

“MONGOL POST” JSC
2025 HALF-YEAR OPERATIONAL REPORT

<i>Half-Year operational report /Form 2/</i>				
<i>Under Article 20 of the Mongolian Law on the Securities Market, security issuers must submit annual operational reports to the Financial Regulatory Commission and the relevant securities dealers using the approved format. They are also required to publish this information on their official websites.</i>				
<i>Reporting period:</i>	From January 01, 2025 To June 30, 2025			
<i>Security Issuer's name, State registration certificate number, code of security and phone number:</i>	Name: “Mongol Post” JSC State registration certificate number: 9012001026 Code of security: MNP, MN00MNP05412 Phone: 976 70078918, 976 11330788 Address: Sukhbaatar Square - 1, Peace Avenue, Chingeltei District - 1 st khoroo Ulaanbaatar 15160, Mongolia			
<i>Registered securities dealer:</i>	The Mongolian Stock Exchange			
<i>Business sector:</i>	Postal and courier services			
<i>Total number of shares issued:</i>	99,586,363			
<i>Half-year report prepared by:</i>	D. Tsetsgee, Secretary of the Board of Directors			
<i>Half-year report supervised by:</i>	G. Telmen, Chief Executive Officer			
1. Financial statements for the reporting year (fill the indications in the summary statements and attach the financial statements to this report/				
<i>Statement of financial position</i>	Indicators	Opening balance (By 01.01.2025)	Closing balance (By 06.30.2025)	
	ASSETS			
	Current assets	25,267,534,280.11	21,366,318,809.91	
	Non-current assets	11,489,340,143.01	15,591,745,752.28	
	Total assets	36,756,874,423.12	36,958,064,562.19	
	LIABILITIES AND OWNERS' EQUITY			
	Total amount of liabilities	11,132,208,928.86	11,346,926,703.72	
	Owner's equity	25,624,665,494.26	25,611,145,858.47	
	Total liabilities and owners' equity	36,756,874,423.12	36,958,072,562.19	
<i>Income statements</i>	Indicators	Opening balance (By 01.01.2025)	Closing balance (By 06.30.2025)	
	Net Sales Revenue	11,576,835,250.57	12,395,888,957.45	
	Cost of sales	10,606,911,502.68	12,165,067,785.87	
	Non-operating income	264,401,093.23	626,512,612.56	
	Non-operating expenses	801,136,705.92	641,979,822.48	
	Other income/expenses	403,685,797.91	90,111,415.44	
	Profit before income tax	29,502,337.29	125,242,546.22	
	Income tax	17,370,538.58	21,002,302.76	
	Profit after income tax	12,131,798.71	104,240,243.46	
<i>Statement of changes in equity</i>	Indicators	Opening balance (By 01.01.2025)	Closing balance (By 06.30.2025)	
	Owner's equity	9,958,636,300.00	9,958,636,300.00	
	Retained earnings	6,033,511,677.43	6,019,992,041.64	
<i>Cash flow statement</i>	Indications	First balance (By 01.01.2025)	End balance (By 06.30.2025)	
	Net cash flow from operating activities	-513,882,716.57	-5,297,760,161.97	

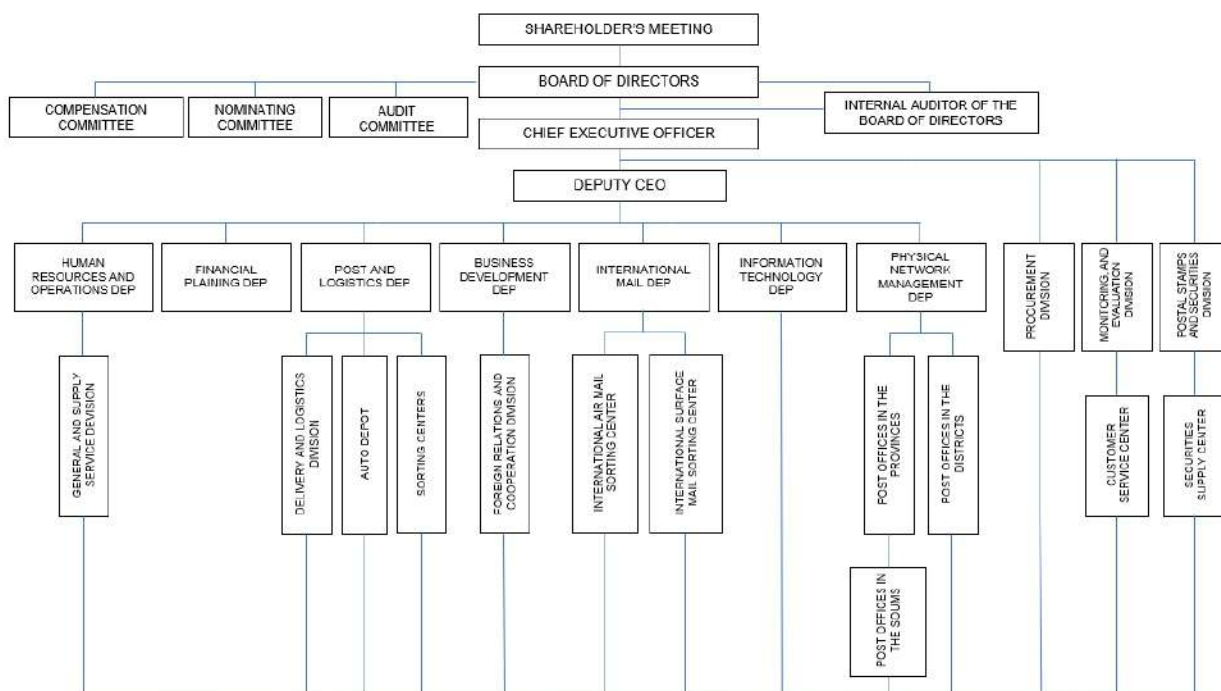
		Net cash flow from investing activities	-191,780,763.93	-561,437,230.65
		Net cash flow	102,228,861.35	-6,587,964,256.66
2.	Conclusion of the Audit Committee under the Board of Directors on the review and approval of the half-year and quarterly financial statements.			
3.	Analysis of external and internal factors affecting the issuer's financial performance during the reporting period, financial statement review, and assessment of income, expenses, and profitability indicators.			
3.1	Operational results (financial ratios):	Net Profit Margin: - 0.008 Return on Equity: - 0.004 Return on Assets: - 0.003		
3.2	Liquidity and financial capacity:	The Quick Ratio: – 1.4		
3.3	External and internal factors affecting the issuer's operations, any changes in the company's products or services, and measures taken in response.	No changes occurred during the reporting period.		
3.4	Detailed information about the activities and transactions, recorded outside the financial statements and the accounting policy of the Company	No transactions recorded outside of the financial statements.		
4.	Information on related-party transactions and major transactions made by the Security Issuer during the reporting period, including the significance and purpose of such transactions, and details of the related parties involved (provide information on all related-party transactions made during the reporting period)			
	Major transactions: None during the reporting period.			
	Related-party transactions: 1. In order to improve the utilization and efficiency of the company's free cash balance, the Board of Directors approved a transaction to place USD 1 million in a 6-month term deposit. Resolution: BoD -2025.03.20-25/05 (Ard Credit NBFJ JSC)			
5.	If the Security Issuer has issued shares to the public for the purpose of implementing a project, please provide reports and information about the progress of the project implementation since its commencement, as well as a report on the utilization of the funds raised.			
	During the reporting period, the Security Issuer did not issue shares to the public for project implementation			
6.	Corporate governance information			
	Shareholders Meeting The Annual Meeting of Shareholders was held on April 25, 2025, at 10:00 AM in a meeting hall on the 4 th floor of "Information and Communication Network" LLC, with 96.5% attendance. During the meeting the following resolutions were approved. 1. Approved the conclusion of the Board of Directors regarding the company's 2024 operational and financial performance, which stated: 'Mongolian Post JSC successfully achieved its objectives for 2024 and performed satisfactorily. 2. Approved the 2025 Board of Directors budget of MNT 245 million. 3. Elected members of the Board of Directors for a two-year te. Post-meeting report On May 25, 2025, within the legally prescribed timeframe, the materials of the Annual Meeting of Shareholders (254 pages of printed materials, including the company's annual report and the shareholder meeting brochure) were submitted to the Financial Regulatory Commission and the Mongolian Stock Exchange. At the Annual General Meeting of Shareholders, the composition of the company's Board of Directors was elected through a cumulative voting process.			

Board of Directors Composition

1. **Davaakhuu NARANGEREL**
Member, Chairman of the Board
2. **Davaasamba DELGERMAA**
Member, Head of the Nomination Committee
3. **Davaadorj BALJINNYAM**
Member, Member of the Remuneration Committee
4. **Khash-Erdene SURENKHOROL**
Member, Member of the Audit Committee
5. **Odonchimed ODBAYAR**
Member, Head of the Remuneration Committee
6. **Galnyam UYANGA**
Member, Member of the Audit and Nomination Committees
7. **Banzragch GANBAATAR**
Independent member, Member of the Audit, Nomination and Remuneration Committees
8. **Darambazar NANDIN-ERDENE**
Independent member, Head of the Audit Committee and Member of the Nomination and Remuneration Committees
9. **Chultem AMARBAATAR**
Independent member, Member of the Audit, Nomination and Remuneration Committees

Organizational Structure of the Company

MANAGEMENT AND ORGANIZATIONAL STRUCTURE OF THE MONGOL POST JSC



Management

By Resolution No. 24/22 of the Board of Directors dated December 27, 2024, the organizational structure of the Company was revised and approved. As a result, the following changes were made to executive positions during the 2025 reporting period:

- ✓ A new Physical Network Management Department was established, and the following appointments were made effective January 1, 2025.

	<ul style="list-style-type: none">• D.Battulga as Director of the Physical Network Management Department• O.Otgonbayar as Director of the Human Resources and Operations Department• O.Saragerel as Director of the International Mail Department• A.Nandin-Erdene as Director of the Post and Logistics Department <p>✓ Following the resignation request of E.Enkh-Amgalan, Director of the Business Development Department, B.Tamir was appointed to the position effective April 18, 2025.</p>																																																							
7.	Reports and Information Related to Issuer’s Corporate Governance																																																							
	<p>Board of Directors Meeting Information</p> <p>The Board of Directors held seven meetings during the reporting period, including both regular and extraordinary sessions. A total of 16 agenda items were discussed, resulting in the adoption of 12 resolutions and the recording of 2 meeting minutes.</p> <p>Following the election of a new Board of Directors at the Annual Meeting of Shareholders, the Board committees were restructured and reappointed accordingly.</p> <p>Dividend Distribution</p> <p>By Resolution No. 25/02 of the Board of Directors of Mongolian Post JSC dated February 13, 2025, it was resolved to distribute dividends amounting to 73.2% of the company’s net profit for 2024, equivalent to MNT 1.0 per share.</p> <p>The record date for determining eligible shareholders was set as April 6, 2025, coinciding with the record date for the company’s Annual Meeting of Shareholders.</p> <p>Dividend payments were processed through the Central Securities Depository LLC and credited directly to shareholders’ securities accounts. Dividends payable to government-owned shares were disbursed directly by the company.</p> <p>Corporate Governance Code Implementation</p> <p>In the first half of 2025, Mongolian Post JSC achieved a score of 70 out of 72 points (97%) in its self-assessment report on corporate governance, placing the company at the “Compliant / Low Risk” level.</p> <table><tr><th>№</th><th>Category</th><th>Maximum Score</th><th>Score Achieved</th><th>Percentage</th></tr><tr><td>1</td><td>Structure and Organization of the Board</td><td>12</td><td>12</td><td>100%</td></tr><tr><td>2</td><td>Board Committee and their roles</td><td>10</td><td>10</td><td>100%</td></tr><tr><td>3</td><td>Reporting and Transparency</td><td>6</td><td>6</td><td>100%</td></tr><tr><td>4</td><td>Audit and internal control system</td><td>6</td><td>5</td><td>83%</td></tr><tr><td>5</td><td>Risk management</td><td>8</td><td>7</td><td>88%</td></tr><tr><td>6</td><td>Compensation of key management personnel</td><td>6</td><td>6</td><td>100%</td></tr><tr><td>7</td><td>Protection of Stakeholders interests</td><td>8</td><td>8</td><td>100%</td></tr><tr><td>8</td><td>Company culture</td><td>6</td><td>6</td><td>100%</td></tr><tr><td>9</td><td>Shareholders rights</td><td>10</td><td>10</td><td>100%</td></tr><tr><td></td><td>Total</td><td>72</td><td>70</td><td>97 %</td></tr></table> <p>Disclosure and Transparency Reporting</p> <p>During the reporting period, the following reports and information were submitted to the Financial Regulatory Commission and the Mongolian Stock Exchange, and were publicly disclosed within the legally required timeframe:</p> <ul style="list-style-type: none">• 2024 Annual Operations report (in both Mongolian and English),• 2024 Audited Financial Statement and Auditor’s Opinion (in both Mongolian and English),• Report materials related to the organization of the 2025 Annual Meeting of Shareholders,• Timely disclosures regarding changes in the Board of Directors and Executive management team,	№	Category	Maximum Score	Score Achieved	Percentage	1	Structure and Organization of the Board	12	12	100%	2	Board Committee and their roles	10	10	100%	3	Reporting and Transparency	6	6	100%	4	Audit and internal control system	6	5	83%	5	Risk management	8	7	88%	6	Compensation of key management personnel	6	6	100%	7	Protection of Stakeholders interests	8	8	100%	8	Company culture	6	6	100%	9	Shareholders rights	10	10	100%		Total	72	70	97 %
№	Category	Maximum Score	Score Achieved	Percentage																																																				
1	Structure and Organization of the Board	12	12	100%																																																				
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	Total	72	70	97 %																																																				

Shareholders Structure

As of April 6, 2025, the shareholders of Mongolian Post JSC were as follows:

Nº	Shareholders	Number of Shares	Number of Shareholders	Ownership
1	Government-Owned Shares	65,727,000	1	66.0%
2	Ard Financial Group and its subsidiaries	25,416,663	7	25.5%
3	Others	8,442,700	3384	8.5%

8. Additional information related to operations

Operational and financial reports are attached as annexes.

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

Surname, Given name: G.Telmen

Position: Chief Executive Officer
"Mongol Post" JSC

Signature:

(Stamp)



Surname, Given name: G.Ganchimeg

Position: Director of the Financial Planning Department
"Mongol Post" JSC

Signature:

(Stamp)

Signature and date of the official, who prepared and submitted the information:

Full name: D.Tsetsgee

Position: Secretary of the Board of Directors

Signature:

Date: 2025.07.28