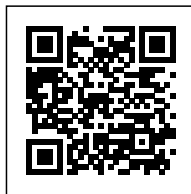


MONGOLIA PAYS OFF CHINGGIS BOND

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The Mongolian government has repaid in full its inaugural USD 1.5 billion Chinggis bond in a bid to manage its debt profile. 10 years ago in 2012, the Government of Mongolia started issuing bonds on the global market for the first time. The Ministry of Finance announced that the remaining payment of USD 136 million of Chinggis bond was paid at the beginning of this month.

Chinggis bond was intended to finance development projects and programs of the country. However, 63% of the finance was spent on the state budget. Specifically, 13% of the bonds were issued as a loan through banks, while 26% was used to fund economic projects implemented by the government. Since 2012, USD 540 million was paid in bond interest and USD 264 million in principal.

Government plans to pay USD 5.4 billion of debt in 2020-2024, out of USD 8.5 billion in debt incurred since 1990. However, the lingering effects of the pandemic and global instability bring a heavy burden on the Mongolian economy. Next year Mongolia must pay the Samurai and Euro bonds.

Since 2012, the Government of Mongolia has issued a total of seven sovereign bonds with a maturity of 3-10 years, including Chinggis, Dim Sum, Mazaalai, Khuraldai, Gerege, Nomad, and Century. The Mongolian Government debt reached MNT 26.9 trillion in 2021, which at current values is equivalent to 50.8 percent of Mongolia's GDP.