

# FINANCIAL PERFORMANCE AS Q2'2024

**/Unaudited, BOM based/**

Jul, 2024

## FINANCIAL HIGHLIGHTS /2024Q2/

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. 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.

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 responsAbility to support micro, small, and medium-sized enterprises, as well as sustainable and green projects.

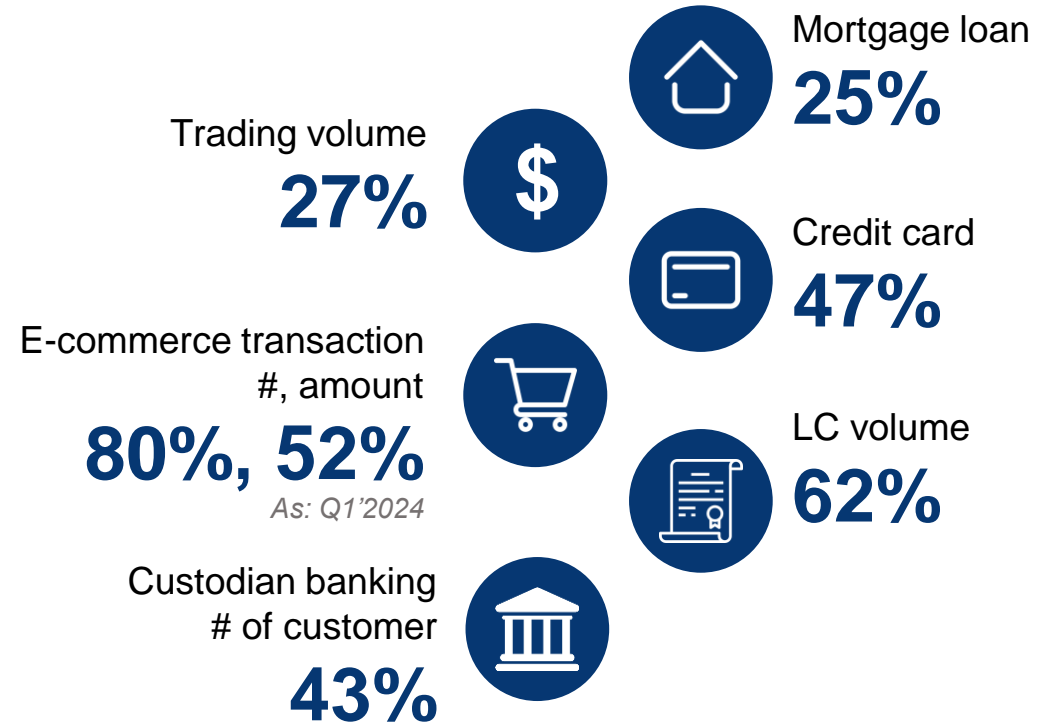
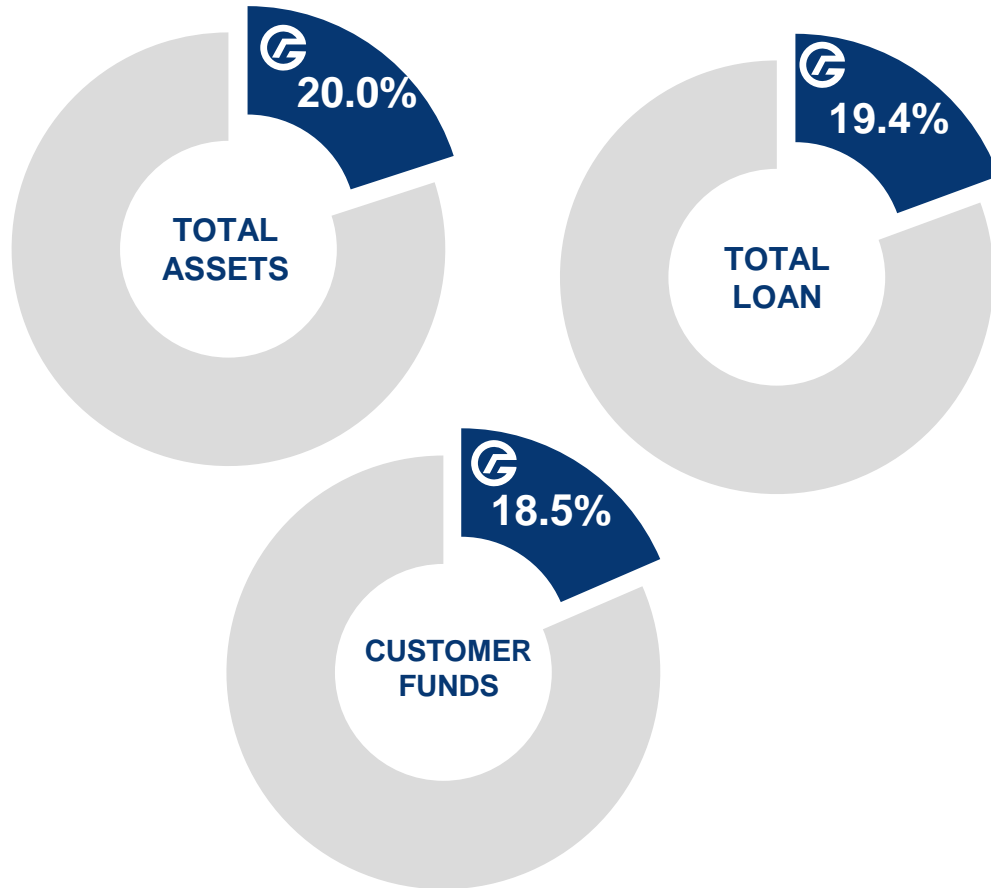
As end of Jun'2024, interest income surged by 29.2% YoY to MNT 580.1 billion, and net interest income rose by 20.7% to MNT 257.6 billion due to loan expansion such as net loans up by 59.1% YoY and gross loans up by 54.3%. Non-interest income saw a notable increase due to business growth and market conditions. The cost-income ratio without the swap impact was efficiently maintained at 34.2%.

Operating profit before provision expenses increased by 214.4% YoY, reaching MNT 365.4 billion. Continued asset quality management led to a reduction in the Non-performing loans (NPL) ratio to 3.2% from 7.3% at the end of the 2<sup>nd</sup> quarter of the previous year, accompanied by an 61.3% decrease YoY in provision expenses, totaling 7.8 billion.

Profit after tax saw a 3.5 times increase, reaching 273.1 billion. Net interest margin improved from 6.1% to 6.2% and annualized return on average equity (ROAE) also increased from 18.3% to 52.8% YoY.

*Unaudited, BOM based*

# FINANCIAL MARKET SHARES as May of 2024



Source: based on BOM statistics



# SEGMENT STRUCTURE\* AND MARKET SHARES\*\*

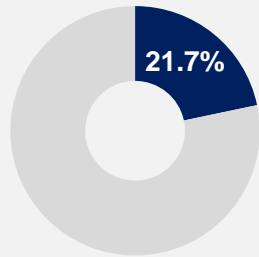
\* Internal method

\*\* Market shares as May'2024

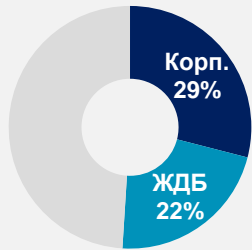
## CORPORATE AND SME LOANS

**Corporate:**  
₮1.9 trillion  
YTD %: +42%

Market share %



% in Golomt total loan

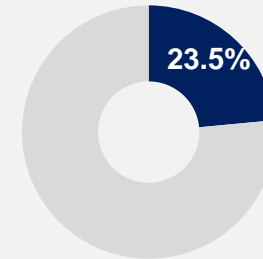


**SME:**  
₮1.5 trillion  
YTD %: +32%

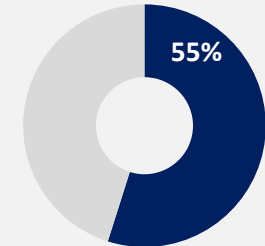
## DUE TO ENTITIES

**₮4.5 trillion**  
YTD %: +1%

Market share %



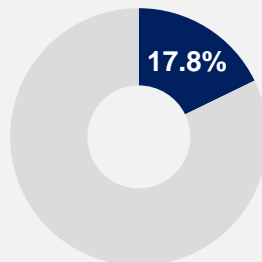
% in Golomt total deposit



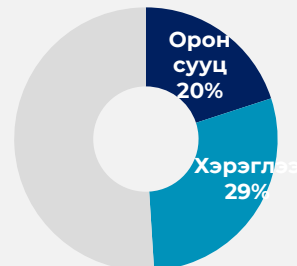
## INDIVIDUALS LOANS

**₮3.2 trillion**  
YTD %: +37%

Market share %



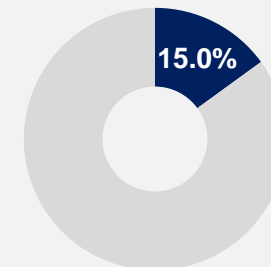
% in Golomt total loan



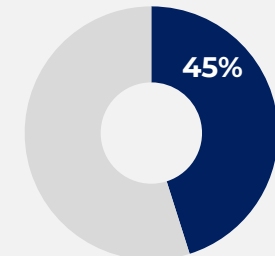
## DUE TO INDIVIDUALS

**₮3.7 trillion**  
YTD %: +6%

Market share %



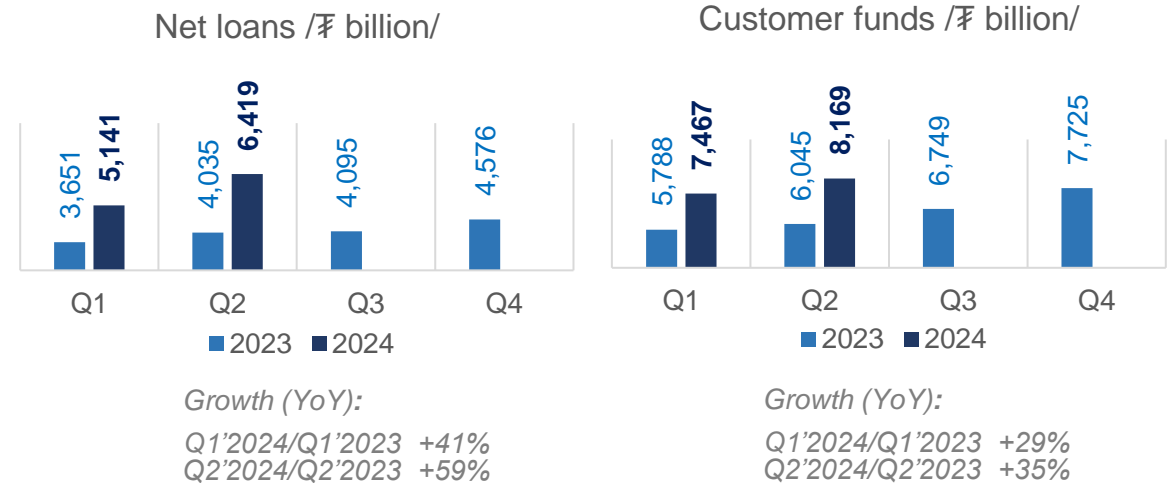
% in Golomt total deposit



# BALANCE PERFORMANCE

BALANCE SHEET (MNT bln)	2023Q2	2023Q4	2024Q2	YTD	%
Cash and cash equivalents	1,941	3,614	2,959	(655)	-18.1%
Due from banks	1,430	1,203	851	(352)	-29.3%
Investment securities	854	1,175	1,072	(103)	-8.8%
<b>Loans (net)</b>	<b>4,035</b>	<b>4,576</b>	<b>6,419</b>	<b>1,843</b>	<b>40.3%</b>
Fixed assets	470	559	593	34	6.1%
Other asset	459	343	378	35	10.3%
<b>TOTAL ASSET</b>	<b>9,187</b>	<b>11,469</b>	<b>12,272</b>	<b>803</b>	<b>7.0%</b>
<b>Due to customers</b>	<b>6,045</b>	<b>7,725</b>	<b>8,169</b>	<b>444</b>	<b>5.7%</b>
Current accounts	2,928	3,979	4,273	294	7.4%
Savings	3,117	3,745	3,896	150	4.0%
Due to banks and FI	1,895	2,193	1,378	(815)	-37.2%
Other funds	277	380	1,220	840	221.4%
Other liabilities	125	225	369	144	64.1%
<b>TOTAL LIABILITIES</b>	<b>8,341</b>	<b>10,522</b>	<b>11,135</b>	<b>614</b>	<b>5.8%</b>
<b>TOTAL EQUITY</b>	<b>846</b>	<b>947</b>	<b>1,136</b>	<b>189</b>	<b>20.0%</b>
NPL	7.3%	5.0%	3.2%		
NPL coverage ratio (%)	83.8%	106.2%	103.5%		
CAR, Tier 1 (%)	16.3%	15.9%	14.5%		
Liquidiy ratio	33.3%	38.3%	33.7%		

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## Balance performance

- Successfully expanded total asset by issuing \$300mln of bond in the international market.
- Customer funds increased by ₮444 billion /5.7%/ YTD to ₮8.2 trillion.
- Net loan increased by ₮1.8 trillion /40.3%/ to ₮6.4 trillion. 49% of the total loan increase was from Retail segment.
- CAR, Tier1 ratio was 14.5% as of the end of Jun'2024.
- All the prudential ratios are fulfilling the requirements of the Bank of Mongolia.

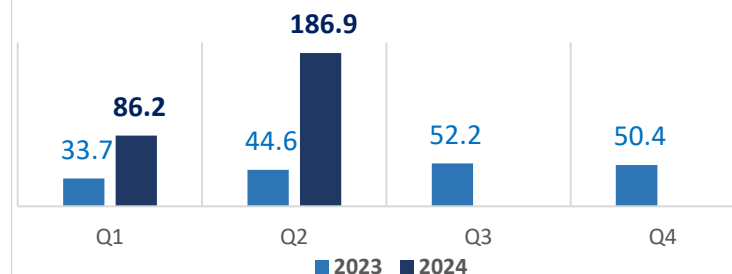
# PROFIT PERFORMANCE

INCOME STATEMENT (MNT bln)	2023Q2	2023Q4	2024Q2	YoY	%
Interest income	448.8	962.0	580.1	131.2	29.2%
Interest expense	235.4	507.3	322.5	87.2	37.0%
<b>Net interest income</b>	<b>213.5</b>	<b>454.7</b>	<b>257.6</b>	<b>44.1</b>	<b>20.7%</b>
<b>Net non interest income</b>	<b>(4.7)</b>	<b>(3.1)</b>	<b>233.2</b>	<b>237.9</b>	<b>5066%</b>
Fee and commission income	48.8	103.3	57.7	8.9	18.2%
Net trading gain	(33.4)	(56.4)	158.4	191.8	574%
Trading gain	28.3	59.0	34.0	5.6	19.8%
SWAP impact	(61.8)	(115.4)	124.5	186.2	302%
Other non-interest income	7.8	13.0	54.4	46.7	601%
Non-interest expense	27.9	63.0	37.4	9.5	34.2%
<b>Operating income</b>	<b>208.8</b>	<b>451.6</b>	<b>490.7</b>	<b>281.9</b>	<b>135.0%</b>
<b>Operating income -without SWAP</b>	<b>270.5</b>	<b>567.0</b>	<b>366.2</b>	<b>95.7</b>	<b>35.4%</b>
Operation expense	92.6	198.3	125.3	32.8	35.4%
<b>Operating profit</b>	<b>116.2</b>	<b>253.4</b>	<b>365.4</b>	<b>249.2</b>	<b>214.4%</b>
<b>Operating profit -without SWAP</b>	<b>178.0</b>	<b>368.8</b>	<b>240.9</b>	<b>63.0</b>	<b>35.4%</b>
Provision expense	20.1	22.4	7.8	(12.3)	-61.3%
<b>Profit before tax</b>	<b>96.1</b>	<b>231.0</b>	<b>357.6</b>	<b>261.5</b>	<b>272.1%</b>
Tax	17.9	50.2	84.5	66.6	372.9%
<b>Profit after tax</b>	<b>78.2</b>	<b>180.8</b>	<b>273.1</b>	<b>194.9</b>	<b>249.1%</b>
NIM*	6.1%	6.3%	6.2%		
CIR without SWAP	34.2%	35.0%	34.2%		
Annualized ROAE	18.3%	20.5%	52.8%		
Annualized ROAA	1.8%	1.9%	4.8%		

\* By internal method

Unaudited, BOM based

## Quarterly net profit /₹ billion/



Quarterly net profit change (YoY):

Q1'2024/Q1'2023 +156%

Q2'2024/Q2'2023 +319%

### Profit performance:

- Net interest income was ₹257.6 billion, 20.7% increase YOY.
- Net non-interest income was ₹233.2 billion.
- Net operating profit before provisioning expense increased by 214.4% and reached to ₹365.4 billion.
- Provision expense decreased by 61.3% and reached to ₹7.8 billion.
- Net profit after tax increased by 3.5 times to ₹273.1 billion.
- Profitability ratios improved from previous year.



## Disclaimer

According to the Accounting Law of Mongolia, enterprises and organizations follow the International Financial Reporting Standards (IFRS), while the Commercial Banks follows the "Accounting Package Materials" approved by the joint decree of the President of the Bank of Mongolia and the Minister of Finance. This regulation does not include changes in some standards updated since 2017 (IFRS-9, IFRS-15, IFRS-16, etc.). Therefore, the quarterly reports prepared in accordance with the above regulation may be different from the IFRS based financial reports. Also, the segment structure of loans, customer funds and operating profit is based on internal methodology.

**THANK YOU FOR  
YOUR ATTENTION**