TRADE AND DEVELOPMENT BANK JSC
2026 SEMI-ANNUAL OPERATIONAL REPORT

Semi-annual and quarterly operational reports /Form 2/

Article 20 of the Securities Market Law stipulates the ongoing obligations of the issuer, and the issuer is responsible for submitting quarterly and semi-annual operational reports to the Financial Regulatory Commission and the exchange in accordance with the below form, and shall disclose to the public through its website.

Reporting period	From January 1st 2026 to June 30th 2026
Issuer's name, state registration certificate number, securities symbol phone number	Issuer's name: Trade and Development bank JSC ("TDB" or Bank) SRCN: 9007001015 Securities symbol: MN00TDB05673 Phone number: 11 328227
Name of listed exchange	Mongolian stock exchange
Sector of business operations	Banking and Finance
Total number of shares issued by the issuer	50,600,927
Names of the specialist who prepared and the official who reviewed the semi-annual and quarterly	Prepared by: Sainbayar L – Foreign relations specialist, Office of RGB Reviewed by: Nyamsuren N – Secretary of Board of Directors

1	*The semi-annual and quarterly financial reports /full out the summary report indicators and attach the financial statement/*	
	Balance sheet	*Appendix No 1- Financial statement*
	Income statement	
	Statement of retained earnings	
	Cash flow statement	
2	*The audit committee opinion on the semi-annual and quarterly, financial statements, which was reviewed and confirmed by board audit committee*	
	Appendix No 2	
3	*External and internal factors affecting the issuer's financial operations during the reporting period, management reports and opinions based on analysis of financial statements, income, expenses, and profit indicators*	
3.1.	*Operational performance /Financial ratios/*	see table below
3.2.	*Liquidity ratios and financial resources*	see table below

Financial Year End	**12/31/2025 (%)**	**06/30/2026 (%)**
Return on Assets	1.38%	0.40%
Return on Equity	15.29%	4.30%

№	*Ratios*	*Required*	*TDB*
1	*Liquidity ratio*	*>25%*	*43.44%*

3.3. *The external and internal factors affecting the activities of the issuer, changes in the range of its products and services, and measures planned to be taken by the issuer in response to these changes.*

"Trade and Development bank" JCS (hereinafter "TDB") has continued to actively engage with international capital markets and development finance institutions. As of the first half of 2026, TDB's USD 300 million private bond issuance and USD 50 million Green and Social Bond remain listed and actively traded on the Vienna Stock Exchange. The Bank has also continued to strengthen and expand its relationships with international financial institutions through initiatives such as mobilizing funding from the Korea Development Bank (KDB) supported by a guarantee from GuarantCo, as well as maintaining active cooperation with the U.S. International Development Finance Corporation (DFC). These efforts reflect TDB's ongoing commitment to diversifying its funding sources, enhancing access to international capital, and supporting its long-term strategic growth objectives.

TDB is carrying out specific initiatives in the areas of products and services, digital channels, information transparency, and sustainable financing as part of its strategic objective to become a customer-centric platform bank amid intensifying competition in the banking and financial sector and growing customer demand for digital, prompt, and accessible services. Within the framework of this objective, the Bank has introduced an artificial intelligence-based chatbot. This solution is designed to enable the timely receipt of customer inquiries and messages submitted through social media channels, provide the necessary information, and assign them to the relevant staff members, thereby improving the speed and accessibility of customer service.
The Bank has developed and launched an integrated information website that complies with international capital market benchmarks and Investor Relations standards. This enables shareholders, investors, customers, and the public to access the TDB's information more clearly and conveniently from a single source, thereby enhancing transparency, governance, and investor confidence.

The Bank expanded access to its products and services by introducing a bundled offering tailored to customer needs, which includes the Happy Family–Happy Future card, a savings product, and a GPS device. In addition, to further improve the accessibility of its physical service channels, the Bank newly opened the "Encanto Centro Light Settlement Cash Desk." For small and medium-sized enterprises the Bank, in cooperation with the German Agency for International Cooperation, launched the 2026 "Capacity Building Program" under the "SFME" project, aimed at strengthening small and medium-sized enterprises in Mongolia and improving their access to sustainable finance.
Going forward, the TDB will continue to strengthen the quality of customer service, the competitiveness of its products and services, the accessibility of its digital channels, information transparency, its investor relations framework, and its sustainable financing activities in line with changes in the external and domestic environment. These measures are aimed at increasing shareholder value, delivering modern, accessible, and reliable banking services to customers, and improving the Bank's medium- and long-term competitiveness.

3.4. *Details of off-balance sheet transactions and information on accounting policies*

Off-balance items	*MNT'000*
Contingencies and commitments (net)	1,858,298,913

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/*

The Bank's Board of Directors issued 8 resolutions in first half of 2026 regarding contract transactions involving conflicts of interest, each of which was publicly disclosed on the Bank's website and its own website.

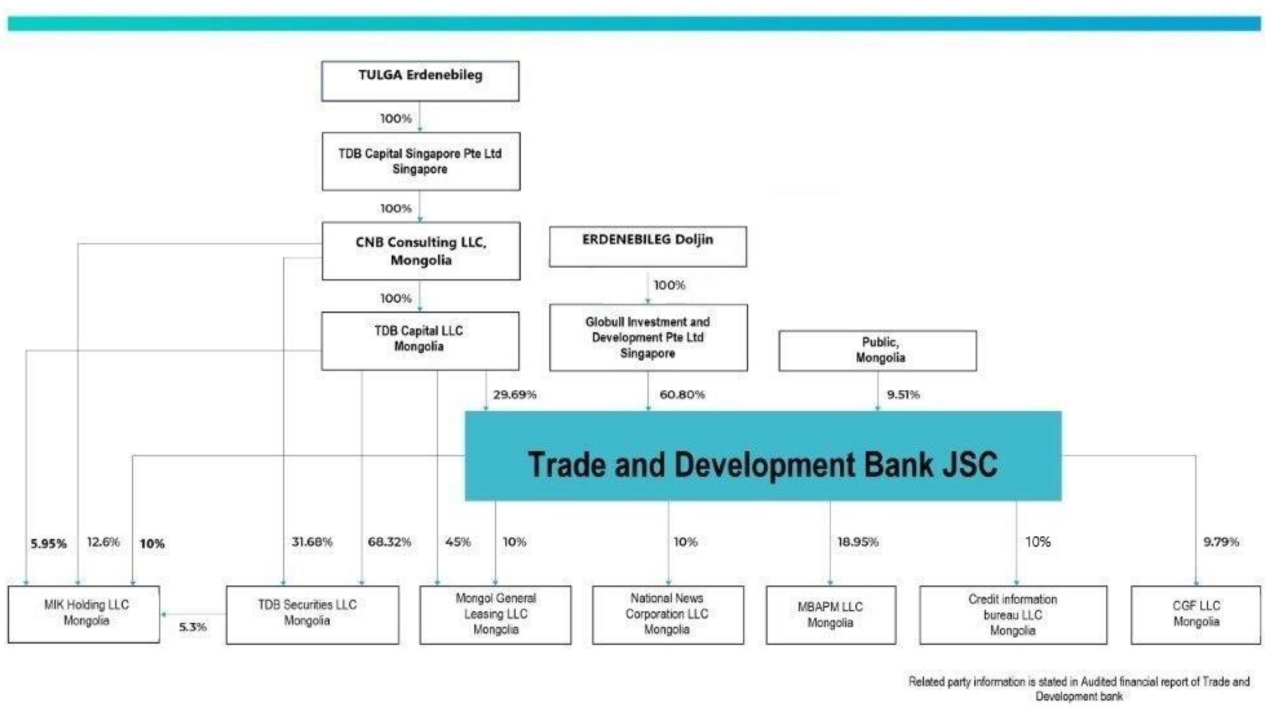
In accordance with Article 38 of the Law on Banking, the Bank informs the public through its website about loans granted to related parties, letters of credit issued, other obligations, work, and services.

As of June 30, 2026 (million MNT)

Bank related party		**Type of assets**	**Outstanding balance**	**Related party ratio**
1.	Single related party exposure (not exceed 5% of the Bank capital)			
1.1.	Bank shareholder	Loan, Receivable	-	0.00%
1.2.	Bank authorized person	Loan	778.65	0.05%
1.3.	Other related party	Receivable	79,742.39	4.81%
2.	Total related parties exposure (not exceed 20% of the Bank capital)			
2.1.	Bank shareholder	Loan, Receivable	-	0.00%
2.2.	Bank authorized person	Loan, Receivable	4,649.47	0.28%
2.3.	Other related party	Loan, Other Assets	267,628.28	16.14%

** Clause 3.1.2 of Article 3 of the Banking Law defines the related party definition.*

During the reporting period, the Bank has not entered any major transactions defined in Section 87.1 of Article 87 of the Company Law.

<table>
<tr><td rowspan="2">5</td><td>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</td></tr>
<tr><td>Within the framework of its medium-term strategy of becoming a “Green Bank”, TDB has set to use net proceeds from its Initial Public Offering (IPO) of 5% of the Bank's total issued shares, to finance its sustainable loans in line with eligible categories specified in TDBM's Sustainability Framework. From the primary market, TDBM received 2,528 orders, total of MNT 105.5 billion (equivalent to approx. USD 30.5 million) for the Bank’s shares, which surpassed its initial target of MNT 83.5 billion (or USD 24.2 million equivalent), and closed its IPO with oversubscription status of 126.4%.
In accordance with TDBM's strategy to expand its presence in Small & Medium Business (SMB) and retail markets, net proceeds from Bank's offerings were allocated towards following business segments and by end of 3rd quarter of 2024, TDB successfully allocated 100% all funding from IPO.</td></tr>
<tr><td rowspan="2">6</td><td>Information related to corporate governance</td></tr>
<tr><td>Appendix No 3</td></tr>
<tr><td rowspan="2">7</td><td>Reports and information related to issuer governance</td></tr>
<tr><td>Appendix No 3</td></tr>
<tr><td rowspan="2">8</td><td>Information on the structure of the issuer (parent, subsidiary, associate, and affiliated companies, including their ownership percentages), as well as information on financial transactions with related parties.</td></tr>
<tr><td>

As of the first half of 2026, transactions with related parties amounted to MNT 610,771,864.5 thousand.</td></tr>
<tr><td rowspan="2">9</td><td>Solvency and prudential ratio indicators applicable to issuers (banks, insurance companies, non-bank financial institutions, and securities companies).</td></tr>
<tr><td>

№	*Ratios*	*Required*	*TDB*
1	*Tier 1 capital ratio*	*>9%*	*14.23%*
2	*Capital adequacy ratio*	*>13%*	*14.23%*
3	*Single foreign currency ratio*	*<+/-15%*	*-2.19%*
4	*Total foreign currency open position ratio*	*<+/-30%*	*-6.49%*

</td></tr>
</table>

TDB
TRADE & DEVELOPMENT BANK

10	*Information on measures to prevent situations where the issuer reduces its share capital by repurchasing and canceling its own shares; where the company's losses exceed 30% of its equity at the end of the reporting period; or where the company's liabilities exceed its equity for two consecutive years, resulting in negative equity—along with details of the actions taken if such circumstances have arisen.*
	During the reporting period, the above-mentioned situation did not occur.
11	*Information on the number and quantity of treasury shares repurchased during the reporting period, as well as details on the implementation of employee share ownership programs and any share-based compensation provided.*
	There were no changes in the shareholding structure during the reporting period.

Signature of the person who prepared the information, the person who confirmed the accuracy of the information and the date:

Full name: **ORKHON Onon**

Position: Chief Executive Officer

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Signature: ....

Signature of the person who prepared and submitted the information and the date: 2026/07/09

Full name: **NYAMSUREN Navaansharav**

Position: Secretary of Board of Directors

Signature: ....

Submission date:

Unofficial translation

AUDIT COMMITTEE CONCLUSION

UNDER THE REPRESENTATIVE GOVERNING BOARD

July 8, 2026 Ulaanbaatar

The Audit Committee reviewed the Bank's financial statements, indicators, and financial budget performance for the first half of 2026 presented by Trade and Development Bank JSC and confirmed that they were reported truthfully and accurately in accordance with the Accounting Reporting Package approved by the joint order of the Governor of the Bank of Mongolia and the Minister of Finance.

Trade and Development Bank had assets of MNT 17.7 trillion and profit before tax of MNT 71.2 billion in the first half of 2026 and operated in compliance with the financial indicators established by the Bank of Mongolia. The Bank fulfilled the asset, liability, and income budget and plan provided by the Representative Governing Board for the first half of 2026, which was considered a good result. However, the Committee noted that the fulfillment of the non-performing assets plan was insufficient and recommends that special attention be paid to the collection and recovery of non-performing assets in the second half of 2026.

CHAIRPERSON OF THE AUDIT COMMITTEE J. BOLORMAA */signed/*

MEMBER OF THE AUDIT COMMITTEE D. GANTUGS */signed/*

MEMBER OF THE AUDIT COMMITTEE D. OTGONBILEG */signed/*

Company name: Trade and Development bank of Mongolia
Register: 2635534

STATEMENT OF FINANCIAL POSITION

*000 MNT

№	Balance sheet items	Beginning balance	Ending balance
1	**Assets**	0	0
1.1	**Cash and cash equivalents**	**3,130,545,021**	**3,208,703,267**
1.1.1	Cash on hand	78,685,103	80,730,871
1.1.2	Deposits and placements with banks and other financial institutions (with maturity up to 3 months)	1,231,089,462	1,208,158,269
1.1.3	Cash equivalents	1,820,175,329	1,919,107,761
1.1.4	Accrued interest receivables	595,127	706,366
1.2	**Deposits and placements with banks and other financial institutions**	**4,622,059,198**	**3,491,837,834**
1.2.1	Balances with Bank of Mongolia	4,622,372,134	3,492,150,770
1.2.2	Deposits and placements with banks and other financial institutions	0	0
1.2.3	Other assets	0	0
1.2.4	Accrued interest receivables	0	0
1.2.5	Provision for impairment losses	-312,936	-312,936
1.3	**Investment securities**	**1,231,647,017**	**1,606,713,740**
1.3.1	Trading investment securities	0	0
1.3.2	Available-for-sale investment securities	1,189,691,963	1,549,026,615
1.3.3	Held-to-maturity investment securities	9,665,545	17,028,932
1.3.4	Other securities classified as loans and advances	0	0
1.3.5	Investment in associates, subsidiaries and joint ventures	1,769,992	1,769,992
1.3.6	Pledged investment securities	0	0
1.3.7	Accrued interest receivables	30,552,896	38,921,580
1.3.8	Provision for impairment losses	-33,379	-33,379
1.4	**Loans and advances, net**	**7,919,104,322**	**8,229,948,483**
1.4.1	Performing loans	7,534,221,952	7,893,299,905
1.4.2	Past due loans	289,336,647	210,693,142
1.4.3	Substandard loans	30,816,068	41,022,692
1.4.4	Doubtful loans	42,528,453	37,401,397
1.4.5	Bad loans	252,497,026	345,794,862
1.4.6	Deferred loan payments	-22,780,064	-29,488,921
1.4.7	Accrued interest receivables	172,791,714	151,581,786
1.4.8	Reserve for probable loan losses	-380,307,473	-420,356,380
1.5	**Derivative financial instruments**	**86,412,028**	**91,219,416**
1.6	**Other financial assets**	**67,187,369**	**140,864,125**
1.6.1	Receivables, net	53,863,780	125,122,272
1.6.2	Bank, interbranch settlements	10,551,010	10,956,850
1.6.3	Foreclosed other assets (net)	0	0
1.6.4	Other	2,772,579	4,785,003
1.7	**Other non-financial assets**	**473,336,912**	**174,831,327**
1.7.1	Other settlements	51,111,916	73,479,144
1.7.2	Inventory	5,606,155	3,966,255
1.7.3	Precious metals, net	161,016,258	21,052,971
1.7.4	Foreclosed other assets (net)	254,433,955	75,164,907
1.7.5	Income tax receivables	1,167,988	1,167,988
1.7.6	Deferred income tax asset	0	0
1.7.7	Other	640	62
1.8	**Property and equipment, net**	**574,699,475**	**606,106,109**
1.9	**Investment properties**	**100,192,970**	**64,766,180**
1.10	**Held-for-sale assets**	**8,936,905**	**24,510,155**
1.11	**Intangible assets, net**	**49,905,429**	**63,842,539**
1.12	**Total assets**	**18,264,026,646**	**17,703,343,175**
2	**LIABILITIES**	**0**	**0**
2.1	**Current accounts**	**3,894,221,594**	**4,096,674,715**
2.1.1	Current accounts	3,894,221,594	4,096,674,715
2.1.2	Accrued interest payables	0	0
2.2	**Deposits**	**7,234,500,339**	**7,050,237,199**
2.2.1	Savings deposits	752,506,300	794,698,628
2.2.2	Time deposits	6,284,235,497	6,049,609,994
2.2.3	Other deposits	1,142,005	50,000
2.2.4	Accrued interest payables	196,616,537	205,878,577
2.3	**Deposits and placements of banks and other financial institutions**	**3,847,769,691**	**3,155,558,677**
2.3.1	Deposits and placements of banks and other financial institutions	1,206,997,927	931,410,039
2.3.2	Borrowings	2,628,287,705	2,213,033,557
2.3.3	Deferred liabilities	-4,299,285	-3,463,864
2.3.4	Accrued interest payables	16,783,344	14,578,945
2.4	**Other liabilities**	**1,316,964,551**	**1,483,327,562**
2.4.1	Debt securities issued	0	0
2.4.2	Bonds in issue	996,456,798	993,247,485
2.4.3	Project loan financing	240,257,043	258,009,427
2.4.4	Bills sold under repurchase agreements	0	139,724,379
2.4.5	Syndicated loans sources	0	0
2.4.6	Other	75,788,791	87,824,372

2.4.7	Deferred payments of other liabilities	0	0
2.4.8	Accrued interest payables	4,461,918	4,521,899
2.5	**Derivative financial liabilities**	**92,386,360**	**61,547,883**
2.6	**Financial other liabilities**	**90,465,018**	**175,246,525**
2.7	**Non-financial other liabilities**	**63,619,754**	**22,861,038**
2.8	**Subordinated debt**	**0**	**0**
2.9	**Preferred stock (liabilities)**	**0**	**0**
2.10	**Total Liabilities**	**16,539,927,305**	**16,045,453,599**
3	**SHAREHOLDERS' EQUITY**	**0**	**0**
3.1	**Issued capital**	**340,852,905**	**340,852,904**
3.1.1	Preferred stock	0	0
3.1.2	Common stock	340,852,905	340,852,904
3.2	**Share premium**	**64,069,779**	**64,069,779**
3.3	**Treasury stock**	**0**	**0**
3.4	**Revaluation reserves**	**143,093,248**	**143,093,248**
3.5	**Retained earnings**	**1,021,846,904**	**1,058,068,473**
3.6	**Other equity**	**154,236,504**	**51,805,172**
3.6.1	Share options	0	0
3.6.2	Reserves fund	494,516	494,516
3.6.3	Foreign currency exchange translation and valuation fund	0	0
3.6.4	Fund for loss allowances	100,110,188	0
3.6.5	Fund for social development	0	0
3.6.6	Securities convertible into shares (equity)	0	0
3.6.7	Resources convertible into shares (equity)	0	0
3.6.8	Available-for-Sale Securities Revaluation Fund	0	0
3.6.9	Hedge Instrument Revaluation Fund	0	0
3.6.10	Other	53,631,800	51,310,656
3.7	**Total equity**	**1,724,099,341**	**1,657,889,576**
4	**TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**	**18,264,026,646**	**17,703,343,175**

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TRADE AND DEVELOPMENT BANK JSC

CHIEF EXECUTIVE OFFICER ORKHON.O

HEAD OF FINANCIAL MANAGEMENT AND CONTROL DEPARTMENT ENKHTUYA.D

FINANCIAL ANALYST DELGERMAA.TS

Company name: Trade and Development bank of Mongolia
Register: 2635534

INCOME STATEMENT

*000 MNT

№	Income statement items	Beginning balance	Ending balance
1	**Interest income**	**1,435,726,251**	**802,360,753**
1.1	Balances with the Bank of Mongolia	16,021,069	7,436,908
1.2	Due from other banks and financial institutions	33,959,615	18,157,259
1.3	Investments in securities	249,672,212	150,578,610
1.4	Loans and advances	1,095,290,865	598,455,527
1.5	Other	40,782,490	27,732,449
2	**Interest expense**	**1,008,587,568**	**562,563,522**
2.1	Current accounts	46,050,417	28,622,598
2.2	Savings	682,328,128	361,533,078
2.3	Borrowings	67,679,628	36,007,243
2.4	Securities	212,266,127	134,687,284
2.5	Others	263,269	1,713,319
3	**Net interest income [(1)-(2)]**	**427,138,682**	**239,797,231**
4	**Provision expenses**	**111,180,051**	**155,678,104**
4.1	Deposits and placements with banks and other financial institutions	0	0
4.2	Investment securities	0	0
4.3	Loans and advances	111,180,051	155,678,104
5	**Net interest income after provision [(3)-(4)]**	**315,958,631**	**84,119,127**
6	**Other income**	**352,899,791**	**224,587,024**
6.1	**Non-interest income**	**327,958,812**	**223,576,771**
6.1.1	Trading income	52,484,388	19,211,031
6.1.2	Gains from foreign currency exchange translation and valuation	22,731,339	29,596,737
6.1.3	Fees and commission income	142,793,159	86,758,135
6.1.4	Other non-interest income	109,949,927	88,010,868
6.2	Other income	24,940,979	1,010,253
7	**Other expense**	**429,412,526**	**237,442,934**
7.1	**Non-interest expense**	**419,068,474**	**236,776,919**
7.1.1	Other provision expense	23,611,284	31,508,535
7.1.2	Trading expense	5,508,379	21,591,032
7.1.3	Losses from foreign currency exchange translation and valuation	32,482,088	7,780,682
7.1.4	Fees and commission expense	67,516,766	32,479,215
7.1.5	Other operating expense	289,949,957	143,417,455
7.2	Other expense	10,344,051	666,015
8	**Profit before tax (5+6-7)**	**239,445,897**	**71,263,218**
9	Income tax expense	38,895,926	25,808
10	**Profit after tax (8-9)**	**200,549,971**	**71,237,410**
11	Net income (loss) from discontinued operations	0	0
12	**Profit after tax(10+11)**	**200,549,971**	**71,237,410**
13	**Other comprehensive income**	**8,765,637**	**-2,321,144**
13.1	Net change in revaluation reserves of property, plant, and equipment	0	0
13.2	Net unrealized change in fair value of available-for-sale financial assets	8,765,637	-2,321,144
13.3	Net changes in the fund of foreign currency exchange translation and valuation	0	0
13.4	Net changes in the fund for loss allowances	0	0
13.5	Other	0	0
14	**Total comprehensive income for the year (12+13)**	**209,315,608**	**68,916,266**

№	Off-balance items	*000 MNT
1	Contingencies and commitments (net)	**1,858,298,913**

ХУДАЛДАА ХӨГЖЛИЙН БАНК ХК
TRADE AND DEVELOPMENT BANK JSC

CHIEF EXECUTIVE OFFICER ORKHON.O

HEAD OF FINANCIAL MANAGEMENT AND CONTROL DEPARTMENT ENKHTUYA.D

FINANCIAL ANALYST DELGERMAA.TS

Company name: Trade and Development bank of Mongolia
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CASHFLOW STATEMENT

'000 MNT

№	Indicators	Previous	Period
1	**CASH FLOWS FROM OPERATING ACTIVITIES**	***	***
1.1	Profit/loss before tax	239,445,897	71,263,218
1.2	**Adjustments of income, expense:**	**(364,756,292)**	**(142,947,575)**
1.2.1	Provisions, discount expense (+)	44,749,308	94,687,161
1.2.2	Depreciation and amortisation (+)	17,633,083	2,162,496
1.2.3	Gain of exchange rate and valuation (other from cash and its equivalents)	0	0
1.2.4	Interest income (-)	(1,435,726,251)	(802,360,753)
1.2.5	Interest expense (+)	1,008,587,568	562,563,522
1.2.6	Gains (-) or losses (+) from disposal of fixed assets and long-term investments	0	0
1.2.7	Other gains (-) or losses (+)	0	0
1.3	**Adjustments of assets and liabilities:**	**(1,149,282,145)**	**93,036,448**
1.3.1	Changes in operating assets	(1,865,553,218)	1,129,940,454
1.3.2	Net increase (-), decrease (+) in short term investments	0	0
1.3.3	Net increase (-), decrese (+) in OREO	(1,846,166,036)	(483,435,974)
1.3.4	Net increase (-), decrease (+) in other assets	60,281,166	(10,203,846)
1.3.5	Net increase (-), decrease (+) in other non-financial assets	(121,019,392)	107,205,566
1.3.6	Net increase (-), decrease (+) in deposits and current accounts	1,431,589,522	8,927,941
1.3.7	Increase (-), decrease (+) in other sources atracted from non- banking institutions	1,187,049,831	(688,746,884)
1.3.8	Net increase (-), decrease (+) in other financial liabilities	29,961,614	41,167,986
1.3.9	Increase (-), decrease (+) in other non financial liabilities	(25,425,633)	(11,818,795)
1.4	**Other adjustments:**	**379,831,934**	**259,730,288**
1.4.1	Taken interest (+)	1,386,355,104	815,201,997
1.4.2	Repaid interest (-)	(967,627,244)	(555,445,901)
1.4.3	Repayment of Income tax (-)	(38,895,926)	(25,808)
1.4.4	Provision from written off loan, Receivable (-)	0	0
1.4.5		0	0
1.5	**NET CASH FLOW FROM OPERATING ACTIVITIES**	**(894,760,607)**	**281,082,380**
2	**CASH FLOW FROM INVESTING ACTIVITIES**	***	**0**
2.1	**Cash inflow (+)**	**2,979,769,589**	**2,769,180,885**
2.1.1	Sale of assets	48,332,758	53,186,471
2.1.2	Sale of intangible assets	1,802,813	112,599
2.1.3	Sale of investment assets	0	84,802,081
2.1.4	Sale of investment subsidiary company	5,031,979	0
2.1.5	Sale of other long-term invetsments	0	0
2.1.6	Sale of loans and receivables are classified at amortized cost accounted investments	0	0
2.1.7	Sale of securities available for sale	2,664,279,113	2,612,908,788
2.1.8	Sale of securities held to the end of term	434,084	9,208,291
2.1.9	Dividends	0	0
2.1.10	Other cash inflow	259,888,841	8,962,655
2.2	**Cash outflow (-)**	**(2,910,044,096)**	**(3,151,842,751)**
2.2.1	Fixed assets acquired	62,199,313	74,519,932
2.2.2	Intangible assets acquired	5,511,559	14,792,768
2.2.3	Long-term investments disposed off	43,433,296	49,375,292
2.2.4	Subsidiary company	1,605,748	(0)
2.2.5	Loans and receivables are classified at amortized cost accounted investments	0	0

2.2.6	Purchase of available for sale securities	2,647,637,800	2,960,396,453
2.2.7	Purchase of securities held to the end of term	6,164,192	28,222,400
2.2.8	Purchase of other assets	0	0
2.2.9	Other outflows	143,492,189	24,535,905
2.3	**CASH FLOW FROM INVESTING ACTIVITIES**	**69,725,493**	**(382,661,866)**
3	**CASH FLOW FROM FINANCING ACTIVITIES**	*******	**0**
3.1	**Cash inflow (+)**	**6,396,878,276**	**5,515,940,484**
3.1.1	Received other funding	4,377,510,420	4,841,109,602
3.1.2	Received derivative	0	0
3.1.3	Received share and equity securities	0	0
3.1.4	Donation	0	0
3.1.5	Others	2,019,367,856	674,830,881
3.2	**Cash outflow (-)**	**(6,013,554,895)**	**(5,336,202,752)**
3.2.1	Paid in other funding	4,040,509,616	4,674,806,572
3.2.2	Paid in derivative	0	0
3.2.3	Paid in leasing payables	0	0
3.2.4	Purchase securities	0	0
3.2.5	Dividends paid (-)	101,201,854	35,015,841
3.2.6	Others	1,871,843,424	626,380,339
3.3	**NET CASH FLOW FROM FINANCING ACTIVITIES**	**383,323,381**	**179,737,731**
4	Exchange difference	0	0
5	**TOTAL NET CASH FLOW**	**(441,711,732)**	**78,158,246**
6	**BEGINNING BALANCE OF CASH END CASH EQUIVALENTS**	**3,572,256,753**	**3,130,545,021**
7	**ENDING BALANCE OF CASH AND CASH EQUIVALENTS**	**3,130,545,021**	**3,208,703,267**

ХУДАЛДАА ХӨГЖЛИЙН БАНК ХК
2635594 АТА10359
9023080616
TRADE AND DEVELOPMENT BANK JSC

CHIEF EXECUTIVE OFFICER ORKHON.O

HEAD OF FINANCIAL MANAGEMENT
AND CONTROL DEPARTMENT ENKHTUYA.D

FINANCIAL ANALYST DELGERMAA.TS

Company name: Trade and Development bank of Mongolia
Register: 2635534

STATEMENT OF CHANGES IN EQUITY

*000 MNT

№	Equity indicators	Share capital	Share premuim	Treasury shares	Revaluation reserves	Other reserves	Retained earnings	Total equity
	Balances at 2024.12.31	**340,852,905**	**64,069,779**	**0**	**143,364,654**	**174,759,391**	**892,938,857**	**1,615,985,587**
1	Impact of changes in accounting policies and error correction	0	0	0	0	0	0	0
2	**Corrected balance**	**340,852,905**	**64,069,779**	**0**	**143,364,654**	**174,759,391**	**892,938,857**	**1,615,985,587**
3	Net profit, loss for the period	0	0	0	0	0	200,549,971	200,549,971
4	Other comprehensive income	0	0	0	0	8,765,637	0	8,765,637
5	Changes in equity	0	0	0	0	-29,288,524	29,288,524	0
6	Allocated dividends	0	0	0	0	0	-101,201,854	-101,201,854
7	Implemented amount of revaluation surplus	0	0	0	-271,406	0	271,406	0
	Balances at 2025.12.31	**340,852,905**	**64,069,779**	**0**	**143,093,248**	**154,236,504**	**1,021,846,904**	**1,724,099,341**
1	Impact of changes in accounting policies and error correction	0	0	0	0	0	0	0
2	**Corrected balance**	**340,852,905**	**64,069,779**	**0**	**143,093,248**	**154,236,504**	**1,021,846,904**	**1,724,099,341**
3	Net profit, loss for the period	0	0	0	0	0	71,237,410	71,237,410
4	Other comprehensive income	0	0	0	0	-2,321,144	0	-2,321,144
5	Changes in equity	0	0	0	0	-100,110,188	0	-100,110,188
6	Allocated dividends	0	0	0	0	0	-35,015,841	-35,015,841
7	Implemented amount of revaluation surplus	0	0	0	0	0		0
	Balances at 2026.03.31	**340,852,905**	**64,069,779**	**0**	**143,093,248**	**51,805,172**	**1,058,068,473**	**1,657,889,577**

ХУДАЛДАА ХӨГЖЛИЙН БАНК ХК
2635534 АТА10359
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TRADE AND DEVELOPMENT BANK

CHIEF EXECUTIVE OFFICER ORKHON.O

HEAD OF FINANCIAL MANAGEMENT AND CONTROL DEPARTMENT ENKHTUYA.D

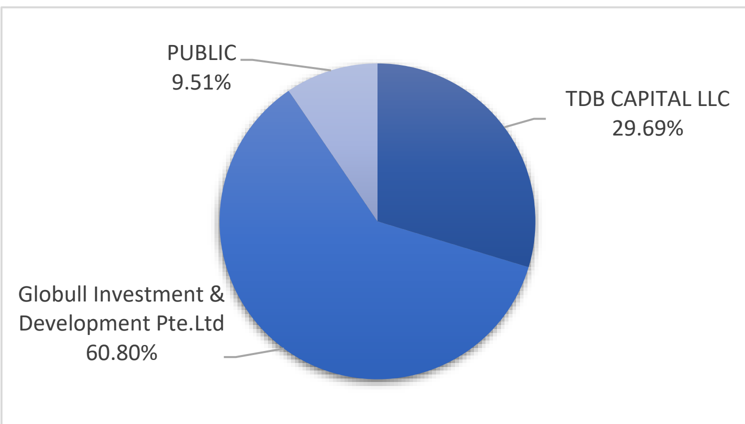
FINANCIAL ANALYST DELGERMAA.TS

CORPORATE GOVERNANCE

Trade and Development Bank JSC (hereinafter referred to as "TDB") applies corporate governance policies, rules, procedures, and guidelines in its operations. The Bank places great importance on conducting governance assessments accurately and objectively, protecting the interests of investors and customers, supporting long-term value creation, adopting both domestic and international best practices, communicating these practices to the Representative Governing Board and all units of the Bank, defining the Bank's strategic plan, organizational structure, and policies, and enhancing cooperation among stakeholders.

SHAREHOLDERS

TDB is a public joint-stock company, and the capital contributed by shareholders is divided into shares. Its shares are registered with a securities trading organization and are freely traded by the public. The supreme governing body of the Bank is the Shareholders' Meeting. TDB aims to provide shareholders with accessible services based on modern advanced technology and, within the framework of this policy, successfully held its regular meeting online on April 29, 2026.



TOTAL ISSUED SHARES

50,600,967

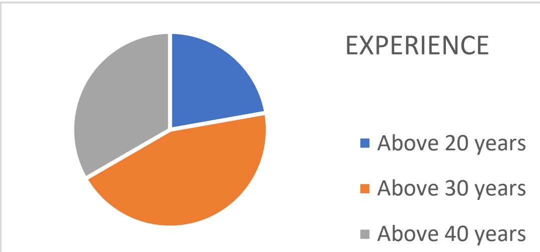
To ensure shareholders' equal rights, the Representative Governing Board approved the Investor Relations Program, while the Charter of TDB JSC defines shareholders' rights and powers. These measures provide all shareholders, regardless of shareholding size, with equal, transparent, and open access to information.

DIVIDEND INFORMATION

Pursuant to Resolution No. 14 of the Representative Governing Board of TDB JSC dated March 23, 2026, a dividend of MNT 692.00 per ordinary share was distributed to all shareholders from the Bank's net profit for 2025 through the Central Securities Depository.

REPRESENTATIVE GOVERNING BOARD

During the period between Shareholders' Meetings, the supreme governing body of the Bank is the Representative Governing Board (hereinafter referred to as the "RGB").



The RGB strives to maintain a constructive and effective structure composed of members who appropriately ensure diverse skills, knowledge, experience, management of conflicts of interest, independence, and gender balance.

Chairman of the Board Randolph **KOPPA** ***Under the RGB*** - *Member of the Risk Management Committee* - *Chairman of the Sustainable Development Committee* **Does not hold shares in TDB.*	***Board Member*** Dagmid **YANJMAA** ***Under the RGB*** - *Member of the Remuneration and Nomination Committee* **Does not hold shares in TDB*
Board Member Doljin **ERDENEBILEG** **Does not directly hold shares in TDB.*	***Board Member*** Dambiijav **KHURELBAATAR** **Does not hold shares in TDB.*
Board Member Avgaan **ENKHMEND** **Does not hold shares in TDB.*	***Board Member*** Demchigjav **OTGONBILEG** ***Under the RGB*** - *Member of the Audit Committee* **A minority shareholder of TDB, holding 0.00%.*
Independent Board Member Jalbaa **BOLORMAA** ***Under the RGB*** - *Chair of the Audit Committee* - *Member of the Remuneration and Nomination Committee* **Does not hold shares in TDB.*	***Independent Board Member*** Luvsan **NYAMSUREN** ***Under the RGB*** - *Chair of the Remuneration and Nomination Committee* - *Member of the Risk Management Committee* **Does not hold shares in TDB.*
Independent Board Member Damdin **GANTUGS** ***Under the RGB*** - *Chair of the Risk Management Committee* - *Member of the Audit Committee* **Does not hold shares in TDB.*	***Secretary of the Board of Directors*** Navaansharav **NYAMSUREN** **Does not hold shares in TDB.*

EXECUTIVE MANAGEMENT

The Charter of TDB JSC provides that the Bank's executive management shall be exercised by the Chief Executive Officer appointed by the RGB. Mr.Orkhon. O has been serving as the Chief Executive Officer of the Bank since January 2016. In addition to the members of the RGB, the Charter identifies the following officers as authorized officials of the Bank.

No.	Position	Name	Number of Shares Held
1	Chief Executive Officer	Orkhon. O	290
2	President		
3	First Deputy Chief Executive Officer	Enkhmend. A	-
4	First Deputy Chief Executive Officer	Banzragch. O	-
5	First Deputy Chief Executive Officer	Martijn de Jong Christoffel	-
6	Director of the Internal Audit Department	Lkhagvasuren. Ch	-
7	Director of the Financial Management and Control Department	Enkhtuya. D	-

TRANSPARENCY

- The regular Shareholders' Meeting of Trade and Development Bank JSC was held online on April 29, 2026 through TDB's official investor.tdbm.mn platform, with shareholders holding 91.89% of the total voting rights in attendance.

  The following matters were presented to shareholders:
  - The 2025 operational and financial reports of Trade and Development Bank JSC;
  - The auditor's opinion on the 2025 financial statements of Trade and Development Bank JSC;
  - The RGB' resolution on dividend distribution.

  The following matters were discussed, resolved, and approved by the vote of shareholders with voting rights who attended the meeting.
  - Approval of the RGB' opinion on the operational and financial reports of Trade and Development Bank JSC;
  - Election of members of the RGB of Trade and Development Bank JSC;
  - Approval of the expenses of the RGB of Trade and Development Bank JSC.
- During the reporting period, the following reports were prepared:
  - Report on the implementation of corporate governance principles in accordance with the inspection procedure for implementation of banking corporate governance principles approved by order of the Governor of the Bank of Mongolia;
  - TDB's 2025 Governance Implementation Report in accordance with the Corporate Governance Code of the Financial Regulatory Commission;
  - Environmental, Social, and Governance Report;
  - 2025 Annual Report;
  - Audited Financial Statements for 2025;
  - 2025 RGB operation Report;
  - 2025 activity reports of the committees under the RGB;
  - Report on TDB JSC's cooperation with other stakeholders in 2025;
  - Quarterly performance reports of independent members of the RGB;
  - Evaluation of the RGB members, its committees, and RGB members;

- Monthly shareholders register reports;
- The RGB' opinion on the Bank's 2025 operations and financial performance.

- During the reporting period, the RGB issued a total of 54 resolutions at 16 meetings. Of these, the following policies and procedures were reviewed, revised, amended, and approved as part of measures to improve governance activities.
  - Amendments were made to the "TDB Procedure for Conflict-of-Interest and Major Transactions";
  - The "TDB Anti-Fraud Policy" was newly approved;
  - Amendments were made to the "Rules of Procedure of the Risk Management Committee under the Board of Directors";
  - The "TDB Credit Policy" was newly approved;
  - The "Charter of the Audit Committee under the Board of Directors" was revised and approved;
  - TDB's "Internal Audit Policy" was revised and approved;
  - TDB's "Internal Audit Department Regulation" was revised and approved;
  - TDB's "Auditor Ethics and Professional Conduct Rules" were revised and approved;
  - The "Rules of Procedure of the Remuneration and Nomination Committee under the Board of Directors" were revised and approved.

As a public joint-stock company, the Bank submits periodic reports and disclosures in a timely manner in accordance with the relevant rules and regulations of the Financial Regulatory Commission and the Mongolian Stock Exchange. It also publicly discloses information that may affect the share price, as well as information on management changes and conflict-of-interest transactions, through its official website and the website of the Mongolian Stock Exchange.