



XACBANK JSC FINANCIAL AND OPERATIONAL RESULTS

As of March 31, 2025



A 3D rendering of an orange classical building facade with columns and a pediment, featuring a circular emblem with a stylized flower design.

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Operational highlights



Secured USD 147 million syndicate facility agreement with EBRD



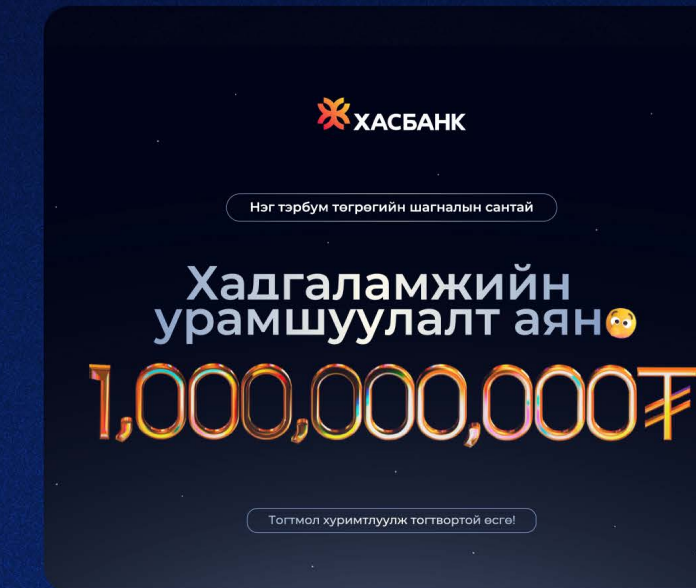
XacBank has successfully signed a \$147 million syndicated loan agreement with the European Bank for Reconstruction and Development (EBRD), marking the largest financing deal the EBRD has provided in Mongolia's banking sector. The facility is syndicated to Allianz Global Investors, FMO, ILX, AKA Bank of Germany and Invest in Visions.

Successful launch of new overdraft accounts



The Bank launched new overdraft account service which demonstrated strong growth potential. The client base of overdraft accounts grew 214.4% QoQ as of 31 March 2025 to total of 21.3K users. Users of "Asuudalgyi" product can enable overdrafting option on chosen current account to overdraw up to MNT 400K.

Marketing campaign drives deposit growth



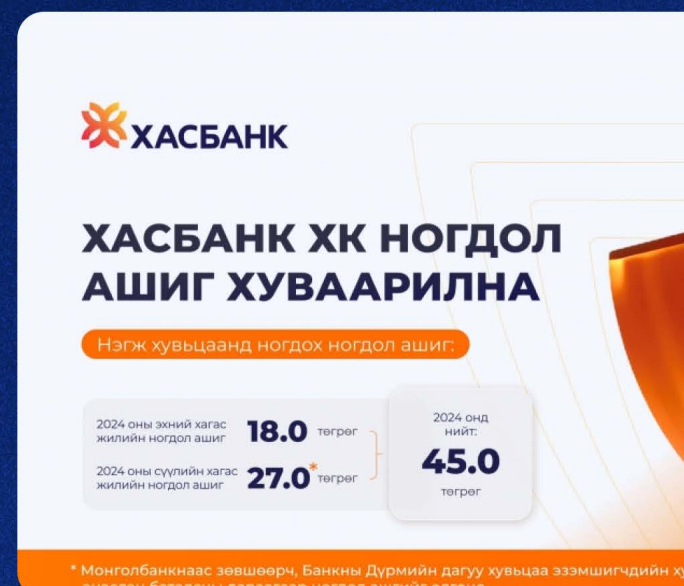
In the first quarter of 2025, the Bank launched large marketing campaign, featuring a prize pool of MNT 1 billion, aimed at attracting and incentivizing deposit holders. The campaign had a positive impact, contributing to a 4.4% quarter-on-quarter increase in total deposits, reaching MNT 2,674 billion.

Opened correspondent account at Bank of New York Mellon



By establishing a direct relationship with BNY Mellon Bank in the United States, XacBank has enhanced its ability to facilitate foreign transactions and expanded its capacity to support Mongolia's economy and international trade. This further affirms that XacBank's operations fully comply with international standards and regulations.

XacBank declares dividend of MNT 27 per share



XacBank JSC Board of Directors recommended to distribute MNT 27.0 per share dividend from the retained earnings of second half of 2024. Combined with the MNT 18.0 per share divided from the retained earnings of first half of 2024, the Bank is expected to disburse total of MNT 45.0 per share from the retained earnings of FY2024.

Leasing centers expanded



Leasing centers focused on used passenger vehicles were expanded by creating new center at UG arena automobile complex. The new center offers convenience and streamlined underwriting process to clients purchasing used cars from the complex.

Financial results

Q1 2025

Net profit	ROE	XAC (stock price)	EPS	Tier 1 ratio	Liquidity ratio
MNT 44.1 billion	23.4%	MNT 854.0	MNT 167.7*	19.6% >12.5%	36.7% >25.0%

Profitability:

- Net profit of the Bank reached MNT 44.1 billion in Q1 2025, up +2.8% QoQ. The Bank managed to deliver strong profitability through stable loan portfolio growth, prudent risk management and efficient cost control;
- As of March 31, 2025, the Bank's Return on equity (ROE) is 23.4%, and the quarterly earnings per share (EPS) is MNT 41.9 and in annualized term MNT 167.7.

Balance sheet:

- The gross loan portfolio reached MNT 3,846 billion, up by 4.0% QoQ;
- The retail banking loan portfolio grew by 5.0% QoQ, reaching MNT 2,717 billion, driven by growth in consumer loans and lending for MSME businesses;
- Better collaboration with vendor companies and solid performance of new leasing branches for used cars have resulted in 8.8% growth for leasing portfolio, reaching MNT 508 billion as of March 31, 2025;
- NPL ratio increased by 0.1 ppts to 2.1% of gross loan portfolio as of March 31, 2025.
- As of March 31, 2025, current accounts and deposits reached MNT 3,366 billion (down 1.7% QoQ), while senior debt increased by 9.7% to USD 493 million.

Prudential ratios:

- As of the end of 2024, all regulatory metrics set by the Bank of Mongolia are within the limit;
- Tier 1 capital ratio is 19.6%, 7.1 ppts above the regulatory minimum requirement of 12.5%;
- The liquidity ratio is 36.7% (regulatory limit >25%).

*annualized EPS

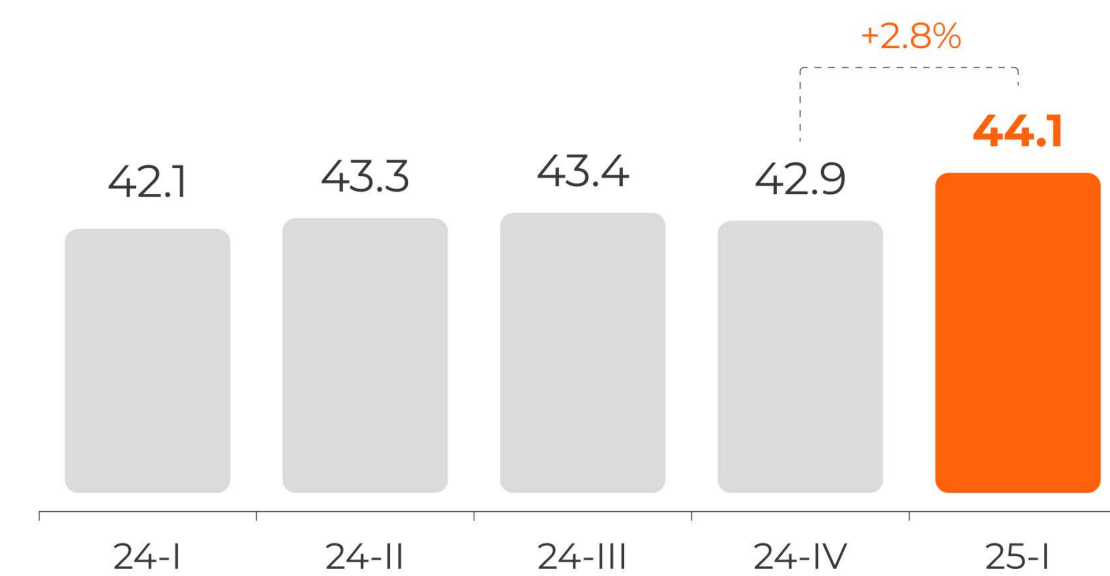
Key financial metrics



Q1 2025

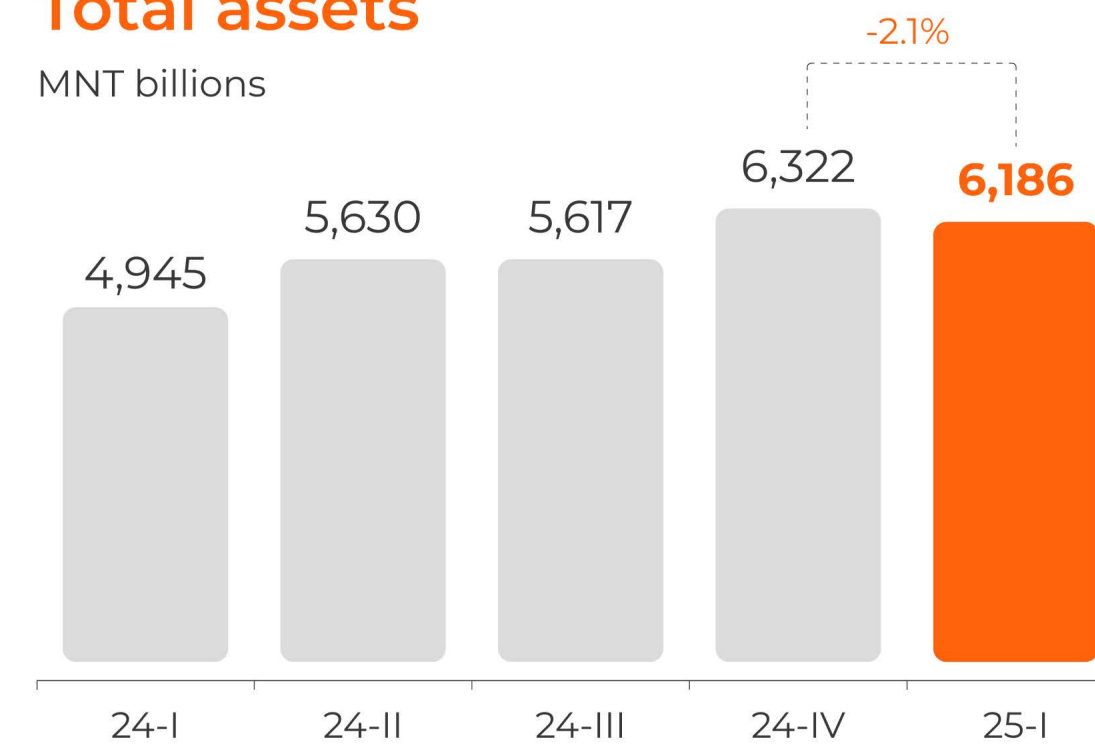
Net profit

MNT billions



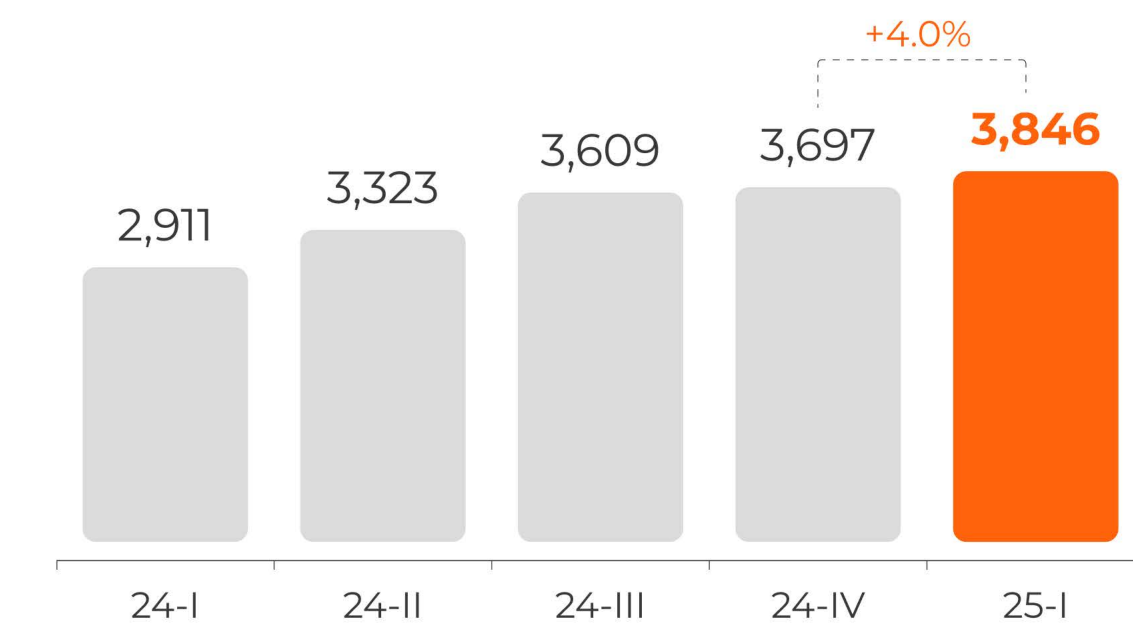
Total assets

MNT billions



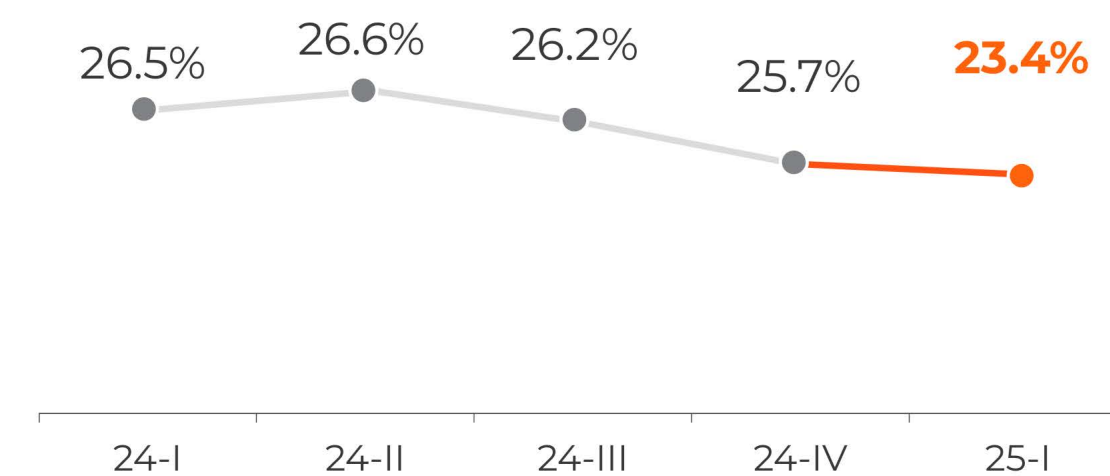
Gross loan portfolio

MNT billions

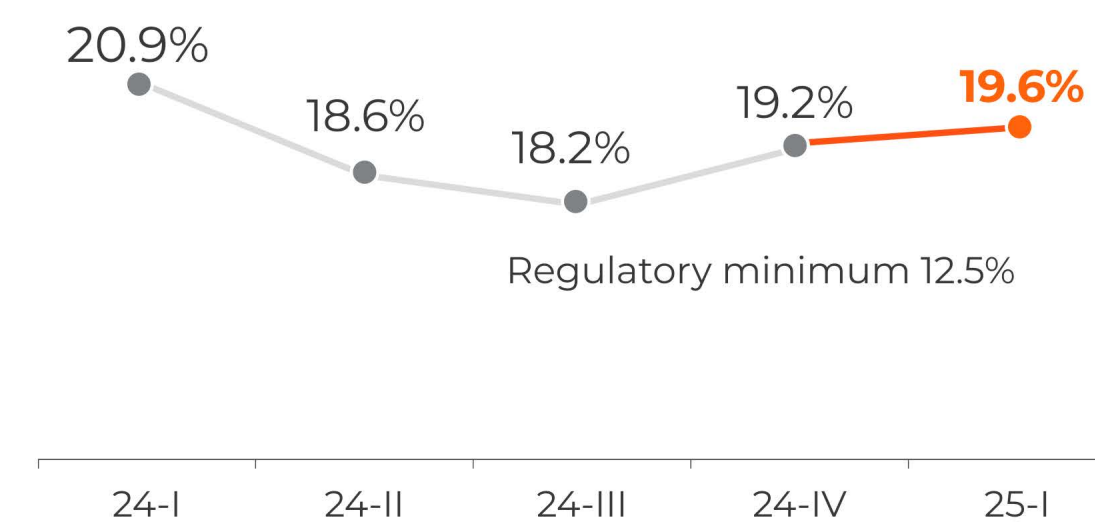


ROE

based on average equity of last 12 months

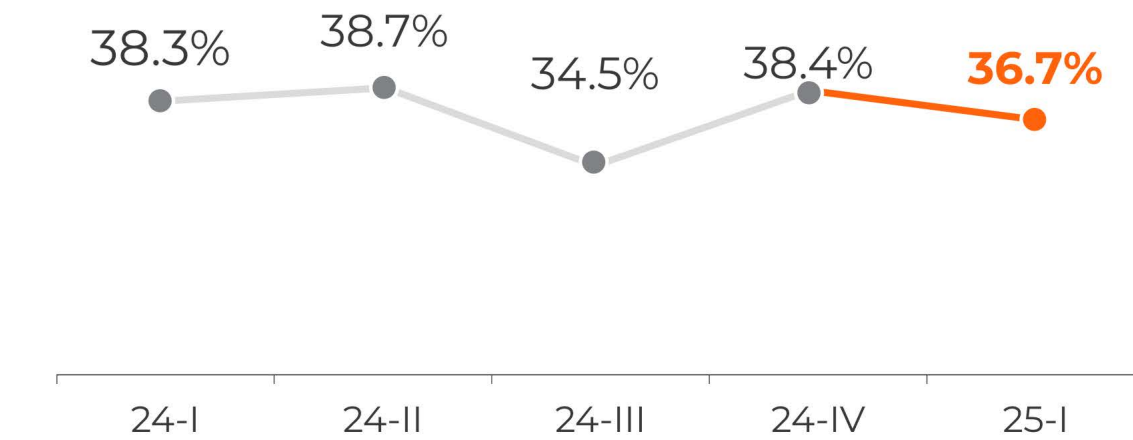


Tier 1 capital ratio



Liquidity ratio

Minimum threshold 25.0%



Lending



Q1 2025

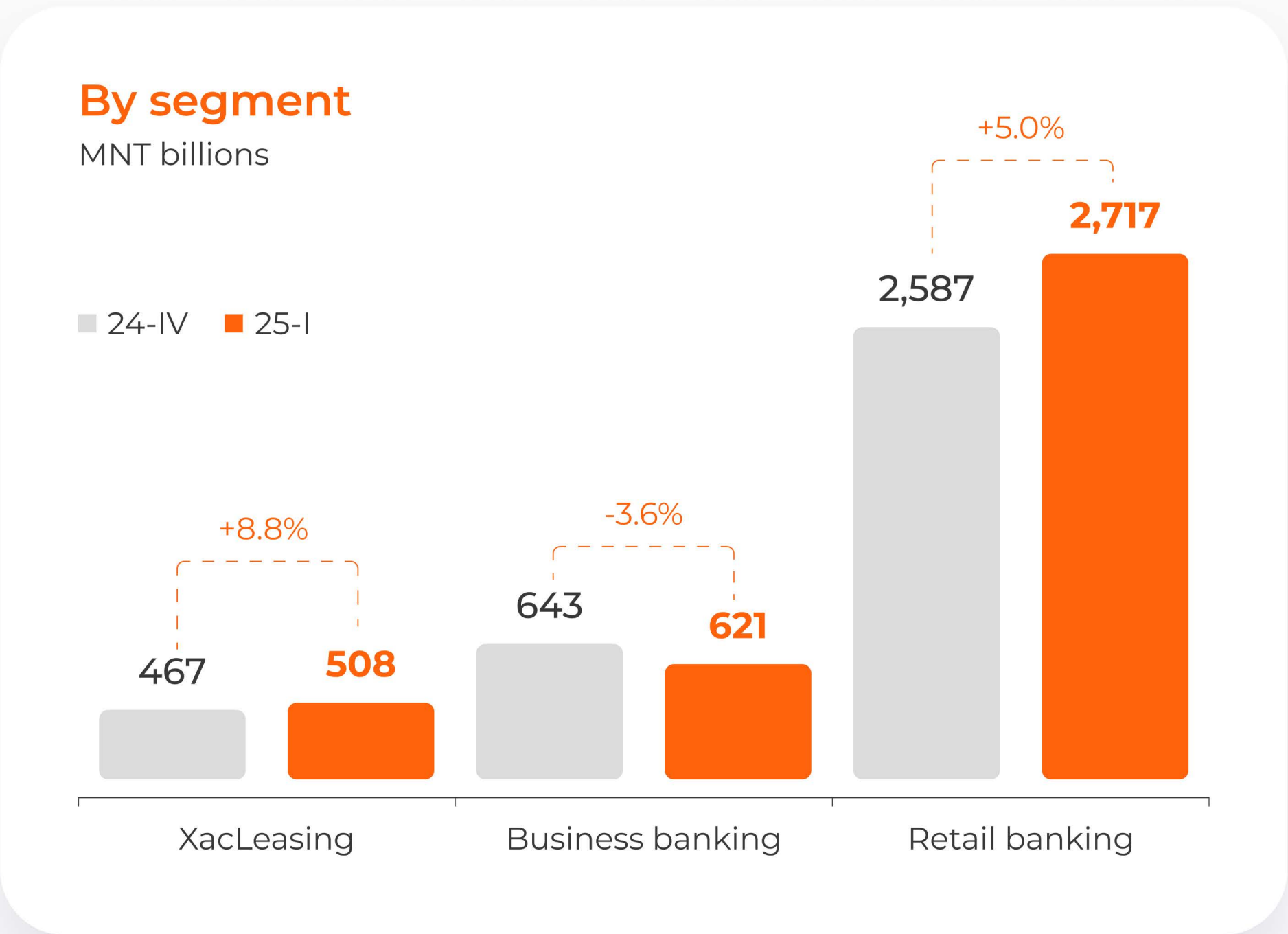
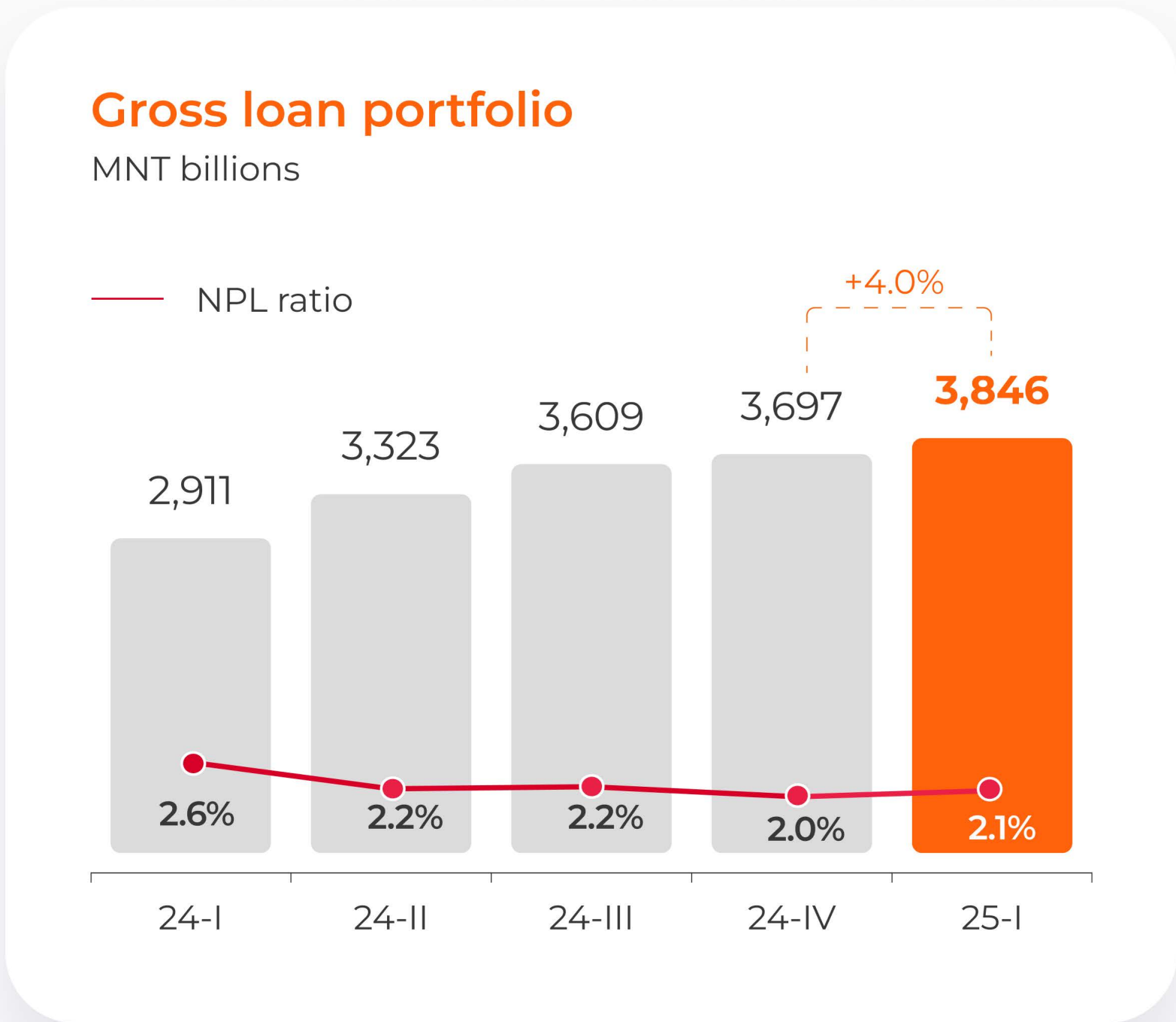
Number of loan accounts

215.1k ▲ 14.4% QoQ

Retail Banking loans	Business Banking loans	XacLeasing leases
210.5k	0.2k	4.4k

Number of digital loan accounts

143.3k ▲ 21.2% QoQ



- During the quarter, GLP grew +4.0% to MNT 3,846bn. The growth is primarily driven by increases in micro and small business loans, consumer loans, and new and used car leases.
- Launch of new overdraft protection product, “Asuudalgyi” during quarter accounted for growth in digital accounts by over 22.3K.

Current accounts and deposits

Q1 2025

Number of accounts

1.4 million ▲ 3.1% QoQ

Number of current accounts

885.5K

Number of deposit accounts

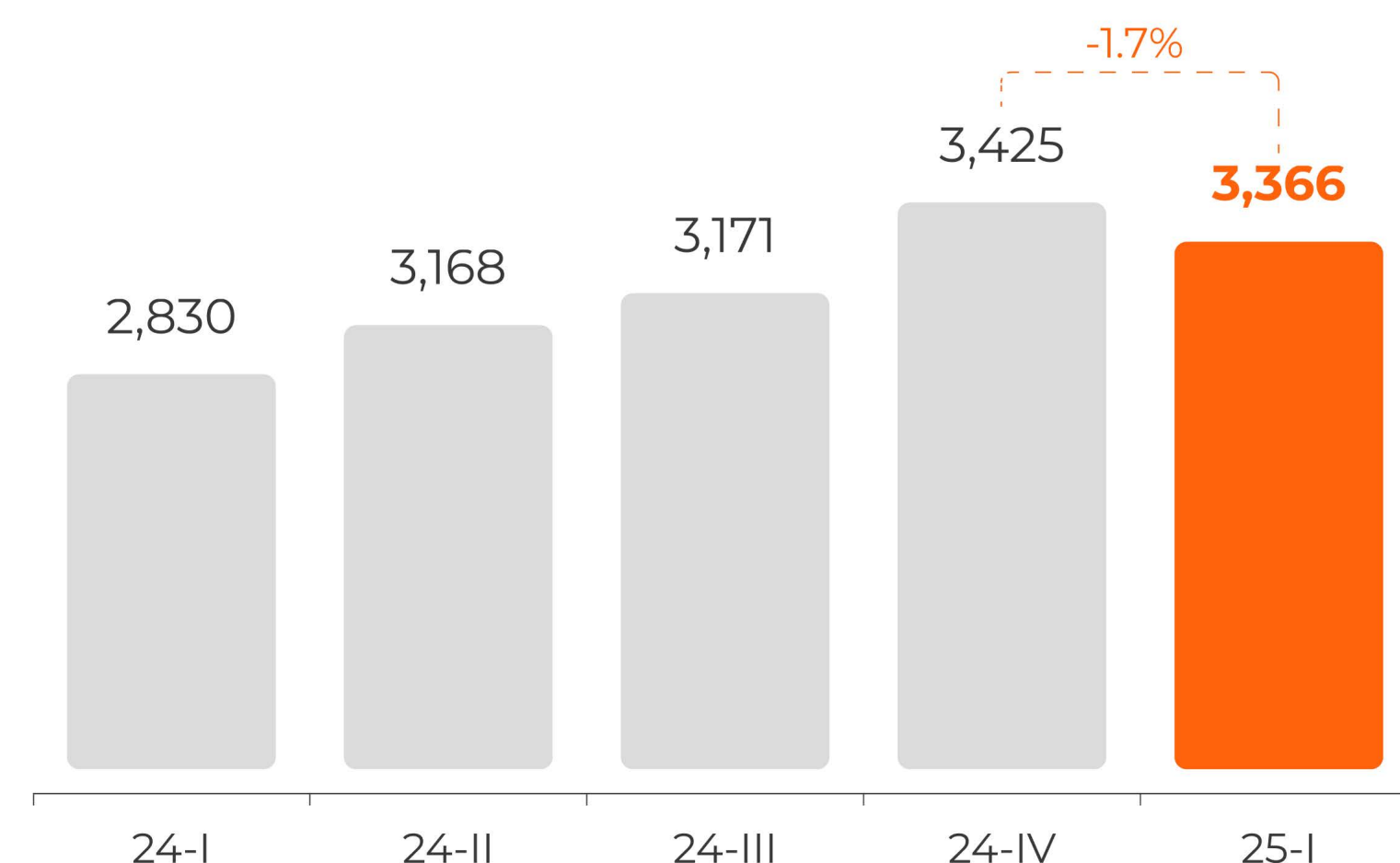
545.1k

Number of “Asuudalgyi” overdraft current accounts

36.3k ▲ 353.7% QoQ

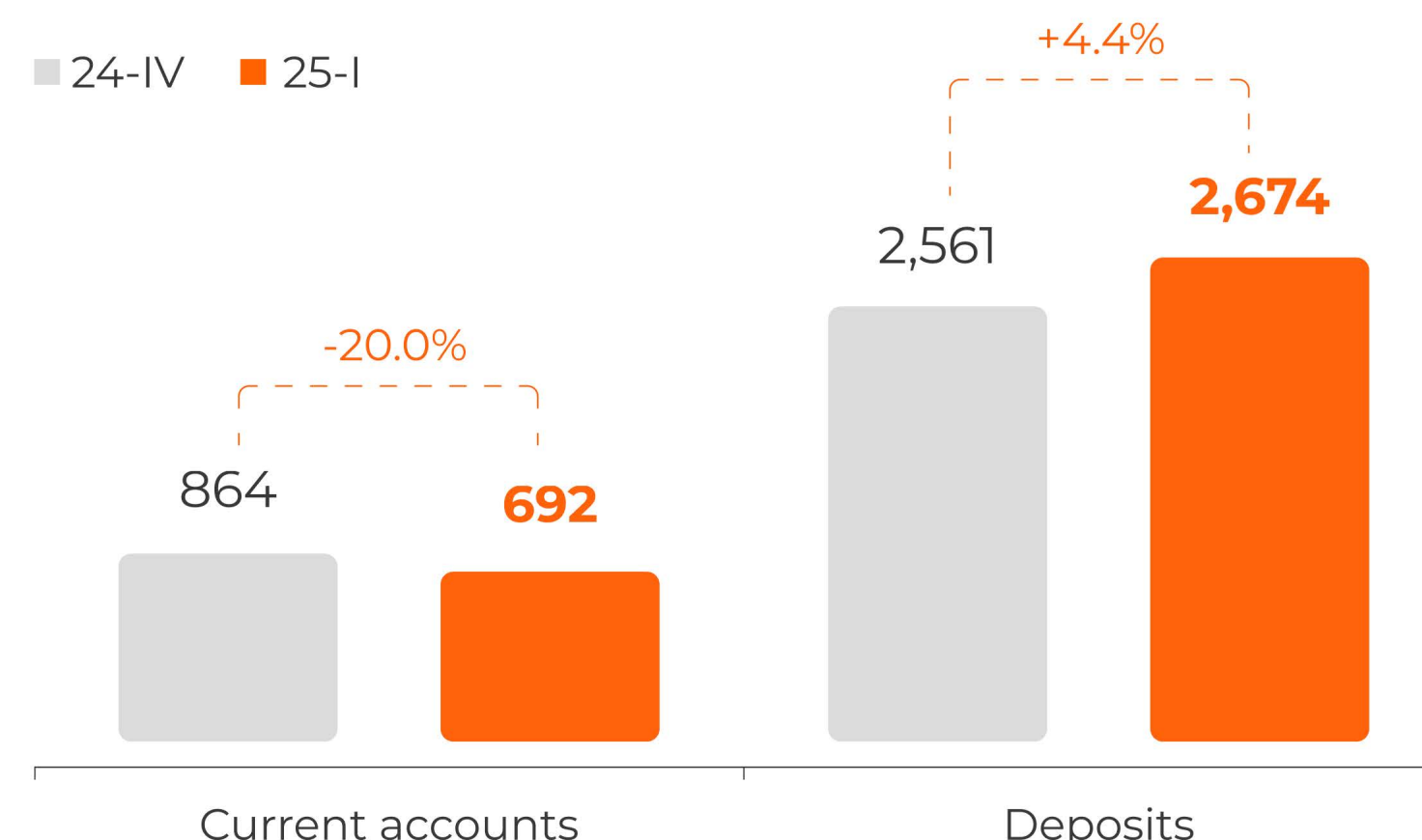
Current accounts & deposits

MNT billions



By products

MNT billions



- During the quarter, current account balance fluctuated between MNT 670-850 billion, as businesses prepare for new financial year.
- Deposits increased 4.4% QoQ to MNT 2,674 billion in Q1 2025, as a result of deposit market campaigns carried out during the quarter.

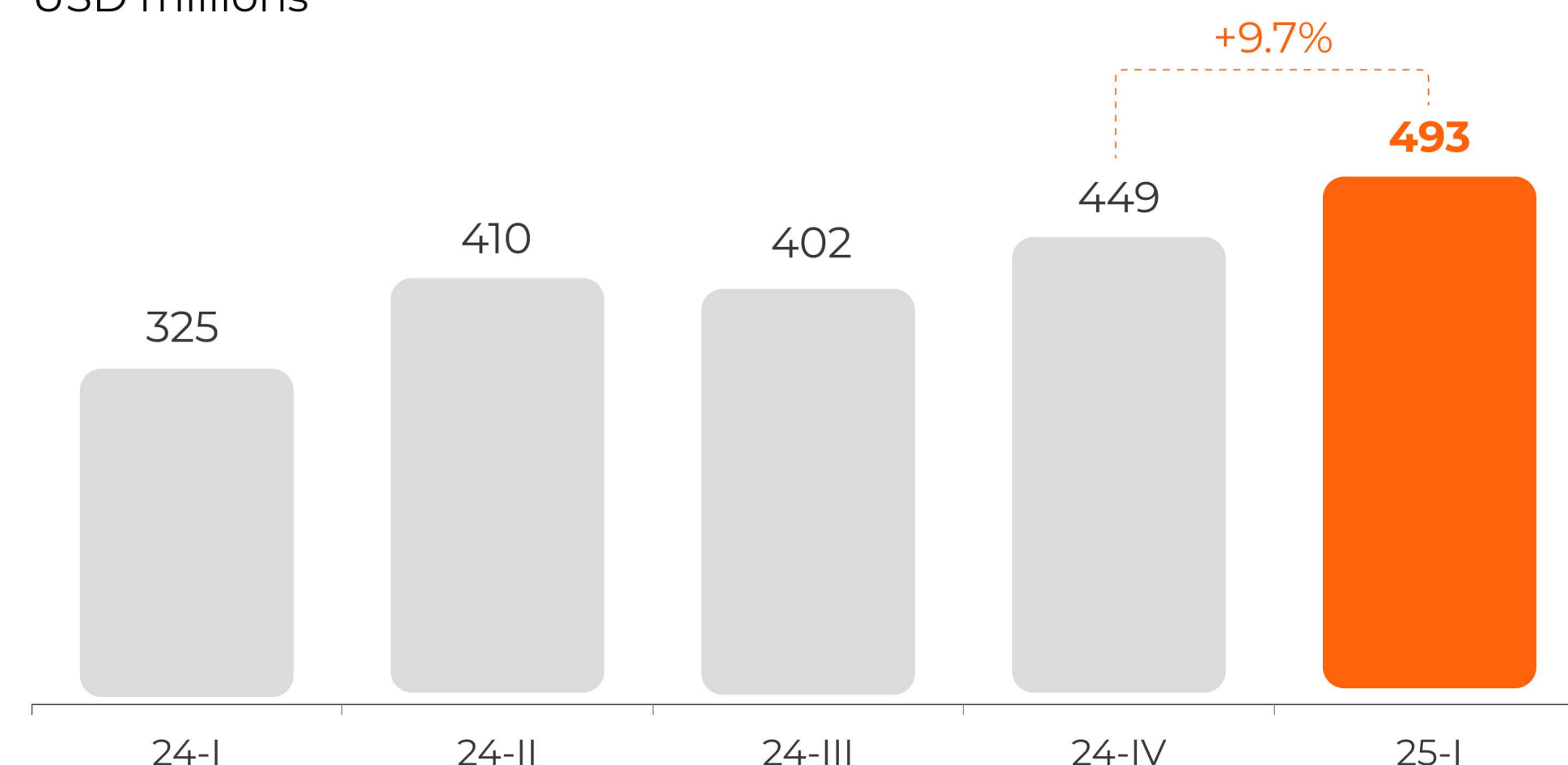
Senior debts

I Q1 2025

During the quarter the bank received USD 50.0 million in new funding from ADB with the aim of supporting MSME and energy efficient projects in Mongolia. Also, the Bank signed a syndicated loan facility of USD 147.0 million with EBRD and syndication participants, including Allianz Global Investors, FMO, ILX, AKA Bank of Germany, and Invest in Visions. The new funding will be utilized to support micro, small and medium-sized enterprises (MSMEs) led or owned by individuals under the age of 35.

Senior debt

USD millions



New senior debts



\$50,000,000

Received financing from ADB to support MSME and green economy.



\$147,000,000

Signed syndicated loan agreement with EBRD with the aim of supporting young entrepreneurs of Mongolia up to 35 years old.

Stock information

Q1 2025

XacBank JSC (XAC) stock price closed at MNT 854.06 on the last trading day of Q1 2025, marking 3.4% increase from the closing price of Q4 2024 or 26.2% increase from the IPO price. EPS as of March 31, 2025 is MNT 41.9 on quarterly basis and MNT 167.7 on annualized basis.

The Bank disbursed MNT 18 per share or MNT 18.9 billion in dividend from the retained earnings of first half of 2024. The Board has recommended MNT 27.0 per share or MNT 28.4bn in dividend from the retained earnings of second half of 2024, making the total dividend from FY2024 to MNT 45.0 per share or MNT 47.3 billion.

XAC stock price and trading volume

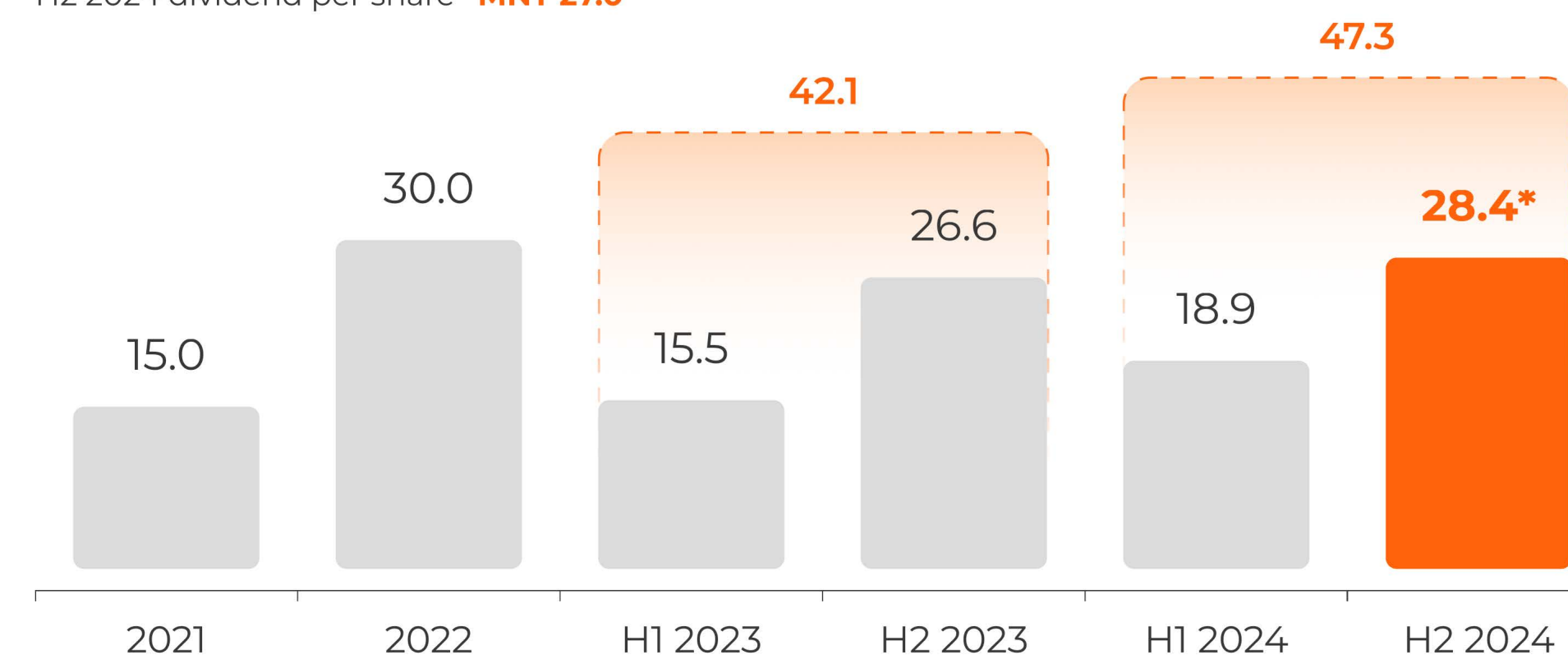


Dividend distribution

MNT billions

H1 2024 dividend per share **MNT 18.0**

H2 2024 dividend per share **MNT 27.0**



*dividend distribution will be made following the approval from Bank of Mongolia and 2025 Annual General Meeting (AGM) voting result as per company charter.

Prudential ratio: Capital adequacy, liquidity ratio

Q1 2025

Tier 1 capital adequacy ratio

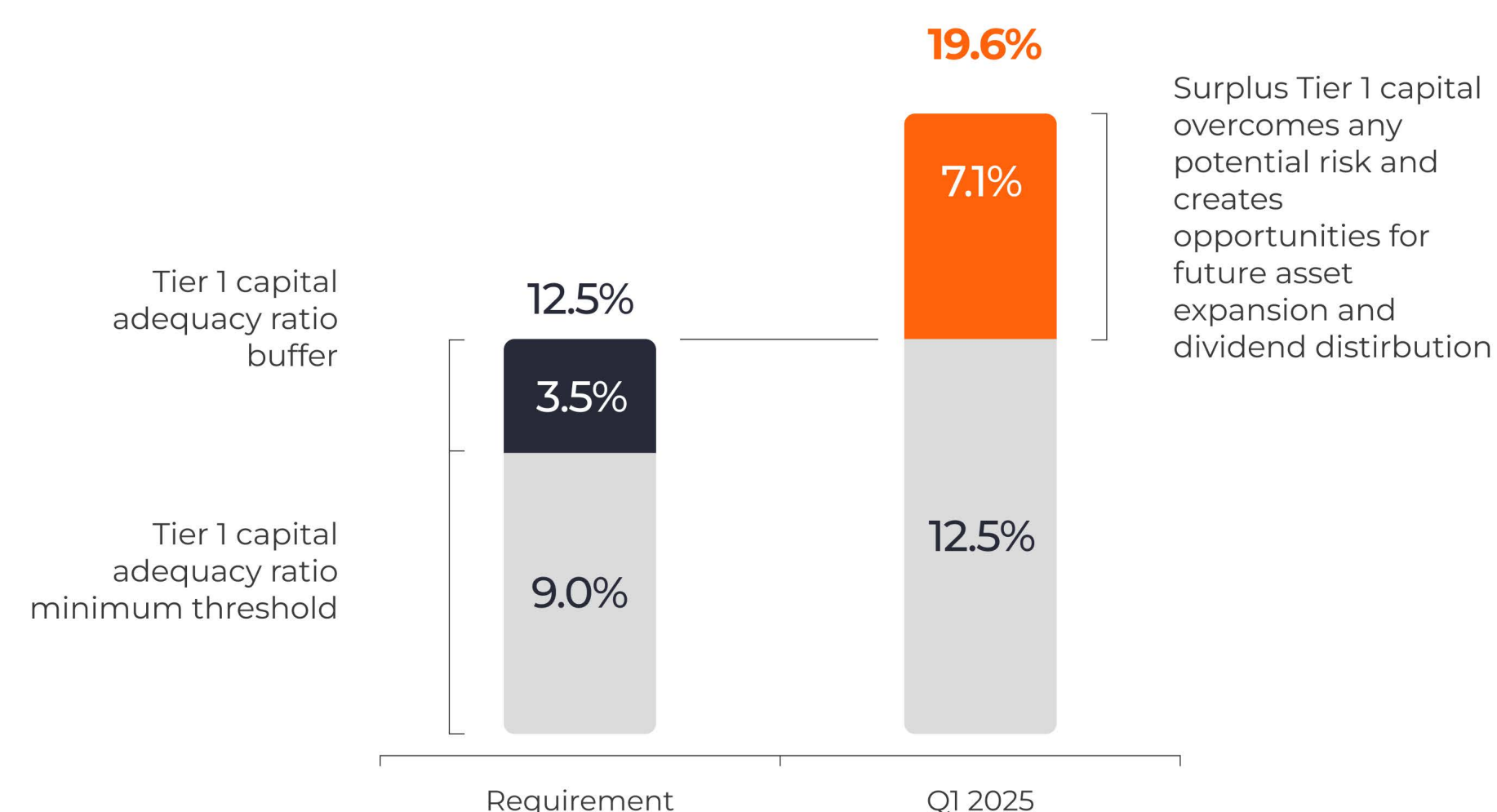
19.6%

Minimum threshold 12.5%

Liquidity ratio

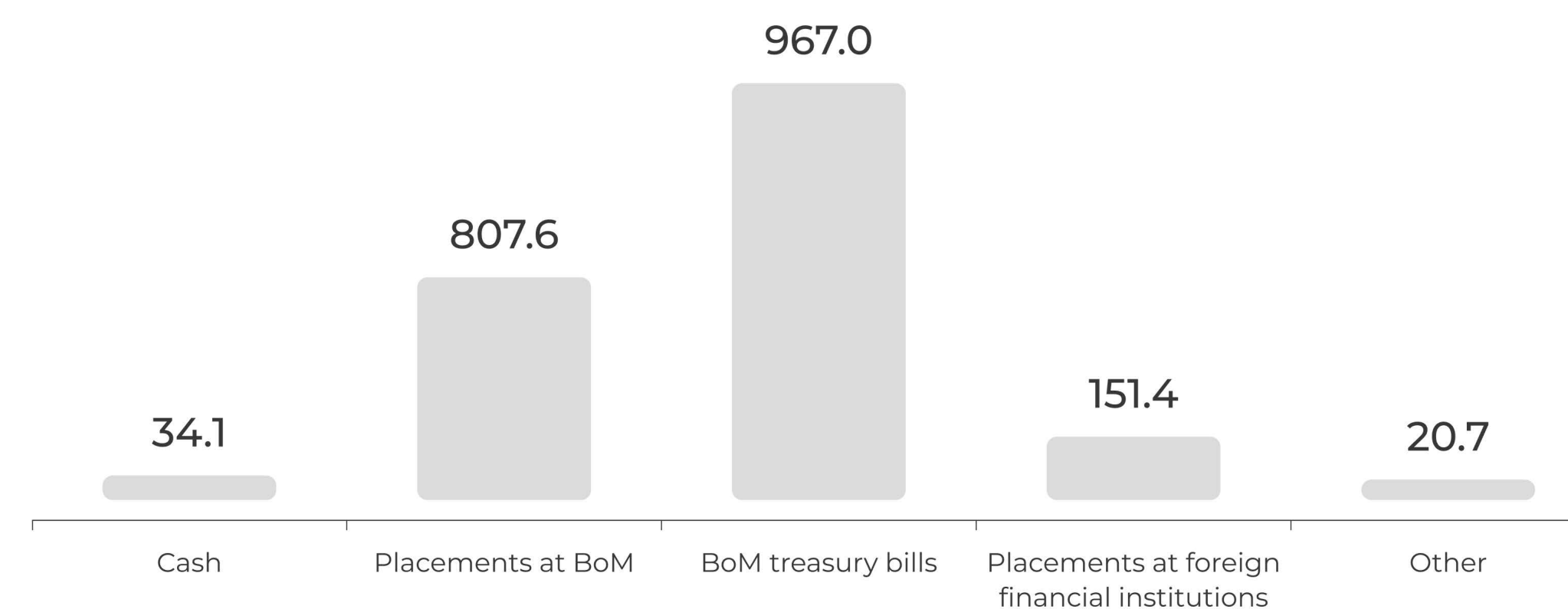
36.7%

Minimum threshold 25.0%



Liquid assets

MNT 1,980.7 billion



Other prudential ratios

	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
Foreign currency exposure ratio (single currency) +/- 15%	-1.9%	-2.3%	-6.2%	-1.7%	-2.0%
Foreign currency exposure ratio (total currency) +/- 30%	-2.9%	-3.3%	-9.1%	-2.0%	-3.3%
Credit concentration ratio <300%	33.0%	52.9%	56.9%	41.7%	51.7%
Fixed asset to total assets ratio <8%	1.4%	1.2%	1.2%	1.2%	1.2%
Deposit concentration ratio <25%	7.8%	7.9%	7.4%	7.9%	7.0%
	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
Loans and other assets equivalent to loan to single related party and employees (less than 5% of capital)					
Bank shareholders	0.9%	0.7%	1.7%	2.2%	1.7%
Key management personnel	0.1%	0.1%	0.1%	0.1%	0.1%
Other related parties	3.0%	2.9%	2.8%	0.0%	0.0%
Loans and other assets equivalent to loan to aggregate related party and employees (less than 20% of capital)					
Bank shareholders	0.9%	0.7%	1.7%	2.3%	1.8%
Key management personnel	0.3%	0.5%	0.4%	0.3%	0.3%
Other related parties	3.0%	2.9%	2.8%	0.1%	0.0%

The operation of board of directors

Q1 2025

3 Board meetings	2 Online votings	18 Resolutions
 Governance, nomination and compensation committee 1 meetings, 1 online votings	 Risk management committee 1 meetings, 1 online votings	 Audit committee 1 meetings



In accordance with the Corporate Governance Code guidelines assessment methodology approved by the Financial Regulatory Commission (“FRC”), the 2024 Report of XacBank “**Implementation of the Corporate Governance Code**” was reviewed and verified by the FRC and **rated as 93.1%**, indicating good and risk-free governance status.



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