



XACBANK JSC FINANCIAL AND OPERATIONAL RESULTS

As of September 30, 2025



A 3D rendering of an orange classical building facade, showing columns and a pediment with a circular emblem.

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Operational highlights

| Q3 2025



XacBank in full compliance with 20% shareholder concentration limit

In accordance with the authorization granted at the FRC's regular meeting on July 24, 2025, the process of merging TenGer Financial Group LLC, the parent company of XacBank, into XacBank has been fully completed. As a result, XacBank has become the only systemically important bank to meet the key requirement under the new "Banking Law" where single shareholder's concentration is limited at 20% or below.

Interim dividend distribution of 2025

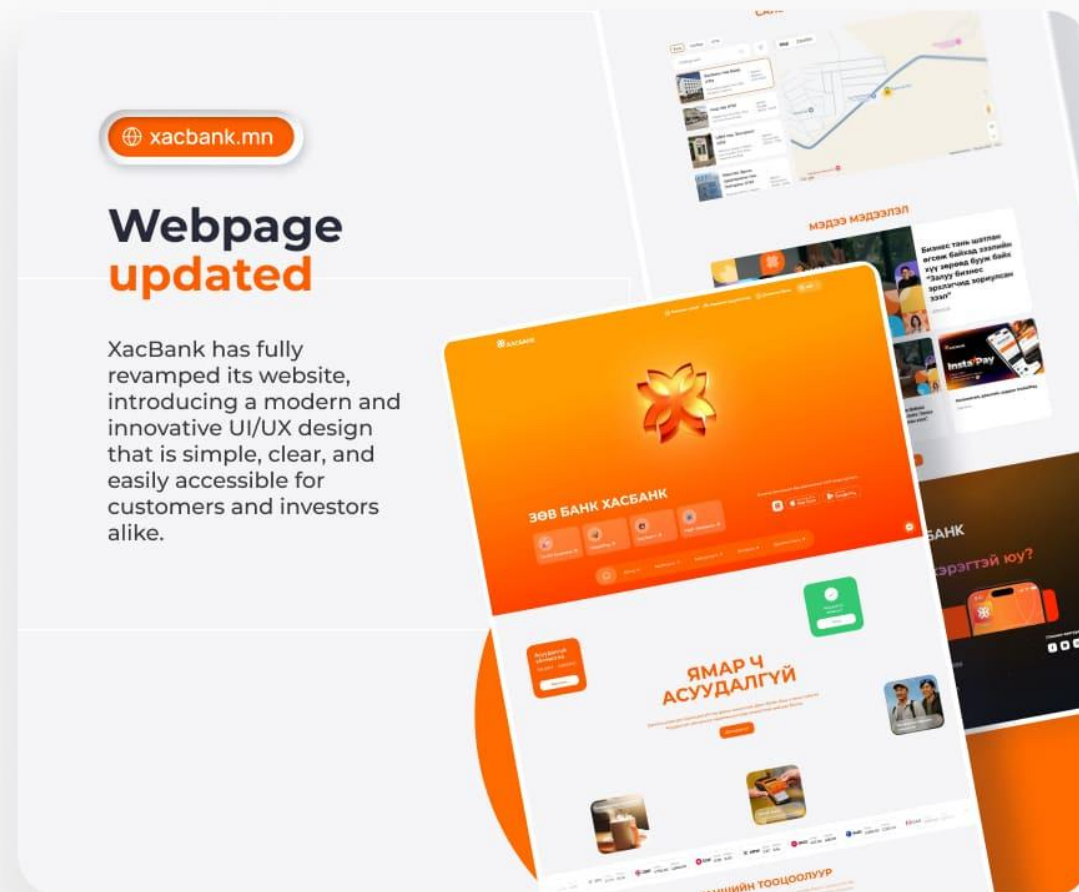
18.0
MNT per share

By resolutions R-2025-29 and R-2025-30 dated August 21, 2025, of the Board of Directors, XacBank JSC has proposed to distribute MNT 18.00 (eighteen) per share as an interim dividend from the net profit of the first half of 2025 to its shareholders, and is organizing the shareholders' meeting in the form of absentee voting between September 18, 2025, and October 10, 2025.



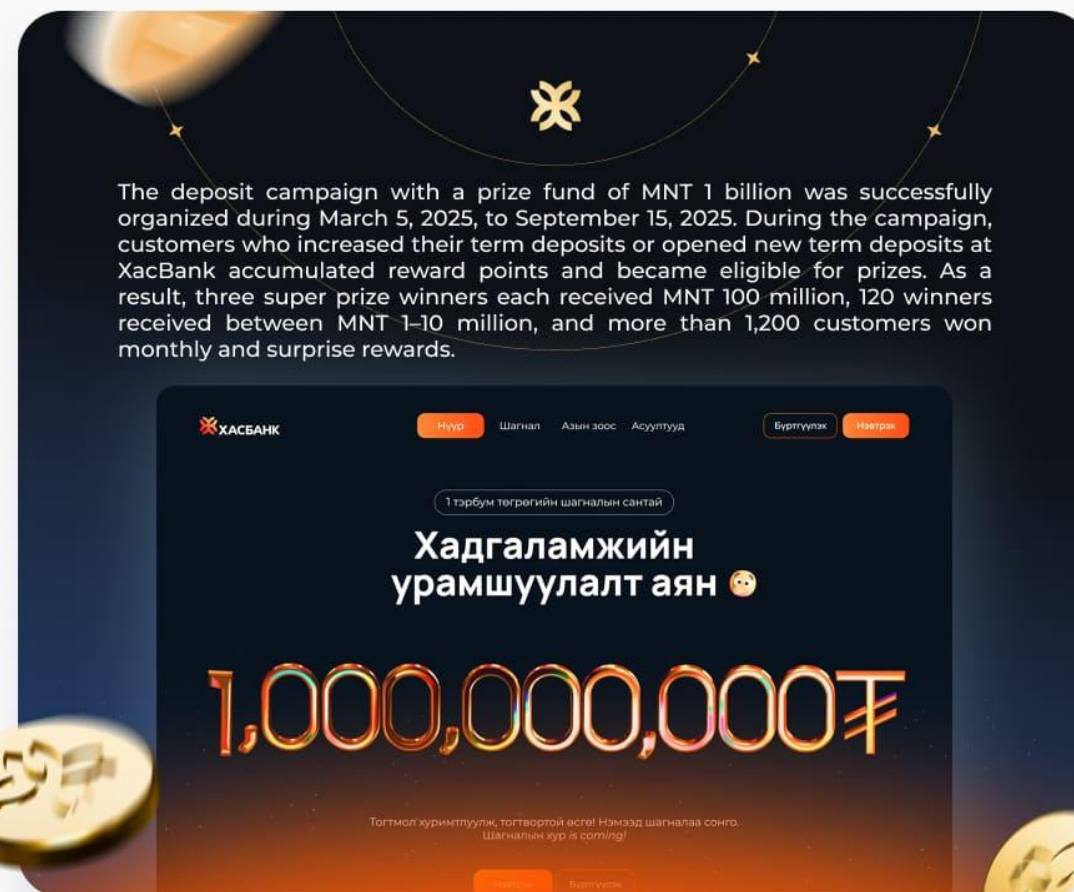
Operational highlights

| Q3 2025



Webpage updated

XacBank has fully revamped its website, introducing a modern and innovative UI/UX design that is simple, clear, and easily accessible for customers and investors alike.



The deposit campaign with a prize fund of MNT 1 billion was successfully organized during March 5, 2025, to September 15, 2025. During the campaign, customers who increased their term deposits or opened new term deposits at XacBank accumulated reward points and became eligible for prizes. As a result, three super prize winners each received MNT 100 million, 120 winners received between MNT 1-10 million, and more than 1,200 customers won monthly and surprise rewards.

Operational highlights

| Q3 2025

LOAN FOR YOUTH ENTREPRENEURS

XacBank launched a new loan product titled the "Youth Entrepreneur Support Loan" with the goal of contributing to sustainable social development and encouraging the entrepreneurial drive and initiatives of the younger generation. This loan is intended for business



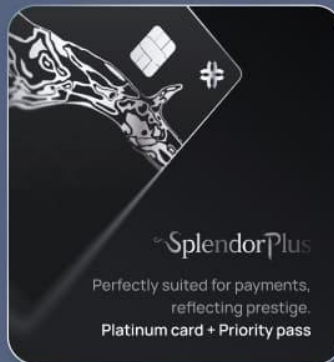
Tiered interest rate

The loan term is divided into three equal periods, with the interest rate decreasing by 0.5 percentage points at the end of each period.



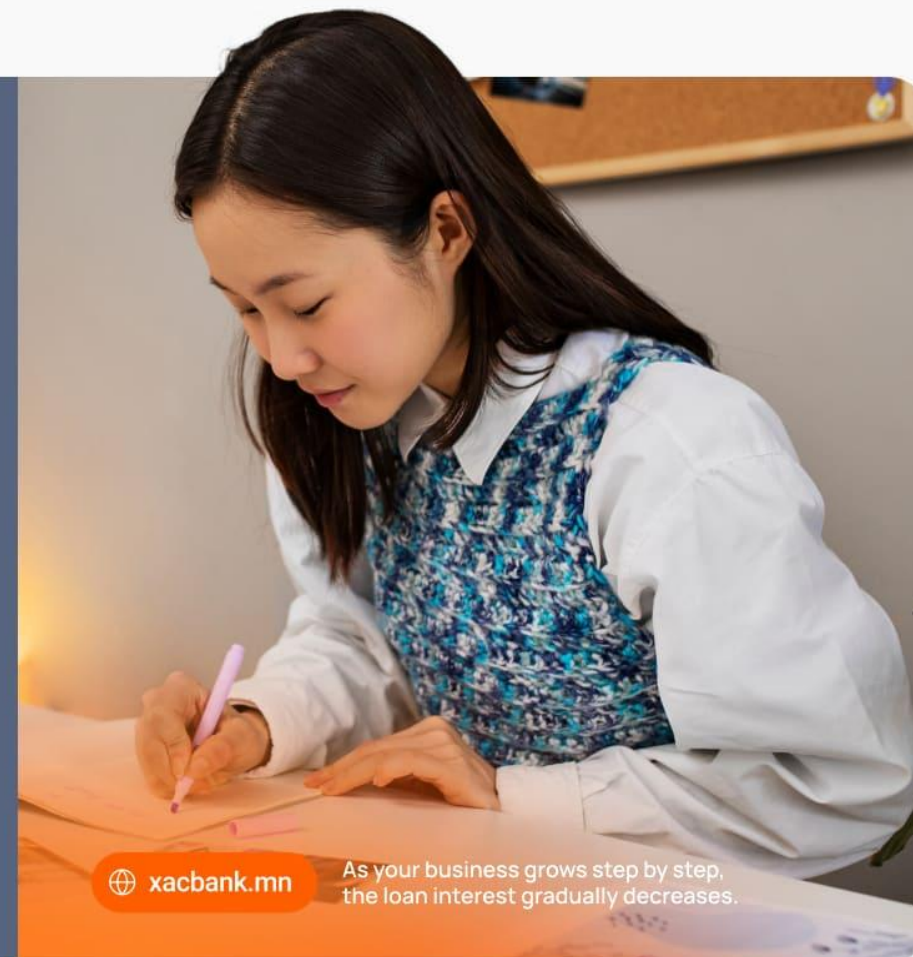
Soft collateral

Unsecured loans are available up to MNT 50 million, and no real estate collateral is required for loans up to MNT 100 million. Collateral from a third party is permitted.



SplendorPlus

Perfectly suited for payments, reflecting prestige.
Platinum card + Priority pass



 xacbank.mn

As your business grows step by step,
the loan interest gradually decreases.

Digitalization

Q3 2025



InstaPay

InstaXPay successfully launched its digital wallet to the market and rolled out the “Weekly Boost,” “Summer Naadam with InstaXPay,” and “99% Anywhere” campaigns, rewarding customers who used InstaXPay for their everyday purchases. As a result, the number of active users reached 16,700, with total engagements climbing to 70,000. 🙌



XacTeen+

In Q2 2025, XacBank successfully launched the initial version of the XacTeen+ application, designed for users aged 7 to 17. The app features a unique and engaging interface that empowers children and teenagers to manage their daily finances in a fun, easy, and comprehensive way.



Financial results

Q3 2025

Net profit	ROE	XAC (stock price)	EPS	Tier 1 ratio	Liquidity ratio
MNT 124.9 billion	21.4%	MNT 880.0	MNT 158.5*	20.0%	39.5%

Profitability:

- In Q3 2025, XacBank recorded a net profit of MNT 39.0 billion, bringing the total net profit as of Q3 2025 to MNT 124.9 billion, a decrease of -3.0% YoY. External factors such as change in mandatory reserve requirements and hedging cost on wholesale funding by BoM (Central Bank) has driven funding cost higher, resulting in lower profitability;
- As of the end of Q3 2025, the bank's return on equity (ROE) stood at 21.4%, and earnings per share (EPS) in annualized term is 158.5.

Balance sheet:

- The gross loan portfolio reached MNT 4,141 billion, (-1.9% QoQ, +12.0% YTD);
- Corporate and Leasing portfolio demonstrated solid growth of +3.7% and +4.0% on quarterly basis or +11.1% and +36.1% on year-to-date basis, respectively on the back of strong demand for passenger vehicle leases and corporate loans.
- Retail portfolio contracted -4.4% QoQ in Q3 but grew +7.9% on year-to-date basis. While the YTD growth was supported by MSME loans, mortgages, and deposit backed loans, main contributor to quarterly contraction was decline in salary loans and mortgage portfolio securitization to MIK.
- NPL ratio is 2.4% of GLP as of Q3 2025, lowest in the banking sector.
- Current accounts and deposits reached MNT 3,546 billion (+3.7% QoQ, +3.6% YTD), while senior debt increased USD 623 million (+2.9% QoQ, +38.8% YTD).

Prudential ratios:

- As of the end of Q3 2025, all regulatory metrics set by the Bank of Mongolia are within the limit;
- Tier 1 capital ratio is 20.0%, 7.5 ppts above the regulatory minimum requirement of 12.5%;
- The liquidity ratio is 39.5% (regulatory limit >25%).

*annualized EPS

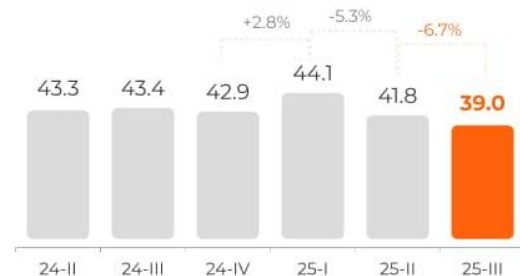
Key financial metrics



Q3 2025

Net profit

MNT billions



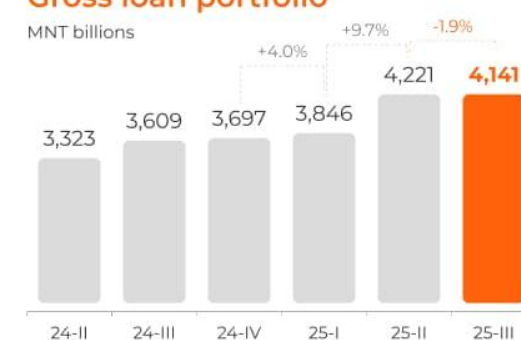
Total assets

MNT billions



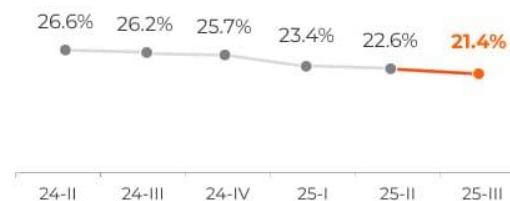
Gross loan portfolio

MNT billions



ROE

based on average equity of last 12 months



Tier 1 capital ratio



Liquidity ratio



Lending



Q3 2025

Number of loan accounts

221.8K ▼ -3.0% QoQ ▲ +17.0% YTD

Retail Banking loans

216.4K

Business Banking loans

0.2K

XacLeasing leases

5.1K

Number of digital loan accounts

149.0K ▼ -3.4% QoQ ▲ +20.3% YTD

Gross loan portfolio

MNT billions



By segment

MNT billions



- In Q3 2025, XacLeasing grew 4.0% or MNT 24.7bn and Corporate business grew 3.7% or MNT 25.6bn. The growth was concentrated on business loans and passenger vehicle finance leases.

- However, the growth of XacLeasing and Corporate banking was offset by retail book contraction of -4.4% or MNT 129.9bn in Q3. Decline in salary loans and mortgage portfolio transfer to MIK was main cause of retail portfolio contraction.

Current accounts and deposits

Q3 2025

Number of accounts

1.5 million ▲ 1.4% QoQ ▲ 7.9% YTD

Number of current accounts

936.5K

Number of deposit accounts

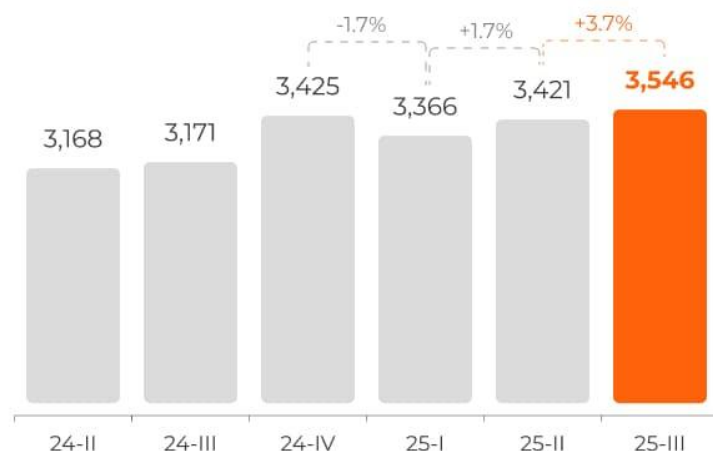
560.9K

Number of “Asuudalgyi” overdraft current accounts

65.2K ▲ 11.3% QoQ ▲ 375.7% YTD

Current accounts & deposits

MNT billions



By products

MNT billions



- In Q3 2025, XacBank's current account balances reached MNT 793 billion, reflecting a 8.1% increase compared to the previous quarter;
- While continuing to provide services through traditional branch channels, the Bank prioritized the enhancement of digital and electronic platforms, as well as payment and card products. As a result, total deposits increased by 3.7% from the previous quarter, reaching MNT 3,546 billion.

Senior debts

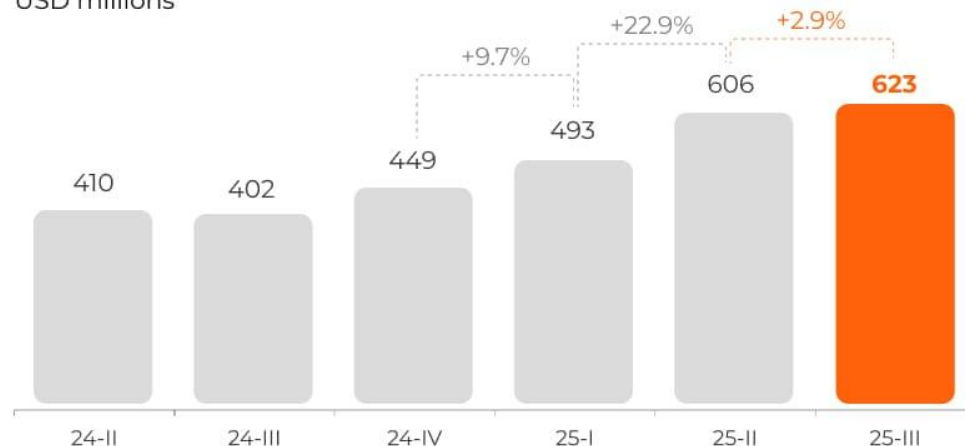
Q3 2025

As of Q3 2025, total whole sale funding attracted from DFIs and IFIs have reached USD 623 million, which includes new funding from EBRD (USD 147.0m), ADB (USD 50.0m), BlueOrchard (USD 25.0m), Finnfund (USD 10.0m), DWM (USD 6.2m) and Symbiotics (USD 5.0m) in 2025.

With latest disbursement from Symbiotics and BlueOrchard in Q3, total senior debt increased 2.9% from previous quarter or 38.8% from year end 2024.

Senior debt

USD millions



New senior debts



\$25,000,000

XacBank signed USD 35.0 million senior debt with one of the leading impact investor, BlueOrchard in Q3 2025. Its' first tranche disbursement of USD 25.0 million was successfully received in September 2025.



\$5,000,000

Expanding its existing business relations, XacBank and Symbiotics signed USD 5.0 million local currency senior debt to support local MSMEs.

Stock information

Q3 2025

As of September 30, 2025, the share price of XacBank JSC (XAC) closed at MNT 880.0, reflecting a 6.5% increase year-to-date and a 30.0% gain from the IPO price. As of the end of Q3 2025, earnings per share (EPS) stood at MNT 158.5 on an annualized basis.

In line with its commitment to enhancing liquidity for minority shareholders, XacBank has been implementing a share buyback program with the approval of the Bank of Mongolia, since September 18, 2024. During the tenure of the program, the Bank repurchased a total of 1,417,521 shares as of September 30, 2025.

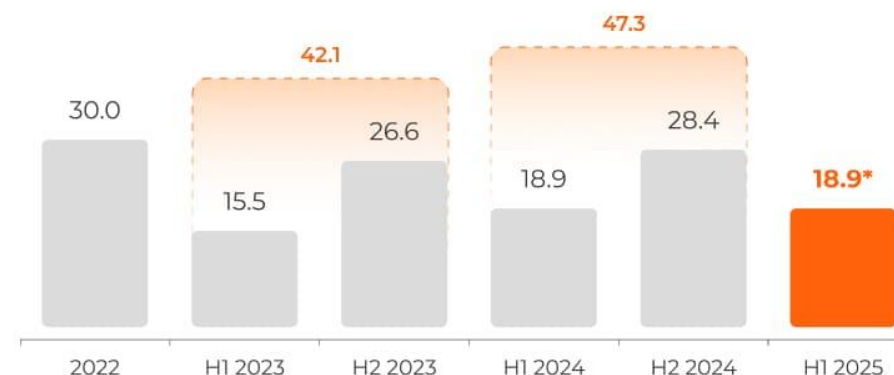
The Board has recommended dividend disbursement of MNT 18.0 per shares from the retained earnings of first half of 2025. The dividend distribution will be made following the approval from Bank of Mongolian and Extraordinary Shareholder Meeting (EGM) voting result in Q4 2025.

XAC stock price and trading volume



Dividend distribution

MNT billions



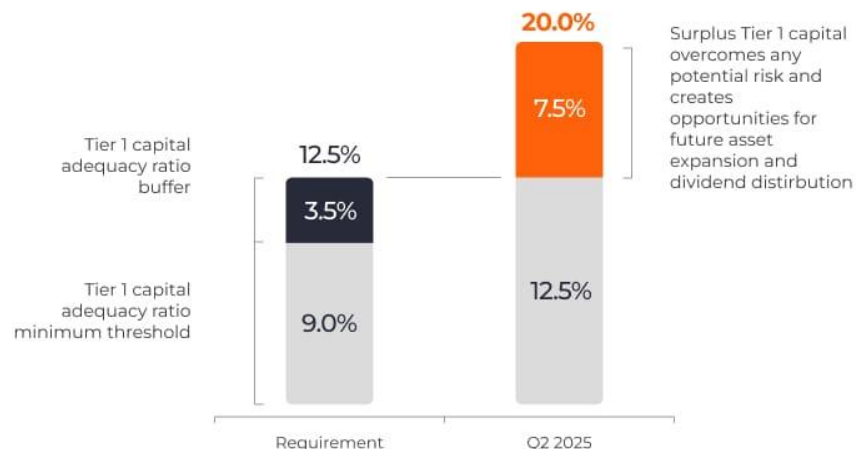
*dividend distribution will be made following the approval from Bank of Mongolia and Extraordinary Shareholder Meeting (EGM) voting result as per company charter.

Prudential ratios: capital adequacy, liquidity ratio

Q3 2025

Tier 1 capital adequacy ratio

20.0% Minimum threshold 12.5%

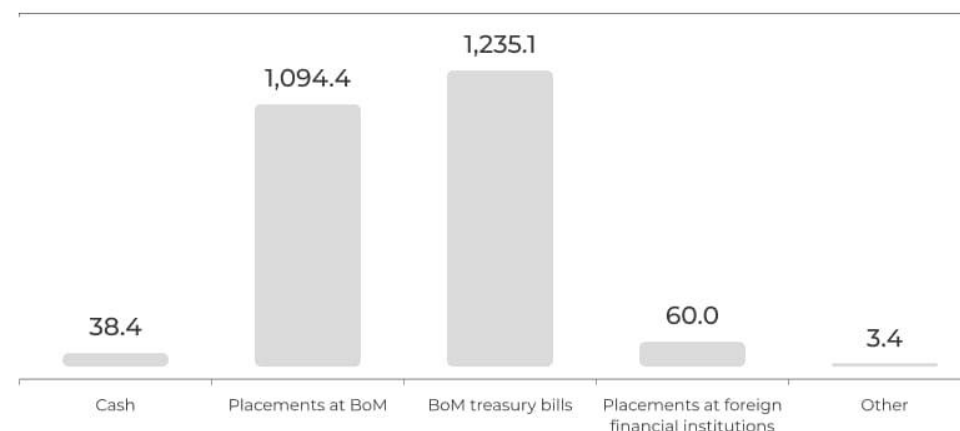


Liquidity ratio

39.5% Minimum threshold 25.0%

Liquid assets

MNT 2,431.2 billion



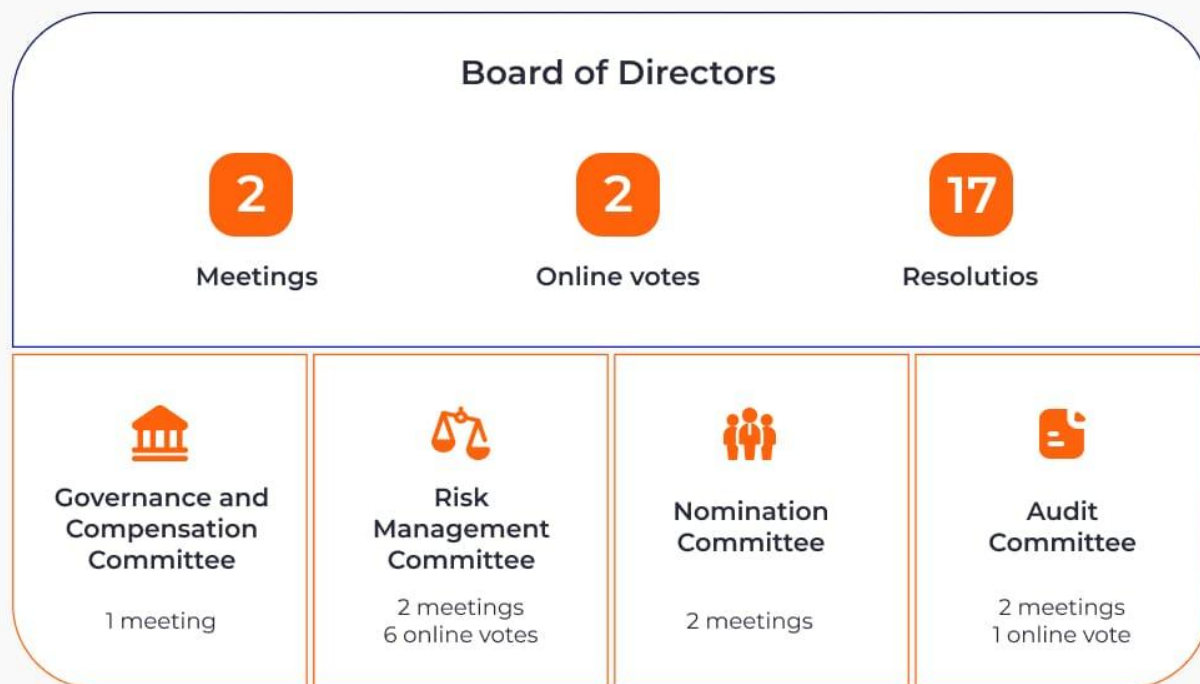
Other prudential ratios

	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3
Foreign currency exposure ratio (single currency) +/- 15%	-2.3%	-6.2%	-1.7%	-2.0%	-4.9%	-0.6%
Foreign currency exposure ratio (total currency) +/- 30%	-3.3%	-9.1%	-2.0%	-3.3%	-5.7%	-1.4%
Credit concentration ratio <300%	52.9%	56.9%	41.7%	51.7%	46.3%	51.8%
Fixed asset to total assets ratio <8%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%
Deposit concentration ratio <25%	7.9%	7.4%	7.9%	7.0%	6.8%	6.9%

	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3
Loans and other assets equivalent to loan to single related party and employees (less than 5% of capital)						
Bank shareholders	0.7%	1.7%	2.2%	1.7%	0.9%	1.0%
Key management personnel	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Other related parties	2.9%	2.8%	0.0%	0.0%	0.0%	0.0%
Loans and other assets equivalent to loan to aggregate related party and employees (less than 20% of capital)						
Bank shareholders	0.7%	1.7%	2.3%	1.8%	0.9%	1.0%
Key management personnel	0.5%	0.4%	0.3%	0.3%	0.4%	0.4%
Other related parties	2.9%	2.8%	0.1%	0.0%	0.1%	0.1%

Meeting of the Board of Directors (BoD) and its committees

Q3 2025



Newly approved:

1. Anti-Fraud Policy

Amended:

1. Internal Rules of Procedure of the Board
2. Internal Audit Charter
3. Charter of the Audit Committee of the Board

Amended and restated:


1. Risk Management Framework




In accordance with the approvals granted by the Bank of Mongolia, the Mongolian Stock Exchange and the Financial Regulatory Commission, the merger of TenGer Financial LLC, the parent company of XacBank, into XacBank was completed and registered with the state registry on August 11, 2025. Consequently, XacBank became the first systemic bank to meet the requirement under the Banking Law that the concentration of shareholding by any shareholder, alone or together with its related parties, must not exceed 20%, more than a year ahead of the legal deadline.



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