

Register number **2649624**

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Form of ownership: State ..... 100 percent private 100percent



**DARKHAN NEKHII JOINT STOCK COMPANY  
FOR THE YEAR 2022  
CONSOLIDATED FINANCIAL STATEMENTS**

Name of organization receiving review	Month and day	Signature

**DARHAN NEHII JSC**  
**consolidated financial statements for the year 2022**  
**statement of fact**

31-Dec-22

Director B. Chinchuluun, accountant Z. Oyuntuya and I, in the financial report of our company issued as a ticket on December 31, 2022, the results of operations and financial status of the reporting period in accordance with clause 18.1 of the Law "On Accounting" confirm that it is accurate and complete. It includes:

1. All transactions have actually occurred and are accurately reflected in the accounting and financial statements based on the relevant primary facts;
2. All calculations included in the financial statements are accurate;
3. The Group comprehensively covered all economic and financial processes of enterprise operations
4. In the results of the reporting period, there are no items that have not been transferred from the transactions of the previous year, and there are no omissions from the transactions of the reporting year;
5. All assets, receivables, liabilities, income and expenses are accurately reflected in accordance with International Financial Reporting Standards;
6. Everything contained in this report is the official property of our organization, and any omissions will be deleted.



Director .....

Accountant.....

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**Darkhan Nekhii Co., Ltd**  
( Name of the group entity )

31-Dec-22

(MNT)

Line number	BALANCE SHEET	Remainder	
		01-Jan	31-Dec
A	B	1	2
<b>1</b>	<b>ASSETS</b>		
<b>1.1</b>	<b>Current assets</b>		
1.1.1	Cash and cash equivalents	3,823,251,227.93	2,809,829,045.34
1.1.2	Accounts receivable	6,311,968,527.69	1,712,965,981.13
1.1.3	Taxes and VAT receivables	1,469,816.42	47,460.00
1.1.4	Other receivables		523,400,571.80
1.1.5	Other financial assets		6,302,637,181.02
1.1.6	Inventory	14,968,340,698.50	16,737,986,579.12
1.1.7	Prepaid expenses/bills	4,393,016,501.29	3,852,250,348.43
1.1.8	Other working capital		-
1.1.9	Non-current assets held for sale	6,032,292,585.08	5,884,575,470.09
<b>1.1.11</b>	<b>Amount of Current assets</b>	<b>35,530,339,356.91</b>	<b>37,823,692,636.93</b>
<b>1.2</b>	<b>Non-current Assets</b>		
1.2.1	Fixed assets	32,352,713,731.30	32,051,022,461.41
1.2.2	Intangible assets	28,274,299.00	177,478,813.95
1.2.3	Biological capital		
1.2.4	Long term investment	6,694,042,799.28	-
1.2.5	Exploration and evaluation assets		
1.2.6	Deferred tax assets		
1.2.7	Real estate for investment		
1.2.8	Other non-current assets		
1.2.9	Unfinished building	2,762,989,487.26	2,626,108,755.15
<b>1.2.10</b>	<b>Amount of non-current assets</b>	<b>41,838,020,316.84</b>	<b>34,854,610,030.51</b>
<b>1.3</b>	<b>TOTAL ASSETS</b>	<b>77,368,359,673.75</b>	<b>72,678,302,667.44</b>
<b>2</b>	<b>LIABILITIES AND OWNERS' EQUITY</b>		
<b>2.1</b>	<b>PAYMENT OF DEBT</b>		
<b>2.1.1</b>	<b>Short-term liabilities</b>		
2.1.1.1	Accounts payable	783,233,844.42	831,724,024.68
2.1.1.2	Payment of wages	7,062,354.66	-
2.1.1.3	Tax debt	3,998,099,567.46	4,926,803,637.35
2.1.1.4	Payment of Social Security	90,035,349.31	27,411,728.92
2.1.1.5	Short term loan	9,003,533,260.48	6,443,187,332.03
2.1.1.6	Interest payable		
2.1.1.7	Dividend Payable	155,567,838.71	57,235,679.56
2.1.1.8	Prepaid income	1,874,285,071.37	1,794,546,720.03
2.1.1.9	Assets (Liabilities)		
2.1.1.10	Other short-term liabilities	77,103,874.85	859,284,189.09
2.1.1.12			
<b>2.1.1.13</b>	<b>Amount of short-term liabilities</b>	<b>15,988,921,161.25</b>	<b>14,940,193,311.65</b>
<b>2.1.2</b>	<b>Long-term liabilities</b>		
2.1.2.1	Long term loan	5,486,043,709.10	2,780,177,229.21
2.1.2.2	Assets (Liabilities)		80,348,898.31
<b>2.1.2.6</b>	<b>Amount of long-term liabilities</b>	<b>5,486,043,709.10</b>	<b>2,860,526,127.52</b>
<b>2.2</b>	<b>Total amount of liabilities</b>	<b>21,474,964,870.36</b>	<b>17,800,719,439.18</b>
	<b>Owner's property</b>		
2.3.1	Property : - state		
2.3.2	- personal	10,445,617,699.16	110,547,900.00
2.3.3	- stock	1,000,000.00	
2.3.4	Pocket stock	(16,428,492.00)	(16,428,492.00)
2.3.5	Additional paid-in capital	(106,648,582.98)	(106,648,582.98)
2.3.6	Capital revaluation surplus	19,334,524,604.00	19,568,028,504.47
2.3.8	Other parts of the owner's property	8,659,891,438.25	10,344,592,505.25
2.3.9	Accumulated profit	17,575,438,136.96	21,335,464,393.53
2.3.11	Per shareholders of the parent company		
2.3.12	Per non-controlling interest		3,642,027,000.00
2.3.13	<b>Owner's Equity Amount</b>	<b>55,893,394,803.39</b>	<b>54,877,583,228.3</b>
<b>2.4</b>	<b>LIABILITIES AND OWNERS' EQUITY</b>	<b>77,368,359,673.75</b>	<b>72,678,302,667.44</b>

Director \_\_\_\_\_ (.....)

Accountant \_\_\_\_\_ (.....)

**DETAILED STATEMENT OF CONSOLIDATED INCOME**

**Darkhan Nekhii Co., Ltd**  
( Name of the group entity )

2022-12-31

(MNT)

Line number	Indicator	Amount of previous year	Amount for the reporting period
1	Sales revenue (net)	23,414,301,028.88	17,361,702,603.42
2	Cost of sales	16,014,786,075.13	14,088,754,261.28
3	<b>Total profit( loss)</b>	<b>7,399,514,953.74</b>	<b>3,272,948,342.14</b>
4	Service income	2,361,407,196.03	1,498,359,103.06
5	Interest income	472,147,515.23	391,206,899.55
6	Dividend income		
7	Royalty revenue		16,530,000.00
8	Other income	924,834,531.72	5,631,859,817.25
9	Sales and marketing expenses	1,057,067,511.14	1,872,230,247.93
10	General and administrative expenses	2,883,110,834.18	1,418,910,953.00
11	Financial costs		
12	Other cost	3,183,195,738.38	3,285,843,283.05
13	Foreign exchange gain (loss)	9,779,300.44	
14	Gain (loss) on capital asset write-off		
15	Gain (loss) on derecognition of intangible assets		
16	Gain (loss) on sale of investment		
17	Profits and losses of subsidiaries attributable to the parent company		
18	Joint venture profit and loss attributable to the parent company		
19	Other Profit (Loss)	2,040,634.97	(3,108,177.64)
20	<b>Profit (loss) before tax</b>	<b>4,046,350,048.43</b>	<b>4,230,811,500.38</b>
21	Income tax expense	404,635,004.84	532,146,231.13
22	<b>Profit (loss) after tax</b>	<b>3,641,715,043.59</b>	<b>3,698,665,269.25</b>
0	Profit (loss) after tax from discontinued operations		
22.1	<b>Net profit (loss) for the reporting period</b>	<b>3,641,715,043.59</b>	<b>3,698,665,269.25</b>
22.2	<b>Of this:</b>		
23	<b>Shareholders of the parent company</b>		
23.1	Non-controlling interest		
23.2	Other comprehensive income		
23.3	Difference in capital revaluation increments		
23.4	Foreign currency conversion differences		
23.4.1	Other detailed income amounts		
	<b>Total income</b>	<b>3,641,715,043.59</b>	<b>3,698,665,269.25</b>
	Profit (loss) per share basic		

Director \_\_\_\_\_)

Accountant \_\_\_\_\_)



**CONSOLIDATED STATEMENT OF CASH TRANSACTIONS**

**Darkhan Nekhii Co., Ltd**  
( Name of the group entity )

2022-12-31

(MNT)

Line number	Indicator	Amount of previous year	Amount for the reporting period
<b>1</b>	<b>Cash flow from operating activities</b>		
<b>1.1</b>	<b>Amount of cash income (+)</b>	<b>30,876,903,551.55</b>	<b>27,143,878,374.60</b>
1,1,1	Income from the sale of goods and services	30,299,222,028	25,912,147,079.98
1,1,2	Revenue from royalties, fees and charges	478,964,649	460,254,286.19
1,1,3	Money received from the insurance spouse		
1,1,4	Tax refund		
1,1,5	Subsidy and financing income		
1,1,6	Other cash income	98,716,875	771,477,008.43
<b>1.2</b>	<b>Amount of money spent (-)</b>	<b>30,511,302,339.93</b>	<b>19,416,498,975.07</b>
1,2,1	Paid to employees	2,437,068,112	4,045,043,714.96
1,2,2	Paid to Social Security	772,445,799	1,259,519,606.25
1,2,3	Paid for the purchase of inventory	17,458,590,745	8,792,094,562.73
1,2,4	Paid for operating expenses	264,198,983	1,382,512,298.11
1,2,5	Paid for fuel, transportation and spare parts	803,209,003	604,219,915.80
1,2,6	Paid for interest	1,279,819,104	774,130,210.73
1,2,7	Paid to the tax authorities	1,019,552,961	1,568,043,404.53
1,2,8	Paid for insurance	138,512,193	21,996,915.00
1,2,9	Other monetary expenses	6,337,905,440	918,942,243.55
	Money transferred for sales expenses		49,996,103.40
<b>1.3</b>	<b>Amount of net cash flow from operating activities</b>	<b>365,601,211.62</b>	<b>7,727,379,399.53</b>
<b>2</b>	<b>Cash flows from investing activities</b>		
<b>2.1</b>	<b>Amount of cash income (+)</b>	<b>1,350,918,078.44</b>	<b>627,481,394.89</b>
2,1,2	Income from sale of fixed assets	878,617,947	50,939,529.00
2,1,3	Income from the sale of intangible assets		
2,1,4	Income from sale of investment		
2,1,5	Income from sale of other long-term assets		
2,1,6	Repayment of loans and cash advances to others		305,000,433.09
2,1,7	Interest income received	472,300,131	271,541,432.80
2,1,8	Dividends received		
<b>2.2</b>	<b>Amount of money spent (-)</b>	<b>676,404,938.72</b>	<b>1,974,047,794.43</b>
2,2,1	Paid for acquiring fixed assets	262,671,826	1,666,840,294.43
2,2,2	Paid to acquire intangible assets	6,950,000	4,605,500.00
2,2,3	Paid to acquire investment		
2,2,4	Paid to acquire and hold other long-term assets	105,000,000	302,602,000.00
2,2,5	Loans and advances to others	301,783,113	-
<b>2.3</b>	<b>Amount of net cash flow from investing activities</b>	<b>674,513,139.72</b>	<b>(1,346,566,399.54)</b>
<b>3</b>	<b>Cash flow from financing activities</b>		
<b>3.1</b>	<b>Amount of cash income (+)</b>	<b>21,300,129,355.72</b>	<b>1,579,705,464.78</b>
3,1,2	Received from loans and debt securities	21,300,129,356	1,500,000,000.00
3,1,3	Received from the issuance of shares and other equity securities		
3,1,5	Refunds of advances and payments received from others		79,705,464.78
<b>3.2</b>	<b>Amount of money spent (-)</b>	<b>19,099,720,020.67</b>	<b>8,973,940,647.36</b>
3,2,1	Paid for loans and debt securities	14,082,864,242	8,739,707,327.92
3,2,2	Paid for finance leases		
3,2,3	Paid to buy back shares	5,000,000,000	
3,2,4	Dividends paid		227,869,986.44
3,1,4	Various donations	16,855,779	6,363,333.00
3,2,5	exchange rate differences		
<b>3.3</b>	<b>Amount of net cash flow from financing activities</b>	<b>2,200,409,335.05</b>	<b>(7,394,235,182.58)</b>
<b>4</b>	<b>All net cash flows</b>	<b>3,240,523,686.38</b>	<b>(1,013,422,182.59)</b>
<b>5</b>	<b>Cash and cash equivalents, at the beginning of the year</b>	<b>582,727,542</b>	<b>3,823,251,227.93</b>
<b>6</b>	<b>Cash and cash equivalents, at the end of the year</b>	<b>3,823,251,228</b>	<b>2,809,829,045.34</b>

Director \_\_\_\_\_ (.....)

Accountant \_\_\_\_\_ (.....)

Darkhan Nekhil Co., Ltd

Register: 02649624

2022-12-31

STATEMENT OF CHANGES IN CONSOLIDATED OWNERSHIP

No	Indicator	Property	Pocket stock	Additional paid-in capital	Capital revaluation surplus	Foreign currency translation reserve	Other parts of the owner's property	Accumulated profit	Total	Non-controlling interests
1	Balance as of December 31, 2020	3,753,574,900	(16,428,492)	(106,648,583)	19,334,524,604	-	7,353,587,207	11,100,750,100	41,419,359,736	3,678,284,252
2	Effect of changes in accounting policies and correction of errors	5,284,310,149	-	-	-	-	-	2,832,973,144	8,117,233,293	(3,977,859,852)
3	Corrected Balance	9,037,885,049	(16,428,492)	(106,648,583)	19,334,524,604	-	7,353,587,207	13,933,723,243	49,536,643,028	(299,575,600)
4	Net profit (loss) for the reporting period	-	-	-	-	-	-	3,641,715,044	3,641,715,044	-
5	Other comprehensive income	-	-	-	-	-	-	-	-	-
6	Changes in ownership	1,408,732,650	-	-	-	-	1,306,304,232	-	2,715,036,882	-
7	Dividend declared	-	-	-	-	-	-	-	-	-
8	Realized amount of revaluation increment	-	-	-	-	-	-	-	-	-
9	Balance as of December 31, 2021	10,446,617,699	(16,428,492)	(106,648,583)	19,334,524,604	-	8,659,891,438	17,575,433,287	55,893,394,953	(299,575,600)
10	Effect of changes in accounting policies and correction of errors	(10,336,069,799)	-	-	-	-	-	-	(10,336,069,799)	3,941,602,600
11	Corrected Balance	110,547,900	(16,428,492)	(106,648,583)	19,334,524,604	-	8,659,891,438	17,575,433,287	45,557,325,154	3,642,027,000
12	Net profit (loss) for the reporting period	-	-	-	-	-	-	3,698,665,269	3,698,665,269	-
13	Other comprehensive income	-	-	-	-	-	-	-	-	-
14	Changes in ownership	-	-	-	-	-	1,684,701,067	61,360,837	1,746,061,904	-
15	Dividend declared	-	-	-	-	-	-	-	-	-
16	Realized amount of revaluation increment	-	-	-	233,503,900	-	-	-	233,503,900	-
17	Balance as of December 31, 2022	110,547,900	(16,428,492)	(106,648,583)	19,568,028,504	-	10,344,592,505	21,335,464,394	51,235,556,228	3,642,027,000

Director \_\_\_\_\_

Accountant \_\_\_\_\_

