

JSC Mbank

Report on information disclosure for 3rd quarter 2025

Prepared according to Provisions on requirements to information disclosure about activities of the commercial bank dated October 30, 2019 No. 2019-II-12/54-4-(Regulation)

1) Review of compliance with economic norms and disclosure of the bank's financial indicators

Table 1. Economic norms and financial indicators

No. p/p	Economic norms and financial indicators	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	Established value of the norm
Indicators of capital, thousand som							
1	Base capital First level	14,273,091	14,473,159	14,599,577	8,230,835	8,260,172	
2	Capital First level	14,273,091	14,473,159	14,599,577	8,230,835	8,260,172	
3	Net total capital (NTC)	20,602,587	19,107,609	16,967,687	15,481,853	14,445,898	
4	Assets, risk-weighted, thousand Som	94,222,105	87,875,260	74,987,714	61,675,233	50,442,584	
Adequacy capital coefficients, founded on weighing assets Information on this item is posted on the website of OJSC Mbank Information on compliance with economic standards: https://mbank.kg/media/about/finance/%D1%84%D0%B8%D0%BD%D0%BE%D1%82%D1%87%D0%B5%D1%82%D0%B8%D1%8E%D0%BD%D1%8C_2025.pdf							
Indicators profitability							
10	Total Interest Income/Average Annual assets	12.0 %	11.5%	13.8%	11.6%	11.3%	
11	Total interest expense/average annual assets	3.4 %	3.2%	2.9%	2.2%	2.2%	
12	Operating income / average annual assets	9.2 %	9.6%	10.0%	15.6%	18.1%	
13	Net percentage margin	11.6 %	12.1%	12.1%	11.0%	10.5%	
Quality of assets							
14	Classified loans/Total loans	4.57 %	4.11%	4.40%	4.59%	4.76%	
15	Loan loss provision /Total loans	4.44 %	4.20%	4.37%	4.48%	5.20%	

16	Loans in foreign currency/ Total loans	2.9 0 %	2.92%	3.22%	3.50%	3.83%	
17	Credit briefcase (on end period, thousand soms)	81, 398, 567	69,892,019.9	58,719,943.4	46,573,620.7	33,790,732.9	
Liquidity							
18	Liquidity coefficient K3.1	5 4 . 2 %	56.5%	54.7%	54.2%	69.9%	Not less than 45%
19	Liquid assets /Total assets	3 4 . 72 %	37.08%	36.81%	35.19%	48.94%	
Other economic indicators							
20	Maximum risk exposure per a single borrower or group of connected borrowers not associated with the bank (K1.1)	3.4 %	3.8%	4.4%	5.3%	4.3%	Not more than 20%
21	Maximum risk exposure per a single borrower or group of connected borrowers associated with the bank (K1.2)	0.1 %	0.0%	0.0%	0.0%	0.0%	Not more than 15%
22	Maximum risk exposure for interbank placements in a bank not affiliated with the bank (K1.3)	3 . 7 %	0.8%	0.4%	5.8%	0.9%	Not more than 30%
23	Maximum risk exposure for interbank placements in a bank, associated with the bank (K1.4)	0.0%	0.0%	0.0%	0.0%	0.0%	Not more than 15%
24	Number of days of violations in terms of the total value of long open currency positions (K4.2)	0	0	0	0	0	Not more than 20%
25	Number of days of violations in the total amount of short open currency positions (K4.3)	0	0	0	0	0	Not more than 20%

26	Number of days of violations based on the total value of long open currency positions (K4.2)	0	0	0	0	0	Not more than 20%
27	Number of days of violations based on the total value of short open currency positions (K4.3)	0	0	0	0	0	Not more than 20%

2) information about the Board of Directors, Management Board, shareholders owning more than 5 (five) percent of the bank's shares, and beneficial owners

Table 2. Information about the Board of Directors, Management Board, shareholders, and beneficial owners

No. p/p	Members of the Board of Directors	Date appointments *
1	Tumonbaev Baktybek Asanalievich	15 /0 1 /202 5
2	Kyrgyzbaeva Asel Zhekshenbekovna	March 28, 2025
3	Myrzabaev Zhanybek Sagadyldaevich	March 31, 2023
4	Omorkulov Azizbek Pazylbaevich	January 14, 2025
5	Abdrashev Nurgaz Akunzhanovich	March 28, 2025
	Members of the Management Board	Date of appointment **
1	Ishenbaev Maksatbek Beishenbekovich	January 15, 2025
2	Suranaev Kairatbek Dzhumgalbekovich	April 18, 2024
3	Toraliev Marat Tynchtykbekovich	May 29, 2025
4	Fomenko Sergey Alexandrovich	May 16, 2024
5	Rayynbekova Mirgul Beishenalievna	03/10/2024
6	Ogonbaeva Kaiyrgul Shabdanovna	April 10, 2025
	List of shareholders, owning more 5% issued share capital	% share
1	Babanov Omurbek Toktogulovich	97.9699 %
	List of beneficiaries of the bank specifying the names of direct and indirect holders of more than 5% of shares	% share
1	Babanov Omurbek Toktogulovich	97.9699 %

* Specified date elections Meeting shareholders

** Specified date appointments Council Directors

3) Capital structure in accordance with the Appendix to the Instructions for determining the standards of capital adequacy (adequacy) of commercial banks of the Kyrgyz Republic, approved by decree Boards of Directors National Bank dated 12 October 2022 No. 2022-P-12/63-1-(NPA) is presented in the table below:

Articles	Sum, thousand . som	
	September 30, 2025	June 30, 2025
Capital of the First level		
Base capital of the First level		
Ordinary shares	13,537,596	8,700,875
Preferred non-cumulative shares (eligible for inclusion in Tier 1 capital).	0	0
Capital contributed in excess of par value	0	0
Reserves for future needs of the bank	0	0
Retained earnings (losses) of previous years	6,655,448	6,382,685
(-) Losses current years	0	0
(-) Intangible assets	806,974	606,911

(-) Investments (in the form of shares or shared participation in capital) to other unconsolidated banks and financial and credit organizations, as well as non-financial organizations	0	0
(-) Deferred tax assets	0	0
Total Base capital of the First level	14, 273, 091	14,473,159
Additional capital of the First level		
Additional capital, contributed by physical and legal entities	0	0

Preferred shares that meet the criteria of the Additional capital of the First level, but not eligible for Basic Capital of the First level	0	0
Other tools capital: indefinite subordinated debt	0	0
(-) Investments in Additional capital of the First level of unconsolidated banks and capital of financial and credit organizations and non-financial organizations (if applicable)	0	0
Total Additional capital of the First level	0	0
Total capital of the First level	14, 273 , 091	14,473,159
Capital of the Second level		
Profit of the current year	5 , 109,4 88	3,502,479
General reserves (acceptable for inclusions): A) "general" reserves on covering potential losses and damages; b) "general" reserves on covering potential losses and damages from assets other than loans	1, 220 , 00 9	1,131,971
Reserves on revaluation securities	0	0
Reserves for translation of foreign currency during consolidation	0	0
Reserve for equalization of profits	0	0
Reserve for covering investment risks	0	0
Part capital and debt tools, approved National bank for inclusion in the Capital of the Second level	0	0
The difference between the selling price of shares included in the Capital of the Second level (Not included in the Capital of the First level) and their par value based on the results of the issue	0	0
(-) Investments in the Capital of the Second level of unconsolidated banks and capital of financial and credit organizations and non-financial organizations (if applicable)	0	0
Total Capital of the Second level	6,329,496	4,634,450
Total net (total) capital	20 , 602 , 587	19,107,609

Information on material facts and decisions of the extraordinary general meeting of shareholders is posted on the website of OJSC Mbank Appendix No. 1 to the financial statements https://mbank.kg/media/about/finance/%D1%84%D0%B8%D0%BD_%D0%BE%D1%82%D1%87%D0%B5%D1%82_%D0%B8%D1%8E%D0%BD%D1%8C_2025.pdf

4) industry structure of loans

Table 3. Industry distribution of clients loans

#	Industry distribution of clients loans, thousand soms	September 30, 2025	June 30, 2025
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1	Loans and financial rent, total	81 , 545 , 767. 3	69,892,019.9
	including:		
2	loans for production	7 7 2 ,583.9	732,803.2
3	loans for rural farming, storage and processing	2 , 991 , 197.3	2,604,014.3
4	loans for trade and services	2 , 337 , 668.5	2,194,766.3
5	loans for construction	4 81 , 332 . 6	414,943.5
6	mortgage	4 , 166 , 181.5	3,592,814.0
7	consumer loans	62,058,940.3	53,165,305.7
8	other loans	8 , 737 , 862.9	7,187,372.9

5) explanations of the differences between the requirements of international financial reporting standards and requirements of the National bank on accounting, including with specifying differences in quantitative data.

The Bank maintains its accounting records in accordance with the requirements of the National Bank of the Kyrgyz Republic and the International Financial Reporting Standards (IFRS). The NBKR requirements differ from the IFRS requirements with regard to the assessment of the provision for impairment of assets, as well as the recognition of interest income on overdue loans to clients, which leads to the following differences in accounting:

	September 30, 2025	June 30, 2025	December 31, 2024
Regulatory provisions for impairment (RPI) on loans to clients and other assets in accordance with NBKR requirements	(4 079 688)	(3,400,983)	(2,476,989)
Expected credit losses (ECL) on loans to clients and other assets in accordance with IFRS 9	(3 208 826)	(2 626 825)	(1,887,681)
Retained earnings according to NBKR requirements	6 655 448	9 885 164	6,493,930
Retained earnings according to IFRS	7 1 61 450	10,315,059	6 830 906
Net Profit for the period according to requirements of the National Bank of the Kyrgyz Republic	5 109 488	3,502,479	6,448,968
Net Profit for period according to IFRS	5 278 515	3,595,398	6,550,688
Clients' loans and financing according to requirements NBKR	82 550 636	71 063 110	4 7 477 690
Clients' loans and financing in accordance with IFRS	82 613 903	71 126 377	4 7 540 956
Other obligations in accordance with the requirements of the NBKR	6,053,251	6,144,350	6,944,279
Other obligations according to IFRS	6,427,077	6,199,081	6,956,637

Full information on the differences between the requirements of International Financial Reporting Standards and requirements of the National bank on accounting is posted on the website of OJSC " Mbank " regarding the financial statements at the link:

<https://mbank.kg/media/about/finance/%D1%84%D0%B8%D0%BD %D0%BE%D1%82%D1%87%D0%B5%D1%82 %D0%B8%D1%8E%D0%BD%D1%8C 2025.pdf>

Provision for impairment of assets

The assessment of the provision for impairment of loans to clients in accordance with the requirements of the NBKR is carried out in accordance with the requirements of the Regulation "On the classification

of assets and corresponding deductions to the reserve to cover potential losses and damages", approved by Resolution of the Board of the NBKR No. 18/3 dated July 21, 2004 (as last amended on June 18, 2025), and the Procedure for applying a special classification of loans that meet certain criteria, approved by Resolution of the Board of the NBKR No. 5/6 dated March 2, 2006 (as last amended on March 19, 2025). The Bank recognizes and calculates expected credit losses in accordance with the requirements of IFRS 9 "Financial Instruments." The ECL assessment is based on the model that takes into account expected losses on financial instruments over the next 12 months or over their entire life, depending on the level of credit risk.

Application of the model requires the use of professional judgment and includes the following key elements:

- Assessment of signs of default, including both quantitative criteria (e.g., overdue payments of more than 90 days, etc.) and qualitative signs of deterioration in the financial condition of the borrower;
- Determination of a significant increase in credit risk (SICR) that affects the transfer of an asset from stage 1 to stage 2 of loss accounting;
- Classification of assets by stages :
 - Stage 1 – assets without signs of SICR (the ECL is calculated for 12 months);
 - Stage 2 – assets with SICR (ECL is calculated for the entire term);
 - Stage 3 – assets with signs of default;
- The key parameters of the model are the probability of default (PD), the amount of debt at default (EAD), the losses under default (LGD) and the discount rate in the form of the effective interest rate;
- The collective assessment is applied to portfolios with homogeneous risk characteristics (consumer loans; loans to small and medium enterprises; corporate loans; mortgage loans; consumer finance under Islamic principles; mortgage finance under Islamic principles; corporate finance under Islamic principles);
- Financial assets classified as purchased or originated credit-impaired (POCI) are assessed based on the risk of default over one or two different periods depending on whether there has been a significant increase in the credit risk of the borrower since initial recognition.
- Inclusion of forecast information based on various economic development scenarios, taking into account their probabilistic assessment. Forecast macroeconomic variables used in the model may be revised based on the results of macroeconomic regression and an analysis of their ability to explain fluctuations in default and loss rates.

Net interest income

Interest income on overdue loans to clients, at the request of the NBKR, is recognized in accordance with the requirements of the "Procedure for assigning the status of non-accrual of interest income", approved by Resolution of the Board of the NBKR No. 11/2 dated April 28, 2004 (as last amended on January 17, 2024).

In accordance with the requirements of IFRS 9 "Financial Instruments," interest income and expense are calculated by applying the effective interest rate to the gross carrying amount of financial assets that are not credit-impaired. If a financial asset becomes credit-impaired, interest income is calculated based on the effective interest rate applied to the net amortized cost of that asset. If a financial asset ceases to be in default or is no longer credit-impaired, the Bank reverts to calculating interest revenue based on its gross amount.

Chairman of the Board

M.B. Ishenbaev

Chief accountant

Raiynbekova M.B.