

Interim operational report /Form 2/						
Article 20 of the Securities Market Law legislates the common obligations of the issuer, and the issuer is responsible for submitting information to the Financial Regulatory Committee as well as the listed exchange in the form stipulated below, and to publish information to the public through its own website.						
Reporting period:	Jul 01, 2023 - Sep 30, 2023					
Issuer's name, state registration certificate number, securities symbol, phone number:	Issuer name: XacBank Registration number: 9016001007 Stock code: MN00XAC05687 Phone number: +976-75771888					
Name of listed exchange:	Mongolian Stock Exchange					
Sector of business operation:	Banking, Finance					
Issued shares:	1,052,700,000					
Prepared by: Reviewed by:	Prepared: Tamir G. /Head of Financial Management and International Relations Department/ Reviewed: Erdenebayar G. /Chief Financial Officer/ Reviewed: Munkhtselmeg N. /Chief Counsel, Corporate Secretary/					
1.	Quarterly and Interim financial Reports /Attach financial statements/					
	<table border="1" style="width: 100%;"> <tr> <td style="width: 30%;">Balance Statement</td> <td rowspan="4" style="text-align: center; vertical-align: middle;">Quarterly financial reports as of Sep 30, 2023 are attached /Appendix №1/</td> </tr> <tr> <td>Income Statement</td> </tr> <tr> <td>Equity Statement</td> </tr> <tr> <td>Cashflow Statement</td> </tr> </table>	Balance Statement	Quarterly financial reports as of Sep 30, 2023 are attached /Appendix №1/	Income Statement	Equity Statement	Cashflow Statement
Balance Statement	Quarterly financial reports as of Sep 30, 2023 are attached /Appendix №1/					
Income Statement						
Equity Statement						
Cashflow Statement						
2.	Board resolution approving interm operational reports and audit committee reports					
	Report on Interm financial reports of XacBank as of 30 Jun 2023 by Audit Committee is attached. /Appendix №2/					
3.	Report and analysis on Internal and external factors affecting the financial performance of the Issuer.					
3.1.	<table border="1" style="width: 100%;"> <tr> <td style="width: 30%; text-align: center;">Operational performance /Financial ratios/</td> <td> Quarterly net profit of the Bank reached MNT 39.4 billion or up by 27.5% from the Q2 2023, while YTD net income reached MNT 101.6 billion or up by 29.4% compared to same period last year and ROE of the Bank estimated 25.5%. Earning per share (EPS) reached MNT 96.5 and NPL ratio was 3.2% of GLP. As of September 2023, XacBank has total assets of MNT 4,389 billion, total liabilities of MNT 3,808 billion, total equity of MNT 581 billion whereas total asset, total liabilities and total equity increased by 11.7%, 10.2%, and 22.0% respective when compared to Q2 2023. During the reporting period, the gross loan portfolio grew by 30.8% to MNT 2,687 billion, while senior debt grew by 37.2% to USD 287 million (MNT 990.6 billion) attributing to the growth of total assets. </td> </tr> </table>	Operational performance /Financial ratios/	Quarterly net profit of the Bank reached MNT 39.4 billion or up by 27.5% from the Q2 2023, while YTD net income reached MNT 101.6 billion or up by 29.4% compared to same period last year and ROE of the Bank estimated 25.5%. Earning per share (EPS) reached MNT 96.5 and NPL ratio was 3.2% of GLP. As of September 2023, XacBank has total assets of MNT 4,389 billion, total liabilities of MNT 3,808 billion, total equity of MNT 581 billion whereas total asset, total liabilities and total equity increased by 11.7%, 10.2%, and 22.0% respective when compared to Q2 2023. During the reporting period, the gross loan portfolio grew by 30.8% to MNT 2,687 billion, while senior debt grew by 37.2% to USD 287 million (MNT 990.6 billion) attributing to the growth of total assets.			
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3.2.	Liquidity and Capital Adequacy.	In % unless otherwise stated.	Minimum threshold	2023.09
		Tier 1 Capital Ratio	>12.5%	19.9%
		Capital Adequacy Ratio	>12.0%	19.9%
		Liquidity Ratio	>25%	34.9%
		Foreign Currency Exposure Ratio (Single Currency)	+/- 15%	4.3%
		Foreign Currency Exposure Ratio (Total)	+/- 30%	4.8%
		Credit Concentration Ratio	<300%	23.6%
		Deposit Concentration Ratio	<25%	6.9%
3.3.	<p>The external and internal factors affecting the operations of the issuer, its market share in the operating industry, changes or developments in the range of products and services, and measures planned to be taken by the issuer in response to changes and development.</p>	<p>In Q3 2023 National inflation has reached 10.1% down by 0.5 ppts from Q2. Despite the decline, Bank of Mongolia continues to maintain the tight monetary policy where policy rate is kept at 13%. Furthermore, while key economic indicators are improving in USD, due to inflationary pressure Fed also expected to keep the fed rate at higher level in next 1-2 quarters. FX reserves at Bank of Mongolia has increased 21.3% YTD to reach USD 4.1 billion providing positive support for MNT which remained relatively stable in Q3 2023 depreciating only 0.8% against USD. Higher policy rates are continuing to pressure funding cost for commercial banks.</p> <p>In Q3 2023 Retail, Corporate, and Leasing portfolio of XacBank grew by 6.3%, 2.4%, and 6.4% respectively from previous quarter. YTD basis, the segments grew 33.9%, 10.7% and 49.8% respectively. The portfolio growth of Retail lending mainly supported by "Tablet Banking Service" launched during the period in addition to strong growth in women-owned business loans. For the Leasing business improved transportation condition in country's trade (both export and import) created demand in equipments and passenger car business in the market.</p> <p>Key highlights during the period:</p> <ol style="list-style-type: none"> 1. Signed cooperation agreement with Oyu Tolgoi on "Pension Saving Fund", allowing employees of OT to start saving for their pension. 2. Fees and commission income from merchant service increased by 19% in rural areas and 5% in urban areas thanks to successful campaign carried out to promote merchant sales. 3. Opened its new branches at Toyota-Tavan Bogd, Benz-MSM further expanding its vendor partnership and providing swift financial leasing services to its clients. 		

3.4.	Information on off-balance sheet items	Appendix №3
4.	Information on conflict of interest and significant transactions conducted by the issuer during the reporting period, the importance and the purpose of the transaction, and information about the person with a conflict of interest / all conflicts of interest transactions made during the reporting period shall be included/	
	<p>The “Code of Conduct and Conflict of Interest Policy for Directors and Employees” and “Conflict of Interest and Related Party Transaction Policy” have been amended and approved at the regular meeting of the Board of Directors (the “Board”) held on 07 July 2023, by its Resolution No. R-2023-44 and No. R-2023-48, respectively. During the third quarter of 2023, the Board approved a total of 15 conflict of interest and related party transactions. All transactions were on an arms’ length basis and the terms of the transactions were consistent with the terms offered for customers within the ordinary course of the bank’s business, adhering to the specifications outlined in Clause 17.9 of the Banking Law.</p> <p>Moreover, as per the Banking Law, the Bank compiles a quarterly report concerning loans and other equivalent assets provided to the related parties, and subsequently makes this information available to the public on its website.</p>	
5.	If the issuer has issued shares to the public for the purpose of implementing a project, a report on the progress of project implementation and the use of funds raised from the start of the project	
	Please refer to Appendix №4 for the utilization report on use of proceeds.	
6.	Information on corporate governance of the issuer	
	<p>Following XacBank’s reorganization into a joint-stock company, the first Extraordinary General Meeting of the Shareholders (the “EGM”) of XacBank was convened on 15 September 2023, in the Diamond meeting room on the 3rd floor of Blue Sky Hotel. This meeting was organized through a combination of in person and virtual attendance. The EGM quorum was constituted with the attendance of 95.55% of the shareholders and considered valid. The decision items, which included the change in share capital of XacBank, increasing the amount to MNT 105,270,000,000 (one hundred and five billion two hundred and seventy million), as well as the Charter of XacBank JSC, were approved.</p> <p>TenGer Financial Group LLC (the “TFG”), currently holding 94.99% of XacBank’s total issued and outstanding shares, has had changes in its shareholders’ structure.</p> <p>1. To comply with the provisions of the Banking Law, which prohibits non-governmental organizations (“NGOs”) from directly owning shares in commercial banks, “Open Society Forum” NGO and “Ulaanbaatar Rotary Club” NGO, who previously held shares in TFG, had their shares repurchased by TFG in the anticipation of XacBank’s merger with TFG. Consequently, these NGOs have been removed from TFG’s shareholder register and are no longer considered indirect shareholders of XacBank.</p> <p>2. TFG’s shareholder, Mongolian Alt (MAK) LLC, has transferred all its TFG shareholdings to its subsidiary, MAK Invest KFT, a company incorporated in Hungary. Consequently, MAK Invest KFT has been officially registered as a shareholder of TFG.</p> <p>The Governance, Nomination, and Compensation Committee (the “GNCC”) of the Board is currently overseeing the selection process for the vacant Independent Non-Executive Director position. This update was presented and reported to the shareholders during the EGM of XacBank held on 15 September 2023. The selection process is currently in progress.</p>	
7.	Reports on corporate governance of the issuer	
	<p>Meetings of the Board and the Board’s Committees</p> <p>Throughout the third quarter of 2023, XacBank’s Board convened a total of 4 meetings, including 2 regular meetings held on 07 July 2023, and 28 September 2023. At each of these regular meeting, the Board received updates on the measures implemented in accordance with the decisions and recommendations adopted at its previous meeting.</p> <p>Additionally, the GNCC held 5 meetings, the Board Audit Committee held 2 meetings, and the Risk Management Committee convened twice. Each committee provided relevant recommendations to the Board in the course of these meetings.</p> <p>Information transparency</p>	

In relation to XacBank's reorganization into an open Joint-Stock Company, XacBank provides its investors with required information in accordance with regulatory requirements, upholding the principle of transparency. The Bank routinely updates the public through its website and the Mongolian Stock Exchange's platform.

Corporate Governance

The Board of XacBank approved the following internal policies in the third quarter of 2023, aligning with the applicable regulations for Joint-Stock Companies as specified in the Company Law, and the requirements outlined in the Corporate Governance Code approved by Resolution No. 145 of 2022 of the Financial Regulatory Commission. These regulations include:

1. Corporate Governance Code;
2. Internal Rules of Procedure of the Board of Directors;
3. Charter of the Governance, Nomination and Compensation Committee of the Board of Directors;
4. Procedural Policy for Organizing/Holding General Meetings of Shareholders;
5. Charter of the Audit Committee of the Board of Directors;
6. Employee Loan Policy;
7. Directors' Remuneration Payment and Travel Reimbursement Policy;
8. Internal Audit Charter of the Bank;
9. Internal Audit Policy of the Bank;
10. Procedure on Preventing Money Laundering and Terrorism Financing;
11. Information Disclosure Policy;
12. Know Your Customer Policy;
13. Code of Conduct and Conflict of Interest Policy for Directors and Employees;
14. Whistleblowing Policy;
15. Insider Trading Policy;
16. Conflict of Interest and Related Party Transaction Policy;
17. Governance Roadmap 2023-2026;
18. Charter of XacBank JSC;
19. Anti-Bribery and Anti-Corruption Policy;
20. Board Director Selection and Nomination Policy.

Accuracy and validity of the report confirmed by:

Name: Tsevegjav G.

Title: Chief Executive Officer

Signature:

(corporate seal)



Prepared by:

Name: Erdenebayar G.

Title: Chief Financial Officer

Signature:

As of 30 September 2023

(MNT)

	Items of the statement of financial position	Beginning balance /2022.12.31/	Ending balance /2023.09.30/
1	ASSETS		
1.1	Cash and cash equivalents	1,277,711,125,330.34	1,126,736,721,061.81
1.1.1	Cash on hand	100,774,591,743.98	43,428,917,800.90
1.1.2	Due from banks and financial institutions	612,027,384,270.16	398,430,961,299.74
1.1.3	Cash equivalents	564,137,017,190.58	683,393,682,331.99
1.1.4	Accrued interest on cash and cash equivalents	772,132,125.63	1,483,159,629.17
1.2	Due from banks and financial institutions	255,682,836,623.36	250,327,662,683.48
1.2.1	Due from the Bank of Mongolia	256,086,933,009.69	250,732,632,022.12
1.2.2	Due from other banks and financial institutions	-	-
1.2.3	Other assets	-	-
1.2.4	Accrued interest on due from banks and financial institutions	-	-
1.2.5	Provision for impairment of due from banks and financial institutions	(404,096,386.33)	(404,969,338.64)
1.3	Investment	120,830,123,902.62	120,369,392,951.99
1.3.1	Trading securities (FVTPL)	-	-
1.3.2	Available for sale securities	91,044,888,945.30	104,548,613,826.64
1.3.3	Securities held to maturity	12,000,000,000.00	9,714,300,648.78
1.3.4	Securities classified as loan and receivables	-	-
1.3.5	Investment in subsidiary, associate, and joint venture	-	-
1.3.6	Encumbered securities	12,279,000,000.00	-
1.3.7	Accrued interest on investment	8,519,337,947.60	8,942,371,501.43
1.3.8	Provision for impairment of investment	(3,013,102,990.28)	(2,835,893,024.87)
1.4	Loan (net)	2,002,817,445,688.36	2,645,206,116,318.27
1.4.1	Loan within due	1,911,717,012,107.82	2,509,735,478,268.46
1.4.2	Past due loan	60,727,231,904.68	92,144,394,787.31
1.4.3	Substandard loan	10,153,790,906.68	10,785,462,657.78
1.4.4	Doubtful loan	21,575,232,546.46	8,921,343,573.01
1.4.5	Loss loan	49,878,158,874.41	65,044,414,410.05
1.4.6	Deferred transaction cost (fees on loans)	(8,271,205,308.33)	(11,856,469,192.01)
1.4.7	Accrued interest on loan	31,570,832,312.50	42,064,281,156.04
1.4.8	Loan loss provision	(74,533,607,655.86)	(71,632,789,342.37)
1.5	Derivative financial assets	107,798,729,692.39	75,437,865,031.40
1.6	Other financial assets	14,286,075,670.40	26,181,490,470.55
1.6.1	Receivables from others (net)	14,286,075,670.40	26,181,490,470.55
1.6.2	Interbank receivables	-	-
1.6.3	Repossessed collaterals – financial assets (net)	-	-
1.6.4	Other financial assets	-	-
1.7	Other non-financial assets	68,767,517,039.92	58,324,947,749.98
1.7.1	Other settlements	21,987,106,736.59	29,839,647,425.85
1.7.2	Inventories materials and valuables (excluding precious materials)	1,983,807,244.65	1,969,493,280.19
1.7.3	Gold and other precious metals (net)	94,439,362.68	94,439,362.68
1.7.4	Repossessed collaterals – non financial assets (net)	33,153,931,641.67	9,895,988,006.44
1.7.5	Current income tax prepayment	21,925,455.76	21,294,044.77
1.7.6	Deferred income tax assets	5,232,743,421.79	6,897,688,500.06
1.7.7	Other non financial assets	6,293,563,176.78	9,606,397,129.99
1.8	Property, plant and equipment	61,927,693,943.12	66,066,053,326.47
1.9	Investment properties	-	-
1.10	Non-current asset held for sale	2,063,167,155.40	1,348,830,278.36
1.11	Intangible asset	18,895,588,438.64	18,789,508,224.28
	Total assets	3,930,780,303,484.54	4,388,788,588,096.57
2	LIABILITIES		
2.1	Current accounts	599,905,003,467.57	569,842,723,024.82
2.1.1	Nominal amount	599,905,003,467.57	569,842,723,024.82
2.1.2	Accrued interest payable on current accounts	-	-
2.2	Savings accounts	1,771,382,449,842.60	1,911,870,270,537.86
2.2.1	Demand deposit savings	142,277,592,644.74	162,521,769,044.64
2.2.2	Time deposit savings	1,607,526,693,126.36	1,725,556,227,327.51
2.2.3	Other types of current and savings accounts	12,213,869,569.20	13,275,447,245.50
2.2.4	Accrued interest payable on savings accounts	9,364,294,502.30	10,516,826,920.22
2.3	Due to banks and financial institutions	937,549,491,990.06	1,173,234,989,232.44
2.3.1	Deposits placed by other banks and financial institutions	106,383,363,477.73	83,158,763,112.04
2.3.2	Loan from other banks and financial institutions	830,172,876,661.84	1,070,099,280,314.25
2.3.3	Deferred transaction fee	(4,979,285,699.67)	(8,954,022,887.26)
2.3.4	Accrued interest payable on due to banks and financial institutions	5,972,537,550.16	28,930,968,693.41
2.4	Other borrowed funds	39,660,166,538.02	20,634,795,046.88
2.4.1	Bonds and bills issued by the bank	-	-
2.4.2	Securities issued by the bank	-	-
2.4.3	Project loan financing	15,033,764,182.22	8,047,062,295.62

2.4.4	Repurchase agreements (repos)	9,999,283,086.03	-
2.4.5	Syndicated fund	363,732,899.06	406,364,948.18
2.4.6	Other	12,764,489,484.54	11,848,790,532.59
2.4.7	Deferred transaction fee	-	-
2.4.8	Accrued interest payable on other borrowed funds	1,498,896,886.16	332,577,270.19
2.5	Derivative financial liabilities	1,639,595,288.69	2,624,644,534.75
2.6	Other financial liabilities	50,434,909,536.04	63,668,355,228.48
2.7	Other non-financial liabilities	54,521,027,007.90	66,380,067,677.67
2.8	Subordinated debt	-	-
2.9	Preferred shares (liability)	-	-
	Total liabilities	3,455,092,643,670.88	3,808,255,845,282.90
3	EQUITY		
3.1	Share capital	100,000,000,000.00	105,270,000,000.00
3.1.1	Preferred shares (equity)	-	-
3.1.2	Common shares	100,000,000,000.00	105,270,000,000.00
3.2	Paid-in capital	1,817,773,344.70	30,586,768,164.70
3.3	Treasury share	-	-
3.4	Revaluation surplus	18,528,613,201.77	18,528,613,201.77
3.5	Retained earnings	278,161,784,485.17	363,205,655,744.98
3.6	Other components of equity	77,179,488,781.95	62,941,705,702.21
3.6.1	Share option	-	-
3.6.2	Reserve funds	11,439,407,367.49	11,439,407,367.49
3.6.3	Reserve of translation and revaluation	-	-
3.6.4	Non-distributable regulatory reserve for BOM loan loss provisions	62,820,178,115.26	49,413,301,374.51
3.6.5	Reserve for staff social development funds	-	-
3.6.6	Equity part of convertible debt instrument	-	-
3.6.7	Equity part of convertible borrowings	-	-
3.6.8	Reserve for revaluation of available for sale securities	-	-
3.6.9	Reserve for revaluation of hedging instrument	-	-
3.6.10	Other	2,919,903,299.20	2,088,996,960.21
3.7	Total owners' equity	475,687,659,813.59	580,532,742,813.66
	Total liabilities and equity	3,930,780,303,484.47	4,388,788,588,096.57

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER



TSEVEGJAV GUMENJAV

ERDENEBAYAR GANZORIG

As of 30 September 2023

(MNT)

Д/д	Items of income and expense	Beginning balance /2022.12.31/	Ending balance /2023.09.30/
1	Interest income	375,306,477,653.35	383,041,877,669.97
1.1	Interest income of due from the Bank of Mongolia	7,359,332,809.35	13,187,620,281.32
1.2	Interest income of due from other banks and financial institutions	1,031,482,540.80	1,011,645,115.76
1.3	Interest income of investment	66,667,587,500.93	79,147,666,761.60
1.4	Interest income of loan	290,232,727,007.36	282,061,616,753.29
1.5	Other interest income	10,015,347,794.91	7,633,328,758.00
2	Interest expense	160,682,894,200.64	204,918,313,734.63
2.1	Interest expense of current accounts	-	1,301,278,583.36
2.2	Interest expense of savings	111,705,166,881.99	114,881,447,701.72
2.3	Interest expense of borrowings	37,775,226,655.18	66,176,798,885.37
2.4	Interest expense of debt instruments	332,121,096.36	374,521,493.29
2.5	Other interest expense	10,870,379,567.11	22,184,267,070.89
3	Net interest income/expense [(1)-(2)]	214,623,583,452.72	178,123,563,935.34
4	Impairment loss on	10,326,230,541.11	59,003,987.37
4.1	Due from banks and financial institutions	485,285,379.61	39,828,197.07
4.2	Investment	1,451,972,562.09	19,175,790.30
4.3	Loans	8,388,972,599.41	-
5	Net income after impairment loss [(3)-(4)]	204,297,352,911.60	178,064,559,947.97
6	Other revenue	59,689,634,346.60	50,514,522,772.43
6.1	<i>Non-interest income</i>	<i>55,252,049,444.71</i>	<i>47,600,421,160.59</i>
6.1.1	Gain or (loss) on trading of financial instruments	15,112,730,232.03	8,301,266,312.84
6.1.2	Gain or (loss) on translation or revaluation of financial instruments	152,817,339.66	-
6.1.3	Income from service fee and charges	38,725,827,574.41	36,378,400,613.18
6.1.4	Other non-interest income	1,260,674,298.61	2,920,754,234.57
6.2	<i>Other income and gains</i>	<i>4,437,584,901.89</i>	<i>2,914,101,611.84</i>
7	Other expense	117,297,712,285.54	92,521,803,047.55
7.1	<i>Non-interest expense</i>	<i>114,919,912,998.58</i>	<i>91,062,969,065.05</i>
7.1.1	Other impairment loss	305,921,866.23	1,808,681,256.35
7.1.2	Gain or (loss) on trading	-	-
7.1.3	Gain or (loss) on translation or revaluation	-	1,060,744,929.36
7.1.4	Expenses of service fee and charges	11,572,938,661.41	9,855,720,108.98
7.1.5	Other operating expenses	103,041,052,470.94	78,337,822,770.36
7.2	<i>Other expense and loss</i>	<i>2,377,799,286.96</i>	<i>1,458,833,982.50</i>
8	Profit or (loss) before tax (5+6-7)	146,689,274,972.67	136,057,279,672.85
9	Income tax expense	40,850,688,811.59	34,420,285,153.76
10	Profit or (loss) after tax (8-9)	105,838,586,161.08	101,636,994,519.08
11	Net profit or (loss) after tax from discontinued activities	-	-
12	Profit or (loss) for the reporting period (10+11)	105,838,586,161.08	101,636,994,519.08
13	Other comprehensive income	854,230,310.01	(830,906,338.99)
13.1	Increase or decrease of revaluation surplus of PPE and intangible assets	-	-
13.2	Increase or decrease of Reserve for revaluation of available for sale securities	854,230,310.01	(830,906,338.99)
13.3	Increase or decrease of reserve of translation and revaluation	-	-
13.4	Increase or decrease of non-distributable regulatory reserve for BOM loan loss provisions	-	-
13.5	Other	-	-
14	Profit or (loss) for the reporting period (10+11)	106,692,816,471.09	100,806,088,180.09

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER



TSEVEGJAV GUMENJAV

ERDENEBAVAR GANZORIG

STATEMENT OF CHANGES IN EQUITY

As of 30 September 2023

(MNT)

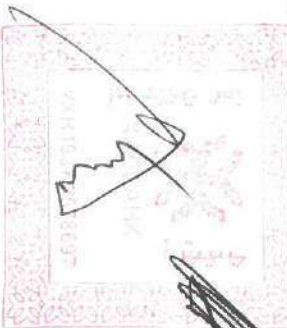
Equity items	Share capital	Share premium	Treasury share	Revaluation reserve for premises	Other components of equity	Retained earnings	Total equity
balance as of 31 December 2021	100,000,000,000.00	1,817,773,344.70	-	18,528,613,201.77	66,073,799,064.11	197,574,657,731.92	383,994,843,342.50
Adjustment of changes in accounting policies and error							-
Adjusted balance	100,000,000,000.00	1,817,773,344.70	-	18,528,613,201.77	66,073,799,064.11	197,574,657,731.92	383,994,843,342.50
Net profit or loss for the period	-	-	-	-	854,230,310.01	105,838,586,161.08	105,838,586,161.08
Other comprehensive income	-	-	-	-	10,251,459,407.83	(10,251,459,407.83)	854,230,310.01
Changes in equity	-	-	-	-	-	(15,000,000,000.00)	(15,000,000,000.00)
Distributed dividends	-	-	-	-	-	-	-
Realized amount of revaluation surplus	-	-	-	-	-	(0.02)	(0.02)
balance as of 31 December 2022	100,000,000,000.00	1,817,773,344.70	-	18,528,613,201.77	77,179,488,781.95	278,161,784,485.17	475,687,659,813.59
Adjustment of changes in accounting policies and error							-
Adjusted balance	100,000,000,000.00	1,817,773,344.70	-	18,528,613,201.77	77,179,488,781.95	278,161,784,485.15	475,687,659,813.57
Net profit or loss for the period	-	-	-	-	(830,906,338.99)	101,636,994,519.08	101,636,994,519.08
Other comprehensive income	-	-	-	-	13,406,876,740.75	(13,406,876,740.75)	(830,906,338.99)
Changes in equity	5,270,000,000.00	28,768,994,820.00	-	-	(13,406,876,740.75)	13,406,876,740.75	34,038,994,820.00
Distributed dividends	-	-	-	-	-	(30,000,000,000.00)	(30,000,000,000.00)
Realized amount of revaluation surplus	-	-	-	-	-	-	-
balance as of 30 September 2023	105,270,000,000.00	30,586,768,164.70	-	18,528,613,201.77	62,941,705,702.21	363,205,655,744.98	580,532,742,813.66

CHIEF EXECUTIVE OFFICER

TSEVEGJAV GUMENJAV

CHIEF FINANCIAL OFFICER

ERDENEBAYAR GANZORIG



As of 30 September 2023

(MNT)

	Items	Beginning balance /2022.12.31/ ***	Ending balance /2023.09.30/ ***
1	Cash flows from operating activities:		
1.1	Profit or (loss) after tax	148,071,320,949.90	137,445,255,971.45
1.2	Adjustments of gain or loss:	(196,931,218,438.58)	(172,746,062,610.18)
1.2.1	Impairment loss (+)	9,246,082,215.64	(1,268,473,896.70)
1.2.2	Depreciation and amortization expense (+)	8,237,113,823.79	7,451,428,020.34
1.2.3	Revaluation gain (-) or losses (+) on financial instruments excluding cash and cash equivalents	-	-
1.2.4	Accrued interest income (-)	(375,306,477,653.35)	(383,041,877,669.97)
1.2.5	Accrued interest expense (+)	160,682,894,200.64	204,918,313,734.63
1.2.6	Gains (-) or losses (+) on disposal of assets	315,321,867.10	(805,452,798.48)
1.2.7	Other gains (-) or losses (+)	(106,152,892.40)	-
1.3	Adjustments of changes in assets and liabilities:	(20,598,882,369.48)	(486,341,768,811.57)
1.3.1	Increase (-) or decrease (+) in due to banks and financial institutions	(41,677,850,565.31)	5,354,300,987.57
1.3.2	Increase (-) or decrease (+) in trading securities	-	-
1.3.3	Increase (-) or decrease (+) in loans	(202,713,557,293.35)	(628,994,403,472.88)
1.3.4	Increase (-) or decrease (+) in other financial assets	(67,705,034,405.49)	19,899,902,170.32
1.3.5	Increase (-) or decrease (+) in other non-financial assets	(1,622,485,554.42)	10,006,677,285.42
1.3.6	Increase (+) or decrease (-) in current accounts and savings accounts	166,437,551,573.69	109,273,007,834.59
1.3.7	Increase (+) or decrease (-) in due to banks and financial institutions	122,624,379,285.23	(26,402,316,039.50)
1.3.8	Increase (+) or decrease (-) in other financial liabilities	4,659,813,539.33	14,172,614,721.09
1.3.9	Increase (+) or decrease (-) in other non-financial liabilities	(601,698,949.16)	10,348,447,701.82
1.4	Other adjustments:	171,665,781,840.01	155,990,613,024.63
1.4.1	Interest received (+)	358,360,333,497.43	372,125,395,272.60
1.4.2	Interest paid (-)	(156,546,990,324.76)	(181,973,669,789.44)
1.4.3	Payment of income tax (-)	(23,098,641,251.06)	(34,161,112,458.53)
1.4.4	Written-off loan and receivables with loan loss provision (-)	(7,048,920,081.61)	-
1.4.5			
1.5	Net cash flows from operating activities	102,207,001,981.85	(365,651,962,425.68)
2	Cash flows from investing activities:	***	***
2.1	Total cash inflows (+)	22,800,871,676.40	15,491,615,743.03
2.1.1	Proceeds from disposal of PPE	40,451,771.75	4,215,000.00
2.1.2	Proceeds from disposal of intangible assets	-	-
2.1.3	Proceeds from disposal of investment properties		
2.1.4	Proceeds from disposal of investment in subsidiary, associate, and joint venture		
2.1.5	Proceeds from disposal of other non-current assets	878,485,516.18	922,701,391.81
2.1.6	Proceeds from disposal of securities classified as loan and receivables		
2.1.7	Proceeds from disposal of securities available for sale	176,034,388.47	-
2.1.8	Proceeds from disposal of securities held to maturity	-	2,285,699,351.22
2.1.9	Dividend received		
2.1.10	Other proceeds	21,705,900,000.00	12,279,000,000.00
2.2	Total cash outflows (-)	(19,599,178,724.63)	(26,123,382,669.35)
2.2.1	Acquisition of PPE	8,197,713,700.37	9,313,416,308.55
2.2.2	Acquisition of intangible assets	5,509,236,391.88	2,070,651,932.84
2.2.3	Acquisition of investment properties	-	-
2.2.4	Acquisition of investment in subsidiary, associate, and joint venture		
2.2.5	Acquisition of securities classified as loan and receivables		
2.2.6	Acquisition of securities available for sale	3,900,900,000.03	14,541,718,503.93
2.2.7	Acquisition of securities held to maturity	-	-
2.2.8	Acquisition of other non-current assets	1,991,328,632.35	197,595,924.03
2.2.9	Other outflows	-	-
2.3	Net cash flows from investing activities	3,201,692,951.77	(10,631,766,926.32)
3	Cash flows from financing activities:	***	***
3.1	Total cash inflows (+)	368,524,930,695.15	504,045,728,154.00
3.1.1	Repayment of other borrowed funds	368,524,930,695.15	470,006,733,334.00
3.1.2	Proceeds from subordinated debt	-	-
3.1.3	Proceeds from issuance of shares		34,038,994,820.00
3.1.4	Donation		
3.1.5	Other		
3.2	Total cash outflows (-)	(359,835,821,693.02)	(278,736,403,070.54)
3.2.1	Repayment of other borrowed funds	344,835,821,693.02	248,736,403,070.54
3.2.2	Repayment of subordinated debt		
3.2.3	Finance lease payment		
3.2.4	Repurchase of treasury shares		
3.2.5	Dividends paid	15,000,000,000.00	30,000,000,000.00
3.2.6	Other		
3.3	Net cash flows from financing activities	8,689,109,002.13	225,309,325,083.46
4	Effect of exchange rate changes on cash and cash equivalents		
5	Net cash flows	114,097,803,935.76	(150,974,404,268.53)
6	Cash and cash equivalents at the beginning of the period	1,163,613,321,394.59	1,277,711,125,330.34
7	Cash and cash equivalents at the end of the period	1,277,711,125,330.34	1,126,736,721,061.81

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER



TSEVEGJAV GUMENJAV

ERDENEBAYAR GANZORIG



**EXTRACTS FROM MINUTES OF BOARD AUDIT COMMITTEE
MEETING OF THE XACBANK**

Date, time	September 28, 2023
Venue	XacBank Board meeting room, Blue Sky tower The meeting was held in combination with Zoom conference facility
Members	Ulambayar Bayansan Niraj Vedwa Amy Choi Andrzej Witak Suzannah Herring Carr
Secretary	Undarmaa E, Chief Auditor

Agenda item # 3. Review of financial statements as of June 30, 2023.

Presenter: Mr. Adrian Chu, Partner, E&Y Mongolia Audit LLC.

Discussions: Discussions were held on the half year review performed by the independent external auditing company - E&Y Mongolia Audit LLC. As per the external auditors' conclusion the financial statements are prepared in accordance with the interim review standards IAS24.

Decision: Audit Committee voted unanimously to recommend for Board approval the interim report of XacBank as of June 30, 2023.

ULAMBAYAR BAYANSAN
CHAIRPERSON

STATEMENT OF OFF-BALANCE SHEET

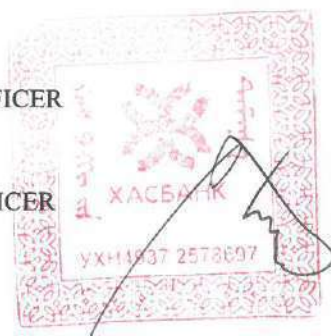
As of 30 September 2023

(in MNT)

№	Items of off-balance sheet	Amount
1	Credit related commitments	199,461,620,863.5
2	Collateral received	7,200,549,531,997.9
3	Written-off loan and other assets	105,747,270,964.7
4	Derivative financial instruments	1,319,286,150,514.5
5	Fiduciary assets	-
6	Assets pledged	-
7	Other off-balance sheet accounts	346,731,044,810.7
Total		9,171,775,619,151.3

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER




TSEVEGJAV GUMENJAV

ERDENEBAJAR GANZORIG

“XACBANK” REPORT ON UTILIZATION OF USE OF PROCEEDS
(As of 30 September 2023)



1. Utilization plan for the use of proceeds

XacBank has successfully traded 52,700,000 shares to the public through its IPO, raising total of MNT 35,667,900,000. The total direct costs associated with the IPO has amounted to MNT 1,628,905,180 which was deducted from the proceeds in accordance with IFRS and regulation. The net proceeds are expected to be utilized for the growth of its loan and lease portfolio as per Prospectus. Costs and expenses directly associated with the IPO are:

- Underwriting fees to “Rhinos Investment SC LLC” and “Ulzii and Co Capital SC LLC”;
- Business valuation fee to “BDO Audit LLC” as per Article 2.1 of Securities Admission Rule of FRC;
- Audit Letter fee of to “E&Y Mongolia Audit LLC” as per Article 3.1.4 of Securities Admission Rule of FRC;
- Legal Opinion fee of to “B&P LLP” as per Article 2.1 of Securities Admission Rule of FRC;
- Registration and primary trading fee to MSE;
- Registration and primary trading fee SCD;
- Registration and primary trading fee other regulators.

Net proceeds after deducting direct costs associated with the offer is MNT 34,038,994,820.

2. Utilization status

Target segment	Target in percentage	Net Proceed to be utilized for the target segment	Utilization* status as 30 September 2023
Retail loans	66%	22,465,736,581	22,465,736,581
Corporate loans	19%	6,467,409,016	6,467,409,016
Finance leases	15%	5,105,849,223	5,105,849,223
Total	100%	34,038,994,820	34,038,994,820

* Outstanding balance of loans and leases

Net un-utilized amount is MNT 0.

XacBank



Financial and operational result

Oct 20, 2023

Key financial

Net profit (YTD)

101.6 MNT billion
▲ 29.4% YOY

Total assets

4,388.8 MNT billion
▲ 11.7% YTD

NPL***

3.2%

Senior debt

286.9 USD million
▲ 37.2% YTD

EPS*

96.5 MNT

ROE**

25.5%
▲ 0.7 pts YTD

Deposits

2,499.9 MNT billion
▲ 3.5% YTD

Loans, financial leasing

2,686.6 MNT billion
▲ 30.8% YTD

Core capital adequacy ratio

19.9%

Liquidity ratio

34.9%

YOY Year on year comparison.
YTD Year to date comparison.

* Earnings per share – net profit divided by total outstanding shares.
** Annualized net profit divided by the average equity.
*** Non-performing loans as per Bank of Mongolia's classification divided by total gross loan portfolio.

Highlights

- Financial Results
- Prudential Requirements
- Governance



Highlights (Q3 2023)



Started a cooperation on retirement savings fund

Signed a cooperation agreement with Oyu Tolgoi on "Retirement Savings Fund" through which employees of OT will be able to start saving for their retirement with XacBank.



Held its first EGM as Joint Stock Company

The EGM achieved a quorum with 95.55% attendance and the agenda items, which included reflecting the IPO proceeds in the share capital and setting the paid-in share capital of XacBank at MNT 105,270,000,000 (one hundred and five billion two hundred and seventy million), as well as approving the Charter of XacBank JSC, were approved.



One-stop shop at vendors

In order to streamline the delivery of leasing services to customers, leasing branches were opened at Toyota at Tavanbogd, Mercedes-Benz at MSM with the cooperation of vendors.



UN Youth Delegate – Environmental Leadership Program 2023

XacBank has initiated the support and cooperation with the "UN Youth Delegate – Environmental Leadership Program 2023". The program selects 30 leading youths of age between 18 to 30 to tackle the regional and inter country issues revolving climate change, environmental issues, and seek potential solutions with the help training from industry experts for over 2 months. Also the program allows the youth to pursue micro projects related to issues at hand.



Highlights (Q3 2023)



Green financing

Green Economy Financing Facility – GEFF, implemented in Mongolia jointly by UN's Green Climate Fund (GCF), EBRD and Japanese government was officially launched on July 4th, 2023 at Shangrila Hotel. The program is aimed at promoting energy efficient technologies and resource and water management solutions in Mongolia through its USD 137 million commitment. XacBank was selected as leading participant in the project through which USD 25 million is expected to be financed to businesses that are striving to invest in energy and resource efficient technologies.



Solar photovoltaic (PV) systems

XacBank has started its shift towards renewable energy by setting up 10kWh solar photovoltaic (PV) systems at three of its branches, paving the way for sustainable operations.

These PV installations are projected to produce approximately 207,301.80 kWh annually, cutting down CO2 emissions by 180.6 tonnes each year.



Organized a green financing day

Event organized together with vendor companies that specialize in energy efficient and waste management products. Clients of the XacBank are eligible for 3% p.a ECO loan when purchasing products and services from the participating vendors.

- 
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- Highlights
 - **Financial Results**
 - Prudential Requirements
 - Governance

Profitability

Q3 net profit generated MNT 39.4 billion, up by 27.5% from previous quarter, on the backdrop of YTD GLP growth of over 30% and improved balance sheet structure through systematic management of non-performing assets. YTD profit reached MNT 101.6 billion or up by 29.4% from same period last year, resulting in increased ROE of 25.5%. Despite the negative external pressure on the profitability coming from elevated central bank rates both in domestic and international markets, the Bank was able to maintain its net interest margin at same level compared to last year.

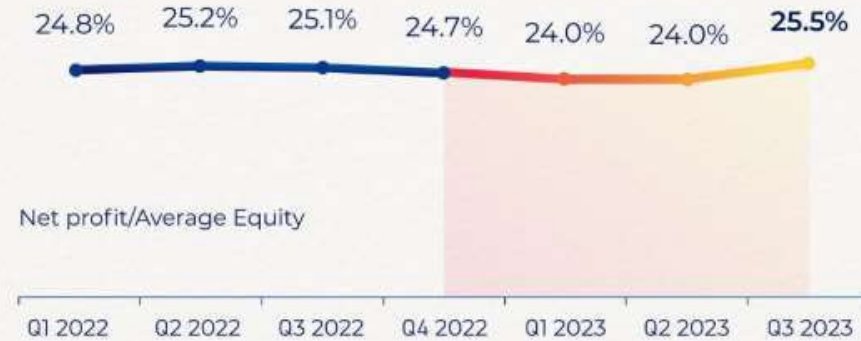
Net profit (quarterly)

In MNT billions



Return of Equity (ROE)

Based on annualized net profit



Assets



Total asset of the Bank grew by 3.2% in Q3 to MNT4,389 billion or 11.7% from year end 2022. The growth is mainly attributable to revenue generating assets such as GLP and T-Bills both are up by 30.8% and 17.7% YTD, respectively.

Total Assets
In MNT billions



Return of average Assets (aROA)
Based on annualized net profit

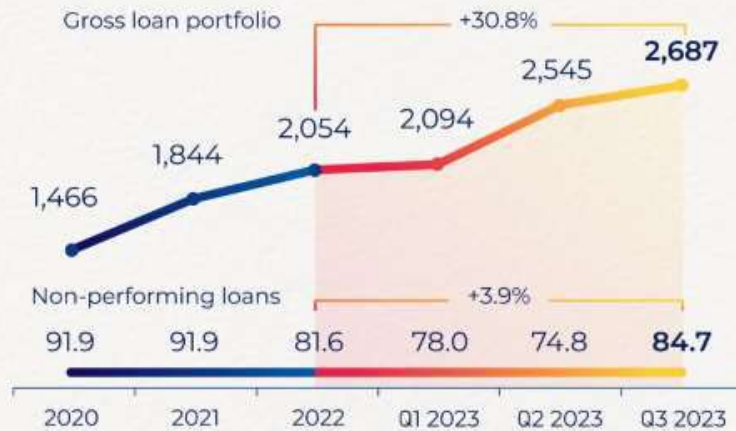


Loan and Lease portfolio

Lending activities of the bank is separated into 3 segments which are retail lending, corporate lending and XacLeasing (financial leases). As of Q3 of 2023, the retail loan portfolio grew 33.9%, corporate loan portfolio grew 10.7%, and financial lease portfolio grew 49.8%. The growth of retail loan portfolio was largely influenced by the "Tablet Banking" service the bank provides. For the growth of leasing portfolio, improved foreign trade and its transportation to Mongolia from neighboring countries and subsequent steady inventory of passenger vehicles and machineries at the key vendors has positively impacted. NPL ratio as of Q3 2023 was 3.2% or down by 0.7 pts YTD thanks to macro situation and risk management.

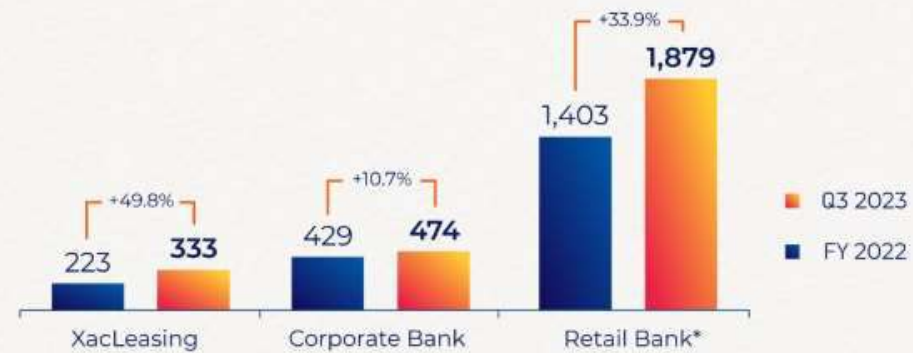
Loan and lease portfolio

In MNT billions



Segment breakdown

In MNT billions



* Retail loan - Consumer, MSME, mortgage and deposit backed loan.

Deposits and current account



Customers of XacBank are able to access their current account which is both reliable and easy to manage with the help of both traditional and digital channels. Bank provides include demand deposits, term deposits with monthly withdrawals or long-term child deposits. Total deposit grew by +12.0% YoY and +3.5% YTD as of Q3 2023. As of Q3 of 2023, the term deposit grew by 7.7% while current account decreased by 8.2%. Current account balance fluctuates based on the business needs of our customers.

Current Accounts, Deposits

In MNT billion



Breakdown by product

In MNT billion



Foreign funds

In order to service the need for long-term financing of the customers, XacBank actively engages with foreign funds and international financial institutions. In addition to USD 135 million new funding received from foreign lenders in 2023 so far, the Bank is progressing number of deals successfully to be disbursed in the coming months. New funding from international lenders are expected to support the Bank in growing its business further in 2023-2024.

Foreign funds
In USD millions



Partnering entities



Credit Rating



The Bank has been continuously rated by world renowned credit rating agencies such as Moody's Investor Services and Fitch Ratings since 2008.

MOODY'S INVESTORS SERVICE

	XacBank	Government
Counterparty Risk Rating – foreign currency	B3/NP	B3/NP
Counterparty Risk Rating – domestic currency	B2/NP	B3/NP
Bank Deposits	B3/NP	
Baseline Credit Assessment	B3	B3
Issuer Rating	B3	B3
Outlook	Stable	Stable

FitchRatings

	XacBank	Government
Long term foreign currency Issuer Default Rating	B/Stable	B/Stable
Short term foreign currency Issuer Default Rating	B	B
Long term local currency Issuer Default Rating	B/Stable	B/Stable

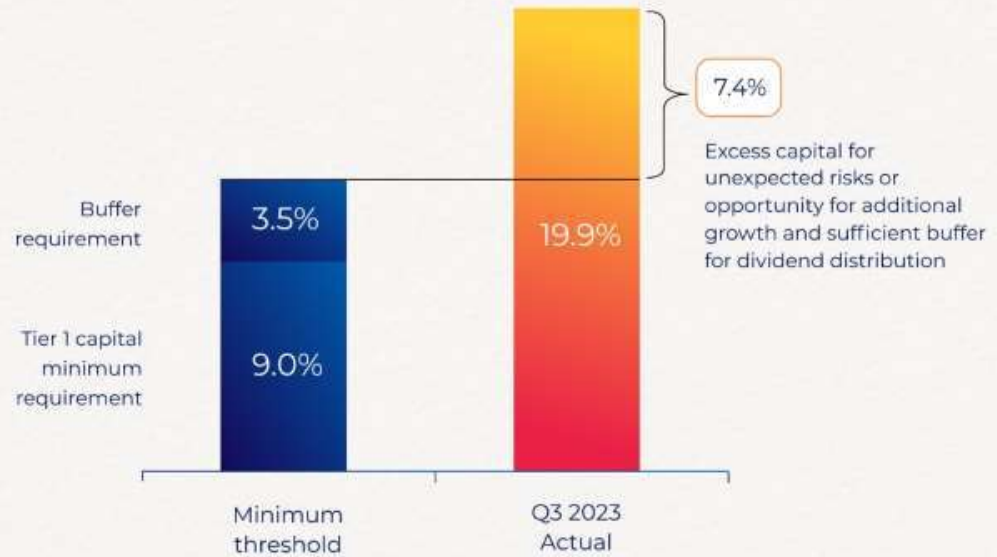
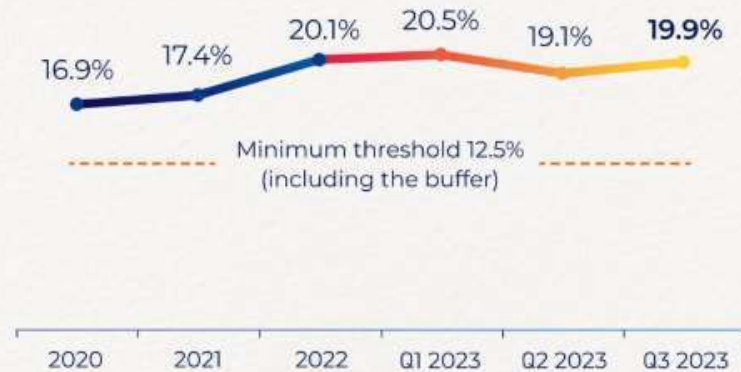


- Highlights
- Financial Results
- Prudential Requirements
- Governance

Prudential ratios: Capital Adequacy Ratio

Tier 1 Capital ratio has minimum threshold of 9% as per Bank of Mongolia's regulation. In addition, systemic banks must have buffer on top of the minimum requirement which is set at 3.5%. Therefore, overall Tier 1 capital requirement for the Bank is currently 12.5%. As of Q3 of 2023, the Tier 1 capital ratio of XacBank is 19.9% which is 7.4% above the prudential requirement of Bank of Mongolia.

Tier 1 Capital ratio

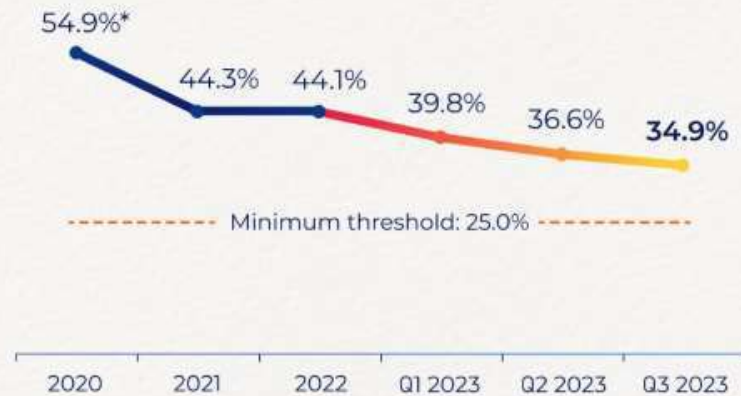




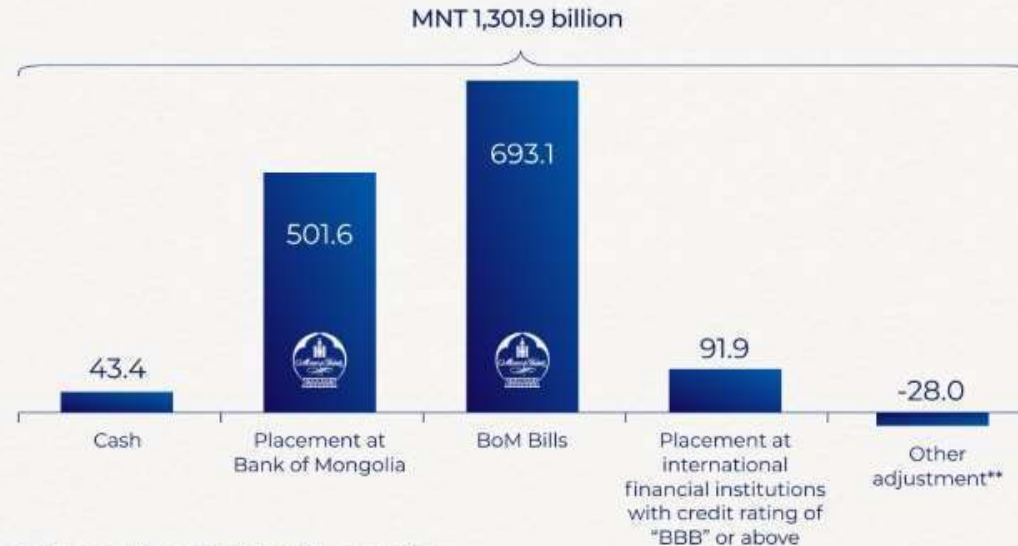
Prudential ratios: Liquidity Ratio

Bank of Mongolia requires the commercial banks to have minimum liquidity ratio of 25%. Liquidity ratio is calculated by dividing liquid assets by total liabilities to clients. As of 30 September 2023, the XacBank's liquid asset was MNT 1,301.9 billion, while the total liabilities to clients and 3rd parties was MNT 3,736.3 billion. The Bank manages its liquidity by placing the liquid asset in cash or cash equivalent as well as low risk instruments.

Liquidity Ratio



Liquid assets



* In 2020 liquidity ratio was maintained at elevated level in order to mitigate potential impact from COVID-19 by reducing the gross loan portfolio and increasing cash or cash equivalent assets

** Includes BoM clearing account, collateral, cash in transit.





Prudential ratios: other ratios

In Percent, unless otherwise specified	FY 2021	FY 2022	Q1 2023	Q2 2023	Q3 2023
Foreign currency exposure ratio (single currency) +/- 15%	-1.1%	6.2%	9.4%	4.4%	4.3%
Foreign currency exposure ratio (total) +/- 30%	-2.2%	6.9%	14.5%	4.7%	4.8%
Credit concentration ratio <300%	72.8%	66.6%	39.1%	37.1%	23.6%
Fixed asset to total assets ratio <8%	1.7%	1.7%	1.6%	1.6%	1.6%
Deposit concentration ratio <25%	7.1%	7.7%	8.8%	7.0%	6.9%

In Percent, unless otherwise specified	FY 2021	FY 2022	Q1 2023	Q2 2023	Q3 2023
Loans to bank related party and employees and other assets equivalent to the loan (less than 5% of capital)					
Bank shareholders	0.6%	0.7%	0.1%	0.0%	1.3%
Key management personnel	0.1%	0.1%	0.1%	0.1%	0.8%
Other related parties	1.8%	1.6%	2.4%	3.6%	3.6%
Total loans to bank related parties and employees and other assets equivalent to the loan (less than 20% of capital)					
Bank shareholders	0.7%	0.7%	0.1%	1.0%	1.3%
Key management personnel	0.4%	0.3%	0.3%	0.3%	0.3%
Other related parties	4.7%	3.1%	3.9%	4.9%	3.7%

- Highlights
- Financial Results
- Prudential Requirements

Governance

Shareholders structure

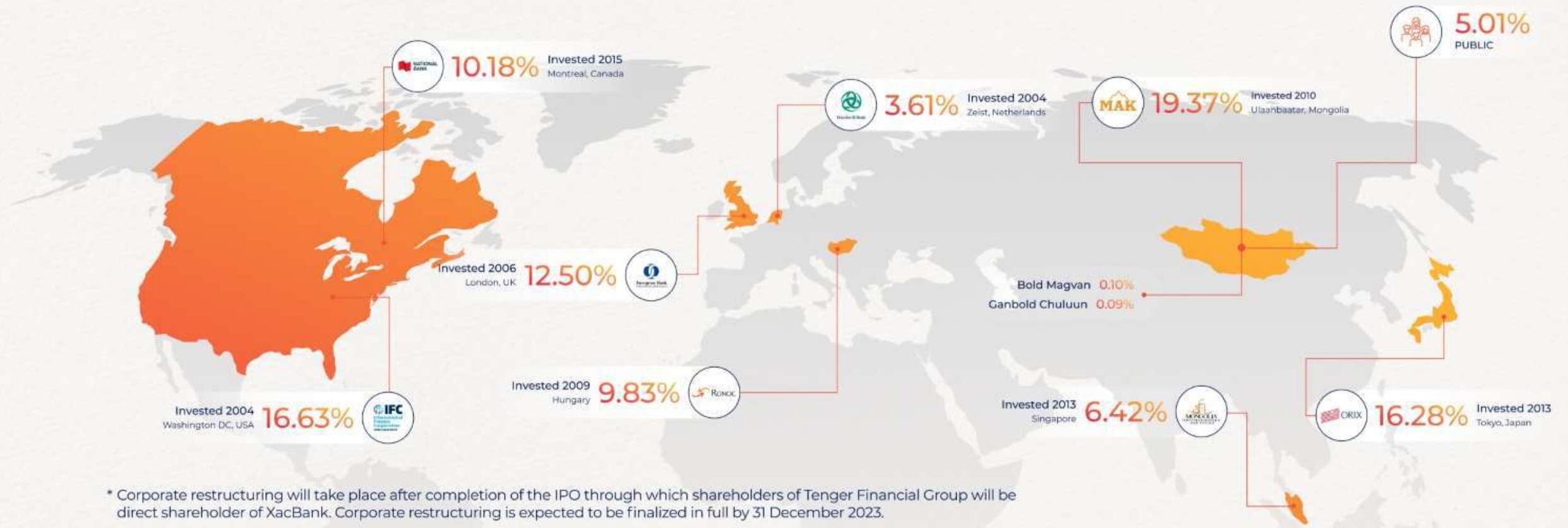
As of September 30, 2023



Shareholders

National corporation, multilateral entities and international financial institutions

The only systemic bank in Mongolia that is currently meeting the maximum single shareholding requirement of **20%** in terms of UBO.



* Corporate restructuring will take place after completion of the IPO through which shareholders of Tenger Financial Group will be direct shareholder of XacBank. Corporate restructuring is expected to be finalized in full by 31 December 2023.

Board of Directors



Sanjay Gupta
CHAIRMAN

Since: 2017
Experience: over 40 years



Michael Madden
NON-EXECUTIVE DIRECTOR
Ronac Partners

Since: 2009
Experience: over 30 years



Tselmuun Nyamtaishir
NON-EXECUTIVE DIRECTOR
Mongolyn AIR (MAK) LLC

Since: 2012
Experience: over 20 years



Ulambayar Bayansan
INDEPENDENT NON-EXECUTIVE DIRECTOR

Since: 2015
Experience: over 20 years



Yves Jacquot
NON-EXECUTIVE DIRECTOR
National Bank of Canada (NBC)

Since: 2016
Experience: over 40 years



Niraj Vedwa
INDEPENDENT NON-EXECUTIVE DIRECTOR

Since: 2018
Experience: over 30 years



Andrzej Witak
NON-EXECUTIVE DIRECTOR
European Bank for Reconstruction and Development (EBRD)

Since: 2019
Experience: over 30 years



TSEVEGJAV Gumenjav
EXECUTIVE DIRECTOR

Since: 2019
Experience: over 19 years



Albertus Bruggink
NON-EXECUTIVE DIRECTOR
ORIX Corporation

Since: 2020
Experience: over 30 years



Suzannah Herring Carr
NON-EXECUTIVE DIRECTOR
International Finance Corporation (IFC)

Since: 2022
Experience: over 30 years



Amy Choi
INDEPENDENT NON-EXECUTIVE DIRECTOR

Since: 2023
Experience: over 25 years



INDEPENDENT NON-EXECUTIVE DIRECTOR

Selection process in progress

Board Committees



The Governance, Nomination and Compensation (“GNC”) Committee is responsible for overseeing matters of corporate governance, including formulating and recommending governance principles and policies, to ensure that a good corporate governance system with necessary structures and processes is in place for direction and control of a transparent and sustainable bank that aligns the interests of a wide range of different stakeholders. As the name implies, the other primary responsibilities of this committee are:

1. Select, evaluate and recommend to the Board qualified candidates for election to the Board and appointment of the Chief Executive Officer and;
2. Review performance and set compensation of Chief Executive Officer, oversee compensation policy and equity-based plans, review and make recommendations to the Board regarding board compensation; and
3. review employee loans terms and conditions.

Chair:

Michael Madden

Members:

Tselmuun Nyamtaishir
Ulambayar Bayansan (Independent Director)
Niraj Vedwa (Independent Director)
Amy Choi (Independent Director)



The Risk Management Committee is responsible for advising the Board on risk-related matters and risk governance and for establishing a sound system of risk oversight, management and internal control. The Committee review and assesses the risk management policy, adequacy of the plans for mitigation of material risks in the business lines, effectiveness of risk management functions, risk exposure limits, quality of the loan portfolio, credit approval limits and loan write-offs authorities, transactions and proposals exceeding limits detailed in the policies, loans and transactions with connected and related parties.

Chair:

Yves Jacquot

Members:

Albertus Bruggink
Ulambayar Bayansan (Independent Director)
Niraj Vedwa (Independent Director)
Amy Choi (Independent Director)



The Audit Committee is responsible for reviewing the completeness, appropriateness and effectiveness of the internal control system. The Committee reviews and makes recommendations to the Board in relation to the appointment, re-appointment and removal of external auditors, performance of the internal audit function and management's compliance with regulatory financial reporting, reviews annual audited and unaudited financial statements and interim financial reports, significant accounting and reporting issues, including significant or conflict of interest transactions, and recent professional and regulatory pronouncements and their impact on the financial statements. The Committee appoints the Chief Auditor and reviews his/her performance

Chair:

Ulambayar Bayansan (Independent Director)

Members:

Niraj Vedwa (Independent Director)
Amy Choi (Independent Director)
Andrzej Witak
Suzannah Herring Carr

Governance report



THE BOARD ACTIVITIES

- The Board - 4 meetings
- Governance, Nomination and Compensation Committee - 5 meetings
- Audit Committee - 2 meetings
- Risk Management Committee - 2 meetings.



The Board of XacBank approved the following internal policies, aligning with the Corporate Governance Code approved by the Financial Regulatory Commission:

1. Corporate Governance Code;
2. Internal Rules of Procedure of the Board of Directors;
3. Charter of the Governance, Nomination and Compensation Committee of the Board of Directors;
4. Procedural Policy for Organizing/Holding General Meetings of Shareholders;
5. Charter of the Audit Committee of the Board of Directors;
6. Employee Loan Policy;
7. Directors' Remuneration Payment and Travel Reimbursement Policy;
8. Internal Audit Charter of the Bank;
9. Internal Audit Policy of the Bank;
10. Procedure on Preventing Money Laundering and Terrorism Financing;
11. Information Disclosure Policy;
12. Know Your Customer Policy;
13. Code of Conduct and Conflict of Interest Policy for Directors and Employees;
14. Whistleblowing Policy;
15. Insider Trading Policy;
16. Conflict of Interest and Related Party Transaction Policy;
17. Governance Roadmap 2023-2026;
18. Charter of XacBank JSC;
19. Anti-Bribery and Anti-Corruption Policy;
20. Board Director Selection and Nomination Policy.

Executive Management Team



Average
employment tenor
with the Bank

14



TSEVEGJAV Gumenjav
CHIEF EXECUTIVE OFFICER

Since: 2011
Experience: 19 years



ERDENEBAVAR Ganzorig
CHIEF FINANCIAL OFFICER

Since: 2005
Experience: 18 years



ULAMBAYAR Enebish
CHIEF RETAIL BANKING OFFICER

Since: 2013
Experience: 23 years



ERKIN Bavaan
CHIEF BUSINESS BANKING
OFFICER

Since: 2002
Experience: 20 years



DAURYENBYEK Syerikjan
CHIEF LEASING OFFICER

Since: 2000
Experience: 25 years



Iliya AVRAMOV
CHIEF RISK OFFICER

Since: 2019
Experience: 25 years



ZUL Ganzorig
CHIEF OPERATIONS OFFICER

Since: 1999
Experience: 24 years



UNURBAT Khurelbaatar
CHIEF INFORMATION
TECHNOLOGY OFFICER

Since: 2012
Experience: 20 years



MUNKHTSELMEG Nyamsuren
GENERAL COUNSEL / CORPORATE
SECRETARY

Since: 2022
Experience: 16 years



UNDARMAA Enkhbayar
CHIEF AUDITOR

Since: 2008
Experience: 25 years

Human Resource policy

Since its establishment, XacBank has cultivated unique corporate culture, world class corporate governance practice which are constantly elevated through compact but efficient and high performance team of professionals who operates within the fair and stable working environment. This creates stable work force with average employment tenor of **7.8 years**. Furthermore, **90%** of current managers were promoted internally.





Financial and operational result

<https://www.xacbank.mn/page/investor-relations?lang=en>

Contact: InvestorRelation@xacbank.mn

(976)-75771888-(888)

Oct 20, 2023