed activities

Client-executed activities involve activities carried out by the recipient third-party executing agencies (the "Recipient"). The Bank enters into legal agreements with, and disburses funds to those Recipients, who then exercise spending authority to carry out the purpose/(s) or activity/(is) intended.

Bank-executed activities

Bank-executed activities involve activities executed by the Bank to support any direct technical assistance to the purpose/(s) or activity/(ices) intended. Spending authority is subject to the approved amount under the agreements signed with the Contributors and the Recipients, and is carried out in accordance with the Bank's policies and procedures.

The Bank, as the administrator of the AIIB Special Funds, provides administration services in connection with managing the activities of these special funds. Respective Contributors transfer the administrative fee directly to the Bank's ordinary resources to cover those administrative costs.

A3 Basis of combination

All AIIB Special Funds are reported using the cash basis of accounting as described in Note B1 and are included in the Statements. AIIB Special Funds are combined for the purpose of presenting the Statements only. The list of AIIB Special Funds included in the Statements is provided in Note C4.

In the case that any of the special funds under the AIIB Special Funds shall adopt a different basis of reporting, these special funds will be excluded in the Statements prospectively.

The Bank approved the inclusion of PPSF, SFW, and PSW into the Statements from the financial year ended Dec. 31, 2024 to improve the efficiency and ensure the consistency of the financial reporting process across all special funds established and managed by the Bank. Prior to the financial year ended Dec. 31, 2024, the financial statements of PPSF and SFW were prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The comparative amounts were restated for consistency. It is the first year for PSW to prepare its financial statements.

AIIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
For the year ended Dec. 31, 2024
(All amounts in thousands of US Dollars unless otherwise stated)

B Summary of Material Accounting Policies

B1 Basis of preparation

The Statements have been prepared on the cash basis of accounting (i.e., cash receipt and disbursement basis of accounting) under the special purpose financial reporting framework.

Receipts are reported when collected (i.e., when credited to the dedicated bank account of the respective special fund under the AIIB Special Funds), and disbursements are reported when paid (i.e., when debited from the dedicated bank account of the respective special fund under the AIIB Special Funds).

B2 Functional currency and foreign currency transactions

The functional currency and the presentation currency of the AIIB Special Funds are the United States Dollar (“USD” or “US Dollar”). Foreign currency transactions are initially translated into USD using exchange rates prevailing at the dates of the related transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

There were no significant foreign currency transactions for the year ended Dec. 31, 2024 (for the year ended Dec. 31, 2023: none).

B3 Contributions

Contributions represent funds provided by the contributors in support of various activities of the AIIB Special Funds. Contributions are recognized upon receipt of funds and supported by counter-signed legal agreements with the contributors.

B4 Interest income

Interest is recorded upon receipt of the interest amount. All interest income is recognized within “interest income” in the Statements.

B5 Administration fee to AIIB

AIIB receives a certain percentage of the amount of contributions received by the AIIB Special Funds as administration fee. The administration fee is subject to the percentage rate stipulated in the respective contribution agreements with the contributors. The administration fee is debited from each installment of the contribution paid in by the contributors and credited to the Bank’s ordinary resources.

Administration fee to AIIB is recognized in the Statement upon the payment of the administration fee by the AIIB Special Funds to AIIB.

AIIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
For the year ended Dec. 31, 2024
(All amounts in thousands of US Dollars unless otherwise stated)

C Disclosure Notes

C1 Contributions

Contributions represent funds provided by the Contributors in support of the various AIIB Special Funds' activities. Contributions are recognized in the AIIB Special Funds upon receipt of funds and supported by fully executed legal agreements with the Contributors.

Contributions received for the year ended Dec. 31, 2024 and for the year ended Dec. 31, 2023, are as follows:

Internal Special Funds

Contributors	For the year ended Dec. 31, 2024	For the year ended Dec. 31, 2023
<i>SFW</i>		
PPSF	-	5,000
Kingdom of Saudi Arabia	2,000	2,500
Federal Republic of Germany	11,203	-
Ministry of Finance of the People's Republic of China	29,521	-
Total contributions	42,724	7,500

External Special Funds

Contributors	For the year ended Dec. 31, 2024	For the year ended Dec. 31, 2023
Finance Facility of the Multilateral Cooperation Center for Development Finance	2,988	1,378
Global Infrastructure Facility Partnership Program	-	-
Pandemic Prevention, Preparedness and Response Trust Fund	2,256	-
Total contributions	5,244	1,378

C2 Interest income

Interest income consists of the AIIB Special Funds' interest income earned from term deposits with initial maturity of three months or less, and term deposits with initial maturity between three months and 12 months.

For the year ended Dec. 31, 2024, PPSF earned an interest income from term deposits of USD8.29 million (Dec. 31, 2023: USD9.98 million).

There were no interest income earned from term deposits for the other special funds under the AIIB Special Funds.

AIIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
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C Disclosure Notes

C3 Other receipts

Other receipts for the year ended Dec. 31, 2024 comprise of USD4.14 million of interest buy-down received by SFW from the Bank due to the partial cancellation of one eligible sovereign-backed financing (Dec. 31, 2023: none).

C4 Project-related disbursements

Project-related disbursements represent amounts disbursed for the AIIB Special Funds' activities consistent with the terms of the legal agreements with the Contributors, and the Recipients. Project-related disbursements by activity type during the year ended Dec. 31, 2024 are as follows:

Activity Type	For the year ended Dec. 31, 2024	For the year ended Dec. 31, 2023
<i><u>Internal Special Funds</u></i>		
Client-executed	13,313	16,968
Bank-executed	634	62
Total Internal Special Funds project-related disbursements	13,947	17,030
<i><u>External Special Funds</u></i>		
Client-executed	208	484
Bank-executed	1,000	631
Total External Special Funds project-related disbursements	1,208	1,115
Total project-related disbursement	15,155	18,145

C5 General and administrative expenses

	For the year ended Dec. 31, 2024	For the year ended Dec. 31, 2023
Administration fee to AIIB	68	-
Others	59	59
Total general and administrative expenses	127	59

C6 AIIB Special Funds' undisbursed cash balance

Amounts received by the AIIB Special Funds but not yet disbursed are managed by AIIB. AIIB maintains the undisbursed funds separate from the ordinary resources of AIIB.

The AIIB Special Funds' undisbursed cash balance amounted to USD71.48 million as of Dec. 31, 2024 (Dec. 31, 2023: USD26.36 million).

AIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
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C Disclosure Notes

C7 Contributions, Receipts, Disbursements, and Fund Balances for AIB Special Funds

	For the year ended Dec. 31, 2024					As of Dec. 31, 2024
	As of Dec. 31, 2023	Receipts		Disbursements		
Fund Balances	Contributions	Interest Income and Other Receipts	Project- related ⁽¹⁾	Non Project- related	Fund Balances	
PPSF	18,009	-	8,290	8,707	30	17,562
SFW	2,677	42,724	4,140	5,240	97	44,204
PSW ⁽²⁾	-	-	-	-	-	-
MCDF IP	5,519	2,988	-	1,054	-	7,453
GIF TP	158	-	-	154	-	4
PPR IE	-	2,256	-	-	-	2,256
Total	26,363	47,968	12,430	15,155	127	71,479

	For the year ended Dec. 31, 2023					As of Dec. 31, 2023
	As of Dec. 31, 2022	Receipts		Disbursements		
Fund Balances	Contributions	Interest Income and Other Receipts	Project- related ⁽¹⁾	Non Project- related	Fund Balances	
PPSF	20,086	-	9,983	12,030	30	18,009
SFW	206	7,500	-	5,000	29	2,677
PSW ⁽²⁾	-	-	-	-	-	-
MCDF IP	5,064	1,378	-	923	-	5,519
GIF TP	350	-	-	192	-	158
PPR IE	-	-	-	-	-	-
Total	25,706	8,878	9,983	18,145	59	26,363

(1) Disbursements also include USD1.6 million of technical assistance for the year ended Dec. 31, 2024 (for the year ended Dec. 31, 2023: USD0.69 million) under approved grants executed by AIB on request of the clients.

(2) There has been no activity in PSW for the year ended Dec. 31, 2024 since its establishment on March 19, 2024.

AIB Special Funds
Notes to the Combined Statements of Receipts, Disbursements, and Fund Balances
For the year ended Dec. 31, 2024
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C Disclosure Notes

**C7 Contributions, Receipts, Disbursements, and Fund Balances for AIB Special Funds
(Continued)**

Details of Contributions

(i) Project Preparation Special Fund

Commitments and Paid Contributions

	Dec. 31, 2024	Dec. 31, 2023
People's Republic of China	50,000	50,000
United Kingdom of Great Britain and Northern Ireland	50,000	50,000
Republic of Korea	18,000	18,000
Hong Kong, China	10,000	10,000
Total	128,000	128,000

(ii) Special Fund Window for Less Developed Members

Paid Contributions

	Dec. 31, 2024	Dec. 31, 2023
PPSF	39,937	39,937
Kingdom of Saudi Arabia	4,500	2,500
Federal Republic of Germany	11,203	-
Ministry of Finance of the People's Republic of China	29,521	-
Total	85,161	42,437

Commitments

	Dec. 31, 2024	Dec. 31, 2023
PPSF ⁽¹⁾	-	55,000
Kingdom of Saudi Arabia ⁽²⁾	10,000	10,000
Federal Republic of Germany ⁽³⁾	16,851	-
Ministry of Finance of the People's Republic of China ⁽⁴⁾	300,000	-
Total	326,851	65,000

(1) On Jan. 1, 2024, the unutilized amount of the replenishment carved out of up to USD25 million from the PPSF as at Dec. 31, 2023 is no longer made available to SFW.

(2) On Sep. 26, 2023, the Bank signed an agreement for the Kingdom of Saudi Arabia to contribute USD10 million to the SFW. The total contribution amount will be contributed to SFW in five annual instalments.

(3) On Dec. 10, 2024, the Bank signed an agreement for the Federal Republic of Germany through its Ministry of Finance to contribute EUR16.173 million to the SFW. The total contribution amount will be contributed to SFW in two annual instalments. The commitment is translated to the closing rate of Dec. 31, 2024 for presentation.

(4) On Dec. 12, 2024, the Bank signed an agreement for the Ministry of Finance of the People's Republic of China to contribute USD300 million to the SFW. The total contribution amount will be contributed to SFW in six annual instalments.

AIB Special Funds
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(All amounts in thousands of US Dollars unless otherwise stated)

C Disclosure Notes

**C7 Contributions, Receipts, Disbursements, and Fund Balances for AIB Special Funds
(Continued)**

Details of Contributions

(iii) MCDF IP

Contributions

	Dec. 31, 2024	Dec. 31, 2023
Finance Facility of the Multilateral Cooperation Center for Development Finance	9,561	6,573

(iv) GIF TP

Contributions

	Dec. 31, 2024	Dec. 31, 2023
Global Infrastructure Facility Partnership Program	350	350

(v) PPR IE

Contributions

	Dec. 31, 2024	Dec. 31, 2023
Pandemic Prevention, Preparedness and Response Trust Fund	2,256	-