

**PRICING SUPPLEMENT**



**ASIAN DEVELOPMENT BANK**

**GLOBAL MEDIUM-TERM NOTE PROGRAM**

**Series No.: 1232-00-1**

**KZT9,038,783,000**

**9.95 per cent. Amortizing Notes due 17 March 2026**

**Issue price: 100 per cent.**

*Manager*

**Tengri Partners**

The date of this Pricing Supplement is 16 February 2021.

This pricing supplement (the “Pricing Supplement”) is issued to give details of an issue of KZT9,038,783,000 9.95 per cent. Amortizing Notes due 17 March 2026 (the “Notes”) by the Asian Development Bank (“ADB”) under its Global Medium-Term Note Program and to provide information supplemental to the Prospectus referred to below.

This Pricing Supplement supplements the terms and conditions of the Notes set forth in the Prospectus dated 9 December 2020 (as amended and supplemented and together with the documents incorporated by reference therein, the “Prospectus”) and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, capitalized terms used herein have the meanings given to them in the Prospectus.

The issue of the Notes was authorized pursuant to a global borrowing authorization of the Board of Directors of ADB dated 9 December 2020.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

**The Notes are not required to be and have not been registered under the U.S. Securities Act of 1933, as amended. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state securities commission nor has the Commission or any state securities commission passed upon the accuracy or adequacy of this Pricing Supplement. Any representation to the contrary is a criminal offense in the United States.**

The distribution of this Pricing Supplement or the Prospectus and the offer and sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Pricing Supplement or the Prospectus comes are required by ADB and the Manager to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on the distribution of this Pricing Supplement or the Prospectus, see “Plan of Distribution” in the Prospectus.

The Notes are not the obligation of any government.

## TERMS AND CONDITIONS

The following items are the particular terms and conditions of the Notes to which this Pricing Supplement relates. In case of any conflict between such terms and conditions and the terms and conditions set forth in the Prospectus, the terms and conditions set forth in this Pricing Supplement shall govern.

### General Provisions

1. Issuer: Asian Development Bank (“ADB”).
2. Series Number: 1232-00-1
3. (i) Specified Currency (Condition 1(c)): The lawful currency of the Republic of Kazakhstan (“Kazakhstan Tenge” or “KZT”).
- (ii) Specified Principal Payment Currency if different from Specified Currency (Condition 1(c)): Not applicable.
- (iii) Specified Interest Payment Currency if different from Specified Currency (Condition 1(c)): Not applicable.
- (iv) Alternative Currency (Condition 7(i)) (if applicable): In the event of KZT Unavailability, U.S.\$ (further particulars specified in paragraph 31 below).
4. Aggregate Nominal Amount: KZT9,038,783,000.
5. (i) Issue Price: 100 per cent. of the Aggregate Nominal Amount.
- (ii) Net proceeds: KZT9,038,783,000.
6. Specified Denominations (Condition 1(a)): KZT1,000.
7. (i) Issue Date (Condition 5(d)): 19 February 2021.
- (ii) Interest Commencement Date (if different from the Issue Date) (Condition 5(d)): 22 February 2021.
- (iii) Kazakhstan Stock Exchange (“KASE”) Auction Date: 16 February 2021.

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| 8.  | Maturity Date or Redemption Month (Condition 6(a)): | 17 March 2026.   |
| 9.  | Interest Basis (Condition 5):                       | Fixed Rate (Condition 5(a)) (further particulars specified below).   |
| 10. | Redemption/Payment Basis (Condition 6(a)):          | Installment. The Aggregate Nominal Amount of the Notes shall be payable in three (3) installments in accordance with the corresponding Installment Amount on the relevant Installment Date, as set forth in Annex B. |
| 11. | Change of Interest or Redemption/Payment Basis:     | Not applicable.  |
| 12. | Put/Call Options (Conditions 6(e) and (f)):         | Not applicable.  |
| 13. | Status of the Notes (Condition 3):                  | Senior.  |
| 14. | Listing:  | KASE (see Subscription and Settlement Process set forth in Annex A).   |
| 15. | Method of distribution:                             | Non-syndicated.  |

**Provisions Relating to Interest Payable**

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| 16. | Fixed Rate Note Provisions (Condition 5(a)): | Applicable.  |
|     | (i) Rate(s) of Interest:                     | 9.95 per cent. per annum, payable semi-annually in arrear.   |
|     | (ii) Interest Payment Date(s):               | 17 March and 17 September of each year, from and including a long first coupon on 17 September 2021 up to and including the Maturity Date, adjusted in accordance with the applicable Business Day Convention and as set forth in Annex B. |
|     | (iii) Interest Period End Date(s):           | 17 March and 17 September of each year, from and including 17 September 2021, up to and including the Maturity Date.   |
|     | (iv) Interest Period End Date(s) adjustment: | Unadjusted.  |

- (v) Fixed Coupon Amount(s): The Fixed Coupon Amount per Specified Denomination payable on the relevant Interest Payment Date is set forth in Annex B and determined in accordance with paragraph 16(xii) below.
- (vi) Business Day Convention: Following Business Day Convention.
- (vii) Broken Amount(s): The Fixed Coupon Amount per Specified Denomination payable on the first Interest Payment Date in respect of the initial Calculation Period is set forth in Annex B and determined in accordance with paragraph 16(xii) below.
- (viii) Relevant Financial Center: Nur-Sultan, Republic of Kazakhstan.
- (ix) Additional Business Center(s) (Condition 5(d)): London, United Kingdom.
- (x) Day Count Fraction (Condition 5(d)): 30E/360.
- (xi) Determination Date(s): Not applicable.
- (xii) Other terms relating to the method of calculating interest for Fixed Rate Notes: The Fixed Coupon Amount per Specified Denomination, or Broken Amount per Specified Denomination, as applicable, payable on the relevant Interest Payment Date is set forth in Annex B and determined as follows:
- $\text{Rate of Interest} \times \text{Specified Denomination} \times \text{Day Count Fraction}$
- where (Rate of Interest x Specified Denomination x Day Count Fraction) being rounded to two decimal places, with KZT0.005 being rounded upwards.
- Such resulting amount shall be multiplied by 9,038,783 and thereafter multiplied by the relevant Pool Factor (as defined below) for the corresponding Calculation Period as set forth in Annex B to arrive at the total Fixed Coupon Amount or Broken Amount, as applicable, with respect to the relevant

Interest Payment Date.

The Pool Factor will be calculated using the following formula:

$$PF_t = 1 - \frac{IA_t}{ANA}$$

where:

$PF_t$  - is a Pool Factor for a corresponding Calculation Period

$IA_t$  - is a total amount of installments paid by the corresponding Interest Payment Date

$ANA$  - is the Aggregate Nominal Amount

For the avoidance of doubt, the total Fixed Coupon Amount payable on the relevant Interest Payment Date is as set forth in Annex B.

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| 17. Floating Rate Note Provisions (Condition 5(b)):                       | Not applicable. |
| 18. Zero Coupon/Deep Discount Note Provisions (Conditions 5(c) and 6(c)): | Not applicable. |
| 19. Index-Linked Interest Note Provisions:                                | Not applicable. |
| 20. Dual Currency Note Provisions:  | Not applicable. |

#### **Provisions Relating to Redemption**

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|-----------------------------------|--|
| 21. Call Option (Condition 6(e)): | Not applicable.  |
| 22. Put Option (Condition 6(f)):  | Not applicable.  |
| 23. Final Redemption Amount:      | KZT8,436,257,725.22, corresponding to the relevant Outstanding Aggregate Nominal Amount or the relevant Installment Amount payable on Maturity Date as set forth in Annex B. |

The Final Redemption Amount per Specified Denomination will be calculated as follows:

KZT 8,436,257,725.22 divided by 9,038,783.

Such resulting amount shall be rounded to two decimal places.

- (i) Alternative Payment Mechanism (Conditions 7(a) and (c)): Not applicable.
- (ii) Long Maturity Note (Condition 7(f)): Not applicable.
- (iii) Variable Redemption Amount (Condition 6(d)): Not applicable.

24. Early Redemption Amount:

- (i) Early Redemption Amount(s) payable on an Event of Default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions):

In the event that the Notes become due and payable as provided in Condition 9 (such date being the “Early Redemption Payment Date”), the Early Redemption Amount with respect to each Specified Denomination will be equal to the Redemption Amount that is determined in accordance with the “23. Final Redemption Amount” above plus accrued and unpaid interest, if any, as determined in accordance with “16. Fixed Rate Note Provisions (Condition 5(a)); provided that:

  - (i) for purposes of such determination, the Early Redemption Amount payable on the Early Redemption Payment Date will be the Outstanding Aggregate Nominal Amount in relation to the relevant Calculation Period as set forth in Annex B in which the Early Redemption Payment Date falls, and the Early Redemption Amount per Specified Denomination payable on the Early Redemption Payment Date will be determined as follows:

Outstanding Aggregate Nominal Amount as set forth in Annex B divided by 9,038,783

Such resulting amount shall be rounded to two decimal places.

where:

Outstanding Aggregate Nominal Amount is that amount which corresponds to the relevant Calculation Period as set forth in Annex B in which the Early Redemption Payment Date falls.

and

- (ii) for purposes of the determination of accrued and unpaid interest, if any, the  $IA_t$  in the calculation of the Pool Factor will be determined by reference to the total amount of installments paid by the Early Redemption Payment Date.

- (ii) Unmatured Coupons to become void (Condition 7(f)): Not applicable.

**Additional General Provisions Applicable to the Notes**

- 25. Form of Notes: Registered Notes.
  - (i) Definitive Registered Notes: Registered Global Note available on Issue Date; not exchangeable for individual Definitive Registered Notes.
  - (ii) New Safekeeping Structure (NSS Form): No.
- 26. Talons for future Coupons to be attached to definitive Bearer Notes (and dates on which such Talons mature): Not applicable.



27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of ADB to forfeit the Notes and interest due on late payment: Not applicable.
28. Details relating to Installment Notes: On each Installment Date, ADB shall pay the corresponding Installment Amount as set forth in Annex B.
- The Installment Amount per Specified Denomination in respect of each Installment Date shall be calculated based on the following formula:
- Installment Amount divided by 9,038,783
- where:
- Installment Amount is that amount which corresponds to the relevant Installment Date, as set forth in Annex B.
- Such resulting amount shall be rounded to two decimal places.
29. Redenomination, renominialization and reconventioning provisions: Not applicable.
30. Consolidation provisions: Not applicable.
31. Other terms or special conditions:
- KZT Unavailability: If KZT is no longer used by the Republic of Kazakhstan or for the settlement of transactions by public institutions in the Republic of Kazakhstan or within the international banking community (including if Clearstream, Luxembourg suspends or ceases acceptance of KZT as a settlement currency), or if KZT is otherwise not expected to be available to ADB or freely transferable from the Republic of Kazakhstan to recipients residing in another country as a result of circumstances beyond the control of ADB,

then ADB shall be entitled to satisfy its obligations to the holders of the Notes in respect of such payment by making such payments in the United States dollars (“U.S.\$”) equivalent amount calculated on the basis of the U.S.\$/KZT exchange rate agreed between ADB and the Calculation Agent, acting in good faith and in a commercially reasonable manner. Any payment made by ADB under such circumstances in U.S.\$ shall constitute a valid payment and shall not constitute a default in respect of the Notes.

In the event of KZT unavailability as described in this paragraph 31, the Business Day in relation to any payment made by ADB in U.S.\$ shall mean a day other than a Saturday or a Sunday on which commercial banks and securities market participants settle payments and are open for general business in Nur-Sultan, Republic of Kazakhstan, London, United Kingdom and New York City, United States.

### **Distribution**

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|-----|-------|--|--|
| 32. | (i)   | If syndicated, names of Managers:                      | Not applicable.  |
|     | (ii)  | Stabilizing Manager (if any):                          | Not applicable.  |
|     | (iii) | Commissions and Concessions:                           | Not applicable.  |
| 33. |       | If non-syndicated, name of Dealer:                     | JSC “Tengri Partners Investment Banking (Kazakhstan)”. |
| 34. |       | Additional selling restrictions:                       | Not applicable.  |
| 35. |       | Prohibition of Sales to EEA and U.K. Retail Investors: | Not applicable.  |

### **Operational Information**

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|-----|--------------|---------------|
| 36. | ISIN:        | XS2294363689. |
| 37. | Common Code: | 229436368.    |

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|-----|---|--|
| 38. | Details of benchmarks administrators and registration under Benchmarks Regulation:                                      | Not applicable.  |
| 39. | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): | Clearstream, Luxembourg only.  |
| 40. | Delivery:   | Delivery free of payment to Kazakhstan Central Securities Depository (“CSD”) and delivery against payment in CSD (further particulars specified in the Subscription and Settlement Process as set forth in Annex A). |
| 41. | Additional Paying Agent(s) (if any):  | Not applicable.  |
| 42. | Calculation Agent:  | JSC “Tengri Partners Investment Banking (Kazakhstan)”.   |
| 43. | Governing Law:  | English.   |
| 44. | Intended to be held in a manner which would allow Eurosystem eligibility:   | Not applicable.  |

## **Listing Application**

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Global Medium-Term Note Program of ADB.

## **Material Adverse Change Statement**

There has been no material adverse change in the financial position or prospects of ADB since the date of the financial statements included in the Information Statement of ADB, which was most recently published on 24 April 2020.

## **Recent Developments**

On 22 May 2020, ADB’s Board of Governors approved the following with respect to its 2019 reported net income of U.S.\$1,530.5 million, after appropriation of guarantee fees to the special reserve:

- a. U.S.\$461.2 million representing adjustments for the net unrealized gains for the year ended 31 December 2019, be added to the cumulative revaluation adjustments account;
- b. U.S.\$615.7 million be allocated to the ordinary reserve;

- c. U.S.\$259.5 million be allocated to the Asian Development Fund;
- d. U.S.\$130.0 million be allocated to the Technical Assistance Special Fund;
- e. U.S.\$30.0 million be allocated to the Regional Cooperation and Integration Fund;
- f. U.S.\$24.0 million be allocated to the Climate Change Fund; and
- g. U.S.\$10.0 million be allocated to the Asia Pacific Disaster Response Fund.

On 1 September 2020, Ashok Lavasa succeeded Diwakar Gupta as Vice-President for Private Sector Operations and Public-Private Partnerships.

On 1 February 2021, Bruce Gosper succeeded Deborah Stokes as Vice-President for Administration and Corporate Management.

### **Responsibility**

ADB accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

ASIAN DEVELOPMENT BANK

By: PVP.t  
Name: PIERRE VAN PETEGHEM  
Title: Treasurer

## ANNEX A

### Subscription and Settlement Process

#### A. Subscription

The Notes will be placed among investors on the KASE via the subscription method described below, which will be conducted in accordance with the KASE Rules of Conducting Subscription to Securities with effect from 31 October 2014 as amended from time to time (the "KASE Subscription Rules"). The process includes the following main steps:

1. At least three (3) Business Days before the subscription day, the “seller” (being a KASE member acting as the Manager for the issue) files an application with the KASE on subscription of the Notes (the "Subscription Application");
2. The KASE requests the CSD to confirm that the CSD agrees to: (i) carry out the relevant checks if requested by the “seller”, and (ii) provide additional information on the investors' sub-accounts if requested by the “seller” in the Subscription Application;
3. Not later than one (1) Business Day following the receipt of the request from the KASE, the CSD shall take a decision to carry out (or refuse to carry out) a subscription;
4. Not later than one (1) Business Day following the receipt of CSD's decision to carry out the subscription, the KASE shall take a decision to carry out (or refuse to carry out) the subscription;
5. Not later than one (1) Business Day following the date when KASE was informed of CSD's decision to carry out the subscription, the KASE shall (i) notify the CSD in writing of the KASE's decision on assignment to the contemplated subscription of a unique number and (ii) publish an announcement relating to the subscription, parameters and terms thereof on the KASE's official web page;
6. On the subscription day, the “buyers” (each “buyer” being a member of the KASE who participates in the subscription of the Notes as “buyer”, including on behalf of its clients) shall make their bids through the KASE's "Subscription" trade system;
7. After the bids are registered in the KASE's “Subscription” trade system, the bids shall be transferred to the CSD for checking. If a bid does not meet the criteria set by the “seller”, it will be rejected by the KASE's "Subscription" trade system;
8. The KASE shall disclose additional information (which the KASE had previously obtained from the CSD) on the investors' sub-accounts to the “seller”;
9. Typically, on the same date but not later than one (1) Business Day following the day on which subscriptions are made, the KASE shall prepare a register of accepted bids and send it to the “seller”;

10. The “seller”, upon being instructed by ADB, shall decide on the cut-off price, determine the final terms of the Notes and prepare a register of satisfied bids. The “seller” may, in consultation with ADB, refuse to satisfy any of the bids or satisfy any of the bids partially;
11. Typically, on the same day as the “seller” receives the register of accepted bids but not later than five (5) Business Days after receiving the register of accepted bids, the “seller” must send the register of satisfied bids to the KASE; and
12. The KASE shall check the register of satisfied bids for any change in the parameters and/or the number of accepted bids. If the “seller” fails to rectify the errors in the register of satisfied bids within one (1) Business Day following the day on which the “seller” has received KASE’s notice with a request to rectify the errors in the register of satisfied bids, the KASE may declare the subscription cancelled.

## **B. Settlement**

### *Delivery of the Notes free of payment*

Following the subscription of the Notes, ADB shall issue the Notes and register them with Clearstream, Luxembourg under English law. Once the Notes are reflected in the Clearstream, Luxembourg system, they will be delivered free of payment to the CSD’s account in Clearstream, Luxembourg and subsequently reflected in a sub-account for the benefit of ADB in the “seller’s” account in the CSD. Such delivery will be carried out as follows:

1. The Global Agent shall file an instruction through Clearstream, Luxembourg to arrange the delivery of the Notes to the CSD’s account in Clearstream, Luxembourg on a free of payment basis;
2. The Manager shall file an instruction with the CSD to register the acceptance of the Notes and reflect them accordingly in ADB’s sub-account in the Manager’s account in the CSD;
3. Not later than one (1) Business Day following receipt of the instruction from the Manager, the CSD shall file an instruction through Clearstream, Luxembourg to arrange the acceptance of the Notes on a free of payment basis into the CSD’s account in Clearstream, Luxembourg; and
4. The Notes shall be delivered free of payment to the CSD’s account in Clearstream, Luxembourg and the CSD shall further reflect the Notes in a sub-account for the benefit of ADB, being the beneficial owner of the Notes, in the “seller’s” account in the CSD.

### *Delivery Against Payment in CSD*

The subscription with the Notes shall be settled by the CSD on a "delivery against payment" basis, as follows:

1. The KASE shall prepare a statement of orders to register the transactions in respect of the Notes and send it to the CSD for settlement;
2. The CSD shall reflect within its system the transfer of the Notes from the relevant section of ADB's sub-account in the Manager's account in the CSD to the "settlement" section of the same sub-account;
3. The CSD shall send a payment instruction to transfer to the CSD's transitional money account the funds standing to the credit of the "buyer's" bank account in the CSD or the interbank system of money transfer;
4. Upon receipt of the funds to the CSD's transitional money account, the CSD shall (i) transfer the Notes from the "settlement" section of ADB's sub-account in the Manager's account in the CSD to the relevant account of the "buyer" and for subsequent transfer to investors' accounts (or sub-accounts) and (ii) send a payment instruction to transfer the funds standing to the credit of the CSD's transitional money account to the "seller's" bank account; and
5. The settlement of the trade will be deemed final once the CSD obtains confirmation that the funds have been credited to the "seller's" bank account or, if the "seller's" bank account is opened with the CSD, once the funds are credited to the "seller's" bank account opened in the CSD.

## ANNEX B

Calculation Period		Interest Payment Date*	Installment Date*	Outstanding Aggregate Nominal Amount (KZT)	Installment Amount (KZT)	Fixed Coupon Amount per Specified Denomination (KZT)	Fixed Coupon Amount (KZT)
From and including	To but excluding						
Interest Commencement Date	17 September 2021	17 September 2021	-	9,038,783,000.00	-	56.66	512,137,444.78
17 September 2021	17 March 2022	17 March 2022	-	9,038,783,000.00	-	49.75	449,679,454.25
17 March 2022	17 September 2022	17 September 2022	-	9,038,783,000.00	-	49.75	449,679,454.25
17 September 2022	17 March 2023	17 March 2023	-	9,038,783,000.00	-	49.75	449,679,454.25
17 March 2023	17 September 2023	17 September 2023	-	9,038,783,000.00	-	49.75	449,679,454.25
17 September 2023	17 March 2024	17 March 2024	-	9,038,783,000.00	-	49.75	449,679,454.25
17 March 2024	17 September 2024	17 September 2024	-	9,038,783,000.00	-	49.75	449,679,454.25
17 September 2024	17 March 2025	17 March 2025	17 March 2025	9,038,783,000.00	301,262,637.39	49.75	449,679,454.25
17 March 2025	17 September 2025	17 September 2025	17 September 2025	8,737,520,362.61	301,262,637.39	49.75	434,691,638.04
17 September 2025	Maturity Date	Maturity Date	Maturity Date	8,436,257,725.22	8,436,257,725.22	49.75	419,703,821.83

\*Subject to adjustment in accordance with the Following Business Day Convention.



**ISSUER**

**Asian Development Bank**

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Mandaluyong City  
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Philippines

**GLOBAL AGENT**

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United Kingdom

**KAZAKHSTAN STOCK EXCHANGE LISTING AGENT**

**JSC “Tengri Partners Investment Banking (Kazakhstan)”**

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