



FINANCIAL  
REGULATORY  
COMMISSION

# FINANCIAL MARKET REVIEW

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SECOND QUARTER OF 2025



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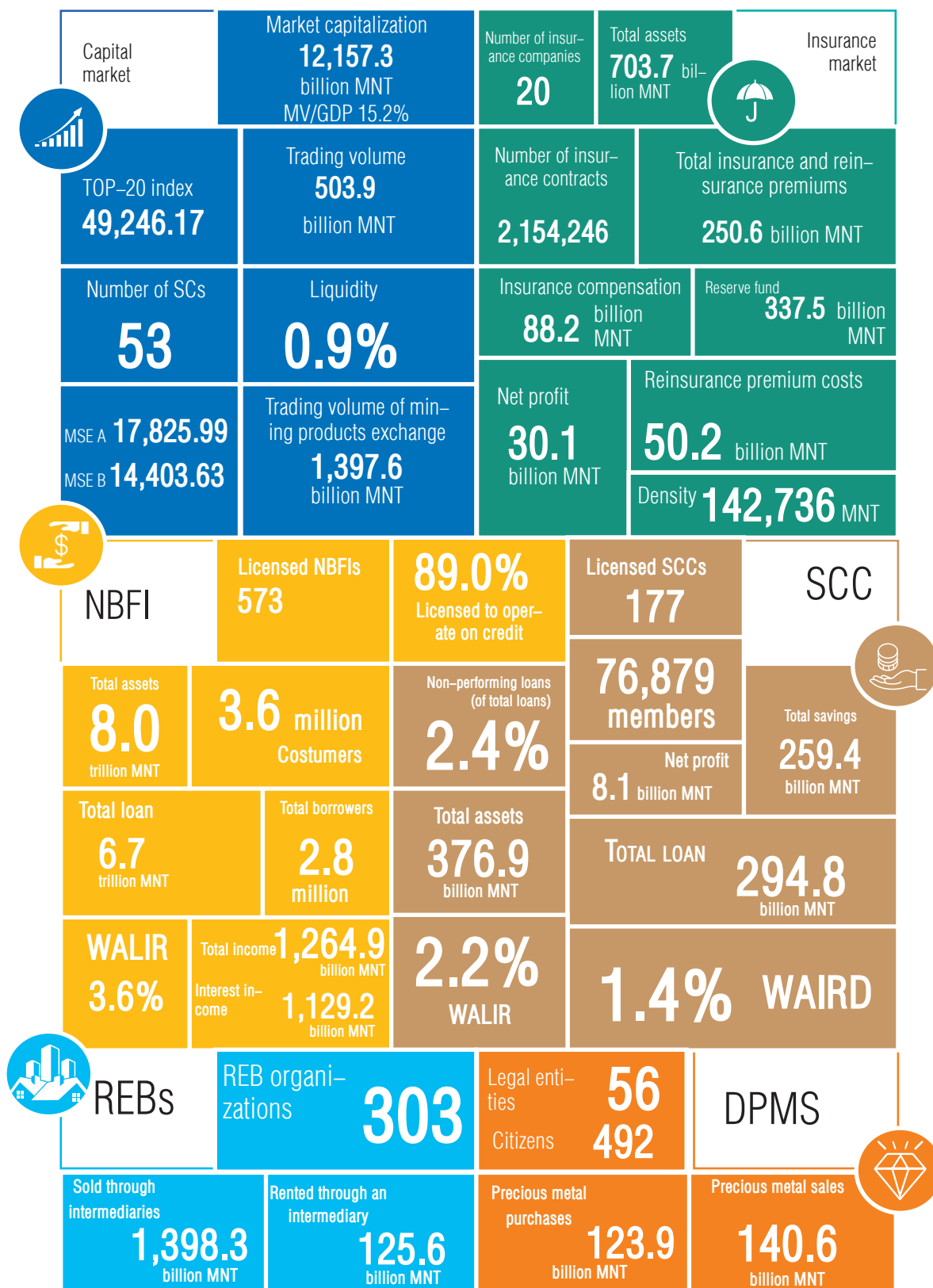
137

Regulatory  
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# ABBREVIATIONS and ACRONYMS

|        |                                                                     |         |                                                         |
|--------|---------------------------------------------------------------------|---------|---------------------------------------------------------|
| AFI    | Alliance for Financial Inclusion                                    | REB     | Real estate brokers                                     |
| ADB    | Asian Development Bank                                              | ROK     | Republic of Korea                                       |
| ATM    | Automated teller machine                                            | RMBS    | Residential mortgage backed securities                  |
| ESG    | Environmental, Social, Governance                                   | ROA     | Return on assets                                        |
| FPO    | Follow up on public offering                                        | ROE     | Return on equity                                        |
| GIZ    | German corporation for int. Cooperation                             | SC      | Securities company                                      |
| GDP    | Gross domestic product                                              | SCC     | Saving and credit cooperative                           |
| GS     | Government securities                                               | SFC     | Securities Finance Corporation                          |
| IAIS   | International Association of Insurance Supervisors                  | SPC     | Special purpose company                                 |
| IPO    | Initial public offering                                             | UN      | United Nations                                          |
| IFC    | International finance corporation                                   | USA     | United States of America                                |
| IPO    | Initial public offering                                             | UNEP FI | United Nations Environment Program Financing Initiative |
| JICA   | Japan International Cooperation Agency                              | WALIR   | Weighted average loan interest rate                     |
| MV     | Market valuation                                                    | WAIRD   | Weighted average interest rate on deposits              |
| MMC    | Mongolian Mortgage Corporation                                      | B2B     | Business to business                                    |
| MAPIX  | Mongolian agricultural commodity price index                        | IPO     | Initial public offering                                 |
| MSE    | Mongolian Stock Exchange                                            | OTC     | Over the counter                                        |
| MCSD   | Central securities depository                                       | P2P     | Peer to peer                                            |
| MLAP   | Monetary loan activity providers                                    |         |                                                         |
| MSX    | Mongolian Securities Exchange                                       |         |                                                         |
| NASCCM | National Association of Savings and Credit Cooperatives of Mongolia |         |                                                         |
| NBFI   | Non-bank financial institution                                      |         |                                                         |
| NFAT   | Net profit after tax                                                |         |                                                         |
| PRC    | People's Republic of China                                          |         |                                                         |
| P2P    | Peer to peer                                                        |         |                                                         |
| QR     | Quick response code                                                 |         |                                                         |





# Capital market

Market valuation

**12,157.3**  
billion MNT



Financial market status

Accounts

**2,608,449**



Accessibility

Total trading

**503.9**  
billion MNT



Products and services

Profitability



Assets of SCs

**450.8**  
billion MNT

Tax collected from  
the state budget,  
social insurance  
contributions

**7.8**  
billion MNT

Stability



Centralized

Market valuation **78.4%**  
Top-10 JSCs

Regulatory environment



## SECURITIES MARKET STATUS



The securities market comprised 625 regulated entities, including Joint Stock Companies (JSCs).

Private Investment Fund  
(Article 5.3 of the Law on Investment  
Funds) **42**

Professional associations and  
self-regulatory organizations **1**

### Infrastructure Organization

|                                                              |                                           |                                                                |
|--------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------|
| Business organization<br><b>3</b>                            | Settlements<br><b>2</b> (1 duplicate)     | Central deposit and securities<br>trading payments<br><b>1</b> |
| Securities Settlement<br>Institution<br><b>1</b> (duplicate) | Mining products exchange<br>1 (duplicate) | Agricultural Exchange<br><b>1</b>                              |

### Professional participants

|                                                                           |                                         |                                     |
|---------------------------------------------------------------------------|-----------------------------------------|-------------------------------------|
| Securities firms<br><b>53</b>                                             | IMCs<br><b>35</b>                       | Mutual Funds <b>6</b>               |
| Exchange trading broker for<br>mining products<br><b>14</b> (9 duplicate) | Mineral commodities<br>brokers <b>9</b> | Financial Rating Agency<br><b>4</b> |

Underwriting banks **2**  
(1 duplicate)

### Asset-backed securities

|                                                      |                              |                                                            |
|------------------------------------------------------|------------------------------|------------------------------------------------------------|
| Asset-backed securities<br>issuer<br><b>68</b> (SPS) | Asset management<br><b>5</b> | Accounts Payable Asset Portfolio<br>Controller<br><b>2</b> |
|------------------------------------------------------|------------------------------|------------------------------------------------------------|

### Registered

|                                           |                                                     |                                  |
|-------------------------------------------|-----------------------------------------------------|----------------------------------|
| Auditing firms<br><b>55</b> (7 duplicate) | Securities valuation firms<br><b>25</b> (duplicate) | Legal consultancies<br><b>44</b> |
|-------------------------------------------|-----------------------------------------------------|----------------------------------|

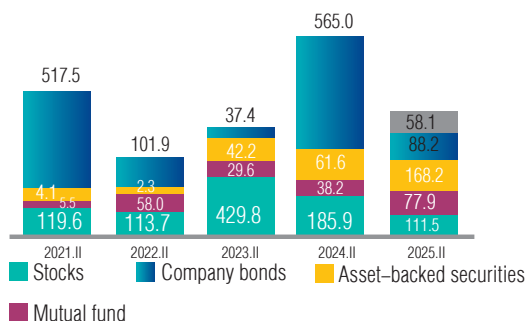
JSCs **311**  
Listed on the Mongolian Stock Exchange – 164 JSCs  
Listed on the Ulaanbaatar Stock Exchange – 2 JSCs

\* Securities firms include brokers and dealers, underwriters, and investment consultancy firms

## SECURITIES TRADING

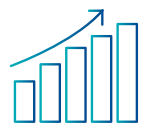
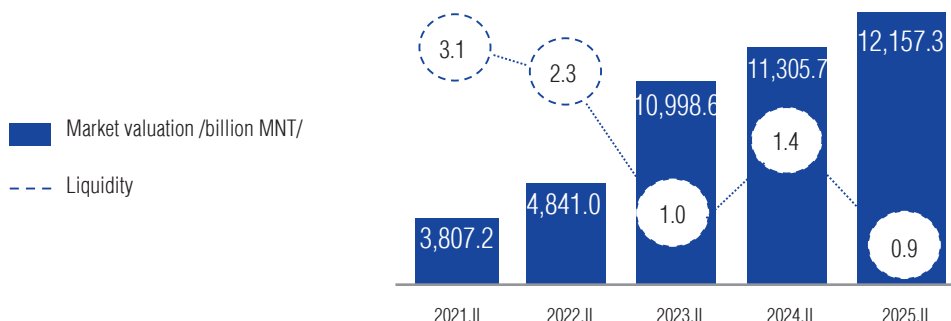
- In the second quarter of 2025, securities trading totaled 503.9 billion MNT, marking a 40.8 percent increase from the previous year. Compared to the same period in 2021, this represents a 22.1 percent decrease.
- Of the total trades, shares accounted for 22.1%, investment fund units for 15.5%, corporate bonds for 17.5%, and asset-backed securities for 33.4%, government domestic securities for 11.5%.

Securities trading (billion, MNT)



### Market valuation and liquidity

- Market valuation increased by 7.5% compared to the same period last year, reaching 12,157.3 billion MNT. Liquidity also improved, rising by 0.9%.



**TOP 20 49,246.17**

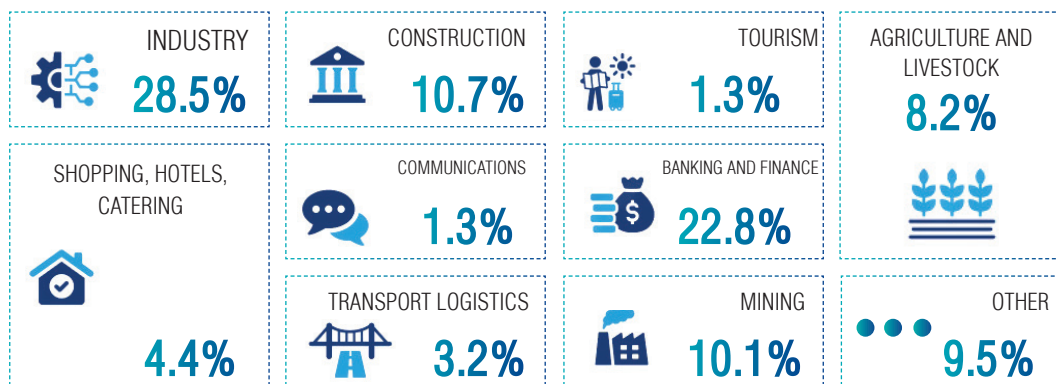
**MSE A 17,825.99**

**MSE B 14,403.63**

### Securities market index

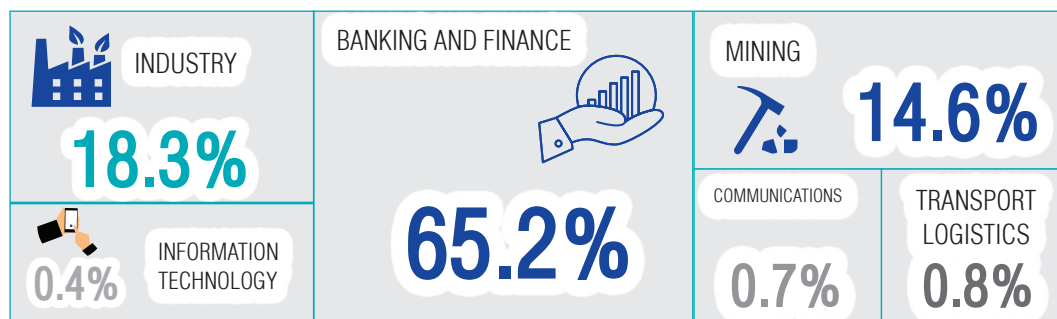
- The TOP-20 Index rose by 4,860.99 points, marking an 11.0% increase.
- The MSE A index increased by 602.26 points (3.5%).
- The MSE B index grew by 1,016.19 points (7.6%).

### INDUSTRY CLASSIFICATION OF JSCs LISTED ON THE MONGOLIAN STOCK EXCHANGE

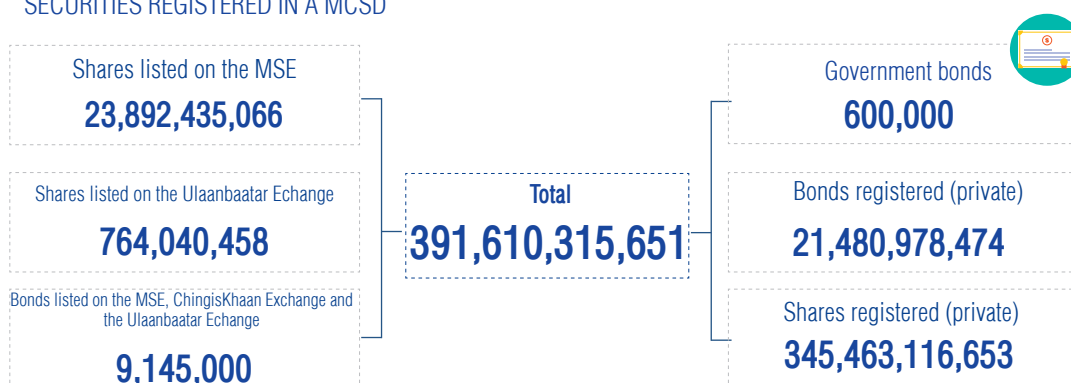


The composition of the TOP-20 index portfolio is determined by market valuation, average daily turnover, number of trading days, and market concentration. Although only 22.8% of registered companies were in the banking and financial sector, they accounted for 65.2% of the TOP-20 index portfolio.

## SECTOR CLASSIFICATION OF JSCs INCLUDED IN THE TOP-20 INDEX (BY MV)

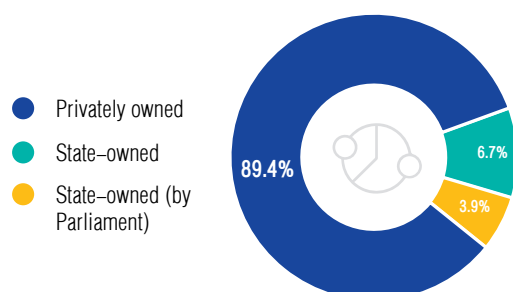
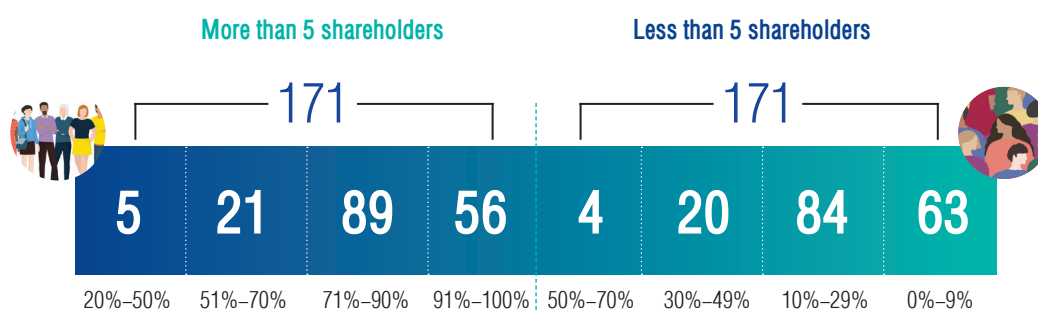


## SECURITIES REGISTERED IN A MCSD



## STOCK CONCENTRATION

The table below illustrates the ownership concentration of 171 JSCs actively traded on the stock exchange, highlighting the proportion of shareholders owning more than 5% and those owning 5% or less.



## STOCKS, BY EQUITY STRUCTURE

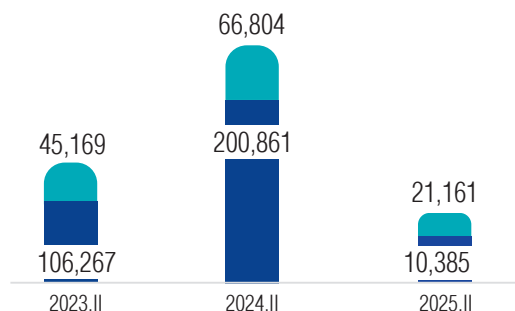
- 311 JSCs were registered with the FRC's securities registry. Of these, 89.4% were privately owned, 6.7% were state-owned, and 3.9% were owned by Parliament.

## NUMBER OF SECURITIES ACCOUNTS

- 10,385 new securities accounts were opened: bringing the total to 2,608,449. Additionally, 21,161 new escrow accounts were created, increasing the overall number to 693,098.

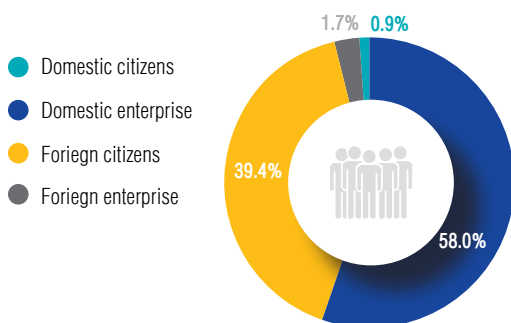
### NUMBER OF OPENED ACCOUNTS

■ Connection account ■ New account



Number of opened accounts  
(growth in numbers)

# 2,608,449



### COMMERCIAL STRUCTURE

- Domestic entities conducted the majority of transactions (58.0%), highlighting their strong presence in the capital market. Domestic individuals accounted for 39.4% of total trades, while foreign individuals and foreign entities contributed 1.7%, and 0.9%, respectively.

## NUMBER OF TRADE PARTICIPANTS, FREQUENCY /INCREASING AMOUNT/

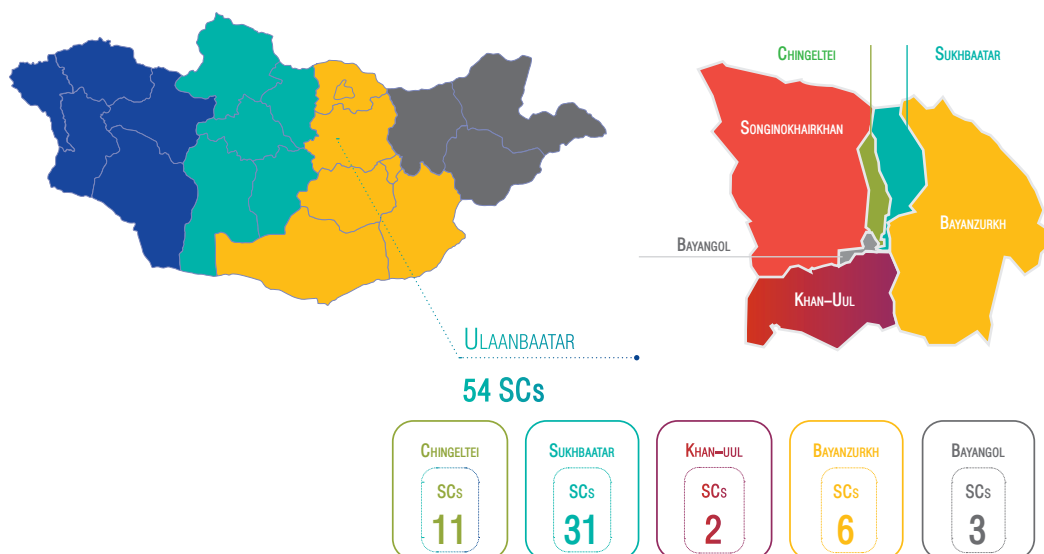
- A total of 66,792 citizens and 1,064 entities participated in trading, resulting in 170,286 trades. Among the participants, 97.7% were domestic citizens, 1.4% were domestic entities, 0.8% were foreign citizens, and 0.1% were foreign entities.



|                     | Number of traders |        | Number of trades /duplicated/ |        |
|---------------------|-------------------|--------|-------------------------------|--------|
| FOREIGN ENTERPRISE  | 97                | 0.1%   | 535                           | 0.3%   |
| FOREIGN CITIZENS    | 522               | 0.8%   | 1,829                         | 1.1%   |
| DOMESTIC ENTERPRISE | 967               | 1.4%   | 6,612                         | 3.9%   |
| DOMESTIC CITIZENS   | 66,270            | 97.7%  | 161,310                       | 94.7%  |
| TOTAL               | 67,856            | 100.0% | 170,286                       | 100.0% |

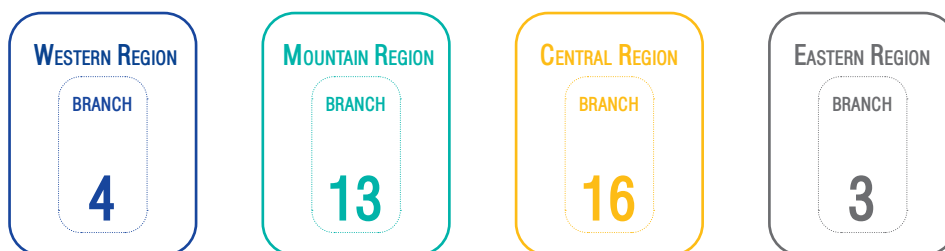
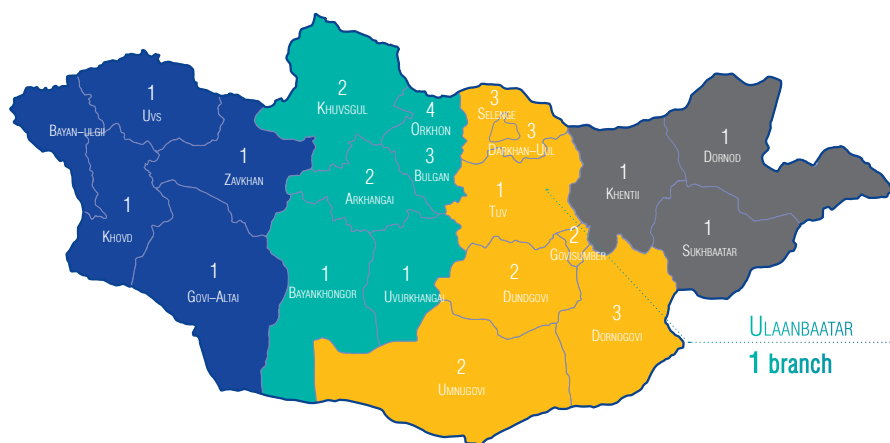
## LOCATION OF THE SECURITIES COMPANY

- o A total of 53 operational securities companies are based in Ulaanbaatar.



## LOCATION OF BRANCH REPRESENTATIVE OF SECURITIES COMPANIES

- o There are 37 branch representatives of securities companies, 36 are located in the provinces, and 1 is in Ulaanbaatar.

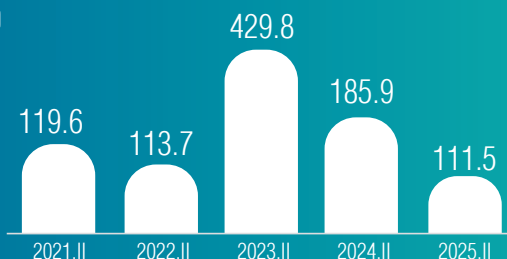


## PRODUCTS AND SERVICES

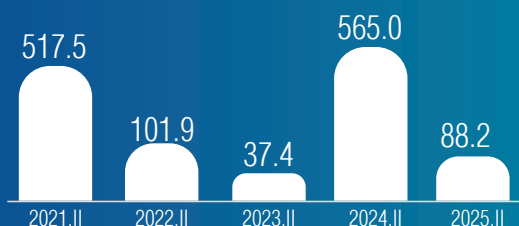
## STOCK TRADING

Stock trading totaled 111.5 billion MNT, reflecting a 40.0 % increase compared to the same period last year, but a 6.7 % decrease compared to the same period in 2021.

■ Stock trading (billion MNT)



Company's debt instruments trading /billion MNT/



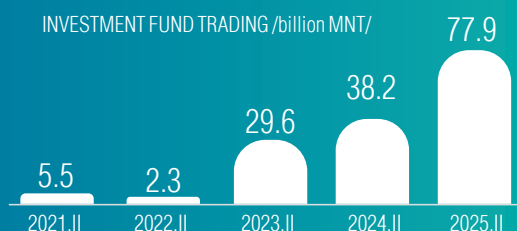
## DEBT INSTRUMENTS OF THE COMPANY

- Corporate bond trading reached 88.2 billion MNT, representing a decrease 6.4-times compared to the same period last year and 5.9-times compared to 2021.

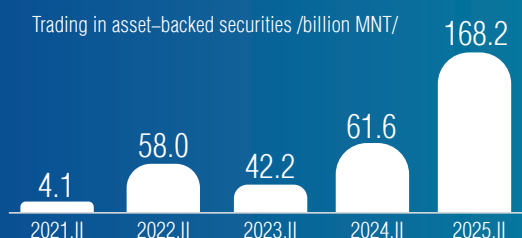
## INVESTMENT FUND TRADING

- Trading of investment funds reached 77.9 billion MNT, representing a 2.0-fold increase compared to the same period of the previous year, and a 14.2% increase compared to 2021.

INVESTMENT FUND TRADING /billion MNT/



Trading in asset-backed securities /billion MNT/



## ASSET-BACKED SECURITIES

- Trading of asset-backed securities reached 168.2 billion MNT, representing a 2.7-fold increase compared to the same period of the previous year and a 40.6-fold increase compared to 2021.

## TRADING IN NEWLY ISSUED DEBT INSTRUMENTS

| Company               | Registered | amount of asset-backed securities /billion MNT/ |
|-----------------------|------------|-------------------------------------------------|
| "Net Capital ABC" JSC | 2025.06.13 | 30.0                                            |

## GOVERNMENT DOMESTIC SECURITIES

- The trading volume of Government Domestic Securities (GDSs) reached 58.1 billion MNT.

58.1



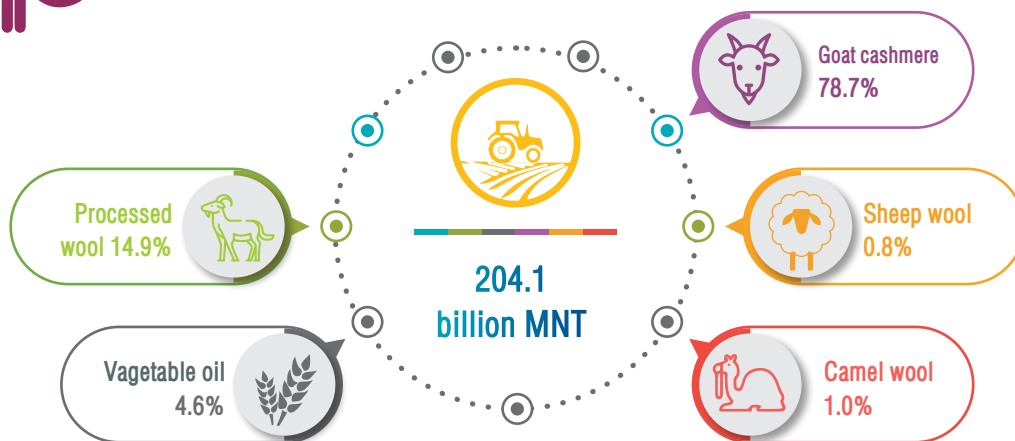
2025.II

GDSs  
/billion MNT/

## AGRICULTURAL AND RAW PRODUCTS MARKET

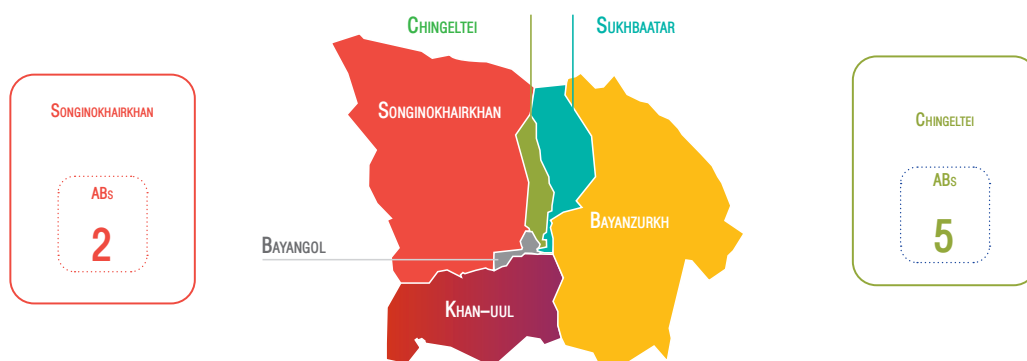
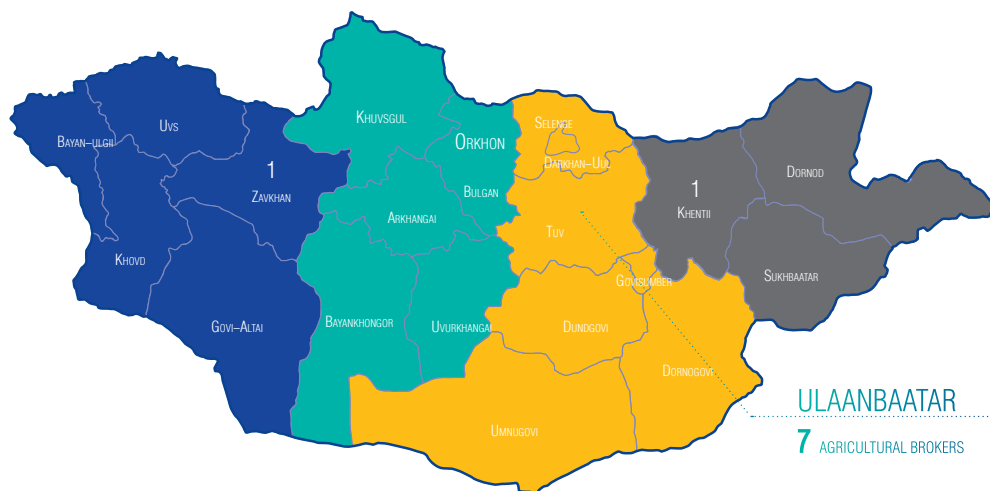


A total of five types of goods were traded on the Agricultural Exchange, a 3.2-fold decrease, totaling 204.1 billion MNT down by 453.2 billion MNT from the same period last year.



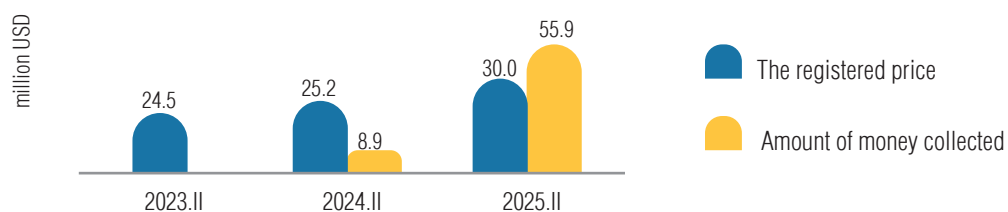
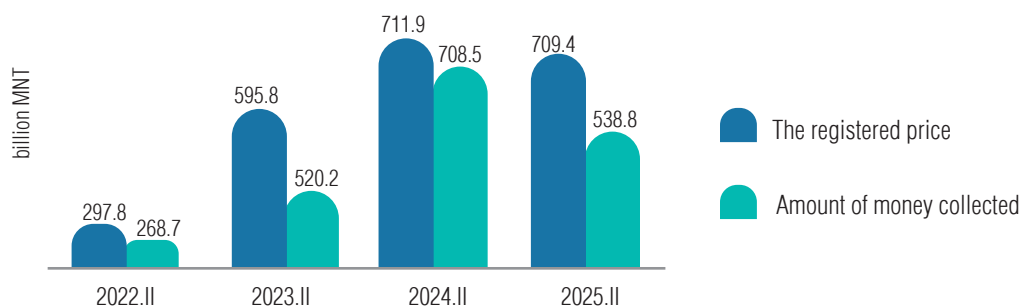
### LOCATION OF SCs AND AGRICULTURAL BROKERAGES

- o Nine agricultural brokerages are currently operating, with seven based in Ulaanbaatar and two in the provinces.

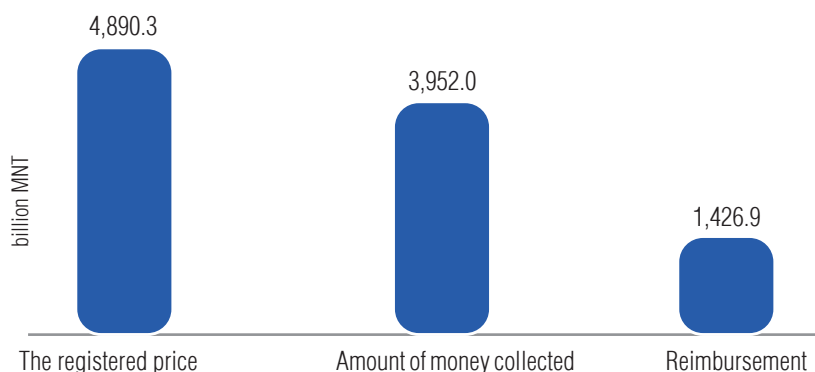


## OVER-THE-COUNTER (OTC) MARKET

A total of 63 securities issuers and 69 debt instruments were registered in the OTC market. Debt instruments worth 709.4 billion MNT were registered, of which 538.8 billion MNT successfully raised. Additionally, 30.0 million USD worth of debt instruments were registered, of which 55.9 million USD was collected.

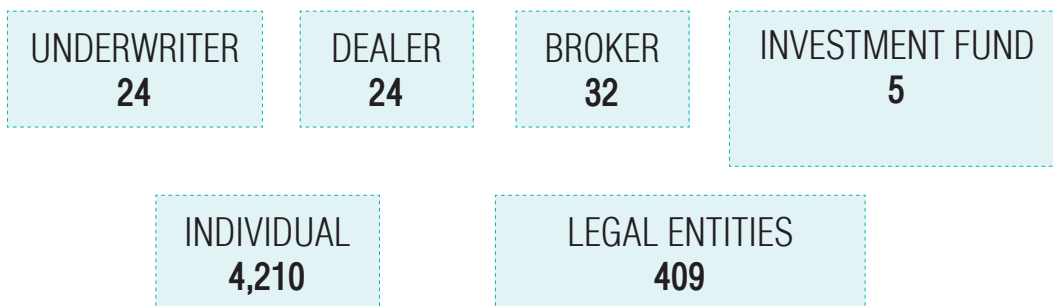


Since the launch of OTC market trading in September 2021, following the registration of the first debt instruments, a total of 4,890.3 billion MNT in worth of debt instruments have been registered, with 3,952.0 billion MNT successfully collected. Additionally, 208.9 million USD in debt instruments were registered, with 173.4 million USD collected. A total of 1,426.9 billion MNT and 15.3 million USD in debt instruments have expired and been successfully repaid.



## OTC MARKET PARTICIPANTS

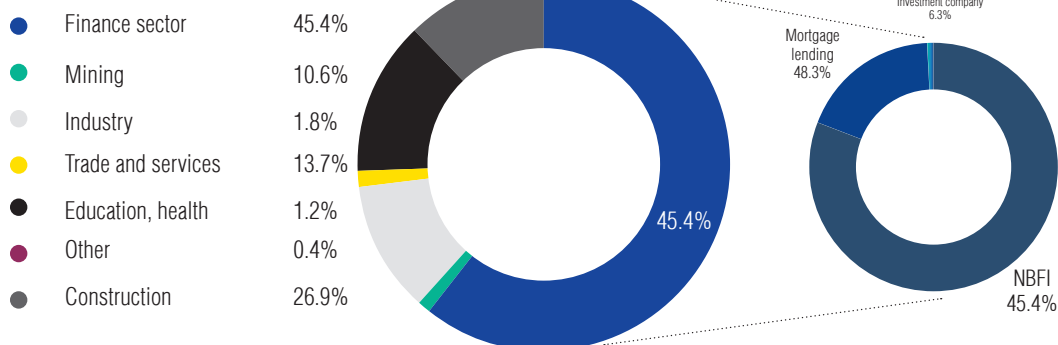
A total of 39 direct participants are registered in the over-the-counter (OTC) market of the Mongolian Association of Securities Dealers. These include: 24 underwriters, 24 dealers, 31 brokers, 5 investment fund companies. Additionally, 4,210 individual indirect participants and 409 legal entity indirect participants are registered through the direct participants.



## BOND SECTOR CLASSIFICATION

45.4% of total bonds belong to the financial sector, followed by trade and services (13.7%), construction (26.9%), mining (10.6%), manufacturing (1.8%), education (1.2%), health (0.4%) and other sectors (0.4%).

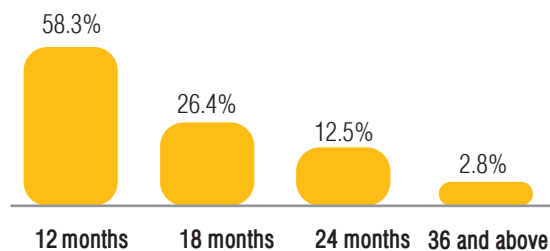
BOND SECTOR CLASSIFICATION



Within the financial sector, 45.4% of bonds are held by non-bank financial institutions (NBFIs), 48.3% by monetary loan activity providers, and 6.3% by investment companies.

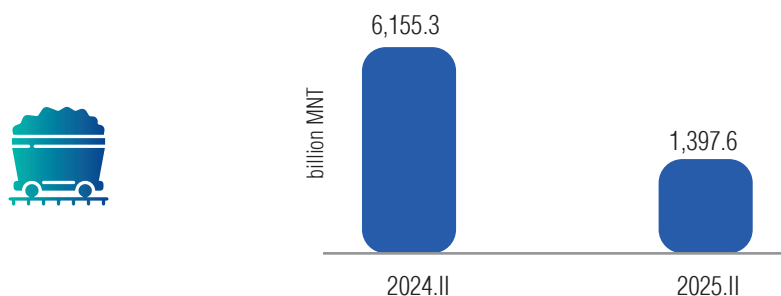
## BOND TERMS / BY TRANCHE/

In terms of bond duration, 58.3% have terms of 12 months, 26.4% have terms of 18 months, 12.5% have terms of 24 months, and 2.8% have terms of longer than 48 months.



## MINING PRODUCTS MARKET

A total of 174 trades involving 5.3 million tons of mining products were conducted, amounting to 1,397.6 billion MNT in transactions. This represents a 4.4-fold decrease compared to the same period last year.



Of the total trade volume, 45.1% was in iron ore and concentrate, 43.7% in coal, 10.0% in copper concentrate, and 1.2% in fluorspar.

| Products                      | Number of lots | Product size /thousand tons/ | Total amount / billion MNT/ |
|-------------------------------|----------------|------------------------------|-----------------------------|
| Iron ore and concentrate      | 902            | 2,960.4                      | 630.5                       |
| Coal                          | 365            | 2,336.0                      | 610.2                       |
| Copper concentrate            | 20             | 20.0                         | 139.5                       |
| Fluorspar ore and concentrate | 281            | 18.3                         | 17.4                        |
| <b>Total</b>                  | <b>1,568</b>   | <b>5,334.7</b>               | <b>1,397.6</b>              |

## IRON ORE AND CONCENTRATE TRADE

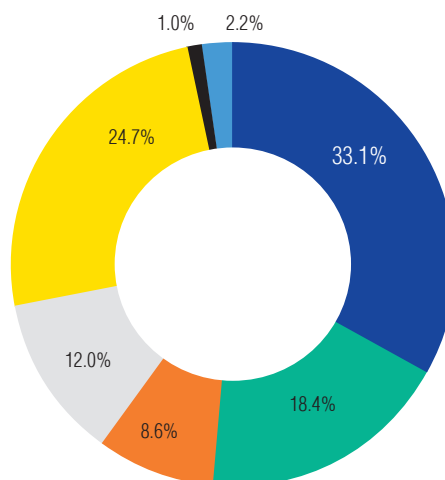
A total of 902 packages, equaling 2,960.4 thousand tons of iron ore and concentrate, were traded for 630.5 billion MNT. Of the total trade in iron concentrate: 70.2% are Fe-58%, 20.4% are Fe-52%, and 9.4% are Fe-65%.



## COAL TRADE

A total of 365 packages, or 2,336.0 thousand tons of coal, were traded for 610.2 billion MNT. The breakdown of coal types by percentage of the total trade is as follows: 1/3 coking coal: 33.1%, concentrated coking coal: 53.0%, Thermal coal: 2.2%, Medium-volatile coking coal: 24.7%, concentrated non-coking coal: 8.6%, concentrated weak coking coal: 12.0%, low-moisture lignite coal: 1.0%.

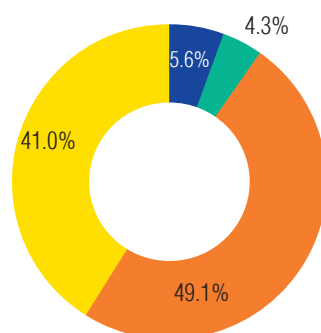
- 1/3 coking coal
- Concentrated coking coal
- Concentrated non-coking coal
- Concentrated weak coking coal
- Medium-volatile coking coal
- low-moisture lignite coal
- Thermal coal



## FLOUSPAR ORE AND CONCENTRATE TRADING

A total of 281 packages, equaling 18.3 thousand tons of fluorspar ore and concentrate, were traded for 17.4 billion MNT. Of the total trade: 49.1% consisted of CaF<sub>2</sub>-97% fluorspar concentrate, 41.0% consisted of CaF<sub>2</sub>-95% fluorspar concentrate, 5.6% consisted of CaF<sub>2</sub>-<42% fluorspar ore, 4.3% consisted of CaF<sub>2</sub>-<52% fluorspar ore.

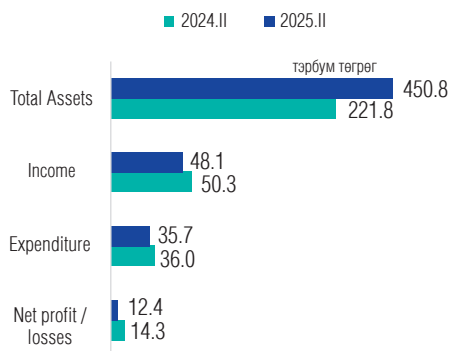
- CaF<sub>2</sub> <42%
- CaF<sub>2</sub> <52%
- CaF<sub>2</sub> 97%
- CaF<sub>2</sub> 95%



## COPPER CONCENTRATE TRADE

A total of 20 packages, or 20.0 thousand tons, of a copper concentrate with a copper content of 22.35% were traded for 139.5 billion MNT.

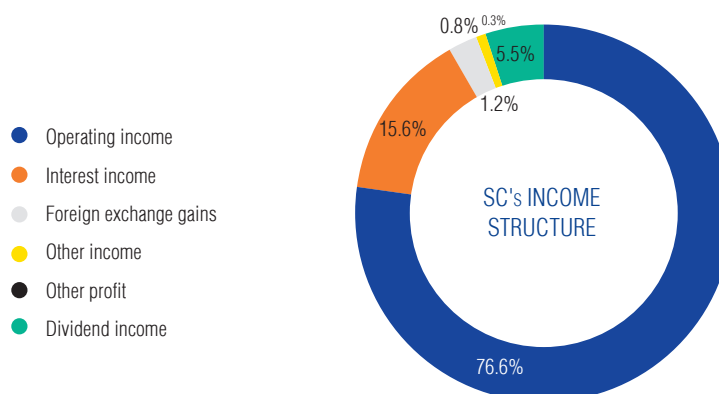
## PROFITABILITY



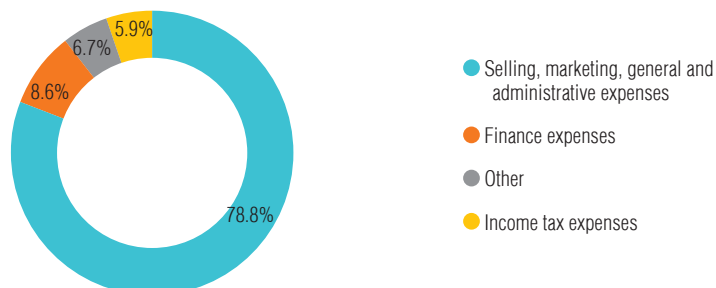
### PROFITABILITY OF SECURITIES COMPANIES

- The total assets of securities companies amounted to 450.8 billion MNT, reflecting a 2.0-fold increase compared to the same period last year.
- Compared to the previous year, income decreased by 2.2 billion MNT, while expenses decreased by 0.3 billion MNT, resulting in a net profit of 12.4 billion MNT.

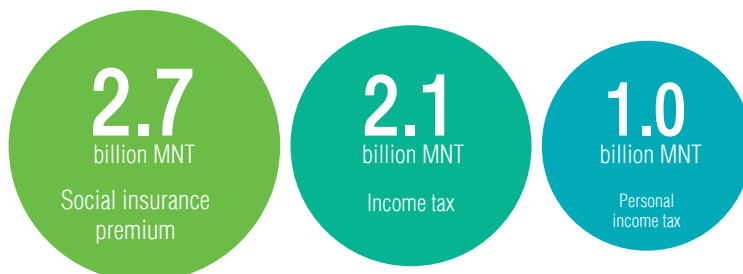
### SC's INCOME STRUCTURE



### SC's EXPENDITURE STRUCTURE



## CENTRALIZED TAXATION AND SOCIAL SECURITY CONTRIBUTIONS

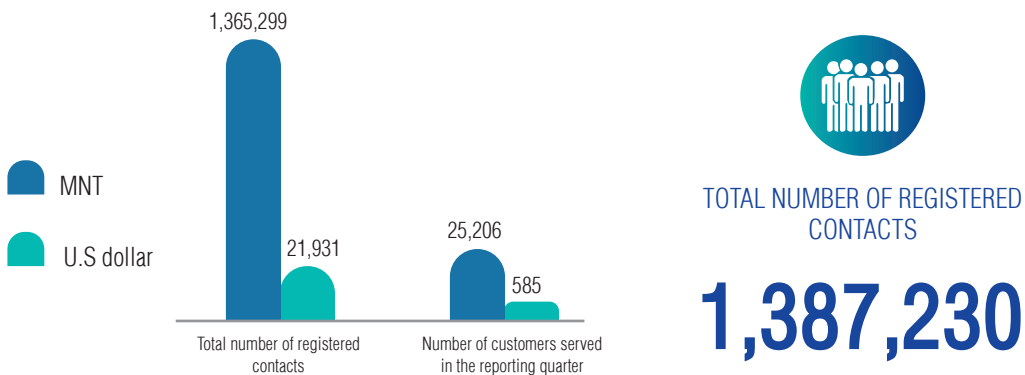


- Securities companies paid 2.7 billion MNT for social insurance contributions, 1.0 billion MNT for personal income tax, and 2.1 billion MNT for corporate income tax. In total, they contributed 5.8 billion MNT to the state budget.

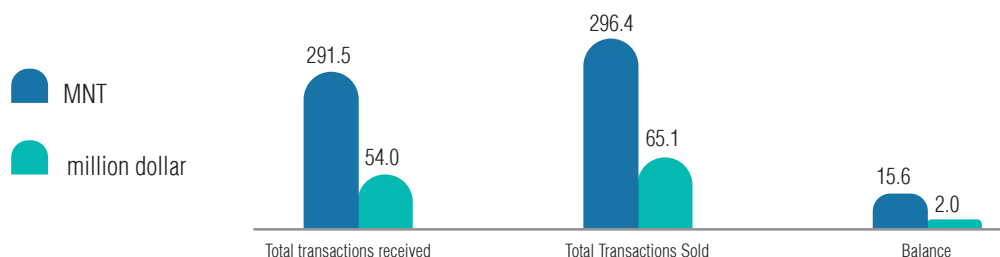
## CASH ACCOUNT NOMINEE REPORT

- A total of 1,387,230 clients are registered with 21 companies providing services through nominee cash accounts. During the reporting quarter, 25,791 clients received services through nominee accounts.

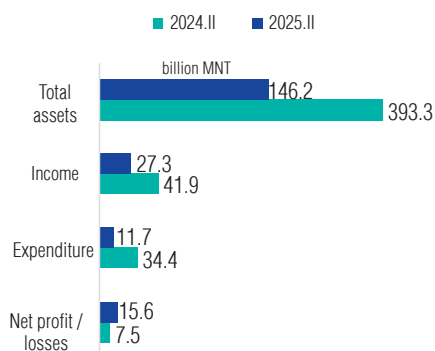
### NUMBER OF NOMINEE ACCOUNTS CUSTOMERS



During the reporting quarter, transactions totaling 291.5 billion MNT and 54.0 million USD were made, and the total remaining balance of clients' nominee cash accounts amounted to 15.6 billion MNT and 2.0 million USD.

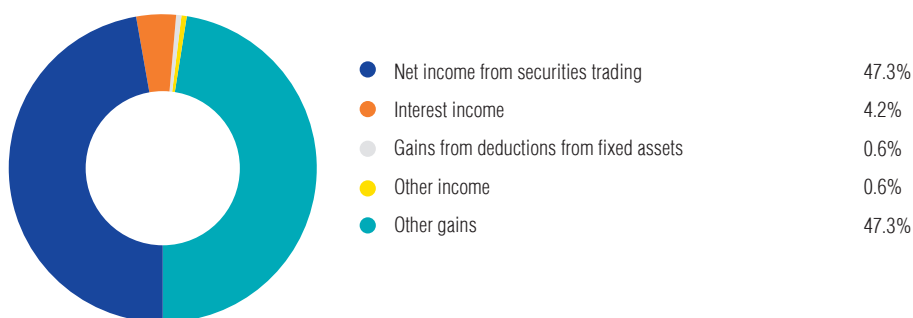


## FINANCIAL STATEMENT INDICATORS OF IMC

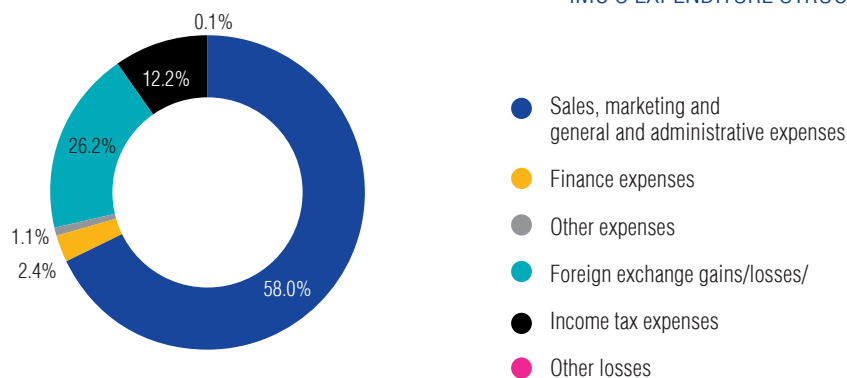


- o The total assets of investment management companies amounted to 146.2 billion MNT, reflecting a 2.7-fold decrease compared to the same period last year.
- o Compared to the previous year, income decreased by 14.6 billion MNT, while expenses reduced by 22.7 billion MNT, resulting in a net profit of 15.6 billion MNT.

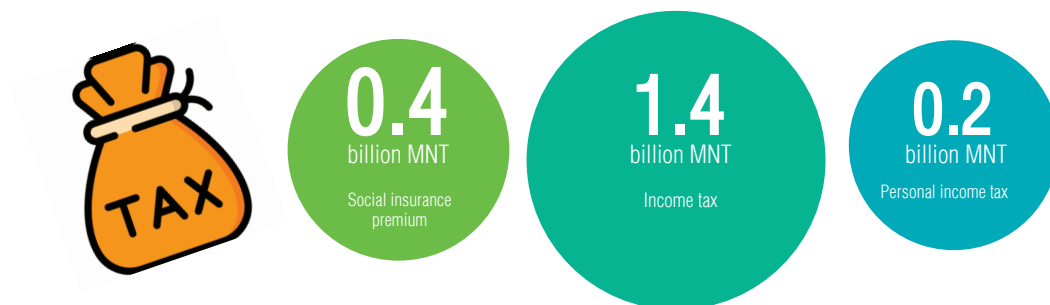
## IMC's REVENUE STRUCTURE



## IMC'S EXPENDITURE STRUCTURE

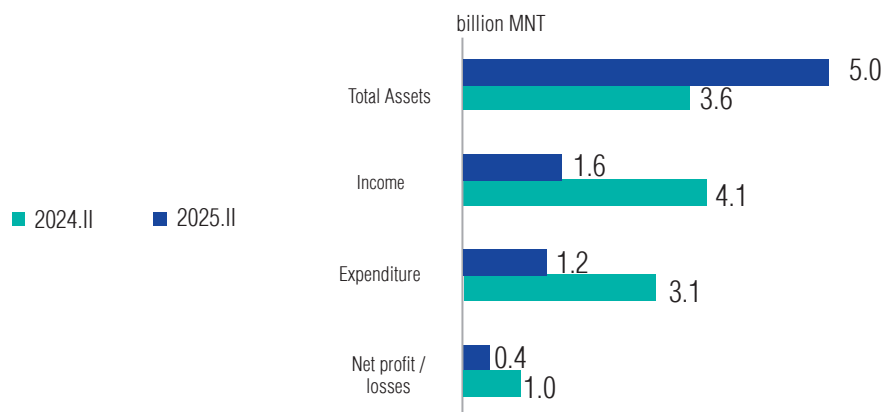


## CENTRALIZED TAXES AND SOCIAL INSURANCE PREMIUMS TO THE STATE BUDGET OF SECURITIES COMPANIES



- Investment management companies paid 0.4 billion MNT for social insurance contributions, 0.2 billion MNT for personal income tax, and 1.4 billion MNT for corporate income tax. In total, securities companies contributed 2.0 billion MNT to the state budget.

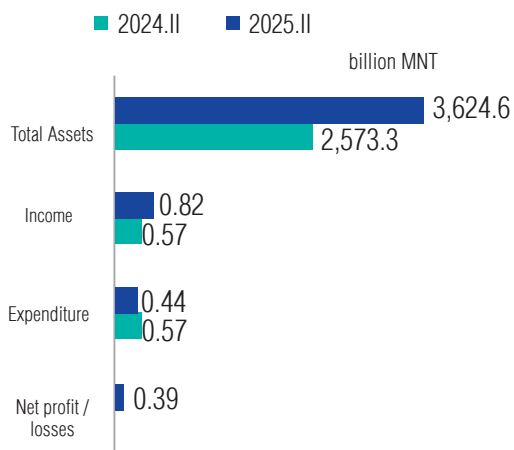
## FINANCIAL STATEMENT INDICATORS OF AGRICULTURAL EXCHANGES



### PROFITABILITY OF AGRICULTURAL COMMODITY EXCHANGES

- The total assets of agricultural commodity exchanges amounted to 5.0 billion MNT, reflecting a 37.9 % increase compared to the same period last year.
- Compared to the previous year, income decreased by 2.5 billion MNT, while expenses decreased by 1.9 billion MNT, resulting in a net profit of 0.4 billion MNT.

## FINANCIAL STATEMENT INDICATORS OF CUSTODIANS



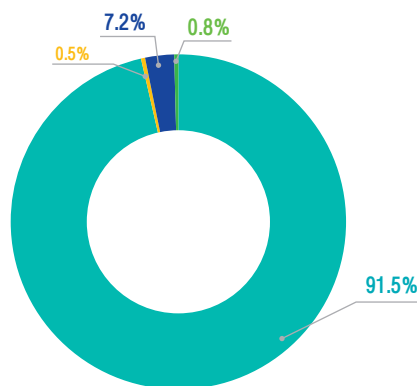
## PROFITABILITY OF CUSTODIAN BANKS

- The total assets of custodian banks amounted to 3,624.6 billion MNT, marking a 40.9% increase compared to the same period last year.
- Compared to the same period last year, income increased by 0.25 billion MNT, while expenses decreased by 0.13 billion MNT, resulting in a profit of 0.39 billion MNT.

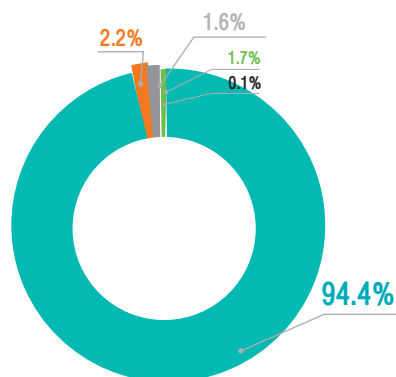
## CUSTOMER STRUCTURE OF CUSTODIAN BANKS

- The majority (91.5 %) of customers were domestic citizens, 7.2% were domestic entities, 0.8 % were foreign citizens, and 0.5 % were foreign entities.

- Domestic citizen
- Domestic enterprise
- Foreign enterprise
- Foreign citizen



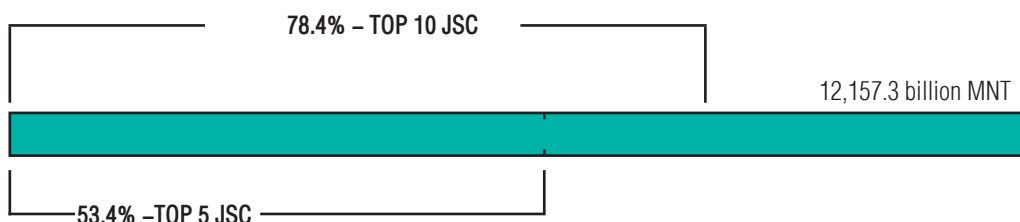
- In terms of the classification of assets deposited in the custodian banks: 94.4% were securities, 1.7% were asset-backed securities, 1.6% were derivative financial instruments, 2.2% were cash, and 0.1% were real estate.



- Securities held by customers
- Cash
- Financial derivatives
- Asset-backed securities
- Real estate

## STABILITY

The 10 companies with the highest market valuation accounted for 78.4% of the total market value, while the top 5 companies represented 53.4%.



## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

#### MARKET

#### ○ REGULATION ON SUPPORTING THE TOP-100 ENTERPRISES THROUGH THE CAPITAL

The Financial Regulatory Commission (FRC) has adopted amendments in May this year to the Regulation on Securities Registration, Regulation on Debt Instrument Registration and Regulation on Over-the-Counter Market Operations to increase the participation of Top-100 enterprises in the capital market. These amendments simplify and expedite the registration process for bond issuance, enabling these enterprises to raise financing more easily through both public offerings and private placements. Specifically, companies selected as Top-100 enterprises will no longer be required to obtain a valuation when conducting their initial public offering (IPO) for the first time. Furthermore, when issuing bonds of up to 5 billion MNT with a maturity of up to one year through public offering or private placement, these companies are exempt from providing collateral, guarantees, or entering into underwriting agreements. Additionally, the FRC will decide on applications for public offerings of shares within 10 working days. By introducing these amendments, the FRC has created a favorable regulatory environment for major domestic enterprises to raise financing via public or private securities issuance. This will help them expand operations, enhance profitability, strengthen reputation and governance, and ultimately create advantages when seeking further financing from both domestic and international markets. These changes are also expected to positively contribute to the development of the capital market and the national economy.

#### ○ AMENDMENTS TO THE "REGULATION ON DEBT INSTRUMENT REGISTRATION"

At its meeting on June 26, 2025, the FRC approved amendments to the Regulation on Debt Instrument Registration concerning the issuance of social bonds and sustainability bonds. These amendments were developed in alignment with the Social Bond Principles and Sustainability Bond Guidelines issued by the International Capital Market Association (ICMA). As a result, Mongolia is set to expand the range and volume of financial products aimed at supporting the development of a green finance system and addressing key environmental and social challenges. These changes are expected to increase the participation of both domestic and international investors and significantly contribute to the growth of the domestic bond market.

## REGULATORY ENVIRONMENT



### COOPERATION TO DEVELOP A SUSTAINABLE GREEN FINANCE SYSTEM

#### The second phase of the “Green Finance Market Development” project has been officially launched

On June 5, 2025, the Financial Regulatory Commission (FRC) signed a Memorandum of Understanding with the International Finance Corporation (IFC) to support the development of a sustainable and green finance system in Mongolia. This partnership aims to strengthen risk management and financial market stability, while supporting environmentally friendly projects and programs.

With the signing of this MoU and the launch of Phase II of the project, a wide range of new sustainable financing products will be introduced to domestic companies. In addition to green bonds, these include:

- Blue bonds – aimed at protecting and restoring water ecosystems, biodiversity, rivers, and watersheds,
- Sustainability-linked bonds – supporting sustainable development with defined social and environmental objectives,
- Results-based bonds – tied to the achievement of specific Sustainable Development Goals (SDGs), and
- Accountability linked bonds – where issuers commit to financial penalties such as increased interest rates or additional payments, if they fail to meet agreed sustainability targets.

This initiative will create favorable conditions for attracting investment through innovative environmentally friendly financial instruments, while diversifying funding sources for domestic enterprises. More broadly, it represents a significant step forward building a flexible, internationally aligned, and environmentally sustainable financial system in Mongolia – one that will contribute meaningfully to the long term development of the country's financial sector.



### INTERNATIONAL COOPERATION

#### Korea–Mongolia Financial Cooperation Forum Successfully Held.

On June 17, 2025, the Financial Regulatory Commission of Mongolia, in collaboration with the Ministry of Finance of Mongolia, the Bank of Mongolia, the Financial Services Commission of Korea (KFSC), and the Council on International Financial Cooperation of Korea (CIFC), successfully organized the “Korea–Mongolia Financial Cooperation Forum.”

During the forum, the FRC delivered a comprehensive presentation on the current state and development trends of Mongolia's capital market, along with key policy measures implemented in recent years. Participants also engaged in meaningful discussions, exchanging views on potential areas for future cooperation.

This year's forum held particular significance as it coincided with the 35th anniversary of the establishment of diplomatic relations between Mongolia and the Republic of Korea. The event marked an important milestone in strengthening bilateral cooperation in the financial and capital markets, promoting mutual knowledge sharing, and identifying new opportunities for collaboration.



# INSURANCE MARKET

Total assets

**703.7** billion MNT

Capital growth **14.1%**



Financial market status

Insurance density

**\*142,736** MNT



Accessibility

Total fees for brokered  
insurance and reinsurance

**81.3** billion MNT



Products and services

Profitability



Net profit

**30.1**  
billion MNT

Tax collected by the  
state, Social security  
contributions

**9.5**  
billion MNT

Stability



Share of reinsurance  
premiums in total  
premium income

**24.5%**

Regulatory environment

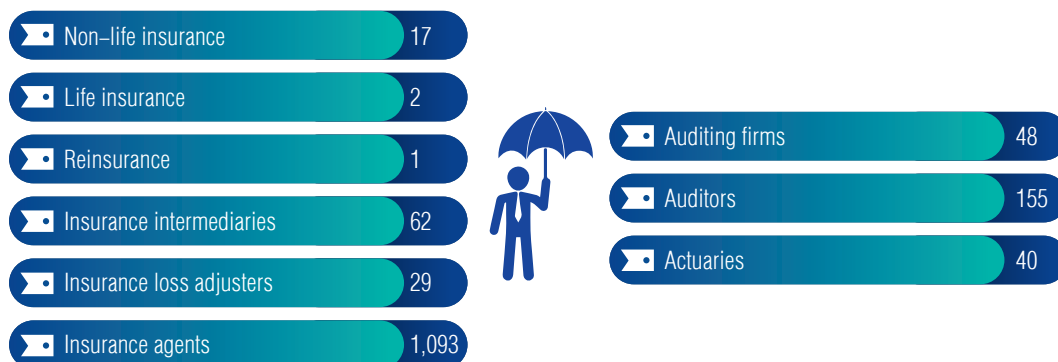


## FINANCIAL MARKET STATUS

### INSURANCE SECTOR STRUCTURE

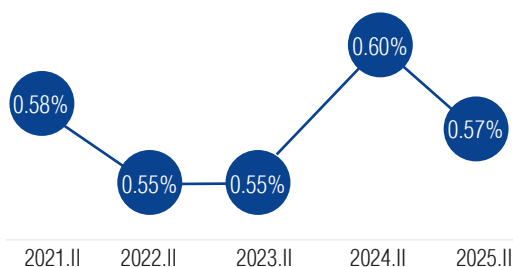
As of the second quarter of 2025, the Financial Regulatory Commission has granted licenses, permits, and rights to the following entities operating in the insurance sector:

- 354 licensed entities, including insurance companies, brokers, loss assessors, audit firms, actuaries, and auditors,
- 1,093 insurance agents.



### INSURANCE PENETRATION

- Insurance penetration reached 0.57%, marking: reflecting:
- A 0.03 percentage point decrease compared to the same period last year, and a 0.01 percentage point decrease compared to 2021.



### NUMBER OF INSURANCE CONTRACTS

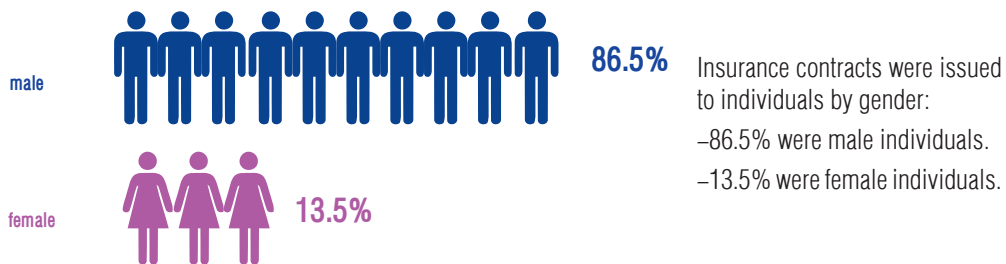
A total of 923,010 insurance contracts were issued, distributed as follows:

- 81.2% (749,116 contracts) with individuals.
- 18.8% (173,894 contracts) with legal entities.

Individuals **749,116**

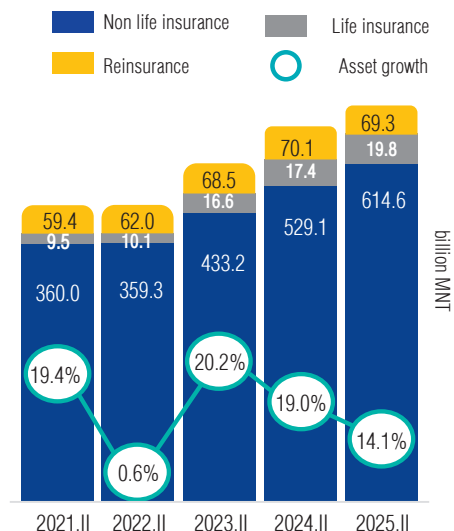
Legal Entities **173,894**

### Gender ratio of contracts concluded with individuals /percentage/



### TOTAL ASSETS OF INSURANCE COMPANIES

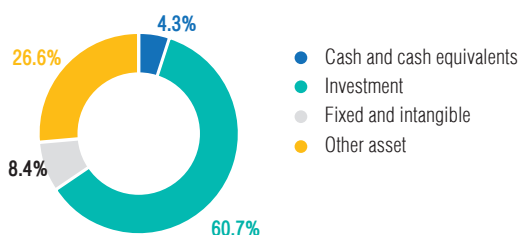
- o The total assets of the insurance sector grew by 14.1% year-on-year, reaching 703.7 billion MNT, reflecting a 64.1% increase compared to the same period in 2021.
- o Non-life insurance companies recorded a 16.2% asset growth, reaching 614.6 billion MNT, accounting for 87.3% of the sector's total assets.
- o The total assets of life insurance companies increased by 14.3%, reaching 19.8 billion MNT, representing 2.8% of the sector's total assets.
- o Reinsurance companies' total assets declined by 1.2% compared to the same period of last year, standing at 69.3 billion MNT, making up 9.9% of the sector's total assets.



### ASSET STRUCTURE AND MARKET SHARE (BY TOTAL ASSETS)

The distribution of insurance companies' total assets is as follows:

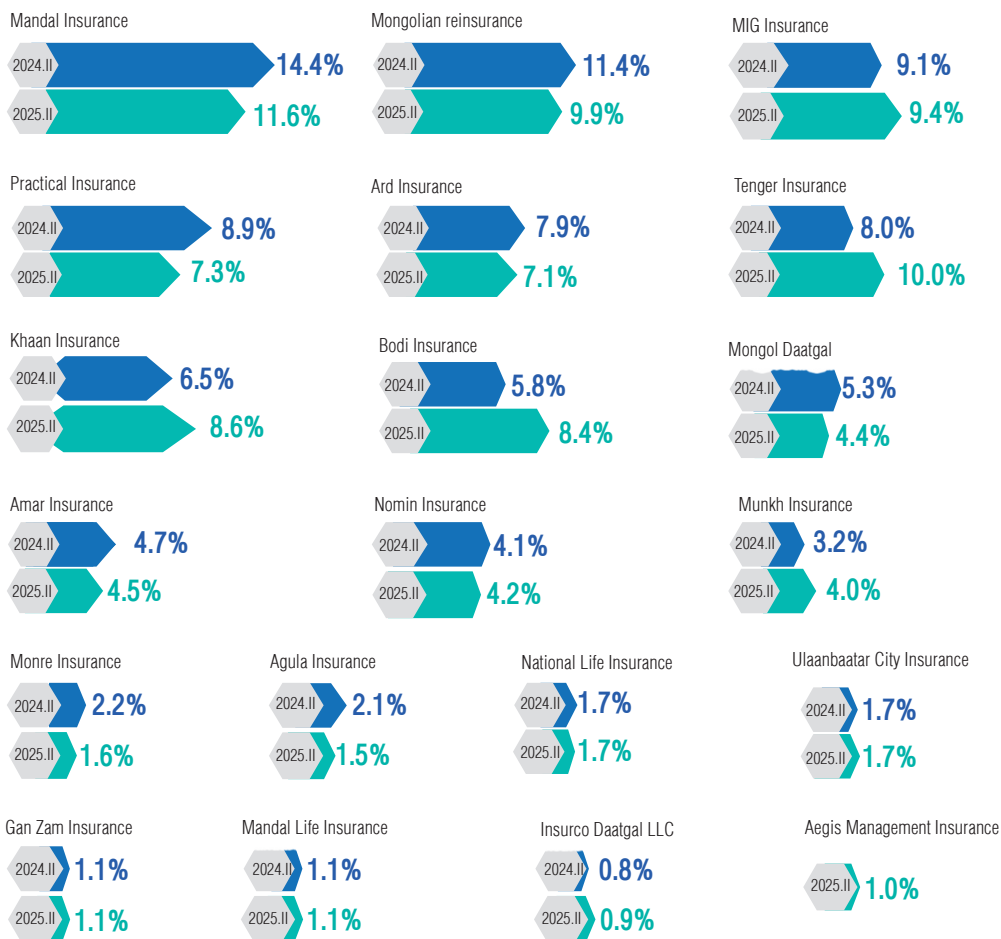
–Investments: 426.8 billion MNT (60.7%), Other Assets: 187.4 billion MNT (26.6%), Fixed and Intangible Assets (net): 59.1 billion MNT (8.4%), Cash and Equivalent Assets: 30.5 billion MNT (4.3%).



Insurance companies are categorized based on their share of total assets:

4 companies hold a market share above 9%, 4 companies hold a share between 6 and 9%, 4 companies hold a share between 3 and 6%, 8 companies hold a share below 3%.

### Percentage share of total assets of insurance and reinsurance companies

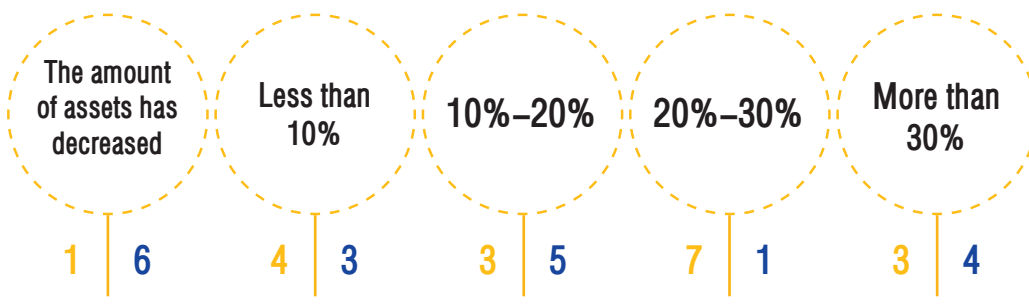


### ASSETS GROWTH DISTRIBUTION OF INSURANCE COMPANIES

When categorized by capital growth: 4 companies recorded an increase of over 30%, 1 company experienced growth of 20–30%, 5 companies had growth between 10–20%, 3 companies reported growth of less than 10%. Additionally, 6 insurance companies experienced a decline in capital size.

In the fourth quarter of 2024, the Agis Management Insurance LLC operation began, and asset growth was not taken into calculation.

2023.H1–2024.H1 / 2024.H1–2025.H1



## TOTAL PREMIUMS

- o In the reporting quarter, total premiums collected by non-life and life insurance companies reached 245.5 billion MNT, representing:

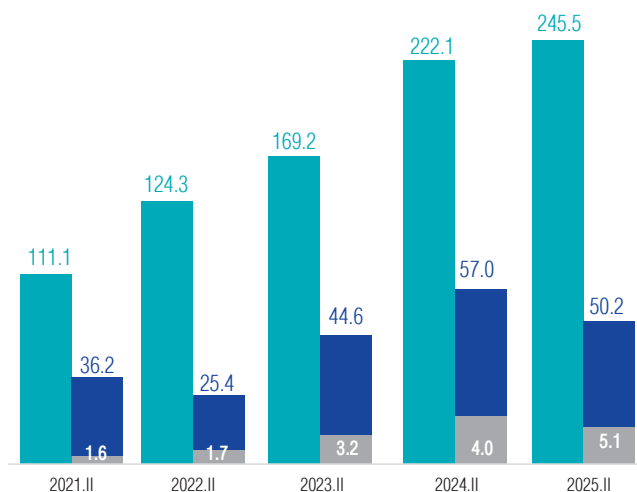
Breakdown by Insurance Type:

–Non-life insurance companies collected 242.3 billion MNT, accounting for 98.7% of total premiums.

–Life insurance companies collected 3.2 billion MNT, making up 1.3% of the total.

- o A total of 50.1 billion MNT was collected from reinsurance premiums. Of this, 5.1 billion MNT (10.2%) was paid to domestic reinsurers.
- o Total premiums grew by 10.5% compared to the same period last year and increased by 1.2-times compared to 2021.

■ Total premiums for non-life and life insurance (MNT, billions)  
 ■ Total reinsurance premiums for non-life and life insurance (MNT, billions)  
 ■ Total fees of domestic reinsurance companies (MNT, billions)



## Total non-life insurance premium

2024.II

2025.II

Property insurance



16.6% 13.5%

Motor vehicle



28.2% 28.6%

Mandatory driver's liability



13.6% 13.0%

Accident and medical treatment



16.1% 19.8%

Other



9.3% 11.4%

Liability



10.1% 7.4%

Aircraft liability



2.6% 2.3%

Construction



2.7% 2.7%

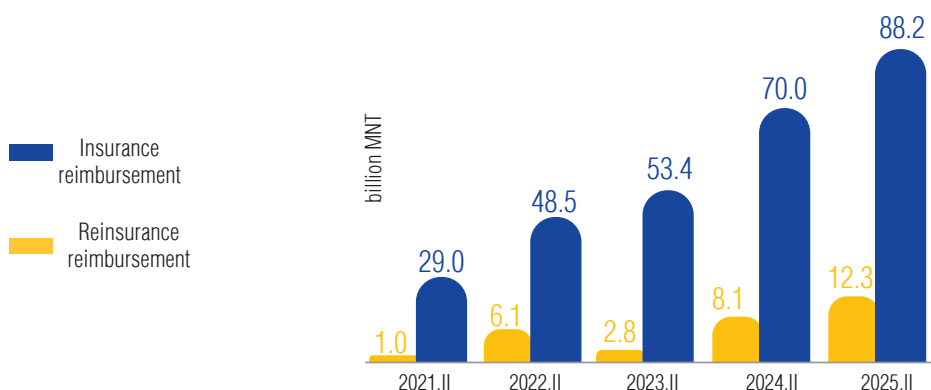
Life



0.8% 1.3%

## TOTAL REIMBURSEMENT

- Total compensation expenditures by insurance companies reached 88.2 billion MNT, reflecting: A 26.0% increase compared to the same period of last year, A 2.0-fold increase compared to 2021.
- Non-life insurance companies paid out 86.3 billion MNT, accounting for 97.9% of total compensation expenditures.
- Reinsurer-handled compensation expenditures increased 52.2%, reaching 12.3 billion MNT compared to last year.



2024.II

2025.II

## Non-life insurance reimbursement

Mandatory driver's liability



31.8%

27.7%

Motor vehicle



27.9%

25.3%

Accident and medical treatment



17.2%

24.0%

Property insurance



9.0%

4.6%

Other



11.2%

14.9%

Finance insurance



0.0%

0.0%

Life



1.4%

2.1%

Liability



1.5%

1.3%

Construction

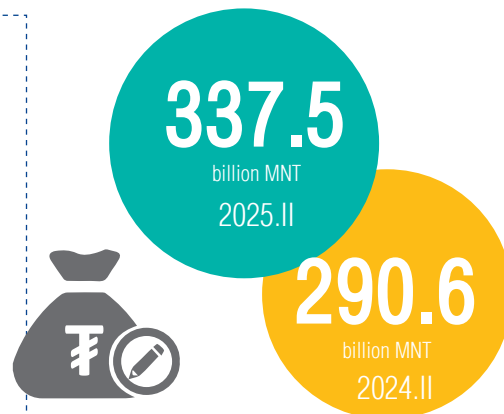


0.0%

0.1%

## RESERVES FUND

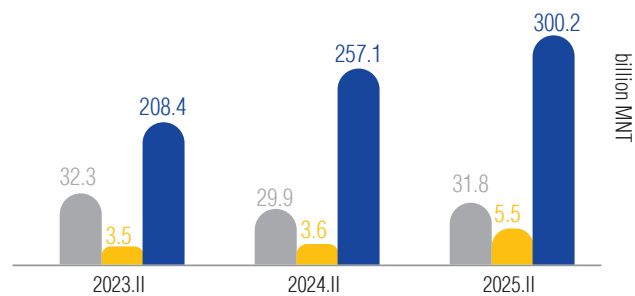
- The total reserve fund of the insurance sector reached 337.5 billion MNT.
- Non-life insurance companies' reserves grew by 16.1%, reaching 300.2 billion MNT.
- Life insurance companies' reserves increased by 52.4%, reaching 5.5 billion MNT.
- Reinsurance companies' reserves increased by 6.5%, reaching 31.8 billion MNT.



Non-life insurance fund

Life insurance fund

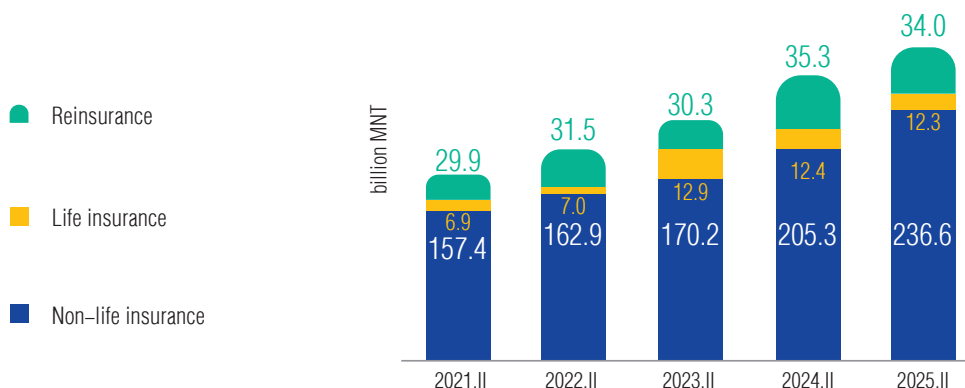
Reinsurance fund



## EQUITY CAPITAL

The insurance sector's equity reached 276.6 billion MNT, which is an increase of 43.1% compared to the same period in 2021 and by 13.9% compared to the same period last year.

Of this, 83.3% is accounted for non-life insurance companies, 4.4% by life insurance companies, and 12.3% by reinsurance companies.



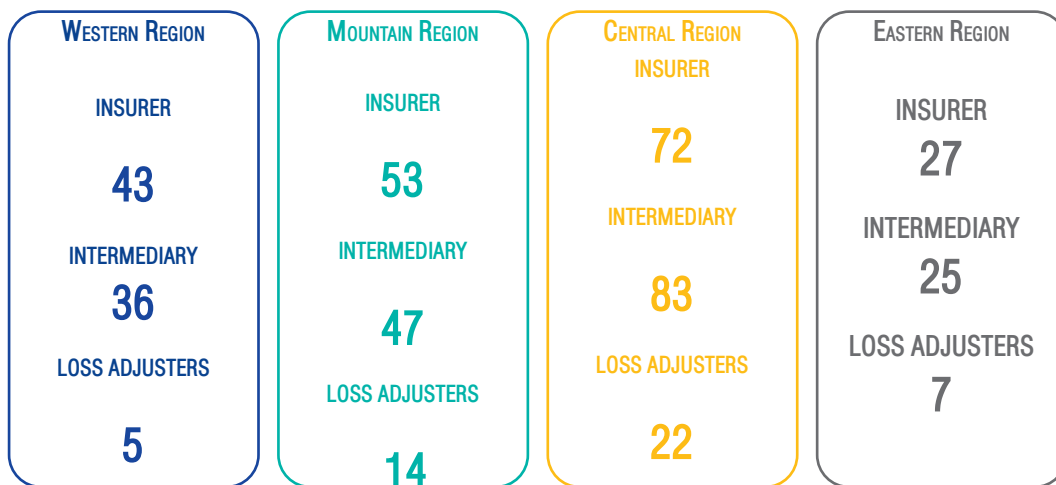
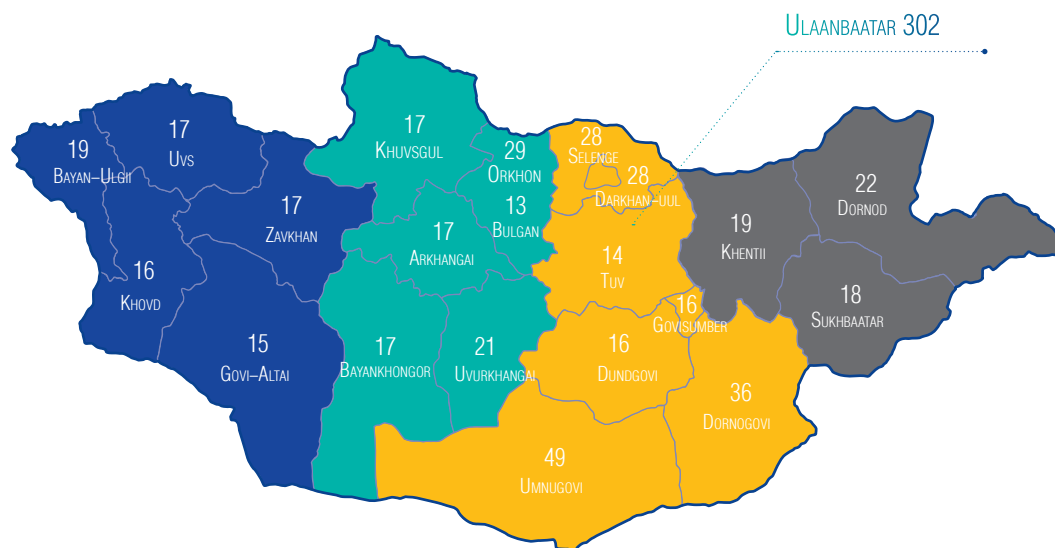
## ACCESSIBILITY

### BRANCH REPRESENTATIVE

Rural area

A total of 687 representatives and 434 branches are actively operating across insurance companies, intermediaries, and loss assessment companies, reflecting the availability and outreach of insurance services.

### INSURANCE COMPANIES, BROKERS, AND LOSS ADJUSTERS (BY LOCATION)



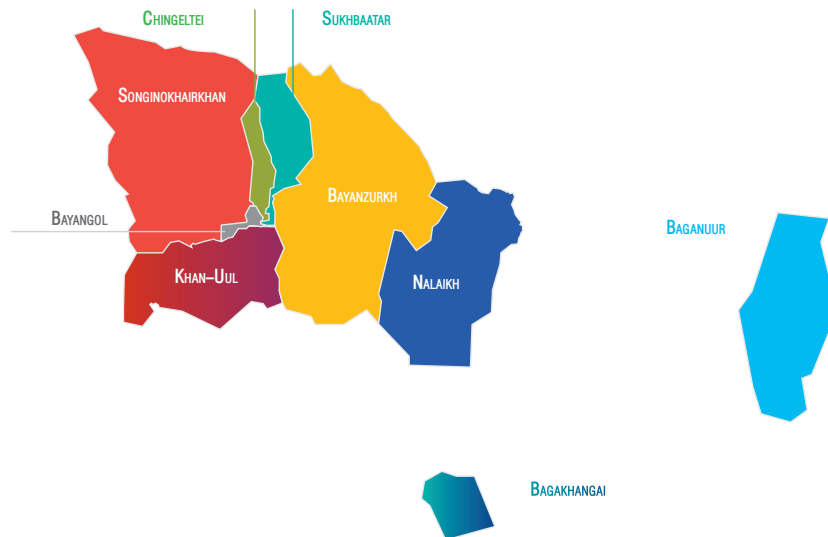
## REPRESENTATIVES



## BRANCH REPRESENTATIVE

## ULAANBAATAR

- o A total of 302 representative offices were registered in Ulaanbaatar, including: 39 branches of insurance companies, 219 branches of insurance brokers, 44 branches of loss assessors. 92.7% of these offices are located in the six central districts of the capital.

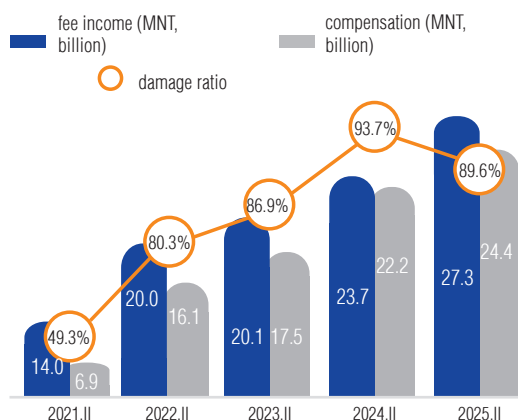


The total number of representative offices in Ulaanbaatar reached 400. Additionally, 15 representative offices of insurance companies were registered with the Financial Regulatory Commission, including one office each in China and South Korea.

|                                      |                  |               |            |              |            |               |            |               |
|--------------------------------------|------------------|---------------|------------|--------------|------------|---------------|------------|---------------|
| INSURANCE<br>BROKER<br>LOSS ADJUSTER | SONGINOKHAIRKHAN | 3<br>18<br>10 | CHINGELTEI | 5<br>37<br>4 | SUKHBAATAR | 10<br>47<br>7 | BAYANZURKH | 4<br>40<br>10 |
|                                      | KHAN-UUL         | 2<br>38<br>5  | BAYANGOL   | 4<br>29<br>7 | NALAIKH    | 3<br>6<br>0   | BAGANUUR   | 7<br>4<br>1   |
|                                      | BAGAKHANGAI      | 1<br>0<br>0   |            |              |            |               |            |               |

### COMPULSORY INSURANCE

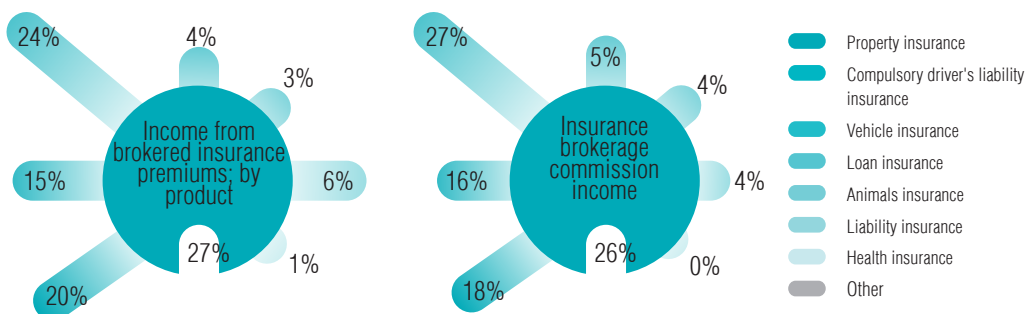
- o Total premiums reached 27.3 billion MNT, marking a 14.9% increase compared to the same period last year. This accounts for 11.1% of the total insurance premium income.
- o Reimbursements rose by 9.9% year-on-year, with 24.4 billion MNT disbursed as compensation. This represents 27.7% of the total compensation costs within the sector.



### INSURANCE INTERMEDIARIES

Insurance brokers collected a total of 81.3 billion MNT in premiums.

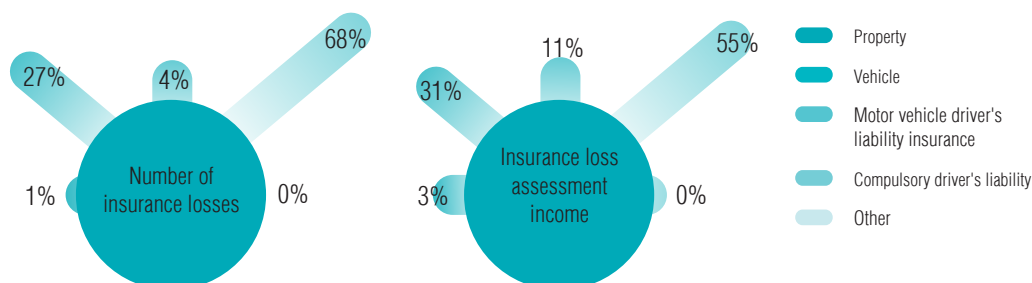
Premium income from insurance intermediaries increased by 22.0%, reaching 16.5 billion MNT in the reporting quarter, compared to 13.5 billion MNT in the same period last year.



### INSURANCE DAMAGE ASSESSOR

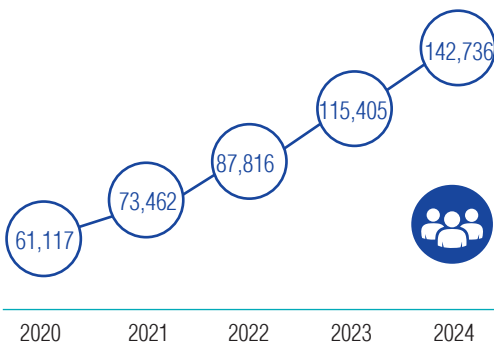
- o A total of 22,221 cases were assessed, with a combined value of 41.8 billion MNT.

Revenue from insurance loss assessments increased by 25.3% year-on-year, reaching 3.1 billion MNT.



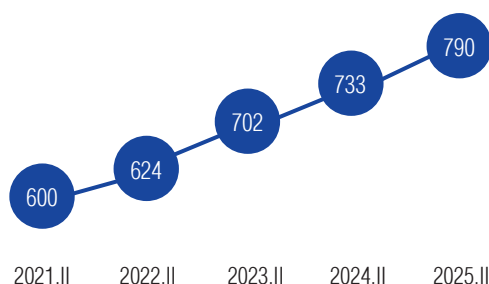
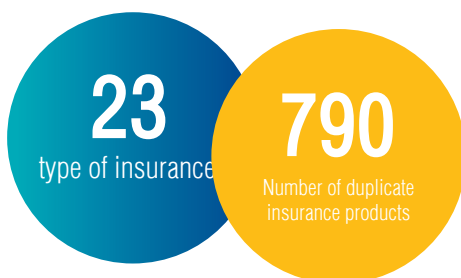
## INSURANCE DENSITY

The insurance density indicator, which measures premium income per capita, provides insight into market availability and demand. Since the population data is calculated annually, insurance density will be estimated at the end of 2024 rather than reported quarterly.



- Insurance density increased to 142,736 MNT, reflecting:
  - A 23.7% increase from 2023
  - A 133.5% increase compared to 2020
- Per capita premiums by sector:
  - Non-life insurance: 141,451 MNT(+23.6% year-on-year)
  - life insurance: 1,285 MNT (+38.7% year-on-year)

## PRODUCTS AND SERVICES



- A total of 23 types of non-life and life insurance products are available, with Compulsory Driver's Liability Insurance being the only mandatory product; all others are voluntary.
- The number of reinsurance products reached 790, reflecting an increase of 57 compared to the same period of last year and 190 more than in the same period of 2021.

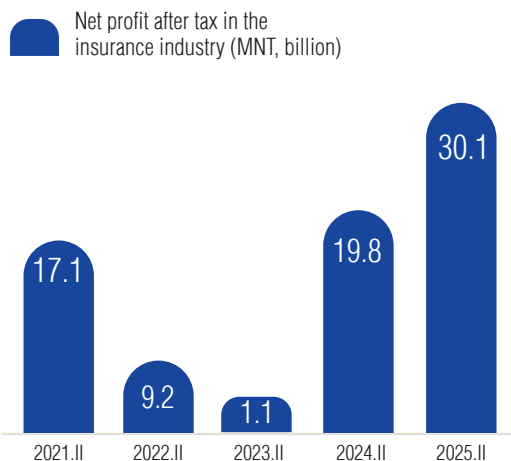
## PROFITABILITY

### NET PROFIT OF INSURANCE COMPANIES

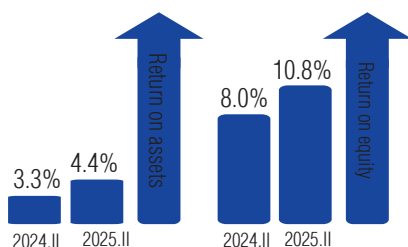
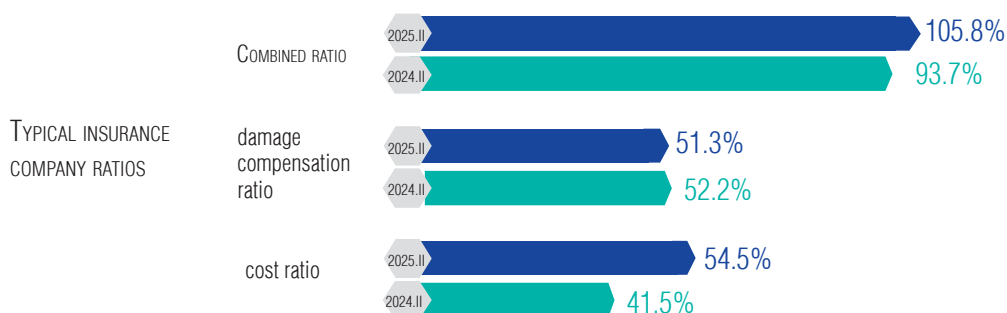
- o The net profit of insurance companies grew by 52.1% year-on-year, reaching 30.1 billion MNT—with a 76.2% increase compared to the same period in 2021.

#### Post-tax Performance

- 8 companies reported a decline in profit.
- 5 companies saw an increase of up to 50%.
- 1 company experienced growth between 50 and 100%.–5 companies achieved more than 100% profit growth.

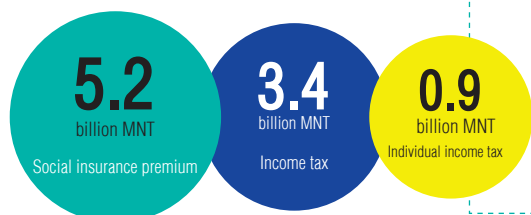


### KEY RATIOS



### PROFITABILITY INDICATORS

- o Return on assets (ROA) increased by 1.1 percentage points, reaching 4.4% year-on-year. Return on equity (ROE) rose by 2.8 percentage points, reaching 10.8%.



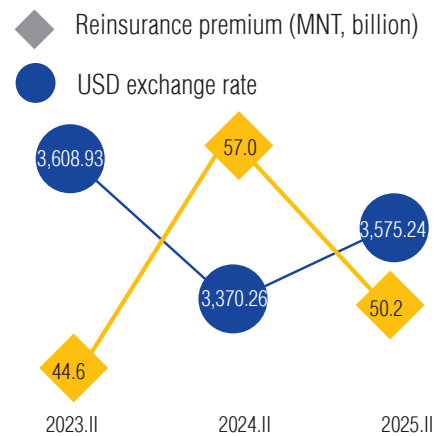
- o Total contributions to the state budget:
  - Social insurance premiums: 5.2 billion MNT
  - Personal income tax: 0.9 billion MNT
  - Corporate income tax: 3.4 billion MNT
  - Total tax contribution: 9.5 billion MNT

## STABILITY

## MARKET RISK

- o In the reporting quarter, non-life and life insurance companies transferred 5.1 billion MNT of the total 50.2 billion MNT to reinsurers, while the remaining 45.1 billion MNT was ceded to foreign reinsurance companies.
- o During the reporting quarter, reinsurance premiums sent abroad accounted for 20.5% of total insurance premiums collected.
- o Currency exchange rate risk remains a major challenge for insurance companies in Mongolia, particularly those engaged in international transactions such as reinsurance.

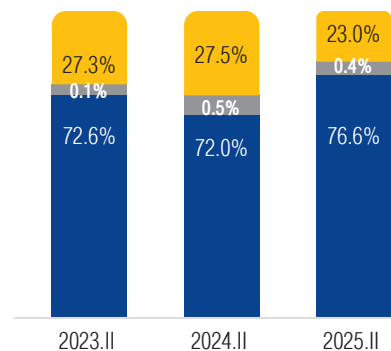
**20.5%** Share of reinsurance premiums in total premiums



## INVESTMENT CLASSIFICATION OF INSURANCE COMPANIES (AS A PERCENTAGE)

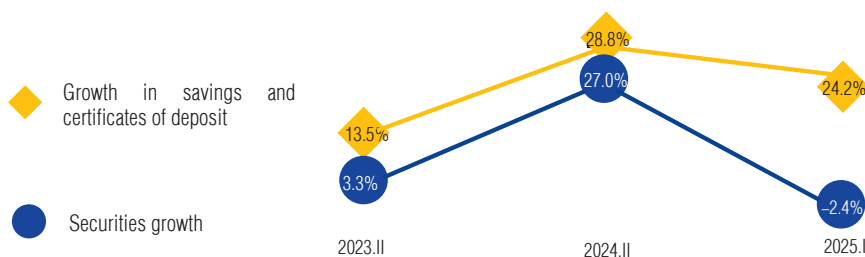
- o In the reporting quarter: Investments in the capital market and derivatives totaled 98.3 billion MNT, representing 23.0% of total investments. Investments in the banking sector accounted for 76.6%, totaling 327.1 billion MNT.

- Deposits and certificates of deposit
- Investments in subsidiaries, associates and jointly controlled entities
- Securities
- Precious metals and derivatives



## PERCENTAGE OF INVESTMENT GROWTH OF INSURANCE COMPANIES

Investment of insurance companies in the capital market decreased by 2.4% compared to the same period last year. Investments in deposits and deposit certificates (banking sector) decreased by 4.6% compared to the same period last year.



## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

- o In collaboration with the Ministry of Finance, the draft revised version of the Insurance Package Law is being finalized for presentation at the Cabinet meeting and submission to the State Great Khural (Parliament). Once approved, the law is expected to increase insurance penetration, raise the share of insurance premium income in GDP, expand the risk retained by the domestic reinsurer, reduce the proportion of reinsurance premiums ceded abroad, rebalance the structure of the insurance market, targeting a 40/60, ratio between long-term and general insurance, establish a preventive risk-management system through full digitalization, improve policyholder satisfaction, and enhance public confidence in the insurance sector.
- o Pursuant to Order A/48 of the Minister of Labor and Social Protection, dated October 30, 2024, a working group was established, with active participation of the FRC's Insurance Department. The Commission submitted proposals to improve the regulatory framework for private supplementary pension schemes, particularly focusing on enabling the participation of long-term insurers.
- o Under Order No. 66 of the Speaker of Parliament, dated January 28, 2025, a working group was formed to draft the initial Agricultural Insurance Law. The FRC contributed by providing technical input information, organizing consultations with industry stakeholders, and holding discussions with representatives from Ministry of Food, Agriculture and Light Industry (MOFALI), the Ministry of Finance, the Secretariat of the State Great Khural, and National Reinsurance Corporation. Adoption of this law is expected to establish a comprehensive legal framework for risk management, liability, and regulatory oversight in the agricultural sector, through active involvement of the insurance industry.
- o By Resolution No. 66 of the FRC, dated February 25, 2025, a revised regulatory framework on mortgage insurance was approved, to take effect from August 1, 2025. Measures are currently underway to ensure the implementation of long-term insurers' action plans, intensify public awareness and education efforts.
- o Draft resolutions to increase the minimum paid-up capital requirements for insurers, insurance intermediaries, and loss-adjusting companies have been prepared and published on the Commission's website for public and industry consultation.



## INTERNATIONAL COOPERATION

- As part of the insurance sector sub-working group under the National Risk Assessment on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT), preparatory work was undertaken. This included reviewing and consolidating data submitted by insurance companies and obtaining additional information where necessary.
- Representatives of the Financial Regulatory Commission (FRC) participated in training sessions organized by the international credit rating agency AM Best, covering the topics – Introduction to ORSA Requirements, Risk-Based Capital (RBC) and Stress Testing, and AM Best BCM Building Blocks.
- On May 26, 2025, the FRC, in cooperation with the Mongolian Insurance Market Association, organized a training program titled "Promoting Healthy Market Development: A Comprehensive System to Prevent Fraud." The training was led by Mr. Rudolf Frey, Asia Regional Director of IBNR Management Consulting based in Hong Kong and Singapore, who shared methodologies for fraud prevention and discussed the roles of industry stakeholders in fostering market integrity.
- As part of the Korea-Mongolia Financial Cooperation Forum, a meeting was held with representatives of the Korea Life Insurance Association. Participants included Mr. N. Khuderchuluun, Commissioner and Deputy Chairman of the FRC and delegates from the Insurance Department. During the meeting, the Mongolian delegation also engaged with executives from Seoul Guarantee Insurance Company to exchange views on the guarantee insurance markets of both countries. The parties agreed to strengthen professional level cooperation in the development of guarantee operations and to promote human resource development in the sector.



## MEETINGS AND SEMINARS

- By Order No. 199 of the Chairman of the Financial Regulatory Commission dated May 20, 2025, the composition of the Insurance Policy Council was renewed.
- On May 5, 2025, the Mongolian Insurance Association and the Mongolian Insurance Market Association, in cooperation with international organizations, organized a training on "Environmental, Social, Governance (ESG) and Sustainability Reporting" for member companies. During the session, insurance companies executives were informed about global ESG trends, international standards, and best practices. Emphasis was placed on the importance of preparing and submitting ESG and sustainability reports by June 30, 2025.
- In collaboration with relevant professional associations, the FRC organized five training sessions for granting licenses to operate in the insurance sector. These sessions covered the current state of the insurance industry, international trends, as well as the legal and regulatory framework, related rules, and methodologies.
- Meetings were conducted to raise public awareness about the revised mortgage insurance regulation, particularly in cooperation with long-term insurers, and to discuss measures for reducing insurance premiums. Additionally, a meeting was held with Mr. John Spence, Member of the Board of Directors of "Mandal Life Insurance" LLC, and other officials to exchange views on the current state of the life insurance market, the company's strategic policies, recommendations to be submitted to the FRC.
- Representatives of the FRC participated in the 20th Asian Health and Health Insurance Conference, held in Singapore on May 19–20, 2025.
- At the academic conferences "Open Science and Sustainable Development" and "Financial Markets and Sustainable Development," organized by the University of Finance and Economics, the FRC delivered a presentation on the insurance sector to promote public awareness and education.



# NBFIs

Total assets

**8.0** trillion MNT

Capital growth **38.7%**



Financial market status

Customers

**3.6** million

Average loan amount

**2.4** million MNT



Accessibility

Credit NBFIs

**89.0%**

Foreign currency exchange NBFIs

**10.5%**



Products and services

Profitability



Total income

**1,264.9**  
billion MNT

Tax collected by the  
state, social security  
contributions

**109.3**  
billion MNT

Stability



Z index

**17.0**

Percentage of non-  
performing loans

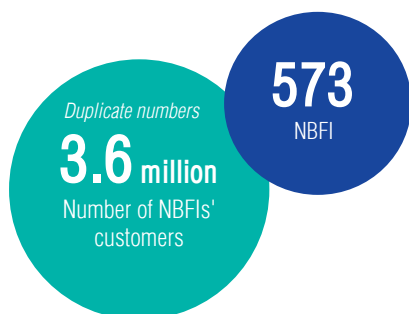
**7.7%**

Regulatory environment



## FINANCIAL MARKET OUTLOOK

In the second quarter of 2025, the Financial Regulatory Commission licensed 573 NBFIs, marking a 4.4% increase compared to the same period last year.

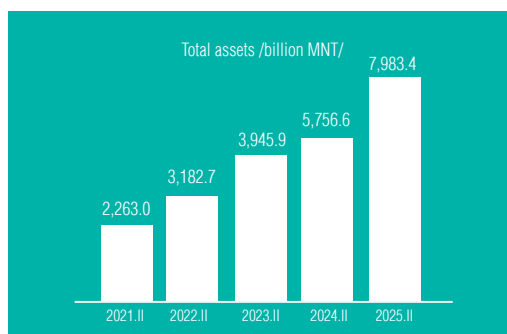
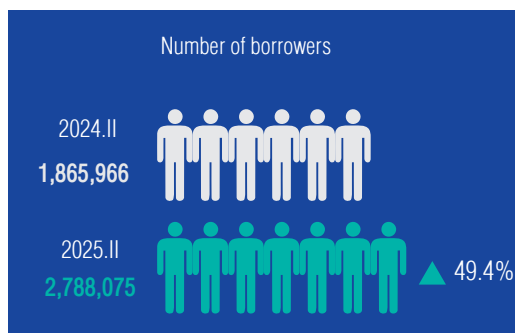
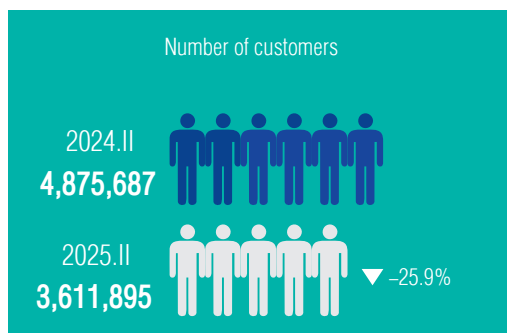
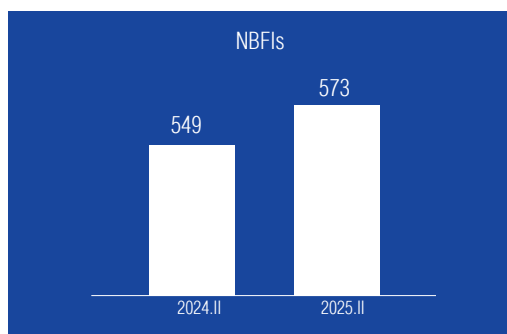


Of these, 4.9% have international investments, while 95.1% are domestically funded.



### TOTAL ASSETS OF NBFIS

The total assets of NBFIs reached 7,983.4 billion MNT, reflecting an increase of 2,226.8 billion MNT (38.7%) compared to last year and a 3.5-fold increase since the same period in 2021.



## Assets structure of NBFIs (billions MNT)

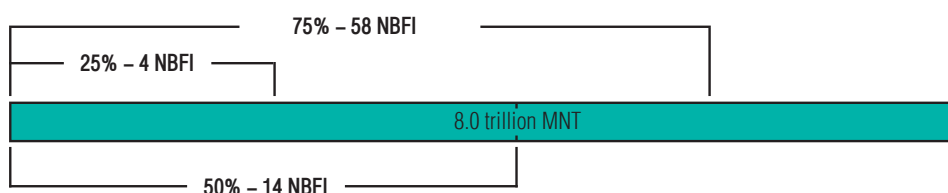
|                                        |                |               |  |
|----------------------------------------|----------------|---------------|--|
| FINANCIAL ASSETS VALUE                 | 7,616.0        | 95.4%         |  |
| Cash                                   | 664.2          | 8.3%          |  |
| Investment                             | 97.0           | 1.2%          |  |
| Credit /net/                           | 6,588.3        | 82.5%         |  |
| Factoring settlement receivables (net) | 58.7           | 0.7%          |  |
| Derivative financial assets            | 4.8            | 0.1%          |  |
| Other                                  | 203.0          | 2.6%          |  |
| AMOUNT OF NON-FINANCIAL ASSETS         | 367.4          | 4.6%          |  |
| <b>TOTAL ASSETS</b>                    | <b>7,983.4</b> | <b>100.0%</b> |  |

- o The total assets of the NBFIs sector reflect an increase of 2,226.8 billion MNT (38.7%) compared to last year. A 93.6% increase in loans drove this growth.

## Liability structure of NBFIs (billions MNT)

|                                                               |                |               |  |
|---------------------------------------------------------------|----------------|---------------|--|
| <b>Total liabilities</b>                                      | <b>3,758.0</b> | <b>47.1%</b>  |  |
| LIABILITIES                                                   | 3,511.0        | 44.0%         |  |
| Source of Trust Services                                      | 1,175.3        | 14.7%         |  |
| Resources drawn from banks and financial institutions         | 1,419.5        | 17.8%         |  |
| Other                                                         | 673.0          | 8.4%          |  |
| Derivative financial liabilities                              | 3.5            | 0.1%          |  |
| Other financial liabilities                                   | 229.1          | 2.9%          |  |
| Secondary debt                                                | 10.6           | 0.1%          |  |
| Preference shares (liabilities)                               | –              | 0.0%          |  |
| AMOUNT OF NON-FINANCIAL LIABILITIES                           | 247.0          | 3.1%          |  |
| <b>OWN EQUITY</b>                                             | <b>4,225.3</b> | <b>52.9%</b>  |  |
| Share capital                                                 | 1,980.5        | 24.8%         |  |
| Additional paid-in capital                                    | 102.8          | 1.3%          |  |
| Pocket stock                                                  | 2.6            | 0.1%          |  |
| Addition to revaluation of fixed assets and intangible assets | 22.5           | 0.3%          |  |
| Retained earnings and losses                                  | 2,010.7        | 25.2%         |  |
| Other property                                                | 111.4          | 1.4%          |  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                           | <b>7,983.4</b> | <b>100.0%</b> |  |

- o Of this, 47.1% was attributed to an increase in liabilities, while 52.9% was due to an increase in equity.
- o Funding sources saw significant growth: trust service source increased by 32.8%, sources from banks and financial institutions grew by 62.8, and debt certificates issued by NBFIs rose by 48.2%.



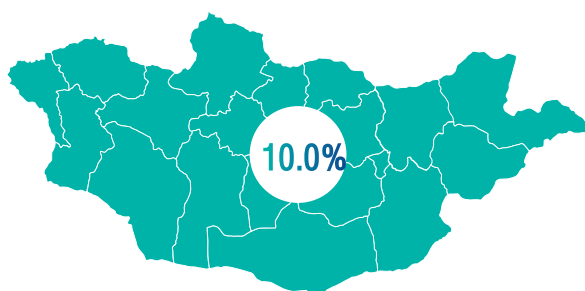
|                 | Number of NBFIs |        | Total assets           |        | Total loans            |        | Percentage of non-performing loans in loan portfolio | Customers |        |
|-----------------|-----------------|--------|------------------------|--------|------------------------|--------|------------------------------------------------------|-----------|--------|
|                 | No.             | %      | Amount (MNT, billions) | %      | Amount (MNT, billions) | %      |                                                      | No.       | %      |
| Top 25 %        | 4               | 0.7%   | 1,991.2                | 24.9%  | 1,743.3                | 26.1%  | 2.2%                                                 | 420,581   | 11.6%  |
| Top 50 %        | 14              | 2.4%   | 3,971.6                | 49.7%  | 3,432.4                | 51.4%  | 3.4%                                                 | 1,614,373 | 44.7%  |
| Top 75 %        | 58              | 10.1%  | 5,982.1                | 74.9%  | 5,137.8                | 77.0%  | 5.4%                                                 | 3,217,287 | 89.1%  |
| TOTAL OF SECTOR | 573             | 100.0% | 7,983.4                | 100.0% | 6,674.9                | 100.0% | 7.7%                                                 | 3,611,895 | 100.0% |

Loans issued by NBFIs, representing 25%, 50% and 75% of the sector's total assets, accounted for 2.2%, 3.4%, and 5.4% of total outstanding loans, respectively. The loan quality of NBFIs with a high share of the sector's total assets was below the sector average.

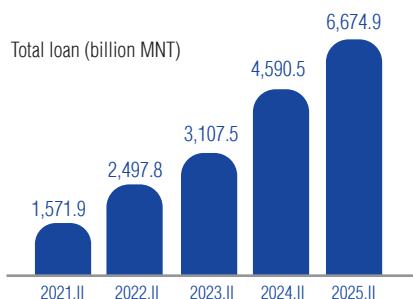
|                          | Number of NBFIs | Total assets           |       | Total loans            |       | Customers |       |
|--------------------------|-----------------|------------------------|-------|------------------------|-------|-----------|-------|
|                          |                 | Amount (MNT, billions) | %     | Amount (MNT, billions) | %     | No.       | %     |
| With domestic investment | 545             | 6,961.6                | 87.2% | 5,832.6                | 87.4% | 3,446,237 | 95.4% |
| With foreign investment  | 28              | 1,021.8                | 12.8% | 842.3                  | 12.6% | 165,658   | 4.6%  |

Foreign-invested NBFIs included:

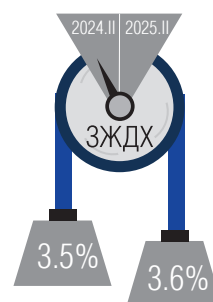
12 (42.9%) from Japan, 7 (25.0%) from South Korea, 2 (7.1%) from the United States, 3 (10.7%) from China, Others from Seychelles, Malaysia, the UK and Canada.



The total assets of NBFIs represented 10.0% of Mongolia's GDP.



**Loan interest:** The weighted average monthly interest rate on loans issued by NBFIs marked an increase of 0.1 percentage points compared to the same period of last year.



## TOTAL LOAN

The total value of loans in the non-bank financial sector reflects an increase of 2.1 trillion MNT (45.4%) compared to the same period last year and a 4.2-fold increase (5.1 trillion MNT) compared to 2021.



NORMAL

87.3%

-3.5%



OVERDUE

5.0%

+2.0%



NON-PERFORMING

7.7%

+1.5%

7.4 trillion MNT Issued loan

Paid loan 6.5 trillion MNT

Wholesale and retail



7.0%

6.4%

Construction



2.6%

2.5%

Transportation and warehousing activities



2.1%

2.3%

Financial and insurance activities



1.4%

1.2%

REBs activity



1.1%

1.0%

Hotel, accommodation, housing and catering services



0.8%

0.8%

Agriculture, forestry, fishing, hunting



0.6%

0.4%

Other



84.4%

85.4%

## CITIZEN



89.4%

92.9%

94.0%

## LEGAL ENTITIES



10.6%

7.1%

6.0%

LOAN BALANCE

LOANS ISSUED

PAID LOAN

89.4% of outstanding loans were issued to individuals, and 10.6% were issued to legal entities.

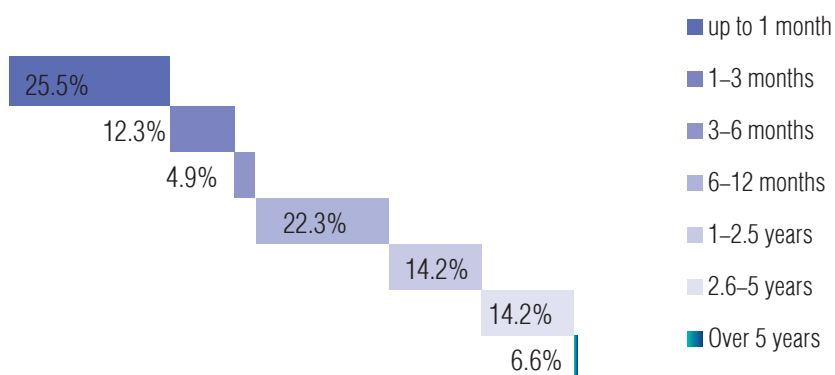


Loan issued

Paid loan

## CONSUMER LOANS

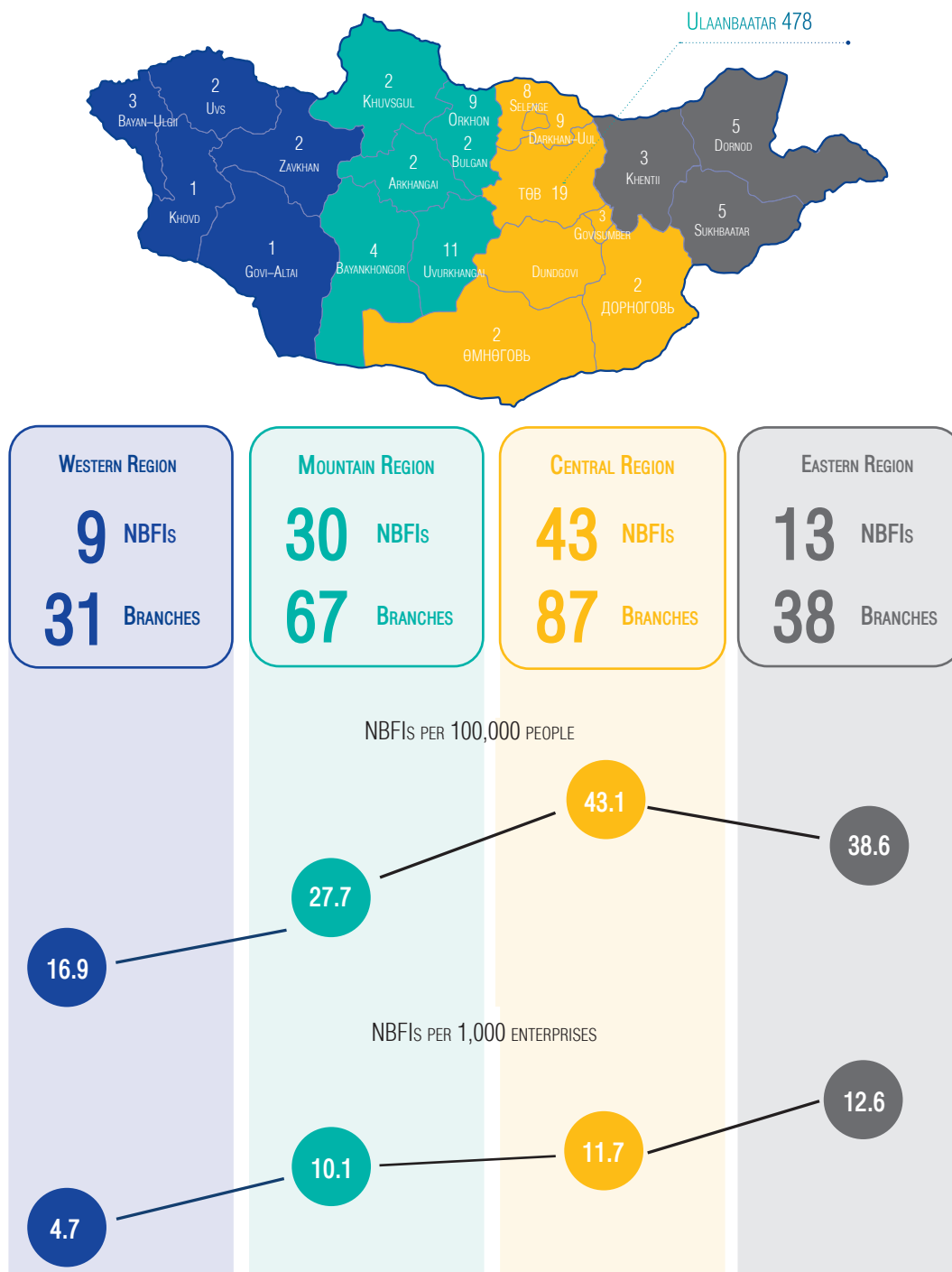
Consumer loans accounted for 65.3% of granted loans and 69.6% of paid loans.

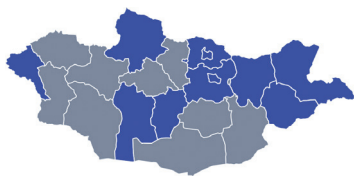


The largest share of loans issued by the NBFIs sector are for loans with terms of up to 1 month and 6-12 months.

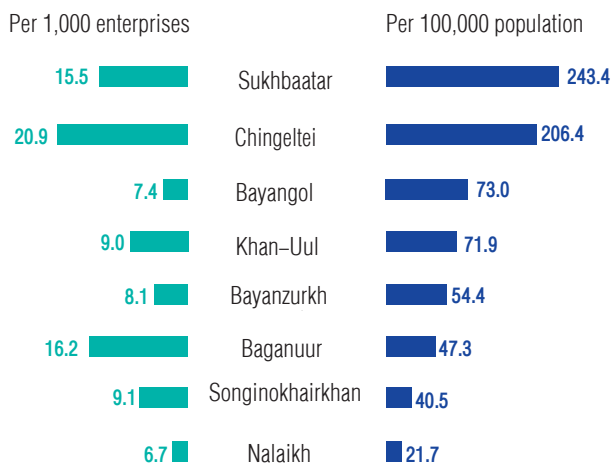
## ACCESSIBILITY

Nationwide, there are 573 licensed NBFIs, with a total of 561 branches (including 1 branch in Australia). The majority (83.4%) of these NBFIs operate in Ulaanbaatar.





Sector accessibility is assessed using key financial inclusion indicators developed by the International Alliance for Financial Inclusion (AFI). Eleven (52.4%) of the 21 provinces have 3 or more NBFIs.



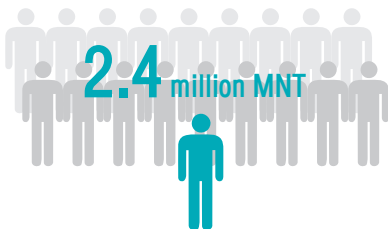
Distribution of NBFIs in Ulaanbaatar (478 NBFIs): 33.0% in Sukhbaatar district, 27.2% in Chingeltei, 13.6% in Bayangol, 11.7% in Bayanzurkh, 12.6% in Khan Uul, 1.7% in Songinokhairkhan, and 0.2% in Baganuur district.

#### BY ACCESSIBILITY AND GEOGRAPHICAL LOCATION OF NBFIS

- Nationwide, there were, on average, 57.2 NBFIs per 100,000 people aged 18–64 and 10.5 NBFIs per 1,000 businesses.
- These ratios were 31.2 and 9.6 in the rural areas. In the Central Region, there were 43.1 NBFIs per 100,000 people, while the Eastern Region recorded 12.6 NBFIs per 1,000 businesses, reflecting varying levels of access.
- In Ulaanbaatar, there were 84.7 NBFIs per 100,000 people and 10.8 NBFIs per 1,000 businesses, demonstrating better access compared to rural areas.

57 NBFIs per  
100,000  
people nationwide

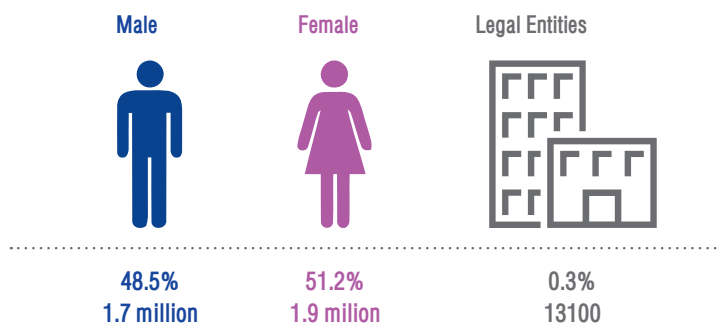
11 NBFIs per  
1,000 enterprises



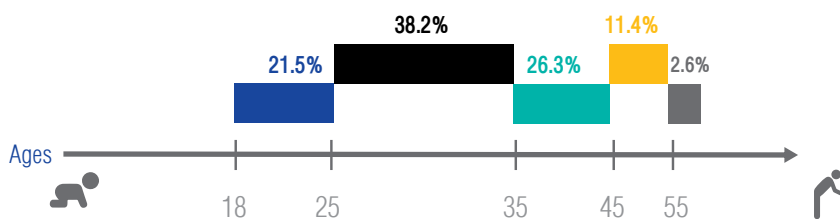
#### AVERAGE LOAN

- The average loan amount for an NBFIs borrower was 2.4 million MNT, with regional differences: 1.7 million MNT in rural areas, and 2.4 million MNT in Ulaanbaatar.
- Nationwide, this indicator was 2.5 million MNT in the same period last year, reflecting a 2.7% decrease from the reporting quarter.

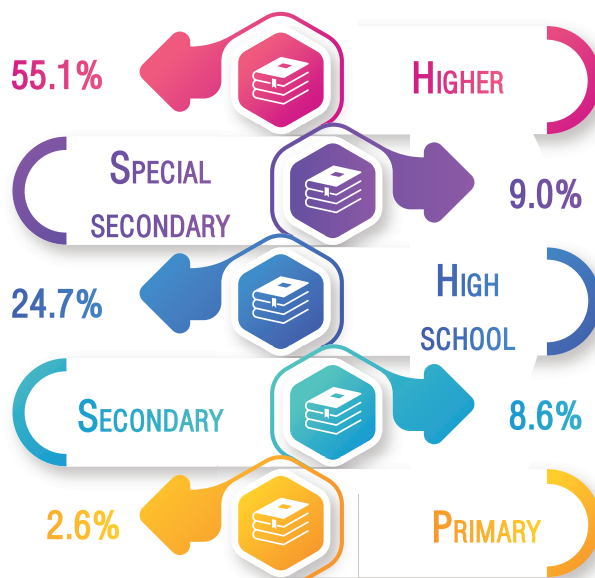
## Customers of NBFIs



## Borrowers of NBFIs (by age)



## Borrowers of NBFIs (by level of education)



## NBFI employees

Male  
39.0%



Female  
61.0%



## PRODUCTS AND SERVICES

### NUMBER OF NBFIS AND TYPES OF SERVICES (DUPLICATE)

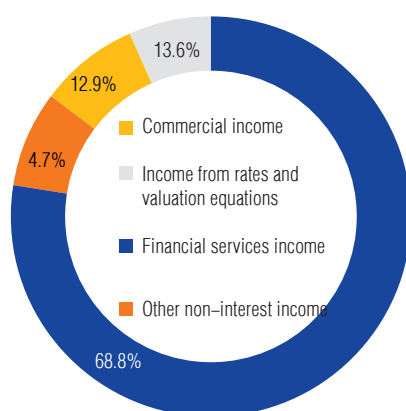
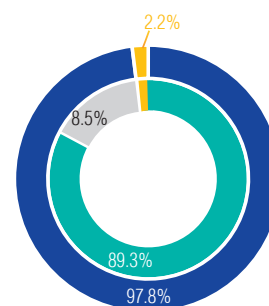


## PRODUCT AND SERVICE REVENUE

The total income of NBFIs reached 1,264.9 billion MNT.

The majority of this revenue (97.8%) was generated from operating income, with 89.3% (1,129.2 billion MNT) from interest income, and 8.5% (107.1 billion MNT) from noninterest income.

■ interest income  
■ non-interest income  
■ non-operating income  
■ operating income

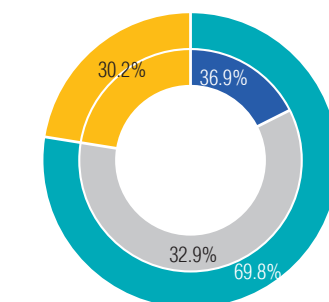


## BREAKDOWN OF NON-INTEREST INCOME

- The non-interest income was broken down as follows: 68.8% (73.8 billion MNT) from financial services premiums, 13.6% (14.5 billion MNT) from foreign exchange rate and valuation adjustments, 12.9% (13.8 billion MNT) from trading, and 4.7% (5.0 billion MNT) from other non-interest income.

## COSTS OF PRODUCTS AND SERVICES

- The total cost of NBFIs amounted to 807.2 billion MNT, with 69.8% attributed to operating expenses, including 32.9% (265.1 billion MNT) for non-interest expenses, and 36.9% (298.0 billion MNT) for interest expenses.

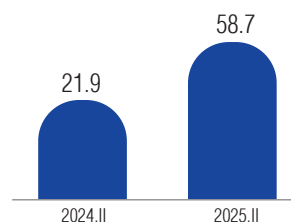


● Interest expense  
● Non-interest expense  
● Non-operating expenses  
● Operating expenses

Expenditures related to product and service risks amounted to 147.6 billion MNT, broken down as follows: 81.5% for credit risk expenses, 1.9% for risk funds for assets placed in banks and financial institutions, 0.3% for other real estate risk fund expenses, 11.9% for receivables risk fund expenses, 3.0% for factoring service risk fund expenses, 0.2% for other non-financial assets risk fund expenses, and 1.2% for other asset risk fund.

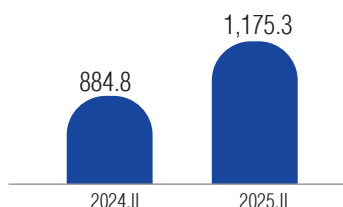
- There are 4 banks and 58 NBFIs licensed to provide factoring services by the FRC. NBFIs' factoring receivables increased by 2.7-fold compared to the same period last year.

Net receivables for factoring services (billions MNT)

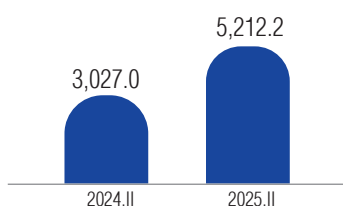


- A total of 92 NBFIs provided trust services in the sector, with their centralized resources increasing by 32.8% compared to the same period last year.

Trust service payable (billions MNT)



Income from remittance services (million MNT)



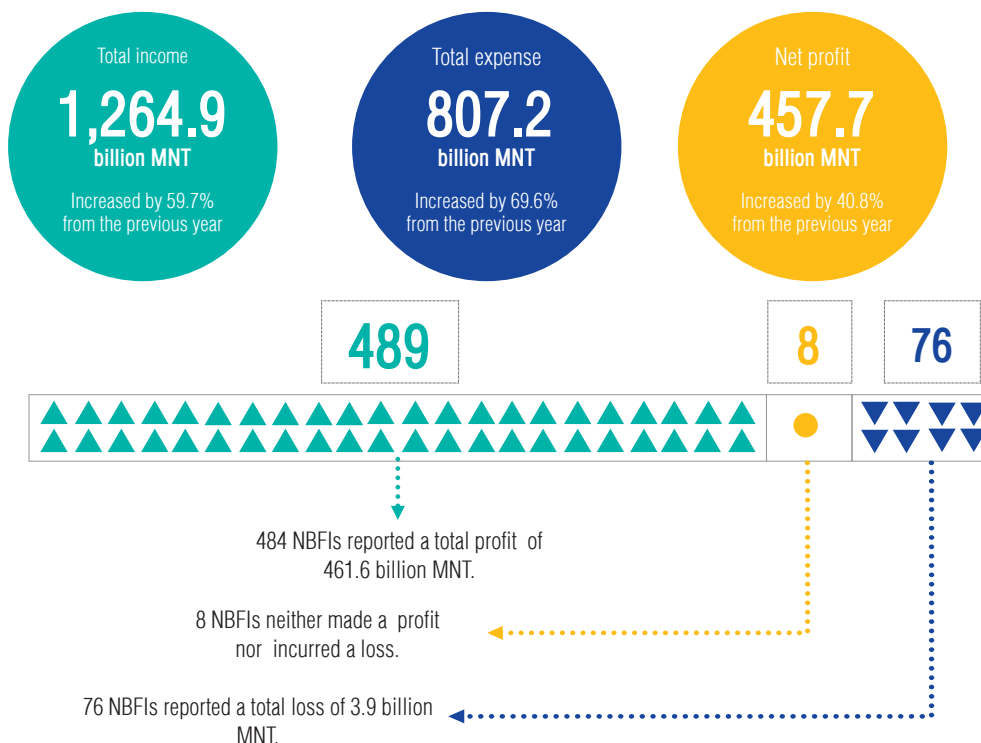
- 55 NBFIs are licensed to provide remittance services. Of these, 13 NBFIs earned 5,212.2 million MNT in revenue from remittance services, an increase of 2,185.2 million MNT compared to the same period last year.

### CURRENCY TRADING NEWS

In the reporting quarter, NBFIs purchased a total of 1,842.1 billion MNT worth of currency and sold 1,824.1 billion MNT worth. The US dollar accounted for 51.6% of the currency purchased and 50.9% of the currency sold.

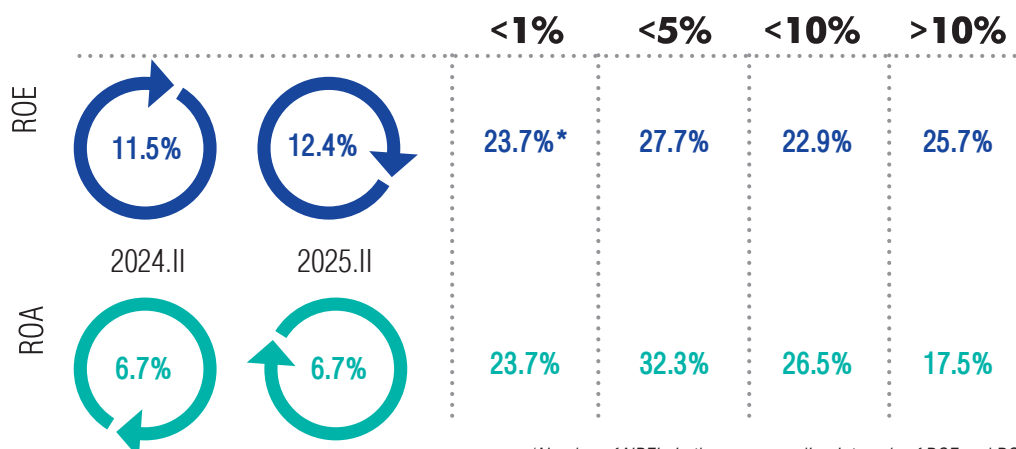
| CURRENCY NAME | Bought                 | Sold                   |
|---------------|------------------------|------------------------|
|               | Result (MNT, billions) | Result (MNT, billions) |
| US DOLLARS    | 951.4                  | 928.0                  |
| CHINESE YUAN  | 521.8                  | 529.1                  |
| RUSSIAN RUBLE | 213.0                  | 210.2                  |
| EURO          | 87.6                   | 85.4                   |
| KOREAN WON    | 38.6                   | 38.2                   |
| JAPANESE YEN  | 18.9                   | 17.4                   |
| OTHER         | 10.8                   | 15.8                   |

## PROFITABILITY

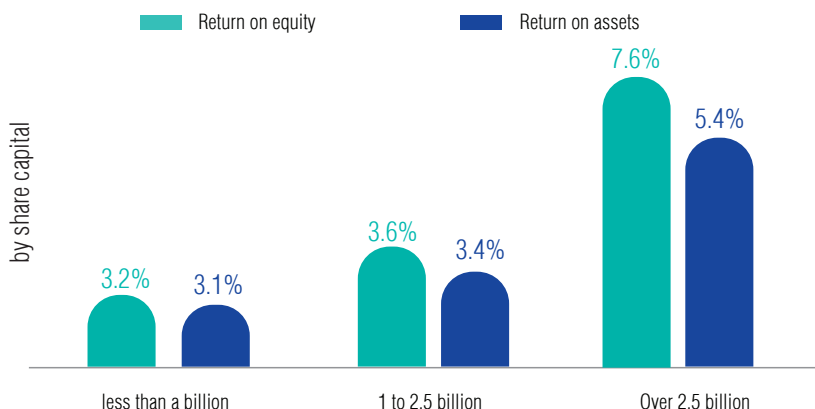


## DISTRIBUTION OF ROA AND ROE

In terms of ROA (return on asset) and the ROE (return on equity) by share capital, the data shows: half of NBFIs with equity of less than 1.0 billion MNT had a ROA of less than 3.1%. half of NBFIs with equity between 1.0 to 2.5 billion MNT had a ROA of less than 3.4%, and half of NBFIs with equity of more than 2.5 billion MNT had a ROA of less than 5.4%. Return on Equity ROE: NBFIs with equity of less than 1.0 billion MNT had an ROE of 3.2%. NBFIs with equity between 1.0 and 2.5 billion MNT had an ROE of 3.6%. NBFIs with equity of more than 2.5 billion MNT had a ROE of 7.6%.



\*Number of NBFIs in the corresponding intervals of ROE and ROA

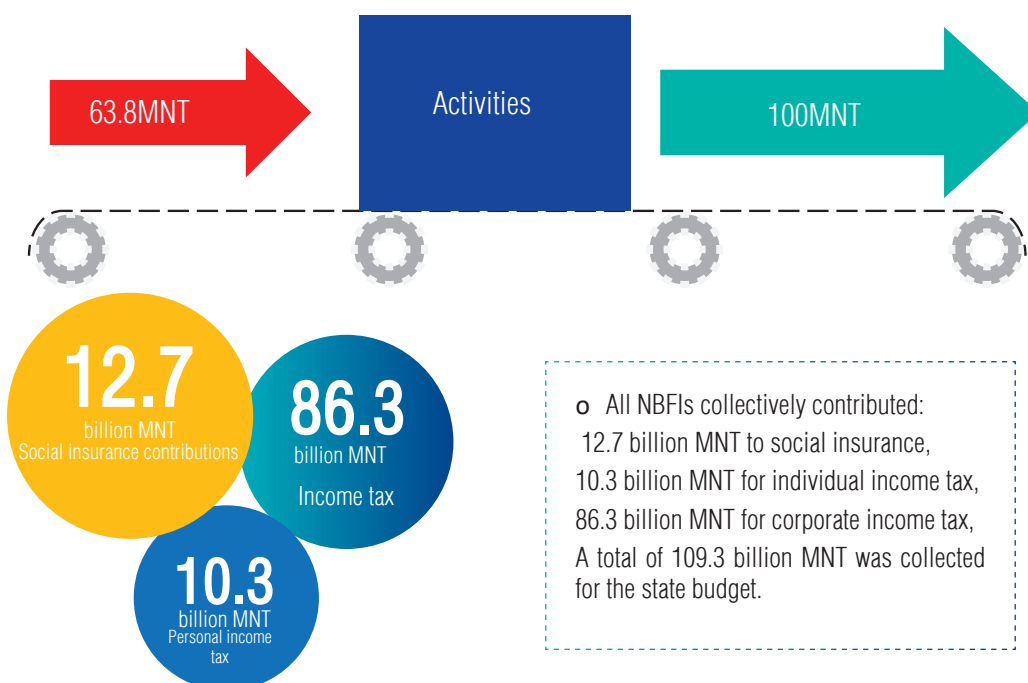


#### RETURN ON ASSETS AND RETURN ON EQUITY RATIO (BY ASSET CLASSIFICATION)

In terms of ROA (return on asset) and the ROE (return on equity) by share capital, the data shows: half of NBFIs with equity of less than 1.0 billion MNT had a ROA of less than 3.1%, half of NBFIs with equity between 1.0 to 2.5 billion MNT had a ROA of less than 3.4%, and half of NBFIs with equity of more than 2.5 billion MNT had a ROA of less than 5.4%. Return on Equity ROE: NBFIs with equity of less than 1.0 billion MNT had an ROE of 3.2%. NBFIs with equity between 1.0 and 2.5 billion MNT had an ROE of 3.6%. NBFIs with equity of more than 2.5 billion MNT had a ROE of 7.6%.

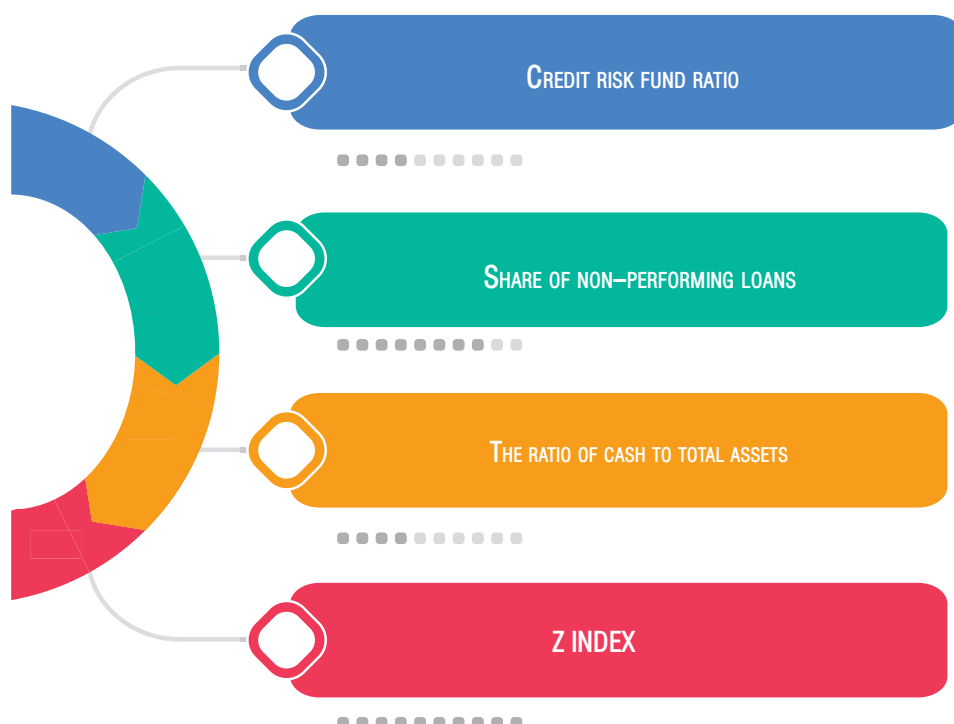
#### COST, REVENUE RATIO

The cost-to-income ratio, which measures the average amount spent by NBFIs to earn 1 MNT, was 63.8%, an increase of 4.4 percentage points compared to last year. In other words, NBFIs spend an average of 63.8 MNT to earn 100.0 MNT.



## STABILITY

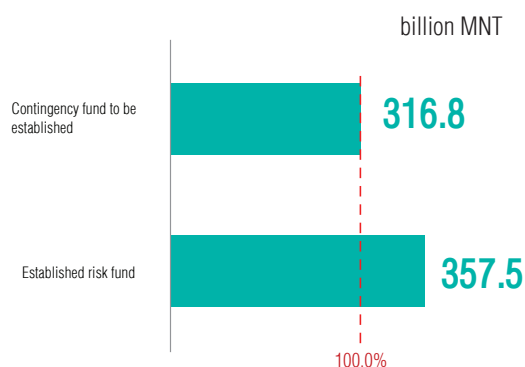
- o Regarding stability, four key indicators of NBFI's were calculated following AFI's guidelines to assess financial access and financial stability.



### CREDIT RISK FUND RATIO

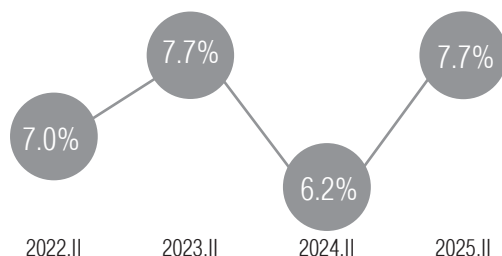
The ratio reached 112.8%, driven by the establishment of a contingency fund, reflecting a 5.6 percentage point increase from the same period last year.

**112.8%**



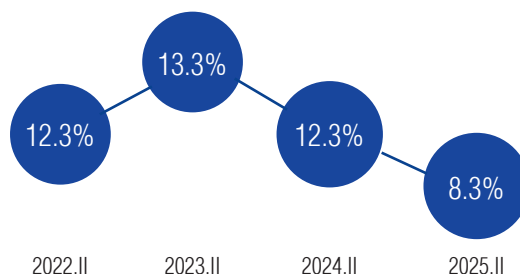
### NON-PERFORMING LOANS

In the reporting quarter, non-performing loans totaled 513.9 billion MNT, reflecting a 1.5 percentage point increase from the same period last year.



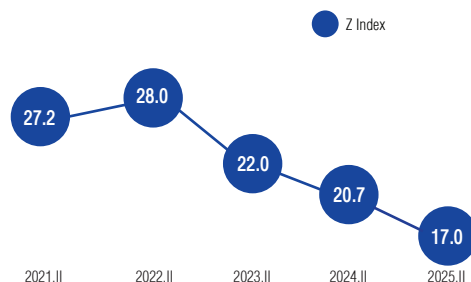
### TOTAL CASH ASSETS COMPARATIVE RATIO

- o The ratio of cash assets to total assets declined by 4.0 percentage points from the same period last year.

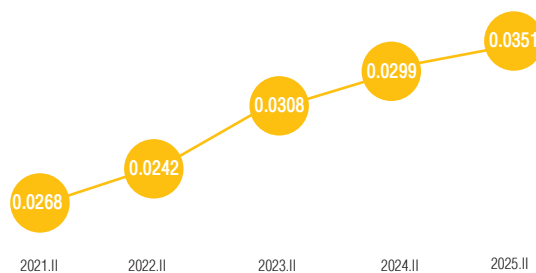


### Z INDEX

The Z index – which measures the probability of an NBFIs going bankrupt, is calculated by dividing the sum of ROA and ROE by the volatility of ROA. A higher Z index indicates lower risk and greater stability, as it reflects strong profitability and equity leverage, while a lower index suggests increased income uncertainty. The Z index for the non-bank financial sector declined by 3.7 percentage points compared to the same period last year.



### Distribution of return standards



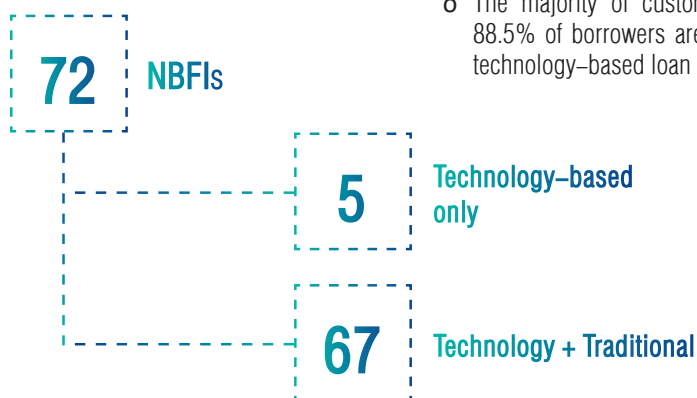
### STANDARD DEVIATION

The standard deviation of ROA, calculated based on returns from the last four quarters, measures the extent of variation from the average. The standard deviation was 0.0052 percentage points increase from last year.

## FINTECH

|             | Total loans            |        | Borrowers |        | Average loan amount per borrower (MNT, thousands) |
|-------------|------------------------|--------|-----------|--------|---------------------------------------------------|
|             | Amount (MNT, billions) | %      | Number    | %      |                                                   |
| Fintech     | 1,866.1                | 28.0%  | 2,466,888 | 88.5%  | 756.5                                             |
| Traditional | 4,808.8                | 72.0%  | 321,187   | 11.5%  | 14,971.8                                          |
| TOTAL       | 6,674.9                | 100.0% | 2,788,075 | 100.0% | 2,394.1                                           |

- o The majority of customers in the sector (91.1%) and 88.5% of borrowers are clients of NBFIs or recipients of technology-based loan services.



Notes: Fintech includes technology-based and the combination of technology and traditional loan services.



86.9% normal

5.6% overdue loans

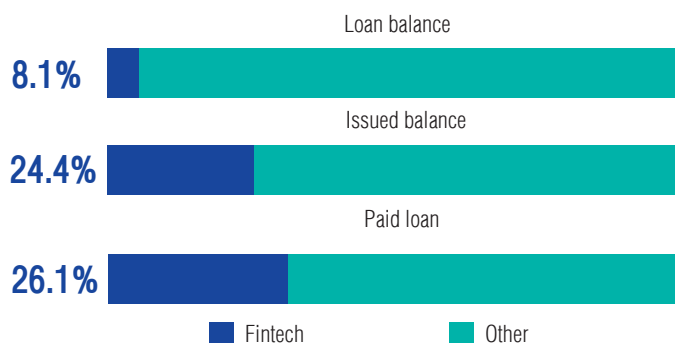
7.5% poor quality



Fintech costumers

Among the outstanding loans of NBFIs utilizing technological advancement in financial services, 86.9% were categorized as normal loans, 5.6% as overdue loans, and 7.5% as non-performing loans.

TECHNOLOGY BASED ONLY



Among the five NBFIs that provide exclusively technology-based loans:

–They serve 42.6% of borrowers in the sector.

–These loans account for only 8.1% of the total loan balance, but represent 24.4% of all loans granted and 26.1% of repaid loans, indicating strong credit turnover.

## GREEN LOAN



**The balance of green loans:** The balance of green loans: Green loan products had a combined balance of 143.4 billion MNT, making up 2.1% of the total loan portfolio and serving 10,993 borrowers.

|                                                                                                                                | Total loan balance<br>/MNT, million/ | Number of borrowers |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------|
|  Energy supply and infrastructure             | 123.3                                | 25                  |
|  Energy efficiency                            | 7,757.1                              | 3,026               |
|  Sustainable urban planning and construction | 5,929.1                              | 156                 |
|  Pollution reduction and prevention         | 110.8                                | 17                  |
|  Sustainable water and waste                | 1,538.1                              | 27                  |
|  Sustainable agriculture                    | 10,165.2                             | 388                 |
|  Sustainable land use and biodiversity      | 736.2                                | 40                  |
|  Transport with low carbon emissions        | 39,949.3                             | 1,456               |
|  Information, communication and technology  | 2,110.4                              | 54                  |
|  Health                                     | 9,910.0                              | 220                 |
|  Education and Culture                      | 3,632.4                              | 156                 |
|  Accessible infrastructure                  | 142.3                                | 3                   |



NORMAL

89.9%



OVERDUE

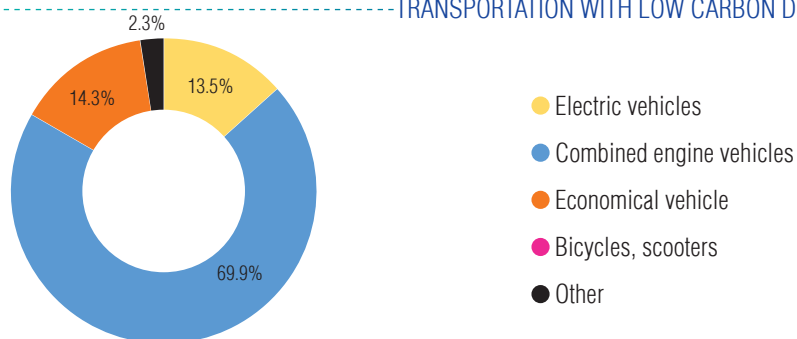
6.2%



NON-PERFORMING

3.9%

## TRANSPORTATION WITH LOW CARBON DIOXIDE EMISSIONS



## LOANS ISSUED /SECOND QUARTER OF 2025/

| Type                                        | Loan amount granted<br>(million MNT) | Number of borrowers |
|---------------------------------------------|--------------------------------------|---------------------|
| Energy supply and infrastructure            | 473.0                                | 33                  |
| Energy efficiency                           | 12,658.6                             | 5,438               |
| Sustainable urban planning and construction | 21,484.8                             | 1,289               |
| Pollution reduction and prevention          | 123.3                                | 23                  |
| Sustainable water and waste                 | 1,781.1                              | 17                  |
| Sustainable agriculture                     | 12,696.9                             | 604                 |
| Sustainable land use and biodiversity       | 1,129.1                              | 46                  |
| Low-carbon transport                        | 66,656.8                             | 3,059               |
| Information, communication and technology   | 1,209.8                              | 54                  |
| Health                                      | 9,524.7                              | 238                 |
| Education and Culture                       | 6,944.8                              | 191                 |
| Accessible infrastructure                   | 8,704.0                              | 1                   |
| Total                                       | 143,386.9                            | 10,993              |

## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

- o By Resolution No. 68 of the Financial Regulatory Commission (FRC) approved in 2025, the following regulations were adopted;

The Regulation for Calculating and Monitoring Non-Bank Financial Activity and Prudential Ratio Indicators,

Regulations for Increasing or Reducing the Amount of Capital Contributed by Non-bank Financial Institutions.

- o The Non-Bank Financial Lending Regulation was approved by Resolution No. 77 of the FRC of 2025, and the Regulation for Calculating and Monitoring Non-Bank Financial Activity and Prudential Ratio Indicators was revised by Resolution No. 78 of the FRC of 2025.

Key changes in the revised regulations include:

The debt-to-income (DTI) ratio for consumer loan products issued by non-bank financial institutions (NBFIs) shall not exceed 60%;

The loan-to-value (LTV) ratio for consumer loans secured by passenger cars shall also not exceed 60%.

- o To support implementation, the FRC organized a training session on April 8, 2025, for 300 registered NBFIs to provide detailed information on the updated regulations and policy measures.

#### **Implementation of Clause 15.4 of Article 15 of the Law on Non-Banking Financial Activities:**

–External Audit Compliance: In the reporting quarter, 529 NBFIs (92.6% of all NBFIs) fulfilled their legal obligation to have financial statements verified by an external audit.

–Public Disclosure Compliance: 509 NBFIs (89.1% of all NBFIs) complied with the requirement to publicly disclose their financial information.

#### **Implementation of the law on “Loan Information”:**

–The Bank of Mongolia, in cooperation with “Buren Skor ZMS” LLC, and “Titan CRA ZMS” LLC signed agreements with 510 NBFIs, representing 97.8% of the 499 NBFIs engaged in lending activities..

#### **Implementation of the Law on Combating Money Laundering and Anti-Terrorism Financing:**

–Under Article 7.1 of the Law, 98 NBFIs reported 15,712 transactions totaling 1,546.4 billion MNT. Under Article 7.2, 9 NBFIs reported 259 transactions totaling 27.9 billion MNT to the Financial Information Office of the Bank of Mongolia, fulfilling their compliance obligations..

#### **Implementation of the Regulation for setting and centralizing fees for regulatory services**

–A total of 573 NBFIs collected regulatory service fees, amounting to 1,471.5 million MNT. Of this, 1,473.4 million MNT (from 559 NBFIs, or 97.7%) was successfully deposited into the designated account of the FRC.





# SCCs

Total assets

**376.9** billion MNT

Capital growth **15.0%**



Financial market status

18–64 years  
old citizens

**26**

1 in every 100 people is a  
member of the SCC

**45.0%**

higher education



Accessibility

96.7% of total  
deposits are term  
deposits.



Products and services

Profitability



Net profit

**8.1**  
billion MNT

Tax collected by the  
state, Social security  
contributions

**2.7**  
billion MNT

Stability



Percentage of non-performing  
loans (on total loans)

**2.4%**

Share of cash in total assets

14.0%

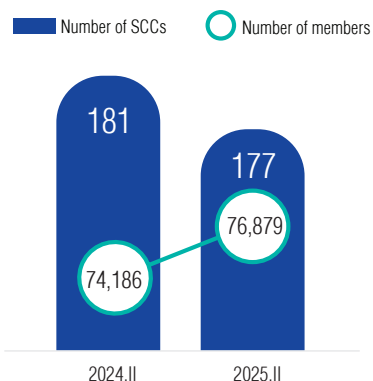
Regulatory  
environment



## FINANCIAL MARKET STATUS

### NUMBER OF MEMBERS AND SCCs

- The number of licensed SCCs decreased by 4 (2.2%) compared to the same period last year.
- The number of SCC members increased by 3.6%.
- Compared to the same period in 2021: the number of SCCs decreased by 24.4%, while the number of members increased by 4.3%.



### EMPLOYEES

**593**

72.2% of total workers in SCCs are female, representing an increase of 4.7% from the same period last year.

### TOTAL MEMBERS

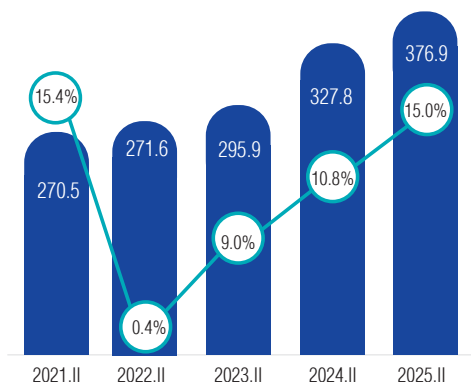
**28,937**

Borrowers

**48,817**

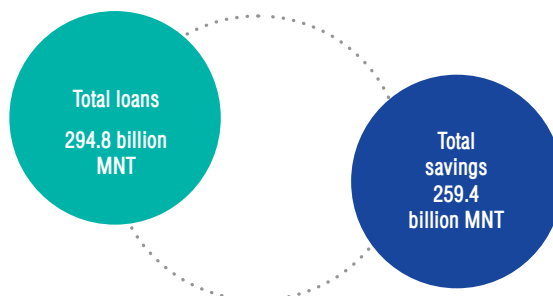
Depositors

■ Total assets (MNT, billions)    ○ Total assets growth (MNT, billions)



### TOTAL ASSETS AND THEIR GROWTH

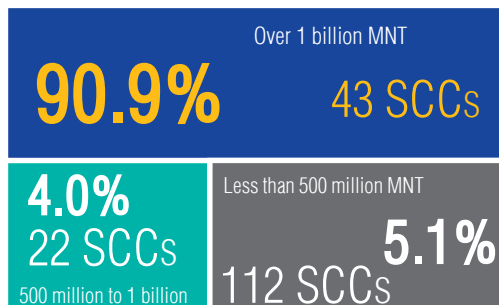
- Net worth grew by 4.2% compared to the previous year, but decreased by 5.0% compared to 2021.



## TOTAL MARKET SHARE

Total assets of the sector:

- o 43 SCCs with net capital greater than 1 billion MNT each comprised 90.9% of the market;
- o 22 SCCs with net capital ranging from 500 million MNT to 1 billion each comprised 4.0% of the market;
- o 112 SCCs with net capital of less than 500 million MNT each comprised 5.1% of the market.

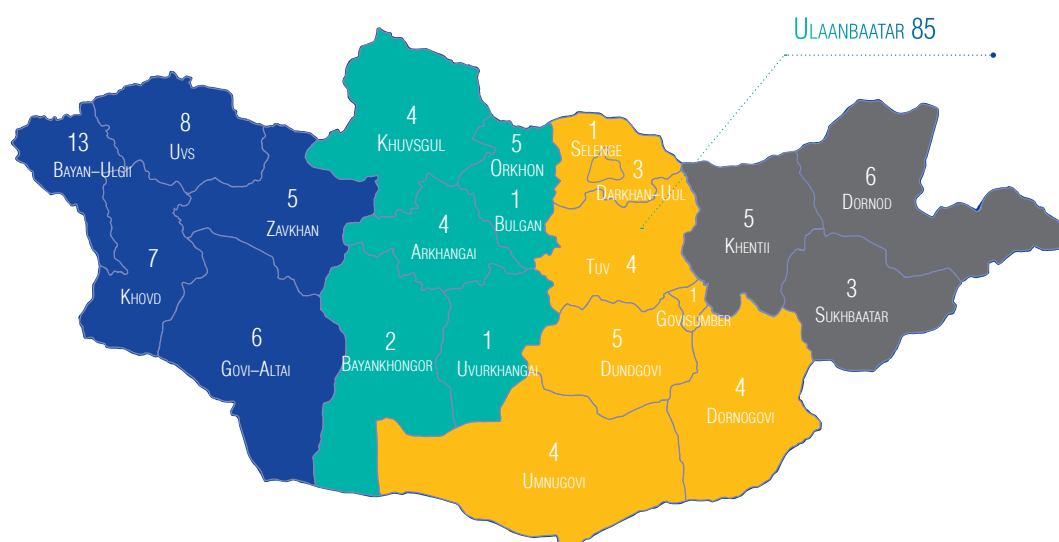


## Report structure (billion MNT)

|                                                     |              |               |
|-----------------------------------------------------|--------------|---------------|
| <b>Total assets</b>                                 | <b>376.9</b> | <b>100.0%</b> |
| <b>Currents assets</b>                              | <b>362.5</b> | <b>96.2%</b>  |
| Cash                                                | 52.8         | 14.0%         |
| Loan /net/                                          | 303.1        | 80.4%         |
| Other assets                                        | 6.6          | 1.8%          |
| <b>Non-financial assets</b>                         | <b>14.4</b>  | <b>3.8%</b>   |
| Tax receivables                                     | 0.2          | 0.1%          |
| Health and social security contributions receivable | 0.0          | 0.0%          |
| Prepaid expenses/bills                              | 3.4          | 0.9%          |
| Inventory                                           | 0.4          | 0.1%          |
| Other assets to be owned /net/                      | 1.0          | 0.2%          |
| Other non-financial assets                          | 2.3          | 0.6%          |
| Investment property/net/                            | 0.0          | 0.0%          |
| Fixed assets /net/                                  | 4.9          | 1.3%          |
| Intangible assets/net/                              | 2.2          | 0.6%          |
| <b>Total liabilities and equity</b>                 | <b>376.9</b> | <b>100.0%</b> |
| <b>Financial liabilities</b>                        | <b>290.8</b> | <b>77.2%</b>  |
| Savings                                             | 276.7        | 73.4%         |
| Sources from banks and financial institutions       | 4.8          | 1.3%          |
| Other financial liabilities                         | 9.3          | 2.5%          |
| <b>Non-financial liabilities</b>                    | <b>3.8</b>   | <b>1.0%</b>   |
| <b>Own assets</b>                                   | <b>82.3</b>  | <b>21.8%</b>  |
| Equity contributed by members                       | 29.7         | 7.9%          |
| Other parts of the property                         | 0.4          | 0.1%          |
| Property of cooperatives                            | 52.2         | 13.8%         |

- o Current assets made up 96.2% of total assets, while non-current assets accounted for 3.8%.
- o Cash assets represented 14.0% of net capital, 80.4% of the loan balance, and 1.8% of other non-current assets.
- o Liabilities accounted for 77.2% of total finances, 21.8% of own assets, and 1.0% of other assets.

## ACCESSIBILITY



### WESTERN REGION

**39** SCCs  
**8** BRANCHES

### MOUNTAIN REGION

**17** SCCs  
**18** BRANCHES

### CENTRAL REGION

**22** SCCs  
**20** BRANCHES

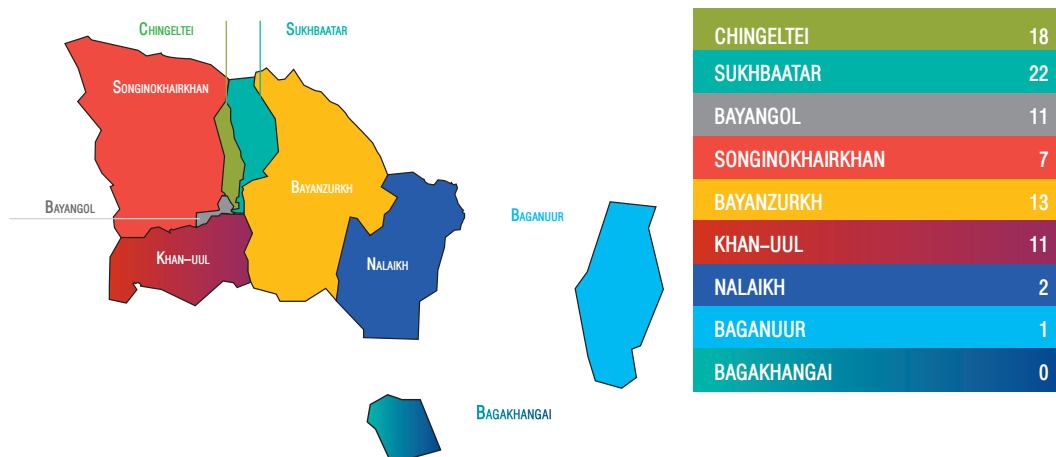
### EASTERN REGION

**14** SCCs  
**11** BRANCHES

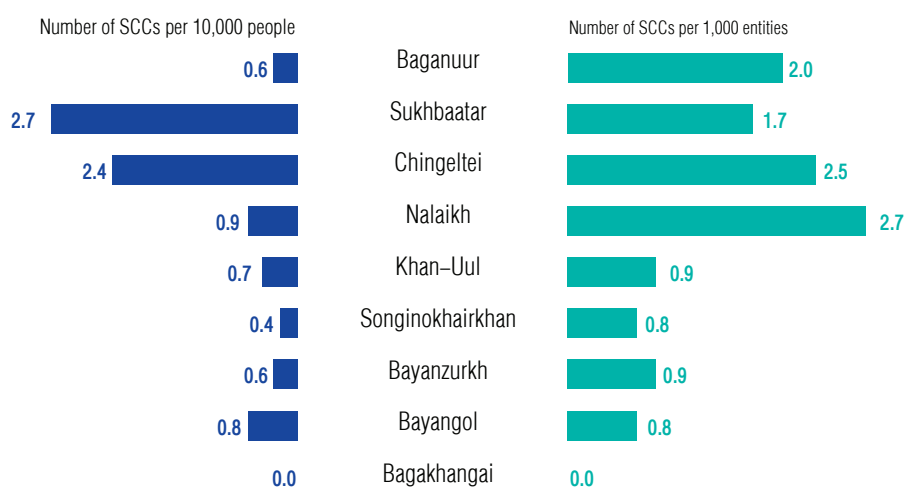
### ULAANBAATAR

**85** SCCs  
**6** BRANCHES

- 85 SCCs are located in Ulaanbaatar, and 92 SCCs are located in rural areas.
- Rural Areas; distributed as follows: 42.4% in the Western Region, 23.9% in the Central Region, 18.5% in the Mountain Region, 15.2% in the Eastern Region.
- In Ulaanbaatar; 96.5% are located in the six central districts, and the remaining 3.5% are in three remote districts.



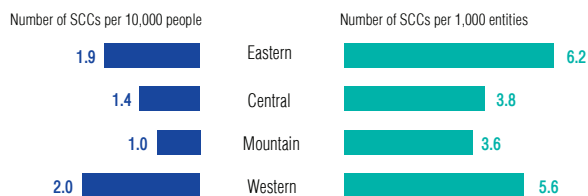
Using the basic indicators for financial inclusion assessment of AFI member countries, the sector's level of inclusion was calculated by the number of credit unions per 10,000 people of working age (18–64 years) and per 1,000 businesses as follows. For these calculations, the population density was determined by selecting the population figures under scenario "A" from the National Statistics Office's "Revised Population Projections of Mongolia 2015–2045" report, which provided the preliminary population estimate for 2024.



- Based on the number of credit unions per 1,000 businesses, Nalaikh and Chingeltei districts lead, while Bayangol district ranks the lowest in this indicator.
- In terms of the number of credit unions per 10,000 people, Sukhbaatar and Chingeltei districts are leading.

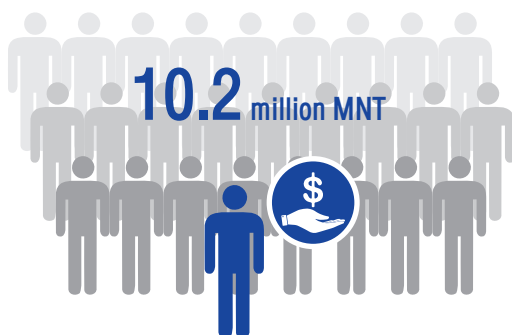
<sup>1</sup> <https://www.afi-global.org/sites/default/files/publications/fidwg-core-set-measuring-fi.pdf>

\* <https://www.1212.mn/mn/statistic/file-library/view/3315830>



When the accessibility indicator is classified into four regions, the western region leads in terms of the number of SCCs per 10,000 people, while the eastern region leads in terms of the number of SCCs per 1,000 businesses.

### Average loan per member



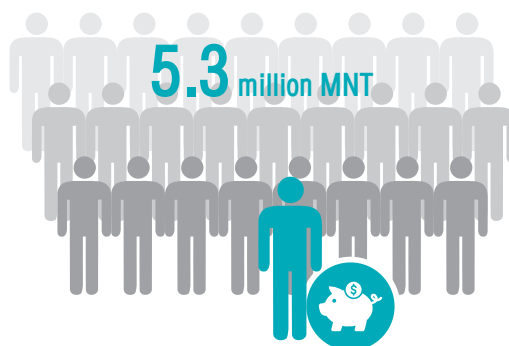
### ACCESS TO CREDIT SERVICES

- One in 68 individuals aged 18 to 64 was both a member of an SCC and received a loan
- In rural areas, the ratio was 1 in 62, while in Ulaanbaatar it was 1 in 77.
- The average loan among all members who received loans was 10.5 million MNT nationwide.
- In Ulaanbaatar, the average loan was 17.6 million MNT, compared to 4.6 million MNT in rural areas.

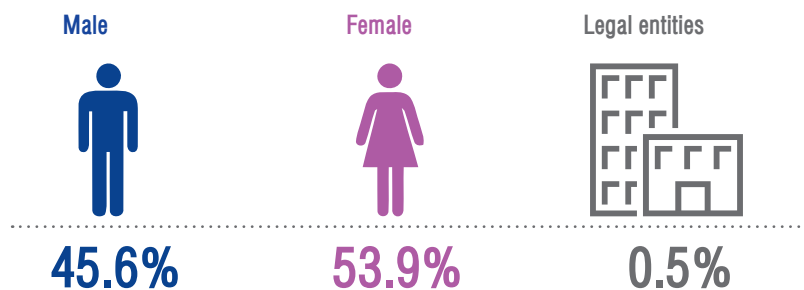
### ACCESS TO SAVINGS

- Nationally, one in 41 individuals aged 18–64 was engaged in saving at an SCC.
- In rural areas, the ratio was 1 in 46, while in Ulaanbaatar, it was slightly higher at 1 in 36.
- The average savings among all members holding savings accounts was 5.3 million MNT.
- In Ulaanbaatar, the average savings per member were 7.5 million MNT, compared to 2.7 million MNT in rural areas.

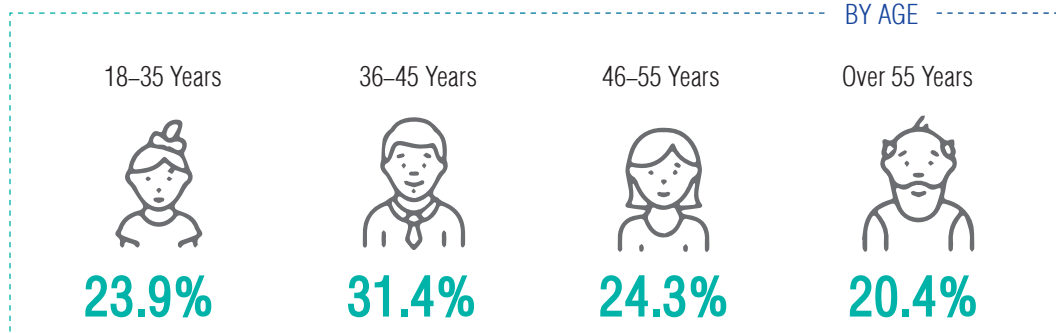
### Average amount of savings per member



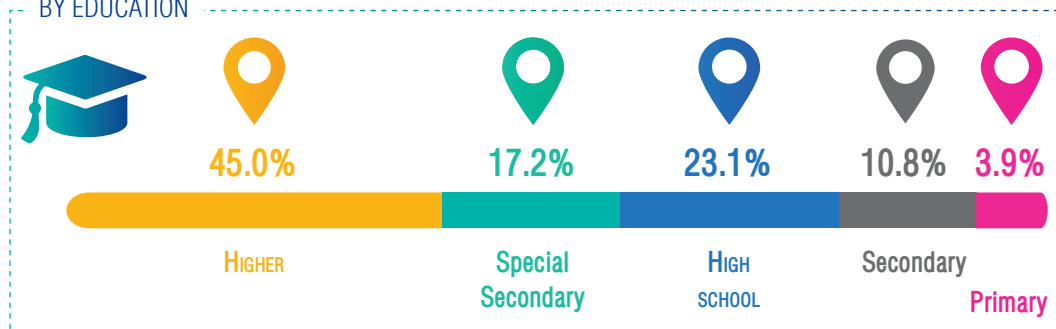
## MEMBERS OF SCCs



## BY AGE



## BY EDUCATION



Total number of employees 593



Female 428

Male 165



Total number of borrowers 28,937

Female 16,694

Male 12,118



Legal Entities 125



Total number of depositors 48,817



Female 26,721

Male 21,995

Legal Entities 101



Total number of members 76,879

Female 41,469

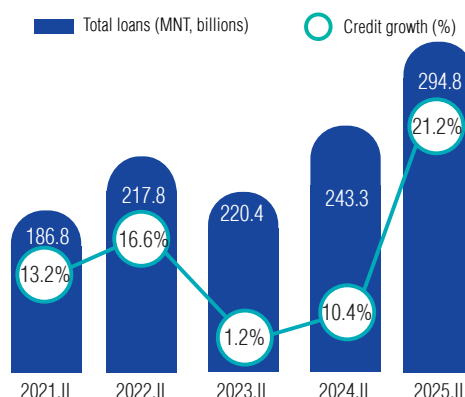
Male 35,045

Legal Entities 365

## PRODUCTS AND SERVICES

### LOANS FROM SCCs

- Total loans amount increased by 51.5 billion MNT compared to the previous year, and by 57.8% (108.0 billion MNT) compared to 2021.
- Net loans reached 303.1 billion MNT, with a credit risk fund of 5.7 billion MNT compared to the previous year.



NORMAL

93.0%



OVERDUE

4.6%



NON-PERFORMING

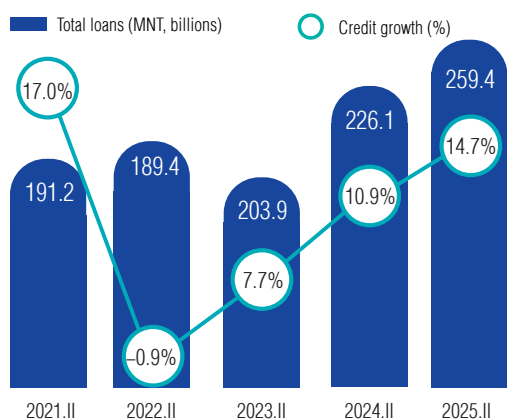
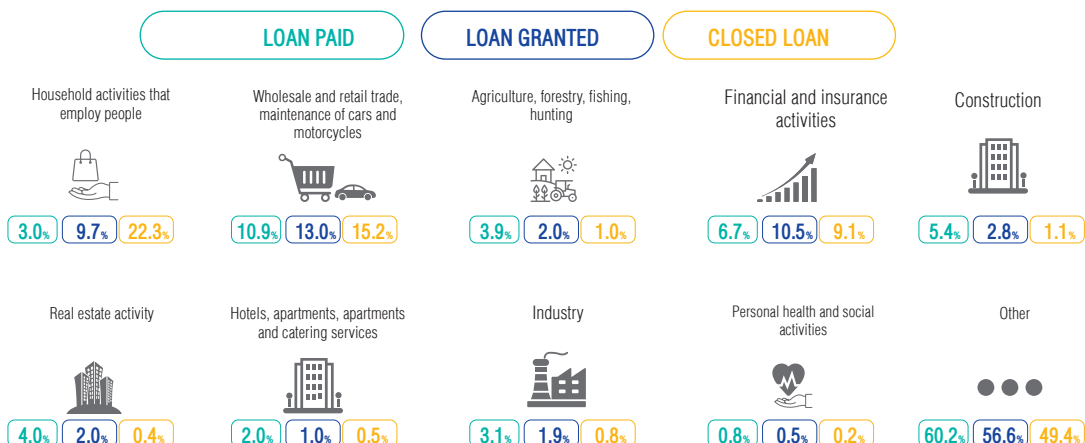
2.4%

### LOAN QUALITY OF SCCs

- Normal loans increased by 19.6%, totaling 274.2 billion MNT.
- Overdue loans decreased by 89.1%; however rose by 13.6 billion MNT from the previous year.
- Non-performing loans increased by 1.0%; reaching 7.0 billion MNT from the previous year.

### PURPOSE OF SCC LOANS

- The total loans;
  - 13.0% of loans were for the wholesale and retail sectors and car/motorcycle maintenance;
  - 10.5% were for financial and insurance purposes;
  - 9.7% for household activities.
- Repayment Sources;
  - 10.9% from the wholesale and retail sectors and car/motorcycle maintenance;
  - 6.7% from financial and insurance activities;
  - 5.4% from construction sector.
- Closed Loans;
  - 22.3% from household activities;
  - 15.2% from the wholesale and retail sectors and car/motorcycle maintenance;
  - 9.1% from financial and insurance activities.



### SCCs SAVINGS

- Total savings: increased by a 17.2% or 33.3 billion MNT compared to 2024.
- 68.2 billion MNT increase, or 35.7%, compared to 2021.

### TOTAL SAVINGS

- 250.8 billion MNT savings are term savings, while 8.6 billion MNT savings are non-term savings.



96.7%

term deposit



3.3%

fixed



173 SCCs

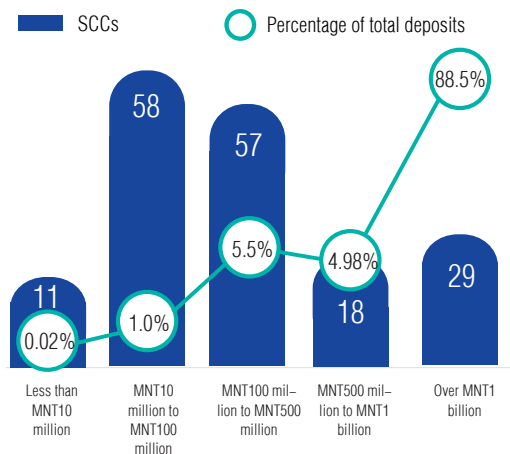


4 SCCs

- 173 SCCs (97.7%) held total savings of 259.4 billion MNT.
- 4 SCCs (2.3%) had no deposits.

### PERCENTAGE OF TOTAL SAVINGS

- Savings over 1 billion MNT: 29 SCCs (collected 229.5 billion MNT)
- Savings between 10 million MNT and 1 billion MNT: 133 SCCs (collected 29.88 billion MNT).
- Savings under 10 million MNT: 11 SCCs (collected 0.05 billion MNT).
- 4 SCC had no collected savings.



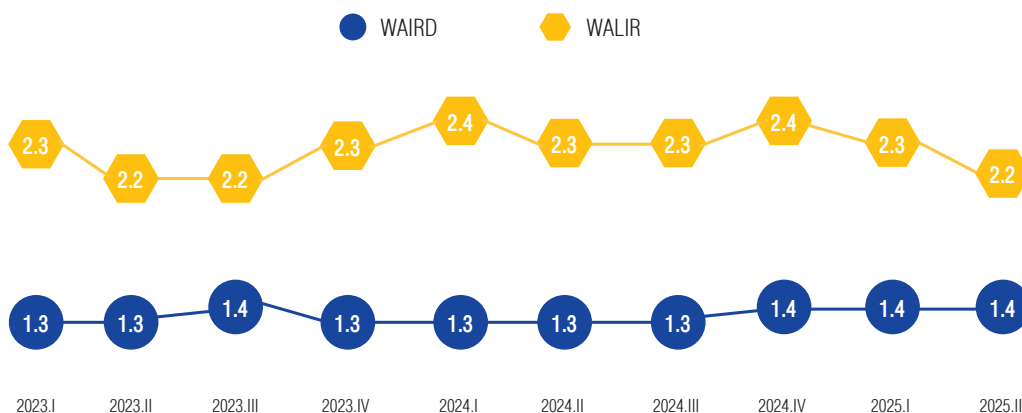
# 1.4%

Weighted average monthly interest rate  
on time deposits



# 2.2%

Weighted average monthly interest rate  
on the loan



## INCOME

42.6 billion MNT, a 26.4% increase compared to previous year.

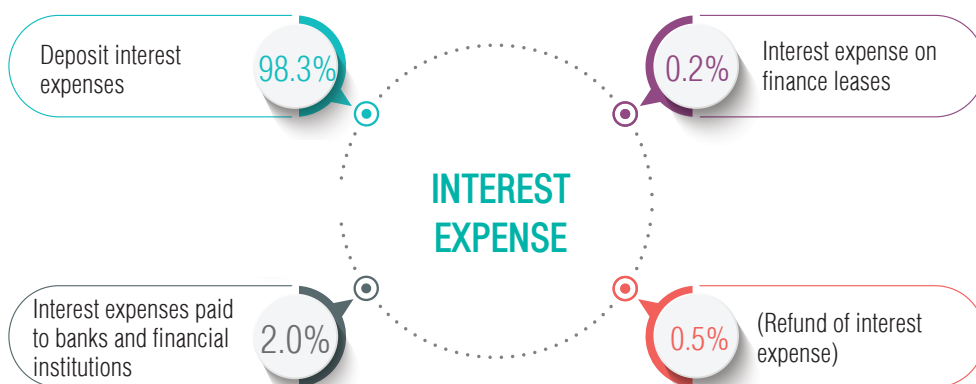
- o 38.7 billion MNT from Loan interest
- o 3.3 billion MNT from interest income from banks and financial institutions
- o 0.9 million MNT from increased interest income
- o 0.3 million MNT from refund of interest income



## Expenses

22.3 billion MNT, a 15.3% increase compared to the previous year.

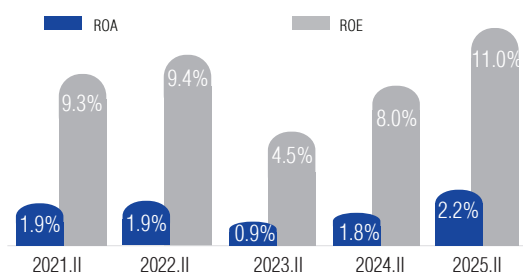
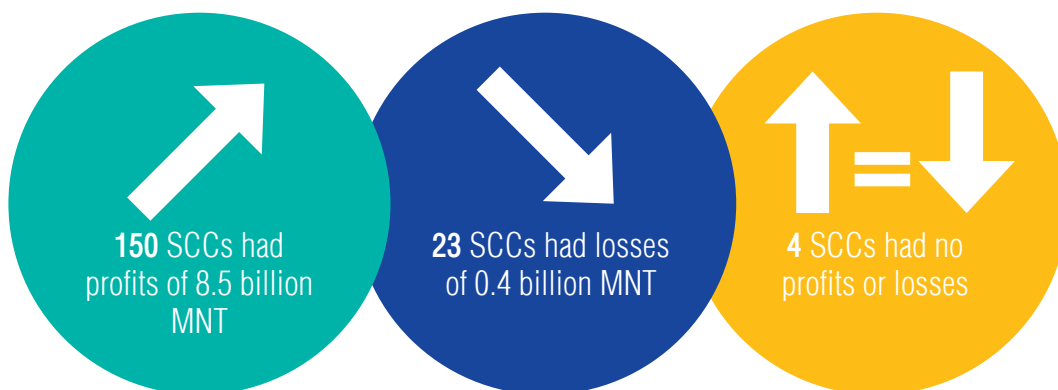
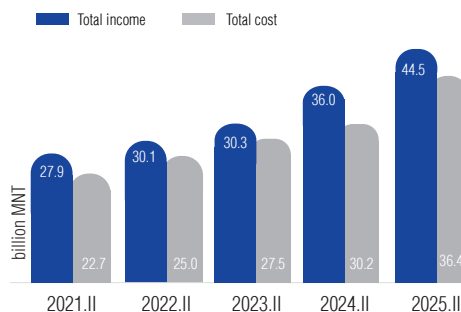
- o 21.9 billion MNT paid as deposit interest
- o 0.4 billion MNT paid to banks and financial institutions
- o 0.04 billion MNT as finance leases:
- o 0.1 billion MNT as Refund of interest expenses:



## PROFITABILITY

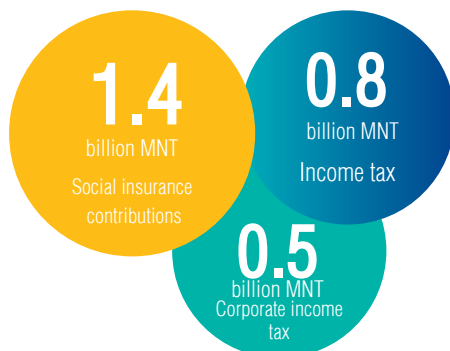
### INCOME AND EXPENSES OF SCCs

- Total Income: 44.5 billion MNT
- Total expenses: 36.4 billion MNT
- Net profit: 8.1 billion MNT.



### TOTAL RETURN ON EQUITY

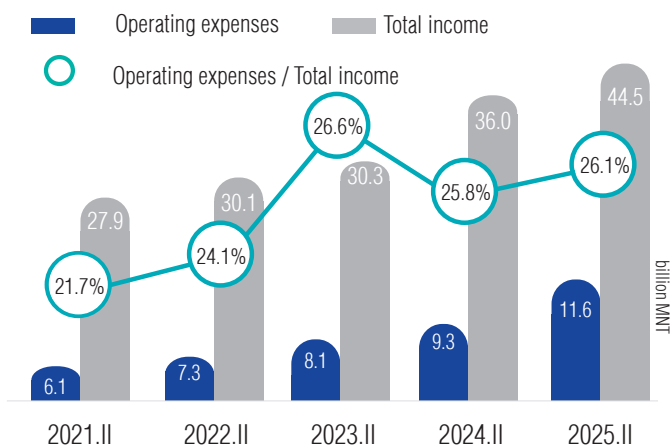
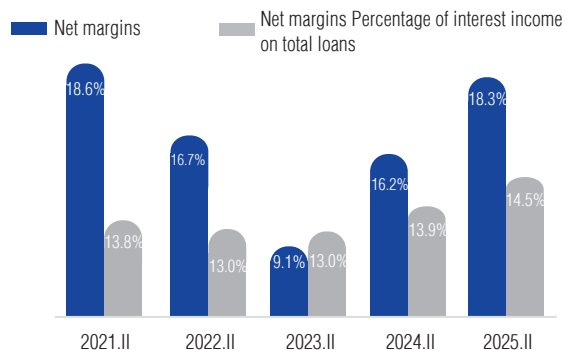
- ROE: 3.0 percentage points increase compared to the previous year.
- ROA: 0.4 percentage points increase



- A total of 2.7 billion MNT was collected for the state budget. Of which;  
social insurance tax: 1.4 billion MNT  
personal income tax: 0.5 billion MNT  
Corporate Income Tax: 0.8 billion MNT.

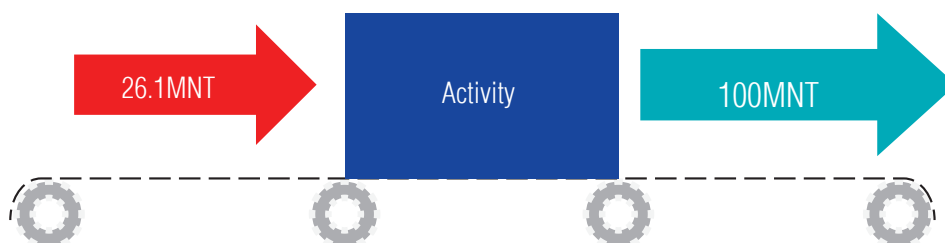
## KEY RATIOS

- o Share of interest income in total loans: increased by 0.6 percentage points compared to the previous year.
- o Ratio of net income to total income: increased by 2.1 percentage points compared to the previous year.



## COST REVENUE RATIO

- o SCCs spent an average of 26.1 MNT to earn 100.0 MNT.

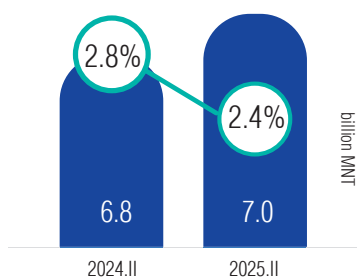


## STABILITY

The stability of SCCs is being assessed by the PEARLS methodology, focusing on four key indicators:

1. Asset quality and protection.
2. Effective financial structure.
3. Return and cost share.
4. Liquidity.

- Non-performing loans (MNT, billions)
- Percentage of non-performing loans in total loans



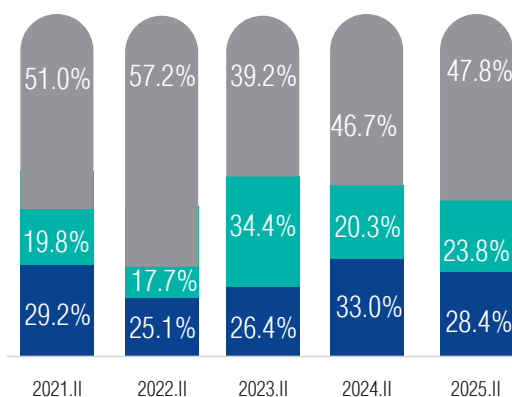
### NON-PERFORMING LOANS

- The total amount of non-performing loans has reached 7.0 billion MNT in the reporting quarter.
- The share of non-performing loans on total loans decreased by 0.4 percentage points, which is below the prudential ratio standard of 5.0% for SCCs.

### CLASSIFICATION OF NON-PERFORMING LOANS

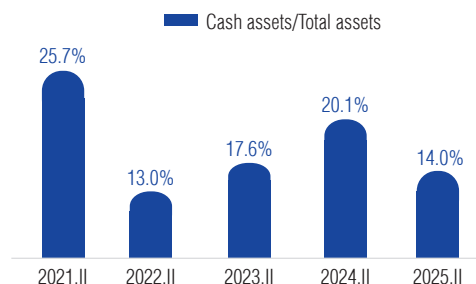
- Abnormal loans decreased by 4.6 percentage points compared to previous year.
- Doubtful loans increased by 3.5 percentage points.
- Non-performing loans increased by 1.1 percentage points.

- Abnormal loans
- Doubtful loans
- Non performing loans

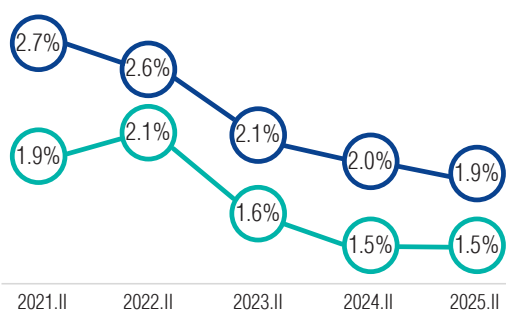


### LIQUIDITY OF SCCs

- o Monetary assets to total assets ratio: decreased by 6.1 percentage points compared to the previous year.
- o Short-term investments and total loans to total assets ratio 78.2%.



- Share of credit risk fund in total loans
- Share of credit risk fund in total assets



### CREDIT RISK FUND

- o Share of credit risk fund in total loans: decreased by 0.1%.

| Ratio                                         | Adequate level | 2nd quarter OF THE YEAR |
|-----------------------------------------------|----------------|-------------------------|
| Loans received from others/Total loans        | <20%           | 1.6%                    |
| Total savings/Total assets                    | 40%–80%        | 68.8%                   |
| (Total Loan Balance – Risk Fund)/Total assets | 60%–85%        | 80.4%                   |
| Equity of cooperatives/Total assets           | >5%            | 13.8%                   |
| Reserve fund/Total assets                     | >3%            | 32.4%                   |
| Operating expenses/Total assets               | <10%           | 3.1%                    |

## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

#### o Legal environment applicable to the Savings and Credit Cooperative sector:

A working group has been established to develop a draft in accordance with the law on Savings and Credit Cooperative /amendment/, approved by the Chairman of the Parliament Resolution No.258 of 2025. On 24 June 2025, draft of this amendment, introduction, concept, related regulation, impact assessment and brief of financial statements for the first quarter of 2025 received to working group.

#### Implementation of Article 10.2.4 of the Law on Auditing

In accordance with the law, out of 171 savings and credit cooperatives (SCCs) required to have their 2024 financial statements certified by an independent audit organization, 87.1% or 149 SCCs– submitted their audited year–end financial statements to the Financial Regulatory Commission.

#### Implementation of the Credit Information Law

In accordance with the law, 61.6% or 177 SCCs engaged in savings and credit activities have joined the credit information database and entered into cooperation agreements with service providers. Of these, 52.3% (57 SCCs) operate in Ulaanbaatar and 47.7% (52 SCCs) operate in rural areas.

#### o Implementation of the Law on Combating Money Laundering and Terrorist Financing

In accordance with the law, 14 SCCs reported a total of 137 cash transactions each valued at 20 million MNT or more, amounting to 6,468,037.93 thousand MNT, to the Financial Information Unit of the Bank of Mongolia. No suspicious transactions were detected.

#### o Implementation of the "Regulation for Determining and Centralizing Regulatory Service Fees":

Under this regulation, 61 out of 95 SCCs obligated to pay regulatory service fees have transferred a total of 44,033.0 thousand MNT to the designated account of the Financial Regulatory Commission.



## MEETINGS AND SEMINARS

- The DB project (Accelerating Gender Equality in East Asia for an Inclusive and Green Recovery TA-6883 REG, 2021–2025) published materials on “Inclusive Green Finance” for SCC members and “Gender-sensitive Green Finance” for trainers.
- An online meeting was organized to share experiences among countries of the Central Asia Regional Economic Cooperation (CAREC). Representatives from the central banks and related ministries of Pakistan and Uzbekistan, the Asian Confederation of Credit Unions (ACCU), and the National Association of the Savings and Credit Cooperatives participated and exchanged experiences on gender and green finance challenges faced by SCCs.
- A working group responsible for conducting and reporting on the National Risk Assessment of Mongolia on financing money laundering and terrorism was established by the Minister of Justice and Home Affairs Resolution No. A/76 on 28 February 2025. This working group is assessing the vulnerability of the SCC sector.



# MONETARY LOAN ACTIVITY PROVIDER

Total assets

**1.1** trillion MNT



Financial market outlook

Ulaanbaatar

**368**

Rural area

**181**



Accessibility



Profitability



Total income  
**154.0** billion MNT

Profit for the reporting period  
**79.6** billion MNT

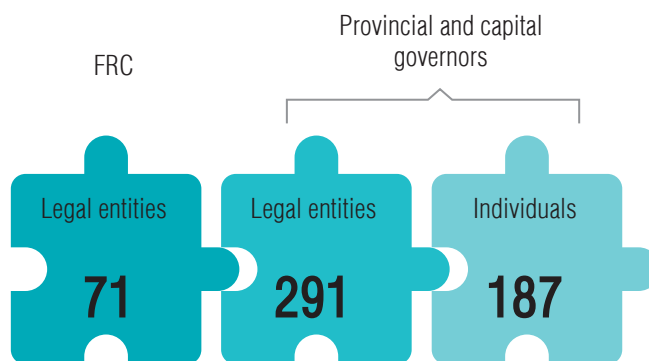
Regulatory environment



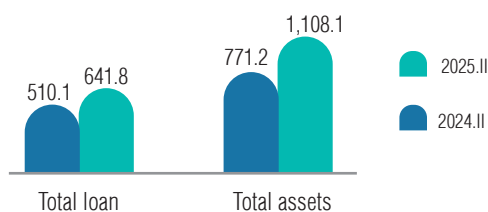
## FINANCIAL MARKET OUTLOOK

### Statistic of MLAPs

In the reporting quarter, 549 entities provided monetary loan services, including 362 legal entities and 187 individuals; of these, 71 legal entities are registered with the FRC.



Total assets, total loans /billion MNT/



Compared to the same period of the previous year, Monetary loan activity providers (MLAP):

- The total assets increased by 1.4 times, or by 336.9 billion MNT;
- The total loans reached 641.8 billion MNT, an increase of 1.3 times, or by 131.7 billion MNT.

### Share capital / Total assets



- In terms of equity capital, 431 entities have equity capital of up to 100 million MNT, 47 entities have between 100 million and 300 million MNT, 56 entities have between 300 million and 1 billion MNT, and 15 entities have equity capital exceeding 1 billion MNT.

## Asset structure of the MLAP /billion MNT/

|                           |                |               |
|---------------------------|----------------|---------------|
| <b>CURRENT ASSETS</b>     | <b>1,071.3</b> | <b>96.7%</b>  |
| CASH ASSETS               | 45.8           | 4.1%          |
| TOTAL LOAN                | 641.8          | 57.9%         |
| OTHER PROPERTY ASSETS     | 20.7           | 1.9%          |
| OTHER ASSETS              | 363.1          | 32.8%         |
| <b>NON-CURRENT ASSETS</b> | <b>36.8</b>    | <b>3.3%</b>   |
| <b>TOTAL ASSETS</b>       | <b>1,108.1</b> | <b>100.0%</b> |

Among the total assets of Monetary loan activity provider (MLAP), 96.7 % consist of current assets. Of these , 4.1 % are cash and cash equivalents, 57.9 % are total loans, 1.9 % are other non-owned assets, and 32.8 % are other assets. Meanwhile, 3.3 % of total assets are non-current assets.

## Passive structure of the MLAP /billion MNT/

|                                      |                |               |
|--------------------------------------|----------------|---------------|
| <b>DEBT</b>                          | <b>552.4</b>   | <b>49.9%</b>  |
| LOANS                                | 177.0          | 16.0%         |
| DEBT INSTRUMENTS ISSUED              | 103.7          | 9.4%          |
| OTHER DEBT                           | 271.7          | 24.5%         |
| <b>OWNER'S EQUITY</b>                | <b>555.7</b>   | <b>50.1%</b>  |
| SHARE CAPITAL                        | 93.0           | 8.4%          |
| RETAINED PROFIT/LOSS                 | 462.7          | 41.7%         |
| <b>TOTAL DEBT AND OWNER'S EQUITY</b> | <b>1,108.1</b> | <b>100.0%</b> |

Liabilities account for 49.9 % of total liabilities and equity. Of these , 16.0 % are loans, 9.4 % are issued debt securities, and 24.5 % are other liabilities.

## TOTAL LOAN



NORMAL

91.0%



NON-PERFORMING

9.0%

MLAP with legal entity status have disbursed 635.6 billion MNT across 141,515 loans. Meanwhile, 187 individual MLAPs provided 6.2 billion MNT through 3,976 loans.

## INDIVIDUALS



0.6%

1.9%

1.9%

LOAN BALANCE

LOAN GRANTED

LOAN PAID

## LEGAL ENTITIES

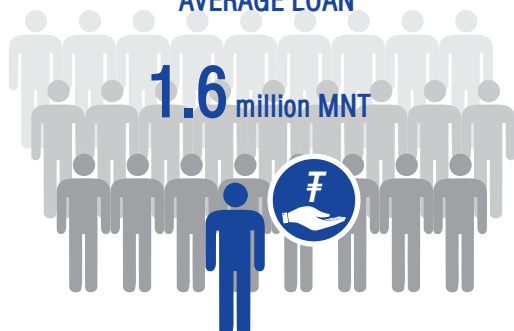


99.4%

98.1%

98.1%

## AVERAGE LOAN



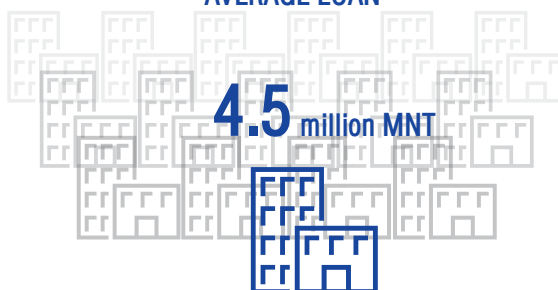
## INDIVIDUALS

On average, an individual MLAP has lent 1.6 million MNT per borrower nationwide. This figure is 0.7 million MNT in rural areas and 3.4 million MNT in Ulaanbaatar.

## LEGAL ENTITIES

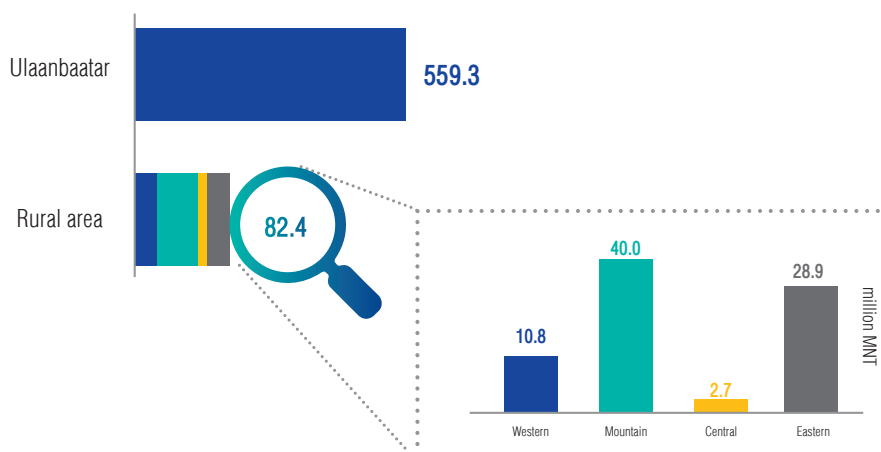
On average, a legal entity MLAP has provided 4.5 million MNT per borrower nationwide. This figure is 6.0 million MNT in rural areas and 4.3 million MNT in Ulaanbaatar.

## AVERAGE LOAN

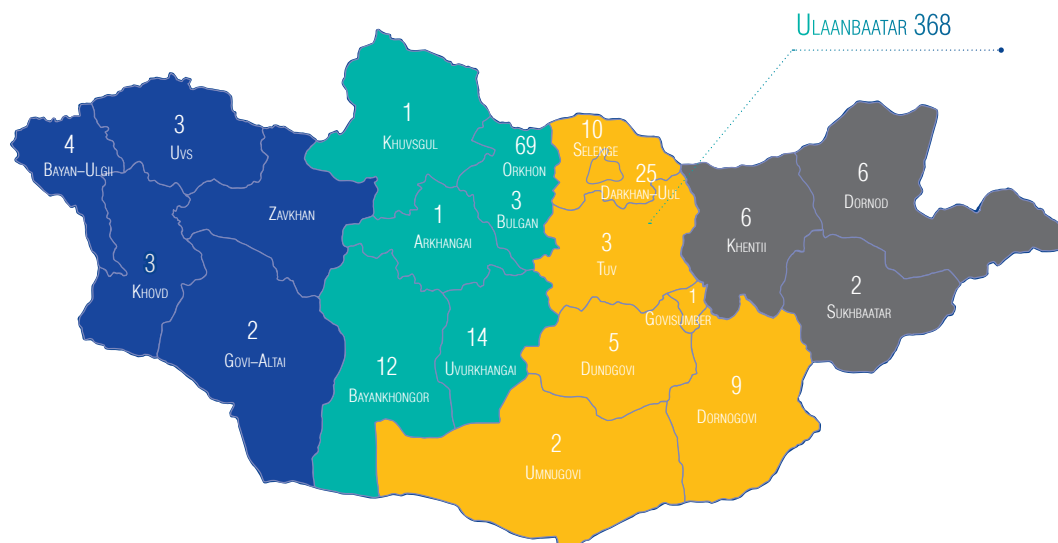


## TOTAL LOAN /billion MNT/

- o In Ulaanbaatar city, the outstanding loan balance of Monetary loan activity provider (MLAPs) amounts to 559.3 billion MNT, of which 555.0 billion MNT is from loans issued by legal entities, and 4.3 billion MNT is from loans issued by individuals.
- o In rural areas, the outstanding loan balance is 82.4 billion MNT, of which 80.5 billion MNT is from loans issued by legal entities, and 1.9 billion MNT is from loans issued by individuals.



## ACCESSIBILITY



### WESTERN REGION

**12** MLAPs

**5** BRANCHES

### MOUNTAIN REGION

**100** MLAPs

**14** BRANCHES

### CENTRAL REGION

**55** MLAPs

**29** BRANCHES

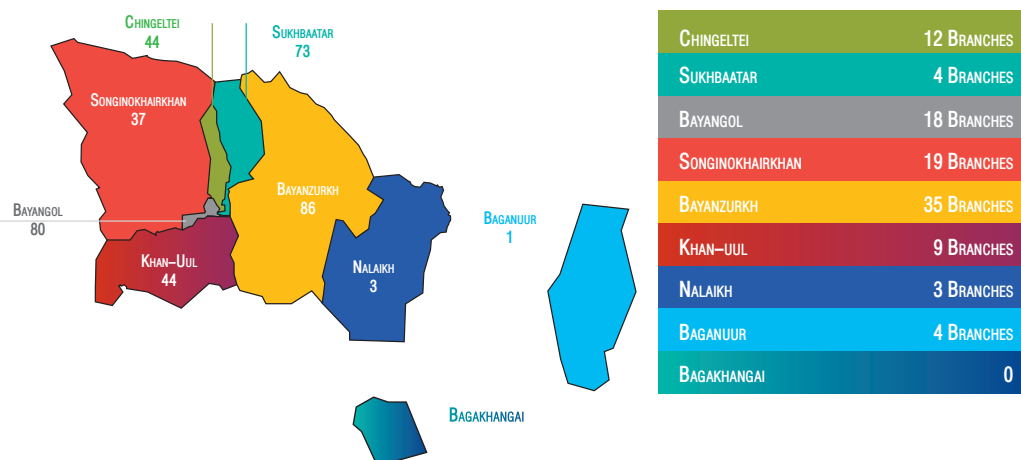
### EASTERN REGION

**14** MLAPs

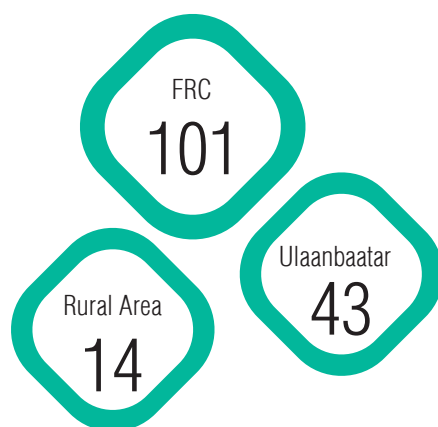
**6** BRANCHES

- 368 MLAPs are registered in Ulaanbaatar, while 181 MLAPs are operating in rural areas.
- Among the MLAPs operating in rural areas, 6.6% are located in the Western region, 30.4% in the Central region, 55.3% in the Mountain region, and 7.7% in the Eastern region.
- Breakdown by region:  
 Western region: 8 individuals, 4 legal entities,  
 Mountain region, 83 individuals, 17 legal entities,  
 Central region, 18 individuals, 37 legal entities,–  
 Eastern region, 5 individuals, 9 legal entities.

- o In Ulaanbaatar, 98.9% of MLAPs are located in the six central districts, while 1.1% are in the two remote districts.
- o The distribution by district 23.4% –Bayanzurkh, 21.7% – Bayangol, 19.8% – Sukhbaatar, 12.0% – Khan-Uul, 12.0% – Chingeltei, 10.0% – Songinokhairkhan, 0.8% – Nalaikh, 0.3% – Baganuur.
- o Out of the total MLAPsin Ulaanvbaataer, 73 are individuals and 295 are legal entities.

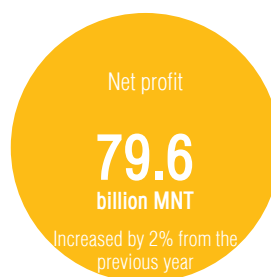
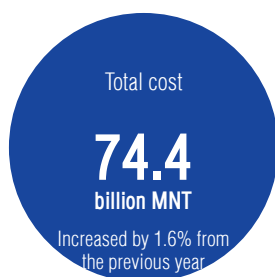
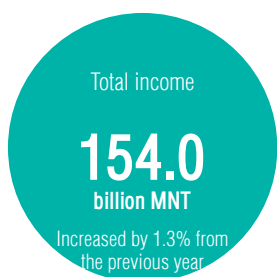


A total of MLAPs operate nationwide through 158 branches. Of which, 104 branches are located in Ulaanbaatar and 54 branches are in rural areas.



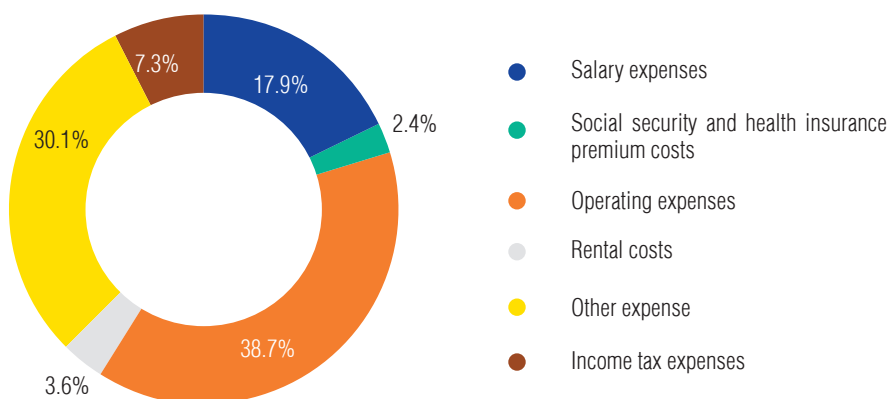
Of these providers, 101 are registered with the FRC.

## PROFITABILITY



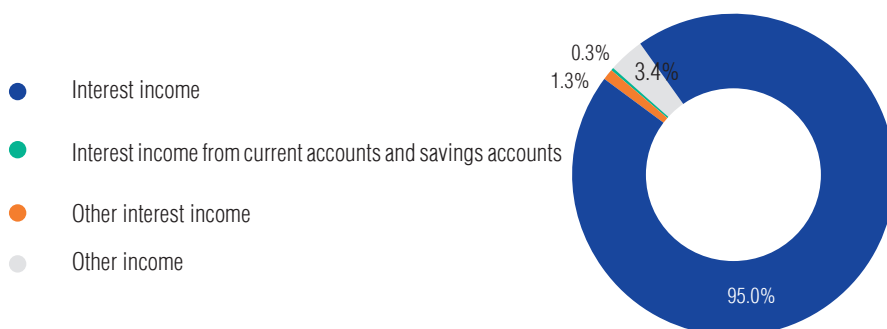
### EXPENSE STRUCTURE

Of the total expenses, 38.7 % are operational expenses, 17.9 % are salaries, 7.3 % are income tax, 3.6 % are rent, 2.4 % are social and health insurance contributions, and 30.1 % are other expenses.



### INCOME STRUCTURE

Of the total income, 95.0 % comes from loan interest, 0.3 % from current and savings account interest, 1.3 % from other types of interest, and the remaining 3.4 % comes from other income.



## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

- o In order to promote the Law on Regulating Monetary Loan Activities, raise public awareness on money lending operations, inform borrowers about key considerations when using collateral-backed loan services, and introduce the legal provisions protecting borrowers rights and interests, morning meetings were organized in May 2025 with stallholders at major trade centers such as the “Naran Tuul” International Trade Center, “Saruul” Market, and “Mungun Zavva” Store, as well as with businesses and individuals engaged in food and trade activities across the nine districts of Ulaanbaatar.
- o In accordance with the directive approved by the Chairman of the Financial Regulatory Commission, on-site inspections were carried out in June 2025 to verify whether individuals and legal entities registered as money lenders in Bayanzurkh District's 7th khoroo were operating in compliance with applicable laws and regulations.
- o The inspection revealed 17 individuals operating as MLAPs without proper registration, common violations including: charging interest rates exceeding the maximum limit set by the Monetary Loan Activity Providers Policy Council, failure to use the standardized templates for “Loan Agreements” and “Collateral Agreements” approved under the Council's February 2024 Resolution. As a result, 17 individuals and 2 legal entities were fined a total of 25.5 million MNT in accordance with Articles 11.34.1.2 and 11.34.3 of the Law on Infringements. Official inspectors issued mandatory compliance orders with deadlines to rectify the violations and instructed the offenders to obtain proper registration before continuing any monetary loan activities.



# CREDIT GUARENTEE FUND

Total assets

**313.0**  
billion MNT



Financial market status

Average amount of  
one guarantee

**31.1**  
million MNT



Accessibility

Number of  
requests submitted

**1,376**



Products and services

Profitability



Operating income

**15.7** billion MNT

Main activity results

**(0.2)** billion MNT

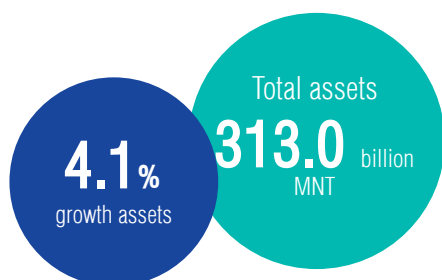
Stability



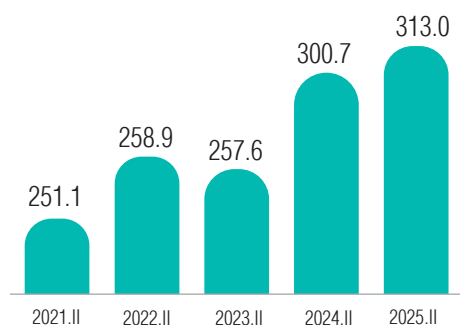
Percentage of non-performing  
guarantees

**1.8%**

## FINANCIAL MARKET STATUS

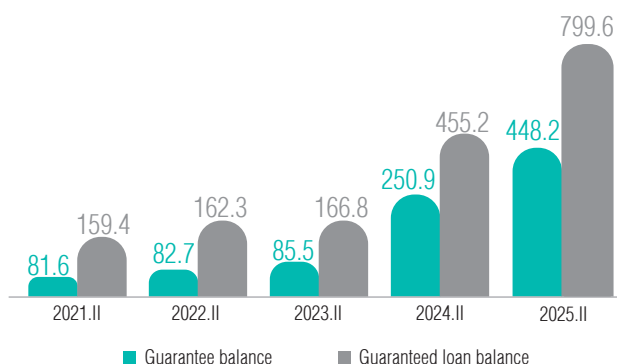


Total assets (MNT, billions)

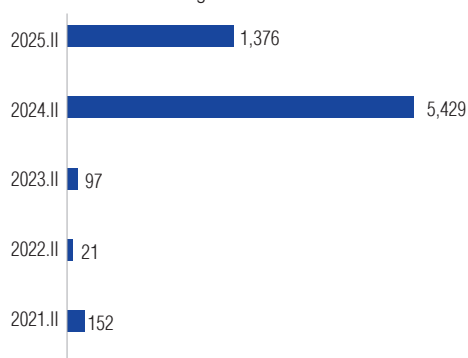


- Total Assets: 12.3 billion MNT
- Total Assets increased by 4.1% (12.3 billion MNT) compared to the same period last year.
- Guarantee Balance increased by 1.8-fold (197.3 billion MNT) compared to the same period last year.
- Guaranteed Outstanding Balance increased by 1.8-fold (344.4 billion MNT) compared to the same period last year.

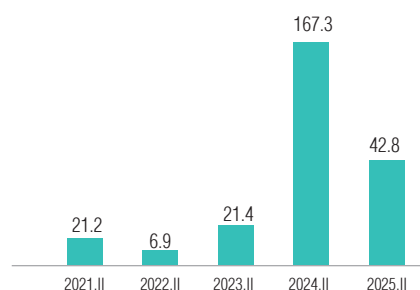
Guaranteed and guaranteed loan balances (billion MNT)



Number of guarantees issued

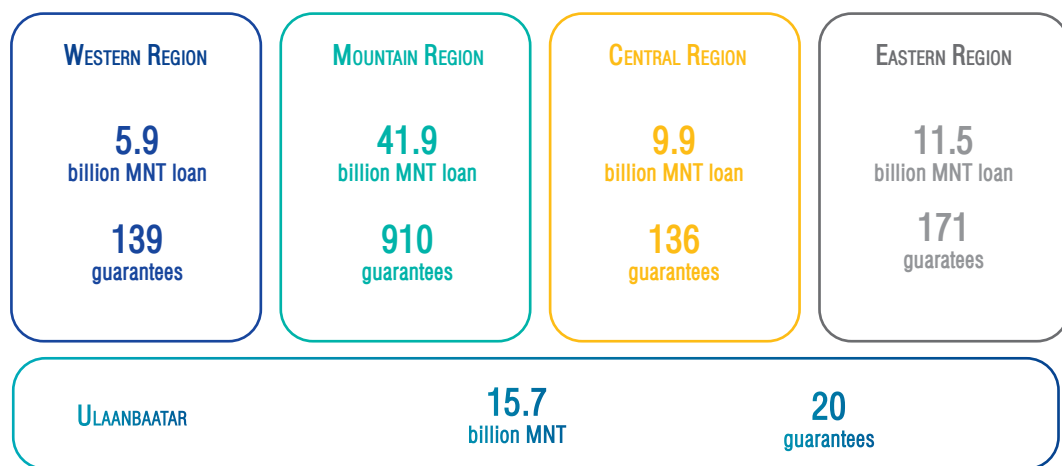
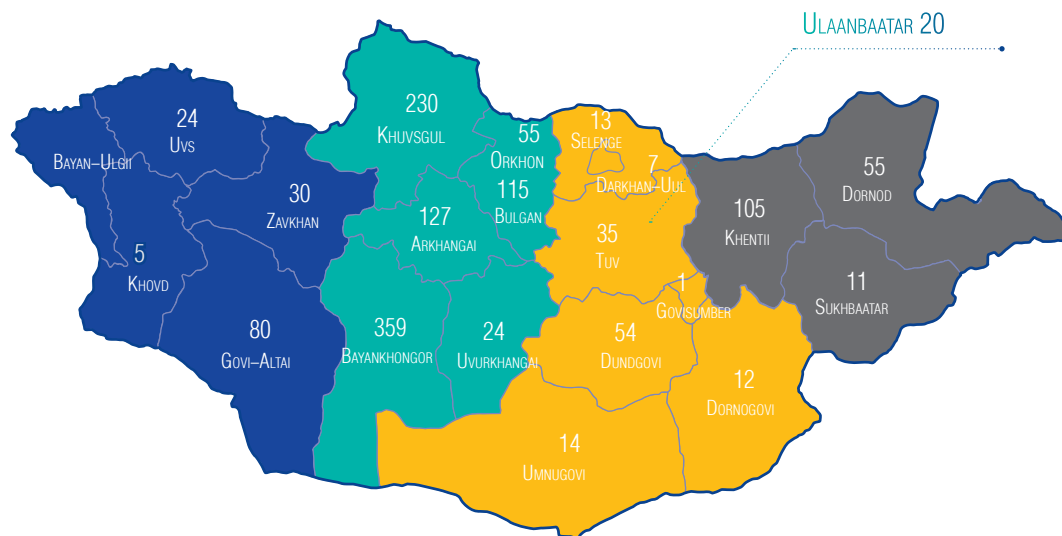


Amount of newly granted guarantee (billion MNT)

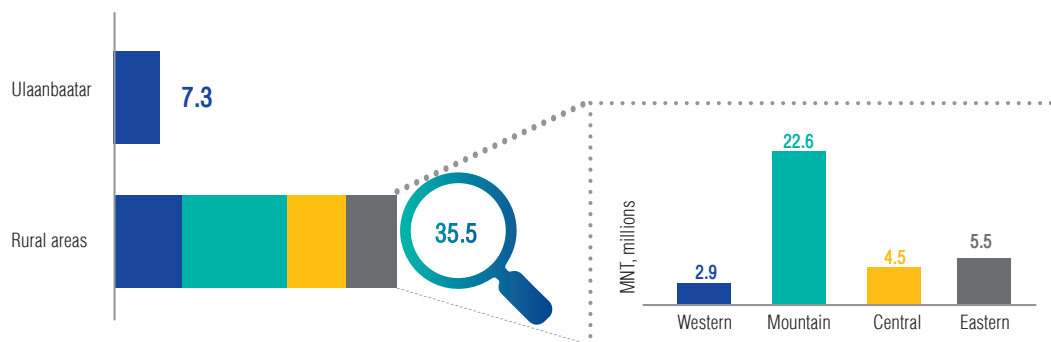


Credit Guarantees Issued decreased by 74.4% and number of Credits decreased by 74.7% compared to the same period in 2023.

## ACCESSIBILITY



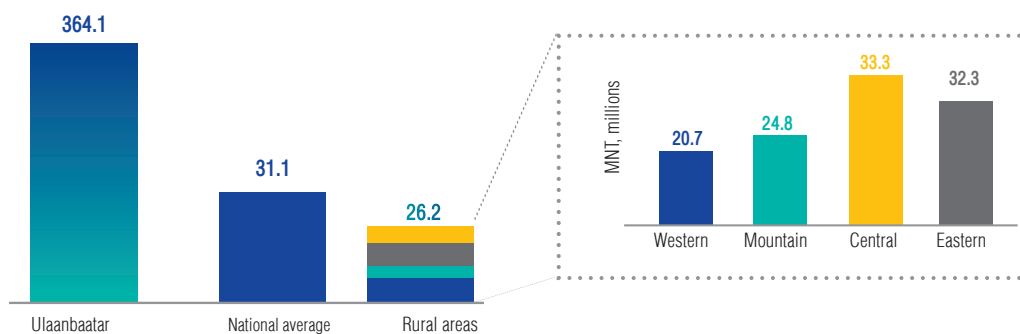
TOTAL GUARANTEE AMOUNT (MNT, million)



|                  | Number of newly issued guarantees | Amount of guarantee /million MNT/ | Average amount of guarantee /million MNT/ |
|------------------|-----------------------------------|-----------------------------------|-------------------------------------------|
| Songinokhairkhan | 6                                 | 1,861.0                           | 310.2                                     |
| Bayanzurkh       | 5                                 | 1,889.4                           | 377.9                                     |
| Bayangol         | 4                                 | 1,918.1                           | 479.5                                     |
| Khan-Uul         | 3                                 | 1,171.1                           | 390.4                                     |
| Chingeltei       | 1                                 | 420.0                             | 420.0                                     |
| Nalaikh          | 1                                 | 21.6                              | 21.6                                      |

#### AVERAGE AMOUNT OF GUARANTEE

- Ulaanbaatar: 364.1 million MNT,
- Rural Area: 26.2 million MNT,
- National Average: 31.1 million MNT.
- Highest Amount in Eastern Region: 33.3 million MNT.



## PRODUCTS AND SERVICES

|         | Number of applications for a guarantee | Number of applications approved | Percentage |
|---------|----------------------------------------|---------------------------------|------------|
| 2022.II | 38                                     | 23                              | 60.5%      |
| 2023.II | 132                                    | 102                             | 77.3%      |
| 2024.II | 5,441                                  | 5,441                           | 100.0%     |
| 2025.II | 1,376                                  | 1,376                           | 100.0%     |

### APPLICATIONS FOR GUARANTEES:

Total Received: 1376

Approved: 100% of the received applications were approved

Increase: 4.0-fold decrease compared to the same period of last year.

### Activities

wholesale and retail activities



11.4%

Processing factory



6.8%

Human health and social welfare activities



4.2%

Other



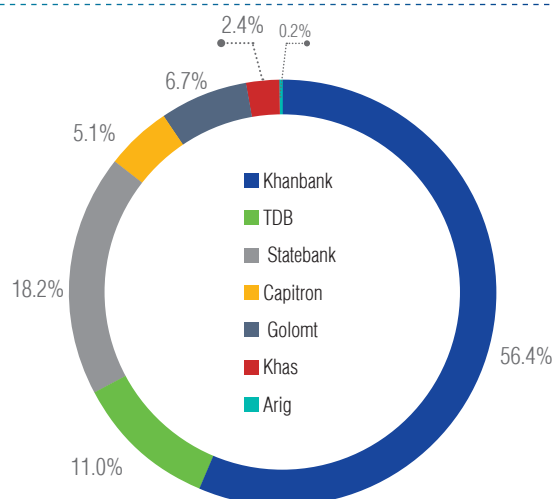
77.6%

Sector Distribution of Guarantees: Other sector: 77.6%; Includes;

Citizens: 71.7%, Private and other activities: 2.3%, Hotel and restaurants: 1.8%, Agriculture, forestry, fishing, hunting: 1.4%, Communication: 0.4%, Wholesale and retail operations: 0.1%,

### GUARANTEED BY THE BANK

Distribution by Banks: State Bank: 18.2%, Khan Bank: 56.4%, Trade Development Bank: 6.7%, Capitron: 5.1%, Golomt Bank: 6.7%, Xac Bank: 2.4%, Arig Bank: 0.2%.



### GUARANTEES PROVIDED /BY SOURCE/

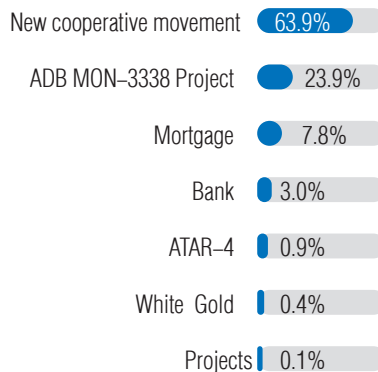
New Cooperative – Wealthy Herder Program: 27.3 billion MNT, MON-3338 Project (ADB): 10.2 billion MNT, Mortgages: 3.3 billion MNT, Bank: 1.3 billion MNT, Atar IV campaign: 405.0 million MNT, White gold: 150.0 million MNT, SME Development Fund: 58 million MNT

### AVERAGE TIME TO ISSUE A CONFIRMATION

- Average Term of Issued Guarantees: 83.3 months (approximately 6.9 years).
- Increase: 3.1 months compared to the same period last year.

**83.3**  
MONTHS

### Amount of guarantee provided

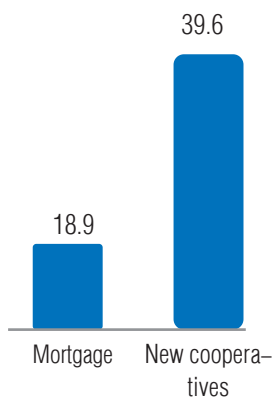


### AMOUNT OF CREDIT GRANTED BY ACTIVITY

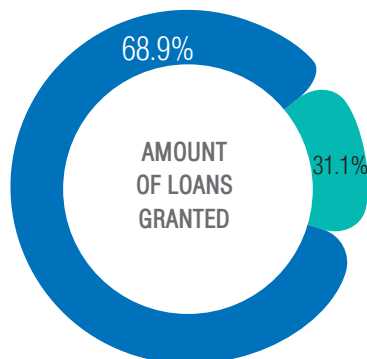
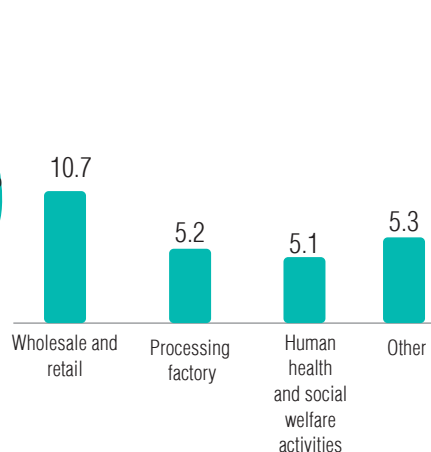
Guaranteed Loans Breakdown: 68.9% were citizens, 31.1% were entities. For entities: Wholesale and Retail: 12.7%, Manufacturing: 6.2%, Health Sector: 6.0%.

For citizens: Majority from New Cooperative – Wealthy Herder Program: 67.7% and mortgage guarantees: 32.3%.

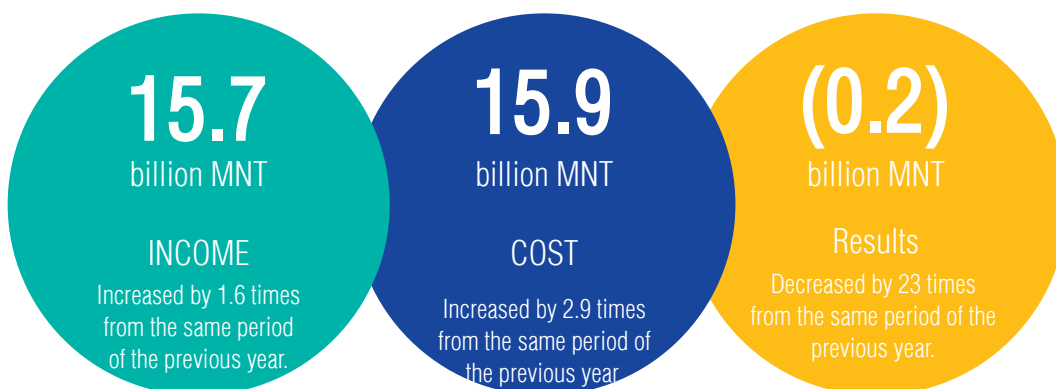
Individuals /billion MNT/



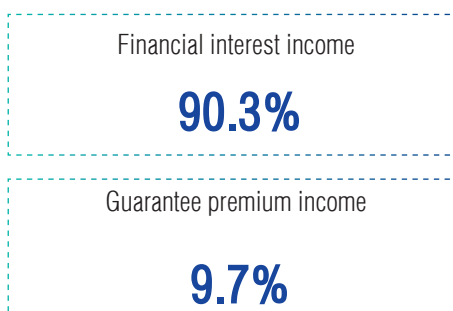
Business entity /billion MNT/



## PROFITABILITY



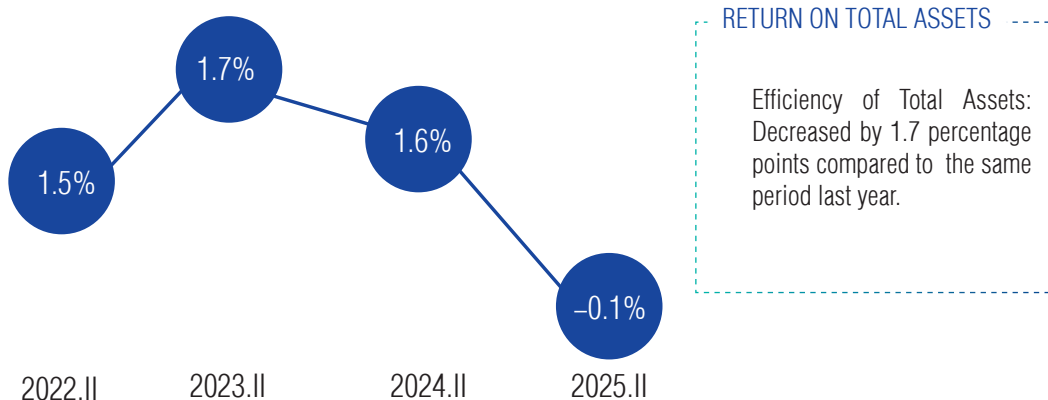
### Income structure



### Cost structure

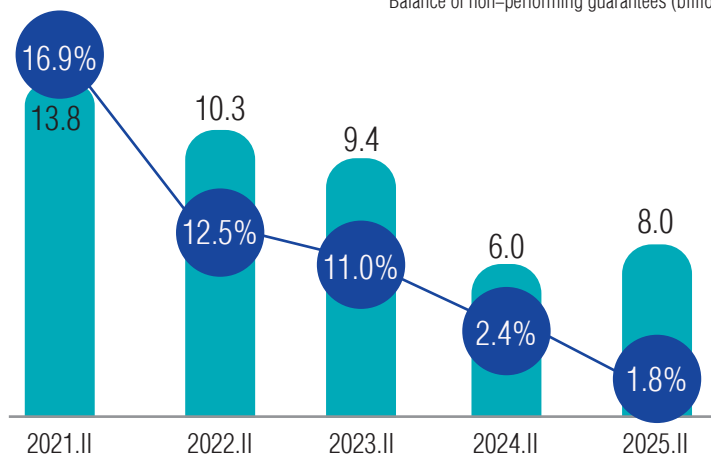


### Return on total assets



## STABILITY

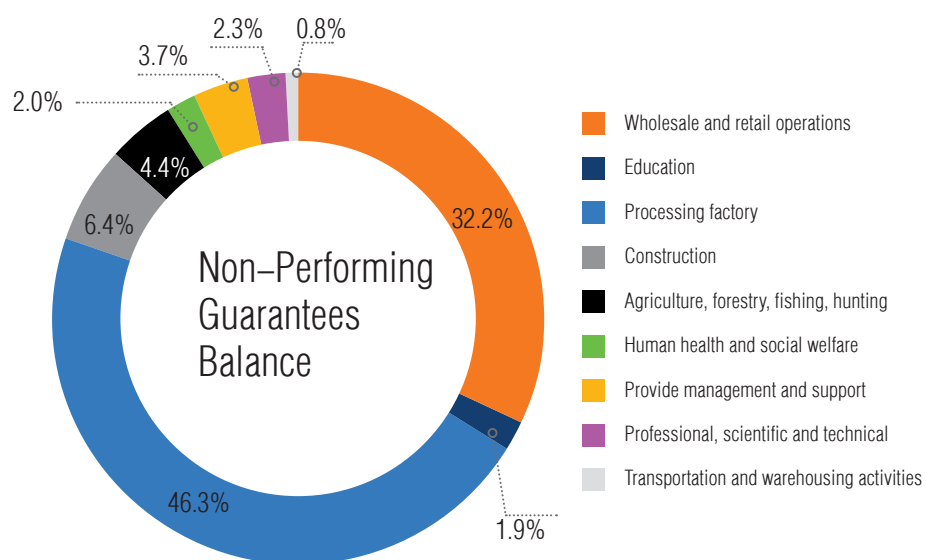
Balance of non-performing guarantees (billions MNT)



Share of Non-Performing Guarantees: Decreased by 0.6%.

Balance of Non-Performing Guarantees: Increased by 2 billion MNT from the same period last year.

“By economic sector, the outstanding balance of non-performing guarantees is distributed as follows.”







# REAL ESTATE BROKERS (and AGENTS)

Regulated entities

**303**



Market outlook

Brokerage deal

**1,398.3**  
billion MNT



Products and services

Accessibility



97.4% of entities  
operated in Ulaanbaatar

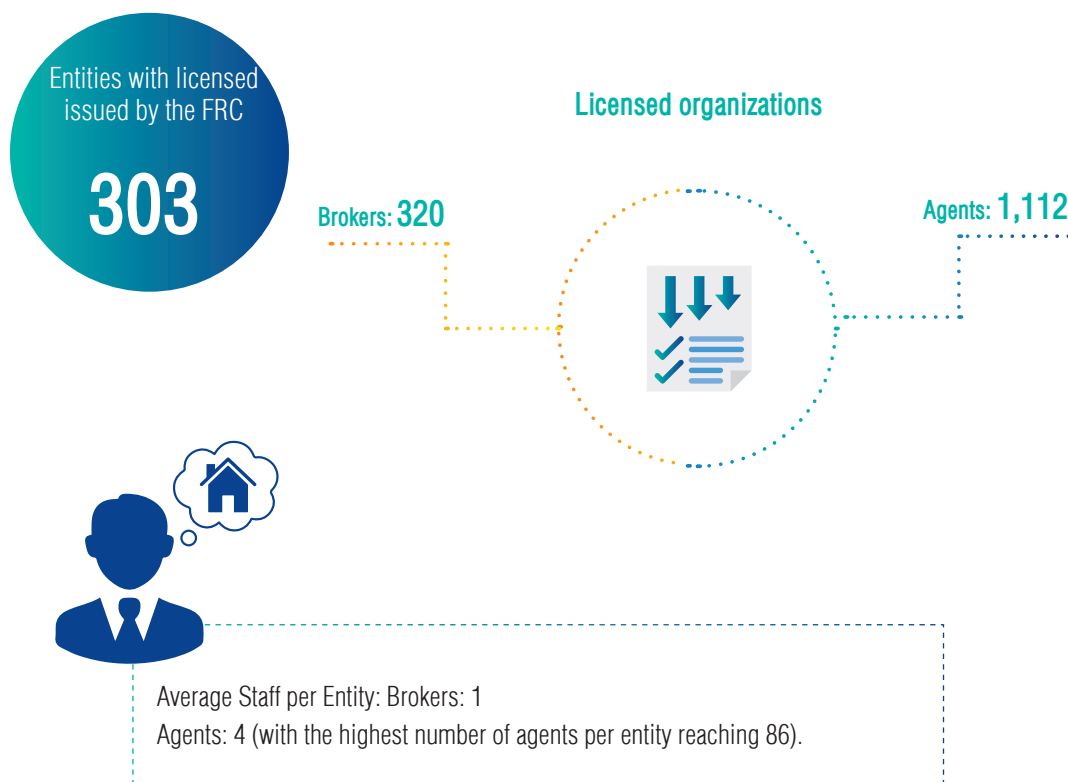
Regulated environment



## MARKET OUTLOOK



In the reporting period, there were 303 licensed real estate brokerages operating, marking a decrease of 8 entities (2.6%) from the same period last year.

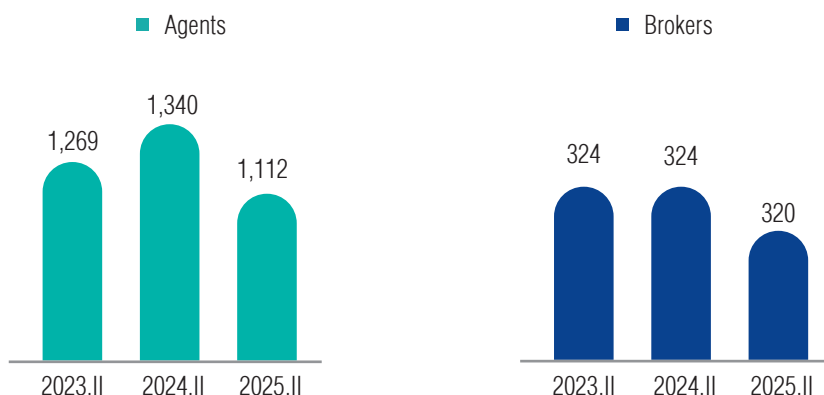


### SHARE CAPITAL

7.1 billion MNT with 440 shareholders



The number of brokers reached 320, an increase of 4 (1.2%) compared to last year, while the number of agents reached 1,112, marking a decrease of 228 (17%) from the same period last year.



#### TOTAL ASSETS

Total Assets: 225.5 billion MNT  
 Current Assets: 167.5 billion MNT (74.3%)  
 Non-Current Assets: 58.0 billion MNT (25.7%)  
 Debt: 181.2 billion MNT (80.4%)  
 Owner's Capital: 44.3 billion MNT (19.6%)

| Classification of assets and resources | Amount (billion, MNT) | Proportion of assets and resources |
|----------------------------------------|-----------------------|------------------------------------|
| CURRENT ASSETS                         | 167.5                 | 74.3%                              |
| NON-CURRENT ASSETS                     | 58.0                  | 25.7%                              |
| LIABILITIES                            | 181.2                 | 80.4%                              |
| OWNER'S PROPERTY                       | 44.3                  | 19.6%                              |

### MARKET SHARE

15 companies account for 71.9% of the market.

288 companies account for 28.1% of the market.

32 companies with assets over 1 billion MNT account for 86.4% of the market.

14 companies with assets between 500 million MNT and 1 billion MNT account for 4.3%.

66 companies with assets between 100 million MNT and 500 million MNT account for 6.8%.

191 companies with assets under 100 million MNT account for 2.5%.

### PERCENTAGE OF MARKET SHARE

| Amount of assets                  | Organizations | Percentage of Market share |
|-----------------------------------|---------------|----------------------------|
| Up to 100 million MNT             | 191           | 2.5%                       |
| 100 million MNT – 500 million MNT | 66            | 6.8%                       |
| 500 million MNT – 1 billion MNT   | 14            | 4.3%                       |
| More than 1 billion MNT           | 32            | 86.4%                      |

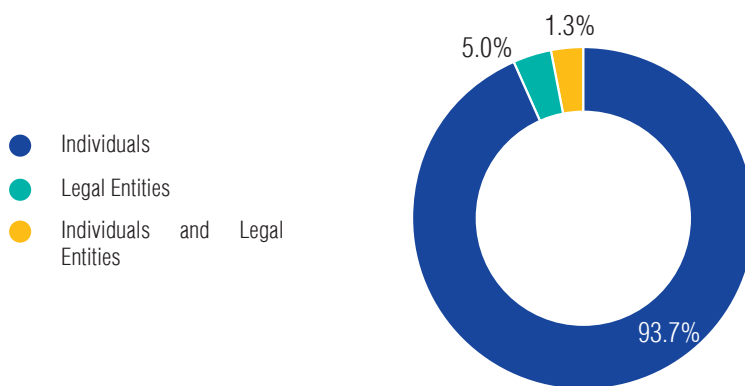
### SHARE CAPITAL

Total share capital: 7.1 billion MNT from 440 shareholders.

Individuals: 93.7%

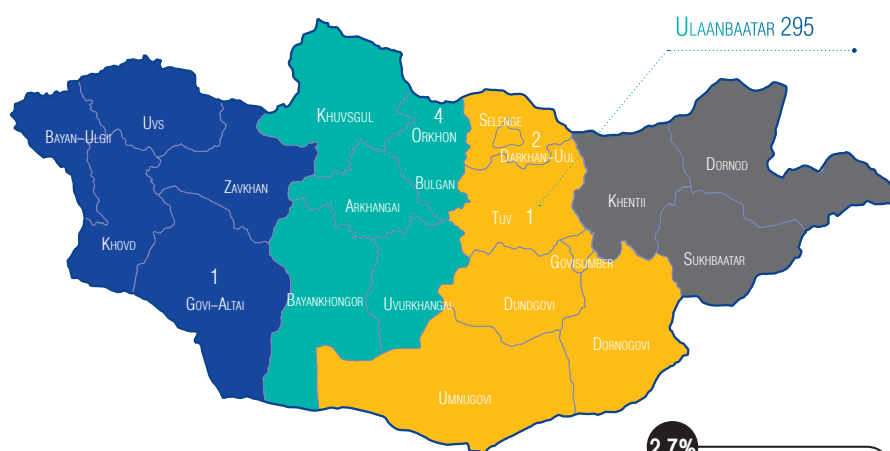
Legal entities: 5.0%

Jointly Owned: 1.3% (individuals and legal entities)



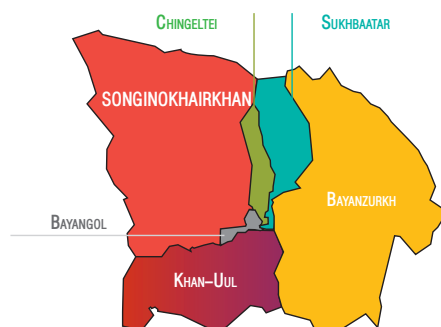
## ACCESSIBILITY

### Geographical Distribution of Licensed Entities:



2.7%

RURAL AREA 8



31.0%

SUKHBAATAR

94

26.7%

KHAN-UUL

81

10.2%

CHINGELTEI

31

9.9%

BAYANGOL

30

18.5%

BAYANZURKH

56

1.0%

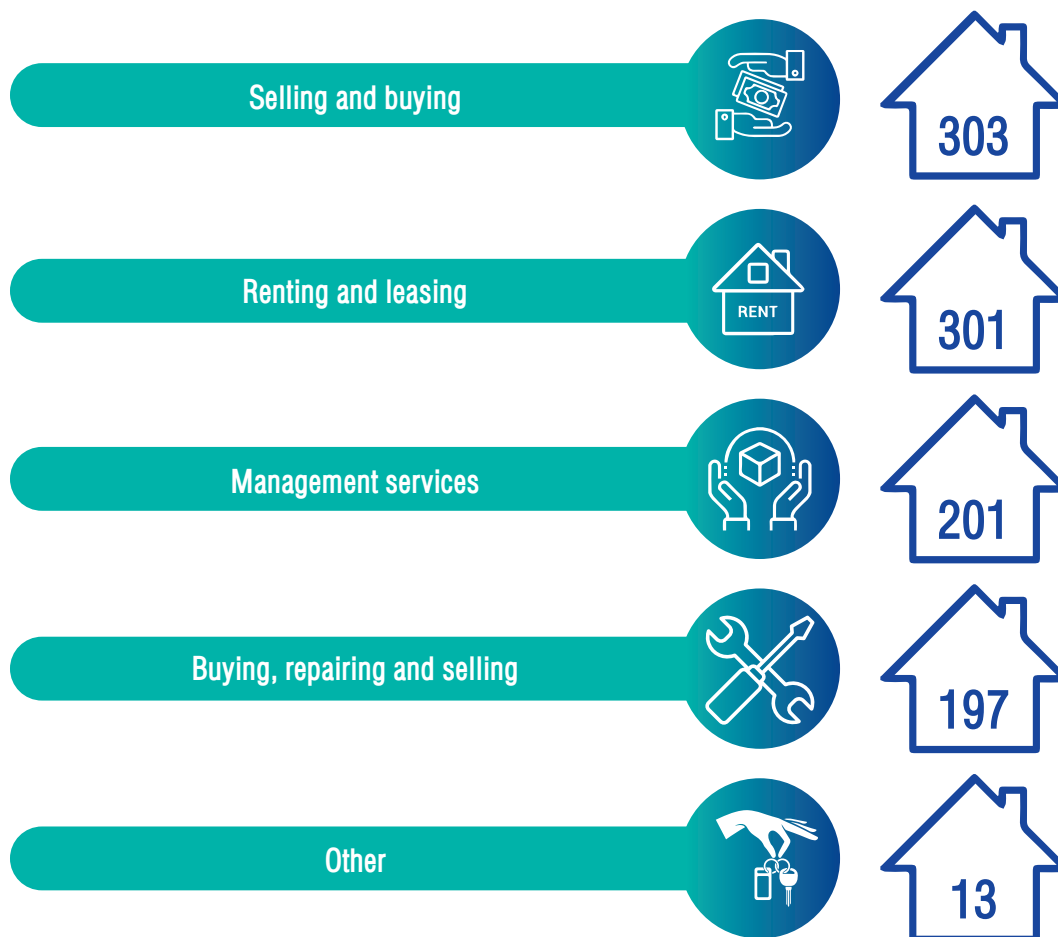
SONGINOKHAIRKHAN

3

Sukhbaatar District: 31.0%, Khan Uul District: 26.7%, Bayanzurkh District: 18.5%, Chingeltei District: 10.2%, Bayangol District: 9.9%, Songinokhairkhan District: 1.0%, Provinces: 2.7% (8 entities).

## PRODUCTS AND SERVICES

NUMBER OF REB AND AGENTS, AND TYPES OF SERVICES (DUPLICATED)

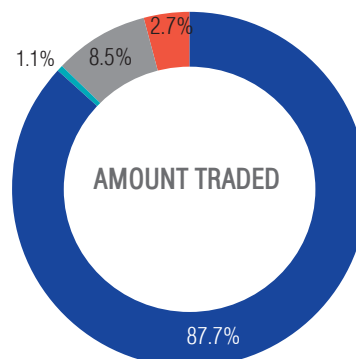
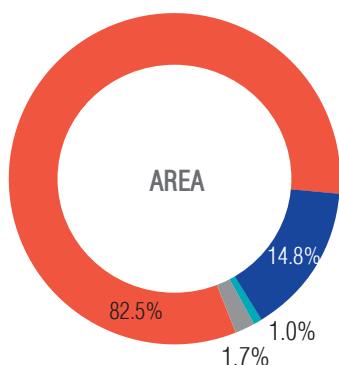


### NOTE

Public Apartment Average Price: 3,8 million MNT per square meter.

Luxury Apartment Average Price: 6.6 million MNT per square meter.

## SELLING AND BUYING SERVICES



## Sold Real Estate:

Land: 82.5%

Residential: 14.8%

Commercial: 1.7%

Industrial: 1.0%

## Value of Sales:

Residential: 87.7%

Commercial: 8.5%

Land: 2.7%

Industrial: 1.1%

## Size Distribution of Real Estate Sold

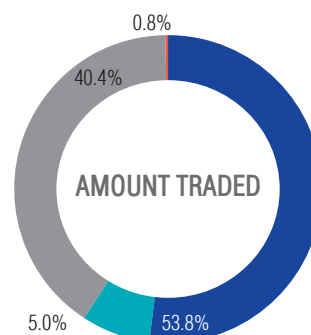
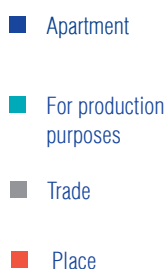
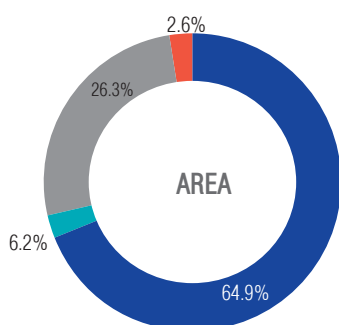
Less than 50 square meters: 20.0%

51 to 100 square meters: 45.1%

101 to 200 square meters: 20.9%

More than 201 square meters: 14.0%

## RENTING AND LEASING SERVICE



## Rental and Lease Deals:

Residential: 64.9%

Commercial: 26.3%

Industrial: 6.2%

Land: 2.6%

## Value of Sales:

Residential: 53.8%

Commercial: 40.4%

Industrial: 5.0%

Land: 0.8%

### Size Distribution of Real Estate Rented/Leased

Less than 50 square meters: 17.1%

51 to 100 square meters: 33.5%

101 to 200 square meters: 23.7%

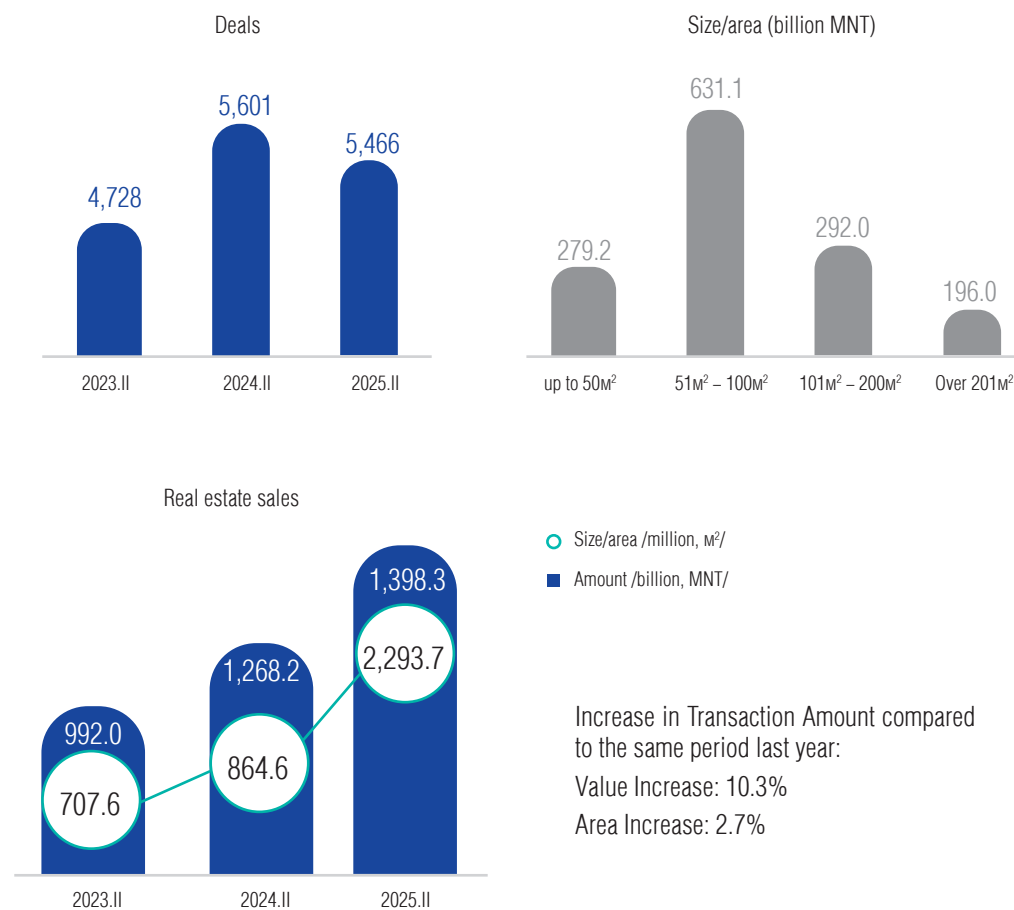
More than 201 square meters: 25.8%

### SELLING AND BUYING BROKERAGE

Total Deals: 5,466 (of 303 entities)

Combined Area: 2,293.7 thousand square meters

Total Value: 1,398.3 billion MNT

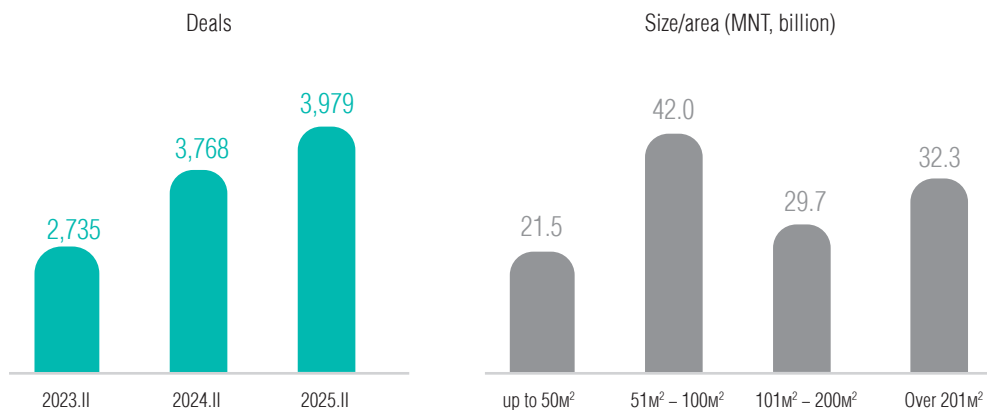


### RENTING AND LEASING SERVICES

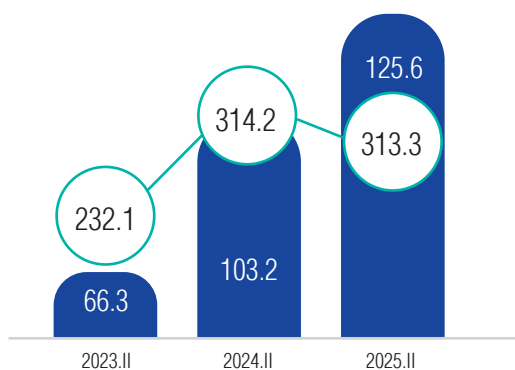
Total Area Rented or Leased: 313,3 thousand square meters

Total Value: 125.6 billion MNT,

Total Deals: 3,979 (of 303 entities)



### Real Estate Lease



Change in Transaction Amount compared to the same period last year:

Value Increase: 21.7%

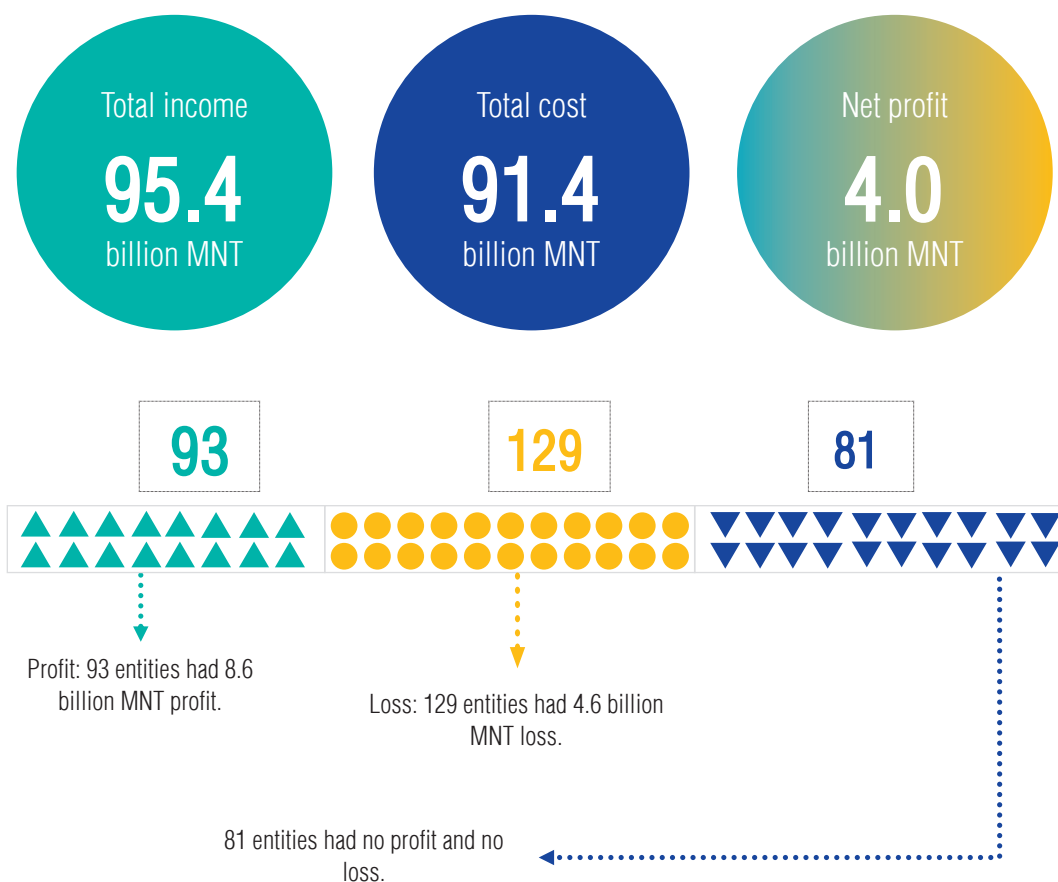
Decrease in Area: 0.3%

■ Size/area /million, m²/

■ Amount /billion, MNT/



## PROFITABILITY



|       | <1% | 1-5% | 5-10% | >10% |
|-------|-----|------|-------|------|
| /ROA/ | 303 | —    | —     | —    |
| /ROE/ | 287 | 15   | 1     | —    |

2025.II

2.0%

9.0%

## REGULATORY ENVIRONMENT



### MEETINGS AND SEMINARS

- o Representatives attended the “Realtors’ Legislative Meeting–2025”, hosted by the National association of Realtors of the USA in Washington DC, USA, from 30 May to 05 June 2025.
- o On 19 June 2025, representatives participated in the “Realtors’ Voice Forum–2025”, organized by the Real Estate Academy of Mongolia.
- o From 28 March to 30 June 2025, training sessions on reporting requirements and anti–money laundering and combating the financing of terrorism (AML/CFT) were organized for authorized officials of regulated entities.
- o On 30 June 2025, within the memorandum between the FRC and the Umbrella Association of Real Estate Entrepreneurs, a meeting was organized with representatives of this association.



# DEALERS IN PRECIOUS METALS AND STONES

Number of dealers

**56**

Legal Entities

**492**

Individuals



Market outlook

Precious metals sold  
and bought

**123.8**  
billion MNT



Products and services

Accessibility



73.2%

Operated in Ulaanbaatar

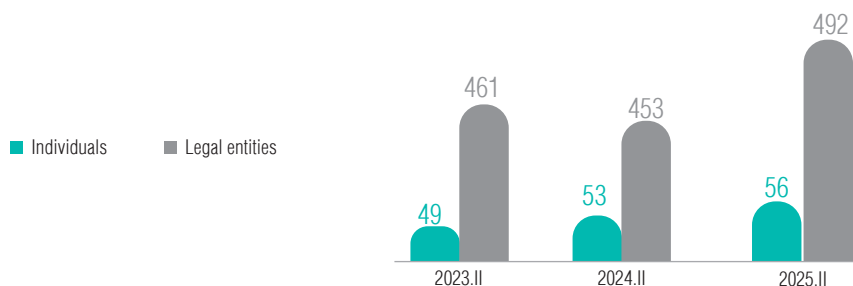
Regulatory environment



## MARKET OUTLOOK

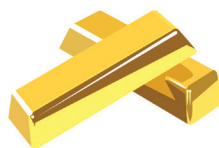
### NUMBER OF ENTITIES WITH LICENSES

In the reporting quarter, there were 56 legal entities with licenses (dealers in precious metals and stones or articles made from them), as well as 492 individuals with licenses. Compared to the same period last year, the number of legal entities increased by 5.6%, and the number of individuals conducting business activities increased by 8.6%.



Entities (dealers in precious metals and stones, and dealers in products made by them)

56



492

Individuals (dealers in products made from precious metals and stones)

### SHARE CAPITAL

The share capital for 88 shareholders in these 56 regulated entities amounted to 10.2 billion MNT.

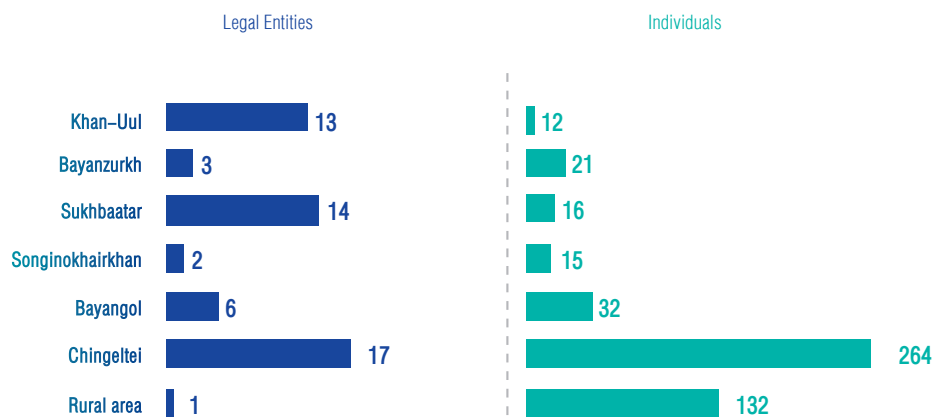
73.2% (360) of licensed dealers operated in Ulaanbaatar, while 26.8% (132) were based in rural areas.

Ulaanbaatar

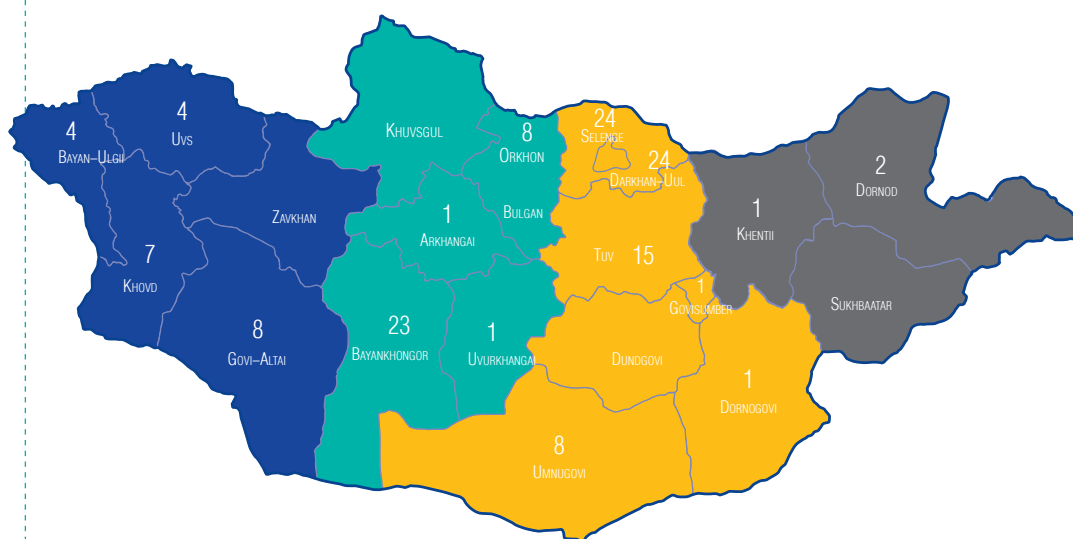
73.2%

## ACCESSIBILITY

### LOCATION OF DPMS: ULAANBAATAR



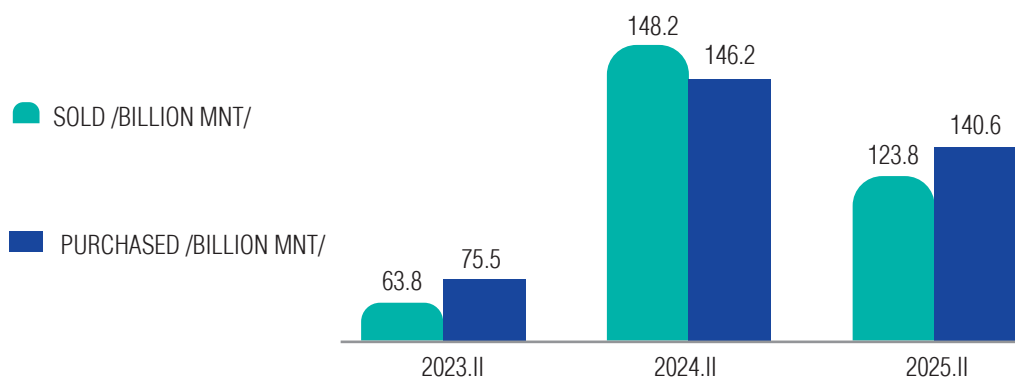
### IN RURAL AREA: 132:



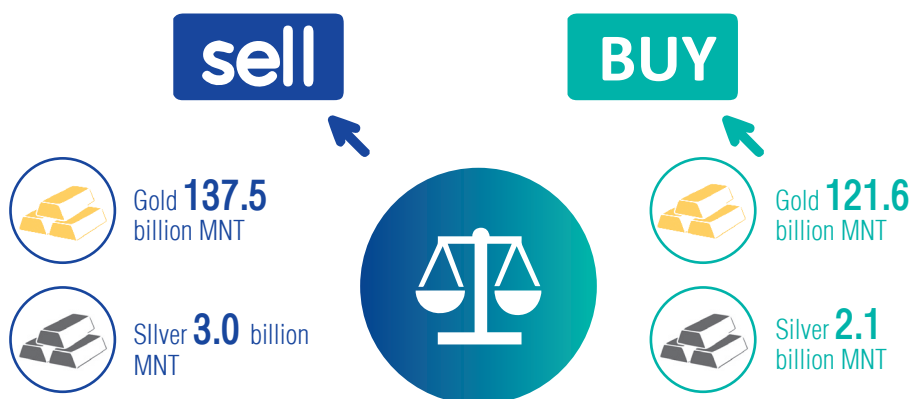
## PRODUCTS AND SERVICES

### METALS BOUGHT AND SOLD

In the second quarter of 2025, a total of 860.9 kg of metals, valued at 123.8 billion MNT, were purchased. Conversely, 506.4 kg of metals, valued at 140.6 billion MNT, were sold. The amount of metals bought decreased by 16.5%, while the amount sold decreased by 3.8%.



### TRADE BETWEEN DEALERS IN PRECIOUS METALS, INDIVIDUALS AND ENTITIES



## JEWELRY TRANSACTIONS

AMOUNT OF  
PURCHASED PRICE**16.6** billion MNT

SOLD PRICE AMOUNT

**30.7** billion MNT

In the reporting quarter, jewelry worth 16.6 billion MNT was purchased, and jewelry worth 30.7 billion MNT was sold.

| CLASSIFICATION OF ASSETS AND RESOURCES | Amount<br>/MNT, billion/ | Proportion of assets and<br>resources |
|----------------------------------------|--------------------------|---------------------------------------|
| CURRENT ASSETS                         | 74.3                     | 84.9%                                 |
| NON-CURRENT ASSETS                     | 13.2                     | 15.1%                                 |
| LIABILITIES                            | 50.9                     | 58.1%                                 |
| OWNER'S PROPERTY                       | 36.6                     | 41.9%                                 |

## PROFITABILITY

Total income

**34.6**

billion MNT

Total cost

**29.8**

billion MNT

Net profit

**4.8**

billion MNT

## REGULATORY ENVIRONMENT



### POLICY AND LEGISLATION

- Under the patronage of the President of Mongolia, the first conference "Mongolian Blacksmith Traditions and Innovation" was organized on May 1, 2025, jointly by the Ministry of Culture, Sports, Tourism and Youth, the Ministry of Industry and Mineral Resources, the Financial Regulatory Commission, and the Tumen Erdenes NGO.
- Representatives of the Financial Regulatory Commission are serving on the Technical Commission for Jewelry Standardization.



### MEETINGS AND SEMINARS

- At the request of the local representative of the Financial Regulatory Commission in Uvurkhangaï province, a training session on "Regulations on the license and registration of traders of precious metals and stones, or products made of them" was organized for dealers on June 5, 2025. 9 participants participated in the training.





# SANDBOX

Number of requests

24<sup>\*</sup>

The company  
under test

5



Market outlook



4  
participants

24.2  
billion MNT trade



OTC market trading system



1,976  
by agreements

408.2  
billion MNT trade



Repo brokerage services

P2P loan service



**11,359**

costumers

**4.0**

billion MNT loan

Mutual Funding Services



**3,098**

Investors

**268.3**

million MNT financing

B2B loan service



**261**

Registered customers

**100.1**

billion MNT loan

## TESTED PRODUCTS AND SERVICES

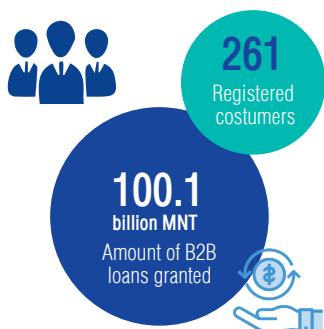
### Requests /by products and services/

The Sandbox unit received a total of 24 applications to test products and services in the sandbox environment. Currently 7 products and services including repo, certificate of deposit, trust services, P2P lending, incentive- and donation-based crowdfunding, OTC blockchain trading system, and B2B financing from five companies are being tested.



### B2B credit services

The B2B credit service entered the sandbox environment in January 2024. This service addresses the short-term financing needs of enterprises by enabling the efficient circulation of excess reserves in the organization's current account.



During the reporting period, the service registered 261 customers and facilitated loans totaling 100.1 billion MNT, of which 90.0 billion MNT has been repaid. The average interest rate on these loans is 1.5%, with loan terms of 7, 14, 21, 28, and 42 days.



## Repo brokerage services

Repo services have been operating in the sandbox environment since December 2021. An integrated trading, payment, registration, and storage platform has been tested, introducing repo trading, depository receipt, commercial paper, factoring (discounted claims), and trust services.

### Certificate of Deposit

From September 2023 to the end of the reporting quarter, a total of 251.6 million MNT worth of certificates of deposit have been traded.

Default trade amount

**239.5** million  
MNT

Secondary trading amount

**12.1** million MNT

### Trust

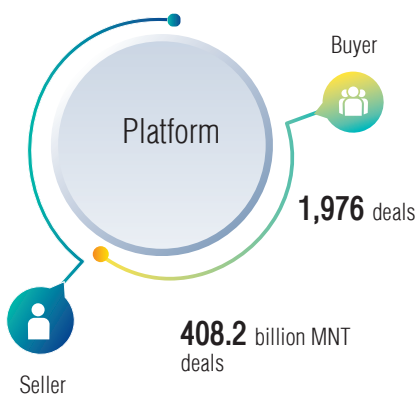
From October 2023 to the end of the reporting quarter, a total of 7.0 billion MNT worth of trust services have been intermediated.

Default trade amount

**6.1** billion MNT

Secondary trading amount

**919.0** million  
MNT



Since the launch of repo transactions through the platform, a total of 1,976 trades amounting to 408.2 billion MNT have been executed by 50 lenders and 42 borrowers.

In the reporting quarter 45 trades totaling 12.4 billion MNT were executed with excess supply, and 24 trades totaling 6.0 billion MNT with excess demand. The average maturity of repo loans was 37 days, with an average interest rate of 21.0 %.



Average repo interest rate

**21.0%**



Average term of repo loan

**37** days

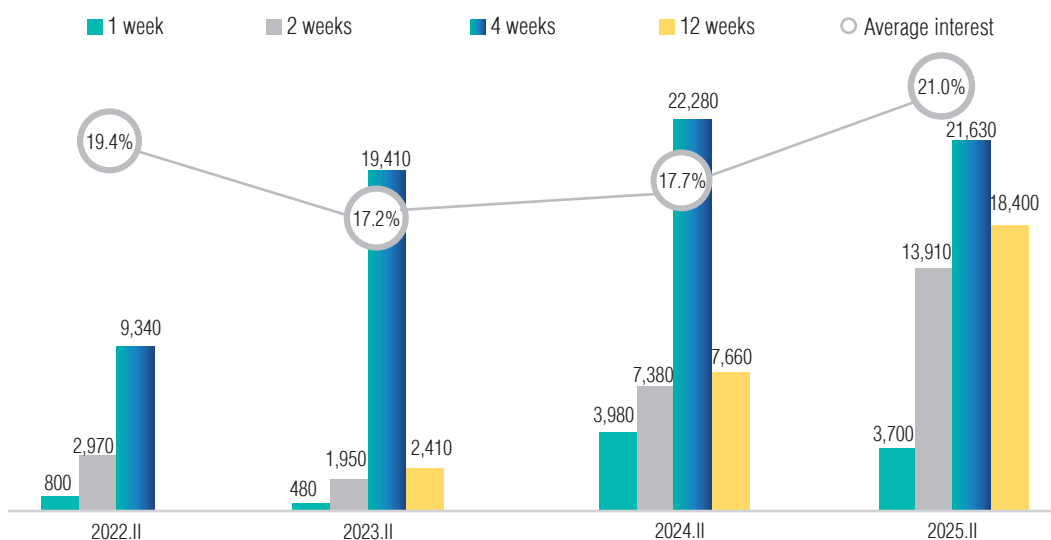


Table. General Indicators of Repo transaction

| Time    | Number of creditors | Number of borrowers | Number of trades | Trade amount   | Average interest | Average loan term |
|---------|---------------------|---------------------|------------------|----------------|------------------|-------------------|
| 2023.II | 17                  | 19                  | 117              | 24,250,000,000 | 17.2             | 31                |
| 2024.II | 19                  | 25                  | 158              | 41,300,000,000 | 17.7             | 33                |
| 2025.II | 26                  | 29                  | 272              | 57,640,000,000 | 21.0             | 37                |

Repo transaction figures in the reporting quarter show an increase in both the average interest rate and average term. Compared to the same period last year, the number of lenders and borrowers increased, from (158 to 272). The volume of repo loans rose from 41.3 billion MNT to 57.6 billion MNT. The average loan term continued to lengthen, indicating growing demand for long-term financing.

Figure. Repo transaction interest rate and trading amount /MNT, million/ with terms

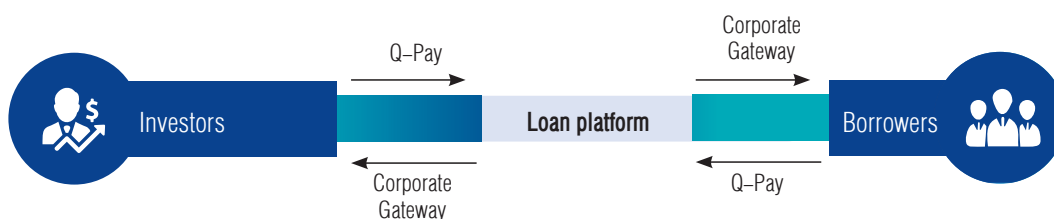


The weighted average interest rate on repo loans rose to 21.0% in Q2 2025:

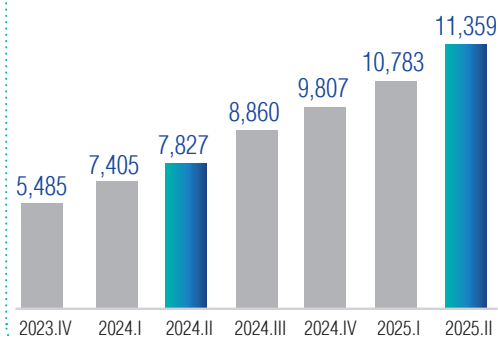
distribution of repo loans by maturity : 4-week maturity: 37.5%, 12-week maturity: 32.0% ,Two-week maturity: 24.1%, One-week maturity: 6.4%

## P2P loan service

The P2P loan service, in testing since December 2022, uses artificial intelligence and blockchain technology for credit evaluation and loan registration, and is currently developing a service that directly connects investors with borrowers.



Total number of P2P lending service customers



**98.4%**  
borrowers



**1.6%**  
investors

It has served a total of 11,359 customers, of which 1.6% are investors, and 98.4% are borrowers.

A total of loans of 4.0 billion MNT in loans have been issued, of which 3.3 billion MNT has been repaid, leaving an outstanding balance of 667.8 million MNT

Loan term Less than 3 months: 74%, more than 3 months: 26%, investment portfolio: One-year: 29%, less than one year: 71.0%.



1-12 months

Loan amount  
granted

**4.0** billion MNT

**667.8**  
million MNT  
Loan balance



**WALIR 2.0%**



Normal  
98.8%



Overdue  
0.5%



Non-Performing  
0.7%

Of the total loans facilitated through the P2P platform, 98.8 % are performing, 0.5 % are past due, and 0.7 % are non-performing. In addition, the weighted average monthly interest rate of P2P loans stands at 2.0 %.

Female



65%

Male



35%

Demographical breakdown of customers , gender 65.0% % are women, 35.0% % are men. age 49.0% are aged 18–35 , 35% are 36–45, 13.0% are 46–55, and 3.0% are over 55. Education, 62.4% have higher education, 4.0% have special secondary education, 29.1% have completed high school, 4.2% have secondary education, and 0.3% have primary education.

#### BY AGE

18–35 Years



49.0%

36–45 Years



35.0%

46–55 Years



13.0%

Over 55 Years



3.0%

#### BY EDUCATION



62.4%

Higher



4.0%

Special  
secondary



29.1%

High  
school



4.2%

Secondary



0.3%

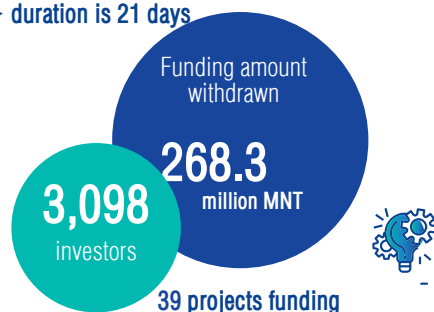
Primary

## Crowdfunding

Crowdfunding services, Launched in December 2022, are currently being tested across with incentive-, loan- and donation-based models

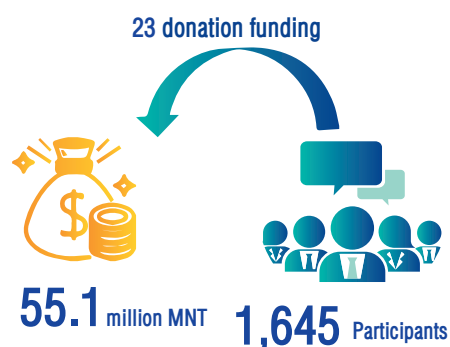


The average project duration is 21 days

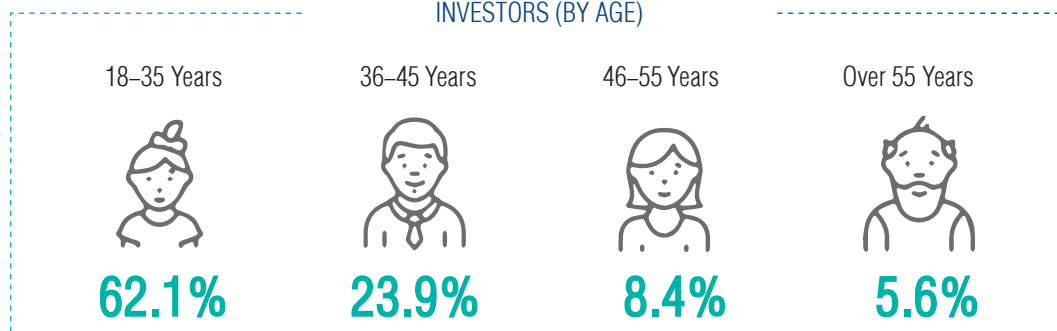


a total of 359.4 million MNT was raised from 4,746 investors across 64 projects valued at 2.4 billion MNT. Of these, 39 incentive-based projects raised 268.3 million MNT (average funding realization rate 28.0%).

- o 23 donation-based projects raised 55.1 million MNT from 1,645 investors .
- o one loan-based project raised 11.0 million MNT from 2 investors
- o One company raised 25 million MNT by offering its shares at an interest rate of 2.5%.



### INVESTORS (BY AGE)



Among the investors, 62.1% are aged 18-35 , 23.9% are aged , 8.4% are aged 46-55, and 5.6% are over 55.

## Blockchain trading system

The OTC blockchain trading system, operational in November 2023, has significantly enhanced the efficiency of trading and securities settlement in both the primary and secondary markets. This system enables automated trading and eliminates time constraints, offering 24/7 availability.



Weighted average  
interest rate  
21.0%

Transaction amount of  
blockchain system

**24.2** billion MNT

**237,763**  
securities



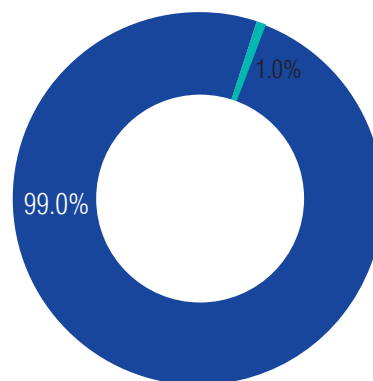
4 Direct participants

## General information about the blockchain system trading

In the reporting period, 237,763 securities worth 24.2 billion MNT were traded via the blockchain system. The weighted average bond interest rate was 22.0 %. There are 4 direct participants involved in secondary market blockchain trading during the period.

## Share of Blockchain Trading

The total secondary market trade value on the OTC market reached 1,798.6 billion MNT. Of which, 1.0% (or 24.2 billion MNT) occurred on the blockchain system.



Secondary trading market

Trading on blockchain in the secondary market



## REGULATORY ENVIRONMENT

### In the framework of the improvement of the regulatory environment:

By Joint Order No. 124/75/A/86 dated April 15, 2025 issued by the Chairman of the FRC, the Minister of Finance, and the Governor of the Bank of Mongolia, amendments were made to the “Sandbox Regulatory Environment Procedure.” These amendments introduced temporary regulations for transitioning products and services from the sandbox environment to the regulated market, provided supervision protocols during the interim period and clarified conditions for activity suspension, AML/CFT compliance, and license requirement restrictions.

### As part of the work to promote the Sandbox environment to the public:

At the Eastern Europe and Central Asia Regional Meeting of the Alliance for Financial Inclusion, Mongolia shared its sandbox implementation experience, highlighting regional considerations for sandbox introduction. At the Mongolia–Korea Financial Cooperation Forum, the FRC moderated a panel on “Financial Innovation,” which covered sandbox policy frameworks, regulatory challenges, and opportunities for bilateral cooperation.

### Within the framework of monitoring and collaborating with participants in the sandbox environment:

91 meetings were held with 33 companies interested in sandbox participation.

The FRC is conducting both on-site and off-site supervision based on participants reports.

The FRC regularly participates in training sessions and international discussions focused on fintech and regulatory innovation



a digital database is under development to collect and generate weekly, monthly, and quarterly reports tailored to each of the five products under testing.



The FRC also conducts regular research on product development and regulatory trends to ensure alignment with global best practices.



# VIRTUAL ASSET SERVICES

VASPs

12



Market outlook

Customers

694,209



Accessibility

Day trading of  
foreign virtual assets

224.7 million MNT



Products and services

Profitability



Total income

**3.9** billion MNT

Loss

**3.7** billion MNT

Regulatory environment

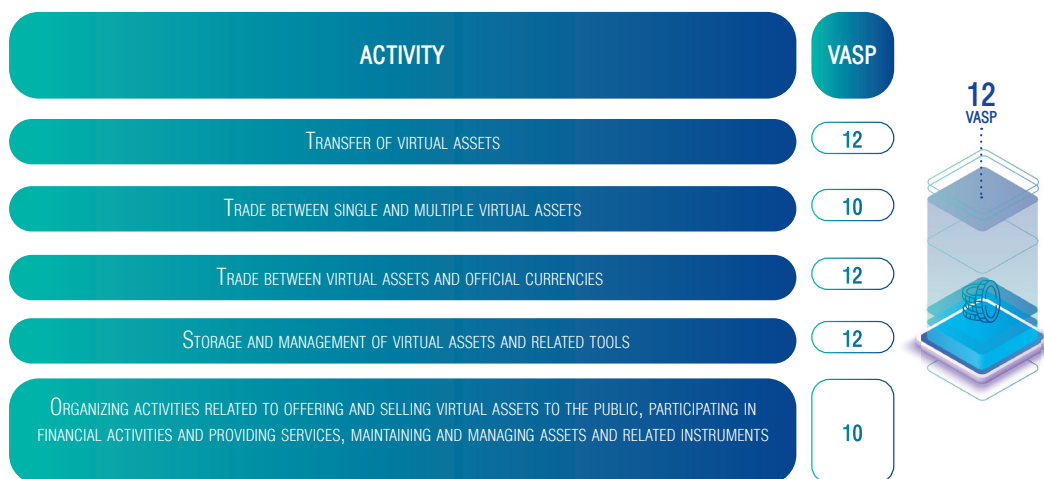


## MARKET OUTLOOK

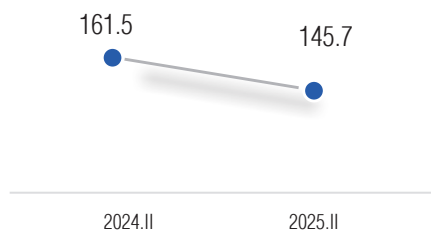
### NUMBER OF VIRTUAL ASSET SERVICE PROVIDERS

In the second quarter of 2025, there are 12 VASPs in operation, with a domestic market valuation decreased by 9.8% (15.8 billion MNT) compared to the same as the last year.

Areas of activity /duplicate/



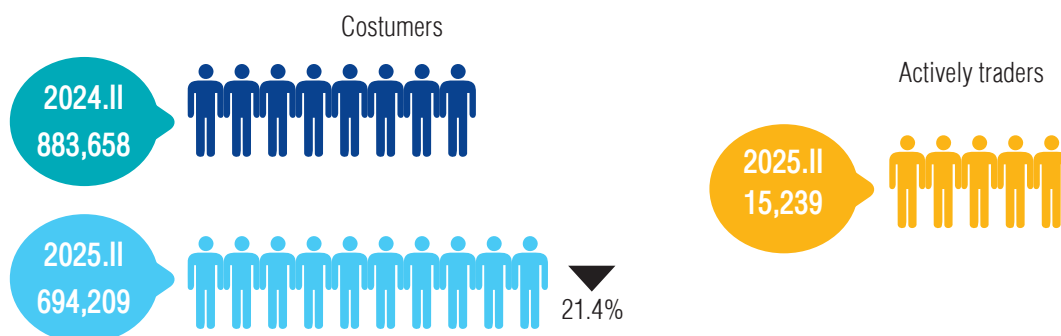
### Domestic market valuation (MNT, billion)



### MARKET SHARE (BY TOTAL TRADE)

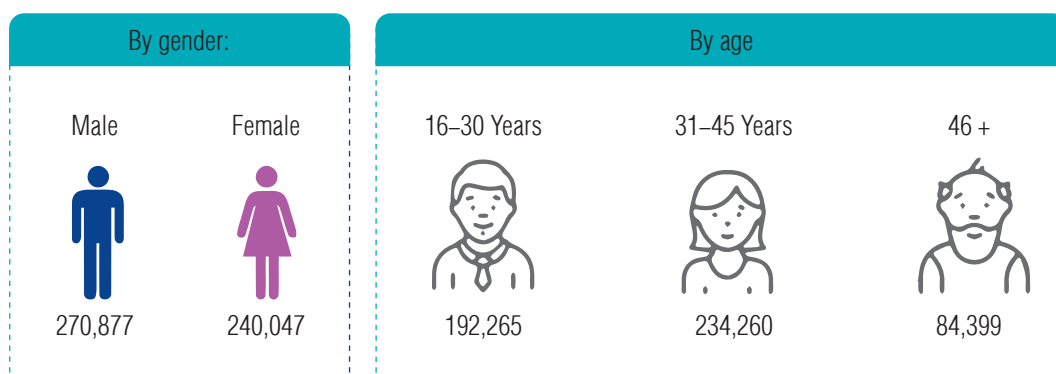
The 12 VASPs have 23 shareholders, and the ownership breakdown is: 100% ownership: 4 shareholders, 50–99% ownership – 10 shareholders, 10–49% ownership – 6 shareholders, less than 3% ownership – 3 shareholders. Among the shareholders, 8 are individuals and 15 are entities.

## ACCESSIBILITY



Total licensed VASP customers decreased by 21.4% compared to the same period last year. Of which 73.6% (510,924) of these customers are verified, and 2.2% (15,239) of customers are actively trading.

## CONFIRMED COSTUMERS



### Verified Customers Breakdown:

By sex (53.0% males 47.0% females)

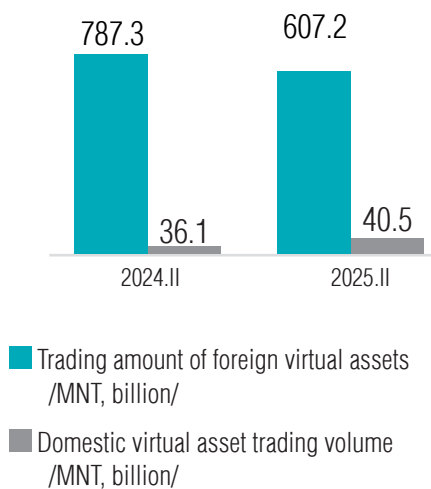
By age (37.6% are 16–30 years old, 45.9% are 31–45 years old, 16.5% are over 46 years old)

## PRODUCTS AND SERVICES

### VIRTUAL ASSET TRADING

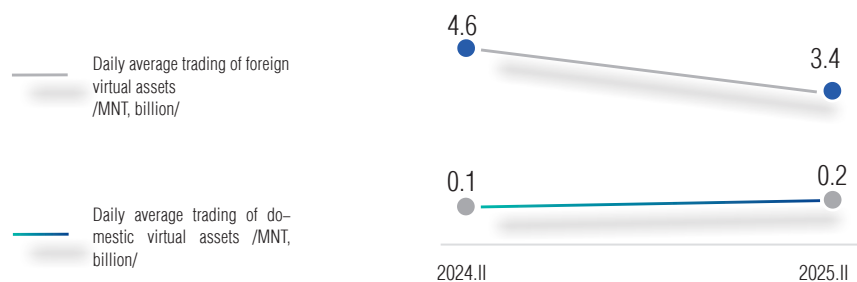
A total of 647.7 billion MNT was traded through VASPs:

- Trade of foreign virtual assets decreased by 180.1 billion MNT
- Trade of domestic virtual assets increased by 4.4 billion MNT from the same period of the previous year.



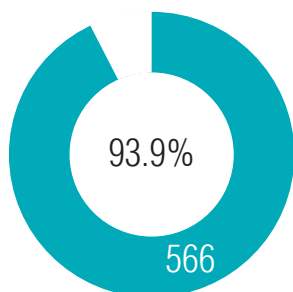
### AVERAGE DAILY TRADING

The average trade of foreign virtual assets was 3.4 billion MNT, and the average trade of domestic virtual assets was 0.2 billion MNT.

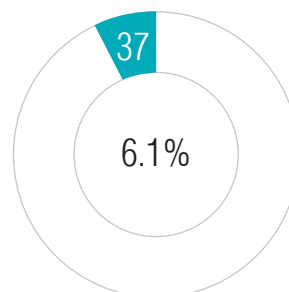


## NUMBER OF INTERNAL AND EXTERNAL VIRTUAL ASSETS TRADED ON THE VIRTUAL ASSET PROVIDER

603 VAs were traded through VASPs, with 37 (6.1%) of these were domestic VAs, and 566 (93.9%) foreign VAs.



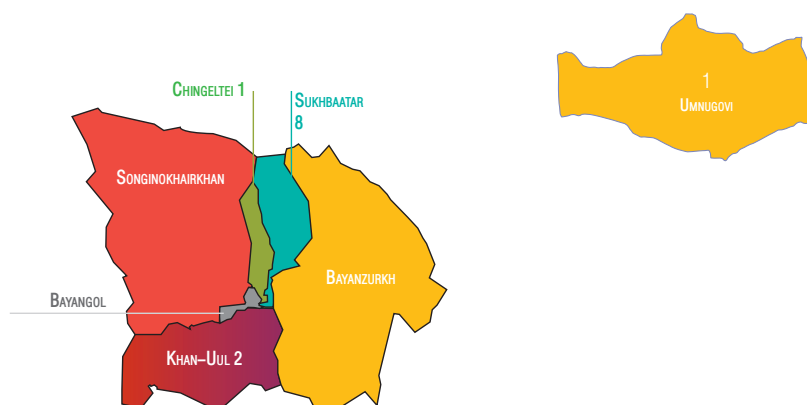
Domestic VAs decreased by 21.3% from the same period last year.



## ACCESSIBILITY

### LOCATION

1 VASP is located in Umnugovi aimag and 11 VASPs are located in Ulaanbaatar city. Of which 72.7% in Sukhbaatar district, 18.2% in Khan-Uul district, and 9.1% in Chingeltei district.

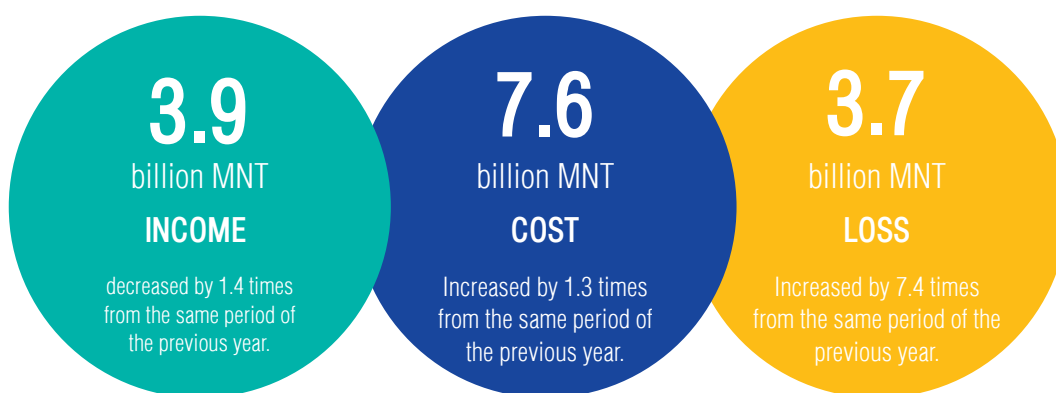


## PROFITABILITY

### TOTAL ASSETS

VASPs have total assets of 60.1 billion MNT, with 42.3 billion MNT (70.5%) classified as current assets and 17.8 billion MNT (29.5%) as non-current assets. Considering the source of assets, 40.9 billion MNT (68.1%) were debt, and 19.2 billion MNT (31.9%) were owner's equity.

| Statistics         | Amount /MNT, billion/ | Proportion of assets and resources |
|--------------------|-----------------------|------------------------------------|
| Current assets     | 42.3                  | 70.5%                              |
| Non-current Assets | 17.8                  | 29.5%                              |
| Liabilities        | 40.9                  | 68.1%                              |
| Owner's property   | 19.2                  | 31.9%                              |



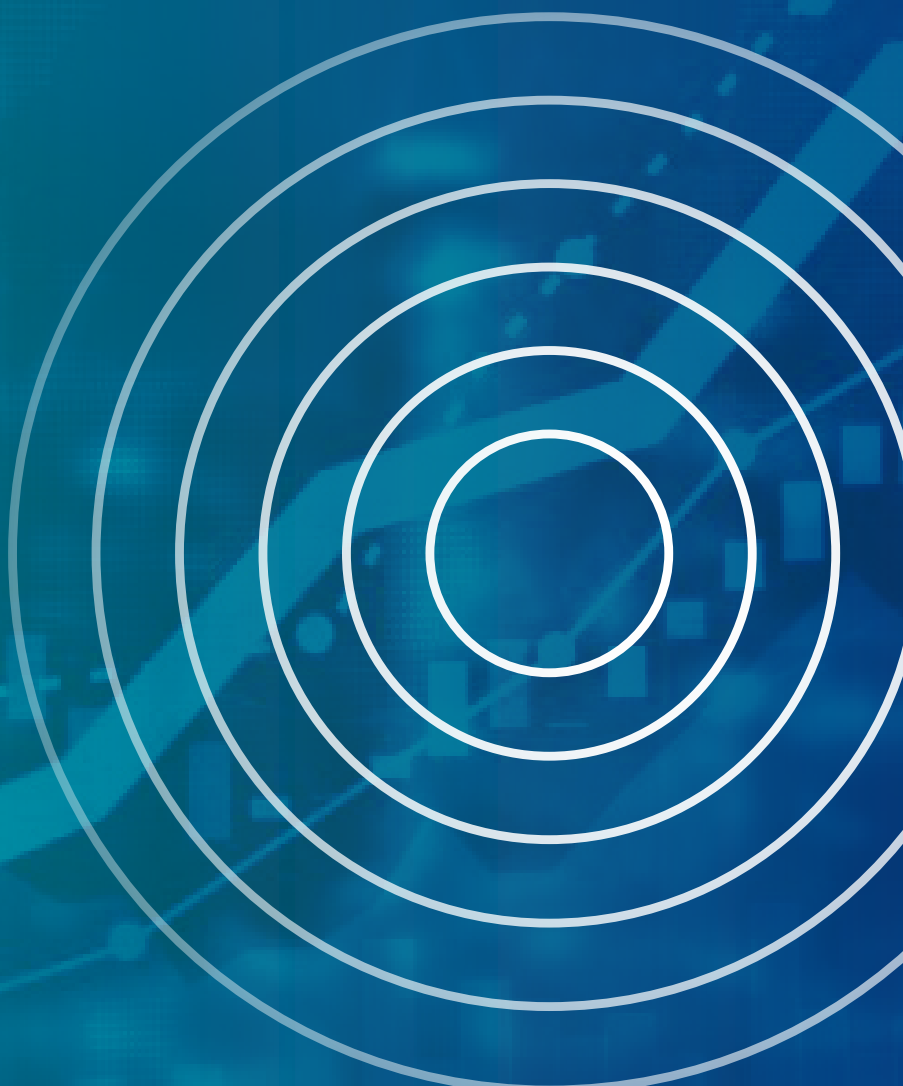
Profit decreased by 1.4 billion MNT, whereas expenditure increased by 1.9 billion MNT, and losses increased by 3.2 billion MNT compared to the same period last year.







# APPENDIX



## CAPITAL MARKET DATA

| Statistics                                                 | 2023.II   | 2024.II   | 2025.II   |
|------------------------------------------------------------|-----------|-----------|-----------|
| Market valuation (MNT, billions)                           | 10,998.6  | 11,305.7  | 12,157.3  |
| MV/GDP                                                     | 20.8%     | 16.0%     | 15.2%     |
| Liquidity                                                  | 1.0%      | 1.4%      | 0.9%      |
| Stock trading (MNT, billions)                              | 429.8     | 185.9     | 111.5     |
| Debt instrument trading (MNT, billions)                    | 37.4      | 565.0     | 88.2      |
| Asset-backed securities trading (MNT, billions)            | 42.2      | 61.6      | 168.2     |
| Investment fund (MNT, billions)                            | 29.6      | 38.2      | 77.9      |
| Government securities (MNT, billions)                      | –         | –         | 58.1      |
| TOP-20 index                                               | 36,899.16 | 44,385.18 | 49,246.17 |
| MSE A index                                                | 16,216.23 | 17,223.73 | 17,825.99 |
| MSE B index                                                | 12,178.61 | 13,387.44 | 14,403.63 |
| Number of JSCs                                             | 321       | 311       | 311       |
| Number of SCs                                              | 52        | 52        | 53        |
| Commercial value of agricultural products (MNT, billions)  | 494.9     | 657.4     | 204.1     |
| Trading volume of mining products exchange (MNT, billions) | 1,223.5   | 6,155.3   | 1,397.6   |

## INSURANCE MARKET DATA

| Statistics                                               | 2023.II | 2024.II | 2025.II |
|----------------------------------------------------------|---------|---------|---------|
| Total assets (MNT, billions)                             | 518.3   | 616.6   | 703.7   |
| Total insurance and reinsurance premiums (MNT, billions) | 172.4   | 226.1   | 250.6   |
| Total compensation (MNT, billions)                       | 53.4    | 70.0    | 88.2    |
| Reserve fund (MNT, billions)                             | 244.2   | 290.6   | 337.5*  |
| Reinsurance fee (MNT, billions)                          | 44.6    | 57.0    | 50.2    |
| Net profit (MNT, billions)                               | 1.1     | 19.8    | 30.1    |
| Professional participants:                               |         |         |         |
| Non-life insurance                                       | 15      | 16      | 17      |
| Life insurance                                           | 2       | 2       | 2       |
| Reinsurance                                              | 1       | 1       | 1       |
| Insurance agent                                          | 2,381   | 2,490   | 1,093   |
| Insurance broker                                         | 64      | 62      | 62      |
| Damage assessor                                          | 25      | 26      | 29      |
| Actuary                                                  | 40      | 40      | 40      |
| Auditor                                                  | 145     | 147     | 155     |
| Auditor's company                                        | 44      | 45      | 48      |

## NBFI DATA

| (billion MNT)                                                      |           |           |           |
|--------------------------------------------------------------------|-----------|-----------|-----------|
| Statistics                                                         | 2023.II   | 2024.II   | 2025.II   |
| Total assets                                                       | 3,945.9   | 5,756.6   | 7,983.4   |
| Current assets                                                     | 3,815.1   | 5,490.5   | 7,616.0   |
| Cash                                                               | 524.6     | 706.7     | 664.2     |
| Short-term investments                                             | 34.9      | 77.0      | 97.0      |
| Total loans                                                        | 3,107.5   | 4,590.5   | 6,674.9   |
| Normal loans                                                       | 2,766.9   | 4,169.7   | 5,828.6   |
| Overdue loans                                                      | 103.1     | 137.9     | 332.4     |
| Non-performing loans                                               | 237.4     | 282.8     | 513.9     |
| Credit risk fund                                                   | 177.5     | 212.4     | 357.5     |
| Other real estate to be owned and other property to be owned (net) | 21.4      | 29.6      | 42.8      |
| Non-current assets                                                 | 130.7     | 266.1     | 367.4     |
| Total liabilities                                                  | 1,477.7   | 2,581.9   | 3,758.0   |
| Trust service payable                                              | 449.3     | 884.8     | 1,175.3   |
| Payables to domestic and foreign banks and financial institutions  | 428.2     | 871.9     | 1,419.5   |
| Project loan financing                                             | 33.3      | 19.5      | 129.7     |
| Owner's property                                                   | 2,468.1   | 3,174.7   | 4,225.3   |
| Secondary charity                                                  | 75.9      | 66.2      | 86.9      |
| Share capital                                                      | 1,440.0   | 1,682.2   | 1,980.5   |
| Accumulated profit                                                 | 889.3     | 1,329.2   | 2,010.7   |
| Number of NBFIs                                                    | 522       | 549       | 573       |
| Ulaanbaatar                                                        | 427       | 450       | 478       |
| Provinces                                                          | 95        | 99        | 95        |
| Customers                                                          | 3,895,987 | 4,875,687 | 3,611,895 |
| Total income                                                       | 520.2     | 800.9     | 1,264.9   |
| Interest income                                                    | 439.1     | 712.9     | 1,129.2   |
| Non-interest income                                                | 68.4      | 72.1      | 107.1     |
| Non-operating income                                               | 12.6      | 15.9      | 28.3      |
| Total cost                                                         | 331.1     | 475.8     | 807.2     |
| Interest expenses                                                  | 60.7      | 167.7     | 298.0     |
| Non-interest expenses                                              | 189.2     | 201.3     | 265.1     |
| Potential risk costs                                               | 50.7      | 46.2      | 147.6     |
| Non-core operating expenses                                        | 4.9       | 60.6      | 96.5      |
| Net profit                                                         | 189.1     | 325.1     | 457.7     |

## SCC'S DATA

(billion MNT)

| Statistics                       | 2023.II      | 2024.II      | 2025.II      |
|----------------------------------|--------------|--------------|--------------|
| <b>Total assets</b>              | <b>295.9</b> | <b>327.8</b> | <b>376.9</b> |
| Current assets                   | 291.8        | 318.6        | 362.5        |
| Cash                             | 52.2         | 65.8         | 52.8         |
| Liability                        | 16.7         | 17.9*        | 20.7         |
| Non-current Assets               | 4.1          | 9.2          | 14.4         |
| Fixed assets /net/               | 4.0          | 4.3          | 4.9          |
| Intangible assets /net/          | 0.2          | 0.1          | 2.2          |
| <b>Total loans</b>               | <b>220.4</b> | <b>243.3</b> | <b>294.8</b> |
| Normal loans                     | 205.1        | 229.3        | 274.2        |
| Overdue loans                    | 8.0          | 7.2          | 13.6         |
| Non-performing loans             | 7.3          | 6.8          | 7.0          |
| Liabilities                      | 234.3        | 254.6        | 290.8        |
| Total savings                    | 203.9        | 226.1        | 259.4        |
| Short and long term liabilities  | 13.9         | 7.8          | 4.8          |
| <b>Own assets</b>                | <b>61.6</b>  | <b>73.2</b>  | <b>82.3</b>  |
| Members' contributions           | 27.2         | 28.6         | 29.7         |
| Property of cooperatives         | 34.2         | 44.3         | 52.2         |
| Accumulated income /loss/        | 12.0         | 19.0         | 22.2         |
| <b>Total income</b>              | <b>30.3</b>  | <b>36.0</b>  | <b>44.5</b>  |
| Interest income                  | 28.7         | 33.7         | 42.6         |
| Non-operating income             | 1.1          | 0.9          | 0.7          |
| Other operating income           | 0.5          | 1.4          | 1.2          |
| <b>Total expenses</b>            | <b>27.5</b>  | <b>30.2</b>  | <b>36.4</b>  |
| Interest expenses                | 17.4         | 19.3         | 22.3         |
| Potential contingency fund costs | 1.5          | 0.9          | 1.6          |
| Operating costs                  | 8.1          | 9.3          | 11.6         |
| Non-operating expenses           | 0.1          | 0.0          | 0.1          |
| <b>Net income</b>                | <b>2.8</b>   | <b>5.8</b>   | <b>8.1</b>   |
| Number of SCCs                   | 192          | 181          | 177          |
| Number of Ulaanbaatar SCCs       | 101          | 92           | 85           |
| Number of local SCCs             | 91           | 89           | 92           |
| Members                          | 71,184       | 74,186       | 76,879       |

## CREDIT GUARANTEE FUND

(billion MNT)

| Statistics                                     | 2023.II | 2024.II | 2025.II |
|------------------------------------------------|---------|---------|---------|
| Total assets                                   | 257.6   | 300.7   | 313.0   |
| Warranty balance                               | 85.5    | 250.9   | 448.2   |
| Of which: overdue                              | 2.6     | 1.1     | 6.0     |
| :non-performing                                | 9.4     | 6.0     | 8.0     |
| Guaranteed loan balance                        | 166.8   | 455.2   | 799.6   |
| Of which: overdue                              | 4.7     | 1.7     | 11.7    |
| :non-performing                                | 20.1    | 18.1    | 16.7    |
| Operating income                               | 5.7     | 10.0    | 15.7    |
| Operating expense                              | 1.4     | 5.4     | 15.9    |
| Operating result                               | 4.3     | 4.6     | (0.2)   |
| Total guarantees                               | 132     | 5,441   | 1,376   |
| Amount of bail issued                          | 97      | 5,429   | 1,376   |
| of which: agriculture                          | 21.4    | 167.3   | 42.8    |
| manufacturing                                  | 0.3     | 1.2     | 0.6     |
| wholesaling and retailing                      | 8.7     | 5.9     | 2.9     |
| services                                       | 9.5     | 14.0    | 4.9     |
| Average period of guarantee issued /in months/ | 0.6     | 134.1   | 30.7    |
| Number of requests submitted for bail          | 2.3     | 12.1    | 3.7     |
| Of which: Number of approved requests          | 164.2   | 80.2    | 83.3    |

## REBs DATA

| Statistics                                              | 2023.II | 2024.II | 2025.II |
|---------------------------------------------------------|---------|---------|---------|
| REBs (including agencies)                               | 311     | 311     | 303     |
| Brokers                                                 | 324     | 324     | 320     |
| Agents                                                  | 1,269   | 1,340   | 1,112   |
| Area of real estate bought and sold (m <sup>2</sup> )   | 707.6   | 864.6   | 2,293.7 |
| Value of real estate bought and sold                    | 992.0   | 1,268.2 | 1,398.3 |
| Area of real estate rented and leased (m <sup>2</sup> ) | 232.1   | 314.2   | 313.3   |
| Value of real estate rented and leased                  | 66.3    | 103.2   | 125.6   |

## DPMS DATA

| Statistics                                                 | 2023.II | 2024.II | 2025.II |
|------------------------------------------------------------|---------|---------|---------|
| Entities (DPMS, and dealers in products made from them)    | 49      | 53      | 56      |
| Individuals (DPMS, and dealers in products made from them) | 461     | 453     | 492     |
| Weight of bought precious metals (gram)                    | 236.8   | 928.2   | 860.9   |
| Value of purchased precious metals (MNT, billion)          | 41.3    | 148.2   | 123.8   |
| Weight of sold precious metals (gram)                      | 259.6   | 651.4   | 506.3   |
| Value of sold precious metals (MNT, billion)               | 49.0    | 146.2   | 140.6   |
| Total value of bought products (MNT, billion)              | 3.8     | 11.7    | 16.6    |
| Total value of sold products (MNT, billion)                | 4.1     | 20.1    | 30.7    |

## VASP DATA

(billion MNT)

| Statistics                                  | 2024.II | 2025.II |
|---------------------------------------------|---------|---------|
| Number of VASP                              | 12      | 12      |
| Costumers                                   | 883,658 | 694,209 |
| Of which: Actively trades                   | 24,736  | 15,239  |
| Confirmed                                   | 435,520 | 510,924 |
| Number of domestic virtual assets           | 45      | 37      |
| Valuation of domestic virtual assets market | 161.5   | 145.7   |
| Domestic virtual asset trading volume       | 36.1    | 40.5    |
| Share capital                               | 24.9    | 24.9    |
| Total assets                                | 65.9    | 60.1    |
| Operating Profit/Loss                       | (0.5)   | (3.7)   |

