

FINANCIAL PERFORMANCE AS Q3'2024

/Unaudited, BOM based/

Oct, 2024

FINANCIAL HIGHLIGHTS /2024'Q3/

In 2024, Monetary policy committee of Bank of Mongolia decreased the policy rate three times, reaching 10% from 13%. Inflation, which was 7.9% at the end of the year, decreased to 5.1% in first half of the year, but in Sep, it increased to 6.7%. Although the inflation rate had a growth, it remained within the target range of Bank of Mongolia. The money supply increased by MNT 8.9 trillion or 27.3% YoY, reaching MNT 41.6 trillion in the first 8 months of the year. The US dollar exchange rate was relatively stable compared to previous years. Fitch Ratings has upgraded Mongolia's credit rating to "B+ with a stable outlook," indicating improved economic conditions.

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.

By diversified increasing the bank's loan portfolio in each segment, total loans increased by 63.3% compared to the same period previous year. As a result, at the end of the third quarter of 2024, interest income increased by 32.6% YoY to MNT 934.7 billion and net interest income increased by 16.9% to MNT 391.3 billion. Furthermore, 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 38.0%.

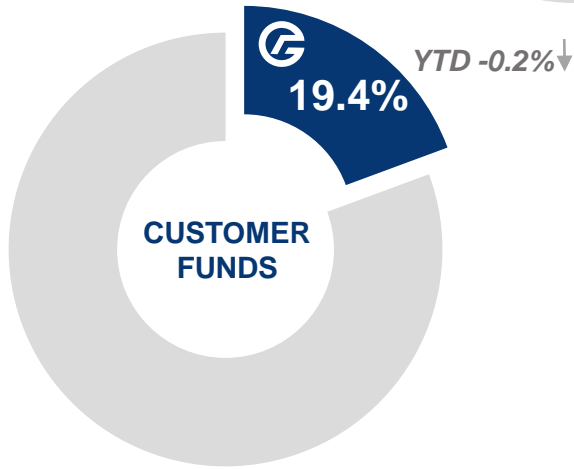
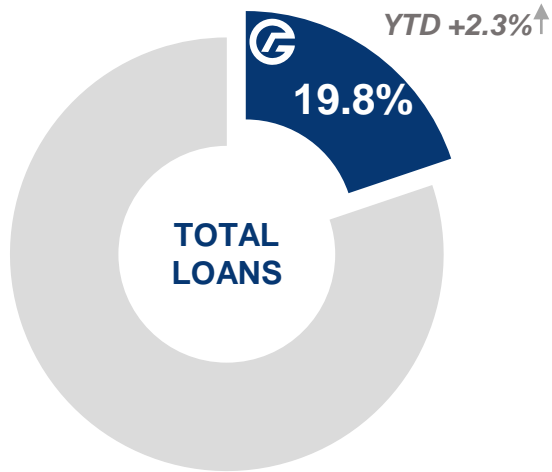
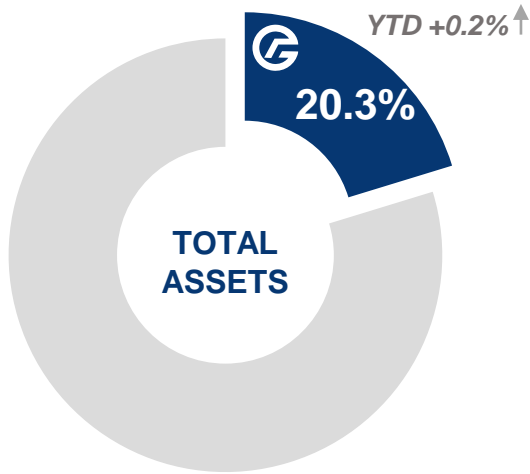
Operating profit before provision expenses increased by 124.3% YoY, reaching to MNT 426.4 billion. Continued asset quality management led to a reduction in the Non-performing loans (NPL) ratio improved to 3.0% from 6.1%, which was in 2023'Q3.

As end of 2024'Q3, provision recovery was ₮24.5 billion, which had a positive impact on the profit.

Profit after tax saw a 2.7 times increase YoY, reaching 348.2 billion. Annualized return on average equity (ROAE) also increased from 20.1% to 43.0% YoY.

All the prudential ratios are fulfilling the requirements of the Bank of Mongolia.

G FINANCIAL MARKET SHARES as Aug of 2024



Trading volume
28%



Mortgage loan
24%

E-commerce transaction #, amount
78%, 54%
As: Q2'2024



Credit card
47%

Custodian banking # of customer, volume
43%, 55%
As: Q2'2024



LC volume
65%

Source: based on BOM statistics



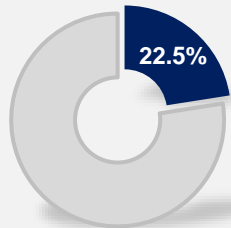
SEGMENT STRUCTURE* AND MARKET SHARES**

* Internal method

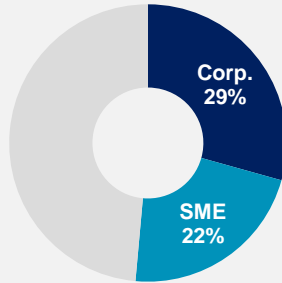
** Market shares as Aug'2024

CORPORATE AND SME LOANS

Market share %



% in Golomt total loan

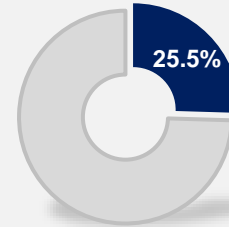


Corporate:
₮2.1 trillion
 YTD %: +55%

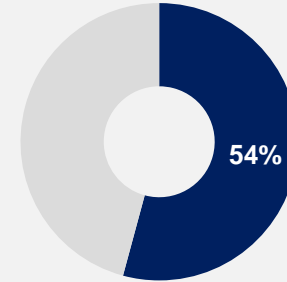
SME:
₮1.6 trillion
 YTD %: +42%

DUE TO ENTITIES

Market share %



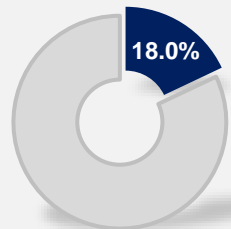
% in Golomt total deposit



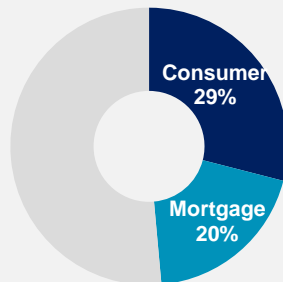
Entities:
₮4.5 trillion
 YTD %: +2%

INDIVIDUALS LOANS

Market share %



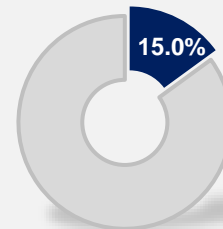
% in Golomt total loan



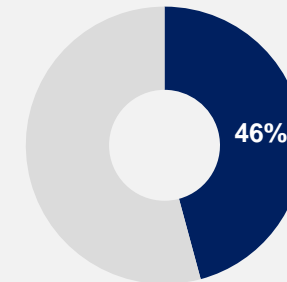
Individuals:
₮3.4 trillion
 YTD %: +46%

DUE TO INDIVIDUALS

Market share %



% in Golomt total deposit



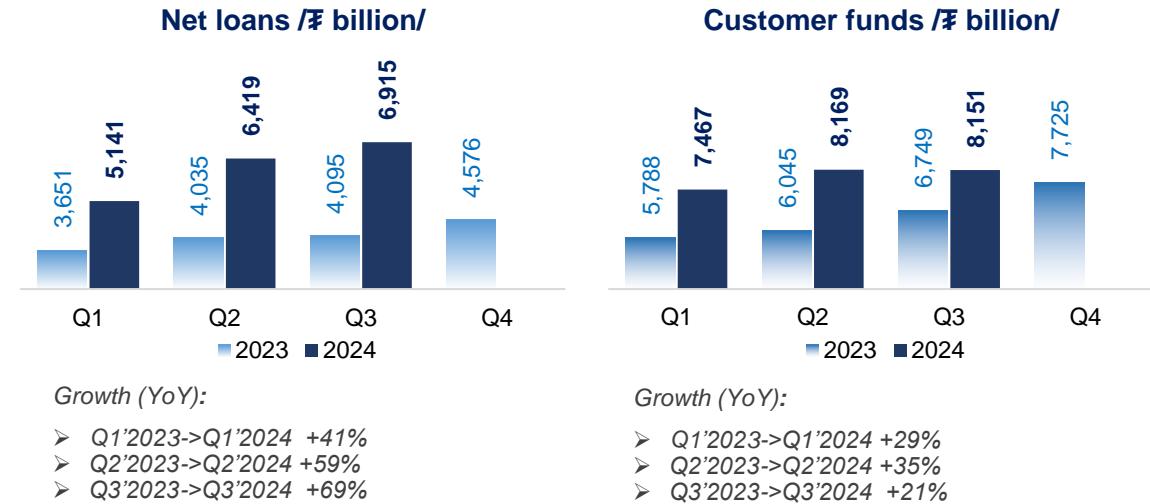
Individuals:
₮3.7 trillion
 YTD %: +11%



BALANCE PERFORMANCE

BALANCE SHEET (MNT bln)	2023Q3	2023Q4	2024Q3	YTD	%
Cash and cash equivalents	2,701	3,614	2,645	(969)	-26.8%
Due from banks	1,153	1,203	843	(360)	-29.9%
Investment securities	838	1,175	1,047	(128)	-10.9%
Loans (net)	4,095	4,576	6,915	2,339	51.1%
Fixed assets	510	559	605	46	8.2%
Other asset	350	343	416	73	21.3%
TOTAL ASSET	9,648	11,469	12,470	1,001	8.7%
Due to customers	6,749	7,725	8,151	426	5.5%
Current accounts	3,347	3,979	4,079	100	2.5%
Savings	3,402	3,745	4,072	326	8.7%
Due to banks and FI	1,598	2,193	1,692	(501)	-22.8%
Other funds	253	380	1,194	814	214.4%
Other liabilities	151	225	222	(3)	-1.2%
TOTAL LIABILITIES	8,751	10,522	11,258	736	7.0%
TOTAL EQUITY	897	947	1,211	265	27.9%
NPL	6.1%	5.0%	3.0%		
NPL coverage ratio (%)	101.4%	106.2%	104.8%		
CAR, Tier 1 (%)	16.4%	15.9%	14.6%		
Liquidiy ratio	39.0%	38.3%	30.8%		

Unaudited, BOM based



Balance performance:

- Successfully expanded total asset by issuing \$300 million of bond in the international market.
- Customer funds increased by ₮426 billion /5.5%/ YTD to ₮8.2 trillion.
- Net loans increased by ₮2.3 billion /51.1%/ to ₮6.4 trillion by diversified increasing in each segment.
- CAR, Tier1 ratio was 14.6% as of the end of Sep'2024.
- All the prudential ratios are fulfilling the requirements of the Bank of Mongolia.

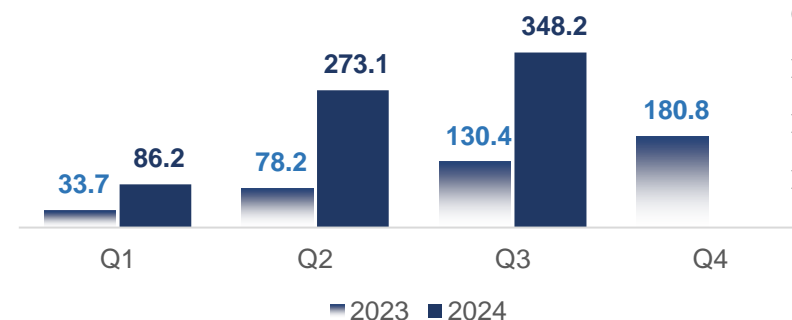
PROFIT PERFORMANCE

INCOME STATEMENT (MNT bln)	2023Q3	2023Q4	2024Q3	YoY	%
Interest income	704.8	962.0	934.7	230.0	32.6%
Interest expense	370.0	507.3	543.4	173.5	46.9%
Net interest income	334.8	454.7	391.3	56.5	16.9%
Net non interest income	(4.3)	(3.1)	224.5	228.8	n/m
Fee and commission income	75.8	103.3	91.2	15.4	20.3%
Net trading gain	(45.2)	(56.4)	179.6	224.8	n/m
Trading gain	40.1	59.0	61.8	21.6	53.9%
SWAP impact	(85.3)	(115.4)	117.8	203.2	n/m
Other non-interest income	9.4	13.0	14.3	4.9	51.8%
Non-interest expense	44.4	63.0	60.6	16.2	36.5%
Operating income	330.4	451.6	615.8	285.3	86.4%
Operating income -without SWAP	415.8	567.0	497.9	82.2	19.8%
Operation expense	140.3	198.3	189.4	49.1	35.0%
Operating profit	190.1	253.4	426.4	236.3	124.3%
Operating profit -without SWAP	275.5	368.8	308.6	33.1	12.0%
Provision expense	25.6	22.4	(24.5)	(50.1)	n/m
Profit before tax	164.5	231.0	450.9	286.4	174.1%
Tax	34.1	50.2	102.7	68.6	201.3%
Profit after tax	130.4	180.8	348.2	217.7	166.9%
NIM*	6.3%	6.3%	5.9%		
CIR without SWAP	33.7%	35.0%	38.0%		
Annualized ROAE	20.1%	20.5%	43.0%		
Annualized ROAA	1.9%	1.9%	4.0%		

Unaudited, BOM based

* By internal method

Profit after tax /₹ billion/



Comparison (YoY):

- Q1'2023->Q1'2024 +156%
- Q2'2023->Q2'2024 +249%
- Q3'2023->Q3'2024 +167%

Profit performance:

- Interest income increased by 32.6% YOY to ₹934.7 billion and net interest income increased by 16.9% to ₹391.3 billion.
- Net non-interest income saw a notable increase due to business growth and market conditions to ₹224.5 billion.
- Net operating profit before provision expense increased by 124.3% and reached to ₹426.4 billion.
- Provision recovery was ₹24.5 billion, which had a positive impact on the profit.
- Net profit after tax increased by 2.7 times to ₹348.2 trillion.
- Annualized ROE and ROA improved to 43.0% and 4.0% respectively.

 **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**