



GOLOMT BANK JSC 2024 PERFORMANCE REPORT

Semi-annual and quarterly operational reports /Form 2/	
Reporting period	From January 1 st to June 30 st of 2024
Issuer's information	<p>Name:GOLOMT BANK JSC</p> <p>Registration No:2075377</p> <p>Address: Head office of Golomt Bank, D.Sukhbaatar Square 5, P.O.Box 22, Ulaanbaatar 15160, Mongolia</p> <p>Tel:1800-1646 (24/7) 7011-1646</p> <p>Fax:11-313155</p> <p>E-mail:mail@golomtbank.com</p> <p>Website:golomtbank.com</p>
Name of listed exchange	Mongolian Stock Exchange JSC
Sector of business operation report	Banking, financial sector
Total number of shares issued by the issuers	808,657,306 ordinary shares
Names of the specialist who prepared and the official who reviewed the annual report	<p>Prepared by:</p> <p>E.Telmen /Investment manager/</p> <p>Reviewed by:</p> <p>Z.Solongo / Secretary of Board of Directors /</p>
1	The semi-annual and quarterly financial reports /fill out the summary report indicators and attach the financial statement/
	Balance sheet
	/Appendix No.1/
	Income statement
	/Appendix No.1/
	Statements of retained earnings
/Appendix No.1/	

	Cash flow statement	
	/Appendix No.1/	
2	The audit committee opinion on the semi-annual and quarterly financial statements, which was reviewed and confirmed by board audit committee	/Appendix No.2/
3	External and internal factors affecting the issuer's financial operations during the reporting period, management reports and opinions based on analysis of financial statements, income, expenses, and profit indicators	
3.1	Operational performance /Financial ratios /	

Golomt Banks's operational and financial highlights for the first half of 2024

- Golomt bank successfully issued its inaugural US\$300 million three-year unsecured senior notes in the international capital market. This was the first international notes issuance by a privately held Mongolian commercial bank in more than a decade.
- For the first time, the bank released its inaugural “Development Impact Assessment” drafted in cooperation with J.P. Morgan Development Finance Institution /JPM DFI/.
- The bank has secured a total of US\$38 million in long-term financing from reputable organizations such as Saison Investment Management, Agents for Impact, and responsAbility to support micro, small, and medium-sized enterprises, as well as sustainable and green projects.
- Expanded the network of its correspondent banks by opening a US dollar account at Bank of New York Mellon (BNY). This account's US dollar settlement service results in more cost-effective circumstances for the forwarding bank in terms of costs and processing time.
- Golomt bank cooperates with 18 international banks for financing its customers' imports and exports. The bank has accommodated MNT 123.0 billion for imports of the machinery, equipment, spare parts; and MNT 203.0 billion for fuel imports through its LC, guarantees, and trade loan facilities with its international partner banks.
- At the “Infosys Finacle Innovation Awards-2024” event, organized by Infosys Finacle annually, Golomt Bank's SocialPay and SocialPay Junior applications were highlighted among more than 100 international organizations and won the best in the “Maximizing Customer Engagement” category. Since Golomt Bank has been consistently advancing technological innovation in the Mongolian banking sector, including artificial intelligence. This effort aims to automate processes and enhance the usability of banking products and services. The bank has introduced numerous innovative offerings to the market.
- In order to provide accessible services to its customers along with digital transformation, the bank has opened branches such as “GO TO OPENING”, “TSENGELDEKH”, “AKOYA” in areas with a high

population concentration in Ulaanbaatar, and expanded its operations by opening “KHENTII” branch in rural area.

- At the end of the first half of 2024, the bank's loan portfolio up by YOY 59% and reached MNT 6.4 trillion, expanding its market share. Also, by implementing Asset Quality Management (AQM), NPL ratio has been reduced to 3.2%.
- Profit after tax increased by YOY 3.5 times to MNT 273.1 billion with annualized ROAE reaching 53%. EPS reached ₮337.8.
- All the prudential ratios are fulfilling the requirements of the Bank of Mongolia.
- The bank increased salaries of all employees who responsibly fulfill their mission of the genesis of prosperity starting from May'24 by up to 30%.
- Golomt bank, has steadfastly worked in dedication to innovation, digital transformation, client satisfaction, and sustainable banking practices, was awarded the Best Bank of Mongolia in 2024 by Capital Finance International /CFI/. Because the bank has successfully issued its inaugural US\$ bond and expanded its footprint in international markets. This successful transaction is an important event for the Mongolian banking sector to make a breakthrough in the global market and subsequently increase foreign exchange reserves in Mongolia. Also, the bank’s publication of its financial results for quarterly further underscores its commitment to transparency and prudent financial management.

3.2 Liquidity ratios and financial resources

	2023Q3	2023Q4	2024Q1	2024Q2	Limits
Liquidity ratio	39.02%	38.34%	36.82%	34.50%	≥30%
LCR	133.8%	188.4%	136.9%	129.0%	≥100%
NSFR	120.2%	128.9%	115.7%	104.0%	≥100%

In order to ensure the liquidity management, and to maintain a balanced repayment period and structure of the bank's assets and liabilities, the prudential liquidity ratio is set by the Bank of Mongolia as 25%. As for Golomt Bank, within the framework of the Asset and Liability Policy, internal liquidity ratio is set to be above 30% in 2024. The bank has met these requirements with enough buffer for the first half of 2024. In addition to the Bank of Mongolia requirements, Golomt Bank regularly monitors LCR and NSF Ratio standards set by the Basel Committee. LCR or Liquidity Coverage Ratio is a ratio indicating whether the bank meets cash requirements for at least 30 calendar days in case of stress scenario, and the bank has met the required limit set in 2023 of above 100%, which entails that the bank has reduced its short-term liquidity risk. As for NSFR or Net stable funding ratio, is a ratio indicating the adequacy of long-term stable liabilities to finance the bank's long-term assets, is also above 100% which indicates that the bank's long-term liquidity risk is at an appropriate level.

In the event of any short-term liquidity risk, the bank can manage its liquidity through pledging or placement of its own CBB or Sovereign Bonds, conduct overnight repo transactions with the Bank of Mongolia and other commercial banks, and meet its solvency through short-term swap transactions.

3.3

The external and internal factors affecting the activities of the issuer, changes in the range of its products and services, and measures planned to be taken by the issuer in response to these changes.

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In the first half of 2024, Monetary policy committee of Bank of Mongolia decreased the policy rate twice, reaching 11% from 13%. Inflation, which was 7.9% at the end of year, decreased to 5.1% by the end of June and remained within the Bank of Mongolia's target range. M2 money supply reached MNT 39.1 trillion at the end of May, which is 28% yearly growth. This growth was mainly due to the increase of MNT deposits by MNT 4.9 trillion, MNT current accounts by MNT 1.8 trillion, and FC current accounts by MNT 2.6 trillion, while USD deposits decreased by MNT 800 billion to MNT 4.4 trillion. USD exchange rate was relatively stable compared to previous years. In the first half of 2024, due to the June Parliamentary election, the government consumption increased by 47.1% from the same period of previous year, and salaries of government employees grew by 10-20% in April. The increase in salary created a short-term increase in private consumption, thus, together with government consumption, the real economy grew by 7.8% in the first quarter. Higher household income and consumption also led to higher demand for loan. As of May, loans in banking sector increased by 28% from the same period of previous year and reached to MNT 31 trillion.

The following are the pillars of our business plan for 2024:

1. Further pursuit of digitalization
2. Speed up credit decision making and strengthen credit management
3. Introduction of new credit and other products
4. Strengthening SME business, Retail business
5. Promoting sustainable finance across the entire bank
6. Long-term fund raising
7. Information disclosure and communication with capital markets

- Golomt Bank has been consistently advancing technological innovation in the Mongolian banking sector, particularly through artificial intelligence. This effort aims to automate processes and enhance the usability of banking products and services. The bank has introduced numerous innovative offerings to the market and undertaken developments aimed at meeting consumer needs.
- In order to provide accessible services to its customers along with digital transformation, the bank has opened branches such as "GO TO OPENING", "TSENGELDEKH", "AKOYA" in areas with a high population concentration in Ulaanbaatar, and expanded its operations by opening "KHENTII" branch in rural area.
- Golomt bank successfully issued its inaugural US\$300 million three-year unsecured senior notes in the international capital market. This was the first international notes issuance by a privately held Mongolian commercial bank in more than a decade. The bank has also secured a total of US\$38 million in long-term financing from reputable organizations such as Saison Investment Management, Agents for Impact, and responsibility to support micro, small, and medium-sized enterprises, as well as sustainable and green projects.

- At the end of the first half of 2024, the bank's loan portfolio up by YOY 59% and reached MNT 6.4 trillion, expanding its market share.
- The bank's publication of its financial statements and presentations for quarterly reflects bank transparency.

3.4 Details of off-balance sheet transactions and information on accounting policies

Information about activities and transactions reflected outside the statement of financial position

Credit-related commitments.

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the statement of financial position, they do contain credit risk and are therefore part of the overall risk of the Bank.

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Bank on behalf of a customer authorising a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions, are collateralised by the underlying shipments of goods to which they relate or cash deposits and therefore carry less risk than a direct borrowing.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments.

However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards.

<i>In thousands of Mongolian Tugriks</i>	30 June 2024
Financial guarantees issued	71,790,813
Performance guarantees issued	396,398,778
Letters of credit	251,425,210
Undrawn credit lines	712,716,705

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	Total credit related commitments 1,432,331,506
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	Less: Expected credit loss allowance for impairment of credit related commitments (2,707,491)
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	Total credit related commitments 1,429,624,015
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4	Information on conflict of interest and significant transactions conducted by the issuer during the reporting period, the importance and the purpose of the transaction, and information about the person with a conflict of interest / all conflicts of interest transactions made during the reporting period shall be included/
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2024.02.14- Conflict of Interest transaction	
Discussed Item : Approval of general cooperation agreement	
Decision : Grant the right to the Bank to establish a strategic partnership agreement with Mandal Insurance JSC as per the conditions presented.	
Decision : Decision adopted by the supporting votes of the Independent Board Directors	
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2024.02.16 - Conflict of Interest transaction	
1. Discussed Item : On granting permission to enter into an Asset trust management agreement with Buuruljuutiin Tal LLC	
Decision : Approve to establish an Asset trust management agreement with Buuruljuutiin Tal LLC	
Decision : Decision adopted by the supporting votes of the Independent Board Directors	
2. Discussed Item : Confiscation of shares of Steppe Beverage KFT as collateral for loan	

Decision : Approved to confiscate 52,193,070 shares of APU JSC on the name of Steppe Beverage KFT as a loan collateral, and to pay the fee to Golomt Capital Security LLC.

Decision : Decision adopted by the supporting votes of the Independent Board Directors

3. Discussed Item : Credit request of Mongolian Mortgage Corporation LLC

Decision : To approve loan request of Mongolian Mortgage Corporation LLC.

Decision : Decision adopted by the supporting votes of the Independent Board Directors

2024.03.19 - Conflict of Interest transaction

Discussed Item : Approval of general cooperation agreement

Decision : Approve the strategic partnership agreement of conditions and term extension established with Easy Pay LLC.

Decision : Decision adopted by the supporting votes of the Independent Board Directors

2024.03.19 - Conflict of Interest transaction

Discussed Item : Credit request of Tsetsens Mining and Energy LLC

Decision : To approve loan request of Tsetsens Mining and Energy LLC.

Decision : Decision adopted by the supporting votes of the Independent Board Directors

2024.06.05 - Conflict of Interest transaction

1. Discussed Item : Credit request related to Bayasgalan D.

Decision : To approve loan request of Bayasgalan D.

Decision : Decision adopted by the supporting votes of the Independent Board Directors

2. Discussed Item : Credit request related to Bodi International LLC

Decision : To approve credit line extension request of Bodi International LLC

Decision : Decision adopted by the supporting votes of the Independent Board Directors

5	If the issuer has issued shares to the public for the purpose of implementing a project, a report on the progress of project implementation and the use of funds raised from the start of the project
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/Appendix No.3/

6	Information related to corporate governance
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SHAREHOLDERS

№	Shareholder	Number of shares	Percentage
1	Golomt Financial Group LLC /GFG/	624,240,527	77.20%
2	Swiss-Mo Investment AG	42,120,816	5.21%
3	Bodi International LLC	27,661,497	3.42%
4	Golomt Investment Ltd.	20,800,000	2.57%
5	Public	93,834,466	11.60%
	Total	808,657,306	100%

Golomt Financial Group LLC /GFG/	Golomt Financial Group LLC was established in 2014. This Company is with 100 percent Mongolian investment and engaged in investment and financing. The Company implements a long-term investment policy and owns Golomt Bank's ordinary shares and some loans convertible to shares.
Swiss-Mo Investment AG	Swiss-Mo Investment AG is a Swiss investment fund established in 2010. The Fund holds shares of businesses engaged in currency exchanges, airport, airline, and hotel industries. It owns Golomt Bank's shares since 2011.
Bodi International LLC	Bodi International LLC was established with national investment in 1993 and is one of the largest groups of companies. Currently, it operates in real estate development and management, construction, energy, mining, and leisure and tourism sectors.

Golomt Investment Ltd.	Golomt Investment Limited was established in 2014 with the investment from Bodi International LLC, the first large group of companies in Mongolia.
Public	Golomt Bank offered its shares to the public through an IPO in 2022, so the public owns more than 93,000 shares or 11.6% of its total shares.

SHAREHOLDERS MEETING

Shareholders' Meeting (Annual General Meeting)

The regular shareholders' meeting of Golomt Bank was successfully held on April 15, 2024 in the Ballroom hall of Shangri-La Hotel, with an attendance of 88.48 percent, in a combined format of in-person and online. As a result of the meeting, the following issues were discussed and approved.

Decisions:

1. Approving the conclusion made by the Board of Directors on the 2023 annual operational and financial report of Golomt Bank JSC;
2. Approval of the 2024 budget of the Board of Directors;
3. Implementation of the "Employee Stock Ownership Program";
4. Election of candidates for the Board of Directors.

Board Nominee Directors:

- 1.1.1. Munkhtsetseg Chultem;
- 1.1.2. Unenbat Jigjid;
- 1.1.3. Urs E. Schwarzenbach;
- 1.1.4. Munkhtur Dagva;
- 1.1.5. Ganjooloo Ochirpurev.

Board Independent Directors:

- 1.2.1. James B.Dwyer III;
- 1.2.2. Alexander Picker;
- 1.2.3. Robert W. van Zwieten;
- 1.2.4. Hans Holzacker.

Also, the following reports was presented at the Shareholders' Meeting:

1. Annual operational and financial report of Golomt Bank JSC for 2023;
2. Audited financial results of Golomt Bank JSC for 2023 - Conclusion of independent audit;
3. Resolution of the Board of Directors on distribution of dividends from the net profit of 2023;
4. Implementation of Employee stock ownership program.

BOARD OF DIRECTORS



Mrs. Munkhtsetseg
Chultem
Chairperson of the
Board of Directors



Mr. Munkhtur
Dagva
Board Director



Mr. Unenbat Jigjid
Board Director



Mr. Ganjooloo
Ochirpurev
Board Director



Mr. James
Bernard Dwyer
Independent
Director



Mr. Alexander
Picker
Independent
Director



Mr. Robert W. van
Zwieten
Independent
Director



Mr. Hans
Holzhaecker
Independent
Director














Mrs. Solongo
Zalaa-Uul
Secretary of the
Board of Directors



Ms. Tuya
Altangerel
Director of
Internal Audit
Division

BOARD COMMITTEES:

	Member	Position
Risk Management Committee	 Mr. Alexander Picker	Committee chairman
	 Mr. Robert W. van Zwieten	Committee member

	 Mr. James Bernard Dwyer	Committee member
	 Mrs. Munkhtsetseg Chultem	Committee member
	 Mr. Unenbat Jigjid	Committee member
Audit committee	 Mr. James Bernard Dwyer	Committee chairman
	 Mr. Alexander Picker	Committee member
	 Mrs. Munkhtsetseg Chultem	Committee member
	 Mr. Munkhtur Dagva	Committee member
	 Mr. Robert W. van Zwieten	Committee member
Governance, Ethics, Remuneration Committee	 Mr. James Bernard Dwyer	Committee chairman
	 Mr. Alexander Picker	Committee member

	 Mrs.Munkhtsetseg Chultem	Committee member
Nomination Committee	 Mr. Alexander Picker	Committee chairman
	 Mr. Robert W. van Zwieten	Committee member
	 Mrs.Munkhtsetseg Chultem	Committee member

EXECUTIVE MANAGEMENT



Mr.Norihiko Kato
Chief Executive Officer



Mr.Odonbaatar Amarzaya
Deputy Chief Executive Officer



Mr. Ganbold Galsan
President



Mr.Sainbileg Mandakh
Chief Information Officer



Mrs.Munkhtuya Suren
Director of Financial
Management Division



Mr.Narankhuu Munkhbat
Director of Credit Division



Mrs.Otgon Tolya
Director of Risk Management
Division



Mr.Sodboldor Bolor
Director of Treasury
Management Division



Mrs. Baigalmaa Tserenjav
Director of Retail Business
Division



Mr. Sugar-Erdene Bat-Erdene
Director of Corporate Banking
Division



Mrs. Uyanga Ganbold
Director of Human Resource
Management Division



Mr. Ochirkhuyag
Nariyakhuu
Director of Marketing and
PR Division



Mrs. Ganchimeg Altangerel
Director of SME Banking
Division



Mr. Purevbat Yondon
Director of Operation Division



Mrs. Enkhzaya Baysaikhan
Director of International
Banking Division



Mr. Purevdorj Khalzan
Director of Administration
Division



Mr. Battengel Oidov
Director of Information
Technology Division



Mr. Nyamsuren Amgalan
Director of Customer Service
Division



Mrs. Uchral Boldbaatar
Director of Digital Bank



Mrs. Oyun Jadambaa
Director of Digital
Transformation Division



Mrs.Mandakh
Gungaanyam
Director of Customer
Registration Division



Mr.Enkhtuvshin Batkhurel
Director of Credit
Collection Division

7 Reports and information related to issuer governance

Board meeting, decisions and resolutions

During the first half of 2024, Golomt Bank’s Board of Directors conducted 15 regular and special meetings, where a comprehensive range of 23 issues were discussed and 18 resolutions and decisions were approved. The resolutions and decisions adopted by the Board of Directors can be categorized as follows:

1. Strategy and Investment-related Resolutions:
 - A total of 6 Decisions were reviewed and are currently being implemented to enhance internal operations and optimize the bank’s structure.
2. Internal Operations and Structural Improvements
 - A total of 7 Decisions were reviewed and are currently being implemented to enhance internal operations and optimize the bank’s structure.
3. Policy Documents, Regulations, and Governance Enhancements
 - The Board of Directors undertook the task of improving and updating 3 policies and procedures to enhance overall governance, ensuring compliance with regulatory requirements and best practices.

Information transparency and Reporting

As Golomt Bank has transitions into an open joint-stock company, it has diligently upheld its commitment to public disclosure, strictly adhering to the regulations set forth by the regulatory bodies. The bank ensures that the public remains well-informed by making comprehensive reports readily accessible through the “Investor Relation” section of Golomt Bank websites, thereby enabling all shareholders to access these reports individually.

- Audited financial report
- Annual operation report
- Report on utilization of IPO funds
- Dividend distribution report
- Decisions and resolutions of Annual general meetings and extraordinary general meetings of shareholders
- Corporate Governance Code Implementation report
- Sustainable Development Report/Environmental, Social, Governance (ESG) report
- Semi-Annual financial reports

Moreover, Golomt Bank has effectively organized annual general meeting and extraordinary general meeting of shareholders, in combination with online and in-person format enabling all shareholder's participation. After each meeting, the resolutions and decisions reached are promptly communicated to the public.

To further enhance the transparency and strengthen its relationship with investors, we established "Investor Relations Unit". This dedicated unit is consistently engaged in providing the necessary information to investors, facilitating a smooth flow of communication and ensuring transparent and accountable approach to disseminating information.

By proactively adopting these measures Golomt Bank JSC remains committed to maintaining the trust and confidence of its valued stakeholders.

Signature and Date of the Person Issuing and Confirming the Information:

Full name: Mrs. Solongo Zalaa-Uul

Position: Secretary of Board of Directors

Signature:



Submission date: 2024.07.19

GOLOMT BANK JSC
STATEMENT OF FINANCIAL POSITION

6/30/2024

/in thousands of MNT/

№	Balance sheet items	Opening Balance	Closing Balance
1	ASSETS		
1.1	Cash and cash equivalents	3,612,907,983.9	2,959,034,810.7
1.1.1	Cash on hand	92,126,134.9	131,694,955.6
1.1.2	Due from other banks and financial institutions	2,297,538,308.9	1,481,233,483.1
1.1.3	Cash equivalents	1,222,324,220.2	1,345,831,470.6
1.1.4	Accrued interest receivables	919,320.0	274,901.4
1.2	Deposits with other banks and financial institutions	1,200,434,798.3	850,629,314.6
1.2.1	Balances with the Bank of Mongolia	468,929,954.8	448,791,626.2
1.2.2	Due from other banks and financial institutions	729,751,167.0	401,607,009.5
1.2.3	Other assets	0.0	0.0
1.2.4	Accrued interest receivables	4,162,228.3	408,433.1
1.2.5	Credit loss allowance	-2,408,551.7	-177,754.3
1.3	Financial investments	1,180,837,682.5	1,071,816,178.3
1.3.1	Investment securities fair value through profit or loss	107,297,209.3	155,311,293.0
1.3.2	Investment securities available for sale	579,471,649.7	422,865,945.9
1.3.3	Investment securities held to maturity	194,751,332.3	181,377,808.6
1.3.4	Other securities classified as loans and receivables	0.0	0.0
1.3.5	Investments in subsidiary	0.0	0.0
1.3.6	Pledged securities	254,472,103.3	264,425,948.1
1.3.7	Accrued interest receivables	31,219,464.0	31,936,304.3
1.3.8	Credit loss allowance	13,625,924.0	15,898,878.4
1.4	Loans and advances to customers (net)	4,712,108,704.6	6,419,160,614.1
1.4.1	Performing loans	4,300,325,085.2	6,198,710,414.0
1.4.2	Special mention loans	273,989,445.4	197,108,483.1
1.4.3	Substandard loans	29,393,312.6	29,167,470.7
1.4.4	Doubtful loans	34,277,627.1	11,894,137.0
1.4.5	Loss loans	177,877,379.8	173,483,034.4
1.4.6	Deferred loan payments	-21,837,040.0	-27,076,242.5
1.4.7	Accrued interest receivables	83,274,482.9	57,843,341.5
1.4.8	Provision for loan impairment	-165,191,588.4	-221,970,024.1
1.5	Derivative financial assets	202,386,920.5	245,923,114.6
1.6	Other financial assets	52,235,607.2	24,258,663.1
1.6.1	Other financial assets	24,393,872.6	16,954,727.7
1.6.2	Receivables on cash and settlements services	8,802,866.8	1,802,713.5
1.6.3	Repossessed collaterals	0.0	0.0
1.6.4	Other	19,038,867.7	5,501,221.9
1.7	Other non-financial assets	461,282,686.1	60,218,236.3
1.7.1	Other prepayments	421,289,456.8	17,880,464.5
1.7.2	Inventory	4,723,877.2	4,676,309.5
1.7.3	Precious metals	26,922,637.0	31,982,317.0
1.7.4	Repossessed collaterals	0.0	3,748,344.1
1.7.5	Tax receivables	0.0	0.0
1.7.6	Deferred tax assets	6,916,322.2	0.0
1.7.7	Other	1,430,393.0	1,930,801.3
1.8	Premises and equipments	151,082,991.5	593,129,471.0
1.9	Investment properties	6,586,475.1	6,586,475.1
1.10	Assets for sale	29,101,737.6	14,488,112.9
1.11	Intangible assets	18,878,648.2	26,416,291.7
1.12	Total assets	11,627,844,235.5	12,271,661,282.5
2	LIABILITIES		
2.1	Current accounts	3,978,501,265.1	3,401,778,308.6
2.1.1	Principle balance of current accounts	3,978,499,653.1	3,401,326,795.9
2.1.2	Accrued interest liabilities	1,611.9	451,512.7

2.2	Savings	3,745,457,557.8	3,801,317,784.1
2.2.1	Demand deposits	514,910,280.3	529,213,926.3
2.2.2	Term deposits	3,080,407,572.7	3,091,195,194.5
2.2.3	Other deposits	47,386,301.0	46,628,369.9
2.2.4	Accrued interest liabilities	102,753,403.7	134,280,293.5
2.3	Due to other banks and financial institutions	2,055,514,237.2	2,343,467,092.3
2.3.1	Placements of other banks	285,919,785.8	1,087,453,215.7
2.3.2	Borrowings from other banks and financial institutions	1,761,250,205.0	1,256,422,883.7
2.3.3	Deferred payments of due to other banks	-8,799,485.1	-8,981,319.7
2.3.4	Accrued interest liabilities	17,143,731.5	8,572,312.6
2.4	Other funds	517,009,311.4	1,219,904,817.8
2.4.1	Debt securities issued by bank	0.0	990,189,196.8
2.4.2	Issued securities of the bank	0.0	0.0
2.4.3	Borrowed funds under projects	28,890,166.5	29,221,921.4
2.4.4	REPO Arrangements	303,440,299.6	20,794,800.9
2.4.5	Co-financed borrowed funds	17,164,263.9	38,366,042.1
2.4.6	Other	162,080,041.4	130,064,084.2
2.4.7	Deferred payments of other funds	0.0	-5,445,552.7
2.4.8	Accrued interest liabilities	5,434,540.0	16,714,325.0
2.5	Derivative financial liabilities	2,890,937.8	40.2
2.6	Other financial liabilities	187,688,316.2	279,440,556.4
2.7	Other non-financial liabilities	69,691,887.3	89,368,384.8
2.8	Subordinary debts	0.0	0.0
2.9	Preferred shares (liabilities)	0.0	0.0
2.10	Total liabilities	10,556,753,512.7	11,135,276,984.1
3	EQUITY		
3.1	Share capital	202,164,326.5	202,164,326.5
3.1.1	Preferred shares	0.0	0.0
3.1.2	Ordinary shares	202,164,326.5	202,164,326.5
3.2	Share premium	301,481,120.0	301,481,120.0
3.3	Treasury stock	0.0	0.0
3.4	Revaluation reserve for premises	6,666,262.7	6,666,262.7
3.5	Retained earnings	460,718,071.0	620,184,896.5
3.6	Other components of equity	100,060,942.6	5,887,692.6
3.6.1	Share-based options	0.0	0.0
3.6.2	Reserves	345,396.4	340,396.4
3.6.3	Foreign currency translation reserves	0.0	0.0
3.6.4	Provision reserves	94,754,925.3	0.0
3.6.5	Social development reserves	0.0	0.0
3.6.6	Convertible securities (equity)	0.0	0.0
3.6.7	Convertible debts (equity)	0.0	0.0
3.6.8	Revaluation reserve for available for sale securities	0.0	0.0
3.6.9	Revaluation reserve for Hedge instrument	0.0	0.0
3.6.10	Other	4,960,620.9	5,547,296.2
3.7	Total equity	1,071,090,722.7	1,136,384,298.4
4	Total liabilities and equity	11,627,844,235.5	12,271,661,282.5

Chief Executive Officer

Director of Financial Management Division

Director of Accounting Policy and Controlling Department



Norihiko Kato

Munkhtuya Suren

Urantugs Sukhee

GOLOMT BANK JSC
INCOME STATEMENT

6/30/2024

/in thousands of MNT/

№	Income statement Items	Opening Balance	Closing Balance
1	Interest income	966,457,398.5	580,080,340.0
1.1	Balances with the Bank of Mongolia	22,961,734.9	11,268,765.4
1.2	Due from other banks and financial institutions	25,015,845.9	6,404,730.5
1.3	Investments in securities	175,446,481.4	92,043,329.7
1.4	Loans and advances to customers	590,666,875.0	406,722,879.7
1.5	Other	152,366,461.3	63,640,634.8
2	Interest expense	507,708,579.5	322,524,680.4
2.1	Customer accounts	29,662,945.4	32,146,378.1
2.2	Savings	252,475,567.6	165,659,087.6
2.3	Borrowed funds	74,825,704.7	39,796,346.8
2.4	Securities	0.0	14,050,899.1
2.5	Other	150,744,361.9	70,871,968.9
3	Net interest income	458,748,818.9	257,555,659.6
4	Provision expenses	-27,169,521.1	0.0
4.1	Due from other banks	0.0	0.0
4.2	Securities	0.0	0.0
4.3	Loans and advances to customers	-27,169,521.1	0.0
5	Net interest income after provision	485,918,340.0	257,555,659.6
6	Other income	296,005,008.3	309,274,159.7
6.1	Non-interest income	287,692,785.1	296,715,503.5
6.1.1	Gains from trading in foreign currencies	182,506,775.0	134,374,117.8
6.1.2	Gains from foreign currency exchange translation	1,924,782.4	62,753,919.6
6.1.3	Fees and commission income	103,261,227.8	57,705,181.4
6.1.4	Other non-interest income	0.0	41,882,284.7
6.2	Other income	8,312,223.2	12,558,656.2
7	Other expense	515,888,252.7	209,201,129.8
7.1	Non-interest expense	510,380,923.7	205,676,826.2
7.1.1	Other provision expense	11,268,700.7	7,777,559.4
7.1.2	Losses from trading in foreign currencies	1,239,453.5	0.0
7.1.3	Losses from foreign currency exchange translation	240,125,321.5	38,690,635.7
7.1.4	Fees and commission expense	58,303,977.4	33,889,135.5
7.1.5	Other operating expense	199,443,470.7	125,319,495.6
7.2	Other expense	5,507,329.0	3,524,303.5
8	Profit before tax	266,035,095.5	357,628,689.5
9	Income tax expense	56,864,050.6	84,491,105.2
10	Profit after tax	209,171,045.0	273,137,584.3
11	Net income and expenses from discontinued operations	0.0	0.0
12	Net profit and loss for the reporting period	209,171,045.0	273,137,584.3
13	Other comprehensive income	40,767,083.0	586,675.3
13.1	Increases and decreases in revaluation reserve for premises	0.0	0.0
13.2	Increases and decreases in revaluation reserve for securities Available for sale	40,767,083.0	586,675.3
13.3	Increases and decreases in foreign currency translation and valuation funds	0.0	0.0
13.4	Increases and decreases in provision reserves	0.0	0.0
13.5	Other	0.0	0.0
14	Total comprehensive income	249,938,128.0	273,724,259.6

Chief Executive Officer

Director of Financial Management Division

Director of Accounting Policy and Controlling Department



Norihiko Kato

Munkhtuya Suren

Urantugs Sukhee

GOLOMT BANK JSC
STATEMENT OF CASH FLOWS

6/30/2024

/in thousands of MNT/

№	Items	Opening Balance	Closing Balance
1	Cashflows from operating activities		
1.1	Profit before tax	266,035,095.5	357,628,689.5
1.2	Adjustments to profit and losses:	-449,290,864.7	301,346,397.6
1.2.1	Credit loss allowance	-24,178,292.0	23,678,379.8
1.2.2	Depreciation and Amortisation expense	35,389,742.6	28,499,278.1
1.2.3	Foreign exchange translation gains less losses (other than Cash and cash equivalents)	4,300,803.2	262,263,823.0
1.2.4	Interest income	-840,732,554.7	-112,533,455.2
1.2.5	Interest expense	363,440,438.5	99,198,224.5
1.2.6	Property and equipment written off	12,488,997.7	240,147.3
1.2.7	Other gains, losses	0.0	0.0
1.3	Adjustments to Assets and liabilities:	1,745,128,898.1	-2,604,927,115.1
1.3.1	(Increase) / decrease in due from other banks	151,987,247.4	351,989,746.1
1.3.2	(Increase) / decrease in Investment Securities	53,309,717.0	-48,014,083.8
1.3.3	(Increase) / decrease in loans and advances	-1,222,173,620.9	-2,005,150,718.0
1.3.4	(Increase) / decrease in other financial assets	230,906,299.6	7,939,209.5
1.3.5	(Increase) / decrease in other non-financial assets	1,681,232.2	11,118,006.5
1.3.6	Increase / decrease in customer account	2,250,057,000.0	-853,637,595.1
1.3.7	Increase / decrease in due to banks	78,475,246.9	-79,806,391.3
1.3.8	Increase / decrease in to other financial liabilities	129,223,512.6	-27,880,264.4
1.3.9	Increase / decrease in to other non-financial liabilities	71,662,263.5	38,514,975.3
1.4	Other adjustments	421,912,939.0	100,917,765.9
1.4.1	Interest received	832,609,887.9	449,019,659.3
1.4.2	Interest paid	-323,631,444.0	-285,453,755.4
1.4.3	Tax paid	-87,065,504.9	-62,648,138.0
1.4.4	Written-off loans and receivables from provision for loan impairment	0.0	0.0
1.4.5		0.0	0.0
1.5	Net cash flows from operating activities	1,983,786,067.9	-1,845,034,262.1
2	Cash flows from investing activities	***	***
2.1	Cash from investing activities	403,281,102.7	404,448,784.2
2.1.1	Proceeds from disposal of premises and equipments	8,811,796.6	31,250,955.2
2.1.2	Proceeds from disposal of intangible assets	0.0	0.0
2.1.3	Proceeds from disposal of investment properties	3,690,000.0	0.0
2.1.4	Proceeds from disposal of investments in subsidiary	0.0	0.0
2.1.5	Proceeds from disposal of other long term assets	0.0	0.0
2.1.6	Proceeds from disposal of investment securities classified as loans and receivables	0.0	0.0
2.1.7	Proceeds from disposal of investment securities available for sale	390,779,306.1	315,892,007.5
2.1.8	Proceeds from disposal of investment securities held to maturity	0.0	57,305,821.5
2.1.9	Dividends received	0.0	0.0
2.1.10	Other	0.0	0.0
2.2	Cash used in investing activities	-1,054,028,652.9	-252,807,588.3
2.2.1	Acquisition of premises and equipments	30,553,696.3	38,071,983.3
2.2.2	Acquisition of intangible asset	4,299,094.9	0.0
2.2.3	Acquisition of investment properties	0.0	0.0
2.2.4	Acquisition of investments in subsidiary	0.0	0.0
2.2.5	Acquisition of investment securities classified as loans and receivables	0.0	0.0
2.2.6	Acquisition of investment securities available for sale	843,094,384.1	159,286,303.7

2.2.7	Acquisition of investment securities held to maturity	36,317.0	55,449,301.3
2.2.8	Prepayment for non-current assets	176,045,160.6	0.0
2.2.9	Other	0.0	0.0
2.3	Net cashflows from investing activities	-650,747,550.2	151,641,196.0
3	Cashflows from financing activities	***	***
3.1	Cash from financing activities	4,557,560,501.3	1,080,670,745.5
3.1.1	Proceeds from drawdown of other borrowed funds	4,557,560,501.3	1,080,670,745.5
3.1.2	Proceeds from subordinated loans	0.0	0.0
3.1.3	Proceeds from issuance of shares	0.0	0.0
3.1.4	Donations	0.0	0.0
3.1.5	Other	0.0	0.0
3.2	Cash used in financing activities	-4,473,590,558.6	-83,781,589.0
3.2.1	Repayment of other borrowed funds	4,422,909,852.6	11,002,431.4
3.2.2	Repayment of subordinated loans	0.0	0.0
3.2.3	Repayment of principal of lease liabilities	10,247,840.5	0.0
3.2.4	Acquisition of treasury shares	0.0	0.0
3.2.5	Dividends paid	40,432,865.4	72,779,157.5
3.2.6	Other	0.0	0.0
3.3	Net cashflows from financing activities	83,969,942.8	996,889,156.5
4	Effect of exchange rate changes on cash and cash equivalents	-40,552,969.2	42,630,736.5
5	Net increase/(decrease) in cash and cash equivalent	1,376,455,491.3	-653,873,173.2
6	Cash and cash equivalents at the beginning of the period	2,236,452,492.6	3,612,907,983.9
7	Cash and cash equivalents at the end of the period	3,612,907,983.9	2,959,034,810.7

Chief Executive Officer

Director of Financial Management Division

Director of Accounting Policy and Controlling Department



Norihiko Kato

Munkhtuya Suren

Urantugs Sukhee

STATEMENT OF CHANGES IN EQUITY

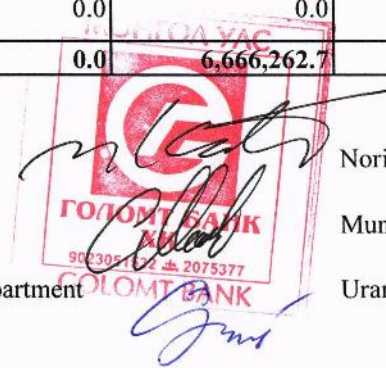
/in thousands of MNT/

No	Items	Share capital	Share premium	Treasury shares	Revaluation reserve for premises	Other components of equity	Retained earnings	Total equity
	Balance at 1 January 2023	202,164,326.5	301,481,120.0	0.0	6,994,662.0	25,122,998.5	307,974,022.8	843,737,129.8
1	Changes in Accounting policy	0.0	0.0	0.0	0.0	42,721,834.6	-24,553,201.8	18,168,632.8
2	Adjusted balance	202,164,326.5	301,481,120.0	0.0	6,994,662.0	67,844,833.1	283,420,820.9	861,905,762.5
3	Profit for the year	0.0	0.0	0.0	0.0	0.0	180,806,784.4	180,806,784.4
4	Other comprehensive income	0.0	0.0	0.0	0.0	35,806,462.4	0.0	35,806,462.4
5	Changes in Equity	0.0	0.0	0.0	0.0	-103,305,899.1	12,109,119.0	-91,196,780.0
6	Dividends declared and paid	0.0	0.0	0.0	0.0	0.0	-40,432,865.3	-40,432,865.3
7	Transfer of revaluation surplus on premises	0.0	0.0	0.0	-328,399.3	0.0	328,399.3	0.0
	Balance at 31 December 2023	202,164,326.5	301,481,120.0	0.0	6,666,262.7	345,396.4	436,232,258.4	946,889,364.0
1	Changes in Accounting policy	0.0	0.0	0.0	0.0	99,715,546.2	24,485,811.6	124,201,357.8
2	Adjusted balance	202,164,326.5	301,481,120.0	0.0	6,666,262.7	100,060,942.6	460,718,070.0	1,071,090,721.8
3	Profit for the year	0.0	0.0	0.0	0.0	0.0	273,137,584.3	273,137,584.3
4	Other comprehensive income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Changes in Equity	0.0	0.0	0.0	0.0	-94,173,249.9	-40,891,600.2	-135,064,850.2
6	Dividends declared and paid	0.0	0.0	0.0	0.0	0.0	-72,779,157.5	-72,779,157.5
7	Transfer of revaluation surplus on premises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Balance at 30 June 2024	202,164,326.5	301,481,120.0	0.0	6,666,262.7	5,887,692.6	620,184,896.5	1,136,384,298.4

Chief Executive Officer

Director of Financial Management Division

Director of Accounting Policy and Controlling Department



Norihiko Kato

Munkhtuya Suren

Urantugs Sukhee



AUDIT COMMITTEE MEETING MINUTE, DECISION

June 14, 2024

№ 24/05

Ulaanbaatar

The meeting was held through Zoom platform on June 14, 2024 and participants were as follows:

Chair of Audit committee, independent member James B.Dwyer	Chief executive officer N.Kato
Member of Audit committee, Chair of BoG Ch.Munkhtsetseg	Deputy CEO A.Odonbaatar
Member of Audit committee D.Munkhtur	Secretary general of BoD Z.Solongo
Independent member of Audit committee R.W. van Zwieten	Director of IAD A.Tuya

Independent member of Audit committee A.Picker took leave of absence from the meeting due to scheduling conflict.

Time: June 14, 2024, 10:00 – 13:00

Discussed issues:

1. 2024'05 Financial results and projection
2. KPMG 2023 Internal control recommendations
3. Related party report
4. Competitors financial analysis
5. Bond Milestone report

Issue 1. 2024'05 Financial results and projection was presented by Chief executive officer N.Kato and Head of FMD S.Munkhtuya.

Note:

- Chairlady Ch.Munkhtsetseg mentioned that since Golomt bank is pursuing aggressive strategy since 2024, the risk related specially to loan will grow, then she asked what are the actions to mitigate the risks related to loans and what is the plan for increasing non-interest income. Deputy CEO A.Odonbaatar answered that the operations of newly established Credit collection division is going well, even though the loan is being expanded aggressively, the criteria for the loans weren't decreased, and credit monitoring department operations are going well. He also answered that the results of 6 campaigns related to increasing credit card fee is good and authority to negotiate merchant fee was given to branch directors in order to increase merchant fee.

Decision:

1. Obligated CEO N.Kato and DCEO A.Odonbaatar to report on actions to mitigate the risks related to loan and plan for increasing non-interest income to the next BoD meeting.

Issue 2. KPMG 2023 Internal control recommendations was presented by Chief executive officer N.Kato and Head of FMD S.Munkhtuya.

Note:

- Audit committee chair James B.Dwyer asked what was the cost related to reissue of the statement and Head of FMD S.Munkhtuya answered that the Bank paid 52,500USD to KPMG and 3,650USD to PwC.

Issue 3. Related party report was presented by Chief executive officer N.Kato and Head of FMD S.Munkhtuya.

Issue 4. Competitors financial analysis was presented by Chief executive officer N.Kato and Head of FMD S.Munkhtuya.

Issue 5. Bond Milestone report was presented by Chief executive officer N.Kato and Head of TD B.Sodbolor.

Note:

- Audit committee members congratulated Bond Milestone team for the success. Audit committee member R. W. van Zwieten asked whether the dividend restriction covenant will have conflict with our dividend commitment on the IPO prospectus and Secretary general of BoD Z.Solongo answered that the restriction covenant says Divident payout ratio would be no more than 50% and the prospectus committment was 20%, 40% and 50% in the first 3 years, so they will not conflict with each other.

CHAIR OF BoD



Ch.MUNKHTSETSEG

REPORT ON UTILIZATION OF IPO FUNDS BY “GOLOMT BANK” JSC

/As of Dec 31, 2023/

IPO fund utilization plan

The issuer plans to finance the bank loan with the net amount which deducted direct cost from the MNT 103,317,524,755 to be collected through the offering of shares to the public and the utilization plan includes the following :

- Direct expenses related to the issuance of securities will be covered using the collected funds;
- By increasing the bank's equity, the capital adequacy ratio will improve. This will allow for an expansion of risk-weighted assets or the loan portfolio by over MNT 790 billion. The expansion plan will serve as the primary foundation for achieving sustainable business growth in the future.

IPO fund utilization

Golomt Bank offered 10.09 percent of its shares equivalent to 80,402,743 shares, to the public at a price of MNT 1,285 per share from November 23, 2022 to November 30, 2022. Due to high subscription demands, an additional 12,060,411 shares, equivalent to 15 percent of the shares offered were issued. Total MNT 118,815,152,890 (11.43 percent of the total shares) was successfully raised from the public.

The utilization of the collected funds amounting to MNT 118,815,152,890 as follows:

1. Direct issuance cost: MNT 2.1 billion

On 8 December 2022, a total of MNT 118,815,152,890 was raised from the public through the Securities Central Savings Center with the permission of the Financial Regulatory Commission No. 1/4659 dated 6 December 2022. After deducting MNT 2,103,028,206 to cover the cost of issuing securities in accordance with IFRS and netting the corporate income tax, the bank's equity was increased by MNT 116,712,124,684.

2. Loan disbursement: MNT 116.7 billion

Capital adequacy indicators /BOM based/

Indicators (mln MNT)	11/30/2022	12/31/2022	31/12/2023	Difference (12/31/2023-11/30/2022)	
Tier-1 capital	673,839	811,978	940,109	266,270	40%
Total capital	673,839	811,978	940,109	266,270	40%
Risk weighted assets	4,600,320	4,601,535	5,926,932	1,326,612	29%
<i>Tier-1 ratio (>9.0% buffer 4.0%)</i>	14.65%	17.65%	15.86%	1.21%	
<i>Capital adequacy ratio (>12.0%)</i>	14.65%	17.65%	15.86%	1.21%	

Based on the bank's Capital Adequacy Ratio (CAR) indicators the total equity of the bank increased by MNT 266.3 billion or 40 percent, reaching MNT 940.1 billion compared to November 30, 2022. This increase in equity resulted in a 1.75 percentage point improvement in the capital adequacy ratio, enhancing the bank's risk weighted capacity which allowed the increase in the amount of loan portfolio.

The bank disbursed a total worth of MNT 7,854.6 billion in loans to customers between 2022/12/09 and 2023/11/10. Accordance to the "Regulation on setting and monitoring prudential ratios of banking operation", a minimum of 13% of the risky assets shall be financed through equity. 11.43 percent of the total equity capital was collected through IPO, MNT 116.7 billion of the loan granted since then were financed with IPO fund.

According to the plan, total of MNT 116.7 billion in loans were financed from the raised fund as follows:

- Business loans for large enterprises - MNT 43.5 billion /37.3 percent/
- Business loans for SME - MNT 30.3 billion MNT /26.0 percent/
- Consumer loans - MNT 24.2 billion /20.7 percent/
- Mortgage loans - MNT 18.7 billion /16.0 percent/

As of 11/10/2023, the bank has fully spent IPO funds.