GOLOMT BANK

Condensed Interim Financial Statements for the six months period ended

30 June 2026

CONTENTS

GOLOMT BANK JSC

Corporate Information

Incorporation decision	Golomt Bank JSC (the "Bank") was incorporated on 06 March 1995.	
Certificate and License	The Bank holds the State Registration Certificate No. 9007001012 with registration No.2075377 newly granted to the Bank by the State Registration Office of Mongolia on 7 April 2023. The Bank holds the Special License No. 25 for Banking Activities dated 06 March 1995 issued by the Bank of Mongolia.	
Board of Directors	Ch. Munkhtsetseg	*Chairwoman*
	J. Unenbat	*Member*
	D. Munkhtur	*Member*
	O. Ganjoloo	*Member*
	James B. Dwyer	*Independent Member*
	Alexander Picker	*Independent Member*
	Robert W.van Zwieten	*Independent Member*
	Hans Holzhacker	*Independent Member*
	Ronil Sujan	*Independent Member*
Executive Officers	A. Odonbaatar	*Chief Executive Officer*
	G. Ganbold	*President*
	M. Sainbileg	*Chief Information Officer*
	T. Otgon	*Chief Risk Officer*
	S. Munkhtuya	*Director of Financial Management Division*
	M. Narankhuu	*Director of Credit Division*
	B. Sodbolor	*Director of Treasury Management Division*
	B. Sugar-Erdene	*Director of Corporate Banking Division*
	Ts. Baigalmaa	*Director of SME Banking Division*
	Z. Sugar	*Director of Retail Banking Division*
	O. Battsengel	*Director of Digital Banking Division*
	G. Uyanga	*Director of Human Resource Management Division*
	B. Zorig	*Director of Marketing and PR Division*
	B. Enkhzaya	*Director of International Banking Division*
	B. Enkhtuvshin	*Director of Credit Collection Division*
	Yo. Purevbat	*Director of Operation Division*
	J. Oyun	*Director of Digital Transformation Division*
	Kh. Purevdorj	*Director of Administration Division*
	G. Mandakh	*Director of Customer Registration Division*
	A. Nyamsuren	*Director of Customer Service Division*
	D. Bayarjargal	*Director of Information Technology Division*
Registered office	Head Office of Golomt bank Sukhbaatar Square 5, P.O.Box 22 Ulaanbaatar 15160, Mongolia	
Auditors	KPMG Audit LLC Blue Sky, Floor 6, Suite 602, Peace Avenue 17, SBD-1, Ulaanbaatar 14240, Mongolia	

Management's responsibility statement

The Golomt Bank JCS (the "Bank")'s management is responsible for the preparation of the condensed interim financial statements.

The condensed interim financial statements of the Bank have been prepared to comply with IAS 34 Interim Financial Reporting ("IAS 34"). The management is responsible for ensuring that these condensed interim financial statements present fairly the state of affairs of the Bank as at 30 June 2026 and the financial performance and cash flows for the period then ended on that date.

The management has responsibility for ensuring that the Bank keeps proper accounting records which disclose with reasonable accuracy the financial position of the Bank and which enable them to ensure that the condensed interim financial statements comply with the requirements set out in Note 3 to Note 6 to the last annual financial statements.

The management also has a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Bank and to prevent and detect fraud and other irregularities.

The management considers that, in preparing the condensed interim financial statements including explanatory notes, they have used appropriate policies, consistently applied and supported by reasonable and prudent judgment and estimates, and that all applicable accounting standards have been followed.

The condensed interim financial statements of the Bank for the period ended 30 June 2026 were authorized for issuance by the Bank's management.

CH. MUNKHTSETSEG	A. ODONBAATAR	S. MUNKHTUYA
Chairwoman, Board of Directors	Chief Executive Officer	Director of Financial Management Division

МОНГОЛ УЛС
ГОЛОМТ БАНК
ХК
GOLOMT BANK

Ulaanbaatar,

Mongolia

Date: 14 September 2026

KPMG Audit LLC
#602, Blue Sky Tower, Peace Avenue,
1st Khoroo, Sukhbaatar District,
Ulaanbaatar 14240, Mongolia

Tel : +976 7011 8101
Fax :+976 7011 8102
www.kpmg.com/mn

Independent Auditors' Report on Review of Condensed Interim Financial Statements

To: The Shareholders and Board of Directors of Golomt Bank Joint Stock Company

Introduction

We have reviewed the accompanying condensed statement of financial position of Golomt Bank JSC ("the Bank") as at 30 June 2026, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial statements ('the condensed interim financial statements'). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at and for the six-month ended 30 June 2026 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Audit LLC
Ulaanbaatar, Mongolia
14 September 2026

КПМГ АУДИТ ХХК
KPMG AUDIT LLC
УЛААНБААТАР ХОТ
ТТ33977 ☎ 5543495

Approved by:

Sung Kim

Sung-Min Kim
Partner

This report is effective as at 14 September 2026, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any. Furthermore, this report is intended solely for the use of the shareholders of the Bank. To the fullest extent permitted by law, we do not assume responsibility towards or accept liability to any other party in relation to the contents of this report.

Golomt Bank JSC
Condensed Statement of Financial Position

In thousands of Mongolian Tugriks	Note	30 June 2026	31 December 2025
Assets			
Cash and balances with the Bank of Mongolia	7	2,291,356,617	3,181,075,810
Mandatory cash balances with the Bank of Mongolia		892,916,419	763,190,768
Reverse sale and repurchase agreement		-	41,496,584
Due from other banks	8	1,940,109,804	1,843,175,204
Investments in debt securities	9	4,422,537,879	3,735,881,078
Investments in equity securities	10	143,200,380	102,277,379
Loans and advances to customers	11	8,753,280,078	8,166,178,564
Assets classified as held for sale	17	154,507,982	211,372,166
Investment properties	12	9,063,988	9,063,988
Current income tax prepayment		6,398,900	14,092,503
Other assets	13	710,711,894	590,052,291
Derivative financial assets	37	335,759,943	260,415,143
Intangible assets	14	23,988,660	26,267,202
Premises and equipment	15	223,963,387	204,752,689
Right of use assets	16	30,269,689	33,637,508
Total assets		**19,938,065,620**	**19,182,928,877**
Liabilities			
Due to other banks	18	582,155,656	811,902,175
Customer accounts	19	11,954,838,787	10,814,815,934
Other borrowed funds	20	1,562,992,607	1,262,551,056
Debt securities in Issue	21	2,912,285,483	1,911,935,038
REPO arrangements	22	836,772,386	2,407,294,249
Deferred income tax liability		77,308,812	60,993,064
Derivative financial liabilities	37	20,402,458	24,854,014
Lease liabilities		32,367,397	35,438,125
Other liabilities	23	201,210,571	167,485,742
Total liabilities		**18,180,334,157**	**17,497,269,397**
Equity			
Share capital	24	202,164,327	202,164,327
Share premium	24	301,481,120	301,481,120
Retained earnings		1,148,952,377	1,082,530,281
Other reserves		105,133,639	99,483,752
Total equity		**1,757,731,463**	**1,685,659,480**
Total liabilities and equity		**19,938,065,620**	**19,182,928,877**

In thousands of Mongolian Tugriks	Note	Six months ended 30 June 2026	Six months ended 30 June 2025
Interest income	25	797,004,979	657,479,411
Other similar income	25	57,301,198	44,958,539
Interest expense	25	(530,481,835)	(419,500,366)
Other similar expense	25	(2,566,993)	(2,537,393)
Net interest income		**321,257,349**	**280,400,191**
(Charge)/ reversal of expected credit loss	11	(5,878,559)	33,232,807
Net interest income after expected credit loss		**315,378,790**	**313,632,998**
Fee and commission income	26	71,498,962	66,480,324
Fee and commission expense	26	(45,937,941)	(43,699,295)
Gains less losses from financial assets at fair value through profit or loss		1,973,994	(8,712,886)
Gains less losses from disposal of financial assets at fair value through other comprehensive income		1,994,247	2,892,753
Losses less gains from financial derivatives		(45,236,328)	42,819,956
Gains less losses from trading in precious metals		4,223,049	19,228,247
Foreign exchange translation losses less gains		(44,213,718)	(57,281,764)
Gains less losses from trading in foreign currencies		55,821,527	4,151,319
Gains less losses from loans at fair value through profit or loss		8,005	(156,874)
Losses less gains from modification of financial assets measured at amortised cost, that did not lead to derecognition		(705,434)	(1,800,796)
(Charge)/ reversal of expected credit losses of debt securities fair value through other comprehensive income		(774,544)	2,413,084
Reversal of expected credit losses of debt securities at amortised cost		-	3,131
(Loss) or gain on redemption of bonds		(43,178,459)	1,347,983
Expected credit losses of due from banks		(37,431)	(526,211)
Losses on initial recognition of assets at rates below market		(337,556)	(4,579)
Reversal/ (charge) of expected credit losses of other assets	13	2,991,077	(352,377)
Gains less losses from asset held for sale		7,033,808	17,188,768
Charge of provision for guarantees and letters of credit	36	(1,085,556)	(315,531)
Dividend received		4,210,125	3,447,759
Other operating income	27	39,232,416	9,210,304
Administrative and other operating expenses	28	(159,140,662)	(128,176,890)
Other gains/(losses), net	29	552,091	12,295,526
Profit before tax		**164,270,462**	**254,084,949**
Income tax expense	30	(26,531,611)	(46,968,336)
Profit for the period		**137,738,851**	**207,116,613**
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Debt securities at fair value through other comprehensive income:			
- Gains less losses arising during the period		664,669	1,129,166
- Gains less losses reclassified to profit or loss upon disposal		(1,994,247)	(2,892,753)
Income tax recorded directly in other comprehensive income		332,395	440,897
Items that will not be reclassified to profit or loss:			
Gains less losses on investments in equity securities at fair value through other comprehensive income		43,956	(7,914)
Income tax recorded directly in other comprehensive income		(10,990)	1,979
Other comprehensive income/loss		**(964,217)**	**(1,328,625)**
Total comprehensive income for the period		**136,774,634**	**205,787,988**
Basic earnings per share for profit attributable to the owners of the Bank	32	**170.33**	**256.12**
Diluted earnings per share for profit attributable to the owners of the Bank	32	**170.33**	**256.12**

In thousands of Mongolian Tugriks	**Note**	**Ordinary share capital**	**Share premium**	**Revaluation reserve for securities at FVTOCI**	**Revaluation reserve for premises**	**Other reserves**	**Retained earnings**	**Total equity**
Balance at 1 January 2025		**202,164,327**	**301,481,120**	**9,554,071**	**14,901,681**	**103,658,441**	**798,606,421**	**1,430,366,061**
Profit for the period		-	-	-	-	-	207,116,613	207,116,613
Other comprehensive income/(loss)		-	-	(1,328,625)	-	-	-	(1,328,625)
Total comprehensive income for the period		**-**	**-**	**(1,328,625)**	**-**	**-**	**207,116,613**	**205,787,988**
Dividends declared and paid	31	-	-	-	-	-	(80,865,730)	(80,865,730)
Transfer from regulatory reserve		-	-	-	-	(11,411,045)	11,411,045	-
Use of operational risk reserve						(5,000)	-	(5,000)
Balance at 30 June 2025		**202,164,327**	**301,481,120**	**8,225,446**	**14,901,681**	**92,242,396**	**936,268,349**	**1,555,283,319**
Balance at 1 January 2026		**202,164,327**	**301,481,120**	**15,179,047**	**14,475,354**	**69,829,351**	**1,082,530,281**	**1,685,659,480**
Profit for the period		-	-	-	-	-	137,738,851	137,738,851
Other comprehensive income/(loss)		-	-	(964,217)	-	-	-	(964,217)
Total comprehensive income for the period		**-**	**-**	**(964,217)**	**-**	**-**	**137,738,851**	**136,774,634**
Dividends declared and paid	31	-	-	-	-	-	(64,692,584)	(64,692,584)
Transfer to regulatory reserve		-	-	-	-	6,624,171	(6,624,171)	-
Use of operational risk reserve		-	-	-	-	(10,067)	-	(10,067)
Balance at 30 June 2026		**202,164,327**	**301,481,120**	**14,214,830**	**14,475,354**	**76,443,455**	**1,148,952,377**	**1,757,731,463**

The notes set out on pages 11 to 75 form an integral part of these financial statements.

In thousands of Mongolian Tugriks	Note	2026	2025
Cash flows from operating activities			
Profit before tax		**164,270,462**	**254,084,949**
Adjustments for non-cash income and expenses:			
Charge/ (reversal) of expected credit loss	11	5,878,559	(33,232,807)
Gains less losses from financial assets at fair value through profit or loss		(1,973,994)	8,712,886
Gains less losses from disposal of financial assets at fair value through other comprehensive income		(1,994,247)	(2,893,357)
Losses less gains from financial derivatives	37	45,236,328	(42,819,956)
Losses less gains from modification of financial assets measured at amortised cost, that did not lead to derecognition		705,434	1,800,796
Gains less losses from loans at fair value through profit or loss		(8,005)	156,874
Expected credit losses of due from banks		37,431	526,211
Charge/ (reversal) of expected credit losses of debt securities fair value through other comprehensive income		774,544	(1,556,120)
Reversal of expected credit losses of debt securities at amortised cost		-	(3,131)
Loss or (gain) on redemption of bonds		43,178,459	(1,347,983)
Losses on initial recognition of assets at rates below market		337,556	4,579
Gains less losses on disposal of premises and equipment and assets held for sales	29	(168,760)	(12,320,646)
Foreign exchange translation losses less gains		44,213,718	57,281,764
(Reversal)/ charge of expected credit losses of other assets	13	(2,991,077)	352,377
Charge of provision for guarantees and letters of credit		1,085,556	315,531
Gains less losses from asset held for sale		(7,033,808)	(17,188,768)
Depreciation expense	15,16	18,838,935	17,594,206
Amortisation expense	14	4,633,140	4,553,002
Property and equipment written off	29	-	25,120
Interest income	25	(854,306,177)	(702,437,950)
Interest expense	25	533,048,828	422,037,759
Cash flows used in operating activities before changes in operating assets and liabilities		**(6,237,118)**	**(46,354,664)**
(Increase)/ decrease in mandatory cash balances with the Bank of Mongolia		(129,725,651)	(104,442,224)
Decrease/ (increase) in reverse sale and repurchase agreement		41,457,769	55,694,823
Decrease / (increase) in due from other banks		(4,130,988)	295,468,454
(Increase) / decrease in debt securities at fair value through profit or loss		(90,576,591)	(103,609,180)
(Increase) / decrease in equity securities at fair value through profit or loss		(36,516,607)	-
(Increase/ decrease in loans and advances		(668,047,728)	(782,170,574)
(Increase) / decrease in other assets		(79,654,073)	(58,181,171)
Decrease / (increase) in assets classified as held for sale		47,908,583	45,660,244
(Decrease) / increase in due to banks		(229,724,097)	(263,162,380)
Increase / (decrease) in customer account		1,058,420,284	124,187,435
Increase / (decrease) in derivative instruments		(171,550,731)	97,741,274
Increase / (decrease) in other liabilities		65,833,816	5,754,760
Net cash used in operating activities before tax and interest		**(202,543,132)**	**(733,413,203)**
Income tax paid		(2,200,854)	(13,596,915)
Interest income received		965,802,141	688,949,149
Interest paid		(477,339,218)	(397,872,754)
Net cash from / (used in) operating activities		**283,718,937**	**(455,933,723)**

The notes set out on pages 11 to 75 form an integral part of these financial statements.

In thousands of Mongolian Tugriks	**Note**	**2026**	**2025**
Cash flows from investing activities			
Acquisition of debt securities at fair value through other comprehensive income		(146,400,405)	(14,206,788)
Proceeds from disposal of debt securities at fair value through other comprehensive income		191,656,256	104,042,902
Acquisition of equity securities at fair value through other comprehensive income		(1,733,939)	(34,371,335)
Acquisition of premises and equipment	15	(16,905,207)	(21,057,637)
Proceeds from disposal of premises and equipment	15	992,769	1,377,229
Acquisition of intangible assets	14	(2,388,094)	(1,848,640)
Prepayment for non-current assets		(38,014,453)	(25,523,110)
Net cash (used in)/ from investing activities		**(12,793,073)**	**8,412,621**
Cash flows from financing activities			
Proceeds from repo arrangements		1,878,493,912	4,292,555,947
Repayment of repo arrangements		(3,448,880,911)	(4,874,280,168)
Proceeds from drawdown of other borrowed funds		484,787,242	226,761,746
Repayment of other borrowed funds		(183,640,406)	(546,651,674)
Payment of principal of lease liabilities		(5,897,928)	(5,687,441)
Proceeds from debt securities in issue		1,791,346,152	186,587,180
Repayment of debt securities in issue		(849,314,658)	(67,381,763)
Dividends paid	31	(64,692,584)	(80,865,730)
Net cash used in financing activities		**(397,799,181)**	**(868,961,903)**
Effect of exchange rate changes on cash and cash equivalents		(22,657,950)	123,083,618
Net decrease in cash and cash equivalent		**(149,531,267)**	**(1,193,399,387)**
Cash and cash equivalents at the beginning of the period	7	6,788,039,387	4,956,835,197
Cash and cash equivalents at the end of the period	7	**6,638,508,120**	**3,763,435,810**

1 Introduction

As of 30 June 2026, the Bank's immediate parent company is Golomt Financial Group LLC (31 December 2025: Golomt Financial Group LLC). The Bank was incorporated and is domiciled in Mongolia. The Bank is a joint-stock company and was established in accordance with the legislation of Mongolia.

Mr. Bayasgalan.D, the owner of Golomt Financial Group as of 30 June 2026, represents the ultimate controlling party of the Bank as of 30 June 2026 and 31 December 2025.

The Bank's shareholders as of 30 June 2026 and 31 December 2025 are disclosed in Note 24.

The Bank holds the State Registration Certificate No. 9007001012 with registration No.2075377 re-granted by the State Registration Office of Mongolia on 7 April 2023. The Bank holds a full banking license No. 25 dated 6 March 1995 issued by the Bank of Mongolia, Central Bank of Mongolia.

In accordance with the effective Charter of the Bank, the Bank's principal activities include:

- Savings;
- Loan services;
- Card services;
- Guarantees and letters of credit;
- Money transfer;
- Sales, purchase, deposit and trading of foreign currencies;
- Sales, purchase, deposit and trading of precious metals;
- Foreign settlement;
- Issuance and trading of securities;
- Financial leasing service;
- Purchase and sales of loans and other financial instruments;
- Custodian banking;
- Factoring service;
- Other financial services not restricted under the legislation and other activities accepted by the Bank of Mongolia and other government institutions.

The Bank obtained the Special License for underwriting services, custodian banking and insurance intermediary services from the Financial Regulatory Commission of Mongolia ("FRC") on 2 June 2011, 27 August 2014 and 21 October 2014 respectively in accordance with the resolution No.163, No.295 and No.358 of FRC.

At 30 June 2026, the Bank had 87 branches within Mongolia (31 December 2025: 87 branches). Also, as at 30 June 2026 the Bank had 19 sub-branches (31 December 2025: 20 sub-branches).

The number of Bank employees as at 30 June 2026 was 2,845 (31 December 2025: 2,838).

The Bank's registered office and principal place of business is Sukhbaatar Square 5, P.O.Box 22, Ulaanbaatar 15160, Mongolia.

These financial statements are presented in Mongolian Tugriks ("MNT").

A glossary of various abbreviations used in this document is included in Note 41.

2 Operating Environment of the Bank

2.1 General

Mongolia's economy demonstrated resilience amid ongoing global economic uncertainty, posting year-on-year growth of 7.7% in the first half of 2026. Economic expansion was driven predominantly by the mining sector, supported by favorable external demand conditions and stable export prices. Coal exports remained strong during the period, while copper production increased substantially owing to the underground expansion of the Oyu Tolgoi mine. Reflecting these developments, the mining sector grew by 31.5% in 2026H1, while the transportation sector expanded by 21.5%, in line with the increase in mining production and export activity. However, growth in non-mining sectors remained more moderate. Construction, services, and energy sectors continued to expand, albeit at a slower pace, while wholesale and retail trade contracted slightly in the first half of 2026, pointing to a weaker domestic demand and moderation in broader economic activity.

Inflationary pressures intensified in 2026H1, driven primarily by rising food and fuel prices. Headline CPI inflation accelerated from 6.5% in February to 13.0% in July 2026. A key driver was the sharp increase in meat prices, which rose by 52.4% year-on-year in July and contributed 4.9 percentage points to headline inflation. The surge reflected supply constraints in the domestic market, stemming from higher export demand as well as deteriorated livestock production following losses caused by recent dzud events. While uncertainty in global oil markets increased during the first half of 2026, domestic fuel prices remained relatively stable given the government's agreement with Russia to secure fuel imports at fixed prices. However, fuel prices were revised in July in accordance with the terms of the agreement, and domestic prices began to adjust to higher import costs, adding further upward pressure on inflation. Persistently elevated inflation has eroded households' purchasing power and weighed on domestic demand. As of the second quarter of 2026, both real household income and real household expenditure had declined by 4.8% year-on-year, reflecting the adverse impact of rising living costs on household welfare.

Amid rising inflationary pressures, monetary policy remained firmly restrictive despite inflationary pres-sures being driven predominantly by supply-side factors. The central bank maintained the policy rate at an elevated level and implemented macroprudential measures to curb excessive credit growth. The policy measures were aimed at containing the pass-through of cost-push shocks, mitigating secondary inflationary effects, and preventing a deterioration in inflation expectations. Meanwhile, credit growth of the banking system has continued to decelerate gradually from the elevated levels observed in 2025. As of July 2026, total loan growth had slowed to 13.0% year-on-year. Across lending segments, consumer credit recorded a pronounced slowdown, while business lending exhibited a more gradual moderation. These developments suggest that tighter monetary conditions are curbing the domestic credit expansion and began to restrain aggregate demand in the economy.

Regarding the broader economic outlook, GDP growth is projected to stabilize at around 5.0-5.5% over the near term, supported primarily by continued expansion in the mining sector and investment associ-ated with large-scale infrastructure projects. In contrast, growth in the trade, services, and manufactur-ing sectors is expected to moderate as businesses face rising input costs, higher wage expenses, and softer domestic demand

The long-term effects of the current and future economic situation are difficult to assess and management's current expectations and estimates could differ from the actual results.

For the purpose of measurement of expected credit losses ("ECL") the Bank uses supportable forward-looking information, including forecasts of macroeconomic variables. As with any economic forecast, however, the projections and likelihoods of their occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different from those projected.

2 Operating Environment of the Bank (continued)

2.2 Currency transactions

Foreign currencies, particularly, US Dollar and EUR, play an important role in the underlying economics of many business transactions in Mongolia. The table below shows exchange rate of MNT relative to USD and EUR as set by the Central Bank of Mongolia.

Date	USD	EUR
30 June 2026	3,578.80	4,081.62
31 December 2025	3,556.66	4,186.72
31 December 2024	3,420.25	3,566.98
31 December 2023	3,410.69	3,791.66
31 December 2022	3,444.60	3,669.02

3 Basis of Presentation

3.1 General principles

These interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 *Interim Financial Reporting,* and should be read in conjunction with the Bank's last annual financial statements as at and for the year ended 31 December 2025 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Bank's financial position and performance since the last annual financial statements. These interim financial statements were authorised for issue by the Bank's board of directors on 10 September 2026.

3.2 Use of estimates and judgments

The Bank makes estimates and assumptions that affect the amounts recognised in these interim financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were same as those described in the last annual financial statements.

3.2.1 Measurement of fair value

A number of the Bank's accounting policies require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Bank uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair value is included in Note 38.

4 Change in Accounting Policies

The accounting policies applied in these interim financial statements are the same as those applied in the Bank's financial statements as of and for the year ended 31 December 2025.The policy for recognising and measuring income taxes in the interim period is consistent with that applied in the previous interim period and is described in Note 30.

5 Adoption of New or Revised Standards and Interpretations

New currently effective requirements:

Effective date	New accounting standards or amendments
1 January 2026	• Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) • Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures) • Annual improvements to IFRS Accounting Standards – Volume 11

The application of the new and amendments to IFRS Accounting Standards in the current year has had no material impact on the Bank's financial positions and performance for the current period and on the disclosures set out in these condensed financial statements.

6 New Accounting Pronouncements

The new and amendments to IFRS Accounting Standards that are issued, but not yet effective, up to the date of issuance of the Bank's financial statements are disclosed below. The Bank intends to adopt these standards, if applicable when they become effective.

The following new standards or amendments are not expected to have a significant impact on the Bank's financial statements.

Effective date	New accounting standards or amendments
1 January 2027	• IFRS 18, Presentation and Disclosure in Financial Statements • IFRS 19, Subsidiaries without Public Accountability: Disclosure
Available for optional adoption / effective date deferred indefinitely	• Sales or Contribution of Assets between the Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

7 Cash and Cash Equivalents

Cash and balances with the Bank of Mongolia (other than mandatory reserve)

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Cash on hand	145,215,451	139,582,917
Current account with the Bank of Mongolia (other than mandatory reserve)	2,146,141,166	3,041,492,893
Cash and cash balances with the Bank of Mongolia	**2,291,356,617**	**3,181,075,810**

Cash and cash equivalents for the purposes of the cash flow statement are presented below:

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Cash and balances with the Bank of Mongolia (Note 7)	2,291,356,617	3,181,075,810
Treasury bills of the Bank of Mongolia with original maturities of less than three months (Note 9)	2,903,844,453	2,252,638,983
Due from banks (Note 8)	1,445,503,512	1,356,112,246
Less: Credit loss allowance	(2,196,462)	(1,787,652)
Total cash and cash equivalents	**6,638,508,120**	**6,788,039,387**

8 Due from Other Banks

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Correspondent accounts with other banks	856,101,557	861,426,763
Short-term placements with other banks	591,903,008	499,216,403
Placements with other banks with original maturities of more than three months	492,105,239	482,532,038
Total due from other banks	**1,940,109,804**	**1,843,175,204**

9 Investments in Debt Securities

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Debt securities at FVTOCI	3,362,545,238	2,756,694,336
Debt securities at FVTPL	1,059,992,641	979,186,742
Debt securities at AC	-	-
Total investments in debt securities	**4,422,537,879**	**3,735,881,078**

9 Investments in Debt Securities (continued)

The table below discloses investments in debt securities at 30 June 2026 by measurement categories and classes:

In thousands of Mongolian Tugriks	Debt securities at FVTOCI	Debt securities at FVTPL	Total
Treasury bills of the Bank of Mongolia	2,922,772,212	-	**2,922,772,212**
MIK bonds – Senior RMBS	-	137,798,960	**137,798,960**
MIK bonds – Junior RMBS	-	206,985,350	**206,985,350**
Government bonds	322,875,558	449,721,064	**772,596,622**
SFC bonds – Senior	-	43,454	**43,454**
SFC bonds – Junior	-	1,695,193	**1,695,193**
Corporate bonds	-	59,534,256	**59,534,256**
Other bonds	125,178,160	204,214,364	**329,392,524**
Total investments in debt securities at 30 June 2026 (gross carrying value)	**3,370,825,930**	**1,059,992,641**	**4,430,818,571**
Less: Credit loss allowance	(8,280,692)	-	**(8,280,692)**
Total investments in debt securities at 30 June 2026 (carrying value)	**3,362,545,238**	**1,059,992,641**	**4,422,537,879**

The table below discloses investments in debt securities at 31 December 2025 by measurement categories and classes:

In thousands of Mongolian Tugriks	Debt securities at FVTOCI	Debt securities at FVTPL	Total
Treasury bills of the Bank of Mongolia	2,252,638,983	-	**2,252,638,983**
MIK bonds – Senior RMBS	-	143,491,065	**143,491,065**
MIK bonds – Junior RMBS	-	207,645,735	**207,645,735**
Government bonds	490,693,851	342,176,435	**832,870,286**
SFC bonds – Senior	-	148,797	**148,797**
SFC bonds – Junior	-	4,475,556	**4,475,556**
Corporate bonds	-	78,517,025	**78,517,025**
Other bonds	20,867,650	202,732,129	**223,599,779**
Total investments in debt securities at 31 December 2025 (gross carrying value)	**2,764,200,484**	**979,186,742**	**3,743,387,226**
Less: Credit loss allowance	(7,506,148)	-	**(7,506,148)**
Total investments in debt securities at 31 December 2025 (carrying value)	**2,756,694,336**	**979,186,742**	**3,735,881,078**

9 Investments in Debt Securities (continued)

Investments in debt securities at FVTOCI

The following table discloses Treasury bills of the Bank of Mongolia measured at FVTOCI:

	30 June 2026	31 December 2025
In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 1 (12-months ECL)
Treasury bills of the Bank of Mongolia		
- Excellent	2,922,772,212	2,252,638,983
Less: Credit loss allowance	(2,281,968)	(1,723,502)
Carrying value (fair value)	**2,920,490,244**	**2,250,915,481**

The following table discloses government bonds measured at FVTOCI:

	30 June 2026	31 December 2025
In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 1 (12-months ECL)
Government bonds		
- Excellent	305,724,777	470,787,454
Less: Credit loss allowance	(4,280,290)	(5,490,272)
Add: Fair value adjustment from AC to FV	17,150,781	19,906,397
Carrying value (fair value)	**318,595,268**	**485,203,579**

The following table discloses other bonds measured at FVTOCI:

	30 June 2026	31 December 2025
In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 1 (12-months ECL)
Other bonds		
- Excellent	123,459,726	20,575,253
Less: Credit loss allowance	(1,718,434)	(292,374)
Add: Fair value adjustment from AC to FV	1,718,434	292,397
Carrying value (fair value)	**123,459,726**	**20,575,276**

9 Investments in Debt Securities (continued)

The following table discloses the changes in the credit loss allowance and gross carrying value of debt securities carried at fair value through other comprehensive income between the beginning and the end of the reporting period:

In thousands of Mongolian Tugriks	**Credit loss allowance Stage 1 (12-months ECL)**	**Gross carrying value Stage 1 (12-months ECL)**
Treasury bills of the Bank of Mongolia at FVTOCI		
At 1 January 2026	**1,723,502**	**2,252,638,983**
Movements with impact on credit loss allowance charge for the period:		
New originated or purchased	2,281,968	15,595,089,265
Derecognised during the period	(1,723,502)	(14,924,956,036)
At 30 June 2026	**2,281,968**	**2,922,772,212**
Government bonds at FVTOCI		
At 1 January 2026	**5,490,272**	**490,693,851**
Movements with impact on credit loss allowance charge for the period:		
New originated or purchased	280,730	25,149,457
Derecognised during the period	(1,490,712)	(191,132,106)
Total gross carrying value	**4,280,290**	**324,711,202**
Movements without impact on credit loss allowance charge for the period:		
FX and other movements	-	919,972
Fair value adjustment from AC to FV	-	(2,755,616)
At 30 June 2026	**4,280,290**	**322,875,558**
Other Bonds at FVTOCI		
At 1 January 2026	**292,374**	**20,867,650**
Movements with impact on credit loss allowance charge for the period:		
New originated or purchased	1,442,368	100,000,000
Derecognised during the period	(16,308)	(524,150)
Total gross carrying value	**1,718,434**	**120,343,500**
Movements without impact on credit loss allowance charge for the period:		
FX and other movements	-	3,408,623
Fair value adjustment from AC to FV	-	1,426,037
At 30 June 2026	**1,718,434**	**125,178,160**

9 Investments in Debt Securities (continued)

The following table discloses reconciliation of movements in debt securities measured at FVTPL within Level 3 of the fair value hierarchy during the period:

In thousands of Mongolian Tugriks	MIK bonds	SFC bonds	Other bonds	Total
At 1 January 2026	**351,136,800**	**4,624,353**	**30,167,671**	**385,928,824**
Derecognised during the period	(5,396,500)	(2,796,200)	-	**(8,192,700)**
Changes in accrued interest	(955,990)	(89,506)	-	**(1,045,496)**
Transfers out of level 3	-	-	(30,167,671)	**(30,167,671)**
Total gross carrying value at 30 June 2026	**344,784,310**	**1,738,647**	**-**	**346,522,957**

In thousands of Mongolian Tugriks	MIK bonds	SFC bonds	Corporate bonds	Other bonds	Total
At 1 January 2025	**293,181,247**	**8,738,180**	**-**	**-**	**301,919,427**
New originated or purchased	351,830,500	-	21,297,326	30,000,000	**403,127,826**
Derecognised during the period	(291,645,300)	(4,118,200)	(21,000,000)	-	**(316,763,500)**
Changes in accrued interest	(2,229,647)	4,373	(297,326)	167,671	**(2,354,929)**
Total gross carrying value at 31 December 2025	**351,136,800**	**4,624,353**	**-**	**30,167,671**	**385,928,824**

10 Investments in Equity Securities

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Equity securities at FVTPL	105,842,583	66,699,813
Equity securities at FVTOCI	37,357,797	35,577,566
Total investments in equity securities	**143,200,380**	**102,277,379**

The following table discloses reconciliation of movements in equity securities measured at FVTOCI within Level 3 of the fair value hierarchy during the year:

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
At 1 January	**34,827,870**	**444,264**
New originated or purchased	-	34,371,335
FX and other movements	(2,081)	12,271
Total gross carrying amount	**34,825,789**	**34,827,870**

11 Loans and Advances to Customers

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Gross carrying amount of loans and advances to customers at AC	**8,476,784,295**	**7,978,114,678**
Less: Credit loss allowance	(156,973,201)	(152,007,773)
Total carrying amount of loans and advances to customers at AC	**8,319,811,094**	**7,826,106,905**
Loans and advances to customers at FVTPL / Mortgage/	432,956,063	339,306,164
Loans and advances to customers at FVTPL / SME/	512,921	765,495
Total loans and advances to customers	**8,753,280,078**	**8,166,178,564**

Gross carrying amount and credit loss allowance amount for loans and advances to customers at AC by classes at 30 June 2026 and 31 December 2025 are disclosed in the table below:

	30 June 2026			31 December 2025		
In thousands of Mongolian Tugriks	Gross carrying amount	Credit loss allowance	Carrying amount	Gross carrying amount	Credit loss allowance	Carrying amount
Loans to corporate customers						
Loans to Corporate	2,435,343,219	(33,068,139)	**2,402,275,080**	2,601,337,148	(49,749,456)	**2,551,587,692**
Loans to SME	2,513,167,714	(37,476,448)	**2,475,691,266**	2,186,390,692	(40,220,880)	**2,146,169,812**
Loans to individuals						
Consumer loans	2,132,084,849	(83,907,996)	**2,048,176,853**	1,982,446,673	(59,752,857)	**1,922,693,816**
Mortgage loans	1,396,188,513	(2,520,618)	**1,393,667,895**	1,207,940,165	(2,284,580)	**1,205,655,585**
Total loans and advances to customers at AC	**8,476,784,295**	**(156,973,201)**	**8,319,811,094**	**7,978,114,678**	**(152,007,773)**	**7,826,106,905**

11 Loans and Advances to Customers (continued)

As of 30 June 2026, loss on initial recognition of loans at rates below market in the amount of MNT 337,556 thousand has been recorded in profit or loss for the period.

The following table discloses the changes in the credit loss allowance and gross carrying amount for loans and advances to customers carried at amortised cost between the beginning and the end of the reporting period:

	Credit loss allowances				Gross carrying amount			
In thousands of Mongolian Tugriks	**Stage 1 (12-months ECL)**	**Stage 2 (life-time ECL for SICR)**	**Stage 3 (life-time ECL for credit impaired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
Corporate								
At 1 January 2026	**9,981,629**	**6,511,847**	**33,255,980**	**49,749,456**	**2,516,290,574**	**18,550,154**	**66,496,420**	**2,601,337,148**
Movements with impact on credit loss allow-ance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	46,685	(46,685)	-	**-**	5,544,884	(4,259,151)	(1,285,733)	**-**
- from Stage 1 and Stage 3 to Stage 2	(121,872)	263,461	(141,589)	**-**	(5,483,369)	6,103,314	(619,945)	**-**
- from Stage 1 and Stage 2 to Stage 3	(185,284)	(2,880,976)	3,066,260	**-**	(1,772,722)	(6,164,573)	7,937,295	**-**
New originated or purchased	1,633,999	-	-	**1,633,999**	644,420,347	-	-	**644,420,347**
Derecognised during the period	(3,152,651)	(1,436,925)	(246,809)	**(4,836,385)**	(822,754,510)	(3,765,487)	(2,266,451)	**(828,786,448)**
FX and other movements	(1,099,983)	746,172	(13,125,120)	**(13,478,931)**	38,057,977	(1,305,826)	(18,379,979)	**18,372,172**
At 30 June 2026	**7,102,523**	**3,156,894**	**22,808,722**	**33,068,139**	**2,374,303,181**	**9,158,431**	**51,881,607**	**2,435,343,219**

11 Loans and Advances to Customers (continued)

	Credit loss allowances				Gross carrying amount			
In thousands of Mongolian Tugriks	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit impaired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit impaired)**	**Total**
Corporate								
At 1 January 2025	**4,265,213**	**7,648,017**	**101,623,770**	**113,537,000**	**2,160,518,307**	**130,147,202**	**178,047,976**	**2,468,713,485**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	6,981,570	(2,425,566)	(4,556,004)	**-**	24,080,679	(18,270,783)	(5,809,896)	**-**
- from Stage 1 and Stage 3 to Stage 2	(2,780,012)	2,780,012	-	**-**	(15,799,299)	24,150,882	(8,351,583)	**-**
- from Stage 1 and Stage 2 to Stage 3	(5,688,951)	(1,887,694)	7,576,645	**-**	(20,678,920)	(63,754,562)	84,433,482	**-**
New originated or purchased	13,628,357	-	-	**13,628,357**	1,326,371,767	-	-	**1,326,371,767**
Derecognised during the period	(1,174,858)	(3,334,758)	(77,607,614)	**(82,117,230)**	(897,162,775)	(48,121,857)	(128,263,354)	**(1,073,547,986)**
Write-offs	-	-	-	**-**	-	-	-	**-**
FX and other movements	(5,249,690)	3,731,836	6,219,183	**4,701,329**	(61,039,185)	(5,600,728)	(53,560,205)	**(120,200,118)**
At 31 December 2025	**9,981,629**	**6,511,847**	**33,255,980**	**49,749,456**	**2,516,290,574**	**18,550,154**	**66,496,420**	**2,601,337,148**

11 Loans and Advances to Customers (continued)

	Credit loss allowances				Gross carrying amount			
In thousands of Mongolian Tugriks	**Stage 1 (12-months ECL)**	**Stage 2 (life-time ECL for SICR)**	**Stage 3 (life-time ECL for credit impaired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
SME								
At 1 January 2026	**1,359,886**	**7,765,498**	**31,095,496**	**40,220,880**	**2,054,224,206**	**52,866,919**	**79,299,567**	**2,186,390,692**
Movements with impact on credit loss allow-ance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	156,654	(103,742)	(52,912)	**-**	11,730,926	(10,512,682)	(1,218,244)	**-**
- from Stage 1 and Stage 3 to Stage 2	(51,693)	51,693	-	**-**	(25,550,572)	25,550,572	-	**-**
- from Stage 1 and Stage 2 to Stage 3	(382,543)	(2,197,980)	2,580,523	**-**	(12,610,299)	(10,933,682)	23,543,981	**-**
New originated or purchased	1,684,965	-	-	**1,684,965**	1,107,271,858	-	-	**1,107,271,858**
Derecognised during the period	(158,293)	(739,993)	(253,214)	**(1,151,500)**	(564,638,588)	(6,869,659)	(2,353,796)	**(573,862,043)**
FX and other movements	92,117	(1,074,304)	(2,295,710)	**(3,277,897)**	(190,708,239)	(5,447,380)	(10,477,174)	**(206,632,793)**
At 30 June 2026	**2,701,093**	**3,701,172**	**31,074,183**	**37,476,448**	**2,379,719,292**	**44,654,088**	**88,794,334**	**2,513,167,714**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	**Credit loss allowances**				**Gross carrying amount**			
	Stage 1 (12-months ECL)	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit impaired)**	**Total**
SME								
At 1 January 2025	**1,094,651**	**4,759,643**	**19,227,200**	**25,081,494**	**1,604,255,879**	**42,111,537**	**75,679,338**	**1,722,046,754**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	153,868	(16,566)	(137,302)	**-**	7,814,352	(4,430,397)	(3,383,955)	**-**
- from Stage 1 and Stage 3 to Stage 2	(5,922,908)	5,922,908	-	**-**	(63,284,650)	65,632,186	(2,347,536)	**-**
- from Stage 1 and Stage 2 to Stage 3	(905,896)	(4,493,310)	5,399,206	**-**	(19,889,811)	(19,762,216)	39,652,027	**-**
New originated or purchased	7,637,620	-	-	**7,637,620**	1,284,973,664	-	-	**1,284,973,664**
Derecognised during the period	(229,336)	(241,176)	(4,815,358)	**(5,285,870)**	(482,223,387)	(14,266,251)	(20,587,225)	**(517,076,863)**
Write-offs	-	-	-	**-**	-	-	-	**-**
FX and other movements	(468,113)	1,833,999	11,421,750	**12,787,636**	(277,421,841)	(16,417,940)	(9,713,082)	**(303,552,863)**
At 31 December 2025	**1,359,886**	**7,765,498**	**31,095,496**	**40,220,880**	**2,054,224,206**	**52,866,919**	**79,299,567**	**2,186,390,692**

11 Loans and Advances to Customers (continued)

	Credit loss allowances				Gross carrying amount			
In thousands of Mongolian Tugriks	**Stage 1 (12-months ECL)**	**Stage 2 (life-time ECL for SICR)**	**Stage 3 (life-time ECL for credit impaired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
Consumer								
At 1 January 2026	**9,136,645**	**3,534,545**	**47,081,667**	**59,752,857**	**1,847,649,570**	**43,052,868**	**91,744,235**	**1,982,446,673**
Movements with impact on credit loss allow-ance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	832,663	(699,105)	(133,558)	**-**	10,098,872	(9,828,485)	(270,387)	**-**
- from Stage 1 and Stage 3 to Stage 2	(520,033)	535,350	(15,317)	**-**	(32,760,024)	32,786,186	(26,162)	**-**
- from Stage 1 and Stage 2 to Stage 3	(454,835)	(2,133,851)	2,588,686	**-**	(13,693,253)	(22,425,087)	36,118,340	**-**
New originated or purchased	3,442,291	-	-	**3,442,291**	620,282,012	-	-	**620,282,012**
Derecognised during the period	(699,101)	(150,690)	(3,341,811)	**(4,191,602)**	(340,330,859)	(2,655,150)	(6,306,061)	**(349,292,070)**
FX and other movements	2,761,920	2,555,609	19,586,921	**24,904,450**	(100,003,131)	(7,706,808)	(13,641,827)	**(121,351,766)**
At 30 June 2026	**14,499,550**	**3,641,858**	**65,766,588**	**83,907,996**	**1,991,243,187**	**33,223,524**	**107,618,138**	**2,132,084,849**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	Credit loss allowances				Gross carrying amount			
	Stage 1 (12-months ECL)	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
Consumer								
At 1 January 2025	**5,207,312**	**2,493,051**	**22,887,000**	**30,587,363**	**1,873,431,041**	**36,533,562**	**38,307,447**	**1,948,272,050**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	575,893	(373,013)	(202,880)	**-**	7,195,269	(6,701,589)	(493,680)	**-**
- from Stage 1 and Stage 3 to Stage 2	(1,485,371)	1,499,540	(14,169)	**-**	(55,839,224)	55,882,372	(43,148)	**-**
- from Stage 1 and Stage 2 to Stage 3	(3,573,351)	(1,646,169)	5,219,520	**-**	(66,988,352)	(21,884,154)	88,872,506	**-**
New originated or purchased	8,073,335	-	-	**8,073,335**	862,551,580	-	-	**862,551,580**
Derecognised during the period	(1,023,416)	(282,138)	(3,644,479)	**(4,950,033)**	(540,340,955)	(4,955,038)	(6,571,747)	**(551,867,740)**
Write-offs	-	(279,812)	(5,412,574)	**(5,692,386)**	-	(279,812)	(5,412,574)	**(5,692,386)**
FX and other movements	1,362,243	2,123,086	28,249,249	**31,734,578**	(232,359,789)	(15,542,473)	(22,914,569)	**(270,816,831)**
At 31 December 2025	**9,136,645**	**3,534,545**	**47,081,667**	**59,752,857**	**1,847,649,570**	**43,052,868**	**91,744,235**	**1,982,446,673**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	Credit loss allowances				Gross carrying amount			
	Stage 1 (12-months ECL)	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit impaired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
Mortgage								
At 1 January 2026	**116,617**	**545,372**	**1,622,591**	**2,284,580**	**1,162,078,825**	**21,573,526**	**24,287,814**	**1,207,940,165**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	24,415	(24,415)	-	**-**	9,478,568	(8,369,693)	(1,108,875)	**-**
- from Stage 1 and Stage 3 to Stage 2	(4,461)	4,461	-	**-**	(11,234,090)	11,234,090	-	**-**
- from Stage 1 and Stage 2 to Stage 3	(2,398)	(330,725)	333,123	**-**	(2,805,048)	(5,197,847)	8,002,895	**-**
New originated or purchased	38,947	-	-	**38,947**	287,197,773	-	-	**287,197,773**
Derecognised during the period	(8,328)	(30,408)	(406,085)	**(444,821)**	(45,925,371)	(1,452,379)	(2,530,120)	**(49,907,870)**
FX and other movements	29,669	(35,611)	647,854	**641,912**	(48,334,804)	163,259	(870,010)	**(49,041,555)**
At 30 June 2026	**194,461**	**128,674**	**2,197,483**	**2,520,618**	**1,350,455,853**	**17,950,956**	**27,781,704**	**1,396,188,513**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	Credit loss allowances				Gross carrying amount			
	Stage 1 (12-months ECL)	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**	**Stage 1 (12-months ECL)**	**Stage 2 (lifetime ECL for SICR)**	**Stage 3 (lifetime ECL for credit im-paired)**	**Total**
Mortgage								
At 1 January 2025	**107,015**	**30,225**	**2,849,626**	**2,986,866**	**904,098,783**	**12,843,185**	**19,622,234**	**936,564,202**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- from Stage 2 and Stage 3 to Stage 1	180,428	(4,348)	(176,080)	**-**	5,356,421	(4,155,073)	(1,201,348)	**-**
- from Stage 1 and Stage 3 to Stage 2	(133,639)	133,639	-	**-**	(18,908,508)	19,009,977	(101,469)	**-**
- from Stage 1 and Stage 2 to Stage 3	(24,801)	(6,506)	31,307	**-**	(6,286,570)	(3,636,557)	9,923,127	**-**
New originated or purchased	182,851	-	-	**182,851**	432,628,192	-	-	**432,628,192**
Derecognised during the period	(12,376)	(14,144)	(459,677)	**(486,197)**	(78,613,920)	(2,717,282)	(2,514,355)	**(83,845,557)**
Write-offs	-	-	-	**-**	-	-	-	**-**
FX and other movements	(182,861)	406,506	(622,585)	**(398,940)**	(76,195,573)	229,276	(1,440,375)	**(77,406,672)**
At 31 December 2025	**116,617**	**545,372**	**1,622,591**	**2,284,580**	**1,162,078,825**	**21,573,526**	**24,287,814**	**1,207,940,165**

11 Loans and Advances to Customers (continued)

The loans and advances to customers at FVTPL changes between the beginning and end of the reporting periods are as follows at 30 June 2026:

In thousands of Mongolian Tugriks	Mortgage	SME	Corporate	Total
At 1 January 2026	**339,306,164**	**765,495**	**-**	**340,071,659**
Movement between FVTPL and AC	6,623,080	-	-	**6,623,080**
New originated or purchased	91,222,072	59,256	-	**91,281,328**
Derecognised during the period	(1,001,727)	(222,461)	-	**(1,224,188)**
Write-offs	-	-	-	**-**
Repayment	(3,193,526)	(89,369)	-	**(3,282,895)**
At 30 June 2026	**432,956,063**	**512,921**	**-**	**433,468,984**

Movements in the expected credit loss allowance for loans to legal entities and individuals are as follows:

In thousands of Mongolian Tugriks	Loans to Corporate	Loans to SME	Consumer loans	Mortgage loans	Total
Expected credit loss allowance at 1 January 2026	**49,749,456**	**40,220,880**	**59,752,857**	**2,284,580**	**152,007,773**
Credit loss allowance charge/(recovery) during the year	(14,818,290)	(2,757,476)	23,221,270	233,055	**5,878,559**
Recovered amounts from previously written off loans	-	27,664	1,533,071	2,983	**1,563,718**
Foreign exchange difference	(1,863,027)	(14,620)	(599,202)	-	**(2,476,849)**
Expected credit loss allowance at 30 June 2026	**33,068,139**	**37,476,448**	**83,907,996**	**2,520,618**	**156,973,201**

In thousands of Mongolian Tugriks	Loans to Corporate	Loans to SME	Consumer loans	Mortgage loans	Total
Expected credit loss allowance at 1 January 2025	**113,537,000**	**25,081,494**	**30,587,363**	**2,986,866**	**172,192,723**
Credit loss allowance charge/(recovery) during the year	(75,298,820)	6,604,208	32,323,608	(702,286)	**(37,073,290)**
Recovered amounts from previously written off loans	14,601,184	8,536,474	2,779,376	-	**25,917,034**
Amounts written off during the year as uncollectible	-	-	(5,692,387)	-	**(5,692,387)**
Foreign exchange difference	(3,089,908)	(1,296)	(245,103)	-	**(3,336,307)**
Expected credit loss allowance at 31 December 2025	**49,749,456**	**40,220,880**	**59,752,857**	**2,284,580**	**152,007,773**

11 Loans and Advances to Customers (continued)

The credit quality of loans to corporate and individual customers carried at amortised cost is as follows at 30 June 2026:

In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Loans to Corporate				
- Excellent	2,374,303,180	-	-	**2,374,303,180**
- Good	-	9,158,431	-	**9,158,431**
- Satisfactory	-	-	9,982,744	**9,982,744**
- Special Monitoring	-	-	6,745,357	**6,745,357**
- Default	-	-	35,153,507	**35,153,507**
Gross carrying amount	**2,374,303,180**	**9,158,431**	**51,881,608**	**2,435,343,219**
Less: Credit loss allowance	(7,102,522)	(3,156,896)	(22,808,721)	**(33,068,139)**
Carrying amount	**2,367,200,658**	**6,001,535**	**29,072,887**	**2,402,275,080**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Loans to SME				
- Excellent	2,379,719,292	-	-	**2,379,719,292**
- Good	-	44,654,088	-	**44,654,088**
- Satisfactory	-	-	11,436,573	**11,436,573**
- Special monitoring	-	-	17,602,691	**17,602,691**
- Default	-	-	59,755,070	**59,755,070**
Gross carrying amount	**2,379,719,292**	**44,654,088**	**88,794,334**	**2,513,167,714**
Less: Credit loss allowance	(2,701,093)	(3,701,172)	(31,074,183)	**(37,476,448)**
Carrying amount	**2,377,018,199**	**40,952,916**	**57,720,151**	**2,475,691,266**
Consumer loans				
- Excellent	1,991,243,187	-	-	**1,991,243,187**
- Good	-	33,223,524	-	**33,223,524**
- Satisfactory	-	-	4,708,559	**4,708,559**
- Special monitoring	-	-	6,584,799	**6,584,799**
- Default	-	-	96,324,780	**96,324,780**
Gross carrying amount	**1,991,243,187**	**33,223,524**	**107,618,138**	**2,132,084,849**
Less: Credit loss allowance	(14,499,550)	(3,641,858)	(65,766,588)	**(83,907,996)**
Carrying amount	**1,976,743,637**	**29,581,666**	**41,851,550**	**2,048,176,853**
Mortgage loans				
- Excellent	1,350,455,853	-	-	**1,350,455,853**
- Good	-	17,950,956	-	**17,950,956**
- Satisfactory	-	-	7,784,383	**7,784,383**
- Special monitoring	-	-	9,142,238	**9,142,238**
- Default	-	-	10,855,083	**10,855,083**
Gross carrying amount	**1,350,455,853**	**17,950,956**	**27,781,704**	**1,396,188,513**
Less: Credit loss allowance	(194,461)	(128,674)	(2,197,483)	**(2,520,618)**
Carrying amount	**1,350,261,392**	**17,822,282**	**25,584,221**	**1,393,667,895**

11 Loans and Advances to Customers (continued)

The credit quality of loans to corporate and individual customers carried at amortised cost is as follows at 31 December 2025:

In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Loans to Corporate				
- Excellent	2,516,290,574	-	-	**2,516,290,574**
- Good	-	18,550,154	-	**18,550,154**
- Satisfactory	-	-	9,394,194	**9,394,194**
- Special Monitoring	-	-	5,602,388	**5,602,388**
- Default	-	-	51,499,838	**51,499,838**
Gross carrying amount	**2,516,290,574**	**18,550,154**	**66,496,420**	**2,601,337,148**
Less: Credit loss allowance	(9,981,629)	(6,511,847)	(33,255,980)	**(49,749,456)**
Carrying amount	**2,506,308,945**	**12,038,307**	**33,240,440**	**2,551,587,692**
Loans to SME				
- Excellent	2,054,224,206	-	-	**2,054,224,206**
- Good	-	52,866,919	-	**52,866,919**
- Satisfactory	-	-	15,421,095	**15,421,095**
- Special monitoring	-	-	5,810,112	**5,810,112**
- Default	-	-	58,068,360	**58,068,360**
Gross carrying amount	**2,054,224,206**	**52,866,919**	**79,299,567**	**2,186,390,692**
Less: Credit loss allowance	(1,359,886)	(7,765,498)	(31,095,496)	**(40,220,880)**
Carrying amount	**2,052,864,320**	**45,101,421**	**48,204,071**	**2,146,169,812**
Consumer loans				
- Excellent	1,847,649,570	-	-	**1,847,649,570**
- Good	-	43,052,868	-	**43,052,868**
- Satisfactory	-	-	2,762,053	**2,762,053**
- Special monitoring	-	-	7,223,587	**7,223,587**
- Default	-	-	81,758,595	**81,758,595**
Gross carrying amount	**1,847,649,570**	**43,052,868**	**91,744,235**	**1,982,446,673**
Less: Credit loss allowance	(9,136,645)	(3,534,545)	(47,081,667)	**(59,752,857)**
Carrying amount	**1,838,512,925**	**39,518,323**	**44,662,568**	**1,922,693,816**

11 Loans and Advances to Customers (continued)

In thousands of Mongolian Tugriks	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Mortgage loans				
- Excellent	1,162,078,825	-	-	**1,162,078,825**
- Good	-	21,573,526	-	**21,573,526**
- Satisfactory	-	-	6,723,702	**6,723,702**
- Special monitoring	-	-	6,179,374	**6,179,374**
- Default	-	-	11,384,738	**11,384,738**
Gross carrying amount	**1,162,078,825**	**21,573,526**	**24,287,814**	**1,207,940,165**
Less: Credit loss allowance	(116,617)	(545,372)	(1,622,591)	**(2,284,580)**
Carrying amount	**1,161,962,208**	**21,028,154**	**22,665,223**	**1,205,655,585**

11 Loans and Advances to Customers (continued)

Economic sector risk concentrations within the customer loan portfolio are as follows:

	30 June 2026		31 December 2025	
In thousands of Mongolian Tugriks	**Amount**	**%**	**Amount**	**%**
Trade – Whole & Retail	2,350,350,083	26.38%	1,956,643,127	23.52%
Mortgage & House maintenance	1,829,144,576	20.53%	1,547,246,329	18.60%
Individuals	1,779,171,011	19.97%	1,709,169,265	20.55%
Mining & Exploration	530,542,337	5.95%	588,859,085	7.08%
Construction	541,276,565	6.07%	575,289,422	6.92%
Manufacturing	407,900,189	4.58%	441,627,812	5.31%
Home appliances	347,944,251	3.90%	335,973,325	4.04%
Maintenance	327,299,436	3.67%	260,585,656	3.13%
Finance	140,650,996	1.58%	172,129,714	2.07%
Transport & Communication	127,375,393	1.43%	135,403,650	1.63%
Real estate	98,038,069	1.10%	131,303,708	1.58%
Agriculture	97,616,935	1.10%	103,434,597	1.24%
Education	91,409,984	1.03%	97,229,440	1.17%
Electricity & Oil	38,773,347	0.44%	73,202,662	0.88%
Healthcare	69,461,583	0.78%	68,207,373	0.82%
Hotel & Restaurant	67,782,779	0.76%	52,895,567	0.64%
Tourism	14,279,621	0.16%	10,121,123	0.12%
Public service	4,014,234	0.05%	6,834,658	0.08%
Car	5,038,654	0.06%	5,032,502	0.06%
Social services	4,659,240	0.05%	2,689,323	0.03%
Entrepreneurship	4,933,298	0.06%	2,416,120	0.03%
Others	32,590,698	0.35%	41,891,879	0.50%
Total gross carrying value	**8,910,253,279**	**100.00%**	**8,318,186,337**	**100%**

12 Investment Properties

Below is the information on changes in investment properties as follows at 30 June 2026:

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Investment properties at fair value at 1 January	**9,063,988**	**8,014,077**
Disposals	-	-
Fair value gain/(losses)	-	1,049,911
Closing balance of Investment properties at fair value	**9,063,988**	**9,063,988**

The Bank's intention is to keep the premises for the purposes of earning rental income, capital appreciation, or both, and not to occupy premises by the Bank.

13 Other Assets

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Other financial assets at FV:		
Precious metals	60,645,592	831,930
Total other financial assets at FV	**60,645,592**	**831,930**
Other financial assets at AC:		
Receivables on cash and settlements services	15,147,162	2,708,696
Receivable from companies	8,025,378	8,158,000
Receivable from individuals	3,773,361	3,455,746
Other financial assets	12,019,672	19,277,387
Less: Credit loss allowance	(7,106,324)	(10,113,297)
Total other financial assets at AC	**31,859,249**	**23,486,532**
Total other financial assets	**92,504,841**	**24,318,462**
Other non-financial assets		
Prepayments for non-current assets	541,660,039	503,645,586
Prepayments for employees' benefits	30,540,464	27,264,854
Prepayments for rent	1,339,885	1,346,067
Other prepayments	31,071,521	20,453,297
Other non-financial assets	13,595,144	13,024,025
Total non-financial assets	**618,207,053**	**565,733,829**
Total other assets	**710,711,894**	**590,052,291**

13 Other Assets (continued)

Movements in the provision for asset impairment are as follows at 30 June 2026:

In thousands of Mongolian Tugriks	**Receivable from companies**	**Receivable from individuals**	**Receivables on cash and settlement services**	**Other financial assets**	**Total**
Expected credit loss allowance of other assets at 1 January 2026	**3,653,958**	**2,732,259**	**11,967**	**3,715,113**	**10,113,297**
Credit loss allowance charge/(recovery) during the year	520,517	154,902	18,991	(3,685,487)	**(2,991,077)**
Exchange difference	(21)	(15,177)	(698)	-	**(15,896)**
Expected credit loss allowance of other assets at 30 June 2026	**4,174,454**	**2,871,984**	**30,260**	**29,626**	**7,106,324**

Movements in the provision for asset impairment are as follows at 31 December 2025:

In thousands of Mongolian Tugriks	**Receivable from companies**	**Receivable from individuals**	**Receivables on cash and settlement services**	**Other financial assets**	**Total**
Expected credit loss allowance of other assets at 1 January 2025	3,453,076	2,446,781	6,493	-	**5,906,350**
Credit loss allowance charge/(recovery) during the year	202,891	375,219	7,313	3,715,113	**4,300,536**
Exchange difference	(1,891)	(89,253)	(1,839)	-	**(92,983)**
Amounts written off during the year as uncollectible	(118)	(488)	-	-	**(606)**
Expected credit loss allowance of other assets at 31 December 2025	**3,653,958**	**2,732,259**	**11,967**	**3,715,113**	**10,113,297**

14 Intangible Assets

In thousands of Mongolian Tugriks	**Computer software licences**	**Land use right**	**Total**
Cost at 1 January 2025	64,287,343	20,329	**64,307,672**
Accumulated amortization	(41,608,429)	(13,358)	**(41,621,787)**
Carrying amount at 1 January 2025	**22,678,914**	**6,971**	**22,685,885**
Additions	5,018,316	238,913	**5,257,229**
Transfers from premises and equipment	-	8,000,000	**8,000,000**
Amortisation	(9,669,270)	(6,642)	**(9,675,912)**
Carrying amount at 31 December 2025	**18,027,960**	**8,239,242**	**26,267,202**
Cost at 1 January 2026	**69,305,659**	**8,259,242**	**77,564,901**
Accumulated amortization	(51,277,699)	(20,000)	(51,297,699)
Carrying amount at 1 January 2026	**18,027,960**	**8,239,242**	**26,267,202**
Additions	2,388,094	-	**2,388,094**
Other transfer	(33,496)	-	**(33,496)**
Amortization	(4,633,140)	-	**(4,633,140)**
Carrying amount at 30 June 2026	**15,749,418**	**8,239,242**	**23,988,660**

15 Premises and Equipment

In thousands of Mongolian Tugriks	**Premises**	**Motor vehicles**	**Office equipment and computers**	**Furniture**	**Leasehold im-provement**	**Construction in progress**	**Total premises and equipment**
Cost/valuation at 1 January 2025	**150,762,786**	**5,555,586**	**138,354,574**	**11,593,195**	**10,967,876**	**8,000,000**	**325,234,017**
Accumulated depreciation	**(20,917,965)**	**(2,206,420)**	**(92,781,579)**	**(4,565,284)**	**(4,658,793)**	**-**	**(125,130,041)**
Carrying amount at 1 January 2025	**129,844,821**	**3,349,166**	**45,572,995**	**7,027,911**	**6,309,083**	**8,000,000**	**200,103,976**
Additions	7,606,249	893,600	25,194,478	1,539,596	3,765,554	-	**38,999,477**
Transfer to Intangible Assets	-	-	-	-	-	(8,000,000)	**(8,000,000)**
Transfers	-	-	(24,892)	24,892	-	-	**-**
Disposals	(156,622)	-	(3,419,096)	(87,308)	-	-	**(3,663,026)**
Write-offs	-	(58,000)	(9,395,970)	(165,197)	(914,403)	-	**(10,533,570)**
Depreciation	(4,520,223)	(630,990)	(16,368,525)	(792,484)	(2,462,999)	-	**(24,775,221)**
Transfers of accumulated depreciation	-	-	1,107	(1,107)	-	-	**-**
Disposals of accumulated depreciation	10,580	-	2,030,298	71,724	-	-	**2,112,602**
Write-offs of accumulated depreciation	-	32,881	9,395,970	165,197	914,403	-	**10,508,451**
Carrying amount at 31 December 2025	**132,784,805**	**3,586,657**	**52,986,365**	**7,783,224**	**7,611,638**	**-**	**204,752,689**
Cost/valuation at 1 January 2026	**158,212,413**	**6,391,186**	**150,709,094**	**12,905,178**	**13,819,027**	**-**	**342,036,898**
Accumulated depreciation	(25,427,608)	(2,804,529)	(97,722,729)	(5,121,954)	(6,207,389)	-	(137,284,209)
Carrying amount at 1 January 2026	**132,784,805**	**3,586,657**	**52,986,365**	**7,783,224**	**7,611,638**	**-**	**204,752,689**
Additions	512,849	1,669,796	13,314,119	622,352	786,091	-	16,905,207
Transfer from Assets classified as held for sale	15,739,920	-	-	-	-	-	15,739,920
Transfers	-	-	90,672	(90,672)	-	-	-
Disposals	-	(54,000)	(2,021,229)	(60,825)	-	-	(2,136,054)
Write-offs	-	-	(8,677,120)	(73,388)	(2,138,365)	-	(10,888,873)
Depreciation	(1,960,659)	(341,158)	(8,608,536)	(415,526)	(1,182,185)	-	(12,508,064)
Transfers of accumulated depreciation	-	-	(2,430)	2,430	-	-	-
Disposals of accumulated depreciation	-	38,227	1,129,293	42,169	-	-	1,209,689
Write-offs of accumulated depreciation	-	-	8,677,120	73,388	2,138,365	-	10,888,873
Carrying amount at 30 June 2026	**147,076,915**	**4,899,522**	**56,888,254**	**7,883,152**	**7,215,544**	**-**	**223,963,387**

16 Right of Use Assets

The Bank leases various offices and spaces for ATM, garages and warehouses. Rental contracts are typically made for fixed periods of 1 year to 10 years.

The right of use assets by class of underlying items is analysed as follows:

In thousands of Mongolian Tugriks	Buildings	Other	Total
Carrying amount at 1 January 2025	**24,883,123**	**3,362**	**24,886,485**
Additions	23,783,965	4,279,148	28,063,113
Disposals	(6,773,714)	(1,946)	(6,775,660)
Depreciation charge	(11,681,527)	(854,903)	(12,536,430)
Carrying amount at 31 December 2025	**30,211,847**	**3,425,661**	**33,637,508**
Additions	4,748,519	501,065	5,249,584
Disposals	(2,286,532)	-	(2,286,532)
Depreciation charge	(5,872,528)	(458,343)	(6,330,871)
Carrying amount at 30 June 2026	**26,801,306**	**3,468,383**	**30,269,689**

17 Assets Classified as Held for Sale

Assets classified as held for sale were repossessed collateral, acquired by the Bank in settlement of overdue loans.

Major classes of assets classified as held for sale are as follows:

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Office and commercial spaces	89,442,766	94,737,169
Residential apartments or houses	42,940,950	89,880,028
Buildings	9,937,158	14,666,804
Other	12,187,108	12,088,165
Total assets held for sale	**154,507,982**	**211,372,166**

As of 30 June 2026, the Bank sold offices, commercial spaces and residential apartments in amount of MNT 66,412,486 thousand.

18 Due to Other Banks

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Short-term placements of other banks	582,155,656	811,902,175
Total due to other banks	**582,155,656**	**811,902,175**

19 Customer Accounts

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Individuals	**5,405,151,814**	**5,076,483,428**
- Current accounts	867,429,031	785,359,526
- Demand deposits	689,504,425	637,208,995
- Term deposits	3,848,218,358	3,653,914,907
Legal entities	**4,682,412,136**	**4,451,836,392**
- Current/settlement accounts	3,405,714,058	3,231,366,099
- Term deposits	1,276,698,078	1,220,470,293
State and public organizations	**1,759,686,354**	**1,176,273,086**
- Current/settlement accounts	1,207,155,789	518,263,595
- Term deposits	552,530,565	658,009,491
Other	**107,588,483**	**110,223,028**
- Current accounts	68,678,614	64,232,370
- Term deposits	38,909,869	45,990,658
Total customer accounts	**11,954,838,787**	**10,814,815,934**

At 30 June 2026, the Bank collateralised deposits of MNT 61,075,925 thousands (31 December 2025: MNT 63,115,151 thousands) for irrevocable commitments under bank guarantee and letter of credit.

20 Other Borrowed Funds

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
(a) Borrowed funds under projects		
Borrowed funds under Project /MNT/	349,202,531	290,789,858
Borrowed funds under Project /USD/	29,707	58,077
Total borrowed funds under projects	**349,232,238**	**290,847,935**
(b) Borrowings from foreign banks and financial institutions		
Borrowings from other foreign banks /USD/	1,053,469,891	784,304,901
Borrowings from other banks /MNT/	9,576,636	14,743,280
(c) Trade finance from foreign banks and financial institutions		
Trade finance from foreign banks and financial institutions /USD/	126,382,464	152,291,204
Trade finance from foreign banks and financial institutions /JPY/	20,502,203	9,248,927
Trade finance from foreign banks and financial institutions /EUR/	2,058,112	6,680,431
Trade finance from foreign banks and financial institutions /CNY/	1,771,063	4,434,378
Total borrowings from foreign banks and financial institutions	**1,213,760,369**	**971,703,121**
Total other borrowed funds	**1,562,992,607**	**1,262,551,056**

Significant new borrowings and repayments between 1 Jan 2026 and 30 June 2026:

(a) Borrowed funds under project

The Bank obtained borrowing for an amount of MNT 48,000,000 thousand.

(b) Borrowings from foreign banks and financial institutions

The Bank obtained new borrowings for a total amount of USD 93,999 thousand with maturities ranging from 13 months to 60 months.

The Bank repaid borrowings for a total amount of USD 2,050 thousand which related to borrowing from EMF Microfinance fund AGmvK, resulting in balance became fully repaid.

21 Debt securities in Issue

On 20 May 2024, the Bank issued USD 300,000 thousands senior notes on a standalone basis with a coupon rate of 11% and a three-year term in the international debt market. On 11 December 2024, the Bank tap issued its existing bond by another USD 100,000 thousands, resulting in a total of USD 400,000 thousands bond maturing on 20 May 2027. The issue yield was at 8.5%.

On 2 January 2025, the Bank issued USD 50,000 thousand senior unsecured sustainable bonds with a coupon rate of 8% and a maturity of five years, listed on the Luxembourg Stock Exchange.

On 26 November 2025, the Bank issued JPY 15,000,000 thousand three-year Samurai bonds in the Japa-nese capital market. SMBC Nikko Securities Inc. acted as the sole lead arranger, and Sumitomo Mitsui Banking Corporation, Seoul Branch, provided a guarantee for the issuance. The bonds are currently held by Japanese institutional investors.

On 7 May 2026, the Bank completed the issuance of USD 500,000 thousand of senior unsecured notes in the international capital markets. The issuance comprises a three-year U.S. dollar-denominated instrument bearing a fixed annual coupon rate of 7.95%. Proceeds from the transaction were utilized for general corporate purposes, including the funding of a tender offer for approximately USD 200,000 thousand of the Bank's outstanding 2027 notes, as part of its ongoing liability management strategy and optimization of its external funding profile.

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Senior notes	2,408,888,901	1,400,408,999
Sustainable bonds	176,848,204	175,444,095
Samurai bonds	326,548,378	336,081,944
Total debt securities in issue	**2,912,285,483**	**1,911,935,038**

22 REPO Arrangements

As of 30 June 2026, MNT 693,121,144 thousand (31 December 2025: MNT 2,008,022,613 thousand) of sale and repurchase agreements relate to placements from local banks bearing interest rate 14.0% p.a. (2025: 14% p.a), with original maturity of 1 day (2025: 2 days). These placements are fully collateralized by the Bank of Mongolia treasury bills disclosed in Note 9.

As of 30 June 2026, the Bank entered into MNT 143,651,242 thousand (31 December 2025: MNT 399,271,636 thousand) of sale and repurchase agreements to increase its USD reserves. These placements are fully collateralized by the government bond disclosed in Note 9.

Reverse sale and repurchase agreement

As of 30 June 2026, the Bank did not have any outstanding reverse sale and repurchase agreements (31 December 2025: MNT 41,496,584 thousand). As of 31 December 2025, the reverse sale and repurchase agreements related to short-term agreements with local banks, earning interest at rates ranging from 5.8% to 12% p.a, with original maturities of 5 to 21 days. The reverse sale and repurchase agreement are fully collateralized by the Bank of Mongolia treasury bills which the Bank has the right and Government bonds, by contract to sell or repledge in the case of non-repayment.

23 Other Liabilities

Other liabilities comprise the following:

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Other financial liabilities at AC:	**174,578,419**	**132,725,800**
Liabilities for settlements of transactions	155,911,862	108,845,227
Liabilities for loans sold to MIK with recourse	107,101	190,883
Provision for credit related commitments	5,131,993	4,045,551
Other	13,427,463	19,644,139
Other non-financial liabilities:	**26,632,152**	**34,759,942**
Tax payables other than on income	6,780,101	7,751,119
Payables to employees	11,465,106	18,729,617
Other	8,386,945	8,279,206
Total other liabilities	**201,210,571**	**167,485,742**

24 Share Capital

In thousands of Mongolian Tugriks except for number of shares	**Number of out-standing shares**	**Ordinary shares**	**Share premium**	**Total**
At 1 January 2026	808,657,306	202,164,327	301,481,120	503,645,447
New shares issued	-	-	-	-
Treasury stocks	-	-	-	-
At 30 June 2026	**808,657,306**	**202,164,327**	**301,481,120**	**503,645,447**

The nominal registered amount of the Bank's issued share capital is MNT 202,164,327 thousand (2025: MNT 202,164,327 thousand). Share premium represents the excess of contributions received over the nominal value of shares issued.

Ordinary shares:

As at 30 June 2026, the Bank's authorised share capital comprised 1,150,000,000 ordinary shares (2025: 1,150,000,000 ordinary shares) with a par value of MNT 250 per share (2025: MNT 250 per share).

The total issued and fully paid ordinary shares amounted to 808,657,306 shares as at both 30 June 2026 and 31 December 2025. All issued ordinary shares carry equal rights with respect to dividends, voting, and return of capital, and rank pari passu in all respects.

No new shares were issued during the 30 June 2026 (2025: nil).

The shareholders of the Bank as of 30 June 2026 and 31 December 2025 and the percentages of ownership are as follows:

Shareholder	**30 June 2026**	**31 December 2025**
	Ownership (%)	**Ownership (%)**
Golomt Financial Group Co.,Ltd	79.77%	79.77%
Swiss-Mo Investment A.G	5.21%	5.21%
Bodi International Co.,Ltd	3.42%	3.42%
Public shares	11.60%	11.60%
Total	**100%**	**100%**

25 Interest Income and Expense

In thousands of Mongolian Tugriks	Six months ended 30 June 2026	Six months ended 30 June 2025
Interest income calculated using the effective interest method		
Loans and advances to customers at AC	627,218,761	567,299,040
Debt securities at AC	-	295,784
Debt securities FVTOCI	147,048,593	80,569,530
Due from other banks at AC	12,696,528	3,606,647
Cash deposited in the Bank of Mongolia	7,923,903	5,032,877
Reverse repurchase agreements at AC	2,117,194	675,533
Total interest income calculated using the effective interest method	**797,004,979**	**657,479,411**
Other similar income		
Loans and advances to customers at FVTPL	12,700,817	15,067,662
Debt securities FVTPL	44,600,381	29,890,877
Total other similar income	**57,301,198**	**44,958,539**
Total interest income	**854,306,177**	**702,437,950**
Interest expense		
Customer accounts	(359,547,783)	(284,135,982)
Debt securities in issue	(102,429,673)	(89,731,065)
Other borrowed funds	(49,130,985)	(34,428,686)
Due to other banks	(9,375,089)	(2,403,262)
Repurchase agreements	(9,998,305)	(8,801,371)
Total interest expense	**(530,481,835)**	**(419,500,366)**
Other similar expense		
Interest expense related to lease liabilities	(2,566,993)	(2,537,393)
Total other similar expense	**(2,566,993)**	**(2,537,393)**
Total interest and other similar expense	**(533,048,828)**	**(422,037,759)**
Net interest income	**321,257,349**	**280,400,191**

26 Fee and Commission Income and Expense

In thousands of Mongolian Tugriks	Six months ended 30 June 2026	Six months ended 30 June 2025
Fee and commission income		
Commissions on operations with plastic cards	38,672,830	35,792,375
Remittance and other service fees	16,659,170	15,602,246
Commissions on documentary business and guarantees	5,667,794	5,534,659
Account service fee and commissions	2,478,543	3,123,755
Brokerage and other service fee	8,020,625	6,427,289
Total fee and commission income	**71,498,962**	**66,480,324**
Fee and commission expense		
Commissions on operations with plastic cards	(35,201,770)	(33,371,355)
Bank service expense	(8,338,390)	(8,550,003)
Online transaction expense	(2,011,543)	(1,539,682)
Brokerage and other service fee	(386,238)	(238,255)
Total fee and commission expense	**(45,937,941)**	**(43,699,295)**
Net fee and commission income	**25,561,021**	**22,781,029**

27 Other Operating Income

In thousands of Mongolian Tugriks	Six months ended 30 June 2026	Six months ended 30 June 2025
Rental income	725,805	1,210,815
Other income	38,506,611	7,999,489
Total other operating income	**39,232,416**	**9,210,304**

Other income includes a gain of MNT 36,404,895 thousand arising from Mastercard Inc. equity shares originally received by the Bank at no cost as part of the respective restructuring program of Mastercard Inc. The income recognized represents the fair value of the Mastercard shares at the date on which the Bank obtained control of and recognized the shares as an asset. Management considers this income to be non-recurring in nature and not arising from the Bank's ordinary banking activities.

28 Administrative and Other Operating Expenses

In thousands of Mongolian Tugriks	Note	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs		71,242,407	52,503,703
Information, consulting and other professional services		33,235,310	24,318,377
Depreciation of premises and equipment	15	12,508,064	11,762,676
Depreciation of right of use assets	16	6,330,871	5,831,530
Amortisation of intangible assets	14	4,633,140	4,553,002
Advertising and marketing services		3,249,134	3,665,904
Stationery expense		3,038,308	2,639,192
Loan collection expenses		2,777,230	2,486,049
Telecommunications expense		2,679,234	2,609,264
Office cleaning expense		2,140,441	1,749,691
Security expense		2,088,707	1,837,491
Utilities		1,708,760	1,568,030
Transportation		1,578,167	1,289,760
Taxes (other than income tax)		1,445,427	1,395,391
Customer engagement expenses		1,416,217	2,677,553
Donations		1,331,579	628,817
Travelling expenses		1,304,522	1,103,537
Entertainment		985,524	397,912
Voluntary and mandatory insurance		766,272	811,311
Short term lease expense		644,001	282,338
Other		4,037,347	4,065,362
Total administrative and other operating expenses		**159,140,662**	**128,176,890**

In thousands of Mongolian Tugriks	Six months ended 30 June 2026	Six months ended 30 June 2025
Staff costs consist of:		
Salaries, wages and bonus	62,598,328	45,913,543
Contribution to social and health fund	7,241,605	4,968,680
Staff benefits	1,221,144	1,008,202
Pension fund	-	371,607
Staff training	181,330	241,671
Total staff costs	**71,242,407**	**52,503,703**

29 Other gains/(losses), net

In thousands of Mongolian Tugriks	Six months ended 30 June 2026	Six months ended 30 June 2025
Gains less losses on disposal of premises and equipment	66,404	524,377
Gains less losses on disposal of asset held for sale	485,687	11,796,269
Loss on write-off of premises and equipment	-	(25,120)
Total other gains/(losses), net	**552,091**	**12,295,526**

30 Income Taxes

The Bank calculates the period income tax expense using the tax rate that would be applicable to expected total annual earnings, i.e. the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

Income tax expense recorded in profit or loss for the period comprises the following:

In thousands of Mongolian Tugriks	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**
Current tax	9,894,457	22,452,207
Deferred tax	16,637,154	24,516,129
Income tax expense for the period	**26,531,611**	**46,968,336**

31 Dividends

In thousands of Mongolian Tugriks	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**
Dividends payable at 1 January	**-**	**-**
Dividends declared during the year	64,692,584	80,865,730
Dividends paid during the year	(64,692,584)	(80,865,730)
Dividends payable at period end	**-**	**-**
Dividend per share	**32.0%**	**40.0%**

32 Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss by the weighted average number of ordinary shares in issue during the period, excluding treasury shares. Basic and diluted earnings per share are calculated as follows:

In thousands of Mongolian Tugriks /except for earning per share/	**Six months ended 30 June 2026**	**Six months ended 30 June 2025**
Profit for the period attributable to the shareholders of the Bank	**137,738,851**	**207,116,613**
Weighted average number of ordinary shares in issue (thousands)	808,657	808,657
Effect of dilution:		
None	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution (thousands)	**808,657**	**808,657**
Basic earnings per share	**170.33**	**256.12**
Diluted earnings per share	**170.33**	**256.12**

33 Segment Analysis

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person – or group of persons – who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the Board of Directors of the Bank.

(a) Description of products and services from which each reportable segment derives its revenue

The Bank is organised on the basis of four main business segments:

Retail banking – incorporating banking services such as customer current accounts, savings and fixed deposits to individuals. Retail lending are mainly consumer loans and mortgages.
Mortgages – incorporating the provision of mortgage finance;

SME banking – representing current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and other products to SME customers;

Corporate – incorporating banking services such as current accounts, fixed deposits, overdrafts, loans and other credit facilities both in local and foreign currencies;

Other – including central treasury - Funding and centralised risk management activities through borrowings and investing in liquid assets such as short-term placements and corporate and government debt securities. Income and expenses that have not been allocated to the reportable segments as they are deemed to contribute to the overall performance of the Bank rather than a particular segment is also presented in the other segment.

(b) Factors that management used to identify the reportable segments

The Bank's segments are strategic business units that focus on different customers. They are managed separately because each business unit requires different marketing strategies and service level.

(c) Measurement of operating segment profit or loss, assets and liabilities

The CODM reviews financial information prepared based on accounting under International Financial Reporting Standards. However, certain items are allocated to operating segments for management reporting purposes as follows:

(i) Loans and advances to customers and customer accounts are allocated to operating segments based on customer classification, consistent with the Bank's credit risk management framework and expected credit loss methodology;

(ii) Net interest income is allocated to operating segments based on the originating business unit responsible for generating and managing the underlying business relationship, reflecting the manner in which management evaluates segment performance and allocates resources;

As a result of the differing allocation methodologies applied to statement of financial position items and related income and expenses, the segment in which loans and advances are reported may differ from the segment in which the associated net interest income is recognized.

The CODM evaluates performance of each segment based on profit before tax.

33 Segment Analysis (continued)

Segment information for the reportable segments as of and for the period ended 30 June 2026 is set out below:

	30 June 2026				
In thousands of Mongolian Tugriks	**Corporate**	**SME**	**Retail**	**Other**	**Total**
Loans and advances to customers	2,402,275,080	2,476, 204,187	3,874,800,811	-	**8,753,280,078**
Customer accounts	4,246,771,394	2,436,997,911	5,219,759,278	51,310,204	**11,954,838,787**
Investments in debt securities	508,753,446	-	-	3,913,784,433	**4,422,537,879**
Investments in equity securities	107,576,521	34,744,973	-	878,886	**143,200,380**

	For the six months ended 30 June 2026				
In thousands of Mongolian Tugriks	**Corporate**	**SME**	**Retail**	**Other**	**Total**
Interest and other similar income	174,656,511	167,777,750	296,084,737	215,787,179	**854,306,177**
Interest and other similar expense	(107,050,354)	(32,027,731)	(220,775,794)	(173,194,949)	**(533,048,828)**
Net internal Funds Transfer Pricing (“FTP”) income/expense	8,842,143	(50,654,794)	41,621,319	191,332	**-**
Net interest income	**76,448,300**	**85,095,225**	**116,930,262**	**42,783,562**	**321,257,349**
Reversal of expected credit loss	(23,661,714)	(2,826,877)	20,610,032	-	(5,878,559)
Net interest income after expected credit loss	**52,786,586**	**82,268,348**	**137,540,294**	**42,783,562**	**315,378,790**
Fee and commission income	11,593,188	12,438,931	47,135,594	331,249	71,498,962
Fee and commission expense	(6,505,345)	(5,355,320)	(15,815,039)	(18,262,237)	(45,937,941)
Net other non-interest income/expense	11,674,392	6,502,852	7,478,042	(43,183,973)	(17,528,687)
Administrative and other operating expenses	(23,491,155)	(32,980,297)	(60,178,826)	(42,490,384)	(159,140,662)
Profit before tax	**46,057,666**	**62,874,514**	**116,160,065**	**(60,821,783)**	**164,270,462**

33 Segment Analysis (continued)

Internal charges and transfer pricing adjustments have reflected in the performance of each business segment. More specific information on the revenues from external customers for each product and services, or each group of similar products and services is not available and the cost to develop such information is high. Hence the Bank presents operating segments on the basis of the four main segments.

Segment information for the reportable segments as of 31 December 2025 and for the period ended 30 June 2025 is set out below:

	31 December 2025				
In thousands of Mongolian Tugriks	**Corporate**	**SME**	**Retail**	**Other**	**Total**
Loans and advances to customers	2,551,587,692	2,146,935,307	3,467,655,565	-	**8,166,178,564**
Customer accounts	3,720,555,472	2,146,207,383	4,921,513,128	26,539,951	**10,814,815,934**
Investments in debt securities	464,445,850	-	-	3,271,435,228	**3,735,881,078**
Investments in equity securities	66,699,813	34,744,973	-	832,593	**102,277,379**

	For the six months ended 30 June 2025				
In thousands of Mongolian Tugriks	**Corporate**	**SME**	**Retail**	**Other**	**Total**
Interest and other similar income	169,162,243	155,253,019	263,644,315	114,378,373	**702,437,950**
Interest and other similar expense	(81,568,127)	(22,031,537)	(183,766,360)	(134,671,735)	**(422,037,759)**
Net internal Funds Transfer Pricing (“FTP”) income/expense	(8,121,508)	(52,483,993)	63,470,696	(2,865,195)	**-**
Net interest income	**79,472,608**	**80,737,489**	**143,348,651**	**(23,158,557)**	**280,400,191**
Reversal of expected credit loss	44,492,512	6,381,890	(17,641,595)	-	**33,232,807**
Net interest income after expected credit loss	**123,965,120**	**87,119,379**	**125,707,056**	**(23,158,557)**	**313,632,998**
Fee and commission income	10,022,552	16,214,652	38,199,808	2,043,312	**66,480,324**
Fee and commission expense	(5,718,405)	(8,785,017)	(26,849,502)	(2,346,371)	**(43,699,295)**
Net other non-interest income/expense	8,467,007	16,158,539	6,411,002	14,811,264	**45,847,812**
Administrative and other operating expenses	(26,477,451)	(23,569,523)	(52,193,270)	(25,936,646)	**(128,176,890)**
Profit before tax	**110,258,823**	**87,138,030**	**91,275,094**	**(34,586,998)**	**254,084,949**

34 Financial Risk Management

The risk management within the bank is carried out with respect to financial risks, operational risk, compliance risk, counterparty and third-party risk, reputational risk, technology risk, legal risks and as well as risks that emerge from time to time. Financial risk comprises market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk.

Monitoring and controlling risks are primarily performed based on limits established by the relevant committees of the Bank. These limits reflect the business strategy and market environment of the bank as well as level of risk that the bank is willing to accept. The financial risk management policies were same as those described in the last annual financial statements.

34.1 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan drawdowns, guarantees and from margin and other calls on cash-settled derivative instruments. The Bank does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty.

The Bank's liquidity risk management framework is designed to measure and manage liquidity at various levels of consolidation such that short- and medium-term payment obligations could be met under normal or stressed conditions. Liquidity management is implemented centrally on a real-time basis by the Treasury Division through all the bank's divisions and branches, in accordance with the forecasts and internal requirements and the director of the Treasury Division is consulted on each major credit decision regarding the impact of credit on overall liquidity position. The Board's Risk management committee sets liquidity risk standards in accordance with regulatory requirements and international best practice, thereby establishing a comprehensive framework to the bank's liquidity risk management. As part of a comprehensive liquidity risk evaluation, the ALCO incorporates and monitors the cumulative effect of the following factors: (i) short- and long-term cash flow management; (ii) maintaining a structurally sound balance sheet; (iii) foreign currency liquidity management; (iv) preserving a diversified funding base; (v) undertaking regular liquidity stress testing; and (vi) maintaining adequate liquidity contingency plans.

The Bank calculates liquidity ratios on a daily basis in accordance with the requirement of the Central Bank of Mongolia. The liquidity ratio during the period was as follows:

	30 June 2026	31 December 2025
Liquidity performance of the year end	41.94%	36.88%
Average during the period	40.26%	34.00%
Highest	43.74%	38.23%
Lowest	36.70%	29.00%

The Bank conducts the liquidity stress test in order to identify the sudden and severe stress events and ensure the adequate liquidity even after the economic shocks. Risk Appetite Statement defines the amount of liquidity buffer to add to absorb liquidity-related shocks and maintain the flow of lending to the real economy. The table below shows the assets and liabilities as at 30 June 2026 and 31 December 2025 by their remaining contractual maturity.

The amounts of liabilities disclosed in the maturity table are the contractual undiscounted cash flows, including gross finance lease obligations (before deducting future finance charges), gross loan commitments and financial guarantees. Such undiscounted cash flows differ from the amount included in the statement of financial position because the amount in the statement of financial position is based on discounted cash flows. Financial derivatives are included at the contractual amounts to be paid or received unless the Bank expects to close the derivative position before its maturity date in which case the derivatives are included based on the expected cash flows. For the purposes of the maturity analysis, embedded derivatives are not separated from hybrid (combined) financial instruments.

34 Financial Risk Management (continued)

34.1 Liquidity risk, continued

34.1.1 The maturity analysis of financial instruments based on undiscounted contractual obligation at 30 June 2026 is as follows:

In thousands of Mongolian Tugriks	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and balances with the Bank of Mongolia	2,291,356,617	-	-	-	-	**2,291,356,617**
Mandatory cash balances with the Bank of Mongolia	892,916,419	-	-	-	-	**892,916,419**
Due from other banks	1,414,999,835	84,890,079	21,727,343	438,939,731	-	**1,960,556,988**
Investments in debt securities	2,922,207,854	97,810,098	101,073,919	792,156,426	1,541,021,264	**5,454,269,561**
Investments in equity securities	143,200,380	-	-	-	-	**143,200,380**
Loans and advances to customers	377,010,614	1,258,083,867	1,812,133,232	5,526,165,552	3,674,687,156	**12,648,080,421**
Derivative financial instruments-asset	9,377,091	(95,857,604)	92,001,790	330,238,666		**335,759,943**
- inflows	18,171,750	162,907,868	1,771,255,282	2,286,028,748	-	**4,238,363,648**
- outflows	(8,794,659)	(258,765,472)	(1,679,253,492)	(1,955,790,082)	-	**(3,902,603,705)**
Other financial assets	88,213,925	226,173	3,996,774	67,312	657	**92,504,841**
Total Financial Assets	**8,139,282,735**	**1,345,152,613**	**2,030,933,058**	**7,087,567,687**	**5,215,709,077**	**23,818,645,170**
Liabilities						
Due to other banks	574,254,411	8,985,396	-	-	-	**583,239,807**
Customer accounts						
- Current accounts	5,548,977,493	-	-	-	-	**5,548,977,493**
- Demand deposits	689,504,425	-	-	-	-	**689,504,425**
- Term deposits	1,105,222,538	2,777,703,102	1,893,753,328	204,987,705	784,886	**5,982,451,559**
Other borrowed funds	4,643,222	141,948,986	104,484,617	1,525,274,524	19,478,205	**1,795,829,554**
Debt securities in issue	-	68,030,545	660,349,958	2,348,977,452	-	**3,077,357,955**
REPO arrangements	693,386,896	-	-	161,180,813	-	**854,567,709**
Lease liabilities	1,614,795	6,398,228	6,973,503	24,031,005	2,249,704	**41,267,235**
Derivative financial liabilities	3,192,504	7,437,542	7,566,765	2,205,647	-	**20,402,458**
- inflows	(49,827,300)	(14,414,937)	(12,687,791)	(810,626,395)	-	**(887,556,423)**
- outflows	53,019,804	21,852,479	20,254,556	812,832,042	-	**907,958,881**
Other financial liabilities	165,614,266	465,443	8,445,518	53,192	-	**174,578,419**
Total Financial Liabilities	**8,786,410,550**	**3,010,969,242**	**2,681,573,689**	**4,266,710,338**	**22,512,795**	**18,768,176,614**
Credit related commitments	**1,685,399,857**	**-**	**-**	**-**	**-**	**1,685,399,857**
Guarantee and LC	853,377,269	-	-	-	-	**853,377,269**
Credit Line undrawn	832,022,588	-	-	-	-	**832,022,588**
Net Gap	**(2,332,527,672)**	**(1,665,816,629)**	**(650,640,631)**	**2,820,857,349**	**5,193,196,282**	**3,365,068,699**
Accumulated Net Gap	**(2,332,527,672)**	**(3,998,344,301)**	**(4,648,984,932)**	**(1,828,127,583)**	**3,365,068,699**	

34 Financial Risk Management (continued)

34.1 Liquidity risk, continued

34.1.2 The maturity analysis of financial instruments based on undiscounted contractual obligation at 31 December 2025 is as follows:

In thousands of Mongolian Tugriks	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and balances with the Bank of Mongolia	3,181,075,810	-	-	-	-	**3,181,075,810**
Mandatory cash balances with the Bank of Mongolia	763,190,768	-	-	-	-	**763,190,768**
Reverse sale and repurchase agreement	41,588,050	-	-	-	-	**41,588,050**
Due from other banks	1,335,849,256	92,704,020	14,489,370	424,416,484	-	**1,867,459,130**
Investments in debt securities	2,264,131,919	152,936,543	88,705,824	920,513,942	1,320,657,169	**4,746,945,397**
Investments in equity securities	102,277,379	-	-	-	-	**102,277,379**
Loans and advances to customers	347,152,887	1,361,872,213	1,172,341,417	5,472,524,103	3,146,484,145	**11,500,374,765**
Derivative financial assets	2,149,818	(76,084,089)	(95,676,424)	430,025,838	-	**260,415,143**
- inflows	32,793,630	191,560,538	142,476,731	2,784,533,990	-	**3,151,364,889**
- outflows	(30,643,812)	(267,644,627)	(238,153,155)	(2,354,508,152)	-	**(2,890,949,746)**
Other financial assets	20,482,476	163,181	3,609,609	63,196	-	**24,318,462**
Total Financial Assets	**8,057,898,363**	**1,531,591,868**	**1,183,469,796**	**7,247,543,563**	**4,467,141,314**	**22,487,644,904**
Liabilities						
Due to other banks	790,777,424	22,764,526	-	-	-	**813,541,950**
Customer accounts						
- Current/settlement accounts	4,599,221,590	-	-	-	-	**4,599,221,590**
- Demand deposits	637,208,995	-	-	-	-	**637,208,995**
- Term deposits	933,087,412	2,466,742,182	2,289,766,354	178,317,473	776,063	**5,868,689,484**
Other borrowed funds	8,090,046	128,359,108	230,510,576	1,034,427,291	35,595,432	**1,436,982,453**
Debt Securities in Issue	-	86,469,748	87,522,760	2,024,871,157	-	**2,198,863,665**
REPO arrangements	2,009,562,423	258,850,219	-	166,121,669	-	**2,434,534,311**
Lease liabilities*	1,622,708	6,673,334	7,545,406	27,371,042	2,586,885	**45,799,375**
Derivative financial liabilities	2,015,844	14,142,077	1,523,404	7,172,689	-	**24,854,014**
- inflows	(1,749,038)	(8,558,275)	(57,253,974)	(373,667,202)	-	**(441,228,489)**
- outflows	3,764,882	22,700,352	58,777,378	380,839,891	-	**466,082,503**
Other financial liabilities	125,538,063	5,158,062	2,029,675	-	-	**132,725,800**
Total Financial Liabilities	**9,107,124,505**	**2,989,159,256**	**2,618,898,175**	**3,438,281,321**	**38,958,380**	**18,192,421,637**
Credit related commitments	**1,635,959,816**	**-**	**-**	**-**	**-**	**1,635,959,816**
Guarantee and LC	962,846,695	-	-	-	-	**962,846,695**
Credit Line undrawn	673,113,121	-	-	-	-	**673,113,121**
Net Gap	**(2,685,185,958)**	**(1,457,567,388)**	**(1,435,428,379)**	**3,809,262,242**	**4,428,182,934**	**2,659,263,451**
Accumulated Net Gap	**(2,685,185,958)**	**(4,142,753,346)**	**(5,578,181,725)**	**(1,768,919,483)**	**2,659,263,451**	

*To improve the quality and understandability of the financial statement, the Bank has revisited presentation of these line items.

34 Financial Risk Management (continued)

34.1 Liquidity risk, continued

34.1.3 The Bank does not use the above maturity analysis based on undiscounted contractual maturities of liabilities to manage liquidity. Instead, the Bank monitors expected maturities and the resulting expected liquidity gap. The maturity analysis of financial instruments of the Bank at 30 June 2026:

In thousands of Mongolian Tugriks	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and balances with the Bank of Mongolia	2,291,356,617	-	-	-	-	**2,291,356,617**
Mandatory cash balances with the Bank of Mongolia	892,916,419	-	-	-	-	**892,916,419**
Due from other banks	1,414,647,200	84,362,992	21,089,767	420,009,845	-	**1,940,109,804**
Investments in debt securities	2,904,941,004	92,304,669	90,926,628	656,457,017	677,908,561	**4,422,537,879**
Investments in equity securities	143,200,380	-	-	-	-	**143,200,380**
Loans and advances to customers	269,897,489	754,442,759	1,344,017,092	4,134,201,792	2,250,720,946	**8,753,280,078**
Derivative financial instruments-asset	9,377,091	(95,857,604)	92,001,790	330,238,666	-	**335,759,943**
- inflows	18,171,750	162,907,868	1,771,255,282	2,286,028,748	-	**4,238,363,648**
- outflows	(8,794,659)	(258,765,472)	(1,679,253,492)	(1,955,790,082)	-	**(3,902,603,705)**
Other financial assets	88,213,925	226,173	3,996,774	67,312	657	**92,504,841**
Total Financial Assets	**8,014,550,125**	**835,478,989**	**1,552,032,051**	**5,540,974,632**	**2,928,630,164**	**18,871,665,961**
Liabilities						
Due to other banks	573,235,121	8,920,535	-	-	-	**582,155,656**
Customer accounts						
- Current accounts	830,252,573	310,100,764	820,282,117	633,981,226	2,954,360,812	**5,548,977,492**
- Demand deposits	103,165,461	38,532,477	101,926,553	78,777,191	367,102,742	**689,504,424**
- Term deposits	1,100,702,140	2,691,016,305	1,740,477,886	183,375,652	784,886	**5,716,356,869**
Other borrowed funds	4,636,749	139,923,688	100,827,565	1,302,185,908	15,418,697	**1,562,992,607**
Debt securities in issue	-	27,119,807	609,937,349	2,275,228,327	-	**2,912,285,483**
REPO arrangements	693,121,144	-	-	143,651,242	-	**836,772,386**
Lease liabilities	1,224,807	4,635,395	5,233,483	19,380,056	1,893,656	**32,367,397**
Derivative financial liabilities	3,192,504	7,437,542	7,566,765	2,205,647	-	**20,402,458**
- inflows	(49,827,300)	(14,414,937)	(12,687,791)	(810,626,395)	-	**(887,556,423)**
- outflows	53,019,804	21,852,479	20,254,556	812,832,042	-	**907,958,881**
Other financial liabilities	165,614,266	465,443	8,445,518	53,192	-	**174,578,419**
Total Financial Liabilities	**3,475,144,765**	**3,228,151,956**	**3,394,697,236**	**4,638,838,441**	**3,339,560,793**	**18,076,393,191**
Liquidity gap arising from financial instruments	**4,539,405,360**	**(2,392,672,967)**	**(1,842,665,185)**	**902,136,191**	**(410,930,629)**	**795,272,770**
Accumulated Net Gap	**4,539,405,360**	**2,146,732,393**	**304,067,208**	**1,206,203,399**	**795,272,770**	

34 Financial Risk Management (continued)

34.1 Liquidity risk, continued

34.1.4 The Bank does not use the above maturity analysis based on undiscounted contractual maturities of liabilities to manage liquidity. Instead, the Bank monitors expected maturities and the resulting expected liquidity gap. The maturity analysis of financial instruments of the Bank at 31 December 2025:

In thousands of Mongolian Tugriks	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and balances with the Bank of Mongolia	3,181,075,810	-	-	-	-	**3,181,075,810**
Mandatory cash balances with the Bank of Mongolia	763,190,768	-	-	-	-	**763,190,768**
Reverse sale and repurchase agreement	41,496,584	-	-	-	-	**41,496,584**
Due from other banks	1,335,103,229	92,036,179	14,469,410	401,566,386	-	**1,843,175,204**
Investments in debt securities	2,250,915,481	150,984,786	77,082,623	770,019,662	486,878,526	**3,735,881,078**
Investments in equity securities	102,277,379	-	-	-	-	**102,277,379**
Loans and advances to customers	249,377,172	929,992,522	781,194,923	4,261,906,878	1,943,707,069	**8,166,178,564**
Derivative financial assets	2,149,819	(76,084,089)	(95,676,424)	430,025,837	-	**260,415,143**
- inflows	32,793,630	191,560,538	142,476,731	2,784,533,989	-	**3,151,364,888**
- outflows	(30,643,811)	(267,644,627)	(238,153,155)	(2,354,508,152)	-	**(2,890,949,745)**
Other financial assets	20,482,476	163,181	3,609,609	63,196	-	**24,318,462**
Total Financial Assets	**7,946,068,718**	**1,097,092,579**	**780,680,141**	**5,863,581,959**	**2,430,585,595**	**18,118,008,992**
Liabilities						
Due to other banks	789,304,534	22,597,641	-	-	-	**811,902,175**
Customer accounts						
- Current/settlement accounts	688,147,603	257,024,313	679,883,678	525,469,809	2,448,696,187	**4,599,221,590**
- Demand deposits	95,340,882	35,609,983	94,195,939	72,802,339	339,259,852	**637,208,995**
- Term deposits	930,279,104	2,398,997,608	2,088,580,136	159,752,437	776,064	**5,578,385,349**
Other borrowed funds	8,071,760	127,699,988	221,542,244	878,227,575	27,009,489	**1,262,551,056**
Debt securities in issue	-	18,417,100	-	1,893,517,938	-	**1,911,935,038**
REPO arrangements	2,008,022,613	256,476,005	-	142,795,631	-	**2,407,294,249**
Lease liabilities*	1,201,784	4,730,814	5,601,858	21,833,223	2,070,446	**35,438,125**
Derivative financial liabilities	2,015,844	14,142,077	1,523,404	7,172,689	-	**24,854,014**
- inflows	(1,749,038)	(8,558,275)	(57,253,974)	(373,667,202)	-	**(441,228,489)**
- outflows	3,764,882	22,700,352	58,777,378	380,839,891	-	**466,082,503**
Other financial liabilities	125,538,063	5,158,062	2,029,675	-	-	**132,725,800**
Total Financial Liabilities	**4,647,922,187**	**3,140,853,591**	**3,093,356,934**	**3,701,571,641**	**2,817,812,038**	**17,401,516,391**
Liquidity gap arising from financial instruments	**3,298,146,531**	**(2,043,761,012)**	**(2,312,676,793)**	**2,162,010,318**	**(387,226,443)**	**716,492,601**
Accumulated Net Gap	**3,298,146,531**	**1,254,385,519**	**(1,058,291,274)**	**1,103,719,044**	**716,492,601**	

*To improve the quality and understandability of the financial statement, the Bank has revisited presentation of these line items.

34 Financial Risk Management (continued)

34.1 Liquidity risk, continued

The entire portfolio of trading securities is classified within demand and less than one month based on management's assessment of the portfolio's reliability.

The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank. It is unusual for banks ever to be completely matched since business transacted is often of an uncertain term and of different types. An unmatched position potentially enhances profitability but can also increase the risk of losses. The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Bank and its exposure to changes in interest and exchange rates.

The management believes that in spite of a substantial portion of customer accounts being on demand, diversification of these deposits by number and type of depositors, and the past experience of the Bank would indicate that these customer accounts provide a long-term and stable source of funding for the Bank.

Liquidity requirements in respect of guarantees and letters of credit are considerably lower than the amount of the related commitment because the Bank does not generally expect a third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credits does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

The transition changes to systems, processes, risk management and valuation models, as well as managing tax and accounting implications. The Bank continue to monitor market developments in relation to the transition and their impact on the Bank's financial assets and liabilities to ensure that there are no unexpected consequences or disruptions from the transitions.

The Bank is working with its customers and other counterparties, such as international financial institutions to perform a transition of legacy IBOR-based financial instruments. The Bank is also enhancing its IT systems and internal processes to ensure smooth transition from IBOR to alternative benchmark interest rates.

In addition, the Rate Benchmark reform achieved important milestones for the following financial period:

- According to the transition, all swap contracts' fair value measurements adjusted through the Risk-free Reference rate method.

35 Management of Capital

The Bank's capital management has the following objectives: to observe the capital requirements established by the Central Bank, namely the requirements of the deposit insurance system; to maintain the Bank's operations as a going concern and to maintain its capital base at the level necessary to ensure a 12% (2025:12%) risk weighted capital ratio and 9%+4% conservation buffer (2025: 9%+4%) core capital ratio in accordance with the requirements set by the Bank of Mongolia. The control over compliance with the capital adequacy ratio set by the Bank of Mongolia is exercised daily on the basis of estimated and actual data as well as on the basis of monthly reports that contain corresponding calculations that are controlled by the Chairman of the Board of Directors and Chief Accountant of the Bank.

The Bank is keen on maintaining the necessary capital level in order to preserve the confidence of creditors, investors and the market as a whole as well as to develop the future activity of the Bank. In accordance with the current capital requirements set by the Central Bank, the banks should maintain the ratio of capital to risk weighted assets (capital adequacy ratio) above the prescribed minimum level.

The table below shows the regulatory capital structure prepared in accordance with the requirements of the Bank of Mongolia legislation based on unaudited financial statements that were submitted by the Bank to BoM:

	30 June 2026	31 December 2025
Core capital ratio	15.05%	15.34%
Risk weighted capital ratio	15.05%	15.34%
Tier I capital		
Ordinary shares	202,164,327	202,164,327
Share premium	301,481,120	301,481,120
Retained earnings	1,128,362,519	1,031,152,442
Other components of equity	534,201	544,266
Total Tier I Capital	**1,632,542,167**	**1,535,342,155**
Tier II capital		
Preferred shares	-	-
Total Tier II Capital	**-**	**-**
Total capital/capital base	**1,632,542,167**	**1,535,342,155**

The equity capital (different from regulatory capital stated in the table above) of the Bank amounted to MNT 1,731,514,619 thousand as of 30 June 2026 (31 December 2025: MNT 1,559,504,971 thousand) as per unaudited financial statements that were submitted by the Bank to BoM.

The Bank has complied with all externally imposed capital requirements as of 30 June 2026 and as of 31 December 2025.

36 Contingencies and Commitments

Legal proceedings. In the normal course of business, there are cases in which the Bank receives a claim against it. The Bank has formal controls and policies for managing legal claims. If management decides that there is material impact to the Bank, based on its own estimates and internal professional advice; the Bank makes adjustments to account for any adverse effects which claims may have on its financial statements. As of 30 June 2026, MNT 10,767 thousand (31 December 2025: MNT 10,767 thousand) provision was booked due to legal claims.

Tax legislation. Mongolian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation on as applied to the transactions and activity of the Bank may be challenged by the relevant authorities.

The Mongolian tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged by tax authorities. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

The Mongolian tax legislation does not provide definitive guidance in certain areas, specifically in areas such as VAT, withholding tax, corporate income tax, personal income tax, transfer pricing and other areas. From time to time, the Bank adopts interpretations of such uncertain areas that reduce the overall tax rate of the Bank. As noted above, such tax positions may come under heightened scrutiny as a result of recent developments in administrative and court practices. The impact of any challenge by the tax authorities cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the entity.

Management believes that its interpretation of the relevant legislation is appropriate and the Bank's positions related to tax and other legislation will be sustained. Management believes that tax and legal risks are remote at present. The management performs regular re-assessment of tax risk and its position may change in the future as a result of the change in conditions that cannot be anticipated with sufficient cerptainty at present.

Compliance with covenants. The Bank is subject to certain covenants related to other borrowed funds obtained under a certain project. There were no breaches of covenants that would require immediate repayment of the borrowings as of 30 June 2026.

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.

36 Contingencies and Commitments (continued)

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.

In thousands of Mongolian Tugriks	30 June 2026	31 December 2025
Financial guarantees issued	109,441,863	104,343,992
Performance guarantees issued	602,206,773	603,233,781
Letters of credit	141,728,633	255,268,922
Undrawn credit lines	832,022,588	673,113,121
Total credit related commitments	**1,685,399,857**	**1,635,959,816**
Less: Expected credit loss allowance for impairment of credit related commitments	(5,131,993)	(4,045,551)
Total credit related commitments	**1,680,267,864**	**1,631,914,265**

Assets pledged and restricted. Mandatory cash balances with the Bank of Mongolia in the amount of MNT 892,916,419 thousand as of 30 June 2026 (31 December 2025: MNT 763,190,768) represent mandatory reserve deposits, which are not available to finance the Bank's day-to-day operations.

Treasury bills of the Bank of Mongolia with nominal amount of MNT 700,000,000 thousand (31 December 2025: MNT 2,030,000,000 thousand) were collateralised by Repo arrangement (Note 22) with Bank of Mongolia.

Government bonds with nominal amount of MNT 239,779,600 thousand (31 December 2025: MNT 565,508,940 thousand) were collateralised by Repo arrangement with foreign bank. Please see Note 22.

Other contingent assets. The Bank previously held 7,640 Class C common shares in Visa Inc., which were issued to member institutions at no cost as part of the restructuring programmes of and Visa Inc. These shares do not carry voting rights.

Due to the prolonged inactivity and outdated shareholder records, the shares were classified as unclaimed property by the State of Delaware, United States and were transferred to the custody of the State in accordance with applicable escheatment laws.

The Bank initiated a formal reclamation process in 2025. While additional administrative steps may be required before the transfer is finalised, the Bank expects the process to be completed within the second half of 2026.

37 Derivative Financial Instruments

The table below sets out fair values, at the end of the reporting period, of currencies receivable or payable under foreign exchange forward and swap contracts entered into by the Bank. The table reflects gross positions before the netting of any counterparty positions (and payments) and covers the contracts with settlement dates after the end of the respective reporting period.

Derivatives have potentially favourable (assets) or unfavourable (liabilities) conditions as a result of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

Gross amounts before offsetting in the statement of financial position and related net amounts are given below.

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Foreign exchange forwards and swaps: fair values, at the end of the reporting period, of		
- Financial assets at fair value through profit or loss	335,759,943	260,415,143
- Financial liabilities at fair value through profit or loss	(20,402,458)	(24,854,014)
Foreign exchange forwards and swaps, net fair value	**315,357,485**	**235,561,129**

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Foreign exchange forwards and swaps: fair values, at the end of the reporting period, of		
- USD receivable on settlement (+)	4,778,977,176	3,682,344,150
- USD payable on settlement (-)	(4,461,507,065)	(3,442,542,392)
- MNT receivable on settlement (+)	165,930	48,019,815
- MNT payable on settlement (-)	-	(48,284,931)
- Other currencies receivable on settlement (+)	346,776,967	39,698,483
- Other currencies receivable on settlement (-)	(349,055,523)	(43,673,996)
Net fair value of foreign exchange forwards and swaps	**315,357,485**	**235,561,129**

38 Fair Value Disclosures

The fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties on arm's length conditions, other than in a forced sale or liquidation. Quoted financial instruments in active markets provide the best evidence of fair value. As no readily available market exists for major part of the Bank's financial instruments, their fair value is based on current economic conditions and the specific risks attributable to the instrument. The estimates presented below are not necessarily indicative of the amounts the Bank could realise in a market exchange from the sale of its full holdings of a particular instrument.

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

38 Fair Value Disclosures (continued)

(a) Recurring fair value measurements

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorised are as follows:

	30 June 2026				31 December 2025			
In thousands of Mongolian Tugriks	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value								
Financial assets								
Investments in debt securities at FVTPL	574,720,620	138,749,064	346,522,957	**1,059,992,641**	593,257,918	-	385,928,824	**979,186,742**
Investments in debt securities at FVTOCI	442,054,994	2,920,490,244	-	**3,362,545,238**	505,778,855	2,250,915,481	-	**2,756,694,336**
Investments in equity securities at FVTPL	105,842,583	-	-	**105,842,583**	66,699,813	-	-	**66,699,813**
Investments in equity securities at FVTOCI	-	2,532,008	34,825,789	**37,357,797**	-	749,696	34,827,870	**35,577,566**
Loan and advances to customers at FVTPL	-	-	433,468,984	**433,468,984**	-	-	340,071,659	**340,071,659**
Derivative financial instruments-asset	-	335,759,943	-	**335,759,943**	-	260,415,143	-	**260,415,143**
Precious metals	60,645,592	-	-	**60,645,592**	831,930	-	-	**831,930**
Non-financial assets								
Premises	-	-	147,076,915	**147,076,915**	-	-	132,784,805	**132,784,805**
Investment properties	-	-	9,063,988	**9,063,988**	-	-	9,063,988	**9,063,988**
Total assets recurring fair value measurements	**1,183,263,789**	**3,397,531,259**	**970,958,633**	**5,551,753,681**	**1,166,568,515**	**2,512,080,320**	**902,677,146**	**4,581,325,982**
Liabilities at fair value								
Financial liabilities								
Derivative financial instruments	-	(20,402,458)	-	**(20,402,458)**	-	(24,854,014)	-	**(24,854,014)**
Total liabilities recurring fair value measurements	**-**	**(20,402,458)**	**-**	**(20,402,458)**	**-**	**(24,854,014)**	**-**	**(24,854,014)**

38 Fair Value Disclosures (continued)

(a) Recurring fair value measurements (continued)

The description of valuation technique and description of inputs used in the fair value measurement for level 2 measurements at 30 June 2026 and 31 December 2025:

In thousands of Mongolian Tugriks	30 June 2026 Fair value	31 December 2025 Fair value	Valuation technique	Inputs used
Other financial assets and liabilities				
Investments in debt securities at FVTPL	138,749,064	-	Market value approach	Most Recent Trading Price
Investments in debt securities at FVTOCI	2,920,490,244	2,250,915,481	Market value approach	Central bank policy rate
Investments in equity securities at FVTOCI	2,532,008	749,696	Asset-based valuation	The entity's assets and liabilities
Financial derivatives - asset	335,759,943	260,415,143	Interest rate parity theory, DCF method	MNT discount rate based on risk-free rate, country risk premium and currency risk premium, US discount rate based on treasury yield, US leg based on US SOFR, constant and Z spread, MNT leg based on policy rate, or as provided in the corresponding swap agreement, JPY discount rate based on treasury yield of Japan, JPY leg based on TONAR (Tokyo overnight average rate), USD/JPY forward curve.
Financial derivatives - liabilities	(20,402,458)	(24,854,014)		
Total recurring fair value measurements at level 2	**3,377,128,801**	**2,487,226,306**		

Financial assets

Investments in debt securities at FVTPL, which are classified as level 1 for fair value measurement purposes, in the amount of MNT 574,720,620 thousand (31 December 2025: MNT 593,257,918 thousand, which were classified as level 1) are related to the Government Bond, Corporate Bond and Other Bond.

Investments in debt securities at FVTPL, which are classified as level 2 for fair value measurement purposes, in the amount of MNT 138,749,064 thousand (31 December 2025: Nil) are related to corporate bonds. During the six-month period ended 30 June 2026, the Bank transferred the Corporate bond from Level 3 to Level 2 of the fair value hierarchy. The bond had a carrying amount of MNT 30,167,671 thousand as at 31 December 2025. The transfer was due to increased market activity and the availability of observable executed transaction prices. As the valuation at 30 June 2026 did not require significant unobservable adjustments, the Bank determined that Level 2 classification was appropriate.

Investments in debt securities at FVTPL, which are classified as level 3 for fair value measurement purposes, in the amount of MNT 346,522,957 thousand (31 December 2025: MNT 385,928,824 thousand, which were classified as level 3) are related to MIK Senior and Junior bonds, and SFC Senior and Junior bonds. Please refer to Note 9.

Investments in debt securities at FVTOCI, which are classified as level 1 for fair value measurement purposes, in the amount of MNT 442,054,994 thousand (31 December 2025: MNT 505,778,855 thousand, which were classified as level 1) are related to the Government Bond and Other Bond.

Investments in debt securities at FVTOCI, which are classified as level 2 for fair value measurement purposes, in the amount of MNT 2,920,490,244 thousand (31 December 2025: MNT 2,250,915,481 thousand, which were classified as level 2) are related to treasury bills of Bank of Mongolia. Please refer to Note 9.

38 Fair Value Disclosures (continued)

(a) Recurring fair value measurements (continued)

Investments in equity securities at FVTOCI, which are classified as level 2 for fair value measurement purposes, in the amount of MNT 2,532,008 thousand (31 December 2025: 749,696) are related to investments in investment funds. Please refer to Note 10.

Investments in equity securities at FVTOCI, which are classified as level 3 for fair value measurement purposes, in the amount of MNT 34,825,789 thousand (31 December 2025: MNT 34,827,870 thousand, which were classified as level 3) are related to unquoted financial investments in corporate. Please refer to Note 10.

Investments in equity securities at FVTPL, which are classified as Level 1 for fair value measurement purposes, mostly relate to the Bank's investment in a joint stock companies established in Mongolia and abroad in the amount of MNT 105,842,583 thousand (31 December 2025: MNT 66,699,813 thousand of investment securities at fair value through profit or loss) are disclosed in Note 10.

Precious metal, which mostly consist of the gold bar, are classified at Level 1 for fair value measurement purposes in the amount of MNT 60,645,592 thousand (31 December 2025: MNT 831,930 thousand) which was valued at publicly available price announced by the Bank of Mongolia.

Derivative financial instruments, which are classified as level 2 for fair value measurement purposes, in amount of MNT 335,759,943 thousand (31 December 2025: MNT 260,415,143 thousand) are related to unrealized gain from long-term swaps, short-term swaps, forward and spot agreements and are classified as financial assets at FVTPL.

Loans at FVTPL, which are classified at level 3 for fair value measurement purposes, in the amount of MNT 433,468,984 thousand (31 December 2025: MNT 340,071,659 thousand, which were classified as level 3) are related to Mortgage portfolio of loans and SME loan portfolio financed by long term REPO financing by the Bank of Mongolia and sold to MIK with recourse. The management determined fair value by discounting the future cash inflows using its market interest rate. As those FVTPL loans were under special government programs, market rate was defined as its own interest rate.

The following table sets out information about unobservable inputs used in measuring financial instruments categorised at Level 3 in the fair value hierarchy.

Financial assets at 30 June 2026:

In thousands of Mongolian Tugriks	**Fair value**	**Valuation technique**	**Inputs used**	**Range of inputs**	**Reasonable change**	**Sensitivity of fair value measurement**
Assets at fair value financial assets						
Investments in debt securities at FVTPL	346,522,957	Market value approach(Contractual transaction price)	Contractual nominal value	N/A	N/A	N/A
Investments in equity securities at FVTOCI	34,825,789	Asset-based valuation	The entity's assets and liabilities	-	10.0%	+/-3,482,579
Loans and advances to customers FVTPL	433,468,984	Market value approach(Contractual transaction price)	Contractual nominal value	N/A	N/A	N/A
Total recurring fair value measurements at level 3	**814,817,730**					

38 Fair Value Disclosures (continued)

(a) Recurring fair value measurements (continued)

Financial assets at 31 December 2025:

In thousands of Mongolian Tugriks	Fair value	Valuation technique	Inputs used	Range of inputs	Reasonable change	Sensitivity of fair value measurement
Assets at fair value financial assets						
Investments in debt securities at FVTPL	385,928,824	Market value approach(Contractual transaction price)	Contractual nominal value	N/A	N/A	N/A
Investments in equity securities at FVTOCI	34,827,870	Asset-based valuation	The entity's assets and liabilities	-	10.0%	+/-3,482,787
Loans and advances to customers at FVTPL	340,071,659	Market value approach(Contractual transaction price)	Contractual nominal value	N/A	N/A	N/A
Total recurring fair value measurements at level 3	**760,828,353**					

The methods and significant assumptions applied in determining the fair value of premises and investment properties were market comparison method and the valuation was based on comparable market value.

Non-financial assets at 30 June 2026:

In thousands of Mongolian Tugriks	Fair value	Valuation technique	Inputs used	Range of inputs (price per sq. m)	Reasonable change	Sensitivity of fair value measurement
Assets at fair value Non-financial assets						
Premises	147,076,915	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	1,428-12,152	10%	+/-14,707,692
Investment properties	9,063,988	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	9,225	10%	+/-906,399
Total recurring fair value measurements at level 3	**156,140,903**					

38 Fair Value Disclosures (continued)

(a) Recurring fair value measurements (continued)

Non-financial assets at 31 December 2025:

In thousands of Mongolian Tugriks	Fair value	Valuation technique	Inputs used	Range of inputs (price per sq. m)	Reasonable change	Sensitivity of fair value measurement
Assets at fair value Non-financial assets						
Premises	132,784,805	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	1,428 - 12,152	10%	+/-13,278,481
Investment properties	9,063,988	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	9,225	10%	+/-906,399
Total recurring fair value measurements at level 3	**141,848,793**					

The Bank has written down its assets held for sale to fair value less costs to sell. The fair value belongs to level 3 measurements in the fair value hierarchy.

(b) Non-recurring fair value measurements

The valuation technique and inputs used in the fair value measurement at 30 June 2026.

In thousands of Mongolian Tugriks	Fair value	Valuation technique	Inputs used	Range of inputs (price per sq. m)	Sensitivity of fair value measurement
Assets held for sale	154,507,982	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	275.1-21,000	+/-15,450,798

The valuation technique and inputs used in the fair value measurement at 31 December 2025.

In thousands of Mongolian Tugriks	Fair value	Valuation technique	Inputs used	Range of inputs (price per sq. m)	Sensitivity of fair value measurement
Assets held for sale	211,372,166	Market comparison method	Market prices with appropriate adjustments, discounts/haircuts	275.1-21,000	+/-21,137,217

38 Fair Value Disclosures (continued)

(c) Assets and liabilities not measured at fair value but for which fair value is disclosed

Fair value analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value as of 30 June 2026 are as follows:

In thousands of Mongolian Tugriks	Level 1	Level 2	Level 3	Carrying amount
Financial assets				
Cash and balances with the Bank of Mongolia	**145,215,451**	**2,146,141,166**	**-**	**2,291,356,617**
Cash on hand	145,215,451	-	-	145,215,451
Cash and balances with the Bank of Mongolia	-	2,146,141,166	-	2,146,141,166
Mandatory cash balances with the Bank of Mongolia	**-**	**892,916,419**	**-**	**892,916,419**
Due from other banks	**-**	**1,940,109,804**	**-**	**1,940,109,804**
Correspondent accounts with other banks	-	856,101,557	-	856,101,557
Foreign	-	819,773,411	-	819,773,411
Domestic	-	36,328,146	-	36,328,146
Short term placements with other banks	-	591,903,008	-	591,903,008
Foreign	-	24,507,153	-	24,507,153
Domestic	-	567,395,855	-	567,395,855
Placements with other banks with original maturities of more than three months	-	492,105,239	-	**492,105,239**
Loans and advances to customers	**-**	**-**	**8,298,911,837**	**8,319,811,094**
Corporate loans	-	-	2,427,006,135	2,402,275,080
Loans to small and medium business	-	-	2,540,357,331	2,475,691,267
Consumer loans to individuals	-	-	2,038,761,853	2,048,176,853
Mortgage loans to individuals	-	-	1,292,786,518	1,393,667,895
Other financial assets at AC	**-**	**31,859,249**	**-**	**31,859,249**
Total financial assets carried at amortised cost	**145,215,451**	**5,011,026,638**	**8,298,911,837**	**13,476,053,183**

38 Fair Value Disclosures (continued)

Fair value analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value as of 31 December 2025 are as follows:

In thousands of Mongolian Tugriks	Level 1	Level 2	Level 3	Carrying amount
Financial assets				
Cash and balances with the Bank of Mongolia	**139,582,917**	**3,041,492,893**	**-**	**3,181,075,810**
Cash on hand	139,582,917	-	-	139,582,917
Cash and balances with the Bank of Mongolia	-	3,041,492,893	-	3,041,492,893
Mandatory cash balances with the Bank of Mongolia	**-**	**763,190,768**	**-**	**763,190,768**
Reverse sale and repurchase agreement		**41,496,584**		**41,496,584**
Due from other banks	**-**	**1,843,175,204**	**-**	**1,843,175,204**
Correspondent accounts with other banks	-	861,426,763	-	861,426,763
Foreign	-	847,647,384	-	847,647,384
Domestic	-	13,779,379	-	13,779,379
Short term placements with other banks	-	499,216,403	-	499,216,403
Domestic	-	3,024,138	-	3,024,138
Foreign	-	496,192,265	-	496,192,265
Placements with other banks with original maturities of more than three months	-	482,532,038	-	482,532,038
Loans and advances to customers	**-**	**-**	**7,750,680,940**	**7,826,106,905**
Corporate loans	-	-	2,520,340,319	2,551,587,692
Loans to small and medium business	-	-	2,190,622,484	2,146,169,812
Consumer loans to individuals	-	-	1,920,141,497	1,922,693,816
Mortgage loans to individuals	-	-	1,119,576,640	1,205,655,585
Other financial assets	-	23,486,532	-	23,486,532
Total financial assets carried at amortised cost	**139,582,917**	**5,712,841,981**	**7,750,680,940**	**13,678,531,803**

38 Fair Value Disclosures (continued)

Fair value analysed by level in the fair value hierarchy and carrying value of liabilities not measured at fair value as of 30 June 2026 are as follows:

In thousands of Mongolian Tugriks	Level 1	Level 2	Level 3	Carrying amount
Financial Liabilities				
Due to other banks	**-**	**582,155,656**	**-**	**582,155,656**
Short-term placements of other banks	-	582,155,656	-	582,155,656
REPO Arrangements	**-**	**836,772,386**	**-**	**836,772,386**
Sale and repurchase agreements with other banks	-	836,772,386	-	836,772,386
Customer Accounts		**11,913,819,110**	**-**	**11,954,838,787**
State and public organisations	**-**	**1,755,494,618**	**-**	**1,759,686,354**
- Current/settlement accounts	-	1,207,155,789	-	1,207,155,789
- Term deposits	-	548,338,829	-	552,530,565
Legal entities	**-**	**4,668,597,535**	**-**	**4,682,412,136**
- Current/settlement accounts	-	3,405,714,058	-	3,405,714,058
- Term deposits	-	1,262,883,477	-	1,276,698,078
Individuals	**-**	**5,382,172,955**	**-**	**5,405,151,814**
- Current/settlement accounts	-	867,429,031	-	867,429,031
- Demand deposits	-	689,504,425	-	689,504,425
- Term deposits	-	3,825,239,499	-	3,848,218,358
Other	**-**	**107,554,002**	**-**	**107,588,483**
- Current/settlement accounts	-	68,678,614	-	68,678,614
- Term deposits	-	38,875,388	-	38,909,869
Other borrowed funds	**-**	**1,562,992,607**	**-**	**1,562,992,607**
Debt securities in issue	**-**	**2,963,332,743**	**-**	**2,912,285,483**
Provision for credit related commitment	**-**		**5,131,993**	**5,131,993**
Lease liabilities	**-**	**32,367,397**	**-**	**32,367,397**
Other financial liabilities	**-**	**169,446,426**	**-**	**169,446,426**
Total financial liabilities carried at amortised cost	-	**18,060,886,325**	**5,131,993**	**18,055,990,735**

38 Fair Value Disclosures (continued)

Fair value analysed by level in the fair value hierarchy and carrying value of liabilities not measured at fair value as of 31 December 2025 are as follows:

In thousands of Mongolian Tugriks	**Level 1**	**Level 2**	**Level 3**	**Carrying amount**
Financial Liabilities				
Due to other banks	**-**	**811,902,175**	**-**	**811,902,175**
Short-term placements of other banks	-	811,902,175	-	811,902,175
REPO Arrangements	**-**	**2,407,294,249**	-	**2,407,294,249**
Sale and repurchase agreements with other banks	-	2,407,294,249	-	2,407,294,249
Customer Accounts				
State and public organisations	**-**	**1,174,698,829**	**-**	**1,176,273,086**
- Current/settlement accounts	-	518,263,595	-	518,263,595
- Demand deposits	-	-	-	-
- Term deposits	-	656,435,234	-	658,009,491
Legal entities	**-**	**4,440,157,583**	**-**	**4,451,836,392**
- Current/settlement accounts	-	3,231,366,099	-	3,231,366,099
- Demand deposits	-	-	-	-
- Term deposits	-	1,208,791,484	-	1,220,470,293
Individuals	**-**	**5,057,567,651**	**-**	**5,076,483,428**
- Current/settlement accounts	-	785,359,526	-	785,359,526
- Demand deposits	-	637,208,995	-	637,208,995
- Term deposits	-	3,634,999,130	-	3,653,914,907
Other	**-**	**110,225,381**	**-**	**110,223,028**
- Current/settlement accounts	-	64,232,370	-	64,232,370
- Demand deposits	-	-	-	-
- Term deposits	-	45,993,011	-	45,990,658
Other borrowed funds	**-**	**1,262,551,056**	**-**	**1,262,551,056**
Debt securities in issue		**1,978,516,150**		**1,911,935,038**
Provision for credit related commitments	**-**	**-**	**4,045,551**	**4,045,551**
Lease liabilities	**-**	**35,438,125**	**-**	**35,438,125**
Other financial liabilities	**-**	**128,680,249**	**-**	**128,680,249**
Total financial liabilities carried at amortised cost	**-**	**17,407,031,448**	**4,045,551**	**17,376,662,377**

39 Related Party Transactions

In the normal course of business, the Bank and the Bank enters into transactions with its major shareholders, directors and other related parties. These transactions include settlements, issuance of loans, deposit taking, guarantees, trade finance and foreign currency transactions. According to the Bank's policy the terms of related party transactions are equivalent to those that prevail in arm's length transactions.

Related party categories are as follows:

Immediate parent company	Golomt Financial Group LLC is the main shareholder of the Bank.
Entities under common control	Entities under common control are companies within Golomt Financial Group LLC and other companies the ultimate owner has control or significant influence.
Directors and key management personnel	The members of the Board of Directors and key management personnel of the Bank, their close family members, and entities that are controlled, jointly controlled, or significantly influenced by such individuals.
Other related parties	Related parties except the above three categories.

On 30 June 2026, the outstanding balances the Bank's related parties were as follows:

In thousands of Mongolian Tugriks	**Directors and key management personnel**	**Immediate parent company**	**Entities under common control**	**Other related parties**	**Total**
Gross amount of loans and advances to customers (contractual interest rate 6% - 24%)	10,355,248	5,849	4,561,117	142,470	**15,064,684**
Other assets	-	-	1,615,000	-	**1,615,000**
Customer accounts (contractual interest rate 0% - 16%)	54,580,766	29,693,329	269,415,188	1,749,183	**355,438,467**

On 31 December 2025, the outstanding balances with the Bank's related parties were as follows:

In thousands of Mongolian Tugriks	**Directors and key management personnel**	**Immediate parent company**	**Entities under common control**	**Other related parties**	**Total**
Gross amount of loans and advances to customers (contractual interest rate 6% - 24%)	8,804,515	-	94,036,935	213,820	**103,055,270**
okOther assets	-	-	61,600	-	**61,600**
Customer accounts (contractual interest rate 0% - 15.6%)	50,560,073	9,192,932	95,045,169	285,992	**155,084,166**

39 Related Party Transactions (continued)

Movement in the loans and advances to the Bank's related party for the period ended 30 June 2026 were as follows:

In thousands of Mongolian Tugriks	Directors and key management personnel	Immediate parent company	Entities under common control	Other related parties	Total
Contractual interest rate	**6% - 24%**	**24%**	**9% - 24%**	**15% - 24%**	
Loans to customers					
Loans to customers as at 1 January 2026	**8,804,515**	**-**	**94,036,935**	**213,820**	**103,055,270**
Loans to customers issued during the year	165,870,737	78,889	1,589,243	395,772	**167,934,641**
Loans to customers repaid during the year	(164,393,115)	(73,019)	(91,196,477)	(467,120)	**(256,129,731)**
Accrued interest as at 30 June 2026	88,266	-	29,183	-	**117,449**
Less: Credit loss allowance	(16,154)	(21)	(6,576)	(553)	**(23,304)**
Losses on initial recognition of loans at rates below market	-	-	-	-	**-**
Exchange difference	999	-	108,809	551	**110,359**
Loans to customers as at 30 June 2026	**10,355,248**	**5,849**	**4,561,117**	**142,470**	**15,064,684**

Movement in the loans and advances to the Bank's related party for 2025 were as follows:

In thousands of Mongolian Tugriks	Directors and key management personnel	Immediate parent company	Entities under common control	Other related parties	Total
Contractual interest rate	**6% - 24%**	**24%**	**9% - 24%**	**15% - 24%**	
Loans to customers					
Loans to customers as at 1 January 2025	**8,427,530**	**-**	**237,319,765**	**16,405,023**	**262,152,318**
Loans to customers issued during the year	322,977,924	246,064	45,344,930	1,287,667	**369,856,585**
Loans to customers repaid during the year	(322,669,014)	(246,097)	(189,112,863)	(17,484,884)	**(529,512,858)**
Accrued interest as at 31 December 2025	59,749	-	478,683	-	**538,432**
Less: Credit loss allowance	(6,859)	(11)	(1,582,729)	(1,386)	**(1,590,985)**
Exchange difference	15,185	44	1,589,150	7,399	**1,611,778**
Loans to customers as at 31 December 2025	**8,804,515**	**-**	**94,036,936**	**213,819**	**103,055,270**

39 Related Party Transactions (continued)

As of 30 June 2026, the customer accounts balances and transactions with the Bank's related parties are as follows:

In thousands of Mongolian Tugriks	Directors and key management personnel	Immediate parent company	Entities under common control	Other related parties	Total
Contractual interest rate	**0% - 16.0%**	**0% - 15.5%**	**0% - 15.5%**	**0% - 1.2%**	
Customer accounts					
Customer accounts as at 1 January 2026	**50,560,073**	**9,192,932**	**95,045,169**	**285,992**	**155,084,166**
Customer accounts received during the year	2,630,475,062	182,635,702	3,818,985,029	10,040,982	**6,642,136,775**
Customer accounts repaid during the year	(2,627,019,889)	(162,129,827)	(3,653,832,722)	(8,566,715)	**(6,451,549,153)**
Accrued interest as at 30 June 2026	487,698	202,125	8,921,158	277	**9,611,258**
Exchange difference	77,822	(207,603)	296,554	(11,352)	**155,421**
Customer accounts as at 30 June 2026	**54,580,766**	**29,693,329**	**269,415,188**	**1,749,184**	**355,438,467**

The customer account balances at the year-end and transactions with the Bank's related parties for 2025 are as follows:

In thousands of Mongolian Tugriks	Directors and key management personnel	Immediate parent company	Entities under common control	Other related parties	Total
Contractual interest rate	**0%-15.7%**	**0%-15.5%**	**0%-16.5%**	**0%-2.4%**	
Customer accounts					
Customer accounts as at 1 January 2025	**49,939,267**	**11,880,052**	**199,802,852**	**9,038,925**	**270,661,096**
Customer accounts received during the year	2,974,936,160	234,815,597	1,864,930,145	68,642,609	5,143,324,511
Customer accounts repaid during the year	(2,884,880,871)	(237,785,868)	(2,026,741,772)	(77,401,905)	(5,226,810,416)
Accrued interest as at 31 December 2025	581,951	5,793	1,511,767	-	2,099,511
Exchange difference	(90,016,434)	277,360	55,542,177	6,363	(34,190,534)
Customer accounts as at 31 December 2025	**50,560,073**	**9,192,934**	**95,045,169**	**285,992**	**155,084,168**

39 Related Party Transactions (continued)

The income and expense items with the Bank's related parties for the period ended 30 June 2026 are as follows:

In thousands of Mongolian Tugriks	**Directors and key management personnel**	**Immediate parent company**	**Entities under common control**	**Other related parties**	**Total**
Interest income	469,591	-	1,214,253	-	**1,683,844**
Interest expense	1,076,028	400,310	15,256,856	633	**16,733,827**
Fee and commission income	29,792	2,475	49,615	870	**82,752**
Rental and other service income	160,416	-	221,426	-	**381,842**
Dividend paid	382,209	51,603,242	2,212,920	-	**54,198,371**
Purchase of goods and services	-	-	133,300	-	**133,300**

The income and expense items with the Bank's related parties for the period ended 30 June 2025 are as follows:

In thousands of Mongolian Tugriks	**Directors and key management personnel**	**Immediate parent company**	**Entities under common control**	**Other related parties**	**Total**
Interest income	759,421	-	10,977,069	1,757,370	**13,493,860**
Interest expense	1,895,794	115,344	6,339,036	684,662	**9,034,836**
Fee and commission income	23,580	13,199	67,012	862	**104,653**
Rental and other service income	-	-	744,299	-	**744,299**
Dividend paid	390,858	62,424,053	4,846,150	26,867	**67,687,928**
Purchase of goods and services	-	-	930,514	-	**930,514**

The outstanding balance of the guarantee and letter of credit issued for the Bank's related parties as at 30 June 2026 and 31 December 2025 are as follows:

In thousands of Mongolian Tugriks	**30 June 2026**	**31 December 2025**
Guarantees	1,599,669	1,399,035
Undrawn credit lines	17,221,436	9,660,709
Total credit related commitments	**18,821,105**	**11,059,744**
Less: provision for impairment of credit related commitments	(47,054)	(11,655)
Total credit related commitments	**18,774,051**	**11,048,089**

The Bank's Board of Directors and key management compensation is presented below:

In thousands of Mongolian Tugriks	**30 June 2026**	**30 June 2025**
Salaries	3,963,353	3,982,592
Bonuses	8,276,000	700,570
Social security contributions	1,502,811	585,395
Total	**13,742,164**	**5,268,557**

40 Event After the End of the Reporting Period

There were no material subsequent events since the end of the period that would require disclosure or adjustment to the financial statements.

41 Abbreviations

The list of the abbreviations used in these financial statements is provided below:

Abbreviation	Full name
AC	Amortised Cost
ALCO	The Asset and Liability Committee
BOM	Bank of Mongolia
CODM	Chief Operating Decision Maker
ECL	Expected Credit Loss
FRC	Financial Regulatory Commission of Mongolia
FTP	Funds Transfer Pricing
FV	Fair Value
FVTOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
GDP	Gross Domestic Product
IAS	International Accounting Standard
IBOR	Interbank Offered Rate
IFRS	International Financial Reporting Standard
LC	Letter of Credit
MIK	Mongolian Mortgage Corporation
MNT	Mongolian Tugriks
RMBS	Residential mortgage-backed securities
SFC	Securities Finance Corporation
SICR	Significant increase in credit risk
SME	Small and Medium-sized Enterprises
SOFR	Secured Overnight Financing Rate