

# Statement of financial position

In thousand MNT	Note	31 December 2023	31 December 2022
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	12,853,699	23,544,170
Short-term investment		-	50,000
Loan	7	104,206,590	78,127,005
Other receivables	8	8,058,375	2,165,053
Other assets	9	2,135,441	1,612,690
<b>Total current assets</b>		<b>127,254,105</b>	<b>105,498,918</b>
<b>Non-current assets</b>			
Property and equipment	10	4,320,091	4,046,206
Intangible assets	11	199,889	83,245
<b>Total non-current assets</b>		<b>4,519,980</b>	<b>4,129,451</b>
<b>Total assets</b>		<b>131,774,085</b>	<b>109,628,369</b>
<b>Equity and liabilities</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Short-term loans from banks and financial institutions	12	18,321,314	28,295,372
Current payables in bond	13	10,176,641	14,264,928
Trust service payables	14	29,875,302	25,269,033
Current lease liabilities	15	54,064	46,302
Other liabilities	16	22,708,367	7,891,526
<b>Total current liabilities</b>		<b>81,135,688</b>	<b>75,767,161</b>

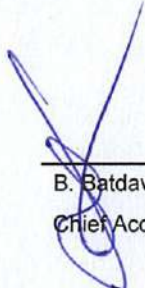
# Statement of financial position

(continued)

In thousand MNT	Note	31 December 2023	31 December 2022
<b>Non-current liabilities</b>			
Long-term loans from banks and financial institutions	12	10,643,420	2,068,275
Non-current lease liabilities	15	68,843	122,907
<b>Total non-current liabilities</b>		<b>10,712,263</b>	<b>2,191,182</b>
<b>Total liabilities</b>		<b>91,847,951</b>	<b>77,958,343</b>
<b>Equity</b>			
Share capital	17	3,500,000	3,500,000
Retained earnings	17	36,426,134	28,170,026
<b>Total equity</b>		<b>39,926,134</b>	<b>31,670,026</b>
<b>Total liabilities and equity</b>		<b>131,774,085</b>	<b>109,628,369</b>

The financial statement was approved on 18 March 2024 by:

  
B. Khunshagai  
Chief Executive Officer

  
B. Batdavaa  
Chief Accountant

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages from 15 to 34.



# Statement of comprehensive income

In thousand MNT	Note	2023	2022
Interest income	18	42,123,860	29,999,636
Interest expense	19	(16,456,882)	(10,697,536)
<b>Net interest income</b>		<b>25,666,978</b>	<b>19,302,100</b>
Non-interest income	20	7,381,094	6,733,227
Non-interest expense	21	(19,528,022)	(16,929,298)
<b>Total non-interest expense</b>		<b>(12,146,928)</b>	<b>(10,196,071)</b>
<b>Operating profit prior to establishing a contingent allowance for credit loss</b>		<b>13,520,050</b>	<b>9,106,029</b>
Contingent risk expense	22	(3,216,257)	(3,124,671)
<b>Operating profit</b>		<b>10,303,793</b>	<b>5,981,358</b>
Non-operating expenses		(563,301)	(227,132)
<b>Profit before tax</b>		<b>9,740,492</b>	<b>5,754,226</b>
Tax expense	23	(1,484,384)	(598,917)
<b>Net profit</b>		<b>8,256,108</b>	<b>5,155,309</b>

The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages from 15 to 34.

## Statement of changes in equity

In thousand MNT	Equity	Retained earnings	Total
<b>Balance 31 December 2021</b>	<b>3,500,000</b>	<b>23,014,717</b>	<b>26,514,717</b>
Net profit for the year	-	5,155,309	5,155,309
<b>Balance 31 December 2022</b>	<b>3,500,000</b>	<b>28,170,026</b>	<b>31,670,026</b>
Net profit for the year	-	8,256,108	8,256,108
<b>Balance 31 December 2023</b>	<b>3,500,000</b>	<b>36,426,134</b>	<b>39,926,134</b>

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages from 15 to 34.



# Statement of cash flow

In thousand MNT	2023	2022
<b>Cash flows from operating activities</b>		
Profit before tax	8,256,108	5,155,309
Adjustment:		
Depreciation and amortization expense	815,101	545,275
Expense on contingent allowance for credit loss	3,216,257	3,124,671
Unrealized foreign exchange loss, (gain)	(5,377)	88,146
Finance cost	16,456,882	10,697,536
Interest expense on lease liabilities (-)	23,179	29,827
Accrued interest income (-)	(42,123,860)	(10,697,536)
Tax expense (+)	1,484,384	598,917
<b>Operating loss before changes in working capital</b>	<b>(11,877,327)</b>	<b>9,542,144</b>
Decrease /increase/ in loans to customers	(27,122,048)	(13,315,831)
Decrease /increase/ in other financial and non-financial assets	(6,416,073)	(1,541,269)
Increase /decrease/ in other financial and non-financial liabilities	14,822,137	432,864
Increase (+), decrease (-) in other liabilities	(2,047,334)	(2,696,347)
<b>Cash disbursed on operating activities</b>	<b>(32,640,644)</b>	<b>(7,578,439)</b>
Paid income tax	(2,585,406)	(207,448)
Interest received (+)	39,950,065	9,075,161
Paid interest (-)	(13,308,526)	(8,392,657)
<b>Net cash flow from operating activities</b>	<b>(8,584,511)</b>	<b>(7,103,383)</b>
<b>Cash flow from investing activities</b>		
Acquisition of fixed assets	(973,037)	(302,310)
Acquisition of intangible assets	(232,592)	(63,837)
Proceeds from sale of investment	50,000	-
<b>Net cash flow from investing activities</b>	<b>(1,155,629)</b>	<b>(366,148)</b>

## Statement of cash flow (continued)

In thousand MNT		2023	2022
<b>Cash flow from financing activities</b>			
Received from bonds issued		19,791,087	45,093,268
Bond repayment		(23,879,374)	(42,554,768)
Borrowings from others		594,796,546	302,431,329
Loan repayment		(596,195,460)	(285,273,203)
Trust from customers		51,166,395	37,742,780
Trust paid to customers		(46,560,126)	(33,281,348)
Interest payment on lease liabilities		(69,480)	(69,480)
<b>Net cash flow from financing activities</b>		<b>(950,412)</b>	<b>24,088,579</b>
Foreign exchange rate equation made to balance on cash and cash equivalents		82	(250)
<b>Net total cash flow</b>		<b>(10,690,471)</b>	<b>16,618,798</b>
Balance cash and cash equivalents at the beginning of the year	6	23,544,170	6,925,372
Balance cash and cash equivalents at the end of the year	6	12,853,699	23,544,170

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages from 15 to 34.