



XACBANK JSC FINANCIAL AND OPERATIONAL RESULTS

As of December 31, 2025



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Operational highlights

| Q4 2025

Global Finance

Global Finance magazine recognized XacBank as the Best Bank in Mongolia, with the award formally presented on October 18 in Washington, D.C

Outstanding Sustainable (ToC) Bank

XacBank was once again recognized as the "Outstanding Sustainable (ToC) Bank" for 2025. A key highlight of the year was the Bank's successful implementation of environmental and social risk management, together with climate risk management frameworks. XacBank calculated greenhouse gas (CO₂) emissions associated with its lending and investment activities, and successfully published its disclosures under the international PCAF (Partnership for Carbon Accounting Financials) initiative, achieving "Reported" status.



Moody's B1 Rating

Moody's Ratings upgraded XacBank's long-term credit rating by one notch from B2 to B1 with a Stable outlook. Moody's cited the upgrade of the Government of Mongolia's sovereign rating and the sustained improvement in XacBank's financial performance as key drivers of the upgrade to the Bank's long-term deposit and issuer ratings. As a result, XacBank became one of only two Mongolian banks to receive a rating upgrade on long-term deposit and issuer ratings.

Operational highlights

Q4 2025



XacBank introduced refreshed, distinctive designs for its XacTeen card, aimed at promoting financial literacy and daily financial management for children and teenagers. Upon receiving the card, users can connect it to the XacTeen app, enabling them to independently manage daily financial activities such as checking balances and making transfers.



XacBank signs USD 150 million syndicated loan agreement

XacBank signed a syndicated loan agreement with the Netherlands Development Bank for USD 150 million. The financing will be fully allocated to support micro, small, and medium-sized enterprises, with a focus on young and women entrepreneurs, as well as businesses in the agricultural sector. The remaining portion will be directed toward environmentally friendly and green businesses, as well as the production of wool and cashmere products.

Operational highlights



| Q4 2025

Digitalization:



Ebarimt auto register

Payments made with XacBank cards are now automatically registered in the Ebarimt system.



IBAN enquiry

Updated IBAN lookup service simplifies transactions through Digital Bank, InstaXPay, and XacTeen+ apps.



UnionPay Card

XacBank UPI cards can now be linked to Alipay and WeChat apps, enabling purchases and payments without fees.

Financial results

Q4 2025

Net profit	ROE	XAC (stock price)	EPS	Tier 1 ratio	Liquidity ratio
MNT 172.6 billion	21.8%	MNT 963.9	MNT 164.1	20.1%	37.6%

Profitability:

- In Q4 2025, XacBank recorded net profit after tax of MNT 47.6 billion, bringing full-year 2025 net profit after tax to MNT 172.6 billion. In 2025, interest income increased in line with the expansion of the Bank's loan portfolio; However higher expenses on Swap facilities with Bank of Mongolia and policy changes by Bank of Mongolia in respect of cash reserves on customer deposits, had a negative impact on profitability. In addition, non-performing loans increased compared to the prior year, leading to higher provisioning expenses due to market conditions;
- As of the end of Q4 2025, return on equity (ROE) stood at 21.8%, while earnings per share (EPS) amounted to MNT 164.1.

Balance sheet:

- In Q4 2025, XacBank's total loan portfolio reached MNT 4,183 billion, increasing by 1.0% QoQ and 13.1% YTD;
- The retail banking loan portfolio grew by 4.8% YTD to MNT 2,710 billion, driven primarily by growth in consumer lending as well as MSME loans;
- XacLeasing's finance lease and loan portfolio reached MNT 659 billion, representing growth of 41.1% YTD and 3.6% QoQ. In Q4, outstanding new vehicle leases increased by 7.4% QoQ and 43.9% YTD, while outstanding used car leases declined by 2.7% QoQ but increased by 50.6% YTD. During the reporting period, the expansion of XacMortgage services and its operation as a centralized lending platform resulted in robust growth of 49.1% QoQ and 81.2% YTD for residential mortgage of XacLeasing;
- NPL ratio is 2.5% of GLP as of Q4 2025, lowest in the banking sector;
- The corporate banking loan portfolio grew by QoQ and 26.6% YTD, reaching MNT 814 billion;
- Total current accounts and deposits increased by 5.7% QoQ and 9.4% YTD, reaching MNT 3,749 billion. In Q4 2025, the Bank repaid USD 113 million of senior debt in line with the repayment schedule, resulting in a 12.1% QoQ decrease in outstanding senior debts to USD 548 million.

Prudential ratios:

- As of the end of Q4 2025, all regulatory metrics set by the Bank of Mongolia are within the limit;
- Tier 1 capital ratio is 20.1%, 7.6 pts above the regulatory minimum requirement of 12.5%;
- The liquidity ratio is 37.6% (regulatory limit >25%).

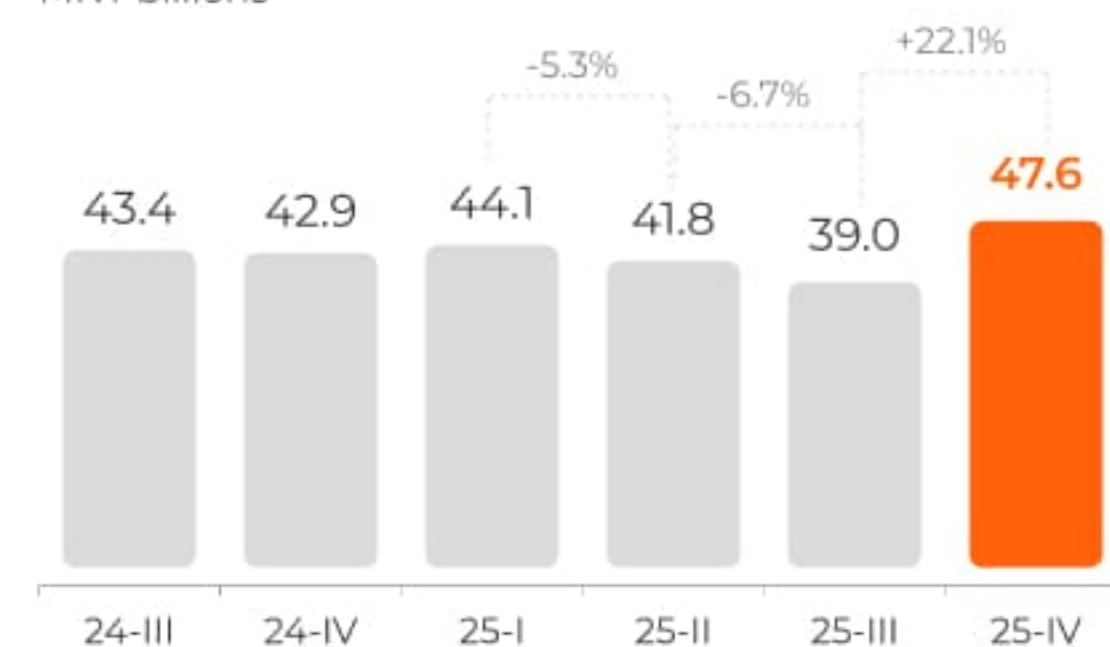
Key financial metrics



Q4 2025

Net profit

MNT billions



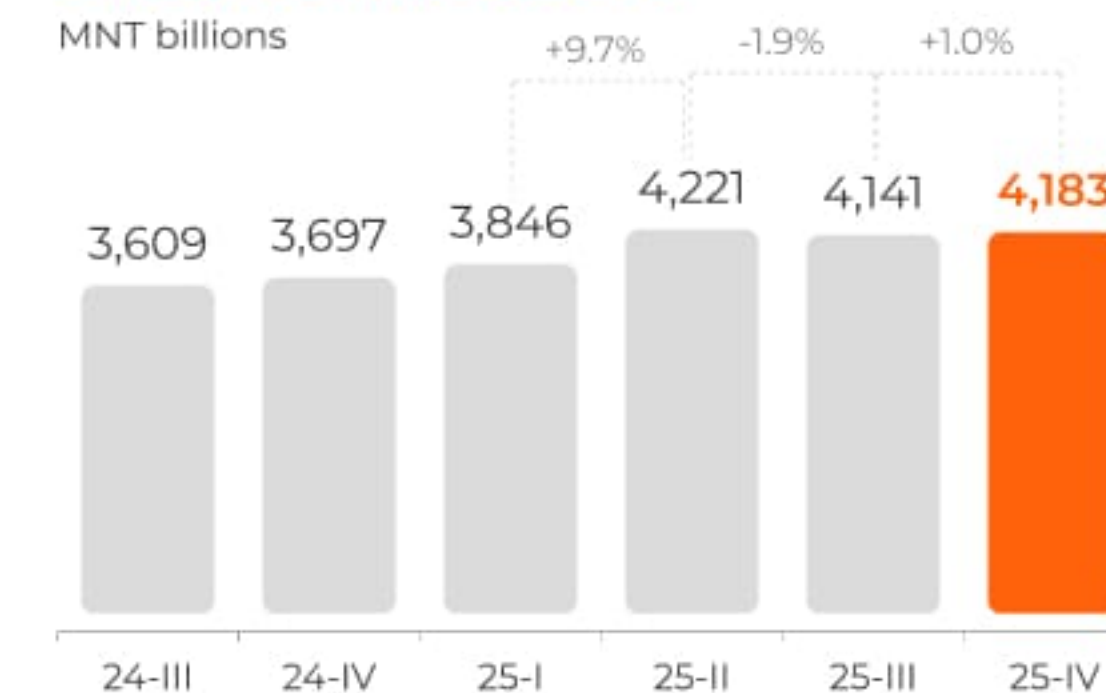
Total assets

MNT billions



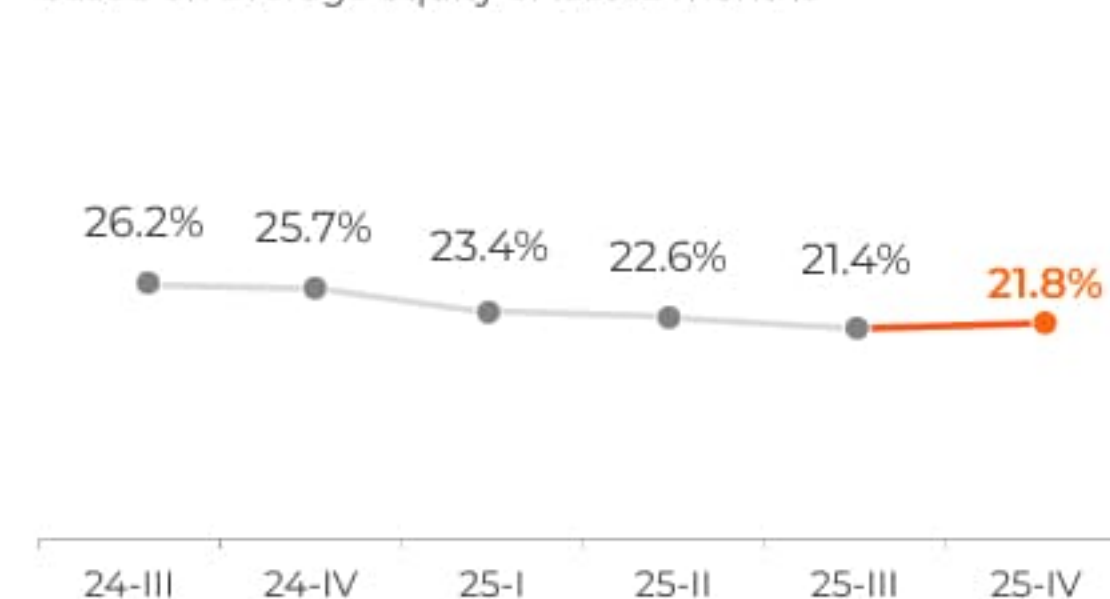
Gross loan portfolio

MNT billions

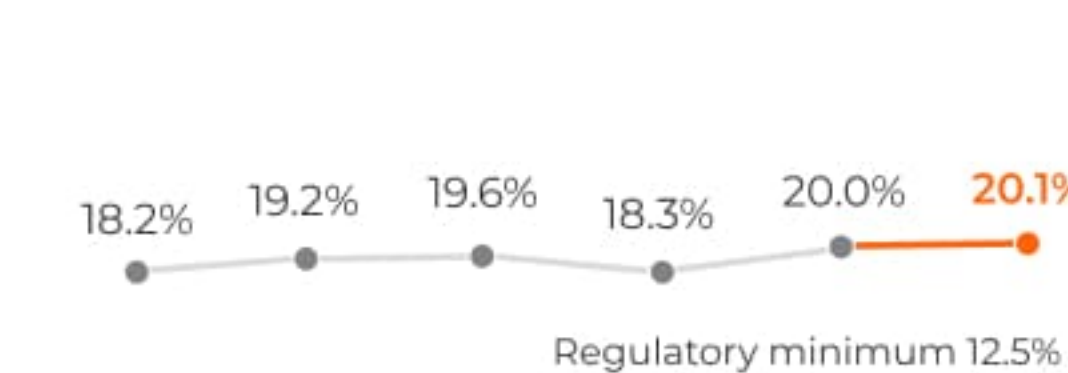


ROE

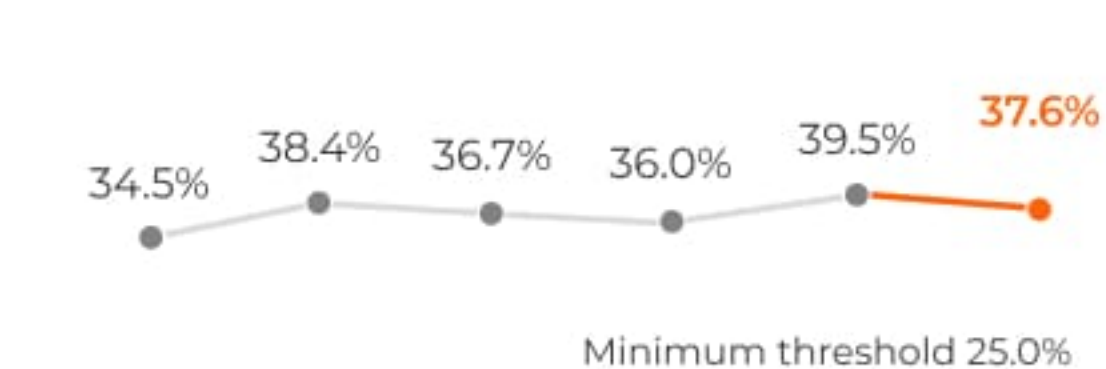
based on average equity of last 12 months



Tier 1 capital ratio



Liquidity ratio



Lending



Q4 2025

Number of loan accounts

216.1K ▼ -2.5% QoQ ▲ +14.1% YTD

Retail Banking loans

210.7K

Business Banking loans

0.2K

XacLeasing leases

5.2K

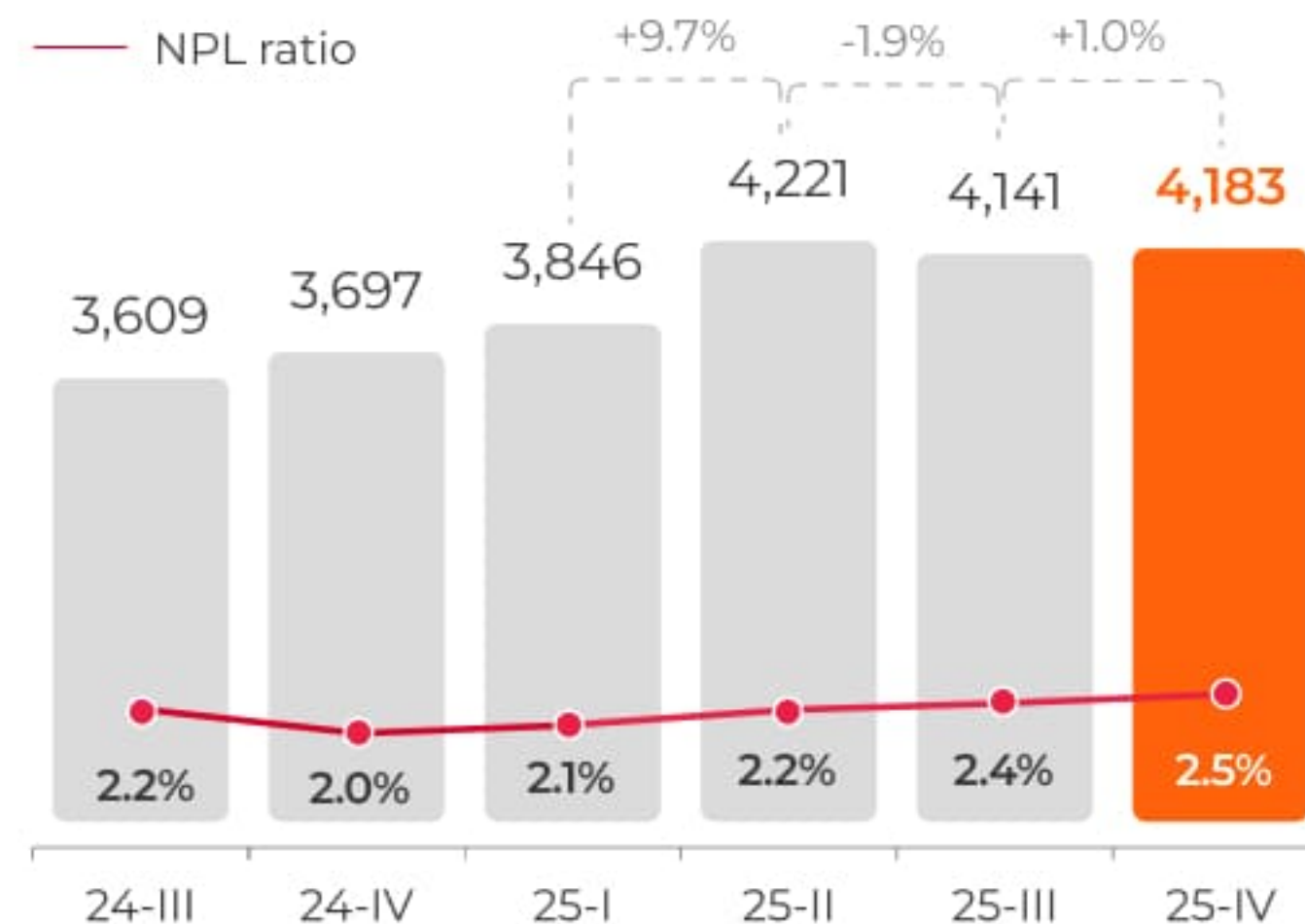
Number of digital loan accounts

144.6K ▼ -3.0% QoQ ▲ +16.7% YTD

Gross loan portfolio

MNT billions

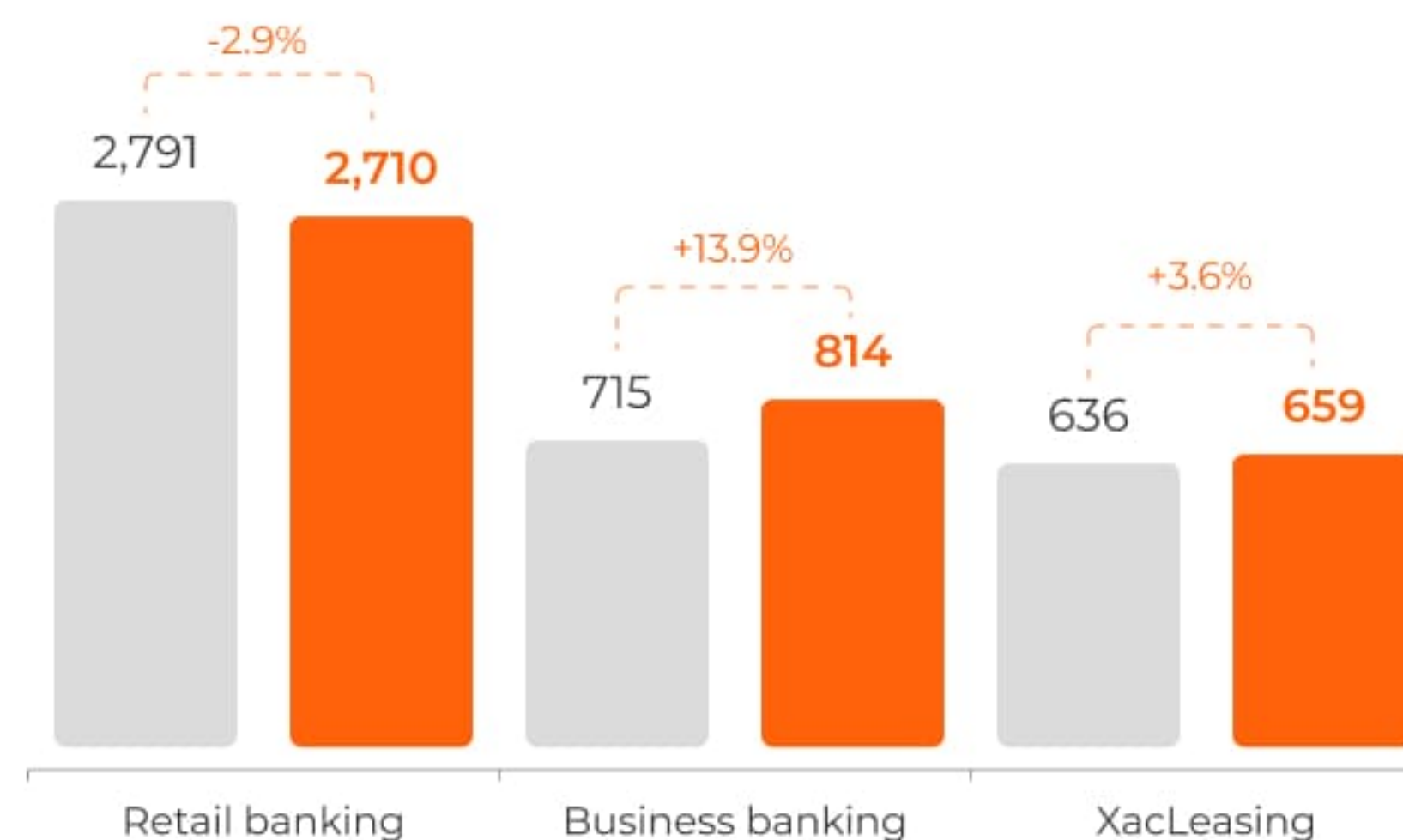
— NPL ratio



By segment

MNT billions

■ 25-III ■ 25-IV



- The retail banking loan portfolio declined by 2.9% QoQ to MNT 2,710 billion. The decrease was mainly driven by the transfer of MNT 99.6 billion in mortgage loans to the Mongolian Mortgage Corporation (MIK) in Q4, as well as the tightening of digital lending requirements
- The growth of XacLeasing's finance lease portfolio was primarily driven by increases in vehicle finance leasing and residential mortgage lending.

Current accounts and deposits

Q4 2025

Number of accounts
1.5 million ▲ 1.2% QoQ ▲ 9.2% YTD

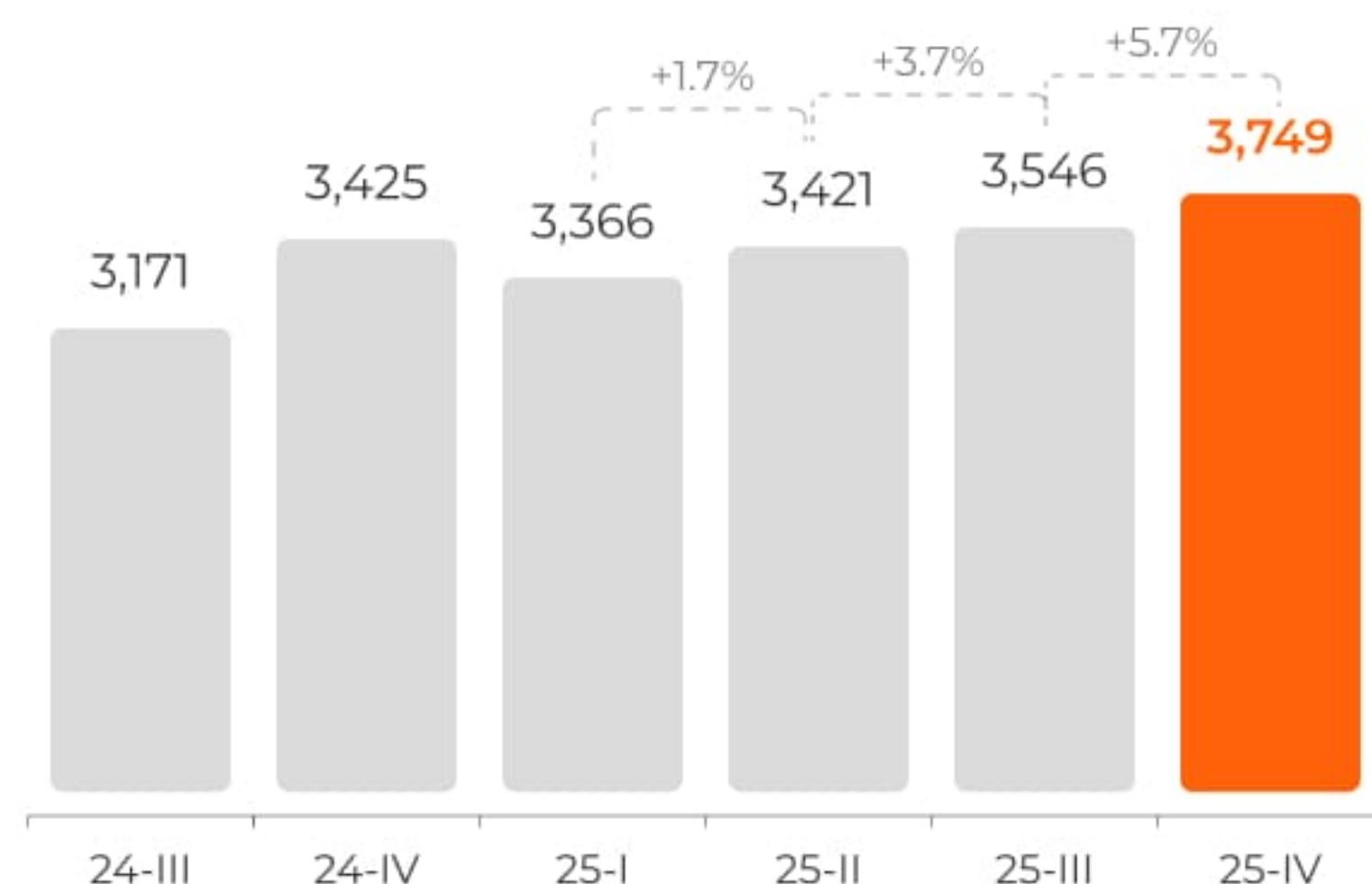
Number of current accounts
955.3K

Number of deposit accounts
559.7K

Total number of clients
1.2 million ▲ 1.0% QoQ ▲ 8.0% YTD

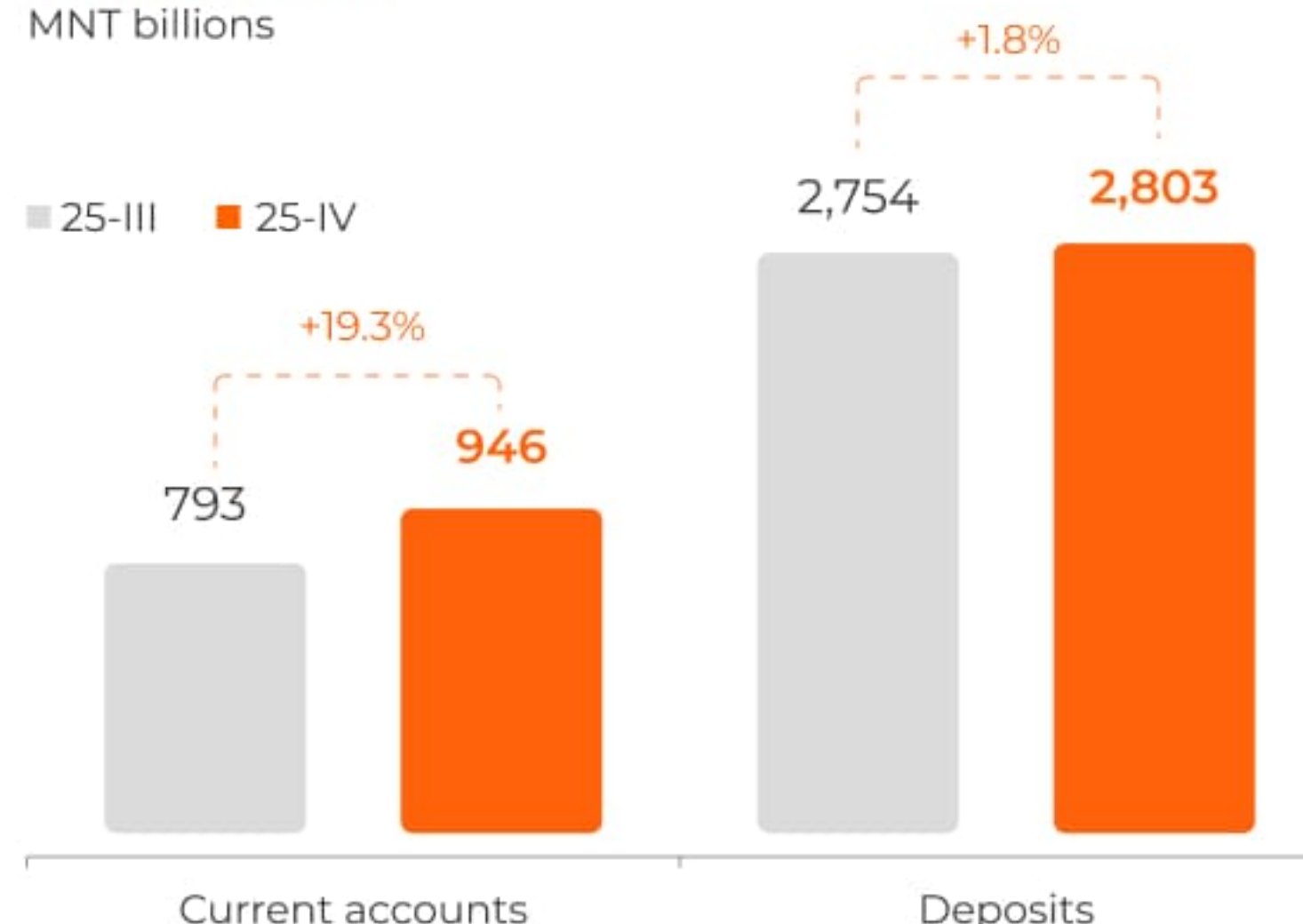
Current accounts & deposits

MNT billions



By products

MNT billions



- In Q4 2025, XacBank's current account balances reached MNT 946 billion, increasing by 19.3% QoQ;
- Total deposits increased by 1.8% QoQ to MNT 2,803 billion. Deposit growth was evenly driven by increases of 1.6–1.9% in the “Future Millionaire” children's savings product, as well as in both time and demand deposits

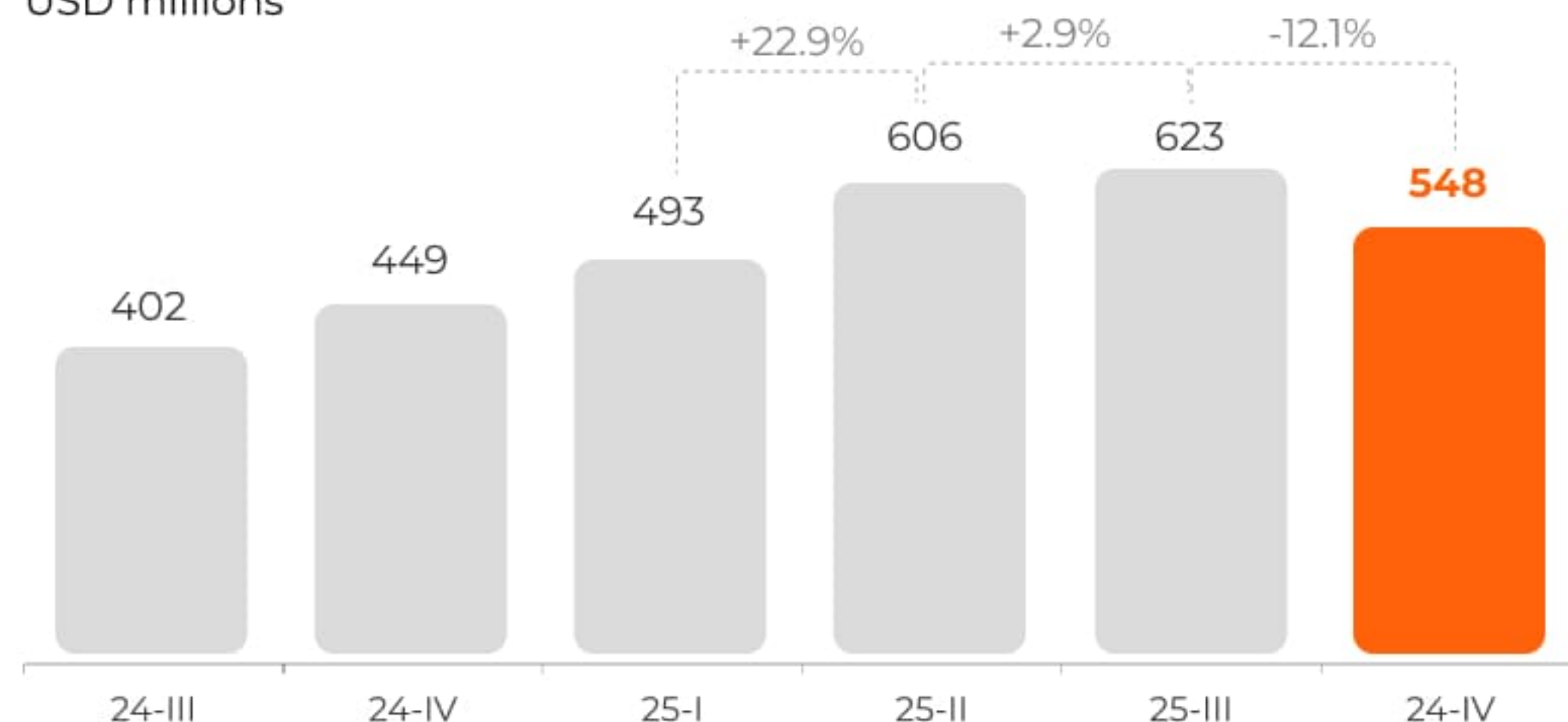
Senior debts

Q4 2025

In Q4 2025, XacBank raised a total of USD 29.3 million in foreign funding from international institutions, including BlueOrchard (USD 10 million), Incofin (USD 15 million), and Symbiotics (USD 4.3 million). In line with the repayment schedule, the Bank repaid a total of USD 113 million during the quarter. As a result, total senior debt decreased by 12.1% from the previous quarter, reaching USD 548 million.

Senior debt

USD millions



New senior debts



\$150,000,000

In partnership with the Netherlands Development Agency, XacBank signed USD 150 million syndicated loan, with ILX Funds, BlueOrchard, NTB, CDP, GCPF, and Atlantic Forfaiting participating.



\$19,300,000

XacBank successfully secured USD 19 million in financing from Incofin and Symbiotics, an impact investors, to support micro, small, and medium-sized enterprises operating in Mongolia.

Stock information

Q4 2025

XacBank JSC (XAC) shares closed at MNT 963.9 on December 31, 2025, representing an increase of 16.7% compared to the previous year-end closing price and 42.4% above the IPO price. As of Q4 2025, earnings per share (EPS) stood at MNT 164.1.

In line with its commitment to enhancing liquidity for minority shareholders, XacBank has been implementing a share buyback program with the approval of the Bank of Mongolia, since September 18, 2024. During the tenure of the program, the Bank repurchased a total of 2,672,816 shares (0.25% of total outstanding shares) as of December 31, 2025.

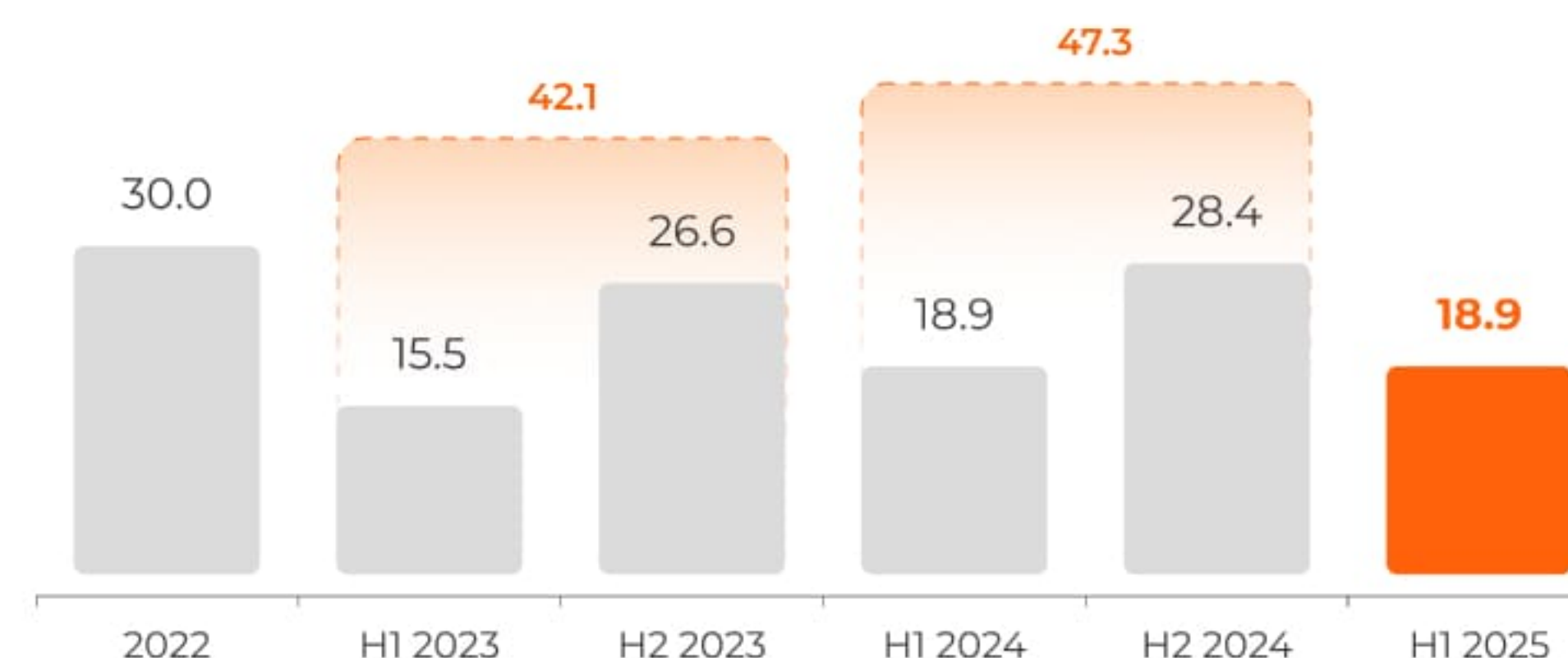
The Board recommended dividend disbursement of MNT 18.0 per share, totaling MNT 18.9 billion from the retained earnings of first half of 2025 was approved by the extraordinary general meeting of shareholders. Subsequently, the dividend was credited to shareholders' accounts on October 16, 2025.

XAC stock price and trading volume



Dividend distribution

MNT billions



Prudential ratios: capital adequacy, liquidity ratio

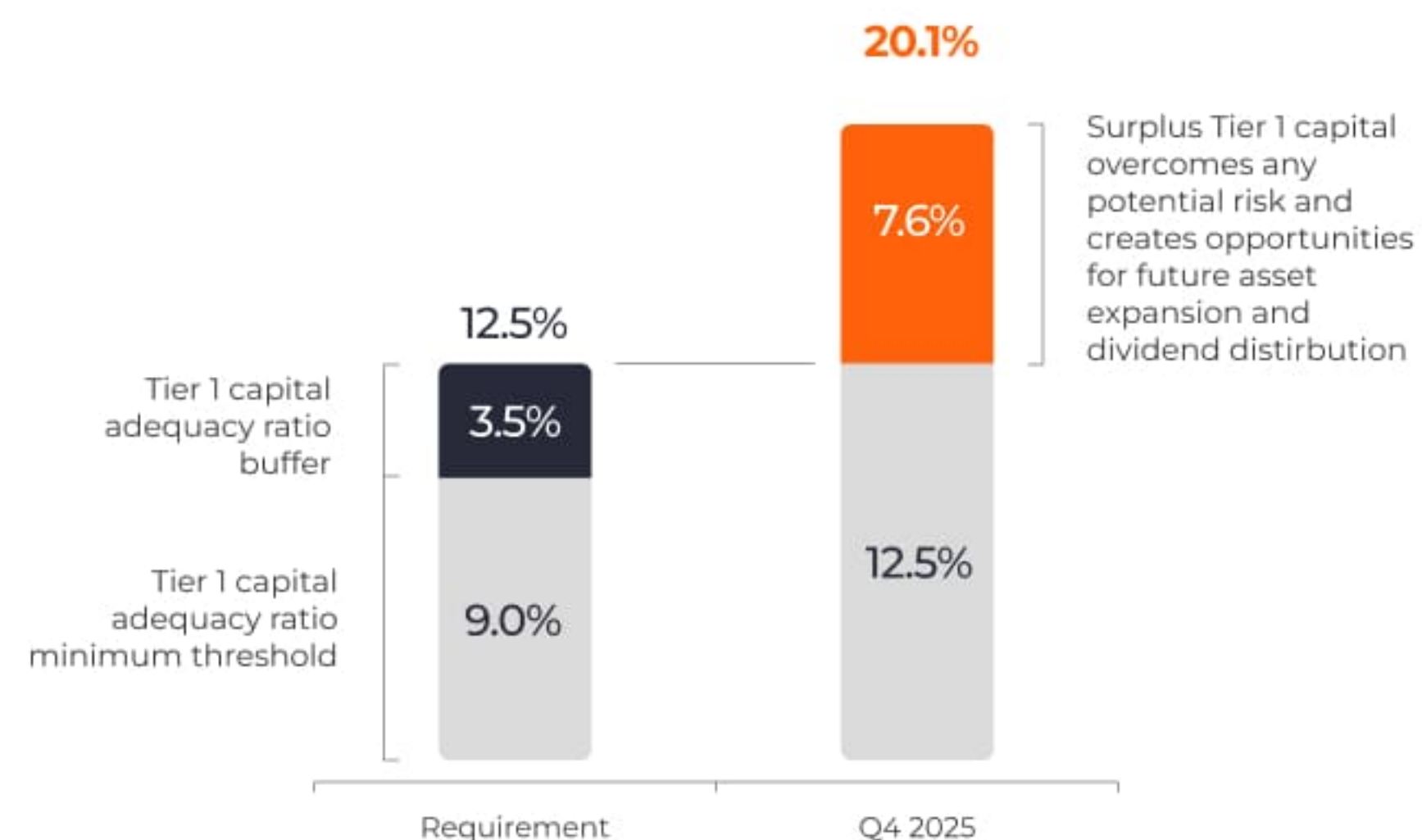
Q4 2025

Tier 1 capital adequacy ratio

20.1% Minimum threshold 12.5%

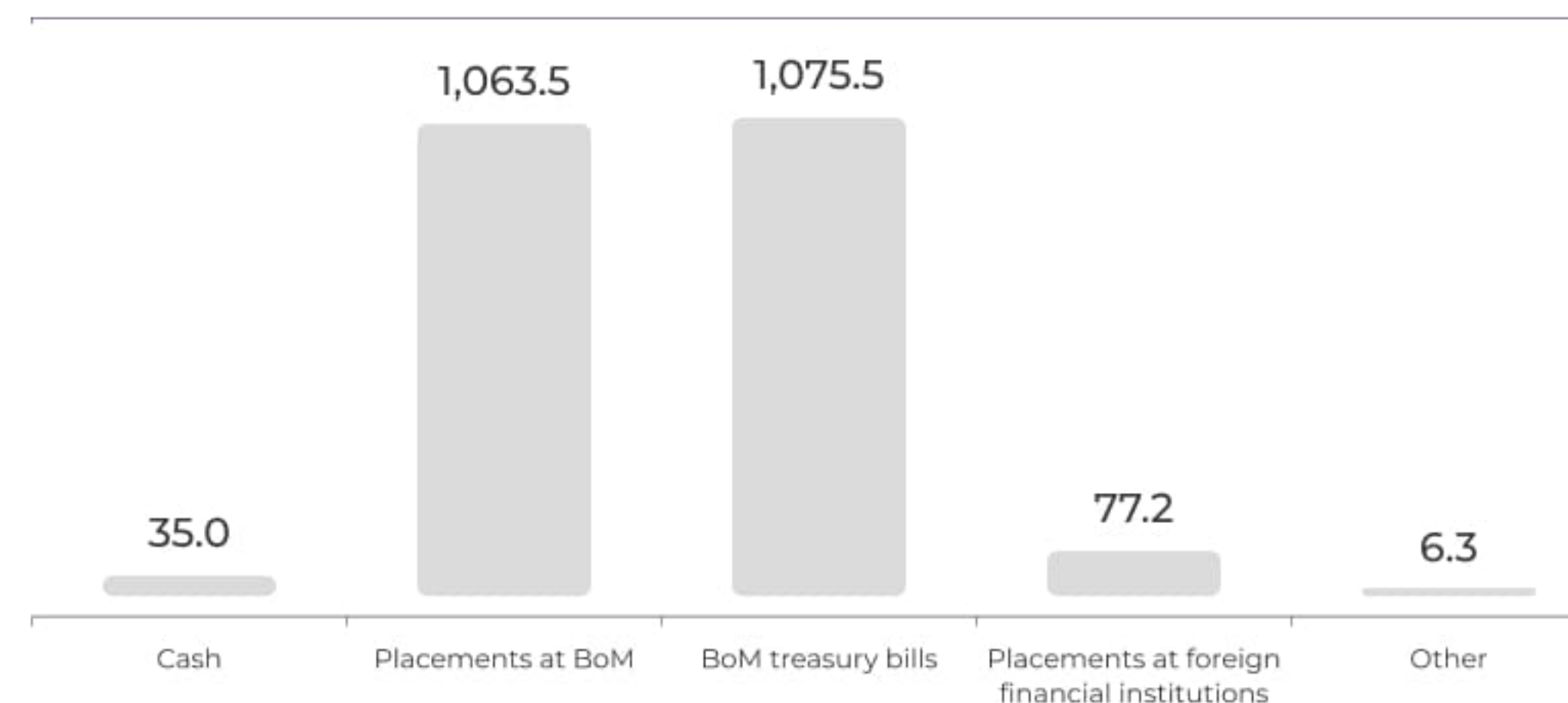
Liquidity ratio

37.6% Minimum threshold 25.0%



Liquid assets

MNT 2,257.5 billion



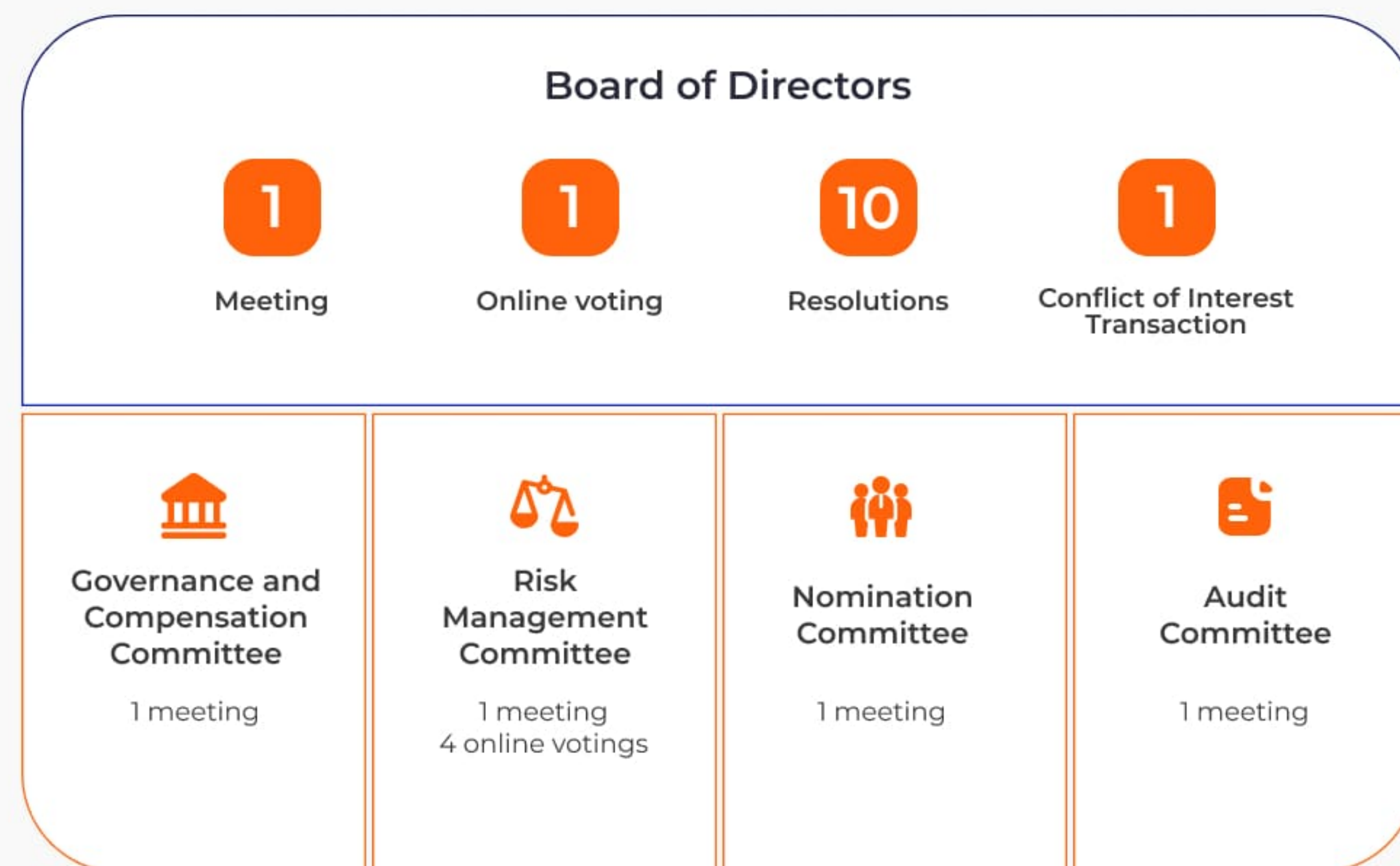
Other prudential ratios

	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Foreign currency exposure ratio (single currency) +/- 15%	-6.2%	-1.7%	-2.0%	-4.9%	-0.6%	-1.2%
Foreign currency exposure ratio (total currency) +/- 30%	-9.1%	-2.0%	-3.3%	-5.7%	-1.4%	-1.2%
Credit concentration ratio <300%	56.9%	41.7%	51.7%	46.3%	51.8%	54.8%
Fixed asset to total assets ratio <8%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%
Deposit concentration ratio <25%	7.4%	7.9%	7.0%	6.8%	6.9%	8.0%

	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Loans and other assets equivalent to loan to single related party and employees (less than 5% of capital)						
Bank shareholders	1.7%	2.2%	1.7%	0.9%	1.0%	2.0%
Key management personnel	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Other related parties	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Loans and other assets equivalent to loan to aggregate related party and employees (less than 20% of capital)						
Bank shareholders	1.7%	2.3%	1.8%	0.9%	1.0%	2.0%
Key management personnel	0.4%	0.3%	0.3%	0.4%	0.4%	0.3%
Other related parties	2.8%	0.1%	0.0%	0.1%	0.1%	0.1%

Meetings of the Board of Directors and its Committees

| Q4 2025



Newly approved:



Risk Assessment Methodology to Prevent Money Laundering, Terrorism Financing, and the Distribution of Weapons of Mass Destruction

Amended and restated:



- Anti-Money Laundering and Countering the Financing of Terrorism Procedure
- KYC Policy
- Internal Monitoring Program to Combat Money Laundering and Terrorism Financing



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