



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

**Unaudited interim condensed
consolidated financial information**

31 March 2025

MIK HOLDING JSC AND ITS SUBSIDIARIES

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the three-month period ended 31 March 2025

	Unaudited three months ended	
	31 March 2025	31 March 2024
	MNT'000	MNT'000
Interest income	97,573,137	94,052,065
Interest expense	(84,625,272)	(82,578,214)
Net interest income	12,947,865	11,473,850
Fee and commission expense	(4,407,987)	(4,433,068)
Total operating income	8,539,878	7,040,782
Credit loss reversal/(expense)	(274,214)	1,074,563
Net gain on financial assets at fair value through profit or loss	4,959,386	96,683
Net gain/(loss) on change in fair value of derivative financial instruments	12,726,946	(8,256,576)
Net operating profit/(loss)	25,951,997	(44,548)
Operating expenses	(4,868,829)	(5,259,052)
Other income/(expense), net	(5,872,652)	(23,862,430)
Profit/(loss) before tax	15,210,516	(29,166,030)
Income tax expense	(4,826,877)	(71,493)
Profit/(loss) for the period, representing total comprehensive income/(loss)	10,383,639	(29,237,524)
Earnings/(loss) per share (MNT)		
Basic and diluted loss per share	681	(1,918)

MIK HOLDING JSC AND ITS SUBSIDIARIES**Interim Condensed Consolidated Statement of Financial Position****As at 31 March 2025**

	Notes	Unaudited 31 March 2025 MNT'000	Audited 31 December 2024 MNT'000
ASSETS			
Cash and bank balances	11	191,788,232	212,851,957
Debt instruments at amortised cost	12	280,258,809	288,307,003
Mortgage pool receivables with recourse	13	220,602,614	228,500,361
Loan receivables with recourse	14	28,348,426	40,695,387
Purchased mortgage pool receivables	15	4,576,725,595	4,121,074,245
Financial assets at fair value through profit or loss	16	133,131,524	128,172,138
Derivative financial instruments	17	14,637,313	1,950,282
Other assets	18	57,985,814	51,461,130
Property and equipment	19	32,845,059	33,153,766
Intangible assets	20	886,632	904,474
Income tax prepayments		233,622	230,790
Deferred tax assets		485,277	100,135
TOTAL ASSETS		5,537,928,917	5,107,401,668
LIABILITIES			
Other liabilities	21	22,806,841	23,551,682
Borrowed funds	22	8,917,230	24,382,523
Debt securities	23	713,293,134	726,128,478
Collateralised bonds	24	4,756,456,573	4,308,848,566
Derivative financial liability	17	-	39,915
Income tax payables		976,146	1,849,203
Deferred tax liabilities		23,885,894	21,391,844
TOTAL LIABILITIES		5,526,335,817	5,106,192,211
EQUITY			
Ordinary shares		20,709,320	20,709,320
Share premium		52,225,115	52,225,115
Treasury shares		(62,143,134)	(62,143,136)
Reserve		801,800	(9,581,842)
TOTAL EQUITY		11,593,100	1,209,457
TOTAL LIABILITIES AND EQUITY		5,537,928,917	5,107,401,668

MIK HOLDING JSC AND ITS SUBSIDIARIES**Interim Condensed Consolidated Statement of Changes in Equity****For the three-month period ended 31 March 2025**

	Ordinary shares	Share premium	Treasury shares	Retained earnings/ (Accumulated losses)*	Total equity
	MNT'000	MNT'000	MNT'000	MNT'000	MNT'000
At 1 January 2024	20,709,320	52,225,115	(62,143,136)	27,472,493	38,263,792
Total comprehensive loss	-	-	-	(37,054,334)	(37,054,334)
At 31 December 2024 and 1 January 2025	20,709,320	52,225,115	(62,143,136)	(9,581,842)	1,209,457
Total comprehensive loss	-	-	-	10,383,639	10,383,639
At 31 March 2025	20,709,320	52,225,115	(62,143,136)	801,800	11,593,100

* Included in retained earnings/(accumulated losses) as at 31 March 2025 are restricted retained earnings of MNT 223,880,664 thousand (31 March 2024: MNT 190,318,186 thousand) that are attributable to the Group's Special Purpose Companies ("SPCs"). The restriction relates to the issuance of Residential Mortgage-Backed Securities ("RMBS"), whereby the retained earnings of the SPCs that have issued RMBSs are restricted from distribution until their liquidation in accordance with their Articles of Charter and related Financial Regulatory Commission ("FRC") regulation.

MIK HOLDING JSC AND ITS SUBSIDIARIES
Interim Condensed Consolidated Statement of Cash Flows
For the three-month period ended 31 March 2025

		Unaudited three months ended	
		31 March 2025	31 March 2024
		MNT'000	MNT'000
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		15,210,516	(29,166,030)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Interest on borrowed funds	4	547,716	720,175
Interest on debt securities	4	22,484,432	26,588,750
Loss on repurchase of debt securities issued	8	-	27,284,776
Gain on disposal of property and equipment	8	-	(1,075)
Credit loss expense	6	274,214	(1,074,563)
Depreciation of property and equipment	7	443,753	459,954
Amortisation of intangible assets	7	82,780	87,443
Unrealised foreign exchange loss/(gain), net	8	4,852,770	(3,397,663)
Write-off of property and equipment	8	-	343
Gain on redemption of preference shares	8	-	(30,654)
Discount reversal on other assets	8	982,305	(33,403)
Net gain on financial assets at FVPL	16	(5,024,393)	(96,683)
Net loss/(gain) on derivative financial instruments	17	(12,661,939)	8,256,576
<i>Operating profit before working capital changes</i>		<u>27,192,152</u>	<u>29,597,946</u>
Changes in working capital:			
Due from banks – placement with original maturities of more than three months		-	-
Due from banks – placement with banks classified as Stage 3		19,340	38,415
Debt instruments at amortised cost		(11,702,906)	(5,313,932)
Mortgage pool receivables with recourse		3,715,365	(4,358,605)
Loan receivables with recourse		12,425,797	(12,559,125)
Purchased mortgage pool receivables		(456,071,642)	100,173,724
Other assets		(7,506,986)	8,749,506
Collateralised bonds		447,608,007	(132,896,365)
Other liabilities		(744,840)	5,573,601
Cash generated from/(used in) operations		<u>14,934,288</u>	<u>(10,994,835)</u>
Interest paid classified as operating activities		(41,607,272)	(31,637,628)
Income tax paid		(1,758,503)	(10,034,280)
Income tax withheld by others		(1,835,355)	6,545,011
Net cash flows generated from/(used in) operating activities		<u>(30,266,841)</u>	<u>(46,121,732)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in debt instruments at amortised cost		-	(20,000,000)
Proceeds from repayment of debt instruments at amortised cost		15,000,000	12,000,000
Proceeds from disposal of financial assets at FVPL		-	750,000
Proceeds from disposal of property and equipment		-	1,075
Purchase of property and equipment		(135,044)	(14,265)
Purchase of intangible assets		(64,938)	(748,407)
Net cash flows generated from/(used in) investing activities		<u>14,800,017</u>	<u>(8,011,597)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from borrowed funds		-	20,000,000
Net proceeds from issuance of debt securities		-	749,719,712
Net proceeds from maturity of derivative financial instruments		-	152,007,800
Repayment of borrowed funds		(15,144,477)	(122,447)
Repayment of debt securities issued		(8,500,000)	(723,102,127)

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Interim Condensed Consolidated Statement of Cash Flows

For the three-month period ended 31 March 2025

		31 March 2025	31 March 2024
		MNT'000	MNT'000
	Notes		
Repurchase of debt securities issued		-	(102,741,506)
Net cash flows generated from/(used in) financing activities		(23,644,477)	95,761,432
Net increase in cash and cash equivalents		(39,111,301)	41,628,103
Effect of exchange rate changes on cash and cash equivalents		18,088,906	(2,202,934)
Cash and cash equivalents at 1 January		212,896,507	343,529,460
Cash and cash equivalents at 31 March	11	191,874,113	382,954,629