GOBI

GOBI JOINT STOCK COMPANY
HALF YEAR **OPERATIONAL REPORT 2025**

REPORTING PERIOD: 2025.01.01 - 06.30

TABLE OF CONTENTS

1. COMPANY OVERVIEW **3**
2. FINANCIAL RESULTS **6**
3. GOBI IN THE FIRST HALF OF 2025 ..... **10**
4. ENVIRONMENT, SOCIETY, AND GOVERNANCE **18**
5. OUR ACHIEVEMENTS AND HIGHLIGHTS **37**

COMPANY OVERVIEW

COMPANY OVERVIEW

GOBI

Gobi JSC is the first national company to produce goods made entirely from Mongolian cashmere, and it has now been operating successfully for **44** years.

We combine centuries-old craftsmanship and heritage with modern, advanced manufacturing technologies to deliver comfortable and durable products to our customers.

COMPANY OVERVIEW

PRODUCTION CAPACITY

Primary Factory
1,200 tons of raw cashmere

Spinning Factory
1,300 tons of yarn

Sewing Factory
160 thousand pcs

Total of **2.5 million** pieces of final products per year

BRAND ARCHITECTURE

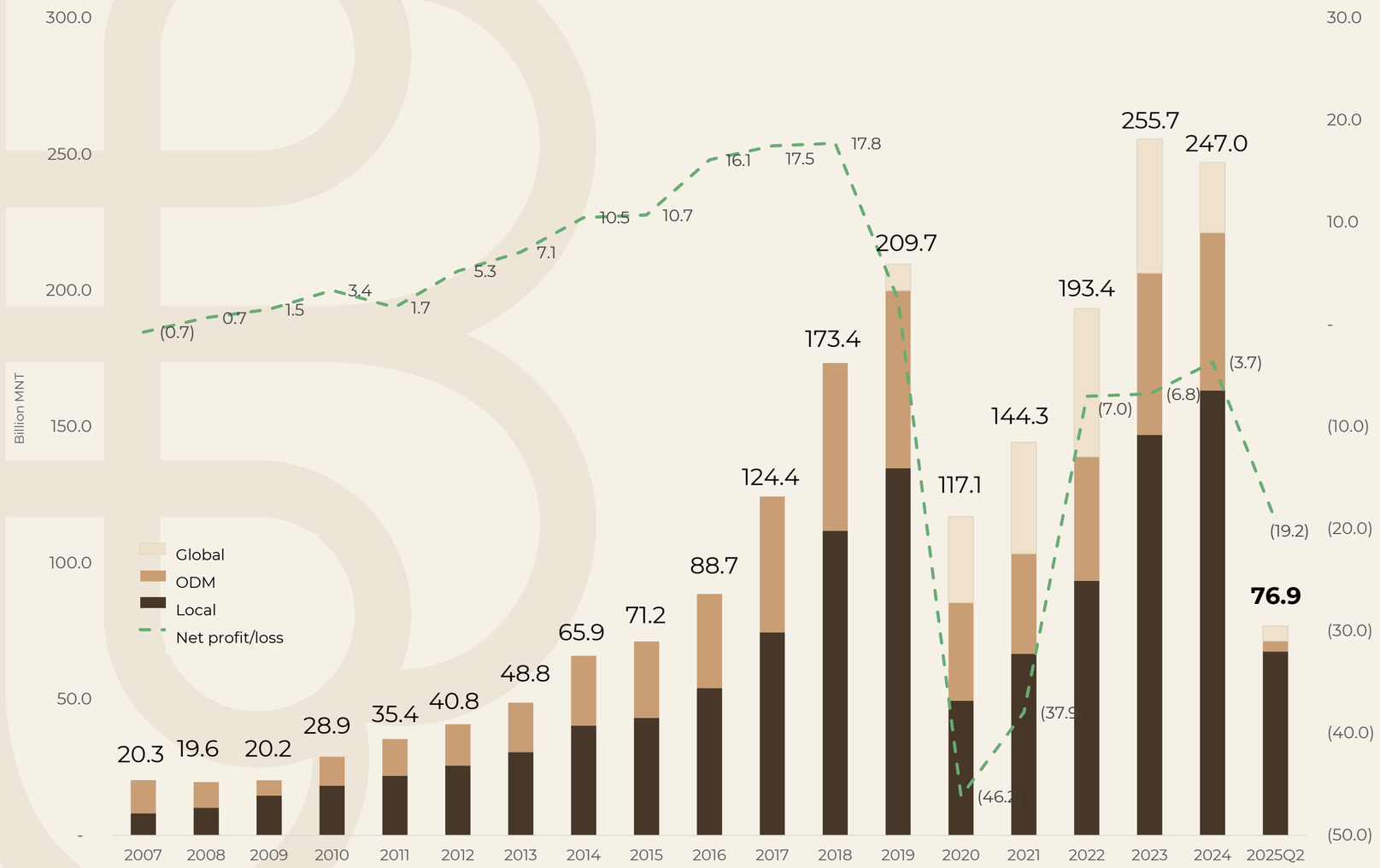
Gobi JSC

- GOBI
  - GOBI
  - GOBI ORGANIC
  - GOBI KIDS
- GOYO CASHMERE
- YAMĀ cashmere by GOBI

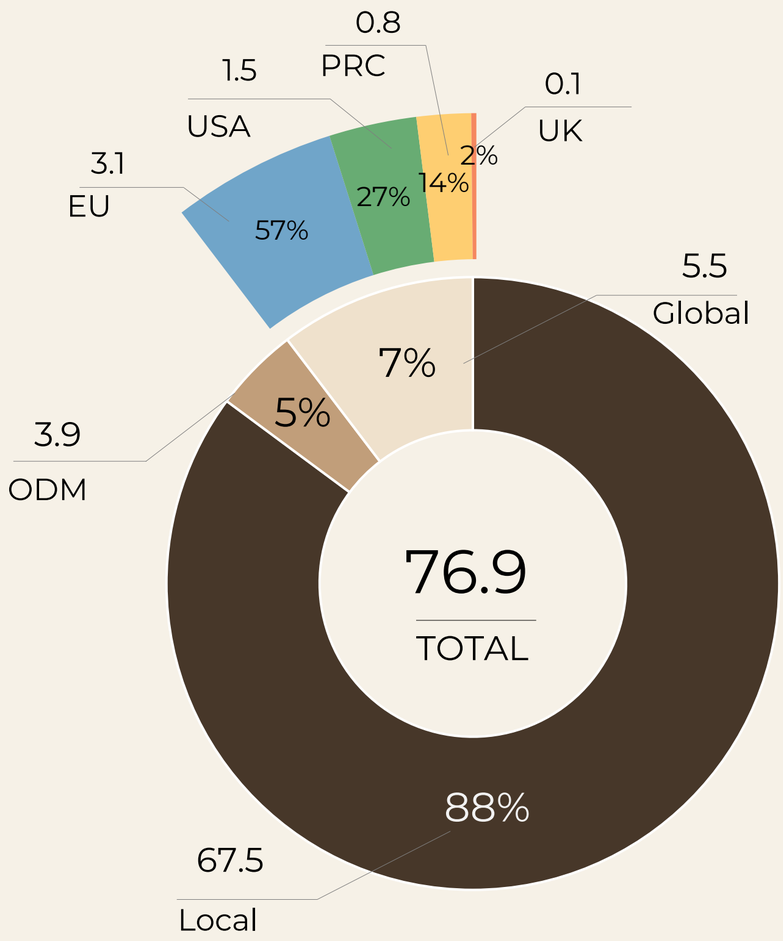
FINANCIAL RESULTS

SALES

SALES,NET PROFIT
(billion MNT)



SALES REVENUE BY SEGMENT
(billion MNT, %)



FINANCIAL RESULTS

INDICATOR	Unit	2024.06.30	2025.06.30		
		Performance	Performance	from previous year	
				Change	%
SALES REVENUE	***million MNT***	**76,094**	**76,911**	**817**	**1%**
Domestic Sales	*million MNT*	52,999	67,514	14,515	27%
ODM Sales	*million MNT*	16,822	3,903	(12,919)	-77%
Global Sales	*million MNT*	6,273	5,494	(779)	-12%
Units Sold	*thousand pcs*	308	283	(26)	-8%
Cost of Goods Sold	***million MNT***	**42,300**	**41,409**	**(891)**	**-2%**
Gross Profit	***million MNT***	**33,794**	**35,503**	**1,709**	**5%**
Gross Profit Margin	*percentage*	44%	46%		2%
Operating Expenses	*million MNT*	31,934	36,175	4,241	13%
Operating Profit	***million MNT***	**1,860**	**(672)**	**(2,532)**	**-136%**
Operating Profit Margin	*percentage*	2%	-1%		-3%
Non-operating Income (Expense)	*million MNT*	(74)	(1,281)	(1,207)	-1631%
Finance Costs	*million MNT*	15,275	15,850	574	4%
Profit (Loss) Before Tax	*million MNT*	(13,489)	(17,802)	(4,313)	-32%
Net Profit	***million MNT***	**(14,152)**	**(19,171)**	**(5,019)**	**-35%**
Net Profit Margin	*percentage*	-19%	-25%		-6%
PRODUCTION	***thousand pcs***	**531**	**488**	**(43)**	**-8%**
Knit Products	*thousand pcs*	343	313	(30)	-9%
Woven Products	*thousand pcs*	172	160	(12)	-7%
Sewn Products	*thousand pcs*	16	15	(1)	-6%
Coats	*thousand pcs*	8	10	2	20%
Blazers	*thousand pcs*	3	1	(2)	-61%
Yarn	*tons*	112	93	(19)	-17%
NUMBER OF EMPLOYEES	***persons***	**1,703**	**1,482**	**(221)**	**-13%**
Revenue per Employee	*million MNT*	45	52	7	16%
INVESTMENT	***million MNT***	**15,007**	**958**	**(14,049)**	**-94%**
Total Liabilities	***million MNT***	**370,892**	**388,730**	**17,837**	**5%**
Bank Loans	*million MNT*	**324,071**	**311,133**	(12,938)	-4%
Total Assets	***million MNT***	**360,337**	**356,477**	**(3,860)**	**-1%**
Inventory	*million MNT*	**181,945**	**178,380**	(3,565)	-2%
Marketing	***million MNT***	**3,847**	**3,174**	**(673)**	**-17%**
Global marketing	*million MNT*	2,502	2,334	(168)	-7%

FINANCING INFORMATION

Financier	Currency	Maturity	2024.06.30		2025.06.30	
			('000 Currency)	('000 Currency)	('000 Currency)	('000 Currency)
Bank Loans						
Golomt Bank (Long-term Loan)	MNT	2025	-	8,333,333	-	-
Golomt Bank (Long-term Loan)	MNT	2027		-	-	17,700,000
Golomt Bank (Credit Line)	MNT	2026	-	37,930,000	-	48,787,000
Golomt Bank (Credit Line)	USD	2026	$ 1,121	3,791,418	-	-
Golomt Bank (Short-term Loan)	MNT	2025	-	9,500,000	-	-
Golomt Bank (Short-term Loan)	MNT	2027	-	-	-	29,900,000
Khan Bank (Credit Line)	MNT	2025	-	5,600,000	-	-
Khan Bank (Credit Line)	USD	2025	$ 5,013	16,949,204	-	-
Khan Bank (Short-term Loan)	MNT	2027	-	-	-	6,000,000
XacBank (Credit Line)	MNT	2026	-	-	-	40,000,000
XacBank (Credit Line)	USD	2026	$ 11,840	40,031,632	-	-
XacBank (Long-term Loan)	MNT	2027	-	-	-	12,000,000
XacBank (Short-term Loan)	MNT	2025	-	10,000,000	-	-
Asian Development Bank (ADB)	USD	2026	$ 12,000	40,572,600	$ 7,200	25,781,112
Asian Development Bank (ADB)	USD	2026	$ 18,000	60,858,900	$ 10,800	38,671,668
International Investment Bank (IIB)	EUR	2027	€ 14,000	50,600,760	€ 14,000	58,732,240
International Investment Bank (IIB)	EUR	2027	€ 8,000	28,914,720	€ 8,000	33,561,280
Total Bank Loans				**313,082,567**		**311,133,300**
Bond Financing						
Bond (Short-term Loan) *	USD	2025	$ 3,250	10,988,413	-	-
Total Financing				**324,070,980**		**311,133,300**

* Within the framework of the "Gobi Bond 2" financing initiative, Gobi JSC received approval on April 23, 2024, from the relevant authority to issue a closed offering bond amounting to USD 16,800,000, with a term of 12 months and an annual coupon rate of 8.5%. As of March 31, 2025, a total of USD 3,250,000 in bonds had been raised from investors.

MongolBank Rate /MNT/

	2024.06.30	2025.06.30
USD	3,381.05	3,580.71
EUR	3,614.34	4,195.16

GOBI IN THE FIRST HALF OF 2025

DESIGN DEVELOPMENT

IN THE FIRST HALF OF 2025, we delivered to our customers:

- **1** main**,** **5** capsule collections;
- **5** new product types.

Collections and products delivered to customers in the first half of 2025:

TSAGAAN SAR CAPSULE COLLECTION

CREATIVE VISIONS SS25 COLLECTION

CashmereTECH NEW DESIGN

Cashmere Insole NEW PRODUCT

VALENTINE 2025 CAPSULE COLLECTION

Cashmere Denim Jacket CAPSULE COLLECTION

Shawl NEW DESIGN

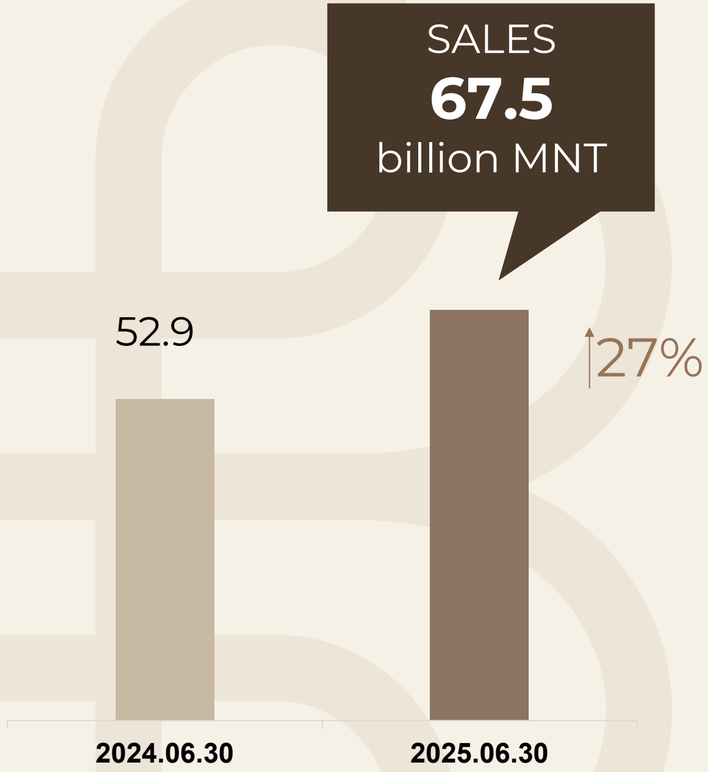
SILK 25 CAPSULE COLLECTION

3D NEW 25 CAPSULE COLLECTION

CASHMERE SHOES BUCKLE STRAP BALLERINA NEW PRODUCT

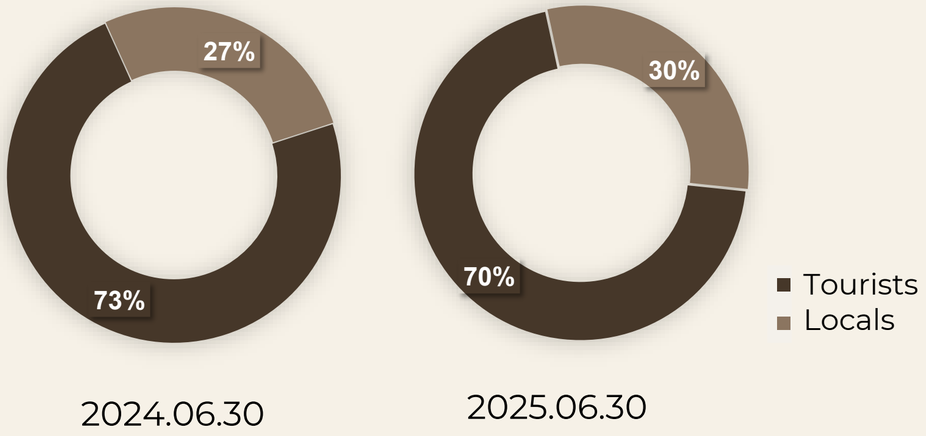
CASHMERE SHOES WOMAN'S FLAT NEW PRODUCT

DOMESTIC MARKET



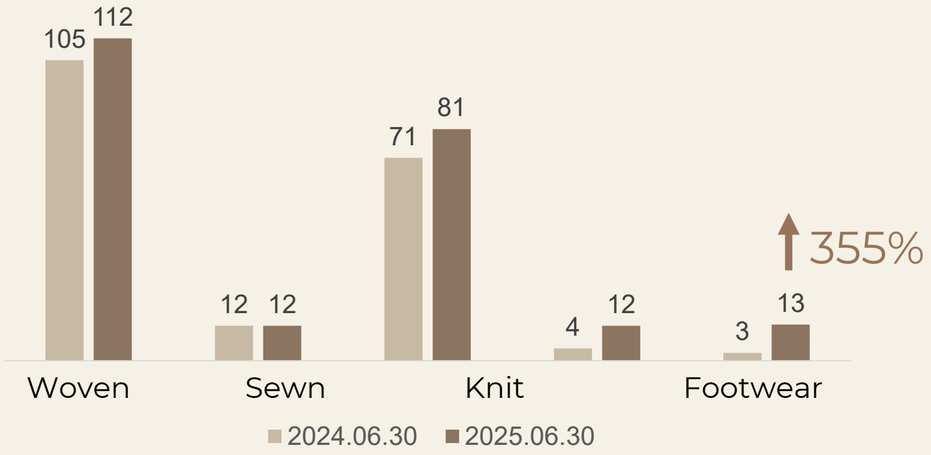
In the first half of 2025, domestic market sales reached MNT 67.5 billion, representing a 27% increase compared to the same period of the previous year.

SALES COMPOSITION



In terms of structure, tourist sales accounted for 30% of domestic sales by value.

GOODS SOLD (thousand pcs)



By product category, footwear sales increased by 355% year-on-year.

DOMESTIC MARKET

Opened a new GOBI brand store at Chinggis Khaan International Airport in March 2025.

2025.03

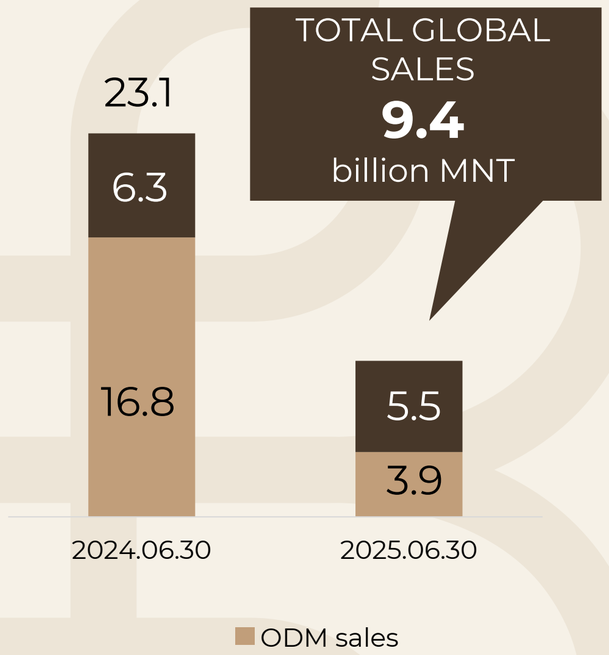
Hosted a seasonal tourism launch event and fashion show, welcoming 251 attendees including tour guides, drivers, and tour operators. The event introduced collaboration opportunities and shared essential company updates.

2025.03

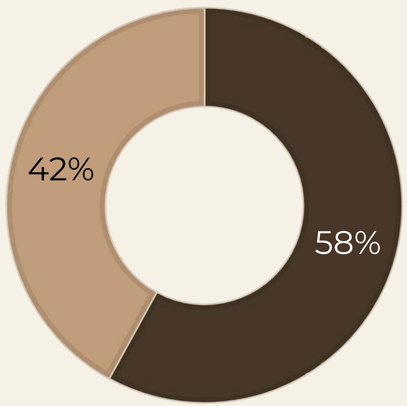
"Ази-Номхон далайн бүсийн чуулган Монгол Тэмүүлэл" НУТББ-тай хамтран ажиллах гэрээ байгуулж, тус арга хэмжээнд Платинум спонсроор ивээн тэтгэн 5,000 гишүүдэд ГОВЬ-ийг танилцуулан, JCI -тай хамтарсан маркетинг хийв.

2025.06

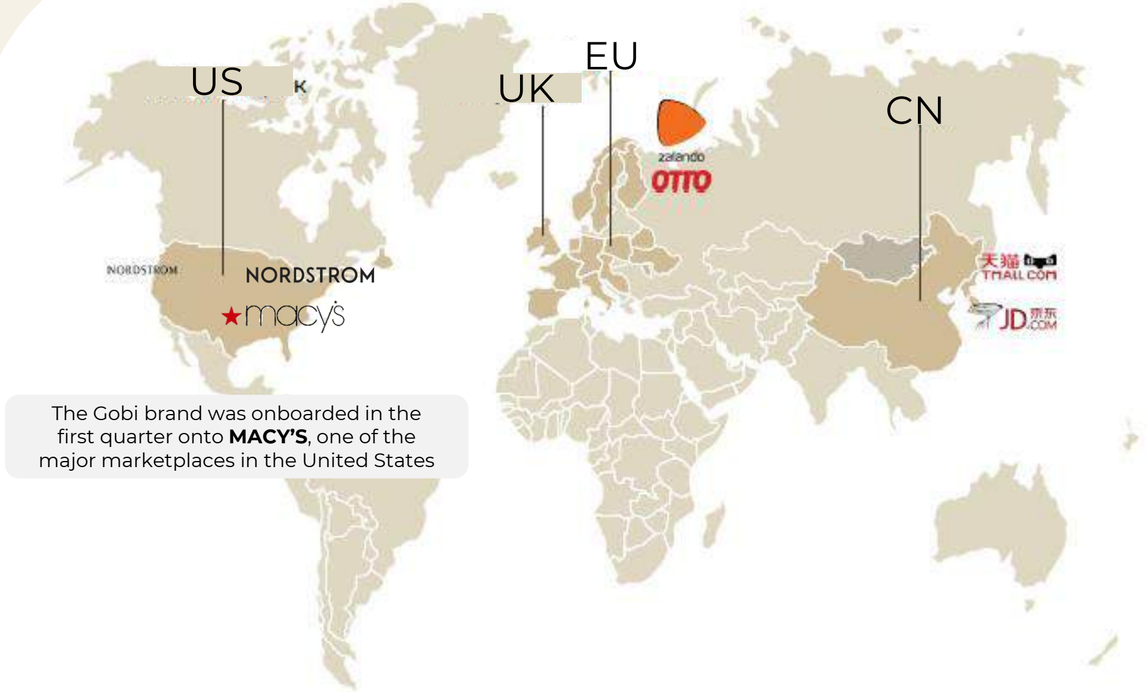
GLOBAL MARKET



COMPOSITION OF GLOBAL SALES



In the first half of 2025, total sales in international markets amounted to MNT 9.4 billion, of which 42% was export sales and 58% was overseas retail sales.



The Gobi brand was onboarded in the first quarter onto **MACY'S**, one of the major marketplaces in the United States

WEBSITE

EU
- www.gobicashmere.com
- www.gobicashmere.com/DE
- www.gobicashmere.com/FR
- www.gobicashmere.com/PL

UK
- www.gobicashmere.com/UK

US
- www.gobicashmere.com/US

CN
- www.gobicashmere.CN

PLATFORM

EU
- Zalando: DE, AU, FR, SW
- OTTO: DE

US
- Nordstrom
- Macy's

CN
- TMALL

BRANCH STORES

DE
- Berlin
- Düsseldorf

GLOBAL MARKET

COLLABORATION

GOBI × NP digital

Since 2023, Gobi has collaborated with SEO (Search Engine Optimization) firms to enhance organic brand search visibility internationally.

2025 оны эхний хагас жилд:

60,000+
Characters бүхий text хэлбэрийн контент шинээр оруулсан

25+
Онлайн уулзалт, хурлуудыг зохион байгуулсан

50+
Task-ууд болон сайжруулалтыг вебсайтууд дээр оруулсан

+29.1%
Органик хандалтын өсөлт

GOBI × M-Force

M-Force is a Japanese marketing solutions company founded in 2019 by a team of experts led by Kazuki Nishiguchi. The company specializes in consumer insights, strategic planning, and performance measurement, offering a cloud-based tool called "**9 segs**," which has brought innovation to the marketing research industry.

Since February 2025, we have been collaborating with M-Force to launch our strategic approach targeting nine consumer segments in the US market. This initiative aims to deepen our understanding and engagement with consumer insights and emotions.

GLOBAL MARKET

COLLABORATION

GOBI × Google Ads

Since 2020, Gobi JSC has been working with Google Ads and Meta Ads (Facebook, Instagram) in the international sales markets, implementing phased measures focused on enhancing brand search visibility.

In the first half of 2025:

23,900K+
advertisement impressions delivered

448K+
advertisement clicks generated

20+
online meetings held

+172%
increase in CTR

GOBI × salesforce

Salesforce, a world-leading CRM platform, has been a partner since 2022, supporting Gobi's email marketing operations by enabling customer data management and marketing campaign implementation. Enhancements were made to email automation and newsletter templates.

In the first half of 2025:

5,000,000+
emails sent to customers

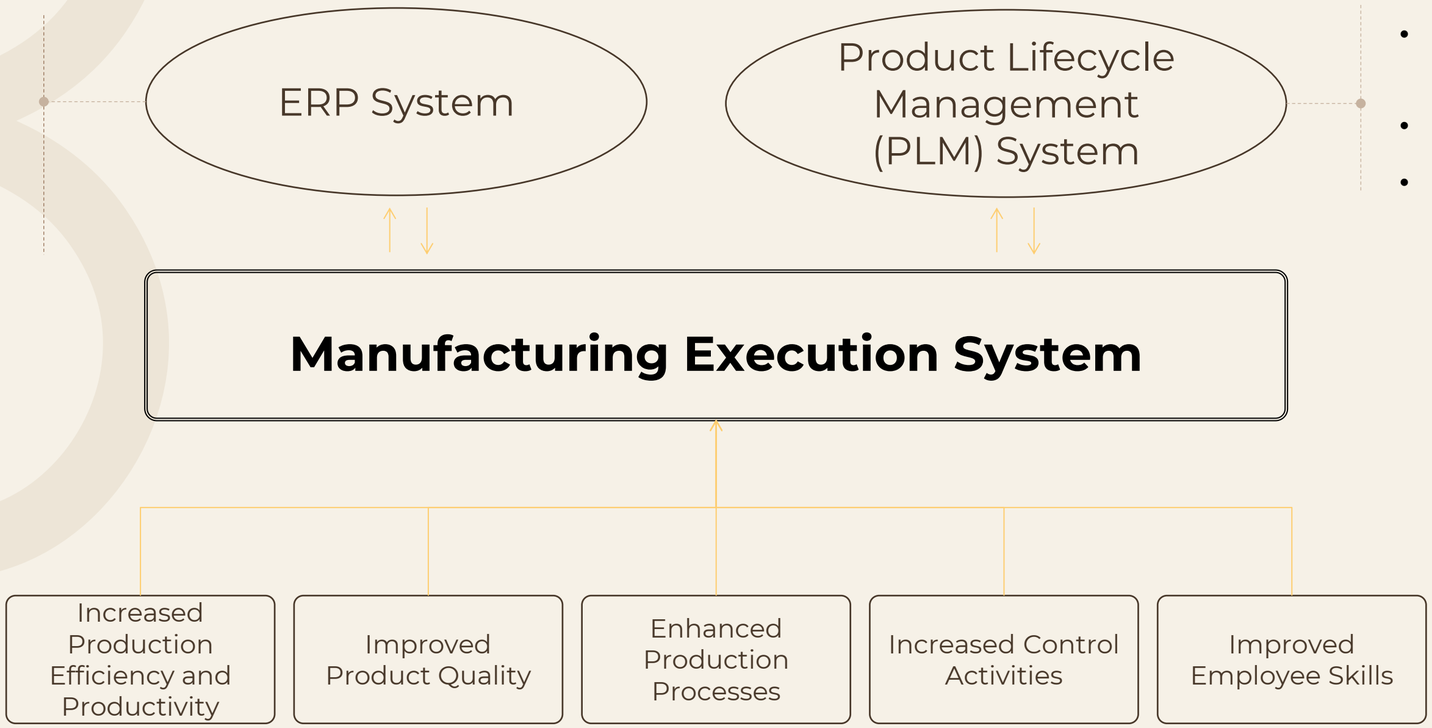
200+
200+ marketing email campaigns conducted

+11.2%
+11.2% increase in email-generated sales compared to 2024 (US market)

PROGRAMM DEVELOPMENT, DIGITAL TRANSFORMATION

The company has expanded its system upgrade efforts, starting preparations for the implementation of the INA-Manufacturing Execution System (MES) in July 2024. From **January 2025**, the system has been successfully implemented and is now in use according to the plan.

- Improved financial management
- Increased operational efficiency
- Risk management
- Realistic analysis
- Integrated processes



- Shortened time to market for products
- Enhanced product development
- Creation of historical archives for designs

ENVIRONMENT, SOCIETY, GOVERNANCE **(ESG)**

SUSTAINABLE DEVELOPMENT MANAGEMENT

The 2024 Environmental, Social and Governance (ESG) Report was prepared and submitted to the Mongolian Stock Exchange.

GOBI ✖ COLUMBIA UNIVERSITY

Collaborated with a research team from Columbia University conducting a study on the role and impact of the cashmere sector in the Mongolian economy.

Joined and began collaborating with the ToC Business Professional Council, established to develop and strengthen relevant sectoral standards and reporting practices among ToS Federation member enterprises.

ADB DNV

Under the Sustainability-Linked Loan Agreement granted by the Asian Development Bank (ADB), the Company's key performance indicators (KPIs) were successfully verified by DNV (Thailand) Co., Ltd., a highly reputable, independent international assurance body.

Approved the Medium-Term Implementation Plan (2025–2029) for the *Sustainable Development Strategy*, including the accompanying Climate Change, Social Responsibility, Human Rights and Gender Policies.

ЭДИЙН ЗАСГИЙН СЭТГҮҮЛЧДИЙН КЛУБ

ТОГТВОРТОЙ ХӨГЖЛИЙН ТӨЛӨӨ СЭТГҮҮЛЧДИЙН КЛУБ

Participated in a media day jointly organized by the ADB, the Economic Journalists' Club, and the Journalists for Sustainable Development Club, sharing the current status of sustainability in the wool and cashmere sector and at Gobi JSC, as well as the Company's experience collaborating with the ADB in this area.

ENVIRONMENT

ENVIRONMENT

Gobi JSC, representing the light industry sector, participated in a study conducted by JICA on Mongolia's energy situation, aimed at achieving a proper balance between energy supply and the reduction of carbon emissions.

Additionally, events were held to introduce the operations and technology of Gobi JSC's newly constructed Wastewater Treatment Plant to experts from JICA and the Ulaanbaatar Sewerage and Water Utility.

The Company's energy-saving activities were evaluated as "Good" based on the 2024 performance results of obligated consumers under the Law on Energy.

"The Industrial Wastewater Pre-Treatment Plant Project is progressing with 91% completion. The project design was reviewed and approved by the Construction Development Center and the relevant state authorities.

To implement ISO 14001, reduce environmental impact from operations, and monitor associated risks, environmental inspections were conducted across all factories and business units.

MNS 4943:2015

MNS 6734:2018

During the testing and commissioning phase of the treatment plant, operations are being carried out in compliance with standards MNS 4943:2015 'Requirements for Wastewater Discharged into the Environment' and MNS 6734:2018 'Requirements for Treated Wastewater for Reuse'."

In collaboration with the Ministry of Environment and Tourism, and the Capital City Environmental Office, workshops and study visits were organized for wool, cashmere, and leather processing factories, focusing on environmental management, legal compliance, and chemical management.

SOCIETY

1 ЯДУУРЛЫГ УСТГАХ
2 ӨЛСГӨЛӨНГ ЗОГСООХ
3 ЭРҮҮЛ МЭНДИЙГ ДЭМЖИХ
4 ЧАНАРТАЙ БОЛОВСРОЛЫГ ДЭМЖИХ
5 ЖЕНДЕРИЙН ЭРХ ТЭГШ БАЙДЛЫГ ХАНГАХ
6 БАТАЛГААТ УНДНЫ УС АРИУН ЦЭВРИЙН БАЙГУУЛАМЖААР ХАНГАХ
8 ЗОХИСТОЙ ХӨДӨЛМӨР БА ЭДИЙН ЗАСГИЙН ӨСӨЛТИЙГ ДЭМЖИХ
9 ИННОВАЦИ БОЛОН ДЭД БҮТЦИЙГ ХӨГЖҮҮЛЭХ
10 ТЭГШ БУС БАЙДЛЫГ БУУРУУЛАХ
12 ХАРИУЦЛАГАТАЙ ХЭРЭГЛЭЭГ ДЭМЖИХ
16 ЭНХ ТАЙВАН, ШУДАРГА ЁСЫГ ЦОГЦЛООХ

SOCIETY

Within the framework of the **“Sustainable Cashmere Tri-Party Project,”** cashmere samples for 2025 were collected in advance, and cashmere procurement activities were conducted in Jinst Soum, Bayankhongor Province, and Ikh-Uul Soum, Khuvsgul Province. A total of 5,075 kg of cashmere was purchased during these activities. Additionally, pasture management training was provided to 117 herders across the two provinces.

Through collaborative efforts with stakeholders, and to support the equal participation of persons with intellectual disabilities in sports, Gobi JSC sponsored and provided products to the Mongolian team participating in the Special Olympics International Games.

As part of the “Pasture Solutions” project, implemented with technical assistance from the Asian Development Bank, meetings were held with herders and local residents in Bayankhongor and Khuvsgul Provinces to communicate the project’s objectives and gather their feedback on sustainable pasture management.

OCCUPATIONAL HYGIENE AND SAFETY

LTI Rate - 0.0%

Ажлын байрны шалтгаант **хөдөлмөрийн чадвар алдалт үүсээгүй.**

1,548,000 person-hours

Үйлдвэрлэлийн осол бүртгэгдээгүй буюу 1.5 сая хүн/цаг аюулгүй ажиллав.

In February 2025, in collaboration with the Traditional Medicine Center, Gobi JSC's Trade Union organized non-drug treatments for employees requiring medical care. As part of this initiative, 60 employees were admitted to Ulaanbaatar Sanatorium for health improvement and strengthening.

On March 27, a successful emergency drill was conducted to practice responding to disaster alerts.

To protect the lives and health of employees, regular monitoring of the factory environment is carried out, including chemical control, high-risk operations control, daily monitoring, and fire and equipment safety checks.

In March, a "Vitamin Campaign" was organized to support employee health and prevent illnesses.

On May 6, 10 specialized employees of Gobi JSC participated in a forest and steppe fire prevention and firefighting drill.

To prevent potential fire hazards and to practice response measures in real-life scenarios, training sessions were organized, covering a total of 66 employees in theoretical sessions and 41 employees in practical sessions (counting some employees more than once).

For the first time, the Occupational Health and Safety Division successfully conducted the “OHS Training for All Employees” using its own internal resources. A total of 1,339 employees participated, accounting for 10,712 person-hours, achieving an 88% completion rate.

To protect employees who work directly with raw cashmere from tick-borne encephalitis infection, 22 employees were covered with both the first and second doses, 33 employees with only the first dose, 23 employees with only the second dose, and 5 employees with the third dose.

HUMAN RESOURCES

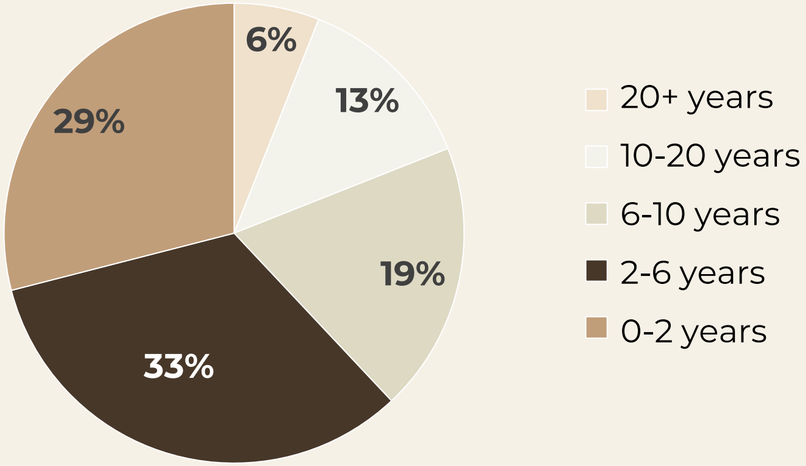
Total Number of Employees

1,482

Male – **30%**
Total: **451**

Female - **70%**
Total: **1031**

By Years of Service:



By Location:

Mongolia - 1,471 (99%)

- Ulaanbaatar **1,462**
- Darkhan **3**

Worldwide– 17 (1%)

- USA **1**
- EU **16**

HUMAN RESOURCES

TRAINING DEVELOPMENT

TRAINING HOURS PER EMPLOYEE

0.65 person-hours

TOTAL TRAINING EXPENDITURE

53.6 million MNT

NUMBER OF TRAINING SESSIONS

80

NUMBER OF EMPLOYEES TRAINED

1,931
/duplicated/

Overseas Training	• Number of Trainings: 1 • Number of Employees: 2 • Expenses: 20.3 million MNT
External Training	• Number of Trainings: 16 • Number of Employees: 447 • Expenses: 17 million MNT
Internal Training	• Number of Trainings: 63 • Number of Employees: 1,477 • Expenses: 0 MNT
Scholarship	• Bachelor's Degree Program (4 years) • Number of Employees: 5 • Expenses: 16.3 MNT

CORPORATE GOVERNANCE

SYSTEM MANAGEMENT

We continuously enhance our management systems to meet both Mongolian and international standards, ensuring our Mongolian cashmere products are globally recognized and valued by consumers.

2021.06

"Organic Product" certification

2021.07

OEKO-TEX® Certificate

YARN

2021.12

SUSTAINABLE FIBRE ALLIANCE
Creating a Sustainable Cashmere Value Chain

"Clean Fibre Processing Standard"
Gold Conformity

2022.08

ISO 14001:2015 certification

2022.08

ISO 45001:2018 certification

2022.12

MNS 6926:2021
"Sustainable Textile Production"

2023.05

Certified Mongolian Noble Fibre

""Mongolian Noble Fibre" certification

2023.06

ISO 9001:2015 certification

2024.02

OEKO-TEX® certification

PRODUCT

SYSTEM MANAGEMENT

Integrated Management System

Gobi JSC
Industrial Street, 3rd Khoroo,Khan Uul District., 17062,Ulaanbaatar, Mongolia

TESTEX AG, Swiss Textile Testing Institute
Gotthardstrasse 61
8002 Zurich
Switzerland

OEKO TEX®

Certificate
OEKO-TEX® STANDARD 100

Gobi JSC
is granted the OEKO-TEX® STANDARD 100 certification and the right to use the trademark.

SCOPE
Knitted and sewn sweater, cardigan, hat, scarf, gloves, socks, pants, and skirt, washed; coat, blazer, jacket, and trench coat with drape-making process; woven scarf and shawl, finished; all made of 100% cashmere yarns in natural white, beige, warm grey, and brown, or bleached, fiber-dyed (with reactive dyestuffs); including accessories (zipper, shell, horn or corozo button, maple toggle, metal button, snap button, metal hook set, shoulder pad, lining, hot melt lining, interlining, ribbon, elastic band, sewing and embroidery thread, covered yarn "Marulon", button neck yarn, printed label, PES woven label, metal label, metal cord lock); produced using components partly pre-certified according to OEKO-TEX® STANDARD 100

PRODUCT CLASS
II (products with direct contact to skin) – Annex 4

OEKO TEX® STANDARD 100 BJ020 233184 TESTEX

This certificate BJ020 233184 is valid until 28.02.2026.

SUPPORTING DOCUMENTS
- Test report : BJ020 259660.1
- Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- OEKO-TEX® Terms of Use (ToU)

Martz Bachmann
Managing Director

Dijana Apilkovic
Ecology Team Leader

Further compliance information (REACH, SVHC, POP, GB18401 etc.) can be found on oeko-tex.com/en/faq.

The certificate is based on the test methods and requirements of the OEKO-TEX® STANDARD 100 that were in force at the time of evaluation.

Zurich, 2025-04-16

OEKO-TEX Service GmbH Genferstrasse 23, CH-8002 Zurich

Certificate CN23/00002950

SGS

The management system of

GOBI JSC

Business Registration Address: Industrial Street, 3rd Khoroo, Khan-Uul District, Ulaanbaatar, Mongolia
Business Operation Address: Industrial Street, 3rd Khoroo, Khan-Uul District, Ulaanbaatar, Mongolia

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

Manufacture, retail and after-sales services of cashmere products

This certificate is valid from 07 June 2023 until 06 June 2026 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 07 June 2023

Authorised by
Jonathan Hall
Global Head - Certification Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6666 - www.sgs.com

The certification information can be verified on the web site of Certification and Accreditation Administration of the People's Republic of China www.cnca.gov.cn

SGS UKAS MANAGEMENT SYSTEMS 0003 IAF MEMBER OF MULTILATERAL RECOGNITION ARRANGEMENT

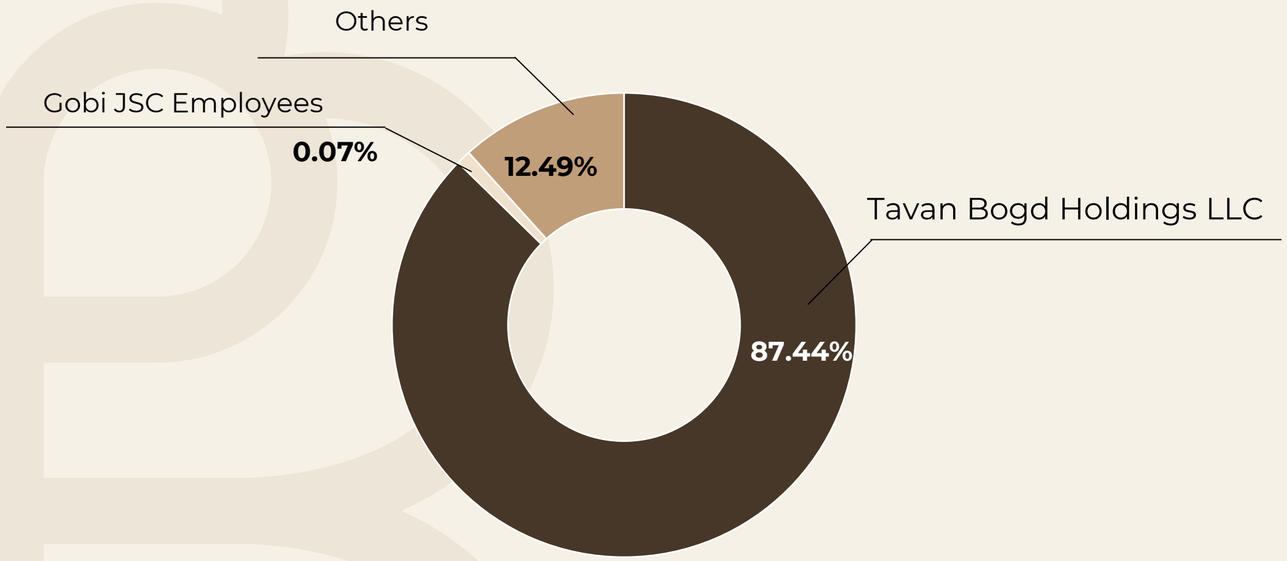
This document is an authentic electronic certificate for Client business purposes use only. Printed version of the electronic certificate are permitted and will be considered as a copy. This document is issued by the Company subject to SGS General Conditions of certification services available on Terms and Conditions | SGS. Attention is drawn to the limitation of liability, indemnification and jurisdictional clauses contained therein. This document is copyright protected and any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful.

Page 1 of 1

In the process of renewing the international "**OEKO-TEX STANDARD 100**" certification for finished products, we are compiling the necessary documentation and information, and sending samples for testing to include **knitted, woven, and sewn** products.

5-р сард **ISO9001:2015** стандартын магадлан аудитад амжилттай тэнцэв. Магадлан аудитын үр дүнгээр **1 үл тохирол болон 6 сайжруулах боломж** илэрсэн бөгөөд залруулах арга хэмжээний төлөвлөлт боловсруулан ажиллаж байна.

SHAREHOLDING STRUCTURE



TOTAL NUMBER OF ISSUED SHARES

780,112,500

TOTAL NUMBER OF SHAREHOLDERS

25,416

As of June 30, 2025

SIGNIFICANT SHAREHOLDERS

Shareholder Name	2024.12.31		**2025.06.30**	
	Number of Shares	Ownership Percentage	**Number of Shares**	**Ownership Percentage**
Tavan Bogd Holdings LLC	681,267,736	87.33%	**682,096,188**	**87.44%**

No changes occurred in the composition of the influential shareholder during the reporting period.

ТУЗ-ИЙН ГИШҮҮД

Ts.BAATARSAIKHAN

Chairman

President of Tavan Bogd Group

B.AMARSAIKHAN

-

CEO of Gobi JSC

D.GERELMAA

Chair of Nomination committee, Risk and audit committee member

Professor of Business Administration Department, UFE

A.JARGALMAA

Chair of Risk and audit committee, Remuneration committee member

GAPE, ACCA Senior Lecturer and Program Leader, GAPE academy

B.ORGIL

Remuneration committee member

CFO of Tavan Bogd Holdings LLC

Ts.ORGILBOLD

-

CEO of Gobi Cashmere Europe LLC

D.KHULAN

Nomination committee member

Chairwoman of Tavan Bogd Group

D.KHURELBAATAR

Chair of Remuneration committee Nomination committee member

-

B.TSEENYAM

Risk and audit committee member

Deputy Director of Internal Audit Tavan Bogd Holdings LLC

CHANGES IN THE COMPOSITION OF THE BOARD

At the 2025 Annual General Meeting of Shareholders, the composition of the Board of Directors was selected and appointed.

EXECUTIVE TEAM

CHIEF EXECUTIVE OFFICER

B.AMARSAIKHAN

DEPUTY CEO & EXECUTIVE VP: DESIGN AND PRODUCTION

B.BOLORMAA

CHIEF FINANCIAL OFFICER

B.KHANGALAN

CHIEF GLOBAL SALES OFFICER

G.ANUDARI

CHIEF DOMESTIC SALES OFFICER

B.BILGUUNJAV

CHIEF IT OFFICER

B.ERDENE

CHIEF HR OFFICER

T.ICHINKHORLOO

DIRECTOR OF ACCOUNTING DEPARTMENT

D.SODGEREL

DIRECTOR OF DESIGN DEVELOPMENT DEPARTMENT

A.UCHRAL

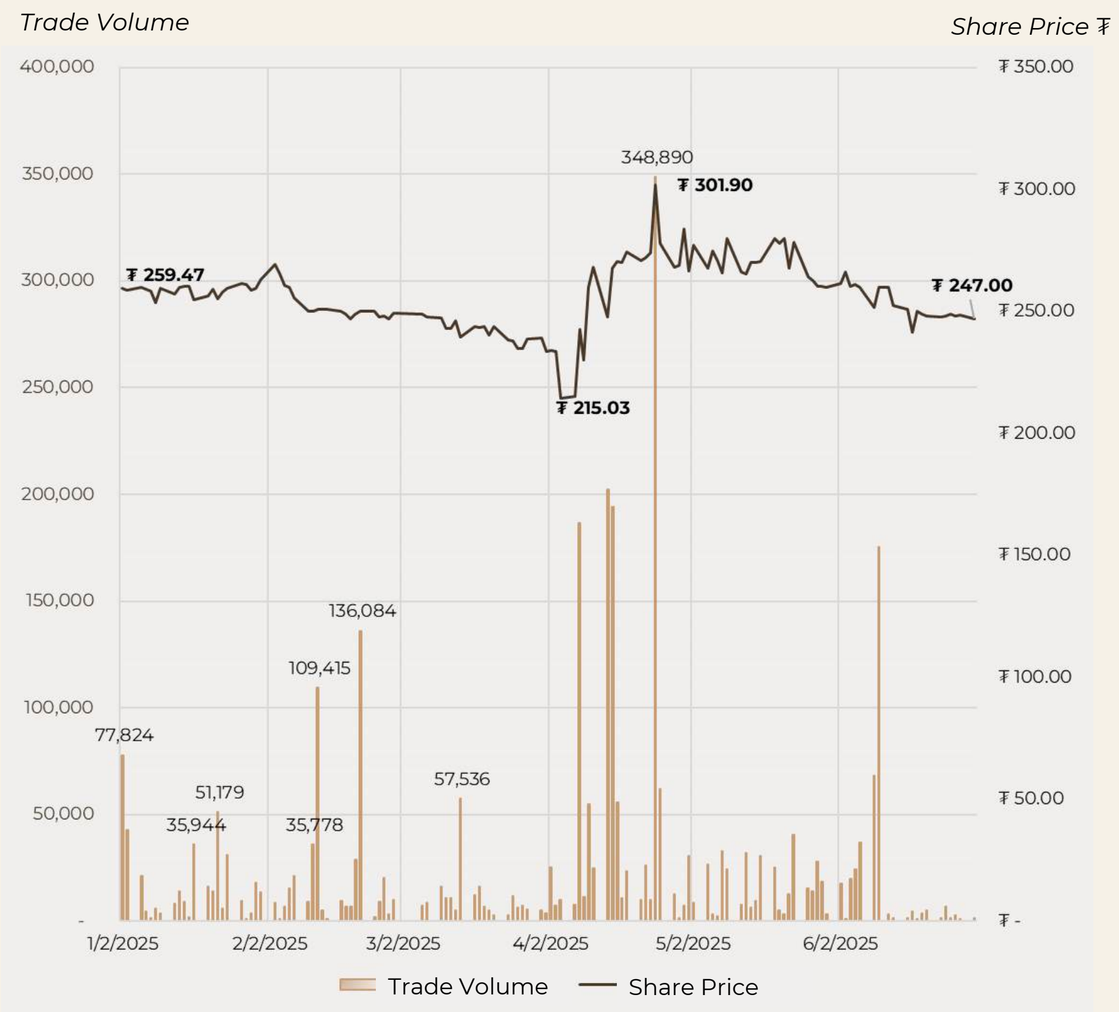
DIRECTOR OF COMPLIANCE DEPARTMENT

B.CHINGUUN

SHARE PRICE PERFORMANCE

The market capitalization of Gobi JSC, based on the closing share price as of **June 30, 2025**, stood at MNT **192.7** billion. The average share price during the reporting period was MNT 256.25.(▲ 3.6%)

INDICATOR	2025.03.31	2025.06.30	Өсөлт, бууралт
TOTAL NUMBER OF SHARES	**780,112,500**	**780,112,500**	**-**
SHARE PRICE (MNT)			
Closing Price	239.00	247.00	3.3%
Highest Price	269.40	301.90	12.1%
Lowest Price	234.90	214.40	-8.7%
Average Price	251.71	256.25	1.8%
TRADED VOLUME (Shares)			
Highest Daily Volume	136,084	348,890	156.4%
Lowest Daily Volume	1,167	945	-19.0%
Average Daily Volume	17,608	25,048	42.3%
Total Volume	1,074,081	3,130,961	191.5%
TRADE VALUE (MNT)			
Highest Daily Value	33,759,555	102,325,019	203.1%
Lowest Daily Value	297,874	234,810	-21.2%
Average Daily Value	4,431,836	6,514,547	47.0%
Total Trade Value	270,341,986	814,318,425	201.2%
MARKET CAPITALIZATION (MNT)	**186,446,887,500**	**192,687,787,500**	**3.3%**



IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

№	Section Title	2024.12.31		2025.06.30	
		FRC Monitoring Score	Implementation Rate	Self-Assessment Score	Implementation Rate
1	Board Structure and Organization	12	100.0%	**11**	**91.7%**
2	Board Committees and Their Functions	10	100.0%	**9**	**90.0%**
3	Disclosure and Transparency	6	100.0%	**6**	**100.0%**
4	Audit and Control System	6	100.0%	**6**	**100.0%**
5	Risk Management	8	100.0%	**8**	**100.0%**
6	Authorized Officials Remuneration	6	100.0%	**6**	**100.0%**
7	Stakeholder Interests	8	100.0%	**8**	**100.0%**
8	Corporate Culture	6	100.0%	**6**	**100.0%**
9	Shareholder Rights	9	90.0%	**10**	**100.0%**
	Total Score	**71**	**98.6%**	**71**	**98.6%**

As of the end of 2024, the implementation of Gobi JSC's Corporate Governance Code was reviewed and validated by the Financial Regulatory Commission, resulting in a score of **98.6%, indicating sound governance with no risks** identified. As of the first half of 2025, the Company's self-assessment yielded the same result of 98.6%, unchanged from the previous year-end, and the Company is awaiting the outcome of the Financial Regulatory Commission's review and validation

RISK AND COMPLIANCE MANAGEMENT

WHISTLEBLOWING SYSTEM

A total of **39 reports** were received through the whistleblowing system in the **first quarter of 2025**, representing a **50% increase** compared to **26 reports** in the same period of the previous year.

Source	Number of whistles
Whistleblowing System	27
Phone	7
Others	5
TOTAL	**39**

TRAINING SESSIONS

Scope:

Unit heads and senior staff

Training sessions: 1

Number of employees: **34**

External Training

Scope:

All employees

Training sessions: 24

Number of employees: **947**

Internal Training

INFORMATION SECURITY

In June 2025, a professional information technology security penetration test was completed and the report was received..

Purpose of the assessment:

To identify vulnerabilities in the organization's internal and external networks, web systems, servers, and mobile applications, and to implement further improvements.

Vulnerabilities identified during the assessment:

Assessment type	Critical	High
Internal Networks	35	25
External Networks	11	18
Web systems	1	9
Mobile applications	-	4
TOTAL	**47**	**76**

Measures taken:

The unnecessary accesses and open network configurations identified in the audit report were revised and security measures were implemented.

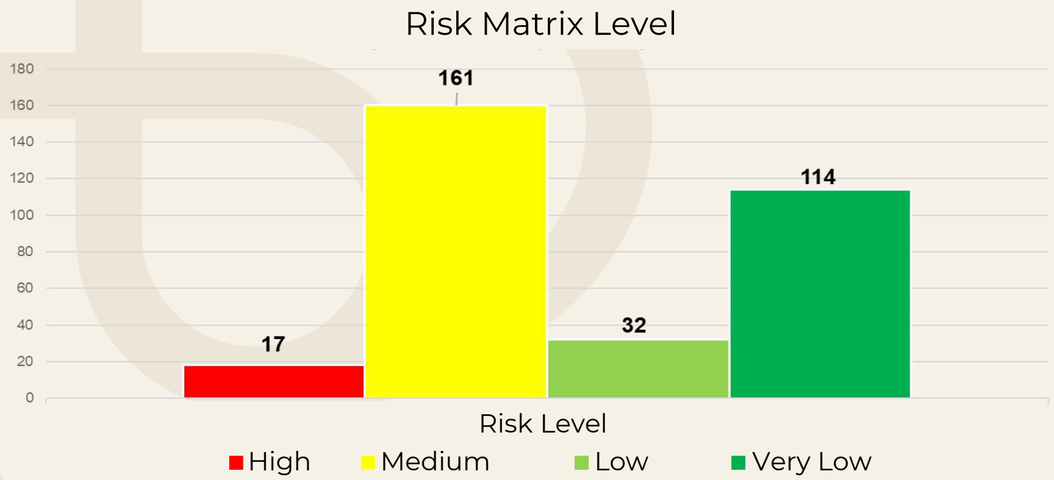
A plan has been developed and is being executed to reduce and eliminate vulnerabilities classified as **Critical** and **High**.

RISK MANAGEMENT

In the first half of 2025:

- The “Risk Management Implementation Procedure” was revised, developed, and approved.
- The members of the Risk Management Team were reappointed and confirmed.
- In accordance with the newly approved procedure, meetings were held with the heads of departments and units responsible for risk management, during which the risk assessment form, together with guidance and instructions on reporting quarterly risk appetite performance, were provided.
- A “Risk Appetite Statement” was developed and presented to the members of the Board’s Risk and Audit Committee.
- The semi-annual risk assessment and risk appetite performance were consolidated and presented to the Risk Management Team and the Risk and Audit Committee.

Plans are underway to revise the “Risk Appetite Statement” by incorporating the recommendations of the Risk and Audit Committee members, as well as to monitor the implementation of risk appetite performance and the fulfilment of risk response planning.



Impact	Very High Impact	3	4	0	0	0
	High Impact	5	6	3	1	0
	Medium Impact	16	14	28	8	5
	Low Impact	18	28	30	16	17
	Negligible Impact	57	39	16	2	8
		Very rarely occurs	Low possibility of occurring	Occasionally occurs	Fully possible to occur	Frequently occurs
		Likelihood				

OUR ACHIEVEMENTS AND HIGHLIGHTS

Gobi proudly supported the Mongolian team participating in the Special Olympics, which is held every four years in winter, by adorning the team with cashmere garments from our collections.

Gobi JSC was once again ranked first among publicly listed companies in Mongolia for its corporate governance practices.. The Financial Regulatory Commission's evaluation of compliance with the Corporate Governance Code as of year-end 2024 awarded Gobi JSC a score of 98.6%.

ToC
МОНГОЛЫН ТОГТВОРТОЙ САНХҮҮГИЙН ХОЛБОО

To further our commitment to responsible production and sustainability, we joined the Mongolian Sustainable Finance Association as a member organization.

We organized an opening event for the tourism season, including a fashion show, which was attended by 251 guests representing tour guides, drivers, and tourism companies. During the event, we presented our plans for cooperation and shared key information with stakeholders in the sector.

A new GOBI brand branch store was opened on the 2nd floor of Chinggis Khaan International Airport, within the passenger waiting area. This new location serves as a gateway to introduce Mongolian cashmere to international travelers, offering them access to premium-quality products

As part of the annual tradition jointly organized by the Government of Mongolia and the Mongolian National Chamber of Commerce and Industry to recognize the TOP 100 Enterprises of Mongolia, Gobi JSC, a national manufacturer, has once again been selected.

GOBI
THANK YOU FOR YOUR ATTENTION

GOBI JSC – HALF YEAR OPERATIONAL REPORT 2025

Half-yearly and quarterly operational report (Form 2)	
According to Article 20 of the Securities Market Law, the general obligations of securities issuers are regulated by law. The issuer is required to submit the annual operational report in the following format to the Financial Regulatory Commission and the trading organization, and to disclose it to the public through its official website.	
Reporting Period	From January 1, 2025 To June 30, 2025
Issuer's Name, State Registration Certificate Number, Securities Code, and Contact Information	**Company name:** "Gobi" JSC **State Registration Certificate No.:** 9010001061 **Securities Code:** MN00GOV03548 **Official address:** Gobi JSC, Industrial Street, 3rd Khoroo, Khan-Uul District, Ulaanbaatar 17062, Mongolia **Phone:** (+976) 7013-9977 **Fax:** (976)-70143081 **Email:** info@gobicashmere.com **Website:** info.gobi.mn **Facebook:** GobiCashmere **Online stores:** Local: gobi.mn International: gobicashmere.com
Registered Trading Organization	Mongolian Stock Exchange
Business Activity	Comprehensive processing of cashmere and production and sales of finished products
Total Number of Shares Issued By The Issuer	780,112,500
Names of the Specialist Who Prepared the Report and the Official Who Reviewed It:	Prepared by: M. Selenge /Board Secretary/ Reviewed by: B. Khangalan /CFO/
1.	*Semi-Annual and Quarterly Financial Statements (Summary indicators must be filled in and financial statements attached)*

1.1.	*Financial Indicators*

GOBI JSC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(thousand MNT)

	2024.12.31	2025.06.30
ASSETS		
Current Assets		
Cash and Cash Equivalents	4,326,046	2,264,713
Trade and Other Receivables	3,512,304	8,339,984
Prepayments and Advances	9,404,878	7,109,487
Inventories	122,708,175	178,380,448
	139,951,403	**196,094,632**
Non-current Assets		
Property, Plant and Equipment	153,147,719	146,820,860
Right-of-Use Assets	2,780,438	3,536,285
Deferred Tax Assets	5,661,214	4,322,697
Other Non-current Assets	4,736,726	5,702,545
	166,326,098	**160,382,388**
Total Assets	**306,277,501**	**356,477,020**
LIABILITIES AND OWNER'S EQUITY		
Current Liabilities		
Trade and Other Payables	37,867,812	44,401,426
Contract Liabilities	2,129,778	2,833,777
Short-term Lease Liabilities	1,103,295	1,471,387
Corporate Income Tax Payable	381,026	362,398
Short-term Borrowings	211,265,887	268,343,284
	252,747,798	**317,412,272**
Non-current Liabilities		
Long-term Lease Liabilities	1,922,734	1,844,215
Long-term Borrowings	36,210,000	55,533,287
Long-term Other Payables	-	-
Deferred Tax Liability	13,939,844	13,939,844
	52,072,578	**71,317,346**
Total Liabilities	**304,820,376**	**388,729,618**
Equity		
Share Capital	780,113	780,113
Revaluation Reserve	43,777,386	43,777,386
Foreign Currency Translation Reserve	(12,119,789)	(26,658,051)
(Accumulated Losses) / Retained Earnings	(30,980,585)	(50,152,046)
	1,457,125	**(32,252,598)**
Total Liabilities and Equity	**306,277,501**	**356,477,020**

1.2.	*Income Statement*

GOBI JSC AND ITS SUBSIDIARIES
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(thousand MNT)

	2024.12.31	2025.06.30
Revenue	247,026,317	76,911,486
Cost of Sales	(138,552,341)	(41,408,677)
Gross Profit	**108,473,976**	**35,502,809**
Other Income	3,649,691	1,516,809
Selling and Marketing Expenses	(53,217,129)	(23,316,168)
Administrative Expenses	(24,908,151)	(13,029,664)
Other Expenses	(6,919,419)	(2,635,969)
Finance Income	4,465,583	9,566
Finance Costs	(33,118,100)	(15,849,545)
Profit / (Loss) Before Taxation	**(1,573,549)**	**(17,802,164)**
Income Tax Benefit (Expense)	(2,083,660)	(1,369,298)
Net Profit / (Loss) for the Year	**(3,657,209)**	**(19,171,461)**
Items That Will Not Be Reclassified to Profit or Loss:		
Revaluation of Property, Plant and Equipment	32,341,972	-
Tax Impact on Revaluation of Property, Plant and Equipment	(8,085,493)	-
Exchange Differences on Translating the Net Assets of Foreign Subsidiaries	(1,457,515)	(14,538,262)
Other Comprehensive Income for the Year	**22,798,964**	**(14,538,262)**
Total Comprehensive Loss for the Year	**19,141,755**	**(33,709,723)**

1.3. *Statement of Changes in Equity*

"GOBI JSC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

(thousand MNT)

	Share Capital	Revaluation Surplus	Foreign Currency Translation Reserve	Retained Earnings (Accumulated Losses)	Total Equity
Balance as of 01 January 2024	**780,113**	**20,514,269**	**(10,662,273)**	**(28,316,738)**	**(17,684,629)**
Net profit / (loss) for the year	-	-	-	(3,657,209)	**(3,657,209)**
Other comprehensive income	-	24,256,479	(1,457,516)	-	**22,798,963**
Total comprehensive income / (loss) for the year	**-**	**24,256,479**	**(1,457,516)**	**(3,657,209)**	**19,141,754**
Transfers to retained earnings	-	(993,362)	-	993,362	-
Balance as of 31 December 2024	**780,113**	**43,777,386**	**(12,119,789)**	**(30,980,585)**	**1,457,125**
Net profit / (loss) for the year	-	-	-	(19,171,461)	**(19,171,461)**
Other comprehensive income	-	-	(14,538,262)		**(14,538,262)**
Total comprehensive income / (loss) for the year	**-**	**-**	**(14,538,262)**	**(19,171,461)**	**(33,709,723)**
Dividends declared	-	-	-	-	-
Balance as of 30 June 2025	**780,113**	**43,777,386**	**(26,658,050)**	**(50,152,046)**	**(32,252,598)**

1.4. *Cash Flow Statement*

"GOBI JSC AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT

(thousand MNT)

	2024.12.31	2025.06.30
Net Cash Flows from Operating Activities	29,728,027	(59,370,852)
Net Cash Flows from Investing Activities	(21,049,750)	(1,806,001)
Net Cash Flows from Financing Activities	(12,361,396)	58,884,714
Net Cash Flows	(3,683,119)	(2,292,140)
Exchange Difference on Translating Foreign Operations	(1,457,516)	-
Effects of Exchange Rate Differences on Cash and Cash Equivalents	(24,430)	230,806
Cash and Cash Equivalents, at the Beginning of the Year	**9,491,111**	**4,326,046**
Cash and Cash Equivalents, at the End of the Year	**4,326,046**	**2,264,713**

2.	*Conclusion of the Risk and Audit Committee under the Board of Directors, on the review and approval of the semi-annual and quarterly financial statements.*
2.	GOBI "GOBI" JOINT-STOCK COMPANY RISK AND AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS MEETING RESOLUTION Date: 07/24/2025 No 04 Ulaanbaatar, Mongolia *On Reviewing the 2025 Semi-Annual Financial Statements* Pursuant to the 'Securities Registration Rules' approved by the Financial Regulatory Commission and Section 3.1.1.1 of the 'Risk and Audit Committee Operational Procedures', the Risk and Audit Committee of the Board of Directors of Gobi JSC hereby **RESOLVES**: 1. It is hereby acknowledged that the semi-annual financial statements of "Gobi" JSC for 2025 have been prepared in accordance with applicable laws, regulations, and International Financial Reporting Standards, and approval is hereby granted for public disclosure of the same. 2. The Board Secretary, Ms. M. Selenge, is hereby instructed to submit the semi-annual report to the Financial Regulatory Commission and the Mongolian Stock Exchange in accordance with relevant procedures and to ensure public disclosure accordingly. CHAIR OF THE COMMITTEE A.JARGALMAA MEMBERS D.GERELMAA B.TSEENYAM "ГОБИ" ХК-ИЙН ТӨЛӨӨЛӨН УДИРДАХ ЗӨВЛӨЛ ТТН2998ай2076397

3.	*Management Report and Conclusion on the Analysis of External and Internal Factors Affecting the Financial Activities of the Issuer, Financial Statement Analysis, and the Calculation and Evaluation of Income, Expenses, and Profit Performance During the Reporting Period*	
3.1.	*Operational Results (Financial Ratios)*	
3.2.	*Liquidity and Financial Resource Indicators*	

Indicator	2024.06.30	2025.06.30
Gross Profit Margin	44%	**46%**
Net Profit Margin	-19%	**-25%**
Current Ratio	0.7	**0.6**
Inventory Turnover	510	**478**
Price per Share (MNT)	262	**247**

3.3.	*External and Internal Factors Affecting the Activities of the Issuer, Changes in the Range of Its Products and Services, and Measures Taken by the Issuer in Response to These Changes*	• In the first half of 2025, sales revenue increased by 1% compared to the same period of the previous year, with 88% derived from the domestic market and 12% from international markets. • The number of product designs was reduced while mass production of previously launched, high-demand designs was increased, resulting in a broader selection of colors and sizes that better meet consumer needs. • In the local market, pricing strategies were revised to reduce disparities among similar product lines, facilitating more intuitive purchasing decisions for consumers. Additionally, more vigorous social media marketing efforts commenced in February, contributing to increased local demand. A new branch store was launched on March 1 at Chinggis Khaan International Airport to further enhance accessibility. • In international markets, the Company pivoted from conventional to digital marketing strategies, with a focus on strengthening e-commerce sales channels. Notably, beginning in January, product offerings became available via Macy's online platform in the United States. • Design enhancements were pursued across outsourced products, particularly in the CashmereTECH outerwear and footwear lines. • To improve operational efficiency and cost-effectiveness, production of 3D knitted products was doubled, allowing for high-quality output with reduced labor intensity. Manufacturing capabilities were further elevated through technological upgrades, including the implementation of the MES (Manufacturing Execution System) and conveyor management systems. • In alignment with its commitment to responsible business conduct and sustainable development, Gobi JSC formally joined the Mongolian Sustainable Finance Association and adopted a Sustainability

		Strategy Policy, which is now integrated across all operational layers. • In order to deliver globally recognized Mongolian cashmere products to customers, the Company consistently improves its management system to meet both national and international standard requirements.
3.4.	*Details of Transactions and Operations Recorded Outside the Financial Statements and Accounting Policies*	*Details of Transactions and Operations Recorded Outside the Financial Statements and Accounting Policies*
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*	

SIGNIFICANT TRANSACTIONS

There were no significant transactions in the reporting period.

CONFLICT OF INTEREST TRANSACTIONS

In accordance with Gobi JSC's *Procedures for Conflict of Interest Transactions,* at the beginning of each year, the Board of Directors' independent members approve, by majority vote, a list of entities with a unified interest and the corresponding budget for transactions necessary for the Company's daily operations, allowing procurement or sale of goods and services at market prices and terms.

Any related-party transaction conducted with an entity not included in the approved list, or exceeding the approved budget, is presented to the Board of Directors for discussion and specific approval through a dedicated resolution.

The Board's Risk and Audit Committee monitors all related-party transactions at the Company level on a quarterly basis, ensuring that such transactions are conducted within the approved budget, at market prices and terms, and in compliance with applicable laws.

For 2025, approval was granted under Board Resolution No. 07 dated March 20, 2025. The performance of related-party transactions in the first half of 2025 was reviewed and monitored at the Risk and Audit Committee meeting held on July 7, 2025.

RELATED-PARTY TRANSACTIONS – FIRST HALF OF 2025

Date	Transaction Description	Amount (MNT)	Counterparty	Terms and Conditions	Start Date	End Date	Resolution
2025.04.02	Amendment to the credit line agreement with Khan Bank	Increase credit line by 14 billion MNT	Khan Bank JSC	Amend the credit line agreement jointly executed with Tavan Bogd Holdings LLC and its subsidiaries	2024.12.31	2027.12.31	Board No. 13
2025.04.09	Procurement of printing services	11.8 million	Ulaanbaatar Print LLC	Provision of printing services	2025.03	2025.03	Board No. 15
2025.05.14	Establishment of revolving green loan agreement	6 billion	Khan Bank JSC	Obtain revolving green loan to support wool, cashmere, and leather processing operations	2025.05.14	2027.05.14	Board No. 21
2025.06.19	Approval to enter into an underwriting services agreement	400 million	Tavan Bogd Capital Securities LLC	Provision of underwriting services	2025.06.20	-	Board No. 27

TRANSACTIONS WITH RELATED PARTIES

(thousand MNT)

Transactions with Related Parties	2024.06.30	2025.06.30
Financing Provided to Related Parties	329,554,048	128,597,177
Financing Received from Related Parties	345,297,000	162,927,177
Sales to Related Parties	81,044	570,250
Purchases from Related Parties	1,119,522	879,791
Interest income	-	-
Interest expense	4,618,436	2,658,767
Lease income	134,204	297,952
Lease expense	688,036	701,025

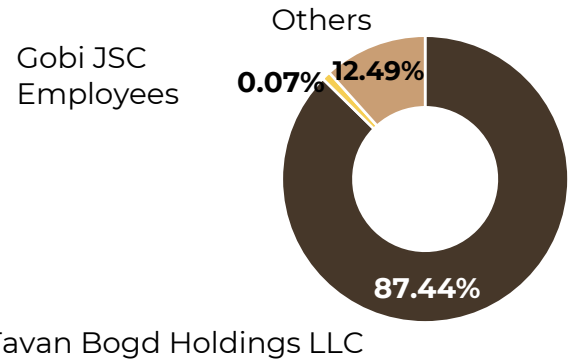
Note: The term "related parties" includes subsidiaries of Tavan Bogd Group. Approval was granted by the Board of Directors under Resolution No. 07 dated March 20, 2025, to procure and sell goods and services essential for the Company's daily operations with these related parties, on market terms and conditions.

5. *If the Issuer had an IPO for the purpose of implementing a project, a report on the progress of project implementation and the use of funds raised from the public.*

The Company has not issued shares to the public.

6. *Corporate Governance Information*

SHAREHOLDING STRUCTURE



TOTAL NUMBER OF ISSUED SHARES

780,112,500

TOTAL NUMBER OF SHAREHOLDERS

25,416

As of June 30, 2025

SIGNIFICANT SHAREHOLDERS

Shareholder Name	2024.12.31		2025.06.30	
	Number of Shares	Percentage	Number of Shares	Percentage
Tavan Bogd Holdings LLC	681,267,736	87.33%	682,096,188	87.44%

No changes occurred in the composition of the influential shareholder during the reporting period.

ANNUAL GENERAL MEETING OF SHAREHOLDERS – 2025

Gobi JSC successfully held its Annual General Meeting of Shareholders on April 25, 2025, at 14:00 at Khaan Theater (1st floor, Seoul Office, Khaan Bank, Seoul Street-25,

Sukhbaatar District 3, Ulaanbaatar, Mongolia).

Meeting Attendance

The Annual General Meeting of Shareholders of Gobi JSC was successfully held on April 25, 2025, at 14:00 at Khaan Theater, with a total of 662 shareholders participating, representing 694,797,268 shares (89.06% of voting rights), of which 563 shareholders holding 13,341,856 shares (1.71%) voted in advance and 99 shareholders holding 681,455,412 shares (87.35%) attended in person.

Presented Agenda Items

1. Financial results and operational report of Gobi JSC for 2024;
2. Board resolution on the non-distribution of dividends from 2024 financial results;
3. Board conclusions on the 2024 financial and operational report;
4. Draft amendments to the Company's Articles of Association;
5. 2024 Board activity report and 2025 salary budget;
6. Presentation of candidates for the Board of Directors.

Resolutions Adopted

Shareholders reviewed the reports and presentations, asked questions, and provided comments. The following resolutions were adopted by vote:

1. Approved the Board's conclusions on the 2024 financial and operational report with 99.99% of votes;
2. Approved the proposed amendments to the Company's Articles of Association with 99.99% of votes;
3. Approved the Board's 2025 salary budget with 99.99% of votes;
4. Elected the Board of Directors with 9 members for a 3-year term.

Post-Meeting Reporting

Questions and suggestions raised by shareholders during the meeting were addressed after the meeting. On April 30, 2025, meeting materials—including printed materials (30 pages on agenda items, 110-page meeting report) and 2 electronic copies—were submitted to the Financial Regulatory Commission and the Mongolian Stock Exchange in compliance with statutory reporting requirements..

CHANGES IN KEY MANAGEMENT PERSONNEL

- Pursuant to Board Resolution No. 02 dated January 31, 2025, the Chair of the Board, Ms. D. Gerelmaa, was released from her duties at her own request, effective January 31, 2025. Mr. Ts. Baatarsaikhan was appointed as Chair of the Board effective February 1, 2025.

7.	*Governance-Related Reports and Disclosures of the Issuer*

BOARD MEETING INFORMATION

Meeting Type	Regular Meetings	Extraordinary Meetings	E-Vote	Items Discussed	Decisions	Recommendations	Assigned Tasks	Resolutions
Board of Directors	3	2	9	38	36	6	4	27
Risk and Audit Committee	2	-	1	13	6	8	5	1
Nomination Committee	1	2	2	13	12	4	10	6
Remuneration Committee	1	-	-	6	7	2	1	1
Total	**7**	**4**	**12**	**70**	**61**	**20**	**20**	**35**

As of the first half of 2025, the Board of Directors of Gobi JSC and its committees held a total of 7 regular meetings, 4 extraordinary meetings, and 12 electronic votes, with members actively and proactively participating.

BOARD RESOLUTIONS AND DECISIONS

During the reporting period, the Board of Directors and its committees discussed 41 matters, resolved 41 decisions, and adopted 17 resolutions, as follows:

- 27 resolutions by the Board of Directors (1 related to business expansion, 13 related to internal operations, 10 related to financing, and 3 related to human resources)
- 1 resolution by the Risk & Audit Committee
- 6 resolutions by the Nomination Committee
- 1 resolution by the Remuneration Committee

In addition, within the scope of their functions, the committees provided 20 recommendations and 20 assigned tasks to management and monitored their implementation. The execution of the Board's decisions and assigned tasks was carried out with 100% compliance.

DIVIDEND

According to Board Resolution No. 02 dated February 7, 2025, the Company did not meet the dividend distribution criteria set forth in Clause 2.3 of the Dividend Policy, due to non-compliance with prudent financial ratios based on the financial results of 2024. As a result, it was resolved not to declare dividends for the period.

DISCLOSURE AND REPORTING TRANSPARENCY

As of the first quarter, the following reports and disclosures were duly submitted to the Financial Regulatory Commission and the Mongolian Stock Exchange within statutory timelines, and made publicly available:

- 2024 Annual Operational Report (in Mongolian and English)
- 2024 Audited Financial Statements and Audit Opinion (in Mongolian and English)
- 2024 Environmental, Social, and Governance (ESG) Report
- Q1 2025 Financial and Operational Report

- Report and materials on the 2025 Annual General Meeting of Shareholders
- Corporate Governance Code Compliance Report (as of year-end 2024 and mid-2025)
- Other information required to be provided in a timely manner

NEWLY APPROVED POLICY DOCUMENTS

In the first quarter of 2025, the Board of Directors approved the following policy documents:

- The Accounting Policy was revised and approved by Board Resolution No. 08 dated March 20, 2025, following discussion at the January meeting of the Risk and Audit Committee.

For detailed governance-related information, please refer to the Operational Report in the Appendix.

Signatures of the reporting entity and those certifying the accuracy of the information:

Name: B.Khangalan Position: Chief Financial Officer, Gobi JSC Signature: ..... (Stamp/seal)	Name: ..... Position: CEO, "....." Audit Company Signature: ..... (Stamp/seal)

Prepared and submitted by:

Name: M. Selenge

Position: Board Secretary

Signature: .....

Date: July 25, 2025