

Semi-annual operational report /Form 2/	
<i>Article 20 of the Securities Market Law legislates the common obligations of the issuer, and the issuer is responsible for submitting information to the Financial Regulatory Committee as well as the listed exchange in the form stipulated below, and to publish information to the public through its own website.</i>	
<i>Reporting period</i>	From January 1st, 2025 to June 30 th , 2025
<i>Issuer's information</i>	Issuer's name: XacBank JSC State registration number: 9007001007 Stock ticker: XAC Phone number: +976-75771888
<i>Name of listed exchange</i>	Mongolian Stock Exchange
<i>Sector of business operation</i>	Banking, Finance
<i>External auditor information</i>	Name: Ernst and Young Mongolia Audit LLC FRC registration date: May 08, 2013
<i>Issued shares</i>	1,052,700,000
<i>Prepared by:</i> <i>Reviewed by:</i>	Prepared by: Tamir G. /Head of Financial Management and International Relations Division/ Reviewed by: Erdenebayar G. /Chief Financial Officer/ Reviewed by: Munkhtselmeg N. /General Counsel and Corporate Secretary/
1.	<i>Semi-annual and quarterly financial statements</i>
	<i>Balance statement</i>
	<i>Income statement</i>
	<i>Equity statement</i>
	<i>Cash flow statement</i>
The financial statements of XacBank JSC as of June 30, 2025 are attached /Appendix No. 1/	
2.	<i>Conclusion of the Audit Committee under the Board of Directors on the discussion and approval of the semi-annual and quarterly financial statements.</i>
Interim financial reports of XacBank JSC as of June 30, 2025 are under review by external auditor.	
3.	<i>Report and analysis on internal and external factors affecting the financial performance of the Issuer. Brief explanation of strategies to use against the factors.</i>

3.1.	Operational performance /Financial ratios/	<p>Profitability: The Bank concluded its interim financial year for 2025 with a net profit of MNT 85.9bn (up 0.7% YTD), aROE of 22.6%, and EPS of MNT 163.4.</p> <p>Total assets: During the reporting period, total assets of the Bank increased to MNT 6,754.9bn (up 6.9% or MNT 433.1bn YTD), supported by growth in the loan and lease portfolio of the retail bank (up 12.9% YTD), the corporate bank (up 7.2% YTD), and XacLeasing (up 30.9% YTD) to MNT 2,920.7bn, MNT 689.6bn, and MNT 610.8bn, respectively. Of the growth in the retail loan portfolio, 56% was driven by small business loans and 21% by deposit backed loans. XacLeasing’s portfolio growth was mainly supported by passenger car leasing and it remains the leader in the sector by prompt customer services and strong relationships with vendors.</p> <p>The Bank’s non-performing loan to gross loan portfolio ratio was 2.2%, which is one of the best performances in the banking sector.</p> <p>Deposit: The Bank provides wide range of savings as well as current account services with various tenors and withdrawal options. By expanding digital channels for banking products and services, in parallel to introducing InstaXpay app for daily payments, the Xacteen app targeting children aged 7–17, and marketing campaigns for deposit products, the Bank was able to increase its deposits balance to MNT 2,688.5bn or up 5.0% YTD. The current accounts balance was MNT 732.9bn, fluctuating between MNT 650–815bn during the reporting period due to seasonality.</p> <p>Senior debt: During the reporting period, the Bank raised USD 213.2mn in senior debts from well-known IFIs and DFIs including EBRD, ASIAN DEVELOPMENT BANK. FINNFUND and DWM. New funding allows the Bank to support young entrepreneurs, micro small and medium businesses and energy-efficient sub-loans.</p>		
3.2.	Liquidity and Capital Adequacy		Minimum threshold	as of Jun 30, 2025
		Tier 1 Capital Ratio	>12.5%	18.3%
		Capital Adequacy Ratio	>12%	18.3%
		Liquidity Ratio	>25%	36.0%
		Foreign Currency Exposure Ratio (Single Currency)	+/- 15%	-4.9%
		Foreign Currency Exposure Ratio (Total)	+/- 30%	-5.7%
		Credit Concentration	<300%	46.3%
		Deposit Concentration Ratio	<25%	6.8%
3.3	The external and internal factors affecting the operations of the issuer, its market share in the operating industry, changes or developments in the range of products and services, and measures planned to be taken by the issuer in response to	<p>External factors: Mongolia's real GDP grew by 2.4% in the first quarter of 2025 compared to the same period the previous year. The service sector contributed 3.1 percentage points to the growth, while the agriculture and mining sectors added 1.0 and 0.1 percentage points respectively. However, sectors, including construction, trading, and transportation constrained the total growth by 1.8 percentage points. A 38% drop in coal prices from last year, along with falling global coal prices overall, reduced the mining sector’s economic contribution.</p>		

	<p><i>changes and development.</i></p>	<p>The inflation reached 8.3% nationwide and 9.4% in Ulaanbaatar as of June 2025. Due to rising prices of key food products, imported goods, and electricity, inflation has remained above the Bank of Mongolia's target level of 6±2% since the beginning of the year. Consequently, Monetary Policy Committee (MPC) has decided to raise the policy rate and regulatory reserve of banks by 2 percentage points each and reduce the debt to income ratio for consumer loans to 50%.</p> <p>As of May 2025, total export decreased by 15.0% YoY to USD 5.4bn and total imports rose by 3.3% YoY to USD 4.5bn. As a result, the foreign trade balance was in surplus of USD 885mn which is 55% lower compared to the same period last year. Copper concentrate export increased by 61% YoY and coal export declined by 41% YoY which had an overall negative effect on the total export revenue. The balance of payment was in surplus of USD 491mn as of April 2025 and international reserves reached USD 5.2 bn as of May 2025, down by 5.7% YTD. As a result, the USD rate increased by 4.5% YTD against MNT and the continued decline in coal prices is widening the balance of payment deficit, increasing the risk of further appreciation of the USD rate. Due to falling mining sector revenues, the government budget deficit reached MNT 259bn as of May 2025.</p> <p>Internal factors:</p> <p>In the first half of 2025, XacBank continued its strategy to become the main bank for its customers' daily transactions by providing comprehensive financial services. In addition to continuing its traditional branch services, the Bank focused on enhancing its digital channels, payments, and card products.</p> <p>During the reporting period, XacBank successfully launched the first phase of the InstaXpay project, which simplifies customers' daily payments, as well as the Xacteen+ application targeting children and youth. For micro, small, and medium-sized businesses, the Bank introduced new products to enhance merchant service value, including a merchant web platform and app, and launched a new loan product to support young entrepreneurs.</p> <p>As a result, the total number of customers increased by 57 thousands, reaching 1.5mn, while the introduction of new products such as the "Young Entrepreneurs Loan" and the "Asuudalgui" service drove a 19% increase in the number of borrowers, reaching 166 thousands.</p> <p>To attract stable funding, retain loyal customers, and expand its customer base, the Bank launched a deposit campaign with a prize pool of MNT 1bn. As a result, the number of 'Millionaire of the Future' savings account holders exceeded 200 thousands, and the number of term deposit, salary deposit, and pension savings account holders increased by 5.5%.</p> <p>Within the framework of government programs, in the first half of 2025, XacBank provided MNT 27.8bn in working capital loans under the "White Gold" program to support the processing of wool, cashmere, and leather, and MNT 8bn in investment loans under the ATAR-4 initiative to promote sustainable agricultural production. Through these programs, more than 40 herders and cooperatives supplied 174 tons of raw wool and cashmere, while a new meat processing plant with an annual capacity of processing 2,500 tons of meat and a cold storage facility with a capacity of 2,000 tons is ready for commissioning.</p>
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3.4	Information on off-balance sheet items	Off-balance report is attached /Appendix №2/																																																																													
4.	<i>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/</i>																																																																														
	<p>In accordance with Clause 56.2.4 of the Securities Market Law, following XacBank’s transition to a public joint-stock company, information on related parties and conflict of interest transactions has been consistently disclosed to the public on both the Bank’s website and the Mongolian Stock Exchange’s website. Please refer to the following link:</p> <p>https://xacbank.mn/mn/ad-hoc</p> <p>https://mse.mn/mn/company/568</p> <p>Additionally, in accordance with the Banking Law, the Bank compiles a quarterly report concerning loans and other equivalent assets provided to the related parties, and subsequently makes this information available to the public on its website. Please refer to the following link:</p> <p>https://old.xacbank.mn/page/the-loans-and-other-equivalent-assets-provided-to-the-related-parties?lang=en</p> <p>In the first half of 2025, the Board of Directors (the “Board”) approved a total of 9 conflict of interest and related party transactions. This approval was conducted in accordance with the requirements outlined in Section 17.9 of the Banking Law, which stipulates that transactions should not entail preferential terms compared to those offered to customers within the bank’s ordinary course of business.</p> <p>During the reporting period, no major transactions were approved.</p>																																																																														
5.	<i>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</i>																																																																														
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6.	Governance related information																																																																														
	<p>Shareholding Structure</p> <p>The shareholding structure of the company as of the reporting period is as follows:</p> <table><tr><th>#</th><th>Shareholder</th><th>Shares</th><th>Stake</th><th>#</th><th>Shareholder</th><th>Indirect shareholding percentage of XacBank</th></tr><tr><td>1</td><td>TFG</td><td>1,000,000,000</td><td>94.99%</td><td>1</td><td>MAK Invest SG Pte Ltd</td><td>19.37%</td></tr><tr><td></td><td></td><td></td><td></td><td>2</td><td>International Finance Corporation</td><td>16.63%</td></tr><tr><td></td><td></td><td></td><td></td><td>3</td><td>ORIX Corporation</td><td>16.28%</td></tr><tr><td></td><td></td><td></td><td></td><td>4</td><td>European Bank for Reconstruction and Development</td><td>12.50%</td></tr><tr><td></td><td></td><td></td><td></td><td>5</td><td>National Bank of Canada</td><td>10.18%</td></tr><tr><td></td><td></td><td></td><td></td><td>6</td><td>Ronoc Partners Kft</td><td>9.83%</td></tr><tr><td></td><td></td><td></td><td></td><td>7</td><td>Mongolian Financial Services Pte Ltd</td><td>6.42%</td></tr><tr><td></td><td></td><td></td><td></td><td>8</td><td>Triodos Fair Share Fund</td><td>3.61%</td></tr><tr><td></td><td></td><td></td><td></td><td>9</td><td>Mr. Boldoo Magvan</td><td>0.10%</td></tr><tr><td></td><td></td><td></td><td></td><td>10</td><td>Mr. Ganbold Chuluun</td><td>0.09%</td></tr></table>		#	Shareholder	Shares	Stake	#	Shareholder	Indirect shareholding percentage of XacBank	1	TFG	1,000,000,000	94.99%	1	MAK Invest SG Pte Ltd	19.37%					2	International Finance Corporation	16.63%					3	ORIX Corporation	16.28%					4	European Bank for Reconstruction and Development	12.50%					5	National Bank of Canada	10.18%					6	Ronoc Partners Kft	9.83%					7	Mongolian Financial Services Pte Ltd	6.42%					8	Triodos Fair Share Fund	3.61%					9	Mr. Boldoo Magvan	0.10%					10	Mr. Ganbold Chuluun	0.09%
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2	Public	51,983,559	4.94%			
3	Treasury shares	716,441	0.07%			
Total		1,052,700,000	100.00%			

The Board Composition

					
Sanjay Gupta Chairman	Michael Madden Non-executive director	Tselmuun Nyamtaishir Non-executive director	Ulambayar Bayansan Independent non-executive director	Niraj Vedwa Independent non-executive director	Andrzej Witak Non-executive director
					
Tsevegjav Gumenjav Executive director	Albertus Bruggink Non-executive director	Suzannah Herring Carr Non-executive director	Amy Choi Independent non-executive director	Dominic Jacques Non-executive director	Stewart Donald Hall Independent non-executive director

Note: Detailed information on Directors' education and work experience can be found on the bank's website.

Board Directors' shareholdings in XacBank JSC as of 30 June 2025 are as follows:

N ₂	Name	Position	Shareholding (direct)
1	Sanjay Gupta	Chairman	0.08%
2	Albertus Bruggink	Non-Executive Director	-
3	Andrzej Witak	Non-Executive Director	-
4	Dominic Jacques	Non-Executive Director	-
5	Michael Madden	Non-Executive Director	-
6	Suzannah Carr	Non-Executive Director	-
7	Tsevegjav G.	Executive Director	0.18%
8	Tselmuun N.	Non-Executive Director	-
9	Niraj Vedwa	Independent Non-Executive Director	-
10	Stewart Hall	Independent Non-Executive Director	-
11	Ulambayar B.	Independent Non-Executive Director	-
12	Amy Choi	Independent Non-Executive Director	-

The Board Committees' Composition

N ₂	Bank Audit Committee	Board Risk Management Committee	Governance and compensation committee	Nomination Committee
Chair	Ulambayar B. (ID)	Albertus Bruggink	Michael Madden	Stewart Hall (ID)
Members	Andrzej Witak	Dominic Jacques	Tselmuun N.	Suzannah Carr
	Suzannah Carr	Ulambayar B. (ID)	Ulambayar B. (ID)	Albertus Bruggink
	Niraj Vedwa (ID)	Niraj Vedwa (ID)	Niraj Vedwa (ID)	Ulambayar B. (ID)
	Amy Choi (ID)	Amy Choi (ID)	Amy Choi (ID)	Niraj Vedwa (ID)

	Stewart Hall (ID)	Stewart Hall (ID)	Stewart Hall (ID)	Amy Choi (ID)
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Executive Management

During the reporting period, the Company conducted its operations with the following executive management composition:

No	Name	Position
1	Tsevegjav G.	Chief Executive Officer
2	Erdenebayar G.	Chief Financial Officer
3	Ulambayar E.	Chief Retail Banking Officer
4	Erkin B.	Chief Corporate Banking Officer
5	Dauryenbyek S.	Chief Business Development Officer
6	Munkhzul D.	Chief Leasing Officer
7	Iliya Avramov	Chief Risk Officer
8	Zul G.	Chief Operations Officer
9	Unurbat Kh.	Chief Information Technology Officer
10	Undarmaa E.	Chief Auditor
11	Munkhtselmeg N.	General Counsel/ Corporate Secretary

Changes in the Composition of the Executive Management

The previous Chief Leasing Officer, Dauryenbyek S., was appointed as the Chief Business Development Officer, and Mr. Munkhzul D. was appointed as the new Chief Leasing Officer. The appointments were publicly announced on the Mongolian Stock Exchange's website on 31 January 2025.

The percentage of shares held by the executive management in XacBank as of 30 June 2025, is presented below:

No	Name	Position	Shareholding (direct)
1	Tsevegjav G.	Chief Executive Officer	0.18%
2	Erdenebayar G.	Chief Financial Officer	0.09%
3	Ulambayar E.	Chief Retail Banking Officer	0.07%
4	Erkin B.	Chief Corporate Banking Officer	0.05%
5	Dauryenbyek S.	Chief Business Development Officer	0.06%
6	Munkhzul D.	Chief Leasing Officer	0.02%
7	Iliya Avramov	Chief Risk Officer	0.00%
8	Zul G.	Chief Operations Officer	0.05%
9	Unurbat Kh.	Chief Information Technology Officer	0.04%
10	Undarmaa E.	Chief Auditor	0.04%
11	Munkhtselmeg N.	General Counsel/ Corporate Secretary	0.02%

7. Governance report

Since reorganizing into a joint-stock company, XacBank has reported its Corporate Governance Code implementation evaluation report for 2023 and 2024 in accordance with the Financial Regulatory Commission's Corporate Governance Code. The report has been publicly announced through the Mongolian Stock Exchange and the Bank's website.

The 2024 Report of XacBank "Implementation of the Corporate Governance Code" was reviewed and verified by the FRC and rated as 93.1%, indicating good and risk-free governance status-an increase of 1.4% from the previous year.

In accordance with the directive from the FRC, the 2024 report on the Implementation of the Corporate Governance Code was revised and submitted for the first half of 2025. Following review and verification, the updated report will be reported and publicly announced through the Mongolian Stock Exchange and the Bank's website.

№	Category	Max points	As of 2023.06.30		As of 2024.12.31		Changes
			FRC's evaluation	Percentage	FRC's evaluation	Percentage	
1	Board Structure and organization	12	9	75%	10	83.3%	8.3%
2	Board Committees and their functions	10	7	70%	7	70%	-
3	Reporting and information transparency	6	6	100%	6	100%	-
4	Audit and monitoring system	6	6	100%	6	100%	-
5	Risk management	8	8	100%	8	100%	-
6	Remuneration of governing persons	6	6	100%	6	100%	-
7	Stakeholder interests	8	8	100%	8	100%	-
8	Company culture	6	6	100%	6	100%	-
9	Shareholder rights	10	10	100%	10	100%	-
Total		72	66	91.7%	67	93.1%	+1.4%

Please refer to the following links to find the evaluation score and detailed report:

<https://mse.mn/en/company/568>

<https://xacbank.mn/mn/governance-codex-report>

1. Shareholders' Meeting

Annual General Meeting of the Shareholders (the "AGM") of XacBank was convened on 29 April 2025, in the Ball room of Shangri-La Hotel. This meeting was organized through a combination of in person and virtual attendance. The AGM quorum was constituted with the attendance of 96.01% of the shareholders and considered valid. The following 7 decisions were adopted by the shareholders:

1. The annual operational report for 2024 and the Board review;
2. The audited financial statements for 2024 and the Board review;
3. The declaration and distribution of dividend from the Bank's earnings for the financial year 2024 to the shareholders in the amount of MNT 27.00 per share;
4. Amendment to the Charter of XacBank JSC reflecting the separation of the Governance, Nomination and Compensation Committee into the Nomination Committee and the Governance and Compensation Committee;

5. Amendment to the Charter of XacBank JSC reflecting the Inclusion of Elderly fund matter;
6. Amendment Agreement to the Merger Agreement and Amendment to the Merger Terms and Conditions;
7. The Board budget for the fiscal year 2025.

Please refer to the websites of the Mongolian Stock Exchange and XacBank to find the resolutions.

<https://old.xacbank.mn/page/shareholders-meeting-resolution>

2. Meetings of the Board and the Board Committees

In the first half of 2025, the Board convened a total of 5 meetings, including 2 regular meetings and 3 extraordinary meetings, and conducted 4 online votings. During these sessions, a total of 28 resolutions were passed. At each of the regular meetings, the Board received updates on the measures implemented in accordance with the decisions and recommendations adopted at its previous meeting.

Additionally, the Board Governance, Nomination and Compensation Committee held 3 meetings (before the reorganization into two distinct committees), Board Governance and Compensation Committee conducted 1 online voting, Board Nomination Committee held 1 meeting, the Board Risk Management Committee held 2 meetings and conducted 9 online votings, and the Bank Audit Committee held 2 meetings, respectively. Each committee provided relevant recommendations to the Board throughout these sessions.

3. Board Leadership

In the first half of 2024, the Board approved, amended, and restated the following policies, plans, and programs in compliance with the applicable regulations for joint-stock companies as specified in the Company Law, regulations of the FRC, and Corporate Governance Code:

Newly approved:

1. Governance and Compensation Committee Charter - In accordance with the recommendation of the FRC, the Governance, Nomination and Compensation Committee was reorganized into two distinct committees: The Governance and Compensation Committee and the Nomination Committee. The new charter of the Governance and Compensation Committee was approved;
2. Nomination Committee Charter- In accordance with the recommendation of the FRC, the Governance, Nomination and Compensation Committee was reorganized into two distinct committees: The Governance and Compensation Committee and the Nomination Committee. The new charter of the Nomination Committee was approved;
3. Board Training Program for 2025 – Pursuant to the Corporate Governance Roadmap of XacBank 2023-2026, this program was approved to equip Board directors, who provide strategic guidance and oversight of the Bank, with relevant knowledge and skills;
4. Share Repurchase Program- Since the second half of 2024, the XacBank has continued its share repurchase program to enhance the liquidity of shares held by retail shareholders.

Amended:

1. Charter of XacBank JSC- The Bank's charter was amended to reflect the reorganization of the Governance, Nomination and Compensation Committee into two distinct committees: the Nomination Committee and the Governance and Compensation Committee, as well as the inclusion of Elderly fund matter.
2. In connection with the separation of the Governance, Nomination, and Compensation Committee into two distinct committees, the following internal policies and documents (the "Internal Policies") referencing the original committee were amended to accurately reflect the new committee structure.
 - i. Internal Rules of Procedure of the Board of Directors of XacBank;
 - ii. Succession Planning Policy for the Executive Management:

- iii. Board Evaluation policy;
- iv. Stakeholder Engagement Policy;
- v. Corporate Governance Code of XacBank;
- vi. Employee Loan Policy; and
- vii. Directors' Remuneration Payment and Travel Reimbursement Policy.

3. XacBank Recovery Plan- Recovery Plan was amended to reflect the concise guidance for implementation of the Recovery Plan as well as the recovery action plan by trigger level.

Amended and restated:

- 1. XacBank Recovery Plan- In accordance with the Banking Law and the Regulation on Processing, Ratifying, and Implementing a Bank Recovery Plan, the revised Recovery Plan was approved.
- 2. Board Director Selection and Nomination Policy was amended and restated as the Board Director Selection, Nomination and Succession Policy.

4. The Code of Conduct, Conflict of Interest and Disclosure

The bank's code of conduct is grounded in the principles of honesty, integrity, fairness, and transparency. To ensure legal and ethical business practices, XacBank implements the "Code of Conduct and Conflict of Interest Policy" for directors and employees. This policy upholds the highest standards of internal ethical behavior and fosters a culture based on strong ethical values, which is actively practiced in the bank's operations.

All Directors of the Board and the executive management promptly disclose any changes in their related parties' information semiannually and prepares disclosure letter, facilitating the identification of potential conflicts of interest beforehand. Furthermore, members of the Board declare any conflict of interest both at the onset and during the course of board meetings. If such a conflict arises, the concerned Director abstains from voting on relevant matters, as per the Company Law.

XacBank adheres to the "Conflict of Interest and Related Party Transaction Policy", ensuring that transactions do not entail preferential terms compared to those offered to other parties within the bank's regular operations.

XacBank has been disclosing its information regarding conflict of interest and related party transactions to the public through the bank's and the Mongolian Stock Exchange's websites, pursuant to Article 56.2.4 of the Securities Market Law.

5. Engagement with the Bank's Stakeholders

Pursuant to its internal regulations, XacBank communicates with the shareholders through its designated phone number (+976-8508-1888) and e-mail address (investor-relations@xacbank.mn). Additionally, XacBank approved and adopted the Stakeholder Engagement Policy to establish the fundamental requirements for effective communication and cooperation with stakeholders who are essential for long-term value building and sustainable growth of the Bank, and regularly disseminates information to them through its website, xacbank.mn.

6. Information Transparency

XacBank adheres to the Information Disclosure Policy in its operations to transparently report to and inform its shareholders and regulatory authorities about the Bank, in accordance with the requirements set forth in relevant laws and regulations. Relevant information is available through the Mongolian Stock Exchange and XacBank's website.

Accuracy and validity of the report confirmed by:

Name: Tsevegjav G.

Title: Chief Executive Officer

Signature:

(corporate seal)



Reviewed by:

Name: Erdenebayar G.

Title: Chief Financial Officer

Signature:

Name: Munkhtselmeg N.

Title: General Counsel and Corporate secretary

Signature:

Prepared by:

Name: Tamir G.

Title: Head of Financial Management and International Relations Department

Signature:

As of 30 June 2025

(MNT)

	Items of the statement of financial position	Beginning balance /2024.12.31/	Ending balance /2025.06.30/
1	ASSETS		
1.1	Cash and cash equivalents	1,895,273,697,466.20	1,756,797,115,510.04
1.1.1	Cash on hand	33,011,522,688.03	39,638,278,738.20
1.1.2	Due from banks and financial institutions	773,667,632,339.11	568,953,260,813.39
1.1.3	Cash equivalents	1,085,262,868,849.46	1,147,216,166,059.20
1.1.4	Accrued interest on cash and cash equivalents	3,331,673,589.60	989,409,899.24
1.2	Due from banks and financial institutions	397,890,873,112.18	401,980,634,021.24
1.2.1	Due from the Bank of Mongolia	398,103,270,284.07	402,195,214,338.58
1.2.2	Due from other banks and financial institutions	-	-
1.2.3	Other assets	-	-
1.2.4	Accrued interest on due from banks and financial institutions	-	-
1.2.5	Provision for impairment of due from banks and financial institutions	(212,397,171.89)	(214,580,317.34)
1.3	Investment	164,840,923,389.61	135,737,516,925.28
1.3.1	Trading securities (FVTPL)	-	-
1.3.2	Available for sale securities	110,519,731,431.07	113,920,177,866.15
1.3.3	Securities held to maturity	40,000,000,000.00	16,666,888,069.98
1.3.4	Securities classified as loan and receivables	-	-
1.3.5	Investment in subsidiary, associate, and joint venture	-	-
1.3.6	Encumbered securities	9,000,000,000.00	-
1.3.7	Accrued interest on investment	7,014,934,028.89	6,566,337,669.41
1.3.8	Provision for impairment of investment	(1,693,742,070.35)	(1,415,886,680.25)
1.4	Loan (net)	3,682,590,671,960.92	4,209,127,614,624.31
1.4.1	Loan within due	3,555,205,923,094.53	4,040,980,794,622.95
1.4.2	Past due loan	67,879,360,313.83	88,024,422,912.39
1.4.3	Substandard loan	14,110,460,955.16	25,065,618,042.18
1.4.4	Doubtful loan	12,813,432,207.54	24,654,716,433.92
1.4.5	Loss loan	47,383,379,858.50	42,347,152,210.30
1.4.6	Deferred transaction cost (fees on loans)	(18,472,474,486.19)	(21,022,303,592.23)
1.4.7	Accrued interest on loan	62,436,985,777.13	74,297,242,925.19
1.4.8	Loan loss provision	(58,766,395,759.58)	(65,220,028,930.38)
1.5	Derivative financial assets	10,050,723,082.09	65,524,840,972.27
1.6	Other financial assets	15,847,030,662.03	10,509,331,462.50
1.6.1	Receivables from others (net)	15,847,030,662.03	10,509,331,462.50
1.6.2	Interbank receivables	-	-
1.6.3	Repossessed collaterals – financial assets (net)	-	-
1.6.4	Other financial assets	-	-
1.7	Other non-financial assets	66,304,075,963.19	83,381,523,202.11
1.7.1	Other settlements	38,137,976,591.44	48,882,638,433.07
1.7.2	Inventories materials and valuables (excluding precious materials)	2,913,396,664.02	4,082,507,118.28
1.7.3	Gold and other precious metals (net)	724,526,844.53	2,721,819,596.79
1.7.4	Repossessed collaterals – non financial assets (net)	3,901,079,873.91	4,823,639,278.21
1.7.5	Current income tax prepayment	49,774,584.08	21,500,724.33
1.7.6	Deferred income tax assets	11,942,798,351.54	9,345,098,772.47
1.7.7	Other non financial assets	8,634,523,053.68	13,504,319,278.96
1.8	Property, plant and equipment	71,071,813,851.88	75,672,585,359.69
1.9	Investment properties	-	-
1.10	Non-current asset held for sale	1,089,948,722.66	171,850,000.00
1.11	Intangible asset	16,833,960,840.69	15,948,195,677.15
	Total assets	6,321,793,719,051.46	6,754,851,207,754.59
2	LIABILITIES		
2.1	Current accounts	817,461,963,217.99	669,724,902,706.40
2.1.1	Nominal amount	817,461,963,217.99	669,724,902,706.40
2.1.2	Accrued interest payable on current accounts	-	-
2.2	Savings accounts	2,535,432,581,681.66	2,656,965,098,635.44
2.2.1	Demand deposit savings	200,924,056,034.28	194,970,795,758.06
2.2.2	Time deposit savings	2,305,572,882,340.47	2,430,569,232,018.87
2.2.3	Other types of current and savings accounts	13,361,723,903.61	13,988,585,161.58
2.2.4	Accrued interest payable on savings accounts	15,573,919,403.30	17,436,485,696.92
2.3	Due to banks and financial institutions	2,036,158,841,263.56	2,445,278,288,519.01
2.3.1	Deposits placed by other banks and financial institutions	332,372,220,873.02	80,008,049,059.71
2.3.2	Loan from other banks and financial institutions	1,688,771,138,578.17	2,351,223,588,144.22
2.3.3	Deferred transaction fee	(11,196,777,411.89)	(17,912,957,781.38)
2.3.4	Accrued interest payable on due to banks and financial institutions	26,212,259,224.26	31,959,609,096.46
2.4	Other borrowed funds	40,229,669,289.86	34,479,002,196.27
2.4.1	Bonds and bills issued by the bank	-	-
2.4.2	Securities issued by the bank	-	-
2.4.3	Project loan financing	14,996,157,806.96	14,992,107,738.76

2.4.4	Repurchase agreements (repos)	8,880,066,833.29	-
2.4.5	Syndicated fund	406,139,892.73	406,089,379.00
2.4.6	Other	15,303,350,706.88	19,057,873,571.64
2.4.7	Deferred transaction fee	-	-
2.4.8	Accrued interest payable on other borrowed funds	643,954,050.00	22,931,506.87
2.5	Derivative financial liabilities	9,542,836,602.61	4,624,530,424.41
2.6	Other financial liabilities	68,812,286,617.39	80,849,204,492.17
2.7	Other non-financial liabilities	82,552,785,616.99	74,711,233,891.23
2.8	Subordinated debt	-	-
2.9	Preferred shares (liability)	-	-
	Total liabilities	5,590,190,964,290.05	5,966,632,260,864.93
3	EQUITY		
3.1	Share capital	105,270,000,000.00	105,270,000,000.00
3.1.1	Preferred shares (equity)	-	-
3.1.2	Common shares	105,270,000,000.00	105,270,000,000.00
3.2	Paid-in capital	30,388,870,985.26	30,083,141,303.79
3.3	Treasury share	(29,667,800.00)	(71,644,100.00)
3.4	Revaluation surplus	18,352,368,952.90	18,243,888,700.30
3.5	Retained earnings	515,406,908,425.23	573,572,351,671.27
3.6	Other components of equity	62,214,274,198.01	61,121,209,314.30
3.6.1	Share option	-	-
3.6.2	Reserve funds	11,439,407,367.49	11,439,407,367.49
3.6.3	Reserve of translation and revaluation	-	-
3.6.4	Non-distributable regulatory reserve for BOM loan loss provisions	48,433,631,666.99	47,914,178,079.03
3.6.5	Reserve for staff social development funds	-	-
3.6.6	Equity part of convertible debt instrument	-	-
3.6.7	Equity part of convertible borrowings	-	-
3.6.8	Reserve for revaluation of available for sale securities	-	-
3.6.9	Reserve for revaluation of hedging instrument	-	-
3.6.10	Other	2,341,235,163.53	1,767,623,867.78
3.7	Total owners' equity	731,602,754,761.40	788,218,946,889.66
	Total liabilities and equity	6,321,793,719,051.45	6,754,851,207,754.59

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER ✓



TSEVEGJAV GUMENJAV

ERDENEБAYAR GANZORIG

As of 30 June 2025

(MNT)

Д/д	Items of income and expense	Prior period /2024.12.31/	Current period /2025.06.30/
1	Interest income	709,149,105,870.88	406,040,128,170.55
1.1	Interest income of due from the Bank of Mongolia	13,981,398,788.02	7,757,471,650.75
1.2	Interest income of due from other banks and financial institutions	5,492,327,612.90	1,697,567,682.49
1.3	Interest income of investment	127,469,611,571.81	59,586,965,002.66
1.4	Interest income of loan	558,189,091,309.51	328,558,911,079.96
1.5	Other interest income	4,016,676,588.64	8,439,212,754.69
2	Interest expense	403,329,978,687.44	254,749,733,755.17
2.1	Interest expense of current accounts	4,020,924,963.66	2,524,951,026.64
2.2	Interest expense of savings	215,421,737,592.31	121,044,758,929.61
2.3	Interest expense of borrowings	119,855,922,388.80	75,134,487,528.05
2.4	Interest expense of debt instruments	663,708,312.20	428,399,648.19
2.5	Other interest expense	63,367,685,430.47	55,617,136,622.68
3	Net interest income/expense [(1)-(2)]	305,819,127,183.44	151,290,394,415.38
4	Impairment loss on	126,157,173.97	6,669,890,618.92
4.1	Due from banks and financial institutions	(0.00)	216,257,448.14
4.2	Investment	126,157,173.97	-
4.3	Loans	-	6,453,633,170.78
5	Net income after impairment loss [(3)-(4)]	305,692,970,009.47	144,620,503,796.46
6	Other revenue	95,337,414,187.38	43,078,477,830.90
6.1	<i>Non-interest income</i>	<i>77,229,968,399.12</i>	<i>40,548,090,493.20</i>
6.1.1	Gain or (loss) on trading of financial instruments	11,473,604,576.57	3,441,559,298.18
6.1.2	Gain or (loss) on translation or revaluation of financial instruments	-	4,295,688,479.01
6.1.3	Income from service fee and charges	61,651,458,617.07	32,641,591,259.92
6.1.4	Other non-interest income	4,104,905,205.48	169,251,456.09
6.2	<i>Other income and gains</i>	<i>18,107,445,788.26</i>	<i>2,530,387,337.70</i>
7	Other expense	170,565,691,963.36	76,653,710,652.14
7.1	<i>Non-interest expense</i>	<i>167,421,003,704.91</i>	<i>75,359,890,044.77</i>
7.1.1	Other impairment loss	1,342,765,875.62	244,413,992.82
7.1.2	Gain or (loss) on trading	-	-
7.1.3	Gain or (loss) on translation or revaluation	5,262,173,558.95	-
7.1.4	Expenses of service fee and charges	17,886,449,861.04	10,418,996,330.55
7.1.5	Other operating expenses	142,929,614,409.30	64,696,479,721.40
7.2	<i>Other expense and loss</i>	<i>3,144,688,258.45</i>	<i>1,293,820,607.37</i>
8	Profit or (loss) before tax (5+6-7)	230,464,692,233.50	111,045,270,975.22
9	Income tax expense	58,784,403,852.13	25,103,277,108.75
10	Profit or (loss) after tax (8-9)	171,680,288,381.37	85,941,993,866.47
11	Net profit or (loss) after tax from discontinued activities	-	-
12	Profit or (loss) for the reporting period (10+11)	171,680,288,381.37	85,941,993,866.47
13	Other comprehensive income	(856,106,154.33)	(573,611,295.75)
13.1	Increase or decrease of revaluation surplus of PPE and intangible assets	-	-
13.2	Increase or decrease of Reserve for revaluation of available for sale securities	(856,106,154.33)	(573,611,295.75)
13.3	Increase or decrease of reserve of translation and revaluation	-	-
13.4	Increase or decrease of non-distributable regulatory reserve for BOM loan loss provisions	-	-
13.5	Other	-	-
14	Profit or (loss) for the reporting period (10+11)	170,824,182,227.04	85,368,382,570.72

CHIEF EXECUTIVE OFFICER

TSEVEGJAV GUMENJAV

CHIEF FINANCIAL OFFICER

ERDENE BAYAR GANZORIG





STATEMENT OF CHANGES IN EQUITY

As of 30 June 2025

(MNT)

Equity items	Share capital	Share premium	Treasury share	Revaluation reserve for premises	Other components of equity	Retained earnings	Total equity
balance as of 31 December 2023	105,270,000,000.00	30,586,768,164.70	-	18,528,613,201.77	67,890,292,259.64	399,787,063,887.69	622,062,737,513.81
Adjustment of changes in accounting policies and error							
Adjusted balance	105,270,000,000.00	30,586,768,164.70	-	18,528,613,201.77	67,890,292,259.64	399,787,063,887.69	622,062,737,513.81
Net profit or loss for the period	-	-	-	-		171,680,288,381.37	171,680,288,381.37
Other comprehensive income				-	(856,106,154.33)		(856,106,154.33)
Changes in equity	-	(197,897,179.44)	(29,667,800.00)		(4,819,911,907.30)	4,819,911,907.30	(227,564,979.44)
Distributed dividends	-			-		(61,056,600,000.00)	(61,056,600,000.00)
Realized amount of revaluation surplus				(176,244,248.87)		176,244,248.87	-
balance as of 31 December 2024	105,270,000,000.00	30,388,870,985.26	(29,667,800.00)	18,352,368,952.90	62,214,274,198.01	515,406,908,425.23	731,602,754,761.40
Adjustment of changes in accounting policies and error						-	-
Adjusted balance	105,270,000,000.00	30,388,870,985.26	(29,667,800.00)	18,352,368,952.90	62,214,274,198.01	515,406,908,425.23	731,602,754,761.40
Net profit or loss for the period	-	-	-	-		85,941,993,866.47	85,941,993,866.47
Other comprehensive income				-	(573,611,295.75)		(573,611,295.75)
Changes in equity	-	(305,729,681.47)	(41,976,300.00)		(519,453,587.96)	519,453,587.97	(347,705,981.47)
Distributed dividends				-		(28,404,484,461.00)	(28,404,484,461.00)
Realized amount of revaluation surplus				(108,480,252.60)		108,480,252.60	-
balance as of 30 June 2025	105,270,000,000.00	30,083,141,303.79	(71,644,100.00)	18,243,888,700.30	61,121,209,314.30	573,572,351,671.27	788,218,946,889.66

CHIEF EXECUTIVE OFFICER

TSEVEGJAV GUMENJAV

CHIEF FINANCIAL OFFICER

ERDENEBAVAR GANZORIG



STATEMENT OF CASH FLOWS

As of 30 June 2025

(MNT)

	Items	Prior period /2024.12.31/	Current period /2025.06.30/
1	Cash flows from operating activities:	***	***
1.1	Profit or (loss) after tax	233,252,053,739.36	108,256,367,630.91
1.2	Adjustments of gain or loss:	(291,323,924,519.89)	(136,363,068,969.48)
1.2.1	Impairment loss (+)	(2,098,222,821.63)	6,422,374,918.95
1.2.2	Depreciation and amortization expense (+)	16,656,322,048.89	9,606,917,509.40
1.2.3	Revaluation gain (-) or losses (+) on financial instruments excluding cash and cash equivalents	-	-
1.2.4	Accrued interest income (-)	(709,149,105,870.88)	(406,040,128,170.55)
1.2.5	Accrued interest expense (+)	403,329,978,687.44	254,749,733,755.17
1.2.6	Gains (-) or losses (+) on disposal of assets	(62,896,563.70)	(1,101,966,982.46)
1.2.7	Other gains (-) or losses (+)	-	-
1.3	Adjustments of changes in assets and liabilities:	(462,819,052,597.69)	(791,866,383,316.12)
1.3.1	Increase (-) or decrease (+) in due to banks and financial institutions	(158,355,145,501.36)	(4,091,944,054.51)
1.3.2	Increase (-) or decrease (+) in trading securities	-	-
1.3.3	Increase (-) or decrease (+) in loans	(942,605,787,161.85)	(521,130,318,686.13)
1.3.4	Increase (-) or decrease (+) in other financial assets	60,567,377,598.97	(50,245,528,279.01)
1.3.5	Increase (-) or decrease (+) in other non-financial assets	(12,392,974,012.32)	(18,186,013,683.62)
1.3.6	Increase (+) or decrease (-) in current accounts and savings accounts	529,725,884,518.15	(28,067,109,851.44)
1.3.7	Increase (+) or decrease (-) in due to banks and financial institutions	85,806,967,544.13	(178,464,245,831.75)
1.3.8	Increase (+) or decrease (-) in other financial liabilities	(36,211,538,155.95)	5,313,439,073.25
1.3.9	Increase (+) or decrease (-) in other non-financial liabilities	10,646,162,572.54	3,005,337,997.10
1.4	Other adjustments:	236,761,192,350.26	119,683,299,504.63
1.4.1	Interest received (+)	694,021,294,248.83	394,598,796,675.12
1.4.2	Interest paid (-)	(390,320,134,510.56)	(247,760,840,132.49)
1.4.3	Payment of income tax (-)	(65,166,388,391.46)	(27,154,657,038.01)
1.4.4	Written-off loan and receivables with loan loss provision (-)	(1,773,578,996.56)	-
1.4.5			
1.5	Net cash flows from operating activities	(284,129,731,027.96)	(700,289,785,150.06)
2	Cash flows from investing activities:	***	***
2.1	Total cash inflows (+)	4,929,130,398.96	30,127,948,503.93
2.1.1	Proceeds from disposal of PPE	7,916,511.42	810,000.00
2.1.2	Proceeds from disposal of intangible assets	-	-
2.1.3	Proceeds from disposal of investment properties	-	-
2.1.4	Proceeds from disposal of investment in subsidiary, associate, and joint venture	-	-
2.1.5	Proceeds from disposal of other non-current assets	2,241,413,887.55	292,400,000.00
2.1.6	Proceeds from disposal of securities classified as loan and receivables	-	-
2.1.7	Proceeds from disposal of securities available for sale	2,679,799,999.99	4,834,738,503.93
2.1.8	Proceeds from disposal of securities held to maturity	-	25,000,000,000.00
2.1.9	Dividend received	-	-
2.1.10	Other proceeds	-	-
2.2	Total cash outflows (-)	(55,650,330,534.74)	(12,004,287,678.50)
2.2.1	Acquisition of PPE	14,426,045,543.97	9,681,262,465.70
2.2.2	Acquisition of intangible assets	1,224,284,990.77	685,807,849.67
2.2.3	Acquisition of investment properties	-	-
2.2.4	Acquisition of investment in subsidiary, associate, and joint venture	-	-
2.2.5	Acquisition of securities classified as loan and receivables	-	-
2.2.6	Acquisition of securities available for sale	-	-
2.2.7	Acquisition of securities held to maturity	40,000,000,000.00	1,637,217,363.13
2.2.8	Acquisition of other non-current assets	-	-
2.2.9	Other outflows	-	-
2.3	Net cash flows from investing activities	(50,721,200,135.78)	18,123,660,825.43
3	Cash flows from financing activities:	***	***
3.1	Total cash inflows (+)	737,872,901,002.16	831,055,929,022.09
3.1.1	Repayment of other borrowed funds	737,565,385,353.51	831,055,929,022.09
3.1.2	Proceeds from subordinated debt	-	-
3.1.3	Proceeds from issuance of shares	-	-
3.1.4	Donation	-	-
3.1.5	Other	307,515,648.65	-
3.2	Total cash outflows (-)	(305,896,264,966.54)	(287,366,386,653.62)
3.2.1	Repayment of other borrowed funds	238,665,335,538.20	254,349,230,357.53
3.2.2	Repayment of subordinated debt	-	-
3.2.3	Finance lease payment	-	-
3.2.4	Repurchase of treasury shares	227,564,979.44	347,705,981.48
3.2.5	Dividends paid	61,056,600,000.00	28,404,484,461.00
3.2.6	Other	5,946,764,448.90	4,264,965,853.61
3.3	Net cash flows from financing activities	431,976,636,035.62	543,689,542,368.47
4	Effect of exchange rate changes on cash and cash equivalents		
5	Net cash flows	97,125,704,871.88	(138,476,581,956.17)
6	Cash and cash equivalents at the beginning of the period	1,798,147,992,594.32	1,895,273,697,466.20
7	Cash and cash equivalents at the end of the period	1,895,273,697,466.20	1,756,797,115,510.04

CHIEF EXECUTIVE OFFICER

TSEVEGJAV GUMENJAV

CHIEF FINANCIAL OFFICER

ERDENEBAVAR GANZORIG





STATEMENT OF OFF-BALANCE SHEET

As of 30 June 2025

(in MNT)

№	Items of off-balance sheet	Amount
1	Credit related commitments	322,820,128,334.8
2	Collateral received	7,092,376,077,953.2
3	Written-off loan and other assets	80,261,333,103.4
4	Derivative financial instruments	2,326,870,542,112.8
5	Fiduciary assets	-
6	Assets pledged	-
7	Other off-balance sheet accounts	369,315,420,723.3
Total		10,191,643,502,227.3

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

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TSEVEGJAV GUMENJAV

ERDENEBAVAR GANZORIG