

**MIK HOLDING JSC AND ITS
SUBSIDIARIES
(Incorporated in Mongolia)**

**Summary consolidated financial statements
31 December 2024**





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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of MIK Holding JSC

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2024 and the summary consolidated statement of profit or loss and other comprehensive income for the year then ended are derived from the audited consolidated financial statements of MIK Holding JSC and its subsidiaries (“the Group”) for the year ended 31 December 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note “Basis of preparation”.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards (“IFRSs”). Reading the summary consolidated financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor’s report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 18 March 2025. That report also includes the communication of key audit matters. A key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year which is the “Impairment of financial assets”.

Management’s responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in the Note “Basis of preparation”.

Auditor’s Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (“ISA”) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Ernst & Young Mongolia Audit LLC

ERNST & YOUNG MONGOLIA AUDIT LLC
Certified Public Accountants

MANDAKHBAYAR DORJBAT
Partner

Ulaanbaatar, Mongolia
Date: 18 March 2025

MIK HOLDING JSC AND ITS SUBSIDIARIES

Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

| | 2024 MNT'000 | 2023 MNT'000 |
|---|---------------------|-------------------|
| Interest and similar income | 385,014,458 | 372,691,947 |
| Interest expense | (333,987,188) | (289,467,241) |
| Net interest income | <u>51,027,270</u> | <u>83,224,706</u> |
| Fees and commission expense | (19,290,395) | (17,949,733) |
| Total operating income | <u>31,736,875</u> | <u>65,274,973</u> |
| Credit loss reversal/(expense) | (2,615,084) | 624,992 |
| Net gain/(loss) on financial assets at fair value through profit or loss | (1,928,346) | 1,245,099 |
| Net gain/(loss) on change in fair value of derivative financial instruments | 1,070,924 | (8,038,358) |
| Net operating profit | <u>28,264,369</u> | <u>59,106,706</u> |
| Operating expenses | (19,666,830) | (17,188,289) |
| Other income/(expenses), net | (38,611,293) | 2,764,812 |
| Profit/(loss) before tax | <u>(30,013,754)</u> | <u>44,683,229</u> |
| Income tax expense | (7,040,581) | (16,569,573) |
| Profit/(loss) for the year, representing total comprehensive income/(loss) | <u>(37,054,335)</u> | <u>28,113,656</u> |
| Earnings/(loss) per share (MNT) | | |
| Basic and diluted earnings/(loss) per share | <u>(2,430.29)</u> | <u>1,843.89</u> |

Note "Basis of preparation". These summary consolidated financial statements of the Group have been prepared by extraction, without any modification, of the consolidated statement of financial position, and the consolidated statement of profit or loss and comprehensive income from the consolidated audited financial statements of the Group prepared in accordance with IFRSs.

MIK HOLDING JSC AND ITS SUBSIDIARIES

Summary Consolidated Statement of Financial Position

As at 31 December 2024

| | 2024 MNT'000 | 2023 MNT'000 |
|---|----------------------|----------------------|
| ASSETS | | |
| Cash and bank balances | 212,851,957 | 343,498,698 |
| Debt instrument at amortised cost | 288,307,003 | 131,545,865 |
| Mortgage pool receivables with recourse | 228,500,361 | 203,662,983 |
| Loan receivables with recourse | 40,695,387 | 23,905,581 |
| Purchased mortgage pool receivables | 4,121,074,245 | 4,082,796,161 |
| Financial assets at fair value through profit or loss | 128,172,138 | 137,673,182 |
| Derivative financial instruments | 1,950,282 | 152,847,243 |
| Other assets | 51,461,130 | 59,365,821 |
| Property and equipment | 33,153,766 | 34,800,079 |
| Intangible assets | 904,474 | 260,948 |
| Income tax prepayments | 230,790 | 190,620 |
| Deferred tax asset | 100,135 | 9,619,187 |
| TOTAL ASSETS | 5,107,401,668 | 5,180,166,368 |
| LIABILITIES | | |
| Other liabilities | 23,551,682 | 18,241,664 |
| Borrowed funds | 24,382,523 | 9,577,148 |
| Debt securities | 726,128,478 | 760,736,859 |
| Collateralised bonds | 4,308,848,566 | 4,317,570,902 |
| Derivative financial instruments | 39,915 | - |
| Income tax payables | 1,849,203 | 1,976,169 |
| Deferred tax liabilities | 21,391,844 | 33,799,834 |
| TOTAL LIABILITIES | 5,106,192,211 | 5,141,902,576 |
| EQUITY | | |
| Ordinary shares | 20,709,320 | 20,709,320 |
| Share premium | 52,225,115 | 52,225,115 |
| Treasury shares | (62,143,136) | (62,143,136) |
| Reserve | (9,581,842) | 27,472,493 |
| TOTAL EQUITY | 1,209,457 | 38,263,792 |
| TOTAL LIABILITIES AND EQUITY | 5,107,401,668 | 5,180,166,368 |

Note "Basis of preparation". These summary consolidated financial statements of the Group have been prepared by extraction, without any modification, of the consolidated statement of financial position, and the consolidated statement of profit or loss and comprehensive income from the consolidated audited financial statements of the Group prepared in accordance with IFRSs.